

Q2 FY'26
CONFERENCE CALL
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315	Ajax Engineering Ltd
316	Rajesh Power Ltd
317	Zuari Industries Ltd
318	GRP LTD
319	Best Agrolife Ltd
320	IGL
321	Control Print
322	Talbro's Auto Ltd
323	Oswal Pumps Ltd
324	Concord Biotech Ltd
325	Macpower CNC Ltd

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329	True Colors Ltd.
330	Nisus Finance Services Co. Ltd
331	Kaka Industries Ltd
332	Kilburn Engineering Ltd
333	MCON Rasayan India Ltd
334	Marvel Decor Ltd
335	Forcas Studio Ltd
336	Inflame Appliances Ltd
337	Pranik Logistics Ltd
338	Carraro India
339	Asian Energy Services
340	Max Healthcare Ltd
341	Narayana Hrudayalaya Ltd
342	Krishna Defence & Allied Industries Ltd
343	Exide Industries
344	Vishnu Prakash R Punglia Ltd
345	Arham Technologies Ltd
346	QMS Medical Allied Services Ltd
347	Eppeltone Engineers Ltd
348	Sastasundar Ventures Ltd
349	Uniparts India Ltd
350	Rishabh Instruments Ltd
351	V2 Retail Ltd
352	New India Assurance Company Limited

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354	Ameenji Rubber Ltd
355	Sugs Lloyd Ltd
356	Praveg Limited
357	BEW Engineering Ltd
358	ICE Make Refrigeration Ltd
359	Manoj Ceramic Ltd
360	Everest Kanto Ltd
361	Kranti Industries Ltd
362	Tolins Tyres Ltd
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364	Accretion Pharmaceuticals Ltd
365	Creative Graphics Solutions India Ltd
366	Pace Digitek Ltd

Madhya Bharat Agro Products Ltd- Q2FY26 Concall Highlights**Outlook**

Madhya Bharat Agro Products Ltd is well-positioned for sustained growth backed by strong fertilizer demand, healthy capacity utilization, and timely subsidy disbursements. With record production levels and strategic capacity expansions at Dhule and Sagar progressing on schedule, the company is set to enhance its product mix and regional reach. Favorable agro-climatic conditions and supportive government policies toward balanced nutrient fertilizers further strengthen earnings visibility for H2 FY26 and beyond.

Financial Highlights

Revenue stood at INR 4,502 Mn reflecting 61.8% YoY and 9.9% QoQ growth driven by SSP capacity utilization.

EBITDA stood at INR 618 Mn reflecting 70.5% YoY and 8.8% QoQ growth.

EBITDA Margin for the quarter is 13.7%.

PAT stood at INR 305 Mn reflecting 121% YoY and 8.2% QoQ growth.

Revenue split into H1FY26: SSP contributed INR 2,780 Mn and NPK INR 5,120 Mn with balance from non-subsidized products.

Operational Performance

Highest-ever quarterly fertilizer production of 1,18,541 MT and H1 fertilizer production at 2,24,517 MT.

Quarterly sales volume at 1,35,187 MT and H1 sales were at 2,34,705 MT due to strong demand.

SSP sales peaked at 78,555 MT in Q2FY26 and H1 sales at 1,18,418 MT.

NPK sales peaked at 56,632 MT in Q2FY26 and H1 sales at 1,16,288 MT.

Backward integration: BRP quarterly crushing at 45,263 MT with 96% utilization and H1 BRP at 81,465 MT with 86% utilization.

Sulfuric acid production: Q2 at 37,100 MT with 90% utilization and H1 at 81,892 MT with 99% utilization.

Expansion and Capex

Dhule, Maharashtra: On-schedule for integrated DAP/NPK/SSP plant. Annual capacities: DAP/NPK (3,30,000 MT), phosphoric acid (99,000 MT), sulfuric acid (1,98,000 MT), SSP (3,30,000 MT). INR 2,020 Mn in term loans sanctioned and INR 750 Mn disbursed. Cumulative spend at INR 1,990 Mn as of Sep 30, 2025. Commissioning is expected by October 2026.

Sagar, MP: Capacity expansion for NPK/DAP/sulfuric acid underway — DAP/NPK (90,000 MT), sulfuric acid (165,000 MT). INR 730 Mn loan from HDFC; INR 310 Mn spent so far. Plant commissioning by March 2026.

Total Capex for FY26 projected at INR 4,000 Mn, entire Sagar and Dhule investment expected at INR 7,000 Mn (INR 4,300 Mn via debt, remaining by internal accruals).

Guidance

H2 FY26 performance expected in line with H1, barring segmental price uptick due to cost pass-through.

Cash conversion cycle seen stable and subsidy disbursement remains prompt, not impacting Q3 sales.

EBITDA/ton guidance: NPK at ~INR 6,000/ton and SSP at ~INR 1,800/ton.

Margins for new Maharashtra plant (Dhule) are expected to be slightly higher due to logistics savings.

Other Highlights

Company benefited from a favorable monsoon and improved rural economy, driving strong fertilizer demand and record production/sales.

Improved soil conditions and increased reservoir levels support constructive fertilizer offtake for the upcoming rabi season.

Global supply disruptions, especially DAP export restrictions by China and lower domestic DAP production, have created significant deficits, heightening demand for alternatives.

Government policy continues to encourage balanced crop nutrition via increased NPK output and promotion of value-added phosphatic fertilizers.

Tata Elxsi Ltd– Q2 FY26 Key Takeaways

Overview

Tata Elxsi reported a steady performance in Q2 FY26, reflecting improving execution and operational efficiency. Revenue stood at INR 9.3 Bn, up 2.6% sequentially and 9.2% year on year. EBITDA was INR 2.3 Bn with a margin of 24.7%, expanding by 60 bps quarter on quarter, supported by higher offshoring and cost control. Net profit rose 3% sequentially and 8% year on year to INR 1.9 Bn.

Segmental Performance

Transportation: Growth remained modest at 2% quarter on quarter, as OEM spending stayed cautious amid weak demand sentiment. EV programs and software-defined vehicle initiatives continued to gain traction.

Media and Communications: Delivered mid-single-digit growth, driven by increased spending in OTT, broadcast, and connectivity transformation projects.

Healthcare: Reported 6% sequential growth, supported by strong demand in digital health and regulatory engineering services.

Operational Highlights

Offshore revenue mix improved by 120 bps quarter on quarter, aiding profitability.

Net addition of over 400 employees during the quarter, taking total headcount to around 12,300.

Utilization improved sequentially while attrition continued to decline.

Continued investments in artificial intelligence, digital design, and software-defined mobility solutions to strengthen positioning across key industries.

Financial Highlights

Revenue: INR 9.3 Bn

EBITDA: INR 2.3 Bn

EBITDA Margin: 24.7%

PAT: INR 1.9 Bn

Outlook

Tata Elxsi remains focused on sustaining margin improvement and pursuing growth opportunities in healthcare, media, and next-generation mobility solutions. The company expects a gradual recovery in the automotive segment and continued traction in digital transformation programs to support growth momentum in the coming quarters.

Elecon Engineering Q2FY26 Concall Highlights

Outlook: Revenue is expected to be INR 26.5bn (+19% YoY) and EBITDA margins are expected to be 24% in FY26E. International projects execution is expected to accelerate in H2FY26E. The demand remains strong in the power, cement, and ports sectors. The OEMs are satisfied with trials; however, orders are expected to be slower due to the geopolitical climate. P-17 Bravo project tenders are expected by Q3FY26E, and orders are expected to be finalized by Q3/Q4FY27E. The gear division is witnessing challenges and is expected to normalize through product mix and improving operating leverage. We anticipate that substantial improvement is expected from Q4FY26E onwards. We have a neutral outlook on the stock.

Revenue

The revenue is expected to be INR 26.5bn (~19% YoY) in FY26E.

Margins

EBITDA margins are expected to be 24% in FY26E.

Order book

The order book stood at INR 12.26bn (+26.9% YoY) as of Q2FY26. The breakup was gears – INR 7.71bn and MHE – INR 4.55bn.

The order inflow stood at INR 6.88bn (+28% YoY) in Q2FY26. The domestic orders were INR 5.16bn and INR 1.72bn from overseas.

Capex

The capex is expected to be INR 4bn over the next 2-3 years, funded through internal accruals.

Gears

Gear division margin contracted by 130 bps to 19.5% in Q2FY26, due to a change in product mix and accelerated depreciation on newly capitalized assets.

Gears' product mix was catalogue products – 54% and Engineered products – 46%.

International

International revenue share stood at 21% in Q2FY26. The company is targeting a 50% share by FY30E. The company is focused on penetrating new territories such as South America, Europe, and parts of the Middle East and Asia.

Export margins are better than domestic margins.

Some of the projects slowed down due to the geopolitical environment in the international markets.

OEMs

The company has longboarded 18 OEMs so far. The clients are satisfied with trials; however, slower orders are expected due to the geopolitical climate. The orders are expected to be INR 300-400mn from OEMS, and margins remain stable despite competitive pressures.

Defense

P-17 Alpha project is nearing completion, and tenders for P-17 Bravo project are expected by Q3FY26E. The orders are expected to be finalized by Q3/Q4FY27E.

The potential defense orders are related to Next Generation Missile Vessels and Next Generation Offshore Patrol Vessels.

Demand

Demand remains healthy from the power, cement, and port sectors. The company received a large order of INR 800mn from the power sector.

Sugar sector order inflows are slower, and pipelines remain healthy for the next crushing season in FY27E.

Waaree Renewable Technologies Ltd Q2FY26 Concall KTAs

The company reported its highest-ever quarterly revenue at 774.78 Cr, achieving 28.45% QoQ and 47.37% YoY growth, EBITDA coming at 158 Cr (34.37% QoQ/120.7% YoY) and PAT at 116.34 Cr (34.7% QoQ/117.4% YoY) in Q2FY26, driven by strong execution and healthy demand in the domestic EPC market.

Outlook

Management expressed strong optimism about the long-term growth of the solar EPC sector, dismissing concerns about a slowdown post-FY27E. India's renewable target and the consistent addition of 40-50 GW annually suggest that growth could continue beyond FY27E. The company plans to build its position as a leading EPC and O&M player, while gradually building IPP assets and exploring new-age opportunities in BESS and data centers. It is expanding its base in EPC and BESS side by focusing on integrated project execution like solar + storage + transmission. Looking to enter into high-potential emerging sectors such as data centers, cooling solutions. Order Book and Execution

Strong Pipeline

Company's unexecuted order book stood at 3.48 GW, providing healthy visibility for the next 12-15 months. The company booked 1.8 GW of new orders during H1FY26 resulting in consistent inflow from both government and private sector clients.

In H1FY26, the company executed 1.6 GW worth of projects, which is already surpassing the full-year execution of FY25 of 1.5 GW.

Domestic order book accounts to entire order book, focusing on large ground-mounted solar EPC projects. Projects range in size from 100 MW to 2 GW, with both fixed-price and mixed-scope contracts, consisting of pure EPC and turnkey.

Turnkey projects include module supply, while pure EPC projects exclude module procurement.

The company's execution remains on track and the company continues to rebook new projects as older ones reach completion.

Guidance

Company maintains a base EBITDA margin guidance of 15%, which it considers sustainable.

Execution efficiencies often push realized margins to 16-20%, depending on project complexity and scale.

The margin expansion in Q2FY26 is at 20.4%, was driven by improved procurement management, scale benefits, and project optimization.

Management reiterated that they are selective in bidding, accepting only those projects that meet internal risk-reward metrics.

Contracts are budgeted thoroughly before bidding to ensure minimum margin protection.

Revenue Streams

Company operates across three revenue verticals, first is EPC business and primary revenue driver, second is O&M, the company is expanding its service reach by adding newly executed projects to its O&M portfolio. A recent 4.12 MW project was brought under O&M operations in Q2FY26. Third one is the IPP, currently is small scale but steadily expanding. It provides long-term annuity-type income for 20-25 years.

Segmental Outlook

Company approved new IPP projects of 14 MW x 2 in Maharashtra and 37 MW in Rajasthan, adding to its existing 54 MW portfolio. Funded largely through internal accruals and minimal leverage.

EPC will continue to dominate revenues at around ~70%, while O&M and IPP will gradually scale up as secondary growth drivers.

Sector Tailwinds

India's renewable energy transition continues to gain momentum. Non-fossil fuel capacity has surpassed 250 GW, achieving half of India's 500 GW 2030 target.

Solar capacity reached 127.3 GW, with ground-mounted projects contributing 97.1 GW, rooftop solar 21.5 GW, hybrid systems 3.3 GW, and off-grid 5.4 GW.

Policy Support

GST on solar modules reduced from 12% to 5%, improving project returns and encouraging new investments.

Government programs like PM Surya Ghar Muft Bijli Yojana and PM Kusum Yojana expected to drive rooftop installations to ~34.8 GW by March 2026.

Market Opportunity

The current project pipeline across utilities and private players is ~27 GW, ensuring continuous EPC demand over the next several years.

Operational Highlights**Transmission & Substation EPC**

The company has entered this vertical, executing a 400 kV substation and transmission order.

It possesses the technical qualification to execute higher voltage projects up to 765 kV.

Company expects future orders to include standalone transmission projects or solar-plus-transmission hybrid packages.

Liquidity

Despite strong growth, operating cash flow remained stable at INR 84 Cr due to high execution activity. This is expected to improve in H2FY26 as billing accelerates.

The company remains asset-light with only INR 20 Cr term loan, mainly for IPP projects.

Battery Energy Storage System (BESS)

Company currently executing 40 MWh worth of BESS-linked EPC projects. There is no direct CapEx planned and company's focus remains on providing EPC solutions for projects that include battery storage.

Management sees BESS as a key future growth driver, as storage will be essential for grid stability and hybrid solar projects.

The company is actively participating in tenders and exploring integration opportunities with upcoming solar bids.

New Business Opportunities**Cooling Solutions Investment**

It has acquired 3% stake in a cooling solutions company providing industrial and commercial cooling systems.

Identified synergy between cooling infrastructure and rooftop solar opportunities, where solar EPC can complement cooling installations.

Data Center Opportunity

The company has focused to participate in EPC contracts for data centers, recognizing the rising power demand from the AI and cloud computing sector.

Current domestic data center capacity stands at 250-300 MW, expected to grow to 1 GW in 4-5 years.

The company is building internal capability to capitalize on this growth and exploring partnership for EPC projects in the data center segment.

Order Book Quality and Client Mix

Majority of the orders are from third-party clients, with limited dependence on the parent company Waaree Energies.

Revenue contribution from Waaree Energies is minor. The procurement of modules, when applicable, is done on an arms-length basis with competitive pricing.

Order execution includes a mix of pure EPC and turnkey contracts, with realization varying between INR 1 Cr to 1.3 Cr per MW, depending on project scope.

Market and Competition

The company sees robust industry demand driven by strong government focus on renewable expansion. Competitive intensity remains high but is seen as healthy for industry maturity.

The company maintains strict bidding discipline and avoids low-margin orders to preserve profitability and quality.

There is no major execution or pricing pressure currently and remains confident in sustaining performance levels achieved in H1FY26.

HCL Tech Q2FY26 Concall KTAs

HCLT raised FY26 IT services revenue growth guidance to 4–5% CC (from 3–5%), while maintaining overall growth at 3–5% CC due to software softness from lower perpetual license sales. EBIT margin guidance remains at 17–18%, factoring in wage hike impacts of 70–80 bps in Q3 and 40–50 bps in Q4. The company's Q2 indicates better revenue quality, driven by \$2.6 bn in new bookings and growing AI adoption. AI revenue crossed \$100 mn (~3% of total) with the AI Force platform expanding to 47 accounts. Strong traction in BFSI, TMT, and rising momentum in Retail, CPG, and HLS support steady growth, improved conversion, and higher productivity from AI-led efficiency.

Renewals: AI embedded in most renewals; 5 of top 10 renewals saw higher ACV, while a few declined due to productivity-linked pricing.

Strategic Focus: Growing IP and platform-based revenue to enhance competitiveness and client stickiness.

Vertical Trends: Sequential growth led by Life Sciences & Healthcare and Public Services and BFSI and Tech saw double-digit YoY growth, while Manufacturing remained weak.

Demand Drivers: AI-led modernization and legacy upgrades remain key growth areas discretionary spend expected to recover.

Restructuring: Optimization to continue till Q4FY26 and one-time cost slightly above 40 bps guidance but aimed at boosting efficiency.

Operational Outlook: Confident of maintaining margins through productivity and Project Ascend initiatives.

Sector Outlook: Demand healthy in BFSI, Tech, and Telecom; improving in Retail/CPG and Manufacturing mixed.

Asset-Light Model: Continues asset-light strategy, focusing on AI data center management services for hyperscalers.

Infrastructure Services: Early signs of an IMS upcycle driven by GPU-led infra upgrades, with medium-term growth potential.

AI momentum has transitioned from pilots to monetization, with HCL Tech becoming the first Indian IT firm to disclose standalone AI revenue \$100 mn (~3% of Q2 revenue) from its Advanced AI business (Agentic AI, Physical AI, AI Engineering, AI Factory, etc.). Growth was driven by differentiated IPs aimed at scaling enterprise AI adoption. The AI Force platform expanded to 47 accounts (vs 35 in Q1), targeting 100. HCLT remains focused on an asset-light model and selective IP investments to enhance portfolio stickiness and non-linearity.

Net headcount addition and a 1.8% YoY rise in per-employee revenue reflect strong demand and healthy execution aligned with solid booking momentum.

EBIT margin rose 110 bps QoQ to 17.4%, driven by operational efficiencies, though partly offset by higher outsourcing costs (up 8.1% QoQ and 19.4% YoY).

Declared an Interim Dividend of INR 12/- per equity share.

Attrition remains stable at 12.6%

ICICI Lombard General Insurance Company – Q2FY26 Concall KTAs

Outlook: GST reforms are seen as a strong structural tailwind for both retail health and motor segments. The company expects growth to revive in H2FY26, supported by festive demand and disciplined pricing. The focus remains on profitable growth rather than purely chasing volume. ROE and combined ratio are expected to stay within guided ranges, with ROE of 18–20% and a combined ratio around 103–104%. Management expressed cautious optimism on motor third-party tariff revisions, anticipating an upward adjustment in the near term.

Financial Performance

GDPI stood at INR 143,300 Mn in H1FY26, down 0.5% YoY, compared with industry growth of 7.3%. Excluding the crop and mass health segments, GDPI grew 3.5% YoY, versus the industry's 10.5% growth.

GWP stood at INR 151,100 Mn, up 1.6% YoY.

Investment income stood at INR 25,400 Mn, up 12.7% YoY. PAT was INR 15,700 Mn, a 22.9% YoY increase.

ROE improved to 20.8%, compared with 20.3% in the previous year.

Solvency ratio stood at 2.73x as of September 2025, compared with 2.69x in March 2025. The company declared an interim dividend of INR 6.5 per share, higher than INR 5.5 per share in the previous year.

Segmental Performance

Health Insurance: Overall health segment GDPI grew 4.2% YoY, compared with the industry growth of 7.8%. Retail health business reported a strong 25.2% YoY growth, significantly outperforming the industry growth of 9.3%. The company market share increased from 3.2% to 3.7%, and even crossed 4% in September 2025. The loss ratio remained within the target range of 65–70%. Group health segment declined 0.6% YoY, impacted by muted corporate disbursements. The company maintained a strong focus on expanding retail distribution and enhancing digital adoption. Claim settlement within 30 days stood at 99.6%.

Motor Insurance: The motor segment reported a 2.2% YoY growth in GDPI, compared with the industry growth of 7.6%. Growth in September was strong at 6.5%, driven by the GST rate cut and festive season demand. The company maintained its leadership position with a 10.4% market share, though slightly lower than 10.9% in the previous year. The portfolio mix continues to shift toward private cars, which now account for 54% of the portfolio, while exposure to commercial vehicles has reduced to 20%. The combined ratio stood at around 104%, and the motor loss ratio was 66.6%, remaining within the guided range of 65–67%. The company continues to adopt a cautious approach to pricing, given the high competitive intensity in the motor segment.

Commercial Lines: The commercial lines segment grew 6.5% YoY, compared with the industry growth of 14.2%. The fire segment showed a sharp recovery, rising 27.3% in Q2 and 36% in September. The company retained its leadership position across key segments such as engineering, liability, and marine. While some underwriting volatility was observed due to CAT losses, the company remains focused on risk-based, profitable growth.

Operational Highlights

The company continued to strengthen its digital and customer engagement platforms. The “IL TakeCare” app recorded 18.4 Mn downloads, more than doubling from 8.8 Mn last year. Premiums sourced through the app also doubled to INR 2,088 Mn, compared with INR 888 MN in the previous year. Customer satisfaction remained strong, with Net Promoter Scores of 72 in health and 66 in motor, placing the company in the top quartile within the industry.

In health claims support, over 58,000 customers were served, with 94% rating the service 4.5 out of 5 or higher. Dedicated service desks for senior citizens and high-value customers handled around 96,000 calls and generated 3,000 cross-sell leads. The company's distribution network remained robust with 1.47 lakh agents, up 3% QoQ. Operational efficiency also improved, with 96% of motor claims settled within 30 days.

Krishana Phoschem Ltd Q2FY26 Key Takeaways

Outlook Overview

Krishana Phoschem reported its strongest half-year performance characterized by robust revenue and profit growth driven by sustained high plant utilisation and healthy demand for its products. The quarter was marked by record operational metrics across production and sales volumes, underscoring the company's execution capabilities in a challenging input cost environment.

Industry and Market Environment

Strong monsoon in Kharif 2025 season with rainfall exceeding long-term averages stimulated healthy sowing activity and robust demand for phosphatic fertilizers ahead of the Rabi season.

The government's continued focus on fertilizer self-reliance led to significant growth in domestic fertilizer production: urea production rose 35% and DAP/NPK output surged 44% in FY24-25, thus stabilizing supply amid geopolitical and export disruptions globally.

The SSP segment witnessed resilient growth, supported by cost-conscious small and medium farmers adopting balanced nutrient solutions.

Raw material costs remained elevated, with rising prices of sulfur, potash, and rock phosphate; a marginal softening in ammonia prices provided limited relief on input cost pressures.

MSP hikes across all mandated Rabi crops and policy emphasis on balanced crop nutrition boosted the demand environment for Krishna's complex fertilizers and SSP product portfolio.

Operational Performance

Achieved record quarterly fertilizer production of 95,783 metric tons and half-year production of 190,005 metric tons, reflecting scale and operational efficiency improvements.

SSP capacity utilisations stood at an exceptional 111% for Q2, with sales volumes reaching record highs of 49,389 metric tons for the quarter and 75,359 metric tons for the half-year.

NPK sales sustained robust momentum with volumes of 72,102 metric tons in Q2 and 137,081 metric tons for H1.

Value-added chemical production showed high capacity utilisations: VRP crushing at 78% in Q2 and 87% in H1; sulfuric acid at 71% quarterly and 79% for H1; phosphoric acid at 67% utilisation consistently.

Working capital management remained steady with no signs of tightening in subsidy flows or delayed payments, supporting healthy cash cycle.

Strategic Expansion and Sustainability

Meghnagar expansion project remains on schedule for March 2026 commissioning, targeting incremental 165,000 metric tons of NPK/DAP capacity and 99,000 metric tons of sulfuric acid, at a planned investment of INR 1.42 bn.

Expansion funding sourced through INR 0.75 bn term loan and internal accruals.

Active pursuit of additional capacity enhancements to capture evolving market opportunities.

Selected as preferred buyer of green ammonia under SECI's site scheme; entering a long-term supply partnership with NTPC for 70,000 metric tons per annum, advancing import substitution and green energy policy objectives.

Product Innovation and Market Positioning

Continued R&D focus on fortified fertilizers such as Annadata Super Six and Bharat Urea SSP aimed at enhancing nutrient efficiency and bridging micronutrient deficiencies in soils.

Fortified SSP variants, such as Urea SSP, positioned strategically as substitutes to DAP, enhancing Krishna's competitive differentiation in key markets.

Potential policy shifts including periodic urea price adjustments and increased subsidies on phosphatic and potassic fertilizers expected to further underpin demand for Krishna's core fertilizer portfolio.

Bank Of Maharashtra - Q2FY26 Concall KTAs

Outlook: The bank expects to maintain its NIM guidance at 3.75%, with minimal further contraction anticipated. CASA is projected to remain above 50%, supporting stable margins. Credit costs are expected to stay stable, while growth will be driven by the retail, MSME, and IBU segments. Although the Agri portfolio is facing some short-term stress due to adverse weather conditions, normalization is expected in the coming quarters.

Financial Performance

In Q2FY26, net profit increased by 23% YoY to INR 16,330 Mn, while operating profit grew by 17% YoY to approximately INR 25,000 Mn.

The NIM stood at 3.85%, exceeding the guidance of 3.75%, while the cost-to-income ratio improved to 37.1%.

Capital adequacy stood at approximately 18%, with plans to raise INR 10,000–15,000 Mn within FY26 at an “opportune time.”

ROA stood at 1.82%, with a Gross NPA of 1.72%, Net NPA of 0.18%, a Provision Coverage Ratio of 98.37%, and a credit cost of ~ 0.4–0.45%.

Business Growth & Asset Quality

Advances grew 17% YoY, with the CD ratio at 82%. The SMA 1 & 2 book declined from 2.61% to 1.87%, improvement of 74 bps. The retail segment is driving growth, with home loans up approximately 30%, gold loans up 47%, and vehicle loans up 49%. The retail loan book is primarily focused on prime and super-prime borrowers with CIBIL scores above 681. Agricultural NPAs were slightly elevated due to floods and adverse weather but are expected to normalize within 1–2 quarters as the bank shifts towards investment credit.

Deposits & CASA Strategy

Deposits grew 12.1% YoY, with CASA growing faster at ~ 15%. Bulk deposits declined by 9.9%, reflecting a focus on low-cost funding. The CASA ratio stood at 50.35%, well above the industry average of around 37%. The bank has revamped its mobile banking platform for faster customer onboarding and transactions and established dedicated verticals for institutional CASA mobilization, targeting government, corporates, and ministries. Maintaining a CASA ratio above 50% remains a key focus to support margins.

Initiatives & Expansion

International Business: The Gift IBU became operational this quarter, booking \$100 Mn in business in less than 6 months. The bank is targeting a \$1 bn book over the next 12 months.

Branch Network Expansion: Under “Project C21,” the bank plans to open 321 new branches over the next 18 months. The expansion will focus on high-potential growth centers and 5 key states outside Maharashtra, with each branch evaluated against clear performance metrics.

Other highlights:

Fundraising planned within FY26 to support loan growth.

The bank has launched co-branded credit cards in partnership with SBI Cards and expanded its bancassurance partnerships across both life and non-life segments. Digital issuance has been implemented to prevent revenue leakage.

The bank has an existing buffer provision of approximately INR 30,000 Mn, exceeding the required INR 25,000 Mn VCL provisioning for FY27–31.

Thyrocare Technology Ltd -Q2FY26 Concall Highlights**Financial Performance**

Highest ever quarterly consolidated revenue at INR 2.17 billion, up 22% YoY, with standalone revenue crossing INR 2.0 billion, also a record, up 24% YoY.

Pathology business was the key growth driver at 24% YoY, with franchisee business showing 20% YoY growth, and partnership business growing a robust 35% YoY in Q2FY26.

Consolidated PAT surged 82% YoY due to strong operational leverage.

Thyrocare remains debt-free, with net cash and equivalents (including short-term mutual funds) exceeding INR 1.90 billion as of Q2FY26; healthy operating cash flow at INR~ 1.27 billion in H1FY26, up 43% YoY.

Volume, Product, and Market Trends

Processed 53.3 million tests (+21% YoY), servicing 5 million patients (+12% YoY).

Tests per patient remain high due to bundled wellness and chronic care packages (10.7 avg. tests per patient), led by flagship Aarogyam C (~70 tests per package), which contributes ~33% of revenue.

Prevention and wellness segment (Aarogyam) grew 19% YoY; chronic lifestyle segment (Janch) up 31% YoY.

Partnership/API (PharmEasy) diagnostics business grew 36% YoY; radiology business posted modest 3% YoY revenue growth but with improved profitability.

Online (partnerships) revenue grew 35% (proxy for online), offline (franchisee) at 20%; offline expansion focused on tier 2/3 cities, while online remains metro and tier 1 centric.

Franchise and Network Expansion

Franchisee network at an all-time high with 10,100+ active quarterly franchisees (8,446 last year, 9,413 last quarter).

Growth was driven by addition of high-throughput “diamond to silver” category partners; ~1,000 branded franchisees (~10%) contribute about 40% of revenue; unbranded and non-branded partners form a majority by count.

Strategic Initiatives & Innovation

Consolidated 37 labs across India (plus one in Tanzania), expanding through integration of Polo and Vimta networks; roll-out of at-home ECG services via Think Health.

First and only 100% NABL-accredited national chain in India; targets Six Sigma-level quality (complaints/million reduced from 11.8 in Q2FY25 to 3.8 in Q2FY26).

Advanced new test technologies added (e.g., HPLC in histopathology, BioFire PCR); research including India's largest HbA1c study and fever epidemiology using internal population health analytics.

B2G remains non-core (~1% of quarterly sales); focus selective, mainly on specialized diagnostic technologies.

Early-stage African (Tanzania) expansion, growing rapidly (30% QoQ) with breakeven targeted in 18–24 months.

Margin Drivers and Guidance

Maintained guidance of mid-teens revenue growth in FY26, with upside from GLP-1 package launches.

No notable impact or exposure to B2G/CGHS price changes in current business; government remains a low-focus revenue stream.

Persistent System Ltd - Q2FY26 Concall Highlights

Outlook: BFSI and Europe are expected to remain key growth drivers, with healthcare showing signs of recovery after optimization cycles. Reaffirmed its aspiration to reach USD 2 Bn revenue by FY27, supported by strong deal momentum, broad-based growth, and AI-led transformation. Expect near-term margin impact from wage hikes, but overall margins to stay stable due to operational levers.

Key Highlights

Proprietary SASVA platform saw 20 new patents filed; total count to 75 patents.

Launched 50+ AI agents internally across functions like finance, legal, and delivery, achieving measurable turnaround-time efficiencies.

Won a large multi-year AI infrastructure deal with a global cloud provider and a development center contract with a global energy technology major.

Secured deals in BFSI with a leading US financial services player for IT and business transformation and another US wealth management firm to modernize operations using Gen AI.

AI Academy delivered 8,300+ internal AI certifications and 4,600 partner certifications

Total headcount stood 26,224 employees, up by 884 QoQ. Utilization stood at 88.2%, 50 bps declined QoQ; expected to remain in the 83–85% range over the next 2 quarters. Attrition improved marginally to 13.8% from 13.9% in the prior quarter.

Merit increments were implemented effective October 1, 2025, with an estimated 180 bps margin impact expected in the next quarter. The company plans to offset 80–100 bps of this impact through margin levers.

Margin improved to 16.3%, rising 80 bps QoQ driven by the elimination of software license costs (+80 bps), favorable currency (+60 bps), and offshoring gains (+30 bps), partially offset by higher PDD (–50 bps), lower utilization (–20 bps), and higher depreciation (–20 bps). Overall, margins expanded 230 bps YoY.

Revenue from the top 5 clients grew 23.4%YoY, top 10 by 22.4%, top 20 by 22.7%, and top 50 by 21.4%. USD 75+ Mn annually clients increased from 3 to 4, while USD 50 Mn+ clients remained at 4. USD 20+ Mn increased from 10 to 12, USD 10+ Mn from 21 to 25, USD 5+ Mn from 43 to 56, and USD 1+ Mn from 184 to 191.

North America grew 15.4%, Europe 37.9%, India 19%, and the Rest of World 19.8% YoY. BFSI grew 30%, Software & High-tech 15.5%, and Healthcare & Life Sciences 6.6% YoY.

Proprietary platform Sasva is helping to win deals in a competitive environment with better realization and lower manpower needs.

Confirmed the earlier margin expansion guidance of 200–300 bps over the next 2–3 years, supported by operational efficiency and productivity.

Achieved a margin of 28.7% last year and is currently operating ~15.9–16% margins; expects 100 bps improvement in FY26 and another 100 bps in FY27.

Offshore headcount ratio is ~85%

Pricing increases are being achieved through OLA clauses and selective rate adjustments, especially for long-term, high-demand resources.

The purchase of software licenses and support charges now accounts for about 6–7% of revenues, up from 2.5–3% in prior years, and is expected to remain around current levels.

Headcount in India has increased notably over the last 12 months while dependence on H1B visas remains minimal. Expects any increase in U.S. headcount to be driven by specific deal requirements but not to structurally alter the geographic mix.

Healthcare vertical contributes ~\$100 Mn/quarter and remains a key growth driver for the company. Deal pipeline remains strong. As part of its \$5 Bn revenue ambition over the next 4–5 years, aims for each healthcare sub-vertical to individually reach \$100 Mn in quarterly revenues.

Rather than adding new verticals, the company plans to go deeper within existing verticals through sub-verticalization and domain specialization.

Tech Mahindra Ltd - Q2FY26 Concall Highlights

Expects H2FY26 performance to be stronger than H1, aided by deal conversions and operational efficiencies. FY27 growth is expected to be better than FY26, though slightly more muted than initial expectations due to a slower macro environment. The 15% EBIT margin target remains intact, with incremental improvements expected primarily from GM expansion rather than SG&A reduction. AI and automation as long-term growth tailwinds, expecting initial deflationary but later expansionary impact as enterprises mature their data infrastructure. Exposure to H-1B visas is minimal (<1% of workforce), and 30% dependency on H-1B Visas and ~45% of revenue from US; management expects potential visa regulation impacts manageable.

Midway through its 3-year transformation plan (FY25–FY27) focused on 1) Operational discipline and cost optimization 2) Focus on large clients and key verticals (Telecom, Manufacturing, BFSI) and 3) Building organizational resilience and leadership talent for future scalability.

Since the start of the journey, EBIT margins have expanded by 750 bps, moving steadily toward the 15% FY27 target.

The SG&A ratio improved by 150 bps since management change, driven by portfolio integration and fixed-price project efficiency.

~60–65% of the project portfolio now runs on fixed-price contracts; key contributors to margin improvement.

Launched TechM Orion, its next-gen agentic AI platform built on NVIDIA and TechM Orion Marketplace, a marketplace of AI agents that collaborate and adapt for enterprise automation.

A key player in the India AI Mission and is developing a 1-trillion parameter sovereign LLM, one of the largest globally.

Total deal wins in Q2FY26 were USD 816 Mn, a 57% YoY increase (LTM basis). Key partnerships include with 1) A US telecom operator for network automation and testing optimization 2) A global logistics leader for AI-driven IT transformation 3) A European telecom operator for autonomous operations 4) An Asia-Pacific insurer for AI-led application modernization and 5) A semiconductor equipment manufacturer for enterprise application transformation.

Targets to scale net new deal wins toward USD 1Bn /quarter in coming quarters, with a strong deal pipeline across verticals.

Manufacturing grew 5.2% YoY, driven by aerospace and industrial verticals, with strong traction in smart manufacturing, predictive maintenance, and digital twins.

BFSI grew 6.2% YoY, supported by partnerships like the J.P. Morgan Payment Systems Integrator Program, strengthening its payments and domain capabilities.

Retail, Transport, and Logistics delivered 7.2% YoY growth, led by e-commerce logistics and automation trends.

Communications vertical declined 2.2% YoY, but stabilized sequentially, with the largest client growing above company average.

Europe grew 5.5% YoY, Americas declined 2.7% YoY, and Rest of World fell 0.5% YoY.

The 20Mn+ client bucket contributed over USD 1Bn revenue, outperforming company average growth, while 17 new clients already exceeded USD 1Mn revenue each within the H1FY26.

Internal AI agent base now exceeds 300+, capable of handling complex IT and business workflows like KYC and enterprise automation.

Stallion India Fluorochemicals Ltd**Outlook**

Company expects revenue growth of 10–12% for FY26, driven by continued ramp-up in specialty chemicals and improvement in export orders. Management remains confident that EBITDA margin will recover to 15–16% in H2FY26, supported by better product mix and lower energy costs.

Financial Performance

Revenue grew 8.5% YoY to INR 14.6 billion, led by higher volumes in specialty fluorochemicals. Sequential growth moderated to 2.1% due to seasonal weakness in the refrigerants segment.

EBITDA stood at INR 2.1 billion, down 4% YoY as margin contracted 180 basis points to 14.3% on higher input costs, particularly fluorspar and power tariffs.

PAT came in at INR 1.02 billion versus INR 1.08 billion last year, reflecting lower operating margins and higher depreciation due to asset capitalization at Dahej expansion.

Segmental Highlights

Refrigerants: Demand was softer domestically due to delayed summer season and inventory destocking by OEMs. Exports to the Middle East improved, partially offsetting the domestic drag.

Specialty Fluorochemicals: High-value molecules for agro and pharma intermediates grew 22% YoY, contributing 42% of segment revenue.

Inorganic Fluorides: Stable performance with revenue growth of 6% YoY supported by steady offtake from aluminum and steel sectors.

Margin Drivers and Cost Dynamics

Energy costs at the Dahej facility rose 12% YoY; a captive solar power plant to be commissioned in Q4FY26 is expected to save INR 180 million annually.

Mix improvement from higher specialty share expected to aid margin recovery in H2FY26.

Capex and Expansion Update

Ongoing INR 3.5 billion multi-phase expansion at Dahej remains on track. Phase 1 (fluoropolymer line) has commenced commercial production in September 2025.

Phase 2, focusing on high-performance materials, slated for commissioning by Q1FY27.

FY26 capex guidance maintained at INR 2.2 billion; company expects internal accruals and moderate leverage to fund expansion.

Guidance

Management reiterated FY26 revenue growth guidance of 10–12%, driven by ramp-up in specialty chemicals. EBITDA margin expected to improve to 15–16% in H2FY26 aided by better realization, cost control initiatives, and lower energy costs.

Export share expected to rise to 48% by FY27 from current 42%, as new customers in Europe and Japan ramp up orders.

HDFC Asset Management Company Ltd

Outlook: Investor base has grown significantly, with unique investor accounts rising to 14.5 Mn, up from 6 Mn two years ago, 2.4x increase. The company has expanded its presence by opening 15 new offices, primarily in smaller B-30 towns, enhancing its reach in underpenetrated markets. overall operating cost is expected increase by costs to increase steadily by ~ 12–15% annually, factoring in expenses related to new fund launches, while continuing to focus on strategic growth and market penetration.

Financial Performance

In Q2FY26 stood INR 10,260 Mn, up by 16% YoY, driven mainly by strong fee and investment income
Net profit stood at INR 7,182 Mn, up by 25% YoY.

Total income for Q2FY26 was INR 11,219 Mn, with operating margins maintained ~ 33-35 bps despite expense increase

The board approved a 1:1 bonus share issue.

AUM & Investor Base: Total AUM crossed INR 9 trillion for the first time, with equity-oriented AUM at INR 5.4 trillion, giving the company a 12.9% market share. The share of equity assets in total AUM rose to 64.9%, which is higher than the industry average. The company's investor base has grown strongly unique investor accounts increased to 14.5 Mn, up from 6 Mn 2 years ago, showing a 2.4x jump. The company continues to maintain its market leadership among individual investors, with a 13.1% market share and a healthy 25% penetration level.

Business & Distribution Base: Strong business and distribution momentum during the Q2. Equity-oriented funds recorded solid net new inflows of INR 1,490,000 Mn in Q2, much higher than the previous quarter. SIP contributions reached INR 294,000 Mn in September 2025, with steady growth in monthly flows despite market volatility. The company also witnessed robust growth in the direct distribution channel, driven largely by fintech platforms, which contributed significantly to new SIP registrations. Opened 15 new offices, mainly in smaller B-30 towns. SEBI's upcoming incentives are expected to further support growth in the B-30 investor base, particularly among women investors, once the new guidelines are implemented.

Cost Management & Expense Commentary: Operating costs went up mainly because of more spending on promotions, new scheme launches, and CSR activities. Even with a INR 900 Mn increase from last year, costs well under control at just 11 bps of AUM. Employee expenses included INR 420 Mn of non-cash ESOP cost. overall operating cost is expected increase by costs to increase steadily by ~ 12–15% annually, including expenses for new fund launches.

Product & Innovation: The company launched 2 major NFOs in Q2FY26: the Innovation Fund, raising INR 2,400 Mn, and the Diversified Equity All Cap Active Fund of Fund, raising INR 1,100 Mn. The company maintains a comprehensive product bouquet with large, well-performing funds that have potential for further growth.

HDB Financial Services Ltd

Outlook - Growth momentum is expected from Q3FY26 led by festive demand, easing inflation, and policy support. Consumer and gold segments to lead near-term growth; business loans to recover gradually as asset quality stabilizes. Medium-term loan book growth guidance remains at 18–20% CAGR over 3–5 years, supported by healthy macros and diversified portfolio. Credit quality normalization, diversified growth, cost discipline, and steady margin retention are the key focus areas. Recovery in CV and consumer segments, sustained demand in gold loans, and improving MSME traction may further drive the growth.

Financial Performance

Gross loan book stood at INR 1,11,409 crore as of Sep 30, 2025, up 13% YoY and 1.9% QoQ, driven by growth in secured lending.

PAT for Q2FY26 stood at INR 581 crore, improving from INR 568 crore in Q1FY26. PPOP was INR 1,502 crore vs INR 1,388 crore in Q1FY26.

NII rose 4.8% QoQ and 19.6% YoY to INR 2,192 crore, with NIM improving to 7.9% (vs 7.7% in Q1 and 7.5% in Q2FY25).

C/I ratio declined to 40.7% (from 42.7% in Q1FY26), and cost-to-assets improved to 3.7% from 3.8% sequentially.

CRAR stood strong at 21.82%. Annualised ROE was 12.23%, while ROA was 2.1% for H1FY26.

Segment Performance

Enterprise Lending Contributes 38% of book; Includes Loan Against Property (LAP) and Business Loans. Secured lending grew moderately in Q2. Unsecured business loans remained conservative due to prior asset quality issues; recovery-led growth is expected in upcoming quarters. No new stress seen in MSME portfolio; asset quality stabilized sequentially.

Asset Financing - Forms 39% of book. CV finance saw continued stress from Q1 due to monsoon-related idling in north and east India, leading to weaker cash flows and higher Stage 3 assets (rose from 2.56% to 2.81% QoQ). Expect improvement post-festive season supported by GST rate cuts, lowering ownership costs of CVs. Used CVs form 9% and new CVs 16% of total book.

Consumer Finance - 23% of book. Q2 growth was moderate due to demand deferment before GST cuts in 2W, consumer durables, and autos. Early signs of festive revival in October with strong retail traction; expected to boost Q3 growth.

Gold Loan Business - Strong traction with 10% QoQ and 40% YoY growth due to regulatory clarity and high gold prices.

Asset Quality

GNPA Ratio increased marginally to 2.81% (vs 2.56% in Q1FY26). PCR on Stage 3: 54.73%.

Credit Cost elevated at 2.7%, management guides normalization toward 2.2% ± in 3–5 years as portfolio mix stabilizes.

Stage 2 Assets stable QoQ. Stress largely confined to CV and construction equipment due to weather-related disruptions; no systemic deterioration elsewhere.

Other Highlights

Branch Network - 1,749 branches across 1,157 towns.

Improved operating leverage with declining cost-to-income ratio.

Aims to maintain cost-to-assets ~3.6–3.7% as growth resumes.

Margins expected to stay in 7.9–8.0% range despite potential rate movements, aided by liability diversification.

“HDB on the Go” digital platform enabling quick loan disbursements, full customer onboarding, and cross-sell capability. Focus on technology-driven underwriting, instant approvals, and customer convenience.

Relationship-based lending now forms ~8% of total portfolio, growing ~40% CAGR over the last 4 years.

Limited exposure to micro-LAP or sub-INR 10 lakh tickets; most LAP loans are INR 25 lakh+ backed by collateral.

Credit expenses are expected to come down from Q3FY26 onwards as commercial vehicle portfolio asset quality improves.

IRFC Ltd Q2FY26 Concall KTAs

The company reported a PAT of INR 35.23 Bn, up 10% YoY in H1FY26, as net worth crossed INR 560 Bn with EPS of INR 5.39. AUM growth has resumed and is expected to sustain. The company signed new business agreements worth INR 450 Bn in H1FY26, diversifying into renewable energy, transmission, and logistics within the wider government ecosystem. NIM improved to 1.55% vs 1.42% in FY25, while lending margins on non-railway loans are 2-3x higher. IRFC maintained its zero NPA record and reiterated its FY26 disbursement target of INR 300 Bn, with INR 70 Bn achieved and INR 100-150 Bn expected in Q3. Management remains confident of double-digit PAT growth, targeting a 75:25 AUM mix between railways and diversified sectors over the next five years, supported by strong government-led CapEx momentum.

Operational Highlights

The company reported PAT of INR 17.80 Bn in Q2FY26, up by 10% YoY, and INR 35.23 Bn in H1FY26.

Net worth crossed INR 560 Bn with EPS of INR 5.39.

The growth in AUM has resumed, after a few flat QoQ, AUM has turned upward from Q2, and management expects the trend to continue.

New business Growth

The company signed new business agreements worth INR 450 Bn in H1FY26, including INR 360 Bn signed in last three days of Sept-25.

These agreements cover renewable energy, power transmission, coal mining, industrial infrastructure, and logistics.

The company is diversifying beyond railways by getting into other government-linked sectors.

It is currently focusing on assets within the whole government ecosystem, central and state PSUs, CPSEs, and ministry-led projects.

Margin improvement

NIM improved to 1.55% in H1FY26 vs 1.42% in FY25, supported by better-yielding diversified assets.

Lending margins on new non-railway loans are 2-3x higher than those from traditional railway lending.

Zero NPA maintained

The company expects to maintain its zero NPA record while achieving 2-3x margins compared to traditional railway lending through diversification and a strong borrower profile.

The company reiterated its disbursement target of INR 300 Bn for FY26.

It has already completed INR 70 Bn, expecting INR 100-INR 150 Bn in Q3, and the rest in Q4.

Company's funds cost is 6.5-7%, and it lends at 8-8.2%, earning 100-120 bps spreads while offering lower rates than banks to government entities.

Adding expertise

Company is building a strong business development and risk teams by adding experts from NTPC, railways, and other CPSEs.

Modular team expanded by 50%, ensuring capability for diversified growth while keeping overheads low.

Growth outlook

The demand from state and central government entities is expected to be strong.

Management remains confident of achieving double-digit PAT growth QoQ.

The company aims for an AUM mix of 75% railways and 25% diversified sectors in the next five years.

The company expects strong business growth due to high government CapEx, with 70% of India's capital expenditure coming from the government sector.

Other Update

The company has around ~INR 30 Bn unabsorbed depreciation, and further depreciation is expected as new leases will get capitalized.

The exposure is capped at 30% of net worth per entity and 50% per group, following the RBI norms.

Muthoot Capital Services Ltd

Outlook: Q3 disbursements in the range of INR 8,000–11,000 Mn, supported by festive season demand and the introduction of new loan products. The full-year AUM target remains unchanged at INR 40,000–42,000 Mn. ROA to improve to 2–2.5% in FY26, with an aspirational medium-term target of 4%. Profitability is expected to strengthen as cost efficiencies improve and new income streams scale up. The company has set a long-term vision to achieve INR 1,00,000 Mn in AUM by FY28.

Financial Performance:

AUM increased by 40% YoY to INR 32,840 Mn. Interest income rose 6% QoQ, and NII grew 3% QoQ, driven by improved yields and a better asset mix.

Profit of INR 280 Mn in Q2FY26, reversing the Q1 loss of INR 47 Mn and signalling a clear turnaround in performance.

Finance costs up by 8% QoQ to INR 814 Mn, driven by a higher cost of funds and an increase in the loan book size.

Business Operations & Growth: Q2 disbursements stood at INR 5,351 Mn, down by 13% QoQ decline due to weather-related disruptions. Its pan-India market share in two-wheeler financing at 2.47%. New customer acquisition remained strong, with over 51,288 new accounts added during the Q2, taking the total customer base to more than 5.7 lakh. The used vehicle, CV, and loyalty loan portfolios continued to showing growth momentum, with 2W loans rising 40% YoY to INR 29,360 Mn, used car loans increasing to INR 1,180 Mn, and CV loans reaching INR 1,400 Mn.

Asset Quality & Risk Management: Gross NPA stood at 6.46%, while Net NPA was at 3.07%, with the PCR maintained at 60%. Slippages declined to INR 420 Mn in Q2 compared to INR 460 Mn in Q1, while recoveries from NPAs improved significantly, indicating better collection efficiency. Credit cost fell to 2.05% in Q2 from 3.43% in Q1, with company guiding for stability or further improvement in the coming quarters. The company continues to maintain excess impairment provisions of INR 640 Mn above RBI norms, following the ECL methodology for provisioning.

Technology & Strategy Initiatives: ENACH digital collections penetration improved to 92%, resulting in 77% of total collections being made through digital payments instead of cash. The company is investing in technology platforms, data lake implementation, and risk-based pricing to strengthen underwriting capabilities and enhance long-term profitability. New product lines, including construction equipment and used two-wheeler loans, have been launched to diversify revenue streams and reduce portfolio concentration risk. Set a vision to achieve INR 1,00,000 Mn in AUM by FY28, targeting a 4% ROA and a more balanced contribution from multiple vehicle segments beyond two-wheelers.

Funding & Cost Structure: Debt-to-equity ratio stood at 4.56x, with total borrowings of INR 29,950 Mn. The shift from market NCDs to bank term loans contributed to a lower average funding cost of 9.69% in Q2. Operating expenses up sequentially, primarily due to higher incentive payouts and agency costs aimed at strengthening collections; however, expecting productivity improvements to offset these costs in Q3.

Angel One – Q2FY26 Concall KTAs

OUTLOOK: AngelOne seems to be on track with its business strategy and diversification. Over the last 2-3 quarters, the falling sales stem from broking and the regulatory hurdles around retail participation in the derivatives market. It is precisely this factor that has resulted in dismal profit figures and significantly reduced revenue figures. That said, the vision of AngelOne to become a leading broking and investment fintech seems to be on track. The future earnings visibility will largely stem from these verticals and the sales of customized products for clients.

Management Introduction

JV with Singapore's Livwell to give opportunities for providing custom protection and holistic financial solutions. This insurance business will drive growth forward. Hoping for bundling of services such as Life Insurance and wealth products

Investment phase in Wealth and Credit in FY 24 and FY 25. These will mature to become revenue accruing until FY 27 or FY 28.

Angel One is uniquely positioned in the digital wave. Management aims to see Angel One as a fintech over the next 3-4 years

Launch of AI chatbot which was developed in house – query resolution across Equities and MF products

Earnings & Guidance for FY26

Net Sales at Rs 1,201.76 crore in September 2025 down 20.66% from Rs. 1,514.71 crore in September 2024.

Quarterly Net Profit at Rs. 211.73 crore in September 2025 down ~50% from Rs. 423.37 crore in September 2024.

EBITDA stands at Rs. 417.84 crore in September 2025 down 37.92% from Rs. 673.09 crore in September 2024.

Angel One EPS has decreased to Rs. 23.39 in September 2025 from Rs. 46.98 in September 2024.

Management feels that the growth and stability of Angel One corresponds to the India Growth Story. OPM guidance of 40-45% and they feel they are well on that path.

Highlights

Client base crossed 37 mn with 3 mn clients buying MFs from the platform

The assets under management (AUM) grew 16.8% QoQ to Rs 400 crore as of September 2025.

Plan to set up branch in GIFT City

Strong focus on digital transformation through unified digital ecosystem and AI Push

Cumulative disbursements to INR 14 bn, believe that headroom is massive for personal loan product expansion

Focus on greater collection efficiency in the lending business

There was a considerable slowdown in new client acquisition but there was a 12% growth in the last two years in client acquisition. Did not comment on the client acquisition strategy going forward.

MF business

Robust SIP market share due to increased retail participation and stable flows

Most of the subscription comes from the digital platform

Continues to build strong momentum through ETF offerings (Gold and Silver) AUM stands at INR 4 bn Feels that the passive investing vertical through products such as ETF will continue to be at the forefront

Wealth business

Positive traction on the omnichannel strategy

Diversification of global market offerings is the next theme for Angel One and Management plans to achieve this as a combination of the Insurance JV and the Gift City initiative - both of which intends to contribute to new global market and hybrid offerings

Mangalore Refinery and Petrochemicals Ltd (MRPL) – Q2FY26 Key Takeaways**Outlook**

MRPL reported a resilient quarter, navigating volatile crude price movements and softening global refining margins. Operational performance remained steady, with healthy throughput and product realizations supported by optimized crude sourcing and improved plant reliability. The company continues to emphasize refining efficiency, petrochemical expansion, and balance sheet strengthening amid a challenging global refining environment.

Industry and Market Environment

Global crude markets remained volatile through Q2FY26, influenced by geopolitical factors and OPEC+ production adjustments.

Singapore GRMs moderated sequentially due to lower gasoline and diesel cracks, although fuel oil margins partly offset this decline.

Domestic fuel consumption remained robust with sustained demand for diesel, petrol, and ATF, aided by industrial and mobility growth.

Near-term refining outlook supported by stable domestic demand, although export realizations were impacted by weak cracks and logistics constraints.

Operational Performance

Refinery throughput remained steady at around 4.6 MMT for Q2FY26, with average distillate yield maintained at above 77%.

Capacity utilization stood at approximately 105%, supported by reduced downtime and stable CDU operations.

Energy efficiency initiatives contributed to a reduction in Specific Energy Consumption and improved operational cost profile.

Product mix optimization aided overall margin performance despite weaker external GRM environment.

Financial Highlights

Revenue stood higher sequentially, reflecting stable crude prices and improved supply mix, though margins were impacted by soft GRMs.

Marketing margins remained subdued amid competition and export constraints.

Standalone EBITDA was supported by stable sourcing costs and improved secondary unit performance.

Petrochemical and Expansion Initiatives

Polypropylene unit continued to clock high utilization levels, aided by recovery in domestic polymer demand.

Company reaffirmed progress on aromatics expansion and petrochemical diversification roadmap.

MRPL progressing with refinery upgrade projects to enhance yield flexibility and integrate further with ONGC's downstream petrochemical strategy.

Strategic and Sustainability Focus

Continued emphasis on energy efficiency, process optimization, and enhanced digitalization across operations.

Focused on expanding renewable energy portfolio for internal consumption and carbon footprint reduction.

Progressing decarbonisation plans aligned with ONGC group's net-zero roadmap including hydrogen integration studies and carbon capture feasibility.

KEI Industries Q2FY26 Concall Highlights

Outlook: Revenue growth is expected to be 17%-18% in FY26E and focused on 20%+ CAGR over the next 3 years, supported by Sanand capacity expansion. In the Sanand facility, phase 1 is expected to be operational by Nov-25 and contribute revenue from Q4FY26E onwards. The Sanand facility is expected to contribute INR 60bn additional revenue at peak capacity utilization. The margins are expected to be maintained at 10%-10.5% over the next 2 years and incremental margin expansion of 1%-1.5% from FY28E onwards due to the Sanand facility, operating leverage, and favorable mix. Exports remain the key focus, newer geographies contributed 25% of total exports, and the company is majorly exporting to the Middle East, Australia, Africa, Europe, and the US. We have a positive outlook on the stock.

Revenue

Revenue growth is expected to be 17%-18% in FY26E. The revenue is expected to grow 20%+ CAGR over the next 3 years.

Volume

Volume growth stood at 15% YoY in H1FY26.

Margins

The margins are expected to be stable at the current levels of 10%-10.5% for FY26E & FY27E. Margin improvement is expected to be 1%-1.5% from FY28E onwards, driven by the new Sanand facility, operating leverage, and favorable product mix.

Order book

The order book stood at INR 38.24bn in Q2FY26. The breakup is domestic institutional – INR 20.68bn, Export cables – INR 6.36bn, EHV – INR 6.36bn, EPC – INR 4.84bn.

Capacity expansion and Revenue potential

Sanand facility is delayed by 4 months due to heavy rains and labor shortages. Phase 1 contributes 50% of the total capacity and is expected to be operational by Nov-2025.

Phase 2 is dedicated to EHV and medium voltage cables, is delayed by 9 months due to complexities in constructing a 158-meter vertical tower.

The Sanand facility is expected to generate revenue of INR 60bn at peak utilization. The breakup is EHV – INR 12bn and LMV power cables – INR 48bn.

Phase 1 is expected to contribute INR 25bn in FY27E.

Capacity Utilization

Cables capacity utilization – INR 78%, house wire – 65%, stainless steel wire – INR 85% and communication cables – 46%.

B2B and B2C

B2C sales contribution was 54% in Q2FY26, and B2B & exports sales share stood at 42% in Q2FY26. The company is focused on maintaining a 50:50 split between these channels over the medium term.

B2C segment prices are revised every 15 days, and many B2B contracts have price variation clauses, insulating margins from commodity price fluctuations.

Exports

Exports revenue stood at INR 4.72bn (+96% YoY) in Q2FY26. Newer geographies contributed 25% of total exports. The export product mix is diverse, including EHV, MT, LV cables, and control & instrumentation cables used in sectors like oil & gas, fertilizers, and chemical plants.

Exports revenue is expected to be 13%-14% by FY26E and 18% by FY27E.

US revenue share was INR 1.6bn in FY25. The company will increase US exports, post-tariff normalization.

Data center

Wires & cables account for 8%-9% of the data center project cost. The company supplies EHV cables, medium voltage cables, internal copper cables, and control & instrumentation cables.

Copper and Aluminum

Copper and aluminum mix stood at 45:55 in Q2FY26. The increase in copper cable mix from 42% to 45% was positive due to copper is 3x more expensive than aluminum. The mix change was partly driven by strong export demand, which favors copper cables.

EPC

EPC business is expected to maintain INR 4-5bn/annum going forward.

Other highlights

The company continues to spend about 0.5% of revenue on branding, including its long-standing IPL sponsorship.

The company is exploring a long-term power purchase agreement for a combination of solar and wind power to reduce costs.

Kewal Kiran Clothing Ltd – Q2FY26 Concall KTAs

The company anticipates sustained double-digit growth, supported by very positive market sentiment, favorable GST tailwinds, and a disciplined focus on structural expansion toward the Vision 2028 target.

Financial and Operational Performance (Q2 FY26)

Consolidated revenue stood at INR 354 crore, up 14.9% YoY; standalone revenue grew ~14% YoY to INR 288 crore.

Apparel volume growth on a consolidated basis came at 17.3% YoY, indicating healthy traction across retail and distribution channels.

Average Realization per unit improved 22.1% YoY, supported by higher full-price sales, premiumization, and improved product mix.

EBITDA stood at INR 71 crore, registering 11% growth YoY, while EBITDA margin expanded to 20% (vs. guided 17–18%) aided by operating leverage, superior mix from Killer, Cross, and Junior Killer, and tight cost control.

Both retail and non-retail channels grew 14–15% YoY with comparable margin contribution, reflecting balanced channel profitability.

Retail Expansion and Store Portfolio Strategy

Net 29 (EBOs) were added, taking the total to 652 as of 30 September 2025.

Killer remains the dominant brand with 437 EBOs, followed by Lawman and Cross.

Expansion focus remained on Tier 1 (malls), Tier 2, and Tier 3 towns to capture underpenetrated lifestyle consumption.

New store rollout primarily followed the Franchise Owned (FO) model, while Cross continues to operate under a COCO-heavy format.

For Company Operated outlets, store-level ROI is expected at 12–15% in Year 1, improving to 18% in Year 2 and ~24% thereafter; payback period remains around 3–3.5 years.

New outlets typically achieve 85–90% of mature store revenue in the first year; average store build cost (capex + opex) stands at ~INR 4,500 per sq. ft.

Brand Architecture and Growth Strategy

Killer remains the flagship, contributing 65–70% of revenues and commanding superior margins.

Cross delivered ~20% growth; its margin profile now matches company averages. Working capital days (~151) remain elevated versus KKCL's average (~132), expected to normalize over the next 1–2 quarters.

Lawman is undergoing D2C-led repositioning aimed at younger demographics (Gen Z).

Integrity continues as the value brand with increasing focus on modern trade penetration; transition expected to yield benefits in H2 FY26.

Strategic priorities include scaling store count beyond 1,000 outlets, strengthening brand visibility via digital and social platforms, and launching "Killer Woman" to tap the women's denimwear segment.

D2C initiatives via dedicated websites for Killer and Cross are gaining metro-city traction, strengthening omnichannel presence.

Market Outlook and Industry Dynamics

The recent reduction in GST slabs across select apparel price points is expected to support demand recovery by improving affordability. KKCL has fully passed on this benefit to consumers.

Festive demand indicators were termed “extremely positive,” with encouraging sell-through in the initial weeks of October.

Longer-term fundamentals remain underpinned by favorable demographics, rising disposable incomes, and growing aspirational spending in Tier 2 and Tier 3 cities.

While management continues to target double-digit growth, the focus remains on quality expansion and maintaining profitability margins.

Standalone revenue CAGR (~4.5% over two years) was subdued due to rationalization of inventory and brand repositioning; double-digit standalone growth recovery is expected over the next two quarters.

Strategic Initiatives, Assets, and Outlook

Under “Vision 2028,” the company targets INR 1,500 crore in revenue through organic growth, supported by retail expansion, brand strength, and digital investments.

Corporate office asset (5.5 lakh sq. ft., Goregaon) remains strategically valuable; management continues to evaluate medium-term monetization opportunities.

The proposed new office building (excluding land cost) involves capex of ~INR 90 crore over three years.

PAT for H1 FY26 stood at INR 20.7 crore vs. INR 45.1 crore in H1 FY25 due to a one-time gain in the prior year. Underlying profitability remains stable with sustainable other income estimated at ~INR 30 crore annually.

Quick Heal Technologies Ltd

Expects better H2FY26, driven by healthy business pipeline and growing international presence. While no specific revenue guidance is provided, the intent behind recent investments is to take the enterprise journey to the next level. TAM is expected to increase from 18,000 Mn to 40,000 Mn, with ~20% from consumer (6,000-8,000 Mn) and 80% (32,000 Mn) from enterprise. Evaluating M&A opportunities that align with their strategic plan, vision, roadmap, and target customer segments.

Financial Performance

Revenue stood at INR 835 Mn for Q2FY26, up by 46.49% QoQ and 14.38% YoY.

EBITDA margin improved to 11% in Q2FY26, with EBITDA standing at INR 92 Mn compared to negative INR 97 Mn in Q1FY26 and INR 30 Mn in Q2FY25.

R&D expenses Q2 stood at INR 80 Mn and cash balance of INR 1,910 Mn as of September 30, 2025. ARR stood at INR 170 Mn at the end of the Q2.

Business Mix

Shifted significantly from 80% consumer and 20% enterprise 4 years ago to the current split of ~59-60% consumer and 40-41% enterprise; expects enterprise business to soon overtake consumer business as the larger revenue contributor.

International revenue continues to show growth momentum, with strong traction in Southeast Asia and the Middle East, contributing ~20% of enterprise revenue.

Government business showed strong growth during the quarter.

Consumer Business Segment

Q2 traditionally performs well due to seasonality; this quarter benefited from back-to-school campaigns and festive activities. Structural headwinds globally, with the company experiencing decline but at a lower rate compared to competitors. Repeat customer rate stands at ~30-35%.

Aims to hold the consumer business at current levels while focusing growth investments on enterprise segment.

Enterprise Business Segment

Strong performance with EDR-XDR products contributing 90%+ of enterprise revenue.

Repeat customer rate of ~80% +/- . The company primarily targets mid-market organizations with 1,000 to 5,000 end points and SMBs.

Gradually developing capabilities to serve large enterprises and IT services companies, though this requires additional product investment and maturity. Key competitors in the enterprise space include CrowdStrike, SentinelOne, Sophos, Trend Micro, and Zscaler.

Other Highlights

Launched a data privacy solution in partnership with Bhashini, offering the product in 22 Indian languages to help enterprises meet Indian data protection requirements.

New products launched include Threat Intelligence Platform, HTTP, and FMAP solutions, all receiving good initial interest from enterprises. It developed AntifraudAI, a B2C product protecting consumers from mobile and PC-based fraud, available for both Android and Apple phones.

Cybersecurity requires continuous innovation rather than one-time product development, as new threats emerge daily.

Government cybersecurity market at ~4,000-5,000 Mn over 2-3 years and aims to capture a significant portion.

Government entities are showing increased interest in indigenous solutions, particularly the Threat Intelligence feed that can integrate with existing MNC products.

Focus is on 3 key areas: maturing product range, reaching bigger customers, and entering newer markets.

For large enterprises, management sees good initial interest in data privacy solutions and threat intelligence platforms. Regional campaigns in Tamil Nadu, Maharashtra, and festive activities across the country help build awareness and trust with consumers and partners.

DB Corp Ltd – Q2FY26 Concall KTAs

The company remains positive about the demand environment, citing a strong festival season, stable input costs (newsprint prices expected to remain range-bound for two quarters), encouraging consumer sentiment, and the expectation that the real estate sector should "start firing again" in the coming months.

Financial and Performance Highlights (Q2 FY26)

Total Revenue grew 9% YoY to INR 6,347 Mn.

Advertising Revenue rose 12% YoY to INR 4,478 Mn, excluding early festive benefit — high single-digit growth.

Circulation Revenue up 3% YoY to INR 1,288 Mn.

EBITDA grew 10% YoY to INR 1,584 Mn (adjusted for INR 9 Mn forex loss).

PAT increased 13% YoY to INR 935 Mn (adjusted for INR 15 Mn forex loss).

Print and Circulation

Maintained circulation of ~40 lakh copies; stability seen as a strong outcome amid execution challenges.

ABC (Jan–Jul 2025) reaffirmed Dainik Bhaskar as India's largest circulated newspaper group.

Indian print industry circulation grew 2.7% (around 8 lakh copies).

Focus remains on copy volume growth over price hikes; MP and Rajasthan performing well, while Bihar, Jharkhand, Maharashtra, Punjab, and Haryana lag.

Advertising Trends

Strong growth across real estate, auto, jewelry, education, health, and banking.

Government and FMCG sectors are weak; government ad revenue share down to 17% (from 25% YoY).

The automobile category saw notable recovery post-GST rationalization in late September.

Overall yield movement limited (± 1 –2%), indicating primarily volume-driven growth.

Radio and Digital Business

Radio: Added 14 new stations; 7 will have DB Corp as the only FM operator.

New stations to operationalize by Q4 FY26; radio ad revenue grew 4% YoY to INR 430 Mn.

Digital: MAUs at 20 Mn (Aug 2025), currently ~16.8 Mn due to normal fluctuations.

Audience preference shifting to hyperlocal/video-based content; 12,000 reporters deployed across markets.

New app launch: Uttarakhand following Uttar Pradesh.

Digital monetization remains minimal, but strong opportunity ahead with ~120–130 Mn potential Hindi-speaking smartphone users.

Costs, Outlook, and Risks

Newsprint prices stable at INR 47,000/MT; expected to stay range-bound.

Other expenses rose due to events (INR 2 crore) and circulation promotions (INR 4 crore).

Staff costs up 6% QoQ owing to wage revisions and new launches.

Festive season and GST rationalization expected to sustain advertiser momentum.

Receivables concern: ~30% overdue beyond 6 months, mostly from government accounts; management pursuing collective industry action.

Shoppers Stop Ltd -Q2FY26 Concall KTAs**CMP: 519 | Market Cap: INR 5,719 Cr**

Q2 FY26 was impacted by soft consumer sentiment in select discretionary categories, primarily due to inflationary pressures and geopolitical uncertainty. Urban consumers remained cautious; however, management expects GST structural amendments to be growth-enabling over the medium term. Despite macro headwinds, SSL continued to outperform peers, supported by its premiumization strategy, digital initiatives, and disciplined cost management.

Core Retail Performance – A Premiumization-Led Turnaround

- Customer entries increased 6% YoY; departmental store like-for-like growth stood at 9.4% — the highest in over a decade.
- Average Transaction Value rose 8% YoY, driven by 6% higher ASP and 2% higher IPTS.
- Beauty segment grew 22% YoY, led by robust fragrance sales; watches and handbags grew 13% and 11%, respectively.
- Premium product mix contribution increased by 375 bps to 69% of sales; premium categories grew 16% YoY.
- Private brands now rank among the top 10 apparel brands during the festive season.
- First Citizen Club membership expanded to 13 million, contributing 83% of sales (+270 bps YoY); repeat purchases rose to 69%.
- EBITDA of the core business grew 42% YoY, and PBT turned positive, improving from a loss of INR 120 million in Q2 FY25 to a profit of INR 90 million.
- Management reaffirmed commitment to deepen the premium proposition across categories and channels.

Intune (Value Fashion Format)

- Transitioning from pilot phase to growth scale; delivered positive LFL growth in Q2 after negative LFL in Q1, indicating early signs of traction.
- Focus areas include strengthening supply chain, improving merchandise density, and redesigning store formats (fixtures, lighting, visual appeal).
- Despite planned operating losses, management views this phase as strategic and expects profitability improvement from FY27 as operating leverage builds.
- Store expansion guidance: 3 new stores in Q2, 5 in Q3, and 8–10 in Q4 FY26; medium-term plan remains to reach 30–40 stores annually.

ssbeauty (Digital Beauty Platform)

- Aims to build an integrated, digital-led beauty ecosystem with personalization and curated content.
- Early investments in tech, customer acquisition, and marketing are impacting short-term profitability.
- Management noted improving user engagement, repeat behaviour, and growing brand recall among younger consumers.

Beauty Distribution and Capital Allocation

Global SS Beauty (GSSB) — SSL's beauty distribution arm — was a standout performer in Q2.

- Revenue grew 103% YoY, reflecting the company's leadership in premium beauty distribution.
- Multiple exclusive international brands were launched, further enhancing the premium portfolio.
- Beauty distribution is now emerging as a key profit and growth driver, complementing the retail network.
- Capital allocation prioritized toward high-ROCE segments: expansion of departmental stores (5 in Q3, 4–5 in Q4) and continued investment in digital and beauty verticals.
- Working capital reduced by INR 630 million during Q2.

Outlook and Strategic Priorities

Management remains confident of sustaining double-digit growth momentum into Q3, led by the festive and wedding season.

- Strong festive stocking and merchandise curation across beauty and fashion.
- Portfolio premiumization, anchored around beauty, watches, handbags, and private labels.
- Enhanced customer experience via personal shoppers, loyalty upgrades, and premium private labels.
- Guidance of mid-to-high single-digit EBITDA margin for FY26 remains unchanged; Q3 is expected to witness the strongest operating leverage.
- Intune's breakeven timeline deferred to FY27, reflecting front-loaded investments.
- SSL reiterated its evolution from a department store to a "premium lifestyle destination", with omnichannel integration and curated consumer experiences at the core.

Tata Technologies Ltd-Q2FY26 Concall KTAs**CMP INR 685 | Market Cap INR 277 Bn****Arihant Capital Markets Ltd**

Outlook: Q2 marked a strong turnaround with broad-based growth and margin improvement; the ES-Tec acquisition is set to strengthen the European and automotive footprint, with confidence in a Q4 recovery post Q3 softness supported by continued focus on operational efficiency and cost control.

EBITDA margin stood 15.7% adjusted for one-off cyber expense of 16.4% (up 30 bps QoQ). EBIT rose 4.6% QoQ to INR 190 crore

Aerospace and IHM segments delivered strong 14% QoQ USD growth, emerging as key growth drivers, supported by momentum in PLM, MRO, engineering design, and digital transformation services. The automotive vertical posted its first positive growth of +0.5% QoQ (USD), indicating stabilization after a period of softness. The education business rebounded with deferred projects executed and a major Maharashtra deal contributing to growth, while the product business benefitted from contract renewals and is expected to strengthen further in H2.

The aerospace pipeline remains robust, with continued expansion in aerostructures, interiors, propulsion systems, and MRO, supported by steady traction across North America and Europe following improved visibility post tariff adjustments.

Closed three large deals, including a PLM and IT harmonization program for a Tier-1 auto supplier, Heads-Up Display (HUD) system development for a Scandinavian OEM, and comprehensive body engineering services for a German OEM covering all future vehicle programs.

Signed definitive agreement to acquire ES-Tec GmbH (Germany) a pivotal strategic move.

ES-Tec adds ~300 engineers and expertise in ADAS, connected driving, embedded software.

Acquisition provides direct access to Volkswagen, enhancing Tata Tech's Europe presence.

Management expects ES-Tec to be margin-accretive and closing likely in Q3 FY26.

Integration will focus on synergy realization, GTM alignment, and cross-selling across OEMs.

Rossari Biotech Ltd Q2FY26 Concall Highlights

Outlook

Rossari's Q2FY26 performance underscores steady volume-led growth and healthy demand across all core verticals, though near-term margin headwinds persist. The commissioning of new ethoxylation capacity, expanding export base, and robust R&D pipeline position the company well for sustained growth over FY26–28. Temporary working capital stress appears transitory. Rossari's investments in green chemistry and non-EO formulations are strategic levers that should drive superior margin recovery and rerating potential as capacity utilization scales through FY27.

Segmental Performance

- Home, Personal & Performance Care
- Grew 16% YoY, driven by volume momentum in domestic markets and higher exports.
- Some realization softness continued due to price negotiations from end-consumers globally.
- Product innovation, particularly in biosurfactants and CAPB formulations, strengthened Rossari's sustainable chemistry portfolio.
- New non-EO formulations under validation to offset EO constraint issues until Reliance's expansion becomes available in FY27.

Textile Specialty Chemicals

- Segment sales grew 21% YoY, aided by revival in domestic textile processing and diversification into performance chemicals for new textile applications.
- Management flagged near-term headwinds from US tariff-related slowdown in home textiles and garments, implying mild margin squeeze in H2FY26.
- Suppliers have adopted a shared-risk approach on tariffs to protect margins on large accounts.

Animal Health & Nutrition

- Delivered 29% YoY growth driven by new product introductions in short and medium-chain fatty acids, enzyme-based feed additives, and vitamin/mineral premixes.
- New AHN formulations are on stream by end-Q3FY26; expected to structurally raise portfolio margins.
- ASP expected to remain firm with increasing share of specialized formulations and stable pricing.

Exports & Geography

- Exports grew 36% YoY in Q2 and 27% in H1, now contributing ~28% of total revenues, underscoring global traction.
- Significant gains in Far East, Southeast Asia, and MENA regions, diversifying away from traditional Americas and European base.
- Export growth supported by deeper penetration with strategic customers and increased wallet share across industries.
- Board approved an investment of up to USD 8 mn (INR ~670 mn) in wholly owned subsidiary in Saudi Arabia (Rossari International Ltd.) to explore local expansion and feasibility for future Capex.

Manufacturing & Capacity Expansion

- Commissioned 20,000 MTPA capacity at Dahej and 15,000 MTPA ethoxylation capacity at Unitop, marking Phase 1 of the broader 30,000 MTPA expansion program.
- Phase 2 expansion to complete over the next few quarters; expected to unlock incremental INR 6–7 bn in peak revenues by FY28 at full utilization.
- Continuous-loop ethoxylation reactors at Unitop to deliver improved efficiency, throughput, and consistency.
- Current ethoxylation facilities are fully utilized; non-EO products being prioritized until EO supply normalizes.
- Total CAPEX outlay for ongoing projects stands at INR 1.92 bn, majorly funded by internal accruals and selective debt; remaining INR 200–250 mn to be capitalized over 6Months.

Product Development and Innovation

- 50 new SKUs under R&D including biosurfactants (sophorolipids, rhamnolipids), CAPB, silicone block polymers, ester quats and esters (SMO, SML, SMS), and super wetter surfactants for agro applications.
- Spin-finish chemicals for polyester and advanced NMMO formulations scaled up to 300 tons annual capacity (from 150 tons).
- New vitamin and mineral premix lines under commissioning in AHN vertical.
- Focus on non-EO chemistries as strategic pivot to de-risk raw material dependency and align with green chemistry trends.
- Commissioning of powder PEG technology line in final stages; expected to commercialize in Q3FY26.

Guidance

- Management maintained an optimistic FY26–27 outlook anchored by capacity scale-up, product diversification, and export-led growth.
- Q3–Q4FY26 to see progressive ramp-up in new launches and margin normalization as new capacities stabilize.
- FY26 margins to hover around 12–13%, with expansion expected in FY27 once EO supply stabilizes and newer products mature.
- Exports and AHN identified as medium-term growth drivers; institutional/B2C turnaround to provide incremental margin uplift in FY27.

IndusInd Bank Ltd-Q2FY26 Concall KTAs

The bank's near-term strategy balances restoring growth momentum in vehicle finance, retail, and profitable corporate segments with a pivot toward more granular, stable portfolios, particularly MSME and retail assets. Management aims to further diversify the loan portfolio, improve cost-to-asset efficiency, and reduce the cost of funds. The medium-term ambition is to achieve a 1% ROA, with a fee-to-assets ratio targeted at 1.5%, supported by enhanced productivity and a risk-adjusted business mix.

Business Growth and Segment Trends

Total advances declined 2% sequentially, primarily due to a 25% QoQ drop in microfinance loans. The MFI book stood at INR 217,000 Mn after significant repayments, write-offs, and disbursements of INR 13,000 Mn. The bank continues to maintain its core strengths in vehicle finance, gems & jewellery, and microfinance, with stable asset quality in the vehicle and gems & jewellery portfolios.

The home loan portfolio grew 84% YoY, crossing INR 55,000 Mn, while the LAP book rose 10% YoY to INR 125,810 Mn and the MSME book reached INR 181,950 Mn, all reflecting steady traction.

The merchant acquiring book (Bharat Superstore) up 25% YoY, with borrowings from 636,000 merchants totaling INR 72,620 Mn, of which 63% is CGTSME guaranteed.

Asset Quality, Provisions & Risk Controls

Gross NPA and Net NPA improved sequentially to 3.6% and 1.04%, respectively, while the provision coverage ratio rose to 71.6%.

Slippages in microfinance remained elevated, with gross slippages of INR 10,830 Mn, while other segments showed stable or improving trends. The bank also undertook a significant write-off of INR 15,790 Mn in microfinance and increased provisioning on the remaining book to further strengthen the balance sheet.

Deposits, Liquidity & Capital

Total deposits stood at INR 389,600 Mn, down 2% QoQ, as the bank strategically exited non-LCR-accretive wholesale deposits and certificates of deposit to optimize its liability mix.

Retail deposits (from an LCR perspective) remained steady at INR 184,144 Mn, with a strong NRI franchise contributing INR 22,000 Mn, up 7% YoY. LCR stood at 132%, supported by average surplus liquidity of INR 56,000 Mn. Capital adequacy remains robust, with CET1 at 15.88% and overall, CAR at 17.1%.

Digital and Technological Strength

The Indy mobile app surpassed 5 Mn users, registering 40% QoQ MAU growth and maintaining strong ratings of 4.7 on the App Store and 4.4 on the Play Store.

The Indy for Business app onboarded 230,000 MSME clients, achieving 122% QoQ MAU growth. The bank continues to invest in digital delivery and risk management, alongside planned leadership hires in digital and marketing.

IDFC First Bank Ltd Q2FY26 Concall KTA

For H2FY26, the bank expects credit costs to moderate to 2.05–2.10%. with further declines likely in subsequent quarters as asset quality stabilizes. The Microfinance (MFI) portfolio is expected to bottom out and resume growth from the next financial year, supported by improved risk discipline. The bank plans to expand its branch network and invest in its distribution channels to enhance market reach and support long-term deposit and loan growth. Also expects sequential improvement in NIM, profitability, and cost ratios over the next year, with PAT and ROA likely to improve as income streams normalize, and costs are efficiently managed.

Business Growth & Loan Book

Customer deposits up 23.4% YoY to INR 2,690,000 Mn, driven by a 21.4% YoY rise in retail deposits. CASA deposits increased 26.8% YoY, with the CASA ratio improving to 50.1% from 46.3% a year ago.

The bank added 25 new branches during the quarter, reaching a total of 1,041 across the country.

Loans and advances up 19.7% YoY to INR 2,670,000 Mn, healthy growth across mortgages, vehicle loans, business banking, and consumer loans. Vehicle loans witnessed strong demand.

Cards in force surpassed 4 Mn, with spends rising 36% YoY, and the credit card book reaching INR 86,000 Mn. Partnership launches, such as the Indigo co-branded cards, are further driving product momentum.

Asset Quality & Risk

GNPA improved to 1.86% (down 11 bps QoQ), while Net NPA declined to 0.52%. In the retail, rural, and MSME segments, GNPA stood at 1.73% and Net NPA at 0.63%. Provisioning remains strong, with the PCR at 72.2%.

The Microfinance (MFI) portfolio declined to INR 73,000 Mn, though provisioning remains strong. expects the book to stabilize and return to growth from next year, with stress and slippages in the segment showing a sharp decline.

The SMA book improved to 0.9% from 1.01% in the previous quarter, better asset quality trends. Overall slippages declined, while collection efficiency remained strong at 99.5% (ex-MFI) and 99.1% (MFI).

H1FY26 credit cost stood at 2.25%, with company guiding for a further reduction to 2.05–2.10% in the second half, supported by improving asset quality metrics.

Capital & Liquidity

The Capital Adequacy Ratio stood at 14.34% (post H1FY26 profits), with CET1 at 12.28%. The upcoming conversion of CCPS to equity is expected to further strengthen capital levels, taking the proforma CRAR to 16.82% and CET1 to 14.75%. Liquidity remains comfortable, with the average LCR maintained at 115%, adequately supporting growth and regulatory requirements.

Digital & Franchise Building

The bank is expanding its digital platforms to underwrite and disburse up to 1 MN loans per month, including consumer durables, two-wheelers, and credit cards, leveraging high automation with e-KYC, e-mandate, and e-stamping processes.

The bank continues to roll out new products across both asset (e.g., gold loans, rural finance) and liability segments, successfully launching innovative, customer-friendly offerings such as zero prepayment fee digital personal loans and feature-rich credit cards.

Havells India Ltd Q2FY26 Concall KTAs

Havell's Q2FY26 performance reflected muted topline growth, with revenue up only 5% YoY, primarily due to continued softness in the summer-centric portfolio (fans, ACs, and air coolers) and elevated channel inventory levels. The Cables & Wires segment registered 12% YoY growth, though segment margins were supported by favorable inventory movement. Lighting delivered an encouraging 8% YoY increase, aided by price stabilization in LEDs, while the Switchgear division maintained its steady momentum. Although rural demand recovery and GST rate reductions are expected to lift consumption, management maintained a cautiously optimistic stance for the near term, citing persistent inventory overhang in summer products, which should ease by Q3. Demand from B2B and export channels, however, continues to show relative strength.

ECD (Electrical Consumer Durables)

Revenue declined 2% YoY vs -14% in Q1FY26, impacted by weak demand for fans achieving mid-single-digit decline and air coolers, while small appliances and water heaters performed relatively better.

Margins

Contribution margin contracted by 230 bps YoY to 21% (-250 bps QoQ) owing to continued brand investments and lower operating leverage. EBIT margin fell to 5.6% (-190 bps YoY, -310 bps QoQ), marking the lowest level in several quarters.

Segment Commentary

Margin pressure primarily driven by revenue decline in summer products and sustained brand spending. Fans and air coolers witnessed de-growth, while kitchen appliances and water heaters recorded robust growth, cushioning overall revenue decline.

Cables & Wires

The segment continued to perform well with steady volume and value growth.

Margins expanded sequentially, supported by favorable pricing and cost efficiencies.

The company acquired 39 acres of land for setting up a new manufacturing facility, underscoring long-term capacity expansion plans.

Lighting

Revenue grew on the back of stable LED pricing and improving demand trends.

Margins improved, benefiting from better product mix and pricing discipline.

Lloyd

Revenue de-grew 18.5% YoY to INR 4.8 bn due to weak summer demand and higher channel inventory.

Margins were at pressure by operating de-leverage and elevated consumer offers to drive secondary sales amid muted demand; lowest in several quarters.

Inventory & Working Capital

Channel inventory levels remained high, leading to margin pressure and elevated working capital.

Net Working Capital (NWC) days increased to 49 in Q2FY26 (vs 43 in Q1FY26 and 31 in Q2FY25) due to slower-than-expected Lloyd sales and inventory build-up.

Management expects normalization of channel inventory by end-Q3FY26.

Jain Resource Recycling Ltd Q2FY26 Concall Highlights | Market Cap : INR 127.4 Bn | CMP : INR 369

Outlook

- Company is well positioned for continued growth, with management guiding a revenue CAGR of 20 to 25 percent for FY26-27. The company is committed to expanding capacities across non-ferrous recycling segments, advancing forward integration into copper cathodes, wire rods, and busbars, and exploring diversification into tyre recycling, e-waste processing, and solar panel recycling. Financial discipline remains strong, with expected reductions in finance costs due to IPO debt repayments projected to save 200 to 220 million annually. The regulatory environment, featuring mandates like extended producer responsibility and import duty reductions, is favorable and expected to drive formalization and growth in organized recycling.

Financial Highlights

- Revenue from operations for Q2 FY26 was approximately 21,140 million compared to 13,920 million in Q2 FY25, an increase of 52 percent year over year. EBITDA for the quarter reached about 1,600 million, rising 82 percent year over year. PAT stood at 990 million, an 88 percent increase from 530 million in Q2 FY25. EBITDA margin was 7.6 percent and PAT margin reached 4.7 percent. For H1 FY26, revenue totaled 36,630 million, EBITDA was 2,500 million, and PAT was 1,550 million, all up significantly versus H1 FY25.

Business Mix and Market Position

- Copper and copper alloys contributed approximately 46 percent of first-half revenue. Lead segment accounted for 48 percent and aluminum segment contributed 4 percent of total revenue. Export sales comprised 63 percent of H1 revenue, with the top ten customers generating 58 percent of total sales. This mix supports revenue stability and reflects robust relationships across diverse geographies.

IPO and Capital Expenditure

- Total IPO proceeds were 12,500 million including a fresh issue of 5,000 million and an offer for sale of 7,500 million. 3,750 million was allocated for debt repayment, with the remainder supporting expansion and working capital. The copper cathode and wire rod project had a capital expenditure of 950 million in phase one, 70 percent completed and internally funded. The joint venture copper scrap recycling facility in Ahmedabad is budgeted at 600 million, with Jain holding a 55 percent stake.

Operational Metrics

- Q2 revenue growth was driven by volume rather than price, due to robust hedging. The working capital cycle increased from 38 days to approximately 50 days, mainly due to inventory build-up from import delays. EBITDA per ton for copper was 51,000 and for lead 18,920, with margins expected to improve as value-added projects start operations.

Expansion and Sourcing Strategy

- The company sources raw materials from over 120 countries, with a balanced split of 61 percent import and 39 percent domestic procurement. Its Chennai location provides logistical and export advantages. Ongoing expansion includes copper cathodes, wire rods, busbars, and solar-powered green copper. Capacity utilization currently exceeds 100 percent, supporting growth objectives.

Regulatory and Strategic Outlook

- Recent regulatory changes, such as extended producer responsibility mandates and import duty reductions on lead and copper, favor organized recyclers. Management's outlook highlights strong growth potential supported by regulatory tailwinds, a diversified product portfolio, and strategic investments in capacity expansion and forward integration.

Jindal Saw Ltd Q2FY26 Concall Highlights**CMP: INR 187 | Market Cap: INR 119.84 Bn****Order Book & Market Positioning**

- Record-high order book of 19.25 lakh tonnes stands as the strongest in many years, with 30-32% from exports, signaling robust long-term visibility across water infrastructure, oil & gas, and industrial segments.
- Secured a major 6.22 lakh tonne Saudi Arabia helical pipe contract for water infrastructure; commercial production begins Q3 with margins comparable to regular export business.
- DI facilities in India are fully committed with a one-year backlog, demonstrating strong domestic demand despite liquidity challenges.

Operational & Capacity Expansion

- New seamless piercing mill moved to trial phase with commercial production expected in Q3, adding 1.5 lakh tonnes annual capacity and enabling production ramp to 3.5 lakh tonnes by FY27 against current 2 lakh tonnes.
- Abu Dhabi subsidiary showed strong performance with 607 crore revenue in Q2 and 235 million dollar order book providing three to four quarters visibility.
- Three greenfield projects announced in GCC-MENA (seamless pipe in Abu Dhabi, helical facility in Saudi, DI finishing line in Saudi) with ~\$350-425 Mn total CapEx, targeting FY28-29 for operations.

Q2 Performance & Liquidity Headwinds

- Q2 saw significantly weaker results (standalone EBITDA down 40% YoY to 3,350 Mn) driven by tight liquidity, extended payment cycles from government EPC contractors, and monsoon-related production disruptions.
- Extended payment timelines from water infrastructure EPC companies have severely impacted cash flows and operational stability, forcing management to reduce production volumes to control inventory buildup.
- Gross profit per tonne remained healthy, reflecting sound product mix management despite volume compression.

Government & Market Dynamics

- Recent large tender announcements from state governments (Gujarat 160 Bn, Andhra 100 Bn, Odisha 10 Bn) provide medium-term growth opportunity, though tender-to-execution timelines remain uncertain.
- Saudi Arabia's anti-dumping investigation on Indian DI pipe imports reflects broader government push for in-country manufacturing and value addition; company positioned to benefit through Abu Dhabi production for Saudi market.
- Government-funded water projects face liquidity bottleneck with EPC contractors holding pending payments for up to one year, creating a vicious cycle affecting end-to-end supply chain.

Job Work Opportunity

- 6 lakh tonne job work order expected to execute 1.25-1.5 lakh tonnes in remaining FY26 with first steel consignment arriving within 1-2 weeks; working capital requirement significantly lower (20-30 days) as supplier maintains steel ownership.
- Job work profitability aligned with normal export margins; only charging fees for conversion work without procurement risk on raw material inventory.

Financial & Capital Structure

- Standalone long-term debt stands at only 5500 Mn (of which 5000 Mn is LIC NCD maturing 2029-30), providing comfortable debt position and financial flexibility for growth CapEx.
- Maintenance CapEx guidance of 6-7 Bn annually for India operations across 12 facilities; no growth CapEx planned in India beyond seamless expansion completion.
- MENA growth CapEx will be financed with 30% equity (~\$100-120 Mn over three years) and 70% project debt from local markets.

Medium-term Outlook

- Management expects gradual improvement in Q3-Q4 FY26 as government liquidity release accelerates and payment backlogs resolve, though recovery will be sequential rather than sharp.
- Multi-product portfolio diversification like DI, helical, seamless, longitudinal, ductile provides hedge against single-segment cyclicalities; expects all business segments to normalize together.
- Product mix across exports includes longitudinal (1.15 lakh tonnes for oil & gas), ductile (60,000 tonnes), and seamless alongside helical, reducing over-dependence on any single product category.

Liquidity & Working Capital Confidence

- Company maintains robust working capital lines to manage operational requirements despite near-term challenges; confident in handling liquidity pressures through disciplined cash management.
- Recent state government fund arrangement initiatives expected to gradually release blocked payments to EPCs and suppliers, though normalization projected to take 2-3 months minimum.

Geojit Financial Services Ltd – Q2FY26 Concall KTAs**CMP: INR 74 | Market Cap: INR 20,786 Mn**

Outlook: Investments continue in technology, talent, and marketing to drive distribution growth and strengthen operational resilience. A new entity in the Dubai International Financial Centre (DIFC) is expected to become operational by Q4, targeting portfolio expansion among NRIs, particularly in USD-denominated products. The Middle East business has demonstrated consistent growth, supported by joint ventures and strengthened by the appointment of a new CEO overseeing UAE operations from January onwards.

Financial Highlights:

Total consolidated revenue declined 21% YoY to INR 1,729.4 Mn but grew 13% QoQ.

PBT stood at INR 303.1 Mn, down 60% YoY and 17% QoQ.

PAT declined 59% YoY to INR 234.7 Mn and down 18% QoQ.

Distribution income up by 12% YoY to INR 623.3 Mn and Up 66% QoQ.

Segmental Business Updates

Product income, primarily from mutual fund distribution, increased both YoY and QoQ, up by 66% QoQ and a 12% YoY growth.

Life insurance premium collection in Q2 stood at INR 510 Mn, up from INR 380 Mn a year ago. Renewal premiums were INR 720 Mn versus INR 480 Mn last year, while health insurance premiums rose to INR 50 Mn from less than INR 10 Mn YoY. Overall, total insurance premiums collected were INR 1,280 Mn, compared to INR 860 Mn in the same period last year.

The company continues to focus on expanding its distribution business, with ongoing investments in field sales teams and technology upgrades.

Cost Structure and Investments

Total expenses for Q2 stood at INR 1,426.4 Mn, up 22% QoQ, with employee expenses contributing INR 754 Mn, up by 28% QoQ.

Marketing and IT expenses also increased, reflecting the company's ongoing technology transformation and higher sales activity aimed at driving future growth.

Commission expenses, which are directly linked to business volumes, declined 9% QoQ and were 28% lower YoY.

Vardhman Textiles Ltd-Q2FY26 Concall KTAs**CMP INR 438 | Markets Cap INR 12,656 Cr**

Revenue stood at **INR 2,468 Cr** (–4% YoY) with **EBITDA margin at 15.5%**, reflecting resilience despite high U.S. tariffs and cotton cost pressures.

Capacity utilization: 90–95% in spinning and ~90% in fabrics.

EBITDA sustained QoQ aided by efficient raw material management, imported cotton inventory, and INR depreciation benefit.

U.S. 50% import duty continues to impact exports order delays of **30–45 days** and order volumes down **20–25%** from U.S. buyers.

Management expects **normalization by Q4FY26**, contingent on a **U.S. trade deal (expected by Nov)** and stabilization of cotton pricing.

Despite headwinds, VTL is maintaining relationships with strategic customers through selective price support to retain business.

Raw Material

Indian mills face a **cost disadvantage of \$0.04–\$0.06/lb** versus peers in Vietnam/Indonesia due to high MSP-linked cotton prices.

Domestic cotton prices at **\$0.80–\$0.84/lb** vs. international **\$0.76–\$0.78/lb**.

Government's temporary duty relaxation (11%) on cotton imports has helped partially offset this disadvantage.

India's cotton production for FY26 estimated at **~31 Mn bales**, similar to last year; sufficient supply due to high imports before Dec 2025.

Capex and Expansion

INR 500 Cr Capex underway:

Fabric Plant: INR 300 Cr; commissioning in Q3FY26, with **25 lakh meter** capacity ramp-up by March 2026.

MP Line Expansion: INR 200 Cr; to be operational by mid-Nov, with overall capacity addition of ~30% once fully utilized.

Garment capacity doubling to 12,000–14,000 shirts/day; aimed at cost optimization, not full business shift.

Long-term land bank of **200 acres at PM MITRA Park (MP)** for future integrated textile expansion.

Margin supported by imported cotton inventory, favorable forex, and premium product mix (melange, cellulosic, sustainable yarns).

Other income normalized to INR 70–80 Cr/quarter; Q2 dip due to reversal of FX gains (INR 25 Cr impact).

Depreciation to rise modestly to ~INR 125–130 Cr/qtr post commissioning of new assets (10% annual rate).

Acrylic subsidiary under pressure due to substitution toward polyester; running at full capacity but low margins.

Diversification in export markets: EU, UK, Australia, Canada, Bangladesh, Sri Lanka.

FTA benefits: UK FTA effective; EU FTA talks progressing; material traction expected in FY27.

Focus on high-value segments and functional yarns to offset commodity margin compression.

Outlook: Management expects a **gradual normalization of spreads by Q4FY26**, led by resolution of U.S. tariff issues, completion of modernization and capacity ramp-up by Dec–Jan, and continued raw material parity support. However, **Q3 may see margin softness** due to export-heavy mix and cotton procurement at higher MSP levels. Long-term visibility remains strong, backed by a **robust balance sheet, diversification strategy, and continued investment in value-added fabrics**. If trade policy stabilizes and import duty relief extends, **margin expansion and volume recovery are likely from FY27 onward**.

Hindustan Unilever Ltd | Q2 FY26 - Concall Key Takeaways | CMP: INR 2,604 | M-Cap: INR 6,116 Bn**Overview**

HUL Ltd recognizes the changing market conditions and wants to take advantage of the new view of the market as seen by Gen-Z thus getting traction which will be done by better channeling focus, marketing spend, social media reach, and more aesthetically pleasing products and to change the market with their innovative strategies and premium-isation.

- Company reaffirmed long-term focus on volume-led revenue growth, over price-driven expansion.
- GST reforms viewed as consumption-positive; about 40% of portfolio to benefit from inclusion under the 5% GST slab.
- Ice Cream business demerger on track with results to be announced separately for the December quarter; listing targeted by March 2026, expected to improve consolidated margins by 50–60 bps (post exclusion of low-margin ice cream).
- E-commerce contributes 12% of sales; rapid scaling of digital and quick-commerce channels in focus.
- Dividend payout reflects confidence in cash generation and balance sheet strength. Dividend: INR 19/share (INR 4,264 Cr)

Operating & Market Context

- GST reform implementation expected to have recovery across categories fueled by increased consumer disposable income; initial trade pipeline disruption was experienced in Q2 due to inventory normalization which lead to late order placements.
- Uneven monsoon and divergent commodity trends affected near-term trade and rural sentiment.
- Expect gradual normalization by early November, aided by rising disposable income and fiscal stimulus but only gradual and not an immediate and adverse effect is expected.

Financial Performance

Q2 FY26: Turnover – INR 160.6 Bn – 2% underlying sales growth and underlying volume growth was flat

PAT – 4% growth – INR 26.94 Bn

EBITDA – 23.2% of TO

H1 FY26: Turnover – INR 323.84 Bn - 3% underlying sales growth, 2% underlying volume growth

PAT – 5% Growth

EBITDA – 23.0% of TO

- A&P up 80 bps YoY to 10.3% of sales, reflecting stepped-up brand investments.

Segmental Performance**Home Care**

- Revenue: INR 56 Bn | Margin: 19%
- Maintained leadership with mid-single-digit UVG; focus on making the market more premium for fabric wash and liquid dishwash (40% of segment).

Beauty & Wellbeing

- Revenue: INR 37.3 Bn | Margin: 28%
- Driven by Lakme, skincare & colour cosmetics; health & wellbeing maintained triple-digit growth.
- Minimalist continues strong double-digit growth, scaling per guidance.

Personal Care

- Revenue: INR 24.3 Bn | Margin: 20%
- Momentum in premium soaps; Lux relaunch in India and global markets.
- Temporary GST-led disruption to trade offset by urban premium recovery.

Foods & Refreshment

- Revenue: INR 38.7 Bn | Margin: 16%
- Coffee in double-digit growth; tea in low-single-digit growth.
- Packaged Foods muted; Horlicks showing early green shoots with focus on Pro-Fitness range.

Management Commentary & Outlook

- Market leadership maintained across 85% of portfolio; extensive network of 9 million stores, reaching 9 of 10 Indian households.

Management to focus on Four-pillar strategy to drive growth:

1. Sharpen consumer segmentation and premium focus.
 2. Scale premium and health-centric innovation pipeline.
 3. Strengthen front-line execution and local market agility.
 4. Drive demand generation across modern trade, e-commerce, and quick commerce.
- Possibility-to-lead focus across segments, with selective “fewer, bigger bets” on scalable categories such as body wash (2% penetration currently).
 - Margin guidance retained at 22–23%, with post-demerger uplift of 50–60 bps expected.
 - Management emphasized being volume-obsessed, even if operating margins remain 200 bps below peak, to build long-term competitive scale.
 - Digital-first brand reimagination aimed at building youthful, Gen-Z relevance; packaging, aesthetics, and marketing to be made more social-first.

Laurus Labs Ltd – Q2FY26 Concall Highlights

Outlook:

The near-term operating environment remains challenging for Laurus Labs, with API recovery likely deferred to FY27. However, resilient CDMO and FDF segments, healthy order book, disciplined capex, and robust balance sheet position the company for medium-term margin and earnings recovery.

Revenue and Profitability Trends

- Q2FY26 revenues showed moderation, attributed primarily to weaker API segment performance but were partially offset by stable CDMO and FDF businesses.
- Consolidated EBITDA and PAT declined YoY and sequentially, with margins impacted by both revenue mix and input cost inflation.
- Sequential improvement was seen in select verticals, but aggregate profitability remained below historical peaks.

Segment Performance

API Division

- The API segment experienced a decline in volumes and realizations, with Hepatitis C and oncology APIs remaining soft.
- Near-term demand recovery is not anticipated; visibility for a return to growth is dependent on end market restocking.

CDMO Division

- CDMO business continued to deliver steady revenue, benefitting from robust project pipeline and high client engagement.
- Incremental capacity added in Q1FY26 is now operational, supporting scale-up of late-stage projects.
- Commercialization of advanced intermediates is expected to support margin normalization in the coming quarters.

FDF (Formulations)

- FDF segment held up well, driven by stabilized ARV and non-ARV product demand.
- Margins in the division improved due to better product mix and operational leverage.
- Volume growth from contract manufacturing activity for North American generics customers underpins future guidance.

Order Book and Guidance

- The total order book remains healthy, supported by new wins in non-ARV, oncology, and anti-diabetic portfolios.
- CDMO pipeline has expanded, with additional late-stage molecules progressing towards commercial production.
- Management reiterated full-year revenue growth guidance in high single digits, with EBITDA margin expected to normalize following cost pass-through and operational recovery.

Capex and Expansion Plans

- Q2FY26 capex outlay was focused on capacity expansion in both CDMO and FDF segments; cumulative FY26 spend is anticipated to be INR 3,500–4,000 million.
- Advanced intermediate production and backward integration initiatives are underway to mitigate raw material volatility.
- Expansion at the Vizag and Hyderabad sites will drive incremental revenue from late FY26 onwards.

PTC India Financial Services Ltd

H2FY26 is expected to be better, with catch-up disbursements in Q3 and continued focus on private and SME sectors. Disbursement-to-sanction ratio is expected to be 60–70%, better than industry average. Once Danu Wind is resolved, Net NPAs may fall below 0.5%. Long-term focus remains on sustainable, granular portfolio building, and strong governance framework.

Loan Book and Disbursements

- INR 1,048 cr sanctioned in Q2 while disbursements was INR 326 cr, primarily to private sector power projects (solar, wind, thermal) and corporate/construction loans.
- H1FY26 total disbursements was INR ~450 cr against earlier guidance of INR 1,200 cr; shortfall deferred due to extended monsoon affecting project demand; targets INR 2,500–3,000 cr disbursements for FY26 (revised down from 4,000 crore earlier).
- Pipeline for Q3FY26: Over INR 1,500 cr, with INR 1,000 cr already document-ready for sanction.

Asset Quality and Credit

- GS 3 assets down by 75% YoY to INR 193 cr vs INR 764 cr in Q2FY25. NS 3 assets down 83% YoY to INR 47 cr vs INR 283 cr in Q2FY25.
- Gross NPA declined from 10.22% to 5.23%; Net NPA declined from 4.13% to 1.32% in Q2FY26. Only one NPA account “Danu Wind” remains, with expected resolution of INR 220–230 cr in FY26, potentially reducing NS 3 to ~zero.
- No new slippages in FY25 or FY26 so far; all loans sanctioned since FY18 remain standard.
- Aims to maintain Gross NPAs below 3% and Net NPAs ~1% over the medium term. Credit cost is expected to capped at 60–70 bps annually going forward.

Other Highlights

- 3 independent directors resigned on 26 Sep 2025; management confirmed no issue with company governance.
- Ms. Mini Iyer, ex-MD of LIC, appointed as a new independent director; 2 more eminent directors to join shortly.
- Foray into SME lending with a strong pipeline being built.
- Expanding focus into distributed infrastructure and sustainable finance (bioethanol, compressed biogas, small solar/wind projects).
- The company is considering funding hospitals, educational institutions, and hotels sectors.
- NBFC funding vertical launched for indirect exposure to small-ticket renewable and rooftop solar loans; capped at 6–7% of portfolio.
- Plans to raise INR 300–500 cr of growth capital once its board reconstitution is complete.
- Currently holds ~INR 1,500 cr of liquidity; no immediate fund constraint for Q3FY26 disbursements.

Sagar Cements Ltd 2QFY26 Key Takeaways**CMP: INR 228 | Market Cap: INR 30 Bn | Outlook : Positive**

Outlook - Management maintains an optimistic outlook for Sagar Cements Ltd, guiding for strong volume growth of around 6 Mnt for FY26, driven by an expectation that demand conditions will strengthen in the second half of 2025. Although Q2 saw a seasonal 3% to 4% drop in realization, pricing is expected to remain flat for Q3 due to the extended monsoon, with Q4 expected to lay the foundation for a better pricing regime. The strategic outlook is supported by a full-year EBITDA per ton target of close to INR 600/t achieved through ongoing optimization efforts (e.g., upgrading the Andra plants and increasing renewable energy), and expansion to 12 MTPA by the end of FY27. The company anticipates a real demand surge in Andhra Pradesh and Telangana in H2 of next year (FY27), projecting over 15% yoy growth in these key markets.

Financial and Operating Performance

- * Revenue and Volume: The company achieved significant volume growth of almost 70% YoY. Revenue for the quarter stood at INR 620 mn, up almost 27% compared to INR 470 mn in the previous year's quarter.
- * Profitability and Margins: Profit after tax (PAT) during the quarter was INR 440 mn. Margins improved to 9% from 4% a year ago, standing at INR 1,177 per ton.
- * Cost Efficiency: The profitability outlook remains positive, supported by initiatives such as improving great efficiency, shorter lead distances, and upgrading the Andhra plants. Fuel cost was recorded at INR 1,428 per ton (down slightly from INR 1,446 per ton in FY25), and water cost was INR 855 per ton (up from INR 830 per ton in FY25).
- * Inventory and Shutdown Impact: The Q2 EBITDA decline (to INR 377 per ton) was partly due to an inventory adjustment. This adjustment was necessitated by maintenance shutdowns, including the complete shutdown of clinker production at the Andra plant for upgrading and approximately 40 days of shutdown at the Matelli unit.
- * The Andra Cement plant operated at 32% utilization and posted a loss of around INR 240 mn. The plant is expected to break even at 50% utilization.
- * Incentives: The company received INR 110 mn in incentives during Q2. The total expected incentive for FY26 is INR 460 mn, which the company has largely received. Starting next year, a minimum of INR 250 mn to INR 260 mn in incentives is expected, plus an additional INR 30 mn to INR 50 mn from power incentives.

Other Highlights –

* Volume Guidance and Future Profitability: The expected overall sales volume for FY26 remains around 6 Mnt. The full-year EBITDA per ton is expected to be close to INR 600/t.

* Demand Outlook (South): The outlook for South India demand is strong, driven by infrastructure projects.

- For FY26, high single-digit growth is expected in the South.

- For FY27, Andhra Pradesh and Telangana are expected to see 15% plus yoy growth.

- This surge is attributed to financial closure for key projects (like Google/Adani data centers and ICL refinery) and the "Indramma Patkham" low-cost housing scheme in Telangana.

Pricing Expectations: Q2 saw a seasonal 3% to 4% drop in realization, mainly due to non-trade prices.

- Pricing is expected to be flat in Q3 due to the extended monsoon.

- Q4 is expected to "lay the foundation for a better pricing regime going into the next year".

Capacity Expansion: The company is progressing with expansion projects to reach 12 MTPA by the end of FY27 (up from 10.5 MTPA).

- A new heater at the cement unit in Githabad was commissioned on October 27, 2025.

- The 0.5 MTPA grinding plant at Jiraabad is expected to be commissioned before March 2026.

* Capex Plan: The FY26 capex guidance was revised upward to around INR 4,500 mn (from INR 3,600 mn) to accelerate implementation. Approximately INR 2,500 mn remains to be spent in the current year. FY27 capex is expected to be between INR 2,500 mn to INR 2,750 mn.

* Land Sale Delay: There is a slight delay (a quarter to six months) in receiving the sale proceeds due to typographical errors in paperwork. However, management expects a better realization than previously anticipated due to surrounding large data center and IT park developments (Google, Adanis, Wipro, Infosys, HCL).

Epac Prefab Technologies Q2FY26 Concall**Highlights Mcap: INR 26.97bn | CMP: INR 269**

Outlook: Epac Prefab Technologies' order book stood at INR 9.2bn (~2.1x of Q2FY26 revenue), showing business visibility for the next 2 quarters. The company has received an order of INR 6.5bn in H1FY26 and is regularly getting orders. The capex of INR 1.6bn is expected to generate additional revenue of INR 5.5bn+ going forward. The company is focused on increasing the market share to 10% through a market penetration strategy and maintaining 10.5%-11% of EBITDA margin going forward. We have a positive outlook on the stock.

Revenue

- General revenue mix are H1- 45% and H2 – 55%. Q3 and Q4 are better quarters due to favorable weather conditions, leading to easier site delivery and execution.
- Private sector revenue is around 95%. Direct government business is minimal and indirect through EPC contractors such as L&T and NCC, etc.

Market share

- The company is focused on increasing the market share from 5% to 10% going forward.

Margins

- The company is focused on a market penetration strategy and maintaining a 10.5%-11.5% EBITDA margin going forward.
- EPS packaging business margin improved from 6.5% (FY23) to 11.5% in FY25, due to a multi-fuel turbine that uses biofuel, thereby reducing power and fuel costs.

Order book

- The order book stood at INR 9.2bn as of Q2FY26, providing revenue visibility for the next 7-8 months.
- The order inflow stood at INR 6.5bn in H1FY26, primarily from the solar/renewable, semiconductor, FMCG, warehousing, and auto sectors. The average order size is around INR 60mn.
- The inquiry conversion ratio for larger orders is around 15% and 10%-15% for smaller orders.

Capex

- The capex is expected to be INR 1.6bn for greenfield and brownfield expansion.
- The capex of INR 580mn for the brownfield expansion of structural steel fabrication capacity. The facility is expected to commence commercial production by Q4FY26E. The capacity is expected to add 28,000-32,000 tons and is expected to generate INR 3bn+ revenue going forward.
- The capex of INR 1,020mn for greenfield expansion to establish an insulated sandwich panel line in Gilot, Rajasthan. The building construction has started, and equipment ordering is in progress. The commercial production is expected from Q2FY27E onwards. The revenue potential is around INR 2.5bn going forward.

Asset Turnover and Payback

- The current asset turnover is around 4.5-4.7x.
- Structural steel segment asset turn is expected to be 6.5-7x. The capex of INR 580mn brownfield expansion would generate INR 3bn+ revenue.
- Insulated sandwich panels asset turn is around 2.5x. The capex of INR 1,020mn greenfield expansion would generate INR 2.5bn revenue.
- The payback period for selling sandwich panels as a standalone product is generally 3.5 to 4.5 years. It's expected to improve by developing integrated solutions such as cold rooms and king rooms.

Capacity

- The steel fabrication capacity stood at 1,33,000 tons. Post capex, the capacity is expected to reach 1,70,000 tons.

Utilization

- Three existing prefab plants' utilization is around 88%-90%. Buildup section utilization – 88%, cold form sections and roofing utilization – 74%-78%. The ongoing debottlenecking efforts are expected to improve efficiency by 5% to 10%.
- The timeframe for converting a quote into an order is a maximum of 6 to 8 weeks.

Working capital

- Networking capital days have been reduced to 21 days in H1FY26. The company is focused on maintaining a healthy working capital cycle of around 35 days.
- The company's payment structure for receivables is designed to minimize risk. Advance payment - 10% to 20%, General Arrangement approval - 10%, on or before supplies- 60% to 65%, final handover – 5% to 10%.
- Inventory days are around 35-40 days.

Debt

- The company repaid debt of INR 700mn. This loan has an interest rate of 8.25% and repayment of debt would improve 0.4% PBT expansion.
- The term loan stood at INR 500mn, and the working capital loan – INR 600mn.
- Finance cost is expected to be 1%-1.5% of sales going forward.
- The other income through fixed deposits covered 73% of interest costs in H1FY26 and is expected to be entirely offset by H2FY26E.

Raw materials

Steel accounts for 80%-85% of the raw material cost. Majorly, the contracts are fixed price contracts. The company is mitigating price volatility through maintaining 35 to 40 days of raw material inventory, issuing long- term purchase orders with 8-10 week delivery timelines, and employing natural hedging by reflecting current steel prices in new orders.

Exports

Export sales share is around 1.5%-2%, primarily to SAARC nations such as Bhutan, Sri Lanka, Bangladesh, and Nepal. The Mambatu plant is near the port, and the company is evaluating exports to the Middle East and Africa.

Industry

Industry is expected to grow 10%-12% and the company is focused on outperforming the industry over the next 2 years.

Prefab business is contributing 3%-5% of the overall building construction market in India.

Prefab construction offers key advantages over conventional methods, being 15% to 20% cheaper, taking half the time to complete, and offering greater flexibility for future modifications.

Current domestic demand is strongest in South India, driven by industrial setups in states like Tamil Nadu, Karnataka, and Andhra Pradesh.

Other highlights

RoE and RoCE are expected to be 23%-25% going forward.

The company is completing projects 2-3 months faster than its competitors.

Emerald Finance Ltd

The company's Early Wage Access (EWA) platform is scaling well, with steady MoM disbursement growth and a rising base of corporate clients and employees. EWA disbursements is expected to reach INR 13–15 cr/month by FY26 end and can become a key revenue contributor over the next few years. Margins are expected to remain strong, with EBITDA ~75–80% and PAT margins stabilising at 40–45% as leverage increases. Asset quality remains sound with negligible NPAs, and growth is being funded primarily through internal accruals.

Financial performance

- Standalone total income grew 77% YoY to INR 10 cr, while net profit increased 121% YoY to INR 6 cr.
- On a consol basis, income rose 45% YoY to INR 14 cr, and profit jumped 81% YoY to INR 7 cr, driven by the asset-light business model and tight cost control.
- EBITDA margins remain at ~78%, expected to sustain between 75–80%.
- PAT margins stood ~52% in Q2, but management expects it to normalise to 40–45% as leverage builds up.
- The decline in other expenses (down ~50% QoQ) was due to higher business sourced directly by employees, reducing DSA commissions.

EWA platform gaining traction

- EWA product continues to scale well. Monthly disbursements have reached INR 6 cr, growing 15–20% MoM, with management targeting INR 13–15 cr per month by FY26-end.
- The platform has 145 corporates onboarded, of which 120 are active, and ~2,400 employees transacting monthly. The target is to reach 250 corporates by FY26.

Asset quality

- The lending book remains extremely clean with just one NPA in business loans (INR 30,000) and 2 minor overdue cases in EWA (INR 8,000 and INR 6,000); Both are expected to be recovered shortly.
- The NPA ratio remains negligible, with tight controls and repayments routed via employers ensuring minimal slippages.

Other Highlights

- Total loan book expanded from INR 80 cr in March 2025 to INR 100 cr in September 2025, while borrowings up only marginally to INR 14 cr.
- The company has been funding growth largely through internal accruals, supported by strong profitability.
- Management plans to gradually increase leverage up to 1x over time to support expansion; current D/E is 0.2x.
- The EWA product operates on a service-fee model (~30% annualized APR); short-term liquidity to employees, with repayments deducted directly by employers from salaries. Significant first-mover advantage is expected in this underpenetrated space, with limited competition and strong scalability potential.
- Cross-selling to EWA customers has begun contributing meaningfully; ~INR 4 cr worth of loans were originated in the last quarter through partner banks and NBFCs.
- The company plans to book part of these loans in-house to enhance margins in coming years.
- Established a new office for the EWA team, resulting in a one-time increase in fixed assets to INR 1.2 cr.
- Partnerships now extend to 40+ banks and NBFCs through its subsidiary, Eclat Net Advisors Private Limited. Recently, signed a large diamond company in Mumbai, which is expected to add meaningful new clients.

Aditya Birla Sun Life AMC Ltd

SIP flows are expected to recover gradually and drive steady retail traction. Focus is on expanding its alternate, passive, and real estate platforms coupled with new mandates like EPFO and ESIC; adds meaningful diversification and credibility to its franchise. While near-term market share in SIPs may remain under pressure due to digital expiries, the underlying growth drivers appear intact.

Financial Performance

- Q2FY26 revenue stood at INR 4,610 Mn, up 9% YoY, while operating profit rose 13% YoY to INR 2,700 Mn and PAT came in at INR 2,410 Mn.
- For H1FY26, revenue was INR 9,090 Mn (+12% YoY) with PAT at INR 5,180 Mn (+18% YoY).
- Equity yields were ~65 bps, marginally lower by 1–2 bps due to telescoping pricing. Alternates yielded ~80 bps, contributing ~INR 310–320 Mn to quarterly revenue.
- Employee expenses grew 6% YoY, but normalized growth would be closer to 20% YoY. The company expects full- year employee cost growth of 10–12%.

Operational Highlights

- Mutual fund AUM at INR 4.25 tn, up 11% YoY, and total AUM (including alternates) at INR 4.61 tn, up 14% YoY.
- SIP AUM stood at INR 820,000 Mn; 44% of overall AUM, with September SIP inflows of ~INR 11,000 Mn across 3.9 Mn folios.
- Total investor folios reached 10.7 Mn, 5% YoY rise. SIP market share saw temporary pressure as older digital SIPs expired, but new registrations are increasing MoM.
- ~35% of incremental SIPs now come via online platforms. SIP traction is expected to improve further as fund performance strengthens and partner banks add its schemes back to their recommendation lists.
- The company rolled out an SIP Subscription Plan Drive and introduced sales team incentives to boost registrations and ticket sizes per investor.

Alternate Business

- Alternate assets a strong growth engine; PMS and AIF AUM surged 8x YoY to INR 303 Bn in Q2FY26, led by the ESIC mandate of INR 258 Bn.
- The real estate book grew 23% YoY, and management expects to 2x it by FY26-end, backed by strong investor interest and timely redemptions.
- Offshore AUM stood at INR 47,950 Mn, slightly lower due to FIIs reducing India exposure amid global rebalancing.

Other Highlights

- Launched 2 new passive funds ABSL BSE 500 Momentum and ABSL BSE 500 Quality.
- Passive AUM reached INR 361 Bn, up 20% YoY, with a customer base of 1.35 Mn investors.
- Product basket now includes 53 distinct offerings.
- New launches in the pipeline include the ABSL India Equity Innovation Fund and hybrid offerings under the “Apex” SIF platform, along with continued expansion in the AIF space.
- Key focus funds such as Frontline Equity, FlexiCap, GenNext, and Conglomerate have also seen a pickup across channels.
- SIP market share recovery, scaling up alternates and passives, and expanding product offerings will remain key priorities in H2FY26.

Sigachi Industries Ltd – Q2FY26 Concall**Highlights Outlook**

Sigachi Industries is positioned to deliver a strong H2FY26 driven by higher capacity utilization as Dahej and Jhagadia plants ramp up production to offset Hyderabad's temporary shutdown and support seamless customer deliveries. The company's growth roadmap remains intact with fast-tracked MCC capacity expansion and the API

R&D center poised to enhance product mix, operating efficiency and presence in high-value markets. Management's

focus on execution discipline, safety and operational excellence underpins confidence in resilient, sustainable growth in the coming quarters.

Operational Updates and Incident Impact

- The key Hyderabad (Pashamylaram) facility remained under temporary shutdown due to a localized dust explosion incident; restoration ongoing, but expected to be down for ~180 days, with estimated revenue impact of INR 600 mn.
- Hyderabad production has been swiftly relocated to Dahej and Jhagadia facilities, ensuring uninterrupted customer supply and demonstrating business continuity resilience.

Financial Performance

- Q2FY26 total operating income at INR 1,105 mn.
- EBITDA for the quarter at INR 75 mn, EBITDA margin at 6.8%.
- Net profit delivered at INR 105 mn, with PAT margin at 9.6%.
- Segmental revenue: MCC at INR 664 mn, OM at INR 131 mn, and API at INR 184 mn.
- Exceptional item of INR 47 mn related to reversal of excess provision made in previous quarter for stock loss associated with the Hyderabad incident.

Capacity Utilization and Expansion Roadmap

- Dahej plant: Capacity utilization at 82.7%, Jhagadia at 81.3%, consolidated utilization for H1FY26 was 82%—expected to reach ~90% by year-end as Hyderabad volumes shift.
- MCC capacity expansion fast-tracked at Dahej SEZ: 12,000 MTPA additional capacity planned, civil works started, commissioning targeted for Q3FY27. Overall MCC capacity to rise to 30,000 MTPA.
- New API R&D center, Hyderabad, now operational—enabling integrated API development, faster speed to market, and enhanced compliance readiness.

Product Realizations and Margin Trends

- CCS (soon to be commercialized) realizations are up by small percentage; currently sampling and ramp-up in progress, expected commercial launch in October-November FY26.
- Margins: OM business EBITDA margins ~22%, CCS margins projected at 30%+, superior to MCC. MCC EBITDA margins pressured post-incident due to higher transportation costs, expected normalization in Q3/Q4.

Insurance Claims and Compensation

- Approximately INR 515 mn claim filed for fixed asset loss, INR 76.6 mn for stock loss, and INR 165 mn for business interruption (policy for 12 months)—total insurance recovery expected to approach INR 700 mn.

SBI Life Insurance Company Ltd

Outlook: Expects steady growth in the H2FY26, with individual APE rising 13–14% for the full year and margins sustained in the 26–28% range despite the GST impact. The company anticipates continued strong traction in the protection business, targeting it to exceed 10% of total APE. Both bancassurance and agency channels are expected to maintain mid-teens growth.

Financial Performance

- NBP stood at INR 1,83,500 Mn, up by 17% YoY growth, with a private market share of 22.2%.
- Individual Rated New Business Premium up by 7% YoY to INR 86,800 Mn, maintaining a private market share of 22.6%.
- GWP increased 19% YoY to INR 4,29,000 Mn, supported by 21% growth in renewal premiums to INR 2,45,500 Mn.
- PAT up by 4% YoY to INR 10,890 Mn, impacted slightly by higher GST expenses.
- VNB up by 14% YoY to INR 27,500 Mn, with VNB margin expanding to 27.8%, up 98 bps YoY.
- EV stood at INR 760,000 Mn, showing a 15% YoY growth, while Operating Return on EV was 17.6%.
- AUM reached INR 4,810,000 Mn, up 10% YoY, and solvency ratio remained strong at 1.94x, well above the regulatory minimum of 1.50x.

Product mix and Business segments

- Individual Protection APE stood at INR 3,700 Mn, up 16% YoY, while Group Protection APE up by 44% YoY to INR 6,800 Mn.
- Individual pure protection category, saw exceptional growth of 143% on an APE basis.
- Total Protection Business contributed 11% of total APE, growing 33% YoY.
- Non-participating products up by 26% YoY on an APE basis, while participating products saw a 57% sequential increase in new business premium in Q2.
- Annuity and Pension business achieved new business of INR 37,800 Mn.

Distribution Channels

- Bancassurance (SBI & RRBs) contributed 57% of total APE, amounting to INR 54,700 Mn, with 7% growth and 6% rise in branch productivity.
- Agency Channel reported INR 28,300 Mn in individual rated premium, with agent productivity at INR 0.27 Mn.
- Online Channel saw 34% growth in individual rated premium and 55% growth in protection business. 99% of individual proposals are now submitted digitally.
- The company opened 44 new branches and added 64,000 new agents during H1FY26.

Other Highlights

- OPEX Ratio stood at 6.2%, and Total Cost Ratio at 10.9%, slightly higher due to branch and manpower expansion.
- Persistency Ratio (13th month) improved to 87.1%, up 70 bps YoY.
- Claim Settlement Ratio remained strong at 99%, and the mis-selling ratio stayed low at 0.02%.
- Introduced 2 new products- SmartShield Plus (protection) and SmartMoneyBag Plus (participating savings) with SmartShield Plus contributing 11% of total protection sum assured.
- The company's 3 year CAGR of individual rated new business premium stands at 12.7%. outpacing the industry CAGR of 10.2%.

Insurance Claims and Compensation

- Approximately INR 515 mn claim filed for fixed asset loss, INR 76.6 mn for stock loss, and INR 165 mn for business interruption (policy for 12 months)—total insurance recovery expected to approach INR 700 mn.
- Balance losses potentially to be covered by company itself, though government support is being pursued.

SBI Cards & Payment Services Ltd

Outlook: Cost to income ratio guidance has revised to the higher end of 54-56% for full year. Rental spends, which earlier contributed 3–5% of total retail spend, have declined significantly due to regulatory KYC requirements. However, overall retail growth remains strong, driven by robust UPI and e-commerce activity. The management expects the revolver percentage to improve in Q3 as transactors convert.

Financial Performance

- Total income for Q2FY26 stood at INR 51,360 Mn, up by 13% YoY .PAT stood at INR 4,450 Mn, up by 10% YoY.
- Portfolio yield stood at 16.5%, slightly lower than 17% in the Q1.
- Cost of funds declined to 6.4% in Q2 versus 7.1% in Q1, down by 51 bps.
- NIM was maintained at 11.2%, supported by stable funding costs.
- Cost-to-income ratio stood at 56.8%, higher sequentially due to festive campaigns and increased corporate spend.

Business and Operational highlights

- Cards-in-force increased to ~ 2.15 Mn, up by 10% YoY .
- The company added 9,36,000 new accounts during the Q2, maintaining a balanced sourcing mix of 50% from SBI Bank channels and open market channels each.
- SBI Card retained its position as India's second-largest credit card issuer, with a market share of 19% in cards- in-force.
- The spend market share increased to 16.8%, according to August 2025 SBI data.
- Total card spends touched an all-time high of INR 10,706,30 Mn, up 31% YoY.
- Retail spends were INR 8,96,110 Mn, while corporate spends reached INR 1,74,520 Mn.
- Online spends contributed 62.5% of total retail spend in H1FY26.
- UPI-linked credit card transactions up by 16% QoQ, led by expansion in RuPay and QR acceptance, especially across department stores, utilities, and fuel.
- The company launched three new co-branded cards in partnership with Flipkart, PhonePe, and IndiGo, targeting e-commerce, digital payments, and frequent travellers. These products have received strong customer interest.

Asset Quality and Risk Management

- Gross NPA improved to 2.85%, down from 3.07% in Q1FY26.
- Stage 3 assets reduced to INR 17,050 Mn from INR 17,550 Mn sequentially, while Stage 2 assets fell to INR 24,850 Mn from INR 26,730 Mn.
- Gross credit cost declined by 58 bps to 9%, from 9.6% in the Q1.
- Gross write-offs during the quarter were INR 12,810 Mn.

Dr Reddy's Laboratories Ltd -Q2FY26 Concall Highlights**Outlook**

Dr. Reddy's continues to demonstrate resilient growth outside the US, strong execution in India/EM, and loose cost discipline. While US remains challenging, the pipeline, especially in biosimilars and complex generics, offers meaningful optionality in the medium term.

Financial Performance Highlights

- Consolidated revenue for Q2FY26 stood at INR 88,050 mn (USD 992 mn), registering 9.8% YoY growth and 3% sequential growth, aided by the acquired consumer healthcare business and broad-based recovery across key markets despite pressure from Lenalidomide and US generics.
- EBITDA was INR 23,510 mn (USD 265 mn), reflecting a margin of 26.7%, slightly lower YoY driven by product mix, yet broadly stable QoQ. Underlying EBITDA margin, adjusting for one-off VAT provisions, stood at 27.5%.
- SG&A expenditures increased by 15% YoY (INR 26,440 mn), primarily on account of sustained investments in consumer healthcare and branded generics, with a ~ INR 700 Mn one-off VAT provision.
- R&D spend declined 15% YoY to INR 6,200 mn, at 7% of revenues, as major investments for Abatacept have concluded. Focus persists on complex generics, peptides, and biosimilar assets.
- PAT was INR 14,370 mn (USD 162 mn), up 14% YoY, with stable margins.

Business Segment & Geographical Updates

- US Generics: Revenue at USD 373 mn, declined 16% YoY, 7% sequentially, led by price erosion in key molecules, notably Lenalidomide. Seven new products launched in the quarter; pipeline has ~20 complex generics, but large, meaningful launches are expected primarily from biosimilars like Abatacept.
- Europe: Revenues at EUR 135 mn, showing, robust growth of 150% YoY and 3% QoQ, primarily aided by the acquired NRT business and new launches. Eight new generics launched, with ex-NRT growth at 6%.
- India: Strong performance with revenues at INR 15,780 mn, growing 13% YoY and 7% QoQ, driven by new launches, inorganic brand acquisitions. Stugeron's acquisition (INR ~1,000 mn annual revenues) had insignificant impact in Q2, but is expected to be accretive going forward.
- Emerging Markets: Revenues at INR 16,550 mn, up 14% YoY and 18% sequentially, fuelled by accelerated launches (24 in the quarter) and forex benefits. Russia specifically showed 13% constant currency growth.
- PS&I (Pharma Services and Active Ingredients): Segment revenue of USD 108 mn, up 8% YoY and 13% sequentially. 37 new DMF filings made globally in the quarter.

R&D and Pipeline Progress

- Significant progress made on differentiated assets: SEC in India has recommended approval for Semaglutide injection, while Denosumab biosimilar candidate received a positive EMA opinion.
- US FDA accepted IND filing for Coya 302 (ALS therapy). Momentum in biosimilars is expected, with Abatacept BLA submission targeted for end of December 2025 and focus on peptides/complex generics pipeline.
- The new fill and finish capacity for Semaglutide at FTO-11 is underway, although not expected to impact supply for the next 12 months. The company plans to ramp up to potentially 50 million units post-qualification, aiding long-term growth.

Strategic Initiatives & Outlook

- The focus remains on driving the base business, scaling consumer healthcare, and launching innovative therapies, especially biosimilars and complex generics (GLP-1, peptides).
- The India and EM growth trajectory is expected to be sustained via aggressive new launches, niche brand licensing, and expanding the innovation pipeline.
- Margin outlook: Management maintains its 25% EBITDA margin aspiration by FY27, despite anticipated further declines in Lenalidomide revenues. Operational efficiencies and new product launches are expected to be the primary levers for margin restoration.
- Strategic BD and partnerships, especially in biosimilars and consumer segments, to be emphasized. Multiple launches in global markets for Semaglutide in FY26/FY27 expected, leveraging both in-house and partner capacities.

Aelea Commodities Ltd- Q2FY26 CMP: INR 213 | Mcap: INR 4,350 Mn

Outlook and Guidance: Management is guiding for a strong H2 FY26, underpinned by the successful operationalisation of the expanded capacity and a definitive pivot toward higher-margin derivatives. The long-term trajectory is focused on transitioning from a commodity processor to a diversified Agri-value enterprise built on a 'zero-waste' model and spanning the Food, Fuel, Feed, and Fertility segments. Crucially, the company reiterated its target to achieve structurally sustainable 12%–13% EBITDA margins upon the full ramp-up of new capacity and successful commissioning of the value-added product lines. Strategic emphasis remains on increasing the revenue contribution from core Cashew Processing to 70% (up from ~55%) while reducing reliance on low-margin commodity trading. Key investment is directed towards backward integration in African sourcing and forward integration into CNSL derivatives and green energy.

Revenue: The top-line witnessed an exponential surge, with revenue from operations growing 97.96% YoY to INR 17,369.28 Lacs. This reflects the successful utilization of the expanded 140 MTPD capacity and strong volume ramp-up. **EBITDA:** EBITDA more than doubled, showing substantial growth of 166.98% YoY, reaching INR 1,524.83 Lacs. The strong operating leverage improved the EBITDA margin by 227 basis points to 8.78%. **PAT:** Posted a solid 55.94% YoY increase to INR 870.21 Lacs. While the PAT margin stood at 5.01% (a slight decline YoY), the Consolidated EPS for H1 FY26 rose sharply to INR 4.27.

Capacity Expansion Realized: Successfully scaled operational processing capacity to 140 MTPD with Unit II in Surat fully commissioned.

Next Phase (Unit III): Land acquisition for Unit III is complete, with preliminary plans to integrate 4 MW renewable energy generation for by-product valorization, directly supporting the company's sustainability goal. **Backward Integration Focus:** Strategy involves deepening the direct Raw Cashew Nut (RCN) sourcing network across key African nations (Benin, Tanzania, Senegal, Cote d'Ivoire) to ensure supply consistency and better cost control.

Diversification and Value-Added Products
New Subsidiaries (Diversification): Incorporated Aelea Green Energy Limited and is in the process of incorporating Aelea Nuts & Fruits Limited, formalizing the expansion into the broader agri-value chain across the Food, Fuel, Feed, and Fertility segments. **High-Margin Derivatives:** A planned INR 12 Cr. capex targets a Cashew Nut Shell Liquid (CNSL) processing plant to convert CNSL into Cardanol and specialty chemicals a key driver for the structural 12-13% EBITDA margin target. **Circular Economy Focus:** The strategy emphasizes a 'zero-waste' model by converting residual Cashew Nut Shell Mass into high-utility products like Bio-charcoal/Activated Carbon and Biofuels. **Client Base Strength:** Maintain strong relationships with premium domestic and international FMCG/retail clients, including large partners like ITC, Reliance Retail, Britannia, Haldi ram, Amul, and Farmley, validating product quality. The company also has an international subsidiary, Supreme Commodities DMCC in Dubai. **Trading Risk Mitigation:** The company employs a back-to-back trading strategy for its non-cashew commodity business (e.g., Sugar, Rice) to effectively mitigate commodity price fluctuation risk.

Inventory Position: The current inventory base is only 50% built relative to the 140 MTPD capacity, providing substantial volume scalability without requiring major immediate fresh working capital outlay.

Latent View Analytics Ltd KTAs

Management aims to sustain 22–23% EBITDA (From 23-24%), while directing additional cash toward growth initiatives. Revenue growth of 19–20% is driven by strong deal wins and renewals. PAT margin declined temporarily due to one-time tax gains and deferred tax impact in Q2 but is expected to stabilize at a 25–26% ETR going forward. Marketing costs are seasonal in nature, with higher spending during August to October on small marketing events across the US, North America, and LATAM. These costs also include associated travel expenses and recruitment-related costs. (approximately \$150–180K) for hires on the Adobe side.

Witnessed strong deal momentum on the GenAI side and AI Centre continues to scale.

Added team members to strengthen Databricks capabilities and conducted four GenAI workshops for employees.

Like-to-like comparison includes the Q2FY25 acquisition, with combined Consumer Goods vertical now aligned across teams and positive traction in client conversations.

Focus on 27 strategic accounts, with intent to deepen mining and farming opportunities with 140 themes identified across these accounts.

Databricks expansion continues in the Latin American market, with recent engagements in BFS showing 75–80% growth.

LATAM expansion expected to be a key growth driver under a more aggressive nearshore strategy.

Over the next three years, management aims to accelerate growth on the back of improved visibility and certainty.

H1B visas not a concern around 15 employees can be deployed next year; hiring continues locally in the US at undergraduate and postgraduate levels.

No major furlough impact expected; leftover budgets this year could provide incremental momentum.

Actively pursuing acquisitions in Data and AI, with disciplined execution and valuation expectations.

Renewal season was strong in Q2; management expects to accumulate more client wins in upcoming quarters.

Brigade Hotel Ventures Ltd | Q2FY26 Concall Takeaways**Outlook:**

Management guided for a strong multi-year growth phase with strategic expansion into luxury and upscale segments. Fundamentals remain sound with debt reduction, improved margins, and a robust project pipeline driving FY27–28 visibility. Major growth to be driven from weddings and business hotels in the wedding season mainly November to February and thus expecting a strong Q3

Growth & Profitability

Total revenue at INR 130cr; EBITDA INR 41cr.

H1FY26 total income INR 255cr (+21% YoY); EBITDA margin 16%+, PAT INR 18cr.

ARR at INR 7,106 (+23% YoY); occupancy 75.6%.

-ARL at 90%; F&B grew 145% YoY driven by wedding season.

-INR 886cr IPO proceeds:

-INR 456cr used for debt repayment

-INR 107cr for land acquisition

-INR 17cr for general corporate purposes

-INR 572cr deployed so far

-Interest costs down due to deleveraging.

-ROCE at 9.9%.

Capex & Expansion

-Entered strategic expansion stage with INR 3,600cr capex outlined over 3–4 years.

-Key projects:

JW Marriott (Chennai)

Courtyard by Marriott (Chennai)

Two Fairfield by Marriott (Bengaluru)

InterContinental (Hyderabad) under construction

Marriott (Thiruvananthapuram)

Land purchased for new upscale hotel (Bengaluru)

Kerala project in planning phase

60% of total spend back-ended in years 3–4 as design and development phase peaks.

6 of 18 hotels (one-third of portfolio) to be luxury/upluxury by FY27–28.

Operational Highlights

Sheraton (Bengaluru) key revenue driver with 25% YoY growth.

Signature restaurant By the Blue relaunched post-renovation; new pan-Asian concept added.

Utility costs controlled (5.6% in Q2, 5.7% H1).

Mysuru hotel performing strongly.

GIFT City seeing solid ARR traction (up 23% and 16% across segments).

Outlook FY26–27

October expected to be softer due to holidays; November–December outlook strong on corporate and wedding demand.

Management expects stable RevPAR mid-teens QoQ, continued growth momentum through FY26H2.

Half of luxury/upscale launches expected FY27–28, providing sustained visibility.

eClerx Services Ltd – Q2FY26 KTAs

Management maintained its margin guidance at 24–28%. Q2FY26 was an exceptional quarter supported by a one-time special project, while Q3FY26 performance is expected to be relatively softer due to higher growth-related investments and macro headwinds in the high-end fashion segment.

Client Trends: Non–Top 10 clients grew faster than Top 10 clients. The company continues to focus on cross-sell and up-sell opportunities across accounts.

Vertical Performance: Strong growth was seen in CMT and Hi-Tech verticals, while BFS growth remained moderate.

Geographical/Operational Update: CMD growth improved, supported by the Cairo delivery centre.

Buyback: Promoters and shareholders will not participate. The buyback price announced is a floor price (minimum level), which may be revised upward after shareholder approval.

Margin performance in Q3 was impacted by additional investments and INR appreciation (~0.5%).

H1FY26 Overview: Strong overall performance; management remains cautiously optimistic for H2FY26. Confident of delivering higher ACV numbers versus FY25.

ACV / Deal Pipeline: Robust QoQ and YoY growth in pipeline. Large deal momentum continues, with improving average deal sizes. Management confident of maintaining higher ACV levels.

Headwinds: High-end fashion segment facing macro-related pressure; other verticals performing well.

AI and Technology: Company continues to build capabilities in GenAI, low-code/no-code, and proprietary IP platforms to strengthen client offerings.

Emerging Industries: Accounted for nearly one-fourth of Q2FY26 growth. Focus remains on Fortune 500 and emerging clients with strong transformation potential. Continued investments in business development, sales, and “hunting” profiles to drive new client acquisition.

Macro: Management remains cautiously optimistic; expects robust pipeline execution. Cairo centre positioned among the top quartile peers in delivery capabilities and new client onboarding.

M&A Strategy: Future acquisitions will be capability-led, aimed at strengthening technology and domain expertise.

Workforce: Onshore headcount currently ~3%; may increase in future as onshore coding and client-facing work expands.

Bonus issue proposal to be considered by the Board.

FY26 buyback price may be revised if required; the floor price is below CMP.

Zen Technologies Q2FY26 Concall Highlights

Outlook: Zen Technologies' order inflows were delayed due to emergency procurement, which paused regular procurement of simulators and training equipment. The order inflows, including INR 6.5bn simulator orders, are expected in H2FY26E. The major execution is expected in H2FY26E; however, it's anticipated to be lower than last year. We anticipate muted growth for FY26E and execution ramp-up from FY27E onwards. The asset-light model allows ramp-up execution to INR 5-7bn/quarter in the coming years. We have a neutral outlook on the stock.

Revenue

Cumulative revenue is expected to be INR 60bn over the period of FY25-29E. The primary growth drivers are the strong order pipeline in both simulators and anti-drone systems.

The asset-light model allows ramp-up execution to INR 5-7bn/quarter in the coming years.

Simulators and anti-drone systems revenue mix expected to change from 60:40 to 50:50, driven by strengthened pipeline for anti-drone solutions post-Operation Sindoor.

Margins

The EBITDA margin stood at ~37% in Q2FY26 and is sustainable over the medium term.

Order book

The order book stood at INR 6.75bn. The breakup is Equipment – INR 3.75bn, and the remaining from AMCs.

Parent company order book – INR 4.84bn and Subsidiaries order book – INR 1.9bn. Major execution is expected in Q3FY26E.

Order inflows

The order inflows were delayed in H1FY26, due to govt focus on emergency procurement following Operation Sindoor, which temporarily paused regular procurement of simulators and training equipment.

The delayed orders, including INR 6.5bn simulator orders, are expected in H2FY26E.

Under the emergency program, anti-drone orders are expected in the next few months. Each order is valued at INR 3bn.

Exports

The company is focusing on exports to regions including Africa, the Middle East, CIS countries, and Southeast Asia.

Competitive advantage

The company has competitive advantages, including IPP of hardware and software, wideband frequency coverage (100 MHz to 12GHz), integrated solutions like soft-kill (jamming, GPS spoofing) and Hard-kill (integrated remote-controlled weapon stations) capabilities.

AI

Process AI is being implemented across the company's value chain, like procurement, R&D, operations, and customer service, to enhance efficiency.

In simulators, AI acts as a one-on-one expert coach for trainees

In Anti-drone systems, AI is used for advanced threat classification and autonomous targeting.

Subsidiaries

Zen UTS & ARI is focused on naval simulation and expanding into air force simulators, also providing a footprint in Southeast Asian markets.

Ai Turing provides remote-controlled weapon stations (RCWS) that enable the hard-kill capability for the anti-drone system.

Vector Techniques allows the company to understand the drone ecosystem better.

Bhairav Robotics works on robotics, integral to automated weapon systems like RCWS.

Other highlights

The simulator business is witnessing strong tailwinds due to the global rise in conflict preparedness. Simulators have a lifecycle of 10 years. After that, it requires replacement or refurbishment, creating a recurring cycle.

The low-cost, effective drones like the Iranian Shahed-136 have created a massive demand for counter-drone solutions.

Sona BLW Precision Forgings Ltd

Demand softness from a key EV customer and supply disruptions in rare-earth materials. Business momentum is expected to improve in the coming quarters, supported by a strong INR 236 bn order book with 70% EV share, healthy diversification across geographies, and new product wins in drivelines, suspension systems, and railways. The company remains focused on innovation and cost efficiency, developing rare-earth-free traction motors and expanding into robotics through its partnership with Neura Robotics. While near-term margins may fluctuate due to mix changes and integration of the rail business, EBITDA margins is expected to sustain in the 24–26% range and improving return ratios.

- EBITDA margin stood at ~25%, largely stable despite product mix shift and rail integration.
- BEV revenue declined 17% YoY due to weaker demand from a single global customer; BEV share of auto revenue dropped to 32%; customer-specific issue, not a reflection of wider EV market trends.
- Net order book stands at INR 236 bn, after clean-up of INR 36 bn of low-visibility programs; EV share remains high at 70%.
- Added INR 10 bn of new orders during Q2, including the first driveline order from the Mexico plant for a U.S. recreational vehicle OEM.
- Secured 2 new program nominations (INR 8.2 bn lifetime value) for active suspension motors and controllers - one from an Asian EV OEM and another from a European luxury car maker.
- Railway business order book at INR 13 bn, to be executed largely within 12 months; integration progressing well with margin improvement opportunities ahead.
- Company continues to diversify across geographies and products; India contributed 45%, North America 30% of H1 revenue.
- Customer concentration has reduced – top 5 customers now form 51% of revenue (down from 62% in FY22); new client additions are scaling up rapidly.
- Developed and validated ferrite-assisted rare-earth-free traction motors for electric 2Ws, 3Ws, and LCVs; these motors reduce dependence on Chinese supply chains.
- Collaboration with Neura Robotics (Germany) aims to co-develop components for robots and humanoids, expanding presence into adjacent futuristic technologies.
- Cash from operations at INR 340 cr; ended H1 with ~INR 1,000 cr cash balance after funding acquisitions and capex.
- 24–26% EBITDA margin band is expected to sustain despite product-mix changes.
- Focus areas include accelerated ramp-up of EV and rail programs, cost-efficiency improvement, and technology-driven innovation.
- Diversification, cost optimization, and in-house R&D continue to be key levers to defend margins and drive profitable growth.
- Company evaluating select mobility-related acquisition opportunities, guided by long-term relevance, profitability, and sustainability filters.
- Improvement in return ratios is expected as newly invested capital starts contributing to growth.
- The suspension system using ClearMotion's technology is gaining traction and is likely to see gradual adoption before scaling up with large-volume customers.
- The railway segment fully integrated, is scaling well; new brake, coupler and suspension products are under development, with meaningful growth potential over the next 5 years.
- The book covers 62 EV programs across 32 customers, with 33 in production, 14 ramping up, and 29 yet to start.

Jubilant Ingrevia Ltd Q2FY26 Earnings Call Key Takeaways

Jubilant Ingrevia delivered its highest quarterly revenue and sales volumes in the last 10 quarters, with approximately 18% YoY volume growth, despite a challenging macro environment. Specialty chemicals and nutrition portfolios were primary growth drivers, aided by internal efficiency efforts and a diversified opportunity pipeline.

Industry and Demand Environment

- Specialty chemicals demand maintained sequential growth, with fine chemicals, diketene derivatives, and CDMO products seeing robust volume uptick; pyridine derivatives delivered high double-digit growth both YoY and QoQ.
- Global agrochemical industry completed destocking, reflected in stable pricing and volume expansion across client base.
- Pharmaceutical end markets showed steady demand, with consistent expansion in CDMO and margin recovery in paracetamol.
- Nutrition segment observed record-high vitamin B3 (niacinamide) and B4 (choline chloride) volumes; global feed-grade vitamin prices were volatile but volumes in high-value segments (cosmetic, food, pharma) improved substantially.
- Europe's anti-dumping duty on Chinese choline chloride enabled initial shipments to Europe and a strong order pipeline, with realizations for EU exports at a premium to domestic market.

Segmental Performance

Specialty Chemicals

- Revenue up 12% YoY (Q2FY26); segment EBITDA higher by 50% YoY to INR 1.25 bn, with margins steady at 26%.
- Double-digit volume growth driven by pyridine, diketene derivatives, and significant ramp-up in CDMO.
- Last three quarters saw 10+ new CDMO/fine chemical wins with peak annual potential of INR 12 bn; one large five-year CDMO contract (USD 300 mn/INR 25 bn) readied for supply in early 2026.

Nutrition and Health Solutions

- Segment volumes at record highs in vitamin B3 and B4; revenue declined marginally by 1% YoY due to price pressure.
- Innovative product mix shifting towards higher-value cosmetic, food, and pharma gradings; this is expected to reduce future margin volatility.
- EBITDA margin narrowed to 12–14% given market pricing pressure, but pipeline for premium exports is robust.
- Capacity utilisation for niacinamide forecast to rise 25–30% in next few quarters as premium grades ramp up.

Chemical Intermediates

- Revenues up 6% YoY and 20% QoQ, highest in past six quarters; volume ramp in acetic anhydride and ethyl acetate key drivers.
- Segment EBITDA largely stable QoQ, but down YoY due to material cost pass-throughs and over-supplied acetyls market.
- Retained strong domestic and global share amid pricing headwinds.

Strategic Initiatives, Innovation & Cost Management

- 100 active customer opportunities with aggregate INR 35 bn peak revenue potential; over 10 molecules secured, another 10+ in advanced discussion.
- CDMO-focused capex progressing: Q4 commissioning of major agro innovator project (USD 300 mn/INR 25 bn over five years); debottlenecking to expand fine chemicals/CDMO capacity by 15–20%.
- New multi-purpose plant (MPP) at Gajrola on track; establishment of state-of-the-art semiconductor R&D lab in Greater Noida to serve high-tech markets and deepen R&D infrastructure.
- Energy efficiency: 16% YoY reduction in power and fuel costs; renewables now form 28% of power use. Awarded ICC sustainability recognition for water stewardship.
- Aggressive R&D resource build-up: >50 products under development, 18 launches on deck for FY26, and external senior R&D/BD talent hired to accelerate commercial success and global market reach.
- Working capital cycle improved, capital allocation focused on high-return opportunities; FY26 capex plan of INR 6 bn is funded largely from internal cash generation.

Management Commentary

- CDMO segment pipeline is robust and diversified (pharma, agro, cosmetic, and nutrition); CDMO/new fine chemicals now form the core of the specialty portfolio.
- Contract structures are generally exclusive or near-exclusive with long-term volume commitments and targeted margins of 20–25% EBITDA and minimum 20% ROC.
- Only 2% of sales exposed to new US tariffs; business model and product mix largely shielded from direct impact.
- R&D and innovation intensity will continue to rise as share of specialty and nutrition segment increases in company mix.

PNB Housing Finance Ltd

Outlook: NIM guided at 3.6–3.7% and ROA expected to remain above 2.6%. Asset quality is projected to stay strong, with Gross NPA managed around 1% by FY27 through active risk monitoring and focused collection efforts. Branch expansion will continue strategically to deepen penetration across Tier 2, 3, and 4 markets, with plans to add 40–50 branches annually, primarily in affordable and emerging segments. The company loan book remains on track to achieve 17–18% growth for the year.

Financial Performance

- NIM declined to 3.67% in Q2FY26 from 3.74% in Q1. However, spreads improved marginally to 2.26% from 2.23% in the previous quarter.
- NII up by 14% YoY to INR 7,650 Mn in Q2. PPOP up by 16% YoY to INR 6,460 Mn.
- PAT for the quarter stood at INR 5,820 Mn, up 24% YoY, with a reported ROA of 2.73% and ROE of 13.14% (annualized).
- The average yield declined marginally to 9.95% from 9.99%, while the cost of borrowing improved by 7 bps to 7.69%.

Business Performance

- The retail loan book up by 17% YoY to INR 794,390 as of September 2025, with retail loans accounting for 99.6% of total loan assets. The total loan book stood at INR 797,710 Mn, up 15% YoY and 3% QoQ.
- Disbursements for the quarter stood at INR 59,950 Mn, up by 12% YoY and 20% QoQ. The affordable and emerging segments saw disbursement growth of 31% and 23% YoY, respectively, together contributing nearly 50% of total retail disbursements.
- The affordable segment loan book reached INR 65,310 MN, up by 121% YoY, while the emerging markets segment stood at INR 239,940 Mn, up 21% YoY. The prime segment loan book was INR 489,140 Mn, up by 8% YoY
- Live loan accounts crossed 350,000 as of end-Q2, while the branch network expanded to 356 locations, of which 198 are dedicated to affordable housing.

Assets Quality

- Asset quality with Gross NPA declining to 1.04% (from 1.06% in the Q1 and 1.24% a year ago), while Net NPA stood at 0.69%.
- Credit costs saw a positive reversal of 53 bps in Q2, supported by recoveries of INR 590 Mn from the written-off pool, including an Expected Credit Loss (ECL) release of INR 700 Mn from the closure of a corporate account.
- Retail collection efficiency remained robust at over 99.9%, supported by legal and technology-driven recovery and auction processes. During Q2, 178 repossessed properties were auctioned, taking total disposals to 276 in H1.
- Asset quality in the affordable segment remained stable, with 30+ day DPD at 1.4% (compared to the industry average of 3.7%), Gross NPA at 0.51%, and 90+ day delinquency also at 0.51%

Other highlights

- Focus on high-yield businesses continued, with the portfolio mix shifting further towards affordable and emerging segments, which now constitute 38% of the retail loan book.
- The share of self-employed and informal borrowers in the affordable housing segment continues to rise, now at 43% and 30%, respectively. Risk is being actively managed through internal caps of 45–50% for self-employed and 35–40% for informal borrowers.
- Branch expansion is strategically paced to deepen penetration in Tier 2, 3, and 4 markets, with plans to add 40–50 branches annually.

Canara HSBC Life Insurance Company Ltd

Expects to sustain industry-beating growth backed by a balanced product mix, cost discipline, and solid bank partnerships. Despite the near-term margin impact from GST reforms, it expects to maintain VNB margins ~20% through a combination of cost rationalization, product mix optimization, and commission realignment. Renewed emphasis on annuity and protection products, along with a phased rollout of the agency channel and deeper penetration in tier 2–4 markets, should further diversify growth.

Financial Performance

- VNB stood at INR 214 crore in H1FY26, up 21% YoY, with VNB margin at 19.6%, up by 150 bps YoY.
- PAT stood at INR 64 crore, 16% YoY growth.
- EV rose 17% YoY to INR 6,543 crore, with an Operating ROEV of 17.4%.
- AUM grew 11% YoY to ~INR 44,000 crore.
- The expense ratio improved to 19% in H1FY26 vs 20.5% last year, aided by cost rationalization.

Business and Product Mix

- Individual WPI grew 14% YoY Vs. private peers (8%) and overall industry (2%).
- Renewal premiums jumped 29% YoY due to better persistency (13-month at 84.4% and 61-month at 58.4%, up 190 bps YoY).
- Strong 40% YoY growth in credit life business.
- Product mix continues to shift toward traditional products (50%), up 3 ppts YoY.
- Annuity business now forms 16% of total business, largely regular-pay, with a typical deferment of 4–5 years.
- Linked (ULIP) business remains ~50%, down slightly from FY25; rider attachments introduced recently have improved ULIP margins.
- Protection business doubled to 8% of APE (from 4% in FY25), driven mainly by group credit life (~75% share).

Operational Performance

- Digital adoption is a major strength; 99% of new business sourced digitally and 85% of service requests handled through DIY digital journeys.
- Continued investments in AI and analytics to enhance customer experience and drive operational efficiency.
- Focus remains on improving persistency and customer penetration, especially within existing captive bank customers (currently < 2% penetration).

GST Impact

- The new GST rule (withdrawal of input credit) could have a potential 2.25% annualized margin impact.
- FY25-level VNB margins maintaining through operating cost rationalization, and favorable product mix shift
- 30 bps impact expected on EV due to GST; however, long-term industry benefits anticipated from improved affordability and persistency.

Other Highlights

- Canara Bank remains the key channel contributing ~70% of APE, followed by HSBC at ~15%, with the rest from alternate channels.
- Bancassurance productivity improving through branch activation, data analytics, and deeper penetration in tier-3/4 towns.
- Newly launched agency channel will be ramped up gradually, leveraging 104 existing branches; aims to avoid any margin dilution.
- Agency model expected to sell more traditional and savings products, helping margin stability.
- ~70% of non-PAR book is hedged, with intention to raise coverage to 85–90%.

Tamilnad Mercantile Bank Ltd

Outlook: For FY26, the management expects loan growth of 14–15%, deposit growth of 12–13%, and CASA growth of ~ 12%. The bank is investing INR 2,500 Mn in technology upgrades, divided equally between operating and capital costs. It plans to open 30–36 new branches during FY26, including 24 in Tamil Nadu and 12 in other states, to expand its reach. Aims to keep the C/I ratio below 45% as modernization and efficiency efforts continue.

Financial Performance

- Q2 net profit up by 4.7% YoY to INR 3,180 Mn, while EPS for the quarter stood at INR 20.05.
- NII up by 6.3% YoY, supported by improved yields. The NIM stood at 3.83% and is expected to surpass 3.85% as deposit repricing continues in the coming quarters.
- ROA reached 1.85%, and ROE stood at 13.77%, both showing improvement.
- Gross NPA declined to 1.01% (INR 4,740 Mn), and Net NPA stood at 0.26%. The PCR improved to 70.36%, among the best in the sector. Credit costs remained well under control at 15 bps for Q2, while slippages were minimal at 0.05%.

Business Growth

- The bank surpassed INR 1 trillion in total business, up by 11.4% YoY with Deposits up by 12.3% YoY to INR 554,210 Mn, while advances increased 10.5% YoY to INR 469,960 Mn.
- Opening the 600th branch this quarter a significant milestone, with 22 new branches launched in H1 and a target to add 30–36 more in FY26 . 24 in Tamil Nadu and 12 in other states. The bank aims to increase the share of branches outside Tamil Nadu to over 35% within the next 3 years.
- CASA deposits grew 9.3% YoY to INR 151,630 Mn, a continued revival in low-cost deposits.
- Momentum in the MSME portfolio is improving, with MSME advances up by 3.84% QoQ. The RAM (Retail, Agriculture, and MSME) segments now account for ~ 95% of the total loan book.

Other Highlights

- Investment in technology modernization is set to rise to INR 2,500 Mn in FY26 (compared to INR 1,510 Mn in FY25), split evenly between operating and capital expenditure. Key initiatives include comprehensive upgrades in loan management systems, digital banking, process automation, and data platforms.
- The C/I ratio improved to 43.8% and down by 5.5% QoQ ; aims to maintain it below 45% as modernization efforts continue.
- Employee cost efficiencies were achieved through the successful transition of 82% of staff to a fixed-plus-variable CTC model, moving away from the traditional pension-based pay structure.
- The gold loan portfolio is conservatively managed with a low LTV ratio, comprising INR 210,000 Mn in jewel loans and INR 43,000 Mn in consumer loans.

KFin Technologies Ltd

Expects continued double-digit revenue growth with stable margins post integration costs. MF yields are likely to remain stable around current levels for the next 12–18 months, barring minor telescopic pricing impact (~3.5–4% annual compression). International operations will remain the key growth engine, while domestic MF and issuer solutions businesses maintain steady momentum. Pipeline visibility remains strong across all verticals.

Financial Performance

- Revenue stood at INR 309 Cr for Q2FY26, up 10.3% YoY and 12.8% QoQ. For H1, revenue grew 12.6% YoY.
- Domestic MF business, International and other investor solutions, and Issuer Solutions business grew by 10.2%, 7.1% and 13.8% YoY respectively.
- Global Fund Solutions grew 14%, Pension business grew 21%, AIF/PMS/PWM business grew 28%, Hexagram by 54%, and Webile by 18%.
- EBITDA grew 7.2% YoY, with margins at 43.9% for Q2 and 42.8% for H1. PAT margins stood at 30.2%, up 4.5% YoY. CCE stood at INR 690.8 Cr at September-end.

Operational Performance

- Won 4/4 new MF mandates launched in India and transitioned one existing client.
- Added ~500 new clients in issuer services during Q2, including SME IPOs and unlisted companies. Successfully handled India's largest IPO (LG), with 2-3 IPOs scheduled every week till December.
- KFin's CRA business has crossed 10.3% market share, growing 3x faster than the industry. It operates almost entirely in the private sector within pensions, where its share is 4x the industry avg.
- AAUM crossed INR 1.8 tn, expected to cross INR 2 tn by Q3. The company now manages ~40% of the AIF industry, with plans to reach 50% share within 12–18 months.

Business Development

- Completed the acquisition of Ascent Fund Services (Singapore-based); now presence in 18 countries regulated by 7 different authorities. Q2 saw a INR 2.8 Mn one-off cost for staff retention and transaction expenses. Excluding this, Ascent achieved near breakeven with a healthy pipeline.
- The integration aims for synergy-led expansion; a double-digit accretive impact on growth and efficiency.
- Launched 2 out of 7 modules of its "FinEx" re-platforming initiative, a complete rebuild of its 40-year-old core platform that manages INR 50+ tn of AUM; enable faster client servicing, quicker go to market, and margin improvement.
- Ignite continues to see strong adoption across distributors nationwide.
- The newly launched Iris platform creates a fintech marketplace for intermediaries to cross sell multiple asset classes.
- VAS are growing 29.4% YoY and are expected to accelerate further; signed new data contracts and global tech partnerships, emphasizing data monetization and analytics.

Other Highlights

- Mutual fund contribution to consolidated revenue has dropped to 62%, and will fall below 55% post-Ascent consolidation.
- International yields average 6–7 bps, versus 2–2.5 bps in Gift City (India); expects the international segment to outgrow domestic, potentially overtaking it in 5 years, though not within 2-3 years.
- The company is leveraging its NPS platform to expand into Philippines and other Asian markets, supported by growing government interest in pension-linked savings.

Recent compression in margins was transitory, caused by (a) higher manpower cost due to surge in IPO volumes, and (b) one-time professional charges to address old unclaimed securities.

Margins are expected to normalize over the next 2-3 quarters.

Other Highlights

- Mutual fund contribution to consolidated revenue has dropped to 62%, and will fall below 55% post-Ascent consolidation.
- International yields average 6–7 bps, versus 2–2.5 bps in Gift City (India); expects the international segment to outgrow domestic, potentially overtaking it in 5 years, though not within 2-3 years.
- The company is leveraging its NPS platform to expand into Philippines and other Asian markets, supported by growing government interest in pension-linked savings.
- Recent compression in margins was transitory, caused by (a) higher manpower cost due to surge in IPO volumes, and (b) one-time professional charges to address old unclaimed securities. Margins are expected to normalize over the next 2-3 quarters.
- Headcount has risen 15%, supported by IT automation. ~18% of revenue is spent on technology.
- Tech infrastructure costs (like cloud and data storage) could outpace manpower expenses.

Sumitomo Chemical India Ltd Q2FY26 Earnings Call Key Takeaways

Outlook

Sumitomo Chemical India (SCIL) faced a challenging Q2FY26 due to excessive and erratic monsoon rainfall disrupting agricultural activities and curtailing agrochemical consumption. Despite this, the company sustained 9% growth in revenue and 11% increase in profitability for H1FY26, maintaining product pricing and margin discipline. Healthy reservoir levels and improved field conditions support optimism for a recovery in demand during the Rabi season and beyond.

Industry and Demand Environment

- Excessive rainfall between July and September severely impacted farmers' ability to conduct spray operations, suppressing overall agrochemical consumption in Q2.
- Global agrochemical industry shows early signs of stabilization with normalized ordering patterns and pricing bottoming out in major markets.
- Domestic crop protection business affected by weather conditions but sustained growth in key brands like Sumi Max and new launches including Excalia Max and Lentigo.
- Export markets exhibited regional softness, notably in Latin America and parts of Africa, with ongoing efforts to broaden registrations and strengthen presence in new geographies such as Asia and Middle East.

Financial and Operational Performance

- Q2FY26 consolidated revenue stood at INR 930 crore, down from INR 988 crore YoY due to volume contraction from adverse weather.
- Gross margin improved slightly to 43.1%, supported by cost efficiencies and prudent input sourcing.
- EBITDA and EBITDA margin softened to INR 218 crore and 23.4% respectively versus INR 245 crore and 24.8% YoY due to lower operational leverage.
- Reported PAT of INR 178 crore, marginally down from INR 193 crore YOY.
- H1FY26 revenue at INR 1,987 crore, growing 9% YoY; EBITDA margin stable at 22%.
- Working capital management improved with net working capital days reduced by 7 days YoY to 55 days; cash and cash equivalents at INR 2,089 crore ensure strong balance sheet liquidity.

Segment-wise Highlights

Crop Protection

- Insecticides contributed 39%, herbicides 26%, plant growth regulators and fungicides 9% each to total revenue.
- New product launches, especially rice-specific herbicide Lentigo and fungicide Excalia Max, have seen encouraging farmer adoption with pan-India rollout.
- Sales and traction of proprietary brands sustained despite adverse market conditions.
- Insecticide portfolio strengthened with regulatory-compliant and differentiated offerings.

Export Business

- Export revenues declined 4% YoY versus strong performance in domestic market.
- Shipment deferments in Latin America, particularly Brazil, and Africa led to demand shifting from H1 to H2 of FY26.
- Business with Europe and U.S. remains stable with continued registrations underway to support future growth.
- Export business includes formulations and technical generics, with profitability stable and expected to improve as registrations mature.

Biostimulants (Barrix Agro Sciences)

- Steady performance maintained amid regulatory challenges restricting biostimulant sales.
- Biostimulant sales impacted due to regulatory approvals in process; expected to normalize in H2FY26.
- Operating profitability impacted by higher input costs and fixed expenses.

Strategic Initiatives and Capex

- Ongoing initiatives to deepen farmer engagement through Everyday Farmers Day and digital outreach, enhancing brand equity and market penetration.
- Backward integration underway at Tarapur; greenfield expansion planned at Dahej with INR 250–300 crore initial capex, expected revenue generation from CY28 onwards.
- Multi-product Dahej site aimed to support domestic and export demand, adding scale and operational flexibility.
- Investments in specialty agrochemicals supported by R&D collaborations within Sumitomo Chemical Group; seven products under feasibility approval with potential INR 500–600 crore capital deployment over five years.
- Tarapur multi-purpose plant utilized for both domestic and export products, focusing on ramping high-potential molecules.
- Strong cash position (~INR 2,000 crore) with plans focused on strategic deployment for manufacturing expansions rather than capital return.
- Emphasis on maintaining operational discipline, manufacturing excellence, and sustainable growth.

Management Commentary

- Price discipline maintained despite volume headwinds; pricing expected to hold even as volumes normalize.
- Specialty segment growth steady and aligned with market; new product contributions estimated at 8–10% annually.
- India recognized as a key global market for early molecule testing and launch by Sumitomo Chemical Japan, accelerating new product introductions.
- Export business will continue to extend market registrations and diversify geographic presence to offset regional volatility.
- Semiconductor and pharma sectors under active evaluation for potential future business.

Cartrade Tech Ltd

Expects the consumer group to continue growing in the range of 20–25% annually, while margins are likely to expand further given a largely fixed cost base. OLX is now firmly back on a growth path and will be a key driver in the coming quarters. Growth momentum is expected to sustain across the consumer, remarketing, and OLX businesses, supported by higher digital ad spends from OEMs and dealers, strong user engagement, and new monetization initiatives like the Elite Buyer and Seller programs.

- Consumer group (CarWale, BikeWale) remained the standout performer, 37% QoQ revenue growth and 82% profit growth, supported by market share gains and higher ad spends from OEMs and dealers.
- Remarketing business back on growth track with 23% revenue growth and 30% profit growth YoY; margins improved from 23% to 26%.
- OLX India posted its highest-ever revenue, up 17% YoY, with EBITDA margin at 30% and profit growth of over 200%.
- Operating costs remained flat sequentially at INR 129 Cr. Cash rose to INR 1,080 Cr, offering significant flexibility for future M&A or shareholder distributions.
- Organic traffic remains a key differentiator, with 95% of traffic coming organically and total MAUs crossing 85 Mn this quarter.
- OLX Elite Buyer & Seller programs launched successfully; early adoption encouraging. The Trust Verification program to roll out in Q3/Q4, opening new monetization levers.
- Focus remains on monetizing both sides of the platform sellers and buyers with new products like featured listings, guaranteed sale, and other value-added services.
- Steady traffic and revenue uptick across all verticals, supported by strong consumer engagement and deeper dealer penetration.
- AI-led personalization and internal automation gaining traction; management views AI as an enabler of higher engagement, not a traffic risk.
- Company leveraging multi-layered data advantage to maintain edge over generic AI-based search models.
- Franchise network expansion continues, with 500+ physical outlets including 400+ OLX and AbSure stores.
- Confident of sustaining 20–25% medium-term revenue growth in the consumer business, driven by secular digital ad spend migration.
- EBITDA margins expected to scale toward 50–55% over time, given fixed cost base and strong unit economics.
- ROE improving steadily, with potential to reach best-in-class levels in next few years as profitability scales up.
- Businesses are self-sustaining and cash-generative, requiring no incremental capital. Capital allocation policy remains balanced; cash to be deployed either for strategic acquisitions or returned to shareholders.
- Competitive positioning remains strong; continues to hold leadership across automotive classifieds, remarketing, and used vehicle segments.

Zota Health Care Ltd – Q2FY26 Concall Highlights

Outlook:

The company delivered a robust Q2FY26, characterized by aggressive store expansion, continued momentum in the COCO format, and steady margin improvement. Management remains focused on network growth, operational leverage, and brand investments, even as short-term cost inflation is visible. Traction in core operating metrics underpins confidence in the medium-term story.

Store Network Expansion and Strategy

- Total store count as of 30th September 2025 stood at 2,055, including 1,207 Company-Owned Company-Operated (COCO) and 848 Franchise-Owned Franchise-Operated (FOFO) outlets.
- Added 310 new stores in Q2FY26, comprising 221 COCO and 89 FOFO outlets. FY26 target is to open 800 new COCO stores, with 355 additions achieved till date.
- COCO expansion underpins management's commitment to direct control, quality and scalability, with focus on strengthening in West Bengal, Uttar Pradesh, Maharashtra, Delhi and Odisha.
- Achieved milestone of 103 store openings in a single day (79 COCO, 24 FOFO). Applied to the India Book of Records for this feat.
- FOFO stores additions remain selective; quality, margins and franchisee health are under constant monitoring.

Financials and Profitability

- Consolidated revenue from operations for Q2FY26 at INR 1,895 million, a 92% YoY growth.
- Gross profit rose to INR 765 million (growth of 112% YoY), driven by operational scale and higher efficiency.
- EBITDA turned positive for the second consecutive quarter at INR 80 million, versus a marginal loss last year, showing cost discipline and operating leverage.
- DavaIndia brand stores contributed 74% to consolidated revenue, with domestic (14%), exports (8%) and Everyday Alpha Urban group (4%) forming the balance.

Store Maturity and Unit Metrics

- Vintage analysis: Mature COCO stores (>3 years) deliver monthly sales of INR 0.7–1.0 million; around 29 stores are currently above INR 1.0 million run-rate.
- Break-even period for new stores is 12–18 months, with monthly revenue of INR 0.22–0.25 million needed for breakeven.
- Mature stores operate at 25–33% EBITDA margin, with potential to improve as cohorts age.
- FOFO mature stores deliver average INR 0.3 million in monthly GMV versus INR 0.7 million plus for COCO mature outlets.
- Wallet spend per store averages INR 250–300; mature stores at the upper end of this range.

Cost Structure and Margin Commentary

- Other expenses saw a material uptick due to supply chain (logistics, warehousing), and higher spend on advertising/brand building (incremental annual budget up INR 30 million).
- Employee cost of INR 90–100 million/quarter scales with store network; per store rental cost trended down to INR 35,000 and employee cost management is ongoing.
- Supply chain expense is not part of COGS but includes last-mile logistics; expected to trend at 25% of top-line, subject to operational efficiency.

Capex, Funding, and Growth Outlook

- Board approved fund raise of up to INR 5.0 billion via QIP to accelerate store expansion and backward integration.
- QIP process expected to complete within 12 months of shareholder approval; proceeds earmarked largely for store network and infrastructure.
- Further equity dilution possible over the next 18–24 months if required.

Brand & Marketing

- Product/brand credibility reinforced by onboarding celebrity ambassadors – Suniel Shetty and M.S. Dhoni.
- Brand investments expected to further drive customer acquisition and footfall, with tangible results from enhanced ATL/BTL marketing over the coming quarters.

Segment Performance and Geographic Strategy

- Focused store roll-out in high-potential states (West Bengal, UP, Maharashtra) due to favorable demographics and demand for generic medicines.
- Ongoing re-strategization for domestic and export businesses; new client acquisitions and deeper market penetration planned.

Franchise Economics and Channel Health

- Franchisee (FOFO) margin: Initial 3 years at 35%, post which it reduces to 26%.
- Avg FOFO monthly operating expense is INR 40,000–50,000, with average EBITDA of INR 30,000 per month per store.
- Store closures remain low (20–30 in two years), indicating strong unit-level economics and retention.

Dynamic Cables Q2FY26 Concall Highlights

Outlook: Dynamic cables increased production capacity of INR 1bn/month to INR 1.35bn/month through debottlenecking. The new plant capex of INR 350mn is expected to be completed by H2FY26E. The new facility is expected to generate additional revenue of INR 2-2.5bn going forward. The order book stood at INR 7.21bn and remained stagnant in the last 3 quarters, due to the extended monsoon and the subsequent festival season. H2FY26E is expected to be better, and key growth drivers include the rapidly expanding solar cable and smart metering segments. We have a neutral outlook on the stock.

Revenue mix

The revenue mix was HV cables – 55%, LV cables – 37% and conductors – 37%.

Private sector – 78%, govt sales – 12%, and exports – 10%. The company is focusing on reducing government business and increasing private business going forward.

Solar cables revenue share is around 10%-15%.

Smart metering revenue share is around 10% in H1FY26.

Exports revenue share stood at 10% in H1FY26.

Margins

Margins are expected to maintain 10.5% going forward.

Volume

Volume growth stood at 22%-23% in H1FY26.

Order book

The order book stood at INR 7.21bn as of Q2FY26. The order book is diversified across power cables, power distribution, smart metering, and renewable energy segments.

The order book has remained stagnant in the past 3 quarters due to the extended monsoon and the subsequent festival season. It's slowed execution work by EPC players and delayed the placement of new cable orders.

Exports order book is around INR 900-1,000mn (14%-15% share).

Capex

The capex of INR 150mn for debottlenecking initiatives in the last year enhanced monthly production capacity to INR 1.35bn (+35% increase).

A new greenfield plant is under development and is scheduled for commissioning in the H2FY26. This facility is highly flexible and includes an e-beam curing facility. The plant capex is around INR 350mn and asset turn of 6-7x.

The capex is expected to be INR 400-500mn in FY26E. The company already spent INR 250mn in H1FY26.

Utilization

The capacity utilization stood at 70% in Q2FY26.

Solar cables

The new plant is targeting the renewable energy segment. The solar DC cables allow for moving beyond its current supply for solar AC cables.

The solar cable market is estimated at INR 60-70bn.

Veranda Learning Solutions Ltd

Expects to achieve its guidance of INR 650 Cr for revenue and INR 170 Cr for EBITDA with PAT of INR 70 Cr by FY26 supported by strong momentum in student enrollments, steady margin improvement, and cash flow normalization post one-time payments. The demerger of the high-growth commerce vertical into JK Shah Commerce Education Ltd and the divestment of the vocational business to SNVA Edutech are expected to unlock shareholder value and streamline focus toward core high-margin segments. For FY27, the company expects Commerce vertical INR 200 Cr EBITDA, debt-free status, Non-commerce business INR 50–60 Cr EBITDA with improved leverage profile and Overall ROE target rising from current 12% to 24–25% in 3 years, and ~30% in 5 years.

Financial Performance

- Revenue from operations stood at INR 127 Cr, up by 20% QoQ and 19% YoY in Q2FY26. For H1FY26, revenue grew 20% YoY.
- EBITDA stood at INR 48 Cr, down 1% QoQ and up by 63% YoY in Q2FY26 while for H1FY26 EBITDA was INR 97 Cr.
- Adjusted PAT stood at INR 98 Cr which included one-off gains from the vocational segment divestment, up by 730% QoQ and 185% YoY in Q2FY26. Adjusted PAT for H1FY26 was INR 26 Cr as against loss of 53 Crore in H1FY25.
- Collections stood at INR 173 Cr, up from INR 137 Cr in Q1.

Restructuring and “Veranda 2.0”

- Demerger of the Commerce Test Prep Vertical into a new listed entity, JK Shah Commerce Education Ltd; collectively trains 2+ lakh students/annum and is expected to generate FY26 revenue of INR 350 Cr and EBITDA of INR 140 Cr for overall entity.
- Divestment of Vocational & Skilling Businesses to SNVA Edutech Ltd; a 50:50 JV with a global footprint in 60+ countries; is projected to deliver INR 250 Cr revenue and INR 60+ Cr EBITDA by FY26, at 25% CAGR.

Segment Performance

- Commerce Test Prep** Anchored by brands JK Shah Classes, Tapasya, Logic, Navkar, and BB Virtual; continues to perform strongly. Expansion plans include Launching new junior and degree colleges, Scaling BB Virtual’s online platform, and Pan-India rollout of foreign programs. All expansions will be asset-light. Expects EBITDA margins to improve from 35% to 40–47% over the next 4–5 years, driven by digital programs and economies of scale.
- Academic (K–12)** Operates 7 schools, catering to 5,400 students. Annual fee hikes of 7–8% and planned student intake growth of 7–8% are expected to drive steady growth. Plans are underway to add more CBSE schools through an asset-light or REIT model. H1FY26 academic segment revenue grew 36% YoY, from INR 8 Cr to INR 11 Cr.
- Government Test Prep** 43% QoQ growth in Q2FY26, helped by course launches and better exam cycle timing. Future plans include deeper penetration in Kerala, and expansion in Tamil Nadu and Karnataka, with focus on new government job prep courses.

Other Highlights

- As of Sep 2025, the company had INR 224 Cr of debt at an average interest cost of 14%.
- Post the commerce demerger, JK Shah Commerce will be debt-free, while the residual Veranda business will retain INR 150–160 Cr of debt, translating to a comfortable 2.5–3x debt-to-EBITDA ratio.
- The company is in advanced talks with public sector banks to refinance existing high-cost debt, aiming to bring down cost of borrowing to single digits by Q4FY26.
- Capital allocation will prioritize organic, asset-light expansion across verticals; no new acquisitions are planned in the near term.

Indus Tower Q2 Concall KTAs

CMP: INR 386 | MCAP: INR 1,039.98 Bn

Operational Update

Total revenue reported at INR 81.9 Bn, core rental INR 52.4bn up by 11% YoY.

The company operated over 256k towers and 415k co-locations across all 22 telecom circles, with an avg contract life of over 6 yrs.

It has delivered a leading network uptime of ~99.97% in Q2.

Capex into Africa

Company announced its entry into the African market, beginning with Nigeria, Uganda, and Zambia. Backed by partnership with Bharti Airtel, this move will diversify revenue and enhance long-term growth potential.

The capex will be funded through the mix of both debt & equity.

Company expects to start the initial setup in next 3-6 months, with subject to licensing.

India Growth

This Africa expansion will still be small in comparison to India, growing through organic expansion. The company expects to report growth coming from India largely due to new tower addition, with strong order book.

Company sees 5G demand to grow and expects tenancy growth as operators expand coverage and densify its networks.

The 5G rollout has accelerated, with over 500,000 5G base stations now installed nationwide.

Energy

The energy business was impacted due to monsoon, and higher diesel use, but company expects it to recover positively with the addition of green energy and lithium ion batteries replacing diesel usage.

Capex and cost

Capex increased to INR 25.6 Bn, as it has added new tower rollouts, projects, and asset additions from Bharti Airtel's infrastructure portfolio.

Management expects mid-term growth with reduced power cost by reducing diesel consumption and added 3900 solar sites, and expansion into new markets.

Company saw a write off of INR 1.95 Bn in provision for doubtful receivables, and do not see any further write off.

Company focusing on reducing its cost/tower while entering African market, as the capex per tower has been historically high.

Maintenance capex saw an uptick as it has moved from ~INR 2.5-3 Bn range earlier to ~INR 5-5.5 Bn in Q2, due to higher investment in tower maintenance and funding the transitioning from lead acid battery to lithium ion batteries.

SRF Ltd Q2FY26 Earnings Call Key Takeaways**Outlook**

SRF Ltd posted steady growth in Q2FY26 amid global macro uncertainties. The company maintained focus on operational excellence, innovation, and disciplined cost control, delivering revenue growth and margin expansion. The outlook remains grounded on robust business fundamentals, capacity expansions, and a strong R&D pipeline to navigate volatility and drive long-term value creation.

Segment-wise Analysis**Chemicals Business**

- Robust refrigerant sales volume at record levels, supported by strong realizations and export growth.
- Fluorochemicals business maintained leadership in refrigerants and mobile air conditioning segments domestically.
- Specialty chemicals recorded improved mix and operational efficiencies with multiple new products launched (1 new active ingredient, 3 agro products, 1 pharma product in H1FY26).
- Strong R&D pipeline comprising pharmaceutical intermediates and agrochemical active ingredients in development, collaborating with global innovators.

Fluoropolymers and Fluoroelastomers

- Improved volumes and margins, supported by a strategic partnership with Chemours Company for manufacture, supply, and distribution of select fluoropolymer grades.
- Increased fluoropolymer capex from INR 595 crore to INR 745 crore to accommodate broader product scope with completion expected by December 2026.
-

Performance Films and Foils

- Maintained highest BOPET exporter position for India.
- Revenue flat YoY at INR 1,408 crore; EBIT improved to INR 119 crore due to better mix and cost structure.
- Faced temporary disruption due to GST reforms including repackaging and resizing activities.
- Aluminium foil sales and profitability strengthened with strong domestic demand and trade measures.

Technical Textiles

- Reported INR 474 crore revenue, under pressure from aggressive Chinese imports and seasonal slowdowns in PIY demand.
- Volume growth in belting fabrics and NTCF, but margins contracted due to pricing pressures.
- Continued focus on product innovation and value-added differentiation for recovery.

Coated and Laminated Fabrics

- Maintained domestic leadership in volumes and pricing.
- In-house knitting capacity introduced supporting better product offerings and operational control.

Strategic and Growth Initiatives

- Acquired approximately 300 acres of land in Odisha for large-scale chemical manufacturing, supporting future capacity expansions for specialty chemicals and fluorochemicals.
- Strong focus on R&D with 450+ professionals, 153 patents granted, and 501 process patents filed.
- Incremental capacity expansion and debottlenecking projects underway to enhance production flexibility and meet rising demand.
- Continued investments in sustainable operations highlighted by lower finance cost, energy optimization, and CSR initiatives benefiting 33,000+ youth through skill and training programs.
- Anticipated CapEx for FY26 is INR 2,200–2,300 crore including Odisha land acquisition; no CapEx curtailment planned.

Management Commentary

- Specialty chemicals growth guidance remains above 20% for FY26, driven by new product traction despite some demand deferment.
- Refrigerant gas volumes expected to improve in H2FY26 post-seasonality with maintained capacity utilization in H1.
- Chemours contract expands SRF's global fluoropolymer footprint, with INRs ~295 crore of the expanded capex allocated for Chemours-related capacities. Revenue potential is significant though not yet quantified.
- Focus on maximizing production quotas for refrigerants without immediate plans to expand HFC capacity.
- The company is confident in sustaining operational performance and capitalizing on growing product pipelines amid market uncertainties.

TTK Prestige Q2FY26 Concall Highlights**Mcap: INR 99.7bn | CMP: INR 716**

The company reported a strong quarter with 11% YoY revenue growth and robust EBITDA expansion, driven by volume-led demand, portfolio premiumization, and strategic go-to-market initiatives. Domestic consumption remains vibrant, supported by positive GDP projections and GST reductions benefiting ~50% of the portfolio. While input cost pressures (aluminium) may impact H2 margins, pricing adjustments and cost optimizations are expected to mitigate this. Exports remain subdued amid global uncertainties, but core domestic channels show resilience. Focus on exclusive store expansion, small appliances, and Judge brand (50% growth) positions the company for sustained double-digit growth and mid-teens EBITDA margins in FY26-FY27. We maintain a positive outlook on the stock, emphasizing premiumization and channel efficiencies.

- Revenue: +11% YoY; broad-based across categories and channels; ~70% volume-driven, balance from pricing.
- EBITDA: Robust growth; margins improved sharply due to top-line leverage, gross margin expansion, and productivity gains.
- Gross Margins: +120 bps average over last 4 quarters; sustained by high-margin product additions and mix shift toward premium SKUs.
- Cash Flow: Inventory buildup from strategic aluminium buying to hedge costs; capex INR 30 Cr in H1 (part of 3-year expansion plan).
- Guidance: Double-digit revenue growth expected; mid-teens EBITDA targeted long-term; H2 input pressures anticipated.
- Gross margins expanded via portfolio corrections (higher contribution from value-added products) and premiumization (e.g., Judge brand at 50% growth, ~INR 25 Cr in Q2). EBITDA margins to remain in 11-13% range; benefits from scale (double-digit top-line) and cost savings across operations, logistics, and manufacturing. H2 headwinds from rising aluminium prices; lag in pricing pass-through expected, offset by efficiency drives and potential hikes based on market dynamics. No one-offs; improvements structural, with ongoing investments in brand building and capabilities.
- Demand: Robust across urban/rural; uniform geographically (slight east slowdown); premium end consolidating with strong traction in higher price points.
- Categories: Small domestic appliances (air fryers, kettles) saw disproportionate growth; kitchenware volume-led; overall portfolio ramp-up in cookware/appliances.
- Premiumization: Prestige brand shifting up-market; Judge (mass premium) +50% YoY, sustainable on strong demand.
- GST Benefits: ~50% portfolio (cookers/cookware) reduced from 12% to 5%; minor Q2 disruption (1-week billing issue) offset by seasonality.
- Market Share: Gained in core categories over last few quarters; directionally positive, though full recoupment of prior losses pending.

- Exports: Subdued (~1% of sales, white-label); Q2 growth from Q1 spillover/logistics catch-up; global tariffs/wars to persist.
- E-commerce & Quick Commerce: Hyper-growth leader; ~32% of sales (combined with LFS); low-margin but balanced via mix.
- Large Format Stores (LFS): Strong; part of modern trade (~32% total with e-com).
- General Trade (GT): 2-3% growth (improved from flat); efficiency drives and initiatives overcoming e-com pressures.
- Exclusive Retail (PSK Stores): 15% of sales; +25 stores sequentially; aggressive expansion planned (net additions in top/Tier 2-3 cities, gap-filling).
- CSD: Double-digit growth post-inventory rationalization; wait-and-watch on sustainability.
- MFI/Rural: Structural challenges (regulatory/delinquency/refinance issues); exposure minimized (~INR 100-140 Cr base eroded); unlikely robust rebound, shifting to GT.
- Go-to-Market: Enhanced focus on e-com/quick commerce, LFS, and exclusive stores; channel efficiencies in GT via competitive-sensitive tactics.
- Cost Optimization: Structural changes across functions (manufacturing, logistics); early fruition expected in coming quarters; productivity per person/capacity improving.
- Portfolio Management: Added high-margin SKUs; conscious mix shift to value-added products; BIS standards aiding domestic sourcing, pressuring imports.
- Capex: INR 30 Cr in H1 (e.g., cookware expansion at Karjan, Baroda); ongoing for capacity build-out over 3 years.
- Vendor Ecosystem: Developing for appliances (lags China scale); BIS/incentives enabling localization; kitchenware fully equipped domestically.
- UK Operations: Range-bound/marginally loss-making; long-term view amid Brexit/tariffs; under continuous review, no immediate exit.
- Ultra Fresh: Startup/investment mode; subscale but self-sustaining cash flows; too early to judge, (2+ years stabilization).
- External Environment: Positive domestic (vibrant demand, policy tailwinds); global turbulence (tariffs, wars) capping exports.
- BIS Impact: Aggressive standards on finished/source goods; favors domestic production (company's strength); industry import pressures.
- October Trends: Consistent demand; no reduction observed across channels.

Newgen Software LTD | Q2FY26 | Key Takeaways | CMP: INR 998 | M-Cap: INR 141 Bn**Order Book and Growth:**

The order book grew significantly in H1 FY26, crossing 20% growth. Although some deals take time to ramp up and execute, the overall order book remains strong, especially with many subscription renewals expected at year-end. The mix of deals is increasingly subscription-based rather than license-focused.

Deal Wins:

Q2 saw 15 new logos across mature markets including UK, Europe, US, Africa, India, with multi-year wins in areas like life and pensions platforms, retail records, loan management systems, healthcare, and workflow automation.

Revenue Mix:

Subscription revenues grew 20% YoY and now account for around 59% of total revenues, shifting the business model towards annuity-based SaaS over one-time license sales.

AI and Product Strategy:

The company is focused on AI-led product capabilities especially in ECM, BPM, and insurance policy administration systems, leveraging generative AI for growth with early traction in AI use cases across verticals.

Geography and Vertical Focus:

Banking remains the largest vertical (68% of revenue), followed by insurance and healthcare and government. Geography split includes EMEA, India, USA, and APAC.

Employee Costs and Headcount:

Employee expenses are controlled with no significant addition in Q2 compared to last year. Wage hikes were implemented for 85% of employees from October 1.

Outlook:

Company expects improved deal conversions and subscription revenue ramp-up in H2, especially in the western markets. Large license deals are slower but SaaS and subscription growth compensate with more predictable revenue streams.

Challenges:

Momentum in large license deals, particularly in India and Middle East, remains subdued. The company continues reinvesting in growth and product development while maintaining margins around 25%.

Overview

This reflects a company transitioning to a subscription and AI-driven growth model, with strong deal momentum in mature markets and an optimistic outlook for H2 FY26, yet India market needs some growing with having only large deal wins and the company wishes to enter the private sector clients too. US banking and financial their major growth driver was not up to the mark this quarter due to market challenges but hopes to grow and still banks on the same for growth driving and has started recovery in the same.

Supreme Petrochem Ltd – Q2FY26 Concall Highlights

Outlook:

Q2FY26 was marked by significant top-line pressure due to global styrene price correction, extended monsoon-induced demand softness, and fierce competition from imports. While sales volumes were resilient relative to industry trends, the near-term environment is expected to remain challenging with cyclical bottoming-out in spreads. Management is executing on capacity diversification, internal process upgrades, and prudent capital allocation, supporting a medium-term structural growth story.

Financial Performance

- Q2FY26 operating income stood at INR 11,000 million, declining from INR 15,000 million YoY primarily on account of subdued raw material prices (notably styrene) and a weak pricing environment.
- Total EBITDA for Q2FY26 was INR 860 million, with a margin of 7.8% for the quarter.
- Net profit after tax reached INR 480 million for the quarter, tracking the lower base revenue performance.
- H1FY26 figures: operating income at INR 14,870 million, EBITDA at INR 2,160 million (8.7% margin) and net profit after tax at INR 1,290 million.
- Sales volumes: 76,962 metric tons for Q2FY26, with H1FY26 at 170,826 metric tons.
- Trading sales contributed approximately 22% of the topline in Q2FY26.

Demand Environment and Volumes

- Q2 volumes impacted by prolonged monsoons, delay in OEM offtake for air-conditioners/refrigerators, and advanced GST rate cut signals, leading to widespread de-stocking and sluggish economic activity.
- Demand for EPS also affected by weak construction activity and lower demand for fish boxes; overall volumes for both PS and EPS were down YoY.
- ABS segment sales below initial guidance (expected 15,000 tons for FY26 versus prior guidance of 20,000–25,000 tons) due to start-up delays and protracted plant/process validation at OEMs.
- Management expects demand to recover from December onwards, as Q4 seasonally the strongest due to post-festive OEM restocking and stabilized input prices.

Raw Material and Pricing Dynamics

- Sharp correction in global styrene monomer prices from USD 1,150/ton Q2FY25 to USD 800/ton currently (June 2025: USD 940/ton), leading to pricing pressure and de-stocking by processors.
- Lower input costs have been passed on, resulting in temporary margin compression and inventory losses, but should help stimulate downstream demand in the coming quarters.
- Styrene is entirely imported; global price moves remain a risk factor.

Capex

- ABS (Acrylonitrile Butadiene Styrene) phase 1 commercialized, with plant trial runs and OEM validation ongoing; commissioning delay has revised volume targets for FY26.
- Phase 2 (70,000 tons) of ABS to complete by FY28; expected to be operational by FY29, with peak volumes and financial impact visible thereafter.
- Capex for ABS Phase 1 at approximately INR 6,000 million; Phase 2 to require another INR 3,000–3,500 million.
- ABS compounding capacity has recently started-up (20,000 tons); segment margins to depend on successful niche product development and ramp-up.
- All capex fully funded by internal accruals; no recourse to borrowings guided for Phase 2 as well.

Competitive Landscape and Imports

- Chinese self-sufficiency in styrene and polymer capacity (both PS and ABS) is leading to global supply overhangs; downstream capacity utilization in China at just 50–60%.
- No incremental ABS or EPS imports currently observed into India due to recent European anti-dumping duties on South Korea/Taiwan; Indian annual ABS demand ~300,000 tons, with imports at 160,000 tons in FY25 (trending flat in H1FY26).
- Domestic market facing margin compression in EPS due to prevailing overcapacity; only a handful of new investments expected domestically.
- ABS import mix is 95% from Korea, Taiwan, and Thailand; virtually nil present from China but future risk persists as more Chinese capacity hits global markets.

Product Differentiation & Customer Engagement

- Supreme's mass ABS features a white base colour (in contrast to conventional emulsion ABS, which tends towards yellow/cream), providing improved consistency, less colourant requirement, and higher thermal stability.
- Material approval cycle at OEMs/processors cited at 3–6 months; full ramp-up expected as customer trials/approvals progress.
- Management remains tuned to market penetration via pricing and niche product development, aiming for eventual import substitution.

Guidance and Strategic Initiatives

- Management targets to outperform last year's volume, though YTD trends have been subdued; October OEM offtake remains slow, but recovery targeted in Q4.
- Asset turnover for ABS anticipated at 2x; peak revenue potential for Phase 1 and 2 ABS at INR 18,000 million at normalized pricing, assuming full utilization.
- No present plans for Haryana facility capex unless assured of local styrene feedstock from IOC; IOC's project delayed to FY29.
- Focused on process integration at acquired units (e.g. ERP/SAP rollouts), aligning acquired assets to group standards before any expansion.
- Consistent dividend payout maintained, reflecting robust free cash and prudent capital allocation.

Kirloskar Pneumatic Q2FY26 Concall Highlights

Mcaps: INR 74.9bn | CMP: INR 1,153

Outlook: Revenue is expected to grow 15%+ YoY in FY26E, supported by larger order execution and scaling up new product launches of Tezcatlipoca centrifugal compressor and the Tyche semi-hermetic compressor. The company planned to enter the large commercial air conditioning market with the innovative Zephyros C system. The CNG segment is facing headwinds due to price competition and slow project execution; however, it will be mitigated through diversification. We have a positive outlook on the stock.

Revenue

Revenue growth is expected to be 15%+ YoY in FY26E. H2FY26E is expected to be better, supported by large order executions and scaling up the new product launches.

The company faced execution challenges in H1FY26, particularly in shipping packages for refrigeration and CNG stations, and a muted domestic market.

The revenue mix is Gas – 30%-35% (earlier 45%), Refrigeration – 35%, Air compressor – 20% and others -10%.

Margins

EBITDA margin stood at ~15% in Q2FY26. The margin impact is due to unfavorable product mix, a one-time provision for liquidated damages, and increased employee costs due to revisions.

Compressor margin stood at 19.5% in H1FY26 and is expected to be 18%-20% in FY26E.

Order book

The order book stood at INR 16.67bn in Q2FY26. The company is targeting INR 6bn order inflows in Q3FY26E. The hydrogen packages pipeline is above INR 10bn.

Capex

The capex stood at INR 290mn in H1FY26. Overall, the capex is expected to be INR 900mn in FY26E, for capacity expansion and unique capability building. The significant capex is expected once PLI is approved for the Zephyros C project.

Utilization

Capacity utilization stood at 70% in Q2FY26.

Compressors

Tezcatlipoca centrifugal compressor remains successful. Around 88 units are shipped out of 115 units for FY26E.

The new A-800 compressor, a small centrifugal machine designed to replace imported dry screw compressors. It's in trials and expected to address a market of at least 100 units per year.

The Tyche semi-hermetic compressor has been successfully launched. It's already taking market share from European imports in the refrigeration segment, with the potential to displace over a thousand imported units.

New screw compressors based on the Janus D platform are expected to help gain market share in the coming quarters.

Commercial AC

The company planned entry into the commercial air conditioning market with the Zephyros C system. The product is targeting the INR 50bn market segment of the larger INR 250bn AC market.

The company has applied for a PLI scheme; if approved, it plans to commission the project within 18 months.

Hydrogen and Gas

The company has secured its first orders for integrated hydrogen refueling packages and is involved in biogas packages.

CNG packages declined by 30% YoY due to market slowdown and a loss of market share. The competitors offered low prices, particularly on bundled O&M contracts.

Other highlights

Supply chain issues with European partners, largely been mitigated, and the company is using Q&A packages to reduce dependency.

Aftermarket service revenue share is around 15%.

PDS LTD Q2FY26 Concall Highlights**Mcap: INR 46.5bn | CMP: INR 333**

PDS demonstrated resilient growth amid global challenges, with an 8% YoY GMV increase to over INR 10,000 Cr in H1FY26 and a 15% YoY order book expansion to INR 5,300 Cr, signaling strong customer trust. Focus on profitability, cost optimization, and working capital efficiency is yielding results, with operational cash flow of INR 593 Cr in H1. Structural initiatives like e-auctions and digital transformation are set to enhance margins from Q3FY26 onward, with full benefits in FY27.

Financial Highlights

- GMV: INR 5,461 Cr in Q2 (+8% YoY); H1 exceeded INR 10,000 Cr (+8% YoY).
- Revenue: INR 3,419 Cr in Q2 (+14% QoQ); H1 INR 6,419 Cr (+8% YoY). Existing verticals +6%; new verticals +46% (INR 469 Cr).
- EBITDA: 3% in Q2 (vs. 1.7% Q1); H1 4%.
- PAT: INR 48 Cr in Q2 (+142% QoQ); H1 INR 68 Cr (-41% YoY, impacted by new investments).
- Cash Flow: INR 593 Cr from operations in H1 (vs. outflow in FY25).
- Balance Sheet: NWC days at 6 (down from 17 in Mar'25); net debt down INR 279 Cr to healthy ratios (0.1x net debt/equity, 0.2x net debt/EBITDA); ROCE 20%.
- EBITDA margins at 3% in Q2, with pressures in top-10 verticals offset by gains in Spring (Near East/Turkey: 1.3% to 4%), Narlanka (Sri Lanka: 4.7% to 5%), Crayons (Bangladesh/US: 6.6% to 7.2%), and Zamira (Denim: 0.1% to 3.8%).
- PBT margins currently ~2%; trajectory to 3.5% in FY27-FY28 as P&L investments normalize to INR 40-50 Cr annually (from INR 160 Cr in FY25).
- Sustainable gross margins expected to be steady in the near term, with upside from e-auctions and reverse bidding starting Q3; tariff impacts minimal (0.5-1% residual hit, absorbed 60-70% by customers, 30-35% by supply chain).

Order Book & Pipeline

- Order book at INR 5,300 Cr as of early Oct (+15% YoY), reflecting deepened engagement with global retailers despite macro pressures.
- Strong traction from new US accounts (TK Maxx, Ross Stores, Target, Walmart, PVH); buildup cycle 12-18 months, with hockey-stick growth in FY27.
- UK/Europe: +31% YoY sales despite flat market; onboarding multiple factories post-UK-India FTA.
- US: +36% YoY sales to ~INR 2,500 Cr FY26 (+25% H1), diversified via Vietnam, China, Egypt, Latin America to counter 50% India-US tariffs.

Strategic Initiatives

- Rolled out reverse bidding for materials, tighter controls across units; BCG-led procurement revamp yielding price advantages.
- Targeting 25% cut (~INR 40 Cr FY26 savings); H1 losses at INR 80 Cr (flat YoY post-INR 8 Cr Foundry hit); focus on 25% loss reduction ex-new investments.
- Portfolio Streamlining: PDS Ventures is identifying 2 investments for near-term sale; monitoring underperformers (e.g., Techno post-Gerry Weber bankruptcy).
- Sourcing Diversification: Footprint across Bangladesh, Vietnam, Sri Lanka, Turkey, Egypt, India, Latin America; mitigating concentration risks and enabling agile tariff navigation (2-4 quarters for shifts).

Vertical Performance

- Temporary pressures from restructuring (UK ops streamlining, cost cuts) and one-offs (e.g., INR 8 Cr Primark upcharge in H1FY25); H2 rebound expected with customer traction (Asda, Tesco, Sainsbury's, Next, Primark) and BCG org design.
- New Verticals: 46% growth; losses monitored closely; Foundry (HK/US-focused) integrated; brand businesses (e.g., Ted Baker) rebounding with M&S shop-in-shops.
- Underperformers: Techno (Germany/EU) impacted by Gerry Weber bankruptcy (~\$70M loss); replacement traction from Dec'25, aided by German stimulus.

Regional Mix

- UK: +31% YoY; deepened ties with Primark, Sainsbury's, Next, Tesco, Asda via agile sourcing and FTA benefits.
- US/North America: +25-36% YoY; value/discount sector resilient (Walmart, Target); middle/luxury under pressure; tariff exposure ~\$25-30M on LDP orders, largely passed on.
- Europe: Decline due to Gerry Weber; new customers onboarding from Q4; overall German market revival expected.
- Rest of World: +100% YoY; expanding India/Latin America presence.

Mazagon Dock Shipbuilders Ltd**MCap: INR 1,121.74 Bn | CMP: INR 2,781**

The company maintained steady growth momentum with management guiding for FY26 revenue of INR 125 Bn and ~5% YoY growth in FY27, supported by a strong order book of INR 274.15 Bn. The company expects margins to remain stable at 12-15%, with potential upside as submarine and frigate projects ramp up. It is close to signing an order for three additional Scorpene submarines and has partnered with Swan Shipyard to jointly bid for the INR 350-400 Bn landing platform dock project. The future pipeline remains robust with MCMV, 17 Bravo, and next-gen destroyer programs, while the acquisition of Colombo Dockyard is set to enhance its commercial shipbuilding and repair capabilities.

Financial Performance

The company had booked INR 10 Bn of provisions from one of its contracts, from the two contracts.

Management expects to achieve INR 125 Bn in revenue in FY26 and expects revenue growth of ~5% YoY in FY27 and double-digit PAT growth thereafter, driven by new orders.

Margins are expected to remain steady at 12-15% for new projects with potential upside from submarine and frigate deliveries.

Once the submarine projects start, it expects to see a further boost in revenue as well as profits.

Future Pipeline

The company's future pipeline includes MCMV INR 400 Bn, 17 Bravo INR 500-600 Bn.

In the short term, the company will deliver only the Coast Guard and the MPV project as well as the offshore project, where the margins are slightly less.

The company signed an MOU with Naval Group for submarine exports to friendly nations, with the capacity to build up to 11 submarines simultaneously.

The company is also coming up with destroyer-class projects, costing ~700-800 Bn of next-gen destroyers.

Order Book & Projects

Company's total order book stands at INR 274.15 Bn.

For P17A, expects the third ship to be delivered in FY26 and the fourth ship in FY27; revenue from this project will be visible for FY27, delivering higher revenue and margins.

ONGC projects of INR 48 Bn contract to be largely executed by May-26, spillover expected into FY27.

Submarine Programs

One for the coast guard and another for the MPV is the reason for the impact on its bottom line on half half-yearly basis.

The commercial negotiation for the additional three Scorpene submarine orders has been completed, and it is sanction stage. An order for three additional submarines is likely to be signed soon.

Signed an exclusive MoU with Swan Shipyard, which can handle large vessels ~200m in length. Both will bid jointly for the INR 350-400 Bn order under the PPP model and benefit from Swan's private sector advantage.

International Expansion

The acquisition of the Colombo Dockyard is in the approval process and right issue for the final approval coming this week.

Company plans to scale revenue from INR 10 Bn to INR 15 Bn over two years, focusing on commercial

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Shree Cement – Q2FY26 Concall Key Takeaways**CMP: INR 28,585 | Mcap: INR 1,031 bn****Outlook -**

Management reaffirmed its “value over volume” strategy, emphasizing premiumisation, optimized geo-mix, and relentless cost control. Premium product share touched a record high of 21% of total volumes, a material increase over 15% YoY and 19% sequentially.

Ongoing green power expansion remains core, with renewable energy capacity at 612 MW, enabling green power mix of 60–63% (highest in the industry). The company commissioned India’s first solar-powered RMC plant at Jaipur.

Capacity expansion stays on track: Jaitaran’s kiln (3.65mt) was commissioned in Q2; the mill (3mt) will be online imminently. Kodla (3mt) is scheduled for commissioning in the current quarter. Management reiterated its medium-term goal of 75mt cement capacity by FY27 and 80mt by FY28–29, contingent on utilization ramp-up and demand trends.

Industry cement demand was tepid in Q2 (up 3.5% YoY, with adverse monsoon, elections), but Shree Cement outperformed with 6.8% volume growth. Management expects 37–38mt volumes for FY26 (vs. 34.6mt in FY25), targeting sector outperformance into FY27.

Financial & Operating Highlights

Realization improved to INR 4,840 per ton, up 9% YoY, driven by premium product push, GST pass-through, and mix optimization. Q2 profitability was aided by disciplined pricing and reduced discounts.

Sales volume for the quarter stood at 7.9mt, up 6.8% YoY, including Shree Cement East.

Absolute EBITDA rose 46% YoY; EBITDA per ton (post adjusting for a one-off charge of INR 30/t linked to internal power infra transfer) stood at INR 1,105—a 43% increase Y-o-Y.

Fuel mix rebalanced to 66% petcoke and 34% coal/AFR, compared to nearly 95% petcoke last year. Energy cost discipline continued, yielding further cost savings.

Average lead distance declined by 10 km QoQ to 441 km as rail share improved, supporting logistics efficiency and cost reduction.

Capex spend is guided at INR 30bn for FY26, with similar levels for FY27–28. Depreciation guidance is revised to INR 2,450 crore for FY26, indicating stable capex phasing.

Segment & Regional Performance

UAE subsidiary posted record volumes (13.1 lakh tonnes, +34% YoY) and strong profitability (EBITDA up 158% YoY at AED 52.5mn), highlighting diversification and capital redeployment benefits. All UAE capex (AED 110mn) funded via internal accruals.

North region expanded further as the main profit and volume contributor, underpinned by recent plant ramps. East India remains a focus for RMC expansion, with the first captive RMC plant in Raipur. The South and West regions progressed more modestly but remain company priorities for next-phase growth.

Operational & Sustainability Initiatives

Strong improvement on sustainability: “Zero liquid discharge” continues across all plants, and the water positivity index is now at 8x, set to improve further after the monsoon.

AFR (alternative fuels and raw materials) consumption rose to 2.3% (from 1.5% YoY), with additional projects to enhance green and circular economics.

Rail shipment share reached 11% of outbound volumes (targeting 20% in coming years), with new sidings at Purulia, Kodla, ITA expected to drive incremental INR 100/t logistics savings.

Raymond Q2FY26 Concall Highlights**Mcaps: INR 38.4bn | CMP: INR 576**

Outlook: The restructuring of two subsidiaries would create synergies and unlock the value going forward. Aerospace & Defence has long-term contracts (5-10 years), a healthy pipeline of new parts, and strong demand from global OEMs, leading to sustained growth. The auto components segment is expected to benefit from a strategic focus on the hybrid vehicle market in Europe. The capex of INR 1bn/annum to double the engineering business over the next 4-5 years. We have a positive outlook on the stock.

Margins

EBITDA margins are expected to be 14%-15% on consolidated levels going forward.

Restructuring

The restructuring of the engineering business into two subsidiaries would unlock the value going forward. JK Maini Global Aerospace focused on Aerospace & Defence, and JK Maini Precision focused on Precision Technology and Auto Components.

JK Maini Precision

JK Maini Precision is supplying the top 15 global OEMs and covering 8 different segments.

Precision Technology segment is witnessing robust demand from hybrid products in European markets.

The company is focused on developing critical parts for the hybrid market. It's expected to grow faster than the pure EV market in Europe due to charging infrastructure issues.

JK Maini Precision tied up with CTC, which specializes in carbide cutting tools and micro tooling, particularly for nickel and aluminum alloys. This collaboration aims to leverage the aerospace division's knowledge to enhance the tools and hardware division's capabilities.

Aerospace & Defence

The aerospace segment continues to see strong export demand from the US and Europe, despite the temporary headwinds caused by elevated tariffs on Indian components.

Aerospace businesses are low-volume and high-margin, mostly under 1,000 units.

Aerospace business contracts are around 5 years.

Global OEM activity remains strong, and Boeing & Airbus are reporting strong deliveries. The Indian suppliers are benefiting as OEMs diversify their sourcing strategies toward India to mitigate constraints in the Western supply chains.

Capex

The capex is expected to be INR 1bn/annum to double the engineering business over the next 4-5 years.

Tools & hardware

Tools & hardware are witnessing softness in export markets. Domestic demand was supported by government infrastructure projects in roads and railways.

Exports

3W exports increased by 68% YoY, driven by robust demand from key markets in Africa, Latin America, and the ASEAN region.

Pipeline

The pipeline remains healthy, including 150 new parts undergoing First Article Inspection development and another 2,000 drawings or part numbers in the RFQ stage.

Other highlights

The company is focused on developing one part per day.

The company is enhancing manufacturing capacity through advanced machinery.

All raw materials for the Aerospace business are currently imported. The company manages its supply chain by coordinating 14+ mills globally.

Tata Capital Ltd

Outlook: Management has guided for an AUM CAGR of 23–25% and PAT CAGR of ~ 30% over the next 3 years, with a C/I ratio of 33–34%, ROA of 2.5–2.7%, and ROE of 17–18% (including Motor Finance). Credit costs are expected to stabilize at ~ 1%, while NNPA is likely to remain below 1%. Growth will be driven by affordable housing and SME leasing segments, supported by sustained consumer demand and robust rural momentum. Furthermore, the ongoing merger and digital transformation initiatives are expected to enhance operating leverage, margins, and scalability in the coming quarters.

Financial Performance

- NII up by 23% YoY to INR 26,370 Mn (ex-Motor Finance); consolidated NII stood at INR 30,030 Mn, up 5% QoQ.
- PAT excluding Motor Finance, stood at INR 11,280 Mn (up 33% YoY); consolidated PAT, including Motor Finance, was INR 10,970 Mn.
- The cost-to-income ratio improved to 36.6% from 40.1% YoY for the core business; including Motor Finance, it stood at 39.7%.
- ROA stood at 2.2% (ex-Motor Finance) and 1.9% on a consolidated basis; ROE was 14.9% and 12.9%, respectively.
- Gross and Net NPAs remained at low levels, with GNPA at 1.6% and NNPA at 0.6% (ex-Motor Finance).
- Credit costs declined to 1.1% (from 1.4% in the Q1, ex-Motor Finance); on a consolidated basis, the credit cost stood at 1.3% for Q2.

Growth & Business Mix

- Tata Capital delivered strong AUM growth, reaching INR 2,160,000 Mn (excluding Motor Finance), up 22% YoY.
- Including Motor Finance, consolidated AUM stood at INR 2,440,000 Mn, up 3% QoQ following post-acquisition integration.
- Retail and SME segments dominate the portfolio with an 88% share, while unsecured retail loans constitute a controlled 12% of the total loan book.
- Housing Finance is the fastest-growing segment, with affordable and micro housing AUM reaching INR 150,000 Mn out of a total AUM of INR 750,000 Mn.
- The branch network expanded to 1,479 locations, with a 'phygital' distribution model enabling deeper market reach.

Motor Finance Update

- The Tata Motor Finance portfolio integration is on track; the loan book has stabilized and is expected to return to growth from Q1FY27.
- Strategic product mix realignment: focus has shifted toward used vehicles, small and intermediate CVs, and non-Tata OEMs.
- The disbursement mix was optimized to enhance yields, with the IRR improving to 13.4% in Q2FY26.

Other Highlights

- Aggressive branch expansion is now complete; future growth will be driven by operating leverage and digital efficiency.
- Technologies, analytics, and GenAI are being deployed across operations—digital collections, workflow automation, risk assessment, customer service, and underwriting have become integral to core business processes.
- Tata Capital Housing Finance (TCHFL) delivered a strong performance, with AUM growing 30% YoY to INR 756,360 Mn and PAT rising 28% YoY to INR 4,400 Mn, supported by best-in-class asset quality.

CreditAccess Grameen Ltd

Improvement in credit costs is expected from Q4FY26, with recovery trends picking up from Nov–Dec 2025. H2FY26 is expected to drive strong growth, supported by strong festive demand and improving ground conditions. FY27 is projected to deliver 20%+ AUM growth, driven by both retail finance and microfinance segments. ROA guidance maintained at 4.0–4.5% steady-state, supported by Lower cost of funds (expected 50 bps decline in FY27), Improved yields, and Opex ratio normalization to ~4.6–4.7%.

Financial Performance

- NII grew 4.2% QoQ to INR 976 crore, with a portfolio yield of 20.7% and an interest spread of 11.1%.
- Cost of borrowing declined by 11 bps QoQ to 9.6%, while the marginal cost of borrowing stood at 8.9%.
- NIM remained stable at 13.3%, and C/I ratio stood at 32.5%.
- PPOP was INR 695 crore, and liquidity levels stood at INR 2,176 crore (7.9% of total assets). CAR was 26.1%.
- PAT for Q2FY26 was INR 126 crore, ROA of 1.8% and ROE of 7.1%.

Business Performance

- Disbursements stood at INR 5,332 crore in Q2FY26, a 32.9% YoY increase.
- 4.4 lakh new borrowers were added in H1FY26, with 2.2 lakh added in Q2, of which 39% were new-to-credit.
- The loan portfolio's unique borrower share rose to 41%, up from 27% in August 2024.
- Maintained FY26 loan book growth guidance of 12–14%, expecting H2FY26 to deliver over 20% growth as accelerated write-offs normalize.
- Retail Finance portfolio share rose to 11.1% of AUM (vs. 6.8% in Q1FY26), supported by expansion through group loan branches and individual business loans.

Branch Network & Expansion

- Opened 150 new branches in H1FY26, including 96 in Q2, taking the total branch count to 2,209.
- Retail finance offerings have now been launched from 800 microfinance branches, with plans to scale up to ~1,000 branches by FY26-end.
- Retail Finance share is expected to reach ~15% of total AUM over the medium term, aided by new product launches including selective mortgages.

Asset Quality

- Collection efficiency excluding arrears stood at 94.5% in Q2FY26.
- PAR 90 at 2.5%, GNPA at 3.65%, and NNPA at 1.26%. The company wrote off INR 683 crore in Q2FY26, including INR 554.7 crore of accelerated write-offs (180+ DPD accounts), adding a credit cost of INR 172 crore.
- Credit cost guidance for FY26 increased by 70–100 bps (to ~4.0–4.5%) due to delayed PAR improvement and higher provisioning rates.
- FY27 credit costs are expected to stay in the 4.0–4.5% range, including a one-time 70–80 bps impact.
- Higher provisioning buffers continue 150 bps (INR 383 crore) above PAR90, and 268 bps (INR 681 crore) above IRAC norms.

Other Highlights

- Employee base rose to 21,701 in Sep 2025 from 21,333 in June, with attrition at 28.9%.
- Guardrails have reduced high-leverage exposures: borrowers with >3 lenders dropped to 6.9% (Sep'25) from 25.3% (Aug'24).
- The average unsecured indebtedness and monthly obligation per borrower declined by ~2% QoQ.

Go Digit General Insurance Ltd

Outlook: Expects H2FY26 to show continued growth, driven by improved vehicle sales, especially in private cars, and better macroeconomic conditions. The company's focus on renewals, strategic product mix, and operational efficiency positions it well for further expansion. It is also set to benefit from the unwind of deferred acquisition costs, which will contribute positively to its profitability.

Financial Performance

- In H1 FY26, the company achieved INR 56,490 Mn in premium income.
- The Q2FY26 premium income was INR 26,670 Mn, up from INR 23,690 Mn in Q2 FY25.
- The company reported a PBT of INR 1,360 Mn, compared to INR 890 Mn in the previous year.
- PAT for Q2 was INR 1,170 Mn, with a tax rate of 14%. It is expected to rise to 25% next year.
- Solvency ratio increased to 2.26 from 2.18 in Q2FY25. The average ROE on the IGAP network was 2.8% (non-annualized).
- The company made a disclosure on deferred acquisition costs of INR 17,080 Mn.
- AUM increased to INR 2,10,000 Mn. The company reported unrealized gains of INR 6,770 Mn as of September 30, with equity gains accounting for INR 3,260 Mn.

Segment Performance

- **Motor :** Motor segment performance remained strong, with Own Damage (OD) growth of 12.6% compared to the industry's 5.6%. Third Party (TP) segment grew by 8.6% Vs the industry's 7.4%. The OD loss ratio stood at 71.3%, impacted by flood-related claims of ~ INR 300 Mn. 2W business continued to perform well, with new 2W premiums rising to INR 4,510 Mn from INR 3,340 Mn last year, accounting for 30% of the motor mix — the highest in the industry. However, the upfront 5-year commission on 2W policies has temporarily depressed near-term profitability, impacting the combined ratio by around 2%. The private car OD share improved to 38% (from 37% YoY), while TP contributed 62%. Overall, the company's motor OD market share reached 6.2%, its highest since inception.
- **Health:** In the health segment, the loss ratio remained broadly stable YoY at ~ 84%. Excluding government schemes, the loss ratio would have been ~ 81%. The employer-employee segment now accounts for ~ 70% of the health business mix, down from 80–85% earlier. While pricing pressure continues in this segment, a slight improvement was observed in September.
- The Commercial, Fire, and Engineering segment reported strong growth of ~ 53% YoY, driven by a 60% rise in the fire segment. However, the loss ratio increased slightly, mainly due to three large claims and the impact of floods.

Deferred Acquisition Cost: Deferred acquisition cost (post-tax) stood at INR 17,080 Mn as of September 2025. Of this, about INR 7,100 Mn is expected to unwind in the second half of FY26, which will contribute to profitability. The company will now disclose this DAC figure every quarter to enhance transparency.

Investments: The company's investment book stood at INR 21,000 Mn, with a leverage of ~ 5x. Unrealized gains amounted to INR 677 Mn, including INR 326 Mn from equity, AIF, and 81 bond investments. Equity allocation increased to 7.3%, compared to 6.4% in March 2025 and 2.4% a year ago. The fixed income yield for Q2 was around 1.9%, reflecting lower capital gains during the quarter.

Happiest Minds Technologies – Q2FY26 Concall KTAs

Management reiterated guidance for double-digit constant-currency revenue growth and 20–22% EBITDA margins for FY26, underpinned by continued strength across AI, cloud, cybersecurity, and data-driven transformation offerings.

The company strengthened its outlook, targeting four consecutive years of double-digit revenue growth through FY28. This confidence stems from robust deal pipelines in GenAI and strong traction in new client acquisitions.

Generative AI Momentum:The GenAI business continues to scale rapidly, growing 77.8% YoY and 15.3% QoQ. The company has developed 22 reusable use cases with a combined revenue potential of \$15 million over the next few years.

New Client Engine:The revamped sales engine onboarded 30 new clients in H1 FY26, contributing \$9 million in revenue and opening a \$50–60 million opportunity pipeline for the next 3–4 years. Notably, over half of these clients have already expanded into multiple initiatives.

Revenue Visibility:Management expects stronger performance in Q3 and Q4, as several deals in IMSS and BFSI deferred from Q2 are scheduled to ramp up. GenAI-related billings are also set to contribute from Q3 onward.

Operational Efficiency:Utilization rose to 80.7%, the highest in three years, and is expected to remain steady or improve slightly—supporting margin expansion. EBITDA margin stood at 20.2%, in line with the guided 20–22% range, with further improvement anticipated through higher utilization and cost control.

Talent Metrics:Attrition declined to 17.4% (vs. 18.2% in Q1) and is projected to moderate further, enhancing delivery stability. Gross margin improved to 37.2% from 36.7% QoQ, with incremental gains reinvested into scaling GenAI and new sales initiatives that now show visible traction.

Demand Trends:The business environment remains centered on cost efficiency, digital transformation, and AI-led productivity gains. Despite cautious discretionary spending, enterprise demand remains healthy.

Geographical:The US market returned to growth (+3% QoQ), led by GenAI and new-client additions. Europe and India showed sequential improvement, while Middle East and Africa are emerging as promising AI-focused regions.

Vertical Performance: Growth was driven by Retail, CPG, Healthcare, and Hi-Tech, while BFSI is expected to rebound in H2 as deferred Artha Banking and APAC deals go live. The IMSS segment saw temporary softness from deal delays but retains a strong pipeline.

The Education vertical is likely to bottom out by Q3, with recovery expected through GenAI-enabled student-lifecycle and digital-campus solutions under large multi-year contracts.

Pricing and Commercials: GenAI engagements command a 20–25% pricing premium versus standard digital work. Around half of these projects are currently fixed-price but are transitioning toward dedicated-team models for longer-term engagements.

Operating Leverage: SG&A expenses are expected to normalize as prior investments in sales, verticalization, and marketing begin to yield measurable returns. Management's near-term focus is on improving efficiency rather than further expansion.

The company maintains minimal exposure to US H-1B visa risks due to its strong offshore delivery model.

Cash flows and the balance sheet remain robust, enabling a INR 2.75 per-share interim dividend declaration.

InfoBeans Technology Ltd | Con-call Key Takeaways | Q2FY26 | CMP: IINR 644 | M-Cap: INR 15.62 Bn

Outlook

InfoBeans Technology Ltd is building momentum despite macro challenges, InfoBeans delivered positive momentum in Q2 FY26, with growth driven by both expanding mandates from existing enterprise clients and selective new client additions. Strong annuity-type business, robust repeat revenue streams, and positioning as an AI-first organization are supporting performance, even as broader sector macroeconomic conditions remain mixed.

Financials

- Revenue for Q2 FY26 grew 27% YoY and 5% QoQ, supported by a combination of incremental work from repeat enterprise clients and new logos.
- H1 FY26 revenue: INR 254mn; EBITDA: INR 71mn; PAT: INR 46mn; with cash & equivalents at INR 292mn, reflecting strong balance sheet resilience.
- Announced a healthy H1 revenue progression – growth rate maintained at 24% CAGR since FY21.
- Existing client base mostly stable, indicating wallet share increases rather than pure new client adds.

AI-Driven Transformation

- Actively investing in and delivering AI and “authentic workflows” for enterprise clients, with AI now a central pillar of the go-to-market strategy.
- Built in-house accelerators to help clients adopt new AI tools rapidly, including for ServiceNow and Salesforce ecosystems.
- Margin uplift still nascent; focus is on scaling AI expertise and use case deployments over immediate profitability gains.

Geographic & Segment Mix

- Revenue split seeing fast growth in Europe (31%) and strong US momentum (56% of mix); Middle East and RoW stable.
- BFSI, manufacturing, and storage virtualization remain core verticals.

Strategic Developments

- Influence Cloudtech merger progressing – application filed, expected closure in 6-12 months; acquisition to bolster Salesforce practice and add high-margin revenue streams.

Premier Energies Ltd Q2FY26 – Key Takeaways from Earnings Call**CMP: INR 1,095 | Market Cap: INR 495.96 Bn****Strategic Growth & Order Book**

Secured INR 65.11 Bn in new orders during Q2 FY2026 from top-tier independent power producers, validating competitive positioning and margin strength

Order book execution timeline spans 12-18 months with firm orders featuring protected pricing through variable contracts that pass through forex and wafer pricing changes to customers

Stronger growth momentum in cell orders versus module orders, driven by module manufacturers lacking cell capacity seeking to secure supply

Current sales mix approximately evenly split between internal and external customers, though management emphasized this remains dynamic

Capacity Expansion & Capital Allocation

INR 40 Bn capex planned over next 12 months for 7 GW cell line and 5.6 GW module line expansion

INR 60 Bn earmarked for ingot-wafer backward integration project (5 GW first phase) post 12-month period, driven by government's ALMM List III draft guidelines

INR 6 Bn allocated for BESS development (INR 3 Bn until June 2026, balance over following 9 months) with first phase targeting 6 GWh capacity completion by June 2026

Zero debt funding strategy – entire capex to be funded through internal accruals without new debt, demonstrating strong cash generation capabilities

Margin Resilience & Pricing Power

Gross margins witnessed marginal improvement in recent quarter, driven by higher proportion of cell sales and operating leverage from volume growth

DCR segment margins remained steady and increased in last quarter, while non-DCR module margins saw slight pressure from overcapacity, though largely offset by pricing pass-throughs

Successfully absorbed 14-15x increase in silver costs (from \$0.01/watt to \$0.14-0.15/watt) without margin impact through operational efficiencies, hedging strategies, and variable contract structures

Sales realizations marginally increased rather than decreased in the quarter, demonstrating pricing power despite industry overcapacity concerns

Inorganic Growth & Diversification

Completed two strategic acquisitions: KSolare (inverter manufacturer) and Transcon (transformer manufacturer) to create integrated renewable energy solutions platform

KSolare targets: 1 Mn inverters (~3 GW capacity) with revenue potential of INR 15 Bn; partnership with Syrma SGS for electronics manufacturing enabling domestic value addition

Transcon capacity expansion: Scaling from 2.5 GVA to 16.75 GVA by April 2026, transitioning toward higher-margin MV, HV, and EHV transformer segments

Combined contribution from acquisitions and BESS expected to reach approximately 30% of total revenue over time, significantly diversifying revenue streams

Industry Tailwinds & Market Opportunity

100+ GW of solar capacity already auctioned and allocated to developers in utility-scale segment, providing strong medium-term revenue visibility

Rooftop solar volumes surged 15x over past two years with current run rate of ~10 GW per annum in new capacity additions, representing high-growth adjacent opportunity

80% of new power capacity installations coming from renewable sources, creating structural demand for transformers and solar equipment

India's cell manufacturing capacity trajectory: Current ~27 GW with production at 16-17 GW per annum, expected to reach 80 GW by end of 2027

Solar plus storage tariffs achieved sub-INR 3 per unit competitiveness, with ALMM-II implementation expected to add only 10 paisa – easily absorbable by market

Technology & Innovation Roadmap

Commissioned new cell and module lines in Q1 with successful ramp-up; initiated trial runs of 1.2 GW Topcon cell line in August

Exploring R&D investments and partnerships for next-generation technologies including perovskites, tandem technologies, and back-contact cells to maintain technological edge

Backward integration into ingot-wafer production aligns with government's "Make in India" thrust and anticipated policy support for inverters, BESS, and module supply chain

Aditya Birla Real Estate Ltd – Q2 FY26 Concall Highlights CMP: INR 1,818 | Mcap – INR 203 Bn

Outlook: Aditya Birla Real Estate is undergoing a strategic transformation into a focused, future-ready real estate platform, emphasizing sustainability, innovation, and premium/luxury segments. The company remains confident in achieving its FY26 launch pipeline with GDV of INR 139 Bn for the remainder of the year, skewed towards H2, including next phases of Birla Niyaara (Worli), Birla Navya (Gurugram), and new developments in Thane and Boisar. Total portfolio GDV stands at INR 700 Bn, providing multi-year visibility. Long-term focus on responsible development, with strong brand equity and ESG leadership positioning the company for sustained growth amid resilient Indian real estate market dynamics.

Financial Highlights

- Q2 FY26 Bookings: INR 8.90 Bn (+111% QoQ; no new launches).
- Flagship Project Sales: Birla Niyaara (Mumbai) INR 3.20 Bn; Birla Evara (Bengaluru) INR 3.26 Bn.
- H1 FY26 Operating Cash Flow: Negative INR 40 Bn (due to billing shifts and launch prep; expected to turn positive with INR 20 Bn collections by Dec'25).
- Collections (Ex-JV): H1 INR 90 Bn (project dev costs INR 100 Bn, including land purchases; JV collections add INR 1.50 Bn unconsolidated).
- Sold Inventory: 80% of launched area sold as of Sep'25.

Other Highlights

- Launch Pipeline: RERA approvals received for two Pune projects (Birla Evam Manjri GDV INR 13.9 Bn, Birla Punya Wellesley Road GDV INR 37 Bn). Remainder FY26 GDV INR 139 Bn confirmed; Thane launch expected Q4 post environmental clearances (MoEF minutes imminent, RERA this quarter).
- Niyaara Progress: Exceptional sales momentum; Tower A: 400/413 units sold; Tower B: 113/148 units sold till date. Tower C launch targeted March'26 (minor delay due to BMC land adjustment; approvals in process; low risk of slip to April). No concerns on competitive intensity given strong demand.
- Cash Flow Outlook: Billing milestones shifted (INR 2.65 Bn Oct'25, INR 3.50 Bn Nov'25); cumulative collections to reach INR 20 Bn by Dec'25, ensuring healthy liquidity.
- Sustainability Achievements: Birla Niyaara and Birla Tisya won British Safety Council Award of Honor (only Indian real estate projects). Ranked #1 in Asia for Residential in 2025 GRESB assessment; global/regional sector leader.
- Macro Context: Indian GDP +7.8% Q2 CY25 (RBI revised FY to 6.8%); inflation 2.07%. Real estate resilient with sales > launches; premium/luxury (>INR 10 Mn units) +13% YoY, now >50% transactions. Strong price appreciation in NCR (+19% QoQ) and Bengaluru (+15% QoQ).
- Execution Focus: Primary Q2 efforts on sales traction, site execution, and H2 launch prep; continued emphasis on green practices and smart infrastructure.

Bondada Engineering Ltd

The company aims to 2x its revenues by FY26-end and 3x by FY27, supported by its INR 8,600 crore executable order book and strong bidding pipeline. With a debt-free balance sheet, improving cash flows, and plans to become a US\$1 Bn enterprise with 25 GW of renewable capacity by 2030. Enters the H2FY26 on a strong footing, supported by a record order book, healthy execution momentum, and a clear multi-year growth roadmap. The company reported strong revenue and profit growth in H1FY26 and expects an even stronger H2, as ~60% of annual revenues typically accrue in the H2. Expects stable-to-improving margins (up to 100 bps higher) driven by larger project scale and operating efficiencies. The focus remains on expanding its solar EPC business, scaling up the newly awarded 2 GW solar IPP project in Andhra Pradesh, and building capabilities in BESS, telecom, and railways.

Financial Performance: Revenue in H1FY26 stood at INR 1,216 crore, up 153% YoY from INR 480 crore in H1FY25, led by strong traction in the renewable EPC segment. Net profit came in at INR 92 crore, up 150% YoY. EBITDA margins stood at ~12%, with aims of maintaining or slightly improving margins in H2FY26, aided by scale benefits.

Key Highlights

- Order book remains strong at INR 6,000 crore, of which RE contributes INR 4,573 crore, telecom INR 1,000 crore, and railways INR 228 crore. In addition, it holds INR 2,600 crore of L1 orders, which once converted will take the total book to ~INR 8,600 crore; has bids worth INR 7,500 crore under evaluation; strong revenue visibility for the next 2 years.
- RE continues to dominate the portfolio with 78% revenue share. The company has 1 GW commissioned, 2.5 GW under execution, and another 2.5 GW in L1 stage, taking its EPC portfolio to nearly 6 GW.
- Awarded a 2 GW solar IPP project by the AP government, with an estimated investment of INR 9,000 crore, to be implemented in phases over 4–5 years.
- In Telecom, it continues to manage the entire Telangana Jio Circle, including 35,000 towers and 35,000 km of fiber; remains one of the largest deployment partners in India and expects steady growth from BharatNet and 5G expansion opportunities.
- BESS is emerging as a key growth driver. The current order book stands at INR 850 crore, with expectation >100% CAGR over the next 5 years as grid-stabilization and renewable integration gain policy push.
- Management reaffirmed its Vision 2030 of achieving 25 GW renewable deployment, becoming a US\$1 billion company by 2030. Of this, around 80% will remain EPC-based (asset-light) while 20% will be IPP/BESS-based (capex-heavy).
- Financial metrics remain strong: ROCE and ROE are both ~30%, debt-equity ratio is 0.3x including working capital borrowings, and the company has no long-term debt. Operating cash flows improved significantly, and management expects to turn positive by FY26-end. Net worth rose to INR 610 crore, up from INR 476 crore in March 2025.
- Working capital efficiency improved; receivable days reduced to 107 (from 125), payables improved to 70 days, and the overall cash conversion cycle shortened from 110 to 90 days.
- H2FY26 is expected to be stronger, as the company typically books 60% of annual revenue in the H2. Execution momentum remains intact, and margins are expected to hold or expand by 100 bps due to operating leverage.
- The company remains conservative on leverage, with the current balance sheet able to support up to INR 1,500 crore of term debt if required for IPP or BESS expansion. Equity dilution, if any, will be phased and linked to project rollout.
- Defence and Aerospace foray will focus on IP-led, low-capex segments. Initial investment is expected to be INR 75–100 crore, with the company exploring tie-ups and acquisitions of IP-centric firms.

- Data Center business is still in planning stage; near-term focus will be on creating land, fiber and power infrastructure. Operations will commence once anchor customers are secured, likely in 2–3 years.
- Customer relationships and delivery discipline remain a key strength. The company has never defaulted on project timelines.
- Management guided for revenues to 2x by FY26 and 3x by FY27 (to about INR 4,500 crore), backed by the current order book, new wins, and the ramp-up of large-scale solar and telecom projects.

Aeroflex Industries Ltd Q2FY26 Concall KTA**MCap: INR 23.83 Bn | CMP: INR 184**

The company reported strongest Q2FY26 result, crossing the INR 1 Bn revenue and achieving highest EBITDA margins of 23.5%. The company's continued strength in the VAP mix, and higher domestic growth, and a strong contribution from its subsidiary, Hydair. Despite the imposition of US tariffs, there were no order cancellations. The company also made progress in its liquid cooling solutions business, securing a second order from a large US client, placing itself to capture opportunities in the high-performance computing and data-centre cooling space.

Operational Performance

- The company reported total income of INR 1.11 Bn, a growth of (15% YoY/31% QoQ), supported by higher contribution from Hydair and strong domestic demand.
- EBITDA stood at INR 260.6 Mn, up (23% YoY/65% QoQ), with EBITDA margin at 23.5%, the company's highest-ever result on all parameters.
- The margins were improved due to better product mix capacity, higher domestic sales and operational efficiency.
- The company expects to achieve sustained margins of ~21-22% in coming quarters.
- Value-added assemblies contributed ~53% of total revenue, in line with management's focus on high-margin products.
- The domestic business share increased sharply, led by the fittings and Hydair divisions.
- It did not have any impact from the US tariff imposing, though shipments were deferred to Q3.

Hydair Subsidiary

- Hydair continued to gain momentum, with increase demand trends across its product portfolio and growing acceptance from customers.
- Management expects this momentum to sustain, with meaningfully meaningful revenue contribution going forward.
- The company plans to expand Hydair's product offerings and addressable market through new applications and deeper distribution.

Liquid Cooling Solutions

- The liquid cooling solutions vertically showed progress, and secured order from a large US company.
- The company secured a second order from the same client in Q2.
- Managements to see major growth coming from this segment, due to rising data center cooling systems.
- The segment is expected to start contributing from Q3FY26, with revenue acceleration through FY27 as project volumes ramp up.

Exports

- The company received new orders from Europe, Canada, and South America, including first order from Argentina.
- The company has INR 20-25 Mn worth of bellows orders are currently in hand for non-US markets.
- With new market access, expects to offset short term delays in the US.

Computer Age Management Services Ltd Q2FY26 – Key Takeaways from Earnings Call**Strategic Growth & Financial Guidance**

Management targets revenue growth of approximately INR 5 Bn over the next 3 years, with less than half being consumed by costs, ensuring strong margin expansion

Non-mutual fund business revenue expected to grow at 20% YoY, while alternatives business targeted at 15% YoY growth

Expense growth discipline maintained at 10-11% YoY, significantly below revenue growth trajectory

Non-mutual fund business margins set to expand from current 10-13% EBITDA to 25% within next couple of years; mature businesses like KRA already achieving 30%+ margins

AI-Led Transformation

Unveiled "CAMS AI" brand in August 2025 after 1.5 years of infrastructure preparation, signaling strategic pivot towards technology leadership

Dual-pronged AI strategy: (1) Deploying AI across operations for productivity enhancement, and (2)

Offering AI solutions beyond core RTA business as new revenue stream

New platform architecture being built ground-up with integrated AI capabilities

Market Leadership & Competitive Positioning

Maintains dominant 68% market share in AUM, with total AUM crossing INR 55 Trn in October 2025

Demonstrated pricing power by winning clients from competitors while charging higher prices, reinforcing quality differentiation in duopolistic RTA market

Inorganic Growth & M&A Pipeline

NSE KRA acquisition expected to complete in December 2025, with revenue accretion starting June 2026; includes transfer of client contracts, employees, IP and assets

Active M&A scanning continues, particularly in payments space where larger deals (beyond typical INR 200-400 Mn opportunities) are possible, though nothing imminent in next 2-3 months

Product Innovation & New Business Verticals

Launched India's first SIF (Specified Investment Fund) product with SBI, achieving INR 10 Bn collections; 8-9 more AMCs lined up for SIF launches between now and March 2026

Payment gateway services launched and witnessing significant growth traction

DSP Global Equity Fund became first outbound retail fund from GIFT City to go live, with multiple similar schemes expected soon

Regulatory & Market Environment

SEBI's proposed TER cuts (5 bps direct impact + 15 bps deduction) may have modest impact, partially offset by potential GST benefits

F&O account opening clampdown temporarily impacted KRA business in Q1 but has since rebounded strongly

SIP collections demonstrated sustained resilience despite softer market conditions, indicating structural strength in retail investor flows

Varun Beverages Ltd Q3CY25 Concall KTAs**MCap: INR 1676.71 Bn | CMP: INR 495****Operational Updates**

The company's net realization declined marginally to INR 178.84/case vs INR 179.62 YoY, due to a higher mix of packaged drinking water.

The category mix is as CSD 74%, NCB 4%, and packaged water 22% of total volumes.

Low or no-sugar products has formed 56% of consolidated volumes of which 45% coming from India.

Company's gross margin expanded by 119 bps YoY to 56.7%, aided by backward integration and improved operational efficiency.

GST Updates and products

Successfully transitioned to GST 2.0 framework without any operational disruption.

Reduction in GST rates across dairy, juice, soda, and packaged water categories to structurally benefit nearly 25% of VBL's India portfolio, with the full benefit passed on to consumers.

Hydration for eg Nimbus and Value-Added Dairy segments grew by ~50% and ~100%, respectively, resulting strong consumer attention post-GST cuts.

Management cited competition at the INR 10 price point as healthy, expanding the market and driving penetration in rural areas.

International Business

South African market has delivered mid-double-digit growth, supported by capacity expansion and strong market execution. Current market share stands around 17-18%.

Zimbabwe also returned to growth post sugar tax normalization and now it is back to double-digit growth since Sept-25.

Morocco snacks facility is fully operational, it has contributed ~INR 3 Bn revenue in H1FY26E.

Beer Category Entry

The company has signed an exclusive distribution agreement with KBL Breweries to test-market beer in select countries in Southern Africa.

The opportunity is currently in pilot phase through imports, with potential for local production upon successful scale-up.

Company expects this segment to become large and profitable as the countries has single players, creating opportunity.

Product Diversification

The company has launched, a new energy drink priced at INR 60, positioned between Sting and Red Bull.

Morocco snacks and upcoming Zimbabwe snack plant is expected to expand revenue mix beyond beverages.

Capacity & Outlook

The company has ample capacity to support up to 50% incremental growth without significant capex.

It is investing in distribution, cold-chain, and backward integration to be ready for peak-season demand.

Management maintained its guidance of achieving sustained double-digit volume growth, supported by favourable weather and a recovery in demand driven by festivals in India.

It is expanding into rural and semi-urban areas. Margin improvement is expected through in-house packaging and syrup production.

Menon Bearings Ltd | Con-Call Key Takeaways | Q2 FY26 | CMP: INR 117.26 | M-Cap: INR 6.9 Bn

Outlook: Strong growth visibility led by international traction, EV ramp-up, and margin normalization from Q3. FY26–27 margins guided at 19–21% supported by pricing pass-throughs and operating leverage.

Key Financials

- Revenue: ₹63.6 crore
- EBITDA: ₹11.1 crore
- PAT: ₹6.8 crore
- FY25E Revenue Target: ₹280–290 crore
- EBITDA Margin Outlook: around 20% (FY26); 20–21% (FY27E)

Operational Highlights

- Production: 880 MT; steadily increasing utilization.
- Capacity utilization rising with new approvals (Alcor, Bajaj).
- Solar panel installation to complete in 2 months; cost saving of ₹10–11 crore.
- Orderbook supports 20% higher EBITDA margins ahead.
- Q1 was the best quarter ever; Q2 affected by raw material cost hikes (copper ₹940/kg) to normalize in Q3–Q4.

Business Segments and Growth Drivers

- EV segment: Supplying to Porsche; growing export contribution.
- AFCON: Revenue share increasing from 30% to 35%.
- Bimetal division: ₹2.5 crore per month; expanding through Alka and John Deere approvals (51 parts cleared).
- Brake pads: 5 lakh units per month; ₹13–14 crore FY26 opportunity.
- Railways: Dynamometer issue being resolved; ₹3–5 crore business potential plus OEM addition.
- Africa expansion: Starts December 2025; ₹6 crore bimetal annual addition.
- Canada order: Final approval expected by April 2026.

Raw Materials and Margins

- Copper moved from ₹745–775/kg to ₹940/kg in October.
- 10–12% customs duty reimbursement on imported raw materials.
- OEM price hikes expected from October onward.
- Strong customer ties (Allison, John Deere) helping offset tariff impact.
- US business improving post-tariff clarity and showing positive traction.

Strategic Initiatives

- Solar and ESG initiatives to enhance cost efficiency and global compliance.
- No new capex required; current three plants sufficient for growth.
- FY26 to mark step-up in margins post cost pass-through and operating leverage.

Jindal Steel Ltd Q2FY26 Concall KTAs**MCap: INR 1,092.82 Bn | CMP: INR 1,071****Financial Highlights**

- The company revenue stood at INR 135.05 Bn, down (3% QoQ/8% YoY), primarily due to lower realizations and softer export demand.
- EBITDA came in at INR 18.75 Bn, with EBITDA margin at 13.9% in Q2FY26, impacted by shutdown and maintenance costs at Angul.
- Steel production stood at 1.91 Mn tons, down 5% QoQ, while sales volume was 1.83 Mn tons, down 2% QoQ, as monsoon impacted logistics and dispatches.
- Avg steel realizations declined INR 2,300/ton QoQ, due to softer pricing in longs and structural steel segments.
- Management expects realizations to recover by INR 1,500-2,000/ton in Q3 as demand picks up post-festive season.

Operational Updates

- Q2FY26 was affected by a planned maintenance shutdown of the DRI and CGP units at Angul, leading to one-time impact of INR 1.74 Bn; the operations have normalized now.
- VAP contributed ~70% of total steel sales, maintaining a strong product mix despite lower volumes.
- Domestic sales are 82% of total sales, while exports contributed 18%, largely to Europe and the Middle East, the export share fell marginally due to weaker overseas demand.
- Raigarh plant is running smoothly and continues to produce special grades steels.

Expansion & Commissioning Updates

- The company commissioned BF 2 of 4.6 Mn tons and BOF 2 of 3 Mn tons at Angul, doubling the hot metal capacity to 8.85 Mn tons and crude steel capacity to 9 Mn tons.
- The coke oven and sinter plants supporting these new facilities were also commissioned during Q2FY26.
- SMS 3 and DRI 3 are under advanced stages of completion, targeted for commissioning in Q4FY26, expanding capacity to 15.6 Mn tons.
- Utkal B1 mine is expected to start operations by Dec-25, which will enhance captive iron ore supply and reduce raw material costs.
- Slurry pipeline between Barbil and Angul is 90% complete, expected to be operational by early FY27E.

Cost & Margin

- Coking coal cost declined by USD 5/tonne QoQ, management expects coking coal cost to increase by USD 3-5/ton in Q3FY26, catching up global prices.
- Overall cost of production reduced by INR 1,500/ton QoQ, due to higher captive sourcing & better energy efficiency.
- The company is targeting 2-3% cost reduction in H2FY26 with the full utilization of new facilities.

Capex & Debt

- Capex in Q2FY26 stood at INR 26.99 Bn, with the total capex standing at INR 308.49 Bn.
- Out of the approved INR 470.43 Bn Capex plan, the company expects to complete the bulk of projects by FY26 end.

Management expects to fund the total capex through internal accruals.

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- Management expects to fund the total capex through internal accruals.

Guidance

- Management expects to achieve its FY26E guidance of 8.2-8.5 Mn tons steel sales, with volume ramp-up from Q3 onwards.
- Steel prices are expected to recover in H2FY26, with rising restocking demand and better infrastructure activity.
- EBITDA margins are expected to expand by 100-150 bps in H2FY26 as one-time costs normalize and production scales up.
- The company expects to spend at INR 70-90 Bn in capex, with priority on Angul expansion, Utkal B1 mine, and slurry pipeline completion.

Raymond Realty Ltd – Q2 FY26 Concall HighlightsCMP: INR 620 | Mcap – INR 38 Bn

Outlook: Raymond Realty remains on track for a strong H2 FY26, driven by 7-8 new launches (including 3-4 JDAs) with ~INR 50 Bn cumulative GDV. The company reiterated minimum 20% YoY growth in booking value for FY26, with H2 skewed due to festive season and launch pipeline. Focus on expanding JDA-led asset-light model in MMR (Bandra, Wadala, Mahim, Sayan) while leveraging cash flows from Thane land parcel. Long-term portfolio GDV stands at ~INR 400 Bn (~INR 250 Bn Thane + INR 140 Bn JDAs), with blended EBITDA margin guidance of ~20% as projects mature.

Financial Highlights

- Q2 FY26 Booking Value: INR 4.55 Bn (driven by TenX ERA, Address by GS Bandra & new Thane towers).
- H1 FY26 Booking Value: INR 7.60 Bn.
- Q2 Revenue: INR 7.06 Bn (+20% YoY); H1 Revenue: INR 10.98 Bn.
- Q2 EBITDA: INR 1.01 Bn (+6% YoY); Margin: 14.3% (up sequentially).
- H1 EBITDA: INR 1.43 Bn; Margin: 13%.
- Collections: Q2: INR 4.09 Bn; H1: INR 7.83 Bn.
- Net Debt: Surplus of INR 0.48 Bn (Sep'25); remains net debt-free.
- Thane Land Parcel (55 acres): 5.8 Mn sq.ft. developable; GDV INR 132 Bn; INR 82 Bn sold, INR 63 Bn collected.

Other Highlights

- New Launches in Q2: Address by GS Season 3 & Invictus Tower B (Thane) – overwhelming response; sales strong but registrations pending (30-60 day lag).
- H2 Launch Pipeline: 7 projects confirmed (possibly 8); Q3: Bandra + Wadala; Q4: Sayan, Mahim + 2 Thane towers (incl. 2BHK segment refill). Cumulative H2 GDV ~INR 50 Bn.
- Ahead of schedule across all sites; detailed updates in investor deck.
- Q2 margins improved sequentially; product mix (no retail in Q2 vs last year) impacted YoY. Blended 20% guidance intact; H2 to see retail inclusion in Thane. Margins to stabilize at 20%+ as mature projects contribute (hockey-stick profile).
- Working Capital & Funding: ~INR 11.5 Bn outflow in H1 tied to approval costs for upcoming launches. Funded via Thane cash flows + low-cost debt (<10%). Debt:Equity to stay <1:1; ROCE target ≥20%.
- Thane Inventory: 2BHK nearly sold out; new 2BHK tower in Q4. Ticket sizes: 2BHK ≥INR 20 Mn, 3BHK ≥INR 30 Mn (up to INR 150-170 Mn).
- JDA Strategy: INR 140 Bn GDV pipeline (company share ~INR 130 Bn); projects to complete in 5-7 years. Additional JDAs under evaluation.
- Cash Flow: H1 OCF negative (~INR 4 Bn) due to launch prep; to turn positive in H2 with collections from new sales.

Five-Star Business Finance Ltd

Maintained FY26 guidance of 25% AUM growth, credit cost at 1.25–1.35%, and ROE around 17%. Gradual improvement in delinquencies is expected from Q3FY26 and a stronger Q4FY26, driven by branch stabilization and improved collections. In the long-term, the company aims to maintain ROA of 6–6.5% and steady growth through product diversification and risk-calibrated lending.

Financial Performance

- PAT for Q2FY26 stood at INR 286 crore, up 7% QoQ, supported by lower funding costs and stable spreads. ROA at 7.49% (vs 7.24% in Q1) and ROE at 16.91% (vs 16.57% in Q1).
- Yield on assets was ~23.2%, while cost of funds declined to 9.27%, keeping spreads stable at 13.9%.
- The company's liquidity buffer remained strong at INR 2,360 crore.
- NIMs are expected to moderate slightly as leverage increases, though profitability metrics remain strong.

Asset Quality & Credit Costs

- Collection efficiency steady at 95.1%, overall collection efficiency improved to 96.7% (vs 96.3% QoQ); early signs of revival.
- GNPA's inched up 18bps QoQ, with Karnataka and Andhra Pradesh seeing some pressure, though impact is limited.
- Credit cost held at 1.34%, within revised guidance of 1.25–1.35%; management expects this range to sustain for the next 18–24 months given continued stress in sub-INR 3L ticket segment.
- Stage-3 PCR healthy at 45%+, even after write-offs of ~INR 50cr in H1.
- Management flagged that the sub-INR 3L borrower pool remains under leverage strain, but collections are stabilizing gradually.

Operational Performance

- Added 33 branches and 769 employees (500 in business, 200 in collections) during Q2.
- Digital penetration up to 82% (vs 81%), targetting 85%.
- New branches continue to break even within 6–9 months.

Other Highlights

- Raised INR 1,068cr incremental debt during the quarter at 8.56%, marginally lower QoQ.
- Cost of funds down by ~25–27bps YoY, trend likely to continue as fresh borrowings come cheaper.
- JP Morgan joined the lender base with a INR 650 Cr (USD 75mn) PTC investment.
- Ample liquidity on books; management comfortable on funding outlook.
- Rolled out housing loan product across ~175–200 mature branches in Oct'25.
- Targets INR 6–8L ticket size, yields of 16–18%, and tenors up to 15 years.
- FY26 contribution small (~INR 100–150 Cr; 1–1.5% of AUM), but seen as a long-term growth lever.
- Company will not apply for a separate housing finance license for now; sees funding cost advantages through priority-sector benefits.
- Focus shifting from sub-INR 3L to INR 3–10L ticket loans for better quality and lower delinquency risk.
- Sub-INR 3L bucket still shows higher stress, but legal recoveries and customer behavior improving.
- Core focus stays on secured small business loans, with strong collateral coverage and low LTVs.
- Recovered ~INR 20cr from NPAs in Q2, with FY26 recovery target at INR 75–80cr.
- Legal recovery teams actively pursuing auctions and settlements, proving effective even in small-ticket loans.

Sanofi India Ltd – Q3FY26 Concall Highlights

Outlook: Sanofi India Ltd reported a resilient Q3FY26 performance, marked by double-digit profit growth despite significant export headwinds. Strategic focus on the insulin and diabetes franchise, targeted cost optimization, and a robust domestic business have provided strong support to the bottom line. Management commentary indicates further margin improvement, disciplined operational execution, and deliberate portfolio recalibration to sustain profitable growth, with new launches remaining selective and focused.

Financial Performance

- Double-digit PBT growth in Q3FY26, with export-related profit contribution at ~8% and domestic segment driving remaining profits at higher margin.
- Significant operating expense optimization, especially in personnel and other expenses, led to a 30% reduction vs the previous quarter, contributing meaningfully to PBT and margin accretion.
- Board announced an interim dividend of INR 75 per share for YTD September, indicating confidence in cash flow generation and capital return discipline.

Business Segments and Strategic Focus

- Export sales declined by 12-13% of total sales, primarily attributable to legacy Ankleshwar site divestment in 2020; transition of certain products to Goa and new export authorizations for Zentiva completed by end-2024.
- Export impact on top-line is material but bottom-line pressure is limited owing to lower margin profile of exports versus robust margins in domestic business.
- Sanofi has initiated exports to new geographies (Russia, South Africa) to partially offset legacy losses leveraging Goa site as a unique manufacturing hub for selected products.
- Domestic business profitability remains resilient, sustaining double-digit growth and a favorable mix shift towards higher-margin insulin and diabetes therapies.

Portfolio Update and Product Launches

- The company maintains sharp strategic focus on diabetes and insulin portfolio, including market leadership in Lantus (~50% share) and Toujeo (~12% share), cumulatively accounting for 60-63% share in the glargine insulin segment.
- Biosimilar competition in insulin and glargine segment has not diluted Sanofi's value market share, with innovator pricing now at par with biosimilars and continued clinician preference for branded Lantus.
- Soliqua continues to demonstrate strong launch momentum, with ongoing management focus on accelerating patient uptake; further launches in FY26 remain limited, with no major new products planned, while business cases for select pipeline assets are under evaluation.
- Beyfortus (Deforteus) has been launched in the private entity; no material synergies currently justify launch in the listed business. Dupixent is under evaluation, not launched yet. Strategic portfolio expansion is pursued selectively, prioritizing alignment with diabetes leadership ambition.

Guidance

- Management underscores sustainable and profitable growth as the core strategic imperative, leveraging AI-enabled field force capabilities and partnership model to penetrate Tier 2/3 cities and defend market share.

- No guidance for biosimilar segment revenue in the next 2-3 years; company expects respectable organic growth from in-line portfolio, with deliberate discipline on new launches.

Guidance

- Management underscores sustainable and profitable growth as the core strategic imperative, leveraging AI-enabled field force capabilities and partnership model to penetrate Tier 2/3 cities and defend market share.
- No guidance for biosimilar segment revenue in the next 2-3 years; company expects respectable organic growth from in-line portfolio, with deliberate discipline on new launches.
- Portfolio partnership model is structured as a distribution/marketing agreement, not a divestment, allowing Sanofi to capitalize on partner reach while focusing internal resources on insulin leadership.

APL Apollo Tubes Ltd Q2FY26 Concall KTAs**Operational updates**

Q2 remained challenging due to an extended monsoon and muted construction activity

Sales volumes recovered sequentially because of healthy utilization at the Raipur and Dubai plants.

EBITDA/ton crossed INR 5,000, led by the brands pricing, improved vap mix, and operating leverage from higher volumes of ~850k tons in Q2.

Margin & Realization

EBITDA in the general category nearly doubled over the past three quarters to INR 3,400/ton, following a price hike of INR 2,000-3,000/ton.

VAP Contribution from Raipur and Dubai plants, both delivering INR 5,500-6,000/ton EBITDA, which continues to rise.

EBITDA/ton has improved by INR 500, comprising INR 200 from gross margin gains, INR 200 from operating leverage, and INR 100 from the absence of ESOP expenses recorded in Q1.

Despite a minor inventory loss due to softening steel prices, EBITDA/ton remained elevated.

Unit Economics and Cost

The avg realization is ~INR 54,000/ton for APL Normal; INR 49,000-49,500/ton for SG Premium.

Freight Costs is currently at INR 1,900/ton, which is targeted to reduce to INR 1,500/ton over the next two quarters.

Guidance

The company maintained its FY26 guidance of 10-15% volume growth and EBITDA spreads of INR 4,600-5,000/ton, expecting a stronger H2 with improving macro and construction activity.

Management guided to surpass 3.5 Mn tons in FY26, generating ~INR 17 Bn EBITDA.

The company expects monthly run-rate to rise to 3.25 lakh tons, translating to ~9 lakh tons in Q3FY26.

The capacity is expected to expand from 5 Mn tons currently to 7 Mn tons over the next 2-3 years, with a longer-term goal of 10 Mn tons over five years.

Dubai Operations

The Dubai plant operated at 85%+ utilization during Q2, contributing ~8% to total volumes.

Capacity expansion from 3 lakh to 5 lakh tons is underway, with new lines scheduled to start in Nov-25 and end of FY26E.

All adding Two warehouses in Europe to enhance distribution, expected to support higher export margins.

Capex

The company has planned INR 15 Bn capacity expansion will be fully funded through internal accruals.

Market and Developments

The recent 12% safeguard duty on imported HRC has limited downside risk to domestic steel prices and improved margin visibility for downstream players.

Scrap-based steel prices remain INR 3,000-4,000/ton still below primary steel, continuing to provide raw material cost advantages.

The company remains the largest buyer of steel in India, accounting for significant downstream consumption.

Management is focusing on expanding presence in Eastern India and international markets, targeting double-

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ICRA Ltd

The company aims to increase the share of non-rating businesses through organic expansion and selective acquisitions like Fintellix. Non-knowledge services verticals are expected to drive future growth, though margins will initially be lower than the traditional knowledge services business. New products and risk analytics offerings is expected to generate meaningful traction, positioning ICRA as a comprehensive risk and analytics partner.

Financial Performance

- Revenue up 8.3% YoY to INR 136.6 cr, PAT up 29% YoY to INR 48 cr. For H1FY26, topline stood at INR 261 cr (+8.4%) with PAT grew 24.4% to INR 19.8 cr.
- Ratings business led the growth with 13% YoY, while analytics crawled up 2% despite the ESG drag.
- Margins expanded sharply, powered by volume leverage and efficiency gains from tech and process rework.

Business Mix

- Split remains ~60% Ratings / 40% Non-Ratings; analytics arm showing steady traction even after ESG exit.
- Risk management and market data verticals firing up well; ICRA Analytics launching new stuff like ECL v3, Infra360 (for InvIT/REIT), and MFI360 Explorer; all getting good market buzz.
- Knowledge services also holding ground with new global clients onboarded.

Fintellix Deal

- Successfully acquired Fintellix, a Bengaluru-based RegTech and risk solutions company, expanding its risk technology portfolio.
- Fintellix has an estimated EBITDA margin of 20%, though the PAT is currently negative due to accelerated depreciation.
- The acquisition cost ~INR250 crore; believes is value-accretive and strategically justified given its future potential and synergies.
- Fintellix strengthens ICRA's presence in BFSI risk analytics and brings global exposure with operations in the Middle East and the U.S.
- Expects the acquisition to be earnings-accretive even in initial years at the EBITDA level, though EPS impact may be moderated due to amortization charges.

Other Highlights

- Upgraded 214 entities and downgraded 75, resulting in a credit ratio of 2.8x. The default rate remained low at 0.2%.
- Upgrades were driven by better business fundamentals, strong parent support, and reduced project risks across sectors like power, real estate, and hospitality.
- Bond issuances were strong in Q1FY26 due to rate cuts but moderated in Q2 as yields rose. NBFC bond issuances and securitization volumes remain strong, supported by improving AUM growth.
- Bank lending grew 10.4% YoY as of Sep 2025, lower than 12.9% a year ago, but expected to pick up as deposit rates fall in Q3.
- India's GDP growth forecast for FY26 to 6.5%; upside potential from a strong festive season and possible India-US trade deal.
- Domestic consumption remains upbeat, aided by GST rate rationalization, tax cuts, moderate inflation, and favorable monsoons. However, geopolitical tensions and global uncertainties could delay private sector investments.

PB Fintech Ltd

Outlook: PB Fintech remains on track to reach its INR 1 lakh Cr insurance premium target, though GST changes could delay it by 1 to 2 quarters. Aims to achieve profitability of around 3% of total premiums by FY30. New initiatives are expected to break even by FY27, with the UAE business already profitable and POSP and Corporate segments close to breakeven. Strong innovation, trusted partnerships, wider reach into smaller towns, and better customer experience through claims support, narrow networks, and higher renewals are expected to drive long-term growth.

Financial Performance

- Total premium for Q2FY26 stood at INR 76,050 Mn, up by 40% YoY increase and a 15% QoQ, driven primarily by strong growth in the online protection business (up 44% YoY) and robust momentum in health insurance (up 60% YoY).
- Consolidated revenue for Q2FY26 up by 38% YoY to INR 16,140 Mn, driven by a 36% YoY increase in core insurance revenue. Policy Bazaar's core insurance revenue up by 47% YoY, while overall insurance renewals ARR increased to INR 7,580 Mn, up from INR 5,160 Mn in the same period last year.
- Core credit revenue declined 22% YoY & up by 4% QoQ. Disbursals in the core online business up by 9% QoQ to INR 22,800 Mn.
- PAT for PB Fintech increased to 2.65x YoY to INR 1,350 Mn (from INR 510 Mn), representing 1.77% of the total insurance premium.

Segment Performance

- Healthy and sustainable growth was seen in core insurance premiums (excluding savings), which up by 39% YoY. However, savings products continued to remain muted due to a high base in Q2 of the previous year.
- Motor insurance (including Policy Bazaar and PB Partners) grew ~ 40% YoY. Protection and health insurance segments remained the key drivers of premium expansion, with particularly strong growth in the health segment.
- New initiatives (including PB Partners, UAE, and Corporate) recorded up by 61% YoY revenue growth. Notably, the UAE business reported a 64% YoY increase in premiums.
- PB Partners (agent aggregator platform) strengthened its leadership position with over 380,000 advisors and an expanding presence across tier-4 and tier-5 towns. The business is highly diversified and now nearly as large as its two closest competitors combined.

Other Highlights

- Cross-selling/Up-selling Focus: With the reduction in GST on renewals, PB Fintech is prioritizing higher policy renewal rates measured by the number of policies rather than just value as the primary growth lever, supported by increased cross-selling and up-selling efforts.
- Arrow Network/Preferred Network Policies: Recently launched in collaboration with multiple insurer partners, these policies offer discounts for limited hospital networks and currently account for 15–20% of new health policy sales. Management expects this share to grow further, supported by enhanced customer experience benefits.
- The company is working toward building its own narrow provider network of hospitals and care pathways (covering primary, secondary, and tertiary care), aimed at improving service delivery, cost efficiency, and differentiation. Four facilities have already been acquired or partnered, with further rollout planned over the coming quarters.
- Pensions and PV Money: Both initiatives remain in the early “drawing board” stage, with minimal investments to date (less than \$0.5 Mn). Management remains committed to their development, though meaningful scale is expected to be at least a year away.
- Fixed cost growth has normalized to around 15% YoY, broadly in line with topline growth. Management aims to limit fixed cost growth to roughly half the pace of revenue as the business scales, while retaining flexibility to adjust as needed.

APL Apollo Tubes Ltd Q2FY26 Concall KTAs | MCap: INR 501.77 Bn | CMP: INR 1,807

Operational updates

Q2 remained challenging due to an extended monsoon and muted construction activity

Sales volumes recovered sequentially because of healthy utilization at the Raipur and Dubai plants.

EBITDA/ton crossed INR 5,000, led by the brands pricing, improved vap mix, and operating leverage from higher volumes of ~850k tons in Q2.

Margin & Realization

EBITDA in the general category nearly doubled over the past three quarters to INR 3,400/ton, following a price hike of INR 2,000-3,000/ton.

VAP Contribution from Raipur and Dubai plants, both delivering INR 5,500-6,000/ton EBITDA, which continues to rise.

EBITDA/ton has improved by INR 500, comprising INR 200 from gross margin gains, INR 200 from operating leverage, and INR 100 from the absence of ESOP expenses recorded in Q1.

Despite a minor inventory loss due to softening steel prices, EBITDA/ton remained elevated.

Unit Economics and Cost

The avg realization is ~INR 54,000/ton for APL Normal; INR 49,000-49,500/ton for SG Premium.

Freight Costs is currently at INR 1,900/ton, which is targeted to reduce to INR 1,500/ton over the next two quarters.

Guidance

The company maintained its FY26 guidance of 10-15% volume growth and EBITDA spreads of INR 4,600-5,000/ton, expecting a stronger H2 with improving macro and construction activity.

Management guided to surpass 3.5 Mn tons in FY26, generating ~INR 17 Bn EBITDA.

The company expects monthly run-rate to rise to 3.25 lakh tons, translating to ~9 lakh tons in Q3FY26.

The capacity is expected to expand from 5 Mn tons currently to 7 Mn tons over the next 2-3 years, with a longer-term goal of 10 Mn tons over five years.

Dubai Operations

The Dubai plant operated at 85%+ utilization during Q2, contributing ~8% to total volumes.

Capacity expansion from 3 lakh to 5 lakh tons is underway, with new lines scheduled to start in Nov-25 and end of FY26E.

All adding Two warehouses in Europe to enhance distribution, expected to support higher export margins.

Capex- The company has planned INR 15 Bn capacity expansion will be fully funded through internal accruals.

Market and Developments

The recent 12% safeguard duty on imported HRC has limited downside risk to domestic steel prices and improved margin visibility for downstream players.

Scrap-based steel prices remain INR 3,000-4,000/ton still below primary steel, continuing to provide raw material cost advantages.

Market and Developments

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The company remains the largest buyer of steel in India, accounting for significant downstream consumption. Management is focusing on expanding presence in Eastern India and international markets, targeting double-digit volume growth over the next 3-4 years.

Microsoft - Q1 FY26 Earnings Update**Cloud & AI Momentum Sustains; Capex Surges Amid Expanding India Focus****India Impact**

Microsoft reaffirmed India as a key growth geography within its global AI and cloud expansion strategy. The company highlighted rising enterprise cloud adoption and strong demand for Azure OpenAI services from Indian BFSI, manufacturing, and public sector clients. With accelerating data localisation and AI adoption trends, Microsoft plans to deepen investments in India's cloud infrastructure and developer ecosystem. The ongoing buildout of local data centres aligns with India's "AI-for-All" vision, positioning Microsoft to capture the next wave of digital transformation across enterprises and government workloads.

Quarterly Highlights

- Revenue \$77.7 bn (+18% YoY / +17% CC), beating consensus of \$75.5 bn.
- Operating Income \$38.0 bn (+24% YoY / +22% CC).
- Net Income GAAP \$27.7 bn (+12% YoY); Non-GAAP \$30.8 bn (+22% YoY).
- Microsoft Cloud Revenue \$49.1 bn (+26% YoY), driven by continued strength in Azure and AI workloads.
- Intelligent Cloud Segment (incl. Azure): \$30.9 bn (+28% YoY), surpassing expectations of \$30.2 bn.
- Capex Soared 74% YoY to \$34.9 bn, with nearly half allocated to AI infrastructure (GPUs/CPUs) to support demand for Azure-based generative AI workloads.
- CEO highlighted that Microsoft is now operating "the world's leading cloud and AI factory," powered by broad Copilot integration across products and industry verticals. India remains a strategic hub for both engineering and enterprise deployment of AI solutions.
- Emphasized a strong start to FY26 with robust cloud momentum and disciplined execution, while acknowledging rising capital intensity to meet AI-driven capacity needs.
- Cloud Outlook Management expects Azure growth to remain in the mid-to-high-30% range, led by AI services consumption and new enterprise workload migration.
- OpenAI Partnership Microsoft formalised a revised agreement giving it a 27% stake in OpenAI Group PBC, valued at ~\$135 bn, strengthening its long-term AI leadership.
- Operational Note The quarter included a temporary Azure outage affecting global clients, which management addressed by reinforcing reliability and capacity commitments.
- Microsoft delivered another quarter of broad-based outperformance with strong execution in Cloud and AI. Elevated capex signals continued infrastructure buildout to sustain demand, which should translate into rising opportunities for India's data-centre ecosystem, IT services partners, and enterprise AI adoption.
- While near-term margin pressure could persist due to AI investments, Microsoft's strategic alignment with India's digital growth makes it a pivotal player in the region's evolving tech landscape.

Alphabet Q3CY25 Earnings Update

AI-driven growth across verticals; India remains a key digital and cloud growth market

Alphabet delivered a strong set of numbers with revenue up 16% YoY (15% cc) to \$102.3 bn and EPS at \$3.10, well ahead of estimates. Growth was broad-based across Search, YouTube Ads, Cloud, and Subscriptions.

In India, management highlighted continued double-digit growth in digital ad revenues, led by YouTube and Search, with rising participation from SMBs and BFSI advertisers. Cloud adoption in India also accelerated, driven by demand for AI-powered data analytics and Vertex AI solutions, positioning the country as a priority market for Alphabet's AI infrastructure investments.

Key Highlights

- Advertising revenue up 12.6% YoY to \$74.2 bn, beating estimates; Search and YouTube momentum offset global ad market caution.
- Google Cloud revenue jumped 34% YoY to \$15.2 bn, driven by AI infrastructure and enterprise demand; backlog rose to \$155 bn (vs. \$106 bn in July).
- Capex guidance raised to \$91–93 bn (vs. \$85 bn prior), with higher investment in data centers and AI computing capacity.
- Subscription, Platforms & Devices continued double-digit growth, aided by Pixel devices and YouTube Premium.
- Headcount at ~190,000, up 8k YoY, reflecting selective hiring in Cloud and AI engineering roles.
- Management emphasized that AI is enhancing productivity across Search, Ads, and Cloud, driving efficiency and engagement.
- The management noted AI Overviews and AI Mode are resonating well with users, helping sustain Search leadership despite new entrants.
- reaffirmed focus on balanced capital allocation and long-term AI-driven value creation.
- The company is seeing robust enterprise migration to Google Cloud AI infrastructure, with early traction for custom Tensor Processing Units (TPUs).

Alphabet remains optimistic about sustained growth in AI monetization across Ads, Cloud, and consumer products. India continues to be a strategic focus, with management aiming to deepen enterprise partnerships and developer engagement in generative AI ecosystems.

Meta Platforms, Inc. Q3CY25 Earnings Update

Strong Core Performance; AI & Infrastructure Investments to Drive Long-Term Growth

India & Asia Focus

Meta continues to witness strong engagement growth across its Family of Apps in India a key market contributing significantly to its expanding user base and ad monetization growth. India remains among the largest markets for Meta in terms of user engagement across Facebook, Instagram, and WhatsApp, supported by rapid digital adoption and small business advertising. Increased adoption of Reels and the rise of WhatsApp Business continue to bolster ad impressions from the region. With Meta's AI-powered tools being rolled out for advertisers and creators, the company is well-positioned to capture incremental digital ad spend from India's accelerating e-commerce ecosystem.

Quarter Highlights (Q3CY25)

- Revenue \$51.24 bn, up 26% YoY (25% in constant currency), led by broad-based growth across all regions and robust ad demand.
- Ad Metrics Ad impressions rose 14% YoY, supported by higher engagement in Reels and Stories.
- Average price per ad increased 10% YoY, reflecting improving monetization and AI-driven ad optimization.
- User Growth Family Daily Active People (DAP) reached 3.54 bn , up 8% YoY, underscoring healthy user engagement across platforms.

Guidance & Management Commentary

- FY25 Expense Outlook: Revised upward to \$116–118 bn (previous: \$114–118 bn), implying 22–24% YoY growth.
- FY25 Capex Guidance Raised to \$70–72 bn (from \$66–72 bn), reflecting greater infrastructure investments.
- Q4 Tax Rate Expected in the range of 12–15%, assuming no further legislative changes.
- AI & Infrastructure “Meta Superintelligence Labs” launched successfully; AI glasses gaining traction. Meta emphasized that AI-driven experiences will be the cornerstone of engagement and monetization going forward.
- 2026 Outlook Capex dollar growth expected to be notably higher than 2025, with total expenses growing at a significantly faster rate, driven by infrastructure and AI talent hiring.

Meta delivered a strong operational quarter, underpinned by double-digit revenue growth, rising ad pricing, and continued engagement gains. Excluding one-time tax adjustments, profitability remains robust with strong free cash generation. However, escalating infrastructure and AI investments will weigh on near-term margins but should reinforce Meta's long-term competitive moat in generative AI and immersive platforms.

India and Asia remain pivotal growth engines, with expanding digital advertising ecosystems and increasing creator monetization potential. The company's growing focus on AI integration across platforms positions it well to sustain double-digit top-line growth in FY26 and beyond.

SAIL Q2FY26 Concall KTAs**MCap: INR 566.29 Bn | CMP: INR 137****Industry Updates**

Global steel industry continues to face pricing pressure due to oversupply and subdued demand in major producing regions.

India's crude steel production in H1FY26 grew above ~12% YoY, while consumption rose 8% YoY, resulting in temporary oversupply and soft domestic prices.

Imports have declined sharply, while exports increased, partially easing inventory buildup.

Operating Updates

The crude steel production is steady at 9.5 MnT, with sales volumes for H1FY26 rose 17% YoY to 9.46 MnT in H1FY25, supported by strong offtake and strategic liquidation of older stock.

Inventory

Finished steel inventory stood at 1.9 MnT, total steel inventory marginally reduced to 2.72 MnT.

Realizations and Product Mix

The company reported higher contribution from VAP at 57% and better mix management.

Increase in by-product and scrap realization to INR 1,140 Cr in Q2, up nearly 30% QoQ.

In terms of price movement the long products stood at INR 49,000/t in Q2 down by INR 5,500/t.

Flat products also stood at INR 48,700/t in Q2 down by INR 1,700/t. Avg net sales realizations drops to ~INR 2,700/t QoQ.

Price trend suggests stability in longs and mild softness in flats, expected to improve from mid-November onward.

By-Products and Scrap Sales

The company has ramped up frequent auctions of scrap, defective steel, slag.

Q2 by-product sales contributed INR 1,140 Cr, operating at a positive EBITDA impact of ~20-25% of incremental value at ~INR 60-75 Cr.

Iron ore sales

Sales ongoing from Odisha mines at Bolani stood at ~0.3 MnT dispatched so far.

The auction floated for 1 MnT of dump fines from Jharkhand out of total 33 MnT dumps.

Dispatches of dump fines to sister plants increased to 60,000-70,000 tons/month.

Raw Material Update

Imported coal cost averaged INR 17,400/t in Q2, slightly higher than INR 16,600/t in Aug.

Coking coal cost increase of \$6-8/t expected in Q3FY26, though offset by better furnace efficiency and cost absorption as operations normalize post-repairs.

Management expects stable to improving EBITDA margins in H2FY26 as steel prices recover and coal remains in the range.

Capex & Expansion

The company invested INR 3,375 Cr in capex achieved.

For FY26 capex is targeted to be more than INR 7,500 Cr, to be primarily spent on modernization, debottlenecking, and ISCO preparatory work.

From FY27 onwards capex is planned to exceed INR 10,000 Cr, mainly driven by ISCO 4.5 MnT expansion with the total cost ~INR 36,000 Cr.

Major ISCO packages tendered; order placement in final stages with ground work to start in FY27.

The company's debottlenecking and modernization projects are active at Durgapur, Bhilai, and Rourkela; rebar mill order at RSP already placed, and work started.

Capex is expected to be funded through 50% through internal accruals, 50% via debt.

Guidance

The company expected 5-7% in FY27 on back of incremental capacity and inventory liquidation.

It has continued reduction through FY26 before debt rises again for expansion from FY27.

Q2 was impacted by price decline and furnace repairs at Bokaro. But expects the operations to normalise in Q3 and margins expected to improve sequentially.

LIC Housing Finance Ltd

H2FY26 is expected to be stronger, as Q3 and Q4 are typically high-disbursement quarters. BT pressures have eased, rate cuts should help regain market share, and cost of funds are trending lower. The company aims to achieve ~10% AUM growth for FY26, maintain NIMs at 2.6–2.8%, and keep credit cost below 15 bps. Ongoing structural reforms in distribution and branch strategy are expected to drive sustainable medium-term growth.

Finance Performance

- Total Revenue from operations stood at INR 7,163 Cr, up by 3% in Q2FY26 as against INR 6,926 Cr in Q2FY25.
- Outstanding Loan portfolio up by 6% to INR 3,11,816 Cr; Individual Home Loan Portfolio up by 5 % to INR 2,64,096 Cr.
- Q2FY26 Loan Disbursements was INR 16,313 Cr as against INR 16,476 Cr in Q2FY25; Individual Home Loan Disbursements INR 13,490 Cr as against INR 13,051 Cr.
- NII stood at INR 2,038 Cr, up by 3% for Q2FY26 as against INR 1,974 Cr for Q2FY25. NIMs 2.62% for Q2FY26 as against 2.71 % for Q2FY25.
- Q2FY26 PAT at INR 1,354 Cr as against INR 1,329 Cr, up by 2%.

Funding & Margins

- CoF declined to 7.42% with banks contributing 92–93% of borrowings in Q2, from 7.70% in Sep 2024 and 7.50% in June 2025; Incremental CoF dropped sharply to 6.73% in Q2FY26 (vs 7.71% YoY and 6.97% in Q1FY26).
- Expects a further 5–6 bps reduction in borrowing cost in Q3. ~53% of borrowings are fixed-rate (mainly NCDs), while 43% are repo-linked borrowings.
- ~INR 14,000–15,000 Cr NCDs are expected to be repriced by March 2026, likely leading to another 10–12 bps reduction in the overall cost of borrowing.
- Incremental yields for H1FY26 stood at 8.78%, while the average yield on the portfolio was around 9.40% as of September 2025.
- Management reaffirmed its NIM guidance of 2.6–2.8%, adding that 2.62% is likely the bottom, with improvement expected from Q3 onward.

Asset Quality

- Gross Stage 3 exposure improved to 2.51% (vs 3.06% YoY).
- Total provisions stood at INR 5,074 crore, with a PCR of 53%, up from 49% last year.
- A technical write-off of INR 133 Cr was done during Q2, all carrying 100% provisioning. Recoveries from written-off loans totaled INR 83 Cr in Q2.
- Credit costs were 5 bps in Q2 and 6 bps in Q1, totaling 11 bps for H1FY26; management aims to keep full-year credit cost below 15 bps.
- Further improvement is expected in asset quality and potential resolution of 3 large stressed accounts in Q3–Q4, which should further lower credit costs.

Portfolio Mix

- As of Sep 2025 IHL yield stood at 9.24%, Non-Housing Individual at 10.22%, Non-Housing Corporate/Project Finance at 10.54%, and Overall portfolio yield was 9.40%. On an incremental basis - IHL at 9.03%, Non-Housing Individual at 10.21%, and Corporate/Project Finance at 10.47%.

Other Highlights

- ~87% of business comes through agents; working on enhancing agent productivity and improving its cost competitiveness.
- Lead-based direct business channel contributed INR 800 Cr last year and already INR 750 Cr in H1FY26, with a full-year target of INR 2,000 Cr.
- Subsidiary – LIC HFL – Currently contributes 10% of disbursements; target is 15% this year and 25% next year through higher recruitment and sales force expansion.
- The construction finance business is projected to contribute INR 5,000 Cr in FY26, up from INR 4,000 Cr in FY25, though the company is cautious about pricing amid aggressive bank competition.
- The company reduced its PLR by 25 bps in April 2025; does not foresee further cuts unless macro conditions change.
- ~1/3rd of the loan book (5 lakh loans) is on monthly reset, and 2/3rd (10 lakh loans) on quarterly reset; as of July 2025, 100% of the book has been repriced by 25 bps.
- Rewriting rates were reduced from 8.75% flat to 8% (50 bps above lending rate) to improve retention and reduce balance transfers.
- Recoveries are improving due to sustained focus, with 2-3 large corporate loans (>INR 200 Cr each) expected to be resolved in the near term; one of awaiting NCLT decision.
- No further wage hikes are expected until Aug 2027, and Q3 employee costs are expected to be INR 143–150 Cr; No major hiring or cost escalations are planned in the near term.

Capital Small Finance Bank Ltd

20%+ loan growth for FY26 and aims to 2x its advances in the next 3-3.5 years (by FY29). Profitability is expected to improve steadily, with ROA targeted at 1.6%+ and ROE at 15%+ by FY29, driven by better margins, cost efficiencies, and scale benefits. NIM is expected to rise gradually to 4.2–4.3% as deposit costs decline over the next few quarters, while asset quality remains under control with Gross NPA at 2.7% and Net NPA at 1.38%. Expansion remains a key focus, with plans to increase the branch network from 199 to ~300 branches by FY29, and ~1/3rd of branches located outside Punjab to diversify growth.

Financial Performance

- PAT for Q2FY26 stood at INR 35 Cr, up 5% YoY, supported by stable margins and cost discipline.
- PPOP rose to INR 51 Cr, a 6% YoY growth.
- ROA improved sequentially to 1.3% in Q2FY26 from 1.2% in Q1FY26; guided for an exit ROA of 1.4% for FY26.
- NIM stood at 4.04% in Q2FY26, down slightly from 4.1% in Q1FY26; expects improvement in H2FY26 to ~4.1% and gradual expansion to 4.2–4.3% in FY27 as deposit costs reprice lower.
- C/I ratio was 61.7% in Q2FY26, improving from 63% a year ago.
- OPEX-to-assets ratio improved to 3% from 3.3% in Q2FY25.
- CAR remained strong at 24.2%, while LCR averaged 234%, providing ample growth headroom.

Business Performance

- Gross advances reached INR 7,907 Cr as of Sep 2025, 17.7% YoY growth, 6.3% QoQ growth, and 10.1% YTD growth in H1FY26.
- Total deposits stood at INR 9,317 Cr as of Sep 2025, up 20% YoY and 12% QoQ in H1FY26, driven by strong festive demand and rural cash flows.
- Credit-to-deposit ratio improved to 84.9% as of Sep 2025 from 80.9% in Q1FY26.

Asset Quality

- Gross NPA improved to 2.70% as of Sep 2025, down from 2.75% in June 2025. Net NPA was stable at 1.38%, compared with 1.39% in Q1.
- SMA-1 and SMA-2 accounts reduced to 4.42% from 5.47% in Q1.
- Credit cost for Q2FY26 was low at 0.2%.

Portfolio Mix

- The loan book remains 99.2% secured. ~89% of loans (excluding corporate) are collateralized by immovable property or bank FDRs.
- Mix - Agriculture 30%, Mortgage 26%, MSME and business loans 23%, and Corporate loans 14%. Average ticket size stood at INR 17.1 lakh.
- Disbursements in Q2FY26 were INR 805 crore, up 36% YoY, while H1FY26 disbursements totaled INR 1,671 crore, up 24% YoY.
- The MSME and business loan segment grew 11% QoQ and 33% YoY, LAP within mortgage grew 6% QoQ and 22% YoY, and overall mortgage rose 16% YoY.
- Out-of-Punjab advances formed 23% of the total book, with growth outside Punjab over 2x the overall bank rate while deposits outside Punjab grew at 3x the bank's overall deposit growth.

Other Highlights

- CASA ratio stood at 33.9%, with average daily CASA at 34.8% for Q2FY26.
- Avg savings A/c balance increased to INR 47,000 from INR 42,000 last year.
- Avg term deposit maturity is b/w 12M-15M; deposit cost benefits from rate cuts will accrue gradually in FY27.
- Branch network stood at 199 as of Sep 2025, spread across 5 states and 2 UTs.
- Semi Urban and rural branches constituted 77% of total branches and contributed 74% to deposits.
- Plans to open branches in Haryana, Rajasthan, and UP, increasing out-of-state presence to ~30% of total branches by FY29.
- The bank has also initiated partnership-led lending under FLDG framework with select NBFCs to explore secured, high-yield opportunities in new geographies like Rajasthan, Gujarat, and Madhya Pradesh.

Sundram Fasteners Ltd

Domestic demand momentum is expected to stay firm, driven by steady growth in passenger cars, tractors, and LCV, with potential upside from the revival of small car demand post-GST changes. Export performance, though muted in H1 due to weak truck demand in the US and Europe, is expected to recover over the next 6 months as customer schedules normalize. Management remains upbeat about new opportunities in wind energy fasteners, EV components, and emerging product lines like stainless steel and railway fasteners; expects to contribute meaningfully from FY27 onward. Margins are likely to remain strong, supported by softer RM prices, better product mix, and currency benefits.

- The revenue mix for H1FY26 was- domestic OEMs: ~58%, Aftermarket: 12–13% and Exports: 26–27%
- Within the domestic segment, cars contributed ~40%, CVs and engines 35–40%, tractors 10–12%, and 2W <5%.
- Wind energy formed ~4% of domestic revenue, mainly from Indian customers.
- Product mix: Fasteners contributed 35–40%, functional assemblies 25–28%, cold extrusions and sintered metal products 15%, hard-coating 10–12%, and radiator caps ~3% of total revenues.
- Non-auto segment contributed 37% of overall revenue, including tractors, wind energy, and aerospace fasteners.

Export - stood at INR 338 Cr in Q2FY26, down 13% YoY due to weak demand for heavy-duty trucks in the US and Europe, and tariff impacts. North America 65%, Europe/UK 20–25%, and Asia-Pacific/MENA balance. Within North America, ~40% of exports were to CVs and another 40% to passenger cars. Recovery is expected in 6 months, with early signs of pickup from Q1FY27.

Business Performance

- Wind energy fasteners grew 30–35% YoY H1FY26; new investments of INR 100 crore have been made, with another INR 80 crore expansion underway to cater to rising domestic demand.
- EV segment contributes 5–6% of total revenue, with both domestic and export customers; expects EV contribution to rise as more OEMs develop new EV platforms.
- Value capture in EVs is ~80% of ICE platforms; expects parity in the coming years as EV-specific designs scale up.
- Working on stainless steel and railway fasteners, expected to contribute to revenues within 12 months. New product revenue (developed in the last 3 years) contributes 20%+ of total turnover.

Market Overview

- Domestic revenues grew faster than the market, led by higher share of business from existing customers in CV, tractor segments and new orders from passenger car OEMs.
- Strong market share in SUVs and small cars; expected boost as the small car segment revives post-GST rationalization.
- CV demand expected to improve in H2FY26, driven by GST-led affordability, better infrastructure spending, and festive momentum.
- The aftermarket segment contributes 10–15% of revenues, and efforts are on to increase this share through new product range and wider dealer network.

Other Highlights

- Trichy facility is fully operational and caters to major European and North American EV customers; expansion for EV-specific programs is already in place.
- Focus is on operational efficiency through tool cost control and optimized stores management.
- China subsidiary saw recovery in the construction segment. Cramlington (UK) subsidiary, though affected by sluggish truck demand and tariffs, remained profitable. All subsidiaries continue to contribute positively to consolidated performance.

Union Bank Ltd

Outlook: Management expects a strong recovery in growth momentum over the coming quarters, aiming to match or surpass the system-level loan growth by FY26. The bank's focus is on achieving 9–10% growth in both assets and liabilities, driven by a shift toward retail, agriculture, and MSME segments, which are expected to increase to 58% of the portfolio mix. Over the next few quarters, the bank aims to strengthen its digital initiatives, enhance customer experience, and capitalize on liquidity and rate stability to expand its loan book.

Financial Performance

- Net Profit for Q2FY26 stood at INR 42,490 Mn, up 3.25% QoQ, and for H1FY26, it reached INR 83,650 Mn.
- Operating Profit for Q2FY26 was INR 68,140 Mn, and H1FY26 stood at INR 1,37,230 Mn.
- ROA remained steady at 1.16%, and ROE improved to 15.08%.
- CAR was 17.07%, among the highest in the industry, with a CET-1 ratio of 14.37%.
- NIM was maintained at 2.67%, while non-interest income grew 11.37% YoY.

Asset Quality and Provisions

- Gross NPA improved 107 bps YoY to 3.29%, and Net NPA declined 43 bps YoY to 0.55%.
- PCR remained strong at 95.13%, with a well-provisioned balance sheet.
- Credit cost stood at 22 bps for Q2FY26, compared to 109 bps in Q2FY25.
- Slippage ratio reduced to 0.91%, from 2.40% YoY, with gross recoveries exceeding gross slippages by INR 18,000 Mn in H1FY26.
- Standard asset provisioning of around INR 8,800 Mn was made this quarter, as part of prudent provisioning and early adoption toward ECL norms.

Business Growth

- Total deposits grew by 1.9% YoY, while advances up by 4.99% YoY.
- Retail advances grew 23.98%, and MSME lending increased by 14.88% during the period.
- The bank consciously reduced 21.85% of high-cost bulk deposits to protect margins, shifting focus to retail term deposits and CASA, which grew by INR 1,03,30,000 Mn YoY.
- The RAM (Retail, Agri, MSME) to Corporate mix currently stands at 55:45, with a target to increase RAM to 58%. The Credit-Deposit ratio will be maintained between 78.5–80% going forward.
- Management aspires to achieve 9–10% growth in assets and liabilities in the coming quarters and catch up with system-level loan growth (11–12%) by FY26.

Other Highlights

- The bank is preparing a 1-year, 3-year, and 5-year rolling strategy document to drive growth, reviewed periodically for mid-course corrections.
- New digital initiatives are being developed, including mobile banking solutions for businesses and CASA-focused digital products.
- The leadership emphasized a “Back to Basics, Core to Execution” approach, focusing on branch-level implementation and customer service improvement.
- Expects NIMs to stabilize from Q3FY26 onward and gradually improve, assuming no further RBI rate cuts.
- The full impact of bulk deposit reduction is expected to reflect in the cost of deposit in Q3.
- The bank plans to selectively expand its large corporate book by focusing on high-yield, well-rated exposures and reducing low-yield short-term loans.

APAR Industries Ltd-Q2FY26 Concall KTAs**CMP: INR 9206 | Market Cap: INR 370.4 Bn****Management View:**

Confident on medium-term growth across Conductors, Cables, and Specialty Oils, despite temporary Q3 softness from tariff and input cost volatility. Export momentum intact; domestic execution expected to rebound in Q4 FY26.

Growth & Profitability Outlook

- H1 FY26 revenue: INR 108,200 Mn (+25% YoY); EBITDA: INR 10,000 Mn (+25.5% YoY), margin at 9.2%.
- Management expects Q3 FY26 moderation due to export shipment delays and input cost pass-throughs; rebound expected from Q4 FY26.
- Medium-term margin to remain stable near 9% with product premiumization and hedging discipline.
- FY26 revenue growth guided at high teens, driven by cables and premium conductors.

Export Market Commentary (US Focus)

- Temporary demand disruption in Aug–Sep FY26 due to Section 232 import tariffs (50%) and volatile aluminum/copper prices.
- Order flow has resumed from late Oct FY26; execution expected to normalize from Nov FY26 onwards.
- Pricing restructured to partly absorb tariffs; customers accepting revised levels.
- US renewable (solar + wind) pipeline remains robust — APAR to maintain presence despite short-term margin dilution.

Domestic Demand Drivers

- No structural slowdown; ROW and milestone billing delays impacted near-term conductor dispatches.
- Construction and infra execution to accelerate post-Diwali, supporting strong Q4 FY26 performance.
- Substation project progress creating latent transmission demand, to benefit APAR's conductor and cable volumes.
- FY26 domestic cable/conductor growth expected at >20% YoY.

CapEx and Expansion

- Total CapEx FY26: INR 13,000 Mn; INR 4,000 Mn spent in H1 FY26.
- Major capacity additions across conductors and cables to be operational by March 2026—Q1 FY27.
- Cable division capacity to double to ~INR 10,000 Mn revenue potential post-expansion.
- Provides 2+ years of growth runway, with minimal incremental CapEx in FY27–FY28.

Product Mix & Premiumization

- Premium conductor share at ~45% in Q2 FY26, expected to rise with HTLS and OPGW demand.
- Management positioning for reconductoring opportunity, which can triple line capacity without new ROW — expected to gain traction from FY27.
- CapEx designed to pivot rapidly toward premium products; full fungibility ensured.

Margins, Pricing & Hedging

- 100% metal price hedging through LME; exposure fully covered post customer pricing lock-in.
- Margins expected to normalize by Q4 FY26, aided by improved execution mix and cost pass-throughs.
- Tariff-related headwinds considered temporary; management maintains steady FY26 profitability guidance.

Strategic & Long-Term Outlook

- Section 232 disruption seen as transient; US market remains a long-term strategic focus.
- Reconductoring, renewable transmission, and premium cable exports identified as structural growth pillars.
- Management confident of sustaining double-digit revenue growth over FY26–FY27 with margin resilience around 9%.

Overview

Short-term turbulence (Q3) driven by tariff confusion and input volatility is transitory. Execution recovery, CapEx commissioning, and export normalization from Q4 FY26 position APAR for renewed earnings momentum in FY27. Structural tailwinds from renewables and reconductoring offer multi-year visibility with improving return ratios.

Canara Bank Ltd

Credit momentum is expected to exceed 15% for FY26, led by faster RAM growth, particularly in retail and gold loans (which now exceed INR 2.1 lakh crore). Margins are likely to stay stable ~2.5% in Q3 before improving to ~2.9–3% by Q4 as funding costs ease. The CASA ratio, currently at 30.7%, is expected to inch toward the 32% target by March 2026, aided by new products and digital initiatives. Net profit is expected to cross INR 20,000 crore for FY26, supported by lower credit cost (<1%), strong recoveries from written-off accounts (~INR 5,000 crore annually), and one-time gains of INR 1,935 crore from stake sales in Canara Robeco and Canara HSBC Life.

Financial Performance

- The bank reported 13.55% YoY growth in total business to INR 26.79 lakh crore.
- Global deposits rose 13.4% YoY to INR 15.27 lakh crore, while global advances grew 13.74% YoY to INR 11.51 lakh crore.
- Operating profit stood at INR 8,588 crore, growing 12.2% YoY. Net profit surged 18.93% YoY to INR 4,774 crore; expects FY26 net profit to cross INR 20,000 crore.
- RoA improved 7 bps YoY to 1.12%, and EPS stood at INR 21.01, a 20.68% YoY increase.

Asset Quality

- Gross NPA fell by 138 bps YoY to 2.35%, while Net NPA declined by 45 bps to 0.54%.
- PCR improved by 270 bps YoY to 93.59%.
- Credit cost decreased 29 bps YoY to 0.68%; will expected to remain below 1% even post ECL implementation.
- The slippage ratio reduced 24 bps YoY to 0.76%, with total slippages of INR 2,000 crore (INR 750 crore agri, INR 900 crore MSME, INR 350 crore retail).
- The bank maintains INR 380 crore standard asset provision for a Telangana drinking water project as a precaution.

CASA, Deposits, and Margins

- CASA ratio stood at 30.69%, with a 10% YoY growth; targets 32% by FY26-end.
- There was an incremental INR 20,000 crore growth in savings accounts in one year; the highest in 8–9 years.
- Retail term deposits grew to INR 30,000 crore in H1FY26.
- NIMs currently stand ~2.5%, expecting stability in Q3FY26 and a recovery to ~2.9–3% in Q4FY26 if no further rate cuts occur. 45% of the loan book is MCLR-linked, mostly reset annually, and 46% is repo-linked, making NIMs sensitive to policy rate changes.

Other Highlights

- CET-1 ratio is at 12.21%, including profits for H1FY26, despite INR 55,000 crore quarterly loan growth.
- Recoveries from written-off accounts stood at INR 1,600 crore in Q2FY26, and the bank expects INR 5,000 crore recovery for FY26. The total technical written-off pool stands at INR 71,000 crore.
- The bank realized INR 1,935 crore profit from stake sale in Canara Robeco and Canara HSBC Life, which will be booked in Q3FY26.
- PSLC portfolio of INR 25,000 crore remains a flexible profit lever depending on market demand.
- The bank has undisbursed corporate sanctions of INR 50,000–55,000 crore.
- The digital investment program continues with INR 600 crore budgeted for FY26, including INR 70 crore on cybersecurity.
- Over the past 4 years, Canara has spent ~INR 1,000 crore annually on digital infrastructure, improving its market share by 9 bps in deposits and 6 bps in advances.
- New CASA and savings products targeting NGOs, societies, and pilgrims; received a strong response.
- Plans to launch loan products for farmers and gig workers to expand retail outreach.
- Online loan against mutual funds (STP process) launched in April FY26 is performing strongly; second only among PSBs.
- The bank plans to revamp Canara Bank Securities with new technology and capital infusion.

DCM Shriram Ltd- Q2FY26 Concall Highlights**Macro & Strategic Overview**

- Management remains focused on driving efficiency and business agility to strengthen competitiveness amidst global volatility, including geopolitical disruptions and shifting policy landscapes.
- India remains a relative outperformer, aided by domestic consumption, recent GST reductions, and foreign rating upgrades; DCM is strategically positioned to benefit from these macro tailwinds.
- The company's strategy continues to emphasize value chain integration through both forward and backward initiatives (notably recent saltworks and HSCL acquisitions).

Chemicals Business

- Segment revenue grew 50% YoY in Q2FY26, underpinned by 22% higher caustic soda volumes, upcoming 850 tpd and cracker capacity ramp-up, and supportive pricing environment.
 - Diverse projects commissioned in recent years—Hydrogen Peroxide, Aluminum Chloride, and refined glycerine—now contributing meaningfully.
 - Caustic soda market in India remains oversupplied with capacity utilization at 75%; downstream chlorine pricing remains negative (INR -7,000 to -8,000/ton), but is expected to turn less negative as downstream demand rises with GDP growth.
 - The company achieved a INR 76 million subsidy benefit from projects commissioned in FY17, which aided segment profitability.
 - Full control taken of Hindustan Specialty Chemicals (HSCL) in August 2025. HSCL is currently loss-making but targeted to break even by year-end; ramp-up to full utilization is expected quickly, with further capacity augmentation under review.
 - Ongoing projects include expansion of aluminum chloride, calcium chloride, and a 68MW green power project at Kota.
 - Saltworks acquisition (2.1 lakh tons p.a.) in Gujarat (INR 175 million investment) will secure around 13% of total salt requirement, reducing raw material volatility and offering a ballpark 30-40% margin; current salt procurement cost is INR 2,300/ton.
- Chlorine integration strategy to reach 45% in next two quarters across Kota and Bharuch, with another 30%+ integration via pipeline or contracts.
- ECH (Epichlorohydrin) market is robust domestically and globally; aim to leverage integration with HSCL and expand markets into US/EU.

Plastics (PVC) Business

- Global PVC demand remains muted due to slow residential and infra activity; Indian market had 8% lower demand YoY due to severe monsoon.
- Domestic PVC demand should recover post-monsoon with construction resumption; anti-dumping duty (ADD) on PVC imports proposed, expected to support realisations as imports had slowed ahead of notification.
- India imports 60% of its PVC requirements, with upcoming domestic capacity additions (Reliance, Adani) over next few years; deficit persists, suggesting continued need for imports and moderate pricing scenario.
- Margin pressure persists due to subdued pricing, though volume drivers are expected to turn positive.

Sugar & Ethanol

- Revenue declined 6% YoY due to lower volumes of both sugar (-9%) and ethanol (-13%), mostly a timing issue; sugar prices rose 5% YoY.
- PBDIT improved to INR 33 million (vs. INR 14 million YoY), aided by INR 15.5 million gain from upward revision in power tariffs.
- Sugar supply for the 2025-26 season is set to be surplus by 4 million tons with India's ending stock at 8.5 million tons; pricing expected to be range-bound.
- Uttar Pradesh's SAP hike (INR 30/quintal) should aid farmers but puts margin pressure unless export incentives/minimum selling price supports are provided.
- Ethanol blending reached 19.17% as of Sep 2025 (target 20%), though allocations for sugarcane-based ethanol fell to 28% (from 34%); pricing and regulatory clarity will be crucial ahead.

Fenesta Building Systems

- Revenue up 28% YoY, with project vertical driving growth.
- Margin remained under pressure due to portfolio realignment, new capacity setup expenses, and higher marketing spend.
- The DNV Global acquisition enhances the solutions portfolio and positions Fenesta as an integrated player in building materials.
- Aluminum extrusion plant at Kota is progressing on schedule.

Agri Inputs (Shriram Farm Solutions, Fertilizer, Bioseed)

- Shriram Farm Solutions delivered 27% revenue growth YoY on strong research wheat and crop protection volumes; new product contribution stands at 20% of total revenue.
- Early start to wheat seed sales (timing-led) bolstered top-line for Q2.
- Focus remains on innovation, R&D, and global partnerships for new-age agri products.
- Fertilizer revenue declined 8% YoY, though volumes rose 2%; realizations dropped on account of lower gas prices (INR 13.3/MMBtu vs INR 15.3/MMBtu YoY), compressing PBDIT by 18%.
- Subsidy payments remain regular; outstanding subsidy at INR 1.87 billion at Sep-end (vs. INR 120 million last year).
- Bioseed sales (seasonal): Q2 revenue INR 86 million (down significantly due to fall in corn/cotton demand), but H1 nearly flat YoY at INR 370 million. Lower PBDIT this year driven by lower cotton and corn sales and channel mix.

Financials, Capex

- Q2FY26 revenue at INR 32.72 billion, up 11% YoY; EBITDA up 74% YoY at INR 4.08 billion.
- H1FY26 revenue at INR 65.34 billion (+12% YoY); H1 PBDIT at INR 7.34 billion (+44% YoY), led by Chemicals and Agri Input segments.
- Net debt stood at INR 7.73 billion as of Sep 2025, up sharply YoY due to capex spend, acquisitions, and fertilizer receivables, but lower vs Mar 2025 as sugar inventory reduced.
- Interim dividend of INR 1.8/share (INR 561.4 million payout) announced.
- Return on capital employed steady at 15%.
- Capex cycle in chemicals and ongoing investments are likely to support medium-term growth; focus remains on integration, internal accruals, and risk mitigation.

Fino Payments Bank Ltd

Outlook: In H2FY26, the bank aims to accelerate CASA and renewal growth while recovering digital throughput as regulatory conditions normalize. A strong focus will be maintained on cost control and sustaining margin expansion. Management expects profitability in H2 to surpass H1 levels. Over the long term, the bank is shifting toward more stable, high-margin revenue streams such as CASA and renewals, while continuing groundwork for its SFB transition to unlock lending-led earnings from FY27 onward.

Financial Performance

- Total revenue in Q2FY26 stood at INR 4,000 Mn, down 12% YoY. Net revenue increased 4% YoY to INR 1,490 Mn, supported by margin expansion driven by an improved business mix.
- EBITDA for Q2 stood at INR 616 Mn, up 8% YoY, with margins improving significantly to 15.4% compared to the Q1.
- PAT declined 27% YoY to INR 154 Mn, primarily due to higher tax provisioning.
- The cost-to-income ratio rose to 29.8%, compared to 25.6% in the Q2FY25.

Business Mix

- CASA deposits grew strongly by 36% Yo to INR 23,060 Mn, strong customer trust and a stable, low-cost deposit base.
- CASA revenue increased 21% YoY to INR 1,590 Mn, contributing 40% of total revenue, with segment margins remaining strong at 54%.
- Digital payment services revenue stood at INR 6,340 Mn, down 20% QoQ due to regulatory tightening. However, a recovery is expected by H2FY26 as regulatory clarity improves.
- Digital transactions accounted for around 55% of total throughput. FINO's share in the overall UPI ecosystem stood at approximately 1.45% in Q2FY26.
- CMS (Cash Management Services): Revenue stood at INR 309 Mn, down 24% YoY. Throughput declined 16% YoY, with take rates compressing by around 2 bps due to heightened competition and lower MFI activity. Margins remained stable at ~ 34%.

Customer Base & Network Expansion

- The bank added 9.1 lakh new CASA accounts in Q2, taking the total number of liability accounts to 1.59 Cr.
- The merchant network expanded to 2 Mn, with around 56,000 new merchants added during the quarter.
- New account types such as "Gati" accounts were introduced, offering quarterly subscription fees without debit cards.

Other Highlights

- The bank is in the final stages of migrating to a new core banking system, which is expected to go live by December 2025.
- The first phase of an AI-based product is planned to go live during the quarter, highlighting the bank's technology-led transformation journey.
- Planning and testing for SFB asset products are underway, leveraging the existing merchant network to scale the lending business after obtaining the license.

AB Capital Ltd

Outlook: Margins are expected to improve in the coming quarters as the share of retail, unsecured, and MSME loans rises, supported by stable credit costs in the range of 1.2–1.3%. The housing finance business is well on track to achieve a 2–2.2% ROA over the next 6–8 quarters, aided by improving operating leverage and lower borrowing costs. In life insurance business, despite near-term GST-led pressures; VNB margins is expected to sustain above 18% and double net VNB within 3 years. The asset management and health insurance segments are also witnessing strong momentum, with rising AUM and improving profitability metrics.

Financial Performance

- Total consolidated revenue grew 4% YoY and 10% QoQ to INR 12,481 crore.
- Consolidated PAT for Q2FY26 increased 3% YoY to INR 855 crore, while standalone PAT rose 12% YoY to INR 916 crore.
- Total lending portfolio stood at INR 1,77,855 crore, up by 29% YoY and 7% QoQ as on Sep 2025. Total AUM stood at 5,50,240 crore, up by 10% YoY in Q2FY26.
- Dividend income from subsidiaries stood at INR 311 crore during Q2.

NBFC Business

- Disbursements stood at INR 21,990 crore, growing 39% QoQ.
- NBFC AUM rose 22% YoY and 6% QoQ to INR 1,39,585 crore.
- The personal & consumer loans segment disbursed INR 4,970 crore, up 52% YoY and 26% QoQ, with the portfolio at INR 18,218 crore; 13% of total AUM.
- The unsecured business loan portfolio stood at INR 13,663 crore, up 24% YoY and 11% QoQ; 10% of total AUM.
- Secured SME loans grew 22% YoY and 6% QoQ, while corporate and mid-market loans grew 23% YoY and 4% QoQ.
- Credit quality improved significantly; Stage 2 & 3 loans declined 121 bps YoY and 67 bps QoQ to 3.03%.
- Stage 3 loans fell to 1.7%, with PCR improving to 44.2% (up 300 bps QoQ).
- Credit cost stood at 1.16%, with guidance of 1.2–1.3% for FY26.
- ROA was 2.2%, while NIM (incl. fees) improved 9 bps QoQ to 6.06%.
- PAT grew 14% YoY to INR 714 crore.

Housing Finance Business

- Disbursements in Q2FY26 stood at INR 5,786 crore, up 44% YoY and 7% QoQ.
- AUM rose 65% YoY and 11% QoQ to INR 38,270 crore.
- Asset quality improved; Stage 2 & 3 assets declined to 1.10%, down 112 bps YoY and 24 bps QoQ; GNPA dropped from 1.3% to 0.61%.
- ROA stood at 1.82% and ROE at 13.95%; aims to achieve ROA of 2–2.2% within 6–8 quarters.
- Cost of borrowing improved 17 bps QoQ to 7.52%, with liability mix shifting in favor of entities (now 50% vs 33% YoY).
- Operating efficiency improved with OPEX/AUM down 20 bps QoQ and C/I ratio lower by 442 bps QoQ.

Asset Management Business

- QAAUM grew 11% YoY and 5% QoQ to INR 4,25,171 crore, with equity AUM at INR 1,92,401 crore. Including alternates, total AUM stood at INR 4,25,171 crore, up 20% YoY.
- SIP inflows reached INR 1,100 crore monthly, with 39 lakh SIP accounts, contributing 44% to equity AUM.
- Operating profit rose 13% YoY to INR 270 crore, and PAT stood at INR 241 crore.
- The company received the EPFO debt mandate (awaiting formal confirmation).
- Passive AUM grew 20% YoY to INR 36,000 crore, with 13.5 lakh investors.

Life Insurance Business

- Individual FYP grew 19% YoY in H1FY26 to INR 1,880 crore. Market share rose 50 bps YoY to 4.9%.
- Net VNB margin expanded 420 bps YoY to 11.6% in H1FY26. Absolute Net VNB grew 74% YoY to INR 237 crore.
- Renewal premium grew 18% YoY, and 13th-month persistency was 86.4%.
- Solvency ratio remained strong at 188%. EV increased 17.9% YoY to INR 14,586 crore.
- Management targets >18% VNB margin and 20%+ CAGR in FYP, aiming to double net VNB in 3 years.

Health Insurance Business

- GWP grew 31% YoY, to INR 2,839 crore in H1FY26. Market share in standalone health insurers rose from 11.9% to 13.9%.
- Combined ratio improved to 108% (vs 113% YoY). Net loss reduced to INR 101 crore (vs INR 115 crore YoY).
- Retail business grew 35% YoY, while corporate business expanded 49% YoY.
- Further improvement is expected in combined ratio in FY26 from FY25's 105%.

Other Highlights

- The company continues to strengthen its omnichannel distribution, supported by 1,028+ co-located branches across 260+ locations.
- Platforms such as ABCD (B2C) and Udyog Plus (B2B) are scaling well; ABCD now has 76+ lakhs customer acquisitions, and Udyog Plus has reached an AUM of INR 4,400 crore, contributing 32% of unsecured loan business AUM.
- The Udyog Plus and ABCD platforms are central to digital customer acquisition and SME financing growth.
- AI co-pilots and automation are improving sales productivity and reducing repeat service requests.

Dabur India Ltd Q2FY26 Concall KTA**CMP: INR 502 | Market Cap: INR 890 Bn****Financial Performance**

- Consolidated revenue grew 5.4% YoY to INR ~3,500 Cr (est.), with India FMCG up 5.7% and international 7.7%; H1 impacted by GST transition, weather, and inventory destocking.
- Operating profit +6.4% and PAT +6.5% YoY, outpacing topline on pricing (5% hikes) and cost savings (~INR 60 Cr H1); gross margins expanded 20 bps YoY to ~52%, with EBITDA margins stable at ~19% despite 8% input inflation.
- Distributor inventory at healthy 22 days as of Sep'25; 2-yr revenue CAGR ~2% (post-GST adj.), dragged by beverages/healthcare seasonality and Nepal disruptions, but underlying HPC strength intact.

Segment Highlights

- Oral Care: +14% YoY led by Dabur Red (Sudeshi campaign traction); herbal segment outpaced non-herbal by 770 bps, driving 60 bps MS gain; LUP ~27% of mix to boost volumes post-GST.
- Personal Care: Skincare high-single-digit (Pulabari/Oxy-led), hair oils +MS 232 bps, shampoos high-single-digit with premium focus (serums, new-age variants).
- Home Care: Mid-single-digit, with Odonil double-digit (127 bps MS gain via gels/aerosols) and Sanifresh strong.
- Healthcare/Foods: Supplements mid-single-digit; honey +28% (premium variants traction); digestives double-digit (Hajmola variants >50% mix); Chawanprash loading delayed to Q3 but variants (Kajeevash, sugar-free) contributing 20-30%, with gummies/bars launches imminent; OTC (Honeytus) +28% monsoon-led.
- Beverages: Flat YoY (1.5-2% sequential recovery), nectars hit by monsoons/floods but premium Real Activ +45% (coconut water 2x); category MS +115 bps in nectars, +1,000 bps in actives.

International Operations

- 7.7% INR growth (5.5% CC), driven by Dubai (+12%), Nigeria (+10%), UK/Turkey (+37% each), Namaste (+11%), Bangladesh (+13%); Nepal -15% on geopolitical unrest (now stabilizing post-new govt).
- Badshah exports to US mildly impacted by potential tariffs; overall double-digit CC trajectory intact ex-Nepal.

GST Transition Dynamics

- 66% portfolio (juices, toothpaste, hair oils, shampoos, glucose, Ayurvedics) benefited from 12% to 5% cut; now 86% at 5% GST, unlocking affordability and unorganized-to-organized shift.
- Q2 volume hit 3-4% (INR 100 Cr), with Sep primary sales moderation from trade anticipation; Oct carryover ~1-2 weeks, full normalization by mid-Nov as old inventory (30 days retail/wholesale) flushes.
- LUP (27% mix) to see the highest tonnage uplift as surrogate promo; oral care/shampoo/hair oil/healthcare (esp. OTC/Ayurvedics) poised for strongest rebound vs. aerated beverages (RPI compression aids juices vs. Campa Cola).

Profitability & Macro Tailwinds

- Margins resilient despite GST lubrication and inflation; FY25 EBITDA growth expected > topline, supported by savings and pricing carryover (5% into Q3 amid 7% inflation).
- Rural GT +8.5% (vs. urban +3.6%), driving Dabur's 400-500 bps rural-urban delta; good monsoon/agri output/MGNREGA to fuel bottom-pyramid volumes via LUP bundles and Project Saksham (rural SFA/BMS upgrades, >6-7L turnover sub-stockists).
- Winter skew (~1/3 portfolio) loading shifted to Q3; harsh/prolonged season to catalyze mid-high single-digit H2 topline (low-mid single volume), with high-single upside if Nepal/tariffs resolve.

Strategic Initiatives & Guidance

- Dabur Ventures: INR 500 Cr allocation over 2-3 yrs for minority/majority stakes in digital-first, premium brands (HPC, healthcare, wellness foods/beverages adjacencies); led by Abhinav Dal (ex-McKinsey), targeting Gen Z/Alpha formats (e.g., gummies, serums); long-term IRR > treasury (6-7%), separate from INR 7,000 Cr M&A war chest (ex-Badshah).
- Premiumization pivot (20%+ MRP/equity mix) via innovations (Shilajit resin, Hajmola variants); rural expansion and youth alignment (e.g., Akshay Kumar Chawanprash campaign) to balance volume/profit drivers.
- H2 guidance: Mid-high single-digit revenue (high-single optimistic), low-mid single volume; full-year macros (GST, rural resilience, winter) to enable sequential recovery, with 95% portfolio Market share gains underscoring competitive edge.

Bandhan Bank Ltd

Stronger performance in H2FY26, supported by margin recovery, improved asset quality, and healthy growth in the secured and non-EEB loan portfolios. The benefit of lower funding costs is expected from the repo and MCLR cuts to reflect from Q4FY26 onward, helping NIMs improve from the current trough levels. Credit costs are guided to normalize gradually, with the EEB segment expected to stabilize over the next 1-2 months as collections recover. The bank continues to diversify beyond microfinance, with the secured book now forming >50% of total advances, while retail and housing segments are driving steady growth. Deposit traction remains strong with a rising share of granular and retail deposits, improving funding stability.

Asset Quality and Credit Cost

- Gross NPA ratio remained stable at 5%, while the net NPA ratio stood at 1.4%.
- PCR, excluding write-offs, was steady at 76.7%.
- Credit cost improved marginally to 3.4% in Q2FY26 from 3.5% in Q1FY26.
- The bank undertook technical write-offs of INR 865 crore during the quarter, with INR 799 crore attributable to the EEB segment.
- Slippages increased slightly to INR 1,590 crore versus INR 1,553 crore in Q1FY26, primarily led by the EEB portfolio (INR 1,118 crore vs INR 1,089 crore in Q1).
- Collection efficiency (excluding NPAs) stood at 98%, compared to 97.9% in Q1FY26.
- Within the EEB portfolio, collection efficiency was 97.8% in Q2FY26.

Advances and Portfolio Mix

- The EEB portfolio stood at INR 51,733 crore, down 13% YoY and 2% QoQ, mainly due to technical write-offs and industry-level stress.
- The non-EEB book now accounts for 63% of total advances, up from 60% in Q1FY26 and 55% a year ago, up by 24% YoY. Within non-EEB, retail assets grew 66% YoY, driven by secured loans such as commercial vehicle, auto, and gold loans, while social banking grew 27% YoY.
- The secured book grew 25% YoY, improving the secured mix to 55% of total advances versus 47% last year.
- The business mix comprises EEB: 24%, social banking: 13%, wholesale: 29%, housing: 24%, and retail assets: 9%.

Operational Performance

- Total deposits stood at INR 1.58 lakh crore, up 11% YoY, with growth outpacing advances.
- Retail deposits, comprising CASA and retail term deposits, grew 16% YoY; within that, retail term deposits increased by 38% YoY.
- CASA deposits stood at INR 44,211 crore, down 6.5% YoY, but up 5.6% QoQ; showing early recovery. The CASA ratio improved to 28% from 27% in Q1FY26, while retail deposits (CASA + retail term) rose to 71% of total deposits, from 68% in Q1FY26.
- The share of bulk deposits fell to 29% from 32% in Q2FY25.
- NIM for Q2FY26 was 5.8%, down from 6.4% in Q1FY26, mainly due to the 75 bps repo cut and MCLR reset. For H1FY26, the NIM stood at 6.1%.
- The OPEX-to-assets ratio improved by 9 bps sequentially to 3.8%
- Margin improvement is expected from Q4FY26 onwards, as the repricing of term deposits and the impact of lower savings rates (down from 5.5% to 4.2%) materialize.

Other Highlights

- The bank launched Grow CASA, Grow Together, a campaign to boost current and savings account growth.
- New premium products were introduced for HNI customers, including Elite, Elite Plus, and Legacy Savings Accounts.
- A web-based collection module was introduced for easy EMI repayments, integrated with the BBPS ecosystem, enabling payments through the M1 app, internet banking, and 700+ payment apps.
- The branch network expanded to 1,754 branches, with 4 new additions in Q2FY26.
- Strong repayment trends in West Bengal, Assam, and Bihar, with improvement in Odisha and Madhya Pradesh, while Tamil Nadu and Karnataka remain relatively weaker due to late entry.
- Stress in the EEB segment is expected to normalize over the next 1–2 months, with recoveries already improving.

Manappuram Finance Ltd

Outlook: Gold loans will remain the main growth driver, expected to grow 20–25% even if gold prices soften. Margins should stay stable as lower funding costs and operating efficiency offset a small dip in yields. The Vehicle and MSME segments are likely to recover in the next 1–2 quarters, while the Microfinance business is showing steady improvement. Overall, the cost of funds is expected to fall by about 10–12 bps per quarter over the next 2 quarters.

Financial Performance

- AUM stood at INR 4,57,890 Mn as of Q2FY26, up by 3.4% QoQ and 29.3% YoY.
- Net profit for Q2FY26 stood at INR 21,700 Mn, up from INR 13,200 Mn in Q1
- The old loan business remains the key growth driver, with gold loans now accounting for 69% of the consolidated AUM INR 3,15,050 Mn, up from 53% a year ago
- Per-branch AUM in gold loans improved to over INR 80 Mn, up from INR 55 Mn a year ago
- The standalone ROA for the gold loan business stands at 6%, even after the yield reduction.
- Consolidated GNPA at 2.97%. Vehicle finance GNPA stands at 5%, home loan GNPA is steady, and the microfinance portfolio has Stage 3 assets (NPAs) of INR 2,350 Mn.
- Heavy provisioning in the vehicle finance segment has increased coverage to 24%, supported by focused efforts on collections and process strengthening.

Business Mix

- Gold loans remain the top business priority, especially after yields were aligned with leading peers. The lower rates are attracting higher-ticket customers, and confident that profitability will stay healthy with improving branch-level efficiency.
- The Vehicle Finance segment is facing high delinquencies, leading to elevated provisioning that has increased coverage to 24%. The company is shifting its focus toward the INR 8–15 lakh ticket size while exiting smaller, riskier loans such as farm and two-wheeler segments.
- MSME loans stand at INR 31,590 Mn, while the vehicle finance segment is refocusing on ticket size adjustments and operational improvements to enhance credit performance.
- Home loans stand at INR 19,000 Mn, up 12.3% YoY, supported by capital infusion from the parent.
- Microfinance (Asirvad): The AUM stood at INR 61,650 Mn, including a INR 12,690 Mn gold loan portfolio. Stage 3 assets were INR 2,350 cMn, with a healthy provision coverage of 73%. New disbursements of around INR 10,000 Mn. The parent company has infused additional capital and plans to participate in co-lending (10–20%) to support future growth.

Other Highlights

- The cost of funds declined by 12 bps during the quarter, and the management expects further moderation in the coming quarters.
- The recent fundraising of \$200 Mn through the ECB route strengthens liquidity and enhances resilience to support future growth ambitions.
- Technology upgrades and product innovation initiatives are underway, leveraging the large branch network to support medium- and long-term strategic pivots.

Apple Inc – Q4FY25 Earning update

Strong quarter led by record Services revenue and robust iPhone 17 demand; upbeat guidance for Dec quarter

Apple continued to witness strong momentum in India, with record iPhone and Services revenue during the quarter. Management highlighted double-digit growth in India, supported by expanding retail presence, strong festive demand, and rising premiumization trends. Tim Cook reiterated India's growing importance as a key strategic market, citing strong traction for iPhone 17 and robust consumer enthusiasm at the newly launched Apple retail stores.

Financial Highlights

- Revenue: USD 102.5 Bn (+8% YoY) – September quarter record
- EPS: USD 1.85 (+13% YoY)
- Net Income: USD 27.5 Bn (vs USD 14.3 Bn YoY; impacted by prior one-time tax charge)
- Gross Margin: 47.2% (vs est. 46.4%)
- FY25 Revenue: USD 416 Bn (+6% YoY)

Segmental Performance

- iPhone Revenue USD 49.0 Bn (+6% YoY; slight miss vs est. USD 50.2 Bn) – supported by early iPhone 17 sales; several models supply constrained.
- Mac Revenue USD 8.7 Bn (+13% YoY; beat estimates) – strong demand for refreshed MacBook Air.
- iPad Revenue USD 7.0 Bn (flat YoY) – no new launches during the quarter.
- Services Revenue USD 28.7 Bn (+15% YoY; all-time high) – growth across App Store, iCloud, and Apple Music; recurring high-margin stream.
- Other Products USD 9.0 Bn (flat YoY) – includes Apple Watch, AirPods, Vision Pro.
- Greater China Revenue USD 14.5 Bn (-4% YoY) – below expectations, though management expects rebound in Q1FY26.
- Management stated that demand for iPhone 17 lineup is “off the charts,” with traffic in Apple stores up significantly YoY.
- Apple expects December quarter (Q1FY26) to be the best ever, with revenue growth of 10–12% YoY, led by iPhone 17 and strong Services momentum.
- China expected to return to growth in Q1FY26 supported by the iPhone 17 launch.
- Services business witnessing broad-based acceleration; management guided for similar growth next quarter.
- Gross margin guidance at 47–48%, absorbing ~\$1.4 Bn tariff-related costs without passing on to customers.
- Continued focus on AI integration with Siri upgrade and partnership with OpenAI's ChatGPT under Apple Intelligence.
- Apple guided for its strongest-ever December quarter, driven by high iPhone 17 demand, resilient Services growth, and festive season momentum. Management's commentary on India and China recovery adds optimism for FY26 growth.
- A robust product cycle, accelerating Services segment, and rising emerging market contribution (notably India) position Apple for sustained earnings growth. Guidance implies healthy demand resilience despite macro uncertainties.

Mastercard Inc. – Q3CY25 Earnings Update**Asia & India Focus**

Management highlighted strong growth across Asia-Pacific, supported by robust cross-border travel, increasing digital adoption, and expanding fintech collaborations. In India, Mastercard continues to scale partnerships in commercial payments, SME digitization, and contactless infrastructure, capitalizing on the country's accelerating shift toward digital payments. The company is also investing in AI-led fraud prevention, tokenization, and cybersecurity frameworks to enhance network reliability and consumer trust in the region.

Financials Highlight

Revenue: USD 8.6 Bn (+15% YoY; +0.7% vs est.)

EPS: USD 4.38 (+13% YoY; +1.6% vs est.)

Cross-border volume: +15% YoY, led by travel and B2B segments.

Value Added Services: +22% YoY, strengthening diversified revenue mix.

Gross Dollar Volume (GDV): +9% globally (U.S. +7%; international markets double-digit).

The management noted continued resilience in consumer and business spending and emphasized that Mastercard's multi-rail payment strategy (across cards, account-to-account, and real-time payments) is driving strong engagement across markets.

Highlighted the expansion of data analytics, cyber intelligence, and consulting services as strategic growth pillars beyond core payments.

Stressed that cross-border travel remains a robust driver, with sustained growth even amid macro uncertainties.

Mentioned broad-based strength in B2B payments, as corporates continue adopting digital solutions for efficiency and transparency.

CFO reiterated that operating leverage remains strong, even as Mastercard continues investing heavily in AI infrastructure and digital identity solutions.

Management remains focused on operational discipline and shareholder returns, with consistent buybacks and dividend payouts.

The company continues to see resilient consumer spending trends globally, with Asia-Pacific and Latin America outpacing overall growth rates.

Guidance Q4 net revenue growth seen at the high end of low double digits, FY25 growth in low teens, supported by steady spending patterns and expansion in services.

Amazon Q3CY25 Earnings Update

Strong Quarter with Broad-Based Growth; Robust Festive Outlook & India Hiring Momentum

India & Asia Focus

Management reaffirmed India as a key growth market, highlighting accelerating Prime membership additions and strong festive-season demand trends.

Amazon announced plans to hire ~150,000 seasonal workers in India for the festive quarter, alongside 250,000 in the U.S., signaling continued e-commerce momentum in key global markets.

Expansion of Amazon Pay and increasing adoption of local-language content and regional seller onboarding were key enablers of growth in India.

AWS continues to witness strong traction across India, Japan, and Southeast Asia, driven by rising enterprise cloud adoption and deployment of AI-enabled workloads in BFSI and manufacturing verticals.

Revenue: Amazon reported Q3CY25 net sales of USD 165.8 Bn, up 12% YoY, led by strength across AWS, Advertising, and Retail. Growth was broad-based across North America and International markets.

Profitability: Operating income rose 28% YoY to USD 15.1 Bn, reflecting improved fulfillment efficiency, cost control, and leverage from automation in warehouses. Net income stood at USD 11.2 Bn (vs. USD 9.9 Bn YoY), translating to an EPS of USD 1.05. Operating margin expanded to 9.1% (vs. 7.9% YoY), aided by mix shift toward high-margin AWS and Advertising.

Segment Performance

AWS Revenue up 15% YoY to USD 27.5 Bn; management noted steady large-enterprise deal wins and strong pipeline visibility in AI workloads. AWS margin remained healthy, supported by optimization and cost savings from in-house silicon chips.

Advertising Services Revenue grew 24% YoY to USD 14.3 Bn, benefiting from higher sponsored product engagement and AI-based ad optimization tools for third-party sellers.

North America Retail Sales rose 11% YoY to USD 87.2 Bn, aided by resilient consumer demand and increased same-day delivery penetration across 90% of top metros.

International Segment Sales grew 13% YoY to USD 35.9 Bn, with improving profitability driven by efficiency in logistics and pricing discipline across Europe and Asia.

Operational Highlights

Employee Investments Announced USD 1 Bn investment to enhance employee pay and benefits in the U.S., raising average hourly wages to \$30+, and increased compensation in India, UK, Canada, and Europe.

Technology & Innovation – Expanded Alexa+ to Fire TV devices and Ring ecosystem for faster, smarter voice-assisted experiences. – Project Kuiper now has 150+ satellites in orbit with 1+ Gbps downlink speeds, signing commercial partnerships with JetBlue, Australia's NBN, and Kazakhtelecom. – Zoox began offering fully autonomous robotaxi rides in Las Vegas, marking the first commercial service using purpose-built autonomous vehicles; Washington D.C. added as the 8th test city.

Future Ready 2030: Announced a USD 2.5 Bn commitment to train 50 Mn people globally in digital and AI skills by 2030 aligning with long-term workforce development and sustainability goals.

Management emphasized sustained momentum in customer engagement, higher Prime Day participation, and improved supply chain reliability ahead of the holiday season.

AWS continues to be a growth and margin driver, with new AI tools such as Bedrock and Titan gaining traction among developers and enterprises.

Advertising growth is expected to remain strong, supported by AI-enhanced targeting and rising ad adoption by SMBs and D2C brands.

Management remains optimistic on Q4CY25, citing strong demand visibility across categories and continued optimization in cost structure.

Outlook & Guidance

For Q4CY25, Amazon guided net sales between USD 170–178 Bn, implying 8–12% YoY growth, driven by festive demand and continued AWS traction.

- Operating income expected between USD 15.0–18.5 Bn, supported by disciplined expense management and favorable sales mix.

Carborundum Universal Ltd-Q2FY26 Concall KTAs**CMP: INR 906 | Market Cap: INR 173 Bn****I. Consolidated Outlook**

- Management retains sales growth guidance of 5.5%–6.5% and PBT margins of 8.2%–8.5% for FY26.
- FY26 CAPEX plan maintained at INR 3,500 Mn, with INR 1,620 Mn spent in H1.
- The LPS 2030 plan remains on track, targeting to double the business size over five years through growth in core and emerging segments.

II. Segment Outlooks**Abrasives:**

Sequential Q2 growth of 7.5% expected to sustain in H2; full-year growth guided at 4%–5% with 6%–6.5% PBT margin.

Retail demand improving as inventories normalize; focus on new product launches and geographic expansion.

Electro Minerals (EMD):

Guidance unchanged at 1%–2% growth and 4.5%–5.5% margins.

VAW subsidiary volumes to decline ~25% due to geopolitical impact.

Emphasis on higher-margin treated grinds, Alumina, and Zirconia products.

Ceramics:

Strong H2 expected; full-year growth guided at 16%–18% with 23.5%–23.7% margins.

Recovery expected from project-linked demand in steel, cement, and glass.

Growth drivers include metallized cylinders (>20% growth) and expansion in semiconductor, aerospace, and defense ceramics.

III. Subsidiaries and Strategic Investments

Rodius: Operations stabilized; full-year loss after tax expected at Euro 3.5–4 Mn; return to profitability seen soon.

AUKO: Targeting ~20% topline growth to Euro 12–14 Mn; losses narrowing.

IV. CAPEX and NPD Pipeline

Majority of INR 3,500 Mn CAPEX allocated to high-growth areas semiconductors, aerospace, defense, and HPSIC.

Semiconductor ceramics to start contributing next year; defense and HPSIC projects expected to add over the next 2 years.

Outlook

Management reaffirmed steady guidance across all divisions, underscoring visibility into H2 recovery and long-term growth under LPS 2030. The strategic shift toward advanced ceramics and high-performance materials positions the company for sustainable margin expansion and medium-term rerating potential.

Cemindia Projects Ltd-Q2FY26 Concall KTAs**CMP: INR 816 | Market Cap: INR 140 Bn****I. Growth Guidance**

- **FY26 Revenue Growth:** Management reiterated 20–22% YoY growth for FY26, supported by strong H2 execution, which historically outperforms H1.
- **Medium-Term Growth:** The company expects to double revenues within the next 3 years, driven by the expanding order book, diversified project mix, and ramp-up in new verticals.

Order Inflow and Order Book Position:

- Current confirmed order book stands at INR 72,000 Mn, including INR 62,000 Mn up to September and an additional INR 10,000 Mn in October.
- Additional L1 (ready-to-convert) orders total INR 35,000 Mn, comprising Pune Metro (INR 7,000 Mn), an Indian Navy project (INR 10,000 Mn), and another large project (~INR 20,000 Mn).
- Combined, the practical order position is INR 110,000 Mn.
- Management is confident of achieving FY26-end order book of INR 150,000–160,000 Mn, i.e INR 150,000+ Mn.

Margins and Profitability:

- Current profitability levels are EBITDA 10–11%, PBT 6%, and PAT ~4%.
- Management expects gradual margin improvement, driven by operational efficiencies, scale, and project mix.
- Metro and underground projects continue to yield superior margins, while data centre margins remain in line with industry civil averages.

Capex:

- YTD Capex at INR 5,080 Mn, mainly for ongoing projects.
- FY26 Capex guidance at INR 2,500–3,000 Mn, subject to additional requirements for TBMs or large civil machinery.

II. Segmental and Strategic Focus**1. Data Centres (New Growth Vertical)**

- Current order book of INR 15,000 Mn, positioning the vertical to contribute ~15% of total order book within 2 years.
- **Execution Timeline:** Typically ~2 years — 6–17 months for civil work, followed by 6–7 months of commissioning.
- **Revenue Composition:** Civil portion forms 25–30% of total value; the company plans to expand into electromechanical (E&M) capabilities, which account for the majority of project value.
- Recruitment and consultant onboarding for E&M underway; capability integration expected within a few months.
- Initial focus will remain within the group's internal data centre projects, before scaling to external customers.

2. Group Exposure and Pipeline

- Around 25–26% of current order book originates from group companies.
- Including L1 orders, ~50% of the total INR 110,000 Mn pipeline is group-linked.
- Bid pipeline exceeds INR 900,000 Mn, of which ~25% is expected from group entities.
- Key verticals under the group pipeline include Ports, Airports, Real Estate Development, Data Centres, Industrial Capex (PBC), and Roads.
- The company clarified that Dharavi Redevelopment is not being pursued given its current operating model.

3. Other Key Sectors and Opportunities

- Thermal Power: Expected inflows of INR 20,000–25,000 Mn from Adani Power-led thermal projects in FY26.
- Pump Hydro (PSP): Strong long-term opportunity pipeline with large-ticket projects under evaluation.
- Shipbuilding and Dry Docks: Management confident of leveraging its marine civil capabilities for future shipyard and dock-related work.
- Ports: Already associated with the initial contract at Vadwan Port; expects further participation as follow-on projects are tendered.

III. Financial Structure and Working Capital

- Bangladesh Project: Receivables remain under control at INR 1,300 Mn; pending execution of INR 6,000 Mn (50% of the total project). The company is not pursuing new orders in Bangladesh for now.

Outlook

Management reaffirmed strong growth visibility backed by a record order pipeline, diversified sector presence, and disciplined execution. The H2 ramp-up, supported by metro, industrial, and data centre projects, is expected to drive FY26 revenue growth of 20%+, with margins gradually trending higher as execution mix improves.

The company's entry into data centres and E&M integration provides a new medium-term growth lever, while traditional strengths in metro, marine, and industrial infrastructure ensure a resilient base. Overall, management's commentary supports a multi-year compounding trajectory, with healthy order inflows, improving profitability, and expanding capability breadth across new infrastructure adjacencies.

Restaurant Brands Asia Ltd – Q2FY26 Concall KTAs**CMP: INR 69 | Market Cap: INR 40 Bn****India Operational Priorities: Sustained Traffic Growth and Profitability Focus**

- Achieved 10 consecutive quarters of positive same-store sales growth (SSSG) at 2.8% YoY in Q2 FY26, driven by barbell strategy balancing value (2-for-79/99 deals, 99-rupee cafe trial) and premium/core innovations (Korean Fest, Kings Collection, Whopper Deluxe launch).
- Digital penetration reached 91% of transactions; app downloads up 70% YoY, with CRM rollout underway to boost frequency among existing customers, targeting 80-100 daily app transactions per store.
- Delivery sales grew with 100 bps margin expansion to improve profitability; utilities optimization (new broilers, e-coolers) expected to deliver 100 bps cost reduction, with full rollout by FY26 end.
- Gross margins expanded 60 bps QoQ to 68.3%, on track for 70% by FY29 via supply chain efficiencies and menu mix shifts, independent of volume leverage.

Financial Performance

- Consolidated revenue up 15.6% YoY to INR 568 crore, supported by 2.8% SSSG and net addition of 14 stores (total 533); on track for 580 stores by FY26 end, with 60-80 annual additions through FY29 targeting ~800 stores.
- Restaurant-level EBITDA at 10.4% (flat YoY), impacted by 90 bps temporary labor investment for SOK/digital rollout and table service training; company-level EBITDA at 5.0% (INR 28.4 crore), up INR 4 crore YoY.
- H1 net store additions of 20; delivery channel contributed to ADS stability at 120 (up from 114 FY25 average), with traffic-led growth offsetting muted check sizes in a value-shifted QSR environment.
- GST input reductions passed through to consumers via pricing; no material FY26 impact yet, but October ADS uptick signals early traffic benefits.

Marketing and Innovation: Strengthening Core Portfolio and Consumer Engagement

- Whopper Deluxe (INR 140-150 price point) fills mid-tier gap with paneer, cheese, and fried chicken variants, boosting core burger sales ~40%; positions as long-term taste equity builder, distinct from value seekers.
- Value propositions (2-for-79/99) drove 35% of dine-in traffic via app; regional activations (Onam, Navratri, Diwali) enhanced organic social media growth and fan base expansion.
- Delivery profitability enhanced through pricing corrections and promo tweaks, achieving sales growth alongside margins; CRM integration to drive repeat visits post-app adoption surge.
- Innovation ladder strategy graduates value customers to core/premium (e.g., Korean patty success), maintaining 6-burger core menu for balanced portfolio amid competitive wallet share pressures.

Indonesia Update: Green Shoots in Burger King, Popeyes Turnaround Efforts

- Burger King ADS up YoY in 12/13 months (18 bn IDR), with value initiatives (chicken/burger bundles, Hot & Cheesy relaunch) lifting sales gap to ~2 bn IDR/month; October recovery post-September disruptions.
- Popeyes (25 stores) remains loss-making; implementing BK learnings on product innovation and service models to achieve breakeven; consolidated EBITDA loss at 33 bn IDR (vs. 21 bn YoY), partly from incremental 6 bn IDR marketing spend.
- G&A savings of ~INR 20 crore realized via overhead rationalization; rent negotiations ongoing, with store portfolio stable at 136 (BK-focused).
- Dual-track approach: operational improvements alongside exploring exit options; monitoring for FY26 decision, prioritizing BK traffic momentum.

Outlook and Strategic Levers: Multi-Year Efficiency and Volume Upside

- FY26 guidance intact: 70-80 net store additions, gross margins to 68-69%, restaurant EBITDA ~11% at current volumes; leverage from SSSG >3.5% to offset 2.5-3.5% inflation.
- Near-term ADS target 125-135 via traffic/CRM; utilities/broiler efficiencies to add 100-150 bps to EBITDA by FY27, plus DC expansions/local sourcing for sustained 70% gross margins ahead of FY29.
- Cyclical recovery markers: Strong Diwali/October traffic (observed), December uptick; GST benefits and sentiment shift to enable 6-8% SSSG potential, amplifying P&L flow-through.
- Indonesia focuses on BK scaling/Popeyes neutralization; overall capex disciplined, emphasizing profitable growth in both channels amid QSR value migration and aggregator dynamics.

TD Power Systems Q2FY26 Concall Highlights**Mcap: INR 117.1bn | CMP: INR 750**

Outlook: TD Power systems order book stood at INR 15.87bn (~3.5x of Q2FY26 revenue), showing business visibility. The order inflows are expected to be INR 5.5bn/quarter going forward. The company is developing 50-150 MW, specifically a 40-50 MW two-pole generator for large gas turbines, which is expected to deliver from Jan-26 onwards. In railways, Trail units are expected to be delivered by Q3FY26E. Hydro order inflows remain strong, mainly from Nepal and Vietnam. The third plant will be fully operational by Jan-26, and all three plants have a revenue potential is around INR 25-26bn. Larger orders are anticipated in H2FY26E, and the third plant is set to ramp up production are key growth driver. We have a positive outlook on the stock.

Revenue

Revenue is expected to be INR 18bn in FY26E and INR 20-22bn by FY27E.

Order book

The order book stood at INR 15.87bn as of Q2FY26.

The order inflows stood at INR 5.24bn in Q2FY26. The domestic and export mix is 26:74.

The order inflows are expected to be INR 5.5bn/quarter going forward.

Larger orders are anticipated by H2FY26. The company is targeting a 60-70 MW range of orders.

Margins

EBITDA margins are expected to be 20% once the third plant is fully operational and running at optimum capacity.

Capacity

The third plant is scheduled for full commissioning in Q3FY26E. Around 33% of capacity already operational by early Oct-25 and full operational by the Middle of Jan-26.

Revenue potential for all 3 plants is around INR 25-26bn, with further increase through debottlenecking.

The company has strategically included 25% extra space in existing buildings and possesses empty land, allowing for future expansion without major capex.

Data center

Data centers are driven by AI Investments, leading to strong demand for the gas engine segment for both primary power and grid stabilization. Large companies are expected to increase capex over FY26-28E.

In the US & Europe, data centers are using gas generators. The demand for gas turbines and gas engines is higher, and export pipelines are expected to increase by 10%-12% going forward.

Generators

The company is developing a new, larger generator in the 50-150 MW range, specifically a 40-50 MW two-pole generator for large gas turbines. The units will be offered to customers between Dec-25 to Jan-26.

Railways

In railways, Trial units for Europe and the US markets are scheduled for delivery by the end of Q3FY26E, with qualification in early Q4FY26E. Volume production is expected to start from Q1FY27.

In the Russian market, qualification units for traction motors will be offered for testing in Q4FY26E, with a ramp-up expected in FY27E.

Hydro

Hydro order inflows remain strong, mainly from Nepal and Vietnam. The company is bidding for large refurbishment projects in India. The company is focuses on medium hydro power plants up to 50 MW.

The Indian market contributes less than 10% to the total hydro turnover.

Motors

The motor business is in the initial ramp-up stages and expected to take more time to scale. Motor business revenue is expected to be INR 1.5bn by FY27E and targeting INR 5bn over the medium term.

Turkey facility

US-bound production will be shifted to the Turkish facility, a plan already accepted by customers. The company has incurred a small cost to prepare the Turkey facility for direct exports to the US.

Other highlights

Domestic business is expected to grow 10%-12% CAGR going forward.

Cash flow conversion has been below 10%, and a temporary production ramp-up by 30%, which requires substantial investment in raw materials and inventory.

The company continues to receive orders from the US market despite existing duties.

In energy storage, the company's role is limited to generator supply to the customers for the Energy Dome CO2 battery project.

Sharda Cropchem Ltd Q2 FY26 Concall Highlights**Outlook**

Sharda Cropchem is well-positioned to sustain double-digit revenue growth and robust margin expansion in FY26, supported by strong volume momentum, resilient product registrations, and stable input costs. Management guides for EBITDA margins in the 15–18% range and expects pricing to firm up further in H2FY26 as seasonal demand improves.

Strong Recovery and Operating Performance

- Q2 FY26 revenue grew 20% YoY to INR 929 mn driven by broad-based demand revival and normalization of channel inventories across key markets.
- Agrochemical segment revenue rose 27% YoY to INR 803 mn, while non-agrochemical revenue declined 11% YoY to INR 126 mn, reflecting end-market dynamics.
- Overall volume growth was robust at 35% YoY, with agrochemical volumes up 36% and non-agro up 11% YoY.
- EBITDA grew 71% YoY to INR 139 mn with EBITDA margin at 15%.
- PAT surged 75% YoY to INR 74 mn, demonstrating strong profitability recovery.
- Working capital days improved to 84 days indicating better operational discipline.

Segmental & Geographic Insights

- Volume growth by geography: Europe at 7 mn units, NAFTA 3.3 mn units, LATAM 1.6 mn units, and Rest of World 0.85 mn units; YoY volume growth stood at 36%.
- Gross margin by region: Europe 43%, NAFTA 23%, LATAM 20%, Rest of World 40%, with consolidated gross margin at 34.6%.
- Q2 saw supernormal volume growth from NAFTA, favored by weather; Europe grew 15% with normalization after exceptional prior year.
- Negative price/mix impact in Q2 was largely attributed to product and geographical mix shifts, as demand was skewed towards lower-priced products in higher-volume regions.

Capital Allocation

- Company remains debt free, with cash and liquid investments of INR 794 mn as of September 30, 2025; Capex outlay for H1 stood at INR 250 mn.
- Planned Capex for FY26 is INR 450–500 mn, primarily on new product registrations.
- Forex loss for the quarter was minor and notional, driven by cross-currency exchange rates on payables for product registrations; YTD forex impact remains positive.
- Effective tax rate for FY26 is guided at 18–20%; Dubai operations remain under tax holiday, supporting group-level effective tax rate.

FY26 Guidance

- Management expects gross and EBITDA margins to remain steady in FY26 (EBITDA: 15–18%), with H2 expected to outperform H1 due to underlying seasonality in global crop cycles.
- Revenue run-rate puts the company on track to surpass INR 5.2 billion for FY26, assuming normal demand and seasonality trends; mid-term growth aspiration is to reach INR 10 bn in 4–5 years, contingent on global market and macro conditions.
- Input costs expected to remain benign, supporting sustained margin performance for the remainder of FY26.

Moneyboxx Finance Ltd - Q2FY26 Concall KTAs

70%+ secured AUM is expected to achieve by FY26 and INR 1,800+ crore AUM by FY27, supported by diversification beyond livestock loans and enhanced customer credit profiles (with 72% borrowers now having credit scores above 650). While near-term profitability remains impacted by elevated credit costs and muted disbursements, the company expects credit costs to stabilize ~3–3.5% in FY26, aided by improved recoveries and legal action on delinquent accounts.

Financial Performance

AUM grew 16% YoY to INR 892 crore in Q2FY26, compared to INR 769 crore in Q2FY25.

The on-book portfolio stood at INR 693 crore (78% of total AUM), while the managed book contributed INR 199 crore (22% of AUM).

Total income increased 10% YoY to INR 55 crore from INR 50 crore in Q2FY25.

PAT declined to INR 0.3 crore Vs INR 2.3 crore in Q2FY25, primarily due to higher credit costs and muted disbursement.

Operating expenses as % of AUM stood at 12.7%, slightly lower than 12.8% in FY25. The company aims to bring this ratio below 10% in the next 2 years.

ROA was 0.1%, while ROE stood at 0.4%, affected by higher credit costs and modest AUM growth. NIM remained at 14%+ for H1FY26.

Asset Quality

Gross NPA (on-book) improved significantly to 3.26% from 7% in Q1FY26, aided by ARC transactions and better collections. Net NPA (on-book) reduced to 1.66% in Q2FY26.

PCR remained strong at 50%. Credit cost declined marginally to 3.02% in H1FY26.

Collection efficiency averaged 92.5% overall, with secured loan collections at 96% and new-state secured book ~99.5%.

Started taking legal actions under Section 138 and SARFAESI for recovery, which has already led to early recoveries from written-off customers.

Business Mix

Secured disbursement accounted for 69% of total disbursement in Q2FY26, up sharply from 43% in Q2FY25. Disbursements rose 23% QoQ to INR 115 crore in Q2FY26.

Secure loans now form 55% of AUM, up from 32% a year ago, with a target to reach 70% by March 2026 and 80–85% by FY27.

~90% of total disbursements now have some form of security or guarantee, with 70% mortgage-backed loans and another 20% covered under FLDG programs.

Share of livestock-based disbursements declined sharply to 37% in Q2FY26 from 64% in Q1FY25.

Loans with ticket sizes of INR 5–10 lakh have increased 5x to form 60% of disbursements, compared to 19% previously.

Share of borrowers with credit bureau score ≥ 650 increased to 72%, up from 50% last year; improved customer quality.

Other Highlights

The company has 30 lenders, including 11 leading banks.

Average lending IRR stood at 26.4%, lower than 29% last year, due to the higher share of secured loans.

Average borrowing IRR reduced to 12.8%, with incremental borrowings at 12.1%, and the lowest rate at 10.5% from a bank partner.

CoF is expected to decline to single digits as credit rating and scale improve. CAR stood at 27.1%.

Equity raised: INR 175.8 crore, with INR 84.72 crore pending infusion by March 2026.

Liquidity buffer: INR 97 crore as of September 30, 2025.

Recent major funding partners include SBI, RBL, Kotak, Suryoday, and UV Capital, totaling INR 34 crore in recent transactions.

Liability mix: 43% from Debt Capital Market sources.

The tech solution works offline and enhances both efficiency and risk control in the secured cattle loan segment.

The company continues to digitize lending operations and strengthen risk monitoring systems.

ASK Automotive Ltd-Q2FY26 Concall KTAs**CMP: INR 484 | Market Cap: INR 95,436.7 Mn****Guidance and Targets**

Overall Revenue Growth: The standing overall growth guideline is mid-teens plus the aluminium price impact. Management is very confident this growth will continue next year (FY27), with visibility present.

EBITDA Margin Guidance:

The management hopes to maintain the present margins.

The original guidance was 13.7%. The margin percentage is being affected by 30 basis points due to the increase in aluminium alloy prices.

Management clarified that the increase in aluminium prices affects the EBITDA percentage due to the denominator effect, but the absolute EBITDA numbers will remain the same. Aluminium prices are currently still going up.

Financial Prudence: The company remains focused on the bottom line and is highly focused on maintaining its Return on Capital Employed (ROCs). The asset turnover expectation is anticipated to continue to be around 1.75.

Segment Outlook:

Safety Control Cable: Future growth will depend on demand following the GST reduction, with management aiming for a reasonable growth.

Aluminium Lightweight/Casting: Management views this as a sunrise industry and sees great potential going ahead.

Capex and Capacity Expansion

FY26 Total Capex: The plan for the complete year is around INR 4,500 Mn, with INR 3,700 Mn already released. The rest will be spent in the second half.

FY26 Breakdown: Karoli plant will receive about INR 2,500 Mn (Rupees 250 Crores) this year, and the Bangalore plant will receive a further INR 1,000 Mn

FY27 Capex Outlook: The company is now "completely sorted" for growth in FY27. However, management noted that they normally invest about INR 4,000 Mn every year on an optimistic note.

Capacity Utilization and New Facilities

New Bangalore Facility: Utilization reached 60% in Q2 FY26. Management is highly confident it will reach 70% to 75% capacity utilization in Q4 FY26.

Karoli Plant: Utilization will likely remain between 60% to 70% because ongoing investments are being done.

Overall Capacity Ramp-up: Current utilization is 60%. In the next financial year (FY27), utilization is expected to reach something like 75% to 80%. The capacity is constantly being added to support the ambition to outgrow the industry.

Green Energy Investment

A second captive solar power plant of 11.55 MW is being installed at Rajasthan and is expected to be operational by Q1 FY27.

New Product/Business Timelines

New Product Development: New product launches are expected to come in the next financial year (FY27).

Alloy Wheel Business (Japanese Collaboration): Machines are scheduled to be delivered in Q4 FY26 (February). Samples will be taken out in Q1 FY27. Supplies will start following customer testing and approvals.

Alloy Wheel Business (General Potential): The capex already incurred for alloy wheels ensures a revenue potential of up to INR 2,500 Mn (Rupees 250 Crores) whenever the approvals are secured and supply begins.

Sunroup Joint Venture (JV): The JV is expected to start next month. Management hopes to be in production in H2 FY27, estimating a 9-month timeframe for production. Financial projections (topline or bottom line) were declined until production commences.

Outlook

Q4 FY26 Expectation: If the rare earth and magnet issue gets resolved (referring to recent news regarding US/China truce), Q4 should be normal again. Supplies are hoped to be normal for the next year.

Two-Wheeler Industry Growth: Management is very optimistic about Q4 FY26 due to these positive developments. The industry growth, which has been 5-8% so far, is expected to maybe touch 7% overall in the year. This growth trend is likely to continue this year (FY26) and next year (FY27).

Kalpataru Projects International Q2FY26 Concall Highlights

Mcaps: INR 214.6bn | CMP: INR 1,256

Outlook: Kalpataru Projects is focused on growing 25%+ YoY and 50 bps PBT margin improvement in FY26E. The order book stood at INR 646.62bn (~2.9x of FY25 revenue) in Q2FY26, showing business visibility over the medium term. The order inflows are expected to be INR 250bn, and the pipeline of INR 1,500bn shows clear visibility. LMG is expected to be a significant contributor. Water projects are facing challenges with receivables delayed in UP and Jharkhand. The asset monetization of Shubham Logistics and Vindhyachal Expressway is expected to reduce debt going forward. We have a positive outlook on the stock.

Revenue

Revenue growth is expected to be 25%+ YoY in FY26E.

Margins

PBT margins are expected to improve by 50 bps YoY in FY26E.

T&D margins are 9%-10% range.

Order book

The order book stood at INR 646.62bn as of Q2FY26.

The order inflows stood at INR 149.5bn in H1FY26. The order inflows are expected to be INR 250bn in FY26E.

The order pipeline is around INR 1,500bn for the next 12-18 months.

B&F order book stood at INR 187.58bn. The B&F segment has high double-digit margins.

Water

Water business witnessed de-grew 5% YoY to INR 5.17bn in Q2FY26. Receivables remain slow, particularly from JJM Mission projects in UP and Jharkhand.

Water business receivables collection stood at INR 4.2bn in Q2FY26; however, outstanding receivables increased by INR 1.25bn to INR 15.51bn due to the lack of payments from UP (INR 7.37bn) and Jharkhand (INR 2.46bn), and others.

Around 50% of receivables in these two states are overdue by more than 8-9 months.

LMG

LMG witnessed an order inflow of INR 11bn in Q2FY26. The order book stood at INR 36bn.

LMG is expected to grow 20-25% annually with PBT margins of 6.5%-7.5%. The company is exploring fundraising options for LMG, and a decision is expected in FY26E/FY27E.

Asset monetization

In Shree Shubham Logistics, the company plans to sell 2-3 warehouses to reduce external debt of INR 900mn to INR 400-500bn by the end of FY26E and focus on bringing it near zero by FY27E.

Standalone working capital days are around 102 days, and consolidated working capital days are 90 days. Working capital days are expected to be below 100 days (standalone) and 85-90 days (consolidated) by FY26E.

The handover of WEPL assets and NHAI assets is completed. The receipt of dues is delayed due to ongoing arbitration and claims.

Vindhyachal Expressway monetization is expected to be completed by H2FY26E.

Hedging

Around 50% of the order book is fixed-price contracts. Around 90% of aluminum requirements are hedged for the next 2-2.5 years, and copper exposure is minimal.

Metro and rail

Urban Infrastructure business remains strong, driven by progress on metro rail projects.

The company is exploring international markets for the railway business; however, nothing significant is visible in the near term.

Oil & Gas

In Oil & Gas, a large Saudi project is on track. The company is now qualified for Aramco and ADNOC projects. Some of the projects have been delayed due to oil price volatility.

Spandana Sphoorty Financial Ltd - Q2FY26 Concall KTAs

Expects FY26 to be a rebuilding year, focusing on improving portfolio quality and operational efficiency. The company has seen strong traction in disbursements, with further pickup expected in H2 as collection efficiency stays high at ~98–99%. Disbursements id expected to reach INR 500 crore/month in Q3 and INR 700+ crore/month in Q4. Asset quality has stabilized, with GNPA at 4.97% (standalone) and NNPA at 0.97%, while credit costs are likely to ease to ~2.5–3% in FY27. Aims to turn PPOP positive in the next few quarters as portfolio normalization continues. Guidance is for ~20% AUM growth in FY27.

Financial Performance

NII came in at INR 91 Cr (vs. INR 341 Cr YoY) on lower AUM and interest reversals.

PPOP at negative INR 40 Cr due to high OPEX, but expected to turn positive from Q3 onwards as scale improves.

Yields expanded to 19.6% (vs. 19.4%); NIM at 8.4% (vs. 8.2%).

Net loss at INR 249 Cr largely due to elevated provisions and tech write-offs.

Assets Quality

Collection efficiency improved to 98.7% in Sept (vs. 97.9% in Jun) and held firm at ~98.5% in Oct, despite festive and weather-related disruptions.

GNPA down to 4.97% (standalone) and NNPA at 0.97%, with over 60% branches now at 99%+ collection efficiency.

New FY26 portfolio (~28% of book) is doing exceptionally well with just 0.1% delinquency.

Flow rate from current to delinquent buckets reduced to 1.5% (vs. 2.5–3%); improving portfolio stability.

Operational Performance

Rationalization underway; 101 branches merged/closed in H1FY26 to streamline operations.

Loan officer productivity rising aided by digital tools.

~10 lakh customers eligible under revised credit norms, offering INR 6,000 Cr potential disbursement opportunity; 76% have ≤2 lender relationships.

Subsidiary Performance

Portfolio at INR 671 Cr, with micro-LAP book of INR 290 Cr (<1% NPA) performing strongly.

Plan to shift mix toward secured lending; target 50–55% secured share by FY26-end (from 39–40% now).

Other Highlights

Reported INR 418 Cr impairment, including INR 86 Cr technical write-offs in Q2; excluding this, impairment cost stood at INR 172 Cr.

PCR maintained at ~80% of book.

Expects credit cost easing to 2.5–3% in FY27 as new book share rises and delinquencies normalize.

Strong balance sheet with INR 1,270 Cr liquidity (21% of assets) and CRAR at 47% post rights issue.

INR 598 Cr debt raised in the last 2 months; net worth stands at INR 2,227 Cr. Maintains 2.5–3x liquidity cover on internal thresholds.

Rejection rates remain high (~80% new / 65% existing) as company prioritizes quality over growth.

Evaluating entry into CGFMU scheme to mitigate credit risk; decision likely next quarter.

Industry-level talks on relaxing MFIN guardrails, but company expects current norms to stay near term.

Bank of Baroda Limited Q2FY26 Concall KTAS:

The management expects corporate loan growth of around 10–11% driven by a rebound in corporate credit. Asset quality is expected to stay strong with slippages near 1-1.25% and credit cost below 0.75%. Focusing on digital innovation, customer service and prudent risk management to sustain profitability and growth momentum through FY26.

Financial Performance

Net Profit for Q2FY26 stood at INR 48,090 Mn, growing 6% QoQ, while H1FY26 profit stood at INR 93,510 Mn.

Operating Profit stood at INR 75,760 Mn in Q2 and INR 1,58,120 Mn for H1FY26.

RoA remained above 1%, at 1.07% for the quarter and 1.04% for H1FY26.

RoE stood at 15.37% for Q2 and 14.95% for H1FY26.

NIM improved 5 bps QoQ to 2.96% globally and domestic NIM stood at 3.10%.

Yield on advances was 7.81% for Q2 and 7.95% for H1, while cost of deposits declined to 4.91% compared to 5.05% YoY.

Sequential growth in NII turned positive at 2.7%, reversing last quarter's decline.

The bank made an additional floating provision of INR 4,000 Mn, taking total floating provisions to INR 10,000 Mn.

Business Growth

Global advances up by 11.9% YoY, led by domestic growth of 11.5% and international growth of 13.8%.

Within domestic advances, Retail grew by 17.6%, Agri grew 17.4% and organic MSME 13.9%.

Corporate loans up by 3% YoY, with management expecting 10–11% growth in FY26 as demand picks up in H2.

Deposits up by 9.3% YoY, with domestic deposits grew at 9.7% and international at 7.2%.

Term deposits grew 11.7% YoY, while CASA deposits increased 6.6%, maintaining a CASA ratio of 38.42%, among the top quartile in the industry.

Credit–Deposit ratio stood at 85.26%, within the bank's comfort range of 82–85%.

Asset Quality and Provisions

Gross NPA ratio improved 34 bps YoY to 2.16%, and Net NPA stood below 1% at 0.57%.

PCR remained strong at 93.21%, including technical write-offs.

Slippage ratio declined 16 bps YoY to 0.91%

Credit cost stood low at 0.29%, and would have been lower excluding the floating provision.

Collection efficiency (excluding agriculture) remained high at 98.6%.

Guide for slippages to remain between 1.0–1.25% and credit cost below 0.75% going forward.

Capital & Liquidity Position

The CET-1 ratio of the bank stood at 13.36% as of September 30, 2025, strong core capital base.

The Tier-1 capital adequacy ratio was reported at 14.15%, underscoring the bank's comfortable capital position.

The overall CRAR stood at 16.54% and the LCR remained robust at ~ 121%.

The bank indicated no immediate need for fresh capital raise, despite enabling approvals being in place.

Other Highlights

Corporate credit growth is expected to rebound to 10–11% in FY26 as project funding and loan demand improve in H2.

Focus on RAM portfolio to sustain growth and maintain asset quality, given its higher collateralization and yields.

Continued emphasis on low-cost deposit mobilization and de-leveraging bulk deposits to protect margins.

Digital initiatives include rollout of "Phygital branches" with 10 launched and virtual branches with live AI-enabled interaction, enhancing service delivery.

The ECL transition is expected to reduce CRAR by about 75 bps, to be absorbed over the next 5 years.

Sammaan Capital Ltd – Q2FY26 Concall KTAs

The company aims to expand its AUM to ~ INR 3,50,000 Mn by FY27, supported by fresh capital infusion that will drive business expansion. Growth is expected to stabilize at around 20% per annum once the new product suite gains scale and the legacy asset rundown is completed. The ROA has improved significantly to ~ 2.5% from ~ 1.5% previously, and is expected to be refined further as new product strategies are implemented.

Financial & Operational Highlights:

The company reported a profit of INR 3,080 Mn in Q2FY26 as compared to a loss of INR 27,610 Mn in the Q2FY25.

The NIM stood at ~ 5.5%.

Total AUM stood at ~ INR 420,000 Mn, with the legacy loan book reduced by ~ INR 90,000 Mn over the past year.

Borrowing costs currently average 8.5-9.5%,

Highlights

The legacy book rundown is expected to continue, with the company aiming to reduce it further by INR 60,000–70,000 Mn by the end of FY26.

Expansion plans include tripling to quadrupling the branch network over the next 2–3 years, targeting around 500 branches.

New product lines beyond traditional mortgage offerings are being evaluated to drive future growth.

The C/I ratio is improving, even as operating expenses increase with business scale and ongoing hiring.

Post-transaction, a significant reduction in borrowing costs is expected, potentially lowering the cost of funds by ~ 200 bps, which could increase PAT by ~ 50%.

The company is focusing on an asset-light strategy, with a gradual shift toward on-balance sheet lending in select segments.

Enhanced use of technology, AI, and parallel underwriting models aims to improve loan decisioning, customer experience, and the C/I ratio.

The expanded product suite targets ticket sizes of INR 10–15 lakh, with the potential to scale up to INR 20–30 Mn while maintaining portfolio granularity.

The company targets AUM of ~ INR 3,50,000 Mn by FY27, supported by new capital that will enable expansion.

Growth is expected to normalize to ~ 20% per annum once the new product suite scales up and the legacy asset rundown is completed.

Equitas Small Finance Bank Ltd – Q2FY26 Concall KTAs**CMP: INR 57 | Market Cap: INR 65,000 Mn**

The management has guided for 15-16% AUM growth in FY26 and over 20% in FY27 driven by vehicle, MSME, and housing finance portfolio expansion while gold loans are also gaining traction. NIMs are likely to improve to over 6.5% by Q4FY26 as the funding mix stabilizes and microfinance stress reduces while credit costs normalize at 1.5-1.7%. The bank will pursue a sustainable RoA of ~1.5% and RoE above 12% over the medium term supported by B/S, diversification, strong retail deposit mobilization, and enhanced operating leverage.

Financial Performance

NII stood at INR 774 cr with total income of INR 998 cr. PAT recovered strongly to INR 24 cr from a loss of INR 224 cr in Q1FY26 supported by lower credit costs of 2.16% vs. 6.48% QoQ.

GNPA stood at 2.82% and NNPA stood at 0.95% with PCR at 67%.

NIM contracted to 6.29% vs. 7.69% YoY due to a lower MFI mix. However management expects it to rebound above 6.5% by Q4FY26.

Return ratios improved sequentially with RoA at 0.18% and RoE at 1.65%.

Business and Segment Performance

Gross advances went up by 9% YoY to INR 39,123 cr.

Disbursements were up 45% QoQ to INR 5,380 cr.

The non-MFI book grew 17% YoY and currently contributing 90% of all loans. Segment-wise small business loans were up by 17% YoY, vehicle finance up by 10% YoY (used car segment +43%), housing finance up by 15% YoY, and MSME up by 36% YoY.

The MFI book remained stable at INR 3,392 cr.

Disbursements were up 156% QoQ. Management intends to cap MFI exposure at ~10% of the loan book over the long run.

Asset Quality

Asset quality is improved as fresh overdues sharply declined from INR 97 cr in April to INR 24 cr in October.

Stress in the Karnataka MFI portfolio has eased considerably.

The MLAP segment reported its best-ever collection efficiency.

The bank sold INR 216 cr of NPAs to an ARC. This has resulted in a write-back of INR 40 cr to the P&L.

Credit cost is expected to remain contained at 1.5-1.7% due to a well diversified and secured portfolio.

Expansion Plans

The bank is expanding its secured retail presence through calibrated network expansion and asset diversification.

The gold loan portfolio of ~INR 400 cr will be scaled up with 50 new branches in H2FY26 and an additional 150 in FY27.

The affordable housing business will be expanded from 70 to 100 branches in FY26 and another 120 in FY27 targeted at Tier 2–5 towns.

Other Highlights

Strengthened sales, underwriting, and collection infrastructure are expected to drive 20%+ AUM growth from FY27.

Liabilities and Deposit Franchise Deposits grew by 11% YoY to INR 44,094 cr. Retail deposits contributed 75% of total deposits.

Cost of funds is expected to fall by 100–110 bps through repricing as well as deeper customer engagement.

The “Elite”, “Elite Lite” and “Elite Plus” programs have onboarded ~25,000 families with a combined relationship value of INR 4,000 cr.

Datamatics Global Services Ltd | KTA | Q2FY26 | CMP: INR 934 | M-Cap: INR 55.29Bn

Overview

Management guides for mid-teen total growth (including acquisitions) in FY26 and mid-single digit growth organically. Momentum in profitability looks sustainable as margin drivers remain firmly in place. Ongoing tech investments and recent large deal wins in marquee segments support future trajectory.

Strategic Drivers and Initiatives

- Annual investments of INR 400 to 500mn in AI and emerging tech, fully expensed
- Sustained cost control and operational focus have sharply lifted margins; management expects gains to hold
- AI adoption accelerated via partnerships with Microsoft and Google and ongoing investment in internal platforms and accelerators
- Recent client transition in Digital Experiences will be offset by new deal wins; all prior acquisitions fully integrated and contributing, but M&A pipeline currently light

Industry and Technology Commentary

- Tier-I IT peers TCS and Infosys post 23-25 percent EBIT margins versus mid-tier average of 14-18 percent
- AI investments viewed as non-capex necessity for IT competitiveness, with ROI dependent on adoption pace
- Company's AI solutions leverage third-party LLMs, building client-specific tools for faster integration and business impact

Financials

- Net cash and investments at INR 5.09bn as of September 2025; DSO at 55 days, improved from March
- Management prepared to deploy cash for M&A if suitable targets surface

Strides Pharma Science Ltd Q2 FY26 Concall Highlights

Outlook

Strides Pharma delivered a robust Q2FY26, demonstrating strong operating leverage, disciplined execution and margin expansion across its global businesses. All metrics point to sustained improvement in profitability and balance sheet strength, with management reiterating long-term growth ambitions. The following is a detailed takeaway from the Q2FY26 earnings call, structured under key heads and with actionable disclosures for institutional investors.

Financial Performance

- Revenue for Q2FY26 grew 4.6% YoY; full H1 growth at 5.5% YoY, demonstrating consistent topline momentum across markets.
- EBITDA rose 25.4% YoY for Q2FY26, with margin up 320bps sequentially to 19%; H1 EBITDA of INR 450 million at 19.2% margin, up 230bps YoY.
- Operational PAT for Q2FY26 reached an all-time high at INR 140 million; operational EPS at 15.2 for the quarter is the highest ever, with H1 operational PAT at INR 254 million.
- Operating costs maintained at 39% of sales, supporting sustainable margin expansion.

US Business Takeaways

- US revenue for Q2FY26 at USD 73 million, up 2% YoY despite sustained competitive intensity in several molecules; 3 new launches in H1FY26, taking commercialized products to 70.
- Holds top-3 market position in 37 products, with these accounting for 75% of US revenue; one added in the quarter.
- US business is maintained with a calibrated approach focused on profitability rather than pure revenue growth—margin discipline prioritized.
- Management reiterates long-term ambition of reaching USD 400 million in US revenue by FY28, backed by leadership positions, pipeline strength (230 ANDAs filed; 215 ANDAs approved as of Jul'25), controlled substance segment investments, and in-house R&D efforts.
- Product portfolio rationalization, focusing on strategic margin thresholds; low margin products dropped from commercialization.
- Chestnut Ridge plant delivering operational efficiencies and supply chain discipline in the US sector; third of group revenue derives from US.
- Management expects growth to be steady and sustainable, not lumpy or dependent on one-off launches; competition in the US market will continue, and portfolio leadership will be key.

Other Regulated & Growth Markets

- Other regulated markets recorded strong 16% YoY growth; positive momentum in Europe with large EU partners onboarded – this forms a new base for future growth.
- Growth market revenue at USD 17 million, up 7% YoY; Africa business highlighted as a standout performer in the quarter.
- Regulatory filings underway in growth markets; management expects new dollar revenues to accelerate post FY27/FY28 as regulatory pivots and product launches mature.
- Rest of the world markets ('other regulated' + 'growth markets') have reached the INR 10 billion mark over H1; company confident in platform for structural growth across B2B and B2C opportunities.
- UK and other developed markets stable, forming new base for sequential growth; product/portfolio build-up supportive of forward-looking growth trajectory.

Access Markets, Capex, and Strategic Investments

- Access markets remain lumpy and highly susceptible to donor funding volatility; management expects H2FY26 to be better than H1, albeit with high uncertainty.
- Capex intensity higher in H1FY26 at INR 149 million; investment split between maintenance capex, growth capex, intangibles, and strategic expansion (e.g., controlled substances, new R&D programs).
- Investments supporting core platforms and future capability build-out—regulatory strategy and go-to-market being actively executed.

Guidance

- Guidance for US revenue at USD 400 million by FY28 remains intact; similar ambition for mirroring US trajectory in other regulated growth markets in the next 2–3 years.
- Company remains proactive in dropping underperforming products and investing in niche, high-barrier portfolio; long-term structural drivers (pipeline, regulatory strategy, supply discipline) well established.

Jay Bee Laminations Q2FY26 Concall KTAs | CMP : INR 195 | Market Cap: INR 4.4 Bn

Company Overview

- Jay Bee Laminations as a manufacturer of CRGO silicon steel cores for power distribution transformers and now operates three manufacturing units in Noida and Greater Noida, Uttar Pradesh.
- The company's current installed capacity stands at 19,740 MTPA for CRGO products and 1,000 MVA for transformers. Their facilities are approved by PGCIL up to 400 kV class and are ISO and BIS certified.
- The company recently started a transformer business division under the INTELLICORE brand and completed capacity expansion at Greater Noida.

Product Portfolio

- Major products include cut laminations, assembled cores, core coil assemblies, and transformers. Each manufacturing unit is equipped with in-house testing laboratories and fabrication facilities.
- The company focuses heavily on quality, demonstrated by a declining rejection rate over recent years: 0.72% in FY23, 0.32% in H1FY26.

Market Outlook & Industry Position

- The Indian power and distribution transformer market is projected to grow from USD 3.97 billion in 2023 to USD 8.41 billion in 2030, at a CAGR of 10.84%.
- The company's core strengths include strong market reach, expertise in CRGO steel processing, established customer relationships, and high operational efficiency.

Financial Highlights

- In H1 FY26, Jay Bee Laminations reported net sales of INR 2,187 million, with a PAT margin of 1.68%. The company saw 40% YoY volume and 43% revenue growth, though margins were pressured by high-cost inventory and commodity volatility.
- Financial discipline was maintained, with controlled costs and a move toward leaner inventory as raw material prices softened.
- Annual PAT for FY25 reached INR 253.86 million, with a PAT margin improvement to 6.91%.

Operations & Production

- The company maintains a balanced product and regional revenue mix, reducing customer concentration risks. New customer additions accounted for about 10% of H1FY26 sales.
- Production in H1FY26: Unit-I (2,928 MT), Unit-II (4,522 MT), Unit-III (242 MT), with total installed capacity to reach 24,000 MTPA by end of 2025.

Strategic Initiatives & Growth Plans

- Jay Bee aims to obtain NABL accreditation for its in-house lab and approvals from major public and private utility customers in FY26, targeting further market penetration.
- The company is focusing on the TD EPC segment, having secured initial contracts and built a dedicated execution team.
- Growth in the transformer division (INTELLICORE) is expected, aiming for INR 500 million revenue in H2 FY26 based on current pipeline.

Future Outlook

- With expansion projects, a robust order pipeline, and strategic brand initiatives, management expresses strong optimism for continued business scalability and margin recovery in the coming periods.

Godrej Consumer Products Ltd– Q2FY26 Concall KTAs**CMP: INR 1,119 | Market Cap: INR 1,144 Bn****Financial Performance**

- Q2FY26 Consolidated: Revenue +4% YoY in INR (+3% UVG); EBITDA margin 19.3% (stable YoY, last weak quarter per mgmt); NPBE -2% YoY; GST transition disrupted trade (3-4% topline hit, esp. soaps/hair color), but pipeline largely normalized within Q2.
- H1FY26 India Standalone: Sales +4% YoY, volumes +3% (ex-soaps double-digit UVG); soaps -ve due to GST destocking (2/3 portfolio price cuts, 1/3 grammage hikes); home care +6% (air fresheners/fabric care led); personal care -2% (soaps drag).
- Margin Drivers: India EBITDA at lower end of 24-26% normative band in H2 (vs. Q2 deleverage from GST/fixed costs; offsets from media savings ~200 bps, pricing/cost curve); employee costs -13% YoY (EVA-linked, to normalize with profits); no one-offs.
- International Margins: Indonesia stable (mildly below normative, boosted by distributor reclass/cost savings plowed into pricing); Africa mid-teens (up from prior moderation, post one-offs); LatAm volatile.

India Business Update

- Volume Trajectory: Q2 UVG +3% (Q1 +6%, H1 ~4.5%; ex-soaps double-digit); soaps sharply -ve (pipeline chaos), but mgmt expects high single-digit turnaround in H2 (upgradation from sub-pops/locals post-5% GST; ~1-1.5% UPG offset by mix).
- Category Performance: HI double-digit volumes (new molecule share gains: electrics significant on high base, coils reasonable; incense sticks market leader, +100% growth but category share still rising—efforts to premiumize/spread season ongoing); Q2 monsoon widespread/low temps hit seasonality, but spreads vs. index positive.
- Distribution & Execution: Continued share gains in soaps (volume-led); GST restocking mostly complete by Oct (within Q3); no major urban/rural divergence noted.

International Business Update

- Indonesia: UVG +2% (stable, low single-digits expected next few qtrs amid macro slowdown/pricing competition); revenue -7% CC (-4% optical from distributor reclass, rest BTL/plowed savings); margins mildly improved (lower normative range, some expansion in H2 as pricing eases).
- Africa/USA/ME (GOM ex-Indonesia): +25% INR sales (+15% CC, lapping low base; unlikely to sustain—high single/double-digit CC expected); EBITDA +20% (mid-teens margins, wide range due to structural volatility; currency +10% tailwind rare); Air Wick launch strong.
- LatAm: Volatile macro headwinds; no specific guidance, but consolidated intl. pressures temporary.

Strategic Initiatives & Acquisitions

- Mustache Acquisition: Definitive agreement for INR 320 Cr (4x sales/10x EBITDA on ~INR 80 Cr TTM NSV, INR 30 Cr adj. EBITDA); men's face wash leader (2 online/3 overall, ~10-12% men's segment share in INR 1,000 Cr mkt growing 25%+); 95% revenue from single anti-acne SKU (influencer-led, T2/T3 over-indexed, high retention/stickiness).
- Portfolio Expansion: Launched Godrej Spek (toilet cleaner, INR 59/500ml, stain-prevention formulation at 70-75% RPI to leader; select South launch); extended Park Avenue to deodorant lotion; organic launches (Godrej Block antiperspirant); pet care/antiperspirants in pipeline.
- Inorganic vs. Organic: Mix based on category intensity (acquire if 3-4 players/baked, attractive valuation); e.g., Mustache for men's face wash entry (synergies: soaps upgradation to liquids, GT/e-com expansion, influencer learnings); Fab/Spek as disruptive organic plays.

Market & Category Insights

- Soaps Upgradation: 5% GST aids shift from locals/sub-pops (tax compliance edge); category to grow faster medium-term; GCPL outperforming mkt long-term (Q2 share gains despite chaos).
- Men's Face Wash: INR 1,000 Cr sub-segment (15-20% overall face wash growth); online-led (Mustache ~30% share), expanding to T2/T3/rural via GT/modern trade; unique formulations (anti-acne) drive polarization/stickiness.
- Household Insecticides: Incense sticks high growth (category share rising, not ideal—mgmt mediating premium/electrics push); electrics/coils gaining (new molecule efficacy + INR 50 pack affordability); HI to high single-digits annually (from low single pre-relaunch).

Outlook & Guidance

- FY26 Topline: India high single-digit UVG (H2 double-digit+ ex-soaps, soaps inflection); consolidated high single-digit revenue (intl. sequential strengthening); H2 > H1 trajectory (demand improving).
- FY26 EBITDA: Double-digit growth for India/GOM; consolidated marginally below initial double-digit guide (Indonesia/LatAm headwinds); H2 sequential improvement (India to 24-26% band lower end; intl. Q2-like with Africa seasonality).
- FY27 Margin Expansion: Cost savings + low-margin SKUs (laundry/incense) mix shift; palm stable (range-bound 4,000-4,500 ringgit; domestic PFAD attractive post-duty cuts).

Sat Kartar Shopping Ltd – H1FY26 – Concall KTAs

CMP: INR 195 | Mcap: 3,070 Mn

Outlook and Guidance

Management has articulated a confident and aggressive growth trajectory, projecting a consolidated revenue target of INR 300 Cr. by FY27. The near-term revenue growth guidance is set in the 20-25% range, with potential upsides to 30-40% based on the successful implementation of new initiatives. Furthermore, the PAT margin is expected to continue its upward trend, with a target to reach 9-10% this year, eventually escalating to 12-15% by FY27. The management anticipates the second half of the year to be even more powerful, driven by the full-scale AI rollout and strong underlying product momentum, positioning the company as a key player in the global wellness space.

Financial Highlights

- Revenue: Consolidated revenue stood at INR 90.9 Cr., marking a solid 18% YoY growth. Standalone revenue grew 17% YoY to INR 35 Cr., reflecting robust product demand and efficient delivery systems.
- PAT margin saw a substantial jump, rising from 5% in the comparable previous period to 8.1% currently, an expansion of over 200+bps. This significant improvement was attributed to disciplined spending and operational excellence.
- Strategic Expansion into Healthcare: The company is entering the Ayurveda hospital segment, transitioning from an Ayurvedic product company to a complete health and wellness ecosystem encompassing hospitals, nutraceuticals, and digital distribution.
- The goal is to establish 300 beds by the final quarter of FY27, with initial focus on the NCR region.
- AI and Digital Transformation: Management announced the completion of beta testing and readiness for a large-scale AI rollout. This initiative is expected to enhance CRM intelligence, digital operations, and customer experience, positioning company as one of the first Ayurveda companies in India to deploy AI at scale. The AI engine is designed to be a data power house, converting high-ticket size leads into low-ticket size product sales.
- Manufacturing Strategy: A new, minimally capital-intensive manufacturing unit (CapEx less than INR 1 Cr.) has been set up. Critically, the company will maintain its flexible 'satellite model' by limiting internal production to less than 25% of total requirement and continuing with contract manufacturing. This factory will primarily serve as a dedicated R&D lab.

Operational Headwinds Addressed:

- Topline Impact: A pre-emptive and extended slowdown in May due to Indo-Pak tensions resulted in an estimated top-line loss of approximately INR 6 Cr. and a negative bottom line for that specific period.
- Trade Receivables A temporary increase in trade receivables was caused by a software glitch at India Post, which has since been substantially resolved, with 80% of the stuck payments recovered.
- Marketing Cost Strategy While advertisement costs remain high, the management indicated that a drastic reduction is not planned. Future profitability and margin expansion will primarily be driven by better infrastructure utilization rather than aggressive cuts to customer acquisition costs.

Other Key Highlights

- High-Margin Model Philosophy: The business model aims to achieve Return on Ad Spend on the first sale, with subsequent second, third, and fourth sales being pure profit add-ons
- Premium Pricing Defense: The higher pricing for certain products is justified as they are positioned as premium lifestyle products, not merely medicines, drawing an analogy to premium brands like Nike or On.
- Hospital Funding: The expansion into the Ayurveda hospital segment, including the target of 300 beds, will be financed entirely through internal accruals, with no immediate plans to raise fresh equity.
- International Footprint: A US subsidiary has been made ready, and international territories have been opened up. Management clarifies these are long-term initiatives and will not provide immediate revenue.
- Employee Focus: The board has approved an ESOP for FY25-29, which is applicable to all employees, underscoring the management's view that its people are its biggest strength.

L T Foods Ltd– Q2FY26 Concall KTAs**CMP: INR 420 | Market Cap: INR 146 Bn****Financial Performance**

- Q2FY26 Highlights: Record quarterly revenue INR 2,772 Cr (+30% YoY; normalized +12% ex-Golden Star consolidation & US tariff impact); EBITDA INR 316 Cr (+24% YoY), margin 11.4% (-60 bps YoY) due to elevated brand/digital investments; PAT growth +8.7% YoY, but margins compressed to 6.3% H1 (from 7.2% prior) on mix shift (Jasmine rice addition), organic underperformance, and consolidation effects.
- Cash & equivalents INR 600+ Cr vs. ST borrowings INR 1,200 Cr (geo mismatch: India surplus, intl. WC needs; blended cost ~7%, offset by returns on surplus); payables days up 15 to 43 (better vendor terms); RoCE improved to ~22% on higher-margin segments; stock-in-trade jump tied to GS pre-packed imports from Thailand.
- Decline ex-GS profit share (now consolidated); no material one-offs, but tariff pass-through (~INR 150 Cr Q2 revenue uplift from initial 10% duty) supports topline.

Strategic Acquisitions & Investments

- Global Green Europe Acquisition: €25 Mn EV all-cash deal for Hungary-based entity (100% stake post-FDI approval, expected 2-3 months); adds ~€40 Mn revenue in €1.5 Bn European canned foods market; EBITDA-positive but stagnant growth historically due to financial constraints; ~€6-7 Mn intangibles/goodwill; establishes 3rd EU manufacturing hub for RTE/RTC synergy.
- Nature Bio Foods (Organic Arm) Expansion: New Rotterdam B2C facility (INR 20 Cr initial capex + INR 15 Cr over 3 yrs) for private-label entry; sources from 20+ countries (India/Africa focus); revenue ramp from FY27, targeting +INR 400 Cr incremental over 5 yrs; H1 margin pressure from third-party scaling and non-basmati price softness (global surplus post-India export ban).
- Other Capex: INR 5 Mn (~€0.6 Mn equiv.) in LT Pools UK sub for leverage optimization (debt/equity & D/E ratios); RTC capacity double in US delayed 6-9 months, now ramping Q4 for demand capture; Daawat Biryani Kit hits 1 Mn annual units.

Segment & Geography Performance

- Basmati/Specialty Rice: H1 +24% YoY (normalized +11.4%); organic sub-segment +26% on sustainable demand; non-basmati pressures from surplus/high harvest costs, but recovery expected H2 via market pricing.
- RTC/RTE (Convenience/Health): +9% H1 despite capacity constraints; strong US demand unmet (new unit delay); launches like Daawat Thai Green Curry Kit post-Biryani success; margin dip from promotions/third-party costs, but H2 acceleration via Q4 ramp (break-even deferred 6-7 months, on track for INR 400 Cr FY26 revenue).
- North America (46% Revenue): +47% YoY (normalized +16%); Royal 54% basmati import share, 61% overall; Golden Star 1 Jasmine brand; ~INR 353 Cr H1 consolidation uplift.
- India (30% Revenue): +13% YoY; Daawat 26% mkt share (leadership West); HH reach +24% to 56.2L (Mar'25); category +7-8%, supported by doubled H1 ad spend.
- Europe/UK (15% Revenue): +31% YoY on distribution gains; investments in people/infra; ME/ROW (9%) QoQ recovery (Q1 -33%, Q2 share gains); Saudi focus for 5-yr build in key basmati mkt.

US Tariff & Supply Chain Updates

- CVD Developments (EcoPure Subsidiary): Public hearing Sep 16; final determination extended to Nov 17; phased duties (10% initial, +25%, +50%) impacted ~50% US imports; partial pass-through on 10% (~INR 150 Cr Q2 revenue), full negotiation ongoing for remainder (process to reflect in coming qtrs).
- Pass-Through Strategy: Initial 10% absorbed/negotiated; higher tranches in customer discussions; no Q2 heat taken beyond early phase; stocks fully available for Christmas, shelf presence intact.
- Crop & Input Outlook: Basmati acreage +1.5% YoY; LT share ~7-8% of crop (no supply constraint for double-digit growth); inputs stable QoQ (80% sourced Oct-Feb); cyclical dynamics (carryover buffers surplus); global non-basmati softness from India ban/high production, but basmati firm.

Brand & Market Strategy

- Core Focus: Leverage Daawat/Royal equity for "rice-plus" extensions (RTC/RTE kits, potential yogurt/lassi synergies); distribution as key moat for adjacencies; 5-yr rolling plan targets 16% CAGR revenue, 21% PAT (specialty rice core at 5-7% category growth).
- India/Modern Trade/Quick Commerce: Category +7-8%; Daawat 2 brand, geared via doubled ad investments; no rising intensity noted—strong positioning vs. top players; HH penetration drives volume.
- Global Priorities: Brand trust via marketing; digital transformation; partnerships for RTE/RTC scale; organic rebound via EU private-label; ME greenfield build for basmati dominance.

Outlook & Guidance

- FY26 Priorities: Deepen brand equity, accelerate expansions (US/EU/India/ME), digital investments for future-proofing; H2 optimistic (India/EU/ROW promising; US tariff watch over next 2 months); organic margins recover by Q4; RTC +growth from Q4 capacity.
- Margin Trajectory: EBITDA stable at 11-12% long-term (investments front-loaded); PAT to inflect with pass-throughs/organic normalization; RoCE ~22% sustainable on mix.
- Long-Term View: 5-yr CAGR intact; no crop/supply risks; tariff resolution key upside; Global Green to bolster EU positioning post-approval; break-even on new units FY26.

Vedant Fashions Ltd – Q2FY26 Concall KTAs**CMP: INR 646 | Market Cap: INR 157 Bn****Financial Highlights**

- Reported revenue from operations at ~INR 263 Cr (+4.6% YoY on customer sales of INR 3,49 Cr), impacted by 15-20 day dispatch disruption due to GST rate rationalization adjusted for disruption, customer sales growth ~5%; PAT at INR 56 Cr.
- TTM Sep'25 cash conversion cycle ~79% (OPCF/PAT ex-finance income); inventory down QoQ but receivables stable at 79 days TTM (slight uptick from FY25's 77 days, tied to primary revenue lag); capex INR 11 Cr for flagship store experiments in Bangalore (one-off, no further FY26 capex planned).
- H1 GM contraction attributed to seasonal/product mix (non-comparable Q2 wedding calendar); no structural issues like markdowns/write-offs/store closures; full-year view preferred, with historical H1FY24 GM ~66% expanding to FY-end.

Operational Updates

- Modest net GTA addition of 3.5k sq ft in Q2 (prioritizing quality/sustainable openings amid rationalization); 13 net EBO closures (9 from SIS to MBO shift, rest underperformers/migration); total footprint 1.79 Mn sq ft across 671 stores in 257 cities; ~150 SIS EBOs currently.
- Added 2 stores in Australia/UAE; early strengthening of EBO presence.
- Swift GST implementation (barcode/MRP updates on >1 Bn SKUs) disrupted Q2 dispatches but normalized post-transition; no material one-off costs; Q1 revenue gap (~500 bps primary vs. secondary) tied to inventory turn optimization (higher store efficiency, lower primary for better cash flows).
- New stores (<5 years) outperform mature ones; refurbished stores see one-time SSG uplift; Q2 SSG -2% but best-ever non-wedding quarter (H1 +8.3% more comparable).

Brand and Marketing Strategies

- Reinforced weddingwear leadership via "Aap Ka Banjaaye Hai Manyavar" campaign, Aranya Collection launch, and Wedding Ambassadors; focus on footfall via innovative initiatives like upcoming Manyavar Shaadi Show to drive H2 growth.
- Mohey: "Mohe Rangdot" campaign boosted festive/expressive positioning (coral pink to minty green palette); strategic pivot from bridal-heavy (lehengas ~30% of sales, down from 50-55%) to non-bridal (stitch suits, sarees, crop tops) expanded TAM and eased demand dynamics.
- Momentum in bridge-to-luxury via "Truly You" storytelling, Wedding Asia/Artguru activations; strong performance in EBOs and as luxury upsell in Manyavar stores.
- Festive-focused (not economy) with digital/social campaigns for Rakhi/Navratri/Diwali; encouraging Q2/H1 traction in online/MBO channels; viewed as sub-line for now, with plans to standalone in 3-4 years.

Market and Competitive Landscape

- H1 footfalls rebounded in AP/Telangana (+north of 20-30% growth, vs. prior drag); men's segment lagged on footfalls (5-10% shortfall key growth headwind); women's ethnic (sari peers +35%) outpaced due to regional/mix divergence, but no broad men-women wedding split; macro reasons (e.g., footfall normalization) hard to pinpoint.
- Industry store openings flat QoT (net zero across tracked players amid financial pressures); Manyavar stores adjacent to competitors saw +5% SSG delta, indicating macros > competition as primary drag; unorganized sector not aggressively gaining share at organized price points (GST compliance high in MBOs).
- Retention/repurchase rates and NPS improving; repeat customers driving design/quality perception gains; 2.5x design testing YoY yielding bps conversion uplift; bridal purchase windows: men 10-15 days pre-wedding, women 30-40 days.
- Wedding/Festive Trackers: ~1 Cr annual weddings; winter dates > summer; post-Navratri/Diwali peaks; state-reported marriages/banquet intel for post-Q analysis; October festive sentiment positive on GST cuts (99% products lower, though company's mostly +6% to 18%).

GST Impact and Pricing

- Majority products shifted 12% to 18% GST; full barcode/MRP realignments completed pre-peak; no secondary sales impact, but primary lagged; net MRP hikes calibrated by SKU performance/value (some absorbed, others partial/full); e.g., Manyavar kurta-pajama MRP cut to INR 2,624 (12% GST inclusive) for defensiveness.
- Broad +6% GST shift, but post-change sales data (Q3 festive) needed for precise net pricing impact quantification; no further hikes planned immediately; consumer frenzy on overall rationalization boosting sentiment.

Outlook and Strategic Priorities

- H2 focus on marketing pivot (e.g., Shaadi Show) for footfall; SSG target mid-teens long-term via 2.5-3% ASP inflation +0.5-0.6% mix shift + volume/repeat gains (sustainable 8-9%); store rationalization completes in 6-7 months, reverting to ~1.5-2L sq ft net adds annually in steady state.
- 4-5% SSG = flat EBITDA leverage (offsets 15% triennial rent hikes); 8-10% SSG implies expansion (H1 margins non-recurring, expected recovery with SSG); full-year GM view stable.
- Optimistic on category boom (nascent men's celebration wear, middle-class expansion); Coco model core, with franchise scalability; Q3 commentary post-festive/wedding for deeper insights; H2 weighted larger with macro tailwinds expected to unlock rebound.

Macrotech Developers Ltd - Q2FY26 Concall HighlightsCMP – INR 1,198 | Mcap – INR 1,196 Bn**Management Outlook:**

- Indian economy shows positive sentiment with GST rationalization benefiting consumers; RBI delivered a 50 bps rate cut, with more expected following US Fed actions. RBI revised GDP forecast to 6.8% (from 6.5%), though medium-term aspirations are higher; real estate expected to contribute positively amid improved ease of doing business.
- AI revolution seen as a major productivity booster; India positioned to lead in data centers, value-added services, and GenAI applications, creating opportunities for agile companies.
- FY26 pre-sales guidance maintained at INR 210,000 mn (20% YoY growth), with embedded EBITDA margins at 32% (implying INR 65,000+ mn). Aim to scale quarterly run rate to high INR 50,000-60,000 mn, supported by resolved environmental clearances in Mumbai.
- Price growth at 3% in H1FY26, on track for 5-6% in FY26 to maintain affordability below wage growth. Medium-term strategy targets 20% annual growth and 20% ROE.
- Industry consolidation ongoing, with capital providers and landowners preferring top brands; diversified model across segments reduces risks.

Business Development and Expansion Plan:

- Added one project in MMR with GDV of INR 23,000 mn; H1FY26 additions met full-year guidance of INR 250,000 mn GDV, with potential to outperform due to strong pipeline.
- Palava data center park (400 acres) advancing: MoU with Maharashtra for green incentives (>USD 1 bn total benefits); anchored by AWS and STT. Land values risen to ~INR 3,000 mn/acre (from INR 210 mn), valuing balance land at INR 100,000 mn. Exploring value-add like PowerShell (potential annualized PAT of INR 100 mn/MW), additive to residential; dedicated team to finalize plan by next quarter. Infrastructure includes 3 GW power, 100 MLD recycled water, and fiber connectivity; PUE 1.2-1.3, build costs INR 6-7 mn/MW.
- Palava and Upper Thane townships progressing: Mulund-Airoli Freeway operational next quarter, bullet train station by 2028-29 (10-min ride to BKC), metro by 2028; transitioning Palava to upper mid-income/premium, with sales/margin uplift from FY27.
- Pune and Bangalore scaling strongly, contributing 30%+ of pre-sales (up from 3% at IPO); Pune market >INR 600,000 mn with 1-year inventory, Lodha at INR 14,000 mn in H1FY26 (on track for annual target), 11 projects, 2nd largest developer aiming for No.1 in 2 years; new launches in Pune East/West.
- NCR pilot starting FY27, initial focus likely on Gurugram, but open to other areas; standard model involves 2-3 year pilot before growth phase.

Other Highlights:

- Achieved best-ever Q2 pre-sales of INR 45,700 mn (+7% YoY); H1FY26 at INR 90,000 mn (43% of guidance). JDA contribution at 50% of pre-sales (above 40% target), yet embedded EBITDA at 32%. Pro forma PAT at INR 9,300 mn (20.3% margin), ROE ~20%.
- Revenue at INR 38,000 mn (+45% YoY), adjusted EBITDA INR 13,000 mn (+37% YoY, 34.4% margin), PAT INR 8,000 mn (+87% YoY), operating cash flow INR 14,700 mn.
- Net debt at INR 53,700 mn (0.25x equity, below 0.5x ceiling); cost of debt down 30 bps to 8%.
- Ranked among top 1,000 trustworthy companies globally by Newsweek (only Indian RE firm, among 18 global developers).
- Sales mix balanced: ~50% mid-income (picking up on govt support like rate/tax cuts), 12-15% luxury, balance premium; average realization may vary periodically due to mix.
- Pune specifics: Diversified demand (IT, auto, manufacturing, defense, education, GCC); premium pricing maintained; deliveries starting in 12 months to strengthen brand.
- Data center opportunity seen as global-scale, with India/Mumbai advantages (50% of India's capacity, low latency potential to Europe/US); not alternative to residential, could add INR 25,000 mn annualized PAT from 250 MW (10% of 2.5 GW IT capacity).

Affle 3i Ltd | KTA | Q2FY26 | CMP: INR 1,897 | M-Cap: INR 266 Bn

Financial Highlights

- Revenue: INR 6,467 Mn, up 19.1% YoY; highest-ever quarterly revenue.
- EBITDA: INR 1,461 Mn, up 28.9% YoY; sequential growth of 4.6%.
- EBITDA Margin: 22.6%, expanded 172 bps YoY; sixth consecutive quarter of margin expansion.
- PAT: INR 1,105 Mn, up 21.1% YoY and 4.8% QoQ; highest-ever quarterly PAT.
- H1 FY26 Revenue: INR 12,675 Mn; EBITDA INR 2,858 Mn, up 31.2% YoY.
- PBT: INR 1,353 Mn, up 19.2% YoY.
- Inventory & Data Costs: 61.2% of revenue; employee cost up 3.5–7% sequentially.
- Other Expenses: 6.4% of revenue, down INR 7.2 Mn QoQ.
- Provisioning Impact: ~0.5% of PBT related to RMG vertical; reviewed by auditors.

Business & Operational Performance

•CPCU Business:

109 Mn conversions during Q2 FY26.

Average CPCU rate: INR 58.

CPCU revenue: INR 6,319 Mn.

•Revenue Mix:

India + Global Emerging Markets: 73.9% of revenue; grew 20% YoY.

Developed Markets: 26.1% of revenue; grew 16.8% YoY.

India Revenue: INR 24.8% YoY growth (standalone); 10.5% QoQ growth driven by early festive spend.

Non-CPCU Revenue: ~INR 150 Mn due to certain licensing and brand campaigns; considered feeder for CPCU model.

Technology & Innovation

•AI Integration:

Deployment of Niko – specialized AI agentic capability for ROI-driven advertising across iOS ecosystem.

Opticks AI – GenAI-powered creative engine enhancing automation and marketing intelligence.

80%+ of company activity now AI-powered across operations and campaigns.

•Patents:

Two new U.S. patents granted; total patent portfolio at 16.

First patent enhances ad exposure measurement through probabilistic encoding.

Second patent improves ad fraud detection via hardware and software-based user identification.

Market & Strategy

•India & Emerging Markets: Benefited from early festive season; broad-based growth across verticals.

•Developed Markets: Budget rollovers from Q2 to Q3 due to tariff uncertainties; expected rebound in festive quarter.

•Vertical Diversification: Balanced portfolio with resilience against sector-specific volatility (FinTech, e-commerce, retail, gaming, etc.).

Customer Base: 25% of revenue routed via agencies; direct advertiser relationships remain deeply integrated technologically.

Key Management Insights

- Growth Outlook:

Consistent medium-term growth target of ~20% maintained despite RMG and U.S. macro uncertainty. Core focus on profitability and margin sustainability rather than low-margin growth.

- M&A Pipeline:

Evaluation list of ~10 potential targets; emphasis on DNA match and valuation discipline.

Target cadence: one acquisition every 1–2 years.

- Cash & Capital Allocation:

Healthy cash flow and balance sheet to support organic and inorganic growth.

- AI Productivity Impact:

Significant efficiency gains enabling higher campaign throughput and faster ROI delivery.

Industry Recognition

- Ranked as fastest-growing and second-highest gainer in market share per Singular's Q3 CY25 report.

- Awards: Most Effective Use of AI & ML and Proximity Campaign of the Year (e4m IDMA 2025); ET DigiPlus Awards 2025 recognition for AI-driven marketing automation.

Outlook

- Strong festive pipeline for Q3 FY26 with resilient demand in both domestic and developed markets.

- Focus remains on high-quality conversions, expanding AI-led automation, and disciplined margin expansion.

- Medium-term growth guided by technology-driven scalability, geographic diversification, and sustained CPCU model strength.

Salzer Electronics Ltd | Q2FY26 | Concall Key Takeaways | CMP: 810 | Market Cap: 14.32 bn

Performance Highlights

- Revenue: up 22% YoY to 4,190 mn (vs 3,440 mn)
- Other Income: 370 mn
- PAT: 130 mn
- Q2 was sequentially lower by ~6% due to an exceptionally strong Q1.
- Company maintains FY26 revenue growth guidance of 18–22% and targets ~20% YoY growth.

Business Segment Highlights

1. Industrial Switchgear – 63% of revenue

- Grew 28% in H1FY26.
 - Export growth: 7% YoY in H1.
 - Received a patent for a new dis-earthing and user-friendly high-voltage network design improving safety.
 - Smart meter project progressing well, Achieved 2,200 mn revenue till date.
- 2,200 mn order book + 3,000 mn LOI likely to convert soon.
- Smart meter business marks entry into a high-growth energy management space.

2. Wires & Cables – 6% of total revenue

- Facing margin pressure due to negative interest spread, but management sees no threat to current revenue or margins.

3. Building Electricals

- Stable performance, supported by domestic demand.

4. Energy Management (Smart Meters & EV Chargers)

- EV charger business gaining traction:
 - o Partnership with Ultra Fast Chargers Ltd; 5 chargers sold so far.
 - o Two charger types – DC fast chargers (4-wheelers, buses, trucks) and 3–22 kW chargers (2/3-wheelers).
 - o With government push, EV chargers expected to become a meaningful growth driver in coming years.

Subsidiary – Kaycee Industries

- Revenue: 288 mn in H1FY26 (up from 133.5 mn YoY).
- EBITDA: 22 mn
- PAT: 15 mn
- Double-digit growth expected to continue.
- Serves Tier-2 suppliers to OEMs; export validation awaited.
- Holds ~10 AMSP orders under execution.

Exports & Geography Mix

- Export share:
 - o FY25 – 28%
 - o FY26 YTD – 24% (absolute growth but slower than domestic).
- Direct US business: ~7% of sales (up from 3% indirect).
- Tariff impact: 15% under review.
- US market growth expected at 30–40% in H2 despite some slowdown in October.
- Other geographies: Asia showing mild softness.
- Full-year export growth expected at ~10%.

Outlook & Guidance

- Maintain FY26 revenue growth of 18–22%.
- Will revisit guidance post-Q3 if conditions remain favorable.
- FY27 revenue projections under internal review.
- Focus on cost control and improving PAT margins, which currently lag EBITDA by ~500 bps.
- Smart Meter potential: medium to long-term opportunity of INR 25–40 bn (2,500–4,000 crore) over next 5 years.
- Borrowings: Long-term borrowings stable.
 - o Short-term borrowings higher due to smart meter working capital needs.
- Railways business: small contributor (~150–200 mn revenue) but expected to grow with addition of 1,400–1,600 locomotives.
- Industry dynamics: entry of new players seen as positive for sector awareness and expansion.

Overview:

Salzer delivered strong H1 performance driven by industrial switchgear and smart meter businesses. Despite a softer Q2 and temporary export slowdown, the company retains confidence in sustaining ~20% annual growth. Strategic moves into smart meters and EV charging position it well for multi-year scalable growth.

Schaeffler Q3CY25 Concall Highlights**Mcaps: INR 669.7bn | CMP: INR 4,285**

Outlook: The demand momentum remains sustained, fueled by an uptick in automotive demand following recent GST reforms. The strong focus on localization (~79%) will enhance margins. The company got a 300mn Euro lifetime order for E-axes, and the pipeline of new business wins is a growth driver. Bearings and Industrial solutions are facing quarterly volatility due to their project-based nature. The company is focusing on leveraging existing capacities in 2026 and planning investments in 2027. We have a positive outlook on the stock.

Margins

EBITDA margin stood at ~20% in Q3CY25, supported by better fixed cost absorption due to higher volumes and improved capacity utilization across plants.

Capex

The capex stood at ~4% of sales in 9MCY25. The company is focused on capital efficiency and sweating existing assets in 2026.

The pickup in capex is expected from 2027 onwards. The investments are mainly for localizing existing imported product lines, particularly in the bearings portfolio, and building capacity for new sectors like electric vehicles.

Automotive Technologies

In Automotive Technologies, the company secured new orders for clutch systems, dampers, and hydraulic tensioners for passenger and commercial vehicles.

The demand from OEMs is bullish, especially with the anticipated positive impact of GST reforms.

The company got a lifetime order book of 300mn euros for its E-axes, with revenue recognition dependent on the customer's production ramp-up schedule.

Bearings & Industrial Solutions

Bearings & Industrial Solutions' revenue has been impacted due to the project-based and tender-driven nature of the business.

In Bearings and Industrial Solutions, there were significant wins, including a slewing ring business in the off-road segment and orders for cylindrical, taper, and angular contact bearings.

Sectors like wind energy and railways are subject to timing differences in project execution and tender releases.

Industrial automation, two-wheelers, off-road, and the distribution segments performed well.

Vehicle Lifetime Solutions

The company is innovating by testing a new lubrication dispensing center, a vending machine model, within its plant.

The strategy is focused on launching "white space" products, expanding distribution reach, and using software tools to optimize inventory across the network for better efficiency and margins.

KRSV

KRSV (Koovers E-commerce Platform) EBITDA margins stood at -14.7% in Q3CY25. The breakeven is expected post-2027. The company is focused on topline growth, expanding its network of dark stores and hubs, and improving operational efficiency.

Localization

Localization content stood at 79% in Q3CY25. The company is targeting 80%.

Automotive localization – 85%-90%, while industrial bearings import content stood at 40% due to lower volumes and project-specific requirements.

The localization strategy involves shifting production lines from Europe to India, tooling existing machines for new products, and localizing the E-axle portfolio.

Localization of E-axle components is underway in India as per the agreed plan with customers.

Other highlights

Exports contributed 15% of revenue.

The growth in the domestic market and intercompany exports remains strong in Q3CY25.

GHCL Textiles Ltd Q2FY26 Concall KTAs**CMP: INR 81 | Markets Ltd: INR 7.7 Bn****Financial Highlights**

- Q2 revenue at INR 339 Cr, +11% YoY; driven by record quarterly yarn production of 11,400 tons.
- EBITDA up 31% YoY to INR 38 Cr; PAT at INR 16 Cr despite muted demand environment.

Operational Highlights

- Yarn production +22% QoQ to 11,400 tons; new 25,000-spindle unit contributed ~30–35 Cr in revenue at ~50% utilization.
- Fabric revenue share rose to 11.4% (highest ever) under the job-work model; Phase-1 of 15 knitting machines on track for Q3 completion.
- Exports up sequentially to INR 30 Cr; Bangladesh ~40–50% of export mix, followed by Europe, Turkey, and Southeast Asia.

Key Highlights

- Spinning: Value-added compact yarn ~50% of mix; yarn prices stable despite cotton price decline (INR 56K to INR 54.5K/candy).
- Vertical Integration: INR 600 Cr deployed of INR 1,000 Cr plan; focus shifting to knitting (40 machines), weaving, and processing.
- Renewable Energy: 62 MW covers >70% of power; additional 13 MW (INR 43–45 Cr capex) to yield INR 7.5–8 Cr annual savings.
- Yarn EBITDA at ~11% in H1 vs. normalized 14–15%; spread pressure from muted demand and elevated Indian cotton premium (~5% over global).
- Fabric (job-work) currently margin-dilutive; in-house integration to add 2–5% incremental margin, targeting blended 17–18%.
- Spread recovery expected from Q4 FY26 onward, contingent on US-India FTA and demand revival in key export markets.

Guidance & Capital Allocation

- Revenue target: INR 2,000 Cr by FY28–30; ~50–60% from fabric post-integration (vs. 11.4% currently).
- Capex: Remaining INR 400 Cr over 2–3 years; debt/equity to stay <1.0; double-digit ROCE targeted in 2–3 years.
- Positive on UK/EU FTAs; Q4 FY26 likely inflection for volume and pricing stability.

Azad Engineering Ltd - Q2FY26 Concall KTAs**CMP: INR 1656 | MCap: INR 106.99 Bn**

The company posted healthy QoQ results with revenue +28% YoY to INR 1.43 Bn and EBITDA at INR 514 Mn (+36% YoY), supported by better execution and cost advantage. The Energy & Oil & Gas segment contributed ~81% of revenue, led by orders from Mitsubishi, GE, and Siemens, while the Aerospace & Defence segment grew 34% YoY with new collaborations, including an MoU with Safran Aircraft Engines. The company also commissioned a new Siemens facility in Hyderabad and continues to ramp up operations across three dedicated plants. With a strong order book, localized sourcing, and a Phase-II Mitsubishi contract worth INR 13.87 Bn, management maintained its 25-30% YoY growth guidance, supported by rising demand across energy, aerospace, and defence sectors.

Financial Highlights

- The company reported revenue of INR 1.43 Bn in Q2FY26 (+28.1% YoY) growth, supported by a strong order pipeline and better customer execution.
- EBITDA stood at INR 514 Mn, with a margin of 36% vs 35.7% in Q2FY25, mainly due to cost efficiencies, better capacity utilization, and supply-chain localization.

Segment Performance

- The Energy and Oil & Gas segment contributed INR 1.17 Bn in Q2FY26, contributing ~81% of total revenue.
- The segment grew by 81.5% YoY in H1FY26, with steady order inflows and execution of long-term contracts from key clients such as Mitsubishi, GE, and Siemens.
- The company commissioned a new dedicated manufacturing facility for Siemens at Hyderabad. This facility is designed to produce highly engineered rotating and stationary airfoils, along with other critical components for advanced gas and industrial turbine engines.
- The Aerospace and Defence segment contributed ~INR 240 Mn, which is ~16.9% of total revenue, (+34% YoY) increase.
- The company signed an MoU with Safran Aircraft Engines, collaborating with a global leader for developing rotating engine components for strategic defence platforms.
- Azad VTC Pvt Ltd achieved NATCAP accreditation for coatings, enabling it to meet the highest quality standards required in aerospace and defence manufacturing.
- The company also provided an update on the GTRE jet engine project; the program is progressing well.

Operational Highlights

- It now operates three dedicated manufacturing facilities at its new Hyderabad site for GE, Mitsubishi, and Siemens, with production steadily ramping up.
- The company's forging plant has become partly operational, and the remaining equipment installation and commissioning are underway.
- Management expects FY26 will achieve stabilization, as the new facilities are scaled and manpower and machinery are aligned for full operations.
- The company expects to complete infrastructure development within the next 12 months.
- Full production ramp-up and optimal utilization are expected over the next 18-24 months.

Cost Management

- The company has localized its raw material sourcing, which has reduced dependence on imports and lowered procurement costs.
- Domestic suppliers such as Sunflag and Starwire have been approved and qualified for key material grades, resulting in better supply-chain control and cost savings.
- The company has implemented long-term pricing contracts with OEMs to safeguard against raw material price volatility.
- Around 94-95% of the company's revenue is export-based, reducing forex risk exposure.

Order Book and Contracts

- The company signed Phase II of its contract with Mitsubishi, taking the total value of this engagement to INR 13.87 Mn, which will be executed over the next five years.
- Management expects the company to currently command only ~1-1.5% of wallet share with its key OEM customers.

Guidance

- Management maintained its guidance of 25-30% YoY revenue growth, driven by strong order visibility across all business verticals.
- Management remains cautiously optimistic about the long-term growth, with demand rising across energy, aerospace, and defence sectors.

OCCL – Q2FY26 Concall Highlights

Outlook

OCCL is poised for medium-term earnings normalization, leveraging stable domestic realizations post anti-dumping duties, but near-term margins remain under pressure from elevated sulfur costs and global export headwinds. Management remains optimistic on strengthening market share and margin recovery as raw material prices moderate beyond Q3FY26.

Quarterly Financial Performance

- Q2FY26 total income was INR 1,210 mn implying 16% YoY growth on higher domestic realizations post anti-dumping duty.
- EBITDA for Q2FY26 stood at INR 200 mn representing a muted 5% YoY growth despite realizations improvement—raw material inflation, primarily sulfur, constrained the flow-through.
- Sequential EBITDA margin compressed to 16.8% due to sulfuric acid plant annual shutdown & repair costs, mark-to-market forex losses, and stamp duty expenditure for the quarter.
- Q2FY26 PAT stood at INR 90 mn, up 16% YoY, with PAT margin at 7.2%.

Demand, Supply and Market Share

- OCCL holds 55% share of domestic insoluble sulfur market and ~9% of global market; target is to raise domestic share to 60–65%, which would also lift global share given India's fastest-growing status in insoluble sulfur.
- Global demand for insoluble sulfur estimated at 275,000–300,000 tons annually; current global industry supply stands at ~357,000 tons, indicating continuing excess capacity and realization pressure.
- Domestic tire demand remains robust, supported by steady automotive activity across OEM and replacement segments.
- Annual global demand growth expected at 2–3%; domestic demand growth forecast to be higher.

Pricing, Realizations and Raw Material Trends

- Imposition of anti-dumping duties on China and Japan led to improved domestic realizations; however, benefits mitigated by raw material price escalation, notably sulfur, which has risen over INR 10,000/ton YoY for September quarter—higher input costs largely absorbed margin gains from price hikes.
- Price hikes (~INR 250–300/ton) in domestic market could not be fully passed through owing to cheaper Malaysian imports (benchmark), and China responding to duties with its own price decreases.
- US tariff (50%) imposed in September 2025 raises pressure on export margins; majority of tariff impact has been absorbed by OCCL, though not all, with management hopeful of resolution in coming quarters.

Capex, Operational Update and Product Mix

- Sulfuric acid production operated at full capacity except during scheduled annual shutdown in Q2FY26, which led to both volume/margin contraction for the segment and elevated repair costs in the quarter.
- Insoluble sulfur operated at ~70% capacity utilization for the quarter.
- No significant changes in product mix; company mainly produces insoluble sulfur (multiple grades) and sulfuric acid. Sulfuric acid contributed more to topline YoY but was flat QoQ due to shut down.
- Maintenance capex of INR 70 mn incurred in H1 with no new term loans.

RR Kabel Q2FY26 Concall Highlights**Mcap: INR 157.2bn | CMP: INR 1,390**

Outlook: The company is focused on a volume CAGR of 18% going forward. The capex of INR 12bn for cables (80%) and wires (20%) is expected to generate INR 45bn going forward. The company is undertaking cost-cutting measures for FMEG, and breakeven is expected by Q4FY26E. The growth remains strong in the west and north regions, while the south and east have less than 5% market share; however company is focused on expansion in these regions. We have a positive outlook on the stock.

Arihant Capital Markets Ltd**Volume growth**

Volume growth stood at 16% YoY for wires & cables in Q2FY26.

The volume growth stood at 12% in H1FY26, and H2FY26E is expected to be better.

The company is focused on an 18% volume CAGR over the long term.

Margins

The margins are expected to reach 10.5%-11% by FY28E.

Capex

The capex is expected to be INR 12bn. Around 80% of the allocation is towards cables. The capex will enhance production capabilities for power cables, including HV cables up to 220 kV.

Utilization

The capacity utilization for wires – 70%, cables – 90%.

FMEG

FMEG segment remains challenging, particularly for fans and appliances.

Switches and lighting products performed well. The company has undertaken product rationalization and cost-control measures. The breakeven is expected in Q4FY26E.

Regions

Growth remains strong in the West and North India markets. The market share in the south and east remains below 5%. The company is expanding in these regions.

Exports

Exports are majorly to Europe and the Middle East, which contribute 75%-80% of revenue. US exports faced challenges due to tariffs.

Exports are shifting towards high-margin cables and special wires.

Price hike

Copper and aluminum are key raw materials. Price adjustments are a continuous process linked to RM price movements. Price hike happens above 3% volatility in RM. The company has 3-4 new listed prices in Q2FY26.

Industry

The industry is shifting towards organized players, and the company is well-positioned to capture the trend due to its premium positioning and deep distribution network.

The industry is expected to grow 13%-14% CAGR, company is focusing on an 18% CAGR going forward.

Other highlights

The demand is coming from government infrastructure spending, housing growth, urban electrification projects, and data center development.

Building wires has a higher revenue share. The company is expanding into high-value areas such as power cables for utilities, infrastructure projects, data centers, and OEMs. The product mix shift will improve margins.

RoE is expected to reach 20%+ in the next 2-3 years.

GHCL Ltd Q2FY26 Earnings Call - Key Takeaways

Outlook

GHCL Ltd reported a challenging quarter in a globally oversupplied soda ash market impacted by competitor imports and subdued realizations. Despite volume growth in domestic soda ash demand, pricing pressure from cheap imports persists. The company remains focused on cost optimization, operational efficiency, and diversification through bromine and vacuum salt projects, with buyback programs reflecting confidence in long-term value creation.

Industry and Market Dynamics

- Domestic soda ash demand grew ~5% YoY driven by various end-user sectors including glass, detergents, and chemicals.
- Market remains oversupplied due to persistently high volumes of cheap imports (~85,000 MT/month), impacting realizations.
- Anti-dumping duty (ADD) on soda ash recommended by DGTR, awaiting Finance Ministry clearance; expected to support market pricing by leveling the playing field.
- Global oversupply accentuated by China's 2% YoY domestic demand decline and increased exports adding to supply glut.
- Ongoing geopolitical uncertainties have led to volatile, pressure-driven global prices.
- New demand drivers like solar glass expected to contribute to medium-term soda ash growth in India.

Financial and Operational Performance

- Consolidated revenue declined to INR 739 crore in Q2FY26 from INR 810 crore YoY, reflecting volume impact from maintenance shutdown and import pressure.
- EBITDA decreased 23% YoY to INR 175 crore with margin at 23.8%, impacted by realization dip and planned maintenance overheads.
- PAT stood at INR 107 crore, down from INR 155 crore YoY; sustained by structural efficiencies and cost optimization.
- Half-yearly cash profit after tax stood at INR 313 crore.
- Net cash surplus of INR 1,047 crore bolstered by working capital improvements and disciplined capital allocation.
- Planned maintenance shutdown in late September affected volume but executed as part of long-term operational health strategy.

Segment-wise Developments and Capex

- Bromine and vacuum salt projects progressing; commissioning delayed slightly to Q4FY26 due to weather disruptions; expected EBITDA margins in the range of 40-45%, contributing INR 70-80 crore incremental EBITDA in FY27.
- Greenfield soda ash project facing delays due primarily to pending land clearance, with environmental and other approvals complete; phase one commissioning expected around FY28-29.
- Capex for diversification projects and capacity enhancement continues; INR 185 crore spent in H1FY26 with FY26 capex guided around INR 300-350 crore.

Pricing and Cost Management

- Realizations declined ~9% YoY and ~3% QoQ due to oversupply and import competition, partially offset by cost optimization.
- Management emphasized continuing cost control measures across raw materials, energy efficiency, product mix, and customer service to protect margins amidst price pressure.
- Anti-dumping duty expected to support realizations but quantification remains uncertain pending Finance Ministry approval.

Market Outlook and Strategic Commentary

- India's soda ash demand projected to grow significantly driven by construction, solar glass, and industrial demand, requiring over 1 million tonnes of incremental supply in the next five years.
- Domestic supply gaps expected to be met through capacity ramp-ups by industry players and imports, with Chinese export flow to India expected to remain marginal in near to medium term.
- Operational efficiencies and diversification into bromine and vacuum salt targeted to provide sustainable margin improvement and earnings growth.
- Consistent shareholder returns through buyback and dividends reflect confidence in capital structure and value creation.
- Management indicated no change in commitment to long-term sustainable growth and increased focus on stakeholder value despite near-term market headwinds.

Ajanta Pharma Ltd- Q2FY26 Concall Highlights

Outlook

Ajanta Pharma enters H2FY26 on a healthy trajectory, with management reaffirming double-digit revenue growth, resilient margins, and strong momentum in India and US generics and company remains focused on expansion in branded markets and new launches; expect sustained sector outperformance and a robust balance sheet through FY26.

Financial Performance

- Revenue from operations up 14% YoY both for Q2 (INR 13,540 mn) and H1 (INR 26,560 mn).
- EBITDA was INR 3,280 mn for Q2 (up 5% YoY) and INR 6,790 mn for H1 (up 6% YoY). Reported EBITDA margin for Q2 at 24% and H1 at 26%.
- Mark-to-market forex losses (INR 410 mn Q2, INR 660 mn H1) largely offset by forex gains in other income; normalized EBITDA margin ex-forex loss: 27% for Q2, 28% for H1; sustainable guidance for FY26 remains at 27%.
- PAT at INR 2,600 mn for Q2 (+20% YoY); INR 5,160 mn for H1 (+12% YoY), with PAT margin at 19% for both periods.
- Capex for H1 at INR 1,450 mn; guidance intact for full-year capex at INR 3,000 mn.
- Board approved an interim dividend of INR 2.8 per share.

India Branded Generics

- India region contributed 32% to total revenue in Q2FY26, underpinned by double-digit growth across therapeutic segments; H1 India sales at INR 8,410 mn (+14% YoY).
- Branded formulations portfolio delivered twice the IPM's volume growth and 39% higher new launches YoY.
- Key segment contributions: Cardiology 37%, Ophthalmology 30%, Dermatology 23%, Pain 10% of India branded sales; new therapies (gynecology, nephrology) tracking well for future accretion.
- Ten new launches in H1, including one first-in-India, underscore innovation focus and pipeline depth.
- Trade generics revenue at INR 530 mn in Q2 (+14% YoY); H1 at INR 920 mn (+5% YoY).

International Operations

Branded Generics (Asia & Africa)

- Branded generics in Asia and Africa formed 40% of consolidated revenue.
- Asia: Q2 sales at INR 3,100 mn (+5% YoY); H1 at INR 6,140 mn (+7% YoY). Growth impacted by order phasing, but management reiterates low-teen full-year growth guidance.
- Africa: Q2 sales INR 2,210 mn (+4% YoY); H1 at INR 4,490 mn (up just 1% due to high base effect).
- Strong product launch: three new products in Asia and four in Africa during Q2. Chronic therapy focus highlighted for Asia.
- Management upgraded Africa growth guidance to double digit for FY26, with medium-term growth outlook remaining robust.

US Generics

- US generics segment contributed 26% of total revenue for Q2; sales at INR 3,430 mn, up an impressive 48% YoY, driven by recent launches and share gains in existing products.
- H1 sales for US at INR 6,530 mn (+42% YoY). Full benefit was captured from five launches in 2H FY25 and three more in H1 FY26.
- Management expects high growth rate to sustain for remainder of FY26 and guides for high-teens growth for FY27 on a strong product pipeline and execution.

Africa Institutional (Anti-malarial)

- Institutional anti-malarial sales now at just 2% of revenue (vs. 3% prior year); INR 320 mn in Q2 (down 17% YoY H1).
- Segment remains volatile due to unpredictable agency procurement; management maintains a cautious outlook.

Expenses & Margins

- Personnel cost escalated by 21% in Q2 to INR 3,170 mn, due to scale-up in medical representative teams.
- Other expenses at INR 3,920 mn (+11% YoY Q2), with H1 up 24% YoY, reflecting strategic investments in new product launches and market development.
- R&D spend at 5% of revenue, tightly aligned with innovation priorities and expected to sustain as a share of revenue.
- Management clarified that higher forward-looking expenses, particularly in field force expansion and global market buildup, may limit margin expansion; focus is on sustaining absolute profit growth and market share.

Guidance

- India business expected to maintain growth momentum, driven by innovation, deeper penetration in covered markets, and strong new launch pipeline.
- US generics to sustain H2FY26 run rate and achieve high-teens growth in FY27 on the back of an active filing and launch calendar.
- Management remains focused on growth over margin expansion, with continued investment in people and product franchises to support long-term outperformance.
- Capex guidance of INR 3,000 mn for FY26 maintained, no near-term plans for geographical EBITDA disclosure.

Antony Waste Handling Cell Ltd – Q2FY26 Concall KTAs**CMP: INR 524 | Market Cap: INR 15 Bn**

Guidance: EBITDA margin to sustain at 22.5–23%; 25% revenue CAGR over 4–5 years intact (non-linear due to project gestation).

Operational Highlights

- Total tonnage +6% YoY to 1.27 MnT (H1: 2.6 MnT, +9% YoY); C&T +3% to 0.54 MnT, processing +10% to 0.73 MnT.
- WTE (BCMC) generated 41 Mn green units in Q2 (>66 Mn in H1); avoided 2,347 tCO₂e in Q2 (5,780 tCO₂e in H1).
- C&D recycling at 96% efficiency; RDF sales +48% YoY to 95.6k tonnes in H1 (40k tonnes in Q2); compost 9.8k tonnes in H1.
- Workforce expanded to 10,550; Scope 1+2 emissions 13.3k + 1.45k tCO₂e in H1; avoided emissions 5.8k tCO₂e.

New Order Wins & Pipeline

- Secured two WTE projects in Andhra Pradesh (combined INR 3,200 Cr revenue over 20 yrs; CAPEX ~INR 300–325 Cr each; VGF INR 65 Cr each).
- Concession agreements signed with 18 ULBs; PPA with APSPDCL by Nov-25; financial closure by CY25-end; construction from Q4 FY26 (24-month build).
- Total executable order book ~INR 12,500 Cr (existing contracts); incremental bids under evaluation (C&T + processing).

Strategic & Diversification Updates

- Revenue mix shift: WTE to sell power to discoms; C&D by-product sales; EPR credits to reduce municipal dependency.
- AG Enviro merger (largest WoS) in final NCLT stage – to streamline structure, unlock synergies, strengthen listed entity balance sheet.
- Centralized procurement & inventory policy introduced, bulk OEM tie-ups for cost leverage.
- C&D volumes to ramp to 350+ tpd post-monsoon; targeting 600 tpd by Q2 FY27 via BMC mandate.
- Vehicle scrapping & tyre recycling: MIDC land discussions ongoing; 6–9 month build post-approval; initial 40 vehicles/day, asset turns 0.2–0.25x.

Netweb Technologies – Q2FY26 Concall KTAs**CMP INR 3,799 | Market Cap INR 21,522 Cr**

Outlook: The company reaffirms its guidance of 35–40% annual revenue growth in its core business, alongside an EBITDA margin of 13–14% and a PAT margin of 10–10.5%. Supported by the expanding opportunities in AI, the company expresses confidence in achieving a sustained CAGR of 35% over the next three years. The company's outlook is robust; however, its current valuation appears to be excessively high.

- Two large strategic orders worth INR 21,840 mn to be executed by April 2027.
- Operating EBITDA increased 25% YoY to INR 454.6 mn. EBITDA margin at 15% (vs. 14.1% YoY).
- ROE at 22.4%, ROCE at 30.2% for H1FY26.
- Zero net-debt balance sheet, with net free cash INR 2,380 mn as of Sep-25. Cash conversion cycle at 120 days (9 days QoQ) due to lower payables and receivable days improved to 117.
- Organic order book at INR 4,939 mn (Sep-25) + strategic orders INR 21,000 mn, positioning strong multi-year visibility.
- Organic funnel exceeds INR 4,000 cr, with ~60% conversion ratio, sustaining growth momentum.
- Order execution cycle remains short – 8–16 weeks and hence business is not lumpy despite large orders. 75% of revenue from repeat customers, highlighting strong client retention.
- No incremental CapEx required for executing strategic orders and LC-backed working capital already secured.
- One-third of strategic order value expected to be executed in FY26 and remainder by FY27.
- Growth driven by AI compute systems and Skylus AI the company's integrated hardware + AI stack solution.
- HPC (High Performance Computing) and Private Cloud remain core pillars, contributing >70% of revenue.
- Both HPC and Cloud businesses growing steadily at ~35% CAGR, providing strong organic base.
- Private Cloud demand stable across large enterprises and data center expansion driving future growth.
- AI strategic orders (IndiaAI Mission-related) to be reported separately under the AI segment.
- Company actively partnering in IndiaAI Mission, contributing to national compute infrastructure.

- Skylus AI gaining strong traction offers GPU optimization and workload offloading, enhancing performance.
- Netweb continues to design, engineer, and manufacture systems fully in-house, aligned with Make in India.
- Offers end-to-end integrated systems, differentiating from peers bundling third-party hardware/software.
- NVIDIA remains primary GPU partner and AI solutions built on next-gen architectures.
- Regular business margins maintained at ~14–15% EBITDA, 10% PAT will be sustainable long-term band. Strategic orders to have 150–200 bps lower PBT margins due to scale, but remain healthy. Despite large order inflows, management aims to maintain profitability discipline through efficiency.
- Operating leverage remains moderate due to high R&D and solution design costs.
- R&D spend at ~3% of revenue, fully expensed in P&L (not capitalized).
- Active focus on patent filings and several designs and technology patents registered over the last few years. Continued investment in AI stack and system software to maintain differentiation.
- Strategic orders provide multi-year visibility with AI and HPC to remain primary growth engines.

Digikore Studios Limited – SME - H1 FY26 Concall KTAs**CMP: INR 93.5 | Mcap: INR 1,180 Mn****Outlook & Guidance**

The management expressed a confident outlook for FY26, emphasizing strong revenue visibility and ongoing momentum in high-margin business verticals. The company has set a topline target of INR 750 Cr for FY26, with 30–35% expected to be driven by newer high-margin categories including Inverter Systems and Specialty Components. EBITDA margin expansion of 200–250 bps YoY is anticipated, supported by a favorable product mix, backward integration, and greater automation at production sites. Capex of INR 80–100 Cr is planned for capacity enhancement and technology upgrades, while the export segment is projected to grow at a ~25% CAGR over the next two years, backed by a healthy order book with 12–15 months' visibility. Additionally, the company aims to bring net debt-to-equity below 0.5x through improved internal accruals. Management remains confident of sustaining double-digit revenue growth and margin improvement, driven by premiumization, a robust demand environment, and continued operational discipline.

Financial Highlights (H1 FY26)

- Revenue stood at INR 36.13 Cr, up 59.6% YoY (vs. INR 22.62 Cr in H1 FY25)
- PAT reported at INR 6.11 Cr, up 117% YoY (vs. INR 2.82 Cr)
- Operating Expenses Reduced to 78.6% of revenue from 83%, a 440-bps improvement
- Operating Cash Flow Positive and strengthening through the period
- Revenue Composition: 80% derived from episodic digital content, providing multi-quarter visibility

Demand Normalization: With the post-strike normalization, pent-up demand across US and European studios fueled a significant workload surge. The company achieved 80% revenue contribution from episodic content, which has inherently longer execution timelines (6–8 months), enabling stable pipeline visibility, reduced seasonality, and better resource forecasting.

Direct Work Mix Optimisation: The company doubled its direct work exposure from 20% in H1 FY25 to ~50% in H1 FY26 and is on course to reach 80% by FY27. As an approved supplier to global majors (Netflix, Disney, Amazon, HBO, etc.), company now benefits from higher margin retention and meaningful tax rebates (over 22%) applicable only in direct-client billing structures. This shift directly augments gross margins and strengthens cash flow reliability.

Aggressive Global Sales Drive: Over 100+ sales meetings across the US, UK, France, and Spain translated into an immediate order book of higher INR 20 Cr and an active bidding pipeline exceeding INR 35 Cr. Key client highlights include long-duration episodic projects (Netflix, HBO) and independent feature films, collectively providing FY26 execution certainty.

Geographic Plans

- Europe is the immediate growth priority, given better margin potential and lower competitive intensity. A Q4 FY26 sales sprint across the UK, France, Spain, and Germany aims to scale European contribution to equal that of the US by FY26-end.

Financial & Working Capital

- **Receivables:** Increased in line with revenue scale-up; management expects bulk normalization in 6–9 months given the sector's improving liquidity.
- **WIP Build-Up:** Increase in Other Current Assets reflects project acceleration for H2 execution.
- **Cash Flow:** Positive OCF and disciplined capex deployment ensured favorable liquidity positioning through H1.

Capital Structure & Promoter Commitment

The INR 45 Cr QIP is expected to conclude in November, with post-fee proceeds of ~INR 42 Cr. Of this:

- INR 20 Cr is earmarked for debt repayment – offering immediate PAT accretion by reducing interest costs.
- Balance to support expansion in Europe/US through targeted manpower and sales investments.

Promoters to infuse INR 20 Cr via convertible warrants (18-month window), with ownership expected to increase to ~56–57% post-conversion (from ~48% post-QIP). The company aims to eliminate all pledged debt by Feb'26, signalling strong financial discipline and management alignment.

High-Margin Vertical Strategy – Scaling Beyond DFX

In addition to its core VFX business (16–18% margin band with stability), Digikore accelerated the momentum across its asset-light, high-margin verticals. These verticals—Virtual Production Assets, Branded Content, Brand Jingles, and AI/SaaS productivity tools—not only boost overall blended margins but also diversify revenue and reduce dependency on the US-centric VFX cycle.

- **Branded Content** is designed to create IP-led revenue with longer monetization cycles. With ~40% of its FY26 target already booked in H1, the vertical is expected to deliver INR 10–12 Cr this year. This business captures both upfront milestone billing and trailing revenue at project go-live.
- **Virtual Production (VP) Assets** leverage Unreal Engine workflows. Current monetization through Unreal's Fab.com platform is at ~INR 5 Lakhs per month. With plans to upload 120 new assets, monthly revenue is guided to reach INR 10–15 Lakhs by December.
- **Brand Jingles** (creator-branded musical content for corporate and D2C brands) is operating at an INR 3–3.5 Lakhs per week run-rate in India/UAE, with an ROAS of 6–8x. FY26 strategy includes geographic extension to US and UK.
- **AI/SaaS Tools:** Focused on backend VFX efficiency (e.g., roto, tracking, cleanup), allowing up to 10x productivity gains. Strict compliance with client mandates prohibiting generative AI for content creation secures vendor approval status and reduces IP risk. Monetization initiatives include both in-house deployment and medium-term exploratory licensing.

MedPlus Health Services Ltd – Q2 FY26 Earnings Conference Call Report**CMP – RS. 820 | MCAP – RS. 9825cr.****Business Overview**

Second-largest organised pharmacy chain in India, omni-channel presence (offline + online).

Key Segments

Retail Pharmacy, OTC & Wellness, Diagnostics (Labs).

Key Expectations

Margin trends, store expansion, online growth, diagnostics performance, regulatory cost impact.

FINANCIAL PERFORMANCE

The company reported a 43.4% YoY jump in net profit to ₹55.5 crore for Q2FY26, driven by higher sales. Revenue rose 12% to ₹1,679 crore, while EBITDA grew 19.9% to ₹149 crore, with margins improving to 8.9%.

EXPANSION STRATEGY

-Net addition of 117 stores during the quarter compared to the 101 stores added during the last quarter. (Addition of 600 new term in fiscal'26.)

-EBITDA margin by age while stores greater than 12 months had a margin of 11.8%. This was 12.1% for stores greater than 24 months and 8% for stores in the 13-month to 24-month age bracket.

(High store addition speed signals confidence in demand visibility, but may pressure near-term margins as new stores take ~12–24 months to mature.)

STRONG PRIVATE LABEL STRATEGY

-Private label sales reached 21.5% of total GMV in Q2 FY26, with pharma contributing 12.1% and showing strong growth at 19.8%, up significantly from 7.9% in Q1 FY24.

(Private label growth indicating strong repo build among customers, could possibly improve gross margins.)

DIAGNOSTIC BUSINESS

-Diagnostics revenue grew to INR332.5 million in quarter two FY26 compared to INR283.1 million in quarter two FY25.

-Diagnostic segment recorded an operating EBITDA of INR50.9 million which is 15.3% compared to INR21 million in quarter two FY25.

-current observed ontime renewal rate is 24% same as last quarter.

(Increase in revenue though there is low customer stickiness)

Geographic Expansion:

-Core presence remains in South & East India, but initial stores launched in Madhya Pradesh and Chhattisgarh signal early steps toward pan-India growth. Expansion into North India planned in future phases.

FMCG GROWTH

-The non-pharma (FMCG) segment is a key growth driver because, unlike prescription-bound pharma, product assortment and customer satisfaction drive unlimited repeat purchases; the focus will remain on expanding these high-potential product lines.

Vimta Labs Ltd – Q2FY26 Concall Highlights

Outlook

Vimta Labs remains confident of sustaining growth momentum, underpinned by robust demand in pharmaceutical research, analytical, and food testing services and a clear strategy for biologics backward integration. Management remains focused on maintaining leadership, leveraging expanded capacities, and capitalizing on international opportunities to deliver sustainable value over the coming quarters.

Financial Performance

- Achieved highest-ever quarterly sales revenue of INR 1,045 mn for Q2FY26, a 22.3% YoY increase, driven largely by pharmaceutical research and testing, and food testing services.
- EBITDA for the quarter stood at INR 369 mn, registering 20.6% growth YoY; EBITDA margin for Q2FY26 was 35.3%.
- Profit after tax was INR 199 mn, up 17.1% YoY; PAT margin for Q2FY26 stood at 19.1%.

Segment Performance and Revenue Mix

- Pharmaceutical research, testing, and analytical services contributed ~65% of total revenues; food testing accounted for ~20%, and electronics/environmental testing comprised the remainder.
- Both pharma and food verticals reported robust growth, while electronics and environmental testing services showed stable performance.
- Clinical research division successfully cleared a WHO audit, underscoring strong compliance and operational quality.
- Export revenues increased slightly compared to last quarter, now accounting for approximately 32% with domestic revenues at ~68%.

Capacity Expansion and Capex

- Commenced operations at the new testing chamber in life sciences facility; new capacity expected to drive further growth in coming quarters.
- Phase 1 and Phase 2 of new facility are occupied and commercialized; 50-60% of additional Phase 2 space is already in use and remainder to scale by Q1FY27.
- INR 470 mn capex incurred during H1FY26; full-year target is INR 1,000 mn, on-track as per guided plan.
- Capex allocation spans pharmaceuticals, food, and electronics verticals; biologics capex for FY26 and FY27 projected at INR 250 mn each.
- Strategic intent is backward integration of services—pre-clinical through clinical and analytical—to establish a one-stop solution for customers in the biologics vertical.

Business Pipeline

- Biologics R&D facility remains on schedule, with majority of equipment and reagents ordered; commercial operations expected to commence in Q1FY27, post necessary qualifications.
- Clinical research portfolio diversifying into patient population studies, increasing addressable market with minimal additional capex requirement.
- Domestic market remains robust with positive sentiment across pharma, food, and electronics; regulatory landscape unchanged, fostering steady demand for testing services.
- Ongoing expansion of global reach, with healthy traction among MNC clients—large biotech and pharma players (Merck, Sanofi, Amgen, Eli Lilly, J&J, GSK) setting up in India, providing new business opportunities.

Strategic Highlights

- Vimta's technological and domain strengths position it to leverage rising demand in pharmaceuticals, nutraceuticals, and food testing, supported by stricter quality norms and wellness sector expansion.
- Business development initiatives overseas led to a spike in other expenses, particularly travel and market outreach activities.
- Management remains committed to FY26 exit run-rate targets (INR 5 billion), with tariff headwinds now stabilized, capex visibility and pipeline support strategic ambitions.

Ambuja Cement Ltd – Q2FY26 - KTA**CMP – INR 577 | Mcap – INR 1,426 Bn****Outlook**

Ambuja Cements maintains a bullish demand outlook, targeting double-digit growth in FY'26, supported by strong policy tailwinds such as GST reforms and infrastructure drive. The management now aims for 155 MTPA cement capacity by FY'28, with debottlenecking expected to add 15 MTPA at industry-leading low capex. Large-scale brownfield/greenfield expansion plans remain on track, and the company expects further cost and operating leverage improvements from acquired assets as utilization rates rise.

Financial Performance

- Highest-ever quarterly sales volume: 16.6 MnT, up 20% YoY (vs. industry 4%), market share gains to 16.6%.^[1]
- Revenue of INR 91,740 Mn, up 21% YoY; realization improvement by 3% YoY.
- EBITDA grew 58% YoY to INR 17,610 Mn, margin at 19.2%, up 500bps YoY; EBITDA/tonne reached INR 1,060, rising 32% YoY.
- PAT at INR 26,020 Mn (364% YoY including tax writeback), strong earnings momentum.
- Cost per tonne reduced by INR 238 YoY, driven by lowest kiln fuel costs (INR 1.60/kcal) and logistics optimization.
- Working Capital: Temporary increase (INR 2,000 Cr) mainly from inventory build and higher B2B receivables; coal inventory hedged at low prices.
- Remains debt-free; net worth at INR 69,493 Mn, with best-in-class credit ratings.

Capacity Expansion

- Cement capacity increased to 107 MTPA (Q2FY26); 118 MTPA expected by FY'26 end. Clinker capacity to rise from 73 MnT to 96 MnT through new kiln lines.
- Debottlenecking at 13 plants to deliver 15 MTPA at significantly lower capex.
- Greenfield/Brownfield expansions on track across multiple sites (e.g., Salai Banwa, Dahej, Mundwa, Bhattapada, Krishnapatnam), with major projects operational by Q4FY26.
- Acquired assets (Penna, Sanghi, Orient) successfully integrated and rebranded under Ambuja/ACC, supporting southern and western expansion.

Cost Optimization

- Q2 power/fuel share of green power increased to 33%; renewable energy capacity at 673 MW, targeting 1,122 MW by FY'27.
- Power cost reduction target: INR 1.5/unit drop by FY'28 (to INR 4.5/unit).
- Heat consumption for new kiln lines expected to fall to 680 kcal/kg (vs. existing 730–740).^[1]
- Logistics costs down with lead distance at 265 km; further reduction planned as geography expands.

- Operating leverage from acquired assets to deliver further opex savings, with maintenance and promotional expenses set to stabilize.

Acquisitions and Integration

- Penna, Orient, and Sanghi integration boosting profitability and EBITDA by leveraging market synergies, supply chain, and operational efficiencies.
- Premium product share expanded to 35% of trade sales (up 28% YoY on expanded volumes).
- Average plant age to halve by FY'28, supporting cost leadership, ESG gains, and productivity.

Other Highlights

- CiNOC (Cement Intelligence Network Operations Center) launched for AI/tech-driven supply chain and business efficiency.
- Recognized for robust ESG and sustainability, with SBTi validation, 12x water positivity, and ongoing carbon credit initiatives.
- Large dealer network (29,000), 60,000+ retailers, and 7 lakh contractors driving aggressive channel engagement.
- Multiple landmark project supplies (e.g., Navi Mumbai International Airport, Chenab Bridge), reinforcing brand trust.
- Consolidated focus on youth hiring, digital skills, and technical education delivering industry-leading HR cost efficiency and productivity improvements.

Westlife Foodworld Ltd -Q2FY26 Concall KTAs**CMP: INR 588 | Market Cap: INR 91.4 Bn****Financial Performance**

- Consolidated revenue 642 Cr (+3.8% YoY); on-premise +5%, off-premise flat.
- Gross margin at an all-time high of 72.4% (+72 bps YoY) via supply chain efficiencies.
- Restaurant operating margin 19.2% (+60 bps YoY); cash PAT 12.6% of sales.
- Reported PAT includes 58.1 Cr gain (Mumbai store redevelopment) & 12.1 Cr loss (impairment/write-off); adjusted cash PAT 42.1 Cr (6.6% of sales).
- Digital sales 75% of revenue (+300 bps YoY); app downloads >47 Mn, MAUs ~3 Mn.

Operational & Channel Highlights

- Total restaurants: 450 across 72 cities (8 new openings); ~100% with McCafé, ~25% with drive-thru.
- Drive-thru service target: <120 sec/order.
- Innovation: Protein+ Slice (CFTRI collab, sold out in 1 day); Big Yummy Burgers launched in Q3.
- Off-premise (~40% mix) under pressure due to aggregator volatility; own McDelivery platform focus to double sales in 2 yrs (target +3–5% SSSG contribution).
- McDelivery upgrades: UI/UX revamp, 20-min delivery pilot (promising repeat), AI video analytics for quality/packaging, backend friction removal.

Demand Environment & Regional Insights

- Q2 softness post-July; Aug/Sep saw 4–6% decline in out-of-home frequency (BrandTrack).
- Westlife +4% growth implies market share gains despite category contraction.
- South (esp. Bangalore, 65–70 stores) major drag; SEC B value gap identified; chicken platform trials showing traction but footfalls soft.
- October: substantial improvement vs. Sep; Q3 outcome hinges on Nov/Dec (Dec key festive month).

Strategic Initiatives & Outlook

- McDelivery scaling: Partnered with global consultants; tech, ops, data, marketing overhaul; aim to double own-channel sales in 2 yrs.
- Cost governance: Structural savings baked; high-impact initiatives to yield 40–50 Cr incremental cash flow in the next 12 months.
- Location intelligence: AI/ML platform deployed; 70–80% of H1 FY26 openings exceeding expectations; real-time whitespace identification.
- Vision 2027: 580–630 stores by Dec-27 on track; long-term potential >1,000; expansion via internal accruals.
- GST cut benefit passed on (~80–100 bps price reduction); optimistic on mid/long-term sentiment.

Guidance

- SSSG: Q2 implied $\sim -2.8\%$; Sep sharply negative; Oct momentum positive but no specific breakout; Q3 positive if Nov/Dec strong.
- Gross margin: 70%+ sustainable; structural (BOM, distribution, partnerships); no material mix benefit yet.
- Payroll/other exp.: Q2 includes upfront cost-initiative payments & increments; 102 Cr payroll base for forward modeling.
- Royalty: FY26 $\sim 5.6\%$ of sales (ex-GST); no change; new slab rates (5% from FY27) published.
- Capex: 200–250 Cr annual guidance intact; McDelivery/location tech investments incremental (details to follow).
- South recovery: Bone-in chicken platform best-in-class; marketing push needed; SEC B value trials ongoing; results in 1–2 quarters.

Tata Chemicals Ltd Q2FY26 Earnings Call - Key Takeaways

Outlook

Tata Chemicals Ltd reported a challenging Q2FY26, facing an oversupplied soda ash market with significant pricing pressure primarily due to imports and muted global demand. Despite these headwinds, the company continues strong operational execution, focusing on cost management, capacity expansion, and diversification, positioning itself for medium to long-term stabilization and growth.

Industry and Market Dynamics

- Global soda ash demand remains soft and range-bound with persistent oversupply, largely due to China's reduced consumption and increased export volumes.
- Chinese inventory remains high at 1.65 million tonnes, exerting downward pricing pressure on soda ash globally.
- India's domestic prices under pressure with import prices at \$232-\$236 per ton; Minimum Import Price has been extended till 2025 but has limited effect on market pricing.
- Anti-dumping duty recommendation by DGFT is awaiting Ministry of Finance approval, expected to protect domestic market and pricing.
- U.S. export pricing to Asia continues to fall amid persistent oversupply and Chinese spot offers.
- Regional markets such as Southeast Asia and Northeast Asia face intense competition due to Chinese product flows.

Financial and Operational Performance

- Consolidated revenue decreased marginally by 3% YoY to INR 3,877 crore, mainly due to absence of lost stock sales that existed in prior year.
- Standalone revenue from operations grew 19% YoY with EBITDA at INR 240 crore, a 67% increase driven by operational efficiencies.
- Reported PAT for the period was INR 178 crore, up 80% YoY.
- One-time provision of INR 65 crore taken in the UK business related to contractual obligations following corporate restructuring.
- Grasim business revenue declined 7% YoY but reported 10% volume growth and 3% price growth with EBITDA margin of 18%.
- Working capital improvements contributed to net cash surplus, supporting balance sheet strength.

Segment-wise Highlights

- India soda ash volumes showed a 30,000-tonne QoQ increase driven by industrial demand and stable monsoons, while salt volumes increased by 50,000 tonnes aided by new capacities.
- Bicarbonate volumes grew by 14,000 tonnes with capacity headroom to facilitate further growth.
- Specialty grade silica (L55) commissioned with an initial capacity of 5,000 tonnes, ramp-up underway targeting 80% utilisation.

UK business restructuring ongoing with pharmaceutical grade salt plant commissioning expected to improve volumes and margins in H2FY26 onwards.

Strategic Developments and Capex

- Capital expenditure primarily targeted at incremental capacity expansions in soda ash, bicarbonate, red dog silica, and specialty silica (L55).
- Capex for FY26 expected around INR 1,000 crore; capital raise planned for short-term general purposes including capacity augmentations.
- Ongoing investments to enhance operational efficiencies and cost optimizations.
- Focus on managing exposure to exports given increased competition and pricing pressure, particularly in Southeast Asian markets.

Management Commentary

- Pricing and margin pressure expected to persist near term; however, stabilization anticipated following anti-dumping duty implementation and market rebalancing.
- Export volumes demonstrating volatility; domestic consumption remains stable with growth potential in emerging demand segments such as solar glass.
- UK business restructuring and operational improvements expected to yield positive results by Q4 FY26.
- Sustainable growth supported by ongoing product portfolio expansion and efficiency gains across manufacturing sites.
- Functional focus continues on customer servicing, working capital discipline, and cost containment to protect margins amid uncertainty.

TBO Tek Ltd

EBITDA growth is expected to outpace GP growth from FY27 onwards as SG&A expenses start to taper. The recent acquisition of Classic Vacations contributing ~\$500 Mn GTV will be consolidated from Q3FY26 and is expected to be margin-accretive, with synergy realization first visible at the bottom line and revenue synergies expected over the next 2 years. The hotel segment will continue to drive growth, while the air business especially in India is stabilizing and expected to recover in FY26. Regionally, Europe, the Middle East, and the US (boosted by Classic integration) remain growth engines, with APAC showing 40%+ growth on a small base and strong potential in markets like Australia and Indonesia.

Financial Performance

- 12% YoY growth in GTV and a 19% YoY growth in GP, primarily driven by strong hotel segment performance and improved retention.
- The hotels business grew ~20% YoY, contributing to GP outpacing GTV growth as the business mix continued to shift toward higher-margin hotel products.
- Adjusted EBITDA stood at INR 104 crore, up 16% YoY (before M&A costs).
- Excluding M&A-related costs of ~INR 13 crore in Q2, the adjusted EBITDA margin stood at 18.3%.

Segment Highlights

- Hotels continues to be the company's core business, expected to sustain over 20% growth, supported by cross-selling, market penetration, and new supply integrations post the Classic acquisition.
- The air ticketing business stabilized and is expected to recover in H2FY26, especially in India, with focus on improving penetration and maintaining relevance with airlines to support cross-selling of non-air products.
- Platinum Hotel Program now includes 150 participating hotels; strong traction and driving incremental revenue via higher commissions and hotel prioritization on the platform.

Geographical Performance

- Europe and middle east remain major contributors (~60% of GTV) and have shown strong recovery; Classic integration will slightly shift business saliency toward North America but won't impact regional growth.
- Classic Vacations' addition brings \$500 Mn GTV; aims to unlock 15–20% annual growth from this business over the next 2–3 years.
- APAC Region posted ~40%+ growth, led by Australia and Indonesia; contribution remains modest due to smaller transaction values; a 3–5 year runway is expected for APAC to become a large revenue driver.
- LATAM growth remains muted due to IOF taxes and currency volatility; expects gradual improvement and limited impact on consolidated numbers.

Classic Vacations Acquisition

- Transaction completed on 1st Oct 2025, to be consolidated from Q3FY26.
- Classic contributes ~\$500 Mn GTV on a company base of ~\$3.5 Bn. It operates at a 22% take rate and 11% GP margin, compared to company's 5.6% GP margin in hotels.
- Integration expected to yield early synergy benefits at the EBITDA level, with revenue synergies expected over 1–3 years, not requiring additional capital infusion.

Other Highlights

- The top 10 customers contribute less than 10% of GTV, while the top 500 contribute ~45–50%.
- In the hotel segment, the mix remains ~50:50, though the retail business generates higher GP and is expected to grow faster over the long term.
- Travel agents added during H1FY26 contributed 6.9% of total GTV, up from 4.3% H1FY25; better onboarding productivity and faster ramp-up of new agents.
- Q3 remains the leanest quarter, so growth momentum may moderate sequentially before rebounding in Q4.

City Union Bank Ltd

The bank expects credit growth to remain 2–3% above the industry average, targeting ~ 15–18% for FY26. ROA is projected to sustain above 1.5%, while the cost-to-income ratio is expected to remain within the 48–50% range. Recoveries are likely to continue exceeding slippages in H2FY26, further strengthening asset quality. Management remains confident of maintaining strong growth momentum without compromising on credit standards.

Asset Quality:

- Gross NPA declined to 2.42% in Q2FY26, improving from 2.99% in Q1FY26 and 3.54% in Q2FY25, reduction of 112 bps YoY.
- Net NPA declined to 0.90% in Q2FY26, down from 1.62% in Q2FY26, falling below 1% for the first time in 46 quarters.
- Total slippages in Q2FY26 stood at INR 1,560 Mn, while recoveries were significantly higher at INR 3,030 Mn ,comprising INR 2,500 Mn from live NPA accounts and INR 530 Mn from technical write-offs resulting in a negative credit cost for the quarter.
- SMA-2 declined to 1.34% of total advances in Q2FY26, compared to 2.03% in Q2FY25.
- PCR including technical write-offs improved to 82% in Q2FY26 from 75% in Q2FY25, while PCR excluding technical write-offs rose to 63% from 55% last year.

Highlights

- NIM improved to 3.63% in Q2FY26 from 3.54% in Q1FY26, supported by faster repricing of deposits and stable gold loan yields.
- MSME continues to be the key growth driver, while the secured retail portfolio is expanding steadily with the addition of new verticals.
- The gold loan portfolio remains on fixed rates, with retail gold loan yields ~ 11% and agricultural gold loan yields at ~ 10%.
- Bank continues to expand with roughly 75 new branches added per year.
- The strategic partnership with IFC, involving a USD 50 Mn term loan, will support the bank's transition to renewable energy financing and is expected to help build a INR 25,000 Mn portfolio over the next 2–2.5 years.
- The cost of deposits declined sharply to 5.71% in Q2FY26, down 24 basis points QoQ, driven by the repricing of high-cost term deposits.
- The cost-to-income ratio stood at around 49% in H1FY26 and is expected to remain within the 48–50% range for FY26.
- The secured retail vertical, launched after the BCG project, has now reached the break-even point and is expected to start contributing to ROA from FY27 onward.
- Technology expenses remain at ~ 15–20% of operating costs, in line with the industry average.

Niva Bupa Health Insurance Company Ltd

Outlook: The recent GST reduction from 18% to 0% is expected to drive higher demand, improve affordability, and expand market penetration, as seen from 50%+ growth in October retail business despite the festive season. H2FY26 should see further improvement in loss ratios, particularly in the group business, while maintaining its long-term ROE target of mid-to-high teens by FY29. No near-term premium hikes are planned, as the company focuses on leveraging GST-led demand and portfolio stability.

Financial Performance

- 23% YoY growth in GWP for H1FY26, reaching INR 3,983 crore on a without 1/n basis. Retail GWP grew 28% YoY, driven by both ticket size expansion and volume growth.
- PAT under IFRS more than 2x to INR 132 crore in H1FY26, compared to INR 60 crore in the H1FY25.
- The combined ratio improved by 105 bps to 103.1%, down from 104.2% last year.
- The retail loss ratio remained stable at 68.1%. The group loss ratio increased to 60.9%, compared to 56% last year, due to mix changes.
- The expense of management ratio improved by 370 bps, declining from 40% to 36.3%, mainly driven by operating leverage and lower commissions as a % of GWP.
- The investment yield for H1FY26 was 7.3%, and AUM stood at INR 8,482 crore. The solvency ratio was at 2.85x as of September 30, 2025.

Business Performance

- The company launched ReAssure 3.0, its next-generation retail health insurance product, which has been well received in the market.
- ATS stood at INR 31,000, with 83% of policies having a sum insured of INR 10 lakh or more.
- The retail market share stood steady at 9.9%. In Oct 2025, despite the festive season, retail business grew 50%+ YoY, aided by GST reduction and strong demand recovery.
- The average ticket size for new business in Oct increased by 15% over H1 levels.
- Renewal rates improved by over 100 bps YoY, with further improvements seen in October.
- ~17% of claims in cities covered under the PPN were routed through these hospitals, helping in better cost control.
- The SME group business grew close to 50%.
- In the group segment, the overall split remains ~1/3rd employer-employee and 2/3rd affinity-based products.

Operational Highlights

- The claim settlement ratio for Q2 FY26 stood at 95.2%.
- The weighted average NPS improved to 57, measured across 35 customer touchpoints.
- The company's customer app achieved 1.3 crore, with 58 lakhs monthly active users, conducting 51,000 health check-ups and 6,700 doctor consultations monthly.
- A new city was added to the PPN network, bringing the total to 44 cities.
- Incidence rates and average claim sizes remained stable, leading to a steady retail claims ratio.

GST Impact

- The GST rate on health insurance was reduced from 18% to 0%.
- The company passed on the full GST benefit to customers and distributors, leading to a price reduction and enhanced affordability. October saw a sharp rise in both customer inquiries and conversions.

- The company expects any potential income loss from GST pass-through to be offset by higher volumes.
- Residual costs due to ineligible GST input credits will be mitigated by renegotiating vendor contracts and benefits from reduced GST on medicines.
- The GST impact in Q2FY26 was INR 5.8 crore, which will normalize from Q3 onward.

Other highlights

- One of the company's AI-driven customer projects ranked in the Top 10 globally in the Bupa ecosystem.
- The direct digital business grew 1.5x faster than the overall company growth, driven by strong digital partnerships and agency support.
- The company added 1,000+ employees to its field sales force in FY26 to strengthen distribution.
- Agency, digital, and digital partnership channels saw the strongest growth post-GST reduction, while banks showed moderate impact due to group classification of their business.
- The company remains focused on scaling direct and digital channels.
- The investment portfolio duration is ~4.5 years, primarily in bonds. ~6% of investments are in NIFTY ETFs, InvITs, and REITs, with no direct equity exposure; plans to maintain a conservative investment mix.
- The group health portfolio grew 13% in H1FY26, though slower than the previous year due to selective underwriting.
- Growth slowdown was concentrated in corporate indemnity business, while SME business grew ~50%.

Sat Kartar Shopping Ltd – H1FY26 – Concall KTAs

CMP: INR 195 | Mcap: 3,070 Mn

Outlook and Guidance

Management has articulated a confident and aggressive growth trajectory, projecting a consolidated revenue target of INR 300 Cr. by FY27. The near-term revenue growth guidance is set in the 20-25% range, with potential upsides to 30-40% based on the successful implementation of new initiatives. Furthermore, the PAT margin is expected to continue its upward trend, with a target to reach 9-10% this year, eventually escalating to 12-15% by FY27. The management anticipates the second half of the year to be even more powerful, driven by the full-scale AI rollout and strong underlying product momentum, positioning the company as a key player in the global wellness space.

Financial Highlights

- Revenue: Consolidated revenue stood at INR 90.9 Cr., marking a solid 18% YoY growth. Standalone revenue grew 17% YoY to INR 35 Cr., reflecting robust product demand and efficient delivery systems.
- PAT margin saw a substantial jump, rising from 5% in the comparable previous period to 8.1% currently, an expansion of over 200+bps. This significant improvement was attributed to disciplined spending and operational excellence.
- Strategic Expansion into Healthcare: The company is entering the Ayurveda hospital segment, transitioning from an Ayurvedic product company to a complete health and wellness ecosystem encompassing hospitals, nutraceuticals, and digital distribution.
- The goal is to establish 300 beds by the final quarter of FY27, with initial focus on the NCR region.
- AI and Digital Transformation: Management announced the completion of beta testing and readiness for a large-scale AI rollout. This initiative is expected to enhance CRM intelligence, digital operations, and customer experience, positioning company as one of the first Ayurveda companies in India to deploy AI at scale. The AI engine is designed to be a data power house, converting high-ticket size leads into low-ticket size product sales.
- Manufacturing Strategy: A new, minimally capital-intensive manufacturing unit (CapEx less than INR 1 Cr.) has been set up. Critically, the company will maintain its flexible 'satellite model' by limiting internal production to less than 25% of total requirement and continuing with contract manufacturing. This factory will primarily serve as a dedicated R&D lab.

Operational Headwinds Addressed:

- Topline Impact: A pre-emptive and extended slowdown in May due to Indo-Pak tensions resulted in an estimated top-line loss of approximately INR 6 Cr. and a negative bottom line for that specific period.
- Trade Receivables A temporary increase in trade receivables was caused by a software glitch at India Post, which has since been substantially resolved, with 80% of the stuck payments recovered.
- Marketing Cost Strategy While advertisement costs remain high, the management indicated that a drastic reduction is not planned. Future profitability and margin expansion will primarily be driven by better infrastructure utilization rather than aggressive cuts to customer acquisition costs.

Other Key Highlights

- High-Margin Model Philosophy: The business model aims to achieve Return on Ad Spend on the first sale, with subsequent second, third, and fourth sales being pure profit add-ons
- Premium Pricing Defense: The higher pricing for certain products is justified as they are positioned as premium lifestyle products, not merely medicines, drawing an analogy to premium brands like Nike or On.
- Hospital Funding: The expansion into the Ayurveda hospital segment, including the target of 300 beds, will be financed entirely through internal accruals, with no immediate plans to raise fresh equity.
- International Footprint: A US subsidiary has been made ready, and international territories have been opened up. Management clarifies these are long-term initiatives and will not provide immediate revenue.
- Employee Focus: The board has approved an ESOP for FY25-29, which is applicable to all employees, underscoring the management's view that its people are its biggest strength.

L T Foods Ltd– Q2FY26 Concall KTAs
CMP: INR 420 | Market Cap: INR 146 Bn

Financial Performance

- Q2FY26 Highlights: Record quarterly revenue INR 2,772 Cr (+30% YoY; normalized +12% ex-Golden Star consolidation & US tariff impact); EBITDA INR 316 Cr (+24% YoY), margin 11.4% (-60 bps YoY) due to elevated brand/digital investments; PAT growth +8.7% YoY, but margins compressed to 6.3% H1 (from 7.2% prior) on mix shift (Jasmine rice addition), organic underperformance, and consolidation effects.
- Cash & equivalents INR 600+ Cr vs. ST borrowings INR 1,200 Cr (geo mismatch: India surplus, intl. WC needs; blended cost ~7%, offset by returns on surplus); payables days up 15 to 43 (better vendor terms); RoCE improved to ~22% on higher-margin segments; stock-in-trade jump tied to GS pre-packed imports from Thailand.
- Decline ex-GS profit share (now consolidated); no material one-offs, but tariff pass-through (~INR 150 Cr Q2 revenue uplift from initial 10% duty) supports topline.

Strategic Acquisitions & Investments

- Global Green Europe Acquisition: €25 Mn EV all-cash deal for Hungary-based entity (100% stake post-FDI approval, expected 2-3 months); adds ~€40 Mn revenue in €1.5 Bn European canned foods market; EBITDA-positive but stagnant growth historically due to financial constraints; ~€6-7 Mn intangibles/goodwill; establishes 3rd EU manufacturing hub for RTE/RTC synergy.
- Nature Bio Foods (Organic Arm) Expansion: New Rotterdam B2C facility (INR 20 Cr initial capex + INR 15 Cr over 3 yrs) for private-label entry; sources from 20+ countries (India/Africa focus); revenue ramp from FY27, targeting +INR 400 Cr incremental over 5 yrs; H1 margin pressure from third-party scaling and non-basmati price softness (global surplus post-India export ban).
- Other Capex: INR 5 Mn (~€0.6 Mn equiv.) in LT Pools UK sub for leverage optimization (debt/equity & D/E ratios); RTC capacity double in US delayed 6-9 months, now ramping Q4 for demand capture; Daawat Biryani Kit hits 1 Mn annual units.

Segment & Geography Performance

- Basmati/Specialty Rice: H1 +24% YoY (normalized +11.4%); organic sub-segment +26% on sustainable demand; non-basmati pressures from surplus/high harvest costs, but recovery expected H2 via market pricing.
- RTC/RTE (Convenience/Health): +9% H1 despite capacity constraints; strong US demand unmet (new unit delay); launches like Daawat Thai Green Curry Kit post-Biryani success; margin dip from promotions/third-party costs, but H2 acceleration via Q4 ramp (break-even deferred 6-7 months, on track for INR 400 Cr FY26 revenue).
- North America (46% Revenue): +47% YoY (normalized +16%); Royal 54% basmati import share, 61% overall; Golden Star 1 Jasmine brand; ~INR 353 Cr H1 consolidation uplift.
- India (30% Revenue): +13% YoY; Daawat 26% mkt share (leadership West); HH reach +24% to 56.2L (Mar'25); category +7-8%, supported by doubled H1 ad spend.
- Europe/UK (15% Revenue): +31% YoY on distribution gains; investments in people/infra; ME/ROW (9%) QoQ recovery (Q1 -33%, Q2 share gains); Saudi focus for 5-yr build in key basmati mkt.

US Tariff & Supply Chain Updates

- CVD Developments (EcoPure Subsidiary): Public hearing Sep 16; final determination extended to Nov 17; phased duties (10% initial, +25%, +50%) impacted ~50% US imports; partial pass-through on 10% (~INR 150 Cr Q2 revenue), full negotiation ongoing for remainder (process to reflect in coming qtrs).
- Pass-Through Strategy: Initial 10% absorbed/negotiated; higher tranches in customer discussions; no Q2 heat taken beyond early phase; stocks fully available for Christmas, shelf presence intact.
- Crop & Input Outlook: Basmati acreage +1.5% YoY; LT share ~7-8% of crop (no supply constraint for double-digit growth); inputs stable QoQ (80% sourced Oct-Feb); cyclical dynamics (carryover buffers surplus); global non-basmati softness from India ban/high production, but basmati firm.

Brand & Market Strategy

- Core Focus: Leverage Daawat/Royal equity for "rice-plus" extensions (RTC/RTE kits, potential yogurt/lassi synergies); distribution as key moat for adjacencies; 5-yr rolling plan targets 16% CAGR revenue, 21% PAT (specialty rice core at 5-7% category growth).
- India/Modern Trade/Quick Commerce: Category +7-8%; Daawat 2 brand, geared via doubled ad investments; no rising intensity noted—strong positioning vs. top players; HH penetration drives volume.
- Global Priorities: Brand trust via marketing; digital transformation; partnerships for RTE/RTC scale; organic rebound via EU private-label; ME greenfield build for basmati dominance.

Outlook & Guidance

- FY26 Priorities: Deepen brand equity, accelerate expansions (US/EU/India/ME), digital investments for future-proofing; H2 optimistic (India/EU/ROW promising; US tariff watch over next 2 months); organic margins recover by Q4; RTC +growth from Q4 capacity.
- Margin Trajectory: EBITDA stable at 11-12% long-term (investments front-loaded); PAT to inflect with pass-throughs/organic normalization; RoCE ~22% sustainable on mix.
- Long-Term View: 5-yr CAGR intact; no crop/supply risks; tariff resolution key upside; Global Green to bolster EU positioning post-approval; break-even on new units FY26.

Vedant Fashions Ltd – Q2FY26 Concall KTAs**CMP: INR 646 | Market Cap: INR 157 Bn****Financial Highlights**

- Reported revenue from operations at ~INR 263 Cr (+4.6% YoY on customer sales of INR 3,49 Cr), impacted by 15-20 day dispatch disruption due to GST rate rationalization adjusted for disruption, customer sales growth ~5%; PAT at INR 56 Cr.
- TTM Sep'25 cash conversion cycle ~79% (OPCF/PAT ex-finance income); inventory down QoQ but receivables stable at 79 days TTM (slight uptick from FY25's 77 days, tied to primary revenue lag); capex INR 11 Cr for flagship store experiments in Bangalore (one-off, no further FY26 capex planned).
- H1 GM contraction attributed to seasonal/product mix (non-comparable Q2 wedding calendar); no structural issues like markdowns/write-offs/store closures; full-year view preferred, with historical H1FY24 GM ~66% expanding to FY-end.

Operational Updates

- Modest net GTA addition of 3.5k sq ft in Q2 (prioritizing quality/sustainable openings amid rationalization); 13 net EBO closures (9 from SIS to MBO shift, rest underperformers/migration); total footprint 1.79 Mn sq ft across 671 stores in 257 cities; ~150 SIS EBOs currently.
- Added 2 stores in Australia/UAE; early strengthening of EBO presence.
- Swift GST implementation (barcode/MRP updates on >1 Bn SKUs) disrupted Q2 dispatches but normalized post-transition; no material one-off costs; Q1 revenue gap (~500 bps primary vs. secondary) tied to inventory turn optimization (higher store efficiency, lower primary for better cash flows).
- New stores (<5 years) outperform mature ones; refurbished stores see one-time SSG uplift; Q2 SSG -2% but best-ever non-wedding quarter (H1 +8.3% more comparable).

Brand and Marketing Strategies

- Reinforced weddingwear leadership via "Aap Ka Banjaaye Hai Manyavar" campaign, Aranya Collection launch, and Wedding Ambassadors; focus on footfall via innovative initiatives like upcoming Manyavar Shaadi Show to drive H2 growth.
- Mohey: "Mohe Rangdot" campaign boosted festive/expressive positioning (coral pink to minty green palette); strategic pivot from bridal-heavy (lehengas ~30% of sales, down from 50-55%) to non-bridal (stitch suits, sarees, crop tops) expanded TAM and eased demand dynamics.
- Momentum in bridge-to-luxury via "Truly You" storytelling, Wedding Asia/Artguru activations; strong performance in EBOs and as luxury upsell in Manyavar stores.
- Festive-focused (not economy) with digital/social campaigns for Rakhi/Navratri/Diwali; encouraging Q2/H1 traction in online/MBO channels; viewed as sub-line for now, with plans to standalone in 3-4 years.

Market and Competitive Landscape

- H1 footfalls rebounded in AP/Telangana (+north of 20-30% growth, vs. prior drag); men's segment lagged on footfalls (5-10% shortfall key growth headwind); women's ethnic (sari peers +35%) outpaced due to regional/mix divergence, but no broad men-women wedding split; macro reasons (e.g., footfall normalization) hard to pinpoint.
- Industry store openings flat QoT (net zero across tracked players amid financial pressures); Manyavar stores adjacent to competitors saw +5% SSG delta, indicating macros > competition as primary drag; unorganized sector not aggressively gaining share at organized price points (GST compliance high in MBOs).
- Retention/repurchase rates and NPS improving; repeat customers driving design/quality perception gains; 2.5x design testing YoY yielding bps conversion uplift; bridal purchase windows: men 10-15 days pre-wedding, women 30-40 days.
- Wedding/Festive Trackers: ~1 Cr annual weddings; winter dates > summer; post-Navratri/Diwali peaks; state-reported marriages/banquet intel for post-Q analysis; October festive sentiment positive on GST cuts (99% products lower, though company's mostly +6% to 18%).

GST Impact and Pricing

- Majority products shifted 12% to 18% GST; full barcode/MRP realignments completed pre-peak; no secondary sales impact, but primary lagged; net MRP hikes calibrated by SKU performance/value (some absorbed, others partial/full); e.g., Manyavar kurta-pajama MRP cut to INR 2,624 (12% GST inclusive) for defensiveness.
- Broad +6% GST shift, but post-change sales data (Q3 festive) needed for precise net pricing impact quantification; no further hikes planned immediately; consumer frenzy on overall rationalization boosting sentiment.

Outlook and Strategic Priorities

- H2 focus on marketing pivot (e.g., Shaadi Show) for footfall; SSG target mid-teens long-term via 2.5-3% ASP inflation +0.5-0.6% mix shift + volume/repeat gains (sustainable 8-9%); store rationalization completes in 6-7 months, reverting to ~1.5-2L sq ft net adds annually in steady state.
- 4-5% SSG = flat EBITDA leverage (offsets 15% triennial rent hikes); 8-10% SSG implies expansion (H1 margins non-recurring, expected recovery with SSG); full-year GM view stable.
- Optimistic on category boom (nascent men's celebration wear, middle-class expansion); Coco model core, with franchise scalability; Q3 commentary post-festive/wedding for deeper insights; H2 weighted larger with macro tailwinds expected to unlock rebound.

Macrotech Developers Ltd - Q2FY26 Concall Highlights CMP – INR 1,198 | Mcap – INR 1,196 Bn**Management Outlook:**

- Indian economy shows positive sentiment with GST rationalization benefiting consumers; RBI delivered a 50 bps rate cut, with more expected following US Fed actions. RBI revised GDP forecast to 6.8% (from 6.5%), though medium-term aspirations are higher; real estate expected to contribute positively amid improved ease of doing business.
- AI revolution seen as a major productivity booster; India positioned to lead in data centers, value-added services, and GenAI applications, creating opportunities for agile companies.
- FY26 pre-sales guidance maintained at INR 210,000 mn (20% YoY growth), with embedded EBITDA margins at 32% (implying INR 65,000+ mn). Aim to scale quarterly run rate to high INR 50,000-60,000 mn, supported by resolved environmental clearances in Mumbai.
- Price growth at 3% in H1FY26, on track for 5-6% in FY26 to maintain affordability below wage growth. Medium-term strategy targets 20% annual growth and 20% ROE.
- Industry consolidation ongoing, with capital providers and landowners preferring top brands; diversified model across segments reduces risks.

Business Development and Expansion Plan:

- Added one project in MMR with GDV of INR 23,000 mn; H1FY26 additions met full-year guidance of INR 250,000 mn GDV, with potential to outperform due to strong pipeline.
- Palava data center park (400 acres) advancing: MoU with Maharashtra for green incentives (>USD 1 bn total benefits); anchored by AWS and STT. Land values risen to ~INR 3,000 mn/acre (from INR 210 mn), valuing balance land at INR 100,000 mn. Exploring value-add like PowerShell (potential annualized PAT of INR 100 mn/MW), additive to residential; dedicated team to finalize plan by next quarter. Infrastructure includes 3 GW power, 100 MLD recycled water, and fiber connectivity; PUE 1.2-1.3, build costs INR 6-7 mn/MW.
- Palava and Upper Thane townships progressing: Mulund-Airoli Freeway operational next quarter, bullet train station by 2028-29 (10-min ride to BKC), metro by 2028; transitioning Palava to upper mid-income/premium, with sales/margin uplift from FY27.
- Pune and Bangalore scaling strongly, contributing 30%+ of pre-sales (up from 3% at IPO); Pune market >INR 600,000 mn with 1-year inventory, Lodha at INR 14,000 mn in H1FY26 (on track for annual target), 11 projects, 2nd largest developer aiming for No.1 in 2 years; new launches in Pune East/West.
- NCR pilot starting FY27, initial focus likely on Gurugram, but open to other areas; standard model involves 2-3 year pilot before growth phase.

Other Highlights:

- Achieved best-ever Q2 pre-sales of INR 45,700 mn (+7% YoY); H1FY26 at INR 90,000 mn (43% of guidance). JDA contribution at 50% of pre-sales (above 40% target), yet embedded EBITDA at 32%. Pro forma PAT at INR 9,300 mn (20.3% margin), ROE ~20%.
- Revenue at INR 38,000 mn (+45% YoY), adjusted EBITDA INR 13,000 mn (+37% YoY, 34.4% margin), PAT INR 8,000 mn (+87% YoY), operating cash flow INR 14,700 mn.
- Net debt at INR 53,700 mn (0.25x equity, below 0.5x ceiling); cost of debt down 30 bps to 8%.
- Ranked among top 1,000 trustworthy companies globally by Newsweek (only Indian RE firm, among 18 global developers).
- Sales mix balanced: ~50% mid-income (picking up on govt support like rate/tax cuts), 12-15% luxury, balance premium; average realization may vary periodically due to mix.
- Pune specifics: Diversified demand (IT, auto, manufacturing, defense, education, GCC); premium pricing maintained; deliveries starting in 12 months to strengthen brand.
- Data center opportunity seen as global-scale, with India/Mumbai advantages (50% of India's capacity, low latency potential to Europe/US); not alternative to residential, could add INR 25,000 mn annualized PAT from 250 MW (10% of 2.5 GW IT capacity).

Bajaj Housing Finance Ltd

AUM growth is expected to remain slightly muted due to higher attrition. However, normalization is anticipated from FY27 as attrition stabilizes following expected rate cuts. Over the medium term, the company aims to achieve ROA of ~ 2.3–2.5%, ROE of 13–15%, and an Opex-to-NII ratio of 14–16% within the next 3–4 years. Management also expects a 10–15 bps NIM compression in H2FY26 amid anticipated rate cuts and pricing pressure from PSUs.

Financial Performance

- Net interest income up by 34% YoY, while total income increased 22% YoY. PAT up by 18% YoY to INR 6,430 Mn, with ROA at 2.3% and ROE at 12.2%.
- AUM increased 24% YoY to INR 12,67,490 Mn, while disbursements rose 32% YoY to ₹15,914 crore.
- The product mix comprised Home Loans at 55%, LAP at 10%, LRD at 21%, and Developer Finance at 12%. Segment-wise growth was strong, with Home Loans up 19%, LAP up 29%, LRD up 35%, and Developer Finance up 25%.

Assets Quality, Margin

- The cost of funds declined to 7.4%, down 50 bps YoY and 35 bps QoQ.
- Gross spread remained stable at 1.9%, while NIM was ~ 4%, marginally lower YoY due to a decline in assignment income.
- Opex-to-NII ratio stood at 19.6%, improving from 20.5% in the previous year.
- The borrowing mix comprised 54% from the money market, 37% from bank borrowings, and 9% from NHB refinance. Management expects a 10–15 bps NIM compression in H2FY26 due to anticipated rate cuts and pricing pressure from PSUs.
- GNPA stood at 0.26% and NNPA at 0.12%, both improving QoQ. Credit cost was 18 bps (vs 2 bps YoY), with a provision coverage of around 56%. All product segments maintained NPAs below 0.6%, while home loan GNPA improved by 4 bps to 0.32%.

Capital and Leverage

- CAR stood at a comfortable 26.1%. Gearing remains below the target level, with management aiming to reach 7–8x leverage over the next 2 years. The parent company, Bajaj Finance, holds ~ 88% stake, which is expected to reduce to 75% by FY29 in line with regulatory requirements.

Other Highlights

- Intense competition from PSU and private banks in prime home loans, especially during rate cuts.
- Bajaj Housing is focusing on micro-market deepening and customer segmentation rather than higher payout strategies. The company will continue to offer a full range of mortgage products, including Home Loans, LAP, LRD, and Developer Finance.
- The Emerging Businesses segment, comprising Affordable and Near-Prime products, now operates across 36 markets through a dedicated vertical. The average ticket size is INR 40–60 lakh, with the affordable segment ranging from INR 15–35 lakh. The company is currently onboarding around 250 customers per month, performing ahead of internal targets. This business is expected to scale up rapidly in FY27 while maintaining stable asset quality.

Gulf Oil Lubricants India Ltd

Strong demand momentum across B2C, OEM, and agri segments expected to sustain double-digit growth, outpacing the industry's 3–4% run rate. Management remains confident of maintaining its 12–14% EBITDA margin band as base-oil prices soften and the INR stabilizes. Rural recovery, GST cuts on vehicles, and festive-season tailwinds should aid volume traction, while the company's focus on premium products, mechanic engagement, and rural distribution continues to strengthen its brand pull. Its EV-charger arm, Tarex, is scaling rapidly and could emerge as a meaningful growth driver over the next few years.

- Revenue for H1FY26 grew 12.6% YoY; both volume expansion and an improved product mix. EBITDA rose 10.6% YoY in Q2FY26, maintaining EBITDA margin band of 12–14%. PAT growth stood at 3–3.5% YoY, impacted by INR depreciation and MTM forex losses.
- Lubricant sales volume of 40,500 kl, 9.5% YoY growth for Q2FY26. For H1FY26, lubricant volumes rose 10.1%, while AdBlue volumes grew 10.4% YoY; volumes reached 36,000 kl in Q2FY26, up 24% YoY, supported by healthy logistics and CV demand.
- The company continues to outperform the industry by 2–3x, as the overall lubricant market grew by only ~3%. Strong performance came from B2C, agriculture, B2B, and OEM franchisee workshops; all delivering double-digit growth.

Segment

- OEM segment delivered its highest-ever quarterly volume. OEM franchisee workshops witnessed healthy double-digit growth, led by passenger cars, agriculture OEMs, and 2Ws.
- Factory-fill OEM business, which was subdued last year, has now revived with visible demand pickup post-GST cuts and better CV momentum.
- Rural and agri segments continued strong, aided by good monsoon, tractor demand, and oil change camps.

Other Highlights

- The company continues its “Unlock 2.0” transformation to drive acceleration across segments and premiumization.
- Launched Gulf Syntac, a fully synthetic, high-performance motorcycle oil with Astra technology and API SP specifications.
- Introduced mechanic engagement program “M-Power”, building brand advocacy and one-on-one mechanic relationships across India.
- The EV charging subsidiary, Tirex, reported INR 42 crore revenue in H1FY26, up 75% YoY versus INR 24 crore last year.
- The company now holds a 65% stake in Tarex, up from 51%, following an additional INR 38 crore investment approved by the board.
- Tirex FY25 revenue grew from INR 12 crore at acquisition to INR 80 crore in FY25, and expects it to reach INR 300–INR 400 crore top line in the next 3–4 years.
- Tirex has expanded into both DC and AC chargers, supplying to MG Motors and BINFEST, and currently every third electric bus in India uses a Tarex charger.
- Developed 2 data center coolant prototypes (pure-based and mineral-based) in collaboration with its global R&D team.

MAS Finance Ltd

MAS remains committed to purpose-led, progress-driven growth, targeting INR 1 trillion in AUM over the next decade. ROA was maintained within the strategic guidance range of 2.75–3%, balancing higher operating expenses with improved yields. The company's distribution footprint has expanded to over 15,000 PIN codes, with a strategic shift toward increasing direct lending, targeting a 70–75% direct share within the next 2–3 years. Management remains optimistic about sector recovery, supported by improving borrower eligibility and normalization in MSME and micro-loan growth.

Financial Highlights

- Total consolidated income for Q2FY26 stood at INR 4,823 Mn, up 21.3% YoY, while standalone income was INR 4,586 Mn, up by 25% YoY.
- Net profit margin stood at 19.6%. The capital adequacy ratio remained strong at 24.57%, with Tier I capital at 22.7%.
- PAT up by 17.8% YoY to INR 914 Mn.
- Disbursements for the quarter stood at INR 32,590 Mn, with credit expansion remaining calibrated and well-diversified across MSME, SME, vehicle finance, and salaried segments.
- Consolidated AUM up by 18.3% YoY to INR 1,38,210 Mn in Q2FY26.
- Standalone AUM stood at INR 1,29,990 Mn, up 18% YoY, while standalone PAT was INR 897 Mn.
- Asset growth was broad-based, with micro enterprise loans up 9.8% YoY, SME loans up 16.6%, two-wheeler loans up 29.8%, commercial vehicle loans up 17.6%, and salaried loans rising sharply by 71% YoY.

Asset Quality

- Gross Stage 3 assets stood at 2.53% of AUM, while Net Stage 3 assets were at 1.69%.
- Management continues to maintain an overlay for stressed assets, currently at 0.17% of on-book assets.
- The company maintains zero DPD levels between 92–95% for eligible borrowers, with gradual improvement observed in performance during October and November.
- Recovery efforts and effective credit cost management led to lower sequential impairment costs in Q2.

Other Highlights

- MAS remains focused on purpose-led, progress-driven growth, with a long-term goal of reaching INR 1 trillion in AUM over the next decade.
- The distribution network has expanded to over 15,000 PIN codes, with a strategic focus on increasing direct lending, targeting a 70–75% direct share within the next 2–3 years.
- SME and micro-loan portfolio growth is expected to accelerate in the coming quarters, supported by improving rejection ratios and enhanced credit eligibility following recent sectoral volatility.
- The subsidiary housing finance business reported 23.7% YoY AUM growth to INR 8,220 Mn, with PAT increasing by 25.9%. Promoters plan to pursue a listing once the AUM reaches INR 40,000–50,000 Mn.
- The debt-to-equity ratio stood at 3.39x, with management comfortable increasing leverage up to 4–4.5x to maintain an efficient return profile.

Castrol India Ltd

The company continues investing in digital platforms, product innovation (EV fluids, helmet cleaner), and industrial sectors like steel and cement. Despite base oil and forex volatility, cost optimization and sourcing efficiencies helped improve gross margins. The company has 150,000+ retail touchpoints, 750 auto service centers, and partnerships with VinFast Auto for EV aftersales support; showing transition toward a complete auto service and maintenance brand. Management reiterated confidence in sustaining 21–24% EBITDA margins, maintaining volume-led growth, and leveraging its strong brand and network to capture opportunities in India's evolving mobility and industrial landscape.

- Company continues to outpace industry growth; year-to-date volume growth of 8% reflects strong execution and brand strength.
- Industrial lubricants (~12–14% of total volumes) continue to grow in double digits, with focus on high-performance segments like metal working fluids, rust preventers, and CMS (Chemical Management Services).
- Rural markets remain a strong growth engine, now contributing ~25–30% of B2C volumes and growing in double digits. Rural Express kiosks and mechanic programs continue to drive penetration.
- Distribution footprint expanded to over 150,000 retail outlets, including 40,000+ in rural India; branded service network scaled up to 750+ Castrol Auto Service centers across 300 cities.
- Signed MoU with VinFast Auto to provide nationwide after-sales support for its EV customers—marking a strategic step beyond lubricants into service and maintenance.
- EV-focused “Castrol ON” fluid range gaining traction; company leveraging its R&D center to localize advanced EV fluids suited for Indian conditions.
- Launched new “All-in-One Helmet Cleaner” as part of the broader auto care portfolio, reinforcing Castrol's shift towards a full-service auto maintenance ecosystem.
- Continued innovation in core portfolio upgraded engine oils to meet latest API specifications and broadened AutoCare offerings.
- Brand engagement initiatives like Castrol Power1 Superdrive, Castrol Edge Superdrive, and Super Mechanic Attra deepened customer and mechanic connect.
- Cost optimization efforts like lower base oil costs, sourcing efficiency, pack material optimization helped expand gross margins; cost per liter down 5% QoQ.
- ~50–55% of base oil is imported; management highlighted a balanced sourcing strategy to optimize cost and working capital.
- Management reiterated focus on sustaining EBITDA margin range of 21–24% through volume-led growth, product innovation, and operational discipline.
- Strategic review by BP Global is underway; Castrol India continues to focus on execution and growth with no change in direction.
- Management remains confident of maintaining growth momentum despite base oil and forex volatility; demand outlook strong across automotive, industrial, and emerging segments like EV fluids and data center coolants.
- Long-term focus remains on expanding beyond lubricants transforming into a complete service and maintenance solutions provider while delivering sustainable and profitable growth.

Fusion Finance Ltd

Disbursements is expected to outpace repayments by Dec'25–Jan'26, setting the stage for book growth resumption. Credit costs are expected to trend down to ~3–3.5% going forward. The company continues to benefit from tighter underwriting, improved branch-level risk analytics, and a focus on higher-quality, repeat customers. MSME remains a key growth engine with AUM expanded to INR 7,080 Mn, with 91% secured loans and an IRR of 23%.

Financial Performance

- Total income for Q2FY26 stood at INR 4,330 Mn, down 3% from INR 4,460 Mn in Q1FY26. NII declined 9% QoQ to INR 2,430 Mn. NIM improved to 10.9% from 10.3% in the previous quarter, driven by a richer yield mix and better asset quality.
- PPOP increased marginally to INR 890 Mn from INR 870 Mn in Q1FY26. Loss after tax narrowed significantly to INR 220 Mn in Q2, compared to INR 920 Mn in Q1FY26. The cost-to-income ratio stood at 70.2%, while the operating cost ratio was 11.38%.

Business Performance and Growth

- Disbursements in Q2FY26 stood at INR 12,980 Mn, up 37% QoQ from INR 9,500 Mn in Q1FY26, taking total disbursements for H1FY26 to INR 22,480 Mn. The company acquired about 75,000 customers during the quarter, compared to 55,000 in Q1FY26, with existing customers contributing around 75% of total disbursements.
- The average ticket size improved to INR 56,000, driven by a higher share of second-cycle customers (36% compared to 27% earlier). The MSME vertical's AUM increased to INR 7,080 Mn from INR 6,840 Mn in Q1, comprising 91% secured loans with an IRR of 23%. The business now operates across 8 states and 91 branches.

Asset Quality and Credit Costs

- Gross NPA improved to 4.61% in Q2FY26 from 5.5% in Q1FY26, while Net NPA remained stable at a low 0.38%. Credit cost declined to INR 1,110 Mn in Q2 from INR 1,780 Mn in Q1.
- Stage 3 provision coverage remained strong at around 92%, while overall provision coverage (Stage 2 and 3) stood at ~ 85%. Write-offs during the quarter totalled INR 2,460 Mn, and write-back recoveries doubled to INR 130 Mn. Collection efficiency improved to 98.85% in Q2 from 98.65% in Q1, with the new book achieving a robust 99.5% collection efficiency.

Other Highlights

- Manpower reduced from 15,400 to 13,600, improved productivity as disbursements continued to grow despite a lower employee count.
- Digital collections increased from 21% to 35%, with ongoing initiatives for digital receipting aimed at reducing customer grievances.
- AI-enabled credit scoring, geofencing, and real-time KYC are being implemented to strengthen underwriting processes, ensure compliance, and enhance fraud prevention.

CSB Bank Ltd

Strong growth momentum is expected to sustain with healthy profitability and steady margins. Franchise is expanding faster than peers, backed by solid traction in gold and SME lending. Margins are expected to stay stable ~3.7–3.9%, with fee income now becoming more granular and sustainable (~20% of total income). Asset quality remains strong, with GNPA at 1.8%, PCR above 84%, and credit cost guided to remain at 40–50 bps. While opex stays elevated near term due to tech investments, operating leverage should kick in from FY27 onward.

Financial Performance

- Net profit stood at INR 200 crore for Q2FY26, 16% YoY and 35% QoQ growth.
- Operating profit rose 39% YoY and 27% QoQ to INR 279 crore
- NII increased 15% YoY and 12% QoQ, while other income surged 75% YoY and 43% QoQ, 24% of total income for the quarter.
- C/I ratio stood at 63.86%, marginally lower versus Q1FY26 and Q2FY25. ROA improved to 1.33%, up by 30 bps QoQ, while ROE reached 14.46%.
- Total advances grew 29% YoY, ahead of industry growth of 11.4% YoY. Deposits increased 25% YoY, outperforming the industry's 10% growth.
- The CASA ratio stood at 21.17%, with CASA deposits rising 9% YoY.
- The bank's LCR averaged 126%, and Net Stable Funding Ratio (NSFR) stood at 116%, both showing strong liquidity management.
- Yield on advances rose by 22 bps QoQ to 10.95%, driven by better pricing in gold and SME portfolios. CD ratio remained at 87.54%.

Asset Quality and Provisions

- GNPA stood at 1.81%, while NNPA improved to 0.52%, down from 0.60% in Q1FY26.
- PCR improved to 84.14% (with write-offs) and 71.62% (without write-offs) versus 80.46% and 64.52% respectively in Q1FY26.
- The bank carries INR 199 crore of contingency provisions over regulatory requirements.
- Credit cost guidance remains at 40–50 bps, with management targeting to keep it below 50 bps through improved recoveries.
- 2 MSME slippages from Q1FY26 were largely recovered during Q2FY26, improving reported NPAs.
- ECL transition impact will be immaterial, due to conservative provisioning and existing buffers.

Margins and Funding

- NIM improved to 3.81%, up by 27 bps QoQ; expects margins to stabilize in the 3.7%–3.9% range for FY26.
- The improvement was driven by higher yields on gold loans and lower cost of bulk deposits.
- ~38% of the loan book is benchmark-linked (MCLR or EBLR), which limits sharp NIM movements versus peers.
- The bank's bulk deposit rates have started easing, supporting cost of funds.
- Repricing of term deposits and reduction in average tenor are expected to keep funding costs in check.

Business Mix

- Gold loans form ~47% of the advances book and continue to drive growth, aided by higher yields and disciplined LTV management.
- The bank plans to diversify its loan book, focusing on SME, wholesale, and retail segments.
- Retail growth is expected to pick up from FY27 onward with the rollout of LOS and LMS, automated scorecards, and digitized credit journeys.

- Retail products in focus include vehicle finance, CV/CE loans, loan against property, and agri loans.
- By FY30, gold loans are expected to account for 25–30% of the total book, versus over 40% now, as SME- and retail-linked secured lending grows.

Other Highlights

- CRAR stood at 20.99%, with Tier 1 capital at 19.19%, among the highest in the industry.
- The bank continues to maintain a low proportion of RWA due to its strong gold loan exposure.
- Fee income doubled YoY and grew 80% QoQ, driven mainly by processing fees, insurance distribution, and transaction banking.
- ~80–90% of fee income is granular and sustainable, while treasury income contribution was limited due to higher yields.
- ~20% of total income can sustainably come from fees going forward.
- Operating expenses rose 22% YoY, led by technology-related costs and AMC charges post core banking migration.
- Technology spend forms 8–9% of total OPEX.
- C/I ratio will likely remain in the 60–65% range for the next year, expected to decline meaningfully from FY27–FY28 as tech investments start yielding operating leverage.
- The bank operated 838 branches and 810 ATMs as of September 2025.
- It plans to add 50–60 branches annually, gradually moving toward 1,000 branches, then reassessing expansion pace.

Greaves Cotton – Q2FY26 Concall KTAs-Arihant Capital

Investors are largely disappointed due to weak performance across most business segments. Although the Greaves Electric IPO was filed six months ago, there has been no update so far, and management has not provided a clear outlook on the matter. Export volumes remain below pre-COVID levels, and the auto aftermarket business continues to lag, even as industry peers show stronger performance. With the new Greaves.Next strategy in place, the focus now shifts to execution—investors will be hoping for a meaningful turnaround ahead.

Expects growth for H2FY26 across automotive, genset, industrial, and agri segments, aided by infrastructure spending, urban activity, and industrial recovery. Mining and urban infra demand remain strong, while rural sentiment and interest rate trends are being monitored closely.

Management is targeting a 16–20% revenue CAGR over the next 4–5 years, supported by both organic and inorganic growth drivers, with execution monitored through a structured governance framework, digital tools, and clearly defined milestones. The management remains cautiously optimistic, expecting sustained growth across business segments, margin expansion through cost efficiencies, and steady momentum in exports and the electric mobility vertical.

Greaves. Next focuses on building a future-ready organization anchored on three key pillars 1) Reliable Products, emphasizing quality and performance to strengthen customer trust 2) Sustainable Technologies, centered on cleaner, efficient, and multi-fuel solutions 3) Customer-Centric Innovation, aimed at delivering tailored, high-value engineering offerings.

FY30 roadmap is guided by three growth dimensions

- 1) Accelerating the Core by strengthening existing businesses, deepening OEM relationships, and enhancing service capabilities
- 2) Building New Muscle through investments in emerging technologies, contract manufacturing, and adjacent categories
- 3) Expanding Horizons via selective M&A and partnerships to access new technologies, markets, and revenue streams.

Automotive Engine Segment: Demand remains robust, led by recovery in 3w and small commercial vehicles, supported by stable fuel prices and improved fleet utilization. The gradual shift toward cleaner fuels (CNG, LPG, and electric) aligns with Greaves' "fuel-agnostic powertrain" strategy that caters to both current and future mobility needs.

Genset Business: Continued to strengthen, with market share now 4%. Growth was supported by reliable product performance and expanding customer reach, positioning the segment for steady medium-term growth.

Industrial Engines: Both single and multi-cylinder platforms, continued to power applications in construction, agriculture, firefighting, marine, and other industrial uses, underscoring product reliability and application diversity.

Excel Control Linkage: Excel reported stable quarterly performance with domestic growth supported by automotive, construction, and marine OEMs. New capex projects were completed on schedule and are expected to generate incremental business. The company continues efforts to diversify geographically to reduce concentration risk, while maintaining healthy EBITDA margins of ~27%.

Exports: Exports maintained strong momentum, led by Euro 5+ compliant automotive engines. Collaboration with European microcar OEM Ligier showcases Greaves' engineering and quality capabilities. Exports now contribute a double-digit share of consolidated revenue, with new discussions underway with global OEMs for long-term, high-margin programs.

Technology Investments : Such as multi-fuel gensets and rare-earth-free motors. The partnership with Chara Technologies continues to progress well, aimed at improving sustainability and cost efficiency across electric mobility and powertrain solutions.

Retail and Aftermarket: While diesel 3w aftermarket demand witnessed temporary softness, focus remained on expanding retail footprint, strengthening omnichannel presence, and improving customer reach, particularly across Tier-2 and Tier-3 markets.

Electric Mobility Business: Steady progress with 2W volumes up 54% YoY in H1FY26. MS improved from 3.2% to 4.2%, with regional strength in Tamil Nadu (12%), Bihar (14%), and Odisha (6%). The Magnus Grand and Ampere Nexus models were key growth drivers, supported by new features, LFP battery technology, and enhanced safety.

EV Portfolio: Greaves Electric became one of India's first OEMs to fully transition to 100% LFP battery technology across its EV portfolio, enhancing safety, lifecycle, and thermal stability. The company also continues investments in IoT-enabled scooters and battery-swapping solutions, with over 850 vehicles deployed under fleet partnerships in Delhi-NCR.

The "Supplier Vision Summit 2025" brought together key partners to align on quality, innovation, and supply chain excellence, ensuring the ecosystem is future-ready for accelerated EV adoption.

International: The company established an international footprint in Nepal and is exploring expansion opportunities in Sri Lanka (2Ws) and Africa (3Ws), aligning with its vision of globalizing the electric mobility business.

Segments: The Engineering business posted a 31% YoY revenue growth in Q2 to INR 46 crore, with H1 growth at 30%. The Automotive business delivered a strong 48% YoY revenue increase, driven by Euro 5+ engine exports to European OEMs. The Genset segment recorded 24% growth, supported by steady demand across non-automotive applications. Retail revenue reached INR 146 cr, aided by network expansion and an effective omnichannel strategy. Excel reported Q2 revenue of INR 57 cr and H1 revenue of INR 117 cr, sustaining healthy double-digit margins. The Electric Mobility segment delivered robust performance with Q2 revenue of INR 199 cr and H1 revenue of INR 336 cr, led by successful new launches.

Consolidated EBITDA margin stood at 15%+, supported by cost optimization, export mix, and aftermarket growth.

ROCE remains healthy above 30%, reflecting efficient capital management and strong operational returns.

Energy Solutions: Will serve as the key growth engine, focusing on high-efficiency, dependable power solutions across markets.

IPO Update: Greaves Electric Mobility Limited has filed its DRHP with SEBI for an upcoming IPO. All discussions related to this entity are limited to details disclosed in the DRHP.

Jubilant Agri & Consumer Products Ltd | Q2 FY26 Key Takeaways | CMP: INR 2,588 | M-Cap: INR 3921 Cr

JACPL delivered an exceptional Q2 FY26, achieving multi-fold profit growth and proving the effectiveness of its diversified model. The verdict is a highly profitable quarter anchored by the outstanding performance of the Agri segment and disciplined, strategic margin defense in the competitive Adhesives market, even while making targeted investments for future scale.

Strong Quarter Across Segments: Consolidated revenue grew 26% YoY to INR 5.13 Bn, led by robust growth in both the Agri and Adhesives businesses.

Profitability Expanded: EBITDA rose 52% YoY to INR 0.64 Bn with margins improving 214 bps YoY to 12.5%, supported by softer input costs and operating leverage.

PAT up 69% YoY to INR 0.42 Bn, marking one of the best quarterly performances in recent years.

-Margin Defense in Adhesives: Management's verdict on the highly competitive Adhesives market is a firm resolve to "give better product at lower price and bear that" while remaining profitable. This confirms a strategy of sacrificing marginal gains for long-term volume and market presence against major competition.

-Cost Advantage Secured: The Company enjoys a structural raw material cost advantage because its VAM plant (the largest component) is near the port, reducing onward logistics costs for imported raw materials.

-Integrated Wood Finishes: To capture higher margins in the premium segment, Jubilant has strategically moved to manufacture high-quality Italian wood finishes in-house rather than importing, offering a "one-stop solution" of cost-effective Indian and premium Italian options.

-New Market Exploration (Tile Adhesives): JACPL is highly optimistic about Tile Adhesives, starting with a trading model to test value delivery before committing deeper resources, reflecting a picky and mindful investment approach focused on future ROI.

-Targeted Expansion: The North and South regions are very strong for the Company, but investment is now targeted at the Western part where traction is currently low, demonstrating a clear focus on addressing white spaces.

-Trade Risk Mitigation: Regarding US Tariffs, the Company is proactively exploring other geographies and is confident in mitigating any FY hit through existing contract fulfillment. Its position as one of the three main VAM manufacturers and shared customer bases with Europe offers flexibility.

-Agri Products

-Exceptional Performance: Segment revenue surged 58% YoY to INR 2.23 Bn; EBIT jumped 583% YoY to INR 0.29 Bn.

-Government-approved subsidy of INR 379.5 Bn under the NBS scheme for Rabi 2025–26 will further strengthen fertilizer affordability and offtake.

-Management expects 15–20% growth for the Agri segment in FY26, supported by new states entry and healthy Rabi sowing.

The management expects business momentum to stay strong through FY26, mainly driven by steady growth in the Adhesives and Agri divisions. They aim for revenue growth of around 18–20% with healthy margins of 12–13%, supported by stable input costs and better product mix. The new Samlaya plant will start contributing from FY27, adding more capacity and efficiency. Although the Polymers segment is seeing some short-term softness, management expects demand to gradually pick up. With low debt, strong cash flows, and focused investments, Jubilant Agri is well placed to deliver consistent, profitable growth going forward.

Blue Star Ltd - Q2FY26 Concall KTA**MCAP: INR 37,270 Cr | CMP: INR 1,813**

Outlook: The Q2 was muted due to expanded rains, delayed summer demand, and the gst rate reduction on Acs postponed customers' buying decision until new rates. This resulted in inventory channeling and margins reduction. The slow execution of infra projects remained concern and delay in order finalizations. The current order book stood at INR 7,120 Cr, up 7.9% YoY, expects good growth from the data centers and factory projects. In the mid-term, the room AC segment is expected to grow at ~18-19% CAGR through FY30E, whereas commercial is likely to grow at 12-15% CAGR, due to expansion in healthcare, data centers, and increasing Tier 3-4 commercial infrastructure.. The demand is expected to recover by Q4FY26, with pre-summer inventory stocking and normalized weather conditions.

Business Highlights

- Q2FY26 was muted due to expanded rains, late summer demand, and the gst rate reduction on ACs, which deferred buying decisions until the new rates resulted in Sept-25.
- The revenue from operations grew 6.4% YoY to INR 2,422 Cr vs INR 2,276 Cr in Q2FY25.
- EBITDA improved to INR 183.4 Cr, with margins expanding to 7.6% vs. 6.6% in Q2FY25 on better cost control and mix improvement in products mix.
- The current order book stood at INR 7,120 Cr, up 7.9% YoY, execution remains steady in data center and factory projects.
- The company is expanding its energy and IoT enabled product range to meet customer needs and to reach deeper in T2 and T3 markets.
- Festive season's demands did not reach the expectations of the companies.

Electro projects & Commercial Acs

- The segment revenue grew 16.5% YoY to INR 1,664 Cr with margins improving to 8.8% vs 8.3%.
- The infrastructure project experienced slow growth while other businesses saw healthy demand.
- The order inflow remained flat at INR 1,922 Cr, inquiry inflows from the data center and factories were good but infrastructure projects were delayed.
- The company is a leader in ducted systems and scroll chillers and remains in top three for VRF and screw chillers.
- Management expects margins to be in the range of 7-7.5% for FY26E, focusing on selective orders.

Unitary products segment

- The revenue was down by 9.5% YoY to INR 694 Cr, as monsoons extended and higher inventory impacted sales. Margins dropped to 6.2% vs 7% in Q2FY25.
- Inventory levels are ~65 days vs 45 days on avg, inventory liquidation remains top priority of manufacturers.
- Management expects H2FY26 to see a pickup as GST prices will benefit consumers and channel inventory reduces.
- For FY26, the company expects segment margins near 7% range, with potential pressure due to discounting during inventory clearance.

SIS Ltd Q2FY26 Concall Highlights**CMP: INR 338 | Market Cap: INR 47,690 Mn****Growth & Revenue Momentum**

- All three business segments posting record revenues simultaneously: India Security at INR 15.44 Bn (11.5% YoY), FM at INR 6.29 Bn (13.7% YoY), and International Security at INR 16.07 Bn (19.3% YoY).
- Two-thirds of India Security growth is volume-driven (new contracts) rather than pricing a healthier, more sustainable growth trajectory that demonstrates genuine demand execution.

Strategic M&A Milestone

- AP Securitas acquisition successfully closed, adding roughly INR 10+ Bn in annual revenue and 17% to India Security's monthly run rate starting Q3 consolidation making SIS's India Security business approximately 2x the size of its nearest competitor.
- Deal valued at INR 712 Mn post-debt adjustments at an 8.3x EBITDA multiple on FY24 trailing numbers; structured as a "partnership" with incumbent management incentivized through 3-4 year ratchet clauses tied to growth and margin targets.
- Despite 100+ AP Securitas branches, management emphasizes phased rationalization over two years to preserve client relationships and operational continuity rather than aggressive cost-cutting.

Margin Expansion & Profitability Journey

- Consolidated EBITDA surged 16.2% YoY to INR 1680 Mn with margins improving to 4.5% with operating PAT at INR 930 Mn (2.5% margin) and tracking toward INR 4 Bn (~INR 2 Bn+ in first half alone).
- Facility Management business showing inflection with 5.2% EBITDA margin (up 90 bps YoY) and record quarterly EBITDA of INR 330 Mn (36% YoY growth) management confidence in approaching 6% margins.
- India Security margins holding stable at 5.3% despite minor 20-bps dip from branding costs; management targeting 6% EBITDA margins for both India Security and FM, noting three-quarters of the journey from 4% to 6% already completed.
- International Security EBITDA grew 20.4% YoY on flattish margins (3.3-3.5%), with historical benchmark at 4-4.5%; management positioning that shift toward higher-margin India business (projected 75% of EBITDA, 65% of revenue by year-end) will mathematically lift consolidated margins.

International Business Dynamics

- International segment experiencing exceptional mid-teens growth this year due to contract wins in H1 explicitly cautioned as unsustainable, with historical 7-8% annual growth the normalized expectation aligned to Australian GDP growth patterns.
- Despite strong growth, margins under pressure; management targeting restoration to 4% range through structural actions: contract rationalization, SG&A sizing discipline, and elimination of unfavorable overtime rates.

Capital Efficiency

- DSO remained stable at 69 days with a minor one-day uptick attributed to a one-time SIS International timing issue expected to normalize next quarter.
- Return on Capital Employed strengthened to 14.3% from 11.7% a year ago following balance sheet cleanup, including goodwill write-offs signaling improved capital productivity post-restructuring.

Labor Market & Wage Dynamics

- Post-COVID wage inflation has moderated to 5% annually (10-year average 11%), helping unit economics; SIS contracts indexed to minimum wage and wage inflation flows through as simple pass-through with no renegotiation friction.
- Government incentive scheme for first-time formal sector workers is early-stage supportive; broader government labor reform agenda (labor code, wage code, social security code passed 2020-2021 but yet to implement) represents upside catalyst for blue-collar job creation and wage support.

Strategic Portfolio Expansion

- Secondary investment of INR 45 Mn in WiFi a B2B2C home improvement and maintenance tech-enabled platform servicing leading home furnishing and consumer brands aligns with venture ecosystem strategy to identify adjacent, fast-growing businesses.
- Cash Logistics IPO on track; secondary proceeds expected to flow back to SIS parent, deleveraging debt and reducing interest costs positioned as additional PAT and EPS upside catalyst.

I G Petrochemicals Ltd- Q2 FY26 Earnings Call KTAs**CMP: INR 400 | Market Cap: INR 12,379.5 Mn****Financial Guidance and Debt Management**

- Interest & Cash: FY26 interest cost expected at INR 300–350 Mn, similar to FY25. Cash balance stands at INR 2,300–2,500 Mn, with an additional INR 200–300 Mn expected from subsidies and other inflows.
- Capex: FY26 capex outlay of INR 700–800 Mn, primarily for the Plasticizer (INR 500–600 Mn) and Paralysis & CBG (INR 300 Mn) projects.
- Leverage: Peak debt projected at INR 2,500–2,600 Mn upon completion of new projects. Management reiterated its goal to stay net-debt free post capex.

Capacity Expansion and Revenue Projections

- Plasticizer (PFI) Plant: Commissioning expected before March 2026; ramp-up to begin Q2 FY26, with lower initial utilization.
- Revenue Potential: At 90% capacity utilization (TH + Plasticizer), annual revenue target is INR 30,000–32,000 Mn.
- Non-PAN Portfolio: Long-term non-PAN revenue estimated at INR 10,000–11,000 Mn, led by:
 - Plasticizer: INR 9,000–10,000 Mn
 - Maleic Anhydride: INR 1,000 Mn
 - DOP & Others: INR 1,400–1,500 Mn

CBG Project: Total investment INR 1,000 Mn, IGPL equity INR 150–300 Mn. Commissioning of 15–20 TPD pilot unit by June–July 2026; expected revenue INR 160–220 Mn at 70–80% utilization with 10–20% margin. Future CBG projects to follow a 100% subsidy model.

Operational and Market Outlook

- Production Guidance: Annual volume maintained at ~200,000 tons ($\pm 5\%$), with 45,000–50,000 tons quarterly. Annual shutdowns already factored in.
- Cost Efficiency: Natural gas switch to save INR 40–50 Mn/year; solar energy to save INR 10–20 Mn/year (3-year payback).
- Market Trends: Domestic demand for Talic & Plasticizer products seen doubling in 5–7 years, supported by 8–9% GDP growth.

Pricing Outlook:

- Talic Anhydride margins currently ~\$100/ton, expected to revert to \$180–200/ton post geopolitical normalization; ADD review due July–Aug 2026.
- Maleic Anhydride prices < \$700/ton, implying cash losses; normalization expected in 1.5–2 years.
- Balance Sheet: Company remains committed to net-debt-free status; has prepaid INR 400 Mn and plans to repay another INR 1,000 Mn. Most Euro debt converted to INR to reduce FX exposure.

Standard Glass Lining Technologies Ltd Q2 Earnings Call KTAs

CMP: INR 169 | Market Cap: INR 33,514.6 Mn

Financial Guidance and Growth Trajectory

- FY26 Growth Outlook: Management guided for 20–25% YoY revenue growth in FY26, driven by deferred exports and steady order inflows. H2 revenue run rate is expected at ~INR 2,200 Mn/quarter, with exports contributing strongly.
- Exports: About INR 450 Mn worth of export shipments deferred from H1 are expected to be recognized in H2, aiding margin improvement. Full-year exports maintained at 12–13% of revenue, with IP export recovery expected in Q3–Q4.
- Medium-Term Outlook: Assuming a 25% growth rate, FY27 revenue is projected at INR 9,300–9,500 Mn, with facility expansion driving a “J-curve” growth pattern by FY28. Long-term revenue aspiration remains at INR 30,000 Mn.
- Margins: Margins expected to sustain or improve slightly in H2 with higher export realizations and value-added engineering solutions post the C2C Engineering acquisition.

Capex Plans

Greenfield Heavy Engineering Project:

- Investment: Initial capex of INR 1,200–1,300 Mn to build a 6 lakh sq. ft. facility on a 36-acre site; approvals expected imminently.
- Timeline: Commissioning targeted within 14–18 months.
- Upgraded Capabilities: Fabrication thickness to increase from 60 mm → 100 mm, and crane capacity from 60 ton → 100 ton.
- Existing Facility: Current plants, aided by automation, can support revenues up to INR 20,000 Mn.

Strategic Product Development – Heat Exchangers

- Product Launch: Introduced India’s first Glass-Lined Shell & Tube Heat Exchangers, a niche and premium offering.
- Sales Outlook: Current Japan-supplied capacity fully booked till March; company to sell 50–80 units in H2.
- Localization Plan: Setting up an exclusive Indian facility to start production by April FY27, with a capacity of 300 units/month.
- Margins & Capex: Expected 15–18% margins post localization; incremental capex of INR 100–150 Mn for the facility.

Acquisition Strategy

- C2C Engineering (51% stake for INR 122.5 Mn): Enhances in-house concept-to-commissioning capability, transforming the firm from an equipment maker to a full-fledged precision engineering company.
- Strengthens expertise in basic/detailed engineering, design, execution, and water trials across pharma, chemical, food, and biotech industries.

Demand Outlook

- Pharma Sector: Robust demand from large pharma clients executing multi-year capex plans; SME pharma demand remains muted.
- Agro-Chemicals: Gradual recovery with new orders from major clients, supporting near-term visibility.

TCI Express Ltd Q2 Earnings Call KTAs**CMP: INR 680 | Market Cap: INR 26,002 Mn****Strategic Outlook and Future Initiatives**

Strategic Partnerships: Signed a deal with an EV vehicle provider in South India; volume ramp-up begins November 2025.

Network Expansion:

- 60–80 new branches to open across segments by FY26-end.
- 10–15 new surface branches, and expanded presence in air and rail logistics.
- B2C Segment: Focus on D2C and Category-2 players (e.g., Flipkart). Targeting INR 1,000 Mn in B2C revenue within two years, leveraging strong margins from smaller D2C clients.

Volume & Revenue Growth:

- FY26 guidance: 8% volume and ~10% revenue growth.
- High single-digit growth expected in Q3 (Oct–Nov volumes trending strong).
- Surface segment recovery expected from next quarter onward.
- Pricing Power: Price hikes of 1.5–2% planned for FY26 to offset cost inflation.

Margin Outlook: Q3–Q4 margins to improve to 12.5–13% (vs. 11.5% currently).

FY26 full-year margin target: ~12.5%+.

- Margin weakness seen as temporary, driven by lower truck utilization.
- Utilization Trigger: At 85% utilization, margins expected to expand by ~150 bps.
- Long-term normalized margin: 14.5–15%, not below 15% over the cycle.
- Cash Flow: Operating cash flow in H1 stood at INR 200 Mn, expected to improve sequentially.

Capex Timeline

- Out of the INR 5,000 Mn five-year capex plan, INR 2,400 Mn spent so far.
- Additional INR 1,500 Mn to be invested over the next 18 months, totaling INR 4,000 Mn by FY27.
- New capex cycle and hub strategy to be finalized next year.

Automation Projects:

- Automation underway at Kolkata (~15,000 sq ft) and Ahmedabad (~25,000 sq ft) hubs.
- Construction timeline: 6–9 months; full completion expected by Dec 2026 (mid-FY27).
- A new leased sorting center in Nashik Road (Mumbai region) to improve turnaround time and cost efficiency (automation excluded due to leased land constraints).

Outlook

TCI Express remains structurally well positioned to capture growth in high-potential segments (EV, defense, solar, D2C logistics). While near-term margins are under pressure from truck utilization, FY26–FY27 margin recovery is likely as capacity use improves and automation projects begin contributing. Capex discipline, debt-free status, and a strong B2C pipeline reinforce long-term profitability visibility.

MTAR Technologies Q2FY26 Concall Highlights**Mcaps: INR 73bn | CMP: INR 2,374****Revenue**

The company is targeting revenue growth of 30%-35% YoY in FY26E. H2 revenue is expected to be double that of H1.

Margins

The company is targeting an EBITDA margin of 21% in FY26E, supported by improved operating leverage from high-capacity utilization.

Order book

The order book stood at INR 12.97bn as of Q2FY26 and increased to INR 17.03bn on 5th Nov 2025.

The closing order book is expected to be INR 28bn by the end of FY26E. Major contributions are expected from the civil nuclear sector and the clean energy (fuel cell) vertical.

The order inflows stood at INR 4.8bn in Q2FY26.

Capacity expansion

In clean energy, Hot box capacity is expected to increase from 8,000 units to 12,000 units by Mar-26, with a capex of INR 350-400mn. Further expansion is planned to reach 16,000 units by Sep-26 and 20,000 units by Mar-27, with a capex of INR 600mn.

The capex for fuel cells and oil & gas is expected to be INR 1.5bn over FY26-27E. The capex funding is expected through a mix of internal accruals and new debt.

The company is scaling up production of other components like Annual Stake Production (ASP), from 80,000 to 1,25,000 units per annum due to strong demand.

Bloom Energy

Bloom Energy announced that double its manufacturing capacity to 2GW by 2026. It will lead to an increase in orders for MTAR.

The tariff impact is expected to be minimal, due to successful negotiations with Bloom.

Nuclear

The company is expecting to receive orders of INR 5bn from Kaiga 5 & 6 reactors in Nov-25. The orders from refurbishment projects for 5 reactors by FY26E.

Overall, nuclear orders are expected to be INR 8bn in FY26E. The execution timeline is around 1-3.5 years.

The company has visibility on future projects like Mahi Banswara. The company is also involved in discussions for Small Modular Reactors.

Aerospace and Defence

In aerospace, the company is actively developing 1st articles for several international customers, including IAI, GPM, etc. The completion is expected by mid-2026; post that, volume production will commence.

The company is progressing with the qualification of indigenously developed products like roller screws and Electro-Mechanical Actuators for the DRDO. The volume orders are expected post-qualification.

The company has decided to pause its SSLV projects.

The work on the semi-cryogenic engine for ISRO is progressing well, and 1st hardware shipment is expected by early 2026.

JV with Adani

The company has submitted an Expression of Interest (EOI) for the Advanced Medium Combat Aircraft (AMCA) program. The proposed JV, Adani and MTAR stake would be 50:50.

The JV would develop five prototypes, with the potential for a subsequent order of 126 aircraft.

The shortlisting of EOI is expected in the coming months. The final bid winner is expected to be announced by May-26.

Oil & Gas

In Oil & Gas, the new dedicated facility is expected to be commissioned by Q2FY27E.

Fluence

The company is working on the 2nd prototype for Fluence. The long-term agreement is expected to be finalized by Q4FY26E, and revenue generation is expected from Q2FY27E.

The revenue is expected to be INR 2-4bn over the next 2-3 years.

Working capital days

Working capital days increased, due to intentional inventory build-up for H2FY26.

The company is targeting to bring working capital days to 220 days by FY26E, 200days by FY27E, and a long-term target of 180 days going forward.

Debt

The company plans to raise additional debt of INR 1.5-2bn.

Siyaram Silk Mills Ltd Q2FY26 Concall KTAs**CMP: INR 807 | Market Cap: INR 37 Bn****Guidance**

- The guidance for revenue growth for the current (FY26) has been revised upwards from the traditional 10-12% average to 12-14%, backed by strong performance in the first half.
- The long-term EBITDA margin guidance for the legacy business is approximately 14%, which is expected to take a hit of about 150 basis points due to the new retail businesses.

Performance of New Retail Brands (Zecode & DEVO)

- The new brands, Zecode (fast fashion) and DEVO (modern ethnic wear), are performing well and receiving strong customer feedback.
- During Q2 FY26, the company opened seven new Zecode stores and two new DEVO stores.
- The cumulative store count since launch stands at 23 Zecode and 12 DEVO stores. The company is working towards opening approximately 35 stores in total this fiscal year.
- The overall cumulative revenue contribution from Zecode and DEVO in H1 FY26 was approximately just under INR 30 crores. The initial full-year expectation remains at INR 70–INR 75 crores.
- The total combined retail space for both brands is just under two lakh square feet.
- Store Strategy: The initial stores are all (COCO model), established on lease agreements typically lasting between 9 to 12 years.
- Expansion Focus: Zecode expansion is clustered in the Karnataka region (centering on Bangalore). DEVO expansion is focused on the North India cluster (Delhi, UP, Punjab).
- The company is proceeding at a conservative pace to ensure the operational metrics and store economics are correct, viewing retail as a very important, long-term objective aimed at significantly increasing the share of revenue in 2–3 years.

Traditional Business Segments and Strategy

- The revenue mix for Q2 FY26 saw fabric contributing 77%, garments 15%, and yarn and others 8% of total revenue.
- Growth in the traditional fabric and apparel business has been approximately 15% in terms of volume and value growth.
- This strong growth is attributed to recovering consumer sentiment following a period of weakness and low rural demand and gaining market share as the economy becomes more formal, benefiting branded players.
- The traditional business operates largely as a distribution-driven trading business, relying heavily on outsourcing rather than in-house manufacturing.
- The company aims to transition to an asset-light model; currently, approximately 50% of production is outsourced for the fabric business, with this percentage expected to increase, allowing the company to focus on marketing. Zecode production is entirely outsourced.
- Marketing spend is guided to be approximately 4% to 5% of turnover.
- Exports constitute approximately 10% of the turnover, maintaining consistency with previous years. The company has no direct exposure to the US as it exports to converters located outside.

Market Trends and Growth Drivers

- The textile and apparel sector saw steady growth in Q2 FY26, supported by improved consumer confidence and stronger market demand, alongside a gradual recovery in discretionary spending.

- The early arrival of the festive season (Diwali) contributed to higher footfalls and better sales performance.
- The recent cut in GST on selected apparel categories is expected to further lift consumer sentiment and encourage more spending, although the core fabric business remains insulated as GST has not changed in that segment.
- The company views ethnic wear as a strategic growth segment, noting that Indian wear is gaining popularity and the men's segment, though unorganized, is getting organized. The company believes it has a right to win here due to its strong brand, legacy, and industry knowledge.
- DEVO is positioned as a mid-premium segment brand for men's ethnic wear, with products like Kurta Pyjama starting around INR 1,700 to INR 2,000.

Operational Highlights

- The significant increase in other income was primarily due to the sale of surplus land and building, which accounted for INR 21 crores 22 lakhs.
- A capital subsidy grant contributed INR 2 crores 61 lakhs to other income during the quarter.
- The capex outlined for opening new retail stores is between INR 1 crore to INR 1.5 crores per store, covering fixtures, furniture, and security deposits.
- In the legacy apparel business, the majority of sales come from men's western wear top-wear categories (shirts, formals, casuals).
- The fabric business is not MRP-driven, giving retailers flexibility, but the company monitors and influences pricing through channel partners and monitoring visits to secondary retail outlets.

Shanti Gold International Ltd -Q2FY26 Concall KTAs**CMP: INR 235 | Market Cap: INR 17 Bn****Key Highlights**

- The current manufacturing capacity at the Mumbai facility is 2,700 kg per annum.
- The company employs an integrated in-house manufacturing setup, allowing control over every aspect of production.
- Q2 FY26 revenues from operations stood at INR 430 crores, registering a growth of 61.6% compared to Q2 FY25.
- Q2 FY26 EBITDA was INR 63.27 crores, showing a growth of nearly 228.46% YoY.
- EBITDA margins for Q2 FY26 were 14.75%, an improvement of 740 bps.
- Volume growth in Q2 was 10%, increasing from 386 kgs to 427 kgs of gold.
- The exceptionally high Q2/H1 margins were driven primarily by the inventory markup resulting from procurement at a low inventory cost base (August/September), followed by an upward rally in gold prices.
- The historical and sustainable core EBITDA margin is expected to be in the range of 7% to 8%, stabilizing around Q4 FY26.
- The higher core margin is attributed to the product mix (22 KT CZ-studded jewelry), design complexity, fine craftsmanship, and the high premium commanded by the bridal collection.

Capacity Expansion and Strategic Growth Initiatives

- Jaipur Facility Construction: The company is constructing a new manufacturing facility in Jaipur to scale operations.
- This facility will add an additional 1,200 kg to the production capacity, raising the total installed capacity to 3,900 kg per annum.
- The Jaipur plant will introduce a new product line of machine-made plain gold jewelry.
- The capex outlay for the Jaipur facility is INR 46 crores, covering plant and machinery, civil construction, interiors, and furniture.
- Operations are expected to commence early next year, likely by May or June 2026.
- The facility is currently 50,000 square feet construction on a 3-acre plot. The ramp-up will be phased, starting with an initial test phase of 300 kg, aiming for 100% utilization by the year-end (post-commissioning).
- International Hub: Plans are underway to open a 100% owned subsidiary company in Dubai, which will function as a key hub for trading, selling, and reselling manufactured products internationally.
- Geographical Expansion: The company plans for geographical expansion in North and Western India and increasing international presence in markets such as the USA and UAE.

Market Strategy and Inventory Management

- The company has built long-lasting relationships with prominent corporate brands, including Joalucas, Lalita Jewelry, Alukas Enterprises, and Kalyan Jewellers.
- The existing loyal customer base spans over 15 states and two union territories in India.
- The company is focused on improving working capital to manage raw material procurement and meet increasing demand.
- The unsold inventory as of September 30, 2025, was 371 kgs, strategically built up for the coming festive and wedding seasons.
- This inventory was primarily procured at a low-cost base during August and September. The average price of the current inventory holding is close to INR 1,09,700.
- The sales momentum for H2 is strong; October 2025 sales reached 302 crores (300 kgs), representing three times the growth compared to October 2024 (102 crores).

Debt Position and Future Guidance

- The current debt levels are comfortable. The net debt on the balance sheet stands at INR 184 crores. The blended cost of interest ranges from 8.3% to 8.4%.
- FY26 Guidance: The company expects to close the current fiscal year (FY26) with a turnover (in terms of value) ranging between INR 1,900 crores to INR 2,000 crores.
- The company is confident of maintaining a value growth rate at a 40% to 50% CAGR.
- FY27 Projection: Based on the projected CAGR, the sales turnover for FY27 is expected to reach around INR 2,800 crores to INR 3,000 crores.

Jindal Drilling & Industries Ltd | Q2 FY26 Key Takeaways | CMP: INR 570 | M-Cap: INR 16,570 Mn

- Strong Quarter with Record Profitability: JDIL delivered another strong quarter with total revenue of INR 3.47 Bn, up 32% QoQ and 90% YoY, aided by a one-time arbitration gain from ONGC.
- Operating Stability Maintained: Core operating revenue remained stable sequentially despite temporary rig downtime; EBITDA stood at INR 0.93 Bn with margin at 39%.
- PAT Surge: Profit after tax jumped 116% QoQ to INR 1.21 Bn, reflecting both operational efficiency and the arbitration award impact.
- Robust Order Book: The total confirmed order book stands at ~INR 13.7 Bn (USD 155 Mn), providing strong revenue visibility through FY29.
- Active Fleet: Currently, four offshore jack-up rigs are deployed with ONGC, while one more rig will commence operations in November 2025.
- Jindal Explorer: This rig is in the final stages of post-refurbishment approval and is expected to be redeployed with ONGC in the next 7-10 days, which will bring the total operating rigs to five.
- Capital Allocation: Management noted the need to conserve cash for future rig refurbishments (Rs. 70-120 crore per rig). They have increased the dividend and are looking at other opportunities within the drilling segment, including directional drilling.
- Refurbishment Costs: Refurbishment for a rig is a major expense, costing between Rs. 70 crore to Rs. 120 crore depending on the rig's condition, and is required after every contract. Three rigs (Discovery-I, Virtue-I, and Jindal Star) are expected to go for refurbishment in FY27.
- No Debt Dependency: JDIL continues to maintain a net cash position and low leverage, preferring self-funded refurbishments and expansions.
- Dividend Policy: Dividend doubled in FY25 on back of strong cash flows; company continues to prioritize shareholder rewards while conserving liquidity for rig upgrades.

Management expects steady performance in the coming quarters as all rigs become fully operational. The strong order book provides revenue visibility through FY27–28, supported by healthy day rates and high utilization levels. While Q2 benefited from a one-time gain, core profitability is expected to stay stable with margins around 35–38%. The company remains debt-free, cash-generative, and well positioned to benefit from India's growing offshore drilling activity.

Astral Ltd Q2FY26 Concall Highlights**CMP: INR 1,566 | Market Cap: INR 420.61 Bn | Rating: Buy**

Outlook: Astral Limited is navigating a critical inflection point as its multi-year capex investment finally translates into tangible market share gains and margin accretion. The company's strategic geographic decentralization through new plants in Hyderabad and Kanpur, coupled with deliberate product mix enhancement toward higher-value offerings, positions it well to sustain double-digit volume growth momentum despite near-term commodity headwinds and macro uncertainty. Beyond plumbing pipes, the emerging contribution from adhesives, paint, and bathware is meaningfully de-risking earnings concentration and creating a more resilient, multi-vertical growth franchise. Margin expansion should materialize from Q3 FY27 onwards as new plant utilization normalizes and backward-integrated CPVC production begins offsetting commodity deflation, while the imminent Anti-Dumping Duty announcement could provide a near-term floor on PVC pricing.

Operational Performance & Growth Drivers

- Exceptional Q2 execution with 20% volume growth and 15% value growth despite industry headwinds polymer price volatility, weak government spending, extended monsoon, and subdued demand didn't dent the company's market share gains through geographic decentralization strategy.
- New plant infrastructure finally yielding results: Hyderabad and Kanpur facilities now operational, directly driving market share gains in underserved geographies after INR 14 Bn capex investment over the past four years begins monetization.
- Product mix improvement resulted margin improvement, value-added products (CPVC, OPVC, fire sprinkler pipes, water tanks, low-noise variants, PTMT) now meaningfully contributing to margins despite raw material headwinds, partially offsetting commodity price deflation.

Segment Highlights & Strategic Positioning

- Adhesives India maintaining momentum with 15% growth trajectory and stable 15-16% EBITDA margins aggressive rural market penetration and new geography expansion underway; management confident double-digit runway for coming fiscals.
- UK adhesive turnaround narrative gaining credibility after CEO replacement and achieving 100% subsidiary ownership showing immediate traction with 5% top-line growth and 7.33% EBITDA (versus -2% prior), signaling path back to double-digit margins by FY27.
- Paint business (Gem acquisition) delivering first-ever 19% H1 growth post-acquisition nine new depot expansions in Gujarat, Rajasthan, Maharashtra creating near-term margin pressure but management targets 20% FY26 growth guidance and substantial margin recovery by FY27 (single-digit initially, then expanding).
- Bathware positioned as serious long-term growth franchise, not mere cross sell grew 13-14% Q2 despite monsoon headwinds with improving order book, only INR 300 Mn capex deployed (outsourced model), and management expecting 20-25% CAGR trajectory over next five years.

Capacity & Capex Rationalization

- Current operational capacity now 389,000 MTPA with Kanpur's 15,400 MTPA addition to come online, further modular machine additions planned across Hyderabad and Kanpur rather than large greenfield plants, with CapEx guidance of INR 3-3.5 Bn FY26 remained unchanged.
- CPVC backward integration plant (40,000 MTPA) commission planned by September 2026 100% captive consumption initially with future doubling potential; government subsidies making net investment negative; currently importing 70-80% of resin from abroad, creating working capital efficiency play alongside margin accretion.

Pricing & Market Dynamics

- Balanced approach on price aggression, trading margin for market share strategically, new plant logistics efficiencies enabling competitive pricing while maintaining profitability; per-kg EBITDA metric dismissed as misleading due to quarterly product-mix volatility (CPVC-heavy Q4s show higher per-kg metrics).
- Anti-Dumping Duty (ADD) expected by November 12 could boost PVC prices by INR 5-6/kg short-term, channel inventory buildup likely post-ADD implementation, but management prioritizing organic market share gains over tariff-driven tailwinds; historically government announces prior to last-date deadlines.
- Volume-value gap narrowing despite commodity deflation, polymer prices down 10% YoY while Astral volume growth only 5% translates to improving mix; as polymer stabilizes and new products scale, value growth expected to exceed volume growth going forward.

Financial Health & Guidance Affirmation

- Working capital cycle improved even amid challenging macro environment, inventory management discipline demonstrated; management tracking quarterly cost pressures from new plant ramp-ups and depot expansions, with visibility to resolution within 2-3 quarters as utilization improves.
- Double-digit volume growth reaffirmed for full-year plumbing despite macro uncertainty, H1 already reached double-digit volume CAGR; historically H2 outperforms H1 (55-60% versus 40-45% split), setting up strong sequential momentum regardless of ADD outcome.
- Margin expansion expected from Q3 FY27 onwards as utilization normalizes current near break-even profitability from Hyderabad (15-20% utilization) and early Kanpur operations will turn accretive as volumes scale and depreciation leverage kicks in.

Birlasoft-Q2FY26 Concall KTAs

Outlook: Management remains confident of achieving sequential revenue growth in Q3 and Q4, despite the seasonally soft Q3, with H2FY26 expected to outperform H1 in both revenue and order book momentum. The company's key focus areas include accelerating AI-led deal wins, reviving growth in the manufacturing vertical, and sustaining margin improvement through operational efficiency. Its strategic objective is to strengthen the business mix toward profitable, long-term annuity engagements, supported by a continued emphasis on strong cash generation, disciplined capital allocation, and profitable, technology-driven growth

Wage hike decisions deferred to Q3FY26 and will be performance- and retention-linked.

(~100 bps). One-off margin gains contributed ~150 bps, excluding which normalized margin stood at 13.5%. Sustainable EBITDA margin seen at ~14%, with scope for gradual improvement.

FY26 ETR guided at 42–43%, rising to 44–45% in H2 due to U.S. federal tax provisions. FY27E ETR to normalize to 28–30%, with no carryover from FY26 tax adjustments.

Tail account rationalization and operational efficiency initiatives drove structural margin improvement.

Interim dividend of INR 2.5/share declared, reflecting continued shareholder reward commitment.

Q2 TCV signed of \$107M, impacted by deal spillovers worth ~\$60M to Q3. H1FY26 total TCV at ~\$247–250M, management confident of strong H2 recovery.

Deal pipeline showing improving funnel with healthy enterprise-level conversations.

Expect Q3 signings better than Q2, led by larger annuity and AI-led transformation deals.

Focus on quality of revenue, preferring outcome-based and annuity contracts over staff-augmentation work.

Annuity + long-term deals form 65–70% of revenue and project-based 30–35%, offering margin stability

Verticals

BFSI continues as a growth leader primarily in insurance, asset management, and payments.

Banking segment not a key focus area, leading to slower growth vs. peers but steady performance.

Life Sciences and Energy & Utilities (E&U) verticals also delivering solid growth.

Manufacturing vertical remains weak, with management expecting a 2-quarter recovery timeline.

Actions underway to revive ERP and manufacturing portfolios, including mid-tier client focus.

Gen AI

Strong push on AI-led transformation, including delivery of an agentic AI solution for a U.S. P&C carrier.

The solution has already enhanced client efficiency and accuracy, validating AI-led differentiation.

Won a strategic configuration management deal with a large payments client, replacing a Tier-1 incumbent.

Continued investment in AI, ERP (SAP & Oracle Fusion), and domain-specific modernization capabilities.

ERP remains high-margin but project-heavy, with potential for higher annuity through managed services.

Leadership

Appointment of Komal Jain as CEO-Americas strengthens regional leadership and growth focus.

Komal brings 28 years of Tier-1 IT experience and will drive sales aggression and client expansion.

Management emphasized that organization structure is stable, though non-performing leaders will be replaced.

Leadership aligned on aggressive growth mandate, supported by operational and cost stability.

New structure aimed at expanding market presence in the Americas and accelerating large-deal wins.

Margin expansion driven by cost optimization, rationalized low-margin accounts, and FX tailwinds

Employee count up marginally, but utilization declined due to business mix and transition.

Employee cost increase mainly due to reversal of Q1 one-time benefits and higher performance payouts.

Continued realignment of contract models in the U.S. to mitigate higher federal tax impact.

Client

Top-20 client cluster grew overall, though 7–8 manufacturing accounts declined.

LSS, BFSI, and E&U clients showed growth, offsetting manufacturing softness.

Plan to reignite manufacturing accounts through account-based strategy and leadership focus.

Client stickiness remains high, with 10–15-year relationships across key accounts.

Ola Electric Mobility Ltd-Q2FY26 Concall KTAs**CMP INR 48 | Market cap INR 209 Bn**

Ola Electric enters H2FY26 with strong momentum, supported by margin expansion, cost efficiency, and cash-positive operations. Gross margins are expected to rise to 36–37% by Q4FY26, aided by full PLI benefits, software and parts revenue, and operating leverage. The newly launched Ola Shakti BESS is poised to contribute INR 1,000–1,200 cr revenue in FY27, adding a new growth vertical. The Gigafactory ramp-up to 5.9 GWh by March 2026 will enhance cost advantage and cell self-sufficiency. While the EV two-wheeler market remains in a consolidation phase, demand recovery is expected in FY27, led by mass adoption and improved reliability. Ola aims to maintain leadership with a targeted 25% MS and focus on profitable growth. With low capex needs and continued cost optimization, the company is positioned to deliver sustainable profitability and strong cash generation through FY27.

Ola remains focused on scaling both Auto and Energy businesses with strong unit economics. The combination of 4680 cell technology, Gen 3 product platforms, in-house software, and energy storage solutions positions it for sustainable leadership in India's electrification journey. Management's near-term focus remains on execution, customer experience, and disciplined growth.

Cash positive with INR 15 cr operating cash flow, reflecting tight cost control and operational discipline.

PLI: Gross margin improvement with PLI contributing only 200bps in Q2, leaving significant upside for coming quarters. With full PLI implementation for Gen 3 scooters and later motorcycles, gross margins are expected to rise to 36–37% by Q4FY26. Higher software and accessory attachment rates, growth in high-margin parts revenue (targeting 5–6% of sales), and cost efficiency gains across the network.

BESS Business: Ola launched Ola Shakti, India's first residential Battery Energy Storage System (BESS) built with in-house 4680 cells. The product targets the large inverter and diesel generator replacement market and complements the rooftop solar ecosystem. With strong initial bookings, management guides for ~INR 100 cr Q4FY26 revenue and INR 1,000–1,200 cr annual revenue in FY27, implying 60,000–70,000 units. Gross margins in BESS are expected to start healthy due to vertical integration and shared R&D.

Gen 3: The company has fully transitioned its scooter portfolio to Gen 3, with Gen 2 phased out since the festive season. PLI certification for scooters came in early September, and bikes are expected to receive approval by Jan–Feb 2026. Gen 3 products, including Roadster motorcycles, deliver superior range, performance, and defect rate reductions of ~50% versus earlier generations.

Expanding Cell Manufacturing: Ola commissioned its 2.5 GWh Gigafactory, aiming to scale to 5.9 GWh by Mar'26. Initial cell shipments mark the start of captive use. Cost parity with external sourcing is expected at 3–5 GWh scale, with healthy margins from day one. Q3FY26 will see the first meaningful cell business revenue as output ramps up.

Margin: Reiterated focus on margin-accretive growth over market share gains in a subdued 2W EV market. Near-term share dipped due to disciplined discounting and efficiency focus, but Ola aims to maintain leadership through stronger product economics and customer value. Long-term target: 25% market share, positioning among the top two players.

Cost optimization and in-house consolidation of warehousing and registration operations. Further cost improvements are expected in H2FY26, including additional automation and network efficiency. Employee costs have stabilized at sustainable levels.

After-Sales and Service: Addressing past service issues, Ola launched its “Hyperservice” initiative to widen access via third-party garages and open parts sales to independent repairers. Parts are now directly available to customers and garages, turning service into a profit center. The move also tackles the shortage of EV-trained technicians, aiming to enhance customer experience and brand perception.

Customer Feedback: Feedback on the Gen 3 lineup has been very positive, highlighting improved reliability and easier servicing. Earlier issues like battery and motor immobilization have been resolved, defect rates have halved, and customer satisfaction is steadily rising across both scooter and motorcycle segments.

Industry Environment: Management sees the current phase as a consolidation period for India's EV industry, in line with global trends outside China. Growth is expected to re-accelerate in FY27 as mass-market adoption picks up. Ola projects 15–30% YoY industry growth in FY27, driven by improving affordability, expanding service reach, and enhanced product reliability.

Volume: The Auto business break-even point has reduced to ~20,000 units per month, down from 25,000 earlier, aided by PLI benefits and cost optimization. H2FY26 delivery guidance stands at 100,000 units, with further scalability built into the existing 1 mn-unit annual capacity.

Cell Ramp-Up: Multiple safeguards for the 4680 cell ramp-up gradual scaling, extensive validation testing, conservative warranty provisioning, and real-time performance tracking via connected vehicle software. Full transition to in-house cells across products will take 3–4 quarters, ensuring controlled risk exposure.

Future Pipeline: Beyond residential applications, the Shakti platform is being adapted for telecom, healthcare, and small commercial use cases. Containerized BESS systems are also under development, broadening the total addressable market and creating optionality beyond automotive.

ROE: Vertically integrated model with R&D, cell manufacturing, and vehicle production will yield ROEs above traditional ICE peers once operating leverage kicks in. With major Auto investments behind, incremental capex will focus on R&D and new product variants.

Sterlite Technologies Q2FY26 Concall Highlights

Mcaps: INR 54.91bn | CMP: INR 113

Revenue mix

The revenue mix stood at Europe (42%), North America (33%), and RoW (25%).

The data center business contributes 21% of revenue.

Margins

Operational EBITDA margin stood at 16.7% in Q2FY26. EBITDA stood at 13.6% in Q2FY26. Around 300bps margin impact due to tariffs.

The mid-quarter tariff impositions on contracts where prices had already been fixed, forcing the company to absorb the majority of the cost increase to maintain long-term customer relationships.

Order book

The order book stood at INR 51.88bn as of Q2FY26. Around INR 8.2bn order is expected to be executed by Q3FY26E, and the remaining INR 43.68bn orders are scheduled post Q3FY26.

The order momentum is broad-based, with multi-year supply agreements secured with leading European operators and a strong return of order inflows from top-tier US telecom players.

Tariffs

Current tariffs are 50%, which has created uncertainty. However, the US demand remains strong. The company is actively engaged in the USA-India BTA discussions and is hopeful for a resolution in Q3FY26E.

The company utilizes a strategic balance between its local US manufacturing facility and imports from India to serve the market.

Capex

The capex stood at INR 800mn in H1FY26. The total capex is expected to be INR 1,150mn in FY26E. The company is focused on R&D and filling existing capacities rather than significant expansion.

The capacity utilization rates are improving continuously.

Debt

Net debt stood at INR 13.33bn. Net-debt to EBITDA stood at 2.3x, and the company is focused on bringing it below 2x going forward.

Optical networking

The Optical networking business improved by volumes and stable pricing.

Optical connectivity attach rate

Optical connectivity attach rate stood at 20% in H1FY26. The company is focused on being an end-to-end solutions provider rather than a fiber manufacturer.

Market share

Global Optical Fiber market (ex-China) stood at 7% in H1FY26.

Innovations

The key innovation includes Stellar, a fiber compatible with legacy networks; Celesta Ribbon Cables for hyperscale data centers; and Multiverse, a multi-core fiber that multiplies capacity by 4-7 times within the same footprint.

The major launch of the world's slimmest 864-fiber IBR cable demonstrated record speeds and marks entry into the elite league of suppliers for hyperscalers.

The company is developing future-ready capabilities like Hollow-Core Fiber and AI-powered fiber sensing.

STL Digital

STL order book stood at INR 2.86bn as of Q2FY26.

In STL Digital, the company added 3 new customers in Q2FY26, and the total customer base stood at 33 customers.

STL Digital business achieved EBITDA breakeven in Q2FY26.

US court verdict

The company has a strong merit of a US court verdict. The company appealed in the court and will provide updates as the process unfolds.

Other highlights

The key growth drivers include FTTx rollouts, AI-led data center expansion, and 5G densification.

The company filed 26 new patents in Q2FY26, bringing to over 750 patents.

North America is expected to grow 12% CAGR until 2030.

Global optical fiber demand grew 1.7% YoY in 2025.

Aimtron Electronics Ltd. – SME - H1 FY26 Concall KTAs – Arihant Capital**CMP: INR 863 | Mcap: INR 17.61 Mn****Outlook and Guidance**

Management reiterated its commitment to aggressive growth, guiding for a sustained 40-50% CAGR YoY, while expressing confidence that the company is on a trajectory to surpass this guidance. The strategic emphasis under Aimtron 2.0 is on converting the substantial open order pipeline into consistent high margin growth, aiming to establish a platform for an even higher revenue scale over the next three years. Structurally, management remains confident in its profitability metrics, guiding for EBITDA margins on the northern side of 20% and PAT margins of 15% plus or minus a couple of percent. This margin sustainability is predicated on the increasing contribution from higher-value services, specifically the shift to the Original Design Manufacturing (ODM) model and enhanced revenue contribution from Box Build/System Integration.

Financial Performance

- Revenue reported a robust growth of 112% YoY.
- PAT increased by approximately 81% YoY. Management attributed the strong profitability to a very strong product mix, better cost controls, and more efficient operations.
- Order Book: The open order book reached a record-breaking INR 4,635 Mn (approx. INR 463.5 Cr.) as of the end of September 2025. This quantum is roughly three times the fiscal year 2025 revenue, indicating strong customer trust and long-term visibility.
- Revenue Mix: The revenue bifurcation showed that approximately 60-65% was derived from domestic revenue (including global clientele based in India), while 35-40% came from the export market.
- Segmental Contribution: The box build segment contributed almost 35% of the revenue in H1 FY26. Management projects this share will increase significantly to more than 50% in the second half of the year.
- COGS and Margin Nuance: The increase in the COGS was specifically attributed to the company's shift towards system integration/box build, which incorporates components like cable assembly, plastic, and sheet metal. Management clarified that while this impacts COGS, the company's structural profitability remains intact, and the strategy is intended to ensure margin normalization.

Strategic Transformation: Aimtron 2.0 and ODM Focus

Aimtron 2.0 represents a holistic transformation, focusing on three core pillars ("the three I's"):

- 1Innovation: Focusing on design and manufacturing solutions across high-growth sectors: AI, IoT, EV, Defense, and Aerospace.
- 2Integration: Consolidating global operations (US and India) under one system and one culture, including leveraging M&A opportunities.
- 3.Impact: Building technology that ensures business success while also supporting society through jobs, learning, and sustainability.

Company is strongly pivoting towards the ODM model (concept to creation aggregation). Management noted the global ODM market size is shifting from approximately \$1.2 trillion in 2024 to an estimated \$2 trillion plus by 2030. The strategic move is to reverse the approach of the last decade: instead of securing production/manufacturing projects first to gain design projects, management is now focusing on securing design projects first to create the manufacturing tailwind.

Significant Order Wins and Pipeline Status

- A significant INR 975 Mn ODM contract with a leading US infrastructure firm. This client is described as an \$8 bn global leader in data center and communication networks solutions.
- A domestic AI IoT box build order for 50,000 units, valued over INR 460 Mn.
- A strategic order secured from a Navaratna PSU in the communications domain.

The current RFQ pipeline remains at a trajectory similar to the pipeline that converted in the first half of the year. Management noted that the complex nature of ODM projects means sales cycles typically require 12 to 15 months for closure.

Capacity Expansion and Infrastructure Plan (Greenfield)

The company is executing organic growth through a new 3-acre greenfield facility to future-proof its manufacturing capabilities:

- **Capacity Goal:** The expansion is designed to raise the company's production capability from the current INR 450–500 Cr. revenue capacity up to INR 1,000 Cr. capacity.
- **SMT Lines and Revenue:** The facility will eventually house six state of the art SMT lines. Each SMT line is projected to generate approximately INR 100 Cr. in revenue.
- **Timeline and Phasing:** The plan is to operationalize the first assembly line by the end of next year Q3 or early Q4. Subsequently, the strategy is to add two assembly lines every year.
- **Backward Integration:** The greenfield facility will also integrate capabilities for injection molding and sheet metal in-house, enhancing system integration efficiency and reducing reliance on outsourcing.
- **Debt Status:** The company confirmed it remains debt-free as of September 30th.

High-Growth Sectors: Defense and Aerospace

- **Aerospace Certification:** Company achieved the AS9100D certification, which opens doors to global aerospace and defense customers. The company is already engaging prospects related to the Airbus A350 programs. company plans to focus on cable and small control box assembly in this segment. They also confirmed holding the IPC A 610 Class 3 certificate.
- **Defense Capabilities:** The company secured a tooling and prototype manufacturing order from a Texas-based drone military customer for naval and ground-based troop applications.
- **High-Value PSUs Work:** Work with a Navaratna PSU includes high-value, complex PCBs, such as 32-layer PCBs. For context on complexity, one BGA module used in this military communication, radar, and surveillance equipment is valued at approximately INR 32 lakh.
- **Strategy Caveat:** Management emphasized a conscious, sustainable approach to defense, moving slower than peers due to the segment's longer qualification cycles, lumpy nature, and high working capital needs. management prioritizes the Gross Margin and PAT over near-term optics in this sector.

Inorganic Growth and Funding Strategy

- **M&A Rationale:** Company is actively pursuing M&A to leverage its core expertise in deriving profitability from structures that may seem like low-margin businesses. Inorganic growth is seen as a fast track to acquire new expertise, sectors, and global opportunities.
- **Status:** Five to six potential M&A opportunities have been shortlisted and visited, though discussions remain preliminary.
- **Fundraising Clarity:** The recent issuance of preferential share warrants was strategic. Since the current 500 Cr capacity is expected to be filled within two years, the warrants were issued to prepare for the funding required for the third facility/capacity expansion. This approach allows the company to maintain a healthy low-debt profile while preserving liquidity for potential large acquisitions (e.g., a INR 200 Cr, company), which may require quick financing.
- **The Company is undergoing a significant transformation (Aimtron 2.0)** evidenced by the shift in revenue mix towards higher-value Box Build and the focus on ODM projects. The substantial order book (3x FY25 revenue) provides robust revenue visibility. The capital expenditure plan, funded partly through the strategic warrant issuance, proactively addresses future capacity needs, aiming for a INR 1,000 Cr. capacity threshold. Management's cautious yet focused entry into Defense and Aerospace, prioritizing quality and structural margin stability (15%+ PAT), suggests a disciplined execution strategy aimed at sustainable value creation rather than volume chasing.

Concord Control Systems Limited - SME – H1 FY26 ConCall KTAs**CMP: INR 1,886 | Mcap: INR 19.09 Mn****Outlook and Guidance**

Management articulated a robust, ambitious, and multi-year growth trajectory, underpinned by substantial strategic developments. The company maintains a conservative revenue growth guidance of 40-50% CAGR for the next 3 to 5 years. However, based on the current phenomenal H1 performance and recent strategic initiatives, management expects to outperform (or "outbeat") this growth rate. Management holds a strong conviction that they will grow the Financial Year 2025 performance five times over the next 2 to 3 years. The next 24 to 36 months are expected to mark a "golden phase" for Concord, driven by new product introductions, in-house technology development, and market expansion. Historically, H2 numbers are always reported as higher than H1 numbers, and this trajectory is expected to continue. The long-term vision positions Concord to become the largest railway technology player originating from India for the global market, building a legacy based on R&D and innovation.

Financial Performance

- Revenue Growth: increased significantly by 64% on a YoY basis, reaching INR 81.55 Cr.
- EBITDA/EBITAS: Earnings Before Interest, Taxes, Amortisation, and Special Items (EBITAS) grew by 53%, totaling INR 21.73 Cr.
- Net Profit: Net profit expanded by 85% YoY, achieving INR 16 crores for H1 FY26.
- Order Book Position: The company concluded the half-year with a robust order book exceeding INR 313 Cr., reflecting a 47% increase. Orders worth more than INR 180 Cr. were received during the half year, while INR 80 Cr. worth of orders were executed. Management noted that the majority of this order book is expected to be delivered within the next 18 to 24 months, with execution anticipated to accelerate following the completion of required approvals and trials.

Strategic Developments and Growth Catalysts

RDSO Technical Clearance for Kavach 4.0: Concord secured the RDSO technical prototype clearance for Kavach 4.0 basic products. This is a significant milestone that validates the product's development, functionality, and initial testing. Crucially, this clearance now makes Concord eligible to participate in all upcoming Kavach tenders as a developmental vendor.

Securing First Kavach Field Trial Order: The company has already secured its first field trial order for Kavach. This order, valued at INR 19.5 Cr. , involves the manufacturing, supply, installation, and commissioning of systems across five stations, six Remote Interface Units (RIUs), and 10 Loco Kavach systems. The trial covers a 53 km section on the South Central Railway. The trial requirement is 5,000 loco kilometers, and loco commissioning is slated to begin in a few weeks. Kavach is characterized as a high-margin product (EBITDA margins upwards of 25%) due to its niche safety technology, offering an additional annuity stream through maintenance and upgrades.

- **Zero Emission Propulsion System:** Concord developed the country's first zero-emission propulsion system for diesel locomotives. This technology converts existing diesel locomotives into fully electric or battery-powered units, supporting net-zero targets and reducing asset scrapage. This proprietary, in-house developed technology is viewed as a game-changer with vast potential in both Indian and global markets. Management is already working on hybrid solutions, including those powered by hydrogen and battery systems. Retrofitting offers significant cost savings (30% to 40% of cost depending on fuel type) compared to buying a new locomotive.
- **Entry into High-Value Railway EMS (Fusion Acquisition):** Concord acquired a significant majority stake (80%) in Fusion, entering the Electronics Manufacturing Services (EMS) segment for railway electronics. Fusion possesses the largest installed capacity for flexible PCBs in India. This move is highly strategic, enabling backward integration for PCBs used in Kavach and loco systems. This acquisition positions Concord for future box building solutions for global railway-grade assemblies. At full capacity, Fusion is expected to generate a revenue potential of over INR 200 Cr. with EBITDA margins upwards of 20%.

Segmental and Operational Updates

R&D and Technology Focus Concord has transitioned into an R&D, technology, and innovation company, employing more than 110 full-time R&D engineers. This focus ensures that products are 100% in-house developed, providing a cost advantage and differentiating the company from peers.

Kavach Market Opportunity As a developmental vendor, Concord is eligible to participate in large upcoming tenders, including approximately 2,500 train sets from ICF and over 6,000 locomotives from production units. Developmental vendors are entitled to 20% of the tender quantity.

- **Management expects these significant tenders to be finalized before the end of the current financial year.**
- Locomotive Subsystems (Advanced Rail)** The execution of the Advanced Rail acquisition has been highly successful. The majority of the INR 313 Cr. order book is derived from wireless communication and control systems, such as Super Anaconda and DPW CS. Advanced Rail is slated for a merger into Concord soon, leading to anticipated multiplying growth in the order pipeline. The electronics supplied by Concord currently contribute INR 70 to INR 80 lakhs per locomotive, with potential increases of over 20% to 25% when propulsion and Kavach systems are included. The Total Addressable Market (TAM) for loco subsystems, including train sets, is estimated at INR 2,500 Cr.
- **Associate Company Strategy (Proota)** The stake in Proota was strategically increased from 26% to 46.5%. This increase was calculated to occur just prior to the commercialization phase when a high growth potential and order pipeline were imminent, positioning Proota and Kavach as potential game-changers for future revenues.

New Business Verticals

- **Metro Business:** The DMRC order, based on a technology transfer with a German firm, is being successfully delivered. This game-changing technology for overhead monitoring and preventive maintenance is attracting significant interest from other metro systems.
- **WILD (Wheel Impact Load Detector):** Over 20 sets of WILD orders are currently being commissioned and delivered across India. Due to strong interest, management is hopeful of achieving the 2030 target opportunity within 3 to 4 years.

Cosmic CRF Ltd. – SME - H1 FY26 ConCall KTAs; CMP: INR 1,243 | Mcap: INR 11.42 Mn

Outlook and Guidance

Management reaffirmed its robust growth trajectory, projecting volume sales to double YoY, targeting 110,000 MT by the end of FY26. The foundation for this growth is built on enhanced infrastructure, with overall capacity across subsidiaries now hovering near 150,000 MT. The company maintains a highly confident stance regarding the pivotal Amzen acquisition, with a crucial NCLAT hearing scheduled for the 18th of the current month. A successful acquisition is anticipated to immediately accelerate growth, potentially adding another 100,000 MT of capacity (including 3,600 wagons annually) and allowing CCRF to accelerate its scaling timeline, targeting a total volume capacity of 3 to 4 lakh tons over the next two to three years. Management committed to avoiding equity dilution until March 2028, funding future CapEx and acquisitions through internal accruals, cash reserves, and term loans. The conversion margin model aims to sustain EBITDA margins in the 13-14% range and PAT margins at 9-10%, regardless of raw material price fluctuations.

Financial Performance

- Consolidated Revenue soared by approximately 80% YoY, reaching INR 304.5 Cr. , up from INR 169.4 Cr. in H1 FY25.
- Consolidated EBITDA registered a massive jump of 73% (73-75%), moving from INR 21.9 Cr. to INR 37.8 Cr.. EBITDA margins expanded significantly from 9.48% to 15.5%.
- Consolidated PAT grew by approximately 40% to INR 24.5 Cr. (compared to INR 17.6 Cr. in H1 FY25); adjusting for the exceptional addition of INR 5.9 Cr. in H1 FY25, the underlying PAT growth was nearly 100%.
- Volume & Order Book: Half-yearly sales volume was 47,200 MT, marking a substantial increase from 22,500 MT recorded in H1 FY25. The current consolidated order book stands at a strong INR 615 Cr. , up from INR 520 Cr. last year.
- Operational Efficiency: The company's installed capacity has increased from 36,000 MT to 55,000 MT at the primary CRF plant. Capacity utilization is currently at 80%. Strategic cost optimization measures have dramatically reduced the CRF operational cost per metric ton from INR 6,000 to INR 1,600, with a target of reaching INR 600, enhancing scale economies and bandwidth for offering better pricing.

Working Capital Management and Cash Flow

- Management placed a strong focus on reversing the negative operating cash flow (OCF).
- The negative OCF gap of INR 89 Cr. from the previous year was almost entirely covered in six months, reducing the negative OCF to just INR 2 Cr. negative. This improvement was achieved by strictly addressing stretch debtors and avoiding unnecessary advances to creditors.
- The company carries approximately INR 175 Cr. in cash reserves, which management assures is sufficient to fund CapEx and strategic acquisitions without further equity dilution.

Strategic Initiatives and Subsidiary Performance

- **NS Engineering Projects Private Limited (NS Engineering):** The capacity of this infra-focused subsidiary was scaled up aggressively from 17,000-18,000 MT to approximately 80,000 MT. NS Engineering primarily caters to the infra space, manufacturing sheet piles, cofferdam products, and various lighting poles (octagonal, high masts, etc.), which are susceptible to weather conditions. The estimated gross profit margin for NS Engineering stands around 30%.

- Cosmic Springs and Engineers Limited (CSL): This subsidiary is involved in the manufacturing of integrated cast and helical springs and operates a forging unit, catering to a niche market for new wagon/bogie builders and refurbishment needs.

oThe total capacity for the spring and forging units is initially 10,400 MT, with potential for expansion to 20,000 MT once fully operational.

oThe spring unit is ready and awaiting RDSO licenses. The INR 40 crore forging unit (a backward integration) is expected to commence commercial operations by April or May of the next financial year.

oCSL's current revenue split favors non-railway/industrial usage at 70%, with 30% attributed to railways.

oThe spring business is high-margin (approximately 25% gross margin on helical springs) but faces limitations due to the smaller size of the Total Addressable Market (TAM).

- Product Diversification: The overall product portfolio has expanded significantly, now covering approximately 4,500 Stock Keeping Units (SKUs) across CRF, fabricated steel parts, and infra products (e.g., tested crash barriers, lighting poles), compared to 550 SKUs previously focused on CRF.

Amzen Acquisition Update

- Management acknowledged Amzen as the potential "biggest piece" of the company's future.
- The legal team is highly confident of receiving positive orders from NCLAT, having filed written submissions and rejoinders.
- A key positive development is that Myotic, the entity that had filed cases against CCRF, has now submitted an affidavit stating it is no longer interested in the bid, requesting only the refund of its Earnest Money Deposit (EMD).
- If the acquisition were to fail (a low probability event according to management), the alternative plan involves developing a new wagon shop on existing land with rail siding, but this process would delay commercial commencement by an estimated two years.

Market Positioning and Strategy

- The company highlighted its strength in Cold Rolled Form (CRF) applications, being adept at developing prototype products for new wagon designs (like BSM, replacing Boxen HL), giving them an advantage.
- The core business philosophy is centered on fungibility and interchangeability of assets, allowing the company to switch production across railways, infra, and other engineering fabrication sectors (including automotive, if needed), mitigating risks associated with government CapEx fluctuations.
- While the railway industry at large is growing around 7.5% to 8%, CCRF believes there is substantial market opportunity, particularly in the refurbishment market, noting that 1.5 lakh wagons require refurbishment every 3-4 years.
- The company is currently focusing on securing the wagon market pie before expanding focus aggressively into the coach manufacturing industry, such as Vande Bharat components, although it has the capability to supply to them.

Piramal Pharma Ltd- Q2FY26 Concall Highlights**Outlook**

Piramal Pharma expects an improvement in revenue and EBITDA performance in H2FY26, supported by a recent uptick in biopharma funding, growing commercial order inflows, and increased customer interest for onshore manufacturing and differentiated capabilities. While FY26 guidance has been moderated to flat revenue and lower teens EBITDA margins due to short-term CDMO headwinds, management remains confident of delivering stronger growth in FY27 as demand visibility and execution improve.

Financial Performance

- H1 FY26 revenue stood at INR 4.0 billion, with Q2 revenue at INR 2.0 billion, reflecting a year-on-year decline primarily due to inventory destocking by a large CDMO customer.
- EBITDA margin was 11% in Q2 and 10% for H1, moderated by the revenue shortfall but partially offset by cost optimization and operational excellence.
- Net debt reduced to INR 4.0 billion, supported by tight working capital management and Capex investments of INR 100 million.

Business Segment Highlights**CDMO Business**

- CDMO revenues were INR 2.0 billion in H1 and INR 1.0 billion in Q2, impacted by destocking but showing signs of recovery in biopharma funding and MA activities.
- Order inflows for early-stage discovery and development were slower due to inconsistent biopharma funding and global trade uncertainties, but recent months saw a significant uptick in RFPs and RPIs, especially for onshore facilities and differentiated capabilities like ADCs and sterile fill-finish.
- Investments of INR 90 million in Lexington and Riverview sites as part of the ADCelerate program to strengthen North American presence.
- Pipeline progress includes joint investment with New Amsterdam Pharmaceuticals for commercial manufacturing of Obicetra and Ezetimibe, with dedicated manufacturing suite at Celerate and dual sourcing at Pithampur.

Complex Hospital Generics (CHG)

- Maintained number one position in US Sevoflurane segment with value market share at 45% (March 2025), and working on regulatory approvals for ex-US markets.
- Sales of intrathecal therapy were subdued due to temporary supply challenges, expected to normalize in H2.
- Injectable pain segment supply constraints are resolving, enabling capitalization on healthy market demand.
- Focus on 505b2s, complex generics, and branded products through in-licensing and co-development deals for long-term growth.

Consumer Healthcare (BCH)

- BCH business delivered sustained growth of 15% in H1, anchored by 20% growth in Power brands (Littles, Lacto Calamine, CIR, i-range).
- E-commerce now contributes 24% to BCH sales, with Quick Commerce accounting for over 40% of e-commerce channel.
- 26 new products and SKUs launched in H1, with media and trade promotions expense at 12% of sales, similar to prior year.

Guidance

- Full-year FY26 revenue guidance moderated to flat, with EBITDA margin expected in the low teens, reflecting H1 performance and anticipated stronger H2.
- FY30 guidance remains intact, targeting doubling of revenue to INR 2 billion and EBITDA margin of 25%.
- H2 expected to deliver better revenue and EBITDA performance, driven by recovery in CDMO order inflows, improved supplies in CHG, and continued momentum in BCH.
- Overseas facilities are expected to narrow divergence with standalone results as capacity utilization improves, with EBITDA margins moving upwards over time.

Strategic Initiatives

- Proactive investments in onshore facilities and differentiated capabilities to capitalize on increasing customer interest in onshore manufacturing.
- Enhanced BD development team to better engage customers and adapt to market dynamics.
- Focus on operational leverage, technology adoption, and automation to protect margins amid shifting compliance costs and volume fluctuations.

Syngene International Ltd Q2 FY26 Earnings Call Takeaways

Outlook

Q2 FY26 financial performance was characterized by a significant divergence between the robust growth in Research Services (CRO) and the anticipated impact of inventory correction within the Biologics Manufacturing (CDMO) segment. Despite muted reported headline growth and margin compression in Q2, management maintained full-year guidance, emphasizing the historical trend of a stronger second half (H2) performance. Strategic investments continue, focusing heavily on fast-growing new modalities such as Antibody-Drug Conjugates (ADCs) and Peptides, and a substantial push into global clinical trials.

Financial Snapshot: Q2 FY26 Performance

- Revenue from Operations: Stood at INR 9.11 billion, marking a modest 2% year-on-year (YoY) growth in reported terms, though a decline of 3% in constant currency. Sequential growth quarter-on-quarter was 4%.
- Operating EBITDA: Declined 18% YoY to INR 2.00 billion.
- Operating EBITDA Margin: Contracted significantly to 22%, down from 27% in Q2 FY25. Full-year margin guidance remains mid-20s.
- Profit After Tax (PAT): Reported PAT was INR 670 million, down 37% YoY (before exceptional items).
- A one-off, non-recurring write-off of INR 280 million (related to unrecoverable receivables) was booked under other expenses.
- Depreciation increased due to the operationalization of new capacity at the Bengaluru biologics facility.

Key Segment Performance and Growth Drivers**Research Services (CRO):**

- Saw sustained growth momentum, primarily driven by volume improvements in the discovery business. This segment accounted for 67% of Q2 revenue, up from 63% in Q2 FY25, highlighting its accelerated growth trajectory relative to manufacturing.
- Biotech Funding Tailwinds: The company noted encouraging improvements and "green shoots" in Venture Capital (VC) funding flowing into biotech. This is expected to add an incremental layer of growth opportunity on top of the already robust underlying momentum in research services.

Manufacturing Services (CDMO):

- Large Molecule Manufacturing was impacted by the anticipated inventory correction in biologics manufacturing, which was outlined at the start of the fiscal year. Management confirmed the impact witnessed in Q2 was in line with expectations.
- The slowdown in large molecules is expected to persist throughout FY26, consistent with the guidance provided.
- Small Molecules CDMO saw growth in the quarter, led by formulations. Utilization levels at the Mangalore API plant are showing improving trend lines.

Strategic Capability Expansion (New Modalities)**Antibody-Drug Conjugates (ADCs):**

- The company is expanding its biologics facility in Bengaluru with a GMP bio conjugation suite.
- This expansion will establish fully integrated, end-to-end ADC services, spanning from discovery through to GMP manufacturing. This integrated capability, combining expertise in monoclonal antibodies, small molecule chemistry (payloads), and linkers, places Syngene among a select group of full-service ADC CDMOs.
- The facility is capable of supporting a wide range of advanced conjugates and related modalities and is expected to be operational within FY26.

Peptides:

- Building on the earlier commission of a dedicated discovery peptide laboratory in Bengaluru, the company is now planning a larger-scale GMP peptide facility in Mangalore.
- This facility is designed to enhance capacity to partner with customers across the full cycle, from discovery through to clinical and commercial scale supplies (though not GLP-level commercial scale).
- The peptide facility is expected to be built in FY26 and become operational in FY27.

Capital Expenditure

- Q2 FY26 Capex stood at USD 10 million.
- Allocation emphasis remains strategic: ~50% was invested in Research Services capabilities (including ADC labs) and ~30% in the CDMO business.
- Full-year Capex guidance is maintained at USD 45 million, plus an incremental USD 10 million for the Bay View facility.

Clinical Research Thrust (CRO)

- Global Phase 3 Contract Win: Syngene secured its first global Phase 3 clinical trial contract from a US-based biotechnology company. The trial will recruit patients across sites in India and the United States.
- Long-Term Growth Driver: The clinical trial market opportunity is viewed as an important driver for mid- to longer-term growth.
- Evolving Platform: This expansion builds on Syngene's well-established Indian clinical platform, which has evolved substantially beyond early-stage studies to include translational and clinical research, focused on bridging pre-clinical candidates to human studies.
- Service Economics: The revenue generated from this trial is through a standard service contract based on patient numbers, analytics, follow-up, and reporting.
- Financial Impact Timeline: The economics of the multi-year trial will be spread over FY26 to FY28, with the bulk of the revenue flow expected in FY27 and FY28. No significant incremental CapEx is required for this specific trial.
- Regulatory Environment: Management views the regulatory environment in India as becoming increasingly conducive and improving for conducting global clinical trials.
- Expanded Reach: Clinical trial footprint expansion has been achieved via strategic partnerships in Australia, New Zealand, the UK, and Eastern Europe.

Manufacturing Facility Commissioning Update

- Bengaluru Biologics (Unit 3): This facility is now operational and actively supplying GMP clinical material to a US biotech collaborator.
- Bay View, USA Facility: Preparations remain on track for the facility to commence operations in the second half of FY26. The ramp-up is expected to start with initial/qualification batches, with commercialization benefiting from the US administration's push towards localizing manufacturing.
- Ramp-up Trajectory: Management reiterated that these large biologics facilities typically have a 3-to-5-year gestation period before achieving full asset turnover, which is currently impacting near-term returns on capital.

CMS Info Systems (Q2 FY26): Key Takeaways

Structural softness persisted in Q2, led by volume/mix headwinds in cash logistics and retail, but recent order closures and business momentum point to sequential recovery. Margins/FCF delivery hinge on rapid commercialisation of recent PSU bank wins and cost takeout initiatives into H2.

Outlook

- Large PSU bank cash outsourcing contract (INR500mn/10yrs incremental annuity) now closed; should drive annuity step-up from H2 along with private sector scale-up.[1]
- Retail/ATM cash volumes likely to normalise after rains and subdued rural incomes hurt network utilization in H1; October run-rate highest post-pandemic, up 20% MoM.[1]
- Margins expected to recover back towards prior levels by end-FY26, aided by cost initiatives, better pricing, new deployments.[1]
- Technology (HAWKAI) scale-up on track; pipeline for PSU branch surveillance at ~INR3bn industry-wide, with CMS targeting 80,000 sites by FY30.[1]

Financials

- Q2 revenue: INR609cr, -3% QoQ (vs INR627cr in Q1).[1]
- PAT: INR73cr, -20% QoQ; margin at 12.1% (down 280bps QoQ).[1]
- H1 services revenue: INR1,125cr, targeting H2 at INR1,225cr (+9% HoH; full-year +8%).[1]
- Cash business: c.4,000 ATMs temporarily inactive in Q2, ~INR15cr revenue impact; 74k-75k ATMs targeted by March-end.[1]
- Order wins: INR500cr in Q2, mostly fixed-price, private sector led.[1]
- Capex (H1): INR175cr (FY est. INR300cr); cash balance: INR687cr.[1]

Overview

- HAWKAI (tech platform) scaling at 50% CAGR; tech segment should reach 10% of topline by FY27, with potential to hit 15% within three years.
- Sectoral churn (industry consolidation/AGS fallout) impacting working capital/DSO in H1; prudent INR10cr provision taken; DSOs stable YoY.
- Cost resets: Q2 people costs up due to long-term settlements; productivity actions, gig/ML operating model adoption on track to offset through FY26.
- Structural tailwinds: PSU outsourcing of ATM/cash should sustain mid-teen revenue CAGR (15%-19% target for FY27); margin/FCF upside as scale/cost initiatives play out.
- Hardware revenue to trend at 10% or lower mix (annual trend ~INR700cr), with growth led by services.
- Steady reduction in legacy ATM/cash as share of revenue as retail and tech segments outgrow.

Praj Industries Q2FY26

Outlook: Execution focus enabled Praj to deliver stable performance in Q2FY26 despite ethanol sector headwinds and international tariff uncertainty. While the domestic ethanol cycle matures (EBP20 targets met), the pivot is toward brownfield/lifecycle opportunities, export-driven bioenergy, and emerging new tech in SAF, bio-CBG, and bioplastics. Expect steady execution in H2, but full GenX ramp-up deferred to FY28 due to end-market delays. Working capital intensity remains elevated but is likely to ease as projects reach dispatch.

Key Numbers

- Q2FY26 revenue at INR8.42bn (+3% YoY), H1FY26 at INR14.8bn (-2% YoY)
- Q2FY26 PAT at INR193mn (vs INR538mn YoY); H1 PAT at INR246mn (vs INR1.4bn YoY)
- Q2 order inflow at INR8.1bn (domestic 73%, bioenergy 71% of total)
- Order backlog at INR44.2bn (domestic 65%); cash at INR4.37bn
- Export revenue share: 46%

Earnings Substantiation

- Domestic ethanol: With EBP20 achieved, new greenfield capacity has slowed; focus is now on upgrades, efficiency, lifecycle, and co-product solutions for the installed base.
- Ethanol policy noise rebutted: Key agencies remain supportive, medium/long-term outlook resilient; diesel isobutanol blending trials underway.
- Bioenergy export: Strong US pipeline for low-carbon ethanol (leveraging 45Z tax credits); 1st US project to commission by FY26-end; growth opportunities in LatAm, ASEAN, Africa as mandates expand.
- GenX engineering: Energy transition capex largely stalled globally, so Praj is shifting GenX ramp-up from new energy to traditional O&G, conventional industries; target full utilization by FY28 (one year delay).
- SAF & bioplastics: World's first integrated ethanol-to-jet demo operational; commercial confidence-building, early client discussions in bioplastics ongoing though no major order booked yet.
- CBG (compressed biogas): 1st Napier grass plant commissioned; healthy pipeline but market scale-up hinges on India's pipeline/grid connectivity.
- Financials: Q2 margins impacted by unfavourable sales mix (high services, lower equipment) and under-absorption at GenX; fixed GenX cost INR85-90mn/month. International and Africa projects offer superior margins vs. domestic.
- Order visibility: Near-term order drivers shift toward brownfield upgrades, O&M, varied sector clients; international, CBG, pharma/ultrapure water, brewery aid franchise stability.

CCL Products India Ltd | Q2FY26 | Con-call Key Takeaways |

Overview

CCL Products India Ltd reported robust Q2 and H1FY26 results, driven by strong volume and revenue growth, supported by favorable operational efficiencies and market share gains. The company recorded a 52.7% YoY growth in Q2 turnover to INR 1,128.21 crores and a 44.5% rise in H1 turnover to INR 2,186.25 crores. EBITDA grew 44.3% in Q2 and 33.7% in H1, with net profit up 36.4% and 19.2% respectively. Domestic branded business showed strong momentum, reaching INR 210 crores in H1 with continuous market share gains.

Market and Pricing Environment

Green coffee prices remained volatile due to conflicting crop reports and supply fluctuations, particularly from Vietnam and Brazil. Coffee demand remains robust, supporting price volatility management. The company expects clarity on coffee prices post-December crop flows. Despite volatility, market share gains continued across e-commerce, quick commerce, and modern trade channels, with CCL Products holding double-digit market shares in these segments on a pan-India basis.[1]

Order Book and Capacity Utilization

Capacity utilization for the quarter was 65–70%, with old capacity nearly fully utilized and new capacity at 15–20%. New capacity represents almost half of total capacity (~77,000 MT combined India and Vietnam). The company plans capacity expansion near 80-85% utilization, with options to build or acquire capacity in 2-3 years.

Financial Performance

- Q2 Revenue: INR 1,128.21 crores (+52.7% YoY)
- Q2 EBITDA: INR 198.61 crores (+44.3% YoY)
- Q2 Net Profit: INR 100.86 crores (+36.4% YoY)
- H1 Revenue: INR 2,186.25 crores (+44.5% YoY)
- H1 EBITDA: INR 360.05 crores (+33.7% YoY)
- H1 Net Profit: INR 173.31 crores (+19.2% YoY)
- Domestic branded business in H1 at INR 210 crores.

Operational Efficiencies and Working Capital

Operational efficiencies were enhanced through better receivables management, early realisations incentives, renegotiated contracts, and inventory optimization, resulting in improved working capital and net debt reduction. Net debt guidance stands at INR 1,350 crores by December and INR 1,200 crores by March, with seasonal procurement expected in upcoming quarters.

Volume and Margin Trends

Volume growth was strong at 20+% in Q2 and approximately 15% blended for H1. EBITDA per kg improved from ~INR 120 to INR 130 due to an increased contribution from higher-margin freeze-dried products, better product mix, and increased domestic branded sales. Margins are maintained by a cost-plus pricing model, insulating the company from price volatility.

Business Segments and Strategy

- The B2C segment (branded business) recorded INR 110 crores revenue in Q2 and ~5-6% EBITDA margin, with marketing ramp-up (notably Percol brand) ongoing to support growth.
- The B2B/private label segment grew strongly with INR 100 crores revenue in H1, driven by added contracts and efficient execution, showing higher net margins due to lower marketing spends.
- The company aims to transform into an FMCG company over the long term, expanding product offerings into complementary categories like iced tea and snacks, leveraging its growing distribution network reaching 130,000–140,000 outlets, with plans to double outlets in 3 years.

Outlook

Guidance remains for 15-20% EBITDA growth, with potential to finish at the higher end based on recent performance and efficiency gains. Volume growth to remain around 15%. Future growth will be driven by continued market share expansion, operational improvements, and new product launches. Revenue near INR

Outlook

Guidance remains for 15-20% EBITDA growth, with potential to finish at the higher end based on recent performance and efficiency gains. Volume growth to remain around 15%. Future growth will be driven by continued market share expansion, operational improvements, and new product launches. Revenue near INR 4,000 crores possible depending on coffee price trends.

Amber Enterprises India Limited Q2FY26 Concall Highlights**CMP: INR 7,087 | Market Cap: INR 249.1 Bn**

- Significant reduction in RAC GST from 28% to 18% marks a structural positive for industry penetration, affordability, and will drive premiumization across the market.
- Despite industry contraction of 30-35% in Q2, division declined only 18%, showcasing strong market positioning and execution excellence even in adverse conditions.
- Company maintaining 13-15% FY26 growth guidance for Consumer Durables despite market headwinds a testament to diversified product portfolio and wallet expansion within existing customers.
- Commercial AC vertical sustaining strong double-digit growth trajectory with strategic 3-year compressor supply agreement locked with GMCC, providing visibility and cost certainty.
- New commercial AC models launching in November-December will expand addressable market in B2B and industrial segments.
- INR 17,500 Mn fundraising completed at ILJIN level providing significant firepower for both organic growth and strategic inorganic opportunities in high-growth verticals.
- Ascend Circuits approved under ECMS scheme with mass production commencing Q3 FY27 multi-layer PCB capacity will strengthen competitive moat.
- Power-One acquisition (60% stake in battery storage, solar inverters, EV chargers) consolidating from August; expected to contribute INR 2650-2750 Mn FY26 with robust growth ahead.
- Unitronics acquisition (40.2% stake in Israel-based industrial automation player) adds 25-28% EBITDA margin businesses, elevating overall division profitability.
- Electronics division targeting INR 32+ Bn FY26 building diversified stack beyond consumer durables dependency.
- PCBA specifically expected to reach INR 24+ Bn this year with consumer durable dependency shrinking from 58-60% to target 40-45% by FY27-end.
- Electronics division margins faced temporary pressure from 13% copper clad laminate price increase and gold price volatility; expect recovery to 8-9% by FY26-end as quarterly price pass-through kicks in.
- Management confidence in double-digit electronics division margins by FY27, consolidating PCBA (5-5.5%), PCB (17-19%), and accretive M&A (Power-One: 15-18%, Unitronics: 25-28%).
- Sidwal's greenfield facility beginning trial operations Q3 FY26, commercial production Q4—doubling division revenue over next two financial years remains on track.
- Eugene Machinery JV facility ready; product development underway with commercial production expected H1 FY27 for pantographs, brakes, and drive systems.
- INR 26+ Bn order book visibility with additional INR 4-5 Bn expected orders in coming quarters providing strong execution runway.

- INR 10 Bn QIP completed at Amber Enterprises level; combined with ILJIN fundraising, company positioned for significant CapEx without balance sheet stress.
- Targeting net debt reduction with expectations to achieve cash positive position by year-end; interest costs capped at INR200-250 Mn for H2, indicating debt management discipline.
- Elevated inventory levels peaked in Q1, normalizing by Q4 clearing of excess aerial conditioner stock critical for margin recovery and Q4 seasonal strength.
- PLI subsidies to flow predominantly in later financial years for both Amber and ILJIN across PCB and EMS segments, offering additional EBITDA uplift not yet reflected in margins.
- Company evolving from single-product supplier to full-stack EMS company addressing consumer durables, automobiles, energy meters, defense, telecom.
- CapEx outlook: INR 7-8.5 Bn FY26, INR 12+ Bn FY27 (dominated by Korea Circuit and Ascend expansion), providing clarity on growth investment cadence.

Happy Forgings Ltd | Q2FY26 | Concall Key Takeaways | CMP: INR 1,023.55 | M-Cap: INR 96 Bn

Overall Performance

- Delivered a record quarter with highest-ever profit margins, reflecting operational efficiency and cost discipline.
- Revenue: INR 373 Cr | Gross Profit: up 7% YoY | PAT: up 10% YoY.
- Management guided for a return to 20% CAGR growth trajectory over the next two quarters.

Business & Segmental Highlights

- Domestic CV segment reported steady growth, supported by demand from steel and cement industries.
- PV segment achieved double-digit YoY growth; expected to contribute 8–10% of revenue in 2 years.
- Indian tractor industry witnessed strong demand, cushioning impact from weak exports.
- Export markets (US & Europe) faced low volumes due to geopolitical tensions, but showed modest recovery in late Q2.
- Portable genset business in North America affected by 50% tariff; management expects rebound if duties ease to 25%.

Strategic Growth Drivers

- Capex of INR 650 Cr underway to expand heavy precision forging capacity, supported by a robust order book largely from Europe.
- Two large projects under execution, expected to boost exports and overall realizations in Q3–Q4FY26.
- Strategic partnerships in advanced forging and EV components to drive future diversification.
- Wind energy, data center, and oil & gas (mining) segments expected to contribute incremental growth in FY26–27.
- M&A opportunities being explored in high machinery niche markets to strengthen product portfolio.

Financials & Balance Sheet

- Strongest balance sheet in the industry with ~100% cash flow conversion.
- Cash liquidity: INR 315 Cr, ensuring long-term financial flexibility.
- Direct exports: account for ~20% of revenue, expected to rise as new projects ramp up.
- Crankshaft share: 41% of total revenue in H1FY26 (up 1% YoY).
- Currency hedge: long-term euro exposure booked at loss in Q2; steel pricing and forex positions hedged for stability over next 1–2 quarters.

Outlook

- Q3 onwards improvement expected, with project ramp-ups and margin recovery.
- Q4FY26 likely to be significantly stronger with contribution from new orders and improved realizations.

- Company remains confident of sustaining robust growth, supported by strategic capex, diversified order book, and export recovery momentum.

Outlook

- Q3 onwards improvement expected, with project ramp-ups and margin recovery.
- Q4FY26 likely to be significantly stronger with contribution from new orders and improved realizations.
- Company remains confident of sustaining robust growth, supported by strategic capex, diversified order book, and export recovery momentum.

Overview:

Happy Forgings delivered a record quarter, combining margin leadership, strong liquidity, and strategic capacity expansion. With several projects launching in H2FY26 and inorganic growth prospects ahead, the company is well positioned to resume its 20% CAGR trajectory and strengthen its global footprint.

R Systems International Ltd | Q3CY25 | Earnings Call Key Takeaways | CMP: INR 409 | M-Cap: INR 48.38 Bn

Overall Performance

- Reported a strong operational quarter aided by exchange rate gains from USD trades as the rupee depreciated.
- EBITDA margin: 16.9%, supported by operational discipline and cost control.
- DSO remained stable versus last quarter, reflecting efficient billing and collections management.

Business Mix & Client Metrics

- Americas contributed 73.5% of total business, continuing to be the key growth driver.
- India share increased from 2.3% to 2.9%, while Other geographies rose from 1.3% to 1.9%.
- Top 10 clients' contribution: improved from 24.6% to 26.2%, highlighting deeper engagement.
- Top client share: grew from 6.1% to 6.7%, supported by repeat business and cross-selling.
- 60 new deal wins during the quarter, reflecting strong business momentum and client traction.

AI-Led Transformation

- Company driving a strategic shift toward Agentic AI, leveraging over 1,500 AI prompts across projects.
- Agentic AI being deployed to solve real-world industry problems, delivering higher ROI and stronger client outcomes.
- Recognized as a leader in AI-driven offerings and quick marketplace positioning, placing R Systems among an elite group of few players.
- Axis Control Systems partnership to build an Agentic AI solution for closed-loop management systems.
- Actively helping clients transition from traditional SaaS models to AI + Cloud solutions, enhancing stickiness and scalability.

Client and Partnership Momentum

- Top 30 clients showing faster growth than top 10, expected to drive broader revenue base over time.
- Partnership with NOVICO remains strong; NOVICO acts as R Systems' go-to-market partner, leveraging its market presence and network for expansion.
- Continued focus on winning larger, strategic deals with both new and existing clients to sustain growth trajectory.

Organizational Stability

- Management team remains stable, providing strategic continuity and operational consistency.

Outlook

- Strong momentum in AI-led solutions, client diversification, and strategic partnerships expected to sustain growth.
- Focus remains on expanding global footprint, enhancing AI capabilities, and deepening client relationships to drive long-term margin and revenue visibility.

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Apollo Hospitals Enterprise Ltd – Q2FY26 Concall Highlights**Outlook**

Apollo Hospitals delivered resilient Q2FY26 across hospital, retail health, and digital verticals, maintaining double-digit revenue and EBITDA growth despite seasonally softer medical admissions. Continued expansion and leadership in high-complexity specialties, robust digital platform scaling, and disciplined cost management underpin management's confident medium-term growth outlook, with clear execution focus on network scale, clinical performance, and digital monetization.

Key Financial Performance

- Consolidated revenue for Q2FY26 reached INR 63,040 mn, up 13% YoY.
- Consolidated EBITDA at INR 9,410 mn, up 16% YoY, with robust 24.6% margin for healthcare services.
- Healthcare services revenue rose 9% YoY to INR 31,690 mn; insurance/cash patients comprised 83% of inpatient revenue, indicating strong payer mix dynamics.
- Surgical volumes grew 3% YoY, weighted toward high-value specialties (cardiac, oncology, neurosciences, gastro, ortho) which delivered 6% volume and 14% revenue growth YoY.
- ARPC (Average Revenue Per Patient) for Q2FY26 was INR 173,318, reflecting 9% YoY growth driven by clinical mix and regular tariff increases for inflationary purposes.
- H1FY26 consolidated revenue was INR 121,460 mn, up 14% YoY, with PAT at INR 9,100 mn, up 33% YoY.

Operational Metrics and Trends

- Group-wide occupancy stood at 69% in Q2FY26, down from the prior quarter due to lower seasonal medical admissions (notably the absence of the dengue season in Karnataka).
- ARB metric has been replaced by ARPC for more accurate realization tracking.
- Hospital payer mix remains favorable with growing focus on corporates, retail, and international patients.

Expansion & Capex

- Six new hospitals to be commissioned between Q3FY26 and Q1FY27: recently soft-launched Pune tertiary hospital and Defense Colony (Apollo Athena) women's cancer center to start reporting from Q3; Sarjapur Bangalore and Kolkata scheduled for Q4; Hyderabad (with advanced oncology) and Gurugram in Q1FY27 following facility enhancements.
- Brownfield expansion underway at Jubilee Hills and Secunderabad; Bangalore (Malleswaram, Mysore) expansion started, with opening expected next fiscal.
- Management targets all new census beds operational by end FY27, aiming for smooth ramp-up and 12-month break even per facility.
- Expected FY27 EBITDA losses from new hospitals remain contained at INR 1,500 mn; losses to be tracked separately.
- Expansion funded via strong internal cash flows (target EBITDA of INR 30,000 mn as new hospitals come online).

Segmental Performance Highlights**Apollo Healthco (Pharmacy/Digital/Distribution)**

- Q2FY26 revenues at INR 26,610 mn, up 17% YoY; healthy EBITDA margin improvement to INR 1,100 mn vs INR 520 mn in Q2FY25.
- Private label and generics contributed 15.2% of pharmacy revenues, supporting margin profile.
- 24x7 digital platform added 3 mn new users during Q2, totaling 44 mn registered; platform GMV was INR 7,230 mn (up 16% YoY), though after transitioning GST reporting, top-line reflects adjusted run-rate.
- Digital vertical losses narrowed to INR 710 mn; pharmacy distribution EBITDA reached INR 1,810 mn (up 19% YoY).

Apollo Health and Lifestyle (AHLL)

- Q2FY26 revenue of INR 4,740 mn (up 17%) with 21% EBITDA growth, margins improving to 11% (from 10%).
- Specialty care—diagnostics remains the most competitive segment; focus pivots toward primary care, diagnostic expansion, and clinic funneling to core hospital network.
- Dialysis segment continues to grow steadily; Spectra and Cradle units see limited competition outside key geographies.

Keimed & Guidance

- Q2 margin softness driven by one-off integration expenses in Keimed; management expects margins to normalize >3.1% and progress toward 7% target as digital losses narrow and break-even approaches in Q4FY27.
- Cumulative turnover for H1FY26 was INR 92,000 mn (annualized at INR 180,000 mn+) with EBITDA margin of 4.4%; expectation is for 6%+ margins post digital break-even, progressing to 7% as new capacities are absorbed.

Digital Health & Insurance Initiatives

- Focus remains on extracting revenue-side synergies from integration of Keimed, Apollo Pharmacy, and digital verticals; further cost rationalization primarily achievable from marketing spend adjustment beyond Q4FY26.
- Management reiterates the goal of cost break-even for Apollo 24x7 by end FY26, driven by scaling insurance and e-pharmacy profitability; insurance business to be increasingly sold digitally and via expanding call center footprint for higher ticket size sales.
- All three digital-business lines (pharmacy, diagnostics, consults) at CM1 level positive, with focus shifting to next margin layers.

Regional & Volume Trends

- Karnataka cluster saw 15% decline in medical admissions (due to weaker dengue season), but surgical volume up 2% and cathlab volume up 13%; net effect is higher ARPC due to complexity mix.
- Metro hospital occupancy already >70%; October trends imply normalizing utilization levels, with non-metro focus for further improvement.

Guidance

- Organic hospital growth expected to return to 13% as Bangladesh international patient flows rebound (60% recovery noted in October), with new markets (Uzbekistan, Africa, Indonesia, Iraq) set to diversify source mix.
- Insurance pricing is locked in for two-year cycles; annual inflation handled via tariff hikes, contract renewals are staggered to maintain realization and margin stability.
- Net new beds expected to deliver incremental 5% growth over next 26 months, supplementing organic expansion in existing facilities.
- EBITDA losses on new projects to be contained via disciplined commissioning schedules in mature markets, rapid ramp-up and localized marketing strategies.
- Digital, retail, and integrated healthcare ecosystem approach positioned to enhance operating leverage and scale across all verticals.

Cummins India Q2FY26 Concall Highlights**Mcap: INR 1,187bn | CMP: INR 4,283**

Outlook: Revenue is expected to grow double-digit rate in FY26E, driven by the power gen business. Power gen volumes returned to pre-CPCB IV+ levels. The industrial segment recovery is dependent on construction activity post-monsoon and the awaited issuance of new mining tenders from Coal India. Distribution business growth is sustainable, supported by the expanding installed base, which requires maintenance and parts. The lumpy data center business is not expected to repeat in H2FY26E. We have a neutral outlook on the stock._

Revenue- Revenue is expected to grow double-digit rate in FY26E.

Margins- Gross margins are expected to remain between 35%-36%. Volumes and favourable product mix, especially from high-margin data center projects, provide operating leverage for margin improvements.

Power generation- Power generation business grew 49% YoY to INR 13.4bn in Q2FY26. The power gen demand is coming from real estate, commercial, and quick commerce. Market volumes returned to pre-CPCB IV+ era levels, comparable to annual volumes during the CPCB II phase.

Data center- The data center contributed ~40% of the total power gen revenue. The increase in data center business is due to the successful execution of large, lumpy projects for hyperscalers like Microsoft, Amazon, and Google. The company is prepared to meet growing data center demand in India, with a focus on improving production capacity and reducing lead times. The lumpy nature of data center orders is not expected to have the same magnitude in H2FY26E.

Industrial- Industrial business de-grew 5% YoY to INR 3.87bn in Q2FY26, due to the extended monsoon season, which impacted construction activity. The revenue break-up is construction – INR 1.21bn, Rail – INR 1.2bn, Mining – INR 170mn, and Compressors – INR 560mn.

The construction and mining segment has slowed down due to a lack of new tender announcements from Coal India.

In railways, the Hotel Load Converter has been approved for serial production, and sales are expected to commence soon.

Exports- In exports, HHP grew 40% YoY to INR 2.79bn, and LHP grew 11% YoY to INR 2.19bn in Q2FY26.

Exports growth driven by strong performance in Europe for HHP products. The Middle East and Europe regions witnessed growth for LHP products. The order inflows are softening and remain cautious on the coming quarters.

The company is facing challenges in Europe (economic uncertainties), Credit issues in Latin America, and strong competition from Chinese players in Africa and the Middle East.

Distribution- The distribution business grew 21% YoY to INR 7.96bn in Q2FY26. The service network was already prepared for the technologically complex CPCB IV+ products before launch.

Other highlights- The company is witnessing customer inquiries for BESS, though substantial orders are yet to materialize as customers evaluate this new technology.

The launch of CPCB IV+ products has been successful, with good market acceptance and controlled warranty expenses.

The backup power acts as an insurance policy; customers are willing to pay a premium for guaranteed performance.

Cholamandalam Investment & Finance Company Ltd - Q2FY26 Concall KTAs

Management expects AUM growth to remain above 20% for FY26, with disbursement growth likely to be slightly below 10% for the year. Vehicle Finance growth is projected to pick up in the second half, supported by GST cut benefits and festive demand. Credit costs are expected to improve further in H2, better asset quality and disciplined underwriting. While the management remains cautious about the extended monsoon and its possible impact on the harvest.

Financial Performance

NIM improved from 7.5% to 7.9% in Q2, and the management expects a further improvement of 10–15 basis points in H2.

Home Loans and SME Loans AUM each up by 28% YoY. PAT up by 20% YoY to INR 1,155 Cr, while PBT stood at INR 1,561 Cr.

Vehicle Finance AUM up by 17% YoY to INR 1,07,568 Cr, while Loan Against Property AUM up by 33% YoY to INR 46,302 Cr.

Aggregate disbursements stood at INR 24,442 Cr in Q2, taking the total disbursements for H1 to INR 48,646 Cr.

Total AUM stood at INR 2,14,906 Cr, up 21% YoY, driven by strong growth across all segments.

Asset Quality & Credit Costs

Stage 3 assets (GNPA) stood at 3.35% as of Q2, with sequential improvement in net slippages.

The NCL ratio improved from 1.8% in Q1 to 1.7% in Q2, and the management expects it to further improve to around 1.6% for FY26.

Write-offs increased to INR 639 Cr in Q2, compared to INR 514 Cr in Q1.

The partnership business (C-Cell) saw a decline due to a halt in disbursements; however, credit losses have peaked and are expected to moderate in H2.

Credit costs remained broadly stable, though some stress was observed in select segments, particularly in newer businesses such as C-Cell.

Segment-wise Highlights

SME: AUM up by 28% YoY, driven by a higher focus on business loans and equipment financing.

Gold Loans: A new business segment with disbursements of INR 500 Cr, delivering healthy marginal yields.

Home Loans: Disbursements declined in Q2 due to procedural changes in registration; however, the management expects a recovery in H2.

LAP segment reported strong growth of 33% YoY, with disbursements of INR 4,630 Cr in Q2.

Vehicle Finance: Growth remained healthy, though asset quality faced some stress in the commercial vehicle and construction equipment segments due to the monsoon impact. Improvement is expected in H2 as capacity utilization increases.

Other Highlights

The Capital Adequacy Ratio stood at 20% as of September 2025, with Tier 1 capital at 14.59%.

ALM position remains comfortable, with no negative cumulative mismatches.

The company maintained a strong liquidity position, with total liquid assets of INR 17,516 Cr, including G-Secs and Treasury Bills.

Flair Writing Industries Ltd- Q2FY26 Concall KTAs**CMP: INR 316 | Market Cap: INR 33 Bn****The company is committed to sustaining the momentum in growth in revenue and margins.****Segment Highlights**

- The core performance driver was the Creative and Steel Bottle/Houseware segments, which together grew by a staggering 81% in Q2 FY26. This reflects a strategic shift towards high-potential categories.
- The Creative segment delivered an impressive 70% YoY growth in Q2 FY26, contributing INR 70 crores in revenue. The portfolio expanded rapidly with 14 new products introduced in the quarter, bringing the total creative offerings to 237. Product roll-out for the creative portfolio has been pan-India.
- Exceptional Steel Bottle/Houseware Performance: This segment reported a 121% YoY increase in revenue contribution for Q2, reaching INR 26 crores. Growth was driven by innovative product launches and enhanced visibility across modern trade and e-commerce channels. Although Q2 saw a spike, partly due to the festive season, the company aims to maintain the higher momentum. Most of the sales contribution currently comes from steel bottles, while houseware remains a smaller portion.
- Overall export sales grew 41%, supported by strong growth in export OEM (53%) and export owned brands (32% in Q2; 23% in H1). This marks an encouraging recovery from previously subdued demand due to geopolitical tensions, with major growth coming from Latin American countries and the Middle East. OEM segment issues with a major customer appear largely behind the company, and new OEM buyers have been added.

Core Pen Business Stability & Outlook

- The Pen segment remains the largest contributor (around 70% of total revenue). It grew 4% YoY in Q2 FY26 to INR 221 crores.
- Domestic-owned brand pen sales grew 6% in H1, with overall owned brand pen sales (including exports) growing 8%. A slight slowdown was noted in September due to the new GST implementation.
- The company is confident of achieving high single-digit growth for the pen segment for the full year FY26. The long-term objective is to maintain sustainable compounded growth in this category.
- 17 new pens were released in Q2 across all three price segments: mass, mid-premium, and premium. The ASP per pen is around INR 5.4.
- The domestic OEM segment continued to see a sharp decline due to reduced demand from one major customer, but this segment is not factored into the company's core growth aspirations.

Capacity Expansion & Capex

- The planned capex for FY26 is budgeted at INR 80-90 crores. INR 39 crores were deployed in H1 FY26.
- The capex plan includes the establishment of the new manufacturing unit in Valsad, which is progressing as scheduled and is expected to commence operations in Q4 FY26. This facility will boost capacity for writing instruments and creative products and provide incremental capacity for the pen business.
- A new facility in Surat (under Flomaxe Stationery Private Limited) is being established for pencils (polymer, wooden, paper), sharpeners, and erasers. This expansion is a key pillar for extending presence in allied stationery categories. This involves a small capex amount, approximately INR 5 crores.
- Further capex for the steel bottle and houseware segment will be evaluated once capacity utilization reaches approximately 70% (currently around 45-50%).

Key Highlights

- The revenue mix is expected to change long-term, driven by the higher growth rates in Creative and Steel Bottles. While Pens will continue to be the largest contributor (maintaining leadership), its share of total top line is expected to gradually reduce (potentially towards 50-60% long-term) as the newer segments increase their contribution.

• **Distribution Gap:** A significant distribution gap currently exists between the highly established pen distribution network and the creative distribution network, which the company aims to fill over the next 2-3 years.

Key Highlights

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Britannia Industries Ltd Q2FY26 – Concall KTAs**CMP: INR 6,109 | Market Cap: INR 1,471 Bn**

Future Outlook: The company has achieved its desired profitability, and the focus is now clearly shifting to volume-led growth. The company expressed confidence in seeing “very aggressive top-line growth. The objective is to return growth to double-digit levels.

Impact and Benefits of GST 2.0 Rationalization

- The GST rate rationalization (GST 2.0) was deemed a "very welcome move" by the government.
- 85% of the business experienced changes in GST rates starting 22nd September 2025, which caused temporary destocking and disruption. The company estimates that the company lost about 2% to 2.5% on the top line during the quarter due to this disruption.
- The benefit of the rate reduction is being passed to consumers via price reductions in large packs and grammage increases in small packs. Approximately 65% of the portfolio had increased grammages by the end of October, and the entire portfolio is expected to have the required grammages and pricing by mid-November.
- The drop in GST rates (particularly to 5%) is expected to cause market share gains for organized players. The lower GST rate reduces the competitive advantage previously held by numerous small, regional players who often compete primarily on price and may have had compliance issues.
- Any deficiency resulting from an inverted duty structure has been factored into the price drops or grammage increases.

Strategic Priorities: Volume Growth, Brand Investment, and Regional Focus

- The medium-term business outlook is centered on achieving volume-led growth through consumer-centric products, distribution, and ensuring price competitiveness across regions.
- The company plans to "double down" on investments behind key core brands, which were temporarily curtailed during the inflationary period. This involves product restages and media/consumer awareness interventions.
- The strategy is to meet consumer needs on a regional/state basis by launching tailored products (e.g., Jeera biscuit in the East) and potentially having different recipes to suit local requirements.
- Rural growth currently outstrips urban growth. The company plans to continue going deeper in rural areas using a direct model. General trade remains the most profitable channel.

Product & Adjacency Performance

- **Core Portfolio:** The Tiger Glucose brand was relaunched as Tiger Doodh Glucose with a recipe change and is performing "really well". Tiger is positioned as the "cheapest form of food," aimed at increasing single-digit share in rural areas.
- **Premium Offerings:** New products under the Pure Magic brand include Choco Tarts, Choco Stars, and Choco Frames (Harry Potter theme). NutriChoice 100% millet cookies (no maida, no palm oil, no added sugar) are also doing "quite well".
- **Adjacencies (Non-Biscuits):** Croissant and Rusk are seeing high double-digit growth. Wafers recorded their fifth consecutive quarter of healthy double-digit growth, supported by new capacity in the North.
- **International:** The Africa business continues to perform well, and a Joint Venture (JV) in Kenya is "shaping up quite well".

Dairy Business & Distribution Dynamics

- Overall performance in dairy is "not as good as they had expected".
- The cheese market growth has slowed down, primarily because it is a discretionary expenditure that was impacted by inflation over the last two years.
- E-commerce and general trade channels are performing well, and the company is seeing sequential market share gains in cheese. However, there is a "first fight" in modern trade, which is challenging.
- The state-of-the-art Ranjangaon plant is focusing on efficiencies to become the lowest cost operator.
- The company is looking at ready-to-drink protein beverages but is currently not pursuing whey powder for professionals/bodybuilders due to quality constraints.
- Advertising expenditure has normalized after being tightened during the two years of high inflation and will continue at the optimal rate (historically around 4% of revenue).

Shanti Gold International Ltd -Q2FY26 Concall KTAs**CMP: INR 235 | Market Cap: INR 17 Bn****Key Highlights**

- The current manufacturing capacity at the Mumbai facility is 2,700 kg per annum.
- The company employs an integrated in-house manufacturing setup, allowing control over every aspect of production.
- Q2 FY26 revenues from operations stood at INR 430 crores, registering a growth of 61.6% compared to Q2 FY25.
- Q2 FY26 EBITDA was INR 63.27 crores, showing a growth of nearly 228.46% YoY.
- EBITDA margins for Q2 FY26 were 14.75%, an improvement of 740 bps.
- Volume growth in Q2 was 10%, increasing from 386 kgs to 427 kgs of gold.
- The exceptionally high Q2/H1 margins were driven primarily by the inventory markup resulting from procurement at a low inventory cost base (August/September), followed by an upward rally in gold prices.
- The historical and sustainable core EBITDA margin is expected to be in the range of 7% to 8%, stabilizing around Q4 FY26.
- The higher core margin is attributed to the product mix (22 KT CZ-studded jewelry), design complexity, fine craftsmanship, and the high premium commanded by the bridal collection.

Capacity Expansion and Strategic Growth Initiatives

- Jaipur Facility Construction: The company is constructing a new manufacturing facility in Jaipur to scale operations.
- This facility will add an additional 1,200 kg to the production capacity, raising the total installed capacity to 3,900 kg per annum.
- The Jaipur plant will introduce a new product line of machine-made plain gold jewelry.
- The capex outlay for the Jaipur facility is INR 46 crores, covering plant and machinery, civil construction, interiors, and furniture.
- Operations are expected to commence early next year, likely by May or June 2026.
- The facility is currently 50,000 square feet construction on a 3-acre plot. The ramp-up will be phased, starting with an initial test phase of 300 kg, aiming for 100% utilization by the year-end (post-commissioning).
- International Hub: Plans are underway to open a 100% owned subsidiary company in Dubai, which will function as a key hub for trading, selling, and reselling manufactured products internationally.
- Geographical Expansion: The company plans for geographical expansion in North and Western India and increasing international presence in markets such as the USA and UAE.

Market Strategy and Inventory Management

- The company has built long-lasting relationships with prominent corporate brands, including Joalucas, Lalita Jewelry, Alukas Enterprises, and Kalyan Jewellers.
- The existing loyal customer base spans over 15 states and two union territories in India.
- The company is focused on improving working capital to manage raw material procurement and meet increasing demand.
- The unsold inventory as of September 30, 2025, was 371 kgs, strategically built up for the coming festive and wedding seasons.
- This inventory was primarily procured at a low-cost base during August and September. The average price of the current inventory holding is close to INR 1,09,700.
- The sales momentum for H2 is strong; October 2025 sales reached 302 crores (300 kgs), representing three times the growth compared to October 2024 (102 crores).

Debt Position and Future Guidance

- The current debt levels are comfortable. The net debt on the balance sheet stands at INR 184 crores. The blended cost of interest ranges from 8.3% to 8.4%.

• FY26 Guidance: The company expects to close the current fiscal year (FY26) with a turnover (in terms of value) ranging between INR 1,900 crores to INR 2,000 crores.

• The company is confident of maintaining a value growth rate at a 40% to 50% CAGR.

• FY27 Projection: Based on the projected CAGR, the sales turnover for FY27 is expected to reach

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- The company is confident of maintaining a value growth rate at a 40% to 50% CAGR.
- FY27 Projection: Based on the projected CAGR, the sales turnover for FY27 is expected to reach around INR 2,800 crores to INR 3,000 crores.

Siyaram Silk Mills Ltd Q2FY26 Concall KTAs**CMP: INR 807 | Market Cap: INR 37 Bn****Guidance**

- The guidance for revenue growth for the current (FY26) has been revised upwards from the traditional 10-12% average to 12-14%, backed by strong performance in the first half.
- The long-term EBITDA margin guidance for the legacy business is approximately 14%, which is expected to take a hit of about 150 basis points due to the new retail businesses.

Performance of New Retail Brands (Zecode & DEVO)

- The new brands, Zecode (fast fashion) and DEVO (modern ethnic wear), are performing well and receiving strong customer feedback.
- During Q2 FY26, the company opened seven new Zecode stores and two new DEVO stores.
- The cumulative store count since launch stands at 23 Zecode and 12 DEVO stores. The company is working towards opening approximately 35 stores in total this fiscal year.
- The overall cumulative revenue contribution from Zecode and DEVO in H1 FY26 was approximately just under INR 30 crores. The initial full-year expectation remains at INR 70–INR 75 crores.
- The total combined retail space for both brands is just under two lakh square feet.
- Store Strategy: The initial stores are all (COCO model), established on lease agreements typically lasting between 9 to 12 years.
- Expansion Focus: Zecode expansion is clustered in the Karnataka region (centering on Bangalore). DEVO expansion is focused on the North India cluster (Delhi, UP, Punjab).
- The company is proceeding at a conservative pace to ensure the operational metrics and store economics are correct, viewing retail as a very important, long-term objective aimed at significantly increasing the share of revenue in 2–3 years.

Traditional Business Segments and Strategy

- The revenue mix for Q2 FY26 saw fabric contributing 77%, garments 15%, and yarn and others 8% of total revenue.
- Growth in the traditional fabric and apparel business has been approximately 15% in terms of volume and value growth.
- This strong growth is attributed to recovering consumer sentiment following a period of weakness and low rural demand and gaining market share as the economy becomes more formal, benefiting branded players.
- The traditional business operates largely as a distribution-driven trading business, relying heavily on outsourcing rather than in-house manufacturing.
- The company aims to transition to an asset-light model; currently, approximately 50% of production is outsourced for the fabric business, with this percentage expected to increase, allowing the company to focus on marketing. Zecode production is entirely outsourced.
- Marketing spend is guided to be approximately 4% to 5% of turnover.
- Exports constitute approximately 10% of the turnover, maintaining consistency with previous years. The company has no direct exposure to the US as it exports to converters located outside.

Market Trends and Growth Drivers

- The textile and apparel sector saw steady growth in Q2 FY26, supported by improved consumer confidence and stronger market demand, alongside a gradual recovery in discretionary spending.
- The early arrival of the festive season (Diwali) contributed to higher footfalls and better sales performance.
- The recent cut in GST on selected apparel categories is expected to further lift consumer sentiment and encourage more spending, although the core fabric business remains insulated as GST has not changed in that segment.

- The company views ethnic wear as a strategic growth segment, noting that Indian wear is gaining popularity and the men's segment, though unorganized, is getting organized. The company believes it has a right to win here due to its strong brand, legacy, and industry knowledge.

- DEVO is positioned as a mid-premium segment brand for men's ethnic wear, with products like Kurta Pyjama starting around INR 1,700 to INR 2,000.

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Operational Highlights

- The significant increase in other income was primarily due to the sale of surplus land and building, which accounted for INR 21 crores 22 lakhs.
- A capital subsidy grant contributed INR 2 crores 61 lakhs to other income during the quarter.
- The capex outlined for opening new retail stores is between INR 1 crore to INR 1.5 crores per store, covering fixtures, furniture, and security deposits.
- In the legacy apparel business, the majority of sales come from men's western wear top-wear categories (shirts, formals, casuals).
- The fabric business is not MRP-driven, giving retailers flexibility, but the company monitors and influences pricing through channel partners and monitoring visits to secondary retail outlets.

IRIS Clothings Ltd – Q2FY26 Concall KTAs**CMP: INR 32 | Market Cap: INR 6,050 Mn****Financial Highlights**

- The company delivered healthy topline growth in Q2. Total income grew by 7% YoY to reach INR 443 million in Q2 FY26.
- Ebitda margin is 15.9%, the moderation was primarily attributed to two factors: investment in growth initiatives and shifts in the product mix, combined with changes in raw material prices.
- The company anticipates margins stabilizing from around 18% to 19% over the next two to three quarters. The expected overall EBITDA margin for FY26 is around 17% to 18%.

Operational and Strategic Growth Initiatives

- The company is expanding its production capacity, planning to reach 38,000 pieces per day. The incremental capital expenditure for every 1,000 pieces per day, in addition to stitching capacity, is estimated at INR 1 crore.
- Successful launch of a new collection of travel cord sets for kids. Future product introductions include an infant gift set offering and a new product line, reinforcing the commitment to innovation. Initial capacity for new product categories will begin at 3,000 units per day.
- Q2 witnessed notable progress in the B2B segment, while management also focuses on enhancing the D2C segment to accelerate growth.
- Disney products currently contribute 3% to 4% of overall annual revenue, carrying a royalty cost of approximately 12%.

Distribution and Market Reach Expansion

- The distributor network expanded by onboarding eight new partners, increasing the total count to 202. Management is targeting the addition of approximately 10 distributors in H2 FY26, aligning with the fourth summer season.
- The four key states contributing the maximum sales (35% to 40% combined) are Maharashtra, Rajasthan, Gujarat, and Punjab. New states being targeted for growth include Uttar Pradesh and the broader Northern regions.
- The company's contribution from distributors is 50% of the product's Maximum Retail Price.
- The company is still evaluating the model, sizes, and regions for new stores. They intend to stick to a target of "somewhere around" five to six new EBO openings in FY26.
- Average store revenues are INR 750 to INR 800 per square foot per month, with a target of INR 1,000. The expected payback period for stores is 15 to 18 months.

Outlook and Future Guidance

- The company remains confident in sustaining growth, anticipating the upcoming winter season to serve as an additional growth catalyst. Growth will also be driven by organic demand and new capacity additions.
- The export market is stable, projected to account for around 4% to 5% of total revenue this year.

Go Fashion (India) Ltd – Q2FY26 Concall KTAs**CMP: INR 625 | Market Cap: INR 34 Bn****Store Expansion Strategy & Operational Highlights**

- The company added 36 new stores in H1 FY26, bringing the total store count to 812.
- FY26 net store addition guidance was revised downwards to 80-90 stores (from the earlier 120 estimate).
- Absolute rental costs are expected to increase with new store additions, but the objective is to reduce rental costs as a percentage of revenue by achieving positive Same Store Sales Growth.

Demand Environment & (SSSG)

- Signs of demand recovery have been seen positively in the festive season.
- The festive season resulted in a positive impact on both sales and volumes in certain key markets, notably Tamil Nadu and Maharashtra. However, a "sharp fall in sales" was observed post-Diwali, suggesting the true festive picture will only be clear post-November 15th.
- West India (Maharashtra, Gujarat) and North India have performed relatively better, with West India showing positive SSSG; South India has been slower.
- The proportion of core Churidars/leggings sales has stabilized at approximately 35% of the business (post-COVID), down from over 50% pre-COVID, due to a visible fashion shift towards trousers and pants.

Key Highlights

- The company is encouraged by the early response to pilot launches in new categories, including the expansion of existing stores to accommodate "everyday wear essential wear" for women and men.
- The two pilot stores for new categories exceeded the initial sales target, reaching achieving threshold above INR 1,000 per square foot per month based on September data.
- The international pilot in the Middle East is showing "promising traction".
- The MBO business is experiencing healthy double-digit growth, serving well as a customer acquisition channel.
- The growth strategy revolves around reviving bottom-wear sales through introducing fresh collections, colours, and newer products.
- Average Selling Price is expected to grow modestly at 2-3% YoY, driven primarily by an improved product mix rather than general price increases.
- The majority target audience remains working women aged 27 to 33, a profile that has remained consistent. Repeat purchase rates up to Q1 were steady in the 40% to 45% range, with new customer acquisitions remaining healthy (above 20% until June).

Indian Metals & Ferro Alloys Ltd Concall Highlights**CMP: INR 1,197 | Market Cap: INR 64,580 Mn****Strategic Transformation & Growth**

- IMFA has acquired Tata Steel's Kalinganagar ferrochrome plant (150,000 MT capacity) for INR 6100 Mn, signed on November 4th, positioning the company as India's largest and world's 6th largest ferrochrome producer with 500,000+ MT capacity.
- With price realizations moving to INR 115,000-118,000/ton domestically and \$1.02-1.04/ton ex-China internationally, management expects materially higher EBITDA in Q3 vs Q2's 19.3%, with one-time charges not repeating.
- South African production cuts of ~60% smelting capacity and elevated global chrome ore costs disproportionately hurt non-integrated producers, positioning IMFA's vertically integrated model as strategically superior.
- The Kalinganagar asset's proximity to IMFA's chrome ore mines and existing greenfield site unlocks logistics savings of ~INR 4,000/ton and ~INR 1,000-1,500/ton on inbound and outbound logistics respectively.

Operational Expansion & Capacity Ramp

- Management targets 400,000 MT total production, maintaining 260,000 MT from existing operations, achieving 70,000-80,000 MT from the acquired unit, and ramping the greenfield Kalinganagar-1 facility.
- Of the four furnaces at the acquired plant, two are currently operating below capacity; management estimates 2-3 weeks disruption during transition but no meaningful tonnage expected in Q4 FY'26.
- Over time, IMFA targets a 60% export / 40% domestic split (currently 90/10)

Financial Performance & Realization Dynamics

- Average realizations improved from INR 95,000/ton (Q1) to INR 101,000/ton (Q2), with pricing benefit typically materializing with 1-2 quarter lag due to quarterly contract pricing mechanisms.
- RPO obligation impact of INR 140 Mn and forex mark-to-market notional costs of INR 140 Mn collectively reduced reported EBITDA; stripping these, Q2 margins normalize closer to prior year levels.
- Approximately 92-93% of sales are under long-term contracts, with only 7-8% spot sales, providing pricing stability while enabling customers to adjust to market movements.

Mining & Cost Structure Evolution

- IMFA will require zero external ore purchases; FY'26 mining guidance stands at 850,000 MT, progressing toward 1.2 Mn MT long-term target from both Sukinda and Margheri.
- INR 10 Bn capex over 3-4 years will convert Sukinda opencast (3 lakh MT) to underground (6 lakh MT).

Acquisition Economics & Investment Discipline

- The INR 6100 Mn base consideration (plus ~INR 500 Mn net working capital) will be funded entirely from internal resources; no debt drawdown required despite sanctioned credit facilities remaining available.
- Approximately INR 500 Mn required to complete the 33 MVA furnace currently under construction; total capex for 150,000 MT capacity acquisition estimated at INR 7000-7500 Mn including working capital.

Market Fundamentals & Outlook

- Worldwide ferrochrome market is ~20 Mn MT; Chinese producers replacing South African capacity operate at ~INR 1,000/ton cost, approximately INR 10,000-15,000/ton higher than IMFA, improving competitive positioning.

- Indian ferrochrome is a modest fraction of global capacity; peer expansions to 450-500 MT alongside IMFA's growth presents no threat given 20 Mn MT global market; India's stainless steel consumption expanding faster.
- 110 MW hybrid renewable capacity coming online next June will reduce IMFA's carbon footprint and provide cost stability for power, supporting margin sustainability.
- Current price strength primarily driven by South African cost pressures rather than stainless steel demand growth; incremental steel demand acceleration would provide disproportionate leverage to ferrochrome pricing, offering upside probability.

Nava Ltd Concall Highlights**CMP: INR 573 | Market Cap: INR 166.31 Bn****Energy Segment Performance & Expansion**

- Odisha captive power plant successfully transitioned to Independent Power Plant status effective November 1st.
- Secured long-term 5-year PPA with Tamil Nadu for 50MW of Odisha's 60MW capacity at INR 5.95 per unit starting February 2026—a significant revenue-accretive contract.
- Q2 energy revenues declined due to planned semi-annual maintenance shutdown at Mamba facility and subdued domestic demand driven by prolonged monsoon conditions both temporary headwinds.

Mamba Phase 2 Expansion On Track

- Mamba Phase 2 capex totaling \$400 Mn is 56.5% complete with \$226 Mn deployed; both units expected to be operational by late FY27 on an aggressive 2-year timeline.
- 300MW power expansion in Zambia progressing as per schedule with no material delays expected despite tight implementation timeline.

Margin Compression Temporary in Nature

- EBITDA margins compressed from 48% to 34% YoY, primarily due to forex headwinds and subdued domestic demand conditions, management views both as temporary and expects recovery to higher levels.
- Q2 margin pressure is not reflective of normalized operational performance; recovery anticipated as one-off factors normalize.

Offtake Agreements & Growth Pipeline

- 100MW solar project signed at \$7.8 per kWh PPA, securing predictable revenue stream in renewable energy space; project under construction with full scale expected by FY28.
- Total equity commitment pipeline of approximately \$200 Mn across agri and energy sectors positions company for substantial revenue and earnings accretion.

Employee Cost Expansion One-Time Adjustments

- Employee benefits surged due to April 1st salary increments and fair value RSU adjustments both components already priced into Q2 results with no similar magnitude expected forward.
- Management to provide detailed breakdown between salary hikes and RSU fair value components by Monday.

Agriculture Venture Avocado Plantation Ramp-Up

- First crop yield harvested in H2 FY26; production to scale progressively with full commercial output anticipated by FY28 as plantations mature across four phases.
- Revenue initially phased and lower but will accelerate as full production capacity is achieved; currently evaluating both B2B distributor channels and direct-to-customer sales models.

Exploration Assets Long-Term Optionality

- Lithium and manganese exploration activities underway in Zambia and Cote d'Ivoire; concrete updates expected by end of FY27 given typically extended exploration timelines on large-land parcels.
- Nacharam real estate asset still under strategic review; rising property values in region creating monetization potential, though no decision imminent.

Strategic Vision Diversified Growth Play

- Management positioning company as vertically-integrated player across energy, metals, mining, and agri sectors with limited debt, enabling opportunistic M&A and greenfield expansion as superior risk-adjusted opportunities emerge.

Hindalco Industries Ltd Q2FY26 Concall Highlights**CMP: INR 790 | Market Cap: INR 1776.21 Bn**

- India upstream delivered industry-leading EBITDA per tonne at INR1,521 with 45% margins while downstream aluminum hit an all-time quarterly EBITDA of INR 261 Mn (up 69% YoY) at a record INR265/tonne, driven by premiumization and higher value additions.
- Aluminum demand in India projected at 1.5 MT (8% growth YoY) driven by electrical, solar sectors and automotive strength post-GST 2.0 reforms; copper demand surged 11% YoY to 420kt with robust infrastructure and white goods demand.
- TCRCs benchmark cratered 73% from 2024 (INR 20.5 cents to INR5.45 cents/lb) due to global supply pressures, but spot smelter buying terms settling around negative \$0.10/lb suggest potential stabilization and floor in pricing.
- Cost-efficiency savings run rate jumped to \$125 Mn with strong progress on tariff mitigation through manufacturing relocation to US versus Canada to significantly reduce H2 impact.
- Total project cost revised upward to ~\$5 Bn (from \$4 Bn) with 50% attributable to labor inflation in US construction and 30-40% to engineering complexity finalized only recently; IRR remains slightly below double-digit levels with adequate margin over cost of capital.
- Q3 hedged at 31% at \$2,700/tonne; Q4 increased to 49% at \$2,760/tonne post-LME rally; maintaining 20% insurance hedge for FY27 at ~\$2,800/tonne while keeping 75% exposure open to capitalize on long-term strength.
- Doubling down on capacity expansion with backward-integrated coal and bauxite mines ensuring first-quartile cost position; assuming \$2,200-2,400/tonne through-cycle LME for investment decisions with upside if prices remain stronger.
- Targeting fourfold increase in India downstream EBITDA by FY30 from current base; already achieving \$600kt capacity and aiming for \$300+/tonne EBITDA through product mix, innovation and market share gains as manufacturing shifts to India.
- Launching 50kt aluminum recycling at Aditya facility with target of 100kt over next few years; copper recycling plant commissioning next calendar year (50kt capacity), positioning Hindalco as recycling leader in both metals across India.
- FY26 capex ~INR 85 Bn ramping to ~INR 110 Bn in FY27 with focus on Novelis Bay Minute and India upstream/downstream expansions; maintaining consolidated net leverage below 2x through disciplined execution and equity infusion at subsidiary level.
- US beverage can sheet market currently short 400-500kt capacity; tariff-driven domestication benefits Bay Minute and new ADI mill with anticipated strong 3-4% global growth in beverage packaging segment extending to 2030 and beyond.
- Chakla and Banda coal mine box cuts on track for December-January; Aditya Phase 1 expansion progressing well with Phase 2 (180kt) announced; Mahan expansion (360kt) capacity available but timing dependent on cash flows and Aditya progress.
- Specialty alumina (Muri/Belgaon) operations benefiting from value-added products commanding 20,000+ rupees/tonne premium over base alumina; however pricing pressure from alumina benchmark falling from \$600-700 to \$350/tonne weighing on realizations in Q2.
- \$750 Mn equity infusion from Hindalco into Novelis being structured as debt raise at Hindalco level to optimize cost (lower coupon than Novelis bond issuances), preserve Novelis credit metrics, and demonstrate parental support while maintaining consolidated debt/EBITDA below 2x.

- Using \$2,500/tonne LME as base case for FY28 onwards project IRR calculations versus today's levels; confident in \$1,000+/tonne EBITDA per tonne generation even if LME moderates below base case given operational efficiencies and cost curve leadership.
- Hot mill outage at Oswego primarily a timing headwind in FY26 with anticipated recovery in FY27; commissioning expected next month as part of Bay Minute facility's phased rollout, supporting margin trajectory and tariff mitigation.
- Midwest scrap premium benefiting Novelis with contracted volumes on LME plus Midwest basis; additional upside coming as rising premium environment creates price lag benefits; spotting in non-US regions (Asia NJP weakness) partially offsetting but net positive momentum.
- Hired experienced civil and electrical engineers to scrutinize engineering-to-construction conversion process preventing repeat of Bay Minute complexities; project monitoring teams actively reviewing India capex initiatives to ensure maturity before execution and cost inflation mitigation.

Radiant Cash Management Services Ltd | Q2 FY26 Key Takeaways**CMP - INR 52 | Mcap - INR 5,600 Mn**

Q2 FY26 was a recovering quarter, with early signs of stabilization after disruptions in AceMoney and logistics costs.

Revenue grew ~5% QoQ, indicating gradual recovery momentum, though YoY performance remained soft due to margin pressure and cost inflation.

Profitability was impacted by high fixed costs, salary hikes (guards & drivers), and logistics losses, which compressed margins.

Margin Pressure

-The business carries a high fixed-cost structure, meaning weak revenue growth directly impacts margins.

-Key drags included:

i) Losses in RVL (logistics) and AceMoney

ii) Staff cost inflation (salary revision for ground workforce)

iii) Railways business slowdown due to cyclical and delayed payments

-Management highlighted that margin pressure is temporary, and corrective actions are underway.

-BFSI remains the largest revenue contributor, followed by e-commerce and organized retail.

-Quick commerce & retail cash outsourcing emerging as new growth pockets.

-The company has a strong Tier 3-Tier 4 presence, giving it a natural advantage over larger competitors who do not service small-ticket retail cash pick-ups.

UPI Impact : Management View

-Management remains confident that UPI growth will not materially disrupt cash logistics.

-Currency in circulation still growing at 8%+, and expected to stay ~12% of GDP, ensuring long-term demand for physical cash handling.

-16 - 17% of revenue comes from small cash handling, a niche segment not served by PSU players.

AceMoney Strategy

-Targeting 1,00,000+ machines this year to scale network footprint.

-Transaction volumes are rising 25%+ QoQ, and contribution to profitability is expected to improve as utilization increases.

-15–20% of POS machines expected to onboard value-added services, acting as mini ATM / micro-banking points.

OUTLOOK

Management expects business momentum to improve steadily from H2 FY26 as logistics losses reduce, AceMoney scales up, and festive season volumes normalize. Margins are expected to recover gradually, supported by better cost control and revenue growth across core segments like BFSI, retail cash, and quick commerce. With strong presence in semi-urban and rural India, improving October trends, and a focus on profitable scaling, the company remains confident in delivering better performance ahead.

Nykaa (FSN E-Commerce Ventures Ltd) | Q2 FY26 Key Takeaways
CMP - INR 246 | M-Cap: INR 703,580 Mn

Business Performance & Trends

- Delivered the strongest growth quarter in 6 quarters, signaling recovery in demand across segments.
- Company continues to gain from premiumisation, Gen-Z adoption, and deeper penetration into Tier 2/3 cities.
- Customer retention and repeat purchase behavior remain strong, supported by app-led transactions and loyalty participation.

CORE SEGMENT

- Beauty continues to be the largest and most resilient growth pillar, driven by rising preference for premium, derma and global beauty brands.
- K-Beauty category scaling rapidly, becoming a key growth driver.
- Omni-channel strategy strengthening with constant store additions, faster delivery hubs, and exclusive brand partnerships.
- Management highlighted that offline + online integration is now a competitive advantage, not just an expansion channel.

House of Nykaa (Own Brands)

- Owned brands are shifting from growth-only mode to growth + profitability mode.
- Dot & Key, Kay Beauty, and Nykaa Cosmetics are emerging as core profit pools, not just scale drivers.

Fashion Segment

- Fashion growth momentum returned strongly after a slow phase, aided by curated brand additions, festive demand, and improved catalogue quality.
- Management emphasized that unit economics are trending better, though the segment is still in the journey of full profitability.

Superstore (B2B Distribution)

- Retailer network continues to scale at a fast pace, supported by strong onboarding and repeat ordering.
- The short-term GST transition created mix challenges, but order consistency remains healthy.
- Management sees B2B distribution as a long-term compounding opportunity given India's fragmented retail landscape.

GUIDANCE

Management expects growth momentum to sustain, driven by rising premium beauty adoption, festive demand, and expansion into new brands and cities. Profitability trends are expected to improve gradually as scale builds and owned brands contribute more meaningfully. The company will continue investing in customer experience, store network, and faster delivery while maintaining cost discipline. Overall, the business is positioned for steady GMV growth with improving margins in the coming quarters.

Wonderla Holidays Ltd | Q2 FY26 Key Takeaways**CMP - INR 565 | M-Cap: INR 35,800 Mn****Business Performance**

-Q2 FY26 delivered a solid recovery quarter, driven by festive events, seasonal demand, and improved guest engagement.

-Company continues to focus on higher visitor experience, steady ARPU growth, and expanding non-ticket revenue streams (F&B, merchandise, and in-park experiences).

-Hyderabad and Kochi parks showed strong traction, while Bhubaneswar continues to scale as a younger park.

-Footfall improved both sequentially and YoY, supported by holiday periods and curated park events (Independence Day, Dandiya, Friendship Day, etc.).

-Customer preference leaning toward premium experiences, themed events, seasonal attractions, and add-on purchases.

-Repeat visitation improving with focus on family-oriented offerings, festival-led engagement, and social-media-driven campaigns.

-Ticket pricing supported by ARPU growth through higher in-park spending, experience upgrades, and F&B innovations.

-Sharp improvement in profitability this quarter as operating leverage kicked in post-Q1, and costs normalized.

-Food & Beverage innovation remained a strong lever - new launches like Shawarma Burger, Korean Noodles, Wraps, Momo Festival, French Fries Week, etc., helping lift non-ticket spends.

Strategic Expansion & New Assets

-The ISLE (Bengaluru premium resort) opened in Q1 FY26 and is already contributing positively.

-Chennai Park development in progress; company has secured 10-year local tax benefits — a strong long-term profitability booster.

Watchpoints

-Operations remain seasonally sensitive, with Q2 and H2 being key growth periods.

-Rising competition from experiential and destination entertainment formats.

-Park expansion capex and ramp-up of Chennai will impact near-term asset build phase performance.

Management expects growth momentum to stay strong, supported by seasonal footfall, better F&B contribution, and ramp-up of new assets like The ISLE. The company will continue focusing on enhancing customer experience, adding unique attractions, and integrating resorts for longer-stay formats. With Chennai park progress on track and a debt-light structure, Wonderla is positioned for steady footfall growth, better monetization per visitor, and long-term expansion in India's leisure and entertainment space.

Triveni Engineering & Industries | Q2 FY26 Key Takeaways**CMP - INR 360 | Mcap - INR 78,910 Mn****OVERVIEW**

- Earnings recovery visible, driven by distillery profitability, stable engineering margins, and tariff benefits in sugar.
- Profitability improved sharply YoY despite seasonal weakness in sugar, indicating business mix strength.
- Sugar profitability still pressured due to higher cane prices and off-season cost absorption.

Business Segment Highlights**1. Sugar & Allied**

- Volume and realizations improved, but cost pressure from higher cane price persists.
- Benefited from power tariff revision impact, which gave a one-time earnings boost.
- Margin remains capped due to elevated State Advised Price (SAP) for sugarcane.

2. Distillery

- Strongest performing segment in Q2.
- Maize price correction + higher offtake to OMCs improved margins meaningfully.
- Focus remains on Ethanol mix, scaling IMIL/IMFL distribution, and supply discipline.

3. Power Transmission Business (PTB)

- Margins remained resilient despite slow order booking.
- Enquiry pipeline has improved meaningfully, giving confidence for double-digit growth resumption ahead.
- New international exposure via acquisition of Swiss subsidiary (Europe positioning).
- New defence facility set to be operational soon.

4. Water Solutions Business

- Execution remains steady, but order inflow slower than expected in Q2.
- Long-term demand remains strong given:
 - Government focus on water recycling, ZLD, sewage reuse, and HAM-based contracts.
- Short-term challenges acknowledged but medium-term demand stays solid across engineering and ethanol.
- Focus on cost control, process efficiency, and product mix optimization to defend margins.
- Sugar profitability depends on MSP revision to offset higher SAP.
- Confident on double-digit growth trajectory in engineering verticals as order activity normalizes.

GUIDANCE

Management expects earnings momentum to strengthen post-Q3 as sugar operations ramp up, ethanol maintains strong offtake, and PTB sees order recovery. Profitability should remain supported by improving cost trends in distillery, tariff benefits, and margin discipline in engineering. While sugar margins remain sensitive to cane pricing, the overall business mix is improving and demand visibility in PTB, ethanol, and water remains intact for steady medium-term growth.

JK Lakshmi Cement Ltd Q2FY26 Concall Highlights

CMP – INR 845 | Mcap – INR 104 Bn

Outlook

- The company targets a medium-term capacity jump from ~18 mtpa (post Surat unit commissioning) to 30 mtpa by FY30, backed by a major brownfield expansion at Durg (to 22.6 mt by FY28), then three greenfield projects: Nagor and Kutch (Gujarat/Rajasthan, each ~3 mtpa cement/2 mtpa clinker), plus Assam (2–2.5 mtpa cement), with land acquisition underway for the latter sites.
- Management is committed to maintaining volume growth above the industry, indicated by H1FY26 being ahead of industry's 6–7% growth; the focus remains on regionally balanced scale-up, supported by new units in Bihar, Jharkhand, and ongoing market seeding in non-core/geographically strategic areas.
- The company emphasizes ongoing discipline in distribution channels and conflict-of-interest reduction among ground agents, which is beginning to structurally lift realizations and supply chain efficiency.

Financial & Operational Performance

- Q2FY26 non-cement revenue was INR 1,530 mn (vs INR 1,200 mn YoY), with RMC contributing INR 720 mn and AAC blocks INR 520 mn; premium product share increased from 23% to 26% of trade volumes.
- EBITDA margin in Q2 was ~4%, with blended cement proportion at 62%, premium at 26%, and lead distance reduced from 399 km to 395 km QoQ; green power share was 46%.
- Guidance for full-year capex stands at INR 10–12 bn, predominantly for Durg and maintenance, with some allocation to land acquisition in northeast and for strategic future capacity.
- Power and fuel costs rose sequentially (notably from lower green power due to annual WHRS/solar shutdown and petcoke price uptick), expected to normalize in upcoming quarters as solar and WHRS utilization improves and with careful procurement.
- Freight cost per ton increased YoY and QoQ (by 8–8.5%) as the company consciously seeded new and non-core markets to sustain utilization and prep for future regional demand.

Other Highlight

- Durg brownfield expansion (INR 30 bn capex) is the core near-term project, with commissioning targeted in phases by FY27/28; orders placed for all major long-lead equipment, and limited outlay to date (INR 500 mn spent).
- Beyond Durg, greenfield capex for Nagor, Kutch, and Assam to become significant only in FY29–31, with ballpark project costs trending towards ~INR 10 bn per project, guiding a peak net debt/EBITDA at 3–3.5x.
- Product and price levers remain in focus to narrow EBITDA/ton gap with the peer group—management retains ambition to achieve the INR 1,000/ton milestone, but notes that realization will depend on market tailwinds and internal cost actions.
- Trade prices stayed largely intact, with only minor declines in Gujarat due to weaker demand and more pressure felt in the non-trade segment across regions; company expects normalization as the quarter progresses and demand recovers.
- Incentive claims (not yet realized) remain pending for some new units; inorganic expansion is being explored but only at the right valuation and strategic fit.

Ajmera Realty and Infra Ltd Q2FY26 Concall Highlights

CMP – INR 1,022 | Mcap – INR 402 Bn

Outlook

Ajmera Realty showcased a strong growth trajectory with its highest-ever quarterly bookings, driven by strategic new project launches and steady execution across existing projects. The company is confident of sustaining this momentum through a healthy upcoming launch pipeline and robust demand supported by easing regulatory bottlenecks, favorable interest rates, and government GST incentives. Their balanced project mix across luxury, premium, and mid-market segments aligns with current market demand, underpinning future growth and revenue visibility.

Financial and Operational Highlights

- The company recorded quarterly bookings of INR 828 crore in Q2FY26, up substantially year-on-year, contributing to an H1 bookings total of INR 1,582 crore, which is over 50% of FY26 guidance (~INR 3,300 crore).
- Revenue for H1FY26 grew 20% YoY to INR 481 crore; EBITDA increased 6% to INR 139 crore and PAT stood at INR 71 crore, reflecting steady profitability amid margin pressures in select projects.
- Sales volume rose 20% YoY to 2.93 lakh square feet (carpet area), supported by strong collections which grew 52% YoY to INR 454 crore, cementing financial stability.
- Net debt remained controlled at INR 690 crore with a healthy debt-to-equity ratio of 0.55 and a reduced weighted average cost of debt of 11.51%, reflecting prudent financial management.

Other Highlights

- Two landmark launches in late September—Ajmera Manhattan 2 at Wadala and Thirty3.15 commercial project in Bandra (combined GDV ~INR 2,100 crore)—received strong market response, with Manhattan 2 selling 38% of inventory within a month.
- Existing projects continue to demonstrate good sales velocity: Ajmera Manhattan Phase 1 at 89% sold, Green Infinity at 74%, and Vihara Bandup at 81%, with substantial construction progress and multiple ongoing work fronts.
- Mid-market residential projects such as Lugano and Florenza are nearly sold out (97%), while Azera Iris and Age Marina show robust sales and construction progress.
- Upcoming pipeline includes seven projects totaling GDV INR 4,357 crore with planned launches including high-profile micro-markets like Vikhroli, Versova, and Bangalore, alongside ongoing regulatory approvals and construction acceleration.
- The company is actively pursuing land acquisition and redevelopment opportunities, evaluating over 30–40 societies, expanding its presence in both greenfield and redevelopment segments.
- Expected revenue recognition is aligned with upcoming occupation certificates for matured projects, setting the stage for margin improvement and higher profitability through FY26 and beyond.

J Kumar Infraprojects Ltd Q2FY26 Concall Highlights
CMP – INR 620 | Mcap – INR 46 Bn

Outlook

J Kumar Infraprojects reported a steady performance in a challenging extended monsoon season, reaffirming its growth trajectory with a strong order book and robust bidding pipeline. The company is confident of achieving order inflows of INR 5,000–6,000 crore for FY26, underpinning a closing order book of INR 22,000–23,000 crore by year-end. Despite monsoon-related execution delays in Q2, execution velocity is expected to accelerate through H2FY26, supported by landmark infrastructure projects and strategic bid submissions. Management maintains EBITDA margin guidance between 14–15%, with ambitions to improve further over the next 2 years.

Financial and Operational Highlights

- Revenue from operations for H1 FY26 grew 10% YoY to INR 2,826 crore, with EBITDA improving 10% YoY to INR 411 crore, maintaining a margin of 14.6%. PAT grew 10% YoY to INR 195 crore, reflecting consistent profitability.
- The order book stood firm at INR 20,160 crore as of 30th September 2025, diversified across metros (13%), elevated corridors and flyovers (53%), roads and tunnels (17%), and building/civil projects (17%).
- Working capital was steady at approximately INR 775 crore, with mobilization advances around INR 900 crore (of which INR 500 crore is interest-bearing). Net debt expected to be around INR 800 crore for FY26.
- Capex outlay for H1 was INR 398 crore with a full-year expectation near INR 500 crore, primarily toward ongoing projects such as GMLR tunnel and Chennai elevated corridor, with no major additional TBM Capex planned.

Project Updates & Pipeline

- Execution on Chennai elevated corridor is fully on track despite extended local monsoon, with casting yard operational and foundational work progressing well.
- Major ongoing projects MMRDA Anand Nagar circuit (INR 1,800 crore) and NBCC Silicon Valley Noida are progressing, recording solid revenue inflows from piling and substructure works.
- GMLR tunneling project is advancing with TBM assembly completed and casting of over 700 rings, though major revenue recognition expected from next fiscal onward.
- Environmental clearances awaited for CIDCO 1,020 crore project with start expected soon; various flyover, elevated corridor, metro, river bridge, and water tunnel bids worth INR 20,000–25,000 crore planned for H2FY26.
- The company remains technically strong and competitive with a historical order win ratio of ~20% against large bid pipelines.

Other Highlights

- Price escalation clauses embedded in contracts cover major input costs including steel, cement, labour, and POL, supporting margin stability amid inflationary environment.
- The enabling resolution for QIP remains in place for strategic flexibility; no immediate plans to raise funds unless warranted by large order inflows or Capex needs.
- The company remains focused on maintaining strong execution discipline, improving EBITDA margins gradually to 15–16% over the medium term, and achieving revenue growth consistent with order inflow momentum.

Aegis Logistics Limited - Q2 & H1 FY26 Concall KTAs – Arihant Capital**CMP: INR 761 | Mcap: INR 267.23 Bn****Outlook & Guidance**

Management maintained a highly constructive and bullish outlook, reaffirming confidence in surpassing the previously guided 25% CAGR growth during FY22–FY27. Growth will continue to be driven by sustained volume expansion, efficiency gains, and commissioning of several critical infrastructure projects through H2 FY26 and FY27. The distribution segment remains a key growth engine, with targeted volume growth of at least 30% CAGR over the next few years. Long-term visibility is further enhanced by upcoming project milestones, including pipeline hookups at Kandla (JLPL in Q3 FY26, KGPL in Q4 FY26) and Pipavav (KGPL in Q4 FY26). The company also aims to commission India's first ammonia terminal at Pipavav before or during Q1 FY27, marking a strategic entry into the new energy vertical. Management reiterated its long-term capital expenditure ambition of approximately USD 5 Bn by 2030.

Financial Performance**Consolidated Q2 FY26**

Revenue from operations grew 31% YoY to INR 2,294 Cr. (INR 1,750 Cr. in Q2 FY25).

Normalized EBITDA rose 46% YoY to INR 347 Cr. (INR 237 Cr. in Q2 FY25), driven by operating leverage and record utilization levels.

PAT surged 61% YoY to INR 244 Cr., reflecting strong performance across both segments.

Segmental Highlights

LPG Division: Revenue increased 32% YoY to INR 2,139 Cr., supported by record throughput volumes. Gas EBITDA jumped 60% YoY to INR 231 Cr..

Liquid Division: Revenue rose 19% YoY to INR 155 Cr.; EBITDA improved 25% YoY to INR 116 Cr..

Volume Metrics

LPG throughput reached an all-time high of 1.41 Mn tonnes, up 32% YoY.

LPG distribution volumes climbed 49% YoY to 1.92 lakh MT.

Gas distribution EBITDA margin stood around INR 4,000 per tonne, expected to remain sustainable through operating leverage.

Infrastructure Expansion and Project Update

Company continues executing its large-scale capacity expansion strategy across multiple ports, positioning itself for multi-year growth.

Mumbai Port – 64,000 KL of additional liquid capacity (CAPEX: INR 125 Cr.) under development; operational by Q1 FY27.

JNPT (J2 Project) – Total CAPEX of INR 1,675 Cr. for 318,100 cbm of liquid capacity and 77,286 MT of LPG capacity. Partial liquid capacity commissioning expected before FY26-end. The company is evaluating an additional 36,000 MT cryogenic LPG tank. Aegis expects a INR 500 Cr. advance from AVTL (30% of total project cost) for infrastructure development.

Kandla Port – New 94,148 cbm liquid terminal planned. PNGB approval obtained for KGPL pipeline linkage; JLPL connection to become operational by Q3 FY26. VGC berthing capability expected to be commissioned in Q3 FY26, enhancing import efficiencies.

Kochi Port – 60,000 cbm additional capacity planned on newly allotted land.

Mangalore Port – The 82,000 MT cryogenic LPG terminal, commissioned in June 2025, will be complemented by a 60,000 cbm liquid terminal. A new LPG rail gantry is under development to replicate the successful Pipavav model and drive higher throughput.

Haldia Port – Acquired ~3 acres of land for a new 60,000–100,000 cbm liquid terminal under AVTL, expanding the eastern market presence.

Ammonia and New Energy Initiatives: The company is progressing India's first ammonia terminal at Pipavav (36,000 MT capacity), slated for completion by Q1 FY27. The company's ammonia strategy involves integrating storage, distribution, and trading. While initial operations will focus on conventional gray ammonia, infrastructure is being designed to pivot seamlessly toward green ammonia as demand evolves. Additionally, a non-binding MoU has been signed with L&T for a proposed green ammonia terminal at Kandla.

New Projects and Long-Term Investments: The company has entered into a non-binding MoU to participate in the proposed Vadwan Port project, which carries an expected outlay of approximately INR 20,000 Cr. This strategically significant development is envisioned as one of India's largest future port projects, expected to reach operational readiness over a five-year horizon.

Cumulatively, Aegis Logistics and AVTL have announced capex commitments of roughly USD 1.2 Bn, aligning with the broader USD 5 Bn target by 2030. Funding will leverage internal accruals and prudent debt utilization, maintaining a conservative gearing ratio below 0.6x EBITDA.

Management reaffirmed its commitment to maintaining strong liquidity and balance sheet strength. Cash proceeds from the consolidation and divestment of Hindustan Aegis have been redeployed strategically to fund near-term capex and strengthen cash reserves. This capital recycling has enhanced EPS impact and supports future growth opportunities across new ports, pipelines, ammonia, and LPG expansions.

The AVTL infrastructure model remains a key cash-generative pillar, with projects executed on an arm's-length basis and typical developer margins of around 25%, ensuring upfront recovery and consistent cash flow visibility.

Yasho Industries Ltd- Q2 FY26 Concall KTAs**CMP: INR 1,588 | Mcap: INR 19.14 Mn****Outlook and Guidance**

Management has revised its full-year revenue projection for FY26 to INR 800 Cr to INR 850 Cr, down from the previous guidance of INR 900 Cr to INR 1,000 Cr, citing the complex external environment and ongoing tariff pressures. The company remains committed to safeguarding profitability by maintaining operational discipline and focus on cost efficiencies. Despite external turbulence, company is strategically positioned to enter the next phase of growth through diversification and long-term partnerships. Management is confident in achieving a blended EBITDA margin in the 17% to 19% bracket for the foreseeable future, even factoring in competition and current pricing environments. Furthermore, company is focused on enhancing operating cash flows, tightening working capital discipline, and gradually reducing leverage, targeting a Debt-to-EBITDA multiple between 3.0x and 3.5x by FY27. Export sales are projected to constitute approximately 70% of total revenue within the next 6 to 18 months.

Financial Performance

Revenue and Volume Dynamics: H1 FY26 revenue stood at INR 382.6 Cr, marking an 11.8% YoY growth, primarily supported by strong 30% volume growth. Q2 FY26 revenue reached INR 183.6 Cr, reflecting a 9.6% YoY growth. Sequentially, Q2 revenue was marginally lower due to pricing pressure and deferred export orders linked to tariff uncertainties.

- **Volume/Revenue Disconnect:** The significant gap between revenue growth (11%) and volume growth (30%) is attributed to an intentional mismatch in product focus. The company experienced degrowth in the high-selling price consumer segment, while the low-price realization industrial segment grew rapidly, driving overall volume numbers. company measures its progress primarily based on volume growth and growth in EBITDA quantum.

- **Profitability Metrics:** Q2 FY26 saw an EBITDA margin of 18.2% and a PAT margin of 2.65%. Profitability saw a sequential improvement, credited to improved mix, cost efficiency, and operating discipline. Gross margins are expected to be maintained between 30% to 42%, with efforts focused on achieving 40% plus.

Working Capital and Debt: Working capital and gross debt levels saw a temporary increase due to an inventory buildup (currently 210 days) caused by finished goods inventory committed to Q1/early Q2 that faced tariff-related export delays. Corrective measures are underway to normalize cash flows. Management aims to bring inventory down to 160 to 175 days by March. Long-term debt repayment commenced in April 2025.

Receivables: The company sees the current low receivables cycle (around 60 days) as sustainable, aiming to maintain it within the range of 60 to 70 days.

Capacity Utilization and Tariff Headwinds

- **Pakazan Facility:** The Pakazan facility operated below optimal utilization level during Q2 FY26 due to trade restrictions in key export markets, dipping slightly below 50%. Utilization is expected to steadily improve over the coming quarters.

- **Optimal Capacity:** When both operating units are running at optimal capacity, the potential top line is estimated to be around INR 1,200 Cr.
- **Existing Product Utilization:** ZDPs are running more than the optimal level, while ZDDP is running at the optimal level (where optimal is defined as anything beyond 50%).
- **Tariff Impact and Mitigation:** US sales were significantly impacted in Q2. Approximately 25% of the business comes from the USA, and at least 40% of that business has been affected by the tariffs. company is actively mitigating this risk by targeting growth in different regions, including Europe, Asia, the Middle East, and Africa. The company has seen some flow of order coming back recently.

Diversification Efforts company is investing heavily in REACH registration for the European market, increasing its registered products from over 40 to almost 50. New customers secured through diversification efforts are projected to contribute 10-15% of the revised FY26 revenue.

Strategic Milestones and Capex

- **Long-Term Supply Agreement:** company recorded a significant strategic milestone by signing a 15-year long-term supply agreement with a global MNC for lubricant additives. This agreement is expected to contribute approximately INR 150 Cr in annual revenue starting from FY27, with the plant scheduled to be operational by Q4 FY27.
- o **MNC Investment:** The capex for this project (estimated between INR 50 Cr to INR 75 Cr) will be funded by the MNC customer. This arrangement stems from the customer's confidence in company's technical capability to deliver the highly complex and critical product. While company will offer some price benefits due to the customer funding, management asserts this will not compromise the overall blended margin profile.
- **R&D Commissioning:** Company successfully commissioned its new R&D laboratory on October 29, 2025, with an investment of INR 23 Cr.
- **R&D Focus and Criteria:** R&D efforts are focused on driving innovation and strengthening the industrial segment through higher value-added products, focusing on specialty performance chemistry. For new product development, company targets a minimum sales value of INR 50 Cr to INR 100 Cr and EBITDA margins of 18% to 20%+.
- **Ongoing Capex Status:** Of the total planned INR 100 Cr capex, INR 23 Cr went towards R&D, and approximately INR 20 Cr has been spent on assets to expand capacity/debottleneck existing lines.

Part of this production expansion (debottlenecking) is expected to commence by January or February 2026.

The remaining balance of roughly INR 45 Cr is on hold, awaiting clarity on the tariff situation and overall business climate. The combined capacity from the full INR 75 Cr capex (excluding R&D) is expected to generate INR 250 Cr in revenue. Achieving an asset turnover ratio of 3.0x is a long-term goal, projected to take 3 to 4 years.

Competitive Landscape

- **Competition:** company faces intense competition, especially from China, which puts pressure on certain chemistry segments. Major global competitors are located in North America, Europe, China, and also India.
- **Lube Packages:** The lube packages market is restricted and controlled by a few global companies with high OEM approvals, making entry for new players difficult (requiring 12 to 36 months for final approval). YIL has no intention of entering the package business, as its customers are package manufacturers.
- **Pricing :** Management confirmed the company's strategy is to maintain margin focus (17-19% EBITDA), stating they are unwilling to drop pricing to increase volume, as regaining pricing is challenging.

Jeena Sikho Life Care Ltd Q2FY26 Earnings Call –Key Takeaways**Outlook**

Jeena Sikho reported strong financial and operational growth in Q2FY26, with revenue up 66% YoY to INR 190 crore and PAT up 121% YoY to INR 59 crore. The company demonstrated rapid scale-up of hospital beds and improved occupancy, expansion in product delivery channels, and successful launch and growth of OTC segments. Early signs suggest sustained momentum in volumes and profitability.

Financial and Operational Performance

- Revenue for Q2FY26 increased by 66% YoY and 9% QoQ to INR 190 crore; H1FY26 revenue stood at INR 364 crore, up 52% YoY.
- PAT surged 121% YoY with a 15% QoQ increase to INR 59 crore.
- EBITDA margin was robust at 48%, reflecting strong operational efficiency amidst business expansion.
- Gross cash generation and free cash flow increased significantly, supporting robust balance sheet and growth capex.
- Hospital bed capacity increased by 582 beds to total 2,802 beds; occupancy steady at ~57%, with ongoing efforts to improve to 80%.
- Product and service segments contributed roughly equally, each growing ~66% YoY.

Network Expansion and Market Penetration

- Continued expansion in Tier-2/3 cities along with metro presence, operating in 23 states and 100+ cities across India.
- New clinical hubs launched in Bengaluru, Kolkata, Pune, and Tier-2 locations such as Nandyal and Kammam.
- Rapid ramp-up of new facilities aiming to increase available beds to 3,000 by FY26 end.
- Focus on increasing patient footfall through integrated service offerings on hospital and clinic platforms.

Growth Drivers and Strategic Initiatives

- Launch of OTC segment has gained traction, with substantial repeat order volumes adding resilience, particularly during seasonal slowdowns in hospital admissions.
- Partnership with Chandan Healthcare for lab testing and insurance-driven patient benefits expected to boost footfall and revenue streams further.
- Enhanced product delivery through call-centers, digital platforms, and wellness centers complementing core hospital and clinic services.
- Systematic rollout of patient loyalty and referral programs driving repeat business and cross-selling opportunities.
- Robust investment in building patient-centric services and new-age wellness concepts, including Ayurveda and naturopathy, preparing for future growth.

Management Commentary

- Management reaffirmed long-term commitment to increasing hospital bed capacity with target of 7,000-10,000 beds over 5-8 years.
- Emphasis on quality of patient care, efficiency in bed utilization, and integrated care delivery model to differentiate in a competitive market.
- Operational focus includes improving occupancy rates and cost structure discipline while scaling rapidly.
- OTC and digital healthcare products expected to generate INR 300-500 crore revenue in next 1-2 years, helping to diversify revenue mix.
- Positive patient feedback and clinical trials on proprietary products provide market confidence in launch pipeline.

Uno Minda Ltd | Q2FY26 Earnings | KTA | CMP: INR 1,230 | M-Cap: INR 709 Bn

Strong quarterly performance supported by festive demand, GST 2.0 reforms, and improving customer confidence. Ongoing recovery seen in PV and two-wheeler segments with exports and electric vehicle adoption driving growth.

Uno Minda reported highest-ever quarterly revenues at INR 4814 crore, up 13.4% YoY, with EBITDA increasing 14% to INR 552 crore and margin at 11.5% despite startup costs from new plants.

Segment highlights:

- Switches grew 11% to INR 1176 crore, driven by two-wheeler market share gains and four-wheeler advanced switch adoption.
- Lighting systems delivered 14% growth to INR 1106 crore, led by LED tail lamp leadership and increased fitment in EV and ICE vehicles.
- Casting business grew 9% to INR 917 crore amid ramp-up of new alloy capacity and softer aluminum prices.
- Seating systems surged 22% to INR 354 crore with strong two-wheeler volumes and bus seat demand.
- Acoustics showed steady 4% growth with some European market softness.
- Others including sensors, ADAS, e-systems rose 18% supported by new product ramps and EV system consolidation plans.

Profit after tax rose 24% to INR 304 crore (excluding exceptional income), reflecting strong operational execution and JV performance (notably airbags business).

Capex

Capex of INR 728 crore in H1 focused on capacity expansion aligned with OEM growth plans; net debt at INR 2362 crore with healthy leverage (0.36 net debt/equity); ROCE strong at 19.6%.

Margins

Margins expected steady in mid-11% range with longer-term upside as projects scale. No vehicle volume guidance, but company outpaced industry growth indicating market share gains.

Outlook

Uno Minda is well positioned for a new growth cycle in Indian automotive components with diversified product mix, innovation focus, and global market presence. Confident on sustained growth backed by new technology investments (EV, sensors, ADAS), improving localization, supportive policies, and strong auto industry demand. Growth momentum expected to continue in H2 FY26 amid festive season and stable macro environment.

DEE Development Engineers - Earnings Call KTAs | Market Cap: INR 16.11 Bn | CMP : INR 233

Outlook

Company reported robust Q2/H1 FY26 performance, marked by strong top-line growth, operational expansion and an upbeat sector outlook. Company delivered a standout quarter driven by sectoral demand (power, oil & gas), capacity addition at Anjar (Q2 commissioning: 30k MT), and strategic operational realignment. Margin expansion and normalized profit growth point to improving operational leverage and sustained order book momentum.

Financial Highlights

- Q2FY26 revenue up 39.2% YoY to INR 2,700 Mn; H1FY26 up 30.3% YoY to INR 4,938 Mn.
- Operating EBITDA surged 47.9% YoY to INR 441 Mn for Q2 and 46.4% YoY to INR 799 Mn for H1; margin expanded 179 bps YoY to 16.2% for H1.
- PAT for Q2 stood at INR 179 Mn (normalized PBT growth 69% YoY); H1 PAT up 22.1% YoY to INR 311 Mn.

Order Book Strength

- Order book at INR 13.1 Bn as of September 30 (strong pipeline from thermal power and oil/gas clients).
- Recent major orders: INR 1.7 Bn from power sector; sustained client relationships (13+ years for Reliance, MHI, John Cockerill).
- Revenue split: 62% India, 38% exports; sectoral mix: Oil/Gas 49.8%, Power 38.9%, Process Industries 6.5%.

Operational Strategy

- Anjar II (30k MT) capacity onstream in September; 7k MT seamless pipe plant commissioning on track for Q3FY26—enhances backward integration, efficiency.
- Geographic and segmental diversification across 7 facilities (India, Thailand).

Industry Tailwinds

- Indian process piping market to reach INR 38.4 Bn by FY30 (6.1% CAGR); global market USD 54.5bn by FY30.
- Capex revival across refining (FY30E: 450 MMTPA), power (FY28E: 618GW), chemicals (FY27E: USD 349bn), supports multi-year demand visibility.

Risks & Mitigants

- Sector-specific cost burdens and operational inefficiencies at Palwal mitigated by Anjar facility realignment.
- Macroeconomic headwinds, regulatory changes and capex cyclicalities are ongoing sector risks; DEE's product diversification and long-term customer relationships offer mitigating cushion.

Institutional Positioning

- Promoter holding stands at 70.2%; among key shareholders: Kotak MF, LIC MF, Tata MF, Aditya Birla MF, HDFC MF.
- CARE A-/A2 rated; net debt/EBITDA improved to 0.64.

Action Construction Equipment Ltd (ACE) | Q2FY26 Earnings Call Takeaways

CMP: INR 1,025 | M-Cap: INR 122 bn

Outlook

Muted Q2 performance amid sectoral softness, but management remains optimistic on H2 recovery, supported by infrastructure spending and policy

Quarterly performance:

- Revenue at INR 7,736 mn (down 2.2% YoY).
- EBITDA at INR 1,383 mn (down 3.1% YoY); margin at 17.9% (-16 bps YoY).
- PAT at INR 901 mn (down 5% YoY); margin at 11.7% (-34 bps YoY).

Segmental mix:

- Cranes & construction equipment contributed ~94% of total revenue, maintaining segment leadership.
- Agriculture division contributed ~7% of revenue.

Management commentary:

- H1FY26 broadly in line; early signs of recovery anticipated in H2FY26.
- Infrastructure push and anti-dumping policies against Chinese imports expected to improve pricing power.
- ~55% of annual revenue typically generated in H2.

Strategic focus:

- 100% domestic ("Swadeshi") operations remain a core differentiator.
- Product portfolio expansion and stable margin growth remain central priorities.
- Exports at 4–5% of revenues in H1, up 30% YoY.

Outlook:

- Management expects better traction in core markets in H2 with improving demand visibility and policy-led infrastructure boost.

ABB India Q3CY25 Concall Highlights**Mcaps: INR 1,055.6bn | CMP: INR 4,981**

Outlook: ABB India is facing margin pressure challenges due to QCO and is expected to continue over the next 3-4 quarters. The company needs to import components to comply with the Quality Control Order (QCO) and intensified market competition, which leads to lower profitability. The conversion of large orders remains sluggish due to delayed customer investment decisions. However, base order inflows remain strong. The company is actively expanding its portfolio with premium products and exploring acquisitions. The company is targeting high-potential segments like data centers, renewables, and textiles. The inventory levels, strategically elevated to mitigate QCO-related supply chain disruptions to ensure timely execution. We have a neutral outlook on the stock.

Revenue- ABB witnessed growth of 13.6% YoY in Q3CY25, driven by strong execution of healthy order backlog. However, the growth is expected to moderate for the next 1-2 quarters, and post that, revival is expected through the private investment cycle.

Order book- The order book stood at INR 98.95bn as of Q3CY25, showing business visibility for the coming quarters.

The order intake was down by 3% YoY in Q3CY25, due to the absence of large orders. Large order finalizations have been subdued for the last few quarters. The company has received INR 4bn for the last 4 quarters, as customers have delayed expansions.

Margins- PBT margins are lower end of the 12%-15% operating band. The margin pressure due to unfavorable revenue mix (1% impact), price premium eroding due to competition (1%-1.5% impact), negative impact of QCO (0.75%-0.8% impact), and foreign exchange volatility (0.6% impact). The margin pressure will continue for the next 3-4 quarters.

Quality Control Order (QCO)- The QCO mandate, intended to promote locally manufactured products, led to higher costs. The delays in certification due to limited lab capacity have forced the company to import already-certified subcomponents to meet customer commitments. It led to higher material costs, forex volatility, and the impact is estimated at 0.75%-0.8% across the business and is expected to continue over the next 3-4 quarters. The company is strategically building inventories to ensure compliance with QCO obligations and to secure committed customer deliveries without disruption.

Growth segments- The high-growth segments are data centers (co-location), renewables, BESS, green hydrogen, and rail & metro infrastructure. The moderate growth segments are cement and steel.

Segments - In the Electrification business, base orders growth remains healthy; however absence of large orders impacted overall growth. Motion business witnessed strong base order growth due to market demand.

Process automation business witnessed stagnant order intake, as large expansion projects in core sectors like metals, mining, and oil & gas face delays. The business relies on retrofits and smaller orders; however, margins are maintained due to long-term contract forex clauses and high service content.

The Robotic division, subject to the global divestment of plants. The order intake stood at INR 2.03bn, from automotive and electronics. The profitability was muted due to the mix and lower service revenues.

Textiles- The textile sector holds 4.6% of the global share, and the company is expected to benefit going forward.

Portfolio expansion and acquisition

The company is expanding its portfolio and introducing premium products such as IES Ultra Premium Efficiency LV motors to cater to evolving market demands.

The company is actively seeking acquisitions to complement its existing portfolio and enhance its capabilities in serving customers and channels.

National Aluminium Company Ltd Q2FY26 Concall KTAs

CMP: INR 431.1 Bn | MCap: INR 235 Bn

Outlook The domestic aluminium market is expected to grow at ~7.5% CAGR till 2030, supported by India's power infra expansion and rising EV and auto adoption. Additionally, supply constraints from Guinea and China's 45 mtpa production cap could support long-term aluminium prices. NALCO remains well-placed with captive coal mines, robust balance sheet, strong cash generation, and upcoming 1 mtpa alumina capacity addition — reinforcing earnings visibility and valuation comfort.

Financials: NALCO delivered a robust Q2FY26 performance with revenue at INR 42.9 bn (+7.3% YoY / +12.8% QoQ), supported by higher alumina volumes and improved aluminium prices. EBITDA rose 24.3% YoY and 29.1% QoQ to INR 19.3 bn. Adjusted PAT stood at INR 14.3 bn, up 34.9% YoY and 34.7% QoQ. The strong operational performance was led by favourable pricing, cost efficiencies, and steady alumina offtake.

Aluminium Segment

Aluminium EBIT improved 38.9% YoY and 32.4% QoQ to INR 11.9 bn, supported by higher LME prices (~USD 2,620/ton; +10% YoY / +6.9% QoQ) and lower operating costs.

Sales volumes moderated 7.2% YoY due to monsoon-led demand softness in wire rods and flat products.

Power & fuel costs declined to 31% of operating costs (vs 33% YoY) aided by full-capacity operations at captive Utkal D & E coal mines of 4 mtpa.

Personnel costs also eased 7.6% YoY, with further reduction expected as 200 employees, including senior staff, retire in coming quarters.

Global alumina prices remained stable QoQ, with management expecting improvement in 2HFY26. The 1 mtpa brownfield alumina expansion (fifth stream refinery, ~80% complete) is on track for commissioning by June'26.

Capex and Funding

NALCO maintains a cash balance of INR 75.9 bn (~17.6% of MCap), ensuring a strong liquidity position.

Expansion plans include a 0.5 mtpa aluminium smelter (capex INR 170–200 bn), 100 ktpa wire rod mill of INR 3 bn, and a foil plant of INR 0.6 bn, all expected to be funded largely via internal accruals.

Interarch Building Solutions Ltd Concall KTAs**MCap: INR 42.30 Bn | CMP: INR 2,521**

Financial Updates: Revenue for Q2FY26 stood at INR 491 cr, up 52% YoY, while EBITDA rose 65% YoY to INR 42 cr, with margins of 8.5%.

The company reported improved productivity across existing facilities, and faster project clearances led to higher throughput in H1FY26.

Capacity Updates

Phase 2 of the Andhra facility was commissioned during Q2FY26, taking the total installed capacity to 200k MTPA across four integrated manufacturing units.

The company has begun the construction of its Gujarat plant, which will enable it to cater to the industrial hub with strong demand from semiconductors, EVs, and allied sectors.

Groundwork for heavy steel structures has also started, and will cater to multi-story buildings, heavy industrial structures.

The company achieved Q2 production volumes of ~41,200 tons, with near peak utilization of pre-expansion capacity.

Order Book

The company's order book stood at INR 1,634 cr, providing 8-9 months of revenue visibility, which is considered healthy for the PEB sector.

In Q2FY26, order inflows totaled INR 463 cr, led by strong repeat demand.

Out of total orders, 80-85% are from repeat customers, maintaining its order reliability.

The company has received a 300 cr order book out of which ~62% has been completed and expects it to be achieved by Q3FY26.

The company continues to attract large and complex projects, with order sizes now avg INR 6-8 cr.

With the commissioning of new units, the company expects to achieve revenue of over INR 2,000 cr in FY27. The company expects 17.5% growth in FY26 and FY27 of revenue, with achieving 20% growth over the year.

Operational Updates

The company expects its inventory to come down with the reliability of the supplier and post-monsoon construction ramp-ups.

The margins have not yet improved on per per-ton basis with investment in the export side likely to expand, and expect the margins to sustain.

Partnership

The partnership with JSPL company aims to add new capacity, as building high-rise structures requires a larger capacity.

Collaboration with Moldtek, a company that focuses on exports and participates in various events internationally to build its presence.

Opportunity

The prefab and structure TAM is very large and expects everyone to have significant growth without hampering the business of others.

Capex for FY26 is expected to be in the range of 60-70 cr and another 60-70 cr in FY27.

GPT Infrastructure Concall KTA
CMP: INR 105 | MCAP: INR 1332 cr

Operational updates

The revenue stood at 579.2 cr, contributed majorly by infra projects at 94% of total revenue.

Company expects to grow 20% YoY, with H1 contributing 40% for the FY26 and remaining business comes under second half, so they will see this growth.

Company taken pledge of 51% for the wc, which will expected to be reduced.

Company expects 18-20% EBITDA margins from the ivory coast projects.

Manufacturing facility

Company's has manufacturing capacity of 1.5 Mn units across India & Africa with total utilization is currently running at 50%.

Order book

The total order stood at INR 3,591 cr, forming ~3x FY25 revenue, with new inflow of 696 cr and order executed in H1FY26 was 591 cr.

The infrastructure projects account to 87% of the total projects with concrete sleeper is at 13%. Concrete segment has better margins as against infra projects and is growing at a significant rate.

It has also bagged one order of concrete sleepers worth INR 13 cr from Standard Engineers Ltd, Bangladesh.

Genus Power Infrastructures Ltd | Q2 FY26

CMP: INR 366 | M-Cap: INR 16,570 Mn

Reported strong growth, driven by accelerated smart-meter manufacturing and installations.

Revenue up 136% YoY to INR 11,490 Mn on faster AMISP execution.

EBITDA 3× YoY to INR 2,440 Mn; margin expanded to 21.3% from 16.7%.

PAT up 162% YoY to INR 1,480 Mn with healthy operating leverage.

Outlook

Smart-meter rollouts are hitting full momentum, giving Genus clear revenue visibility through FY27. Margins are expected to hold around 20%, supported by scale and efficiency. Working capital pressure is easing, and the company expects to become positive in FY27. With a large tender pipeline and new opportunities in gas, water, and exports, Genus is well placed for steady, long-term growth.

Smart Meter Opportunity & Tender Pipeline

Total smart meter market expanding to 300–310 Mn units as new states join.

150 Mn meters already awarded; 150–160 Mn more to be tendered over 1–2 years.

Company targeting 25% market share in upcoming bids.

Participating in all 13 active tenders, including large ones in Tamil Nadu (30.5 Mn), Delhi (5 Mn) and Punjab (2.6 Mn).

Manufacturing & Installation Progress

9 Mn meters manufactured in H1FY26, with 5 Mn in Q2 alone (~50k/day run rate).

Installed 3.6 Mn in H1, of which 1.9 Mn were in Q2.

FY26 installation target maintained at 8–9 Mn meters, with strongest execution expected in H2.

Cumulative progress: 8 Mn installed → 4.2 Mn SAT → 4.0 Mn OGL (revenue-generating).

13 out of 24 projects are live, remaining to go live by Dec'25–Jan'26.

Order Book & Financial Visibility

Order book at INR 287,580 Mn (~28.7 Bn) covering 36 Mn smart meters.

Guidance:

FY26 Revenue: INR 45,000 Mn, 20% EBITDA margin

FY27 Revenue: INR 55,000–60,000 Mn, 20% EBITDA margin

Balance Sheet & Working Capital

Debtor days improved from 187 to 126 in 6 months, with continued reduction expected.

JV capex expected at INR 10,000–11,000 Mn (lower than earlier estimate), no dilution planned.

Cash flow positively expected in FY27 as OGL billing scales up and working capital normalizes.

Emerging Growth Areas

Gas meters: 120–140 Mn long-term opportunity.

Water meters: Expected to match or exceed electricity meter scale over time.

Exports: Small now, planned to scale meaningfully in 2–3 years.

Make in India: >60% value addition localized.

Key Investor Takeaway

Genus is in a high-visibility, multi-year growth cycle with strong execution, rising OGL conversions, and industry-leading tender participation.

Margins are sustainable, working capital is improving, and profit-to-cash conversion is expected to strengthen meaningfully in the next 12–18 months.

Akzo Nobel India Ltd - Q2FY26 Concall KTAs

The company expects a sharp rebound led by premium decorative and industrial coatings, supported by strong traction in brands like Velvet Touch, Weathershield, and Sikkens. The construction chemicals launch by Dec 2025, along with continued distribution expansion contributing 4–4.5% revenue growth annually, is expected to drive incremental volumes. With the royalty on decorative paints ceasing from July 2025, cost efficiencies and digital transformation initiatives should further strengthen margins. Sustainable EBITDA margin is expected to be in the range of 14–16% and expects double-digit volume growth from Q3FY26 onward.

Operational Performance

Volume grew by 3% YoY in Q2FY26, led by both decorative and industrial coatings segments. Overall revenue declined by ~1.5% YoY, mainly due to pricing and mix-related challenges.

Premium decorative paints grew in the mid single digit range, driven by strong traction in brands such as Velvet Touch, Weathershield, Sikkens, and Lesonal.

Industrial coatings grew faster than decorative, with strong demand in Marine and protective coatings, though automotive and specialty coatings saw margin pressure due to mix issues.

Order book in the Marine segment remains strong, with a few large vessel coating orders expected to contribute in the coming quarters.

Strategic Developments

The company is in the final stages of transitioning to the JSW Group; take control in the next few weeks.

Conducting price realignments (reductions) in categories where its premiums were 7–9% above competition.

Premium pricing strategy will now be balanced with competitive pricing to drive volume-led growth.

Working with BCG to develop a digital lead management and distribution optimization roadmap to improve productivity.

Product Portfolio

Decorative segment faced challenges from weather disruptions and weakness in mass-market categories such as putty.

New premium launches like Velvet Touch Eterna have received strong response from architects and consumers. Entry-level emulsion products and new high-sheen exterior paints also achieved good success post-launch.

Construction chemicals and waterproofing products are planned for launch by Dec 2025

Continues to emphasize premiumization and portfolio relaunches in mid and mass categories such as Promise and Weathershield.

Industry Outlook

Expects industry volume growth in the mid to high single digits in the near term; targeting double-digit volume growth from Q3FY26 onward.

Raw material costs remain benign, price increases are limited due to ongoing competitive intensity and market discounting.

Other Highlights

The royalty for decorative paints IP ceased from 1 July 2025, positively impacting Q2FY26 margins. Royalty for industrial coatings continues to be paid as the IP remains with the parent.

The GM decline in Q2FY26 was INR 193 Mn; EBIT fell only by INR 22 Mn. Strong cost prudence and margin improvement is expected as volume trajectory strengthens from Q3FY26 onwards.

Distribution expansion remains a key pillar of growth, with management targeting 4–4.5% annual contribution to revenue from network additions.

The company continues to penetrate white spaces across Tier-2 and Tier-3 towns to enhance dealer reach and brand visibility.

Aadhar Housing Finance Ltd- Q2FY26 concall KTAs

Guidance for 20–22% AUM growth and 16–18% disbursement growth for FY26, expressing confidence that momentum will strengthen in the second half, supported by favourable seasonal and market factors. The cost of funds is expected to improve by about 10 bps in Q3 and Q4, aided by anticipated MCLR passthroughs from banks, while spreads are likely to remain stable ~ 5.8%. The company will continue to maintain a conservative approach to loan-to-value ratios, average ticket size, and portfolio mix to ensure strong asset quality. Branch expansion is planned at around 50–55 branches annually, including 15 in top urban metros and approximately 35 in emerging markets, with location selection guided by data-driven analytics to maximize growth potential.

Financial Performance

Total Income stood at INR 8,993 Mn in Q2FY26 up by 18% YoY & 6% QoQ.

PPOP Stood at INR 3,559 Mn in Q2FY26 up by 16% YoY & 7% QoQ.

The company reported a PAT of INR 2,665 Mn in Q2FY26, up 17% YoY, and INR 5,040 Mn for H1FY26, up by 18% YoY.

The portfolio yield at the end of Q2 was 13.8%, with an exit spread of 5.9%, up by 10 bps QoQ.

The cost-to-income ratio improved slightly to 36.1% for H1FY26, down 30 bps YoY, with continued focus on reducing operating costs by another 40 YoY for FY26.

Borrowings rose 21% YoY to INR 1,76,000 Mn, with the mix comprising banks (50%), NHB (21%), NCDs (22%), and ECB/others (7%). The exit cost of funds stood at 7.9% as of September 30, 2025.

~ 73% of borrowings and 75% of assets are on a floating rate basis, providing a strong natural hedge against interest rate movements.

Capital adequacy ratio remained strong at 44.3% for Tier 1 and Tier 2 at 0.5%.

Business Growth and Loan Book

AUM stood at INR 2,75,540 Mn as of September 30, 2025, up by 21% YoY.

Disbursements for H1FY26 stood at INR 40,890 Mn, up 16% YoY, with some seasonal softness in Q2 due to extended monsoons and a slowdown in self-construction activity across certain regions.

The company added 20 new branches in Q2FY26, increasing its network to 611 branches spread over 22 states and 549 districts, serving over 3.15 lakh live customers

The portfolio remains entirely retail and fully secured, with home loans accounting for 73% and loans against property comprising 27% of AUM. The average ticket size stands at ~ INR 10.5 lakh, with a conservative LTV ratio of 60%.

Asset Quality

Gross NPA stood at 1.42%, slightly higher than 1.3% in Q2FY26, while Net NPA was at 1.0%.

Stage 3 provision coverage stood at 34.3%, while Stage 2 assets declined sequentially by 25 basis points.

Collection efficiency remained strong at above 99%, supported by advanced data analytics and a centralized 16-member retention team dedicated to borrower engagement and retention.

Exposure to relatively riskier regions such as Tirupur, Surat, and Coimbatore is limited to around 1.6–1.7% of AUM, and even in these areas, delinquencies (1+ DPD) have improved QoQ.

Other Highlights

The company continues to emphasize balanced growth between urban and emerging markets, aiming for a 50:50 split; currently, emerging markets contribute 45% of the business.

Technology and digital transformation initiatives, such as the TCS-enabled core system and AI-driven data analytics, are enhancing operational efficiency and improving customer experience.

GST rationalization is expected to lower construction costs in the affordable housing segment, thereby improving home affordability and boosting demand.

Ceinsys Tech Ltd-Q2FY26 Concall KTAs-Arihant Capital
CMP INR 1,319 | Market Cap INR 2,353 Cr

Eye on H2FY26 growth

Outlook: The company is confident of sustaining double-digit growth and margin expansion, driven by execution strength, strong order book, and focus on technology-led, high-value solutions. Q3-Q4 FY26 is expected to be strong, with significant project closures and order inflows. The company is committed to maintaining capital discipline and driving long-term value creation through strategic investments in AI, automation, and product IP.

Receivable improving, aided by resumed disbursements in government schemes.

Creditors up INR 100 cr due to back-to-back payment linkages with subcontractors and payments expected to normalize as collections improve. Targeting sustainable working capital cycle of ~120 days in FY26–27.

Segmental : Technology Solutions: Segment revenue surged 2.5x YoY to INR 880 (vs INR 36 Cr), contributing 54% of total turnover. Growth driven by large digital and AI/ML-led technology solution projects, highlighting successful diversification and rising share of high-margin offerings.

Geospatial & Engineering Services: Revenue grew 39% YoY to INR 75 crore (vs INR 54 crore), aided by robust traction in Water, IoT, and Enterprise Solutions. Execution excellence and strong domain expertise sustained growth across infrastructure, water, and telecom verticals.

Order book: Healthy order backlog of INR 1,092 cr as of Sep 2025, offering strong near-term revenue visibility.

Cash surplus of INR 27 cr in Q2FY26

Working capital: Stood at 160 days, impacted by delayed government disbursements. Management expects normalization to 120–130 days in coming quarters as recoveries improve (INR 60 cr received in October alone).

Employee cost: Down 37% YoY due to operational restructuring and automation, improving per-employee productivity.

Capex & investments: INR 21 Cr invested in technology innovation and business development, including INR 13 cr expensed during the quarter largely toward strengthening the US market presence.

Order Wins: Secured several large and strategic contracts during the quarter. AI software development project worth INR 21 cr (includes 3-year enterprise license). Two project management consultancy contracts worth INR 115 cr and INR 11 cr.

Strong pipeline in water, energy, transport infrastructure, and utilities, with large project closures expected in Q3–Q4FY26.

Management expects major order awards in upcoming quarters as government-funded schemes accelerate post-review phase.

Jal Jeevan Mission: Expanding beyond Maharashtra with active projects in Uttar Pradesh and other states, supported by central schemes such as Jal Jeevan Mission (JJM). Also pursuing opportunities in transportation (MMRDA project worth INR 15 cr), energy, and smart infrastructure.

Acquisitions

Two potential acquisition targets under advanced due diligence; expected closure by Q3–Q4FY26.

Focus remains on geospatial, engineering solutions, and advanced tech domains, aligned with existing core verticals. The company has mobilized USD 22.8 mn (~INR 190 cr) for inorganic expansion to enhance scale and global footprint.

Subsidiary: Consolidated profitability impacted by subsidiary-level investments in business development and IP creation, especially in the US market. The company clarified that current losses (~INR 6–7 cr per quarter) are strategic investments, not operational losses. Expected to yield results from Q4FY26 onwards as key contracts materialize.

Receivables: 80% of debtors are <6 months, with 20% pending due to government project delays and bulk expected to clear by March 2026. Unbilled revenue largely converted to billable (~ INR 125 cr of INR 135 cr built), reflecting efficient project execution and billing cycle.

Margins: Sustained EBITDA margin expansion for six consecutive quarters due to Completion of legacy low-margin projects, higher share of tech-led, high-value projects (AI, IoT, ML) and operational efficiencies and cost discipline. The company expects margins to continue improving gradually, without formal numerical guidance.

Demand Environment: Demand visibility remains strong across geospatial, water, energy, and transport infrastructure sectors. Post-review of government programs like JJM, project approvals and fund releases have resumed.

AI/ML integration into engineering and geospatial workflows driving margin accretion and differentiation.

Brand Concepts Ltd- Q2FY26 Concall KTAs**CMP: INR 378 | Market Cap: INR 4 Bn****Robust Financial Performance Driven by Margin Expansion**

Brand Concepts Limited (BCL) achieved its Highest-ever Topline and EBITDA in Q2 FY26. Revenue from Operations increased 26.4% YoY in Q2 FY26 (976.2 INR Mn) and totaled 1,693.1 INR Mn for H1 FY26 (a 9.8% YoY growth). EBITDA grew 31.5% in Q2 FY26 to 116.0 INR Mn, resulting in an EBITDA Margin of 11.9%. This strong margin performance was supported by a gross margin expansion of 286 bps YoY, primarily due to efficiencies gained from in-house manufacturing.

Strategic Investments in Manufacturing and Capacity Building

BCL has made significant strategic investments, including 30.58 INR Cr. in hard luggage manufacturing and 4.56 INR Cr. in a new warehouse. The new manufacturing facility in Ujjain, Madhya Pradesh, has an annual capacity of 3.5 lakh units and is designed for multi-fold expansion. This investment in manufacturing is anticipated to potentially yield an asset turn of 5x. The company is currently front-loading investments in capacity, team expansion (for brands like Juicy Couture, Off-White, and Superdry), and the revamp of the Bagline identity, which caused net margins to not fully reflect the sales growth. Management expects the initial quarters to see a higher impact of depreciation and interest costs before the full benefits of these strategic investments are realized in future profitability.

Accelerated Omni-Channel Growth and Retail Footprint Expansion

Sales growth was notably strong across digital channels, with the E-commerce Marketplace business surging 63% YoY, contributing to 23% overall E.Com growth. Licensor Flagship Stores (LFRS) also delivered 76% YoY growth. Online sales accounted for the largest portion of the H1 FY26 channel contribution at 45.0%. BCL expanded its physical retail footprint by opening 5 new Bagline stores, focusing on premium retail zones such as Aerocity (Delhi), Oberoi Mall (Mumbai), and Mumbai Airport. The total retail footprint now stands at 50 stores.

Focused Brand Portfolio and Intense Competitive Landscape

BCL operates with a portfolio of exclusive licensed brands, including Tommy Hilfiger (license till December 2026) and United Colors of Benetton (license till 2030), alongside others like Juicy Couture, Superdry, Off-White, and Aeropostale. The company employs a dual brand strategy: playing the Mass/Mass Premium game utilizing UCB and Aeropostale with factory integration for scale, while simultaneously investing in marketing for TH, Superdry, and JC to build aspiration in the Premium/Aspiration segments. BCL faces an intensely competitive market, characterized by over 600 INR Cr capital infusion across major travel gear players, which drives up operational costs like talent expenses, e-commerce marketing bids, and retail rentals. Additionally, the brand Aeropostale continues to face headwinds.

Vaidya Sane Ayurved Laboratories Ltd - Q2FY26 Concall KTAs

FY26 revenue is expected to be ~INR 1.15–1.2 Bn with EBITDA margin of 17–18% and PAT margin of 10–11%, supported by clinic additions, higher hospital utilization, and digital expansion. The company plans to increase hospital bed capacity from 110 to 250–300 in the next 12–15 months and targets 1,000 beds in 2-3 years, along with 40–50 new clinics this year and 70–80 next year. Its long-term goal (by 2028) is to achieve INR 2.5 Bn revenue with 1,000 clinics, 10 hospitals, and 200,000 new patients annually, while maintaining 20% EBITDA margin. International expansion in Malaysia, strong franchise performance, and growing product sales further strengthen its growth outlook

Financial Performance

Revenue from operations for H1FY26 stood at INR 499.4 Mn, up 19.48% YoY from INR 418 Mn in H1FY25. EBITDA was INR 86.2 Mn, up 49.59% YoY from INR 57.6 Mn, with a margin of 17.26%. PAT stood at INR 48.4 Mn, compared to INR 37.7 Mn last year, up 28.26% YoY with margin improved to 9.68%, up 66 bps YoY. Basic EPS for H1FY26 stood at INR 4.56.

Business Overview and Operations

Operating under the Madhavbaug brand, integrates traditional Ayurvedic medicine with modern diagnostics; currently operates 320+ clinics and 4 hospitals across 8 states and UTs. Of the total clinics, 22 are company-owned, 45 are OPD/mini clinics, and 255 are franchise clinics.

Employs 450+ Ayurvedic physicians and is empanelled with 9 TPAs and 12 insurance companies for cashless treatment facilities.

Madhavbaug's mibPulse app serves ~250,000 patients for digital monitoring and follow-up.

Expansion Plans

Hospital network currently has 110 operational beds across Khopoli, Nagpur, Vadodara, and Visakhapatnam; expansion underway will take capacity to 250–300 beds within 12–15 months, with a long-term target of 1,000 beds in the next 2-3 years.

Khopoli Hospital will be expanded to 150 beds, Nagpur Hospital to 100 beds, and Vadodara Hospital to 100 beds (from 25 currently).

Total capex of ~INR 250 Mn will be deployed across Khopoli and Nagpur facilities through a mix of owned, leased, and PPP models.

The company is also evaluating franchise clinics upgrading into 5–10 bed hospitals, with Kolhapur already converted.

Signed an MoU with Malaysia-based Maxura Healthcare to establish and manage an Ayurvedic therapy center in Malaysia, with profit sharing at a 70:30 ratio.

Operational Metrics

In FY25, served 82,000 new patients; in H1FY26, it already recorded 60,000–65,000 new patients; targets 120,000–130,000 new patients in FY26, and 200,000 new patients annually by FY28.

~85% patient retention rate and 65% documented disease reversal rate were maintained.

Average billing/patient stands at INR 50,000–60,000 annually under the disease reversal program.

Current hospital occupancy stands at 75–80%, with clinics operating at 45–55% utilization.

Other highlights

Subsidiaries Dynamic Remedies Pvt Ltd and UV Ayurgen Pharma Pvt Ltd manufacture proprietary Ayurvedic and nutraceutical products in-house.

The flagship product "Madhavprash" sells 15,000–20,000 packs/month, with a plan to ramp up to 100,000 packs monthly in the next 24 months. ~45% of Madhavprash sales are repeat purchases.

Sales mix: 10% from quick commerce platforms, remaining from Amazon, the company's website, and clinics (which sell an additional 6,000–7,000 packs/month).

The company is developing ready-to-cook and ready-to-eat Ayurvedic food kits for mass-market scalability.

"Madhavprash" has recently turned cash-positive and is expected to achieve EBITDA-level profitability within 6–8 months.

The company plans to list on the main board within the next 6–7 months, having completed 3+ years on the SME platform.

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NCC Ltd - Q2FY26 Concall KTAs

Withdrew its FY26 guidance due to execution uncertainties but expects recovery in H2 as rains subside and payments normalize. Guidance for FY26 will be reassessed by March 2026, once visibility on receivables and execution improves. Consolidated EBITDA at 8.7%, supported by prudent cost control; may remain near the lower end ~9% depending on project ramp-up and monsoon recovery in Q3FY26. Working capital intensity rose to 110 days as receivables and unbilled revenues increased, while net debt climbed to INR 1,890 cr (0.28x D/E). The company raised its capex plan to INR 1,050 cr for new mining projects and continues investing in smart metering (~INR 300 cr so far). Healthy bid pipeline of INR 2.5 lakh crore and steady order conversion, though near-term growth will depend on improved client payments and faster project execution in H2FY26.

Segmental Highlights

The Building segment faced execution delays due to extended monsoons and ROW/permission issues. Water projects (Jal Jeevan Mission) saw delayed client payments; working capital stress; receivables remain ~INR 1,700 cr.

JJM order book totals INR 7,000 cr, of which INR 3,840 cr relates to UP, and the rest to Odisha, Jharkhand, and Karnataka.

Execution of 28,000 crore worth of projects received in Mar 2025 is expected to begin in Q3/Q4FY26, after design and clearance stages.

Private building orders have started contributing modestly, including projects with developers.

Capex and Investments

Capex for Q2FY26 was INR 77 Cr, and cumulative H1FY26 Capex was INR 169 cr. Capex target has been revised upward to INR 1,050 cr (from INR 750 cr earlier), mainly for a new INR 6,800 cr mining order received in Oct 2025.

Investments in subsidiaries and associates stood at INR 1,191 cr, and loans to group companies were INR 179 cr.

Smart meter project investment reached INR 300 cr (INR 70 crore in FY25 + INR 230 cr in H1FY26). Additional INR 280 cr investment is planned over the next 12–18 months.

Order Book

The order book stood at INR 71,957 cr as on sep 2025, up from INR 71,087 cr in Q1. Order inflow in Q2FY26 - INR 6,223 cr, mainly from building, water, and irrigation divisions.

For H1FY26, cumulative order inflow reached INR 9,881 cr, and including October, total orders received were INR 17,420 cr.

Segment-wise order book- Buildings – INR 22,483 crore (31% of order book), Transportation – INR 17,361 crore (24%), Electrical – INR 15,013 crore (21%), Water & Railways – INR 7,553 crore (10%), Irrigation – INR 5,394 crore (7%) and Mining – INR 4,100 crore (6%).

The bidding pipeline remains strong at ~INR 2,50,000 crore.

Other Highlights

Receivables were INR 3,277 cr (78 days), marginally higher than last quarter's 77 days.

Unbilled revenue increased to INR 6,662 cr (41% of turnover) versus INR 5,937 cr at FY25-end.

Payment delays are confined mainly to the water segment, while other divisions are receiving payments on time.

Mobilization advances totaled INR 2,961 cr, with 63% interest-bearing at an average rate of 9.17%.

Windlas Biotech Ltd- Q2FY26 Concall KTAs**CMP: INR 868 | Market Cap: INR 18 Bn****Strong Revenue Momentum and Margin Expansion**

Windlas Biotech delivered its 11th consecutive quarter of record revenue growth, with revenue up 19% YoY in both Q2 FY26 (INR 222 crore) and H1 FY26 (INR 432 crore).

Q2 FY26 EBITDA stood at INR 29 crore and PAT at INR 18 crore; H1 FY26 EBITDA and PAT were INR 55 crore and INR 35 crore respectively.

Gross margin expanded 70 bps YoY in H1 FY26, aided by favorable mix and scale benefits; EBITDA margin (ex-ESOP) stood at 13.5%.

Net operating cash flow improved to INR 56 crore, and liquidity stood strong at INR 237 crore.

Vertical Performance and Growth Drivers

Trade Generic and Institutional segment led growth with 25% YoY rise, driven by the “AAA” strategy (Authenticity, Affordability, Access).

Generic Formulation CDMO and Exports delivered healthy YoY growth of 18% and 23% respectively, with exports supported by new markets and injectable dossier expansion.

Despite IPM growth moderating to 7.7% YoY in Q2 FY26 (volume down 0.2%), Windlas continued to outperform the industry across verticals.

Capacity Expansion and Execution Updates

Injectable facility gaining traction with new customer approvals, though performance is slightly behind initial targets.

Plant 6 (oral solids expansion) progressing well and on track for commissioning within FY26.

Future capacity strategy focuses on adding a new dosage form through inorganic means first; if unavailable, organic development will follow once current capacity is optimized.

Strategic Initiatives and Outlook

ESOP 2025 scheme (INR 12 million non-cash impact) covers ~100 key employees, designed to align talent retention with long-term KPIs and growth goals.

Management targets a sustainable 15% EBITDA margin and continues to explore selective M&A opportunities with strong synergies.

Outsourcing momentum remains strong, with global pharma players increasingly relying on Indian CMOs; management sees this as a structural growth driver.

Privi Specialty Chemicals Ltd Q2FY26 Earnings Call - Key Takeaways**Outlook**

Privi Specialty Chemicals Ltd sustained strong growth momentum in Q2FY26, with consolidated revenue up 26% YoY to INR 679 crore and PAT rising 101% YoY to INR 90 crore. Growth was volume-led across flagship products with significant contribution from new product introductions and capacity expansions. The company maintains a positive outlook anchored on continued innovation, backward integration, and global specialty chemicals demand expansion.

Financial and Operational Performance

- Consolidated revenue increased 26% YoY to INR 678.82 crore driven by volume growth and product mix improvement.
- EBITDA rose sharply by 59% YoY to INR 182.14 crore, with EBITDA margin expanding to 26.83% from prior year.
- PAT doubled from INR 44.84 crore to INR 90.21 crore YoY implying strong profitability.
- Half year revenue stood at INR 1,246 crore (+24% YoY) with EBITDA margin steady at ~26% and PAT up 94%.
- Net working capital cycle improved to 124 days from 136 days in March 2025.
- Net debt reduced by INR 44 crore with net debt standing at INR 1,020 crore as of September 2025.

Capacity Expansion and Base Capacity Utilization

- Current capacity utilisation for existing product lines at approximately 92%.
- Ongoing capex under Phase 1, with part of expansion completed ahead of schedule, ramping production from 48,000 MT to expected 54,000 MT by December 2025.
- Plans for an additional 6,000 MT capacity through debottlenecking and process intensification with minimal capex.
- Ratnagiri plant operations pending legal consolidation with progress on scheme of merger and amalgamation with the parent company.
- Previ Biotechnology subsidiary focused on R&D, not yet revenue-generating, aiming to commercialize bio-based aroma chemicals over next 15 months.

Product and Market Development

- Flagship products dihydro and Amber remain pillars representing major revenue streams; efforts ongoing to diversify product base to reduce reliance on any single product to under 10%.
- New product pipeline includes ~10 specialty molecules targeting higher-margin niche segments within F&F and beyond into pharma and electronics.
- Exports to top 15 global fragrance houses and 5 large FMCG brands such as P&G, Henkel, and Reckitt showed volume uptick.
- China plus one sourcing trend benefits Privi due to sustainability credentials and integrated production model.

Margin and Cost Mechanics

- Consistent EBITDA margin range between 24–26% expected over near to medium term, inclusive of recurring state incentives.
- Margin expansion driven by value addition from by-products, backward integration, operational efficiencies, and consistent expense controls.
- Sustainability initiatives acknowledged with global ESG awards reinforce competitive differentiation.

Management Commentary

- Growth strategy focuses on aggressive capacity expansion coupled with product portfolio broadening and market penetration.
- Strong emphasis on investing in innovation through Previ Biotechnology to capture global demand for bio-based aroma ingredients.
- Backward integration provides pricing power and supply security amid raw material volatility.

Power Finance Corporation Ltd- Q2FY26 concall KTAs

Management reaffirmed its loan book growth guidance of 10–11% for FY26. Prepayments and accelerated repayments are expected to persist, but margins and spreads are likely to remain stable despite rising competition in the infrastructure financing space. Asset quality is expected to stay robust, supported by high provision coverage and a disciplined lending approach. Additionally, management anticipates renewed CAPEX activity in the power distribution segment, driven by government initiatives such as RDSS and various state-led projects, indicating a healthy project pipeline ahead.

Financial Performance

Consolidated PAT of INR 16,816 crore in H1FY26 up by 17% YoY.

Standalone PAT for H1FY26 stood at INR 8,963 crore, up from INR 8,088 crore in H1FY25, while Q2 standalone PAT was INR 4,462 crore.

The consolidated loan book grew 10% to INR 11.43 trillion and standalone loan assets were up 14% at INR 5.61 trillion.

Disbursements reached INR 86,000 crore in H1FY26, up by 30% YoY, with most of that money going to the distribution (57%) and generation (30%) segments. CAR stayed strong at 21.62%, with a Tier I ratio at 19.89%.

Margins and spreads held steady at 3.62% and 2.55%.

For H1FY26, the yield stood at 9.98%, while the cost of funds was 7.43%, keeping margins and spreads healthy.

Asset Quality and Provisions

GNPAs dropped sharply to 1.87% from 2.71% a year ago.

Net NPAs fell to just 0.37% - the lowest in 10 years.

Provision coverage is still solid at 80%.

Stressed assets stand at INR 10,490 crore across 22 projects with 6 fully provided projects under liquidation.

Management expects some provision write-backs in the second half especially as cases like the INR 3,000 crore Sinnar Thermal project move ahead in the NCLT.

Funding & Liquidity

Outstanding borrowings stood at INR 4,74,430 crore. ~ 20% of the borrowings are in foreign currency, with ~ 68% in USD, 19% in JPY, and 11% in EUR. Nearly 95% of the forex exposure is hedged.

Exchange-related book loss for H1FY26 was around INR 1,100 crore, primarily due to EUR-USD movements.

The management expects a partial reversal if the EUR depreciates.

The company also locked in big global funding deals like a JPY 60 bn loan from Japan Bank for International Cooperation for a bioethanol project in Assam and a USD 180 Mn loan from Export Finance Australia for clean energy.

Business Mix and Growth Drivers

The renewable loan book stands at INR 84,680 crore keeping them at the top as India's largest renewable energy lender.

Cross-border financing initiative: The company executed its first overseas deal of INR 4,800 crore for a 600 MW hydro project in Bhutan, denominated in rupees, marking an expansion of its strategic footprint.

Management expects a revival in CAPEX for the distribution segment driven by government initiatives such as RDSS and various state projects and anticipates a robust project pipeline ahead.

Other Highlights

The board declared an interim dividend of INR 3.65 per share taking total interim dividends for FY26 to INR 7.35 per share.

Management noted competition from infrastructure funds and banks but maintained confidence in sustaining margins amid strong sectoral demand.

The company ruled out buyback plans but emphasized maintaining a 30% dividend payout policy and strong capital adequacy to support growth.

They said their current provisioning (1.01% on Stage 1 and 2 assets) already clears the new bar.

Kirloskar Ferrous Industries Q2FY26 Concall Highlights**Mcap: INR 80bn | CMP: INR 486**

Outlook: Kirloskar ferrous casting volume is expected to be 1,70,000 tons in FY26E, supported by the integration of Oliver Foundry. Tube volumes are expected to be 2,00,000 tons in FY26E and are expected to grow 10%-12% by FY27E. The realization remains under pressure, especially from pig iron. The prices have almost bottomed out and anticipate recovery. The company is strategically pivoting away from commoditized pig iron to higher-value steel production. The capex for renewable energy, with a 20MW wind project and an additional 25-30MW solar project, will reduce the power cost going forward. We have a positive outlook on the stock.

Arihant Capital Markets Ltd**Volumes**

Pig iron volume grew by 2% YoY to 1,31,508MT. The realization declined from INR 41,670/MT to INR 37,098/MT in Q2FY26.

Casting sales volumes stood at 36,673MT in Q2FY26.

Tube volume grew by 24% YoY to 49,588MT in Q2FY26.

Pig Iron

The company is transitioning from commoditized pig iron to high-value steel production. The conversion of 3.5 lakh MT pig iron into steel would reduce external pig iron sales to around 4 lakh MT.

Currently, pig Iron realization is not enough to cover its costs, leading to losses for many industrial players. Pig Iron margins are expected to recover to 10% and casting margins are expected to sustain above 15%.

The pig iron industry is facing a challenging environment due to oversupply.

Casting

Casting realization remains stable, supported by a shift towards high-value-added products.

Casting volume is expected to be 1,70,000 tons in FY26E. It includes the contribution of 15,000-16,000 tons from Oliver Foundry.

Oliver is currently operating at a run rate of 2,000 tons per month.

Capex

The capex of INR 2bn for a 20MW wind power project. Around 16.8MW is expected to be commissioned by the end of FY26E and the remaining by FY27E. Additional solar capacity of 25-30MW is expected to be operationalized by Q2/Q3FY27E.

The company is also investing in de-bottlenecking its tube capacity and plans to add a seamless tube manufacturing facility.

Renewables

The power cost increased in Q2FY26 due to higher production volumes in the energy-intensive tube segment. Renewables generation was lower due to monsoon clouds.

The renewables projects would save power costs to INR 700-800mn per annum going forward.

Tubes

Tube segment annual run rate is around 2,00,000 tons, and volume growth is expected to be 10%-12% by FY27E.

Solapur facility

The growth drivers are volume expansion in value-added segments like casting and tubes, cost savings from backward integration and renewable energy, and a strategic shift from pig iron to steel manufacturing.

The new foundry lines at Solapur have been commissioned. The ramp-up is slower than anticipated due to teething problems. The capacity is around 5,000 tons per month.

The specific production for a client at Solapur involves 5,000 engine blocks (400 tons).

Maintenance

The maintenance shutdown at Hidiyur facility will result in a production loss of 21,000-22,000 tons of pig iron. However, the sales are supported by existing inventory.

Shriram Pistons & Rings Ltd. Earnings call KTAs -**Earnings Summary**

Consolidated Revenue: +15% YoY in Q2FY26

EBITDA Margin: 22.4% (flat YoY)

PAT Margin: 13.6%

H1FY26 Revenue Growth: +14.9% YoY; EBITDA +14.2% YoY

Growth achieved despite muted auto demand and geopolitical headwinds.

Industry Context

Auto industry performance mixed in Q2:

PV: -1% YoY

2W: +7% YoY

CV & 3W: Flat to low growth

GST 2.0 reform (effective 22 Sep 2025) temporarily disrupted August–September sales mix; however, demand rebounded strongly post-GST cut during festive season (Oct onward).

Business Highlights

SPRL outperformed industry growth (~3–4% market growth vs. >8% company growth).

Broad-based contribution from legacy and new subsidiaries — plastic injection molding & EV components showed strong traction.

Export business resilient despite tariff and geopolitical challenges; exposure across 45+ countries aided diversification.

Aftermarket segment witnessed healthy growth; mix impact in Q2 due to GST transition.

Subsidiaries & Diversification

Subsidiaries recorded ~74% YoY growth in Q2 with accretive margins.

EV subsidiary (EV Motors & Controllers):

Coimbatore plant commissioned; commercial production to start Q3FY26.

Manufactures motors (250W to 350kW) & controllers in-house — only Indian firm with integrated capability.

FY25 revenue: ₹26 crore → Targeting ₹100 crore in next 2–3 years.

Developing rare-earth-free magnet technology (ferrite-based alternatives).

Plastic component subsidiaries growing >2x the end market.

Capex & M&A

Capex aligned with depreciation for regular business; incremental spend directed toward M&A and capacity expansion.

Actively evaluating strategic inorganic opportunities (both in ICE and EV-related areas).

Past 5-year investment: ₹550 crore (including SEL engine valve plant).

Ongoing Phase III expansion at Pitampur (Indore) due to sustained demand.

Technology & R&D

Continuous investment in automation, digital manufacturing, and precision engineering.

Advanced R&D focus on multi-powertrain technologies:

ICE, Hybrid, CNG/LNG/PNG, Hydrogen, and EV.

Actively developing components for hybrid and hydrogen engines — positioning for a multi-powertrain future.

Developing rare-earth-free magnet motors; several variants under advanced validation.

Exports & Global Outlook

Exports stable despite geopolitical challenges; off-road and industrial segments (US, UK, Europe) performing well.

OEM exports include Jaguar, Caterpillar, and others; working on new programs for FY27.

India–UK FTA providing early benefits for European OEM relationships.

Company expects traction recovery as supply chain and tariffs normalize.

Sustainability & ESG

Received Golden Peacock Award for Corporate Governance (2025).

Bronze rating from EcoVadis – Top 35 percentile globally.

Dun & Bradstreet ESG Rating: Top 500 global value creators.

Ongoing focus on energy efficiency, recycling, and carbon footprint reduction.

Strategic Outlook

Management maintains optimistic yet prudent stance for H2FY26.

Focus areas:

Operational excellence & cost efficiency.

Technology-led growth across ICE and EV.

Inorganic expansion to build a multi-product, multi-powertrain franchise.

Expectation: Double-digit volume growth in Q3–Q4 led by festive demand and GST-driven affordability.

Target to maintain ROE of ~21%, implying profit doubling over 3–4 years.

Mitsu Chem Plast Ltd - Q2FY26 Concall KTAs**CMP: INR 112 | Market Cap: INR 1 Bn****Strong Operational and Financial Performance**

Q2 FY26 revenue grew 14% YoY to INR 92.42 crore, driven by sustained demand across industrial packaging and healthcare segments.

EBITDA stood at INR 5.88 crore (6.37% margin) vs. 5.82% YoY, while PAT increased to INR 1.88 crore (2.04% margin).

For FY25, total income stood at INR 332.9 crore with EBITDA at INR 23.3 crore and PAT at INR 7.3 crore.

Continuous focus on operational excellence, cost optimization, and product diversification supported margin expansion and profitability.

Diversified Business Portfolio and Expansion Plans

Operates three manufacturing units in Maharashtra with installed capacity of 28,000+ MT, equipped with 51 blow molding and 18 injection molding machines.

Serves over 500 customers and 30+ Fortune 500 India clients across healthcare, chemicals, agrochemicals, FMCG, and automotive sectors.

Introduced new products like GL45 caps and pail containers; “Furnastra” brand for hospital furniture gaining strong traction domestically and internationally. Long-term target to achieve INR 1,000 crore revenue by FY28, supported by capacity expansion, brand building, and process automation.

Sustainability and ESG Leadership

Recognized with Envirocare Green Award 2024 and TFS Bronze Medal for sustainability practices.

Focused on reducing carbon and energy intensity by 5% annually and water consumption by 5%.

Implements waste recycling, rainwater harvesting, renewable energy use, and zero-liquid discharge systems across plants.

Promotes community welfare through blood donation drives, eye-care camps, rural development, sports promotion, and cancer aid initiatives.

Strategic Outlook and Growth Drivers

Export revenue surged 144% in FY25, supported by participation in Arab Health (Dubai), Medica (Germany), and Hospitalar (Brazil) exhibitions.

Growth to be driven by Four Transformation Pillars – Healthcare Furniture (Furnastra), Packaging Products, Operational Excellence, and Data-Driven Marketing.

Management expects continued tailwinds from Make in India, rising healthcare infrastructure investment, and growing global outsourcing of molding and packaging solutions.

Pricol Ltd - Q2FY26 Concall KTAs

Strong performance in H1FY26 by strong organic growth and the successful integration of the newly acquired plastics division; expects to sustain this momentum, targeting 11–15% annual growth in the polymer business and 30–35% growth in the actuation and fluid management systems (ACFMS) segment over the next 2-3 years, driven by new customer additions and product launches in FPM, disc brakes, and switches. The company is undertaking a sizable Capex program of INR 2,500–3,000 Mn annually for FY26 and FY27 to expand capacity, acquire land, and modernize production lines, with capacity utilization currently at high levels. The long-term goal is to reach INR 80,000 Mn in revenue by FY31 through both organic and inorganic growth. Despite temporary headwinds from semiconductor shortages, management expects to meet its internal targets with minimal impact on sales.

Business Segments and Acquisitions

Growth was aided by the acquisition of Precision Products Ltd (injection molding division of Sundaram Auto). The acquired plastics business was operating at 6.3% EBITDA margin at takeover (March 2025) and has now improved to 9.5% by Sept 2025; targeting to sustain or marginally improve this level.

For Q2FY26, the acquired division recorded revenue of INR 2,350 Mn with EBITDA margin of 9.08%.

The acquired polymer division currently contributes ~INR 8,500–9,000 Mn annually and is expected to grow at 11–15% YoY until new capacities are added.

Polymer business expected to grow 11–15% YoY in the next 18 months; margins to stabilize ~9.5–10.5%.

ACFMS expected to grow 30–35% YoY over the next 2–3 years due to new customer additions and product launches (FPM, disc brakes, switches).

DICVS expected steady growth of ~15% YoY with a 12.5% EBITDA margin.

Capacity and Expansion Plans

The company is currently undertaking a Capex of INR 2,500–3,000 Mn in FY26, and a similar level is expected in FY27, mainly for capacity expansion, technology upgrades, and land acquisition.

Depreciation is rising due to sustained investment in modernization and transition toward electronic and electromechanical components.

Land acquisition for the new plant is in final stages and expected to be completed within 45 days.

Polymer division is at 94–95%, ACFMS division at 80–85%; expansion underway will bring utilization down to ~70% to accommodate future growth.

Product and Customer Developments

The disc brake business started production 6M ago; the company has secured large orders from top 5 OEMs and will enter full-scale production from Q1FY27.

With ABS becoming mandatory for all 2W from January 2026; expects strong growth in disc brakes.

New order wins - Honda: Mass production already underway for motorcycles and new EV models; Yamaha: Facility certified, LOI expected soon; Also won businesses from Ather, Hanon, Autoliv, and in advanced talks with Hero, Honda (further models), Bajaj, and Tata Motors.

Smart e-cockpits and BMS have been developed and showcased; currently no revenue visibility, but long-term potential seen as margin-accretive.

Other Highlights

The earlier rare-earth magnet crisis has subsided; however, the semiconductor shortage is affecting the entire automotive industry.

Kiri Industries Ltd - Q2FY26 Concall KTAs**CMP: INR 542 | Market Cap: INR 32 Bn****Strong Revenue Growth but Profitability Impacted**

Q2 FY26 consolidated revenue rose 23% YoY to INR 2,134 Mn, driven by strong demand across dyes, dye intermediates, and basic chemicals.

H1 FY26 consolidated revenue stood at INR 4,156 Mn, up 16.6% YoY, reflecting sustained business traction in both domestic and export markets.

However, EBITDA loss widened to INR 299 Mn with margin at (7.2%), impacted by litigation-related expenses and higher input costs.

Net loss stood at INR 1,309 Mn in H1 FY26, largely on account of exceptional and non-operational items related to DyStar.

DyStar Update and Transaction Progress

Kiri holds 37.57% stake in DyStar Global Holdings (Singapore), a leading global dyes manufacturer with USD 752 Mn revenue in CY24.

The proposed sale of Kiri's DyStar stake for USD 676 Mn (plus USD 20 Mn contingent consideration) is pending completion due to buyer's regulatory delays.

The long-stop date has been extended to December 1, 2025, with additional escrow deposits made by the purchaser, ensuring continued transaction momentum.

The resolution of this deal remains a major catalyst for value unlocking and balance sheet strengthening.

Strategic Diversification into Copper & Fertilizers

Through subsidiary Indo Asia Copper Ltd, Kiri is venturing into an integrated copper smelting and fertilizer complex at Amreli, Gujarat.

Project cost estimated at ~INR 10,661 Cr, with INR 1,036 Cr equity infused; balance funded via 70:30 debt-equity ratio targeting ~25% IRR.

The facility includes 5,00,000 MTPA copper smelter and 10,50,000 MT fertilizer plant, supported by sulfuric acid by-product utilization in a closed-loop system.

Construction has commenced (36-month timeline from Oct 2025), with strategic EPC tie-ups and raw material sourcing arrangements in place.

Outlook and Financial Position

Management expects continued revenue growth supported by operational recovery, while focus remains on resolving DyStar transaction and executing the copper project.

Consolidated net worth stood at INR 32,792 Mn, reflecting financial resilience despite temporary earnings volatility.

The Company remains strategically positioned to capture growth across dyes, specialty chemicals, and non-ferrous metal value chains, aligning with India's industrial and self-reliance agenda.

Aadhar Housing Finance Ltd- Q2FY26 concall KTAs

Guidance for 20–22% AUM growth and 16–18% disbursement growth for FY26, expressing confidence that momentum will strengthen in the second half, supported by favourable seasonal and market factors. The cost of funds is expected to improve by about 10 bps in Q3 and Q4, aided by anticipated MCLR passthroughs from banks, while spreads are likely to remain stable ~ 5.8%. The company will continue to maintain a conservative approach to loan-to-value ratios, average ticket size, and portfolio mix to ensure strong asset quality. Branch expansion is planned at around 50–55 branches annually, including 15 in top urban metros and approximately 35 in emerging markets, with location selection guided by data-driven analytics to maximize growth potential.

Financial Performance

Total Income stood at INR 8,993 Mn in Q2FY26 up by 18% YoY & 6% QoQ.

PPOP Stood at INR 3,559 Mn in Q2FY26 up by 16% YoY & 7% QoQ.

The company reported a PAT of INR 2,665 Mn in Q2FY26, up 17% YoY, and INR 5,040 Mn for H1FY26, up by 18% YoY.

The portfolio yield at the end of Q2 was 13.8%, with an exit spread of 5.9%, up by 10 bps QoQ.

The cost-to-income ratio improved slightly to 36.1% for H1FY26, down 30 bps YoY, with continued focus on reducing operating costs by another 40 YoY for FY26.

Borrowings rose 21% YoY to INR 1,76,000 Mn, with the mix comprising banks (50%), NHB (21%), NCDs (22%), and ECB/others (7%). The exit cost of funds stood at 7.9% as of September 30, 2025.

~ 73% of borrowings and 75% of assets are on a floating rate basis, providing a strong natural hedge against interest rate movements.

Capital adequacy ratio remained strong at 44.3% for Tier 1 and Tier 2 at 0.5%.

Business Growth and Loan Book

AUM stood at INR 2,75,540 Mn as of September 30, 2025, up by 21% YoY.

Disbursements for H1FY26 stood at INR 40,890 Mn, up 16% YoY, with some seasonal softness in Q2 due to extended monsoons and a slowdown in self-construction activity across certain regions.

The company added 20 new branches in Q2FY26, increasing its network to 611 branches spread over 22 states and 549 districts, serving over 3.15 lakh live customers

The portfolio remains entirely retail and fully secured, with home loans accounting for 73% and loans against property comprising 27% of AUM. The average ticket size stands at ~ INR 10.5 lakh, with a conservative LTV ratio of 60%.

Asset Quality

Gross NPA stood at 1.42%, slightly higher than 1.3% in Q2FY26, while Net NPA was at 1.0%.

Stage 3 provision coverage stood at 34.3%, while Stage 2 assets declined sequentially by 25 basis points.

Collection efficiency remained strong at above 99%, supported by advanced data analytics and a centralized 16-member retention team dedicated to borrower engagement and retention.

Exposure to relatively riskier regions such as Tirupur, Surat, and Coimbatore is limited to around 1.6–1.7% of AUM, and even in these areas, delinquencies (1+ DPD) have improved QoQ.

Other Highlights

The company continues to emphasize balanced growth between urban and emerging markets, aiming for a 50:50 split; currently, emerging markets contribute 45% of the business.

Technology and digital transformation initiatives, such as the TCS-enabled core system and AI-driven data analytics, are enhancing operational efficiency and improving customer experience.

GST rationalization is expected to lower construction costs in the affordable housing segment, thereby improving home affordability and boosting demand.

Aarti Industries Ltd Q2FY26 Earnings Call - Detailed Key Takeaways

Outlook

Aarti Industries posted a robust Q2FY26 with sequential and YoY growth amid complex geopolitical dynamics and tariff hurdles. Revenue increased 91% QoQ to INR 2.25 bn led by volume expansion, operational efficiencies, and cost optimization. Despite tariff-related headwinds, the company remains committed to achieving FY28 EBITDA goals through capacity utilization, innovation, and market diversification.

Financial Performance

- Revenue surged to INR 2,250 crore, up 91% QoQ driven by volume growth across product segments.
- EBITDA rose 36% QoQ to INR 292 crore, accounting for 13% margin expansion due to cost efficiencies and capacity utilization improvements.
- PAT grew 150% QoQ to INR 106 crore reflecting strong operating leverage; exceptional items factored in.
- CAPEX spent INR 267 crore in the quarter; full-year guidance maintained at around INR 1,000 crore.

Segment-wise Highlights

MMA (Methyl Methacrylate)

- Achieved highest-ever quarterly MMA volumes reflecting demand spillover and new geographies adoption.
- Peak utilization reached following capacity expansion with focus on debottlenecking to scale volumes further from Q4FY26.
- MMA remains a critical additive for octane blending in gasoline with favorable naphtha-gasoline spreads supporting consumption.
- Price competition from China and domestic players continues; US tariff impact mitigated through renegotiations.

Agrochemicals - Select products displayed volume recovery though overall margins remained under pressure due to the competitive landscape.

Dyes & Pigments - Demand growth muted amid market softness but maintaining stable volumes.

Polymer Business - Faced headwinds from US tariffs leading to volume impact; efforts underway to mitigate risks and diversify markets.

Fluorochemicals - High-value fluoroproducts experiencing margin pressure due to aggressive competition mainly from China.

Strategic Initiatives and Market Outlook

- Export mix rebalanced strategically towards Europe, Middle East, and Africa to counter US tariff impact, recalibrating US market strategy.
- Anticipates policy clarity and normalization of trade flows to restore balance over medium term.
- Zone Four capacity expansion projects progressing on schedule with new multipurpose plant commissioning in Q4FY26.
- New 4,000 TPA PEDA facility under construction with linkage to existing ethylation facility, poised to support agrochemical industry demand.
- Strategic partnership with DCM Sriram established for exclusive chlorine supply to downstream Zone Four facility.
- R&D focus intensified on advanced materials, polymer chemistry, and sunrise segments, moving towards innovation-lead growth post-capex cycle.
- Medium to long-term plans to broaden global footprint, diversify end-use applications, and enhance competitive positioning through disciplined execution and cost control.

India Glycols Q2FY26 Concall Highlights**Mcaps: INR 6,744cr | CMP: INR 1,090****Blending program**

The ethanol blending program progressed well from 5% (2020) to 20% in 2025 and is expected to sustain till Oct-26. The industry is facing some excess capacity.

Post 2026, the government is considering increasing the blending to 27%, which would provide the next phase of growth.

The blending program saved INR 33,000cr in foreign exchange and facilitated former income payments of INR 40,000cr in FY25.

The company has supplied 110cr liters of ethanol in FY25, and volumes are expected to grow in line with the blending program.

Bio-fuels

The company is actively exploring future opportunities in advanced biofuels, including SAF. SAF is primarily used for carbon emission reduction mandates in Europe.

The company is on track for supply commitments in FY26E. The company is active in securing allocation from the OMCs.

Potable Spirits

In potable Spirits, the company is shifting from mass market (High volume and low margin) to premium brands.

Amazing vodka is among the top 3 brands in key markets like UP, Delhi, Uttarakhand, and Chandigarh. The company has extended the Amazing brand into Whiskey.

Zumba is a premium white spirit, and Soulmate Blue is positioned as a premium brand.

The quality of ENA from the Kashipur plant enables the production of high-quality white spirits like vodka and rum.

The company is established in Kerala. The Kerala market is tailored to local consumption, where brandy and rum volumes are around 90%. The company got approvals for 7 brands, including rum, brandy (marvel).

Kerala government has secured tender prices without 20-35% negotiation, which would lead to better profitability.

The company has a strong market position for Country Liquor in UP.

The company is in the process of getting some of its brands approved by CSD for the Army.

Amrut

Amrut has introduced 8-10 brands and is witnessing good traction.

Molasses reservation policy

Molasses reservation policy mandates sugar mills to supply a portion of their molasses to country liquor manufacturers. The change in reservation quota from 19% to 25% relates to B-heavy molasses, which has a higher sugar content than C-heavy molasses. However ethanol content is almost equal.

The government policy is designed steady supply of raw material for country liquor manufacturers, and reservations will not disrupt the supply.

Chemicals

Chemical business facing challenges due to lower-cost petrochemical alternatives due to subdued crude oil prices, reduced offtake from the JV, and the impact of US tariffs.

Chemical business margin improvement supported by higher-margin value-added products like new performance chemicals.

Bio-based amines commercial sales are expected to commence in the coming quarter with partners like L'Oreal.

NSU segment is expected to double in FY26E.

Ennature Biopharma

Ennature Biopharma is facing challenges due to competitive pressures, lower volume in the Nicotine Business due to new low-cost manufacturers, and volatility in the Thiocolchicoside market caused by seed supply shortages.

The company is focused on branded nutraceuticals. The US FDA certification for its plant and high-margin products is expected to restore margins going forward.

Preferential allotment and debt repayment

The preferential allotment of INR 467cr by promoters will be used for debt repayment. The long-term debt stood at INR 1,400cr.

Post demerger, the debt splits are India Glycols – INR 600cr and IGL Spirits – INR 800cr. Preferential and normal scheduled payment of NR 640cr will reduce debt substantially.

The debt repayment is expected to reduce finance costs by 60-70cr from FY27E onwards. The average cost of long-term debt is around 10%.

Capex

The capex is for specialty chemicals and performance materials. The capex is expected to be INR 10-50cr, depending on the finalization of customer contracts in FY27E, and replacement capex will continue.

Other highlights

The company is leveraging multiple feedstocks, including molasses and grain, to service demand.

JV business is facing challenges due to tariffs.

Titagarh Rail Systems Q2FY26 Concall Highlights

Mcaps: INR 117bn | CMP: INR 870

Order book

The company order book stood at INR 150.77bn as of Q2FY26. The order book breakup is Freight – INR 36.29bn, Passenger – INR 109.55bn, and Shipbuilding – INR 4.93bn.

JV order book share stood at INR 133.26bn as of Q2FY26. The order book breakup is Vande Bharat with BHEL – INR 70.26bn and Wheelsets with RK Forgings – INR 63bn. The overall order book stood at INR 284bn.

In freight, the order book is around 9,000 wagons.

The new wagon tenders from Indian Railways are expected in Q1FY27E.

Wagons

The wheelset shortage has normalized since Aug-25. The company has resumed a production run-rate of 800 wagons/month and expects in the range of 800-850 wagons/month.

Margins

Passenger rail segment margins are expected to reach 11%-12%, once it reaches an annualized production run-rate of 150-200 coaches.

The in-house propulsion systems would add 4%-5% of additional margins. Overall, margins are expected to be 15%-16% going forward.

Passenger coaches

Passenger car volume stood at 21 cars in H1FY26. The company is focused on achieving 100-120 passenger coach cars in FY26E.

Gujarat metro prototype is expected to deliver in Q3FY26, and production ramp-up is expected thereafter.

The company got metro orders in Mumbai Metro Line 5 and Line 6. Mumbai metro orders are scheduled for Q3/Q4FY27E. Mumbai metro orders, AMC share is around 15% of the contract value. AMC margins are around 20%-25%.

The company has established an aluminum coach manufacturing line. The machines are under installation, and production is expected to commence in Q1FY27E. The facility will enable to production of complete aluminum cars in India, moving away from the previous model of importing flat packs from Italy.

Vande Bharat

In the Vande Bharat train, the 1st car body is being manufactured, and 1st complete train delivery is expected in Q3FY27E.

Ship building

The shipbuilding spin-off involves an Initial capital induction of INR 500mn by the company. The new entity is expected to raise its own capital thereafter.

In shipbuilding, the company has a proven track record of 35 vessels delivered to the Indian Navy, Coast Guard, and other clients.

The new shipyard capacity is around 15-18 vessels per annum. The company is focused on specialized vessels such as naval crafts, research vessels, and fast patrol vessels, typically 100-160 meters in length.

Shipbuilding margins are around 15%-17%. Vessel realization around INR 1-2.5bn, depending on complexity.

Backward integration and supply chain

The company already supplies traction motors to Indian Railways. The 1st propulsion system supplies for EMU trains are commencing in Q3FY26.

The company is gaining full capability in the Traction Control Management System (TCMS) through a Technology Transfer agreement with ABB.

The company is focused on bringing the entire car body manufacturing process in-house to mitigate supply chain challenges by the end of Q4FY26E.

JV

The JV with Ramkrishna Forgings to produce wheelsets in Chennai is on track and expected to be operational by Q1FY27E. The facility will solve wheelset issues in the industry.

Firema

The company is in discussions to dilute its stake, allowing an arm of the Italian government to take control of Firema.

Other highlights

Tax rates are expected to normalize to 25.5% in FY26E.

The company has largely unutilized working capital limits provides comfort for ramp-up.

The Indian Railways has an ambitious target to increase freight traffic from 1.6bn tons to 3bn tons by 2030.

Tolins Tyres limited Q2FY26 Concall KTAs

Outlook: The company expects a strong recovery in H2FY26 as demand has normalised after the GST-related slowdown, with Q3 volumes already back to Q1 levels and raw material costs softening. Management sees better revenue, higher volumes, and margin improvement supported by GST-led affordability, new agricultural tyres, the INR 50 crore Tamil Nadu transport order, and growing exports from the UAE unit. The company is maintaining a minimum 10% growth outlook for FY26 with stable margins and believes the business is well-positioned for steady improvement in Q3 and Q4.

Financial Performance

Q2FY26 revenue declined to INR 66.1 crore from INR 76.9 crore YoY due to demand postponement in PCTR.

Q2 EBITDA was INR 8.91 crore versus INR 15 crore YoY, with EBITDA margin at 13.5%.

Q2 PAT was INR 6.92 crore, down from INR 9.6 crore YoY, with PAT margin stable near 10%.

Raw material prices for rubber and crude derivatives remained broadly stable, aiding expected margin recovery in H2.

EPS for H1FY26 stood at INR 4.16.

Demand Trends & GST Impact

Demand softness in Q2 was driven by 45+ days of purchase deferment ahead of GST rate cuts, particularly in PCTR.

PCTR volumes saw a ~20–25% drop from mid-August to late September as customers anticipated tax reduction.

GST cut from 28% to 18% for tyres and 18% to 5% for tractor/farm tyres is expected to meaningfully improve affordability and accelerate demand.

Management confirmed that volumes fully normalized in Q3, now matching Q1 levels.

Retreading demand also rebounded and is now operating at pre-GST-impact levels.

Segmental Highlights

The tyre segment grew in Q2, while the decline was isolated to the PCTR (retreading materials) business.

Rubber compounds (bonding gum, vulcanizing solutions) accounted for ~7% of total PCTR-related sales.

Agriculture tyres are expected to contribute INR 10 crore from the existing line and INR 3 - 4 crore from new tractor rear tyres over the next six months, totaling INR 15 crore.

Apollo off take business contributed INR 2.3 crore in Q2, currently under job-work/contract-manufacturing mode with discussions ongoing for top-line billing.

Order Book & Growth Drivers

A new Tamil Nadu State Transport Undertaking order worth INR 40–50 crore has been secured, with execution over one year, and 50% expected in FY26.

Newly launched Tracker VR tyres are receiving encouraging market response, with meaningful contribution expected from Q3.

Expansion into rural and semi-rural markets is strengthening the channel base and diversifying revenue.

Exports from the UAE plant to the US have commenced for tread rubber, taking advantage of a 10% tariff environment.

Operations & Cost Structure

Its manufacturing efficiencies were improved through process optimisation, overhead control, and increased digital visibility across plants.

Skill-based hiring during expansion was followed by partial automation to lift productivity with stable manpower cost.

The company is commissioning a Terra Rubber recycling project with INR 2 crore investment

Kalpataru Ltd – Key Takeaways – Q2FY26
CMP – INR 368 | Mcap – INR 76 Bn**Outlook**

- Kalpataru plans to launch ~3.2 Mn sq.ft. of saleable area in FY26, reinforcing a strong execution pipeline with a balanced mix of owned, JV, and development projects across key locations such as Mumbai, Thane, Pune, and Karjat.
- Regulatory approvals are progressing steadily, with project launches and occupancies expected to accelerate, supporting revenue recognition.
- Management remains confident of sustaining healthy pre-sales and collections growth for FY26, backed by strong customer demand, infrastructure developments, and ongoing launches, including key projects like Kalpataru Park City Estela, Shishti Namah, and Kalpataru 1 Worli.
- Focus on deleveraging continues with net debt target of INR 73 Bn by FY26 end and aggressive refinancings expected to lower finance costs.

Financial Highlights of the Quarter

- Q2 FY26 revenue from operations stood at INR 7,940 Mn with H1 FY26 revenue at INR 12,370 Mn reflecting improved project execution and revenue recognition.
- Adjusted EBITDA was INR 1,900 Mn in Q2 and INR 2,930 Mn in H1, with EBITDA margin guidance increasing to approximately 35% going forward.
- Q2 FY26 profit improved to INR 50 Mn from a loss of INR 520 Mn in Q1 FY26.
- Pre-sales grew 19% YoY to INR 13,290 Mn in Q2, with H1 FY26 pre-sales at INR 25,770 Mn up 43% YoY.
- Collections increased 37% YoY to INR 11,620 Mn in Q2 and INR 23,080 Mn in H1 FY26.
- Gross debt was INR 89,280 Mn as of Sept 30, 2025, with cash and equivalents at INR 9,030 Mn, resulting in net debt of INR 80,250 Mn (INR 8,025 crores), down from INR 93,100 Mn at FY25-end.
- Capital expenditure in H1 FY26 was approximately INR 9,050 Mn, including construction and municipal payments; business development spend was INR 750-800 Mn, with higher spend expected in H2 FY26.

Other Highlights

- Execution momentum is supported by urban infrastructure development, especially in Thane and Worli, with sales traction picking up strongly in these micro-markets.
- The launch pipeline for 3-3.5 years comprises projects with a combined saleable value of, INR 240 Bn.
- Net debt to equity ratio is improving from 3.8x in March 2025 to ~2x currently; expected to reduce to ~1.5x by FY27 and ~1x or lower by FY28.
- Strong pre-sales and collections provide confidence to meet FY26 guidance of INR 70,000 Mn in pre-sales and INR 57,000 Mn in collections, implying 55-56% YoY growth.
- Projects under revenue recognition mostly follow a percentage of completion method; several key projects will contribute to increasing margin expansion and volume growth in coming quarters.
- Projects forthcoming in the next six months include the Andheri redevelopment project and two towers in the Eternia project in Thane as well as the Aria project in Karjat.
- Other key projects with good sales momentum include Kalpataru Amara at Juhu, Kalpataru Vivant at JBLR Bengaluru, Kalpataru Adway at Borivali, and Kalpataru Blossoms at Pune (Srikad Road).
- Borivali project is divided into three towers with expected occupation certificates staggered between FY28 and FY29; over 60% of launched inventory has been sold with ongoing construction advance.
- The company is focusing on redevelopment expertise in Mumbai suburbs and continuing plotted developments in Mumbai Metropolitan Region (MMR) and Pune with one launch planned in Hyderabad and Noida in the future.
- Total land parcels held are fully paid for and include core and non-core areas, with some non-core parcels planned for monetization or longer-term development beyond five years.

Ather Energy – Q2FY26 Concall KTAs-Arihant Capital
CMP INR 660 | Market Cap INR 25,139 Cr

Outlook: Remains confident of sustaining strong volume momentum, supported by festive tailwinds, a robust order book, and an expanded presence across Middle India. Cost efficiencies are expected to improve further with the rollout of the EL platform and increased adoption of LFP technology. The company continues to focus on margin expansion through scale leverage, growth in software, ProPack, and aftermarket revenues, along with localization efforts. It aims to achieve EBITDA breakeven within the next 3–4 quarters, driven by stable average selling prices, rising non-vehicle income, and ongoing cost optimization initiatives. Long-term outlook remains strong, underpinned by a diversified product portfolio, an expanding dealer network, and a differentiated technological edge through integrated software and hardware capabilities.

Adjusted Gross Margin : at 22% (21% ex-subsidy), improving +300bps YoY and +100bps QoQ, despite one-time rare-earth supply chain impact delaying subsidy filings (~INR 20 cr impact).

EBITDA losses narrowed sharply to <10%, an improvement of 1100bps YoY / 600bps QoQ, reflecting better scale leverage and cost control.

Network expansion: Added 78 new stores in Q2, taking total count to 524, targeting ~700 stores by FY26-end. Distribution growth has shifted from South-led to non-South (Middle India) focus. Middle India (Maharashtra, MP, Gujarat, Odisha, Chhattisgarh). Market share surged from 4% in Q1FY25 to 14.5% in Q2FY26.

Gujarat strong at 20–25%, Maharashtra ~15–17%, MP climbed to >10% share with ~2,000 units/month.

India: Crossed 10% share for the first time, with leadership in J&K (>40%) and double-digit share in Punjab (12–13%) and Rajasthan (13%).

450S and Rista S, covering “low-tech, high-range” segment; early reception positive with minimal cannibalization.

BaaS launched, reducing Rista S entry price to INR 76,000, aiding affordability and funnel expansion.

AtherStack 7.0 software launched with pothole alerts, crash alerts, voice integration, marking strong ecosystem integration; attached rate at 89%, non-vehicle revenue share at 12%.

New EL platform: Focused on cost efficiency, scalability, and improved safety/convenience. To feature 14-inch wheels, ChargeDrive Controller (integrated AC-DC module), and AEBS (advanced electronic braking system). EL platform expected to be a structural cost step-down for upcoming scooters (launch in FY27).

Gross margin: Underlying GM improved 150bps QoQ, driven by higher share of LFP batteries and ongoing R&D-led cost optimizations.

Operating leverage improving as volumes scale and fixed cost absorption aiding profitability.

Dealer profitability: New stores typically breakeven in 3–4 quarters, aided by EC2.0/3.0 formats.

Accessory and software attach rates rising—ProPack attach at 70–75% in newer regions, up from ~50%.

EBITDA margin: Improved to (9–10%), H1FY26 at (12%), with clear visibility toward breakeven as EL platform and volumes scale further.

Festive: October registrations exceeded 30,000 units, up ~50% YoY, with widespread stock-outs across ECs.

Inventory levels low and production ramp-up underway

New plant (Auric) delayed by 2–3 months due to clearances, but no volume loss expected initial EL production to commence from Hosur to maintain launch timelines.

Charging Infrastructure

Fast-charging network: Expanded to ~4,300 points nationwide; launched 6kW charger (2x faster, smaller, lower cost).

Intercity connectivity focus: Enabled routes such as Bengaluru–Mysuru, Mumbai–Pune, Chennai–Pondicherry, enhancing long-distance usability.

Market share at 17.4%, up from low-teens last year highest-ever share for Ather.

Leadership regained in South; strong traction across new geographies, supported by balanced ASPs despite rural/mid-India expansion.

“clean P&L” versus peers no shared resources, PLI, or cross-subsidization, reflecting true operational performance.

Q2FY26 volumes stood at 66,000 units, up 67% YoY / 42% QoQ, Ather’s highest-ever quarterly sales. Total income reached INR 940 cr, up 57% YoY, supported by expanding retail footprint and consistent ASPs across regions.

KEC International Q2FY26 Concall Highlights**Mcap: INR 202.5bn | CMP: INR 761**

Outlook: KEC International's order book stood at INR 440bn, and the tender pipeline of INR 1.8 lakh cr shows business visibility over the medium term. T&D business remains robust and contributes 65% of the business, and has double-digit margins. The company is focused on achieving 8% margins by FY26E. Civil business is expected to be strong in H2FY26E, supported by new high-margin projects in factories and data centers. The company is focused on high-margin technology projects like Kavach and expanding its cable business into high-value segments. The water segment is facing challenges due to delayed payments and is expected to improve gradually. We have a positive outlook on the stock.

Revenue

Revenue growth stood at ~15% in H1FY26, in line with full-year guidance.

Margins

EBITDA margins stood at 7% in H1FY26. The company is targeting 8% margins by FY26E.

T&D business has double-digit EBITDA margins, and non-T&D segments like Civil and Railway margins have single digits.

Order book

The order book stood at INR 440bn, including L1.

The order inflow stood at INR 160bn and 75% from T&D.

T&D order inflow stood at INR 120bn. The company has secured 1st order in CIS and landmark orders (INR 31bn) in the UAE and the largest substation order (INR 10bn) in Saudi Arabia.

Pipeline

The tender pipeline is around INR 1.8 lakh cr. The breakup is T&D – INR 600-650bn. Within T&D, domestic – INR 200-230bn, and the remaining from the Middle East, Africa, CIS, and Americas.

Capex

The capex is expected to be INR 4bn in FY26E. The capex for elastomeric and e-beam cables, tower facility in Nagpur.

Civil

Civil business has been impacted due to extended monsoons, labor shortages, and delayed payments in the water segment.

Civil business is expected to reach INR 50bn in FY26E. Around INR 30bn revenue is expected in H2FY26E. The company has received INR 30bn+ orders in B&F, despite challenges.

Civil business margins are expected to improve. The legacy, low-margin projects are completed, and new, higher-margin orders in factories, data centers, and residential buildings are entering the execution phase.

Water

Water segment receivables around INR 8.75bn, majorly from Odisha and resin in MP.

JJM order book stood at INR 16bn. The breakups are Odisha (INR 10bn) and MP (INR 6bn).

Railways

In railways, the company is focused on technology-driven projects like Kavach, signalling, and BLST projects.

The company has implemented Kavach across 482 route km and is currently deploying an additional 2,000 route km.

Railways' order book is around INR 30bn.

Cables

In cables, investments for new e-beam and elastomeric cable lines are on track, and commercial production is expected by the end of FY26E or early FY27E. The new lines will cater to high-performance applications in defense, automotive, and railways.

Renewables

Renewables business revenue is around INR 900mn. The company is executing two large solar projects in Karnataka and Rajasthan, each of 500MW.

The company is focused on reaching INR 30-40bn in the next 2-3 years. The company is targeting solar and wind EPC projects.

Working capital and debt

Net working capital days increased to 138 days, due to deployment for growth, strategic build-up in inventories, and delayed payments from water.

Net debt stood at INR 64.8bn and is expected to be around INR 50bn by the end of FY26E, supported by receipt of advances from new orders, collections from Saudi retentions, and pending \$30mn payments from the ADB for projects in Afghanistan in Q4FY26E.

SAE towers

In SAE towers, the company is witnessing good traction in hardware orders.

SAE order book stood at INR 23bn.

Other highlights

The company is expanding its tower manufacturing facilities in Dubai, Jaipur, and Nagpur to meet rising demand.

Middle East, particularly Saudi Arabia, the UAE, and Oman, continues to be a key growth driver.

MapmyIndia Ltd | Q2 FY26 | Earnings call Key Takeaways |**CMP: INR 1,742 | M-Cap: INR 99.27 Bn**

1. Strategic Investments & Technology - Focus on next-gen products and platforms, especially Mappls app.
 - Mappls app user base crossed 40 million, serving as a tech showcase impacting B2B & B2B2C businesses.
2. Major Contracts & Government Engagements
 - Landmark INR 110 crore 5-year contract with Indian Oil Corporation (IOCL) for IoT-enabled fleet management.
 - Contract with Survey of India for building National Geospatial platform using MapmyIndia tech.
 - MoU signed with Delhi Metro Rail Corporation (DMRC) for data sharing and commercial collaboration.
 - Expanding engagements in large government verticals: railways, defense, roads, and municipalities.
3. Financial Performance Highlights
 - H1 FY26 revenue grew 14.7% YoY.
 - EBITDA INR 84 crores for half-year; PAT stable at INR 64 crores despite increased investments.
 - Q2 investments impacted margins, with one-off technical outsourcing costs of INR 10-15 crores mainly in IoT-led projects.
 - Strong cash position with INR 639 crores cash & equivalents.
4. Business Segments
 - IoT-led business showed strong growth with rising recurring SaaS revenues, complementing hardware sales.
 - Automotive segment impacted in Q2 due to GST-related delivery shifts, expecting Q3 recovery.
 - Corporate & consumer tech growing with large quick delivery companies adopting MapmyIndia APIs.
5. Future Outlook and Goals
 - Target revenue INR 1000 crore by FY28, with confidence in meeting growth and margin aspirations.
 - Continued investments in road safety projects, digital transformation, and scalable government platforms expected.
 - Focus on large enterprise customers for API products, with possible future expansion to developer ecosystems.

Sri Lotus Developers and Realty Ltd - Q2 FY26**CMP – INR 173 | Mcap – INR 85 Bn****Financial Highlights (Q2 FY26)**

- Revenue: INR 1,760 Mn, up 43% YoY and 187% QoQ
- Presales: INR 2,570 Mn, growing 126% YoY
- Collections: INR 1,060 Mn in Q2; H1 collections at INR 1,750 Mn.
- EBITDA: INR 500 Mn, with margin at 28.6%; margin expected to normalize to 35-40%
- Profit After Tax (PAT): INR 460 Mn, 8% YoY decline but 80% QoQ growth
- Expenses related to ongoing/upcoming projects increased significantly
- Net cash as of September 2025: INR 8,510 Mn.

Growth Prospect

- Strong pipeline with six new projects added in H1 FY26, with revenue potential INR 50,000 Mn crore
- Four upcoming launches in H2 FY26 (Varun Bandra, Lotus Aquaria Prabhadevi, Lotus Celestial Versova, Lotus Trident Andheri West) with revenue potential INR 3,500-3,700 crore
- FY26 guidance includes presales of INR 11,000-13,000 Mn, revenue growth of 75-85% YoY, and PAT growth of 30-35% YoY
- High clientele demand fuelled mainly by scarcity of luxury redevelopment stock and prime location positioning
- ROE of 41% in FY25, among the highest in the industry, driven by asset light model, limited marketing spends, and net debt-free status

Other highlights -

- Expenses towards ongoing and upcoming projects increased to INR 2,280 Mn from INR 380 Mn YoY, reflecting new launches and project progression.
- Two new projects launched in September 2025: Arcadian (Juhu) and Amalfi (Versova) with booking worth INR 920 Mn and INR 380 Mn in the first week respectively; these projects have GDV potential of around INR 7,000 Mn and INR 3,000 Mn.
- Mumbai luxury redevelopment market remains robust with strong demand due to land scarcity and premium locations; company maintains a focus on asset-light, capital-efficient redevelopment model with 84% ongoing and 91% upcoming projects in redevelopment.
- Management confident of sustaining EBITDA margins in the 35-40% range and maintaining PAT margins of 25-30%.
- Execution pace is fast with some projects expected to complete or reach occupancy certificates by end of FY26, enabling sales launch.
- Business development strategy focuses on redevelopment expertise, execution capability, luxury positioning, and strong client base including celebrities and corporates.

Arihant Capital Markets Ltd

Syrma SGS Technology – Q2FY26 Concall KTAs

Outlook: Syrma SGS delivered strong performance in Q2FY26 with broad-based growth across key segments. Management maintained its ~30-35% revenue growth guidance for FY26 and expects EBITDA margins to come in the range of 8.5-9%. The company executed multiple strategic tie-ups and acquisitions in Q2, which are expected to strengthen its presence in high-margin verticals like defence, railways, RE, and PCB manufacturing. Export revenue is expected to cross INR 1,000 cr in FY26 and will remain a key focus area going forward.

Business Mix

- The industrial segment contributed 26% of revenue vs 21% in Q2FY25, led by demand from power management and data center applications.
- The auto segment accounted for 24%, benefiting from increasing electronics content and EV-related orders.
- The consumer segment share reduced to 32%, in line with the focus on high-value verticals.
- IT and railways verticals saw strong momentum, driven by laptop manufacturing and onboarding of new client Dynabook.
- The smart meter business contributed around INR 50 cr in Q2 and remains on track to achieve INR 300 cr+ in FY26.
- The defence business through Elcome acquisition is expected to scale from INR 200 cr revenue currently to INR 300-350 cr in the next 2-3 years.

Order Book

- The total order book stood at INR 5,800 cr in Q2FY26, with auto and industrial segments forming about 70% of the total order book.
- The company has added eight major new customers in Q2FY26, each with potential annual revenue of around USD 100mn.
- The company also entered a long-term contract with a key customer worth USD 250mn over the next 2-3 years.

Capex and Expansion

- Capex for H1FY26 stood at INR 45 cr, and full-year spending is expected to be between INR 60-100 cr.
- The PCB project received approval from the GOI under the ECMS scheme and the AP government.
- Groundbreaking for the PCB facility is expected in Dec-25, with trial production targeted by next year.
- The total project cost is expected at INR 1,500 cr, with phase I at INR 700-800 cr covering the multilayer PCB line.
- The project will have 1-1.2x asset turns and is expected to generate INR 2,000-2,500 cr in annual revenue at full capacity.
- State incentives will cover 50% of capex, while central PLI benefits will provide 5-6% of revenue for six years.
- The phase 2 expansion for CCL and HDI PCBs will begin around FY27, once utilization of the first line reaches 60-70%.

Acquisition and JV**Elcome acq (entry into Defence)**

- The company acquired a 50% stake in Elcome, a defence electronics firm with INR 200 cr revenue and a 25%+ EBITDA margin, which will provide Syrma entry into defence and surveillance systems.

Elemaster JV

- The JV will focus on railway and industrial electronics, initially catering to Indian demand.

KSolare partnership

- The company and Premier jointly acquired KSolare, a solar inverter manufacturer with INR 300 cr revenue; it will produce inverter modules at its Pune facility.

Working Capital

- The WC days stood at 73 days, slightly higher YoY, mainly due to increased receivables and inventory buildup. Management expects to bring it down to below 65 days by the end of FY26.

Bajaj Consumer Care Ltd Q2FY26 Concall KTAs**CMP: INR 281 | Market Cap: INR 40 Bn**

The company's outlook is to continue focusing on reviving double-digit revenue growth with a strong focus on supporting the core brand Almond Drops through innovation initiatives, distribution expansion, and enhanced advertising.

Q2FY26 Financial Highlights

- Sales stood at INR 261.4 Cr, a strong Y-o-Y growth of 13.3%.
- EBITDA Margin improved by over 400 bps, at 18.6%.
- The primary drivers for margin improvement were threefold: strategic pricing executed in Q1 (and fully effective in Q2), an active, favorable change in portfolio mix, and a series of productivity actions.
- The company is expecting a near-term stability in margins is anticipated before the longer-term incremental journey towards higher margin levels continues.

Core Brand Dynamics and Pricing Realization

- Bajaj Almond Drops Hair Oil (ADHO) delivered a double-digit revenue growth in India.
- This value growth, despite flattish volume growth, was attributed to a combination of factors such as Trade pricing actions, A favorable mix change, and concentrating on improving realization across different pack levels.
- The largest portion of the volume/value gap realization was contributed by pricing.
- Demand Revival: Price point packs (sachets, INR 10 and INR 20 SKUs), critical indicators of broad-based demand, grew in high single digits after a long period of muted performance. Larger packs saw even faster, strong double-digit growth.
- Coconut Hair Oil experienced a muted quarter with only 3% revenue growth, resulting from reduced inputs and a steep price hike.
- The CNO category saw consumer movement towards lower-priced alternatives, leading to a short-term market share decline. To counter this, the company launched 'Bajaj Gold Enriched Coconut Hair Oil' in September to achieve a better portfolio approach and manage profitability against rapidly rising copra prices.
- Advertising investments for ADHO increased substantially, with a 50% increase in Gross Rating Points over the corresponding period last month, focusing on prime-time slots and top-rated shows, alongside a doubling down on digital marketing.

Channel Performance and Project Arohan Progress

- General Trade has 5% YoY growth delivered by strong double-digit growth in urban markets.
- Urban Distribution saw successful performance in key sub-channels (direct retail and wholesale). Direct retail benefited from the addition of over 38,000 outlets under Project Arohan. Wholesale hygiene and discipline issues have been fixed, resulting in steady revenues.
- Organized Trade demonstrated strong double-digit Y-o-Y growth, achieving a salience of 31%. Both Modern Trade and E-commerce grew strongly in the 20s.
- Project Arohan, the GTM initiative, is currently a "strong green" in urban and wholesale channels.
- Rural Business remains a "work in progress" due to disruptive GTM transitions. A significant gap of 600 to 700 bps exists between urban and rural volume growth. The company anticipates rural markets will fully bounce back over the next couple of quarters.
- The company aims to enhance its direct distribution coverage by 8-10% annually over the next 3 to 4 years, targeting a 1.5x increase in direct distribution over a 4 to 5-year horizon.

Key Highlights

- The government announced a landmark GST reduction, positioning nearly 100% of the historical BCCL portfolio at the 5% slab. This is viewed as a strong structural positive move set to unleash demand growth in upcoming quarters.
- The transition resulted in temporary channel de-stocking during September. The company estimates this led to a loss of approximately 3% of the quarter's total revenue. This loss is considered one-time and temporary.
- The pass-on of GST benefits to consumers involved price drops in many SKUs or extra volume addition in price point SKUs. Net revenue realization is expected to remain constant, as net revenue is exclusive of GST.
- Input Costs: While Light Liquid Paraffin prices are down roughly 7% Y-o-Y, other key raw materials are seeing strong inflation: RMO is up close to 40%, and copra prices have more than doubled.

Acquisition Integration and Strategic Outlook

- The Banjara brand contributed a top line of INR 14.5 crores, reflecting an 11.5% Y-o-Y growth, maintaining a healthy mid-teen EBITDA margin. Full-scale benefits from the acquisition are anticipated in the next financial year.
- The long-term aspiration is to achieve a double-digit group CAGR.
- Future growth is expected to be primarily volume and mix-driven; long-term pricing is expected to be less than inflation.

SMS Pharmaceuticals Ltd – Q2FY26 Concall Highlights**Outlook**

SMS Pharma enters H2FY26 with robust momentum, targeting ~20% revenue growth and 20% EBITDA margin for FY26, underpinned by backward integration, expanding capacities, and portfolio diversification. Management remains confident of sustaining asset turnover at 1.5x driven by operational efficiencies and regulated market focus.

Financial Performance

- Revenue for Q2FY26 increased 23% YoY to INR 2,424 mn, supported by robust demand and market share gains across key APIs.
- H1FY26 revenue from operations reached INR4,384 mn, up 21% YoY.
- EBITDA for Q2FY26 stood at INR 483 mn, up 54% YoY, with margins expanding to 20%.
- PAT for Q2FY26 grew 80% YoY to INR 253 mn, the highest ever in a single quarter, driven by strong revenue growth and margin expansion.

Backward Integration and Cost Competitiveness

- The company has invested approximately INR 1,500 mn over the past 12–18 months to build in-house capabilities for critical intermediates across its API portfolio.
- Backward integration has strengthened cost competitiveness, improved supply chain reliability, and ensured consistent quality, reducing dependency on external suppliers, especially from China.
- This strategic move provides a sustainable advantage in a market where global customers seek dependable non-Chinese sources.
- The full benefit of backward integration is still unfolding, with further margin improvement expected in the coming quarters as new plants reach full commercialization.

R&D and Product Pipeline

- R&D remains a key pillar, with over 100 scientists currently dedicated to the function, and plans to double R&D strength over the next two years.
- The company has filed over 120 DMFs and aims to add another 30 in the next 24–30 months.
- The joint venture with Chemo (Spain) has yielded significant success in the anti-diabetic segment, with SMS Pharma being first to market in Europe and establishing a leading position.
- R&D investments are also being made in peptide initiatives with commercial operations targeted to begin in FY29.

Segmental Performance and Diversification

- Anti-inflammatory and ARV segments remain key growth drivers, while anti-diabetic products are the largest therapeutic category, recording steady growth.
- Segments such as anti-epileptic, anti-erectile dysfunction, and emerging molecules have shown healthy traction.
- The largest therapeutic category accounted for only 24% of revenue, underscoring the company's focus on maintaining a diversified product portfolio.
- ARV segment is moderate margin accretive, with good visibility for the next three quarters due to tender awards.
- Anti-diabetic segment saw limited growth YoY due to patent expiries and increased competition, but the company has consolidated its market share and expects stability going forward.

Capex and Capacity Expansion

- The company has commenced a INR 2,800 mn Capex program on track for completion by November 2026.
- The project will enhance capacities for existing APIs and build new capacities for the product pipeline, including a INR 300 mn outlay for land acquisition for a greenfield project.
- Revenue and EBITDA margin contributions from the new capacities are expected to materialize from FY28 onwards.

Working Capital and Receivables

- Receivables are increasing due to higher revenue, but all receivables are within 120 days, indicating healthy collection cycles.
- The company is focused on improving receivable days and reducing the working capital cycle as part of its operational efficiency initiatives.

Guidance

- The company is confident of achieving its FY26 targets of around 20% revenue growth and 20% EBITDA margins, translating into a net asset turnover of 1.5x, among the best in the industry.
- Growth will be driven by completed backward integration, strong R&D capabilities, advanced plant engineering, diversified product portfolio, and price stabilization in key APIs.

Remus Pharmaceuticals Ltd Q2FY26 Earnings Call - Key Takeaways**Outlook**

Remus Pharmaceuticals delivered a robust operational quarter marked by sustained volume growth and improved margin profile amid mixed macroeconomic conditions. The company continues to leverage its diversified product portfolio, expanding manufacturing capabilities, and global regulatory approvals to drive long-term value creation.

Financial and Operational Performance

- Revenue growth led by volume expansion in key API and formulation products, supported by market penetration and new product launches.
- Margins showed stable improvement through cost optimization, scale economies, and improved supply chain management.
- Working capital cycle remained stable with efficient inventory management and receivable collections.
- Incremental capacity utilization rose as recently expanded facilities ramped production to meet growing demand.

Product and Market Segment Updates

- Active Pharmaceutical Ingredients (API): Significant volume growth across multiple APIs with new commercial launches in regulated markets.
- Formulations: Expansion in specialty formulations including contract manufacturing and niche therapeutic segments contributing incremental revenues.
- Regulatory Approvals: Progress on ANDA filings and approvals in the US and other regulated markets bolstered pipeline visibility.
- Emerging Markets: Growing contribution from geographies including South Asia and Africa, backed by strategic partnerships and local approvals.

Strategic and Growth Initiatives

- Capacity expansion projects nearing completion, focused on increasing API and formulation production capabilities.
- Ongoing investments in R&D aimed at complex generics, novel delivery systems, and improving process efficiencies.
- Strengthened global compliance and quality standards aligning to market requirements, supporting export growth.
- Focus on sustainable manufacturing practices including waste reduction and energy efficiency programs.

Management Commentary

- Management highlighted optimism on the regulatory approval outlook and steady ramp-up of new products driving medium-term growth.
- Pricing pressures in certain commoditized APIs being mitigated by value-added product mix and backward integration.
- Continued emphasis on enhancing operational efficiencies and market diversification to safeguard profitability.
- Positive incremental market share gains in key formulations and specialty APIs globally.

Solar Industries India Ltd – Q2FY26 Concall Takeaways**CMP: INR 13,973 | MCap: INR 1,264 Bn****Defense Segment – Core Growth Engine**

The defense vertical remains the key growth driver, with Q3FY26 marking the onset of a new growth phase.

- Order Book: Stands strong at ~INR 155,000 Mn, of which ~INR 80,000 Mn is from international contracts, to be executed over 3–4 years.
- FY26 Guidance: Management reiterated defense revenue guidance of INR 30,000 Mn (vs. INR 9,000 Mn in H1). Defense revenue is expected to surpass INR 10,000 Mn within the next two quarters.
- Key Drivers: Policy support, border security focus, and push for self-reliance.

Product Pipeline:

- 155 mm Shells: Trial production initiated; commercial production from Q4FY26, aiming for complete round manufacturing.
- Counter-Drone Systems: Field trials to complete by Mar'26.
- Loitering Ammunition & Energetics: Repeat and new orders received; expanding into medium-caliber and missile programs.
- Order Momentum: Fresh orders expected in coming months.

International Business – Sustained Momentum

- Revenue: Record sales of INR 9,600 Mn in Q2FY26.
- Growth Outlook: Targeting ~15% annual growth; overseas markets expected to offset domestic cyclicality.
- Geographic Expansion:

Operations in South Africa, Turkey, Ghana, Nigeria, and Tanzania performing well. Facilities in Australia and Kazakhstan to be operational within 6–12 months; Saudi entry under progress.

Typically takes 3–4 years to scale new markets.

Financial & Operational Guidance (FY26)

- Topline Target: INR 100,000 Mn with EBITDA margin of 27%+.
- Domestic Market: Weak Q2 due to monsoon-led mining slowdown; demand recovery expected in H2 from power, mining, housing, and infra. Management expects double-digit growth for FY26.
- Working Capital: Temporarily stretched due to higher defense inventory; expected to normalize to ~90 days by Mar'26.
- Capex: H1FY26 capex at INR 760 Mn vs. full-year plan of INR 25,000 Mn; delays due to monsoons. The INR 127,000 Mn Maharashtra MoU spans three years.

Solar Industries remains on track to deliver robust growth, led by defense acceleration and expanding global operations. Near-term margins may fluctuate due to working capital and ramp-up costs, but the long-term growth trajectory remains intact.

Kriti Industries (India) Ltd Q2 FY26 Concall Takeaways**CMP: INR 108 | Market Cap: INR 5,660 Mn**

- Extended rains from May through October severely disrupted agricultural demand across MP, Rajasthan, and Maharashtra, making it an unprecedented weather event that impacted both top-line and bottom-line performance.
- Despite lower absolute sales, the company gained approximately 5-7% market share across core geographies, suggesting competitive resilience; MP market share estimated to have improved from ~50% to 58-59%.
- Management recognizes that heavy reliance on three core states left them more vulnerable to localized monsoon disruptions compared to better-diversified peers, indicating a strategic vulnerability in portfolio design.
- Building materials segment remains nascent with only ~10-12% market share in Maharashtra and insignificant presence in other regions, making it a negligible contributor currently but a material opportunity going forward.
- Expansion into new markets is underway but requires time to mature; management expects meaningful contributions as development progresses, though exact timeline remains fluid.
- Management has identified key strategic levers for differentiation in building products and expects business impact over the coming months; margin profile expected to improve substantially as initiatives mature.
- Approximately INR 670-680 Mn deployed from the INR 1500 Mn raised; company adopting a sequential investment approach where each growth trigger must be achieved before moving to the next phase.
- Per-unit expenses were planned for much higher volumes that weren't achieved; despite improved per-unit realization through product mix optimization, fixed cost absorption remained weak during the period.
- Post-Diwali (early November) market has begun showing positive recovery signs as monsoon concluded, with management expecting this momentum to continue through peak season quarters.
- Resin prices remained stable with no inventory losses; raw material supply comfortable, clearing one area of operational concern and removing a headwind to profitability.
- Agricultural and building material sectors projected to grow sustainably for the next 6-7 years; long-term demand fundamentals remain intact despite current cyclical softness.
- Professional CEO now in place overseeing business management with vertical heads and regional in-charges reporting below; organizational structure established to support multi-geography and multi-vertical expansion.

Arihant Capital Market Limited

Krystal Integrated Services Ltd | Q2 FY26 Key Takeaways

CMP - INR 530 | Mcap - INR 7,390 Mn

Quarter Summary

- Delivered steady revenue growth with stable EBITDA margin despite temporary moderation in government segment due to tender finalisation delays (timing issue, not demand related).
- Demand environment remains healthy; management chose to avoid low-margin / scale-only contracts to protect earnings quality.

Business Momentum

- Corporate business is the key growth engine with 53% YoY growth in H1 and recurring client wins.
- 92 new corporate clients onboarded in H1 FY26 (114 added in FY25), showing continued traction.
- Order book remains strong at ~₹2,600 Cr, giving multi-quarter visibility.
- Branch footprint expanded from 26 to 33, strengthening national delivery capability.
- Focus on Integrated Facility Management, Staffing/Payroll, Manned Guarding, Catering, and Waste/Technical Facility Management as bundled offerings.
- Emerging verticals (Water, Waste, O&M, Technical facility services) progressing well and expected to contribute meaningfully in medium term.
- One-stop multi-service model helping increase wallet share and client stickiness, especially in healthcare, education, airports, railways, and metro infra.
- Over 33,000+ on-site employees with industry-leading training via Krystal Integrated Training Academy (KITA).
- 100% contract renewal track record among applicable non-government clients over 5 years -indicates strong service delivery and retention.

Key Watchpoints

- Government project execution timing can cause quarterly volatility
- Margins near-term stable but expansion depends on mix shift to tech/O&M and value services
- Working capital cycle remains relatively longer given business nature

Guidance & Outlook

Management expects a stronger H2 as deferred government tenders move into execution and corporate momentum continues to scale. Growth will be driven by expanding service bouquet, branching into new geographies, and rising contribution from Waste, Water, and Technical facility contracts. The company is focused on profitable growth, margin protection, and long-term contracts over pure scale. With solid order visibility and increasing wallet share, Krystal is positioned for steady and sustainable expansion ahead.

Arihant Capital Markets Ltd

Lords Chloro Alkali Ltd Q2FY26 Concall Highlights

Financial and Operational Performance

- Total income stood at INR 1,000 mn for Q2FY26, representing robust growth from INR 608.6 mn in Q2FY25.
- EBITDA for the quarter was INR 210.9 mn, with margins remaining healthy at 20.93%.
- Profit after tax came in at INR 90.4 mn for Q2FY26, a sharp recovery from INR 3.6 mn in Q2FY25, supported by operating leverage and lower energy costs.
- The company reduced energy cost per ton to INR 3,900 from INR 5,100 YoY, attributed to commissioning the captive solar power plant and energy mix optimization.
- Capacity utilization remained strong at ~85%, in line with industry levels.

Strategic Expansion and Capex

- Invested ~INR 1,500 mn in FY24-25, focusing on expanding caustic soda capacity from 210 TPD to 300 TPD and CPW from 20 TPD to 50 TPD, alongside 16 MW captive solar addition.
- Current capex underway (~INR 400 mn) includes further CPW capacity expansion (50 TPD to 100 TPD) and investment in a 10 MW wind-solar hybrid PPA, taking renewable energy contribution to 25%.
- Announced yesterday, a new round of capex worth INR 1,650 mn will cover caustic soda expansion to 400 TPD (with closure of a 40 TPD older, inefficient plant, net capacity 360 TPD), sulfuric acid unit (for product diversification and steam cost savings), and additional 21 MW solar power, aiming for a 40-50% renewable footprint.
- Capex is spread over the next 4-5 quarters: solar commissioning by March-April, other plants within 12-18 months.
- Funding mix will involve both debt and equity, including a warrant issue for INR 440 mn (INR 320 mn yet to be raised).

Sector and Market Commentary

- India's caustic soda production capacity stands at 6 mn tons, with utilization above 80%, on par with global levels.
- A major structural shift: India has moved from net importer to exporter, expected export volumes of caustic soda ~1 mn tons this year.
- Capacity expansions in India (~2-2.5 mn tons over 3 years), with Reliance and Adani adding large plants on the western coast, mainly targeting ties to PVC via captive chlorine integration.
- Freight costs protect Lords' north market, as western producers face prohibitive logistics to up north (~20-25% of caustic cost per ton).
- Structural attrition in Europe due to high energy costs—operating rates at 60-70%, with 300-400,000 tons capacity shut and more expected; positive for India's global export opportunity.
- China remains the world's dominant player (41 mn tons capacity, growing to 45-46 mn tons) but is shifting capacities to remote regions rather than net shrinking national output.

Product Portfolio and Revenue Mix

- Caustic soda and its derivatives contribute ~80% of revenue; chlorine is a net negative product (except in value-added derivatives like CPW), and ~40-45% of chlorine output is sold externally.
- Sulfuric acid addition will further diversify portfolio and aid cost structure by providing process steam.
- North-based operational advantage allows for price premium versus export-oriented players, though exports may be considered if green caustic soda fetches a product premium.

Gulshan Polyols Ltd– Q2FY26 Concall Takeaways**CMP: INR 155 | MCap: INR 9,677 Mn****Growth and Revenue Outlook**

- The company is positioned for strong topline growth, driven by higher capacity utilisation and new plant ramp-ups.
- FY27 Revenue Target: ~INR 28,000 Mn, based on 80–90% utilisation across divisions; installed capacity supports potential revenue of ~INR 30,000 Mn.
- FY26 Guidance: Management expects ~20% YoY revenue growth.

Ethanol Segment – Key Growth Lever

- The Ethanol vertical remains a major focus area, with utilisation expected to improve as tender allocations ramp up.
- Capacity & Allocation: Total ethanol capacity at 230 Mn litres; current allocation for ESY25/26 at 175 Mn litres.
- Tender Outlook: Management expects additional allocations via 3–4 tender cycles (C2–C4) in the next few months; OMCs still need ~1,000 Mn litres more ethanol.

Margin Drivers:

- Lower Grain Prices: FCI rice release has eased raw material cost pressures.
- Operational Maturity: Efficiency gains from stabilised new plants.
- Raw Material Mix: ~40% FCI rice, 45% maize, 15% DSG; maize at INR 21–22/kg, FCI rice at INR 24–25/kg; power & fuel cost ~INR 6/litre.
- Utilisation Outlook: Capacity utilisation expected to improve by ~20% in FY26.

Incentives / Other Income:

- INR 1,000 Mn received in October (to reflect in Q3 results).
- INR 140–150 Mn sanctioned under MP government scheme (H2 receipt expected).
- INR 50 Mn expected under Assam NEEDS policy.
- PLI inflows likely from H2FY26 or H1FY27.

Working Capital & Borrowing:

- Current working capital borrowing: INR 2,500 Mn; peak borrowing capped at INR 2,750 Mn.
- Higher requirement due to 40% raw material (rice) now procured on advance payment versus 20–30 days earlier credit terms.

Segmental Highlights

- Mineral Processing (Legacy Division)
- Stable 40-year business; prioritising margins over volumes.
- Margin Guidance: 23–24%, with willingness to forgo 5–10% revenue if needed to preserve profitability.

Grain Processing (Recovery Mode)

- Recent improvement post operational adjustments.
- Starch Business: Temporarily halted (contributed <10% of turnover); may restart in H2FY26 as input prices correct.
- Challenges: Margin pressure from domestic overcapacity and China reopening; offset by diversification and multi-product flexibility.

Overview

The company's growth trajectory remains robust, backed by capacity-led expansion and improving ethanol realisations. The working capital tightening from advance procurement should normalise once tender cycles stabilise. FY26–27 revenue guidance appears achievable contingent on higher OMC allocations and stable raw material costs.

Orchid Pharma Ltd Q2FY26 Concall Highlights**Financial Performance**

Q2FY26 sales stood at INR 1,940 million, reflecting a YoY decline of roughly 13%, though registering a sequential improvement versus Q1FY26.

AMS division achieved sales growth of 40% quarter-on-quarter, albeit on a low base, with the drag reducing to INR 18 million versus INR 30 million in the prior quarter.

Market Dynamics and Industry Commentary

Persistent weakness in both volume and pricing was noted across the broad antibiotics and cephalosporins segment; the downturn persisted or deepened from Q1 and is now among the most prolonged in a decade.

India's antibiotic export volume declined 26% YoY, with export value contracting by 36% this quarter, confirming broad-based demand pressure and no visible signs of recovery in volumes or prices.

Similar industry weakness observed in China—a slowdown in domestic and export demand, especially for cephalosporin-based antibiotics.

Management cited multiple contributors to sluggish demand: inventory buildup in preceding years, lower flu season intensity, regulatory initiatives to curb antibiotic misuse, and softer healthcare spending in key geographies. Innovative molecules (Ceftolozane, Cefiderocol, Ceftazidime-Avibactam) continue to see healthy global growth, underscoring persistent resistance issues and structural importance of cephalosporins.

Company expects structural growth in Asia and Africa over the medium term, whereas regulated Western markets are likely to see more muted prospects.

Strategic Initiatives & Pipeline Progress

Strategic milestone: formal acquisition of global rights for Enmetazobactam and trademark Xblifep completed, bringing future economic and royalty streams directly under Orchid, including double-digit royalty from Advanced Pharma sales in Europe.

Global licensing for Xblifep is complete in Europe and MENA markets; price approvals in Germany, France, Spain, Italy, and the UK expected by end-December 2025, with sales expected to scale as approvals conclude.

Product rollout in India (Oblisep brand, partnership with Cipla) surpassed one-year targets, with over 15,000 patients treated and 200,000+ vials sold since launch; patient uptake and prescriber acceptance are robust and expanding geographically.

Focus on further licensing and commercial deals for Xblifep across global markets; concrete progress expected in coming quarters.

Dhanuka Labs merger is awaiting regulatory clearance—court hearings anticipated by end-November; first half sales at Dhanuka were INR 1,960 million, facing similar volume pressure as Orchid's core business.

The 7ACA fermentation project remains on track post weather-related setbacks; all fermenters installed and major equipment arriving, aiming to reduce import dependence and enhance cost structure on completion.

Cefiderocol project also on schedule, with building structure complete and equipment delivery ongoing, targeted for production readiness by Q4FY26.

Segment and Product Commentary

Base business gross margin is expected to stabilize as high-cost inventory is liquidated and lower raw material cost inventory flows through from Q3FY26.

AMS division, while a negative contributor in Q2 (-INR 18 million), is gradually improving and expected to break even by Q4FY26 or next fiscal, backed by expanding hospital engagement and prescriber network.

Split between regulated and unregulated market revenue typically holds at 40:60 on annualized basis; quarterly granularity not provided on call.

Outlook & Guidance

Management reiterated that FY26 will remain muted operationally, with no near-term revenue rebound expected; recovery contingent on demand normalization and customer inventory rationalization, particularly in regulated export markets.

Gross margin normalization to 40-43% is possible post inventory clean-up and demand pick-up, but exact guidance deferred given prevailing uncertainty.

Key priorities for H2FY26: conclude new licensing arrangements for Xblifep, expedite project completion for 7ACA and Cefiderocol, expand AMS franchise in Indian hospitals, and maintain a cautious approach to global demand

Gopal Snacks Ltd – Q2FY26 Concall KTAs
CMP: INR 336 | Market Cap: INR 4,191 Cr**Financial Performance and Margin Expansion**

Revenue from operations in Q2 FY26 stood at INR 3,757 million (INR 375.7 crore), representing a 15.6% quarter-on-quarter increase or 16.6% sequential growth.

The company delivered improved profitability sequentially due to operational efficiencies and disciplined cost management.

The Gross profit margin expanded to 26.4%, with gross profit for the quarter at INR 992 million (INR 99.2 crores), mainly driven by subsidy income and stable raw material prices.

EBITDA margin reached 6.4% for the quarter, aided by operating leverage and prudent control over discretionary spend.

Profit After Tax (PAT) stood at INR 257 million (25.7 crore), resulting in a PAT margin of 6.8%. This includes an exceptional income of INR 215 million (INR 21.5 crore) primarily from an interim insurance payment related to the Rajkot facility fire.

Manufacturing Resilience and Capacity Growth

Despite the continued impact of the Rajkot facility fire during the quarter, the Gondal unit maintained uninterrupted production and supply, reinforcing manufacturing resilience.

The company received an interim insurance payment of INR 199.9 million (INR 19.99 crore) related to the Rajkot facility.

To strengthen the regional footprint, long-term agreements were entered into for third-party manufacturing facilities in Virud[ph], Karnataka, and Kashipur, Uttarakhand.

These new facilities collectively add over 10,000 metric tonnes per annum of capacity, which is intended to serve southern and northern markets more efficiently and reduce lead times.

Distribution Network and Operational Efficiency

The Modasa plant ramped up smoothly, leading to improved distribution coverage across Gujarat, Rajasthan, Maharashtra, and Madhya Pradesh.

By Q2 FY26, the distribution network included 858 active distributors, reflecting steady expansion and better on-ground execution.

Operational efficiency and service levels were improved through the implementation of an advanced Redistribution Management system and ERP integration, which streamlined dealer-level visibility and inventory planning.

Strategic Outlook and Brand Focus

The Modasa plant has commenced trial production, and the financial benefits are expected to be shown partially in Q3 FY26 results and fully in Q4 FY26.

Strategic priorities remain focused on expanding market presence, driving efficiency through technology integration, and innovation across product lines.

Brand recall and visibility were strengthened through several actions, including an association as the official snack partner for The Filmfare Award 2025.

Other brand initiatives included refreshed packaging, increased visibility at airports and modern trade outlets, and increased participation in festival promotions.

The outlook for the gross profit margin is stable, with expectations that it will remain in the range of 25% to 26%.

Vikran Engineering Ltd– Q2FY26 Concall KTAs**CMP: INR 103 | Market Cap: INR 2,643 Cr****Financial Performance and Half-Year Highlights**

The first half of FY26 marked steady progress with healthy year-on-year revenue growth and meaningful expansion in margins.

Overall H1 revenue reached INR 1,760 million (176 CR), reflecting a 13.6% increase compared to the previous year.

Profit After Tax (PAT) improved significantly to INR 148 million (14.8 cr) in H1 FY26, compared to INR 63 million (6.3 cr) in H1 FY25.

While fixed costs absorption makes H1 margins look slightly lower (historically 25% to 30% of total turnover), the full-year EBITDA margins are expected to remain in the similar range as generated in the last three financial years.

India rating upgraded the company's credit rating to IN A- Stable, which is anticipated to lead to further improvements in interest rates and finance costs going forward.

Record Order Book and Entry into Solar EPC

As of 2025, the total unexecuted order book exceeds INR 40,000 million (4,000 crores), which provides strong revenue visibility for the coming quarters and represents a doubling of the order book compared to the previous year.

This entry was marked by two significant turnkey EPC contracts:

- A INR 3,550 million (355 cr) project for a 100-megawatt solar power project in Maharashtra.
- A landmark single project order of INR 16,420 million (1642 cr).

The current order book mix is diversified, with approximately 50% from solar, 32% from Power TND, and the balance 18% from water and railway infrastructure.

The existing order book is expected to be executed within 18 months.

Strategic Capacity and Execution Excellence

The company maintains an unwavering focus on execution excellence, quality delivery, and operational rigor. It boasts a track record of closing projects as per schedule and has successfully executed projects up to 765 KV ahead of schedule.

The company leverages in-house design and engineering capabilities across civil, electrical, mechanical, instrumentation, signaling, and telecommunication.

Proceeds from the recent IPO are being strategically deployed to support working capital needs and execute ongoing and newly secured projects. The management estimates that the current working capital capacity could support a turnover of approximately INR 25,000 million (2,500 cr) without requiring additional working capital.

Growth Outlook and Market Diversification

The company expects to deliver a stronger performance in the second half of FY26 (H2). Next year's revenue target is projected to exceed INR 2,000 million (2,000 cr plus).

The company is looking to expand into infrastructure EPC projects within the private sector and explore international opportunities in Africa and the Middle East.

The strategic shift is reflected in the order mix, where private sector projects now contribute approximately 60% of the order book, with government projects accounting for 40%.

The bidding pipeline currently holds an additional INR 30,000 million to INR 40,000 Mn (3,000 to 4,000 crores) worth of bids

Sangam India Limited Q2 FY26**CMP – INR 438 | Mcap – INR 22 Bn****Financial Performance**

- Revenue: INR 7,850 Mn, up 16% YoY, driven by higher volumes and an improved product mix.
- Adjusted EBITDA: INR 7,260 Mn, a strong 32% YoY increase, with margin expansion of 120 bps to 9.6%.
- Net Profit: INR 230 Mn, reflecting underlying operating strength and the impact of revised depreciation policy.

Operational Highlights

- Completion of extensive capex cycle with all capacities operational, leading to improved capacity utilisation across divisions.
- Continuous optimisation of product mix focused on higher-margin products contributing to revenue growth and margin expansion.
- Margin improvement driven by a combination of cost control, operational efficiencies, better product mix, and stable or improving realisations, particularly as raw material prices (cotton, yarn) have bottomed out.
- Exports continue to represent ~37-40% of revenues, with no expected significant change.
- Operational efficiency supported by ongoing sustainability initiatives, including renewable energy sourcing and increased use of recycled materials.

Strategic Developments

- Board approved revision of depreciation policy to better align asset useful lives with economic reality, improving profit representation without cash flow impact.
- Renewable energy initiatives include a 12 MW captive power project in Rajasthan expected to deliver INR 10 crore annual savings from December.
- Company anticipates stable revenue growth of 12-15% for the full year FY26, supported by strong capacity utilisation gains (fabric and garment segments still have headroom), and expects sustainable EBITDA margins at the 10-12% range from now on.
- No major new capex planned in the near term; focus on maximising profitability of existing asset base.
- Debt reduction possible over 2-3 years with no anticipated negative impact on growth or margins.
- Continuous modernisation and automation with typical payback of 3-7 years depending on project scale.

Market and Competitive Position

- No significant pricing pressure anticipated from domestic or international peers; Bangladesh is seen more as a customer market than a competitor.
- US market exposure is minimal (<1%), with limited impact from tariffs due to shipping strategies and client diversification.
- European market showing some growth prospects compared to challenges in the US apparel sector.
- Working capital requirements are higher for fabric divisions versus the yarn division due to the inventory and receivables profile.

Guidance and Outlook

- Revenue growth to continue at 12-15% p.a., driven by stronger capacity utilisation and mix improvements.
- Earnings growth to be supported by margin expansion of 1-2 percentage points over the next couple of quarters.
- Target capacity utilisation nearing 90% to drive top-line expansion towards INR 30,000-33,000 Mn for FY26.
- Long-term ROCE improvement expected with margin expansion and better asset turns, targeting 12-14% ROCE over the next 12-18 months.
- Focus on sustainable growth with enhanced operational discipline, capital allocation, and ESG initiatives, maintaining responsible value creation.

Spencers Retail Limited Q2FY26 Concall KTAs**CMP: INR 46 | Market Cap: INR 4,127 Mn | TP: INR 140****Key Highlights**

- Sales showed 7% QoQ growth, indicating buoyancy despite Q2 headwinds, specifically GST-related supply chain disruptions and heavy unseasonal rains in West Bengal during September.
- Gross Margin remained steady at 21%, reflecting a 20-bps improvement over Q1.
- Expenses were significantly reduced (less than 100 Cr) compared to Q2 last year (130 Cr+), benefited by exiting unprofitable regions. Further, major fixed cost optimization of the headroom is limited.
- Sales Per Square Foot improved sharply to 1,600+ in Q2, up from 1,500 in Q1 and 1,200 in Q2 last year.
- Consolidated EBITDA was flat (zero) versus 5 Cr in the previous quarter, primarily due to a 7 Cr reduction in 'other income' (from 11 Cr to 4 Cr).

Strategic Pivot: Online Growth & Investment Thesis

- The online component (Jify for Spencer's and Out-of-Store for Nature's Basket) is confirmed as the primary top-line growth driver for the business.
- Jify Traction: Spencer's 30-minute delivery platform ('Jify') delivered INR 52.5 Cr in Q2, representing 30% QoQ growth and over 50% YoY growth. The platform averages around 8,000 orders per day.
- Jify achieved positive unit economics at the order level in August and September. Fulfillment costs are now under INR 100, aided by an Average Order Value of INR 750+, which is considered above the industry benchmark.
- The company maintains a prudent approach to scaling, focusing on acquiring new customers from the existing offline base. Customer Acquisition Costs are competitive at INR 330.
- Online operations begin to achieve significantly reduced losses when monthly turnover approaches INR 25 Cr per month, and a "good chance of breaking even" when sales surpass INR 30 Cr per month.
- The necessary investment in scaling the online business will prevent the company from achieving operational EBITDA positivity at the consolidated level in the near term.

Offline Optimization & Profitability Drive

- The strategy for Spencer's offline segment is consolidation and maximizing existing assets ("getting the maximum juice out of existing stores"), with no plans for aggressive new store additions.
- The 'My Spencer's Rewards' paid membership program has enrolled over 50,000 members (8-9% of the active customer base).
- The program drives significant value; members' average monthly spend is 5x higher (nearly INR 9,000), and the return rate hovers around 80%. These high-value members contribute 20% of total sales.
- The company is confident that both the Spencer's and Nature's Basket offline segments can achieve operational EBITDA break-even within a few quarters, potentially by the end of FY26.

Nature's Basket Segment Highlights

- Nature's Basket revenues (68–69 Cr) and margins were flat QoQ, with a slight negative EBITDA impact.
- The premium gourmet retailer is experiencing pressure from the consumer migration from offline to online, exacerbated by rising competition from specialised online gourmet retailers (e.g., First Club in Bangalore).
- Q2 performance was also impacted by availability issues related to international suppliers, particularly due to flux in export markets, affecting items like imported coffee and Southeast Asian noodles.
- The Nature's Basket app has been successfully migrated to the new Jify native tech platform to enhance the online proposition.

Outlook

- SPSF Target Aspiration: To achieve steady-state store EBITDA levels (6-7.5%), consolidated SPSF must clearly cross INR 2,000, with an aspirational target of INR 2,200–INR 2,300 by the end of the next financial year.
- EBITDA Expansion Lever: Future EBITDA expansion will be driven entirely by increasing top-line volume (higher SPSF) to improve Gross Margin absorption of fixed costs, rather than increasing percentage margins or reducing fixed costs further.

Oriental Aromatics Ltd Q2FY26 Earnings Call - Key Takeaways**Outlook**

Oriental Aromatics Ltd delivered a resilient Q2FY26 performance marked by robust volume growth, margin improvement, and healthy cash flow generation. Strong demand from global fragrance houses and FMCG sectors supported sustainable expansion across product lines. The company continues to prioritize capacity ramp-up, new product launches, and technological innovation to capitalize on evolving market trends.

Financial and Operational Performance

- Recorded strong volume growth with sales up significantly year-over-year, driven by higher realization and product mix improvement.
- EBITDA margin expanded due to operational efficiencies, cost optimization, and favorable product mix.
- Consistent working capital management yielded strong cash flow conversion and balance sheet strength.
- Capital expenditure focused on capacity expansions and modernization facilitates to meet increasing global demand.

Product Portfolio and Market Development

- Solid growth in aroma chemicals and specialty chemicals portfolio, serving leading fragrance and flavor manufacturers globally.
- New product introductions saw rapid adoption, contributing materially to incremental revenues.
- Increasing traction in natural and eco-friendly product segments aligned with consumer demand for sustainable ingredients.
- Customer base expanded with new contracts in lucrative markets including Europe and North America.

Capacity Expansion and Innovation

- Ongoing debottlenecking and capacity expansions progressing ahead of schedule, with significant volume growth expected in the second half of FY26.
- Elevated R&D investments to enhance technology capabilities focusing on bio-based and green chemistry products.
- Advances in process engineering enabling cost reductions and environmental compliance.
- Strategic partnerships with global research organizations to innovate advanced fragrance molecules.

Management Commentary

- Management emphasized confidence in medium-term growth driven by volume ramp-up, product innovation, and global market expansion.
- Pricing environment stable with selective upward revisions in differentiated product lines.
- Competitive positioning enhanced by strong quality systems, customer intimacy, and rapid product development cycles.
- Positive outlook on evolving regulations favoring sustainable chemistry, providing new avenues for differentiation.
- Commitment to ESG principles and sustainability practices central to operational strategy.

Juniper Hotels Ltd | Q2 FY26 Key Takeaways**CMP: INR 244 | M-Cap: INR 54,650 Mn****Quarter Snapshot**

- Delivered the **highest ever Q2 revenue**, supported by strong demand and better pricing.
- **Turned profitable at PAT level**, a meaningful improvement from last year.
- Key properties such as **Andaz, Grand Hyatt Mumbai and HRA** showed strong outperformance vs city demand trends.

Margin & Cost Dynamics

- **EBITDA margins improved**, reflecting operating efficiencies and cost control.
- Benefits seen from **lower power costs and controlled maintenance spends**.
- Some margin pressure from **higher employee costs (increments and new property hiring) and marketing/commission spends**, which are part of growth investments.

Expansion & Portfolio Growth

- **Bengaluru property Phase 1 is on track for year-end launch**, Phase 2 in planning.
- **Kaziranga project has broken ground**, with Guwahati also in the pipeline.
- The company remains focused on **significantly scaling room inventory by 2030** across luxury and upper-upscale segments

-ARR continued to trend strong, driven by premium room mix and better realizations.

-RevPAR growth was pricing-led, showing improved pricing power rather than only occupancy gains.

--Rooms segment remains the largest revenue driver, followed by F&B and other income streams.

-F&B revenue remained stable and healthy, supported by corporate bookings and large events.

-MICE and banquets continue to be a key demand lever, benefiting from higher business and events activity.

Guidance & Outlook

Management remains positive on demand across corporate, leisure, and events. Pricing strength is expected to continue, and upcoming hotel launches will unlock new revenue streams. Short-term margins may see minor impact from expansion costs, but overall profitability is expected to stay healthy. With strong brands, improving asset mix, and expansion ahead, the company is well positioned for steady long-term growth.

Paisalo Digital Ltd – Q2FY26 Concall KTAs

Management remained positive in sustaining 20% annualized AUM growth and maintaining NIMs at 6.5% on the back of disciplined risk management, strong partnerships in co-lending, and improving operating leverage. The company remains focused on scaling its inclusive lending model by deepening technology integration and AI-based collections and is focused on deeper penetration across semi-urban and rural India. Over the medium term Paisalo targets doubling its AUM in 3 years while maintaining sub-2% credit cost and stable ROA/ROE trajectory at 3.6% and 11.7% respectively.

Financial Performance

AUM increased to an all-time high at INR 54,494 Mn up 20% YoY with a 41% YoY rise in disbursements to INR 11,025 Mn.

Total income for Q2FY26 stood at INR 2,240 Mn up 20% YoY while NII was at INR 1,262 Mn, up 15% YoY.

PBT and PAT were at INR 690 Mn and INR 515 Mn respectively up ~3% YoY each despite higher operating expenses on account of network expansion. ROA and ROE stood at 3.6% and 11.7% respectively.

For H1FY26 total income grew 19% YoY to INR 4,427 Mn.

NII grew 18% YoY to INR 2,507 Mn and PAT rose 8% YoY to INR 957 Mn.

Asset quality remained strong with GNPA at 0.81% and NNPA at 0.65%, supported by a 98.4% collection efficiency.

Business and Distribution Expansion

The company further scaled its physical presence with the addition of 383 touchpoints in Q2FY26 taking the network to 402 branches, 2,585 distribution points, and 1,393 BC points.

The BC network has extended to 22 states with a 95.7% compliance score from recent audits.

This multi-tier structure of branches, distribution points, and BCs provides full coverage with optimized cost structure and stronger last-mile delivery.

The company facilitated the opening of 3,926 small savings accounts and 43,020 cross-sell accounts during the quarter reflecting deeper financial inclusion impact.

Partnerships and Product Diversification

The co-lending partnership with SBI has been ongoing and API integration is underway to further scale up and smoothen operations for both MSME and SME segments.

The model allows for higher ROE on the back of shared risk and efficient utilization of the balance sheet.

Paisalo strengthened the OEM partnerships with Mahindra, Tata, Honda, Hero, and TVS thereby leading to growth across medical equipment, agriculture, and solar lending categories.

New product pilots - Loans Against Properties, Tractor Finance, and Medical Equipment Loans - have been completed and will be scaled up across key regions in FY26.

Integration of Technology and AI

The company furthered its digital initiatives by deploying a GenAI-based calling system on NVIDIA-powered chips ~350,000 calls are automated every day for EMI reminders, collections, and engagement with borrowers.

This multilingual AI platform increases repayment discipline and customer experience through natural language-based interactions, dynamic follow-ups, and real-time dashboards to monitor outcomes.

Paisalo will extend this technology to lead generation in the coming quarters.

Funding, Capital Structure, and Guidance

Borrowings stood at INR 37,688 Mn at an average cost of 10.5% down from 12.6% 4 years ago.

The company expects funding costs to remain stable at current levels.

The debt-to-equity ratio was comfortable at 2.24x with a CAR of 38.2% (Tier I: 30.3%) above regulatory requirements.

During Q2, Paisalo completed a USD 4 Mn FCCB conversion from its USD 50 Mn issue, strengthening capital adequacy further.

Management reiterated guidance of maintaining credit costs below 2% and gross NPAs below 1%, while continuing 20% AUM growth.

Saksoft – Q2FY26 Concall KTAs-Arihant Capital**CMP INR 203 | Market Cap INR 2689 Cr | View: Positive**

Outlook: Remains confident of sustaining 20%+ revenue growth, supported by a strong deal pipeline, ramp-up of AI-based platforms, and deeper client engagement in productivity-focused digital programs. H2FY26 is expected to witness steady demand with margins normalizing to 17–18% as sales and leadership costs phase in. The US business is set to gain traction under the new growth leadership, while Europe may remain selectively cautious. The company reiterated its FY26 revenue target of INR 1,000–1,100 Cr (20–25% YoY growth) with sustainable EBITDA margins of 17–18%, driven by client mining, strategic account expansion, and potential inorganic opportunities. Under its Vision 2030, aims to reach INR 5,000 Cr revenue through 25–30% organic CAGR supplemented by 1–2 strategic acquisitions, reaffirming its commitment to profitable, AI-led growth and consistent double-digit revenue and PAT expansion.

EBITDA: INR 51 Cr, up 38% YoY, margin at 19.6% (+250 bps YoY). Management attributes margin expansion to operational efficiency and lower one-time costs and Q1 had higher event and acquisition-related expenses.

Client: Diversified base with 16 \$1Mn+ clients; top-10 client concentration at ~58%. Growth largely from existing clients (~95%) via higher wallet share. Clients cautious on large discretionary projects preferring smaller, outcome-based engagements.

Added a Chief Growth Officer (CGO) based in the US West Coast to scale client mining and new business. Hiring to remain linked to revenue trajectory (~1:1 ratio) and targets 25–30% CAGR in headcount to support growth.

AI-led portfolio continues to drive differentiation under Intelligent Products & Intelligent Platforms themes. New AI accelerators launched: SakMod composable framework for legacy modernization. SakAccelerate unified AIOps + FinOps automation platform.

Platform innovations: Conversational AI and Emergency Care Agent for intelligent routing and 360° customer support view.

75% of current AI work relates to productivity and efficiency use-cases, 25% to agentic automation. Early AI deal traction seen recent PO from a large Indian bank for testing automation.

BFS and emerging verticals driving growth momentum and healthy digital transformation and modernization pipeline.

Large headroom in 16 \$1Mn+ accounts (clients like Honeywell, Go. com) wallet share expansion runway. Early mover advantage in AI-led productivity solutions. Balanced geography and sector mix reduces concentration risk.

Vendor consolidation at large accounts could pose a risk of displacement.

Currency impact: ~1.5% benefit in Q2 (rest 2.5% real growth). Acquisition pipeline: Continuous discussions; none imminent but focus on capability and customer acquisition-led deals.

GPT Healthcare Ltd. Q2FY26 Concall KTAs

CMP: INR 143 | Mcap: INR 11.71 Bn

Outlook & Guidance

Management reaffirmed its robust growth strategy, targeting an overall 15% top-line growth for FY26, leveraging the existing portfolio and scaling new assets, while acknowledging that growth rates for mature hospitals typically stabilize around 6% to 8%. The consolidated EBITDA margin for FY26 is expected to be in the range of 20% to 21%, inclusive of the initial losses incurred by the new Raipur facility. Long-term strategic expansion remains focused on achieving a thousand-bed hospital chain over the next two years. Management guides for a 5% to 6% incremental ARPOB growth through enhanced case mix complexity and measured price revisions, with approximately 5% already realized in H1 FY26. Expansion efforts are concentrated in underserved regions of Eastern India, with the Jamshedpur project (150 beds) expected to be commissioned by the end of Q3 FY27.

Financial Performance

- **Revenue and Profitability:** Revenue from operations for Q2 FY26 stood at INR 118.9 Cr., marking a 12.5% YoY growth. EBITDA for the quarter was INR 24.1 Cr., reflecting an EBITDA margin of 20%. The EBITDA drop of 10% YoY was primarily attributed to initial losses from the Raipur hospital, totalling approximately INR 4.5 Cr. during the quarter. Profit after Tax (PAT) came in at INR 10.6 Cr., corresponding to an 8.8% margin.
- **Base Business Growth:** Excluding the operations of the new Raipur unit, the existing base business grew at approximately 6% to 6.5%. Management noted that Q2 FY26 was a festive quarter, leading to slightly muted results, but expects stronger performance in Q3 and Q4.
- **Key Metrics:** The Average Revenue Per Occupied Bed (ARPOB) stood at INR 38,376, aligning with the company's focus on middle-to-high income patient segments. The Average Length of Stay (ALOS) improved to 3.49 days as of September 30, 2025.
- **Payer Mix:** Approximately 92% of the company's business continues to be derived from cash and insurance patients, underscoring the strength of the neighbourhood tertiary care model.

Hospital-Specific Performance & Ramp-Up

Raipur Hospital (New Unit)

- **Loss Profile:** The EBITDA loss for Raipur in Q2 was approximately INR 3 Cr., contributing to a cumulative H1 FY26 EBITDA loss of INR 7.2 Cr. The full-year FY26 EBITDA loss projection for Raipur is expected to be around INR 10 Cr. Rent expense for the facility is approximately INR 35 lakhs per month.
- **Occupancy & Break-Even:** Q2 FY26 occupancy stood at 12%. Management anticipates reaching 25% occupancy by the end of FY26. Monthly EBITDA break-even is projected to occur within 12 to 15 months at roughly 25% occupancy.
- **FY27 Outlook:** Raipur is expected to achieve 8% to 10% EBITDA margins for the full year FY27, operating at around 35% occupancy.
- **New Services:** Renal transplants, chemotherapy, and oncology surgeries have commenced, and the license for liver transplants has been secured and will be operational soon.
- **Salt Lake (Mature Unit):** Delivered strong performance, with ARPOB increasing further to INR 41,620 (from INR 39,491). Q2 occupancy was 64%. The 85-bed high-end surgical center utilizes a robot-enabled operation theatre, having performed over 700 robotic surgeries to date, which is positively influencing the case mix.
- **Dum Dum Hospital (Mature Unit):** Q2 occupancy saw a considerable uptick, moving to 69% (up from 59% in Q1). ARPOB is stable at INR 42,000. The strategic realignment of the department mix, moving away from long-stay departments to short-stay departments, was an intentional change that reduced the ALOS from 5.8 days to approximately 4.3 days over the past year.
- **Agartala Hospital:** Occupancy bounced back to 54% (Q2) from 47%. ARPOB increased to approximately INR 35,000 (from INR 32,400). The facility, which is the only corporate tertiary care hospital in Tripura, has commenced comprehensive oncology services, conducting 700 cancer procedures in just four months. International patient flow from Bangladesh has started to improve, contributing around 3% to 4% of patient volumes.

Capital Allocation and Expansion Pipeline

- **Jamshedpur Project:** An MOU has been signed for a 150-bed hospital in Jamshedpur, with an estimated investment outlay of INR 70 Cr. This facility is expected to be commissioned by the end of Q3 FY27.
- **Ranchi Project:** The Ranchi project remains procedurally delayed as the company awaits necessary clearances from the government.
- **Future Growth Avenues:** GPT Healthcare is actively evaluating multiple Tier 2 cities in Eastern India ,including Varanasi, Patna, and Cuttack. The primary challenge in these markets is securing good quality assets. The company is exploring both greenfield opportunities (which may be asset-light or involve land investment if the location is strategic) and potential acquisitions.

Core Margin Profile

- **Hospital-Level Margins:** Mature hospitals (excluding Raipur and Howrah) are clocking standalone EBITDA margins of approximately 25%. Agartala, specifically, is operating at around 26% to 27% margins.
- **HO Costs:** Head Office costs are apportioned at around 3% to 4% of the consolidated EBITDA margin.
- **Consolidated Margin:** Including HO costs and reflecting the initial losses of Raipur, the consolidated EBITDA margin for Q2 FY26 was 20%.

The management emphasized that its ability to attract and retain consultants, even amidst increased competition(especially in areas like Dum Dum), stems from being a doctor-led organization that offers better facilities, remuneration, and comfort in clinical practice.

Surya Roshni Ltd – Q2 FY26 Earnings Highlights & Key Takeaways**CMP:- INR 300 | M. CAP. :- 65,300Mn****Outlook**

Management remains optimistic about the company's performance in the second half of FY26, driven by strong order visibility, healthy balance sheet, and improved operational efficiencies. Demand momentum across both the steel and lighting segments is expected to sustain, supported by infrastructure investments, festive demand, and rising adoption of energy-efficient products. The company continues to focus on innovation, cost optimization, and expansion across domestic and export markets to strengthen its leadership position.

Strong Operational and Financial Performance

Consolidated revenue grew **21% YoY to INR 18.45 bn**, led by strong growth across both steel and lighting segments.

EBITDA increased 69% YoY to INR 1.41 bn, with margins expanding to **7.6%**.

PAT more than doubled to INR 0.74 bn, up **117% YoY**, driven by better realizations, product mix, and operating leverage.

Declared an **interim dividend of INR 2.5 per share**, reaffirming commitment to shareholder value creation.

The company remains **debt-free**, with a **cash surplus of INR 2.5 bn** as of September 30, 2025.

Segmental Highlights**Steel Pipes & Strips:**

Revenue rose **24% YoY to INR 14.11 bn**, supported by a **26% volume increase** and improved product mix.

EBITDA more than doubled to INR 1.02 bn, while **profitability per ton improved 73% YoY to INR 5,013 per ton**.

Export volume grew **45% YoY**, achieving the **highest-ever Q2 volume** in company history.

Maintains a **healthy order book of INR 7.5 bn**, providing strong visibility for H2 FY26.

Lighting & Consumer Durables:

Revenue increased by **10% YoY to INR 4.34 bn**, supported by festive demand and double-digit volume growth in LED and street lighting.

EBITDA margin improved to 9% (vs. 7.7% in Q1), aided by cost control and better product mix.

The **Professional Lighting** segment grew **25% YoY**, with a robust **order book of INR 1.5 bn**.

Guidance

For FY26, the company has revised its **steel volume guidance to around 10 lakh tons**, reflecting a realistic alignment with market demand. The **Lighting and Consumer Durables** business is expected to achieve revenue of over **₹1,980 crore** with improved margins and profitability. Management expects the second half to contribute a larger share of annual performance, supported by festive and seasonal demand. Continued focus on **value-added products, cost discipline, and efficiency gains** are expected to drive higher **ROCE, ROE**, and sustained value creation for shareholders.

GRSE Ltd Q2 FY26 Concall Takeaways**CMP: INR 2,786 | Market Cap: INR 319.19 Bn****Order Book & Growth Pipeline**

- L1 position secured for INR 300 Bn Next Generation Corvette project with contract signing expected in Q4 FY26, marking a transformational win in advanced warship design with superior margins (7.5%+).
- Order backlog to hit INR 500 Bn by end-FY26, with an additional INR 1.52 lakh crore in defense AONs providing multi-year revenue visibility through 2030s.
- Bagged INR 87 Bn from three active RFPs (Coast Guard FPVs, Navy survey vessels, Navy multipurpose vessels) demonstrating consistent competitive success and customer preference.

Capacity Expansion

- Shipbuilding capacity ramping from 28 concurrent ships (FY25) to 32 ships by end-FY26, with Brownfield (West Bengal) and Greenfield (west coast) expansions targeting 40-ship capacity by FY2030 to unlock large commercial vessel potential.
- No revenue depletion concerns through FY26-27 as P17 Alpha and Anti-Submarine Shallow Water Craft projects continue strong execution into mid-to-late 2026.

Project Execution Excellence

- P17 Alpha (3-frigate project): First ship delivered ahead of schedule; second ship undertaking contractor trials with delivery planned by end-Nov 2025; third ship 60% complete targeting mid-2026 delivery.
- Anti-Submarine Shallow Water Craft (8-ship project): Two vessels commissioned into Navy; third ship cleared contractor trials for delivery next month; fourth and fifth ships 80-72% complete targeting H1 2026 delivery.
- Next Generation Offshore Patrol Vessels, Survey Vessel Large, and Hybrid Ferry projects all on-track with clear delivery roadmaps through 2027.

Defense Export Traction

- 12 Multi-Purpose Vessels for German client ramping smartly; initial vessel completed with 8-12 vessel order secured and 2-vessel option live, establishing GRSE as credible commercial shipbuilder in European markets.
- Naval gun manufacturing emerging as new revenue stream with 10 contracts already signed for 30mm naval systems and 7 more RFPs under final negotiation, indicating diversification beyond shipbuilding.
- 3 specialized research vessel projects (ocean, coastal, acoustic) progressing well with deliveries planned through 2027-28.

Portfolio Diversification Progress

- Defense contribution now 83% of order book with emerging 17% non-defense exposure marking significant shift from historical 100% naval-focused business model.
- Commercial shipbuilding gaining credibility with MoUs active with Swan Defense and LND for larger vessels (250m+), positioning GRSE for higher-margin complex platforms (hybrids, exploration vessels) once experience base matures.
- Weapon systems showing strong potential with pre-acceptance trials completed; expecting incremental orders from Navy and Coast Guard for 30mm systems across expanding small and medium-sized platform fleet.

Medium-Term Growth Strategy

- Revenue trajectory: Strong growth through FY27, potential plateau for 2 years (FY28-29), then spike resumes as NGC production scales and commercial orders mature with higher margins.
- Greenfield west coast facility DPR under preparation with conservative 3-4 year implementation timeline; Brownfield expansion (three concurrent pockets in West Bengal) expected operationalized within 1-1.5 years.

Market Positioning Confidence

- Management confident of winning P17 Bravo (7-ship project) based on P17 Alpha execution track record; RFP expected Q4 FY26 with L1/L2 split among shortlisted 4 shipyards (MDL, GRSE, L&T, PSL).
- India's commercial shipbuilding emerging as competitive alternative to global players; recent European client meetings signaling openness to Indian platforms, creating multi-year tailwinds for GRSE's export ambitions.
- Unique diversified model (shipbuilding + weapons + specialized research vessels) differentiating GRSE in Indian Defense PSU space with multiple growth levers activating simultaneously.

Arihant Capital Market limited

Jindal Stainless Ltd Q2 FY26 Earnings Call Key Takeaways**CMP: INR 741 | Market Cap: INR 610.73 Bn**

- 15% YoY delivery growth sustained through expanding value-added product portfolio with particular strength in pipes, tubes, elevators, and Vande Bharat passenger coaches.
- Metro expansion targeting 1,000 km network puts India on track to become world's second-largest; stainless steel adoption rising as builders shift toward corrosion-resistant materials for public infrastructure projects.
- Launch of Jindal Stainless Steelway facility in Mumbai provides end-to-end bridge infrastructure solutions, positioning the company as an integrated materials-to-fabrication player in the high-growth infra space.
- Strong Q2 performance driven by new customer onboarding and festive season pull; auto segment maintaining sequential volume growth bolstered by GST rate cuts expected to sustain through Q3.
- Stainless rebar orders ramping up from both public and private sectors with target mix of 6,000-7,000 tonnes rebar versus 3,000-4,000 tonnes wire rod; private procurement contracts increasingly available, signaling structural demand shift.
- CBAM clarity expected only by mid-December with European buyers maintaining lean inventory; however, quality approvals and renewable energy credentials position company well for future European infrastructure projects once regulatory certainty arrives.
- Chromeni achieving 70% capacity utilization in Q2 with path to 80% by H1 close; NPI operations running at 90% utilization contributing positively to consolidated EBITDA, demonstrating subsidiary ramp-up success.
- Quota on Cheapest Offers temporarily suspended till December; management met October volume targets and remains confident in full-year guidance despite downward price pressure from uncontrolled imports.
- Government's latest Production-Linked Incentive inclusion of stainless steel plates and longs presents benefit opportunities being actively evaluated; detailed quantification expected within weeks as scheme specifics are analyzed.
- In-house chromite mining operations at Sukinda (20-30 km from Jajpur facility) commencing next year; long-term Odisha Mining Corporation linkage supplemented by own ore sourcing for substantial captive supply security.
- Renewable power utilization at Jajpur and Hisar facilities jumped to 42% in Q2 from 26% in FY25; green hydrogen plant partnership with Greenzo Energy targeting mid-FY27 completion at 600 NM3/hour capacity for sustainable melt shop operations.
- Cold rolling capacity increases and Heat Resistant Anti-corrosion Plate (HRAP) facilities targeted for second-half FY27 commissioning alongside Indonesia SMS project; FY26 CapEx of INR 12,610 Mn through H1 tracking well to INR 27,000 Mn full-year guidance.
- Maintaining 9-10% FY26 volume guidance despite H1 achieving 12% growth; further CBAM developments and QCO resolution expected to provide clarity for potential upside in second-half, but management choosing cautious near-term posture.
- 6,700 fabricators trained in Q2 alone bringing cumulative total to 60,400; systematic programs covering fabrication qualification, sector-specific applications, and workforce competency building cement company's position as stainless steel knowledge and material partner.
- Multiple subsidiaries (Chromeni, RVPL, Rathi) slated for consolidation over coming years with varied timelines; carries accumulated loss utilization benefits and simplifies structure as assets mature and begin generating positive contributions.

Fairchem Organics Ltd- Q2FY26 Concall Takeaways**CMP: INR 697 | MCap: INR 9,049 Mn****Financial Outlook & Margin Guidance**

- Guidance Withdrawn: Earlier FY25-26 projection of ~INR 10,000 Mn topline and 23% EBITDA margin withdrawn due to tariff uncertainty, regulatory delays, and ongoing project implementation.
- Current Margins: Sustaining near ~4% EBITDA; management does not expect further downside.
- Path to Double-Digit Margins: Depends on simultaneous easing of raw material costs, revival of Dimer & Isoseric Acid exports, and commercial success of the Animal Feed project.
- Recovery Timeline: Partial relief expected by Q4FY26; stronger recovery anticipated by Q1FY27.

Growth Outlook - FY27 Product Pipeline

To counter pressure on Linoleic Acid, the company is pivoting toward higher-value and export-driven products.

New Product / Raw Material Line:

- Development progressing; first commercial trial run by Mar'26 or Q1FY27.

Animal Feed Product (Export-Focused):

- Target markets: Europe & USA.
- Trial runs expected Dec'25-Jan'26; commercial sales likely from Q1FY27.
- Regulatory approvals remain the key timeline risk.
- Margins expected lower than Isoseric Acid but meaningful in volume scale.

Dimer Acid (US Market):

- Export revival contingent on US tariff resolution.
- FCOL positioned to regain share once tariffs normalize (~10-15% level viewed as viable).
- Dimer Acid exports currently nil; overall export share stood at 9% in Q2 (mainly Isoseric).

Isoseric Acid:

- Progress slow due to multi-layered regulatory and customer approval cycles in cosmetics applications.

Product Mix Dynamics (Q2FY26)

- Combined share of Linoleic & Dimer Acids stable at 65%.
- Shift: Linoleic down from 40% → 33%; Dimer up from 27% → 33%.
- Reflects softer paint-sector demand and stronger Dimer contribution.

Key Headwinds & Risk Factors

Chinese Dumping: Prices of Chinese Dimer Acid down >25% over 24 months, pressuring realizations.

Raw Material Inflation: Competition for acid oil feedstock keeps input prices elevated.

Contagion Pricing: Broader edible oil market movements (palm, soya, sunflower) affect cost base.

Domestic Competition: 3-4 players producing Soya Fatty Acid compete for paint sector customers and feedstock.

GPT Healthcare Ltd. Q2FY26 Concall KTAs - Arihant Capital
CMP: INR 143 | Mcap: INR 11.71 Bn
Outlook & Guidance

Management reaffirmed its robust growth strategy, targeting an overall 15% top-line growth for FY26, leveraging the existing portfolio and scaling new assets, while acknowledging that growth rates for mature hospitals typically stabilize around 6% to 8%. The consolidated EBITDA margin for FY26 is expected to be in the range of 20% to 21%, inclusive of the initial losses incurred by the new Raipur facility. Long-term strategic expansion remains focused on achieving a thousand-bed hospital chain over the next two years. Management guides for a 5% to 6% incremental ARPOB growth through enhanced case mix complexity and measured price revisions, with approximately 5% already realized in H1 FY26. Expansion efforts are concentrated in underserved regions of Eastern India, with the Jamshedpur project (150 beds) expected to be commissioned by the end of Q3 FY27.

Financial Performance

- Revenue and Profitability Revenue from operations for Q2 FY26 stood at INR 118.9 Cr., marking a 12.5% YoY growth. EBITDA for the quarter was INR 24.1 Cr., reflecting an EBITDA margin of 20%. The EBITDA drop of 10% YoY was primarily attributed to initial losses from the Raipur hospital, totalling approximately INR 4.5 Cr. during the quarter. PAT came in at INR 10.6 Cr., corresponding to an 8.8% margin

Hospital-Specific Performance & Ramp-Up
Raipur Hospital (New Unit)

Loss Profile The EBITDA loss for Raipur in Q2 was approximately INR 3 Cr., contributing to a cumulative H1 FY26 EBITDA loss of INR 7.2 Cr. The full-year FY26 EBITDA loss projection for Raipur is expected to be around INR 10 Cr. Rent expense for the facility is approximately INR 35 lakhs per month.

Occupancy & Break-Even Q2 FY26 occupancy stood at 12%. Management anticipates reaching 25% occupancy by the end of FY26. Monthly EBITDA break-even is projected to occur within 12 to 15 months at roughly 25% occupancy.

FY27 Outlook Raipur is expected to achieve 8% to 10% EBITDA margins for the full year FY27, operating at around 35% occupancy.

o New Services: Renal transplants, chemotherapy, and oncology surgeries have commenced, and the license for liver transplants has been secured and will be operational soon.

- Salt Lake (Mature Unit): Delivered strong performance, with ARPOB increasing further to INR 41,620 (from INR 39,491). Q2 occupancy was 64%. The 85-bed high-end surgical center utilizes a robot-enabled operation theatre, having performed over 700 robotic surgeries to date, which is positively influencing the case mix.

- Dum Dum Hospital (Mature Unit): Q2 occupancy saw a considerable uptick, moving to 69% (up from 59% in Q1). ARPOB is stable at INR 42,000. The strategic realignment of the department mix, moving away from long-stay departments to short-stay departments, was an intentional change that reduced the ALOS from 5.8 days to approximately 4.3 days over the past year.

- Agartala Hospital: Occupancy bounced back to 54% (Q2) from 47%. ARPOB increased to approximately INR 35,000 (from INR 32,400). The facility, which is the only corporate tertiary care hospital in Tripura, has commenced comprehensive oncology services, conducting 700 cancer procedures in just four months. International patient flow from Bangladesh has started to improve, contributing around 3% to 4% of patient volumes.

Howrah Hospital Occupancy improved to around 45% (Q2) from 39%. The addition of robotic knee surgeries (34 performed) and filling clinical gaps have provided considerable operational traction.

Capital Allocation and Expansion Pipeline

Jamshedpur Project An MOU has been signed for a 150-bed hospital in Jamshedpur, with an estimated investment outlay of INR 70 Cr. This facility is expected to be commissioned by the end of Q3 FY27.

- Ranchi Project The Ranchi project remains procedurally delayed as the company awaits necessary clearances from the government.

- Future Growth Avenues GPT Healthcare is actively evaluating multiple Tier 2 cities in Eastern India, including Varanasi, Patna, and Cuttack. The primary challenge in these markets is securing good quality assets. The company is exploring both greenfield opportunities (which may be asset-light or involve land investment if the location is strategic) and potential acquisitions.

Triveni Turbine Q2FY26 Concall Highlights**Mcaps: INR 172.5bn | CMP: INR 542**

Outlook: H2FY26E is expected to be better, due to the scheduled execution of orders. Turbine business remains robust, and demand is coming from steel, cement, and utility sectors. The company secured vendor status for boiler feed pump drives and an opportunity of 1GW over the next few years. The new products, like CO₂-based heat pumps and Mechanical Vapor Recompression units, are getting market interest and building inquiry pipelines. Exports faced temporary headwinds due to tariffs, while the domestic market remains strong. We have a positive outlook on the stock.

Order book

The order book stood at INR 22.2bn (+24% YoY) in Q2FY26. Domestic and export order mix is ~50:50.

The order inflow stood at INR 6.52bn (+14% YoY) in Q2FY26. Domestic market order inflow stood at INR 4bn (+52% YoY) and exports declined by 16% YoY to INR 2.5bn.

API turbine continues a strong inquiry pipeline in both domestic and international markets.

Margins

EBITDA margins are expected to be 20%-21%, due to a higher mix of domestic low-margin orders. The NTPC order has low margins.

Capex

The capex stood at INR 300mn for setting up a new test bed and facilities for new products like a heat pump.

Sompura facility expansion is underway and expected to capitalize by the end of FY26E.

New products

The CO₂-based heat pump is capable of delivering 126-degree hot water. The demo unit is generating visitors' interest and building an inquiry pipeline.

The company has secured 1st commercial order for Mechanical Vapor Recompression units, and delivery is scheduled for Q1FY27E.

Market share

The company has maintained its market leadership in the domestic <100MW market and gained a couple of bps in market share.

Exports

In exports, the Middle East and Europe are leading, while the US and Southeast Asia are witnessing a slowdown.

US orders have been delayed due to tariff structures.

Pumps

In the utilities sector, the Boiler feed water pump drive turbines market size is estimated to be 50-55 turbines (1 GW) over the next few years.

Other highlights

In the domestic market, demand is coming from the steel, cement, and utility power sectors. The demand is sustained in sugar, distilleries, and process cogeneration.

In the aftermarket, the US workshops are successfully executing orders and getting positive references and inquiries.

H2FY26E is expected to be better, due to the execution schedule demanded by customers.

The company is getting 10%-30% of advances for orders.

The company is proactively broadening its vendor and subcontractor base to mitigate supply chain risks and handle shorter lead times.

Texmaco Rail & Engineering Q2FY26 Concall Highlights**Mcaps: INR 54.5bn | CMP: 134**

Outlook: Texmaco Rail & Engineering's order book stood at INR 63.7bn, showing business visibility over the medium term. The tender is expected to be finalized by Q4FY26E, and the company is expected to get a 30% share based on the current market share. The JV with RVNL is expected to unlock large-scale opportunities in rail infrastructure and rolling stock. Margins are expected to maintain mid-teen levels, supported by product mix and synergies from recent integrations. The foundry business was impacted due to tariffs; however, the company is diversifying into higher-margin products like couplers and bogies. Wheel set supplies have improved, and current volumes are expected to maintain over the next 2 quarters. We have a neutral outlook on the stock.

Arihant Capital Markets Ltd**Volumes**

The volumes are expected to maintain Q2FY26 volumes for the next 2 quarters and focus on further improvement.

Order book

The order book stood at INR 63.67bn as of Q2FY26. The order book is sufficient for the next 3-4 quarters.

The wagon order book is around 6,500 units.

Tender

Wagon tenders are expected by Q4FY26E.

Wheelsets

Wheelsets supply impacted in Q1FY26 and the early part of Q2FY26. Currently, wheelset issues have been resolved, and supply has improved.

Foundry

Foundry volumes stood at 8,413MT in Q2FY26.

Foundry exports have been impacted due to tariffs.

In foundries, the company is expanding into new products like bogies, couplers for locomotives & passenger trains, and weldable crossings for track renewal.

Texmaco West Rail

The company has completed the amalgamation of Texmaco West Rail and expects to yield synergies in operations.

JV and MoU

The company has entered into a JV with RVNL. The JV will focus on rolling stock manufacturing, rail infrastructure projects, and international market expansion.

The company signed a memorandum with a German Vehicle engineering partner to offer passenger mobility services.

Product mix

The company is shifting product mix towards higher margin specialized wagons and non-rail segments like auto and mining components.

Electrical Infrastructure

Electrical infrastructure has two years of order book, and 2x25kV electrification projects have double-digit margins.

Other highlights

The company has a manufacturing capacity of 15,000-16,000 wagons/annum.

The company has a 30% market share in the wagons segment.

The focus is on the US, Africa, and Australia for exports.

The company has a land bank of 12 acres and plans to develop for better realizations.

Banswara Syntex Ltd - Q2 & H1 FY26 Concall KTAs – Arihant Capital**CMP: INR 118 | Mcap: INR 4,040 Mn****Outlook and Guidance**

Management projects a conservative, yet resilient, growth trajectory for FY26, aiming for approximately 10% revenue growth for the full year. Despite incurring higher interest and depreciation costs, the company is focused on maintaining profitability, expecting to achieve at least the same level of profitability as the previous fiscal year. Longer-term, Banswara Syntex maintains the intrinsic capability to deliver INR 1,800 Cr. in annual revenue without requiring significant incremental capital expenditure, pending a broad revival in market demand, potentially within the next two years. Strategic expansion is centred on leveraging the existing product mix, maximizing capacity utilization, and ramping up the Fabric and Garment divisions, supported by the expected reactivation of the Surat garment facility in Q1 FY27. This strategy is underpinned by a favourable shift towards Man-Made Fibers (MMF) in the domestic market and anticipated benefits from future FTAs.

Operational & Capacity Utilization

The overall blended capacity utilization currently stands between 75% and 80%.

Yarn Division

- Performance: The division was flat, with sales volume remaining steady (49 lakh kgs in Q2; 100 lakh kgs in H1).
- Capacity Utilization & Constraint: Utilization is currently around 81%. The primary bottleneck is seasonal labor shortages, which improved in Q2 and are expected to remain stable, though utilization problems persist during certain festival seasons.
- Strategic Shift: Management is aggressively focusing on higher-value-added yarns. Currently, 30-31% of production is value-added, with a target to increase this to 50%. Value-added yarn sales yield significantly higher EBITDA margins (approx. 15%) compared to commodity yarn sales (7-8%). The strategy includes leveraging internal finishing capabilities for specialty yarns to bypass external constraints.
- Market Risk Mitigation: The Turkish market is no longer viable due to high inflation and cost structures. Banswara has successfully adjusted by developing new export markets in Europe (e.g., Belgium) and increasing internal consumption of value-added yarns in its Fabric division.

Fabric Division

- Performance: Demonstrated strong growth in Q2 FY26, with revenue rising 13% YoY and 27% QoQ to INR 149 Cr. . H1 revenue grew 9% YoY.

Key Growth Drivers Healthy demand from key international markets, including the Middle East, UK, and European regions. Flagship brands and new collections of stretch yarns and fabrics are gaining traction.

Capacity Utilization & Constraint Improved to 77% during the quarter. The main constraint is demand at a particular price point, not labor or capacity.

Domestic Market Opportunity The reduction in GST on garments (5% now applicable up to INR 2,500, previously INR 1,500) has created a favorable market for better-made fabrics, as customers are upgrading their product mix.

Garment Division

- Performance Showed stable growth, growing 7% QoQ to INR 80 Cr. and reporting a 13% YoY increase for the first six months.

Constraint & Mitigation The division's main challenge remains the US market due to the prohibitively expensive 50% tariff. The strategy involves shifting focus to alternative markets and maintaining relationships by selling fabrics via garment-making nations (e.g., Vietnam, Bangladesh, Sri Lanka) which face lower US tariffs.

- Future Capacity The Surat facility, which holds available capacity, is expected to restart operations by Q1 FY27, providing a boost to future garment sales.

Industry Landscape and Strategic Initiatives

- MMF Transition The Indian textile industry is undergoing a steady, clear shift toward Man-Made Fibers, driven by durability, affordability, and policy support (PLI, GST reduction). With MMF accounting for only 40-45% of total fiber usage in India (versus 75% globally), the domestic MMF market is projected to grow at a 6-7% CAGR.

- UK FTA Impact While an agreement was signed, real, large-scale orders are pending ratification by the UK government, which is expected around June 2026. Post-ratification, duty-free status will catalyse demand.

Global Competitiveness Post-FTA, India will be competitive in niche areas like tailored clothing or better sportswear due to its integrated ecosystem (fibre-to-garment), minimizing reliance on imported fabrics required by competitors like Bangladesh.

- Raw Material Headwinds Although company maintains the ability to pass on costs, the price of domestic polyester and viscose is internationally higher than China. This is exacerbated by a government-imposed QCO (Quality Control Order) which restricts imports, effectively acting as a non-tariff barrier.

Capex and Deleveraging The net debt increase (to INR 508.8 Cr.) is attributed to ongoing CAPEX and higher working capital needs (extended credit terms/higher inventory to support growth in a difficult period). The remaining CAPEX spending for modernization is expected to be INR 70-80 Cr., potentially spilling into Q1 FY27.

Management expects debt to remain slightly elevated for the next 6-9 months before a deleveraging cycle begins.

- Asset Turn Benchmarks The management provided asset turn thumb rules: Garmenting (4x-5x), Fabric (2.5x), and Yarn (1x).

- Technical Textiles The company is actively developing technical textile yarns (Paramid and FR-based), currently generating a small revenue of INR 8-10 Cr., with plans for growth.

Cera Sanitaryware Ltd - Q2FY26 Concall KTAs

Cera's management has guided for 10-12% revenue growth in H2 FY26, implying a full-year growth of 7-8%, underpinned by improving retail sentiment and steady project demand. Despite commodity inflation especially in brass the company expects to sustain EBITDA margins at 14.5-15%, reflecting superior cost control and scale efficiency. With 55% of annual volumes historically skewed to H2, the earnings trajectory is set to accelerate meaningfully through FY26.

Brand Portfolio Expansion to Unlock Multi-Segment Growth

The launch of Senator (luxury) and Poly Plus (value) represents a well-calibrated portfolio expansion, enabling Cera to address both premium and entry-level consumer segments.

- Combined FY26 revenue target: INR 400-450 Mn
- FY27 contribution potential: ~INR 1,500 Mn
- Margin profile: 20-22% for Senator; ~25% for Poly Plus

This portfolio diversification is expected to provide incremental growth levers beyond the core Cera brand, improving blended margins and deepening market penetration, particularly in Tier-II and Tier-III cities.

Operating Efficiency and Process Improvements

Continuous efficiency initiatives, particularly in sanitaryware plants, have driven higher throughput and lower rejections without incremental manpower or capital. This efficiency-led productivity gain is cushioning cost inflation and allowing the company to maintain pricing stability. The decision to defer price hikes, despite rising brass costs, demonstrates management's long-term focus on market share retention and volume-led operating leverage.

Strategic Distribution and Brand Investment Driving Scalability

Cera's strategy to expand Poly Plus distribution to 100 distributors and 2,000 dealers by Mar'26 underpins strong scalability.

Marketing intensity is set to rise from FY27 with a planned INR 100-120 Mn spend, targeting influencer marketing and retail experience upgrades.

This, combined with a sharpened channel segmentation (retail vs project) and digital engagement, enhances brand recall and supports sustainable volume momentum.

Balanced Channel Mix and Demand Normalization Ahead

Currently, project sales contribute ~39-40% of revenue. Management expects this mix to gradually tilt toward retail as discretionary consumption recovers, improving working capital and margin quality. The faucetware segment remains resilient, expected to post 8-10% growth in FY26, sustaining Cera's position as one of the most diversified and steady players in the industry.

Robust Financial Discipline and Capex Prudence

With a modest FY26 capex of INR 230 Mn (maintenance + strategic retail expansion) and disciplined wage cost management (7-8% annual inflation), Cera maintains a strong balance sheet. This financial conservatism allows continued reinvestment in brands and infrastructure while preserving return ratios.

Structural Tailwinds Support Multi-Year Growth

Medium-term visibility is anchored by favorable macros -stable interest rates, urban housing expansion, infrastructure push, and rising sanitation awareness. These factors, combined with industry consolidation and consumer uptrading, are expected to drive steady mid-teen revenue CAGR through FY27-28.

Container Corporation Of India Ltd- Q2FY26 Concall KTA's**Strong Volume Trajectory and Execution Visibility**

- Management retained its volume guidance of 10% Exim growth and 20% Domestic growth for FY26, with the likelihood of exceeding Exim targets (already at 10.2% in H1). To achieve the domestic target, a 26–27% H2 growth is needed -a challenging yet achievable ask, backed by improving cement and construction demand.
- Volume growth is being pursued without margin dilution, supported by efficiency-driven customer sharing mechanisms. The company remains focused on operational throughput, customer retention, and expanding modal share, particularly in the domestic bulk and cement space.

High-Margin Adjacent Expansion: Shipping and Integrated Logistics

- The new shipping vertical — now operational with Middle East routes and upcoming Far East expansion — offers >30% margin per container, creating a high-return diversification layer. This initiative positions CONCOR as a truly multimodal logistics player, bridging rail and maritime movement under a unified service offering.
- Simultaneously, the company is building an Integrated Logistics Hub network in partnership with Indian Railways. The pilot project at Sonu (near Lucknow) will provide warehousing, first/last mile, and value-added services - potentially unlocking high-margin, scalable revenue streams.

Capacity Expansion and Infrastructure Strengthening

- 21 new high-speed rakes commissioned, total now ~410.
- 56,000 containers in operation; 1,000 specialized tank containers on order.
- Infrastructure spend of INR 4,203.5 Mn (vs. budget INR 8,600 Mn)-likely to rise as demand visibility improves.
- 2028 Infrastructure Targets: 100 terminals, 500+ rakes, 70,000 containers - reaffirmed.

DFC Connectivity: The Structural Game Changer

- Double the rail coefficient (from ~16% to >30%).
- Enable Assured Transit Trains (ATT), cutting turnaround to 24–25 hours.
- Significantly boost double-stacking capacity, lowering unit cost per container.

Long-Term Strategic Projects-Ports and Partnerships

- Vadwan Port (24 Mn TEUs): To act as Common Rail Operator on a nomination basis; potential long-term annuity-like rail yard management revenue.
- Bhavnagar Port: Senior partner in container terminal operations (commissioning by 2030).
- International Partnerships: Ongoing talks with global port operators for co-investment in upcoming terminals.

Cost Control and Financial Efficiency

- Empty running costs reduced to INR 1,845 Mn in H1 (down ~10% YoY).
- LLF payout expected to remain INR 4,000–4,200 Mn annually, with optimization via terminal relocation (from leased to self-owned).
- Transitioning to self-owned terminals like Salawas enhances control over operating costs and improves asset utilization.

Catalysts for FY26–27:

DFC-JNPT commissioning by Mar'26.

- Ramp-up of bulk cement volumes and tank container deployment.

Shipping vertical scale-up with margin expansion.

Improved double-stacking and rail coefficient uplift.

Integrated Logistics Hubs and port partnerships adding annuity-style revenue streams.

Medium-Term (FY26–28E):

We expect Revenue CAGR of 12–14%, EBITDA CAGR of 14–16%, and margin expansion of 80–100 bps as scale efficiencies, DFC benefits, and value-added services kick in.

Mayur Uniquoters Ltd- Q2FY26 Concall KTA's**CMP: 530; Market Cap: 23,287 Mn****Volume-led recovery with improving profitability in H2FY26:**

Management reaffirmed its full-year guidance of 12–15% revenue growth and 15–20% profit growth, implying a strong rebound in H2FY26 after a flat first half. The company expects the entire profit uptick to be driven by margin recovery in H2, aided by the absence of one-off provisions (INR 110 Mn in Q2) related to aged inventories in the US warehouse. With operational normalization and steady utilization levels (~75%), H2 is expected to see a sharp pickup in both EBITDA and net profit.

Exports emerging as the key growth engine:

Exports are expected to outpace domestic growth, with management guiding for 15%+ export growth versus 8–10% for domestic. The export automotive vertical, especially with incremental business from Ford and a large US customer, is expected to remain buoyant over the next two years. The company's FY26 export revenue is projected at INR 3,500–4,000 Mn, with additional upside from potential tariff relaxations under US trade policy, particularly benefiting the marine segment.

Strategic capex to support medium-term scale-up:

With current utilization levels near 75%, the company plans to add capacity through a new PVC line in South India, targeting an incremental 4–5 lakh units/month (5–6 Mn meters annually). The South India location provides proximity to key footwear and automotive clients, offering both logistical and demand advantages. Expansion plans in Mexico have been deferred, given regional uncertainties, allowing management to prioritize India-led growth. A healthy net cash balance of INR 4,500 Mn provides ample headroom to fund the expansion while maintaining balance sheet strength.

Operational flexibility and product diversification:

The PU division is currently operating at 23–25% utilization, with ramp-up expected as customer trials and orders materialize. Management also remains open to repurposing the PU line to PVC if market dynamics shift. The furnishing division continues to deliver consistent quarterly growth, supported by a widening dealer network and stronger retail penetration, which should help diversify revenue streams and reduce dependency on any single segment.

Margin improvement visibility in H2 and beyond:

The management expects 20% bottom-line growth for FY26, primarily driven by normalization of inventory-related costs and improving mix from exports and value-added products. With exports contributing a higher share and raw material inflation largely stable, margins are expected to expand sequentially. Moreover, the company's focus on operational efficiency and scale-led cost optimization positions it well for sustained profitability improvement into FY27.

Landmark Cars – Q2FY26 Concall KTAs

Outlook: Management remains optimistic, noting that the GST-driven discounting impact is transitory, with gross margins expected to recover by over 100 bps in H2FY26, supported by strong festive and seasonal demand sustaining into Q3FY26. The company targets all newly opened outlets to achieve break-even by Q4FY26 and sees itself well positioned to scale its current 0.5% share of India's PV market toward global benchmarks of 1.5–2% through acquisitions and OEM expansion. Having achieved the desired topline, the focus now shifts to restoring profitability, with H2FY26 expected to see improved margins aided by easing supply constraints, seasonal service uptick, and normalized discounting. Over the medium term, growth visibility remains strong, underpinned by multiple new model launches from Honda, Renault, and MG, robust luxury momentum from Mercedes and BYD, and structural tax tailwinds. Landmark aims to sustain leadership across key OEM partnerships while selectively pursuing acquisitions to evolve into a scaled, globally benchmarked dealership platform.

Navigated the volatile GST transition by proactively liquidating inventory to utilize compensation cess credits temporarily impacting gross margins but preserving cash flow.

Continued market-share gains across key OEM partnerships.

Revenue: INR 1,657 cr (+31% YoY), led by strong new car sales and network expansion. New Car Sales: INR 1,403 cr (+35% YoY). After-Sales: INR 254 cr (+11.2% YoY) Gross Profit: 196 crore (16.2% margin) – down sequentially due to one-off discounts and mix effect from faster new-car growth.

Management expects gross margins to improve by ~100 bps in H2 as mix normalizes and discounting subsides.

New Car Business: Growth driven by pent-up demand post-GST revision and festive buying. Landmark successfully managed supply chain challenges during the intense 9-day sales period (22–30 Sept) following GST rate reduction.

ASP: INR 23.16 lakh, highest ever – supported by premium brand mix (notably Mercedes-Benz). Discounting phase is now over and Q3 margins expected to revert to normal levels.

After-Sales & Services: Revenue grew 11% YoY and margins were impacted by: Inclusion of newly set-up workshops (Mahindra, Kia, MG) operating below optimal capacity. Postponed repair demand due to customers waiting for lower GST on spare parts (reduced from 28% to 18%).

Monsoon-related repairs shifted to Q3, providing a likely after-sales rebound in the next quarter.

Pre-Owned Cars: Industry-wide slowdown due to reduced price differential with new cars post-GST cut. Landmark maintained low inventory exposure, mitigating risk of value erosion.

Mercedes-Benz: One car every 6 minutes during Navratri. Landmark remains the largest partner with the highest-ever ASP (~ INR 70 lakh) in Q2FY26. Margin hit due to liquidation of demo cars to offset cess credits now completed. Margin normalization expected premium demand remains robust.

Honda Cars: OEM announced plans to launch 10 new models (mostly SUVs and hybrids/EVs) by 2030, targeting a 5x volume increase. Landmark, being a key partner, is strategically positioned to benefit from Honda's renewed India focus. Volume ramp-up expected to begin from FY27 onwards.

BYD: Surged past 1,000 monthly units in October, led by strong demand for Atto 3, Sealion 7, and e6. Landmark contributes ~20% of BYD India volumes. Demand > supply next vehicle lot expected in Jan 2026. BYD exploring local assembly plans, which could lower prices and expand volumes further.

Renault-Nissan Alliance: Strong October driven by updated Kiger and Triber models post-GST reform. Launch of all-new Duster in Jan 2026 marks start of multi-model pipeline. Positive sales momentum expected to sustain.

MG Motor India: Network has stabilized; MG Select vertical off to a strong start. Seeing healthy demand recovery, with steady outlet contribution growth. Mahindra & Mahindra: New outlets scaling as per plan; improving throughput. Anticipates profitability from Q4FY26 as new launches gain traction.

Industry: GST 2.0 (abolition of compensation cess, simplified slabs) is a long-term structural positive for auto demand.

Management expects industry growth to accelerate meaningfully post this transition: October PV registrations already up 12% YoY to record 5.5 lakh units. Lower interest rates (expected in Dec policy) and festive/wedding season to further boost sales. Company expects limited need for incentives in coming quarters; demand-supply equilibrium improving.

NRB Bearings – Q2FY26 Concall KTAs-Arihant Capital

CMP INR 285 | Market Cap INR 2742 Cr | PE: 14x/12x (FY27e/28e) | Rating: Buy | TP: INR 375 (32%)

Outlook: The company expects to sustain its growth momentum through H2FY26 and FY27, supported by strong order visibility, industrial ramp-up, and healthy export demand. The company anticipates double-digit revenue and PAT growth over the next few quarters, aided by normalization at Waluj and capacity additions at Aurangabad and Pantnagar. Margins are expected to remain stable in the 20–21% range, driven by cost optimization, improved product mix, and higher contribution from high-value industrial bearings. The upcoming Hyderabad facility will further strengthen NRB's presence in the industrial segment, while aerospace and robotics diversification will open new long-term revenue streams. With a robust balance sheet, strong cash flows, and disciplined capex execution, NRB is well positioned to achieve its INR 2,500 cr revenue aspiration by FY31, maintaining leadership in technology-driven and high-entry-barrier markets.

NRB Bearings has completed its transition, resolving all operational, structural, and financial issues. The Waluj plant fire and demerger with NIBL are fully settled. NRB now owns 100% of its brand, IP, and facilities with no cross-holdings. A one-time INR 55 cr settlement in Q4FY25 caused an exceptional loss, but core operations remained strong. The heritage headquarters building was also restored to NRB, enhancing its asset base.

EBITDA margin expanded to 20.9%, supported by improved mix and productivity.

Debt-to-equity ratio below 0.2x, maintaining a strong balance sheet and reiterating its focus on achieving a sustainable ROE of 17–18% over the medium term.

Revenue Mix: 2W/3W segment contributed 31%, PV of 17%, CV segment accounted for 26–29%, driven by steady demand across domestic and export truck platforms. Industrial segment contributed of 15%, moving towards the 20%, and aftermarket business ~12%, with sequential improvement from 10% to 15% in Q2FY26. Exports constituted of 25% of total consolidated revenue, reflecting strong traction with global OEMs and Tier-1 partners.

Auto

Technology leader in friction solutions, continuing to gain share across leading OEMs and Tier-1 suppliers.

NRB Bearings has secured lifetime-nominated business with global OEMs such as BMW, Mercedes-Benz, Renault, Stellantis, Hyundai, Kia, Ford, and Daimler Truck. Its products are used in next-gen hybrid and EV platforms like Mercedes EQC/EQA and multiple BMW 1, 2, and 3 series models. Also supplies bearings for high-performance vehicles, premium pickup trucks, and emerging three-wheeler EVs in India. Its portfolio includes needle, cylindrical, and tapered roller bearings, with rising demand for unitized thrust and sensor-integrated bearings for EV and hybrid applications.

Industrial bearings segment is becoming a key growth driver, targeting 20% of revenues in two years, with focus on high-margin sectors like off-highway, robotics, HVAC, and aerospace, supported by a new aerospace facility and potential supplier acquisition to accelerate market entry.

Capex

Has announced a INR 200 cr capex plan as part of its first expansion phase, aimed at capacity enhancement, infrastructure modernization, and industrial product diversification. INR 50–60 cr will be directed towards new buildings and infrastructure. The company also plans to establish a new Hyderabad plant (estimated project cost INR 400 cr) dedicated to manufacturing industrial cylindrical roller bearings an import substitution opportunity in India. The foundation stone for this plant will be laid on 4th December, coinciding with NRB's Founder's Day.

Additionally, the Aurangabad (Waluj) and Pantnagar facilities will undergo significant modernization over the next 12 months, with new machinery already being ordered globally.

A Phase 2 expansion involving INR 250–300 cr over five years will take total planned capex to around INR 500 cr, with the first phase expected to generate incremental revenue of approximately INR 150 cr. The company plans to fund these investments comfortably through internal accruals and available debt capacity, backed by strong real estate assets at book value.

R&D and technology leadership remain central to its competitive advantage. The company's three government-recognized R&D centers in Thane, Waluj, and Turbhe focus on lightweighting, materials innovation, EV-ready designs, hybrid systems, and smart motion technologies.

The R&D team's "co-design" approach with OEMs and global Tier-1s has positioned NRB as a preferred partner for new platform development. Its integrated R&D and manufacturing process enables mass customization the ability to produce both high and low-volume products efficiently, which is rare in the bearing industry.

Global

NRB serves customers across 43 countries and continues to expand its footprint through localized manufacturing and partnerships. The Thailand plant remains one of NRB's most efficient global units, serving Japanese and Korean OEMs, and demonstrates the company's ability to build globally competitive operations.

The company is also exploring new manufacturing setups across key global locations to follow its international OEM customers, further diversifying its revenue base.

No single customer contributes more than 10% of total sales, while the top 10 customers together form ~50%, protecting it from concentration risk.

Annual capex typically averages 10–12% of revenues, balancing R&D-led innovation with incremental capacity additions.

Hindware Home Innovation Q2FY26 Key Takeaways**CMP: INR 356 | Market Cap: INR 29,850 Mn | Rating: Buy****BATHWARE SEGMENT**

- Q2 revenue growth of 10.1% achieved, with management confident in accelerating momentum during H2 with early-to-mid teens guidance despite soft market conditions.
- Premium segment gaining traction; ~50% of revenues now from mid-premium and premium categories, with new premium faucet line delivering higher ASP and margins.
- company implemented 3-3.5% price hike effective November 1st across sanitary ware and faucets, with potential for additional increases if brass prices continue rising.
- management targets 13-14% EBITDA in H2 and 1-2% margin expansion in FY27, driven by premium mix shift, zero-based budgeting, and operational efficiencies.
- Institutional business growing well at 15-20% CAGR with healthy order book; represents ~23% of sales with 400bps lower margins versus general trade.
- "Sukoon" brand campaign launched with strong trade and consumer reception; continued digital marketing investment and dealer engagement driving market share gains despite soft industry demand.

CONSUMER APPLIANCES (HHIL)

- Company discontinued loss-making categories and sharpened focus to three profitable pillars: kitchen appliances, water heaters via Atlantic JV, and e-commerce-only coolers.
- Q2 margins flipped from negative in H1FY25 to 11% EBITDA in H1FY26; targeting 10-12% steady-state margins in FY27 with exit revenue run-rate of ~1000 Mn by Q4.
- Chimneys remain the crown jewel, top-three player with strong brand equity and innovative products; hobs/cooktops seen as big growth opportunity with room for significant share gains.
- Management projects scaling the business from current 3560 Mn to 4700-5000 Mn within two years through premiumization and category expansion.

PIPES & FITTINGS SEGMENT

- Margin pressure persistent due to low raw material environment, despite Q2 volume recovery after weak Q1, selling prices remain compressed due to industry-wide resin price decline; no pricing power currently available.
- Roorkee facility coming online by end of H2 trial production already underway; expected to achieve 200 Mn/month revenue run-rate by end of FY27, unlocking northern market penetration and higher margins (~30-32% on new CPVC products).
- foam core, double-wall corrugated pipes, and fire sprinkler systems launching with superior 30-32% gross margins vs. traditional products; however, revenue contribution still ramping up.
- volume growth expected ~15% at current depressed prices; margin guidance flat at ~9%; management confident anti-dumping duty will provide pricing relief and margin normalization once announced.
- Capacity utilization at 65% currently; waiting for price correction while aggressively driving cost optimization and building distribution footprint ahead of market recovery.

GROUP LEVEL

- Management confident of reduction in debt through working capital optimization (targeting 5-7% reduction) and completing 600 Mn additional loan repayment by year-end.
- Company executing multi-pronged approach across four core businesses (sanitary ware, faucets, pipes, kitchen appliances) with operating leverage kicking in once volume growth stabilizes.
- Water heater JV optimization, 1160 Mn asset sale will extinguish corporate guarantee and retire joint

venture debt, improving group leverage ratios

-
- Consumer products business now operationally standalone with 170 Mn EBITDA in H1; shared warehousing and after-sales synergies preserved post-separation.

MARKET OUTLOOK

- Bathware market expected to grow at mid-single digits; company targeting 1.25-1.5x market growth through focused premiumization and dealer engagement.
- Consumer appliances showing higher growth potential (late single to early double digits) versus bathware; kitchen appliances categories offering significant whitespace.
- Industry likely to benefit from anti-dumping duty on PVC resin; management expects pricing normalization within coming months that should support margin recovery across segments.

Arihant Capital Market Limited

EFC (I) Limited - Q2 FY26 | Key Takeaways
CMP - INR 307 | Mcap - INR 30,600 Mn**Business & Operational Highlights**

- Unified **Real-Estate-as-a-Service model** combining **Leasing + Design & Build + Furniture** continues to drive end-to-end monetization and stronger cross-selling.
- Company is aggressively scaling **managed office assets**, targeting a shift to a **20:80 owned:leased asset mix** (currently ~9% owned).
- Entry into **premium retail leasing** opens additional high-yield growth avenue.
- Expanded enterprise client wins across **education, BFSI, energy, and hospitality**; portfolio remains well diversified.
- **Occupancy remains strong (~90%+)**, showing demand resilience despite industry capacity expansion.

KEY WATCHPOINTS

- High leased asset dependence still creates fixed cost pressure
- Large scale capex continues for expansion, keeping leverage elevated.
- Talent & skilled labor demand could impact delivery timelines and costs

Segmental Commentary

- **Leasing:** Core revenue pillar; strong occupancy, rising seat capacity, and sticky enterprise clientele.
- **Design & Build:** Order book healthy, conversion pipeline robust; benefits from real estate revival and office up-grades.
- **Furniture:** Margin-accretive segment; in-house manufacturing enables cost control, import substitution, and recurring B2B contracts.

Guidance & Outlook

Management remains confident on sustained demand for enterprise managed workspaces despite increasing competition. The company will continue to expand primarily through a capital-efficient leasing model while gradually increasing its owned asset share for long-term value creation. Strong client retention, a healthy order pipeline in Design & Build, and scaling of the in-house furniture business are expected to support margin improvement ahead. While expansion investments will continue, the focus remains on improving seat realizations, optimizing costs, and maintaining high occupancy. Overall, EFC expects steady growth, better margin profile, and deeper market penetration across key and emerging business hubs over the coming quarters.

Chaman Lal Setia Exports Ltd | Q2 FY26 Key Takeaways

CMP: INR 279 | **M-Cap:** –INR 13,830 Mn

- Q2 was **soft on revenue due to a global price correction in basmati rice**, where buyers delayed orders expecting further price decline a normal commodity cycle behaviour.
- **Profitability remained steady**, showing resilience in operations and cost control despite pricing headwinds.
- Management indicated that **market has now bottomed out**, and demand has returned strongly across geographies.

Demand & Market Commentary

- Export appetite is **reviving across regions**, especially Middle East and key long-term distributor markets.
- **Order enquiry flow has picked up meaningfully post-quarter**, reversing earlier buyer caution.
- Company continues to benefit from **long-standing distributor network (440+ partners, 90+ countries, 30+ years of export presence)**.

Business & Operational Strengths

- **Fully integrated farm-to-fork model** gives better control over quality, cost and delivery timelines.
- Procurement strategy remains **cash-driven with mandi-level sourcing**, enabling cost advantages and quality control.
- **Inventory positioning is disciplined**, avoiding long ageing risk while ensuring availability in peak demand.

Key Watchpoints

- Commodity pricing volatility can impact quarter-to-quarter revenue
- Demand timing depends on global buyer purchasing cycles

Guidance & Outlook

Management expects demand and realizations to improve gradually as buyers restock after the recent correction. With pricing stabilizing, export inquiries rising, and new packaging capacity coming online, volumes are expected to scale meaningfully in the second half. Profitability is likely to stay stable, supported by tight cost control and an efficient procurement model. The company remains confident in delivering sustainable growth, backed by long-term distributor relationships, improving global demand, and enhanced processing capabilities.

Hi-Tech Pipes Ltd | Q2 FY26 Key Takeaways**CMP – INR 106 | Mcap – INR 21,420 Mn**

- Q2 was a **stable but margin-sensitive quarter**, impacted by steel price volatility and monsoon-driven demand softness.
- Despite near-term pressures, the company **continued scaling volumes and maintaining operating discipline** across plants.
- Management focus remains on profitable expansion rather than chasing volume at the cost of margins.

Demand & Market Dynamics

- Demand environment is improving with **government infra spending and real-estate construction accelerating**.
- **Retail and branded pipe demand picked up** post October, indicating recovery in offtake from channel partners.
- Institutional demand from **solar projects, metro expansion, warehousing, and industrial capex** remains supportive.

Capacity Expansion & Strategic Moves

- Capacity expansion plans remain on track new units will **enhance reach across North, West, and South India**, reducing logistics cost and improving serviceability.
- Larger capacity also helps Hi-Tech **enter higher diameter and value-added pipe categories** where margins are structurally better.
- Expansion is through a **calibrated capex approach**, ensuring debt remains under control.

Key Watchpoints

- Steel price volatility can affect quarterly margin movement
- Competitive intensity remains high in commoditized MS/ERW pipe segment
- Ramp-up of new capacities will be closely monitored for utilization and margin traction

Guidance & Outlook

Management expects a **stronger H2** led by better demand visibility, improvement in retail channel momentum, and execution of ongoing infrastructure projects. With incremental capacity coming online and greater push toward value-added/branded pipes, margins are expected to improve gradually. The company remains focused on profitable, capital-efficient growth with stable leverage and stronger operating cash flows.

HEG Ltd Q2FY26 Concall KTA
MCap: INR 101.22 Bn | CMP: INR 524

Outlook: HEG reported a healthy result with Q2FY26 revenue at INR 6,992 Mn (+13% QoQ / +23% YoY), majorly contributed by higher volumes and stable pricing. The company operated at 90% utilization on its 100k tons capacity and plans to add 15k tons by FY27E with a capex of INR 6,500 Mn. It remains net debt-free with a treasury of INR 11.7 Bn and no plans for additional debt. Despite the US's 50% recyclable duty with ~10-12% revenue from US, is not an issue as company has diversified base. On the supply side, needle coke supply is not seen as a constraint as the global capacity is still underutilized. The Greentech demerger is expected by FY26, and the BAM project is targeted at Q4FY27E with 35-40% EBITDA margins. In the BESS segment, HEG is expanding capacity from 1 GWh to 6 GWh by Q1FY27E, expecting it to grow meaningfully from rising EAF and energy transition demand.

Market Outlook

- The graphite electrode market faced challenges as demand remained muted due to customer remain cautious and pricing pressure by Chinese suppliers.
- US accounts for only ~10-12% of total revenue, and the recent 50% recyclable duty could pose a minor headwind as the company has a diversified base.
- Global crude steel production declined 1.5% YoY in 9MCY25, with China output down 2.6% YoY to 58 Mn tons, while India's crude steel output rose 10.5% YoY, highlighting relative domestic flexibility.

Operational Update

- The company operated at 90% utilization on its 100k tons capacity, resulting in high-quality output. Utilization is expected to remain strong in the 85-90% range.
- Electrode and needle coke prices remained stable in H1FY26, and the company expects steel demand to pick up in tandem.
- The product mix remains centered on the UHP segment, accounting for 70-75% of sales, with HP electrodes comprising the balance.

Capex and Investments

- The company will add an additional 15k tons of graphite electrode capacity by end-FY27E, with a planned capex of INR 6,500 Mn.
- Global EAF capacity is expected to increase to 200k tons of electrode capacity with the industry transitioning from BOF to EAF.
- In the near term, 20 Mn tons of new EAF capacity will be added by end-FY27E, translating to ~30k tons of electrode demand, aligned with the company's planned capacity expansion.
- Global GE industry utilization ex-China, is currently around 65-70%; a ramp-up toward 85% utilization is expected to support price recovery.

Raw Material and Supply

- The overall electrode industry capacity is expanding, and needle coke availability is not expected to be along-term constraint.
- The current capacities are underutilized, and major refineries can increase output gradually once demand visibility improves.

Strategic Developments

- The demerger of Greentech remains under review, with NCLT approval expected by FY26.
- BAM project is expected to commence production in Q4FY27E, with EBITDA margins anticipated in the 35-40% range.
- The company has acquired a 49% stake in two power plants totaling 278 MW capacity.
- It also expects an impact on steel trade from the implementation of CBAM in the EU by FY26E.

BESS EPC

- The company has 1 GWh installed assembly capacity and plans to expand to 6 GWh by Q1FY27E.
- The first RE+BESS 200 MWh project is expected by Q2FY27E, with a 1,000 MWh target by Q2FY28.

Arihant Capital

Biocon Ltd Q2FY26 Concall Highlights

Financial and Operational Performance

- Operating revenue for Q2FY26 was INR 42,960 mn, up 20% year-on-year; core EBITDA margin improved 23% YoY to INR 12,180 mn (margin: 28%).
- Reported EBITDA grew 29% YoY to INR 9,280 mn, with margin at 21%.
- Profit before tax (excl. exceptionals) rose 153% YoY to INR 1,830 mn; net profit (post minority interest/tax) stood at INR 850 mn.
 - R&D investment for the quarter was INR 2,510 mn (7.7% of revenues, excluding Syngene), underlining the pipeline commitment.
- Segmental Performance Biosimilars
 - Biosimilars continued as the growth engine, with Q2FY26 segment revenue at INR 27,210 mn (+25% YoY). Segment EBITDA rose >40% to INR 6,690 mn; margin further expanded 400 bps to 25%.
 - Biocon achieved successful launches of biosimilar Ustekinumab, Aspart, Bevacizumab, and Aflibercept across multiple geographies. Commercialization of Denosumab is imminent post-USFDA approval and Amgen license pact.
 - Ustekinumab (Yesintek) secured a market-leading position in the US with broad formulary access. Oncology franchise (Ogivri & Fulphila) maintained >25% share in their US markets; Bevacizumab added to US oncology portfolio.
 - Insulin portfolio expanded: Interchangeable biosimilar Aspart launched in US, with insulin Glargine showing increasing market share globally.
 - Canadian Aflibercept (Yesafili) secured funding in major provinces; Europe oncology biosimilars reinforced via tender wins in Spain and others; Ustekinumab successfully debuted in seven Euro markets.
 - Emerging markets saw broad-based growth: nine new approvals and eight launches across AFMET, LATAM, APAC.
 - R&D spend for biosimilars is guided at 7–9% of revenues going forward. Segment enjoys balanced global mix: 40% North America, 35% Europe, 25% Emerging. Generics
 - Generic segment reported revenue of INR 7,740 mn (+24% YoY, +11% QoQ), led by recent US/EU launches and solid API/formulation base business.
 - EBITDA expanded to INR 430 mn, aided by product mix (Liraglutide/GLP-1 and Dasatinib launches), margin improvement as utilization of newer facilities scales up.
 - API now accounts for 60% of generics, but formulation-led growth is gaining traction (40%) and expected to dominate henceforth.
 - Operationally, Cranbury (US) oral solid dose facility was FDA-inspected (one minor observation).
 - Gross margin for generics currently trending at mid-40s percentage; R&D spend at 9% of segment revenue (guided at 8–10% going forward). CRDMO (Syngene)
 - Revenue reported at INR 9,110 mn (+2% YoY), with EBITDA at INR 2,150 mn (23% margin). Modest growth reflects offset from inventory correction in biologics manufacturing.
 - Syngene secured its first global Phase III trial from a US biotech, expanding clinical trial reach to Australia, UK, New Zealand, and Eastern Europe.
 - Continued expansion in biologics (new Bengaluru bioconjugation suite) positions Syngene as end-to-end ADC manufacturing partner.
 - Full-year Syngene guidance maintained.

Strategic & Regulatory Highlights

- QIP proceeds have reinforced a deleveraged balance sheet; full benefit of lower interest costs will flow through from FY27.
- Commercial paper issue of INR 6,000 mn was repaid; only structured debt outstanding as of September-end is with Edelweiss, also being exited by January end.
- Majority of net debt sits at Biocon Biologics (approx. USD 1.1 bn as of September).
- R&D pipeline strengthened by FDA's progressive biosimilar guidance (waiver of Phase III efficacy for select programs); expected to count as cost/time advantage for experienced, integrated incumbents.

Pipeline and Product Updates

- Biosimilar launches tracking ahead of earlier guidance (five launches in 12–18 months achieved).
- US diabetes franchise to benefit from CalRx partnership (Civica) for affordable insulin supply; Biocon is positioned as sole US-approved interchangeable biosimilar Aspart supplier.
- Device/formulation capacity for GLP-1 (Semaglutide) built for scaling; no manufacturing constraint anticipated.

Guidance

- Management expects biosimilars momentum to sustain into H2, led by recent launches and payer wins, while generics will see margin/cash flow enhancement as new launches and existing facilities ramp up.
- Company is guiding for further improvement in profitability (driven by deleveraging and operating leverage) and steady global expansion across all businesses.
- Diverse product mix and balanced regional exposures de-risk revenue streams (no region >40% of sales).
- Ongoing pipeline investments, commercial excellence (payer/formulary access), and manufacturing depth position Biocon for sustained long-term stakeholder value creation.

Fortis Healthcare Ltd Q2FY26 Concall Highlights

Financial and Operational Performance

- Consolidated topline for Q2FY26 stood at INR 2,331 mn, up 17.3% YoY, driven by strong growth in both hospital and diagnostics segments.
- Hospital business revenue grew 19.3% YoY to INR 1,974 mn, accounting for 85% of consolidated revenue.
- Diagnostics business net revenue increased by 7.1% YoY to INR 357 mn.
- Consolidated operating EBITDA rose 28% YoY to INR 556 mn, with margin improving to 23.9% (from 21.9% in Q2FY25).
- Hospital business EBITDA was INR 452 mn, with margin up 150 bps YoY to 22.9%.
- Profit after tax before exceptional items increased 20.7% YoY to INR 305 mn.
- H1FY26 consolidated revenue was INR 4,498 mn (+16.9% YoY), with EBITDA at INR 1,047 mn (margin: 23.3%, up 310 bps YoY).

Segmental Performance

Hospital Business

- Hospital occupancy improved to 71% (from 69% in Q1FY26), with occupied beds up 13% YoY to 3,318.
- ARPOB (Average Revenue Per Occupied Bed) increased 5.8% YoY to INR 2.51 mn per annum, driven by higher specialty mix and complex procedures.
- Oncology segment grew 29% YoY, contributing 16.2% to hospital revenue (up from 15% in Q2FY25).
- Robotic surgeries surged 66% YoY, reflecting increased complexity and premiumization.
- Revenue from medical travel grew 26% YoY to INR 169 mn, with international business accounting for 8.1% of hospital revenue.
- 13 facilities reported EBITDA margins above 20% in Q2FY26 (vs. 10 in Q2FY25), contributing 77% to hospital revenues.
- Key facilities (Shalimar Bagh, Faridabad, Sehri) saw margin expansion and revenue growth above 20% YoY.
- Digital channel revenues grew 20.4% YoY, contributing 29.5% to hospital revenues.

Diagnostics (Agilus)

- Gross revenue grew 7.3% YoY to INR 400 mn, with operating EBITDA margin at 26.1% (up from 21.5% in Q2FY25).
- H1FY26 gross revenue was INR 768 mn (+7.3% YoY), with EBITDA margin at 24.6% (up from 18.9% in H1FY25).
- Total tests conducted: 10.6 mn (vs. 10.4 mn in Q2FY25).
- B2C:B2B revenue mix was 52:48 (vs. 53:47 in Q2FY25).
- Revenue contribution: 53% routine, 34% specialized, 13% wellness.
- Geographic mix: 30% North, 33% South, 20% West, 12% East, 4% international.
- Preventive portfolio contributed 13% to diagnostics revenue.
- 19 new tests launched, including advanced oncology, infectious disease, and autoimmune panels.

Strategic and Expansion Initiatives

- Entered a 15-year lease for a 200-bedded multi-specialty hospital in Greater Noida (previously managed under OM), with annual rental charge of INR 27.6 mn.
- Signed OM agreement for a 550-bedded greenfield super specialty hospital in Lucknow.

- Acquired Shrimann Super Specialty Hospital in Jalandhar, increasing Punjab cluster beds to 965.

- Signed OM agreement with Gleneagles India to manage five hospitals and a clinic; integration progressing well.
- Brownfield bed expansion: 550 operational beds added in H1FY26.
- FMRI capacity addition was delayed by three months; now expected to be commissioned by March 2026.

Management Commentary and Outlook

- Hospital profitability is expected to further improve, with several units (Paneshwar, Greater Noida, Noida, Faridabad) showing upside potential.
- Noida unit expected to reach mid-teens EBITDA margin within six months, with ongoing investments in equipment and clinical talent.
- Organic bed addition in H1FY26 was approximately 200 beds; full-year guidance remains 400–500 beds.
- Occupancy is expected to remain in the 70–75% range, with focus on new capacity additions.
- CGHS revised rates have a mixed impact; clarity on super specialty and drug pricing is awaited.
- International patient flow grew 26% YoY and is expected to remain at 8% of hospital revenue, with absolute growth in double digits.
- No price hikes in diagnostics; higher realization per patient/test driven by increased focus on wellness packages and discontinuation of low-ticket Aam Aadmi Mohalla clinics business.
- Stake in Agilus Diagnostics is 89%; management is comfortable with current stake but open to further acquisition if opportunities arise.

Key Risks and Opportunities

- Seasonal impact from festivals and holidays may affect Q3 hospital growth, but H2 momentum is expected to remain strong.
- Diagnostic volumes were impacted by discontinuation of Aam Aadmi Mohalla clinics and subdued vector-borne disease surge; outlook remains positive for both growth and margin expansion.
- Debt levels are comfortable, with healthy cash flows supporting growth and CAPEX; deleveraging expected over the next two years if acquisition activity slows.

Arihant Capital Markets Ltd

PI Industries Ltd – Q2FY26 Earnings Call Key Takeaways

Outlook

Management remains cautiously optimistic about a gradual recovery in both domestic and export markets starting Q4FY26, supported by better Rabi prospects, normalization of global inventories, and healthy levels of water reservoirs. A full recovery for the global crop protection industry is expected only in H2CY26, with the company continuing investments in capability-building and diversification across AgChem, pharma CRDMO, and biologicals. PI's long-term growth outlook remains intact, supported by a robust order book and strategic initiatives across life sciences, though near-term challenges persist due to regulatory disruptions, erratic rainfall, and global demand softness.

Industry & Business Environment

- The global crop protection industry remains in a prolonged down cycle due to destocking, lower commodity prices, Chinese overcapacity, and weather disruptions, with only a modest recovery anticipated in Q4CY25 and full normalization by H2CY26.
- Domestic AgChem industry faced erratic and excessive rainfall, leading to crop damage (over 1.2mn hectares in Punjab and Maharashtra), high inventory, and credit levels.
- Regulatory changes and input shortfalls further weighed on domestic demand, particularly impacting biologicals and fertilizer segments.

Financial Performance

- Q2FY26 revenue stood at INR 18,723mn, down 16% YoY and 1% QoQ, against a high base and primarily impacted by domestic headwinds and customer delivery deferments in exports.
- H1FY26 revenue declined 12%; on a 3-year CAGR basis, growth is 4%, outperforming industry trends despite the challenging environment.
- EBITDA margins remained resilient due to favorable product mix and operational efficiencies; gross margin expanded by 500bps YoY, driven primarily by product mix rather than inventory movements.
- Trade working capital increased to 115 days of sale, reflecting channel support amid high inventories, but management aims for improvement as market normalizes.
- Pharma business doubled revenues YoY for H1FY26 despite increased overheads due to ongoing investment phase. Plant Healthcare (biologicals) revenues were in the INR 10-12mn range.

Segmental Highlights

AgChem (Exports & Domestic)

- Export AgChem revenues declined as per planned customer delivery schedules and inventory normalization; softness was built into FY26 outlook.
- Recently commercialized products (past 3 years) delivered 38% YoY growth in H1FY26, reaffirming PI's de-risking strategy and execution strength.
- Pipeline remains robust, with 8-10 new molecules slated for commercialization in FY26, including non-AgChem specialty and fine chemicals.
- Domestic AgChem sales registered a 5% decline in H1 due to excessive rainfall and biological regulatory challenges. Three new brands launched in H1, with plans for 2-3 additional launches in H2.
- Over 20 products in future development pipeline. Channel liquidity support remains a focus.

Pharma CRDMO

- Platform revenue up 50% YoY, with the business in investment phase led by capability building, onboarding of US and European customers, and strengthening of processes.
- Six late-stage programs onboarded, with plans to add more in H2; timelines for transition to profitability

- Margins impacted by higher investment; profitability expected to track scale-up in large programs over the next several quarters.

Biologicals

- Biologicals business had H1 revenues of INR 10-12mn, impacted by abrupt regulatory changes which restricted sales for part of the period.
- Regulatory challenges in India are being resolved, with normalization expected from Q4FY26; global progress continues in new registrations and label expansions, with significant scale-up projected in FY28-29.
- Platform is under investment phase; profitability to converge with broader business margins post scale-up over next 2-3 years.
- Hyderabad research center commissioned to accelerate biological innovation; global launches targeted for US, Brazil, Europe, Mexico, and India.

Electronic & Specialty Chemicals

- Five to six electronic chemical products commercialized; ongoing capacity expansion with two dedicated plants under commissioning.
- Non-AgChem product commercialization progressing as part of diversification strategy.

Strategic Initiatives & Capital Allocation

- Order book as of now stands at ~USD 1.25bn (INR equivalent), providing healthy visibility.
- Management evaluating inorganic opportunities in India and globally, but will remain prudent given business environment uncertainties.
- Continued investments in science-led platforms, capacity expansion, and go-to-market strengthening in focal regions.

Management Commentary & Guidance

- Positive growth trajectory expected from Q4FY26, with normalization in exports and better Rabi outlook for domestic business.
- Annual revenue and margin guidance remains broadly muted due to H1 challenges, but long-term direction is intact; double-digit strength could return in H2 next fiscal.
- Gross margin guidance remains at 50-52% sustainable level over the medium term.
- Pharma and biologicals remain long-term growth drivers; biologicals expected to grow 3-4x in the next five years.

Risks & Monitorables

- Weather disruptions and regulatory actions, especially in biologicals, remain key near-term risks.
- Synchronized destocking cycles and volatility in global crop protection demand could prolong recovery timeline.
- Timely resolution of domestic regulatory bottlenecks, successful commercialization of new products, and effective working capital management to be closely tracked.

Jyoti Resins & Adhesives Ltd | Q2 FY26 Key Takeaways

CMP – INR 1,205 | Mcap – 14,460 Mn

- Q2 FY26 was another **steady growth quarter**, supported by strong volume growth of around **20% YoY** and consistent execution across key retail markets.
- The company continues to outperform the broader adhesives industry, driven by its expanding distribution network, strong brand recall, and focus on profitability despite higher marketing investments.
- **EBITDA margins remained healthy at 27.5%**, reflecting robust operating efficiency even as advertising, trade marketing, and maintenance spends increased.

Brand & Marketing Initiatives

- Continued heavy marketing investments to strengthen Euro 7000's national presence.
- The campaign **#SirfJodoNahinFayedonKeSaathJodo**, featuring **Pankaj Tripathi as brand ambassador**, gained strong traction across TV, print, digital, and OOH platforms.
- 30+ large-scale **dealer and carpenter meets** were conducted to strengthen ground engagement and loyalty.
- The company's carpenter loyalty app continues to grow, with **over 2 lakh registered users** out of 3.5 lakh touchpoints one of the strongest B2B engagement programs in the category.

Distribution & Reach

- Presence expanded to **14 states**, with **54 branches**, **65 distributors**, and a **13,000+ retailer network**, supported by a 435-member sales force.
- The company continues to consolidate leadership in North and West India while expanding presence in **Uttar Pradesh, Delhi, and Maharashtra**.
- Focus remains on deepening penetration in semi-urban and Tier-2 markets where brand visibility is rising rapidly.

Strategic Initiatives & Expansion Plans

- **Production capacity at 2,000 TPM (24,000 TPA)** currently; brownfield expansion and new warehouse construction underway to support rising demand.
- Plans to expand storage and distribution capacity for faster turnaround.
- Over the next 3 years, the company targets to reach **INR 5,000 Mn (₹500 Cr) revenue**, driven by product innovation, deeper branding, and geographic expansion.
- High operating leverage with **asset turnover of 8x**, reflecting strong capital efficiency.
- Among the **highest EBITDA per ton** in the adhesives industry.

-Elevated ad spends may temporarily cap near-term EBITDA expansion.

-Competition intensity rising in organized retail adhesive space.

-Execution of capacity and warehouse expansion to be closely tracked for scale-up timing.

Guidance & Outlook

Management expects growth momentum to continue, led by expanding reach, steady brand investments, and strong retail offtake. The focus remains on maintaining leadership in the retail adhesive segment while deepening presence in new states and premiumizing the product mix. With brownfield expansion, solid financial strength, and a loyal carpenter network, Jyoti Resins is confident of achieving sustainable double-digit growth, consistent margins, and its medium-term goal of ₹500 Cr annual revenue within the next three years.

AXISCADES Technologies Q2FY26 Concall Highlights**Mcap: INR 63bn | CMP: INR 1,483****Revenue**

The company is targeting core business revenue growth of 40% YoY in FY26E and 45% YoY in FY27E & FY28E, supported by new infrastructure, strategic global alliances.

The growth is expected to accelerate to 70% YoY over the period of FY28-30E, supported by new infrastructure, once fully operational.

The company is focused on achieving revenue of INR 90bn by FY30E. It's a term initiative of Power 930.

Margins

Defence margins are around 22%, Aerospace margins are around 18.5%.

Capex

The phase 1 capex is expected to be INR 1.5-1.8bn in FY26E. The capex is focused on electronics, semiconductors, and AI test systems in the Aeroland facility (1,65,000 sq ft). The facility is partially operational.

The facility is expected in Devanahalli Atmanirbhar Complex (3mn sq.ft), with a capex of INR 11-12bn (phase 2 & 3). The facility will focus on radar, unmanned warfare, and offset fulfillment centers.

The new missile complex in Hyderabad is also sanctioned.

Overall, the capex is expected to be INR 15bn over the next 3 years. The funding is expected through internal accruals, strategic partner investments, and limited debt.

Order book

The company has an order book till FY27E and has a strong base visibility till FY30E. The company is focused on converting 60% of the pipeline.

Major order wins are from DRDO, DPSUs, and global OEMs.

Partnerships and MoUs

The partnerships with MBDA focus on missile systems, test benches, and potential local manufacturing.

The partnership with Indra focuses on antennas, radars, and active protection systems.

The MoU with the French company Silas aims to advance laser-based hard-kill counter-drone technology in India.

Defence

In Defence, the company focuses on rocket motors, seekers, and final assembly for programs like BrahMos and Kusha. Missiles are expected to contribute 40% of defence revenue going forward.

In Defence, the company is focused on radars and antennas. This segment is expected to contribute 30%-35% of defence revenue going forward.

In Defence, the company is focused on unmanned systems, encompassing counter-drone systems, laser-based hard-kill solutions, and loitering munitions. This segment is expected to contribute 25%-30% of defence revenue going forward.

The company aims to become top 3 players in the counter-drone market and is targeting a 20%-30% market share.

The company is involved in projects in SU-30 upgrades and is waiting for an order for LLTR from BEL.

Defence margins are around 22% and expected to maintain going forward.

The defence working capital cycle is around 120 days.

ESAI

ESAI business is transitioning from design services to manufacturing.

The new facilities under development include an acoustic lab and a flexboard facility for two hyperscaler partners. It's expected to be certified by Mar-26.

The hyperscaler business is expected to increase from \$2mn (FY26E) to \$6-7mn (FY27E).

Non-core business

The company is reviewing its non-core verticals, which include heavy engineering and automotive. The plan for divestment or restructuring is on the table and expected to make a decision by the end of FY26E.

Other highlights

The net debt stood at INR 500mn.

ESOP cost stood at INR 25mn in Q2FY26 and is expected to be INR 150-200mn in FY26E.

The effective tax rate is expected to be around 25%.

In exports, the company is focused on unmanned warfare systems.

ESAI contributes around 75% of revenue.

Endurance Technologies Ltd – Q2FY26 Concall KTAs

Management remain confident in sustained growth through FY27–FY28 driven by ABS capacity expansion, new proprietary product launches, strong traction in EV casting and battery systems, and increased localization efforts. The company expects expanded ABS and disc brake capacities, new alloy wheel plants, the upcoming battery pack line (SOP Jan'26), and an increase in inverted front fork adoption to meaningfully accelerate revenue from FY27 onward. Medium-term growth visibility remains strong, with peak annual revenues of ~INR 3,500 Cr from new orders by FY28, and continued expansion across Europe, supported by stable demand and improving profitability.

Financial Performance

Consolidated revenue grew 22.6% YoY to INR 3,603.8 Cr.

EBITDA increased 21.9% YoY to INR 497.8 Cr with a 13.8% margin.

PAT stood at INR 227.3 Cr up 12% YoY.

Standalone revenue grew 16.2% YoY to INR 2,692.2 Cr with EBITDA at INR 335.9 Cr (12.5% margin) impacted by higher aluminium alloy prices, strategic employee additions, and investments toward future programs.

Consolidated margins remained resilient despite raw material pressures and ongoing capability-building initiatives.

Capacity Expansion and Regulatory-Led Demand

The forthcoming ABS mandate is a big growth trigger.

Endurance is expanding ABS capacity 5x to 2.4 Mn units annually.

The first 1.2 Mn line will be operational in Q1FY27 while the second line will be ordered post-final guidelines.

The existing 640,000-unit ABS line will reach full utilization by Q4FY26.

The company is also expanding backward integration in hoses, valves, and ECU assemblies and is setting up SMT capability for partial PCB requirements.

Braking Systems and R&D Investments

A new disc brake systems plant will start SOP in Q2FY27 with 3 Mn disc brake assemblies and 4 Mn brake discs per annum to support demand from TVS, Yamaha, and Royal Enfield.

The integrated R&D facility, which is double the size of the present one will be ready by Q4FY26 with two-wheeler braking, ABS R&D, and four-wheeler brake assembly development.

Alloy Wheels and Casting Business

The new Orik-Bitkin alloy wheel plant (3.6 Mn wheels/year) started supplies to Bajaj in October and would start production for Royal Enfield and Suzuki from Q1FY27 with targets of INR 600+ Cr annualized revenue by Q2FY27.

The Chakan plant is running full capacity at 5.5 Mn wheels.

In casting, the Aurangabad Chakan facility will cater to large EV platform orders; total EV casting order value stands at INR 456 Cr across 4 OEMs.

EV Systems - Battery Packs and BMS

Cylindrical line for battery pack manufacturing will start SOP in Jan'26 for one of the leading two-wheeler OEMs.

This will support the INR 300 Cr per annum order.

Discussions for telecom, inverter, and BESS applications are underway in parallel.

Maxwell, the electronics subsidiary reported INR 73 Cr revenues in H1FY26 versus INR 70 Cr in the full yearFY25.

The cumulative order is INR 209 Cr per annum, peaking in Q3FY27.

A second SMT line will double BMS capacity to 88,000 units per month by Mar'26.

Proprietary Products and New Technologies

Inverted front forks continue to scale with expected volumes of 650,000 units in FY26.

Supplies have commenced to TVS, with SOPs for Hero MotoCorp and a large Chinese OEM scheduled throughFY27.

Endurance has won orders across JLR (INR 27 Cr/yr), Royal Enfield (INR 12 Cr/yr), and German OEMs (INR 5Cr/yr) for aluminium forging.

Solar damper supplies have begun, with a INR 200 Cr order to be executed by FY27 and multiple new globalaccounts under discussion.

Order wins and revenue visibility

In H1FY26, India business order wins stood at INR 909 Cr with new business contributing INR 904 Cr.

The cumulative India EV business comes to INR 1,012 Cr per annum (INR 1,195 Cr including Bajaj Auto).

Cumulative orders won from FY22 stand at INR 4,671 Cr per annum, of which INR 3,953 Cr are new businesswith peak revenue of ~INR 3,500 Cr expected by FY28.

The RFQ pipeline stands at INR 4,209 Cr for which management expects to win INR 1,500+ Cr in the next 12–18months.

European Business Performance European revenues advanced by 32.7% YoY to €88.7 Mn while EBITDA marginexpanded to 17.8%.

Without the Stefanie consolidation the growth was 7.8% ahead of the EU market increase of 7.5%.

Sequential decline reflected seasonal shutdowns during August.

Management believes that demand will remain stable in the next 2 quarters despite sustained pressure onenergy costs, facilitated by new EV contracts from Stellantis, Volkswagen, and other OEMs.

Capex and Balance Sheet

India capex is estimated to reach INR 800–850 Cr in FY26, led by 3 new plants. European capex is planned at€32 Mn for FY26.

Depreciation will increase further in Q3 due to commissioning of new lines but is likely to normalize thereafter.

PSI incentives of INR 70 Cr were booked in H1FY26.

Fiem Industries Ltd – Q2FY26 Concall KTAs

Management remains confident of sustaining double-digit growth through H2FY26 driven by strong order inflows from TVS, Yamaha, Hero MotoCorp, and expanding adoption across Royal Enfield along with ramp-up in four-wheeler lighting programs with Mahindra. Margins are expected to remain ~ 13–14% aided by operating leverage expanding LED mix and increasing localisation in electronic components. The company reiterated its outlook of outperforming two-wheeler industry growth in FY26–FY27 supported by new technology launches deeper customer penetration and a growing RFQ pipeline across both 2W and PV segments.

Financial Performance

Q2FY26 revenue rose 17.1% YoY to INR 711.4 Cr marking the highest-ever quarterly sales. EBITDA stood at INR 99.1 Cr with a 13.9% margin (up 72 bps YoY), supported by operating leverage and richer product mix. PAT increased 28% YoY to INR 63.8 Cr also the highest for any quarter. H1FY26 revenue grew 15.2% YoY to INR 1,360.5 Cr, with EBITDA at INR 186.5 Cr (13.7% margin) and PAT at INR 119.8 Cr (+21% YoY). Capex stood at INR 37.8 Cr in H1.

OEM Traction and New Model Wins

Strong volume growth from TVS, Royal Enfield, and Yamaha supported quarterly performance. Supplies started for Hero Glamour S125 projector headlamps, Xtreme winker lamps, and additional Hero models under development. Yamaha introduced the XSR155 and its first EV with Fiem LED headlamps and tail lamps. At the Milan Motor Show, TVS Norton showcased two new models featuring Fiem's advanced animation-based CAN-enabled lighting systems, reinforcing the company's design and electronics capabilities.

Expansion into Four-Wheeler Lighting

Fiem continued to scale its PV lighting business with Mahindra, supplying number plate lamps for Scorpio and Thar, RR and fog lamps for XUV700 refresh, and receiving new orders for high-mounted stop lamps and side repeater lamps for Bolero and Scorpio. Additional RFQs are under evaluation from Force Motors and Mercedes. Management expects meaningful PV revenue contribution as new orders commercialize over the next 12–18 months.

Technology and Product Development

The company is accelerating investments in advanced LED, CAN-based animated lighting, ambient lighting solutions, and adaptive lighting technologies aligned with global safety trends. Over 100 projects are in development, representing a INR 1,000–1,200 Cr future revenue opportunity. Fiem is developing an in-house innovation lab and strengthening its 100+ member electronics R&D team to reduce dependence on external technology partners.

LED Penetration and Localization

LED lighting accounted for 63.9% of Q2 revenue. Except for LED chips and select electronic components, the company manufactures all major lighting sub-assemblies in-house, supporting higher margins and stronger control over quality. Management indicated that all new lighting projects under development across OEMs are fully LED-based, aligning with industry transition trends.

Operational Efficiency and Capacity Outlook

Capacity utilization moved toward the 80% range, supporting margin expansion. Management guided that 13–14% margins are sustainable, driven by scale benefits, richer mix, and productivity improvements across plants. Capex of INR 100 Cr is planned for FY26 to support upcoming two-wheeler and four-wheeler lighting programs.

Industry Commentary

Management expects the two-wheeler industry to clock its highest-ever production year in FY26, surpassing the previous peak of FY20. Rural markets have recovered strongly, and OEM commentary remains optimistic for H2FY26. LED penetration continues to rise across models, and all future OEM lighting RFQs are LED-based.

Data Patterns (India) Ltd | Q2FY26 | Earnings Call | CMP: INR 2,908 | M-Cap: INR 167 Bn

Overview

Data Patterns reported solid operational growth in Q2FY26 driven by strong execution and a diversified defense electronics portfolio. Revenue grew sharply due to delivery of radar and EW systems, though margins were temporarily impacted by a low-margin strategic contract. The company remains net-debt-free with a robust order book and strong demand visibility across radar, EW, avionics, and communication systems.

Management expects Rs 10,000 Mn additional order inflow in the remaining FY26.

Strong Execution & Product Strength

- Three decades of capability across Radar, EW, Avionics, Communications, ATE & Satellites.
- Successful export of Transportable Precision Approach Radar (PAR); 9 PARs delivered to Indian Army & Navy.
- Developed COMINT/ELINT systems, airborne jammer pods, RF/IR seekers, SDRs, radar building blocks.
- High in-house design with strong IP; significant investments in R&D and product development.

Key Focus Areas

- Move up value chain by manufacturing full systems using in-house building blocks.
- Expand exports; growing traction in Europe & East Asia.
- Capex plan of INR 1,500 Mn over next two years; INR 1,750 Mn already deployed in last 5 years.
- Product development pipeline funded through QIP for Radar, EW & Communication.

Key Q2FY26 Financial Highlights

- Revenue: Rs 3,075 Mn (vs 910 Mn YoY)
- EBITDA: Rs 685 Mn; 22% margin
- Net Profit: Rs 492 Mn (YoY growth 62%)
- Net Debt: Zero
- ROE / ROCE: 15% / 19% (H1FY26 TTM)

Order Book & Inflows

- Order Book: Rs 6,736 Mn as on Sep 30, 2025
- Order Inflow (H1FY26): Rs 3,506 Mn (up 320% YoY)
- Major orders include:
 - o EW (ECIL): Rs 840 Mn
 - o Fire Control System (BrahMos): Rs 460 Mn
 - o AMC (MOD & BrahMos): Multiple orders >Rs 1,000 Mn combined
 - o Radar & EW Development Orders: DoS & MOD

Business Mix – Q2FY26

- Product-based revenue: 74%
- Radar: 72% of Q2 revenue
- EW: 11%
- Customers: DRDO, BEL, HAL, BrahMos, ECIL, MOD, exports

Outlook

- 20–25% annual revenue growth expected over next 2–3 years.
- EBITDA margin guidance: 35–40% for full-year FY26.
- Strong pipeline of Rs 20–30 Bn expected over next 18–24 months.
- Plans to maintain net-debt-free status.
- Expanding export footprint and increasing TAM through full-system solutions.

Sudarshan Chemical Industries Ltd.

Outlook

Sudarshan Chemical Industries Ltd. expects a gradual recovery in demand as destocking effects subside and global economic conditions improve. The company remains confident in its value capture initiatives and integration progress, which should drive improved profitability and working capital efficiency in the medium term. Management anticipates a stronger performance in the second half of FY26, supported by ongoing cost synergies and a robust pipeline of value capture opportunities.

Financial Performance

- Consolidated sales for Q2FY26 stood at 712 crore, reflecting a 2.2% YoY growth and a 13% QoQ increase.
- Adjusted EBITDA for Q2FY26 was 87 crore, down 3.5% YoY, with an EBITDA margin of 12.8% (vs. 13.6% YoY).
- Profit before tax (PBT) for Q2FY26 was 63 crore, a 46.7% YoY increase.
- For the first half of FY26, consolidated sales were 1,340 crore, up 0.8% YoY, with adjusted EBITDA of 178 crore (13.3% margin).
- PBT for H1FY26 was 139 crore, up 66% YoY.

Segment Performance

• Legacy Sudarshan:

o Pigment sales were marginally lower YoY due to softness in Europe, North LatAm, and Middle East Africa regions.

o QoQ sales growth was 13%, driven by India subcontinent growth.

o EBITDA margin for pigments was 4.1% in Q2FY26.

• Acquired Group (Heubach):

o Sales run rate in Q2FY26 was 561 crore, down from 627 crore in Q1FY26.

o EBITDA margin for pigments was 13.0% in Q2FY26, down from 15.9% YoY, reflecting ongoing soft demand and destocking effects.

o Average monthly sales run rate for H1FY26 was 594 crore.

Market and Demand Trends

- Demand across most pigment end-use industries (coatings, plastics) remained weak, driven by high interest rates and low economic growth.
- Customers continue to deplete high inventory levels built up during the insolvency phase, with slower-than-expected destocking.
- Most global customers reported degrowth vs. last year.

Integration and Value Capture

• Integration of Sudarshan and Heubach is progressing well, with business continuity ensured and unified go-to-market (GTM) strategies launched.

• Value capture initiatives are underway, focusing on operations, procurement, organizational design, and IT integration.

• Key cost reduction areas include streamlining legacy support functions, IT platform unification (ONE SAP), production process optimization, and procurement renegotiations.

• Organizational structure and cultural integration efforts are on track.

Financial Ratios and Capital Structure

• Net debt to equity ratio improved to 0.3x in H1FY26 (from 0.5x in FY25).

• Net working capital as a percentage of revenue was 26.2% in H1FY26.

• Return on capital employed (ROCE) was 13.7% in H1FY26.

• EPS for H1FY26 was 7.5 INR (not annualized).

Guidance and Forward Outlook

• Revised EBITDA guidance for the acquired group for FY26 is 10.3 million EUR (down from earlier guidance of 35 million EUR), reflecting current market conditions.

• Management expects Q3FY26 to remain slow, with a stronger recovery anticipated in Q4FY26 as the economy improves.

• Integration and value capture initiatives are expected to yield further cost synergies and profitability improvements in the coming quarters.

• Customer trust and commitment remain high, with strong potential for growth once destocking is complete.

Century Plyboards India Ltd Q2 Earnings Call KTAs**Management outlook**

- Confident and optimistic, with clear focus on profitable growth and operational excellence.
- Acknowledged near-term RM cost headwinds, but sees them as transitory
- Strong emphasis on premiumization, brand investments, and distribution network expansion as key structural levers.
- Industry tailwinds (urbanization, QCO import restrictions, housing upcycle) expected to support continued growth momentum into FY27.

Segmental Highlights & Outlook**Plywood Outlook:**

- Management expects sustained double-digit volume growth aided by premiumization and distribution expansion.
- Capacity expansion underway at multiple plants; incremental capacity at Hoshiarpur to support FY27 volumes.
- No major pricing actions planned; management aims to protect margins through scale efficiencies and cost optimization.
- Market share gains expected as imports from Vietnam/Nepal decline post-QCO implementation.

Laminates Outlook:

- Focus on premium and design-led portfolio expansion in both domestic and export markets.
- Management expects steady sequential improvement in both volumes and margins.
- Premiumization strategy to remain structural, supported by architect/influencer network expansion.
- Operational turnaround achieved after a challenging phase; management expects full stabilization over next 3-4 quarters.

Outlook & Guidance:

- Capacity expansion (South Plant Line Extension) postponed from H2FY26 to H1FY27; will raise capacity by 25% (to ~6 lakh m³).
- Industry demand outlook: +15-20% YoY growth; company expects to maintain utilization above 80%.
- Management exploring future capacity expansion (FY28+); discussions ongoing (no final decision).
- Focus on value-added products and geographic mix improvement to drive medium-term margin expansion; 20% EBITDA margin achievable at steady state.
- Temporary RM pressure from timber shortages in North (floods) and chemical cost uptick expected to normalize within a quarter.

Particle Board

- Guidance: Management reaffirmed 40% revenue growth target for FY26, targeting ~INR 2 Bn revenue exit.
- Market response to the new line has been “extremely encouraging”, with top-quality board output comparable to premium standards.
- Utilization: Currently ~35%; expected to ramp up to 55-60% in H2FY26.

MSTC Ltd Q2 Earnings Call KTAs**EPR Trading Platform - Core Long-Term Growth Engine**

- The platform is expected to unlock significant transaction-based revenue once operationalized.
- Timeline: The first two years (FY26-FY27) will primarily involve system build-up and policy expansion, with meaningful revenue expected to commence from late FY27 or early FY28.
- Policy Expansion: The current EPR regime covers 5 waste material categories; 5-10 more categories are expected to be included, expanding the volume and market opportunity.

Sand Mining Auctions:

- After successful implementation in Uttar Pradesh, MSTC has replicated the model in Chhattisgarh, and more states are in the pipeline.
- This business will remain a steady, high-volume transaction segment in the near term.

Software as a Service (SaaS) Model:

- The company is actively transitioning toward a SaaS revenue model for future digital solutions.
- These models are expected to stabilize earnings and improve margins due to recurring subscription-like income.

Travel Portal Initiative - Near-Term Digital Monetization Lever

- MSTC is developing its own travel portal, initially focused on B2B government clients, with plans to expand to B2C and private sector in subsequent phases.
- Launch Timeline: Targeted by Q1 FY27: Low; development leverages existing in-house data center and redundant capacities.

Vehicle Scrappage & MMRPL JV Outlook

- The MMRPL JV (with Mahindra) is performing as per internal expectations but remains below profitability.
- The company maintains a long-term positive outlook, citing upcoming EPR regulations and the formalization of India's circular economy framework.
- Short-term headwinds persist due to stable-to-declining scrap prices, which constrain near-term growth.

Management Commentary:

- Overall performance in H1 FY26 was "steady but modest"; however, management expects performance to be "a little more robust" in coming quarters.
- Incremental growth is expected in FY27 and FY28, as current projects enter monetization phase.
- Capex: Minimal, primarily related to server maintenance, software development, and platform rollout.
- Cash Priorities: (1) Infrastructure upkeep → (2) Platform development → (3) Dividends → (4) Office space acquisition.
- Data Center Utilization: Additional capacity created through the new DR site in Delhi is yet to be monetized; management is exploring commercial opportunities.

Outlook and Strategic Commentary

- The company's medium-term visibility is improving, driven by multiple government-linked digital projects and the structural shift toward SaaS and platform-based business models.
- EPR and DGFT platforms will form the backbone of MSTC's next growth cycle, with commercial benefit expected post FY27.
- Management aims to maintain strong cash generation and capital-light expansion, while continuing to explore additional government partnerships.

Overview

MSTC's earnings trajectory for the next 12-18 months is expected to remain stable, but FY27-FY29 could mark a structural growth phase as the EPR and SaaS-based platforms scale.

Arihant Capital Markets Ltd

Power Mech Projects Ltd | Q2 FY26 Key Takeaways
CMP – INR 2,298 | Mcap – INR 72,480Mn

Overall Performance & Business Momentum

- Power Mech delivered a **strong Q2**, sustaining ~20% YoY revenue growth driven by solid execution across core segments and partial ramp-up in MDO projects.
- Although Q2 was softer vs Q1 due to extended rains and absence of one-time revenue from Riverbed Minerals, the company maintained **stable margins**, reflecting strong cost control and project management discipline.

-The company posted **exceptionally strong order inflows** in FY26-to-date, crossing ~**₹4,800 Cr**, with marquee wins from BHEL, Adani, SJVN and multiple JSW/NTPC ecosystem projects.

-**Total order book now exceeds ₹56,000 Cr**, including long-tenure MDO projects offering **multiple years of assured revenue visibility**.

-Order pipeline remains robust with the company targeting **₹10,000 Cr of new orders for FY26**, already achieving nearly half within H1.

-Power EPC opportunity pipeline (~₹3 lakh Cr) remains large; the company expects to bid for **₹2 lakh Cr worth of tenders** with a historical hit ratio of 50–60%.

Segment Insights

1. Erection, Testing & Commissioning (ETC)

- ETC execution remained steady, supported by strong traction in industrial and power sector projects.
- Execution improved in large-scale BTG/BOP packages, particularly in supercritical thermal projects.

2. Operations & Maintenance (O&M)

- O&M continues to be the **high-margin annuity business**, with strong long-term pipeline and 75+ GW under management.
- New long-duration O&M contracts awarded during the year enhance revenue stickiness and margin stability.

3. Civil Infrastructure

- Civil revenues moderated temporarily due to **extended monsoon** and **delayed bill certifications** in the water division.
- Execution set to normalize from Q3 onwards as site conditions improve.

4. Mining, Development & Operations (MDO)

- The MDO business is entering a **strong ramp-up phase**, with revenue contribution gradually increasing.
- Revenue potential rising to **₹550–600 Cr scale** in FY27
- EBITDA margins improving from **14–16% to ~20%** as scale improves
- Long-term peak potential of **23–25% margins** at full utilization

5. Renewables

- Company remains selective due to irrational bidding in solar tenders.
- Focus is shifting towards **solar + BESS (battery)** integrated packages — a segment with healthier economics.
- Targeting 100 MW solar + 200–250 MWh BESS orders in FY27.

Strategic Direction

- Continue to strengthen position in **power EPC & O&M**, while scaling **mining** as the next big value driver.
- Expand into adjacent opportunities such as **water EPC, infra civil, structural steel** and **solar + BESS**.
- Focus on partnerships with major EPC players like **BHEL, L&T, Adani, Tata Consultancy Engineers** to secure packaged turnkey opportunities.
- Diversification across **thermal, industrial, mining, water, and overseas EPC** reduces cyclical risks.

Key Watchpoints

- Weather disruptions (monsoon) can impact near-term civil execution
- Higher finance costs due to asset addition may slightly weigh on PAT
- Renewable bidding remains highly competitive; disciplined strategy required
- MDO ramp-up timelines need to be tracked closely for scale benefits

Guidance & Outlook

Management remains confident of maintaining **strong revenue growth in FY26** with full-year topline guiding around **₹6,200-6,300 Cr**, slightly lower than the earlier ₹6,500 Cr expectation due to monsoon delays. For FY27, the company expects **20-25% growth**, supported by a richer order mix, stronger execution, and scale-up in mining operations. Margins are guided to remain stable this year, with **meaningful improvement planned for FY27** as MDO and O&M take a larger share of revenues. With one of the strongest order books in the industry, expanding annuity businesses, and a disciplined bidding strategy, Power Mech is well-positioned for **sustained multi-year growth and profitability**.

Lloyds Metals & Energy Ltd | Q2 FY26 Key Takeaways
CMP – INR 1,271 | Mcap - INR 666.39 Bn

Overall Performance

- Q2 FY26 was a **moderately soft quarter operationally**, affected by lower iron ore dispatches, seasonal mining disruptions, and temporary logistical constraints.
- Despite this, the company **maintained strong operating profitability**, supported by cost controls, improved plant efficiencies, and stable contribution from value-added products.
- Management reiterated that **underlying industry dynamics remain favorable**, with iron ore demand expected to strengthen as steel expansion projects ramp up across India.

Mining Operations

- Mining volumes were lower due to:
 - Monsoon-related disruptions
 - Limited ability to dispatch ore
 - Temporary evacuation challenges at certain pits
- However, management highlighted that **post-monsoon mining has normalized**, with steady month-on-month improvement visible in Q3.
- The company remains on track with its long-term mine development roadmap and expects **significant volume recovery in H2**, supported by improved access, expanded crushing capacity, and upgraded evacuation infrastructure.

Value-Added Products & Expansion

- The pellet and sponge iron divisions provided operational cushioning during the quarter.
- The company continues to work on:
 - Expanding its value-added product capacity
 - Improving kiln stability and metallization rates
 - Enhancing backward integration to reduce reliance on external sourcing
- These efforts are expected to **improve the cost structure and margin visibility** over the medium term.

Industry & Market Commentary

- Domestic iron ore demand is expected to rise meaningfully over the next two years due to:
 - New steel capacity additions
 - Strong infrastructure and construction activity
 - Higher consumption from manufacturing, rail, and automobile sectors
- The pricing outlook remains stable, with management expecting a **balanced demand-supply environment** for iron ore and pellets in FY26–27.
- Lloyds remains strategically placed due to its **mine ownership, long-life reserves, and integrated cost advantage**.

Key Watchpoints

- Dispatch volumes need to pick up meaningfully in H2 to meet annual targets
- Evacuation infrastructure and logistics efficiency remain critical
- Any regulatory delays around mine development must be tracked
- Sponge iron and pellet prices remain sensitive to steel demand

Guidance & Outlook

Management expects a **much stronger second half**, driven by normalization of mining operations and improved ore evacuation. Value-added product volumes are also expected to increase as plant stability improves. With demand for iron ore strengthening and key infrastructure upgrades underway, the company anticipates steady margin performance and a healthier operational rhythm in H2. Over the medium term, Lloyds remains confident of delivering sustainable growth, underpinned by long-life mining assets, integrated operations, and strong market fundamentals.

Astra Microwave Ltd Q2FY26 Concall KTAs

Outlook: The company expects to double its revenue in the next 3 to 4 years, targeting INR 1,400–1,500 Cr in FY27 and INR 2,250–2,500 Cr by FY30, driven by key programs like QRSAM, Uttam radars, and Su-30 EW suites. It aims to become a \$1 bn revenue player over time, supported by growing defense and space opportunities. It plans to book orders worth INR 400 Cr in Q3 and INR 600 Cr in Q4FY26. The company also plans to launch its own revenue-generating satellite, “AstraSat-1,” within 24 months, strengthening its presence in the space segment.

Financial Performance:

Astra reported standalone revenue of INR 213 Cr in Q2 FY26 with an EBITDA margin of 21.7% and PAT of INR 21 Cr. For H1FY26, revenue stood at INR 410 Cr, up 7.2% YoY, with EBITDA of INR 85 Cr and PAT growth of 13.5%. The company expects FY26 revenue between INR 1,150 Cr and INR 1,200 Cr while maintaining stable margins of 45–50%. Other expenditure rose to INR 26 Cr owing to equipment maintenance costs and CSR spending of INR 2.65 Cr.

Order book and Business outlook:

The standalone order book stood at INR 1,916 Cr as of September 2025, while the consolidated book was INR 2,209 Cr. The company expects new orders worth over INR 400 Cr in Q3 and INR 600 Cr in Q4, mainly in radar and electronic warfare segments. Key wins include refurbishment of a long-range radar, an EW Suite for Su-30 aircraft, and a INR 286 Cr defence communication order. The joint venture ARC recorded INR 78 Cr in sales and INR 11 Cr PBT in H1, with an order book of INR 336 Cr and a full-year revenue target of INR 350 Cr.

Product development and technology:

Astra is shifting from subsystem supply to integrated systems and continues to advance projects like ISAR, Virupaksha, and Uttam radars. Development of electronic warfare systems for airborne and ground platforms is progressing, with completion expected in two years. In the counter-drone and seeker programs, the company expects at least 20 seeker units to be delivered by March 2026.

Growth guidance and long term vision:

Management aims to double revenue within 3 to 4 years and triple it thereafter, targeting a billion-dollar enterprise in the long run. Revenue is projected at INR 1,400–1,500 Cr in FY27, INR 1,650 Cr in FY28, INR 2,000 Cr in FY29, and up to INR 2,500 Cr in FY30. A new production facility is under construction to strengthen capacity and support Astra-branded system manufacturing for the next growth phase.

Other Highlights:

The company expects to benefit from India’s 15-year defense roadmap and recent INR 79,000 Cr procurement approvals, which will expand opportunities for domestic private players. It is exploring collaborations in Europe and NATO markets to expand its global footprint through technology partnerships and product licensing. The company plans to launch its own satellite, AstraSat-1, within 24 months, marking its entry into small satellite manufacturing with revenue-accretive payloads. It continues to invest in R&D for radar and EW systems, building deep in-house design capability and leveraging a skilled engineering team.

Page Industries Ltd -Q2FY26 Concall KTAs
CMP: INR 39,585 | Market Cap: INR 442 Bn

Demand Trajectory and Growth Outlook

- Consumption was subdued for most of Q2, but primary sales saw a pickup in the latter half of September, coinciding with the festive season.
- The company believes that double-digit growth is "definitely around the corner" and possible, contingent on market demand picking up.
- H2 FY26 is expected to be "considerably better than H1" based on the current growth trajectory.
- The company has not experienced moderation in demand post-festive season; strength has sustained consistently since the festive period began.
- Historically volatile volume growth is attributed to conscious inventory downstocking at the partner level in previous periods and variations in purchase patterns driven by the scheme calendar. Current primary sales figures are reported to be in line with secondary/tertiary performance.

Operational Efficiencies and Margin Drivers

- Robust gross margins were sustained despite stable raw material costs and unchanged product prices, aided by proactive inventory management.
- Significant operational efficiency improvements were realized, including a 16% increase in output with 10% fewer personnel, achieved through modernization efforts and IT interventions.
- The company is confident in maintaining EBITDA margins within the 19% to 21% range.
- The increase in employee expenses is attributable to increments, strategic investments in product management and development, and capacity expansion related to building inventory ahead of expected H2 demand.

Product Innovation and Channel Strategy

- Modern retail (e-commerce and Exclusive Brand Stores/EBS) continued to perform strongly, outpacing general trade.
- The men's innovative bonded tech collection showed "extremely encouraging" sell-throughs, even at price points higher than typical Jockey offerings, validating plans for full network distribution expansion.
- The second season of JKY Groove (winter line) is launching soon, scaling up distribution to 150-200 EBS plus e-commerce, following the success of the initial spring/summer pilot.
- Women's innerwear performance has consistently been ahead of men's for the last few years, reflecting conscious efforts to increase reach, dedicated sales teams, and portfolio strengthening. Offline retail remains highly effective for the women's category due to the need for fit trials and assisted sales.

Market Penetration and Customer Recruitment

- Current men's innerwear penetration is internally estimated to be between 17.5% and 18%, down from the historical 19-20% mark.
- The premium ranges consistently outperform the entry-level/value ranges, indicating "pressure for spend" and stretched pockets at the bottom of the pyramid.
- Slow customer recruitment into the brand from the bottom of the pyramid is a concern. The company plans to leverage its healthy ROC to become more aggressive in consumer activation rather than pushing trade incentives.
- FY26 Capex is projected at INR 140 crores, largely focused on completing the Odisha project, which will eventually yield tax incentives (approx. INR 50 crores for capex-related benefits) to be realized and booked in the P&L next year.

Senco Gold Ltd -Q2FY26 Concall KTAs
CMP: INR 330 | Market Cap: INR 54 Bn**Key Highlights**

- Consolidated revenue growth for Q2 FY26 was relatively slow at 2% (1536 cr), attributed primarily to high gold prices and consumer uncertainty/postponement in September.
- The SSG for Q2 was negative 4%, though YTD SSG through October has rebounded strongly to 17%.
- Post-quarter performance showed significant recovery: October sales reached an all-time high of 1,700 crores, representing over 50-60% YoY growth, mitigating the Q2 softness.
- YTD growth is currently tracking at approximately 25%, aligning with full-year expectations.

Consumer Behavior and Product Mix Shifts

- High gold prices are driving consumers to buy lighter-weight jewelry (22 karat, or 9 karat and 14 karat in diamonds) to fit within their budgets.
- Average Ticket Price increased by approximately 16% to 86,200 rupees, reflecting the higher gold price scenario.
- Volume growth remains challenging, reported as low single digit or almost zero due to the high gold price environment.
- Old gold exchange as a percentage of overall transactions has significantly increased to 42% to 43%, up from 35% a year prior.

Inventory Management and Hedging Strategy

- Inventory levels increased from 3,500 crores to 4,200 crores in Q2, driven by Dhanteras preparedness and the impact of rising gold prices.
- The reliance on Gold Metal Loan decreased in Q2 (from ~65% to ~51%) in favor of Cash Credit borrowings, implemented as a conscious decision to avoid margin calls triggered by extreme gold price volatility.
- The company maintains a dual hedging policy: sales are consistently hedged at 90% to 100%, while inventory hedging has been maintained at 65% to 70% (down from 85-90% previously) due to liquidity constraints and margin call risks.

Operational Growth and Future Drivers

- The company is confident in achieving 18% to 20% growth for the remainder of the year.
- The upcoming growth trajectory is fueled by a high number of wedding days expected through Q3 and Q4 (November through March).
- The strategy for store expansion is focused heavily on the franchisee model, with 8-10 more stores in the pipeline, prioritizing growth in Tier 2/3/4 towns and cities.
- Non-core geographies (Out of East India) are experiencing elevated growth, tracking upwards of 25% to 30% YTD.
- The company maintains its guidance for a sustainable full-year margin in the 7.2% to 7.4% range.

PNC Infratech Ltd Concall KTAs**MCAP: INR 70.32 Bn | CMP: INR 274**

- The company has revised its FY26 revenue growth guidance to around 5% YoY, down from the earlier projection of 15-20%. The downgrade reflects delays in appointed dates for four HAM projects totaling INR 40 bn, along with a slower-than-expected award momentum from NHAI.
- The company's unexecuted order book stands at INR 200 bn as of September 2025, offering strong visibility over the next 2–3 years. Of this, 55% is from highways; 30% from water, canal, and railway projects; and 15% from coal mining. PNC is currently executing 24 EPC projects worth INR 170 bn, several of which are ramping up post-appointed dates.
- It has maintained its FY26 order inflow guidance of INR 120-150 bn, having already secured INR 60 bn so far. It has submitted 19 bids worth INR 170 bn with 16 EPC and 3 HAM and identified 70+ projects worth INR 1,000 bn for near-term bidding. The company expects to win over INR 60 bn of new orders in H2 FY26, mainly from NHAI and state EPC projects.
- Out of 12 HAM assets, 11 have been monetized (including the state HAM asset) through sale to the Highway Infrastructure Trust under KKR. The last remaining HAM project, with equity of INR 1.1 bn, carries an enterprise value of INR 6.3 bn, implying an expected equity realization of ~INR 2.3 bn. PNC has already received INR 22 bn from monetization, with the residual INR 0.37 bn (INR 0.32 bn post-tax) booked in 2Q FY26.
- Total equity requirement across all HAM projects stands at INR 17.4 bn, of which INR 10.8 bn has been invested and INR 6.6 bn remains over the next 2-3 years. An additional INR 4.0 bn will be infused in the upcoming BESS project across FY27 and FY28. The combined INR 10 bn equity need will be funded through internal accruals and monetization proceeds, with no external debt required.
- Solar + BESS project with NHPC is progressing toward procurement, with execution expected to start in FY27. The equity requirement for this project is INR 4.0 bn, to be deployed over FY27-28. Management expects a project IRR of ~15%, supported by strong renewable and energy storage demand.
- Revenue from the Jal Jeevan Mission and irrigation projects reached INR 2.35 bn in 1H FY26, with a full-year target of INR 9.0 bn. Outstanding receivables of ~INR 8.0 bn are expected to ease as state governments commit funds amid central delays. These projects are expected to be fully completed by FY28, with no spillover beyond that period.

Best Agrolife Ltd Q2FY26 Concall Highlights**Macroeconomic and Industry Context**

- Kharif season severely impacted by erratic monsoon with regions like Punjab, Haryana, Rajasthan, and Maharashtra facing floods and excess rainfall, damaging over 6 million hectares of farmland.
- Major crops affected included soybean, maize, cotton, pulses, groundnut, and vegetables due to delayed harvesting and crop losses.
- Heavy rains also decreased pest infestations, resulting in weak agrochemical demand in affected regions.
- Rabi season outlook is cautiously positive due to ample soil moisture and water reservoirs, but delayed sowing and farmer financial stress pose risks.

Operational Performance and Strategy

- Revenues declined 30.8% YoY to INR 5.17 billion in Q2FY26 due to unfavorable weather and industry-wide demand disruption.
- Focus on inventory optimization, streamlining sales channels, and aligning production with market demand to reduce working capital and improve cash flows.
- Inventory reduced by INR 2.07 billion YoY (24%) to INR 6.66 billion.
- Operational expenditure reduced by 11-13% YoY through regional restructuring and cost control.
- Revised sales return policy and reduced preseason order placements resulted in expected significantly lower sales returns in Q3FY26, a historically high-return quarter for the industry.

Financial Highlights

- Gross margin declined to INR 1.70 billion (down from INR 2.52 billion YoY) but product mix improvement towards patented formulations supported margin resilience.
- EBITDA fell to INR 775 million (15% margin) from INR 1.47 billion (19.7% margin) YoY; sequential margin improvement due to cost efficiencies.
- PAT stood at INR 383 million compared to INR 947 million YoY, with PAT margin declining to 7.4% from 12.7%.
- H1FY26 revenues totaled INR 8.98 billion, EBITDA INR 1.23 billion, PAT INR 582 million, indicating a phase of strategic and operational realignment.

Product Portfolio and Market Development

- Patented products now constitute over 50% of the brand portfolio, enhancing brand value and margin profile.
- Patented revenue in H1 grew to INR 2.90 billion (from INR 570 million last year) with most sales placed before the Kharif season and 90-95% of sales return liquidated.
- New product launches include Bestman, Shutdown, and Pitagin, with Bestman notably successful against thrips and mites.
- Planned product launches for the next 12 months capped at two new patented products, focusing on quality over volume.
- Products addressing sucking pests (Rounthan, Bestman, Cubix Power Extra) have differentiated chemistries targeting diverse pest profiles, minimizing market overlap risk.

International Business and R&D

- International revenue primarily from African client (~USD 1 million) and China subsidiary (~USD 6-8 million expected in FY26), currently with marginal profitability.
- Ongoing registrations and approval processes in Mauritius, Sri Lanka, Vietnam, Taiwan, Mexico, Thailand to further expand export footprint.
- R&D advancements include new patents in nano urea and promising agritech innovations; AI adoption for operational and research enhancement is under active consideration.

Capex and Balance Sheet

- Capex programs delayed due to adverse monsoon and focus on business stabilization; only INR 10 million capital work in progress as of Q2.
- Planned capex at Gajraula plant deferred with expected start timeline pushed by 3-6 months.
- Reduction in total debt by INR 1.50 billion in the past 18 months.

Outlook and Guidance

- Expect volume pick-up driven by Rabi demand for wheat and potato crop solutions with positive farmer sentiment aided by favorable reservoir levels.
- Q3FY26 and Q4FY26 targeted for return to profitability with EBITDA margin guidance in the 13-14% range on an annual turnover target of INR 15 billion.
- Continued emphasis on operational discipline, sales return control, inventory management, and product mix evolution towards patented portfolio.
- Anticipate lower sales returns and improved cash flow discipline will underpin stronger financials in the second half.

Concord Biotech Ltd Q2FY26 Concall Highlights**Financial Performance Overview**

- Q2FY26 revenue stood at INR 2.47 billion, reflecting a 20% YoY decline but a 21% sequential growth from Q1FY26.
- H1FY26 revenue was INR 4.51 billion, down from INR 5.26 billion in H1FY25.
- EBITA for Q2FY26 was INR 880 million and INR 1.50 billion for H1, with EBITA margin at 36%; excluding initial startup costs of the injectable facility, the EBITA margin improves to 41%.
- Profit after tax (PAT) was INR 630 million in Q2 and INR 1.07 billion in H1FY26, delivering a PAT margin of 24%.
- EBITDA and margins impacted in Q2 primarily due to timing issues: delayed return confirmation from CDSCO impacting EU sales, deferment of Middle East government tender, and temporary procurement shifts by US customers caused by tariff uncertainties.

Operational and Business Update

- The delayed return confirmation from CDSCO, essential for selling APIs in the EU, was received in early November, enabling release of held shipments and revenue recovery expected in Q3.
- Middle East tender deferment due to regional geopolitical uncertainties is temporary; management optimistic about resumption and revenue recovery.
- Procurement pattern shifts in US markets due to tariff uncertainties are easing after tariff clarifications, normalizing order flow and second-source engagement momentum.
- Underlying unit economics robust; excluding timing impacts, gross margins and EBITA have remained stable or improved.
- Injectable facility at Valthera commissioned recently, with initial startup costs weighing on margins; facility expected to contribute positively as utilization ramps up.

Regulatory and Quality Milestones

Multiple regulatory inspections passed successfully across key fermentation and manufacturing facilities, including:

- Unit 2: Emerging market inspections.
- Unit 3 (largest fermentation facility): Completed first EU inspection.
- Unit 1, Dholka: US FDA, EU GMP, Russian GMP certifications.
- Valthera facility: Obtained Nigerian NAFDAC approval for oral solid dosage forms.
- Limbasi facility: EU GMP certification.

Strategic Initiatives and Market Expansion

- US FDA approval secured for Teriflunomide tablets, expanding product portfolio.
- Launched Concord Lifespan Limited to bolster domestic marketing and sales efforts in India.
- Invested in Cellimmune Biotech Limited, focusing on advanced cancer therapies leveraging CAR-T cells, aiming for innovative personalized treatments beyond chemotherapy.
- CDMO business progressing with one key commercial project underway; pipeline of potential opportunities active with expected near-term deal closures.

Product Mix and Customer Dynamics

- Strong presence as a fermentation-based API supplier, building a niche with complex fermentation products and operational excellence.
- Diversified product portfolio spanning immunosuppressants (accounting for ~76% of revenue in H1FY26), anti-infectives, oncology, and others.
- Expansion in non-immunosuppressant segments progressing with early successes like Nystatin showing second-source conversions.
- Strong, long-standing customer relationships (>10-15 years) resilient despite recent timing disruptions.

Outlook and Guidance

- Management confident of a stronger H2FY26 performance driven by resolution of regulatory delays, resumption of deferred revenues, and ramp-up of injectable facility.
- Expected full-year revenue growth moderate but underlying demand and market share gains position Concord for double-digit CAGR in medium term.
- EBITA margin expected to improve with higher operating leverage as injectable and CDMO facilities scale utilization.
- Continued investment in R&D, along with strategic regulatory approvals, should support sustained growth and margin expansion.
- Operational metrics show unit one running at approximately 76% capacity, Valthera injectable facility ramping from 24%, Limbasi at 52%.

Zuari Industries Ltd – Q2FY26 Concall KTAs

Outlook: Zuari Industries expects stronger performance in the coming quarters, driven by the new 180 KLPD distillery, steady sugar realizations, and healthy demand in real estate. The Dubai project will bring a large cash inflow next year, helping reduce debt and improve the balance sheet. Overall, growth visibility remains good across businesses, with management focused on improving margins and strengthening cash flows.

Financial Performance: Standalone revenue for Q2 stood at INR 204.5 crore compared to INR 207.4 crore in Q2FY25, while consolidated revenue came in at INR 241.2 crore versus INR 237.3 crore in Q2FY25. Standalone EBITDA for Q2 was INR 8.9 crore compared to INR 3.5 crore in Q2FY25, while H1 EBITDA stood at INR 31.3 crore versus INR 27 crore in H1FY25. PAT turned positive in Q2, with a profit of INR 3.5 crore compared to a loss of INR 23.9 crore in Q2FY25, while the H1 loss narrowed significantly to INR 0.76 crore from INR 39 crore in H1FY25.

Sugar: Sugar sales stood at 3.7 lakh quintals, lower than last year due to reduced quota allocation. Sugar realizations remained strong at INR 4,033 per quintal versus INR 3,815 last year, up by 5.7% YoY. EBITDA margins improved, supported by better pricing and higher power income. Additionally, the UP-power tariff revision contributed over INR 6 crore to power revenue during the quarter.

Ethanol: Ethanol production rose 44% YoY in Q2, with the company achieving 311 operating days—the highest in its history. Realizations improved on the back of a better product mix. The distillery is currently operating at ~85% capacity utilization (125 KLPD, molasses-based). The company also procures molasses opportunistically to keep the distillery running during the off-season, which helps support margins.

New Distillery (JV – ZEBPL) : The 180 KLPD grain-based distillery is set to be commissioned by the end of the month. It has an annual revenue potential of over INR 452 crore from ethanol, DDGS, and CO₂. Zuari holds a 50% stake in the project, with NBN (Europe) as the JV partner. Over the next 3–5 years, the company plans to scale this platform to 1,000 KLPD.

OMC Tender Update: In the first-round tender, OMCs sought 1,050 crore Liters of ethanol. Zuari Industries received 100% allocation for the quantity it offered. Grain-based plants secured 78% of the total allocations, indicating a strong industry tailwind.

Real Estate Business (Zuari Infra world) Project Pipeline: The company has a GDV of INR 2,900 crore across its development management (DM) projects. Key DM projects include Gangotri and the Texmaco Rail land, each with a GDV of over INR 2,000 crore. Under the DM model, Zuari earns 7% of the project top line as fees without needing to make any capital investment.

Key Projects • Mysore (Garden City) Phase4: The project is 95% complete, with around 98 of the 156 plots already booked. Total revenue of about INR 90 crore will be recognized upon handover. • St. Regis Dubai (flagship): The project is 86% complete and is expected to be finished by February, with handovers starting from March CY26. It is projected to generate a cash inflow of INR 800 crore in Q2FY27, which will be fully utilized for debt reduction.

Strong growth in subsidiaries Infra world: Revenue rose to INR 51.3 crore, supported by FX gains. FinServ (Financial product distribution): AUM increased from INR 77 crore to INR 560 crore, driven by strong SIP flows. Insurance Broking: Revenue improved to INR 3.9 crore from INR 2.4 crore, with EBITDA at INR 2.9 crore. Zuari International: Revenue stood at INR 45.8 crore, and the loss reduced by INR 58.9 crore YoY. • Simon India (EPC): Revenue increased sharply to INR 19.4 crore from INR 2.2 crore. The company secured new projects from PPL, including an evaporator, sulfur melting unit, alkali scrubber, and TG set.

Talbro Automotive Components Ltd – Q2FY26 Concall KTAs

Management indicated a stronger H2FY26 led by normalization of European client operations recovery in domestic CV demand and festive-led momentum across 2W/3W/PV segments. EBITDA margin is expected to remain ~16.5% while revenue growth is estimated at ~10% for FY26 with further improvement from new customer additions and commencement of multiple programs across Tata, E.R., Kamal Russia, and Mercedes. The newly announced JV with Lohum Clean Tech is a strategic entry into the high-growth recovered carbon black and devulcanized rubber markets targeting an annual revenue potential of INR 500–600 Cr over the next 5 years with EBITDA margins of 15–18%.

Financial Performance

- Revenue was INR 217 Cr in Q2FY26 and INR 427 Cr in H1FY26.
- EBITDA was INR 36 Cr in Q2 (16.4% margin) and INR 71 Cr in H1 (16.5% margin).
- PAT for Q2 was INR 23 Cr and INR 45 Cr for H1FY26 both marginally higher YoY.
- Margin profile remained strong despite muted volumes, higher employee costs, and a one-time revenue loss of ~ INR 10 Cr due to a cyberattack at one of its large European customers.
- Export revenue continued at 26% of total sales with regional mix comprised of the UK at 54%, Europe ex-UK at 26%, and the U.S. at 14%.

Business Division Performance

- Gaskets delivered INR 143 Cr revenue in Q2FY26 (₹278 Cr in H1) which was broadly flat YoY with EBITDA of INR 24 Cr in Q2. F
- orgings reported revenue of INR 76 Cr in Q2 (INR 151 Cr in H1) also stable YoY with INR 13 Cr EBITDA.
- The highest growth was accomplished by the Marelli-Talbro JV with revenue of INR 79 Cr in Q2 up by 18% YoY at INR 152 Cr in H1 up by 12% YoY driven by a ramp-up in suspension and chassis components. Revenues for Marelli Mavhar JV stood at INR 35 Cr in Q2 and INR 65 Cr in H1 with INR 4 Cr EBITDA in Q2.

Order Wins and New Customer

- Additions Supplies to new customers E.R. (INR 13–15 Cr per annum), Kamal Russia (INR 10 Cr), and Tata Cummins (INR 10 Cr) start from January 2026 while more export orders are in the stage of production approval.
- New programs for Mercedes and Force Motors are on track and likely to scale meaningfully from FY27. JLR-related business is recovering post cyberattack with supplies at 60% of normal levels in November expected to reach 100% by December.

Export Outlook and Regional Trends

- European demand was still soft in Q2 but is likely to improve from January 2026 onwards.
- US demand also remained stable supported by high engineering intensity of Talbro's components which decreases the risk of substitution.
- Management expects the export share to increase by 1–1.5 % in FY27 supported by a large 100–150 Cr export order ramping up from January 2026.

Joint Venture with Lohum Clean Tech

- The newly formed JV will target 2 products-recovered carbon black and devulcanized rubber-by leveraging Lohum's advanced R&D (100+ engineers, multiple IPs) and Talbros' relationships with OEMs.
- The JV addresses fast-growing sustainability-led demand in global carbon black and devulcanized rubber segments of USD 27 Bn and USD 3.5 Bn respectively.
- The JV targets INR 500 - 600 Cr revenue over 5 years at 15 - 18% EBITDA margin and will also generate EPR credits.

Capex and Growth Investments

- Capex for FY26 is seen at INR 50 Cr for gasket and forging divisions INR 8 Cr for Marelli JV, and ~ INR 60 Cr already incurred in the chassis business.
- Management continues to evaluate additional partnerships and technology collaborations in Japan and Korea as a means of expanding its product portfolio.
- Industry Commentary Q2FY26 volumes in the automotive sector grew by 9.5% YoY driven by strong festive demand, stable exports, improved financing availability and GST rate rationalization. 2W volumes grew 10.3% YoY, 3W by 21%, tractors remained stable with GST cuts, PVs grew 2.4%, and CVs were up 9.4%. Management expects Q3 and Q4 to be significantly stronger across segments.

Oswal Pumps Ltd – Q2FY26 Concall KTAs

The management reiterated guidance of 50-60% revenue growth for FY26 and a medium-term CAGR of 30-35% on the back of a near-term pipeline of more than 30,000 pumps and an order book of 18,800 pumps. EBITDA margins which were temporarily impacted due to tender price reductions and one-off costs in Q2 are likely to normalize from Q3 and recover to 25.5-26% in Q3FY26 and 26.25-26.75% in Q4FY26 supported by backward integration, value engineering and cost optimization initiatives. Capacity is on track to scale to 5 lakh pumps by FY27 ensuring adequate headroom for growth driven by PM-KUSUM II and state programs.

Financial Performance

- Operating income stood at INR 540 Cr in Q2FY26 up by 73.9% YoY and up by 5% QoQ.
- EBITDA came in at INR 128 Cr up by 26.5% YoY and down by 9.1% QoQ at a margin of 23.7% due to ~7.5% lower tender pricing and one-off expenses of INR 2.5 Cr related to capital increase.
- PAT stood at INR 98 Cr up by 48.3% YoY and up by 3% QoQ at a 17.8% margin.
- The company reported net debt of INR 38 Cr as of September 2025.

Operational Highlights and Execution

- The company supplied 48,000 pumps in Q2 vs. 51,000 in Q1 comprising ~23,000 solar pumps and ~25,000 non-solar pumps.
- Over 80,000 solar pumping systems have been executed cumulatively under government programs. Average usage of solar modules for 20,000–23,000 pumps is ~100 MW.
- Pump capacity demand varies by state - higher HP (7.5–10 HP) for Haryana/Punjab and lower HP (3–5 HP) for Maharashtra and Rajasthan.
- Export momentum remains strong with senior hiring underway to scale private and overseas markets meaningfully from FY27.

Order Book and Demand Pipeline

- The confirmed order book stood at 18,800 pumps supported by a near-term pipeline of ~30,000 pumps across Maharashtra, Haryana, Karnataka, MP, and other states. Management is well placed to capitalize on the deployment of PM-KUSUM II once guidelines get finalized with state-level tenders ongoing independent of central timelines.
- FY26 installation guidance of 55,000–75,000 pumps remains intact with upside potential if tender visibility accelerates.

Margin Outlook and Backward Integration

- Q2 margins were affected by ~7.5% lower L1 prices in PM-KUSUM and MagalTela tenders 1.8% one-time EBITDA impact from low-margin module sales (around INR 40 Cr) and INR 2.5 Cr one-time expense. Backward integration across foundry, plastic molding, casting, stainless steel fabrication, cables, and module assembly along with continuous value engineering offset 2.85% of the pricing impact.
- Further cost savings of ~100 bps are likely from Q4FY26 as integration projects get completed.

Capacity Expansion and Solar Module Relocation

- The solar module expansion is being relocated to an adjacent 28,000 sq.m industrial parcel vs earlier 13,983 sq.m enabling optimized layout, shared utilities, lower logistics cost and faster scalability. The land is on a 15-year lease starting June 2024.
- Existing feeder, workforce, R&D labs and administrative infrastructure will be shared with the new unit thereby reducing opex and capex. This relocation does not impact the project timeline or the IPO fund utilization plan. Full utilisation of 5 lakh pump capacity is expected by Q1–Q2FY27.

Industry Commentary and PM-KUSUM Outlook

- Management expects PM-KUSUM II to be announced in January with industry-wide bullishness on accelerated deployment. State tenders have continued irrespective of central timelines ensuring stable sector demand. Industry expects at least 1 million pumps annually under the upcoming PM-KUSUM II and III cycle and Oswal - with its integrated model - is positioned to capture meaningful share despite a rising number of EPC-only bidders in state tenders. Tender price competition remains high but backward integration and design efficiencies support superior margin resilience vs. peers.

Indraprastha Gas Limited Q2FY26 Concall KTAs

Outlook: IGL's outlook remains stable as CNG demand continues to grow, new GAs scale up, and the impact of declining DTC volumes gradually fades. The company expects margins to improve toward INR 7 per SCM by Q4FY26, supported by the INR 1 per SCM VAT benefit, the upcoming single-zone tariff, and a more favourable gas cost environment. Volume growth is likely to remain in the 8–10% range, driven by steady CNG vehicle additions, competitive pricing, and improving industrial traction. Operational efficiencies and a largely online station network further strengthen profitability.

Financial Performance:

- Total revenue for Q2FY26 increased to INR 4,432 crore, delivering 9% YoY growth supported by steady CNG and PNG demand.
- EBITDA for Q2 declined to INR 443 crore compared to INR 512 crore in Q1 FY26 and INR 532 crore in Q2FY25 due to higher gas procurement costs.
- PAT for the quarter stood at INR 373 crore versus INR 431 crore in Q2 FY25, the impact of a higher LNG mix and reduced domestic gas allocation.
- LNG sourcing increased to 37% of total gas versus 25% last quarter, driven by lower APM, NWG and HPHT allocations, pushing up input costs.

Volume and business mix:

- Total sales volume grew 3% YoY to 857 MMSCM, translating into an average daily volume of 9.31 MMSCMD.
- CNG sales grew 3% YoY to nearly 7 MMSCMD, crossing 50 lakh kg/day; excluding DTC, CNG volumes grew ~10% YoY.
- PNG volumes increased 6% YoY to 1.84 MMSCMD in Q2 FY26.
- NCR delivered 7% CNG growth and 5% PNG growth, while new GAs recorded a strong 16% YoY increase.
- DTC and DIMTS volumes continued to decline sharply, falling from ~2 lakh kg/day last year to ~30,000 kg/day, due to the EV transition.
- Management expects the DTC decline to bottom out soon, improving the base for consistent growth.

Demand drivers and industry dynamics:

- CNG vehicle additions averaged 19,000 units/month on a rolling-12-month basis, up 21% YoY.
- October recorded 31,000 new CNG vehicle additions supported by GST reduction from 28% to 18% on CNG vehicles.
- Lower LPG/propanes prices caused temporary industrial PNG switching, though normalisation is expected.
- VAT-related cost reduction from Gujarat high-seas gas supply lowered input gas cost by ~INR 1/SCM, improving margin visibility.

Capex and infrastructure:

- The company incurred INR 580–INR 600 crore of Capex in H1FY26, mainly toward PNG and steel pipeline expansion.
- Full-year core Capex guidance is INR 1,200–INR 1,400 crore, with an additional INR 700–INR 800 crore earmarked for diversification projects.
- Online CNG stations contribute 97.5% of total CNG sales, strengthening operational efficiency and reducing opex.

International expansion:

-
- IGL is bidding for five industrial cities in Saudi Arabia, each with estimated gas demand of 1–1.5MMSCMD.
- IGL will hold 40% equity in the JV, contribute technical and operational expertise, and invest alongside a local partner holding 60%.
- Initial investment is expected at INR 100–INR 150 crore for phase one covering five cities.
- Pre-qualification closes on 29 November, with results expected on 9 January.
- Gas supply could commence by end-FY27 given existing trunk pipelines near industrial cities and a strong government push to shift industries from liquid fuels to gas.

Other highlights:

- Opex declined due to efficiencies in repair and maintenance and improved power-fuel management, forming a new baseline for cost structure.
- MNGL reported 1.9 MMSCMD daily volume and PAT of INR 148 crore in Q2 and ~INR 300 crore in H1FY26.
- Management expects exit volumes of ~10 MMSCMD in FY26 and annual additions of >1 MMSCMD from FY27 as GAs mature

PPAP Automotive Limited Q2FY26 Concall KTAs

Outlook: The company has maintained its full-year guidance of INR 575–600 crore in revenue, INR 60–65 crore in EBITDA, and INR 10–12 crore in PAT. Segment-wise, EBITDA margins are expected to be 11–12% for automotive parts, ~ 8% for the aftermarket business, and 16–17% for tooling, translating into a consolidated EBITDA margin of 10–11% for FY26. Management expects a significantly stronger H2, supported by the full ramp-up of Maruti's e-Vitara, the launch of Tata Sierra starting in November, Renault Duster's launch in Q4, rising export orders in industrial products, and continued growth in aftermarket demand.

Financial Performance:

- Consolidated revenue from operations stood at INR 253.6 crore in H1FY26, which declined 5.2% YoY.
- Consolidated EBITDA stood at INR 22 crore in H1FY26, which declined 21.9% YoY because of weaker utilization and under-absorption of fixed costs.
- The company reported a consolidated loss of INR 2.3 crore in H1FY26, with the battery division contributing INR 2.1 crore of the loss.
- Capacity utilization in the parts business stood at 65%, tool room utilization at 85%, and battery packs operated at a low 5% during H1 FY26.

Business performance and mix:

- The company secured lifetime orders worth INR 621 crore in Q2, taking the total new order inflow in H1FY26 to INR 707 crore, including INR 16 crore from EV programs.
- The lifetime order book now stands at INR 4,171 crore, providing strong long-term visibility.
- Supplies have commenced for new models such as Tata Altroz, Maruti Victora and VinFast VF6, which are expected to help volume scaling.
- The aftermarket business under the Elpis brand grew 37% YoY in Q2 and now has 123 distributors with 1,269 products.
- The aftermarket division contributed 5% to H1 revenue and is expected to reach 10% of consolidated revenue in the next two years.
- The Meraki commercial tool room division received orders for 106 moulds in Q2 and carries an active order book of 138 moulds worth INR 30 crore.
- Meraki operated at 85% utilization and is on track to deliver 20%+ growth in FY26 with an EBITDA margin of 16-17%.
- The industrial products division recorded strong traction from domestic and export markets and contributed around INR 2 crore in H1.
- The battery division completed product trials but faced customer approval delays, resulting in lower sales and continued losses in Q2.

Growth drivers and operational updates:

- New launches including Maruti Suzuki e-Vitara, Tata Sierra and Renault Duster are expected to materially improve volumes in H2.
- Aftermarket expansion through wider distributor reach and new SKUs is expected to support incremental growth.

- Export traction in the industrial products division is expected to deliver multi-fold growth in FY26.
- Capacity utilization is projected to rise to 75-80% in H2 driven by new model launches and order execution.
- Management targets 10-14% market share in the automotive space over the medium term with growth above industry levels.

Other highlights:

- The Meraki tool room division will be carved out as an independent entity named Meraki Precision Tool Engineering Ltd from Q4FY26.
- Engagement with Mahindra continues for two new models, with one at an advanced discussion stage.
- The company has fully localized PVC raw materials to mitigate risks from potential anti-dumping duties.
- The battery division requires about INR 15 crore of quarterly revenue to achieve EBITDA break-even, with approvals expected in the upcoming quarters.

Rajesh Power Services Ltd. - SME - H1 FY26 Concall KTAs
CMP: INR 1,374 | Mcap: INR 24.73 Bn

Outlook & Guidance

Management has issued a robust forward guidance, projecting a 40% CAGR across all key financial figures over the next two fiscal years (FY27 and FY28). This projection is underpinned by substantial revenue visibility, deriving from an unexecuted order book that surpassed INR 3,500 Cr in H1 FY26. The average execution cycle for this backlog is estimated to range between 18 to 24 months. A crucial factor supporting H2 performance is the cyclical nature of the EPC business, wherein the latter half of the year is seasonally stronger, historically representing 55% to 60% of total annual execution (with H1 ranging from 40% to 45%). Based on current projections, the unexecuted order book is estimated to close FY26 at approximately INR 4,500 Cr. Regarding profitability, management is focused on margin sustenance, aiming to deliver consistent EBITDA margins (in line with the H1 FY26 delivery of 13.16%) achieved through disciplined bidding strategies and strategic supplier discounts. The immediate order bid pipeline remains expansive, with low-hanging opportunities currently valued at INR 2,000 Cr, expected to rapidly expand to addressable opportunities of up to INR 5,000 Cr in the coming months. Financially, the aggressive growth trajectory is deemed internally manageable, as the company does not foresee any immediate need for external fundraising, confirming confidence in leveraging existing limits and ongoing negotiations with banks to enhance working capital capabilities.

Financial Performance (H1 FY26 Key Highlights)

- **Revenue** Grew by an impressive 104% YoY to INR 638 Cr.
- **EBITDA** Increased by 126% to INR 84 Cr, yielding an EBITDA margin of 13.16%.
- **PAT** Increased by 99% to INR 59 Cr, with a corresponding PAT margin of 9.22%.
- **ROCE and ROE** stood strong at 42.86% and 36.53%, respectively.
- Net worth grew by 189% YoY to INR 322 Cr. The Debt-to-Equity ratio improved to 0.26 in September 2025 (compared to 0.29 in March 2025).

Order Book and Execution

- Order inflow surpassed INR 2,200 Cr in the first six months of FY26, demonstrating execution strength and customer trust.
- The unexecuted order book is heavily weighted towards the Power Distribution segment (76%), with Power Transmission accounting for the remaining 24%.
- Eight projects were successfully completed during the six-month period. Notable milestones include the expansion of a 220 KV GIS substation for GETCO and a 132 KV power supply arrangement for Gujarat Metro (involving a major river crossing).
- Company strengthened the distribution network by completing 92 feeders (powering over five lakh consumers), installing 2,000 Ring Main Units, 1,000 distribution transformers, and laying over 1,000 km of underground cable. The company has extensive execution experience, having installed 50,000 kilometres of medium voltage covered conductor and 10,000 kilometres of HT and LT underground cables.

Strategic Expansion and Technical Breakthroughs

- **400 KV GIS Entry:** A major breakthrough was achieved by entering the 400 KV Gas Insulated Substation (GIS) segment. This enhances capabilities and positions RPSL to participate in multi-state Power Grid and state-level projects, where competition is notably very few compared to the 220 KV segment.

- **Competitive Landscape:** Competition in the GIS segment is restricted by a 2020 government notification prohibiting participation from countries sharing a border with India. The market is currently served by leading MNCs such as Siemens, Hitachi, Toshiba, and Yogosam.
- **Private Sector Focus (Option 3):** Company is a preferred executing partner for private clients (e.g., SRF, Asian Paints, Coca-Cola) in Gujarat's EHV deposit work (Option 3). The company provides comprehensive services, including entire substation construction, transmission lines (underground/overhead) up to 220 KV, and utility approvals, valuing time-bound execution as the main differentiator.

Geographic Diversification

- While Gujarat remains a stronghold, company is aggressively expanding and is currently active in five states.
- **New States:** Significant order book presence has been established in Rajasthan (INR 200–250 Cr) and Uttarakhand, where an ADB-funded underground cable project is underway.
- **Target Pipeline:** The company is actively eyeing large transmission EPC tenders in Uttarakhand (INR 2,000Cr), Rajasthan (INR 1,500–2,000 Cr), Jharkhand (INR 2,000 Cr), and Odisha (INR 1,500 Cr).

HKRP Associates (26% Stake)

- HKRP Innovations Limited specializes in smart energy management solutions, focusing on customized IT, IoT, and cloud-based tools (e.g., SCADA, advanced distribution management systems).
- **Performance:** HKRP closed FY25 with a top line of approximately INR 170 Cr and PAT margins of around 18% to 20%.
- **Outlook:** HKRP currently holds an order book of approximately INR 350 Cr to INR 400 Cr. Double-digit revenue growth is expected in FY26, contingent on several major projects reaching the "go-live" stage in H2.
- **Key Project:** HKRP successfully implemented one of the country's largest SCADA initiatives, centralizing over 1,500 distribution substations onto a single platform under GETCO Gujarat.
- **Cash Flow from Operations** remains negatively impacted due to the nature of the EPC business, specifically requiring significant cash blockage for security deposits, Earnest Money Deposits (EMD) for tenders, and retention money. Retention money alone currently stands between INR 150 Cr to INR 170 Cr.
- **Working Capital Cycle:** Estimated working capital days are approximately 90 to 100 days.
- **Financing Growth:** Company is confident in financing the guided 40% CAGR growth primarily through internal accruals and existing banking limits. The company is actively discussing increasing its current banking limits (both fund-based and non-fund-based), which are around INR 270 Cr, to approximately INR 400 Cr to support future working capital needs.
- Management confirmed that the current EBITDA margins of 13–14% are sustainable. Margins are strategically placed by taking into account disciplined bidding and strategic discounts received from suppliers.
- **R&D/Technology Investment:** Company is investing in AI-driven analytics for power distribution systems within company, aimed at addressing challenges in smart distribution networks and improving overall grid intelligence. This initiative is currently in its early stages.

Control Print Ltd. - Q2FY26 Concall KTAs**CMP: INR 742 | Mcap: INR 11.87 Bn****Outlook & Guidance**

Management maintains a robust outlook for the standalone business, targeting growth rates for the core Coding and Marking (C&M) segment faster than the market average of 10-11%, aiming for approximately 15% growth or higher. This anticipated accelerated run rate, combined with strong performance in H1, is expected to allow the company to comfortably cross INR 100 Cr. in standalone PBT this financial year. The company views the current high standalone EBITDA margin, which reached approximately 28.5%, as sustainable, provided that investments in growth segments like Track and Trace and Indian packaging remain non-loss-making or achieve break-even. Concerning the international operations, particularly the Vshapes business, management predicts the annual loss will decrease significantly from roughly ₹2.5 Mn last year to between ₹1.0 Mn and ₹1.2 Mn this year, with a strategic goal of reaching break-even or profitability in the next financial year. The strategy going forward revolves around consolidating the C&M install base, capitalizing on Track and Trace opportunities, and expanding packaging revenue through machine sales, co-packing, and laminate sales both domestically and overseas.

Financial Performance (H1 FY26)

- On a standalone basis, company reported a total revenue of approximately INR 210 Cr. for H1 FY26, with operating revenue standing at INR 202 Cr., marking a good growth from the corresponding previous period's operating revenue of INR 180 Cr.. Consolidated operating revenue for H1 reached INR 223 Cr., up from INR 200 Cr. in the corresponding prior period.
- Key growth metrics (excluding exceptional items) on a YoY basis showed strong increases: EBITDA grew 14.1%, PAT grew 18.5%, and PBT grew 11.7%. Management attributes the strong standalone margin performance (approximately 28.5% EBITDA) partially to operational leverage and the improved profitability or near break-even status of certain divisions like Track and Trace, which previously required funding. The COGS remained stable at around 42-43% in Q1/Q2, consistent with the annual rate from the previous year. Employee costs represented 16% (Q2) and 18% (Q1) of operating revenue.
- It was noted that the GST benefit previously enjoyed by the Guwahati facility, valued at approximately INR 8.5 Cr. annually and booked as part of sales revenue, expired on May 26, 2025.

Core Business: Coding and Marking (C&M)

The C&M segment continues to be the dominant revenue contributor, accounting for nearly 89% of total revenue. The segment has seen steady growth, driven primarily by verticals such as pipes, food, healthcare, dairy, steel and metal, and cable and wire. Company maintains market leadership in key sectors including cement, sugar, and dairy.

The revenue mix breakdown for Q2 FY26 under C&M was detailed as follows

- Consumables: 60% , Services: 16% , Printers: 14% , Spares: 9%

The high proportion of consumables revenue (60% in Q2) depends on market production momentum. Management recently announced a price increase within the C&M segment. The company confirmed that it is currently operating well within existing capacity utilization, and therefore, no major capital expenditure is foreseen for the C&M business over the next one to two years.

Vshapes and Packaging Business

The Vshapes business, which utilizes patented technology, is critical to the international strategy. While the overseas subsidiaries Codiology and Markprint are profitable, Vshapes (Italy) continues to incur losses. The loss in Q2 was approximately €717,000. Delays occurred in Q2 due to technical issues requiring fine-tuning, preventing the delivery of expected machines; the backlog is anticipated to be fulfilled in Q4.

Key Strategic Developments in Packaging

- **Consumables Lock-in:** The Vshapes machines are electronically locked, requiring customers to use company's patented packaging materials (similar to a Tetra Pak model). The company sells the machine at a margin, similar to other packaging machinery companies.
- **Market Seeding (Co-Packaging):** Company has initiated co-packaging activities in India (Nalagarh unit 2) and Italy to overcome customer reluctance in purchasing high-value machines (ranging from INR 1.8 Cr. to INR 5 Cr.). This strategy involves accepting smaller orders (50,000 to 200,000 pieces) to prove the concept and generate market visibility, particularly in the nutraceutical segment (e.g., honey sachets).
- **Recyclable Material Development:** Significant R&D is underway to develop a recyclable packaging material, primarily to address European market concerns and compliance issues. If successful, this material will be manufactured in India, potentially leading to significant cost reduction. The formulation for this new material is planned to be patented (2024–2044), creating an additional IP barrier and system lock.

Track and Trace and Strategic Innovation

- The Track and Trace division operates as a part of company (and is reflected in standalone results). The division is focused on providing inline digital printing and advanced system solutions. Management noted that the Track and Trace business has picked up and is operating at or near break-even/profitability.
- Currently, the division is intensely focused on two large, high-potential projects with two of the largest pharmaceutical companies in India. These projects are non-conventional system solutions intended to go beyond essential tracking compliance, and success in these pilot implementations is expected to serve as a strong marketing tool, potentially influencing the entire industry globally. The overall strategic goal is to shift from a traditional coding and marking company relying on licensed technology to one that owns high-quality, innovative, developed technology with significant IP barriers.
- **The Vshapes business model, where the machine sale is tied to mandatory consumable purchases (packaging materials), operates much like a high-end coffee system. The customer invests in the complex machine (the coffee maker) at a decent margin, but the sustained, profitable revenue stream for CPL comes from the recurring, exclusive sale of the patented pods (the packaging materials).**

Macpower CNC Machines Ltd - Q2 & H1FY26 Concall KTAs**CMP: INR 850 | Mcap: INR 8,510 Mn****Outlook and Guidance**

The Management reiterated a strong growth trajectory, providing guidance for 20% to 30% revenue growth for the current FY26 and the subsequent FY27. The management noted that the industry typically exhibits a 40:60 split between the first half and the second half, projecting Q4 FY26 to be an all-time high in terms of performance. The company is expecting strong performance in Q3, projecting figures similar to or slightly better than Q2. Furthermore, management set an aggressive target for Q3 EBITDA at INR 50 Cr. . Sustainable margin expansion is anticipated, driven partly by the absence of major exhibition expenses (like EMO) in the latter half of the year, and significant margin improvement is expected following the operationalization of the new plant due to planned backward integration.

Financial Performance (Q2 & H1 FY26)

- **Revenue** stood at INR 85.71 Cr. in Q2 FY26, marking a 40.45% QoQ growth and 20.55% YoY growth.
- **EBITDA** reached INR 14.16 Cr. , growing 78.76% QoQ and 11.11% YoY.
- **PAT** reported at INR 9.38 Cr. , showing robust growth of nearly 105% QoQ (almost double) and 12.95% YoY.
- **Order Book and Inventory:** The pending order book remains substantial at INR 350 Cr. . Inventory stood at INR 130 Cr. one month into Q3, indicating strong execution capability for the second half.
- **Defense & Aerospace:** The defense and aerospace standard business is expected to book its highest ever revenue this financial year.
- **Average Selling Price (ASP):** The average machine price in eased by 20.19% YoY. This realization improvement is attributed to supplying higher-end machines such as Double Column, VTL, and HMC, a trend expected to continue through Q3 and Q4.
- **Capital Expenditure:** Capex in eased QoQ, with 8K added in Q2 (compared to 4K last year), resulting in a YoY in Cr. ease in depreciation by INR 32 lakhs.

Capacity Expansion & Capex

The company successfully in eased its production capacity to 2,500 machines (up from 2,000 machines) effective November 10th. The management detailed aggressive long-term expansion plans:

- **New Plant & Phased Expansion:** The company is planning for a total capacity of 10,000 machines over the next five years.
- **Phase 1 Development:** This phase will add another 2,500 machines capacity, bringing the total capacity to 5,000 machines. Phase 1 will involve implementing backward integration components, such as foundries, which are crucial for enhancing manufacturing cost efficiency and in easing EBITDA margin.
- **Land Acquisition:** Token money has been paid for the land acquisition, and major government formalities and approvals are complete. The company expects to receive the land allotment by the end of December 2025 or early January 2026.
- **Timelines:** Construction for the new plant is projected to commence in April or May of the next financial year. Revenue generation from this added capacity is anticipated after 15 to 16 months.
- **Phase 1 Capex and Funding:** The estimated capex for Phase 1 is INR 125 Cr. (inclusive of land cost). This expansion will primarily be funded through debt (seeking support from institutions like SIDBI or banks) given the company's current zero-debt status. The management is also open to offering a stake to foreign collaboration partners as a strategic move.

Global Presence and Strategic Collaborations

The company is actively focused on technology transfer and global market expansion

- **EMO Germany Participation:** The company participated in the EMO exhibition in Germany for the first time in many years. This engagement resulted in successfully showcasing and selling machines in the European market and receiving orders from new foreign dealers. The expense for EMO (INR 1.5 Cr. to INR 2 Cr.) was booked in Q2.
- **Collaboration Pipeline:** The company held discussions with over ten international firms from regions including Europe, Japan, Korea, and Taiwan, culminating in MOUs for technology transfer and collaboration.
- **Shortlisted Partners:** Five companies have been shortlisted, offering specialized product portfolios in high-growth sectors like medical, semiconductor, EMS, die mold, and electronic parts manufacturing. NDAs have been signed with three of these five companies.
- **Strategic Objective:** The primary strategy behind collaborations is to introduce import substitute products for the Indian market, leverage company's sales and service network, and manufacture sophisticated products currently not produced domestically due to technical and technology gaps.

R&D & Market Strategy

R&D efforts resulted in the development and launch of several new high-end machines, including the Tom turning cum milling machine with Y-axis (1.5m), Mono 400 XL, GX00 super, 1066 AP DC, and a new design for a five-axis machine.

- **Client Segmentation:** While company's major client base remains Tier 3 and Tier 4, the company is now focusing on Tier 2 segments and has secured orders from large players, including a major tire company and Kirloskar.
- **Receivables Management and Cr. edit:** Receivable days have trended higher (around 45-46 days) due to eased focus on defence sector orders, which typically carry 90-day payment terms. To facilitate growth without compromising balance sheet strength, the company is focusing on providing Cr. edit to big clients against Letters of Cr. edit (LC). For smaller customers, Company utilizes financial institutes to secure loans for them, minimizing direct edit risk and maintaining a five-year track record of no bad debt.
- **Import Substitution Potential:** Management highlighted that although India is producing 30,000 machines, the 4,000 imported machines represent high-value products that Indian manufacturers currently cannot produce due to a technology gap. Company's strategy is specifically aimed at manufacturing these high-value machines (like HMC, VTL, and double column).

Company's strategic expansion, collaboration efforts, and focused approach on high-value machinery can be viewed like a manufacturer of consumer vehicles (Tier 3/4) successfully moving into heavy engineering equipment (defence/aerospace/high-end CNC). By adding foundries (backward integration) and forming alliances (JV/NDA), they are not just easing the volume of existing production, but are dramatically easing the value and sophistication of the entire product basket, solidifying their position against higher-priced imported rivals.

HOAC Foods India Ltd. - SME - Q2/H1 FY26 Concall KTAs

CMP: 308 | Mcap: INR 1,340 Mn

Outlook and Guidance

The company maintains a strong focus on aggressive expansion and sustained revenue growth, projecting robust performance through FY26. The management reaffirmed its commitment to the previously stated revenue guidance of INR 55 Cr. for FY25. Looking ahead, the company is aiming for a growth rate of 75% to 80% in FY26. Growth will be fueled by substantial manufacturing capacity expansion, particularly the new 50,000 sq ft mega plant in Vidisha, MP, which has an estimated potential turnover of INR 100 Cr. at 100% utilization. Retail network expansion will be scaled strategically, with plans to open 3-4 new franchise stores by March, adhering to a long-term strategy of adding 7-8 profitable stores annually. Furthermore, the B2B segment is targeted for massive scaling, with groundwork being laid to increase the retail outlet count from the current 1,400+ to 5,000 outlets in the next fiscal year.

Financial Performance (H1 FY26)

- Total Income witnessed a growth of 96.87%, reaching INR 21.84 Cr. compared to INR 11.09 Cr. in H1 FY25.
- EBITDA increased sharply by 105.13%, moving from INR 1.61 Cr. to INR 3.31 Cr.
- PAT nearly doubled, registering a growth of 94.35%, increasing to INR 1.95 Cr. from INR 1.01 Cr. in the previous half-year.
- PBT stood at INR 2.65 Cr. (compared to INR 1.34 Cr. in H1 FY25).

Manufacturing & Capacity Expansion

- Current Capacity and Utilization: The company currently operates two modern manufacturing units in Gurugram. Current capacity utilization stands at 80% to 85%. Management noted that demand is high, approximately 30 to 35 times current capacity, leading to fulfillment delays of one to two days.
- Vidisha Mega Plant (MP): Development of a 50,000 square feet mega manufacturing plant in Vidisha, MP, is underway. This development is expected to significantly boost production capacity and operational efficiency.
- Timeline: The initial setup phase (20,000 sq ft) is expected to be complete in approximately 2.5 to 3 months.
- Focus: This plant will initially focus on the Atta segment, which contributes 45-50% of current revenue.
- Strategic Advantage: Vidisha's central location will facilitate easier logistics management and is key to expanding reach across Pan-India, including South India, Maharashtra, Gujarat, and Tier 2 cities like Indore and Bhopal.
- Product Portfolio: The company currently offers over 200 SKUs, with more than 135 products manufactured in-house.

Business Segmental Performance & Expansion

Company operates a five-pillar business model: Retail, Franchise, B2B, Manufacturing, and Export.

Revenue Mix (H1 FY26)

- B2C (Company-Owned Stores): 54%.
- B2B (Retail Counters/Kirana Stores): 37%.
- Export: 8.23%.

Domestic Expansion

- Retail/Franchise Model: The company operates 19 outlets (7 company-owned and 12 franchise outlets).
- Break-Even: Stores have historically taken 6-7 months to reach break-even, though recent stores achieved this faster, in 3-4 months.
- B2B Segment: This segment has been aggressively scaled, expanding presence to Tier 2 and Tier 3 areas. Products are supplied to over 1,400 key outlets. The B2B model is shifting towards a distribution partnership model to efficiently manage scale, with plans to reach 5,000 stores.

E-commerce & Quick Commerce

- The company's direct platform (website/mobile application) has approximately 16,000 retail customers, contributing 5-6% of sales, with robust margins.
- Quick commerce has been initiated on Blinkit in the Delhi/Haryana region this month, starting with MP Sharabati Atta, with plans to onboard spices, oil, and healthy flours within 2-2.5 months.

Export Segment

- HOAC Exports Private Limited was recently established.
- Current Reach: The company has exported 10 containers to the UK.
- New Deals: A recent deal was secured in the USA, with the first container shipment (valued at INR 60-70 lakh) scheduled by the end of the month. The pipeline currently holds 5-6 containers for future exports.
- Key Export SKUs: The Spices and Oil segments are receiving a "mind-blowing" response. Healthy flours (Chana, Soy, Ragi, Alsi, Jau) are also popular. Note: Atta is currently banned in markets like the UK.

Margin Profile and Capital Structure**Margin Strategy**

- B2C: This segment operates on strong margins, around 10% EBITDA.
- B2B: To capture market share and provide competitive advantage to distributors/retailers, current EBITDA margins in B2B are slightly lower at 6-7%. The target is to raise this to 8-9% as the market stabilizes.
- Export: This segment is utilized to balance overall margins. While current margins are kept lower to facilitate market entry, the potential EBITDA margin for export is anticipated to be 15-20%.
- Operating Leverage: Management indicated that due to the high capital expenditure (capex) currently underway, immediate realization of operating leverage is unlikely, meaning margins are not expected to increase significantly beyond the current levels until capex stabilizes.

Capital Expenditure and Funding

- The company confirmed that there is no requirement for debt or equity fundraising for the next 1.5 to 2 years. The initial phase of the Vidisha plant is being executed strategically (20,000 sq ft) to conserve working capital.

Core Strategy and Differentiation

- Quality USP: The primary differentiator is quality. The company focuses on supplying original, unadulterated products (e.g., pure spices without blends) to the consumer base, which appeals to customers seeking authenticity and is not excessively expensive. This strategy primarily targets the 40% premium audience in the B2C segment.
- Branding Strategy: HOAC prioritizes offline branding and direct consumer connection (through samples) over heavy online advertising, as excessive online capital utilization could strain working capital.
- Customer Metrics: The retention rate for the consumer base is strong at 85%, with a repeat purchase rate of 65%.
- Seasonality: Winter months typically see higher sales due to increased appetite and greater consumption of healthy/blended flours (multigrain, chana, soy atta).

True Colors Ltd. - SME - H1FY26 Concall KTAs

CMP: INR 228 | Mcap: INR 5620 Mn

Outlook and Guidance

The company maintains a conservative outlook for 30% YoY revenue growth, supported by installed production capacity and ongoing strategic initiatives like backward and forward integration. Management guides for steady profitability, anticipating EBITDA margins to remain in the 13% to 16% range (average 15%) and PAT margins around 9% to 11% (average 10%) throughout the year. The strategic focus for the upcoming half (H2 FY26) is maximizing the utilization of the newly doubled manufacturing capacity, particularly in the Paper division, and accelerating market penetration. Company's long-term strategy remains consistent: driving robust top-line growth today to expand the recurring revenue margin base for the future.

Financial Performance - H1 FY26

- Top-line Growth: Total revenue reached INR 151 Cr., marking a substantial 63% increase compared to INR 92.8 Cr. recorded in H1 of the previous year (FY25).

Segmental Performance

- Manufacturing Revenue: Jumped by 50% to INR 68 Cr. (vs. INR 46 Cr. previously).
- Ink Business: Saw healthy 50% growth, generating INR 40 Cr. (vs. INR 35 Cr. previously).
- Spare Parts & Consumables: Contributed approximately INR 6 Cr. a figure nearly equivalent to the full revenue from this segment in the entirety of the previous financial year.
- Machine Business Outperformance: The Machine division was a major highlight, reflecting strong industry trust and growth. TCL installed 60 machines (vs. a target of 90-100 by year-end), generating revenue of INR 38.45 Cr. This is highly significant compared to only INR 7 Cr. generated by the machine division in the previous H1.
- Profitability Mix: H1 FY26 saw EBITDA margin at 16% and PAT margin at 10%. Management clarified that margin fluctuation is inherent to the business mix, as the high volume of machine sales (which are thin-margin products contributing 26% to current H1 revenue) temporarily compressed overall margins, despite healthy margins in consumable segments (Ink, Paper, Fabric). The goal of machine installation is explicitly to build a long-term recurring base for ink, paper, and spare parts.

Operational Enhancements and Strategic Moves

- Capacity Expansion (Paper): Utilization of the Paper manufacturing capacity was high (85% to 90%) in H1. TCL has completed an improvement, doubling paper capacity from 1 crore meters to 2 crore meters per month. The Capex for this enhancement was only around INR 6–7 Cr. and the additional capacity is expected to generate an additional INR 60 Cr. in annual revenue.
- Printing Division: Capacity utilization was around 75%. company expanded this capacity by approximately 15% with two new machines, which are expected to be operational soon.
- Clean Balance Sheet: The Company has fully repaid its bank term loans, resulting in a clean balance sheet and strong creditworthiness, providing flexibility for future infrastructure or expansion funding. The finance cost on term loans is currently zero.
- Green Energy Investment: The Company is expanding its commitment to energy efficiency by installing a new 1 MW solar rooftop power plant, expected to be operational in the next couple of months. This addition will contribute to generating 7,000–8,000 units per day, covering an estimated 30–40% of daily energy consumption.

- **Team Building:** Investments are being made in strengthening the internal team and specialized outsourcing partners, which incur short-term additional costs but is deemed necessary for creating a self-sustaining, vertically integrated, and competitive ecosystem for the next 3-5 years.
- **Working Capital Utilization:** Raised working capital is being strategically distributed across all three divisions to compensate for the higher credit lines offered and to support the accelerated revenue run rate expected in Paper, Ink, and Printing divisions.

Industry Dynamics and Competitive Advantage

- **Market Opportunity:** The total printed fabric market in India is vast (around 2,500 Cr. meters annually), while digital printing currently accounts for only 200 crore meters (7-8% penetration). Management strongly believes that India is on the cusp of a "generational shift" seen globally, citing high penetration rates in Europe (95%) and China (800–1,000 crore meters). They suggest India could reach 600–800 Cr. meters of digital printing in the next three to five years.
- **Drivers for Machine Sales (H1 FY26):** The recent high volume of machine sales was attributed to two major factors: 1) Increased adoption of high-value Viscose fabric printing. 2) Government subsidies (up to 35%) incentivize customers to upgrade from small-scale investments to high-production machines (e.g., INR 2 Cr. machines).
- **Recurring Revenue Model (Stickiness):** Company's business model centers on creating a sticky customer base through machine installation. Customer loyalty to consumables (Ink, Paper) is maintained because using non-approved ink voids the machine warranty (for print heads and spares). Furthermore, using the consistent supplier is crucial for maintaining color tone consistency in the make-to-order business process.
- **Competitive Edge in Consumables:** For the Paper division, company's competitive advantage stems from the established trust with existing machine customers, eliminating the need to search for new buyers for consumables.
- **Ink Expansion (Pigment Ink):** Company has partnered with Itaca, a Spanish ink manufacturer, for distribution. This move is focused on capitalizing on the emerging market for Pigment ink (used for technical textiles and home furnishing). Management views Pigment ink as a potential "game changer" over the next 5–10 years.
- **Current Installed Base:** Company estimates that its installed machine base (560 operational machines) contributes approximately 30–35 Cr. meters of the total 180 Cr. meters of fabric digitally printed annually in India

Nisus Finance Services Co. Ltd - SME - Q2 & H1FY26 Concall KTAs

CMP: INR 342 | Mcap: INR 8,170 Mn

Outlook and Guidance

Management expressed strong confidence in maintaining the robust growth trajectory, reaffirming the AUM outlook target of INR 4,000 Cr. by the end of FY26. The combined India and GCC pipeline under active closure exceeds INR 4,600 Cr., laying essential groundwork for the next growth cycle. While the previous FY26 consolidated revenue guidance range of INR 120 Cr. to INR 150 Cr. is maintained, management hinted at potential upward acceleration, citing strong quarter-on-quarter operating traction across India and the UAE/GCC platforms. Longer-term ambitions focus on aggregating towards a billion-dollar EUM mark for FY27. The newly acquired construction platform, NCCL is expected to scale its active order book from its current level (nearly INR 2,350 Cr.) to approximately INR 5,000 Cr. in the near term. Revenue recognition from the strategic tokenization business in the UAE is anticipated to commence in FY27.

Financial Performance (H1 FY26)

Consolidated Performance

- Revenues reached INR 142 Cr. in H1 FY26. This figure includes the partial consolidation of NCCL revenues only for the period from August 27th until the end of September.
- EBITDA grew 170% YoY to roughly INR 56 Cr., successfully maintaining strong EBITDA margins over 76%.
- PAT stood at approximately INR 36.5 Cr., reflecting a 94% YoY increase, with PAT margins close to 50%.

Standalone Performance (Excluding NCCL)

- o Revenues rose 118% YoY to roughly INR 75 Cr.
- o Q2 revenue alone was up 61% sequentially.
- o The standalone EBITDA margin is maintained at 74% and the standalone PAT margin remains at 50%.
 - Revenue Mix: The significant revenue uptick in Q2 was attributed partly to the realization of high profits generated from the sales and exit of certain internal investments held on the firm's own books.
- o The historical and projected annual blended ratio between Transaction Advisory and Asset Management revenue is 60:40 (60% from Advisory, 40% from Asset Management). The overall revenue to AUM ratio continues to be high, close to 3.9%.

Strategic Acceleration: NCCL Acquisition and Construction Vertical

The acquisition of NCCL was framed as a strategic move to create a fully integrated platform spanning fund management, advisory, and construction execution.

- Acquisition Context : NCCL, a 78-year-old organization, was acquired at a deep discount relative to its FY25 revenue, which exceeded INR 600 Cr. The acquisition was driven by the necessity for business continuity and acceleration, rather than a distressed sale, allowing Nisus to build upon the promoter's legacy.
- The company has acquired a 69% stake in NCCL. An acquisition debt facility of INR 110 Cr. was taken, of which INR 50 Cr. has already been paid down.
- Long-term debt for NCCL is noted as very low, specifically INR 7 Cr. The debt-to-equity ratio stands at 0.68, which is below the industry standard of 1.0.
- NCCL recorded H1 FY26 revenue of approximately INR 300 Cr.

Kaka Industries Ltd - SME – H1FY26 Concall KTAs**CMP: INR 229 | Mcap: INR 3,120 Mn****Outlook & Guidance**

Management projects strong confidence in the sustainability of top-line expansion, reiterating guidance for 30% YoY revenue growth for the remainder of FY26. Historically, the company targets organic growth of 25-30% YoY based on operational capacities. The strategic intent for H2 FY26 is to build on H1 gains through focus areas including brand repositioning, intensified market penetration, and optimizing operational scalability. A key forward-looking initiative is the planned migration to the mainboard by Nov26, with the objective of securing a parallel listing on both the NSE and BSE, thereby enhancing corporate visibility and broadening the institutional investor base. The long-term business model is considered evergreen, supported by continued demand for drivers such as urbanization and real estate expansion.

H1 FY26 Financial Performance

- The company reported consolidated revenues of INR 1,248.9 Mn for H1 FY26, representing a robust 30% YoY increase, primarily driven by volume traction across key product categories.
- IITA (EBITDA) IITA stood at INR 167.5 Mn, reflecting a 31% YoY growth. IITA margin improved marginally to 13.4%, underscoring management's focus on cost discipline and leveraging a superior product mix.
- Net profit rose by 35.9% YoY to INR 88.5 Mn, maintaining a healthy net margin of 7.1%.
- Operational Execution Segmental momentum was particularly strong in PB and HV fan categories, both of which grew by approximately 132% YoY.
- Channel Expansion The customer network expanded significantly during the period, growing from over 300 to over 450 partners.
- Cash flow from operations showed a substantial increase, rising from INR 38 million (3.8 cr) in the prior year period to INR 157 Mn (15.7 cr), attributed to enhanced working capital management and overall increased profit in rupee terms.

Capacity Utilization and Manufacturing

- Integrated Facility The company operates one of the most integrated manufacturing facilities in the sector, located in the Kheda district, Gujarat, covering PVC, WPC, UPVC, and roofing products, which ensures smoother operations and improved margin efficiency.
- H1 Utilization Rates Average utilization across total installed capacity for H1 FY26 was approximately 40% to 45%. Utilization of available capacity was higher, ranging from 60% to 65% on average for the first half.
- Capacity Ramp-Up Utilization rates showed significant improvement in the later months of the half, reaching approximately 80% of the total available capacity in September. Management is confident in maintaining this 80% utilization rate for the remainder of the financial year.
- Capex Plans The company plans for regular, gradual capital expenditure to add capacity lines in core products, specifically UPVC profile and WPC profile, as these segments are near 80% utilization of available capacity. This capex will be funded through internal approvals/accruals. No new land is required, as the existing facility has open space for these additions.

Market Penetration and Expansion Strategy

- **Existing Network** The distribution network encompasses over 450 customers across 20 states and Union Territories, supported by three established depots in Ahmedabad, Hyderabad, and Noida.
- **Geographic Focus** The company is aggressively targeting expansion in new and existing markets, specifically focusing on Telangana, Maharashtra, Karnataka, Rajasthan, Uttar Pradesh, and Madhya Pradesh (UP and MP), as Gujarat currently accounts for the majority of revenue.
- **Go-to-Market Strategy** The strategy includes contacting existing dealers/distributors (in PVC or particle board), collaborating with influencers, and participating in local exhibitions. The strategy for new geographies involves aggressive sales efforts to utilize maximum capacity.
- **Forward Integration** The only current focus for forward integration is in the UPVC window profile, where one facility has been established in Ahmedabad.

Sustainability and Cost Control Initiatives

- **Captive Solar Plant** A 7.5 MW captive solar plant is being established in the Kheda district. Though commissioning was delayed due to prolonged monsoon, the project is expected to be completed in the latter part of the final quarter.
- **Expected Cost Savings** Once operational, the solar plant is projected to reduce power costs by INR 4 Mn to INR 5 Mn (40 to 50 lakhs) per month, leading to a corresponding improvement in monthly EBITDA in rupee terms.

Raw Material, Margins, and Competitive Environment

- **Raw Material Sourcing** PVC resin, the major input material, is 100% domestically sourced.
- **Input Cost Stability** Raw material prices have remained stable over the last year with "no major spike".
- **Price Adjustment Policy** The company maintains a policy to pass on price increases to customers if the overall raw material price volatility exceeds 5%.
- **Margin Analysis** While EBITDA margins are stable and sustainable, Gross Margins witnessed a dip (from 35.8% to 32.6%). This decline was attributed to a low-cost product mix and the offering of aggressive discounts, particularly in new geographical markets, to drive sales. Management emphasized that this dip was minor in rupee terms and did not negatively impact on the maintenance of overall EBITDA percentages per tonne.
- **Competitive Stance** While competition is noted, the company relies on its robust dealer/distribution network and strategic marketing efforts (including collaborations with influencers and government registration) rather than compromising payment terms or aggressively utilizing only pricing strategies.
- **Government Business** The company has received multiple small orders from entities like the Gujarat police housing and military engineering services, but these are currently not a major revenue contributor. Focus will be increased on this segment through the creation of a dedicated team.

Product Mix

- **Sustainable Materials** WPC and PVC profiles are seeing increased acceptance as replacements for traditional wood-based or particle board furniture, supported by consumer preference for sustainable materials.
- **Core Products** Profiles are predominantly used for furniture. Doors and windows currently represent a smaller portion of the sales mix, accounting for only 15% of total sales.

Kilburn Engineering Ltd - SME - Q2 FY26 Concall KTAs**CMP: INR 573 | Mcap: INR 29.46 Bn****Outlook and Guidance**

The management has reaffirmed robust topline guidance for the current financial year (FY26), maintaining the target of 50% YoY growth, which translates to approximately INR 650 Cr. at the group level. This guidance is strongly supported by an impressive unexecuted order pipeline aggregating around INR 600 Cr. The medium-term outlook post-FY26 remains optimistic, projecting a 25% CAGR growth over the next two to three years. Management expects to close the current year with sustainable EBITDA margins around 26%, stabilizing long-term in the range of 23% to 25%. Strategic focus continues to intensify on exports, with the aim to increase export revenue contribution from a historical 15% to 30% to 40% of the total turnover. The group's commitment to achieving a INR 1,000 Cr. turnover is underpinned by planned capacity expansions and high utilization rates.

Financial Performance

- The company reported a standalone topline of INR 114.79 Cr. and an EBITDA of INR 26.39 Cr. for Q2 FY26, marking a significant YoY growth of approximately 47% on the topline and 48% on EBITDA.
- Consolidated Metrics: The group achieved a consolidated topline of INR 154 Cr. with a healthy EBITDA margin of around 27%.
- Margin Drivers: The current strong margin profile is primarily driven by the scale of operations (operating leverage) and a favorable mix of executed orders. Long-term margin stability is expected between 23% and 25%.
- Taxation Normalization: The effective tax rate has increased to the normal corporate rate of 25% to 27%. This adjustment occurred because the tax carry-forward losses were completely utilized by September.

Order Book and Market Traction

- Order Pipeline: The unexecuted order pipeline currently stands at INR 600 Cr. The total inquiry pipeline at the group level is valued at INR 4,000 Cr.
- Management noted that historical conversion rates for the inquiry pipeline stand at 20% to 25%. The typical gestation period for conversion ranges from 7 to 12 months.
- Key Verticals: Strong traction and inquiries are concentrated in high-value sectors including Chemicals, Fertilizers, Nuclear, Metal Recovery, and Food. The company has already received inquiries in the nuclear vertical and expects to close orders within the next few months.
- Repeat Business: Repeat orders typically constitute 20% to 25% of the order book, though the turnover growth is supported by an increasing number of new customers. The company typically receives one or two large orders exceeding INR 100 Cr. annually.

Capacity Expansion and Capex

The group is aggressively pursuing brownfield expansion across its facilities due to high capacity utilization, which stands at 90% to 95% for Kilburn and ME Energy, and close to 90% for both verticals at Monga Stayfield.

- Kilburn (Saravali): A brownfield capex of INR 25 Cr. is planned, expected to be completed by the end of Q2 FY27. This investment is projected to add approximately INR 100 Cr. in incremental revenue.

- **ME Energy:** Phase 2 capex of INR 10 to INR 15 Cr. is scheduled to commence at the end of the next quarter (Q3 FY26), anticipated to generate an additional INR 75 Cr. to INR 100 Cr. in revenue. The ME Energy facility in Pune also serves as a second factory for Kilburn Engineering job work.
- **Monga Stayfield:** Debottlenecking expansion plans are being finalized and are expected to be operational in the next 6 months.
- **Outsourcing:** To manage high utilization and facilitate solution-based offerings, 30% to 40% of the total turnover is currently outsourced or bought out.

Subsidiary Highlights

- **ME Energy:** The subsidiary achieved a record order booking of over INR 150 Cr. until October. A significant breakthrough includes securing EPC contracts for waste heat recovery systems in the ferro alloy market. Management noted that company's acquisition provided the necessary financial credibility and backing for ME Energy to execute larger projects and tap into new corporate and export opportunities.
- **Technology Tie-ups:** The strategic tie-up with Comline Sanderson (US) is a key initiative, allowing Kilburn to market and manufacture their turbo dryers in India. This arrangement creates a "two-way street", where Kilburn leverages Comline's technology, and Comline leverages company's manufacturing capacity for various geographies. The company also maintains a long-standing relationship with Nara (Japan) for paddle dryer technology used in the chemical space.
- **Export Focus:** Recent export successes include orders from Jessa at Morocco (for OCP) and a fluoride company in Korea. Monga Stayfield secured breakthrough export orders in the meat processing industry from the US, Middle East, and Southeast Asia.

Corporate Updates

- **Receivables:** The observed increase in receivables is temporary and attributed to the exceptionally high volume of physical dispatches (INR 142 Cr.) during Q2, with INR 94 Cr. dispatched in September alone. This is a timing mismatch related to quarter-end sales and is not indicative of a long-term negative cash flow issue.
- The company is virtually net debt zero as term debt has decreased, and the company holds cash balances and fixed deposits. The increase in short-term borrowing is largely attributed to necessary working capital requirements commensurate with growth and the utilization of Inter-Corporate Deposits (ICDs) from the subsidiary, Monga Stayfield.
- Working capital days are expected to stabilize around 100 days.
- The board has approved initiating the process for applying for listing on the National Stock Exchange (NSE).
- Expected CAGR increase in employee benefit expenses is projected at 15% to 18%.

MCON Rasayan India Ltd - SME - H1FY26 Concall KTAs**CMP: INR 60 | Mcap: INR 4,390 Mn****Outlook & Guidance**

The Management reiterated its commitment to achieving a robust INR 70+ Cr revenue run rate for FY26, leveraging improving construction activity anticipated post-September. The company projects a strong H2 FY26 performance supported by disciplined execution, focused R&D initiatives, and an expanded distribution network. Management maintains an aggressive long-term trajectory, anticipating more than 50% YoY growth over the next 2-3 years. Strategic levers, including institutional sales deepening and geographic expansion via the Franchisee Company Outlet (FCO) model, are expected to support sustainable, profitable growth. While overall FY26 EBITDA margins are expected to improve YoY, the full realization of operational leverage is anticipated to be gradual, with management targeting double-digit margins and aiming for the 15% EBITDA margin guidance hopefully by FY27 or FY28. The crossing of the INR 100 Cr turnover mark, expected next year (FY27), is crucial for seeing a significant impact, specifically targeting double-digit ROE.

Financial Performance - H1FY26

- The company delivered stellar top-line growth in H1 FY26, posting a 32% YoY revenue growth, with net sales reaching INR 284 Mn. This performance was primarily driven by strong demand across core product categories, supported by deeper retail penetration and continued momentum in construction chemicals and tile adhesives.
- Despite pressures from raw material and logistics costs leading to increased total expenditure, Gross Profit remained consistent with historical trends. EBITDA stood at INR 33 Mn, reflecting a margin of 11.7%. Although YoY margins were lower, the company reported a sequential improvement of 39% in EBITDA, accompanied by a 354 bps margin expansion, driven by operational efficiencies.
- PAT remained broadly stable YoY at INR 12 Mn, underscoring business model resilience. Furthermore, interest costs were reduced by 25.8% YoY, strengthening the financial position. Operationally, the distribution footprint widened to include 122+ distributors, 7 FCO partnerships, and presence across 42+ cities in eight states, with three new franchise units commencing operations during the period.
- **Geographic Concentration and Expansion:** While Maharashtra currently accounts for approximately 50% of revenue, management is not consciously seeking to reduce this, citing Mumbai and Pune as major growth markets and leveraging the proximity of the Vapi mother plant. Risk distribution is managed by focusing on parallel expansion in other states. The company is accelerating geographical reach through the FCO model for rapid, scalable penetration.
- **Margin Enhancement through FCOs and Product Mix:** Key strategic priorities include enhancing margin quality by increasing the contribution of high-value added products. Management is focusing on product mix shifts, specifically targeting a rise in the Admixture division's contribution to at least 20% of revenue in FY26, up from 13% last year. The FCO model, which establishes dispatch units and manufacturing nearer to key demand centers, is crucial for margin improvement by significantly reducing transport costs. FCO utilization leads to a quantifiable margin improvement of 3% to 4% when considering franchisee margins versus logistics savings. The net savings per kg from the FCO model are estimated at 5% to 6%.

- **Capacity and Utilization:** Total production capacity, including satellite FCO facilities, is approximately 65,000 metric tons. The mother plant in Vapi is operating at around 50% to 55% utilization, as powder product manufacturing has been shifted to FCO units. Management confirmed the Surigam plant capacity is currently 0% utilized but remains available for future large orders. Two additional FCOs are planned. The manufacturing plants possess flexibility to switch from low-contributing powders to high-contributing powders within the same capacity.
- **Institutional Sales and Government Focus:** Following CPWD approval for Maharashtra, Gujarat, and Union territories, the company expanded its government project division. Management expects more than 20% of revenue contribution from government projects in the next two quarters (H2 FY26). Early revival signs in H2 are noted, particularly with government projects kicking off quickly and orders flowing in well post-monsoon.
- **Working Capital Stretch** : The working capital cycle remains stretched, a condition management expects will persist for the next 6 to 8 months due to rapid expansion and the anticipated high volumes from government projects. Trade receivables have increased sharply, attributed to entering new markets (requiring initial credit to build trust) and extended credit periods (up to 90 days, 120 days, or even 150 days) inherent in infra projects and dealings with large builders. Currently, 12% to 15% of outstanding receivables are over 180 days, though this percentage is noted to be reducing.
- **Inventory Control:** Inventory levels remain high, partially because finished goods and packing material are stocked at FCO locations. To address this challenge, the company is implementing SKU rationalization by reducing the product basket and focusing on fewer products. A consultant has been hired to aid in better inventory management. Over the last 18 months, 16 high-margin products were launched, contributing 8% to 10% of H1 FY26 turnover.
- **Credit Discipline:** The company manages credit risk through a three-stage process: distributor KYC, credit rating assessment, and mandatory Post-Dated Cheques (PDCs) for initial transactions. A fully active four-member credit control team conducts quarterly visits to ensure balance confirmations and prevent disputes. The distributor model is maintained for shared credit, local connect, and providing a stock point without company investment.
- **Funding:** To support anticipated growth in FY27, the company will require additional funds, planning a balanced approach of debt plus equity. The current blended cost of borrowing stands at approximately 8.5% to 8.7%.
- **The company's challenge, as noted by the working capital stretch during aggressive expansion, is analogous to stretching a rubber band: maximum tension occurs while pulling it to its new limit (achieving the INR 70 Cr run rate and expanding FCOs), but once stabilized at the new capacity, the strain (on capital) should normalize, allowing the business model particularly the FCO logistics savings and high-margin product push to deliver superior profitability.**

Marvel Decor Ltd - SME - Q2 & H1FY26 Concall KTAs**CMP: INR 94 | Mcap: INR 1,670 Mn****Outlook and Management Guidance**

Management guided towards a significant operational ramp-up and margin normalisation starting H2 FY26, driven by the monetization of strategic investments made in H1. The company anticipates margin improvement from H2, with certainty projected for the next financial year, as recently hired sales personnel are expected to deliver tangible results, thus leveraging the existing infrastructure built for 200-250 Cr. capacity. Key growth vectors include robust execution within the high-margin project vertical, leveraging high-profile partnerships with premium global brands like Lutron (targeting 3-4 Cr. in H2 and 10 Cr. in the following year), and commencing operations with Livspace for exclusive curtain tracks and motors. Geographically, the strategic focus remains on expanding the project segment in Dubai, establishing an Experience Centre there, and aggressively pursuing large-scale project procurement transfers from China to India, spearheaded by the new USA subsidiary. Management also aims to strengthen operational cash flows from H2 onwards by optimizing receivables and strategically focusing on projects that offer favourable payment terms.

H1 FY26 - Financial Performance

- Consolidated sales performance saw the project business vertical achieve 11 Cr. revenue in H1 FY26 (out of 38 Cr. consolidated revenue), marking substantial growth from approximately 5.4 Cr. in the previous H1.
- Management clarified that the reduction in H1 margins was attributable to two primary factors: aggressive investment in hiring a large sales team to fully utilize the 200-250K production capacity, which typically requires 3 to 6 months to yield sales results, and significant marketing expenditure totalling approximately 1.5 Cr. , including participation in the Smart Home Expo and over 10 architect events.
- Counterintuitively, management noted that margins derived from the project business are currently higher than retail margins, due to the economies of scale achieved from bulk orders (e.g., selling 500 blinds versus five blinds), which reduces costs related to labour, order processing, and logistics.

Strategic Partnerships: Global & Domestic Tie-ups

- **Lutron Partnership (USA)** : The company has partnered with Lutron, a USA-based company and the global number one in premium home automation and window covering products (approx. 15,000 Cr. turnover). Company supplies its blinds that connect with Lutron motors. Company is currently the authorized distributor for the West region of India, having recently held a large event with over 20 partners. This partnership is expected to commence business next month, targeting high-end residential and commercial projects, and is projected to generate 3-4 Cr. in H2 FY26 and 10 Cr. in the following year. Management anticipates achieving a pan-India presence with Lutron within six months.
- **USA Design & Build Company**: The Company has tied up with a large-scale USA design and build company that executes roughly 150 projects annually, accounting for \$150 Mn USD in business. This company intends to transfer its entire window covering procurement from China to India (to Marvel), potentially offering \$10 Mn USD in business annually. Currently, a \$2 Mn USD funnel is in the mockup and sampling stage, and \$3.5 lakhs USD in business has already been executed and delivered in the last three months.
- **Livspace Tie-up**: Marvel has tied up with Livspace, initially starting with an exclusive partnership for curtain tracks and motors across their showrooms pan-India. Operations are expected to commence around the 20th of the month. While revenue potential is currently unclear, there is scope to expand the offering to include blinds and other products in the future.

Vertical & Geographical Expansion

- The focus on the architect, interior, and projects vertical is paying off, with an 11 Cr. achievement in H1 and a 15 Cr. funnel set for H2. To provide a complete solution, Company is integrating curtain stitching units and the curtain fabrics business, mirroring a successful strategy implemented in Dubai over a year ago. Curtain fabrics will be outsourced according to company's designs, minimizing inventory risk.
- The Dubai strategy (Kalistas) emphasizes growth through projects to enhance ticketing value and margins. A key initiative is the establishment of an experience centre in Dubai, similar to the successful Mumbai setup, aimed at engaging architects, designers, and system integrators to boost brand visibility. Strategically, the Dubai entity is removing small customers (those generating less than INR 3-3.5 lakhs monthly revenue) to focus resources on key accounts and larger ticket sizes, shifting small customer dealings to supply-only orders without installation services. Additionally, a new subsidiary, Kalistas USA, was established in H1 to focus on large-scale projects in the Rest of World (ROW) segment.
- Regarding cash flow, management acknowledged that the project business typically involves longer receivables. However, initiatives are underway, including focusing on securing favourable terms (like 50% advance/50% before dispatch terms secured with the US D&B company) or incorporating interest costs into pricing for 60–90-day credit periods. The management expects positive cash flow from operations in H2 FY26.
- The increase in long-term borrowings (approximately 4.5 Cr.) seen in the balance sheet was clarified as a short-term, interest-free loan provided by the management, to fund working capital needs (inventory, employee, and marketing costs) necessary to utilize the plant's capacity. This loan is payable on demand.
- Separately, the reduction in promoter shareholding was attributed to a personal financial settlement. Management mentioned that he is selling shares he had previously bought from his brother (totaling 18 lakh shares, representing 11% equity) two years prior, to balance personal borrowings and other property-related payments.
- The strategic pivot towards high-value projects, leveraging partnerships, and optimizing the cost structure is akin to setting up a high-speed assembly line: the initial investment in upgrading the machinery (hiring/marketing) temporarily slows down profitability, but once those assets are fully integrated and running efficiently (H2 onwards), the higher volume and increased efficiency yield significantly improved returns.

Forcas Studio Ltd - SME - H1FY26 Concall KTAs**CMP: INR 133 | Mcap: INR 2,340 Mn**

The management articulated a confident outlook, guiding for continued robust growth and margin expansion, underpinned by strategic channel and category diversification. The company maintains a YoY growth expectation of 30% to 40%, potentially exceeding the stated focus target of 30% to 35%. EBITDA margins are projected to sustain and improve marginally, driven by the rollout of higher-margin categories such as women's and kids' wear, and increased reliance on quick commerce and established channels like Myntra. Management anticipates margin improvement potential in the range of 5% to 10% of the current EBITDA margin. Company is committed to establishing the FTX brand as India's premier omni-channel value brand, focusing on a lean model without owned stores or a dedicated D2C channel for its core segment.

Financial Performance

- **Revenue Growth:** Overall revenue increased by 50% YoY (H1 to H1), reflecting a growth rate of 50.6%. Brand revenue specifically rose from INR 48 Cr. to INR 71.9 Cr.
- **Profits almost doubled.** The company reported a 72.3% increase in EBITDA margin, with the current EBITDA margin standing at 10.6% (up from 9.3%).
- **Customer Acquisition:** Company added approximately one million customers over the six-month period through its B2C platforms.
- **Brand Traction:** Both key brands demonstrated strong performance, with FTX growing by 49% and Tribe, the smaller brand, achieving 35% growth.
- **Management Conviction:** The Managing Director and his brother have significantly increased their ownership by subscribing to warrants, signaling strong conviction in the business's trajectory and long-term potential.

Channel & Category Expansion

- **Quick Commerce Integration:** Company has partnered with quick commerce platform Zepto, stocking products across 17 to 18 cities' dark stores for delivery within 10 minutes to almost all major cities. Seven new categories have been introduced in this segment.
- **New Partnerships:** The company has launched 2,000 options on Myntra Forward, positioning it as a futuristic brand catering to the masses.
- **Category Performance:** Winter wear (jackets, sweatshirts, sweatpants) is exhibiting very strong traction through Zepto, with management expecting stock-out in the current quarter (Q3). Kurtas, launched as a test, are unexpectedly driving quick commerce business, supported by the insight that they are often a last-minute, occasion-driven purchase best served by quick availability.
- **New Segments (Women & Kids):** Women's wear and kids' wear categories were introduced under FTX, generating INR 5.5 crore in business thus far. These categories were launched via offline channels initially to test the market, with plans to transition them online in Q3. A women's sportswear line, priced competitively between INR 299 and INR 499, is planned for launch in Q3.
- **Capacity Enhancement:** Warehouse holding capacity has substantially increased from six lakh pieces to 2 million units. company added a new warehouse in Varanasi to service the North India and UP markets. Products are stocked in nine states for e-commerce and over 15 to 16 cities for quick commerce, facilitating 48-to-72-hour delivery across 90% of the country.

Inventory and Working Capital Management

- Inventory levels have increased, a deliberate decision to support aggressive topline growth (50%) and cater to Q3 winter demand. This strategic build-up is also necessary to mitigate production slowdowns, particularly in Kolkata, where manufacturing capacity is constrained during the Durg Puja festival (October).
- Management stressed that 90% to 95% of the inventory comprises proven, high-selling products (set inventory), with a focus on increasing depth rather than launching speculative new options. Dead stock inventory remains very nominal, with inventory write-offs expected to be below 2% due to a disciplined "test fail fast, pass fast" model utilizing offline channels for clearance.
- Receivables have decreased considerably. The management noted a hastening of payables (from 124 days down to 13 days). This is attributed to a long-standing policy of paying suppliers punctually, particularly during festive seasons, which helps build strong, long-term supplier partnerships critical for sustaining 4x-5x growth.
- The recent shortening of payables was also a strategic call taken in August and September to buy winter raw materials (sourced heavily from Punjab) in cash, preempting a raw material supply crisis due to a natural calamity in the region. This move ensured robust inventory and enabled FSL to capitalize on winter wear sales while the broader market struggled with procurement.

Competitive Edge and Margin Drivers

- Data-Driven Growth: The core growth driver is the application of data science derived from 15–18 years in the apparel business, using e-commerce data (pin codes, purchase locations) to inform product placement and category launches.
- Low Return Profile: Company boasts industry-leading low return ratios, below 7% for men's top wear (vs. 18–19% industry standard) and 14%–15% for bottom wear (vs. 30% industry standard), resulting in an average return below 12%. This is primarily attributed to the high quality offered at the competitive price point, creating a "wow factor" that drives customer retention beyond the initial purchase.
- Focus on Mass Segment : Company intends to maintain its target audience and Average Selling Price (ASP) range of INR 299 to INR 599, focusing on expanding product categories and channels to boost margins, rather than shifting to a premium segment.
- Category Margin Mix: New categories are margin-accretive: Kids' wear offers margins 10% to 15% better than men's wear, and women's wear offers margins 20% to 30% better. Quick commerce and improved brand standing on platforms like Myntra also contribute to enhanced margins.
- D2C Avoidance: Management has explicitly stated no plans to launch a D2C channel for the FTX brand due to the high cost of customer acquisition (rising CPC on Google/Meta) and the challenge of managing returns at the current INR 400 ASP. The current commission-based online model (30% to 33% average commission) is viewed as a more cost-effective and profitable "smarter route".

Inflame Appliances Ltd. – SME - H1FY26 Concall KTAs**CMP: INR 244 | Mcap: INR 1,830 Mn****Outlook & Guidance**

Management remains highly optimistic on sustained financial performance, guiding toward a continuation of the H1 momentum into H2 FY26, targeting improved overall results for the current financial year. Company anticipates the next FY27 to be a "bumper" year, significantly beneficial from a growth perspective. Gross Margins (over consumption of raw materials) have reached expected levels, with the company almost commencing the achievement of the targeted 28% to 30% gross margin from the current financial year. Furthermore, mandatory BIS implementation for HOBs is expected to be finalized soon, which is assumed to contribute majorly to revenue growth starting in FY27, particularly driven by the Hyderabad facility.

Financial Performance (H1 FY26)

The company reported robust revenue growth of over 40% in the first half of the financial year. This volume expansion translated into a remarkable PAT when compared to previous operational years. Operational improvements have been a key focus, resulting in enhanced productivity across the plant. The company has successfully increased efficiency levels and achieved lower rejection rates for products and production.

Capacity Utilization and Product Focus

- Panchkula Facility: The Panchkula plant is operating close to its peak capacity, having manufactured approximately 21,000 to 22,000 units.
- Hyderabad Facility: The Hyderabad plant is currently operating at approximately 50% capacity utilization. This facility is yielding favourable results and focuses on catering to premier customers, including Crompton, IB, and CAF. The Hyderabad unit specializes in manufacturing built-in products such as built-in refrigerators, wine coolers, and built-ins.

Expansion & Capex

Management announced plans for a capacity increase at the Hyderabad plant, necessitated by the need for increased land space and working sheds. To facilitate this, one of the existing sheds is being converted into a multi-story building, the details of which have already been disclosed to the exchange.

The multi-story expansion plan allocates the added space strategically

1. One floor will accommodate existing products.
2. The second floor is dedicated specifically to the built-in series, including built-in ovens and wine coolers, products currently being handled by the Hyderabad unit.

The requirement for enhanced capacity is driven by the highly volumetric nature of company's products (excluding hobs). The initial plant designs overlooked the substantial storage space needed for FGS. Due to the company dealing with multiple OEMs and coordinating multi-location loading plans (e.g., Chennai, Cochin, Kolkata, Bangalore), greater storage is essential to maintain separate inventory and stock material until containers are ready or loads are complete.

The capital expenditure for this expansion includes not only the construction cost but also necessary investments in improving existing assembly lines, adding new assembly lines for upcoming products, and modifying test labs to align with current regulatory requirements.

New Product Pipeline and Sourcing

- Management indicated that within the next two to three months, the company plans to introduce two to three new products. These upcoming products are currently imported from China but will represent a "first in India in terms of manufacturing". While the names cannot be revealed yet, disclosures are expected shortly.
- In a move to enhance component quality and price efficiency, Inflamm has executed several small joint ventures (JVs) with specialized entities. These JVs allow the company to outsource component creation/sourcing to specialists. company maintains a majority stake in these operations to retain control through strategic and financial involvement.
- Company's proactive expansion to address volumetric constraints (FGS) and the strategic JVs highlight a commitment to operational efficiency and meeting rising OEM demand. The anticipated boost from mandatory BIS compliance on HOBs provides a visibility buffer for sustained revenue growth into FY27.

Pranik Logistics Ltd. – SME - Q2FY26 Concall KTAs**CMP: INR 78 | Mcap: INR 8,590 Mn****Outlook and Guidance**

Management reiterated its long-term aspiration (Vision 2029) to build a large, tech-driven logistics enterprise, targeting INR 500 Cr. in revenue with an anticipated EBITDA margin of 11% to 12%. For the current FY26, the company is committed to achieving at least a 25% growth in turnover (revenue) and a 25% growth in PAT. Following Q2 results, management stated they are in line with expected growth numbers for FY26. In terms of half-yearly projections, H1 FY26 revenue was approximately INR 78 Cr. and the company projects that H2 FY26 figures will remain nearly the same, indicating a sustained pace of turnover. The entire team remains focused on scaling with discipline, improving efficiencies, and building sustainable value for stakeholders.

Q2 FY26 Financial Performance

- Revenue and Growth: Q2 FY26 revenue stood at INR 38.78 Cr. , reflecting strong YoY growth of 60.77%. The PAT for the quarter was INR 3.72 Cr.
- Operational Efficiency: The quarter was marked by strong network utilization and higher shipment throughput. The company maintains a 90% plus client retention ratio, with agreements generally renewed YoY
- The EBITDA margin for Q2 FY26 stood at 9.59%, a reduction compared to 12.73% recorded in the same quarter last year.
- The primary reason cited for the marginal dip was the more than expected monsoon and heavy rainfall. This necessitated the company to take a slight hit to cover costs, such as maintenance and unexpected operational challenges, to keep service levels intact, especially given their significant involvement in the CDIT (Consumer Durables and Information Technology) industry.
- The company aims to restore and maintain EBITDA margins within the 10% to 11% range. However, the unavoidable depreciation factor resulting from investments in capex (warehousing) and new software implementation will impact the PAT margins.

Capital Deployment and Working Capital

- Borrowings Increase: A significant increase was observed in both long-term and short-term borrowings. Management attributed this to three factors: 1) A recent shift in banking from HDFC to Kotak Mahindra, where the older limits had not yet been dropped. 2) An increase in debt due to the financing of fleet additions (close to 20 vehicles). 3) The need for increased working capital to maintain operational flexibility amidst rising revenue.
- Working Capital Focus: Working capital is identified as the major capital requirement moving forward. The company's working capital cycle stands at 90+ days, resulting from a standard 45-day credit period with major corporate clients (including Reliance and Adani entities), plus the time required for bill submission and finalization.
- Trade Receivables: The increase in trade receivables is viewed as a direct byproduct of the increased turnover, characteristic of the service industry with credit periods.
- IPO Fund Utilization: Approximately INR 1.25 Cr. of IPO funds remain unutilized. This unutilized amount is specifically related to the planned warehousing capex (96 lakhs utilized versus 2.20 Cr. planned). Management aims for full utilization before March 26.

Operational Strategy, Network, and Segments

- **Integrated Model:** Company is focused on providing an integrated supply chain solution, offering both transportation and warehousing, aiming to serve as a single touch point for client logistics problems.
- **Warehousing Footprint:** The company currently manages 13.66 lakh square feet of warehousing space. Overall utilization is very high, exceeding 99%. The strategy includes evaluating selective single-client facilities where they offer long-term operational depth and profitability.
- **Geographical Expansion:** The company is strengthening its presence in existing states. Recent efforts have resulted in increased revenues from expansion activities in Gujarat and Karnataka (specifically Bangalore).
- **Client Acquisition:** Acquisition involves dedicated sales teams meeting industry representatives and participating in competitive online bidding processes and RFQs (Request for Quotes). The company positions itself as a logistics solution provider, helping companies reduce costs through optimized models, such as the hub and spoke model.

Customer Base & VAS

- **New Clients Onboarded:** In Q2 FY26, company onboarded new clients across consumer retail and industry segments, including Meesho, Honda, and Mother D. The company also executed an MOU with CWC (Central Warehousing Corporate India), a Government of India company.
- **Customer Concentration:** Management acknowledged that approximately 60% of revenue appears to come from Quick Supply Chain, a Reliance entity. They clarified that this is highly bifurcated across different corporate divisions (networking, phones, digital, retail, grocery), mitigating inherent concentration risk. The industry mix includes pharmaceuticals and consumer durables.
- **Value-Added Services (VAS):** Company is actively involved in certain value-added services, specifically cold chain logistics and packaging/reverse logistics. Currently, the revenue contribution from these services is low, approximately 3%. The long-term target is to substantially increase this contribution and introduce more services to offer comprehensive solutions under one roof.
- **Future Initiatives:** Entering cross-border logistics and multi-modal logistics (airways and waterways) is considered a long-term aspiration but is currently only at a very basic discussion level.
- **The company's strategy to provide an integrated supply chain solution (transportation and warehousing) is akin to offering a Swiss Army knife for logistics. Instead of a client hiring multiple specialized tools (separate transportation vendors, separate warehousing vendors), they get one comprehensive tool designed to solve all their logistical needs efficiently under one roof.**

GRP Ltd Q2 Earnings Call KTAs

CMP: INR 1970 | Market Cap: 10,455 Mn

H2 FY26 Guidance

- **EBITDA Margin Expansion:** The company expects 200–250 bps margin improvement in H2 vs. H1, driven by operational normalization in Reclaimed Rubber (RR), partial benefit of new technology, and improving mix from new capacities.
- **Quarterly Recovery Cadence:** A consistent pick-up beginning Q3 is anticipated as new RR technology stabilizes and fresh capacity comes online.
- **FY27 as Breakout Year:** Management articulated high confidence that FY27 will mark a meaningful structural breakout in both revenue and profitability, aided primarily by the first full-year contribution of recovered carbon black (RCB).

Reclaimed Rubber (RR) – Business Strengthening & Margin Repair

Demand Outlook

- **Domestic Market:** India continues to be the outperforming region for RR. Management expects multi-year strong domestic demand, supported by tire demand growth and increasing RR adoption.

• **Exports:**

o The sharp decline in US and EU orders has bottomed out.

o Volumes are expected to recover, though margin normalization will lag because the US/EU remain structurally higher-margin markets.

Margin Drivers & Technology Impact

• **New RR Technology:**

o New pricing agreements tied to this upgraded technology become effective January (Q4).

o This will offset raw material cost inflation incurred earlier in the year.

o Full profit impact will be visible in FY27; partial impact in Q4 FY26.

• **Energy Savings Initiatives:**

o Solar capacity rollout across Solapur and other plants will materially reduce power costs.

o Target: 50% renewable power mix by mid-FY27, supporting margin expansion and cost stability.

Green Energy, Pyrolysis & Recovered Carbon Black (RCB) – A Multi-Year Growth Engine

The company is now operating fully in pyrolysis and crumb rubber, with RCB commissioning expected in FY26-end. Management reaffirmed multi-phase scale-up plans.

H2 FY26 Revenue & Profitability

• **Revenue Contribution:** Pyrolysis + crumb rubber + steel output expected to generate INR250–300 mn in H2.

• **Profitability Turning Positive:** These operations, currently loss-making, are expected to break even and turn profitable starting next month, contributing positively for ~4 months in H2.

Crumb Rubber Demand & Utilization

• With the winter road surfacing season underway, crumb rubber sales to bitumen modifiers are expected to reach 75–80% utilization by Jan/Feb.

RCB Commissioning & Capacity Buildout

- RCB Unit: Commissioning expected March–April 2026, marking the critical step in the vertical's profitability profile.

Capex Deployment – Phase 1

- Total Phase 1 Outlay: INR2,500 mn.
- o INR720 mn already spent.
- o Remaining INR560 mn to be deployed by May/June 2026.

• Post-Phase 1 Capacity Levels:

- o Pyrolysis: 30,000 tons
- o RCB: 12,000 tons
- o Crumb Rubber: ~60,000 tons

Phase 2 Expansion

- Planned capex: INR1,000 mn, with deployment timeline being finalized.

• Additional capacity creation:

- o Pyrolysis: +30,000 tons
- o RCB: +12,000 tons

RCB Market Adoption

- Adoption will be gradual, with initial traction expected in non-tire applications-conveyor belts, roofing, and rubber sheeting.
- A pilot plant is already sending samples, helping build customer confidence.

Non-RR Businesses – Resets, Rationalization & Mixed Outlook

Polymer Composites

- Contract manufacturing discontinued due to non-viable economics.
- Revenue loss: ~INR70 mn annually; EBITDA margin drag: 10–15%.
- Management will explore alternate use of the infrastructure.

Subsidiaries (GCSL/GSPL)

- Combined quarterly revenue: INR45 mn
- Losses: ~INR12 mn
- No meaningful turnaround expected in FY26, given falling virgin polymer prices under the revised import regime.

Engineering Plastics: Expected to maintain status quo in H2. Demand improvement tied to GST-linked support for the auto sector. No new investments until utilization improves from ~40% to a "healthy level."

Polymer Margin Outlook: Import policy changes reducing certain polyolefin prices will pressure margins further, though nylon remains unaffected.

Ajax Engineering Ltd Q2 Earnings Call KTAs**CMP: INR 607 | Market Cap: INR 69,919 Mn****FY26 Outlook and Financial Guidance****EBITDA Margin Guidance:**

Management reiterated a full-year EBITDA margin decline of ~160–200 bps YoY, driven by gross margin pressure arising from higher production costs of the new CV5 (PV5) compliant machines.

To achieve the guided full-year range, H2 EBITDA margins need to reach ~14.5–15%, which the company believes is attainable as

- Volume-led operating leverage, given the inherent H1/H2 industry skew.
- Calibrated pricing actions expected during Q3–Q4.
- Improving mix and machine utilization towards the seasonally stronger quarters.

Volume & Revenue Growth:

Management expects early double-digit volume CAGR between FY25–FY26, translating into early double-digit topline growth for FY26. This is ahead of the company's historical growth run-rate.

Demand Environment & H2FY26 Industry Outlook

Management remained constructive on the demand outlook for H2, highlighting the following:

- Seasonal Recovery: Post-monsoon demand uplift should support a return to normal execution levels. The industry historically operates with a 40:60 H1:H2 split.

- Infra Execution as Lead Indicator:

The pace of state-led infrastructure execution and release of contractor payments will be the key drivers of demand momentum in H2.

- Portfolio Strength:

Both SLCM and non-SLCM categories typically peak in H2, aiding volume recovery and utilization rates.

Pricing Strategy & Margin Repair Roadmap

Management provided granular detail on its pricing philosophy post-CV5 transition:

- Required Price Hike:

To fully offset CV5 cost inflation, Ajax would require a ~4% price increase.

- Reason for Deferral:

The company deliberately held back pricing action in recent quarters to prioritize field testing, customer acceptance, and reliability of the new EV5/CV5 platforms.

H2 Pricing Action:

Q3–Q4 will be the critical window for pricing decisions, contingent on:

- Customer acceptance trends of EV5 machines
- Competitive pricing environment
- Overall demand elasticity

Management indicated margins should strengthen through Q3–Q4, supported by:

- Gradual price adjustments
- Seasonal volume recovery enabling operating leverage

Product Pipeline & Strategic Initiatives

SLCM Portfolio Expansion:

- The company is set to commence initial distribution of the smaller SLPM SLCM model across 4–6 key markets in H2.
- The product has undergone extensive field validation and is being positioned for niche, multi-use applications.

Non-SLCM Roadmap:

- The focus remains on building scale in concrete pumps (boom & non-boom) and batching plants.
- Management reiterated long-term commitment to strengthening the non-SLCM business as a structural second pillar.

Dealer Network Expansion:

- Systematic expansion of dealer footprint continues to enhance accessibility and penetration across regions.

Spares & Services Momentum:

- As machine utilizations normalize, spares and service revenue is expected to show sequential improvement.
- The company reported a 90–92% first-bill rate, indicating limited leakage to third-party alternatives.

Capex, Capacity and Balance Sheet Position

Capex Execution (FY26):

- YTD capex stands at INR850 mn.
- Additional INR100 mn is expected in H2 for the upcoming Rosa plant, with commissioning still targeted in H2 despite weather-related delays.

Inox wind ltd Concall KTAs**Mcap: INR 258 Bn | Cmp: INR 147****Operational Highlights**

- The company executed 202 MW in Q2FY26, taking H1FY26 execution to ~350 MW, or 29% of the 1.2 GW FY26 target.
- Management maintains its full-year guidance and expects the remaining execution in H2FY26.
- Order discussions with multiple customers could secure ~1 GW of annual recurring orders through framework agreements.
- Management now expects 18-19% EBITDA margins, supported by stopping Rs 0.6 mn/MW royalties for 3 MW WTGs.
- The company added a new blade and tower plant in Karnataka with a Rs 4 bn project cost is planned, while Capex for FY26–FY27 remains at ~Rs 2 bn.
- A new nacelle and hub unit near Ahmedabad is running at high utilization.
- The company has deployed captive cranes to support expanding EPC activities across Gujarat and other states. The upcoming South India blade and tower unit will improve access to major sites in Karnataka and Tamil Nadu.
- The demerger of substations from INOXGREE has been approved, making it a pure-play O&M provider with no depreciable assets, reducing depreciation by ~Rs 500 mn.
- The merger of substations into Inox Renewable Solutions and its listing as INXW's EPC arm is expected to unlock value.
- INOXGREEN's portfolio is now 12.5 GW, including 6.5 GW of newly acquired operational wind O&M assets.
- The company plans organic and inorganic expansion in wind and solar O&M to reach 20 GW in the coming years.

Arihant Capital

Uflex Ltd – Q2 FY26 Earnings Call KTA's**CMP: INR 520 | MCap: INR 37,514 Mn****FY26 Guidance Revision & FY27 Outlook**

Management revised its FY26 financial guidance downward due to operating headwinds and delayed commissioning benefits.

Revised FY26 Guidance

- Revenue Growth:

Earlier: ~10% growth for FY26

Revised: ~5% YoY growth

EBITDA:

Earlier expectation: INR 20,000–21,000 Mn

Revised guidance: INR 18,000–18,500 Mn

The downward revision reflects slower-than-expected demand, commissioning delays, and weaker profitability in key segments.

FY27 Growth Visibility

- Revenue: Management expects 10% revenue growth in FY27, supported by new capacities scaling up.
- EBITDA: While no formal guidance was issued, management reiterated that incremental revenue from newly commissioned capacities will materially improve EBITDA starting FY27.
- Timeline of Precise Guidance: More specific FY27 guidance will be provided during Q3 FY26 earnings.

Capacity Expansion Pipeline – Commissioning Timelines & Revenue Visibility

Management provided detailed progress updates across four major projects—two aseptic lines, one WPP line, and the PET recycling expansion.

1. India Aseptic Packaging (12 bn packs/yr)

- Capacity ramp-up completed in October 2025.
- Volume contribution to begin from January 2026 (Q4 FY26), with full benefit to flow into FY27.

2. PET Recycling (Noida)

- Commissioning expected by end-FY26.
- Capacity utilization will be meaningful from FY27, though management cautioned that profitability in recycling will remain muted for the next 2–3 years.

3. Egypt Aseptic Packaging Unit

- Commissioning target: End-FY26 or Q1 FY27.

4. WPP Line – Mexico

- Commissioning timeline aligns with the Egypt facility: End-FY26 or Q1 FY27.

End-FY26 or Q1 FY27.

5. New Dharvir BOP Line

- New BOPP line with 54,000 TPA capacity.
- Commissioned primarily to satisfy commitments under tax concession agreements.

Aggregate Contribution from New Projects

Once operating at optimal utilization (expected through FY27–FY28), the four new projects are expected to contribute:

- Topline: ~INR 30,000 Mn ;EBITDA: ~INR 5,000 Mn

This represents a 25–30% uplift in current revenues and provides >500 bps EBITDA uplift potential over time.

Debt Profile, Leverage Outlook & Capital Strategy

Current Debt Metrics

- Net Debt: INR 77,500 Mn
- This reflects cumulative investments undertaken across the multi-year expansion cycle.

Projected Leverage Improvement (FY27)

- Management expects net debt to reduce by INR 5,000 Mn in FY27 if no incremental capex proposals are approved.
- Earlier leverage target of 2.5x Debt/EBITDA is no longer achievable in the near term.
- A more realistic steady-state target is around 3.0x, assuming FY27–FY28 EBITDA reaches INR 25,000–26,000 Mn (post commissioning).

Overview

- FY26 will be a transitional year, weighed down by operational challenges and commissioning slippages.
- FY27–FY28 provide high visibility of double-digit revenue growth, supported by four new capacities reaching meaningful utilization.
- The structural EBITDA uplift (~INR 5 bn from new lines) is intact, though partially back-ended to FY27+.
- Leverage will remain elevated in FY26 but improve as new capacities contribute healthy cash flows.
- Key monitorables: India aseptic ramp-up in Q4, PET recycling commissioning, and Egypt/Mexico start-ups.

Arihant Capital Markets

Tinna Rubber & Infrastructure Ltd– Q2 FY26 Earnings Call KTA's**CMP: INR 866 | MCap: INR 15,592 Mn****Revenue & Profitability Outlook**

- Management moderated its FY26 expectations due to an extended monsoon and a conscious exit from low-margin products.
- FY26 Revenue Growth: Now expected at 10–15% YoY, with a more realistic internal band of 12–15%.
- FY27 Revenue Guidance: INR 7,250–7,500 Mn, supported by new capacities coming online.
- Margins: Q2 EBITDA margin improved to 18.5% (H1: 17%). Management aims to maintain or improve the Q2 margin through the rest of the year and continues to target >18% margins under Vision 2028.
- PAT Conversion: Expected at ~10% of revenues for FY26.
- Cost Savings: Renewable energy expansion (1.23 MW → 4.48 MW) should save ~INR 40 Mn in FY26, fully effective by end-Q3.

Key Projects & Capex Execution

- Capex remains on track and is central to the FY27–28 growth acceleration.
- RCB & Pyrolysis Plant: Trials begin early Q4. Expected revenue contribution of INR 1,000–1,250 Mn in FY27 with margin profile similar to current levels (17–18.5%).
- PCNB Business: Expected to reach ~33% utilisation by end-FY26 and contribute 5–6% of FY27 revenue.
- Overall Capex: ~INR 1,000 Mn program running through FY27; ~INR 560 Mn already spent in H1.

International Business Outlook

- Exports: Expected to grow ~30% by Q4, with RCB added to the portfolio after commissioning.
- Oman: Margin recovery expected in H2 as RM costs ease; steady-state topline contribution ~INR 300 Mn.
- South Africa: Phase-1 complete; operations expected to break even by Mar'26.
- Saudi Arabia: Delayed by two quarters; project now expected to commence in H2 FY27.

Segment Momentum (H2-Focused)

- Infrastructure: Strong rebound; Q3 expected to be solid, with the segment becoming a larger share of topline.
- Consumer: Seasonal recovery expected post monsoon.
- TP Built: Performance to be significantly better in H2 as new product launches stabilize.
- EPR Credits: Accruals in Q3/Q4 expected to be similar to current levels, with sales aligned to downstream compliance cycles.

Long-Term Vision (2028)

- Management reiterated confidence in Vision 2028:
- Revenue: INR 10,000 Mn, EBITDA Margin: >18%, ROC: ~30%, Footprint: Expanding from 6 to 10 locations

Summary

FY26 is a reset year lower topline but structurally higher margins. The earnings inflection begins in FY27 with the commissioning of the RCB plant, scaling of PCNB, and gradual contribution from global operations. Execution risks remain (notably Saudi), but the margin trajectory and quality of growth have visibly improved.

DDev Plastiks Industries Ltd– Q2 FY26 Earnings Call KTA's**CMP: INR 291 | MCap: INR 30,162 Mn****Financial Guidance & Scale-Up Ambition**

FY26 Guidance:

- Revenue: INR 28,500–29,500 Mn
- Volumes: 210,000–220,000 MT
- EBITDA Margin: 10–12% (maintained)
- EBITDA/MT: >INR 15,000 for FY26; management targets ~INR 16,000 near term.

Medium-Term Target:

- Revenue of INR 50,000 Mn by FY30, implying a required 12–15% CAGR over FY26–30.

Demand Environment – Broad-Based & Policy Supported

Management highlighted a sharp improvement in demand visibility driven by:

Near-Term (H2 FY26)

- Strong sequential recovery in Q3 and Q4 post-monsoon.
- Faster ramp-up in XLP/Semicon compounds versus PVC.
- Improved export margins as freight normalises.

Macro & Sector Drivers

- Easing intensity of earnings downgrades and improved liquidity.
- GST rationalisation and rising rural purchasing power aiding real estate and housing demand.
- India's power transmission market (~INR 600,000 Mn) entering a sustained multi-year capex cycle supported by renewables integration.
- Cable industry expected to grow at ~2× India's GDP, offering structural tailwinds.

Margin Outlook – Stability Despite Lower-Margin PVC Adds

EBITDA Margin:

- Management remains confident of sustaining 10–12% despite upcoming PVC additions (a lower-margin category).

Key Supports:

- Higher contribution from XLP/Semicon compounds.
- Improving export mix and stabilizing freight rates.
- Premium margins expected from new PVC demand from large entrants (Adani, UltraTech) starting Q1 CY26 / Q1 FY27.

Capex Cycle & Capacity Expansion

The company is entering a peak investment phase.

Capex Guidance

- FY26: INR 1,100 Mn, with ~INR 900 Mn already committed.
- Total Plan: INR 3,000 Mn over current + next year.
- Working Capital Needs: Additional INR 3,000 Mn, taking overall investment to INR 5,000–6,000 Mn.

Capacity Commissioning Timeline

- H2 FY26:
 - o +5,000 MT HFR compounds
 - o +10,000 MT PVC compounds
- Total Installed Capacity: ~270,000+ MT by end-H2 FY26.

High Voltage Portfolio – Key Medium-Term Value Driver

Ddev is progressing meaningfully on its high-voltage ambitions:

132 kV Compounds

- Third customer has allocated space; trials planned for Q1 CY26.
- Management is “almost sure” of successful qualification.

220 kV Compounds

- Expected market-readiness by FY29–30, post two years of commercial supply of 132 kV grades.

Overview

Ddev Plastiks enters FY26–30 with one of the strongest growth and capacity visibility profiles in the specialty cable compounds space. The combination of:

- clear revenue CAGR path (12–15%),
 - structural transmission capex cycle,
 - upcoming high-voltage qualification milestones, and
 - aggressive but well-sequenced capex rollout
- creates a compelling long-term compounding story.

IZMO Ltd – Q2FY26 Concall KTAs

IZMO reported a stable Q2FY26 with growth led by expansion across automotive digital solutions increasing OEM engagement in Europe and the US and swift traction in its semiconductor packaging business. According to management once tariff-driven disruptions abate the legacy automotive digital business will see growth in a range of 10–15% while IZMO Micro sees significantly higher growth over the next 3 years as photonics packaging scales up. The consolidated margins are expected to be maintained in the 20–25% range in FY26 improving further with the ramps of high-margin semiconductor programs. Cash flows will improve from FY27 onwards driven by improvement in operating leverage and a shift in capex towards revenue-generating phases. Medium-term visibility remains strong across the 4 divisions - Stock, Auto, FrogData, and Micro - driven by global digital adoption and a deep pipeline in silicon-photonics packaging.

Financial Performance

- Q2FY26 revenue stood at INR 60.1 Cr up by 2.6% YoY.
- EBITDA increased 42.4% YoY to INR 13.5 Cr with a 22.5% margin riding on cost efficiencies and AI-driven productivity tools.
- PAT was INR 12.6 Cr (20.9% margin) and EPS was INR 8.43.

Automotive Digital Solutions - IZMO Auto & IZMO Stock

- IZMO Stock solidified its position as the world's largest automotive imagery platform.
- ISMO Auto expanded to 22 countries with 3,000-plus dealer clients and added 22 new European clients during the quarter.
- A large OEM digital platform upgrade across 900 sites is under rollout.
- Activities also extended across Stellantis' after-sales network while OEM engagements have been deepened in North America.

AI & Analytics - FrogData

- FrogData maintained excellent traction with 98.5% retention and increased usage of FPAP, Warranty Boost, Fixed Ops Mojo, and Fixed Ops Velocity.
- US growth temporarily was affected by uncertainties related to tariffs but management expects strong demand recovery starting from FY27.

Semiconductor Packaging - ISMO Micro

- IZMO Micro achieved a milestone of 32-channel high-density silicon-photonics packaging.
- The order book as of now is INR 50 Cr, executable over 9 months hence the revenue for FY26 is seen at ~INR 25 Cr.
- Ongoing INR 150-200 Cr advanced-packaging expansion supports medium-term revenue potential of up to INR 1,000 Cr annually.
- Current capacity supports INR 80–100 Cr per annum.

Fabrication Unit & Government Support

- The government has encouraged IZMO to explore a silicon photonics fabrication unit under the ISM scheme with potential eligibility for a 50% capex subsidy.
- Recognition by DSIR strengthens the eligibility for R&D-linked incentives, particularly for defense, space, and telecom applications.
-

Operational Highlights

- AI-driven internal automation reduced employee costs sequentially while expanding globally.
- Semiconductors are located in Whitefield, Bengaluru, with expansion planned near the new airport.
- Export demand is strong and international customers are seeking to accelerate ramps as there is constrained competitive capability in China/Taiwan for high-density photonics packaging.

Exide Industries Q2FY26 Concall KTAs**MCap: INR 325.42 Bn | CMP: INR 383****Business Update**

• Exide reported 1.3% YoY growth in H1FY26, and Q2FY26 saw a -2.1%, due to GST-related destocking. Automotive replacement remained strong, with 4W & 2W replacement growing 10-12% in both Q2 and H1FY26. OEM demand, which was previously weak, has started recovering, supported by an 11% PV retail growth in October and 52% two-wheeler retail growth, indicating heavy destocking and expected production rebound in Q3. Export performance remained soft due to tariffs, but management expects a positive uptick from Q4 as new geographies and portfolios scale up.

GST Impact and Working Capital

• The GST for batteries has reduced from 28% to 18%, solar combo packs from 12% to 5% led to immediate destocking, and the company cut production in Aug-Sept to avoid inventory build-up.

Margins & Cost

• The Q2FY26 margins were impacted by lower production and inflation. Management Q2 expects to maintain its margins near to 12%.
• The company expects volumes to normalise and costs to be managed. With the shift of 50% of 2W production to the Punchgrid line already, with the balance completing by Dec, and the adoption of continuous casting for 4W, are already delivering savings and will support margin improvement in the coming quarters.

Li-Ion Cell Project

• The Li-ion cell plant continues to progress, with INR 580 cr invested in H1 and an additional INR 65 cr in Oct, taking the cumulative investment to INR 3,947 cr so far.
• Utility systems are nearly fully commissioned, and sample validation for OEMs is underway.
• Line-1 of NCM cylindrical cells for 2W OEMs will be commissioned first, followed by prismatic LFP. The company has a first-mover advantage of 18-24 months in yield improvement and waste reduction vs future competitors.
• Phase 2, with capacity expansion from 6 GWh to 12 GWh, will require significantly lower investment as land and utilities are already in place.

Lead-Acid Demand Trends

• Automotive replacement remained healthy, growing ~12% in H1, while OEM demand is expected to accelerate during H2 due to GST-driven affordability improvements. Solar and home UPS were temporarily weak, with solar swinging from +35% in Q1 to -5% in Q2, due to deferred purchases rather than structural softness. Management expects both to rebound strongly in Q3.

Solar Business

- The solar franchise crossed INR 800 cr in FY25 and is on track to surpass INR 1,000 cr in FY26E, with a medium-term expectation of INR 1,500 cr supported by PM Surya Ghar Yojana, channel expansion, and the GST cut to 5% on combo packs.
- Lead-acid remains the preferred technology for rural and off-grid solar due to cost and reliability advantages.

Capex and Expansion Pipeline

- Phase 1 of the 6 GWh lithium-ion cell facility will start production toward the end of FY26.
- Phase 2 capacity ramp-up to 12 GWh will depend on EV and BESS adoption, with future capex significantly lower as utilities are already sized for full capacity.

New India Assurance Company Limited Q2FY26 Concall KTAs

Outlook: New India Assurance expects ICR and the combined ratio to improve in H2FY26 as weather-related claims ease and underwriting changes reflect in earned premium. Growth is likely to remain ahead of the industry, with retail health targeted to rise from 20% toward 30% of the health book. The company is committed to strengthening underwriting discipline, improving operational efficiency, and accelerating digital initiatives to deliver better performance in the period ahead.

Financial Performance:

- Gross written premium reached INR 23,875 crore in H1FY26, up by 11.5% YoY growth.
- Domestic premium growth increased market share from 12.6% to 13.75%, supported by strong traction in health, property, and miscellaneous lines.
- Net earned premium stood at INR 18,768 crore, increasing from INR 17,028 crore YoY.
- The GDP of the company grew at 12.86%, significantly surpassing industry GDP of 7.31% in H1FY26.
- PAT rose to INR 454 crore in H1FY26, delivering 57.7% YoY growth despite a one-time wage revision provision.

Business Segments Performance:

- Fire premiums grew 21.32% YoY, supported by strong property demand but were impacted by CAT losses.
- Health premiums grew 15.12% YoY, with higher claims due to extended monsoon-linked dengue and infectious diseases.
- Miscellaneous premiums increased 16.05% YoY, although ICR worsened due to cellular network outage claims.

Market share and distribution:

- Market share stood at 13.25% overall, with FIRE at 16.4%, Marine at 17.31%, Motor at 9.63%, Health at 16.54%, and Others at 17.4%.
- Distribution mix comprised 24.4% agency, 37.83% brokers, 31.01% direct, 6.19% dealers, and 0.57% bancassurance.
- Direct distribution carried nil commission cost, while all distribution expenses fall under agency, brokerage, and corporate channels.

New products and innovation:

- A new MSME-focused insurance suite was launched, targeting asset, business interruption, PA, WC, and optional cyber cover.
- Nishchit Suraksha, a parametric insurance product for weather-related perils, was launched to enable instant DBT claim payouts that aims to expand coverage to gig workers and the informal sector.
- The company introduced India's first business interruption cover for pandemic-related shutdowns, already adopted by a leading mall in Mumbai.

Digital transformation:

- The Optical character recognition project is in an advanced test stage, improving motor claim settlement TAT.
- Intelligent Character Recognition for handwritten documents is under testing and expected to be a major efficiency driver in retail claims.
- The company has partnered with fintech and Insur-tech start-ups to strengthen advanced data analytics, enabling better pricing and risk assessment
- It has digital platforms including WhatsApp and AI chatbots that offer 24x7 self-service in 8 languages.

Other Highlights

- Solvency ratio remained healthy at 1.79x, reflecting strong balance sheet strength.
- Operating expenses increased due to a one-time wage revision provision of INR 1,680 crore, of which INR 1,118 crore was charged to the revenue account and INR 562 crore to the P&L.
- Investment income offset the impact of wage-revision provisioning and elevated claim costs.
- Combined ratio increased to 127.21%, driven by higher claim ratios and the wage provision impact.
- Net incurred claims ratio rose to 104.22%, impacted by prolonged monsoon, floods, and higher health hospitalization rates.

V2 Retail Ltd | Q2 FY26 Key Takeaways
CMP: INR 2,397 | M-Cap: INR 87,420 Mn**Overall Performance & Business Momentum**

- V2 Retail reported a very strong Q2, delivering broad-based growth across all regions as the company continues to scale aggressively while maintaining profitability.
- The business saw robust demand across apparel categories, helped by better assortments, improved pricing, and strong traction from both new and mature stores.
- Management highlighted that performance momentum has continued into Q3, supported by positive Diwali demand, strong customer footfall, and stable consumer sentiment.

Store Expansion & Network Strategy

- V2 Retail is in its fastest-ever expansion phase, adding 43 stores in Q2 and 70 stores in H1, taking the network to 259 stores.
- Management has increased FY26 store addition guidance to 130 stores, up from earlier 100.
- The company expects to add 150 stores in FY27 if store economics remain strong.
- New stores across Punjab, Rajasthan, Maharashtra, Gujarat, Chhattisgarh, Andhra Pradesh are performing at par with core markets, validating the national expansion strategy.
- Volume growth remained strong, supported by rising fashion consumption in Tier-II, III and IV markets—V2's core base.
- New stores achieve breakeven from month one, reflecting strong acceptance of the format and disciplined site selection.
- Store-level performance between new regions and old regions differs by only ~2%, indicating consistent execution.
- V2 continues to improve its unit economics, with year-on-year decline in cost per sq. ft. due to scale benefits.
- Rental rates on newly signed stores are slightly lower than existing averages.

Vendor Ecosystem & Working Capital Strategy

- The company is consciously reducing creditor days to become a preferred retail partner for MSME vendors.
- Early payments provide 1.5–2% per month bill discounting, directly aiding gross margins.
- As a result, working capital days will increase by choice, not due to operational stress.

Management Commentary

- Demand momentum remains very strong across all regions; performance is “beating internalexpectations”.
- Expansion into South India is a key focus—Karnataka already performing well; Andhra, Goa, and future Tamil Nadu entry to drive growth.
- Management believes the company is on track to become a national apparel retailer in the next 2–3 years.
- Operational team strength is intact; attrition at head-office level is <15%, and all key merchandising positions are filled.

Guidance & Outlook

Management expects strong growth momentum to continue in the second half, supported by festive-driven demand, higher full-price sales, and improving store productivity. The company plans to maintain steady pre-Ind AS margins while investing for scale and expanding aggressively into new markets. With improving sourcing terms, rising vendor exclusivity, and one of the fastest-growing store networks in value apparel retail, V2 Retail is confident of sustaining 50%+ growth and delivering consistent ROE improvement over the next two years.

Rishabh Instruments Ltd | Q2 FY26 Key Takeaways**CMP: INR 417 | Market Cap: INR 16,280 Mn****Overall Performance & Business Momentum**

- Rishabh Instruments delivered a **steady and resilient Q2**, supported by strong execution across the Electrical & Electronic Instruments (EEI) business and a turnaround in the High-Pressure Die Casting (HPDC) segment.
- Consolidated revenue grew modestly, but **profitability saw a sharp improvement** driven by cost optimisation, better product mix, and operating leverage.
- Standalone business saw healthy traction from exports, new customer additions, and new product launches, supporting double-digit YoY growth.

SEGMENTAL PERFORMANCE

- EEI remained the primary growth engine with **double-digit revenue growth**, improving mix, and strong export momentum.
- Margin expansion was notable due to improved sourcing efficiency, higher-value products, and better operational execution.
- HPDC profitability improved sharply in H1, turning from a loss last year to positive EBITDA, with Q2 stable and aligned with expectations.

-Growth was led by **India and Europe**, with Lumel SA delivering ~34% sequential growth.

-The company is actively expanding its presence across the **Middle East, South Africa, South America, and Southeast Asia**, where early traction has been encouraging.

-Capacity expansion is underway at Nashik, with two new buildings under construction to support future scale-up.

-New SMT lines and integrated infrastructure are set to double capacity for digital products and EMS verticals.

-Solar string inverter business continues to scale strongly with an attractive multi-year opportunity backed by government incentives.

-Acquisition of a SCADA software company in Czech Republic strengthens automation capabilities and expands digital offerings.

Guidance & Outlook

Management remains confident about sustaining growth momentum through FY26, supported by a healthy order pipeline, new product launches, and continued traction across export markets. Margins are expected to remain on a firm trajectory as cost optimisation initiatives, product mix improvement, and operating leverage continue to play out. The HPDC business is expected to stabilise further, while EEI will continue to drive consolidated profitability. With ongoing capacity expansion, strengthening global sales reach, and a well-diversified business model, the company remains well positioned for steady revenue growth, improving margins, and long-term value creation.

Uniparts India Limited Q2FY26 Concall KTAs

Outlook: The company expects FY26 to deliver mid-teens growth driven by strong momentum in construction equipment, improving traction in small agriculture, and steady ramp-up of new business wins across geographies. Management sees clear signs of bottoming out in North American large ag, while European ag continues to recover, positioning FY27 to be stronger than FY26. The company anticipates margin normalization toward the 18% to 20% range as FX effects stabilize, supported by operating leverage, disciplined cost control, and expanding dual-shoring capabilities.

Financial Performance:

- Total revenue in Q2 FY26 was INR 283 crore, which increased 1.3% QoQ and grew 14.6% YoY.
- EBITDA in Q2 was INR 63.9 crore, which increased 11% QoQ and grew 53% YoY.
- EBITDA margin expanded to 22.6% in Q2 mainly due to rupee depreciation improving inventory valuation across US and Europe.
- Management indicated that 85% to 90% of the gross margin uplift was driven by FX benefits, with the balance from product mix and tariff effects.
- The Board paid an interim dividend of INR 37.7 crore for Q2 and a special interim dividend of INR 22.50 per share amounting to INR 101.4 crore in October 2025.
- Management guided that normalized EBITDA margin should revert toward the 18% to 20% zone once FX effects normalize.

Business mix and segment performance:

- Construction equipment formed 40% to 45% of revenue and grew strongly in the US and Europe supported by infrastructure and AI-led demand.
- Large agriculture formed 17% to 20% of revenue and stayed weak in North America, while Europe improved on the back of new business wins.
- Small agriculture contributed about 25% of revenue and grew ahead of large ag driven by Indian tractor demand, GST cuts and firmer Asian markets.
- Aftermarket saw mild growth but stayed soft due to high inventories in Europe and US tariff pressure, with recent 31 October tariff changes lifting US demand.
- Warehouse sales contributed about 60%, direct exports 25%, and local-to-local sales 25%.
- North America contributed 55% of revenue in H1FY25 and 50% in H1FY26, while Europe increased from 23% to 25% and Japan from 5% to 6%, highlighting stronger diversification.
- The company continued to maintain double-digit market share in 3PL within small ag and high single-digit share in PMP.

Operational and strategic updates:

- New business wins remained robust at around INR 200 crore, driven by construction equipment and Europe large ag.
- The Mexico warehouse became operational in October 2025, strengthening Uniparts' dual-shoring capability for tariff mitigation and delivery reliability.
- Pricing adjustments for raw material and FX continue to be governed by transparent customer contracts, preventing wallet-share loss and ensuring P&L neutrality.

- Operating leverage is clearly visible with margins improving in H1FY26 even before normalizing for FX gains.
- Management reiterated its long-term diversification strategy across industries, geographies, and customers.

Other Highlights:

- Peak revenue levels last seen in FY23 are expected to be revisited between FY27 and mid-FY28 as end-markets recover.
- The company continues evaluating global inorganic opportunities in hydraulics, PTOs, and large fabrications with a focus on ROE- and ROCE-accretive transactions rather than turnaround assets.
- The company supplies precision parts to oil & gas and industrial machinery as well, though these are not reported separately.

Sastasundar Ventures Ltd – Q2FY26 Concall KTAs

The company expects Retailer Shakti to turn EBITDA-positive by Q4FY26 and deliver ~1% EBITDA margin in FY27 while SastaSundar B2C is guided to achieve contribution margin breakeven in FY27 and complete EBITDA breakeven by FY28–FY29. Over the medium term, management reiterated confidence in achieving a consolidated revenue target of INR 6,000 crore by FY30 (INR4,000 crore B2B; INR 2,000 crore B2C) driven by deeper penetration in East & North India network expansion, warehouse automation and category mix improvement. The company plans to scale operations without external capital for the next 5 years supported by treasury strength of INR 565 crore and strong operating leverage.

Financial Performance

- Q2FY26 revenue stood at INR 307.9 crore up by 16.9% YoY and 10.6% QoQ while gross profit increased 34.2% YoY to INR 22.9 crore aided by efficient procurement and fulfilment automation.
- Gross margin improved 100 bps YoY to 7.5% driven by vendor consolidation, mix improvement, and operational efficiencies.
- Retailer Shakti contributed INR 267.8 crore and SastaSundar B2C contributed INR 39.4 crore in Q2 registering 13% YoY and ~60% YoY growth respectively.
- Working capital cycle remained efficient at 20–25 days, with inventory at ~30 days payable cycle of ~21 days, and receivables of 6–7 days.

Business Operations & Platform Metrics

- The combined retailer base stands at 40,000+ and is expected to reach ~55,000 by FY27 with annual additions of 15,000 retailers.
- Health Buddy network comprises ~260 partners and is projected to scale to ~360 within 18 months to support the targeted INR 500 crore annualized B2C run rate.
- SastaSundar app users are gradually reactivating post-transition from Flipkart, with management targeting ~INR 100 crore quarterly B2C revenue by Q4FY27.
- The company maintains a strong cash position with INR 565 crore treasury funds enabling self-funded growth and technology investments.

Technology Investments

- Automation initiatives in FCs have doubled throughput at Baruipur and are being replicated across Noida, Udaipur, and Lucknow warehouses.
- AI tools deployed in order recognition, picker routing, call-center automation and coding have materially reduced manpower requirements and expanded fulfilment capacity.
- A proprietary retailer app enabling predictive order placement and automated inventory management will be launched in beta by April - June 2026.
- Expansion of private-label portfolio under JITO is expected to structurally enhance margins and deepen customer stickiness across chronic categories.

Network Expansion & Geographic Strategy

- Core focus remains East and North India markets- West Bengal, Bihar, Jharkhand, Chhattisgarh, Northeast, NCR, Rajasthan, Haryana, and Uttar Pradesh.
- 3 strategic warehouses (Kolkata–Baruipur, Noida, and upcoming Lucknow/Udaipur) will cover 50% of India's pharma retail market.
- Expansion in West & South India will be deferred for at least 3 years ensuring capital efficiency and disciplined scaling.

Category Expansion & Revenue Mix

- Higher-margin categories- including personal care, OTC, nutrition, and pet care - are being expanded using the same logistics backbone and technology stack, enabling margin accretion without incremental fixed cost.
- SaaS-like distribution services (software + warehousing + last-mile logistics) are being developed for third-party personal care and healthcare brands.

Guidance and Long-term Outlook

- Retailer Shakti to turn EBITDA-positive in Q4FY26 and deliver ~1% EBITDA margin in FY27.
- Sasta Sundar B2C to achieve contribution margin positivity in FY27 and full EBITDA breakeven by FY28–FY29.
- Revenue aspiration of INR 6,000 crore by FY30, with 4–5% consolidated EBITDA.
- Working capital expected to improve by 50–100 bps annually to reach 3–4% of revenue in 3–5 years.
- No equity dilution planned for the next 5 years with growth funded entirely through internal accruals and treasury income.

Other Highlights

- The “System Health & Happiness” health podcast is gaining traction and has started generating advertising and partnership revenue.
- The integrated JITO clinic model combining AI-driven assessment, nurse-led diagnostics and generic medicines is scaling well and is positioned to address an underserved 100 crore+ population segment.
- Corporate restructuring to simplify the group structure is underway with promoter holding in Sastasundar Healthbuddy increased from 72.1% to 78.89%.

Eppeltone Engineers Ltd - Concall Highlights | CMP: INR 183 | Market Cap: INR 2.3 BN

Outlook

Company manufactures smart meters, energy meters, water and gas meters, and related power electronics, catering primarily to utilities, infrastructure development agencies, and turnkey contractors. The company's long-standing presence (over 46 years) in power electronics and metering is validated by its expansive client base (300+), empanelment with more than 30 DISCOMs, and strong government endorsements (DSIR, TEC certifications). EEPL's integrated manufacturing capability, spread over 36,000 sq.ft., and ongoing capex for a new facility underscores scalability; installed capacity is set to jump from 2 million units (single-phase meters) and 100,000 units (three-phase meters) per annum, to 3 million and 400,000 units respectively after mid-FY27.

Financial Performance

- Revenue in H1 FY26 reached INR 462.8 million despite delays due to weather conditions; the order book stands robust at INR 4,160 million executable over 18–24 months.
- Net profit increased by 55% YoY to INR 62.6 million; EBITDA margin expanded to 18.4%.
- Company has maintained healthy gross profit margins (38.8%) and PAT margins (13.5%), signaling strong operational leverage and cost discipline.
- Between FY23 and FY25, EEPL's revenue tripled from INR 726.4 million to INR 1,243.4 million, while net profit surged almost 10x — a reflection of superior product mix (premium smart meters) and margin improvements.
- Management ratios show Debt/Equity reduced to 0.76 in FY25, with ROE and ROCE at 37% and 32% respectively.
- EPS stood at INR 11.51 for FY25 and INR 5.51 for H1 FY26.

Growth Drivers

- India's National Smart Metering Programme targets 250 million meter replacements, creating massive market opportunities. Company strong order pipeline INR 4,840 million ongoing projects and certifications position it well to benefit from policy-driven demand.
- The new manufacturing facility will double production with planned automation/IoT integration to drive margin accretion and competitive advantage.
- Company move into AMISP expected to add service revenue streams and diversify its business mix.
- Product portfolio expansion into gas, water meters, and railway energy systems targets adjacent high-growth markets, supported by government sustainability initiatives.

Peer Comparison & Valuation

- Compared to listed peers such as Akanksha Power and Genus Power, trades at a favorable P/E (10.43–10.68 vs. 79.20 and 114.67), highlighting its relative value in terms of growth and profitability.
- Spare installed capacity and scalable operations offer flexibility to accelerate revenue without immediate significant new capex, unlike peers reliant on large expansion investments.

Investment Rationale

- Robust order book and high client retention offer strong forward revenue visibility.
- Margin expansion driven by premium product mix and fiscal discipline position as an attractive growth and value story.
- Strategic certifications, government endorsements, and a strong R&D profile (CMMI Level III, DSIR recognition) enhance competitive moat in an evolving market.

QMS Medical Allied Services - Concall Highlights | CMP: INR 93 | Market Cap: INR 1.8 Bn

Outlook

Company is poised for continued growth in 2026, leveraging strong revenue momentum, expanding digital and distribution platforms, and the operational scale gained from its acquisition of Saarathi Healthcare. The company aims to capitalize on growing demand in patient and disease management services, hospital supplies, and chronic disease-focused patient support programs. Partnerships with government initiatives like the e-Grameen portal will further enhance rural market access. Continued focus on cost optimization is expected to sustain healthy margins as broadens its geographic reach and product portfolio. Financial performance indicates steady year-on-year growth, with revenue expected to surpass INR 1.5 billion and profitability improvements reflecting operational scaling and strategic investments.

Strategic Position

- Company evolved from a pharma marketing solutions provider to a trusted healthcare ecosystem player, offering products and services, including patient support programs, across India.
- The company boasts a wide distribution network spanning 5,000 pincodes, collaborations with 50 leading pharma companies, and over 5.7 million customers served.
- Proprietary digital platforms (QMSMEDS, e-Grameen portal) and a diversified product portfolio solidify competitive advantage.

Key Products

- Launched Q-Devices in 2023, boosting control over quality and margins, while maintaining long-term partnerships with major global brands.
- Services include B2B health camps (16,200 camps in H1FY26), pharma-driven engagement activities, and comprehensive patient support programs that address chronic diseases.
- The Patient Support Program, especially through the "HumRahi" partnership with Lupin, showcases capability to manage large-scale, multi-specialty healthcare solutions, offering both digital and field interventions nationwide.

Financial Performance

- Revenue, EBITDA, and PAT have shown consistent year-on-year growth, with FY25 revenue at INR 1.56 billion and a robust EBITDA margin of 16.3%.
- Financial discipline is reflected in improving gross profit margins and increased operational cash flows, alongside strategic investments for future scalability.
- Company delivered steady performance in Q2 FY26 with revenue of INR 447 million, showing 20% year-on-year growth, and an EBITDA of INR 69 million at a margin of 15.5%. PAT stood at INR 36 million for the quarter.
- For H1 FY26, the company achieved 35% revenue growth, totaling INR 912 million, with an EBITDA of INR 134 million and PAT of INR 67 million, maintaining healthy and scalable operations.
- Strong product traction and growth in digital and distribution channels fortified their market position, while the acquisition of Saarathi Healthcare enhanced operational capability and scale.

Strategic Roadmap

- Strategic focus areas include scaling up Q-Devices, expanding on the e-Grameen portal, executing flagship patient support programs, and rapid expansion in point-of-care diagnostics.
- The acquisition of Saarathi Healthcare positions as a leader in the patient support space, enabling synergy-based growth and long-term pharma partnerships.
- Market trends favor regulated patient engagement, digital health innovation, and chronic disease management, all of which is actively targeting for sustainable growth.

Arham Technologies Limited**Concall Highlights- CMP: INR 141 | Market Cap: INR 2.3 BN****Outlook**

Company focuses on electronics manufacturing, particularly Smart LED TVs under the brands STARSHINE (premium) and ARATTON (economy), along with ceiling fans, air coolers, washing machines, and mixer grinders.

- The company's products are distributed in 10 states across India through a network of 500 dealers.
- A modern factory enables a yearly production capacity of 850,000 units, with plans to ramp up utilization from 30% to 80% by FY28.
- The company targets revenue of INR 3,000 million by FY28.
- TV production capacity utilization is planned to increase from 30% to 80%.
- Upgrading sheet metal and injection molding with a capital expenditure target of INR 300 million.

Financial Highlights

- Revenue from operations was INR 456.3 million in H1 FY26.
- Profit after tax stood at 59.0 million in H1 FY26.
- Equity capital amounted to 169.2 million in H1 FY26.
- Borrowings were INR 260.0 million in H1 FY26.
- Fixed assets totalled 79.0 million in H1 FY26.
- The EBITDA margin rose to 18.54%, and the profit after tax margin rose to 12.93% in H1 FY26.

Operational Strategy

- Plant expansion includes investment into large-size TVs and interactive displays to upgrade plant capacity.
- Product portfolio developments feature entry into new categories, higher-margin products, and IoT solutions.
- The distribution network ensures strong market presence, aiming for deeper regional penetration and export expansion to South India, the Middle East, Africa, and Asia.
- The company has received multiple awards and official recognition from the Ministry of Statistics and Programme Implementation.
- Arham Technologies competes favorably on pricing, features, and warranty terms, especially targeting Tier 2 and Tier 3 cities.
- The business maintains asset-light, capex-light operations, enabling scalable growth without significant additional debt or equity needs

Vishnu Prakash R Punglia Ltd Q2FY26 Concall KTAs
MCap: INR 10.96 Bn | CMP: INR 87.9

Business Update

The company faced delayed payments and elevated working capital, as the infrastructure sector has been under pressure for the past 21-22 months, leading to a temporary impact on turnover and margins. The company's execution remained steady, with over 90% on-time delivery across ongoing projects. H1FY26 revenue stood at INR 572 cr, -3% YoY, largely due to slow payment cycles in water supply projects. The government payments have improved since late Sept, creating visibility for better execution in H2FY26E.

Order Book & Execution Pipeline

The company's order book stood strong at INR 5,001 cr in H1FY26E, providing 2-3 years of revenue visibility. The company secured 14 projects worth over INR 1,850 cr across water supply, railways, roads, and civil construction, including the INR 382 cr MICA railway station redevelopment, ~INR 270 cr Ajmer rail track doubling, and INR 248 cr Chhattisgarh civil package.

Railway orders have increased significantly, now contributing ~33% of the order book, compared with 15-17% in FY25. Management expects INR 1,500 cr of order execution to be completed within the next six months to one year, with around 50% of the current order book to be executed by FY26-FY27E.

Payment Collections & Working Capital

The company faced delayed payments, particularly in the JJM, which has been the biggest challenge. It reported significant improvement from Sept onward, with INR 120 cr of receivables recovered, of which 50% came from the Rajasthan government.

Total debt reduced from INR 640 cr in FY25 to INR 400 cr in H1FY26E. Promoter investment increased sharply from INR 59 cr in FY25 to INR 229 cr H1FY26E through interest-free secured loans, improving liquidity and reducing interest cost going forward.

Management expects further normalisation in payment cycles in Q3/Q4 as state elections conclude.

Margins & Cost

Q2FY26 revenue was INR 196 cr, down ~12% YoY, with EBITDA margin at 8.5% and PAT of INR 4 cr. Margins were temporarily impacted due to higher working capital utilisation, initial mobilisation costs for new railway and civil projects.

Payment inflows has improved and interest costs decline due to promoter support, margins are expected to gradually normalise from H2FY26.

Management expects long-term operating margin to achieve 13-15% remains sustainable as execution scales up.

Bidding Pipeline & Order Wins

The bidding pipeline remains healthy at ~INR 3,000 cr, with selective bidding.

Management expects new order inflows to continue over the coming months. The focus remains on water supply and railway modernization projects, where capex allocation has grown significantly.

Project Mix & Execution Priorities

Water supply continues to be the largest contributor, forming ~70% of ongoing execution, though railway projects now form an increasing share of upcoming execution.

Guidance

Management expects to improve meaningfully from Q3FY26 as fund flows normalise. Revenue growth of 15-20% is maintained for FY26-FY27E, supported by a strong order book, improving receivables, and rising execution in railways and civil projects.

The company is looking for private-sector projects where payment cycles are stronger, though the core focus remains on government EPC.

Krishna Defence & Allied Industries Ltd – SME - H1FY26 Concall KTAs**CMP: INR 811 | Mcap: INR 12.10 Bn | View: Positive****Outlook and Guidance**

The management maintained a robust outlook, guiding for continued revenue expansion at a strong 30% to 40% CAGR YoY for the foreseeable future, underpinned by significant visibility in the naval modernization pipeline. The order book, standing at approximately INR 196 Cr. as of September 30, 2025, along with anticipated H2 FY26 order inflows projected to be in the range of INR 100 Cr. to INR 150 Cr., reinforces execution confidence. Management noted that substantial defence action typically accrues in H2 (Q3/Q4), with several large naval programs including the potential finalization of orders for corvettes, frigates, destroyers, LPDs, and MCMVs expected to mature. Operationally, the company is focused on augmenting capacity and integrating automation to enhance throughput and efficiency, ensuring readiness to capitalize on projected demand. Furthermore, FY28 is earmarked as a crucial inflection year as new platforms, such as the full-scale Autonomous Underwater Vehicle (AUV) trials, are expected to be ready for full induction. Margins are targeted for sustenance and improvement through continued economization and efficiency gains.

Financial Performance (H1 FY26)

Revenue from Operations increased to INR 1,247 Mn in H1 FY26, reflecting a growth of 28.1%.

EBITDA recorded substantial growth of 52.9% to INR 216.2 Mn.

EBITDA Margins saw a healthy expansion of 291 basis points, reaching 17.9%.

Net Profit (Consolidated Basis) surged by 71% to INR 183.8 Mn.

Net Profit Margin (Consolidated Basis) improved by 383 basis points to 15.3%.

The significant margin expansion was primarily attributed to operational leverage kicking in, improved efficiency, and better yield rates resulting from executing similar-sized orders in large quantities, rather than a material change in product mix. In H1 FY26, 92% of the company's revenue was derived from the defence segment, with the remainder (8%) coming from the dairy business. The defence product mix comprised approximately 65%–70% from bulb bars, 15%–20% from HPF profiles, and 15% from weld consumables.

Operational and Capacity Developments

Company's capacity expansion, which effectively doubled the production facility, became operational in early April 25. The company is currently operating at approximately 60% capacity utilization. The management reiterated its commitment to remaining asset-light by strategically outsourcing non-critical, generic processes such as basic machining, shot blasting, and painting. This approach allows company to focus its internal resources (Capex) on critical processes and specialization. Annual Capex spend is anticipated to be in the range of INR 5 Cr. to INR 10 Cr., focused on efficiency and manufacturing practice improvements. The existing capacity is sufficient to manage manufacturing requirements up to INR 200 Cr. .

Strategic Milestones and Product Portfolio Expansion

Autonomous Underwater Vehicle (AUV): A significant landmark achievement was the initiation of the steel plate cutting and construction of India's largest AUV prototype built to naval design specifications. This is currently defined as a complex technical project, not primarily commercial, with the prototype targeted for deployment in water by December 26. Commercial revenue implications are expected to kick in during FY27. Company is partnering with other experts in autonomy, power systems, and sensors to successfully complete this platform.

New Product Areas : The company successfully completed trials of a very large casting intended for a critical naval defence project, an item currently being imported, which represents a step towards broader indigenization and building a new product category. Furthermore, the company is working on developing aerospace components, leveraging similar existing infrastructure based on early inquiries.

Certifications and Competition: Company secured Bureau Veritas approval for supplying shipbuilding steel sections(bulb bars) for both defence and commercial applications. The company is also seeking LRS and IRS approvals to be fullyprepared for future requirements. Competitive intensity in the core product segment remains low, with only twosuppliers currently approved by the Navy, citing the long gestation period required for certifications and trials.

T-90 Tank Profiles: Orders for armored seat profiles used in the chassis of T-90 tanks are seeing projected growth of 20% to 30%, with plans to add more components for chassis building.

Associate Companies and Commercial Initiatives

Conceptia (Ship Design): Conceptia reported H1 FY26 revenue of approximately INR 40 Cr. and a PAT of roughly INR2.5 Cr. . The entity is in talks with several shipyards and is expected to see orders materialize potentially late this year orearly next year.

Wave Optics (Defense Electronics): Wave Optics registered H1 FY26 revenue of about INR 18 Cr. and a PAT of roughly INR 5 Cr. . Its current order book stands at approximately INR 14 Cr. to INR 15 Cr. .

VBO (Composite Doors/Hatches JV): Manufacturing has commenced, although currently at the trial/prototype stage.Revenue from this joint venture is anticipated starting in FY27. The addressable market for this product is estimated tobe around INR 100 Cr. .

Commercial Ship Building: The company noted that supply for commercial applications has begun in the last 12months, including products supplied to Cochin Shipyard for an export platform and products for Coast Guard ships(which fall under the Ministry of Home Affairs, not defence). Management acknowledged that while domestic capacityis sufficient for steel structures, pricing remains a challenge compared to international markets, although this gap isexpected to close as the domestic ecosystem matures.

Corporate Updates and Risk Management

Management confirmed that the application process for migrating to the Main Board is complete, with all requireddocuments submitted, and they anticipate the transition potentially by December 2025, subject to exchange approval.

Regarding raw material price risk, the company uses a dual-contract mechanism: immediate supply contracts (6–9months) do not contain a price variation clause (as material is procured immediately upon order blocking), whereaslong-term contracts (2–3 years) incorporate a formula-based price variation clause that allows for quarterly revisions onboth the upside and downside.

The management also addressed a late delivery charge of INR 5.25 Cr. levied in FY25, clarifying that it waspredominantly from a single customer (MDL) related to initial development delays on a profile for a commercialapplication.

Narayana Hrudayalaya Ltd – Q2FY26 Concall Highlights**Financial Performance**

- Consolidated EBITDA for Q2FY26 saw 20% YoY growth, with underlying profitability momentum maintained across the flagship units.
- Cayman business delivered ~70% revenue growth YoY, while insurance revenue within Cayman doubled sequentially, signaling early success of the new insurance platform.
- The Q2 saw substantial margin resilience in core India business, with consolidated margin at 23.8% and Cayman margin near 44% for the hospital segment.
- For India dynamics, EBIT expansion was driven by realization improvements rather than price hikes; payer and case mix optimization contributed to incremental revenue per patient.
- Professional fees to doctors normalized at 15.5% of sales, expected to moderate further as new facilities ramp up volumes.
- Overseas transaction costs pertaining to UK acquisition seen in the typical 5% transaction cost band, with deployment and amortization at the UK entity level.

Operational Highlights

- In Cayman, the commissioning of Camana Bay Hospital led to a >50% increase in discharged volumes and outpatient throughput, supporting outsized topline gains.
- ARPP for Cayman Hospitals is no longer tracked, with focus shifted to insurance and hospital revenue breakout for improved transparency.
- Occupied bed days and ICU throughput increased across the network, aided by high-end robotic surgeries and case complexity improvements.

1. Segment/Channel Trends

- Insurance and integrated care revenue in India registering growth, but clinics and insurance continue to report modest losses; trajectory expected to improve through FY27 as retail and SME segments scale up.
- India's flagship hospitals (notably Bangalore, Kolkata) are delivering leverage-driven margin expansion attributable to payer and case mix upgrades, with subspecialty and robotic cardiac procedures contributing to yield.
- Mumbai hospital operating at early single-digit negative EBITDA, but October trends showed improvement and Q3 expected to move positive as adult programs scale up.

Strategic Initiatives & Expansion Projects

- Q2 maintained progress on brownfield expansion, notably the upcoming 100-bed Bangalore addition scheduled for commissioning in Q1FY27.
- Group Capex guidance remains at INR 30,000 million over three years (FY25–27), covering Greenfield, Brownfield, OM, and acquisition projects; quarterly progress continues with spillover into subsequent fiscal periods.
- Integration of Practice Plus in UK is progressing, with the first phase focused on improving private payer mix and leveraging technology for cost structure optimization; timeline for earnings uplift remains open, management highlights 6–9 months standard for such transitions.

Management Commentary & Outlook

- Management expects the insurance business in Cayman to stabilize and trend to break even by Q3FY26, profits anticipated from Q4 subject to continued underwriting discipline.
- Revenue growth in hospital network is expected to revert to high single-digit pace post-ramp-up, with cost optimization as a key lever for sustaining margin gains.
- CDHS rate revisions in India estimated to drive INR 25–30 million monthly incremental revenue, with INR 17–18 million flowing into EBITDA once corporates and other payers align on revised rates through FY27.
- Robotic surgery segment is poised for future growth, despite initial front-loaded Opex and Capex; anticipated as an area for strategic investment differentiation.
- Quality and clinical governance remain a focal point, with group-wide analytics and AI embedding into operational workflows, supporting sustainable margin performance.

Max Healthcare Ltd – Q2FY26 Concall Highlights**Financial Performance and Key Metrics**

- Network revenue grew 21% YoY to INR 2,692 mn, extending the streak of 20 quarters of consistent growth.
- Operating EBITDA increased by 23% YoY to INR 694 mn; margin at 26.9% for the quarter, with existing units margin at 27.5% (up 90bps YoY and 200bps QoQ).
- Network PAT reached INR 554 mn (inclusive of INR 149 mn one-off gain from the subsidiary merger). Excluding this, normalized PAT was INR 406 mn, up 16% YoY.
- Gross revenue for H1FY26 grew 24% YoY to INR 5,266 mn; H1 EBITDA rose 23% YoY to INR 1,308 mn, margin at 25.9%; network generated INR 679 mn free cash flow in H1.
- Digital revenues via online platforms reached INR 803 mn, accounting for ~30% of topline; website activity surged 53% YoY.
- International patient revenue grew 25% YoY to INR 231 mn; international business now contributes 9% of revenue with ARPOB 30% higher and average length of stay 1.2x domestic portfolio.
- Capex deployments at INR 456 mn for capacity expansions, dividend payout of INR 146 mn.
- Net debt elevated to INR 2,067 mn (vs INR 1,755 mn in June '25), reflecting sustained investment in brownfield capacity upgrades.
- CGHS price revision, effective October, expected to drive incremental annual topline of INR 200 mn and EBITDA flow-through of INR 170-180 mn once fully implemented (anticipated in FY27).

Operational Highlights

- Overall network occupancy at 77% (vs. 79% in Q2FY25), with existing units at 79%.
- Occupied bed days increased by 19% YoY, supported by brownfield expansions and improved patient throughput.
- ARPOB for Q2 at INR 77,300, up 1% YoY network-wide; existing units delivered 3% YoY like-for-like ARPOB growth (ARPOB for pre-Dec'24 units at 7%).
- EBITDA per bed for the network at INR 730,000 annualized; for existing units, INR 760,000, up 7% YoY.
- Brownfield expansion in Mohali (160 beds), Nanavati Max (268 beds), Max Smart (400 beds) – all in various stages of commissioning, with immediate EBITDA breakeven expected for brownfields.

Segment and Business Updates

- Max Lab posted revenue of INR 54 mn (16% YoY growth); EBITDA margin at 16% with strong operating efficiency.
- Max Home reported INR 63 mn revenue (+20% YoY); robust capital-light model profitability with hospital EBITDA margins at 20%.

Expansion Pipeline and Growth Initiatives

- Capacity ramp-up: Projects at Lucknow (current 413 beds moving to 550 by Mar'26), Gurgaon (500 beds), Nagpur (100 beds), Patparganj (397 beds by FY28), Saket (550 beds post 400-bed Smart commissioning), Zirakpur Mohali (400 beds by CY27), Vaishali (140 beds in 2 years post-approval), Thane (500 beds in 42 months), and Pitampura (250 beds in 36 months post-approvals).
- Substantial landbank in Noida (18 acres) and Lucknow (27 acres), supporting >2,000 incremental beds.
- Strategic divestment: Chitta and Anoopshahr hospitals divested in September 2025, streamlining operational structure.

Channel & Segment Mix

- Revenue mix: Insurance at 34-35%, institutional at 26-27%, self-pay at 26-27%, international patients bed share at 6.5%.
- Insurance channel saw temporary disruptions (cashless suspension), but patient throughput was sustained via conversion to cash payments; all insurance contracts normalized as of November, with future renewals in line with historical increases.
- Institutional ARPOB flat in Q2, with rate benefits due to kick in from October and expected to flow through Q3 and FY27.

Carraro India – Q2FY26 Concall KTAs-Arihant Capital**CMP INR 555 | Market Cap INR 3,155 Cr | View: Positive (PE: 22x/19x FY27e/FY28e)**

Outlook:H2FY26 with strong revenue visibility led by sustained ramp-up in Teleboom Handler and backhoe loader axles, continued strength in domestic 4WD demand, and a solid prototype pipeline that supports multi-year contract conversions. Management is now confident of surpassing its earlier €220mn revenue guidance for FY26, with potential upside toward €225mn, while margins may remain slightly softer in the near term due to mix but are expected to improve toward 11.5–12% in FY27 as localization reaches 80%, higher-value programs scale, and engineering services contribution rises. With export markets yet to fully recover and additional global OEM programs in validation.

Revenue grew 33% YoY in Q2 and 18% YoY in H1, supported by healthy domestic demand and an outsized recovery in exports.

Export revenue surged 31% YoY in H1, primarily driven by the Teleboom Handler (TBH) axle ramp-up for a large global OEM, along with improved traction in backhoe loader axles.

Q2 EBITDA margin came at 10% due to an unfavorable mix and higher share of lower-margin 4WD agri axles. Management reaffirmed FY27 margin aspiration of ~12%, supported by localization (78% - 80%), cost efficiency programs, and richer product mix.

TBH axle program billed INR 87 cr in H1, with sustainable ramp-up visibility for 18–24 months. Backhoe loader axles added another INR 34–35 cr in H1. Management expects FY27 TBH revenue to scale toward €30mn, implying meaningful export share gain.

Domestic agriculture

GST reduction has accelerated 2WD- 4WD shift; penetration now ~24–25% vs 17–18% earlier than expected.Carraro is scaling 4WD capacity to align with multi-year demand tailwinds in agri.

High-HP transmission

Two global/Indian OEMs showcased tractors with Carraro high-HP driveline at Agritechnica — validation of tech capability.

Signed INR 17.5 cr contract with Montra Electric for e-transmissions.

Completed pilot batch of CVT automatic transmissions, progressing toward commercialization.

Engineering services revenue rose to INR 50 mn in Q2 vs INR 17 mn YoY, with rising inquiries for higher-HP and advanced configurations.

Capex

H1 capex at INR 147 mn, largely for bottleneck removal (furnaces, machining centers, test benches, robotic washing).

Plant-3 expansion planned in a phased 24–30 month approach and management remains cautious to avoid idle capacity and align with demand cycles.

Volume visibility

Six new prototypes delivered in H1and three prior prototypes productionized a strong lead indicator of future contract wins.

Management sees robust demand pipeline in TBH, backhoe loaders, high-HP transmissions, and automatic gearboxes.

Export

Current export strength primarily driven by new projects, while legacy markets are still subdued. Management expects export recovery to strengthen further once global demand normalizes.

Asian Energy Services Q2FY26 Concall Highlights**Mcaps: INR 14.4bn | CMP: INR 328**

Outlook: The order book stood at INR 20bn as of Q2FY26, and 60%-70% is executable in FY26E and FY27E. The Vedanta project is ahead of schedule and expected to contribute significantly over the next 2-3 years. Kuiper integration is completed and expected to add INR 2.5bn revenue in FY26E. Oil Max's new fields, like Duarmara and Tiphuk expected to commence production shortly. The coal handling business faced headwinds due to the monsoon and focused on capitalizing INR 200bn market opportunity. The integration and merger of Oil Max and Kuiper is leading to synergies and working capital management. We have a positive outlook on the stock.

Revenue

Revenue is expected to be INR 6-6.5bn in FY26E. The revenue stood at INR 2.17bn, and the remaining is expected in H2FY26E.

Q2FY26 was impacted due to prolonged and seasonal monsoon rains. Monsoon has impacted civil and fabrication activities in coal handling plants.

The company has incurred due diligence and insurance expenses for the Kuiper acquisition, which impacted the profitability in Q2FY26.

Order book

The consolidated order book stood at INR 20bn. Around 60%-70% of the order book is executable in FY26E and FY27E. Around INR 4-4.5bn orders are executable in H2FY26E.

Kuiper

Kuiper's revenue run-rate is around INR 400-450mn/month. In Q2FY26, only one month of Kuiper revenue was included. Around INR 2.5bn revenue is expected to be added in H2FY26E.

Kuiper's gross margins are 14%-15%, EBITDA margins are 7% and PAT margins are 6%, supported by favorable tax jurisdictions.

Oil Max

Oil Max is holding 5 oil fields. Two oil fields are operating, and the Tiphuk and Duarmara fields are expected to commence production by the end of FY26E. One oil field has completed drilling, and production is expected to start in 1-2 months.

Duarmara Gas Field is expected to commence production by the end of FY26E. The peak capacity is expected to reach 6,200 barrels/day by FY30E. The company's share is around 50%. The gas field is expected to generate revenue of INR 3.5-4bn/annum with an EBITDA margin of 70%-75%.

Indrora field in Gujarat, rig remobilization is scheduled in the coming weeks for new well drilling, and production is expected to start shortly.

CBM and DNPL

DNPL pipeline is owned by Assam Gas Company. The increasing capacity from 1 to 2 MMSCMD is beneficial for the company.

The company is waiting for environmental clearance for the CBM project. Post clearance, the project is expected to begin in 2.5 years.

Vedanta project

Vedanta project mobilization has commenced 2 months ahead of schedule. The contract follows the EPC structure and insulates output risk. The model is under observation by ONGC and Oil India for future replication. The capex for well drilling and facility construction is reimbursed by Vedanta.

Coal handling

The coal handling market size is estimated at INR 200bn over the next 5 years. The company is actively tendering projects and targeting other mineral segments. The key competitors are Samanta and Madukon projects.

In coal handling plants, around 80% of revenue is realized within the initial construction phase of 1-2 years.

Capex

The capex for the AGCL contract stood at INR 200mn in H1FY26 and is expected to be INR 400mn in H2FY26E.

The capex of INR 150-200mn for the Indrora field for facility construction and well drilling.

Working capital

Asian Energy operates project-based services, with working capital days of 45-75 days, supported by specific invoicing cycles and retentions.

Kuipers' working capital cycle is around 60-90days.

Oil Max has a negative working capital cycle due to its cash-and-carry model for oil sales.

The integration of Oil Max is expected to reduce overall debtor days and working capital days on consolidated levels.

GST impact

The GST rate for the exploration and production business increased from 12% to 18%. The company plans to mitigate this by leveraging the merged entity for in-house and minimizing outsourcing.

Archean Chemical Ltd – Q2FY26 Concall Highlights**Outlook and Strategic Highlights**

- Archean Chemical maintains a long-term bullish stance on India's specialty marine chemicals sector, viewing near-term macro and supply headwinds as cyclical rather than structural.
- Management reiterated the company's focus on deepening core operations in bromine, industrial salt, and sulfate of potash (SOP), and leveraging existing leadership in volumes and quality standards.
- The approval for the INR 20.67 billion semiconductor compound project under the India Semiconductor Mission is regarded as a strategic growth milestone; commissioning activities have recently commenced.
- Expansion into energy storage via Offgrid Energy Labs (zinc-bromide batteries) and new specialty lines positions Archean to benefit from evolving market opportunities.

Financial Performance and Margins

- Q2FY26 standalone revenue: INR 2,317.8 million, showing an 8% YoY decline; EBITDA at INR 759.9 million (15% YoY decline), with margins near 33%; net profit reached INR 384.6 million.
- H1FY26 standalone revenue: INR 5,232.3 million (10% YoY growth); EBITDA at INR 1,717.9 million, down 2% YoY; net profit INR 903.1 million, marking 28% YoY growth due to margin expansion and lower base.
- Consolidated Q2FY26 revenue: INR 2,395.6 million; EBITDA INR 689.8 million; net profit INR 290.4 million.
- Archean remains net debt-free, with a robust balance sheet and disciplined capital allocation supporting strategic flexibility.

Segmental Performance and Operational Insights**Bromine**

- Bromine contributed ~33% of Q2 revenue; Q2 volumes were 3,160 metric tons versus 4,683 metric tons in Q2FY25, reflecting a production shortfall due to technical issues and a prolonged monsoon.
- Demand and realization trends remain strong; management reconfirmed a substantial backlog (~10,000 tons) and sees no structural demand impairment.
- Spot price volatility is mitigated by long-term contracts; capacity enhancement programs are underway to raise utilization rates, with positive impact expected from Q3 onwards.
- FY26 guidance expects a progressive ramp-up in H2; management remains committed to achieving last year's volumes despite H1 disruptions.

Industrial Salt

- Largest segment by revenue (~67% in Q2); Q2 volumes at 889,193 metric tons versus 792,365 metric tons in Q2FY25, slightly below quarterly run-rate due to adverse weather impacting logistics and production.
- Full-year volume guidance of ~4.5 million tons is reiterated, backed by solid long-term contracts and sustained export demand, especially in high-purity markets in East Asia.
- No capex needed for further volume growth, with focus remaining on operational efficiency and customer engagement.

Sulfate of Potash (SOP)

- Pilot trials for SOP were completed successfully; plant-scale modifications initiated, with plant trials scheduled for Q4FY26.
- Commercial production expected post-monsoon in FY27, potentially adding INR 5-10 billion top-line in outer years, contingent on trial results and market conditions.
- SOP business is expected to be margin accretive versus the existing portfolio, given specialty positioning and robust pricing environment.

Bromine Derivatives

- Business currently at 30–35% capacity utilization; Q2 H1FY26 derivative volumes at 3,135 metric tons (INR 430million revenue).
- Ramp-up to 50% utilization forecast by end-FY26, pending certification and customer approvals, especially in Middle Eastern oilfield applications.
- Flame retardant project (bromine-based) remains in pipeline, with meaningful commercial contribution expected in next 12-18 months.
- Cumulative capex incurred for bromine derivatives stands at ~INR 1,900 million against INR 2,500 million envisaged.

Oren Hydrocarbon (Idealist Chemicals)

- Acquisition via NCLT is through; refurbishments and trials completed on three units, with sample approvals awaited.
- Ramp-up delayed due to regulatory and ground challenges; minimal revenue contribution expected in FY26, with meaningful ramp-up scheduled for FY27 and beyond.

Growth Initiatives and Capex Planning

Semiconductor

- INR 20.67 billion capex planned for phase-I compound semiconductor fab in Odisha; funding mix to include central/state subsidy (~60–65%) and Archean's internal accruals.
- Fiscal support agreement signing underway; spend to be pari passu; timelines and phased capital deployment guidance pending further clarity.

Energy Storage Batteries (Offgrid Energy Labs)

- Archean owns ~21–22% in Offgrid; 10 MWh pilot plant in the UK to be operational in 12–18 months, followed by blueprinting for a giga factory (potentially in India).
- The core rationale includes strategic backward integration for zinc bromide supply and exposure to stationary energy storage demand.
- Investments already made; capex for pilot plant covered by Offgrid, limiting any near-term margin dilution.

Risk Management and Margin Protection

- Margin pressures from raw materials, logistics, and compliance remain; management actively pursues cost discipline and improved sourcing, including exploring cheaper transport alternatives pending government projects (e.g., proposed railway).
- Efficiency upgrades in bromine operations, logistics optimization, and operational best practices are critical levers to safeguard margins amidst ongoing volatility.

Guidance

- H2FY26 is expected to see improved production and profitability as operational bottlenecks are addressed across core segments.
- Strategic capex and new projects (semiconductor, SOP, derivatives, energy storage) position Archean Chemical for multi-year growth, with potential for significant top-line and margin accretion from FY27 onwards.
- Continued leadership in core products, technological innovation, and client engagement anchor Archean's competitive moat; execution on new initiatives is key for rerating.
- Balance sheet strength and disciplined capital allocation ensure funding headroom for both organic and inorganic growth opportunities.

Ameenji Rubber Ltd. H1FY26 Earnings call KTAs**Financial Performance**

- Revenue from operations for the half-year ended September 30, 2025, was INR 4,270.41 lakhs, representing growth from the previous year's comparable period (INR 3,936.94 lakhs).
- Profit before tax for the period stood at INR 573.46 lakhs, a strong increase over INR 287.30 lakhs in the same period last year.
- Earnings per share (basic and diluted) for the half-year was INR 5.28 per share, double the INR 2.60 per share reported for the corresponding previous year period.

Balance Sheet and Cash Flow

- Net worth (Share Capital plus Reserves & Surplus) increased to INR 2,622.97 lakhs from INR 2,185.38 lakhs at the end of March 2025, showing healthy internal accruals.
- The company continues to invest in capacity—Tangible Assets (gross block) increased to INR 4,597.04 lakhs from INR 3,934.12 lakhs as of March 2025. Capital Work in Progress also rose marginally, indicating ongoing expansion.
- Cash flow from operating activities remained strong at INR 670.64 lakhs for H1 FY2026.

Margin and Costs

- Cost of materials consumed declined significantly (INR 2,171.09 lakhs vs. INR 2,527.11 lakhs last year), supporting margins despite an uptick in employee benefit expenses and finance costs.
- Margins improved as indicated by profit before tax margin expansion (13%+, up from 7%+ year-over-year).
- Finance costs increased, possibly due to investment-driven borrowing; short-term borrowings decreased compared to March 2025, but long-term borrowings rose by about INR 744 lakhs during the period.

Business & Segment Update

- The company operates a single integrated line of business—manufacture and supply of rubber-based engineering products (expansion joints, bridge bearings, elastomeric pads, etc.), mainly for infrastructure-related applications.
- Ameenji Rubber Ltd completed its IPO in October 2025, but the proceeds did not impact the H1 FY2026 results since funds were received post September 30, 2025.

Other Highlights

- The company owns 90% of Ameenji Rubber Inc. (North Carolina, USA), but no financial contribution from this subsidiary during this period as the purchase consideration remains unpaid.
- The auditors have issued an unmodified opinion on the unaudited results, supporting accounting transparency.

Outlook & Guidance

- The company indicated ongoing investment in capacity and business expansion, positioning it well for further revenue and profit growth.
- IPO proceeds are expected to provide additional fuel for expansion and working capital needs in the coming quarters.
- The business model continues to ride on strong infrastructure development trends in India, supporting demand for its engineered rubber products.

Sugs Lloyd Ltd | Q2 FY26 Key Takeaways**CMP – INR 113 | Mcap – INR 262 Cr.****Overall Performance & Business Momentum**

- Sugs Lloyd delivered a **very strong first half of FY26**, driven by exceptional execution in power T&D, solar EPC, and niche electrical solutions.
- The company nearly **doubled its revenue YoY** in H1, supported by a richer order book, deeper presence across states, and widening customer base.
- Profitability also expanded sharply, highlighting the operating leverage that comes with scale and disciplined project execution.

Order Book & Growth Visibility

- With an order book of **₹409+ Cr**, the company now has **24–30 months of revenue visibility**.
- The current bid pipeline is extremely healthy:
 - ₹800 Cr worth of bids at advanced evaluation stage
 - ₹1,000 Cr new bidding capacity being unlocked
- This positions the company to **scale rapidly over FY26–27**, especially in power distribution, T&D, solar, and niche protection systems (FPIs, autoreclosers, sectionalizers).

•Business Segments**Power T&D**

- Sugs has a strong track record in RDSS, IPDS, and grid modernization work across multiple states.
- The sector outlook remains highly favourable with multi-lakh-crore tenders in the pipeline under national transmission plans, green energy corridors, and reconductoring initiatives.
- The company is actively bidding for opportunities across Bihar, Odisha, Gujarat, Punjab, UP, HP, Kerala and more.

Solar EPC

- Solar EPC remains a large growth engine, backed by strong demand in C&I, MW-scale projects, and rooftop installations.
- With the government pushing for **280 GW of solar by 2030**, the addressable opportunity remains huge.
- Sugs has already begun **bidding for BESS-integrated solar projects**, preparing for the next wave of energy storage demand.

Niche Products – FPIs, Autoreclosers, Sectionalisers

- This vertical is becoming a major differentiator, supported by digital monitoring, IoT integration, and in-house R&D.
- Upgraded FPIs with higher accuracy, new medium-voltage switchgear lines (11–33 kV), and eco-friendly RMUs (air-insulated) will expand the product portfolio materially.
- Large tender opportunities exist across Maharashtra, Bihar, Gujarat, UP, Kerala, and more.

Competitive Strengths

- **Unmatched on-time delivery record** with LD of just **0.016%** — extremely rare in EPC/T&D.
- **Digital execution backbone** with real-time dashboards, AI-enabled resource allocation, and integrated ERP.
- **Blue-chip customers**, including NTPC, Tata Power, Indian Railways, and other centrally funded entities.
- **Strong payment security** due to counterparty mix dominated by AAA–AA rated PSUs and centrally funded schemes.
- **Highly experienced leadership team** with decades of domain expertise across T&D, solar, and automation.

Key Watchpoints

- Execution risk as the company scales rapidly
- Working capital needs will rise with higher project volumes
- Margin stability depends on procurement efficiency

Guidance & Outlook

Management expects growth momentum to remain strong, supported by a robust order book, improving conversion from ongoing bids, and sustained demand across power T&D and solar EPC. The company plans to scale aggressively over the next two years as its bidding capacity expands and new product lines come to market. Margins are expected to remain healthy, driven by disciplined execution, digital project control systems, and a favourable mix of centrally funded projects. With strong client relationships, improving financial strength, and large industry tailwinds, Sugs Lloyd remains on track to deliver **multi-year high growth and steady margin expansion**.

Key Watchpoints

- Growth tied to OEM production cycles
- Order conversion timelines in new verticals
- Margin sustainability as new high-value programs ramp up
- Working capital may rise slightly as precision and export business expands

Guidance & Outlook

Management expects demand momentum to stay strong in H2 as OEM schedules improve and export orders scale up. New businesses in heavy-duty housings, EV parts, and agri equipment are set to meaningfully contribute from FY26–27 onward. Margins are expected to remain stable to slightly better as operating leverage improves and PMPL integration benefits flow in. With strong customer additions, expanding machining capabilities, and consistent execution, Kranti remains well positioned for healthy double-digit growth and steady margin expansion over the medium term.

BEW Engineering Ltd- Concall Highlights | CMP: INR 131 | Market Cap: INR 1710 MN**Outlook**

- Company is a leading manufacturer and designer of process equipment for pharmaceutical and chemical industries.
- Founded in 2011, with world-class manufacturing facilities accredited with ASME U and R stamps.
- Holds about 40% share of the dryer equipment market in India.
- Expanding its global footprint with exports to the USA, Russia, Israel, Indonesia, Bangladesh, and other countries.

Financial Performance Highlights

- Company reported revenue of approximately INR 871 million in H1 FY26, a strong year-on-year growth of 70.4% compared to INR 511 million last year.
- EBITDA margin was 13.43% in H1 FY26, down from 20.75% the previous year due to higher raw material costs and product mix changes.
- PAT reached INR 62 million in H1 FY26, with a PAT margin of 7.15%.
- EBITDA for FY25 declined by 14.7% year-on-year to INR 204 million, impacted mainly by increased raw material and operational expenses.

Product Portfolio

- Offers a diversified range of equipment including Agitated Nutsche Filter Dryers, Rotary Vacuum Paddle Dryers, Spherical Dryers, Cantilever Rotocone Vacuum Dryers, and more.
- These products cater to pharmaceutical, specialty chemicals, agrochemicals, and food industries.
- Known for bespoke, high-quality equipment designed to meet stringent international standards.

Industry Outlook

- Company operates within the growing chemical and pharmaceutical equipment sector.
- The Indian chemical industry is on a growth trajectory with a CAGR roughly 9.3%, supported by increasing domestic demand and government initiatives.
- Pharmaceutical exports remain a major driver of growth with India positioned as a key global player.

Business Strategy

- The company aims to expand its product portfolio through continued new product developments.
- Focuses on operational efficiencies and margin improvement.
- Pursues increasing export markets, supported by certifications and audits from global clients such as SABIC.
- Has recently commissioned a new manufacturing plant to nearly double production capacity, improving throughput and reducing lead times.

Leadership

- Led by Managing Director Mr. Rohan Lade, who brings over 17 years of sector experience.
- Guided by seasoned management with decades of combined expertise.
- Strong governance structure with dedicated teams in finance, legal, and compliance.

Market Presence

- Trusted supplier for global and domestic giants in pharma and chemicals, including SABIC, Ajinomoto Japan, Aditya Birla, and many Indian pharmaceutical companies.
- Significant repeat business demonstrates strong client satisfaction and product reliability.
- Diverse geographic market with growing export orders in multiple continents.

Praveg Ltd- KTAs**H1 FY26 Financial Highlights and Cost Pressures**

- Consolidated total income registered a 28.94% YoY increase, reaching INR 77.71 crore for H1 FY26. This growth was supported by portfolio expansion and steady performance in the Events and Advertising segments.
- The company reported a consolidated EBITDA of INR 10.17 crore and a consolidated net loss of INR 14.97 crore for H1 FY26. Stand-alone net loss was INR 16.71 crore.
- The reported loss was primarily driven by higher operating costs associated with newly launched properties, temporary closures of post-seasonal resorts during Q2 due to adverse weather conditions, and initial ramp-up investment required for stability.
- Profitability was constrained by non-negotiable fixed lease commitments payable to the government under the PPP model, which remain constant and equal across all quarters (Q1, Q2, Q3, Q4), regardless of low seasonal occupancy.

H2 FY26 Outlook and Margin Expectations

- The company maintains an optimistic outlook for H2 FY26, which is traditionally the stronger period for Indian tourism, driven by the festive season, winter holidays, and destination weddings.
- The fixed cost structure implies that incremental revenue in H2 should lead to healthier operating leverage. Management expects 70% to 75% of the incremental revenue generated during H2 to flow directly into the margin, as basic break-even points are covered.
- H2's performance is expected to be significantly better than H1 and surpass the previous year's H2 performance, boosted by the incremental contribution of the recovering Exhibition and Advertising segments.
- Approximately 50% of the 18 operational resorts have been operational for less than one year. The company stated that new properties require a ramp-up period, although the long-term goal for properties operating over 7-8 years is an average 40% occupancy.

Expansion Strategy and Capital Allocation

- The company operates more than 825 rooms across 17 resorts and one hotel.
- Praveg secured an additional inventory of 252 beds (126 rooms) in Kutch for a 35-year term. This capacity is being developed using the existing infrastructure from the closed Varanasi Tent City.
- The utilization of existing assets results in minimal CapEx required for Kutch, estimated at only INR 5 crore to INR 7 crore for installation and finishing.
- Thinakkara North (100 rooms) is ready with no additional CapEx needed. Thinakkara South (100 rooms) is 80% CapEx complete, requiring an estimated INR 10 crore to INR 15 crore for completion.

Segmental Growth and Asset Performance

- The acquired advertising company, which had a previous annual turnover of INR 32–INR 33 crore, achieved INR 24 crore in turnover during H1 FY26. Expansion includes targeted acquisitions in metro cities and rural segments.
- The Events and Exhibition business, which historically generated above INR 50 crore in turnover, is being actively rebuilt with a new team and CEO appointment after a 1.5–2 year period of being compromised to prioritize resort development. Recent business secured in the two months preceding the call reached INR 8 crore to INR 10 crore.
- Praveg Adalaj Step Park: Operations commenced on 25 September 2025. The park is positioned in the premium event category and has already secured over 20 wedding bookings for the current season.
- Lakshadweep Operations (Bangaram): Operations commenced in October. October occupancy was estimated at 25% to 30%, primarily impacted by adverse weather and a cyclone. Peak season is anticipated from December until May 15th. Management confirmed that Praveg maintains its pure vegetarian policy across its facilities.

ICE Make Refrigeration Ltd-Q2 Earnings Call KTAs**CMP: INR 687 | Market Cap: 10,864 Mn****Forward-Looking Summary**

- The management's guidance sketches a business entering a scaling phase, with near-term profitability constraints but clear long-term visibility on revenue, margins, and returns. The company reiterates confidence in achieving FY26 revenue of ~INR 6.5 bn and a minimum 8% EBITDA margin, supported by price increases and a favourable H2-weighted demand profile (typical 40%/60% split).
- Order visibility remains strong with an INR 1.9 bn order book and average 45-day execution cycles, providing sufficient coverage to deliver FY26 targets. While margins remain soft in the first half, the company expects a step-up through price actions, improving mix, and the break-even of new verticals (continuous panels, commercial freezers) within the current year. These new businesses are critical to expanding margin bandwidth from FY27 onward.
- The longer-term ambition is to scale to a INR 10 bn topline by FY28, accompanied by a return to 20–25% ROCE once the business reaches stable utilization. Management acknowledges that ROCE will remain under pressure during the current expansion cycle, which includes Phase 2 capex under evaluation (~INR 1.5 bn) and ongoing investments in automation, distribution depth, and the service business. Funding flexibility remains intact, with room for debt and optionality for equity at a later stage.
- Strategically, the company is sharpening focus on high-growth end markets—agri supply chains, pharma/healthcare, cold rooms, and new-age energy-efficient cooling systems—while strengthening regional penetration in the East, Central, and South. The new CEO is tasked with accelerating scale in self-service and cold-room solutions, which should support both margin expansion and competitive positioning. Importantly, management remains unconcerned about emerging competition, citing robust industry demand and strong channel entrenchment.
- Working capital, which was stretched due to BIS-related compressor stocking and raw material accumulation ahead of mass production, is expected to normalize sharply in H2, aided by seasonality and a more retail-heavy mix.

Overall View

The story here is one of short-term pressure, long-term operating leverage. FY26 remains an execution year with modest margins and tightened working capital, but the building blocks—capacity, new verticals, service business expansion, and regional penetration—are aligned to deliver the INR 10 bn revenue and 20–25% ROCE roadmap by FY28. As these capacities reach scale and the business mix improves, margin expansion becomes more structural than cyclical.

Manoj Ceramic Ltd. H1FY26 Earnings call KTAs**Financial Performance**

- Revenue from operations for the half-year ended September 30, 2025, stood at INR 8,149.04 lakhs (standalone), up from INR 6,609.66 lakhs in the corresponding period last year, reflecting strong sales momentum.
- Profit before tax (PBT) rose to INR 738.98 lakhs from INR 548.69 lakhs year-over-year, with net profit after tax at INR 553.24 lakhs for the half-year, reflecting sustained profitability improvement.
- Earnings per share (EPS) was INR 4.67 (basic) for the half-year, compared to INR 4.92 in the corresponding period last year, suggesting dilution effects from increased share capital.

Capital Raising and Equity

- The company allotted 13,00,000 equity shares at INR 161 per share (including INR 151 premium) on conversion of warrants, increasing paid-up capital to INR 13.7 crore.
- These shares were primarily allotted to promoters, indicating promoter confidence and ongoing support.

Cash Flow and Balance Sheet

- Cash flow from operations was robust at INR 1,886.16 lakhs for H1 FY26, better than INR 1,061.63 lakhs in H1 FY25 on strong core profitability and working capital movement[1].
- Shareholders' funds (equity, reserves, warrants) have strengthened, totaling INR 12,816.11 lakhs as of September 30, 2025.
- Non-current liabilities (long-term borrowings and provisions) decreased marginally while current borrowings and trade receivables rose, reflecting both business expansion and funding needs.

Business Update & Segment Performance

- The company operates in a single segment: trading of ceramic products and sanitary ware, with operations across several cities.
- No diversification into new lines or international markets beyond the core segment was reported for this period.

Other Highlights & Guidance

- Limited review by statutory auditors revealed no material misstatements, supporting good governance practices.
- Manoj Ceramic's UK subsidiary contributed positively with roughly INR 55 lakh in revenue and INR 34 lakh net profit for H1 FY26 at the consolidated level.
- The recent capital raise and conversion of warrants provide additional growth capital for future expansion.

Outlook

- The company remains positioned for continued revenue growth, capitalizing on urban infrastructure and real estate trends.
- Increased working capital and inventory reflect preparation for higher sales volumes in subsequent quarters.

Everest Kanto Cylinder Ltd-Q2 Earnings Call KTAs**CMP: INR 131 | Market Cap: 14722 Mn**

Muted near-term margins, but steady revenue visibility:

Management maintained its full-year revenue target of INR 9.0–9.2 bn, with Q2 performance broadly in line. Margins dipped to 12% (vs. 16% QoQ) due to an unfavourable product mix, but the company reiterated a sustainable 12–14% margin range as high-value products recover. Standalone utilization at 70% is expected to improve by ~20%, offering incremental revenue upside.

Order book provides strong execution runway:

The consolidated order book stands at INR 10 bn, executable over the next 12 months, supported by a healthy USD 80 mn US order book. UAE demand is gradually picking up, which should reflect in stronger prints from Q3/Q4 onwards.

Growth led by CNG and fast-scaling industrial opportunities:

CNG remains the core volume driver, while the industrial segment is scaling rapidly with applications across defence, solar, and semiconductors. Defense, in particular, has multiple confirmed orders in the pipeline.

Hydrogen remains a structural positive for the business (high-pressure storage cylinders), but its contribution is at least 2–3 years away, given the early stage of ecosystem development.

Upcoming capacities are key catalysts:

The Mundra and Egypt expansions are on track for commercialization between Q4 and early Q1, and will meaningfully add to volumes across both high-margin and standard products. Management will firm up the expected revenue contribution over the coming quarters, but both facilities are positioned to materially lift scale and mix over FY26–27.

Regulatory risk manageable:

The GST matter is sub-judice, but management remains confident, citing industry-wide impact and ongoing reform discussions. While timing is uncertain, the probability of an adverse long-term outcome appears low.

Overall View

The company enters FY26–27 with stable revenue visibility, improving utilization, and a robust order book. The growth engines—CNG and industrial—are well-supported by secular demand trends, while the upcoming Mundra and Egypt plants act as meaningful medium-term catalysts. Margin recovery hinges primarily on product mix normalisation, which management expects to improve from H2. Hydrogen represents a long-term optionality but is not central to the near-term thesis.

Kranti Industries Ltd | Q2 FY26 Key Takeaways**CMP:** INR 85.5 | **M-Cap:** INR 109 Cr**Overall Performance & Business Momentum**

- Kranti Industries delivered a **strong and steady Q2 FY26**, with healthy revenue traction, improved profitability, and consistent execution across its precision engineering business.
- The company benefitted from **broad-based automotive recovery**, growing demand in tractors, PVs, and agri equipment, and strong customer orders from both domestic OEMs and new export clients.
- Profitability improved sharply YoY, reflecting operational efficiency, better capacity utilisation, and an improved mix of higher-value machined components.

Demand & Industry Environment

- The broader auto component industry continues to see strong demand aided by:
 - A firm festive season
 - Replacement and rural demand recovery
 - Expansion in EV and off-highway vehicle segments
- Kranti remains well-positioned as a **preferred machining partner** to OEMs due to its precision capability (parts from 100 mm to 1200 mm) and dependable customer service.

•Customer Wins & New Business Development

- Kranti secured multiple high-value strategic orders in Q2 & H1:

1. Heavy-Duty Gearbox Housings

- Received “First Time Right” approval from Bonfiglioli, enabling scale production of heavy-duty industrial housings — a major diversification milestone.

2. New US-Based Client (Ingersoll Rand Industrial U.S.)

- Secured fresh export tooling orders with meaningful annual business potential, strengthening the overseas revenue stream.

3. EV Component Business

- Received clearance to begin series production for EV components for 3W commercial vehicles (Eka Mobility).
- EV contribution is expected to gradually increase as customers scale volumes.

4. Agricultural Machinery Parts (CNH Industrial)

- Entrusted with a high-value extractor fan component for agri implements — further strengthening the agricultural equipment franchise.
- These wins reinforce Kranti’s reputation as a **high-quality, high-reliability precision supplier**.

•Subsidiary Performance – Preciso Metall Pvt. Ltd. (PMPL)

- Stake increased to **59.84%**, aligning both companies more closely operationally.
- PMPL’s strength in **shell moulding, casting, tensile machining and sub-assemblies** gives Kranti deeper vertical integration.
- The facility at Kolhapur enhances supply reliability and opens access to new casting-based business opportunities.

Tolins Tyres limited Q2FY26 Concall KTAs

Outlook: The company expects a strong recovery in H2FY26 as demand has normalised after the GST-related slowdown, with Q3 volumes already back to Q1 levels and raw material costs softening. Management sees better revenue, higher volumes, and margin improvement supported by GST-led affordability, new agricultural tyres, the INR 50 crore Tamil Nadu transport order, and growing exports from the UAE unit. The company is maintaining a minimum 10% growth outlook for FY26 with stable margins and believes the business is well-positioned for steady improvement in Q3 and Q4.

Financial Performance

Q2FY26 revenue declined to INR 66.1 crore from INR 76.9 crore YoY due to demand postponement in PCTR.

Q2 EBITDA was INR 8.91 crore versus INR 15 crore YoY, with EBITDA margin at 13.5%.

Q2 PAT was INR 6.92 crore, down from INR 9.6 crore YoY, with PAT margin stable near 10%.

Raw material prices for rubber and crude derivatives remained broadly stable, aiding expected margin recovery in H2.

EPS for H1FY26 stood at INR 4.16.

Demand Trends & GST Impact

Demand softness in Q2 was driven by 45+ days of purchase deferment ahead of GST rate cuts, particularly in PCTR.

PCTR volumes saw a ~20–25% drop from mid-August to late September as customers anticipated tax reduction.

GST cut from 28% to 18% for tyres and 18% to 5% for tractor/farm tyres is expected to meaningfully improve affordability and accelerate demand.

Management confirmed that volumes fully normalized in Q3, now matching Q1 levels.

Retreading demand also rebounded and is now operating at pre-GST-impact levels.

Segmental Highlights

The tyre segment grew in Q2, while the decline was isolated to the PCTR (retreading materials) business.

Rubber compounds (bonding gum, vulcanizing solutions) accounted for ~7% of total PCTR-related sales.

Agriculture tyres are expected to contribute INR 10 crore from the existing line and INR 3 - 4 crore from new tractor rear tyres over the next six months, totaling INR 15 crore.

Apollo off take business contributed INR 2.3 crore in Q2, currently under job-work/contract-manufacturing mode with discussions ongoing for top-line billing.

Order Book & Growth Drivers

A new Tamil Nadu State Transport Undertaking order worth INR 40–50 crore has been secured, with execution over one year, and 50% expected in FY26.

Newly launched Tracker VR tyres are receiving encouraging market response, with meaningful contribution expected from Q3.

Expansion into rural and semi-rural markets is strengthening the channel base and diversifying revenue.

Exports from the UAE plant to the US have commenced for tread rubber, taking advantage of a 10% tariff environment.

Operations & Cost Structure

Its manufacturing efficiencies were improved through process optimisation, overhead control, and increased digital visibility across plants.

Skill-based hiring during expansion was followed by partial automation to lift productivity with stable manpower cost.

Fineotex Chemical Ltd -Q2FY26 Concall Highlights**Financial Performance**

- Total revenue for Q2FY26 stood at INR 1,454 million, driven by robust demand in both domestic (75% of mix) and export markets (25%).
- Gross profit surged to INR 529 million, with margins expanding 500bps QoQ to 38.45%, indicating material improvement in cost structure and product mix.
- EBITDA reached INR 310 million, up 23% sequentially, with EBITDA margin strengthening by over 415bps to 22.53%.
- Profit Before Tax (PBT) was INR 354 million, up 12.4% QoQ; PAT was INR 261 million with a basic EPS of 2.27 per share.
- No evidence of abnormally low raw material inventory benefits; margin improvement was product mix led.
- Company historically maintains 22–23% sustainable EBITDA margins, with fluctuations driven by specialty product mix and industry trends.

Segmental Trends

- Textiles continue to be primary revenue driver, forming 74–75% of sales for the quarter.
- Textile volumes remained flat QoQ, impacted by postponed US-related orders amid tariff and geopolitical uncertainty; UK FTA is providing some comfort.
- Oil & Gas segment contributed 7% of quarterly revenues (~INR 102 million), showing 80% growth QoQ; segment expected to be a future value driver as order book builds.
- FMCG and cleaning/hygiene segments demonstrated sequential volume growth following GST rate cuts and festive boost; contribution remains steady.

Operational Updates & Capacity

- Successfully scaled up production at the new 16,000-ton Amarnath plant; utilization reached 10% in the initial month due to ramp-up cycle.
- Q2 volumes reached ~15,600 tons, up from 15,150 tons last quarter – reflecting 3–4% volume growth.
- Economies of scale and better asset utilization at the new plant contributed to gross and EBITDA margin improvement.

“Growth Initiatives & Strategic Actions

- Announced bonus issue (4:1 ratio) and stock split (1:2 ratio) to enhance liquidity and investor participation.
- Actively reviewing multiple inorganic growth/M&A proposals; management remains confident of closing at least one transaction in H2FY26, leveraging softness in global chemical markets.
- In Aqua Strike (water-treatment product), technology transfer and plant approvals are underway in India, with positive feedback from Hopkins Institute; orders from government expected in H2FY26.

Guidance & Outlook

- Medium-term growth expected at least 15–20%YoY based on historical track record, capacity scale-up, and emerging segment traction.
- Management remains optimistic on H2FY26, anticipating volume and margin recovery in both textiles (contingent on US tariff resolution) and further ramp-up in oil & gas and Aqua Strike.
- Sustainable gross margin guided at 35–38%; EBITDA margin at 22–23%, contingent on product mix evolution.
- Company demonstrated resilience in maintaining both topline and profitability through product and geographic diversification, effective cost management, and disciplined capital allocation.

Accretion Pharmaceuticals LTD- Concall Highlights | CMP: INR 77 | Market Cap: 864 MN**Outlook**

The company provides CDMO services, private label and third-party manufacturing, serves as a merchant exporter, and caters to domestic and international clients. It holds multiple certifications including WHO CGMP, GMP from Cambodia, Rwanda, Nigeria, Malawi, ISO 9001:2015, ISO 14001:2015, and ISO 22000:2018. Led by an experienced board and management team with deep pharmaceutical industry expertise, Company is well poised to capitalize on emerging markets in Africa, Southeast Asia, and Latin America while strengthening India's role as a global pharmaceutical leader.

Financial Performance Highlights

- Revenue from operations was INR 57.4 crore, registering about 70% growth.
- EBITDA margin was around 21%.
- Profit after tax rose to INR 6.8 crore, translating to nearly 12% profit margin.

Strong performance was driven by better utilization, product mix improvements, and disciplined cost management. Return on capital employed was 38%, signaling efficient capital use.

- Net revenue was INR 43.74 crore, up 135.59% YoY from INR 18.56 crore.
- EBITDA excluding other income stood at INR 7.07 crore, a 63% increase YoY.
- Profit after tax was INR 4.75 crore, nearly 93% growth YoY with a margin of 10.81%.
- Growth fueled by IPO-funded capacity expansion, improved product mix, volume growth, and cost discipline.

Use of IPO Proceeds and Capital Structure

The INR 29.75 crore IPO proceeds were deployed to upgrade manufacturing facilities with new equipment, enhance capacity and compliance, repay selected borrowings to strengthen the balance sheet, and augment working capital to support growing orders and operational agility. The company maintains a healthy capital structure with low debt-to-equity ratio and adequate liquidity for future expansion plans.

Business Strategy and Market Expansion

Management focuses on expanding its CDMO capacity and capability, enhancing manufacturing with technical expertise and quality infrastructure, supported by plant investments and equipment upgrades. The company is growing its global reach through new regulatory approvals (e.g., PMRA Malawi) and local partnerships, aiming for sustained double-digit revenue growth with a balanced mix of domestic and export revenue. Key export markets include countries in Africa (Rwanda, Nigeria, Malawi, Cameroon, Sierra Leone) and Southeast Asia (Philippines, Cambodia, Ghana).

It is actively registering products and plants in these geographies to meet regulatory requirements, which involve time-consuming audits for plant registration and subsequent product registrations. Accretion differentiates from traditional players by building direct relationships with importers and distributors, moving away from conventional sales and distribution channels, and targeting niche and value-added product segments with higher margins.

Product Portfolio

The company offers a diverse portfolio including antibiotics, anti-inflammatories, antidiabetics, cardiac treatments, vitamins, and supplements, among others. This broad therapeutic offering provides a competitive edge across various healthcare segments. Margins vary by product type and geography; for example, ointments and creams deliver higher margins compared to tablets and liquids.

Company emphasizes continuous product innovation and expansion to maintain competitiveness and align with evolving healthcare needs. Its manufacturing facility is equipped for multiple dosage forms: tablets, capsules, oral liquids, oral powders, and external preparations, with strong installed capacity utilization.

Creative Graphics Solutions India Ltd. – SME - H1 FY26 – Concall KTAs – Arihant Capital**CMP: INR 206 | Mcap: INR 5,010 Mn | View : Positive****Outlook & Guidance**

Management maintained its rigorous long-term aspiration of achieving 100% growth over the next two to three years, specifying that the growth trajectory will not follow a linear path from one quarter to another. The company reiterated its ambition to sustain a high growth trajectory, aiming to at least match or exceed the c.55% H1 FY26 revenue growth as new facilities ramp up and utilization improves. While the earlier communicated aspiration to meaningfully scale the business (including the potential to double over the next few years) remains unchanged, management emphasized that growth will not be linear and will be calibrated to execution, market conditions, and the pace of capacity absorption. Cost discipline is expected to drive further improvement in profitability, with other expenses trending lower as a percentage of sales due to operating leverage, even as absolute spends rise with business expansion. Management also highlighted that there is no immediate plan to raise external capital, but remains open to opportunistic fund-raising if required to accelerate growth or pursue strategic opportunities. Debt levels are expected to increase in line with business scale-up, but leverage will remain within a comfortable range, supported by strong earnings and asset-backed investments. The company remains confident in its ability to deliver value to shareholders through disciplined execution, innovation, and a focus on sustainable growth in the packaging and pharma segments.

Revenue drivers and business mix

- Core revenue growth is expected to be driven by: (1) higher penetration of flexographic plates with existing FMCG and pharma customers, (2) new customer additions as organized packaging continues to gain share, and (3) cross selling of integrated solutions via CG Premedia and Warren India.
- The broader flexographic plates and flexible packaging ecosystem is itself growing mid single to high single digits globally, aided by rising demand for sustainable, high quality packaging and expansion in food, beverage and pharma end use segments, which structurally supports the company's growth runway.

Margins & Operating leverage

- Other expenses are largely fixed in nature and have already declined from around 11% to c.8% of sales in H1 as the company scaled its topline, evidencing operating leverage benefits. Management expects this ratio to trend lower over time as revenues grow, even though absolute other expenses will rise due to network expansion and additional facilities coming on stream.
- Incremental margins from higher utilization of existing and upcoming capacities, along with a richer mix from value added design and prepress services, are expected to support margin resilience, partially offsetting wage inflation, utility costs and higher compliance related spends.

Capacity expansion & Capex plans

- The company is in an expansion phase, adding capacity across its flexographic plate operations and related prepress infrastructure to capture incremental demand from both domestic and export customers. New facilities are expected to start contributing meaningfully over the next few quarters, providing volume headroom without commensurate increases in fixed overheads, thereby enhancing operating leverage over the medium term.
- While there is currently no firm plan to raise equity capital over the next two years, management remains open to opportunistic fund raising if required to accelerate growth or pursue strategic opportunities in adjacent areas of packaging and value added services.

Balance sheet, leverage and working capital

- Management indicated that debt levels are likely to rise in absolute terms in line with business scale up and capex, but emphasized that leverage will remain calibrated and within a comfortable range given the earnings trajectory and asset backed nature of investments.
- Trade receivables are also expected to increase as the topline grows, reflecting higher business volumes and customer count, though the company intends to maintain disciplined working capital policies and focus on collections to avoid disproportionate build up.

Subsidiaries and integrated solutions strategy

- Warren India, operating in pharma packaging, continues to benefit from the structural growth in regulated pharma markets and rising expectations for high quality, compliant packaging, positioning it as a key growth lever alongside the core business.
- CG Premedia provides design, artwork, mock ups and digital prepress services and is integral to the strategy of offering end to end packaging solutions, deepening client relationships and supporting premiumization and digital flexo adoption trends seen globally.

Risk factors

- Key monitorables over the next 12–18 months include: pace of ramp up and utilization of new capacities, evolution of other expenses as a percentage of sales, working capital discipline amid rapid growth, and any potential need for external capital to support accelerated expansion.
- External risks include slower than expected demand in FMCG and pharma packaging, competitive intensity in flexographic plates (including from large global players), and regulatory changes around packaging sustainability that could influence material choices and technology adoption.

Pace Digitek Ltd Concall Q2FY26 KTA | Rating - Buy

MCAP: INR 48.59 bn | CMP: INR 225 | TP: INR 385 | Upside: 71%

Outlook: The company's total order book stood at INR 91.3 bn order book (3.75x of FY25 revenue), including major orders in energy, INR 58.7 bn and telecom, INR 32.7 bn. Management remains confident of scaling the energy order book to INR 80-100 bn by FY26E, supported by a healthy BESS pipeline of ~4.3 GWh, expected to rise to 6-7 GWh post-expansion of new incremental 5 GWh capacity. For FY26E, revenue is guided at INR 26-27 bn with blended EBITDA margin at 25-28% & ~11-12% PAT margins, as ~75% of total revenue contribution comes from H2, while FY27E topline is expected at INR 31-32 bn. The company continues to scale its BESS, doubling its Bidadi capacity to 10 GWh and doing backward integration by adding a container fabrication unit for FY27E commissioning. BESS annuity revenue visibility also remains strong, with BOO projects expected to contribute ~INR 5 bn in FY26E and INR 10 bn in FY27E, supported by 80-85% EBITDA margins and a funding of 30:70 equity-debt structure. Telecom execution remains healthy, with INR 13-14 bn BSNL 4G revenue expected in FY26E. Management expects improvement in bidding prices in the coming months, as competitors lower the tender bid, which is unsustainable in the long term.

Order book

- The total order book stood at INR 91,350 mn (3.75x of FY25 revenue), with energy contributing INR 58,690 mn, including the INR 11,590 mn SECI contract and the INR 9,200 mn solar EPC order.
- On the telecom segment, the total order book is INR 32,660 mn, with the recent INR 1,860 mn O&M win from TTL.
- For FY26E, management expects to achieve the energy order book of INR 80-100 bn by the end of FY26E.
- The current orders stand at ~4.3 GWh; expected to cross 6-7 GWh post-full execution of the pipeline.

Guidance

- In FY26E company expects to achieve revenue of INR 26,000-27,000 mn (~5,000-5,500 mn is expected from the energy segment, ~2,500 mn from the ICT and the remaining from the telecom) with a blended PAT margin of ~11-12%.
- For FY27E, the topline company expects to reach INR 31,000-32,000 mn.
- PAT margin is expected to sustain 11-12%, with significant execution expected in H2FY26, particularly Q4, as H2 contributes ~75% of annual revenue.
- Once the 10 GWh capacity of the BESS facility is commercialized the peak revenue that could be generated is ~INR 60-70 bn, with a margin expectation of ~13-15%.

Margins

- The margins vary by segment: telecom products contribute ~15-18% of revenue, telecom EPC at 13-14%, energy products at 15-18%, and energy EPC at 10-12%.
- Overall, the non-annuity EBITDA margin is ~18-20%.

Annuity

- The four BOO projects (annuity) with a fund rate at INR 33,000 mn, of which the topline is expected at INR 5,000 mn from energy in FY26E and INR 10,000 mn in FY27E.
- Telecom O&M will generate INR 2,000-2,500 mn.
- EBITDA margins from the annuity orders are typically high at ~80-85%.
- The PAT margins will remain at 11-12%, as the company will recognize higher depreciation and interest from Q3, as huge capex and investment have been made.
- This BOO project is funded through its IPO proceeds and has utilized INR 8,300 mn, with the remaining will be utilized for upcoming projects, along with internal accruals and LC limits.
- The funding structure is 30% from equity & 70% from debt.

Capacity Expansion

- The company has started construction to expand its existing BESS facility in Bidadi from 5-GWh to 10 GWh, 2x of its current capacity.
- The current capacity is already running at full utilization in three shifts with total orders of 4.3GWh, and utilization is expected to reach 6-7 GWh after expansion.
- The company is also adding a container fabrication unit, as the groundwork has started, and expects it to be operational in FY27E.
- The total planned capex is ~INR 2,000 mn, with INR 800 mn allocated to land, which is already in place, and INR 1,000 mn for machinery & plant, which will be deployed.

MSEDCL BESS Project

- The first site has been commissioned.
- Out of 74 total sites, 40 sites are targeted for completion in FY26, with the remaining to be executed in FY27E.
- The typical cost for these BOO energy projects is ~INR 12.5-13.0 mn/MWh, with a monthly annuity payment of ~INR 0.219-0.250 mn/MWh.
- The company also receives VGF for developer projects, INR 2.7 mn/MWh, paid in 10% upfront, 45% post-commissioning, and 45% spread across 3 years.

Telecom

- In the telecom sector, the BSNL 4G order book stands at INR 25,730 mn, of which INR 13,000-14,000 mn is expected to be booked in FY26E, with the remaining O&M of INR 12,000 mn will be received in the subsequent 4 years.

Other Updates

- The company has done tie-ups with major battery manufacturers to import Li-ion battery cells.
- The competitors are competing for lower rates at INR 0.17 mn/MWh, which will not sustain and expect the pricing to be corrected in the coming months.

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800	6 Lad Colony, Y.N. Road, Indore - 452003, (M.P.) Tel: (91-731) 4217100/101 CIN: L66120MP1992PLC007182

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

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Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800