

DECENNIUM **OPPORTUNITY**



QUARTERLY COMMUNICATION

December' 25

FUND MANAGERS COMMUNICATION

December 2025



Global Market:

In US, after a strong run in the first 10 months of the year, stock markets took a breather in November with S&P 500 up by 0.2%. Market uncertainty regarding the ambiguous data environment, the impact on growth, and the progress of monetary policy weighed on sentiment.

IMF World Economic outlook - The International Monetary Fund has given GDP prediction for 2025 - world GDP growth at 3% & 3.1% for CY2026. The outlook for India is relatively stable supported by private consumption & revised upwards to 6.7% in CY2025 & 6.4% in CY2026.



Domestic Market:

GST Collection: GST receipts in November month was ₹1.70 Lakhs crore, marking a 0.7% year on year growth.

Credit Growth: Credit growth improved to 12% in October 2025. Sector-wise credit growth was broad-based, with industry leading at 14.6%, driven by MSMEs. India's credit outlook remains favourable, supported by strong domestic growth, stable employment conditions, and sustained consumer and investment demand. RBI's calibrated policy stance including targeted liquidity operations should maintain orderly financial conditions without constraining bank lending. With healthy balance sheets, falling NPAs, and broad-based sectoral credit appetite, banks are positioned to continue expanding credit at a stable pace.

CPI Inflation: India's CPI inflation fell to 0.25% y/y, marking the lowest print in the current CPI series, which uses 2012 as the base year. The drop in headline inflation was driven by continued deflation in food prices along with a high base effect, bringing the print significantly lower.

Auto Numbers: The overall performance of the automobile industry in India showed strong growth momentum in dispatches during November month, sustaining the surge seen in October's festive season, building on the activity observed in October and driven by a favorable combination of GST 2.0 rate cuts, festive demand, and improved consumer confidence. Following the GST rate reductions effective from late September, small cars taxed at 18% (down from 28%). Demand and enquiries continue to high across all vehicle categories-from entry-level cars and compact SUVs to larger SUVs, commuter motorcycles, and high-CC two-wheelers. Growth in rural markets is more promising than urban markets on the anticipation of good harvest. The overall post-festive demand is expected to remain strong supported by increased rural participation, lower interest rate, increased spending and marriage led demand.

PMI: The S&P Global HSBC Manufacturing PMI for India came at 56.6 in November. (Manufacturing PMI data is an economic indicator that measures the activity level in the manufacturing sector. It is

based on a survey of purchasing managers across manufacturing industries and provides insights into business conditions, including production, new orders, employment, supplier delivery times, and inventory levels).

IIP: Industrial growth in Oct'25 was milder compared to the stronger growth seen in recent months (Q2 average at 4.3%), with all sectors of the industrial index recording broader moderation and pulling the overall print down to 0.4%. Growth momentum was dampened by fewer working days during the festive season and the impact of in-place tariffs, mirroring the trend in core sector output, which reported flat growth in Oct'25. Looking ahead, positive developments on a potential trade deal and GST rationalization should support industrial growth, though downside risks persist due to US tariffs and an unfavourable base effect.

Funds Flow: FII flows were negative in the month of November 2025 at Rs.17500 crores, DII flows remained healthy with positive inflows of Rs.77083 crores during the month.



Equity Market Outlook:

Q2FY26 Results has been in line with expectations with many companies reporting healthy growth outlook. In our PMS Portfolio Holdings, companies from wires & cables, alco-Bev, construction, consumer discretionary, Agri inputs, defense, mid cap IT have reported healthy set of numbers and growth outlook

remains bright for these set of companies.

Foreign fund outflows over the past year were driven by high valuations, slower earnings growth, and global uncertainties, but post-correction, valuations are now reasonable. India's domestic foundations are strengthened through policy measures, bilateral trade negotiations, CRR and repo cuts, GST rate reductions, and revised income tax rules, boosting consumption and liquidity. Ongoing infrastructure expansion and sector-specific policies, such as the National Policy on Geothermal Energy, reinforce the government's commitment to sustained growth. These measures help counter global headwinds like tariffs and protectionism, supporting India's near-term growth and long-term investment appeal.

In near term market participants will be keenly watching the US federal government policy outcome and RBI policy meeting outcome, expectations are for lower rates in coming quarters. Any positive outcome on tariff policy for India from US would be positive.

Recovery in profitability of corporate India is expected from H2FY26 and gain momentum in the coming quarters. Any dip or corrections would provide good opportunity for Lum-sum as well as top up on existing investments. We remain constructive on Indian economy and Indian equities for long term.



Regards,

Mayur Shah

(Fund Manager-Anand Rathi
Advisors Ltd.)

Q2 FY26

During the quarter Q2FY26 Nifty 500 reported revenue growth of 8% y-o-y and Adjusted PAT growth of 15% y-o-y.

In Q2FY26 Decennium PMS has reported revenue growth of 30% y-o-y and PAT growth of more than 23%. Before the changes done during the month in the portfolio, the majority of the companies have reported healthy business growth.

During last three months - Below changes done

Full exit: Deepak Nitrite Limited., Praj Industries Limited., IREDA, KEC International Limited.
Partial Profit Booking: Bharat Electronics Ltd, Craftsman Automation Limited, Ethos Limited, Polycab India Limited.

New Stock Addition: Zydus Wellness Limited, Coromandel International Limited, JSW Steel Limited, Latent View Analytics Limited, Syrma SGS Technology Limited.

| Decennium PMS - Q2FY26 Results (₹ cr) | | | | | | | | | | |
|---------------------------------------|--|--------|--------|------|--------|--------|------|--------------|--------|------|
| Sr.No. | Company Name | Q2FY26 | | | Q2FY25 | | | Growth Y-o-Y | | |
| | | Sales | EBITDA | PAT | Sales | EBITDA | PAT | Sales | EBITDA | PAT |
| 1 | Bharat Electronics Ltd. | 5792 | 1702 | 1278 | 4605 | 1400 | 1084 | 26% | 22% | 18% |
| 2 | Interarch Building Solutions Ltd. | 491 | 42 | 32 | 323 | 25 | 21 | 52% | 65% | 56% |
| 3 | Ethos Ltd. | 383 | 49 | 25 | 297 | 42 | 21 | 29% | 16% | 17% |
| 4 | Craftsman Automation Ltd. | 2002 | 302 | 91 | 1214 | 193 | 61 | 65% | 57% | 48% |
| 5 | Techno Electric & Engineering Company Ltd. | 843 | 111 | 104 | 441 | 70 | 94 | 91% | 58% | 10% |
| 6 | Venus Pipes & Tubes Ltd. | 292 | 48 | 26 | 229 | 41 | 24 | 27% | 16% | 10% |
| 7 | Blue Star Ltd. | 2422 | 183 | 100 | 2276 | 149 | 96 | 6% | 23% | 4% |
| 8 | Global Health Ltd. | 1099 | 231 | 158 | 957 | 228 | 131 | 15% | 1% | 21% |
| 9 | Caplin Point Laboratories Ltd. | 534 | 189 | 160 | 483 | 165 | 131 | 11% | 15% | 22% |
| 10 | Coromandel International Ltd. | 9654 | 1147 | 793 | 7433 | 975 | 672 | 30% | 18% | 18% |
| 11 | Polycab India Ltd. | 6477 | 1021 | 693 | 5498 | 632 | 445 | 18% | 62% | 56% |
| 12 | Vesuvius India Ltd. | 546 | 92 | 62 | 444 | 79 | 68 | 23% | 17% | -10% |
| 13 | Elecon Engineering Company Ltd. | 578 | 126 | 88 | 508 | 112 | 86 | 14% | 12% | 3% |

Recently Exited Stocks

| | | | | | | | | | | |
|----------------|---|------|------|-----|------|------|-----|-----|------|------|
| 1 | Deepak Nitrite Ltd. | 1902 | 204 | 119 | 2032 | 298 | 194 | -6% | -31% | -39% |
| 2 | Praj Industries Ltd. | 842 | 56 | 19 | 816 | 86 | 54 | 3% | -35% | -64% |
| 3 | KEC International Ltd. | 6092 | 430 | 161 | 5113 | 320 | 85 | 19% | 34% | 88% |
| 4 | Indian Renewable Energy Development Agency Ltd. | 2050 | 1919 | 549 | 1620 | 1499 | 388 | 27% | 28% | 42% |
| Average Growth | | | | | | | | 26% | 22% | 18% |

Recently Added Stocks

| Sr.No. | Company Name | Q2FY26 | | | Q2FY25 | | | Growth Y-o-Y | | |
|--------|----------------------------|--------|--------|------|--------|--------|-----|--------------|--------|------|
| | | Sales | EBITDA | PAT | Sales | EBITDA | PAT | Sales | EBITDA | PAT |
| 1 | Zydus Wellness Ltd. | 643 | 21 | -19 | 491 | 20 | 21 | 31% | 9% | - |
| 2 | Syrma SGS Technology Ltd. | 1146 | 115 | 66 | 833 | 71 | 40 | 38% | 62% | 67% |
| 3 | Latent View Analytics Ltd. | 258 | 56 | 46 | 209 | 45 | 41 | 23% | 24% | 12% |
| 4 | JSW Steel Ltd. | 44560 | 7115 | 1734 | 39104 | 5437 | 466 | 14% | 31% | 272% |

Bharat Electronics Limited



In Q2FY26 BEL reported revenues of ₹5792.1 cr up by 25.8% y-o-y, PAT was ₹1287.8 cr up by 17.9% y-o-y. The company is a dominant supplier of defence and strategic electronics to the Indian Armed Forces, with a broad portfolio including radars, electronic warfare, systems and military communication. We anticipate robust earnings growth driven by: Steady execution of orderbook ₹750 bn+ (current size ~3x of FY25 revenue), Order inflows in FY26 are estimated at ~₹570bn, BELS's established role as a systems and platform integrator across defence domains and direct leverage to the increasing defence budget allocation. We believe its positioning and product offerings in the Indian defence system (Army, Navy and Airforce) will ensure its growth momentum to continue beyond FY28 as well. BEL functions as a system integrator (improves topline) and critical subsystem supplier (yields better margin) across a wide range of platforms (missiles, radars, communication, naval systems, avionics). The company is one of the biggest beneficiaries of India's defence capex, irrespective of which OEM or platform wins the final contract.

Key Risk: Execution delays.

Interarch Building Solutions Limited



In Q2FY26 Interarch reported revenues of ₹491 cr up by 52% y-o-y, PAT was ₹32 cr up by 56% y-o-y, led by strong execution aided by new capacities and improved productivity across old capacities. The management upped its revenue growth guidance for FY26 from 17.5% YoY to over 20% YoY despite a strong H2FY26 (revenues up 39% YoY). The same is expected to be driven by increase in the speed of execution from new capacities and improved productivity from older capacities. Its order book as on Oct'25 remained strong at ₹ 1634 crore (despite strong execution in Q2FY26) led by strong order intake of ₹ 463 crores (marquee clientele viz. Havells India, Techno Electric, Jindal Stainless, among others) during August-October 2025. Interarch commissioned 40,000 MT capacities (A.P. Phase 2+Kiccha Line) in Q2FY26 crossing 2 lakh tonne p.a. capacity milestone. Further, it is adding 65,000 MT capacities (A.P. heavy structures – 25,000MT, Kheda, Gujarat – 40,000MT) which are expected to get commissioned in Q2FY27.

Key Risk: Slowdown in construction and industrial activity.

ETHOS Limited



In Q2FY26 Ethos reported revenues of ₹383 cr up by 29% y-o-y, PAT was ₹25 cr up by 17% y-o-y. During the quarter Ethos added three new exclusive watch brands (Fabergé, D1 Milano, and Unimatic) and 1 lifestyle brand (FPM Milano), Also, 3 new watch boutiques were added in Q2 taking the count to 86, with presence across 26 cities. Ethos continues to strengthen its lifestyle segment with the opening of India's first Messika boutique and its second Rimowa boutique – both witnessing encouraging traction. The structural growth story for Ethos remains strong, backed by robust and consistent performance over the past several quarters, led by Sustained strong structural demand in the premium and luxury watch segment, Planned store expansion across watch and lifestyle categories, Entry into the fast-growing CPO segment, Increasing share of high-margin exclusive brands, and Diversification and scaling of another luxury segment - luggage and jewellery. The company has also reiterated its long term growth aspiration of achieving 10x revenue growth over the next decade.

Key Risk: Higher volatility in currency exchange rate (CHF/INR), Slowdown in the luxury & premium segments, Increase in the competitive intensity, Increase in GST on luxury goods.

Zydus Wellness Limited



In Q2FY26 Zydus Wellness reported revenues of ₹650 cr up by 32% y-o-y, company reported loss of ₹-53 cr, due to acquisition related adjustments. With the commencement of amortization for acquired brands (Comfort Click and RiteBite), reported net earnings are expected to appear optically lower. The Personal Care segment registered a 26.8% y-o-y decline, largely impacted by an early and extended monsoon, Sugar Free and Glucon-D maintained leadership position in their respective categories with market shares of 96.2% and 58.7%, respectively. Complan improved its ranking from fifth to fourth position, with a 4.1% market share in nutrition drinks. Comfort Click acquisition to help widen global wellness footprint and aid entry into high-margin Vitamins, Minerals & Supplements (VMS) adjacencies. ZWL delivered strong revenue growth in Q2FY26 despite early and extended monsoons and implementation of GST 2.0, aided by consolidation of newly-acquired UK-based Comfort Click Limited and strong sales of non-seasonal brands, while profitability was hit by increased overheads on the Comfort Click integration and higher ad spends.

Key Risk: Slowdown in key categories or disruptions by weakening of consumer sentiments/ seasonal vagaries.

Craftsman Automation Limited



In Q2FY26 Craftsman reported revenues of ₹2,002 cr up by 65% y-o-y, PAT was ₹91 cr up by 48% y-o-y. Driven by the Aluminum segment, which surged 107% YoY and 2% QoQ, fueled by DR Axion and Sunbeam. Powertrain and Industrial grew 25% and 30% YoY, respectively, with Powertrain's growth mainly from consolidating German operations. EBITDA margins during the quarter came at 15.1% (-80bps/+23bps) which was impacted by the increase in other expenditure; however, it was partially offset by operating leverage benefit of aluminum business. Aluminum segment's margin improving gradually to 11.7% in Q2FY26 vs 10.1% in Q1FY26. Growth triggers: Rising sourcing from India for global OEM platforms, lightweighting (structural castings, 2W alloy wheels; >Rs8bn annual revenue potential) & industrials (heavy engines, off-highway, wind, capital goods; >\$100m annual potential of in 4-5 years) and reasonably priced acquisitions (Sunbeam, Frongberg), which would drive robust growth in powertrain/aluminium products. Industrial & engineering growth would be boosted by storage solutions and renewables.

Key Risk: Slowdown in Auto & user industry.

Techno Electric & Engineering Company Limited



In Q2FY26 Techno Electric reported revenues of ₹843 cr up by 91% y-o-y, PAT was ₹104 cr up by 10% y-o-y. The company witnessed record growth 91% revenue growth in Q2FY26, however margins came under pressure on rising raw material prices. This was primarily led by transmission EPC business. The company has orderbook of ₹9957 crore. Management reaffirmed its FY26 revenue guidance of Rs35bn. With order bid pipeline of more than ₹1.5 trillion over next two years Techno electric expects healthy order inflows to continue in transmission EPC space. Further the company will implement 1 million smart meters over next year for which it will invest ₹500 crore. We have built in revenue and PAT growth at a CAGR of 44% and 23% over FY25-FY27E. The company expects to commission 25 MW and 50 MW of Data Centre capacity in FY26E and FY27E respectively. Techno Electric's first edge data centre in Gurgaon and the phase 1 (5.6MW) of Chennai has become operational. Mumbai edge data centre to be operational by FY26E. Further it aims to deploy 10 edge data centres in short term and ~250 MW hyperscale and edge data centre by 2030. The company targets to achieve IRR of 15.5% from the data centre business. India needs to add 1.9 lakh circuit-km of transmission lines, 1.3 million MVA of transformation capacity and invest Rs9.1 trillion in HVDC corridors & and renewable evacuation systems.

Key Risk: execution delay, slowdown in power sector capex.

Venus Pipes & Tubes Limited



In Q2FY26 Venus Pipes reported revenues of ₹292 cr up by 27% y-o-y, PAT was ₹26 cr up by 10% y-o-y, EBITDA margin for the quarter stood at 16.3%, order book remains healthy at INR490 crores. Recorded robust growth on back of improved demand and Exports too reached an all-time high of INR 115.6 crore, accounting for 40% of total revenues. Also commissioned an additional 1,800 MTPA of seamless pipes/tube capacity, taking its total seamless pipe & tubes capacity to 16,200 MTPA, positioning it well to serve specialized and high-value industries, end user industry are currently in an upcycle with sustained capacity growth, such as energy, railways, engineering. Additionally, the new capacities for fitting and seamless pipe/tubes remain on track and are expected to come on stream in the second half of this fiscal, further strengthening company's ability to serve high-value and critical application segment.

Key Risk: Slowdown in domestic demand, exports; delay in capex timeline.

Blue Star India



In Q2FY26 Blue Star reported revenues of Rs.2,422 cr up by 6% y-o-y, PAT was Rs.100 cr up by 4% y-o-y. RAC business was hit by unexpected tailwinds of extended rains. UCP segment clocked a decline of 10%, ideally lower as compared to peers. Secondary sales were strongly positive after September 22, post GST rate cuts. Energy label changes and new-year sales would drive the growth in H2. EMP segment grew strongly 17% driven by execution of projects from several sectors such as data centers and manufacturing. The Company witnessed strong order inquiries, on the back of continued demand from factories, data centers, and healthcare sectors but order finalizations were muted. Commercial Air Conditioning business demand was also deferred due to GST rate cuts, which came into effect on September 22, 2025. The company continues to maintain its market leadership in ducted systems and scroll chillers and ranks among top three in VRF and screw chillers. Consolidated revenues rose 6% y-o-y to Rs. 2,422 crore, led by 17% y-o-y growth in EMP revenues. Management is hopeful that momentum in RAC business will pick up aided by Christmas/ New-Year sales and on prebuying as an impact of change in energy norms effective January 2026.

Key Risks: Rise in input costs could affect margins. Intense competition across segments is a key concern.

JSW Steel Limited



In Q2FY26 JSW Steel reported revenues of ₹44,560 cr up by 14% y-o-y, PAT was ₹1734 cr up by 272% y-o-y. JSW Steel reported a strong performance in the quarter despite global uncertainties and a prolonged monsoon. The company is optimistic about a strong performance in the second half of this financial year, driven by rising steel prices and production. JSW has ramped up its production capacity, which is expected to support growth. The outlook for India's steel consumption remains robust, driven by supportive government policies and a boost from the recent goods and services tax (GST) rationalization, which are expected to enhance consumer sentiment and demand across various sectors, leading to increased private capital expenditure. Steel demand is anticipated to grow 8-9% this financial year.

Key Risk: Challenges in the global market can affect export trends.

Global Health Limited



In Q2FY26 Global Health reported revenues of ₹1,099 cr up by 15% y-o-y, PAT was ₹158 cr up by 21% y-o-y. In-patient (IP) and out-patient (OP) volumes saw healthy mid-teen YoY growth for the fourth consecutive quarter. Realization per patient (ARPOB) increased due to the rising share of Oncology in case mix and better realization in other therapies. The developing hospital segment reported robust YoY growth for the third consecutive quarter, largely supported by the increase in patient volume. The recent commissioning of the Noida hospital should boost patient volume going forward. We expect a healthy growth on the back of improved traction in developing hospitals (Lucknow/Patna) and scale-up in Noida hospitals. Medanta's established franchise would help it to sustain the performance of matured hospitals. Medanta is also expanding the number of beds at the existing locations and new locations

(Mumbai/ South Delhi/Pithampur/Guwahati), taking the total bed capacity from 3,435 to 4,082 by FY27 and 6,382 once all the current projects are commercialized.

Key Risk: Delay in project execution, price control, decline in international business due to global challenges.

Caplin Point Laboratories Limited



In Q2FY26 Caplin Point reported revenues of ₹534 cr up by 11% y-o-y, PAT was ₹160 cr up by 22% y-o-y, driven by strong cost management and continued efficiency gains across key business segments. The company also saw a notable improvement in margins, which reached 34% for the quarter. The company's LatAm business is a key driver of strong growth in both the top and bottom lines, delivering benchmark cash flows. Company shifts focus to asset light Outsourcing model, both in India and China in Emerging Markets, targeting better cost control and increasing profitability. Caplin's front end in the US is taking shape at a good pace and expect this entity to drive strong growth for the parent company over the next few years. Caplin Point has allocated an enhanced Capex budget of approximately ₹1000 + Crores for the investment projects, with around 50% nearing completion and the balance to be incurred over the next 2-3 years. In past Caplin point has done capex investment of over ₹ 887 Cr over last 8 years towards enhanced manufacturing and R&D capabilities, from internal accruals. Launch of more products in higher margin regulated markets (including US), Improving manufacturing efficiencies, higher capacity utilisation, cost discipline, Expanding geographic reach (especially in Latin America & Africa) and deepening presence in existing export markets. Company expects double-digit growth in revenues and further margin expansion on the back of better mix and capacity leverage.

Key Risk: 1) Adverse change in the regulatory landscape and a delay in procuring product approvals can affect growth prospects. 2) Supply disruptions from China. 3) Adverse forex movements.

Coromandel International Limited



In Q2FY26 Coromandel reported revenues of ₹9,654 cr up by 30% y-o-y, PAT was ₹793 cr up by 18% y-o-y. Coromandel International (CRIN) continued to deliver healthy operating performance in 2QFY26 (EBIT up 15% YoY), supported by continued traction in crop protection (EBIT up 34% YoY) and nutrients and allied (EBIT up 16% YoY). A favorable agricultural scenario, supported by above-normal monsoon and high reservoir levels, is expected to sustain the growth trajectory. Moreover, the rising demand for crop protection products, easing global agrochemical channel inventories, the integration of NACL Industries (a company primarily engaged in the agrochemical sector and specializing in crop protection products like insecticides, fungicides, and herbicides), capacity expansion, introduction of new molecules in the crop protection segment, and the rising consumption of NPK are expected to reinforce growth going forward.

Polycab India Limited



In Q2FY26 Polycab reported revenues of ₹6,477 cr up by 18% y-o-y, PAT was ₹692 cr up by 56% y-o-y. The cables & wires (C&W) clocked a strong 21% growth, volume growth remained in around 17-18% and the remainder came from a rise in realizations. International business grew by 25% y-o-y. FMEG business continued its strong growth of 14% y-o-y and profitability trend was slightly hit by higher advertisement spends. Fans business was muted due to early rains in the summer season. All the other categories were resilient and had a strong growth with solar products growing 2x y-o-y. Solar products have become the largest revenue contributing category to FMEG business. The EPC business declined 19% and carries an order book of Rs 8,000 crore in the Bharat net projects business. EPC business had a strong operating margin impacted by one off gains from a large project. Operating profit margin of 15.8% (427 bps y-o-y) stands improved led by strategic pricing revisions, improved operational efficiency, and a favourable business mix in C&W and FMEG segments. Operating profit grew by ~62% y-o-y to Rs 1,021 crore.

Key Risk: 1) Fluctuating raw material prices. 2) Increasing competition in the C&W and FMEG segment. 3) Continuing losses in FMEG segment.

Vesuvius India



In Q2FY26 Vesuvius reported revenues of ₹546 cr up by 23% y-o-y, PAT was ₹62 cr down by -10% y-o-y. Driven by strong underlying steel production, ramp up of new Vizag plant and expected dispatches to new steel capacities. Ramp up in sales of two products i.e. basic and AISi monolithics and addition of steel capacities will ensure that growth momentum continues. Further, Rs4-5bn of capex in planning phase, restricted to advanced and flow control refractories, focus on domestic markets (no plans on exports), high cash flow conversion and addition in services contracts, is all expected to drive re-rating in the stock. Its attractive valuations strengthen our conviction.

Key Risk: Slowdown in Steel industry.

Elecon Engineering Company Limited



In Q2FY26 Elecon reported revenues of ₹578 cr up by 14% y-o-y, PAT was ₹88 cr up by 3% y-o-y. Driven by strong domestic demand across power, steel, and cement sectors. The company faced challenges in international markets due to geopolitical volatility, resulting in timing-related delays in order receipts and execution in select regions. However, management confirmed smooth domestic execution with no delays, while healthy enquiry levels from global OEMs and end-users are expected to support normalization in overseas execution in H2FY26. Management highlighted a Rs12bn defence pipeline, including P17 Bravo (Rs10bn) and aircraft carrier gear systems (Rs2bn), with tenders expected by Q3FY26–Q1FY27. The NGMV project is likely to be finalized soon, while gear units for NGOPVs are under production.

Key Risk: Slowdown in industrial sectors and exports markets.

Latent View Analytics Limited



In Q2FY26 Latent View reported revenues of ₹257.5 cr up by 23.3% y-o-y, PAT was ₹45.7 cr up by 12.3% y-o-y. The company delivered a strong sequential growth in USD terms, mainly led by 29% q/q growth in Consumer Retail (18% of revenue) owing to DPA integration synergy. BFSI grew by a strong ~25% q/q (14% of revenue), largely driven by client additions over the last 12 months and exceptional execution. On the back of deal pipeline, the management has upwardly revised FY26 growth guidance from 18-19% y/y to 19-20% y/y. LVA crossed Rs10bn annualized run rate in Q2, reaffirming its focus on balancing growth investment with profitability. Its House of AI integrates all technical works across data engineering, data science, advanced analytics, ML, GenAI and Agentic AI to address specific client problems through a unified framework. It is driven by a core team of 8 members, including several PhD-level professionals, and is currently focused on 3 external-facing value propositions; (1) synthetic data generation; (2) churn analytics enhanced with agentic frameworks; and (3) integration of CRM systems (like HubSpot) with large language models.

Key Risk: Cut in IT budgets, global slowdown.

Syrma SGS Technology Limited



In Q2FY26 Syrma SGS reported revenue of 1145.9 cr a growth of 37.6% y-o-y and PAT of ₹64.1 cr up by 76.8% y-o-y. EBITDA margin expanded 150bp YoY due to a favorable business mix and better operating leverage. Revenue largely led by a strong jump in IT/Railways revenue (up 4x), followed by the Consumer/Auto businesses, which grew 35%/28% YoY. The order book continued to improve to INR58b as of 1HFY26 (up ~21% YoY), with margins witnessing an expansion. Moreover, the company entered into multiple deals during the quarter across various sectors (defence, solar, auto, railways, medical) as well as manufacturing capabilities (PCB, design-led manufacturing). With a strong 1HFY26, management has guided for revenue growth of over 30% and EBITDA margin of over 9% for FY26 (vs ~8.5-9% margin earlier). Syrma SGS is an Electronics Manufacturing Services (EMS) company. It provides design, manufacturing (PCBs, box builds, modules), and electronic component services to various industries. . Company serves 300+ customers across 20+ countries.

Key Risk: Execution delays, competition, technology advancement

Disclaimer: Anand Rathi Advisors Ltd (ARAL) ("Portfolio Manager") SEBI Reg No. INP000000282 which is regulated under SEBI. This report has been issued by ARAL. Investments in securities are subject to market and other risks and there is no assurance or guarantee that the investment objectives of any of the investment approaches or portfolios offered by the Portfolio Manager (each, a "Portfolio") will be achieved. Portfolio performance may be affected by a wide variety of factors, including, without limitation, security-specific price shifts, changes in general market conditions and/or other micro and macro factors. A Portfolio performance results at any particular time will also be impacted by its investment objectives and the investment strategy it uses to achieve those objectives, including without limitation, its then-current asset allocation position. As the price/value of the underlying assets of a Portfolio fluctuates, the value of investors investments in that Portfolio and any income derived from it may go up or down. Individual returns of an investor for a particular Portfolio may also vary because of factors such as timings of entry and exit timings of additional flows and redemptions, individual investor mandate, specific Portfolio construction characteristics and/or structural parameters. Please refer to the Disclosure Document and Portfolio Management Services Agreement for Portfolio-specific, risk factors. Note that the composition of a Portfolio and the index(es) used to benchmark its performance are subject to change from time to time, as may be more fully described in the Disclosure Document. Note also that the composite benchmarks used for the Portfolios may be proprietary to the Portfolio Manager.

ARAL and its affiliates may trade for their own accounts as market maker / jobber and/or arbitrageur in any securities of this issuer(s) or in related investments, and may be on the opposite side of public orders. ARAL, its affiliates, directors, officers, and employees may have a long or short position in any securities of this issuer(s) or in related investments. ARAL or its affiliates may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. This is prepared for only private circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report.

Past performance of a Portfolio does not indicate its future performance. The Portfolio Manager does not guarantee that any Portfolio will generate positive returns or that it will meet the needs/investment objectives of any particular person. The names of the Portfolios do not in any manner indicate their prospects or likelihood of returns. Before making an investment decision, please(1) carefully review the Disclosure Document, Portfolio Management Services Agreement, and other related documents, including issue documents pertaining to the underlying investments of the relevant Portfolio(s), and (2)consult your legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing in any of the Portfolios.

Investors are also advised to refer to the risk factors associated with Portfolio Management Services and read the Disclosure Document carefully and consult their Financial Advisor before taking decisions of investment.

For detailed risk factor, please refer to Disclosure Document before investing

For internal circulation amongst registered clients only. Do not redistribute.

Anand Rathi Advisors Limited

Regd. Office: Express Zone, 10th Floor, A Wing, Western Express Highway, Goregaon (E), Mumbai - 400 063, Maharashtra.
Tel: (022) 6281 7000. Registration No.: SEBI INV. ADV. - INA000000268, SEBI Portfolio Manager Reg No. INP000000282.

Disclaimer: Investments in securities market are subject to market risks, read all the related documents carefully before investing.