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Q3FY26 Earnings Review: A broad-based recovery

Nifty 50 net sales (ex-Tata Motors) rose 12.5% YoY in Q3 FY26—an 11-quarter high—with 6.8% QoQ growth, supported by festive demand, GST adjustments, robust credit offtake and stronger realisations in Materials and Energy. The broader Nifty 500 also delivered 11.1% YoY revenue growth, with mid- and small-caps posting double-digit expansion and improved breadth. Operating performance remained healthy, but margins faced pressure from higher input and wage costs. Nifty 50 non-financial EBITDA grew 11.3% YoY, slower than Q2, while Nifty 500 (ex-Nifty 50) EBITDA rose 16.5% YoY, led predominantly by Energy, with margins improving YoY despite sequential cost pressures. PAT growth strengthened across cohorts. Nifty 50 aggregate PAT increased 12.8% YoY and 10.6% QoQ, with Materials, Financials and Consumer Discretionary driving gains and margins edging up to 12.5%. Beyond the top 50, PAT rose 24.5% YoY, led by Energy and Financials, with mid- and small-caps delivering strong earnings performance—reflected in declining contribution of Nifty 50 to Nifty 500 earnings. For 9MFY26, Nifty 50 revenues grew 8.8% YoY to a three-year high, while Nifty 500 (ex-Nifty 50) revenues rose 7.4% YoY, indicating steady year-to-date momentum. Nifty 50 adjusted PAT rose 12.3% YoY with margins at a multi-year high of 12.6%. Beyond the top-50, PAT expanded 21.8% YoY, with margins rising to 8.9%, underscoring sustained profitability momentum.

Improved profitability in Q3FY26, amid strong credit offtake, higher realisations and firmer post-GST demand, has resulted in a stabilising earnings revision cycle. Consensus earnings forecasts (LSEG Workspace) for FY26 for the top 200 well-covered companies were marginally trimmed by 0.1% since end-December, while FY27 forecasts were upgraded by 0.7%, driven by Materials and Financials. As of February 27th, 2026, projected earnings growth stands at 12%/15.7% for FY26/27, with the implied FY25–27 CAGR rising to 13.9%, indicating a strengthening medium-term trajectory despite near-term sectoral pressures. Consistent with these trends, the Earnings Revision Indicator[1] (ERI)—a measure that captures breadth instead of magnitude—has also slipped briefly into contraction zone, suggesting that downgrades again exceed upgrades—albeit less sharply than during the early part of 2025. Complementing this, our HHI-based concentration analysis across the Nifty 50, Nifty 500 and Nifty 500 ex-Nifty 50 universes indicates a nuanced shift in Q3: concentration moderated within the Nifty 50, pointing to a more even distribution of revenue and profit growth among large caps, while earnings concentration edged higher in the broader market, led by Energy and Financials. On balance, aggregate concentration for the Nifty 500 remained broadly stable, reflecting offsetting trends between the top 50 and the rest of the universe, even as medium-term trends continue to show structurally greater dispersion beyond the top 50. Looking ahead, the domestic macro backdrop remains supportive of earnings, though elevated geopolitical uncertainty, tariff risks and commodity volatility pose potential downside pressures.

- **Revenue growth accelerated to 11-quarter high in Q3FY26:** Net sales of Nifty 50 companies (ex-Tata Motors) rose 12.5% YoY/6.8% QoQ in Q3FY26 to Rs 18.7 lakh crore – the strongest growth in 11 quarters – driven by festive demand, GST reforms and improved realisations. Financials, Consumer Discretionary, Materials and Energy contributed nearly 79% of YoY and QoQ growth, though breadth remained strong with 48 of 49 companies posting YoY gains. For the broader Nifty 500 universe (ex-Nifty 50), revenue growth improved sharply to 10% YoY/4.5% QoQ, with mid- and small-caps outperforming large caps in terms of revenue growth rates. On a cumulative basis, nine-month revenue growth accelerated to 8.8% YoY for Nifty 50 universe – the highest in three years. However, growth for Nifty 500 (ex-Nifty 50) in 9MFY26 stood at 7.4% YoY – largely in line with last year—indicating that while Q3 saw a broad-based pickup, full-year momentum outside large caps remained steady.

Nifty 50 and Nifty 500 companies reported YoY/QoQ increases of 12.5%/6.8% and 11.1%/5.5% respectively, driven by festive demand, credit offtake and higher realisations in Q3FY26.

[1] Earnings Revision Indicator over a period is calculated as (no of upgrades – no of downgrades)/(total number of upgrades and downgrades). A value less than zero indicates downgrades outnumbering upgrades and vice versa.

- **EBITDA growth moderates amid cost pressures in Q3:** EBITDA for non-financial Nifty 50 companies (ex-Tata Motors) rose 11.3% YoY/5.5% QoQ in Q3FY26 to Rs 3.21 lakh crore, though growth moderated from the previous quarter amid rising input and wage costs. Consequently, operating margins edged lower YoY and sequentially, despite broad-based earnings growth (33 of 38 companies reported YoY gains). Materials and Consumer Discretionary were key outperformers in Q3, while margin pressures were visible across select sectors. For 9MFY26, EBITDA increased 13.4% YoY to Rs 9.4 lakh crore, with margins expanding to a nine-year high of 23.4%.

  For the Nifty 500 (ex-Nifty 50, Financials) universe, EBITDA growth moderated to 16.5% YoY but remained above the Nifty 50 pace, aided largely by Energy, which accounted for nearly two-thirds of incremental earnings and drove margin expansion. Excluding Energy sector, growth was subdued. Margins improved YoY to 16.8%, though sequential pressures persisted. On a cumulative basis, 9MFY26 EBITDA for the broader market rose 18.3% YoY, with margins at a four-year high, although large caps in the Nifty 50 cohort continued to demonstrate superior profitability.

EBITDA growth for Nifty 500 (ex-Nifty 50) universe (16.5% YoY) outpaced EBITDA growth for Nifty 50 (11.3% YoY), with margins came under pressure due to rising input and wage costs.

- **PAT growth rebounds in Q3FY26 on festive demand:** Net profit for Nifty 50 companies (ex-Tata Motors) rose 12.8% YoY/10.6% QoQ in Q3FY26 to Rs 2.33 lakh crore, rebounding from sub-10% YoY growth in Q2 and supported by strong revenue expansion. Cost pressures from higher input costs (+13.6% YoY), wages (+10.3% YoY), and interest expenses (+2.6% YoY) partly tempered gains. However, PAT margins edged up slightly to 12.5%, expanding 3 bps YoY and 43 bps sequentially. Materials led profitability growth, contributing nearly one-third of the YoY expansion. However, adjusted PAT for Nifty 500 companies (ex-Nifty 50) increased 24.5% YoY to Rs 2.18 lakh crore in Q3FY26, moderating from 30.7% YoY in Q2, led by Energy and Financials.

  Within this segment, Nifty Next 50 contributed 48% of the PAT expansion, with median growth of 13% YoY, while Nifty Midcap 150 and Smallcap 250 together accounted for 52%, posting median growth of 19.1% and 21.8%, respectively. For 9MFY26, aggregate PAT for the Nifty 50 and the broader market (ex-Nifty 50) rose 12.3% YoY and 21.8% YoY respectively, with margins improving to 12.6% (+39bps YoY) and 8.9% (+160 bps YoY), indicating better cost management among large-cap companies within this cohort despite slower PAT growth.

Profitability improved for Nifty 50 in Q3FY26 on festive demands but moderated for the broader market as cost pressures weighed the segment.

- **Revenue and earnings concentration trends reflect improving dispersion within the Nifty 50 in Q3:** Revenue concentration in the Nifty 50 fell to a five-quarter low of 473 in Q3FY26, pointing to a wider distribution of sales growth, while concentration in the Nifty 500 (ex-Nifty 50) inched up to 261 from 257, reflecting gains driven by a narrower set of companies. EBITDA concentration mirrored these trends: Nifty 50 non-financial firms saw a sequential decline in EBITDA-HHI to 152 (down from 157 in Q2), whereas Nifty 500 (ex-Nifty 50) rose to 30 (from 25), driven largely by Energy sector profits, though overall EBITDA remained less concentrated than revenue. PAT concentration broadly tracked revenue and EBITDA patterns: Nifty 50 PAT-HHI eased to 472 (from 500 in Sep'25), signalling more evenly distributed bottom-line growth, while Nifty 500 (ex-Nifty 50) edged higher to 143 (from 119). Sector-wise, revenue growth was more distributed in Consumer Discretionary, Financials, and Energy compared to previous quarter, resulting in

easing concentration; PAT trends diverged, with profits concentrated in Financials but more widely distributed in Energy compared to Q2.

- **Consensus FY27 aggregate PAT estimates upgraded further...:** Aggregate profitability in the Nifty 500 strengthened in Q3 FY26, led by credit growth, improved commodity realisations and festive demand, with mid-caps driving the recovery. This is reflected in the Nifty 50 share in total profits that declined from 54% in FY25 to ~51% in Q3FY26, indicating broader earnings participation. FY26 earnings estimates were marginally trimmed (–0.1% since December), though growth remains at 12%, with downgrades concentrated in Consumer Discretionary and IT. Financials, Energy and Materials accounted for 64% of FY26 earnings and saw upgrades. FY27 estimates were revised upward by 0.7%, lifting expected growth to 15.7%, led by Materials and Financials. The implied FY25–27 annualised profit growth improved to 13.9%, pointing to a strengthening medium-term trajectory despite near-term sectoral headwinds.

Aggregate earnings growth of top 200 companies is pegged at 12.0% and 15.7% in FY26 and FY27 respectively, implying an earnings CAGR of 13.9% during FY25-27.

- **ERI moved into contraction zone:** After remaining firmly in negative territory through much of last year and into June 2025, the ERI has improved gradually, though it has softened again in recent months. Following a brief return to positive readings, the indicator slipped back into contraction territory this year, suggesting that downgrades once again exceed upgrades—albeit less sharply than during the early part of last year. The partial recovery over the past six months is consistent with the broader stabilisation in earnings revisions. However, elevated geopolitical tensions, along with domestic and external demand headwinds, continue to weigh on the durability of sustained earnings upcycle.

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Nifty 50 Q3FY26 results

Topline growth for the NIFTY 50 accelerated to an 11-quarter high in Q3FY26: Net sales of Nifty 50 companies (excluding Tata Motors) increased 12.5% YoY in Q3 FY26 to Rs 18.7 lakh crore, marking a return to double-digit growth and the strongest expansion in 11 quarters. Sequentially, revenues rose 6.8% QoQ, reversing two quarters of subdued performance and signalling a firming demand environment during the festive period. The recovery was underpinned by GST-related adjustments, steady credit expansion and improved realisations for commodity-linked sectors. On a cumulative basis, nine-month revenue growth accelerated to a three-year high of 8.8% YoY, with aggregate net sales rising to Rs 53.6 lakh crore from Rs 49.2 lakh crore in the corresponding period last year. The strong Q3 outturn has therefore materially reinforced the overall revenue trajectory for FY26 to date.

Sectorally, the YoY revenue expansion in Q3 was driven by four major sectors:

1. **Financials:** The sector delivered its strongest growth in five quarters, with revenues (including gross interest income) rising 15.6% YoY, supported by steady credit demand, treasury gains and a favourable base. Financials accounted for 30% of the YoY increase in Nifty 50 net sales. Sequentially, revenues grew 9.2% QoQ, contributing 33% to overall QoQ growth.

2. **Consumer Discretionary (excluding Tata Motors):** The sector recorded its strongest YoY growth in 14 quarters and its highest sequential growth in 17 quarters, driven by robust festive demand. It emerged as the second-largest contributor to revenue growth within the Nifty 50 (ex-Tata Motors).

3. **Materials:** Revenues posted their strongest expansion in 14 quarters, led by improved realisations across metals and cement. The sector accounted for 19% of the YoY growth and 6% of the QoQ increase in Q3 net revenues.

4. **Energy:** After a strong Q2FY26, the sector sustained momentum in Q3, with revenues rising 5.7% YoY and 5.5% QoQ. It contributed 12% to annual growth and 21% to sequential growth, largely reflecting robust performance by Reliance Industries.

Collectively, these four sectors account for ~72% of Nifty 50 revenues but contributed ~79% of both YoY and QoQ revenue growth in Q3 FY26, underscoring the concentration of the recovery within a narrow but systemically important set of sectors.

Industrials recorded their strongest YoY growth in five quarters and the highest sequential expansion in three quarters, supported by improving demand for capital goods, a nascent pick-up in private capex across select sectors, and continued—albeit lower—government capital expenditure relative to the previous quarter.

Consumer Staples rebounded meaningfully in Q3 following a subdued Q2, aided by festive-led demand recovery. The Information Technology sector also registered improved growth, driven by higher AI-linked revenues, stronger deal volumes and favourable currency movements. In contrast, Communication Services and Healthcare were the only two sectors to witness a dip in growth compared with the previous quarter.

Overall, the recovery remained broad-based. Excluding Tata Motors, 48 of 49 companies reported YoY revenue growth, with a median expansion of 11.1% YoY, while 43 companies delivered sequential gains—underscoring the breadth of the Q3 improvement.

Table 1: Sector-wise net sales growth of Nifty 50 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	8.8	5.4	3.5	19.1	25.7	19.6	1.56	24.4
Consumer Discretionary	10.1	(6.6)	9.7	10.7	0.8	0.5	6.96	2.9
Consumer Staples	(4.7)	(3.2)	2.0	4.4	0.8	7.8	1.42	6.3
Energy	5.1	0.0	5.5	3.5	5.3	5.7	13.53	4.3
Financials	(5.8)	(4.4)	9.2	2.5	(0.3)	15.6	13.42	7.9
Health Care	2.4	5.6	1.4	12.7	10.3	9.2	1.16	10.0
Industrials	9.4	2.5	11.3	8.2	8.8	10.7	3.79	9.1
Information Technology	0.9	4.3	3.1	4.9	5.4	7.7	5.35	5.7
Materials	2.4	3.1	2.8	2.9	13.8	14.3	7.13	11.7
Utilities	0.6	(3.4)	3.5	3.5	0.5	3.5	1.73	0.6
Nifty 50	**2.2**	**(0.9)**	**6.4**	**5.1**	**4.9**	**9.2**	**56.04**	**6.8**
Nifty 50 ex-Energy	**1.3**	**(1.2)**	**6.6**	**5.7**	**4.8**	**10.4**	**42.51**	**7.7**
Nifty 50 ex-Financials	**4.8**	**0.2**	**5.5**	**5.9**	**6.6**	**7.4**	**42.62**	**6.5**
Nifty 50 ex-energy ex-fin	**4.7**	**0.3**	**5.5**	**7.1**	**7.3**	**8.2**	**29.09**	**7.6**
Nifty 50 ex-Tata Motors	**1.6**	**0.9**	**6.8**	**5.3**	**7.0**	**12.5**	**53.57**	**8.8**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 1: Sector-wise net sales YoY growth of Nifty 50 companies in Q3FY26

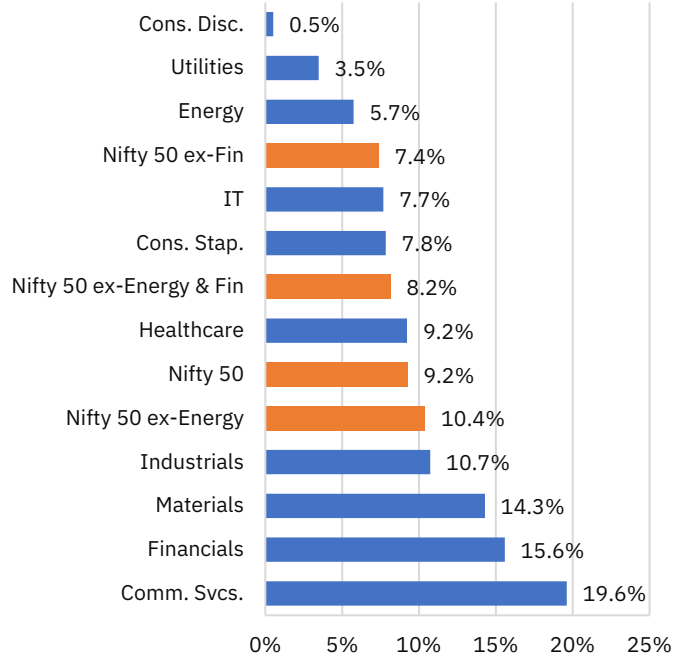
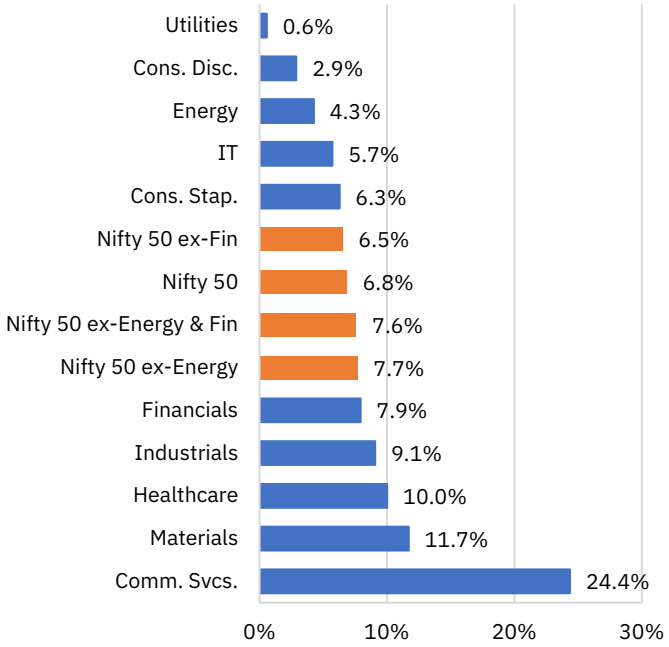


Figure 2: Sector-wise net sales YoY growth of Nifty 50 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 50 index as on December 31st, 2025

Table 2: Sector-wise contribution of Nifty 50 companies to net sales growth rate in Q3FY26

Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	53,982	0.1	0.5
Consumer Discretionary	2,40,987	1.2	0.1
Consumer Staples	47,267	0.1	0.2
Energy	4,67,252	1.3	1.4
Financials	4,66,933	2.2	3.5
Healthcare	39,893	0.0	0.2
Industrials	1,36,600	0.8	0.7
Information Technology	1,84,387	0.3	0.7
Materials	2,44,523	0.4	1.7
Utilities	58,241	0.1	0.1
Nifty 50	**19,40,065**	**6.4**	**9.2**
Nifty 50 ex-Energy	**14,72,813**	**7.3**	**7.8**
Nifty 50 ex-Financials	**14,73,131**	**6.1**	**5.7**
Nifty 50 ex-Energy ex-Financials	**10,05,879**	**4.2**	**4.3**
Nifty 50 ex-Tata Motors	**18,69,957**	**9.4**	**11.7**

Source: CMIE Prowess, LSEG workspace, NSE EPR
Note: 1. The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 3: Sector-wise share in net sales of Nifty 50 companies in Q3FY26

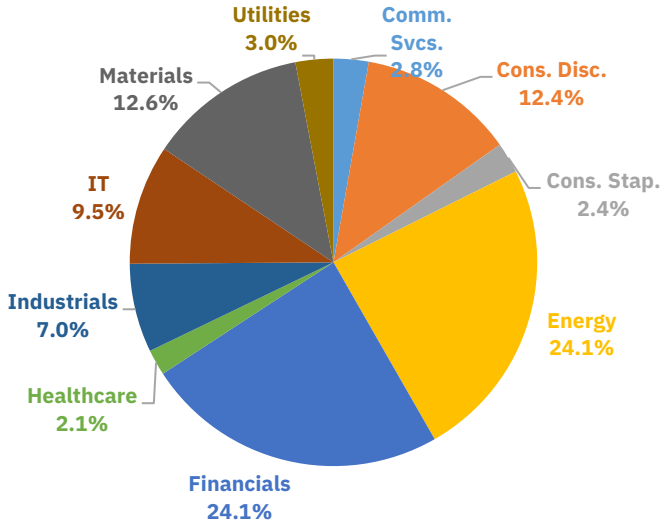
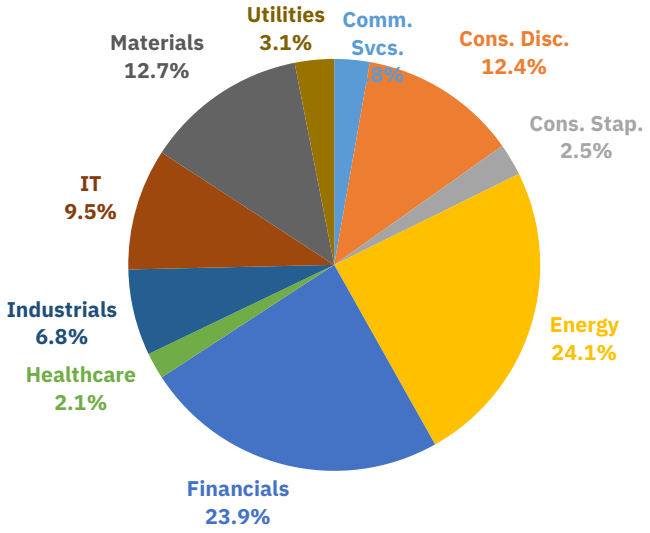
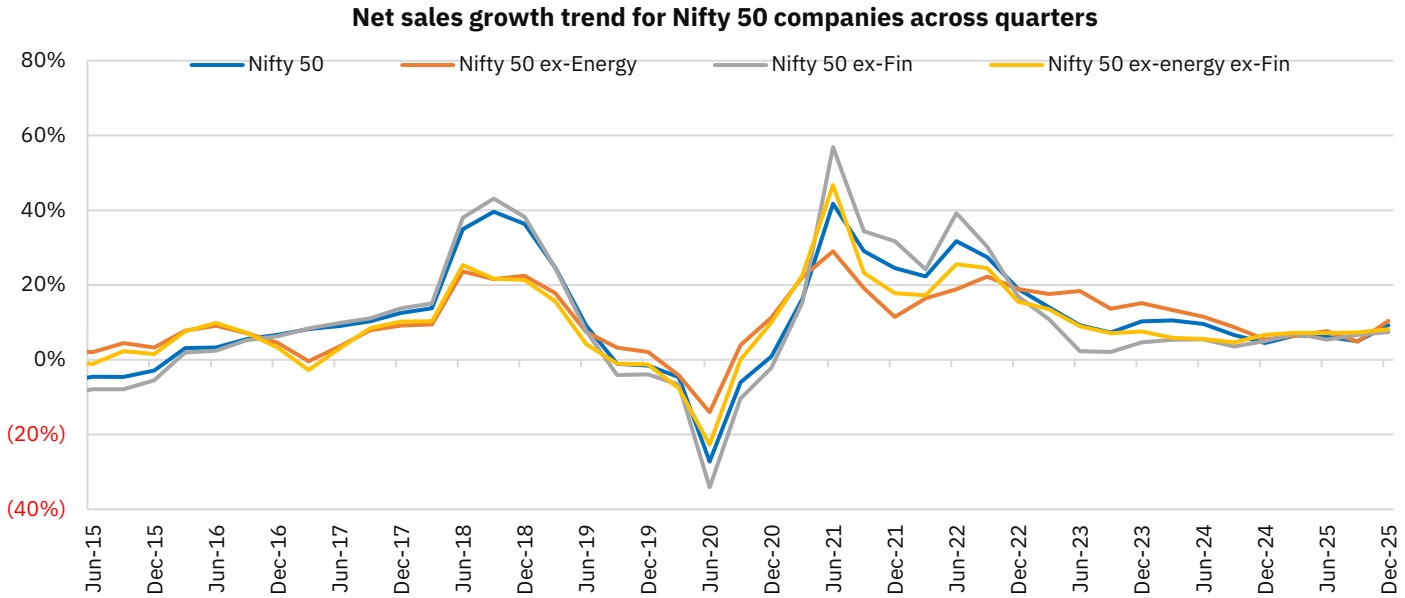


Figure 4: Sector-wise share in net sales of Nifty 50 companies in 9MFY26



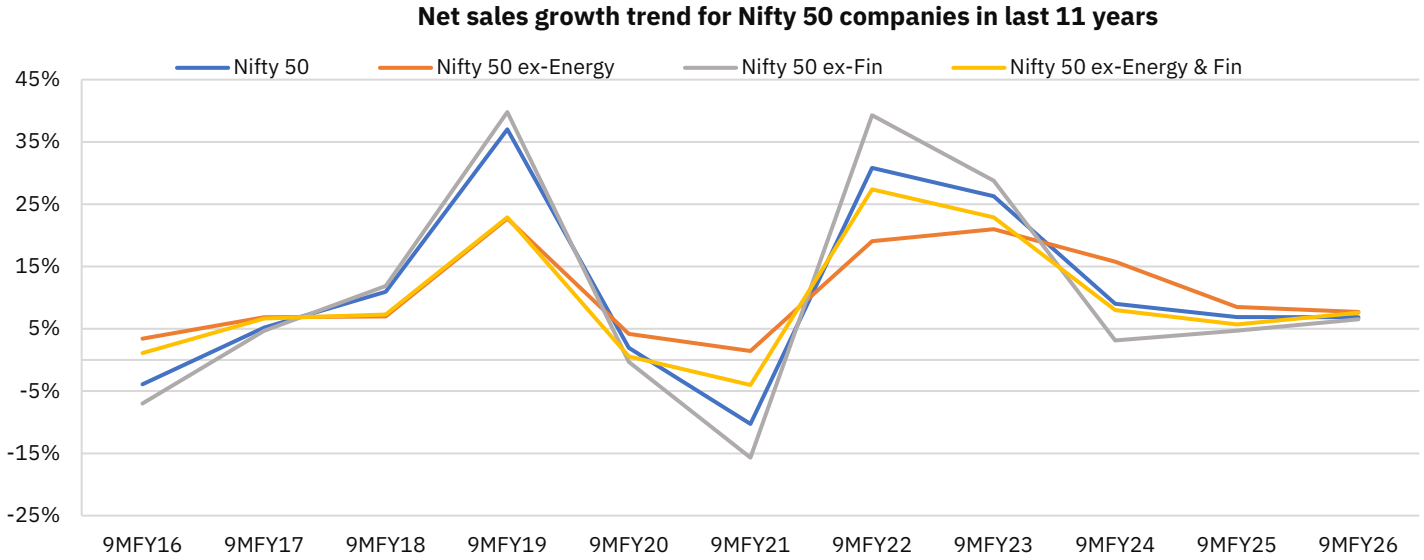
Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on December 31st, 2025.

Figure 5: Quarterly trend of Nifty 50 revenue growth (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as on end of respective quarters.

Figure 6: Nine-month revenue growth trend for Nifty 50 over 11 Years (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Nifty 50 companies' EBITDA growth rate and margins moderated further in Q3FY26: EBITDA for non-financial Nifty 50 companies (ex-Tata Motors) increased 11.3% YoY to Rs 3.21 lakh crore in the December quarter, slower than the 13.7% growth in Q2 and 15.7% in Q1 FY26, signalling a gradual easing in earnings momentum. Operating margins also edged lower, declining by 5 bps YoY and 11 bps QoQ to 22.9%. On a QoQ basis, EBITDA grew 5.5%, reversing the 2.9% contraction in Q2, aided partly by a favourable base.

Elevated commodity prices weighed on profitability: raw material expenses grew 13.6% YoY, outpacing net sales growth of 11.5% YoY, which led to margin compression during the quarter. In addition, salaries and wages rose 11% YoY and 3.6% QoQ, driven by the

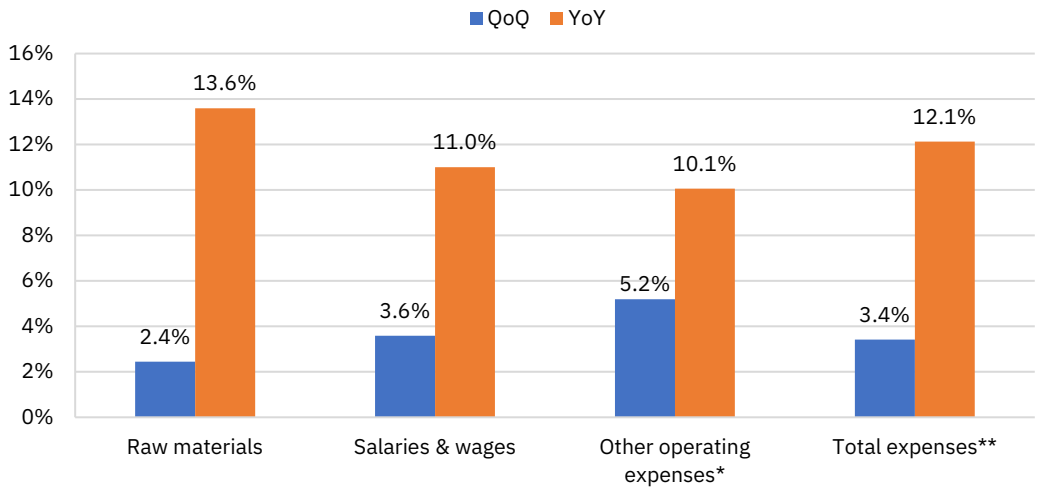
implementation of new Labour Codes in November 2025. As a result, overall operating costs climbed 12.1% YoY and 3.4% QoQ in Q3, contributing to the margin compression.

Despite these pressures, EBITDA growth remained broad-based. Of the 38 non-financial Nifty 50 companies, 33 posted YoY EBITDA growth (versus 34 in Q2), and 28 also recorded sequential improvements. For the first nine months of the current fiscal year, EBITDA growth accelerated to 13.4% YoY, reaching Rs 9.4 lakh crore, compared with a modest 3% growth in the corresponding period last year. Margins for the nine-month period expanded to a nine-year high of 23.4%, up 88 basis points YoY.

Among sectors, Materials emerged as a clear outperformer, delivering a 17-quarter high EBITDA growth of 31% YoY in Q3FY26, accelerating from 24.7% YoY in the previous quarter. The improvement, driven by better realisations and operating leverage, lifted margins by 209 bps YoY to 16.4%. Consumer Discretionary (excluding Tata Motors) delivered a six-quarter high EBITDA growth of 23.5% YoY and 14.8% QoQ, supported by festive demand. However, elevated raw material costs (+43.7% YoY) and wage growth (+25.7% YoY) led to margin compression of 161 bps YoY and 18 bps QoQ, bringing margins to a 12-quarter low of 16.7%.

Communication Services reported EBITDA growth of 18.2% YoY and 4.1% QoQ, contributing 15% to annual and 7% to sequential Nifty 50 EBITDA growth. Expansion in subscriber base and improvement in average revenue per user supported revenues, though margins declined 68 bps YoY, indicating that cost pressures partly offset operating gains.

Figure 7: Change in expenses for Nifty 50 companies in Q3FY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. *Other operating expenses include selling, general & administrative expenses, rental expenses, and other operating costs.
2. ** Total expenses exclude interest expenses and depreciation. 3. The above chart provides data for companies in the Nifty 50 index as on December 31st, 2025 and excludes Tata Motors Ltd., which underwent a demerger on October 1st, 2025.

Table 3: Sector-wise EBITDA growth of Nifty 50 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	15.3	6.8	4.1	27.5	31.0	18.2	0.90	27.5
Consumer Discretionary	7.7	(33.1)	26.8	3.8	(30.5)	(18.2)	0.92	-17.6
Consumer Staples	(4.9)	(0.3)	1.6	(1.7)	(0.6)	6.2	0.40	1.7
Energy	13.0	(11.2)	2.8	8.0	13.0	2.8	2.82	11.6
Financials	0.6	(3.8)	2.5	14.4	4.6	6.7	9.75	8.3
Health Care	4.3	4.1	(2.5)	18.4	9.4	2.3	0.33	7.9
Industrials	22.7	(4.3)	18.3	18.4	16.8	12.7	0.85	14.1
Information Technology	5.4	3.4	3.7	8.8	8.1	6.4	1.35	6.4
Materials	(2.8)	(1.6)	2.1	(7.4)	24.7	31.0	1.19	25.6
Utilities	(3.5)	(0.3)	8.1	(0.2)	0.1	12.1	0.78	5.3
Nifty 50	**4.0**	**(5.2)**	**4.4**	**10.8**	**6.3**	**6.7**	**19.29**	**8.7**
Nifty 50 ex-Energy	**2.6**	**(4.1)**	**4.7**	**11.2**	**5.2**	**7.3**	**16.47**	**8.2**
Nifty 50 ex-Financials	**7.8**	**(6.6)**	**6.4**	**7.3**	**8.0**	**6.7**	**9.54**	**9.0**
Nifty 50 ex-energy ex-fin	**5.7**	**(4.5)**	**8.0**	**7.0**	**6.1**	**8.3**	**6.72**	**8.0**
Nifty 50 ex-Fin & Tata Motors	**7.8**	**(2.9)**	**5.5**	**8.6**	**13.7**	**11.3**	**9.40**	**13.4**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Table 4: Sector-wise EBITDA margin of Nifty 50 companies in Q3FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	58.5	30	(68)
Consumer Discretionary	12.8	173	(294)
Consumer Staples	28.3	(11)	(43)
Energy	19.6	(53)	(57)
Financials	69.9	(453)	(585)
Health Care	27.3	(110)	(185)
Industrials	22.7	136	39
Information Technology	25.3	17	(31)
Materials	16.4	(11)	209
Utilities	47.0	201	363
Nifty 50	**33.5**	**(63)**	**(81)**
Nifty 50 ex-Energy	**37.9**	**(70)**	**(109)**
Nifty 50 ex-Financials	**22.0**	**19**	**(15)**
Nifty 50 ex-energy ex-fin	**23.1**	**52**	**3**
Nifty 50 ex-Fin & Tata Motors	**22.9**	**(11)**	**(5)**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Table 5: Sector-wise EBITDA margin of Nifty 50 companies in 9MFY26

Sector	EBITDA Margin	YoY change (bps)
Communication Services	58.1	145
Consumer Discretionary	13.2	(328)
Consumer Staples	28.1	(128)
Energy	20.8	137
Financials	72.7	24
Health Care	28.1	(55)
Industrials	22.4	99
Information Technology	25.3	15
Materials	16.7	184
Utilities	45.2	201
Nifty 50	**34.4**	**57**
Nifty 50 ex-Energy	**38.7**	**17**
Nifty 50 ex-Financials	**22.4**	**52**
Nifty 50 ex-energy ex-fin	**23.1**	**9**
Nifty 50 ex-Fin & Tata Motors	**23.4**	**88**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.
2. YoY change is calculated based on interim financial data.

Figure 8: Sector-wise EBITDA growth of Nifty 50 companies in Q3FY26

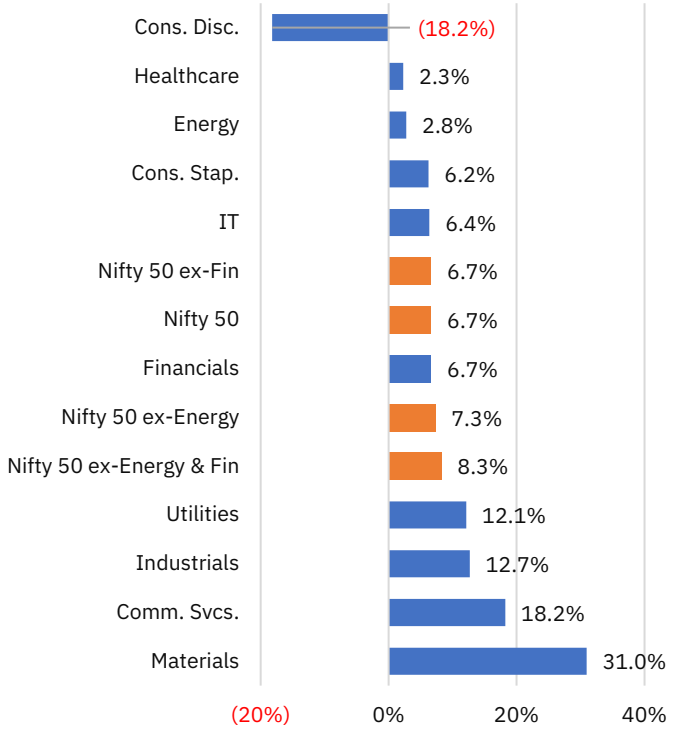
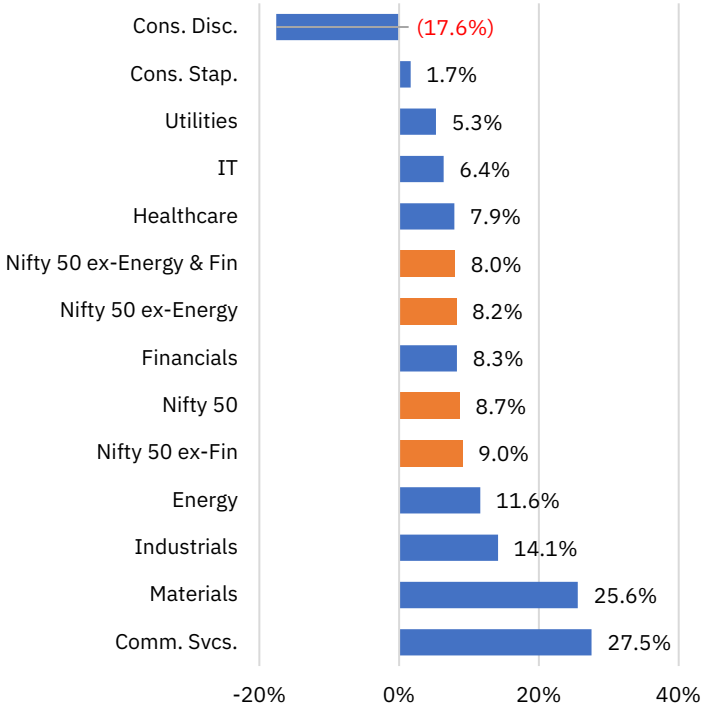


Figure 9: Sector-wise EBITDA growth of Nifty 50 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 50 index as on December 31st, 2025.
2. YoY growth for 9MFY26 is calculated based on interim financial data.

Figure 10: Sector-wise EBITDA margin of Nifty 50 companies in Q3FY26

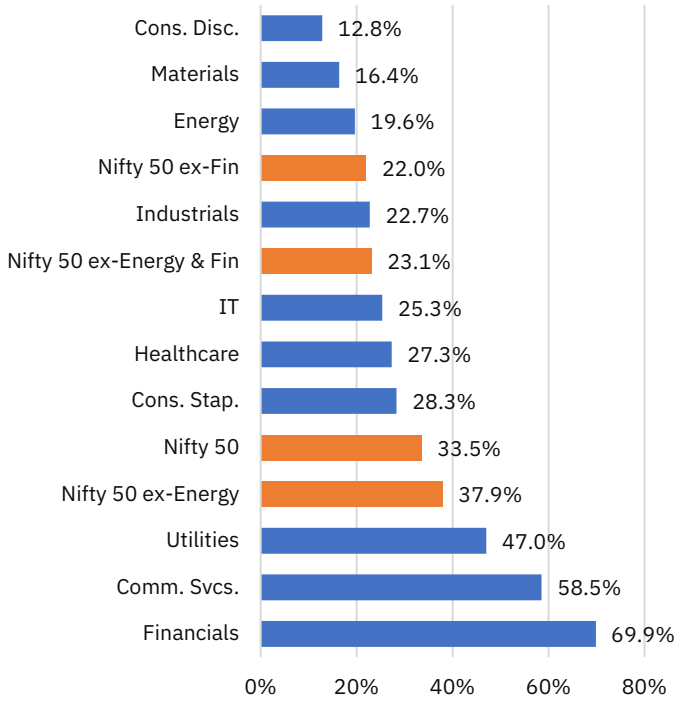
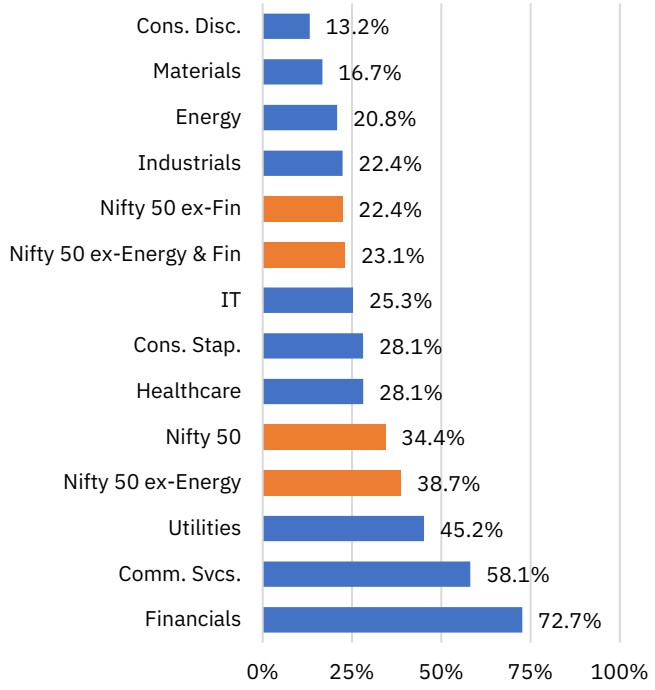


Figure 11: Sector-wise EBITDA margin of Nifty 50 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 50 index as on December 31st, 2025.
2. EBITDA margins for 9MFY26 are calculated based on interim financial data.

Table 6: Sector-wise contribution of Nifty 50 companies (ex-Financials) to EBITDA growth rate in Q3FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	31,601	0.4	1.6
Consumer Discretionary	30,957	2.1	(2.3)
Consumer Staples	13,374	0.1	0.3
Energy	91,807	0.8	0.8
Health Care	10,888	(0.1)	0.1
Industrials	31,057	1.6	1.2
Information Technology	46,700	0.6	0.9
Materials	40,061	0.3	3.1
Utilities	27,377	0.7	1.0
Nifty 50 ex-Financials	**3,23,822**	**6.4**	**6.7**
Nifty 50 ex-energy ex-fin	**2,32,015**	**3.9**	**5.8**
Nifty 50 ex-Fin ex-Tata Motors	**3,21,325**	**3.8**	**10.7**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 12: Sector-wise share in EBITDA of Nifty 50 companies (ex-Financials) in Q2FY26

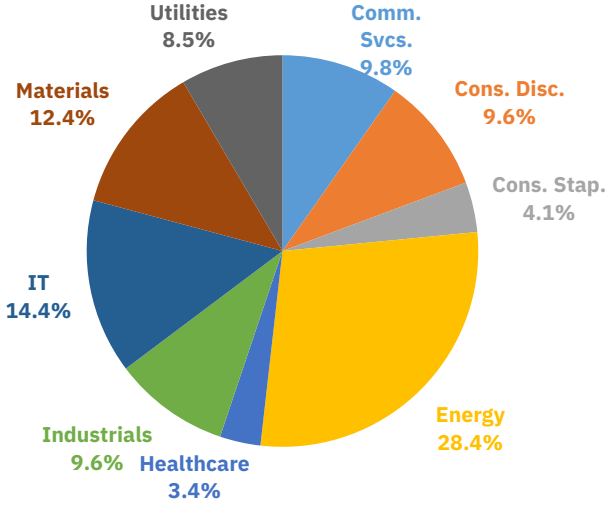
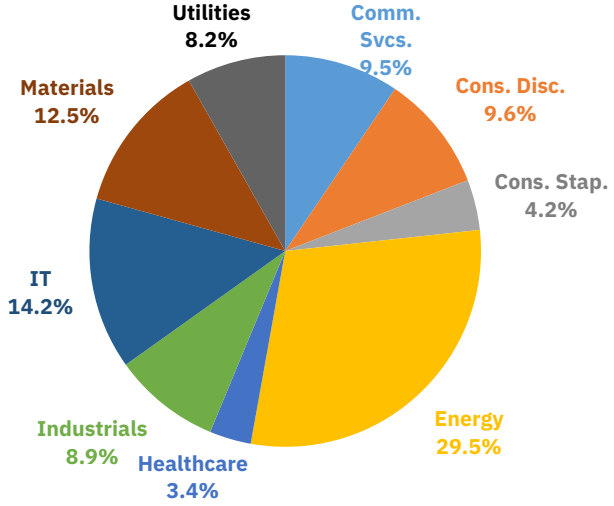
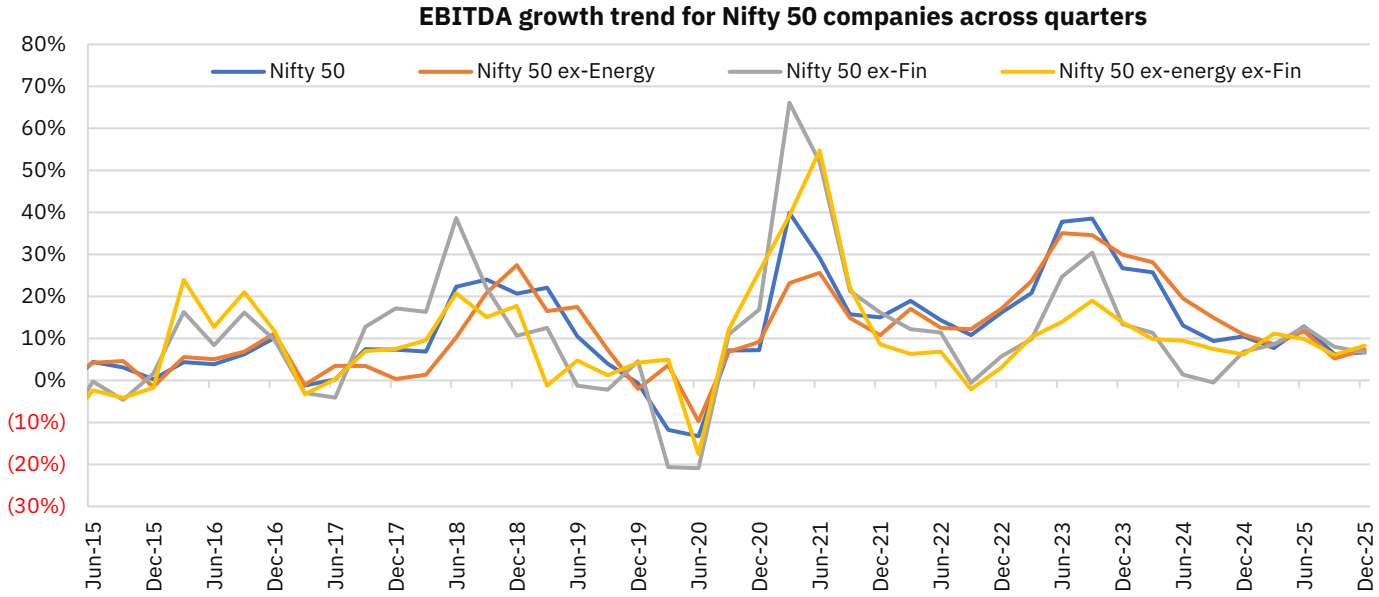


Figure 13: Sector-wise share in EBITDA of Nifty 50 companies (ex-Financials) in 9MFY26



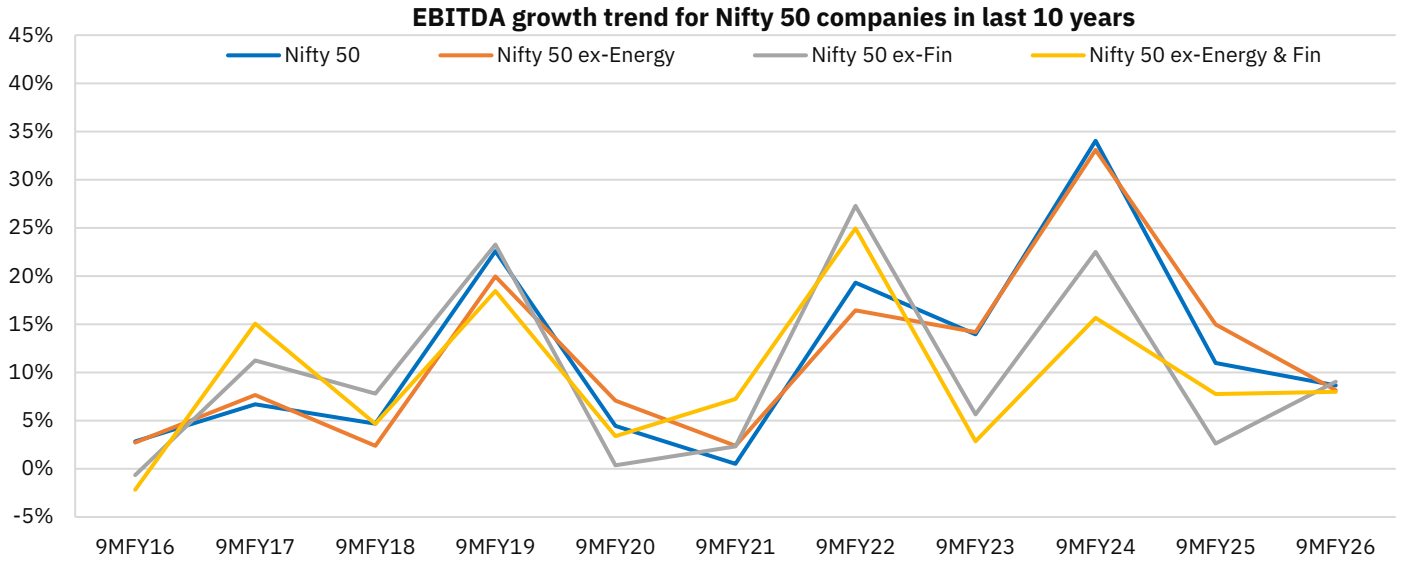
Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on December 31st, 2025.

Figure 14: Quarterly trend of Nifty 50 EBITDA growth (YoY)



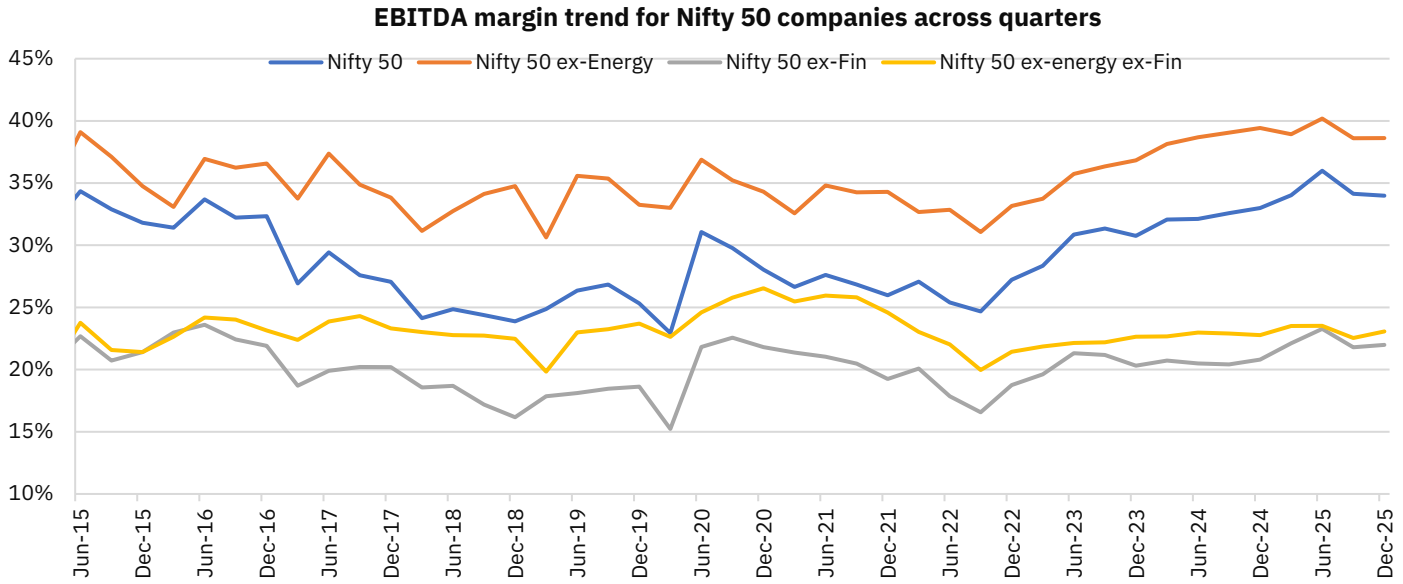
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as on end of respective quarters.

Figure 15: Nine-month EBITDA growth trend for Nifty 50 over 10 Years (YoY)



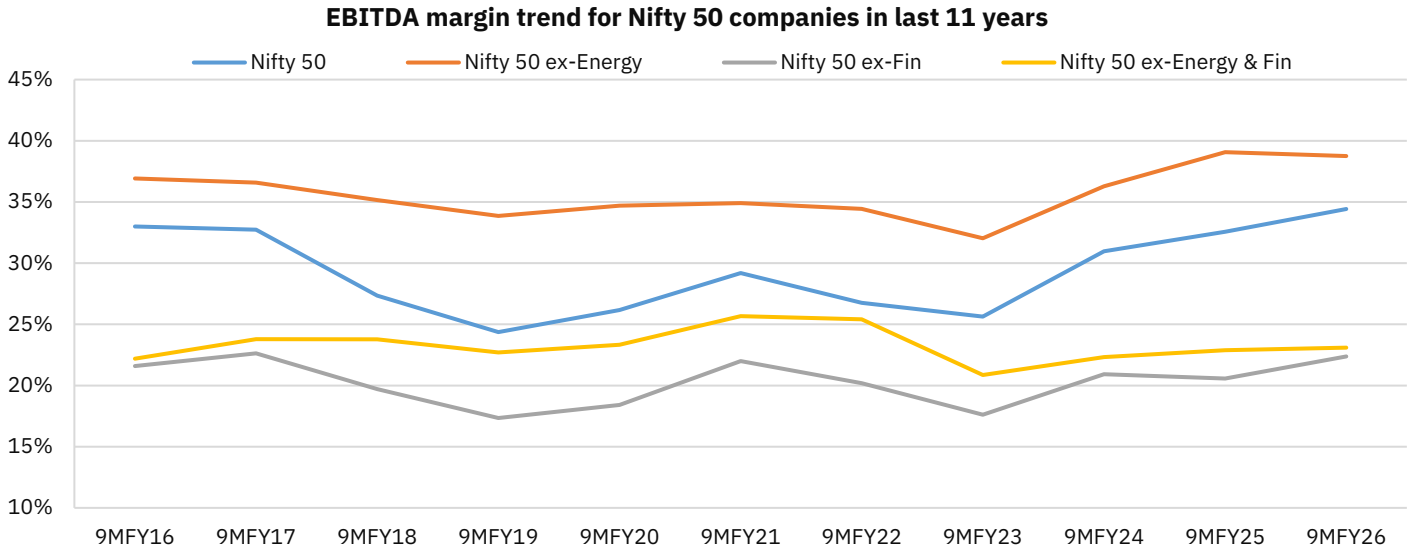
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Figure 16: Quarterly EBITDA margin trend of Nifty 50 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as on end of respective quarters.

Figure 17: Nine-month EBITDA margin trend for Nifty 50 over 11 Years (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as at the end of December 31st of the respective fiscal years.
2. EBITDA margin is calculated based on interim financial data.

Nifty 50 aggregate PAT growth strengthens in Q3FY26: In Q3 FY26, aggregate adjusted profit after tax (PAT) for Nifty 50 companies (excluding Tata Motors) rose 12.8% YoY and 10.6% QoQ to Rs 2.33 lakh crore, rebounding from sub-10% growth in Q2. While broadly aligned with revenue expansion, profit growth moderated from the stronger 16% YoY increase recorded in Q1, indicating some easing in momentum.

Profitability was tempered by persistent cost pressures. Raw material costs increased 13.6% YoY, staff expenses rose 10.3% YoY following implementation of the new Labour Code, and interest expenses climbed 2.6% YoY. Nevertheless, healthy top-line growth provided a partial offset, allowing net profit margins to edge up to 12.5%, expanding 3 bps YoY and 43 bps sequentially.

Sectorally, Materials emerged as the largest contributor to profit growth, accounting for nearly one-third of the YoY increase in PAT. The sector reported a sharp 113% YoY rise in profits, driven primarily by strong earnings in steel companies. Excluding steel, PAT growth remained solid at 23% YoY, supported by improved realisations.

Financials was the second-largest contributor, accounting for 29% of the YoY increase in aggregate PAT. The sector recovered from the decline seen in Q2, supported by stronger credit offtake, treasury gains and improved net interest margins. Sectoral PAT grew 10% YoY—its strongest in four quarters—and 6.5% QoQ, the highest sequential growth in five quarters.

Consumer Discretionary (excluding Tata Motors) also recorded a strong rebound, with PAT rising 24.7% YoY—the strongest in eight quarters—and 26.2% QoQ, the highest in thirteen quarters, aided by festive demand and operating leverage.

Excluding the three leading contributors—Materials, Financials and Consumer Discretionary—the remainder of the cohort registered a modest but positive 6.2% YoY increase in PAT, with sequential growth of 10% QoQ.

At the company level, 39 Nifty 50 constituents reported YoY PAT growth, with a median increase of 10%, while 35 recorded sequential gains in Q3 FY26 (compared with 36 and 23, respectively, in Q2), underscoring the broad-based improvement.

For 9M FY26, aggregate PAT rose 12.3% YoY to Rs 6.73 lakh crore, up from 11.4% in the corresponding period last year. PAT margins expanded 39 bps YoY to 12.6%, a multi-year high, as gains in operating efficiency more than offset prevailing cost pressures.

Table 7: Sector-wise PAT growth of Nifty 50 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	106.8	16.6	1.3	198.6	108.3	2.0	0.25	57.3
Consumer Discretionary	29.7	(56.1)	77.0	(0.3)	(45.2)	(25.2)	0.38	(22.1)
Consumer Staples	(5.6)	(5.0)	6.0	(4.1)	(0.2)	12.0	0.27	5.1
Energy	13.3	(23.5)	6.2	2.1	9.8	2.9	1.31	14.8
Financials	(3.6)	(1.1)	6.5	23.2	(0.4)	10.1	2.38	6.3
Health Care	6.9	5.3	(1.2)	18.4	5.4	(2.6)	0.20	3.3
Industrials	22.1	(46.1)	89.4	(9.6)	(26.4)	14.1	0.30	(1.0)
Information Technology	7.3	4.6	4.4	9.8	11.8	8.8	0.88	8.6
Materials	(5.6)	(5.7)	23.5	(32.7)	62.8	113.0	0.45	68.1
Utilities	(1.5)	(9.7)	11.3	(2.2)	(4.2)	8.3	0.28	2.7
Nifty 50	**6.9**	**(11.7)**	**12.1**	**9.6**	**3.8**	**8.9**	**6.70**	**9.2**
Nifty 50 ex-Energy	**5.5**	**(8.4)**	**13.5**	**11.5**	**2.4**	**10.2**	**5.39**	**8.0**
Nifty 50 ex-Financials	**13.6**	**(17.0)**	**15.5**	**3.4**	**6.4**	**8.2**	**4.33**	**10.9**
Nifty 50 ex-energy ex-fin	**13.7**	**(13.9)**	**19.5**	**4.0**	**5.0**	**10.3**	**3.01**	**9.3**
Nifty 50 ex-Tata Motors	**5.9**	**(8.1)**	**10.6**	**10.8**	**7.9**	**12.8**	**6.73**	**12.3**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 50 index as December 31st, 2025.

Table 8: Sector-wise PAT margin of Nifty 50 companies in Q3FY26

Sector	PAT Margin (%)	QoQ change (bps)	YoY change (bps)
Communication Services	16.2	(36)	(280)
Consumer Discretionary	5.6	211	(191)
Consumer Staples	19.6	74	73
Energy	8.9	5	(24)
Financials	17.6	(43)	(87)
Health Care	16.8	(45)	(205)
Industrials	8.8	362	26
Information Technology	16.6	21	17
Materials	6.8	115	317
Utilities	16.8	117	75
Nifty 50	**11.9**	**61**	**(4)**
Nifty 50 ex-Energy	**12.9**	**78**	**(2)**
Nifty 50 ex-Financials	**10.1**	**87**	**7**
Nifty 50 ex-energy ex-fin	**10.7**	**125**	**21**
Nifty 50 ex-Tata Motors	**12.5**	**43**	**3**

Source: CMIE Prowess, LSEG Workspace, NSE EPR. Note: The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Table 9: Sector-wise PAT margin of Nifty 50 companies in 9MFY26

Sector	PAT Margin (%)	YoY change (bps)
Communication Services	16.0	334
Consumer Discretionary	5.5	(176)
Consumer Staples	19.3	(22)
Energy	9.7	89
Financials	17.7	(27)
Health Care	17.2	(111)
Industrials	7.9	(80)
Information Technology	16.5	44
Materials	6.3	210
Utilities	16.4	#DIV/0!
Nifty 50	**12.0**	34
Nifty 50 ex-Energy	**12.7**	**26**
Nifty 50 ex-Financials	**10.1**	**3**
Nifty 50 ex-energy ex-fin	**10.4**	**41**
Nifty 50 ex-Tata Motors	**12.6**	**16**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 18: Sector-wise PAT growth of Nifty 50 companies in Q3FY26

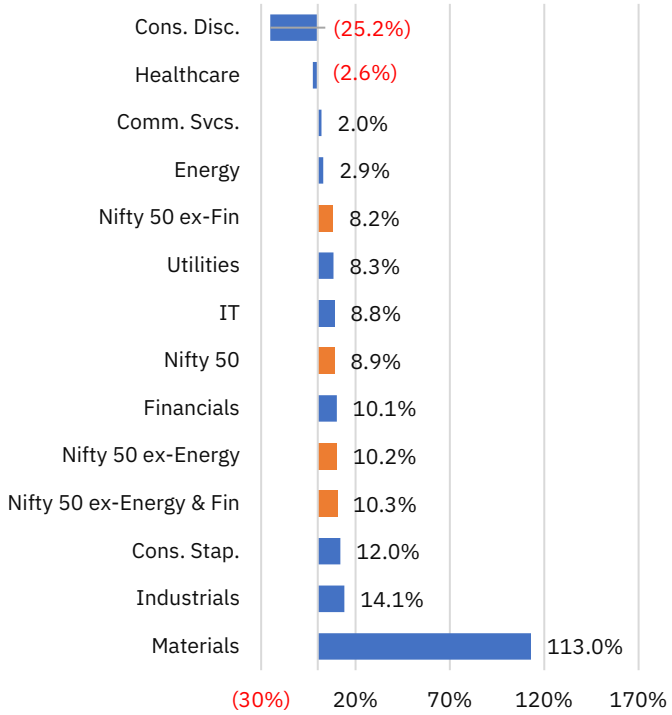
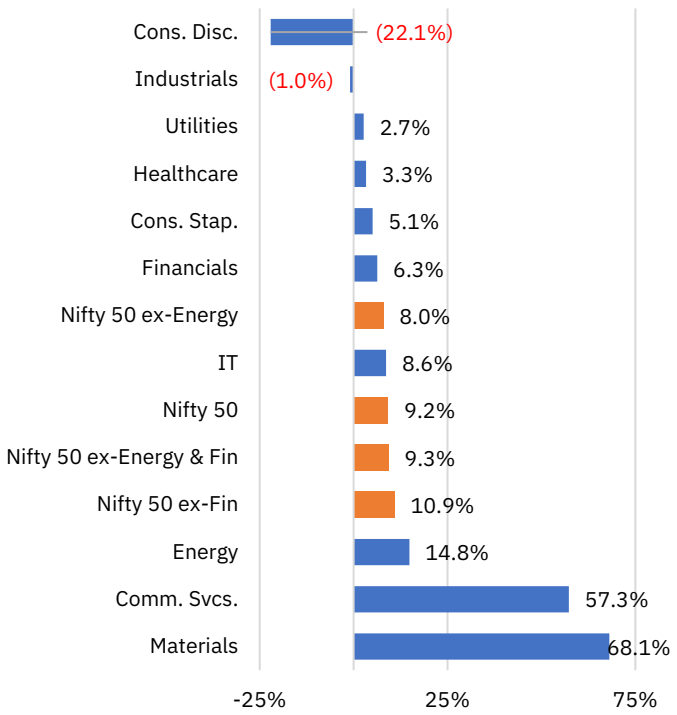


Figure 19: Sector-wise PAT growth of Nifty 50 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 20: Sector-wise PAT margin of Nifty 50 companies in Q3FY26

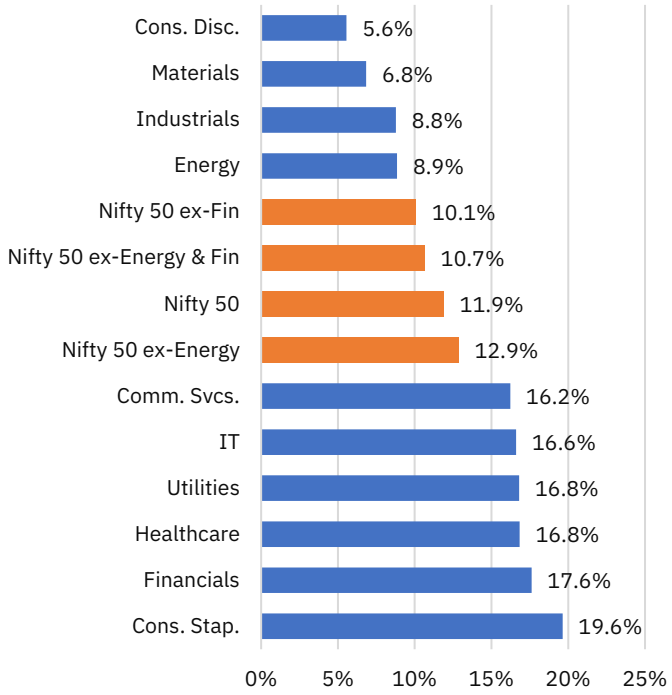
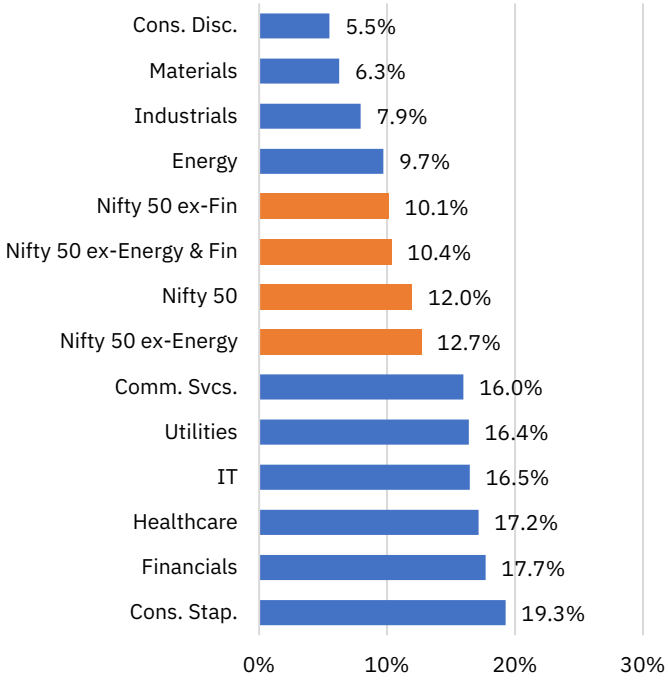


Figure 21: Sector-wise PAT margin of Nifty 50 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 50 index as on December 31st, 2025.

Table 10: Sector-wise contribution of Nifty 50 companies to PAT growth rate in Q3FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	8,760	0.1	0.1
Consumer Discretionary	13,386	2.8	(2.1)
Consumer Staples	9,281	0.3	0.5
Energy	41,370	1.2	0.6
Financials	82,250	2.5	3.6
Health Care	6,718	(0.0)	(0.1)
Industrials	11,994	2.7	0.7
Information Technology	30,627	0.6	1.2
Materials	16,720	1.5	4.2
Utilities	9,784	0.5	0.4
Nifty 50	**2,30,889**	**12.1**	**8.9**
Nifty 50 ex-Energy	**1,89,519**	**10.9**	**8.3**
Nifty 50 ex-Financials	**1,48,639**	**9.7**	**5.3**
Nifty 50 ex-energy ex-fin	**1,07,269**	**8.5**	**4.7**
Nifty 50 ex-Tata Motors	**2,32,855**	**10.8**	**12.4**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 50 index as on December 31st, 2025.

Figure 22: Sector-wise share in PAT of Nifty 50 companies in Q3FY26

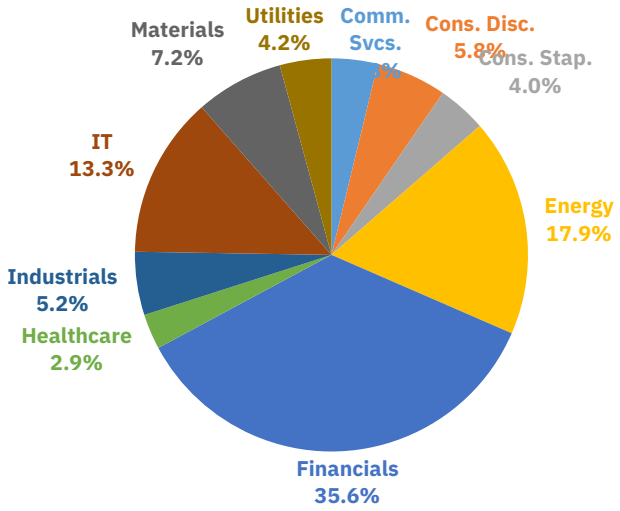
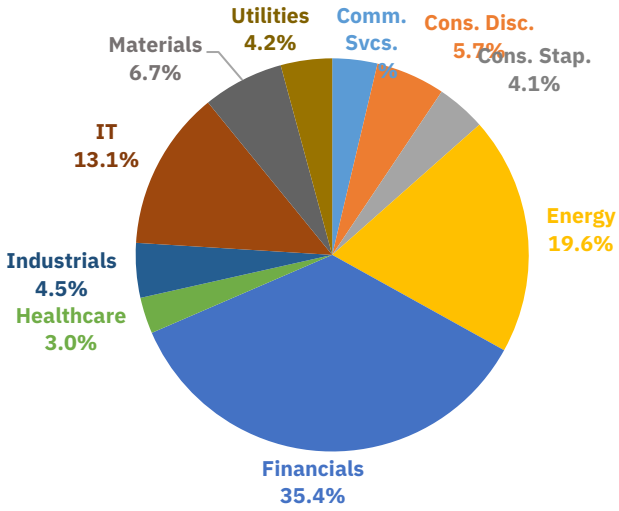
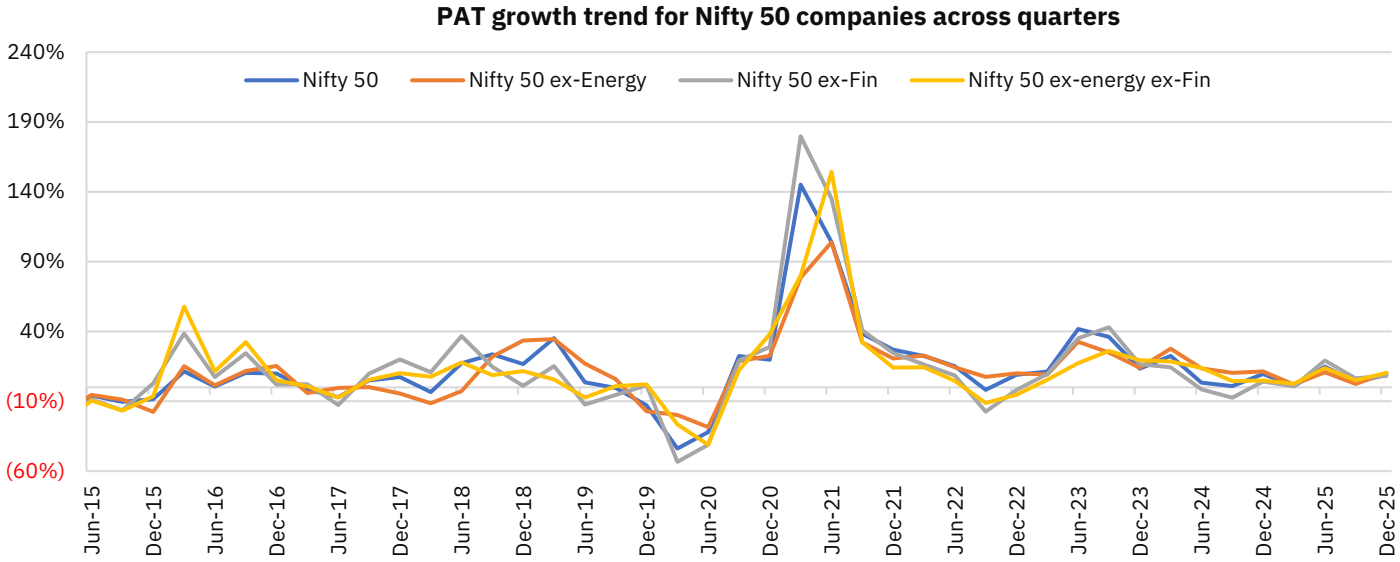


Figure 23: Sector-wise share in PAT of Nifty 50 companies in 9MFY26



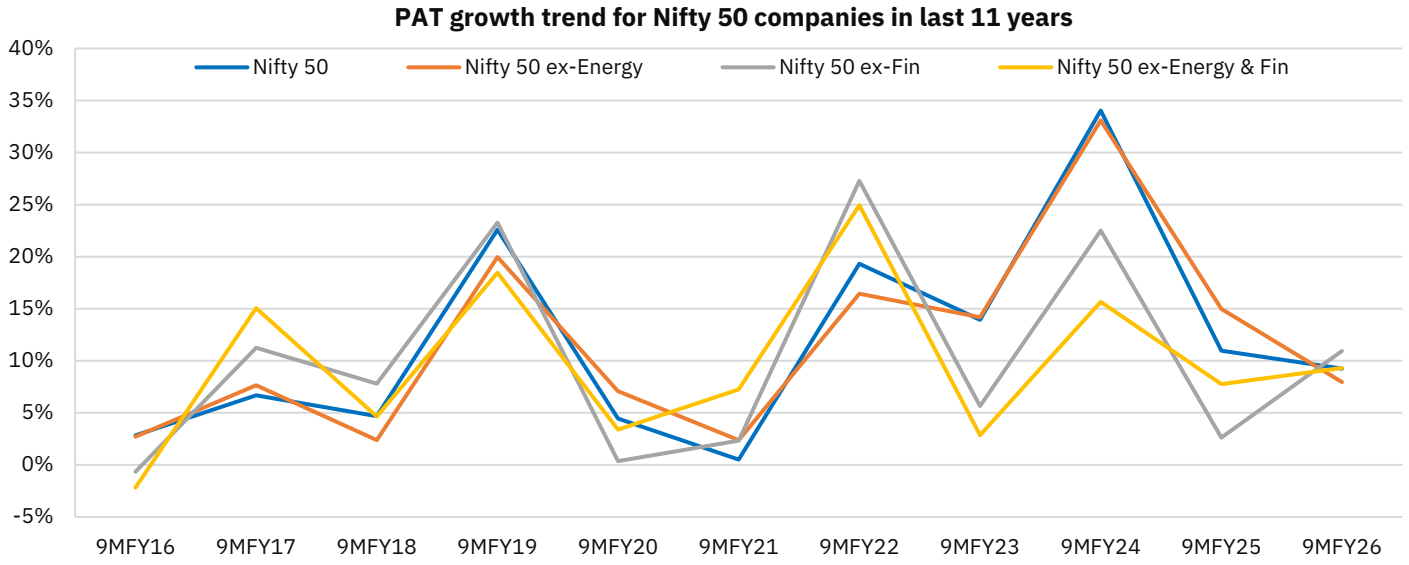
Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on December 31st, 2025.

Figure 24: Quarterly trend of Nifty 50 PAT growth (YoY)



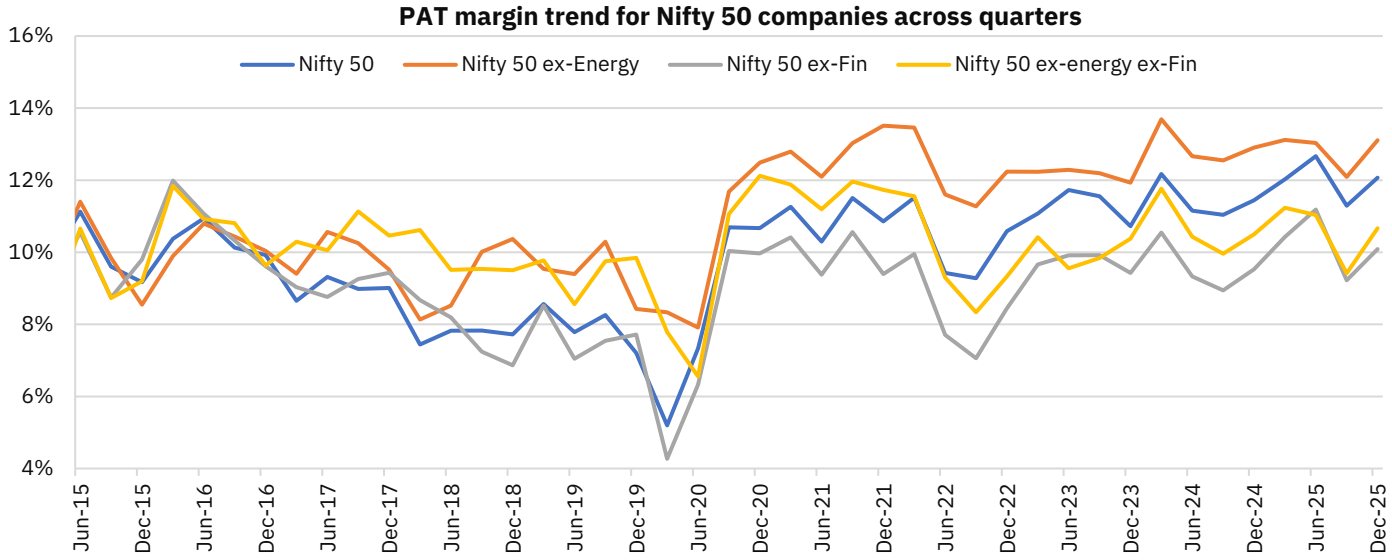
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as on end of respective quarters.

Figure 25: Nine-month PAT growth trend for Nifty 50 over 11 Years (YoY)



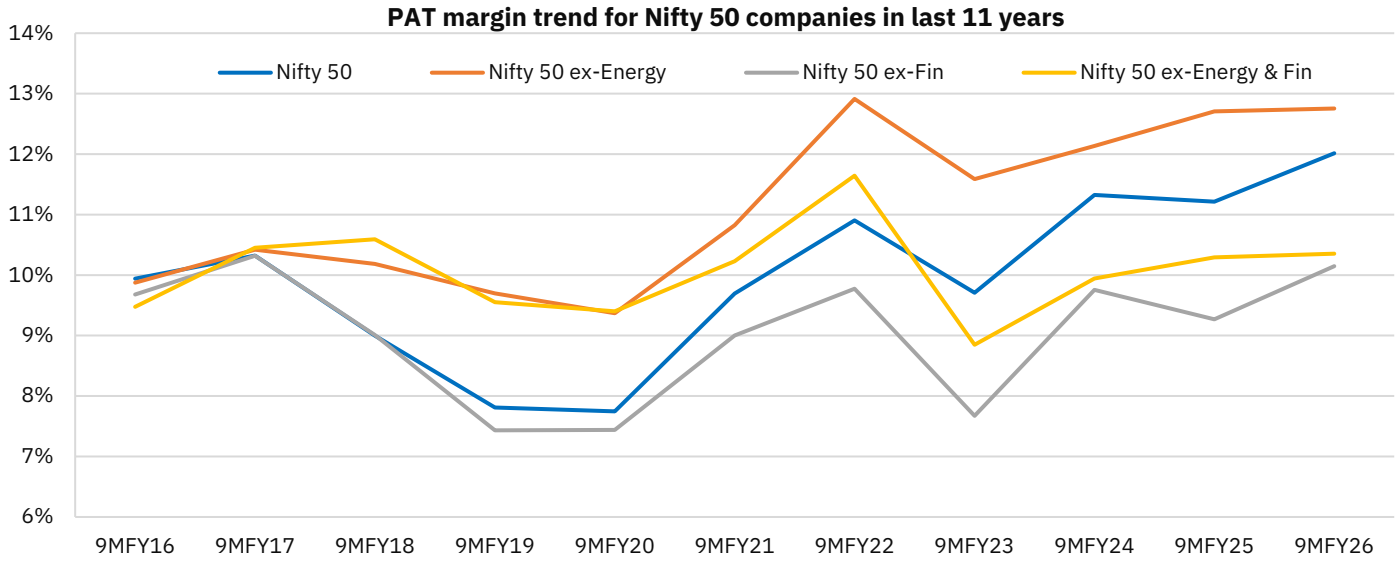
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Figure 26: Quarterly trend of Nifty 50 PAT margin



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 50 index as on end of respective quarters.
2. Nifty 50 data for Sep-25 quarter excludes Tata Motors Ltd., which underwent a demerger on October 1st, 2025.

Figure 27: Nine-month PAT margin trend for Nifty 50 over 11 Years (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR

Note: 1. The above chart includes companies in the Nifty 50 index as at the end of December 31st of the respective fiscal years.

2. PAT margin is calculated based on interim financial data.

Nifty 500 Q3FY26 results

Topline YoY growth for Nifty 500 reached an 11-quarter high in Q3 FY26: Net sales for the Nifty 500 universe (excluding Tata Motors) rose 11.1% YoY, accelerating from 6.6% in Q2 and signalling a clear improvement in revenue momentum. Sequential growth strengthened to 5.5%, up from 0.9%, supported by festive-led discretionary spending.

The recovery extended beyond large caps. Excluding Nifty 50 constituents, the rest of the Nifty 500 recorded 10% YoY growth, with a median expansion of 12.2%—the strongest in 11 quarters—alongside 4.5% sequential growth. This underscores broad-based improvement across the wider market.

Across segments, contributions were relatively well distributed. The Nifty Next 50 posted 6.8% YoY revenue growth, contributing 16% to aggregate Nifty 500 expansion. The broader market outperformed: the Nifty Midcap 150 and Nifty Smallcap 250 delivered YoY growth of 14% and 10%, contributing 25% and 10%, respectively. Meanwhile, Nifty 50 companies (excluding Tata Motors) recorded 12.5% YoY growth, accounting for 49% of overall Nifty 500 revenue expansion, reflecting the continued weight of large caps in aggregate growth.

Breadth improved in Q3, with 425 companies reporting YoY revenue growth and 354 posting sequential gains, compared with 395 and 358, respectively, in Q2. However, on a cumulative basis, net sales of Nifty 500 companies excluding the Nifty 50 grew 7.4% YoY to Rs 68.3 lakh crore in 9M FY26—unchanged from the pace a year earlier—indicating that full-year growth outside large caps has remained steady despite the recent quarterly acceleration.

Median revenue growth improved across all segments. For the Nifty 50, it rose from 10% to 11.1%; for the Nifty Next 50, from 8.4% to 11.6%. Mid- and small-caps showed stronger gains, with median growth for the Nifty Midcap 150 increasing from 10.3% to 11.8%, and for the Nifty Smallcap 250 from 9.8% to 12.5%.

Sectorally, Financials emerged as the largest growth driver within the Nifty 500 excluding Nifty 50 cohort, contributing 41% to revenue expansion, compared with 30% within the Nifty 50 segment. Growth was supported by steady credit offtake, treasury gains and improved recoveries. Consumer Discretionary and Energy contributed 12.6% and 12.3%, respectively. Consumer Discretionary posted its strongest growth in five quarters, led by festive demand, while Energy recorded its highest expansion in 11 quarters, aided by higher refining margins, improved LPG recoveries, stronger demand and a favourable base.

Other sectors showing improved revenue momentum included Realty, Healthcare, IT and Industrials. In contrast, Materials—despite strong performance within the Nifty 50—saw growth moderate to 3.7% among broader Nifty 500 companies (excluding Nifty 50), marking a five-quarter low and suggesting that sectoral strength was concentrated in large-cap names.

Table 11: Sector-wise net sales growth of Nifty 500 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	5.6	4.9	2.5	13.0	17.1	13.7	2.65	16.1
Consumer Discretionary	6.6	(2.0)	7.9	11.5	5.2	6.6	13.16	6.8
Consumer Staples	2.2	(0.8)	3.9	11.7	8.8	10.7	4.26	10.7
Energy	6.9	(3.0)	9.4	(0.5)	3.2	5.6	27.71	2.6
Financials	(6.3)	(1.2)	5.0	2.1	2.1	14.4	34.85	8.2
Health Care	0.5	4.4	3.5	8.2	10.6	13.9	3.63	11.7
Industrials	7.5	5.4	9.5	10.5	10.5	12.9	9.05	10.5
Information Technology	2.3	5.2	4.8	9.1	7.6	10.2	8.01	8.4
Materials	3.0	4.4	(0.6)	5.8	12.5	8.5	15.04	9.4
Real Estate	10.4	0.1	15.0	32.8	13.0	17.7	0.48	19.7
Utilities	(1.1)	(2.7)	(4.3)	5.3	3.9	0.5	5.47	2.0
Nifty 500	**1.6**	**0.1**	**5.4**	**4.8**	**5.7**	**9.6**	**124.32**	**7.2**
Nifty 500 ex-Energy	**0.1**	**1.0**	**4.2**	**6.5**	**6.4**	**10.9**	**96.61**	**8.5**
Nifty 500 ex-Financials	**4.8**	**0.6**	**5.5**	**5.8**	**7.2**	**7.9**	**89.47**	**6.8**
Nifty 500 ex-energy ex-fin	**3.9**	**2.2**	**3.8**	**9.1**	**9.0**	**9.0**	**61.75**	**8.7**
Nifty 500 ex-Tata Motors	**1.3**	**0.9**	**5.5**	**4.8**	**6.6**	**11.1**	**121.85**	**8.0**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 500 index as on December 31st, 2025.

Figure 28: Sector-wise net sales YoY growth of Nifty 500 companies in Q3FY26

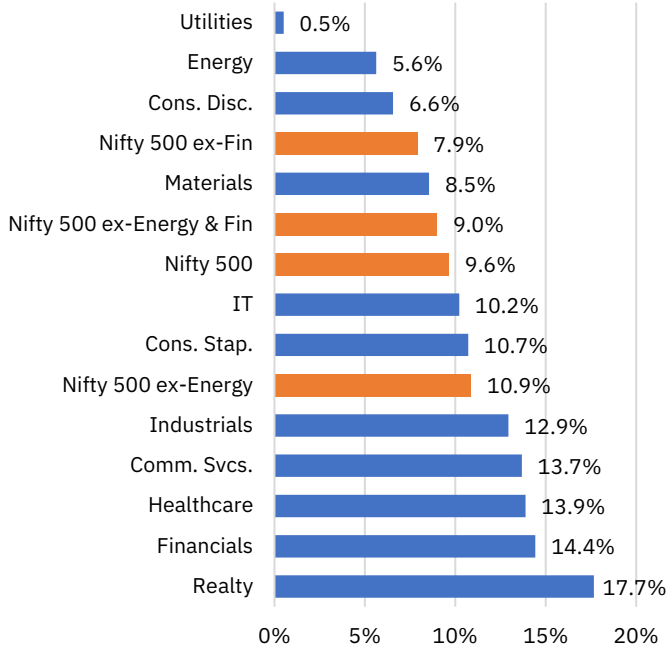
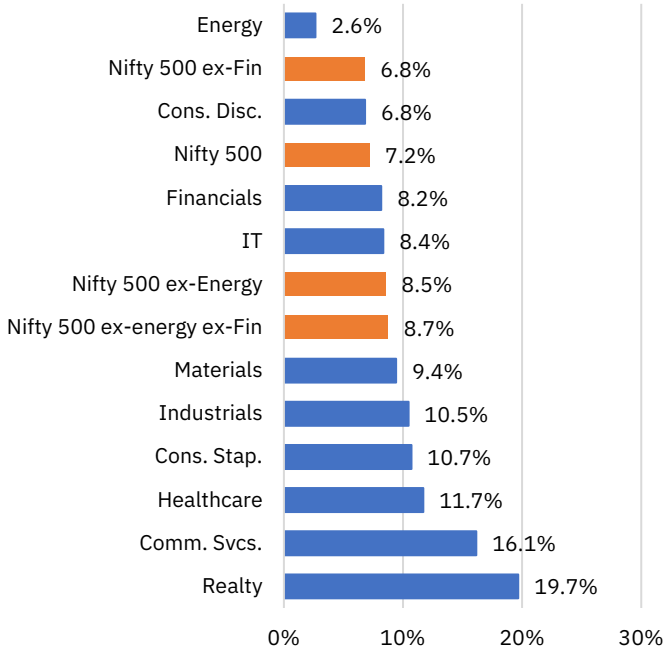


Figure 29: Sector-wise net sales YoY growth of Nifty 500 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31st, 2025.

Table 12: Sector-wise contribution of Nifty 500 companies to net sales growth in Q3FY26

Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	91,238	0.1	0.3
Consumer Discretionary	4,58,186	0.8	0.7
Consumer Staples	1,45,363	0.1	0.4
Energy	9,70,437	2.1	1.3
Financials	11,95,345	1.4	3.8
Health Care	1,25,555	0.1	0.4
Industrials	3,28,121	0.7	1.0
Information Technology	2,79,773	0.3	0.7
Materials	5,08,067	-0.1	1.0
Real Estate	17,651	0.1	0.1
Utilities	1,75,426	-0.2	0.0
Nifty 500	**42,95,160**	**5.4**	**9.6**
Nifty 500 ex-Energy	**33,24,723**	**3.3**	**8.3**
Nifty 500 ex-Financials	**30,99,815**	**4.0**	**5.8**
Nifty 500 ex-energy ex-fin	**21,29,378**	**1.9**	**4.5**
Nifty 500 ex-Tata Motors	**42,25,052**	**5.4**	**10.8**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Table 13: Sector-wise net sales growth of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	1.8	4.1	1.1	6.0	6.8	6.1	1.10	6.2
Consumer Discretionary	2.5	3.6	5.9	12.5	10.4	14.2	6.20	11.6
Consumer Staples	6.0	0.4	4.9	15.7	13.3	12.2	2.85	13.1
Energy	8.7	(5.8)	13.3	(4.0)	1.2	5.5	14.19	1.2
Financials	(6.7)	0.9	2.5	1.8	3.5	13.7	21.43	8.3
Health Care	(0.4)	3.9	4.6	6.1	10.7	16.2	2.46	12.5
Industrials	6.2	7.5	8.2	12.3	11.7	14.6	5.26	11.5
Information Technology	5.4	7.1	8.3	19.5	12.3	15.5	2.66	14.1
Materials	3.6	5.7	(3.5)	8.3	11.4	3.7	7.91	7.4
Real Estate	10.4	0.1	15.0	32.8	13.0	17.7	0.48	19.7
Utilities	(1.9)	(2.4)	(7.8)	6.2	5.5	(0.9)	3.74	2.6
Nifty 500	**1.1**	**0.9**	**4.5**	**4.5**	**6.3**	**10.0**	**68.28**	**7.4**
Nifty 500 ex-Energy	**(0.8)**	**2.7**	**2.4**	**7.2**	**7.7**	**11.3**	**54.09**	**9.2**
Nifty 500 ex-Financials	**4.9**	**0.9**	**5.5**	**5.7**	**7.7**	**8.4**	**46.85**	**7.0**
Nifty 500 ex-energy ex-fin	**3.2**	**4.0**	**2.3**	**11.0**	**10.6**	**9.7**	**32.66**	**9.8**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 500 index as on December 31st, 2025 and excludes Nifty 50 companies.

Figure 30: Sector-wise net sales YoY growth of Nifty 500 companies (ex-Nifty 50) in Q3FY26

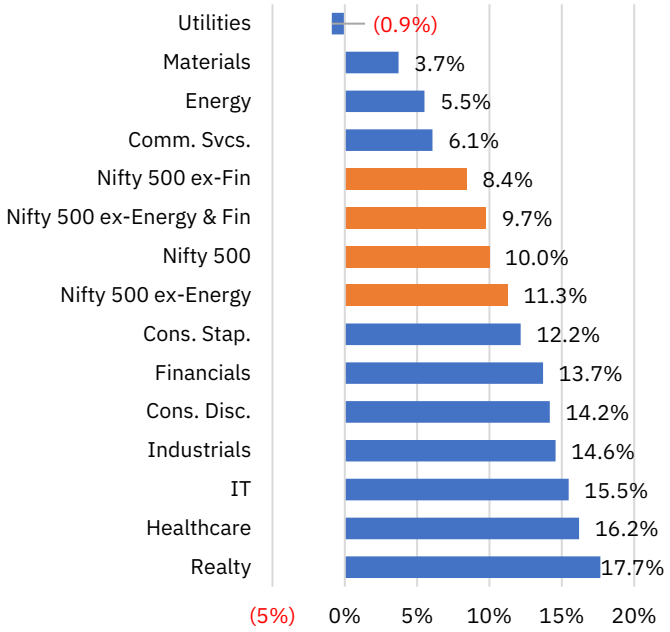
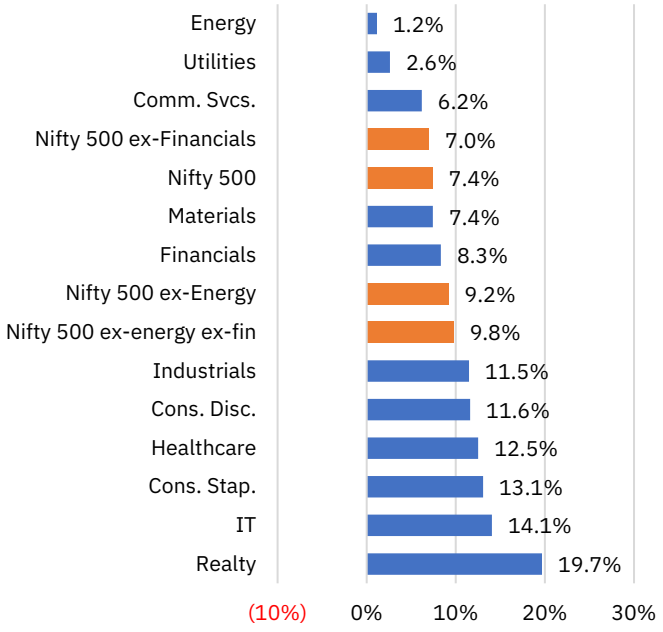


Figure 31: Sector-wise net sales YoY growth of Nifty 500 companies (ex-Nifty50) in 9MFY26



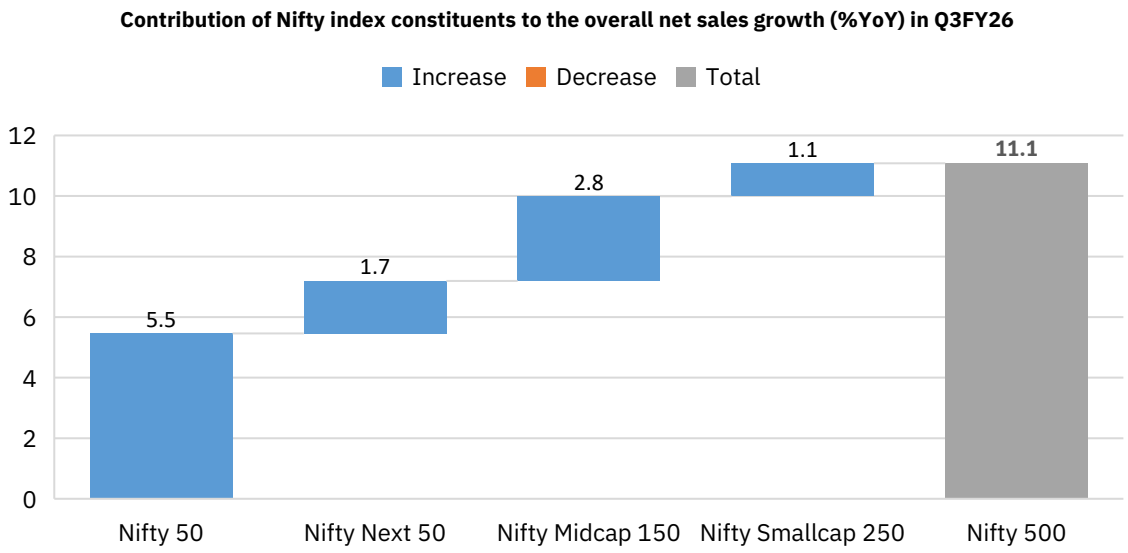
Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31st, 2025 and excludes Nifty 50 companies.

Table 14: Sector-wise contribution of Nifty 500 companies (ex-Nifty 50) to net sales growth in Q3FY26

Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	37,256	0.0	0.1
Consumer Discretionary	2,17,199	0.5	1.3
Consumer Staples	98,096	0.2	0.5
Energy	5,03,185	2.6	1.2
Financials	7,28,412	0.8	4.1
Health Care	85,661	0.2	0.6
Industrials	1,91,521	0.6	1.1
Information Technology	95,386	0.3	0.6
Materials	2,63,544	-0.4	0.4
Real Estate	17,651	0.1	0.1
Utilities	1,17,185	-0.4	-0.0
Nifty 500	**23,55,096**	**4.5**	**10.0**
Nifty 500 ex-Energy	**18,51,910**	**1.9**	**8.8**
Nifty 500 ex-Financials	**16,26,684**	**3.8**	**5.9**
Nifty 500 ex-energy ex-fin	**11,23,498**	**1.1**	**4.7**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 32: Share of Nifty index constituents in overall net sales growth of Nifty 500 universe in Q3FY26



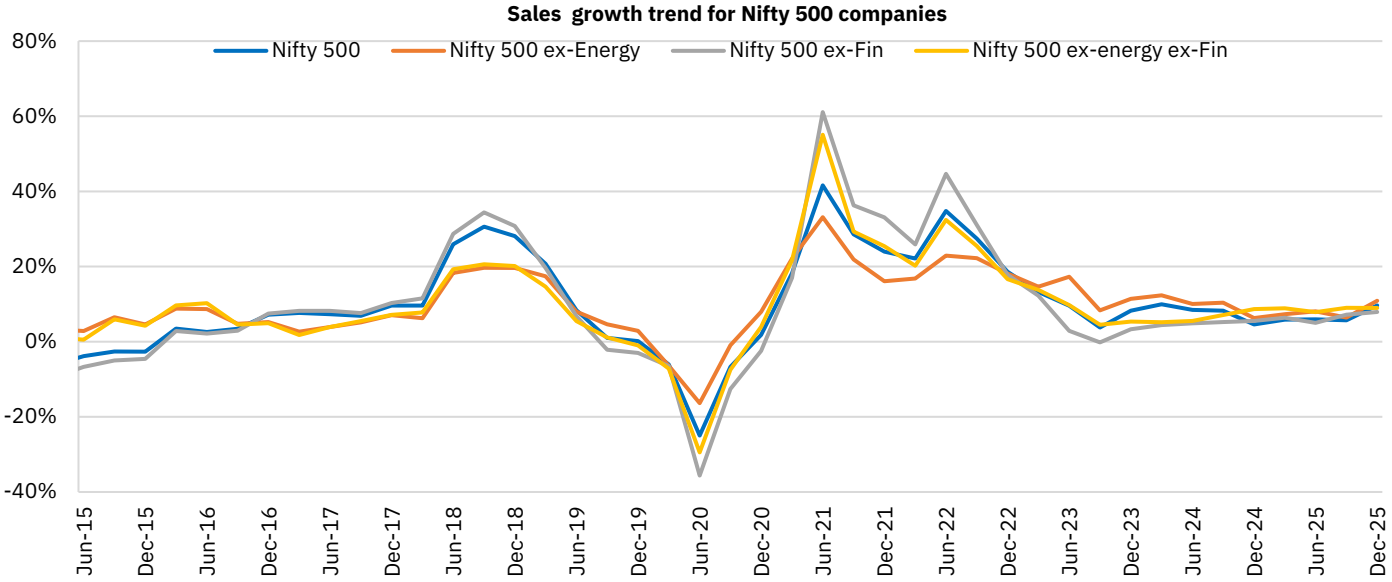
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above chart provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Tata Motors Ltd.

Table 15: Segment-wise distribution of companies based on YoY aggregate and median topline growth in Q3FY26

Index	<=0%	0% - 10%	10% -20%	20% - 30%	30% - 40%	40% - 50%	> 50%	Median
Nifty 50	1	19	15	9	0	1	4	11.1%
Nifty Next 50	5	15	20	4	3	0	2	11.6%
Nifty Midcap 150	17	47	48	18	2	4	13	11.8%
Nifty Smallcap 250	48	52	69	43	13	12	12	12.5%
Nifty 500	**71**	**133**	**152**	**74**	**18**	**17**	**31**	**12.2%**

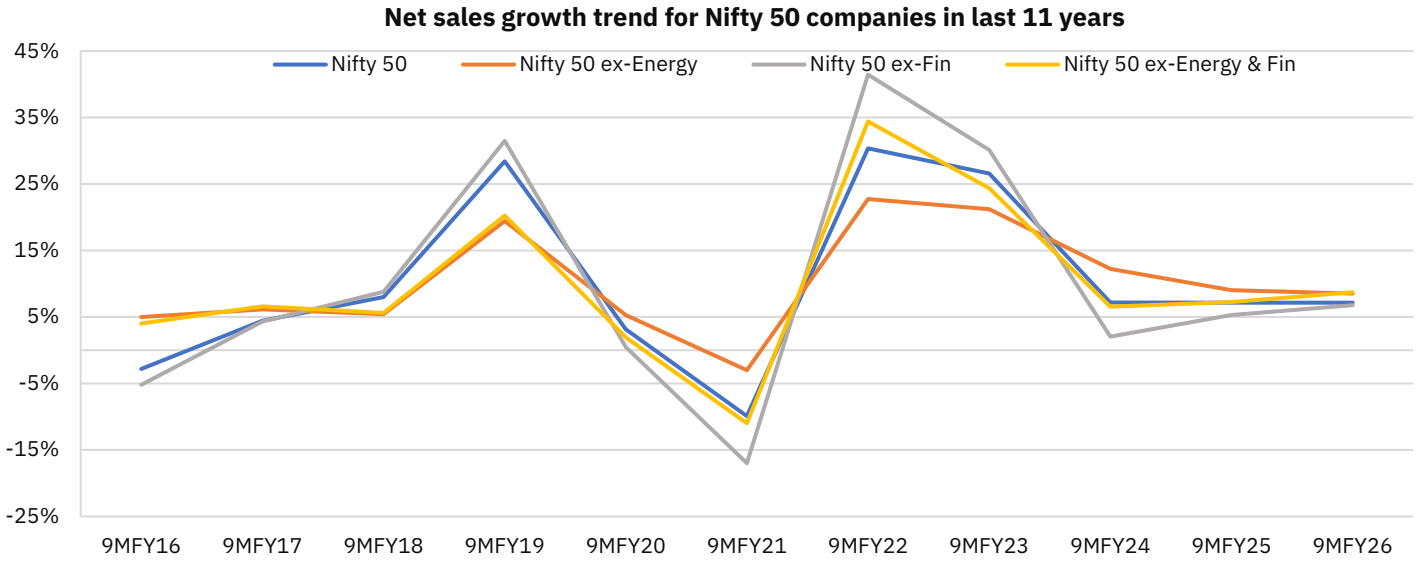
Source: CMIE Prowess, LSEG Workspace, NSE
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Tata Motors.

Figure 33: Quarterly trend of Nifty 500 revenue growth (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

Figure 34: Nine-month revenue growth trend for Nifty 500 over 11 Years (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Energy sector drove EBITDA growth in Q3 for the broader Nifty 500 universe: After peaking at a seven-quarter high of 24.2% YoY in September 2025, EBITDA growth for the Nifty 500 (excluding Financials and Nifty 50 constituents) moderated to 16.5% YoY in Q3 FY26. Despite the deceleration, growth remained stronger than the 11.3% YoY expansion recorded by the Nifty 50. EBITDA growth also exceeded net sales growth of 8.4% YoY, indicating improved operating leverage at the aggregate level.

That said, Q3 performance was uneven across sectors. The Energy sector was the dominant contributor, accounting for nearly two-thirds of the YoY increase in EBITDA. Profitability was supported by lower crude prices, reduced under-recoveries on subsidised LPG, stronger refining margins and firm demand. Operating margins in the sector rose to a nine-year high of 11.1%, expanding 484 bps YoY and 106 bps QoQ, highlighting the sharp recovery in earnings. Excluding Energy, EBITDA growth for the non-financial Nifty 500 (ex-Nifty 50) moderated to 6.2% YoY and contracted marginally by 0.2% sequentially.

All sectors except Materials reported YoY EBITDA growth within the Nifty 500 (ex-Nifty 50) universe. This stands in contrast to the strong performance of Materials within the Nifty 50, suggesting that the sectoral strength was concentrated among large-cap companies. Other sectors each contributed less than 10% to aggregate EBITDA growth, as elevated input and operating costs continued to constrain profitability.

Overall margins improved despite the concentration in earnings growth. EBITDA margins for the Nifty 500 (ex-Nifty 50) expanded 117 bps YoY to 16.8%, although they declined 22 bps sequentially, reflecting quarter-on-quarter cost pressures. Within this cohort, 276 of 366 non-financial companies reported YoY EBITDA growth, while 222 delivered sequential gains.

For 9M FY26, EBITDA growth rebounded to 18.3% YoY, compared with just 0.9% in the corresponding period last year. Operating margins rose 161 bps YoY to a four-year high of 16.8%, reflecting cost rationalisation and improved efficiency. However, margin performance remained superior among Nifty 50 companies, where operating margins

stood at 23%, underscoring the stronger pricing power and cost management capabilities of large-cap firms relative to the broader universe.

Figure 35: Change in expenses for Nifty 500 companies excluding Financials in Q3FY26

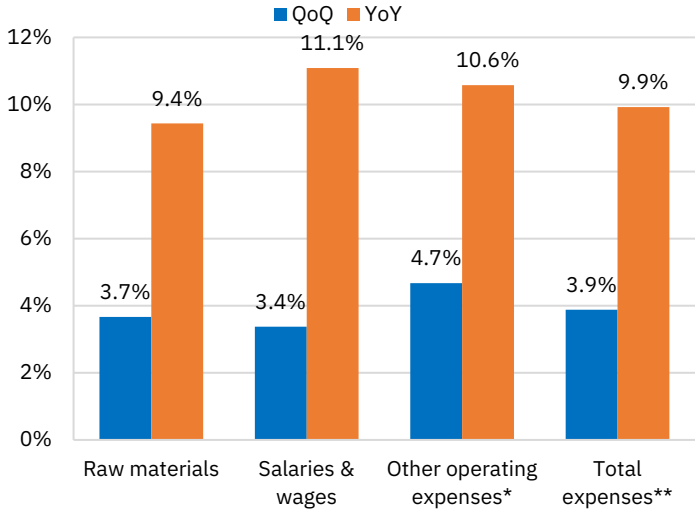
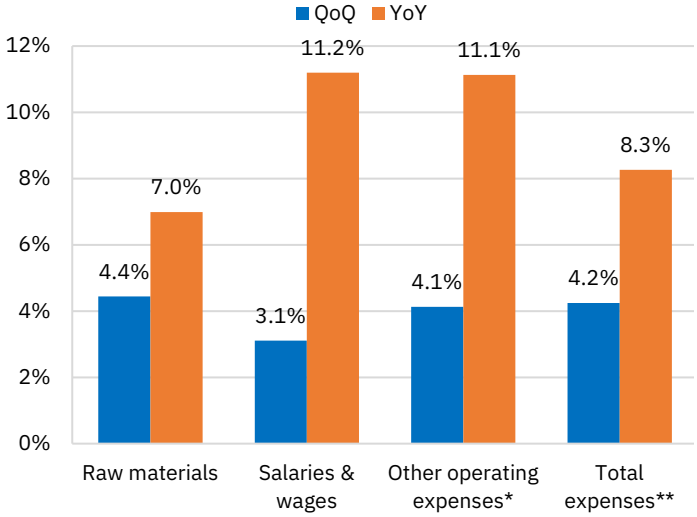


Figure 36: Change in expenses for Nifty 500 companies excluding Financials (ex-Nifty 50) in Q3FY26



Source: CMIE Prowess, LSEG workspace, NSE.
Note: 1. The above charts provides data for companies in the Nifty 500 index as on December 31st, 2025, and excludes Tata Motors Ltd. which underwent a demerger on October 1st, 2025.
2. *Other operating expenses include selling, general & administrative expenses, rental expenses, and other operating costs.
3. ** Total expenses exclude interest expenses and depreciation.

Table 16: Sector-wise EBITDA growth of Nifty 500 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	11.7	5.9	4.3	21.0	22.5	14.4	1.34	20.5
Consumer Discretionary	8.3	(18.0)	19.1	5.5	(13.9)	(5.3)	1.72	-6.4
Consumer Staples	(1.7)	(2.1)	3.3	2.9	3.2	8.3	0.77	4.2
Energy	22.0	(5.7)	10.2	(1.4)	37.1	23.9	4.23	28.4
Financials	1.3	(1.9)	2.9	14.5	5.6	7.3	20.75	8.3
Health Care	(0.6)	6.9	(1.0)	15.5	13.5	12.9	0.98	11.0
Industrials	24.3	1.1	14.4	29.7	15.8	7.0	1.84	11.6
Information Technology	5.1	4.6	4.8	11.0	10.8	10.5	1.74	10.2
Materials	5.6	(1.1)	(2.7)	8.1	17.8	8.7	2.78	14.2
Real Estate	24.7	13.9	(2.7)	31.4	46.9	14.7	0.19	22.5
Utilities	(8.5)	0.3	(6.3)	3.1	4.7	7.3	1.82	5.8
Nifty 500	**4.7**	**(2.0)**	**4.0**	**11.8**	**9.6**	**8.9**	**38.16**	**10.4**
Nifty 500 ex-Energy	**3.1**	**(1.5)**	**3.3**	**13.5**	**7.1**	**7.3**	**33.93**	**8.5**
Nifty 500 ex-Financials	**9.3**	**(2.1)**	**5.4**	**8.6**	**15.0**	**10.9**	**17.41**	**13.0**
Nifty 500 ex-energy ex-fin	**6.1**	**(0.9)**	**3.9**	**11.8**	**9.5**	**7.3**	**13.18**	**20.5**
Nifty 500 ex-fin ex-Tata Motors	**9.3**	**0.0**	**4.9**	**9.4**	**18.3**	**13.6**	**17.27**	**15.6**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Notes: 1. The above table provides data for companies in the Nifty 500 index as on December 31st, 2025.

Table 17: EBITDA margin of Nifty 500 companies in Q3FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	51.4	89	33
Consumer Discretionary	13.1	123	(165)
Consumer Staples	17.8	(12)	(39)
Energy	15.2	11	224
Financials	58.6	(121)	(392)
Health Care	26.3	(121)	(23)
Industrials	20.6	89	(115)
Information Technology	21.7	(0)	6
Materials	17.9	(39)	2
Real Estate	37.7	(686)	(99)
Utilities	33.2	(69)	209
Nifty 500	**30.2**	**(39)**	**(20)**
Nifty 500 ex-Energy	**34.6**	**(33)**	**(117)**
Nifty 500 ex-Financials	**19.3**	**(3)**	**53**
Nifty 500 ex-energy ex-fin	**21.1**	**1**	**(34)**
Nifty 500 ex-Fin ex-Tata Motors	**19.6**	**(16)**	**66**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Table 18: EBITDA margin of Nifty 500 companies in 9MFY26

Sector	EBITDA Margin	YoY change (bps)
Communication Services	50.7	183
Consumer Discretionary	13.1	(185)
Consumer Staples	18.0	(113)
Energy	15.3	306
Financials	59.5	8
Health Care	26.9	(16)
Industrials	20.3	21
Information Technology	21.7	37
Materials	18.5	78
Real Estate	40.3	92
Utilities	33.3	120
Nifty 500	**30.7**	**91**
Nifty 500 ex-Energy	**35.1**	**0**
Nifty 500 ex-Financials	**19.5**	**108**
Nifty 500 ex-energy ex-fin	**21.3**	**3**
Nifty 500 ex-Fin ex-Tata Motors	**19.9**	**131**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Figure 37: Sector-wise EBITDA growth of Nifty 500 companies in Q3FY26

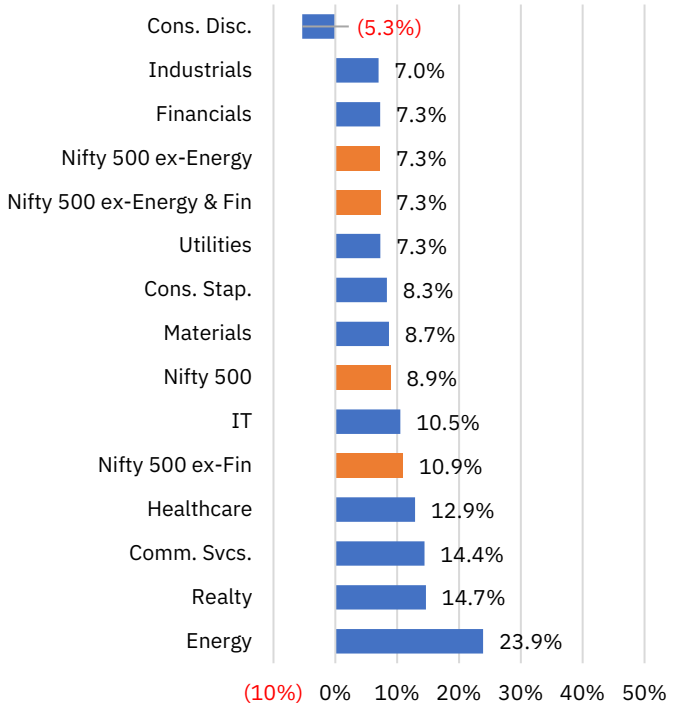
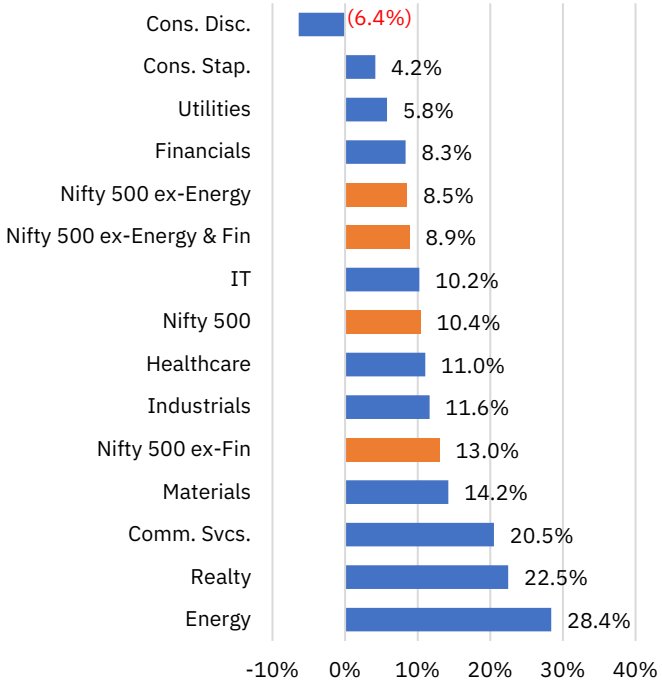


Figure 38: Sector-wise EBITDA growth of Nifty 500 companies in 9MFY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above charts provide data for companies in the Nifty 500 index as of December 31st, 2025.

Figure 39: Sector-wise EBITDA margin of Nifty 500 companies in Q3FY26

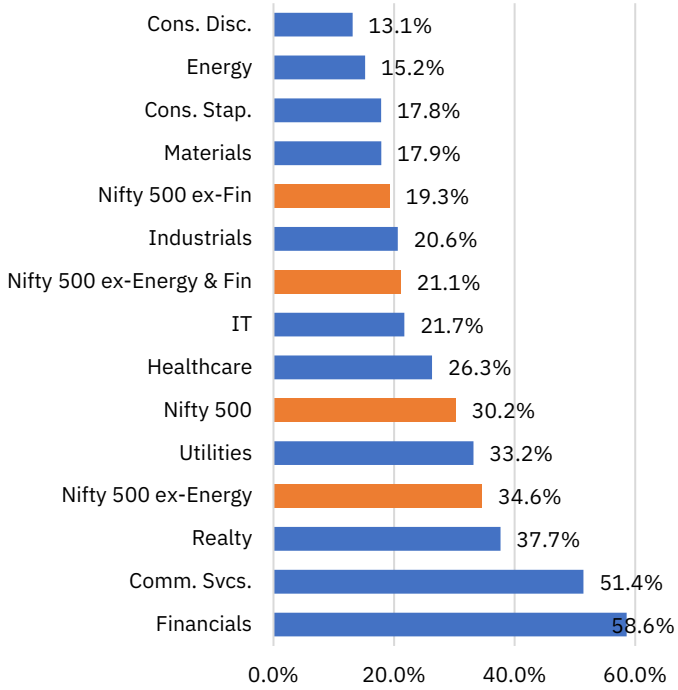
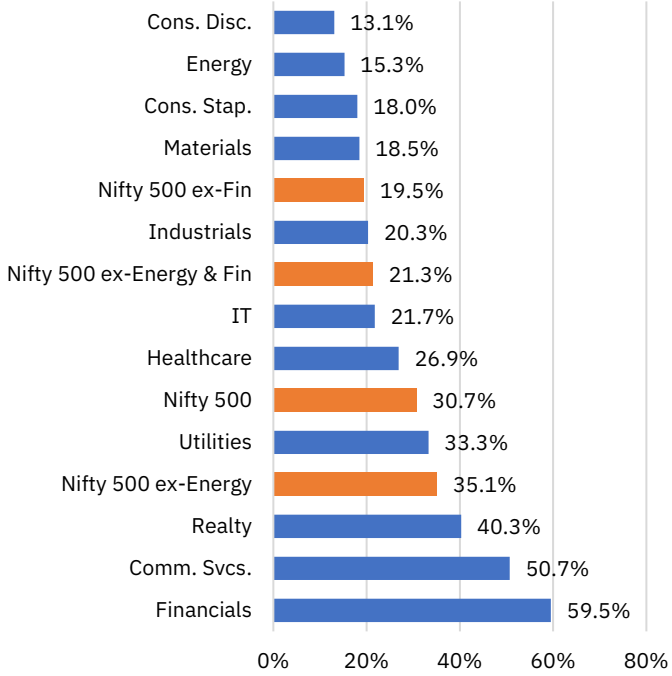


Figure 40: Sector-wise EBITDA margin of Nifty 500 companies in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31st, 2025.

Table 19: Sector-wise contribution of Nifty 500 companies (ex-Financials) to EBITDA growth rate in Q3FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	46,914	0.3	1.1
Consumer Discretionary	60,118	1.7	(0.6)
Consumer Staples	25,941	0.1	0.4
Energy	1,47,510	2.4	5.3
Health Care	33,010	(0.1)	0.7
Industrials	67,667	1.5	0.8
Information Technology	60,735	0.5	1.1
Materials	90,843	(0.4)	1.3
Real Estate	6,646	(0.0)	0.2
Utilities	58,176	(0.7)	0.7
Nifty 500 ex-Financials	**5,97,560**	**5.4**	**10.9**
Nifty 500 ex-energy ex-fin	**4,50,050**	**3.0**	**5.7**
Nifty 500 ex-fin ex-Tata Motors	**5,95,063**	**4.9**	**25.6**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Table 20: Sector-wise EBITDA growth of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	5.5	4.0	4.9	10.4	7.9	7.2	0.44	8.2
Consumer Discretionary	9.3	3.9	11.9	8.1	11.0	13.6	0.80	10.8
Consumer Staples	2.3	(4.1)	5.1	8.6	7.7	10.7	0.37	7.0
Energy	60.1	7.7	25.3	(22.1)	139.6	87.4	1.41	83.3
Financials	1.9	(0.2)	3.2	14.6	6.4	7.8	10.99	8.4
Health Care	(3.1)	8.3	(0.3)	13.8	15.6	19.0	0.65	12.7
Industrials	25.6	5.8	11.3	40.0	15.1	2.6	0.99	9.6
Information Technology	3.8	8.9	8.4	21.4	21.6	27.0	0.39	26.2
Materials	11.1	(0.8)	(6.2)	19.7	13.2	(4.2)	1.58	7.0
Real Estate	24.7	13.9	(2.7)	31.4	46.9	14.7	0.19	22.5
Utilities	(12.3)	0.7	(16.2)	5.9	8.1	3.3	1.04	6.2
Nifty 500	**5.5**	**1.4**	**3.6**	**12.9**	**13.2**	**11.3**	**18.87**	**12.3**
Nifty 500 ex-Energy	**3.6**	**1.0**	**1.9**	**15.7**	**8.8**	**7.2**	**17.45**	**8.9**
Nifty 500 ex-Financials	**11.3**	**3.7**	**4.1**	**10.3**	**24.2**	**16.5**	**7.87**	**18.3**
Nifty 500 ex-energy ex-fin	**6.6**	**3.0**	**(0.2)**	**17.5**	**13.1**	**6.2**	**6.46**	**9.8**

Source: CMIE Prowess, LSEG Workspace, NSE EPR.
Note: 1. 1. The above table provides data for companies in the Nifty 500 index as on December 31st, 2025 and excludes Nifty 50 companies.

Table 21: EBITDA margin of Nifty 500 companies (ex-Nifty 50) in Q3FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	41.1	148	45
Consumer Discretionary	13.4	72	(7)
Consumer Staples	12.8	2	(17)
Energy	11.1	106	484
Financials	51.3	35	(282)
Health Care	25.8	(126)	61
Industrials	19.1	53	(223)
Information Technology	14.7	1	133
Materials	19.3	(55)	(159)
Real Estate	37.7	(686)	(99)
Utilities	26.3	(264)	107
Nifty 500	**27.5**	**(25)**	**33**
Nifty 500 ex-Energy	**32.0**	**(14)**	**(121)**
Nifty 500 ex-Financials	**16.8**	**(22)**	**117**
Nifty 500 ex-energy ex-fin	**19.4**	**(48)**	**(64)**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index excluding the Nifty 50 companies as of December 31st, 2025 and excludes Nifty 50 companies.

Table 22: EBITDA margin of Nifty 500 companies (ex-Nifty 50) in 9MFY26

Sector	EBITDA Margin	YoY change (bps)
Communication Services	40.1	75
Consumer Discretionary	12.9	(9)
Consumer Staples	13.0	(73)
Energy	10.0	447
Financials	51.3	2
Health Care	26.3	4
Industrials	18.8	(33)
Information Technology	14.6	140
Materials	20.0	(9)
Real Estate	40.3	92
Utilities	27.8	93
Nifty 500	**27.6**	**120**
Nifty 500 ex-Energy	**32.3**	**(9)**
Nifty 500 ex-Financials	**16.8**	**161**
Nifty 500 ex-energy ex-fin	**19.8**	**0**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index excluding the Nifty 50 companies as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 41: Sector-wise EBITDA growth of Nifty 500 companies (ex-Nifty 50) in Q3FY26

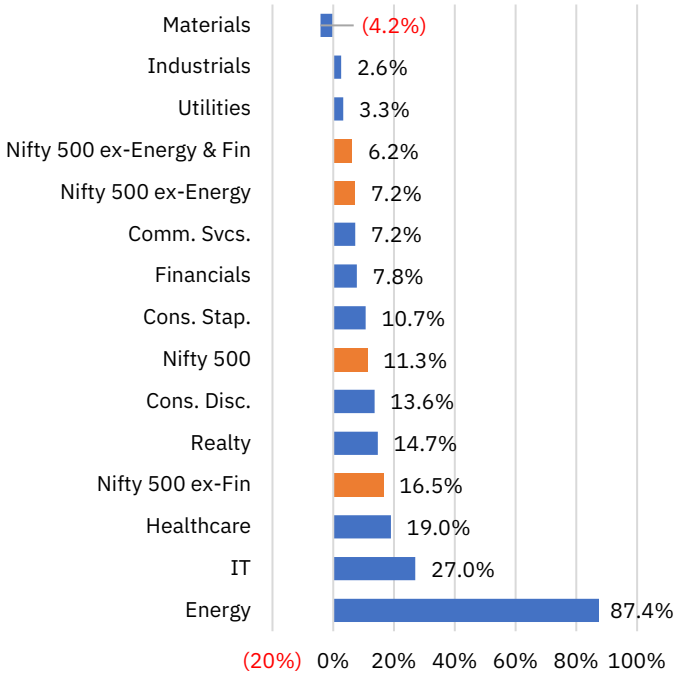
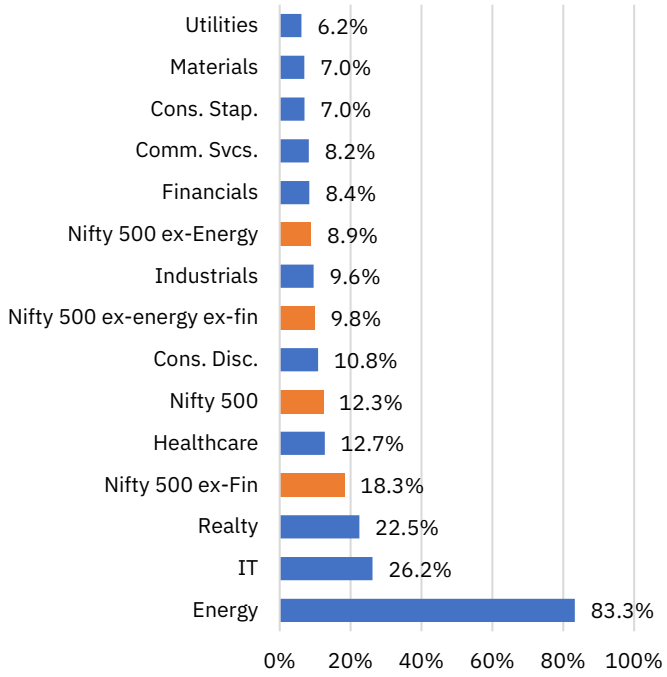


Figure 42: Sector-wise EBITDA growth of Nifty 500 companies (ex-Nifty 50) in 9MFY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31st, 2025 and excludes Nifty 50 companies.

Figure 43: Sector-wise EBITDA margin of Nifty 500 companies (ex-Nifty 50) in Q3FY26

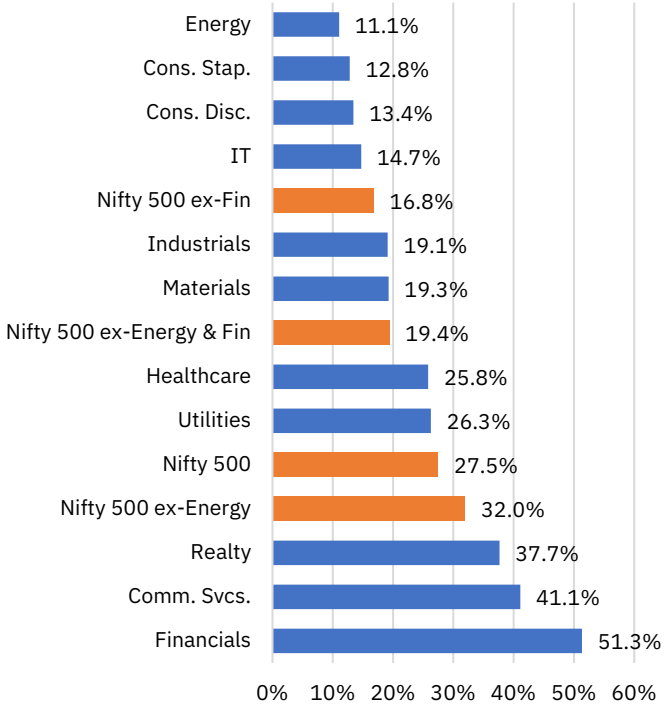
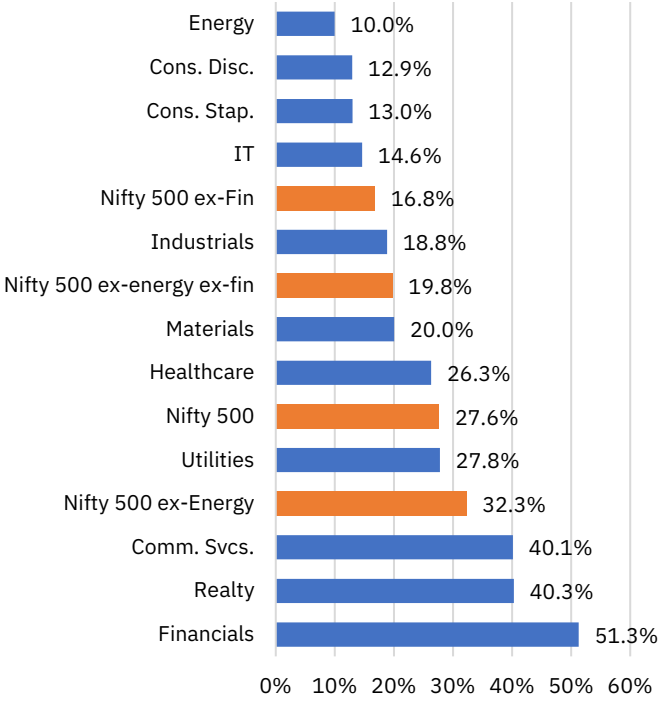


Figure 44: Sector-wise EBITDA margin of Nifty 500 companies (ex-Nifty 50) in 9MFY26



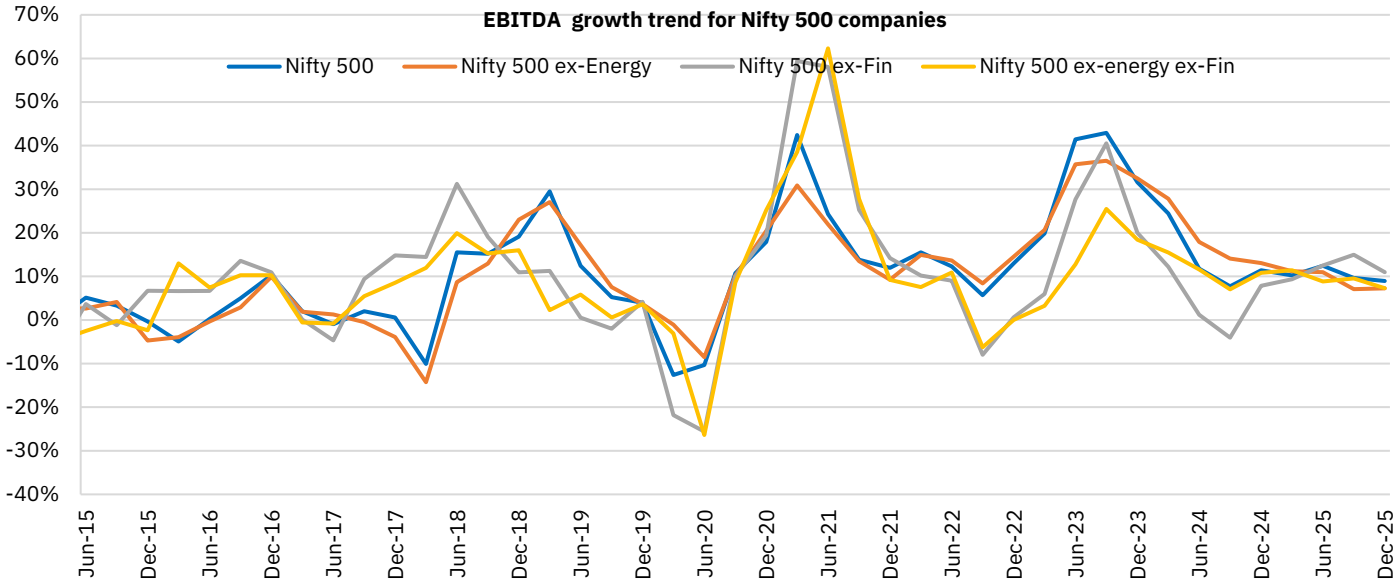
Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31st, 2025 and excludes Nifty 50 companies.

Table 23: Sector-wise contribution of Nifty 500 companies (ex-Fin/Nifty 50) to EBITDA growth in Q3FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	15,312	0.3	0.4
Consumer Discretionary	29,161	1.2	1.5
Consumer Staples	12,568	0.2	0.5
Energy	55,704	4.3	11.1
Health Care	22,122	(0.0)	1.5
Industrials	36,610	1.4	0.4
Information Technology	14,035	0.4	1.3
Materials	50,782	(1.3)	(0.9)
Real Estate	6,646	(0.1)	0.4
Utilities	30,799	(2.3)	0.4
Nifty 500 ex-Financials	**2,73,738**	**4.1**	**16.5**
Nifty 500 ex-energy ex-fin	**2,18,034**	**4.3**	**16.9**

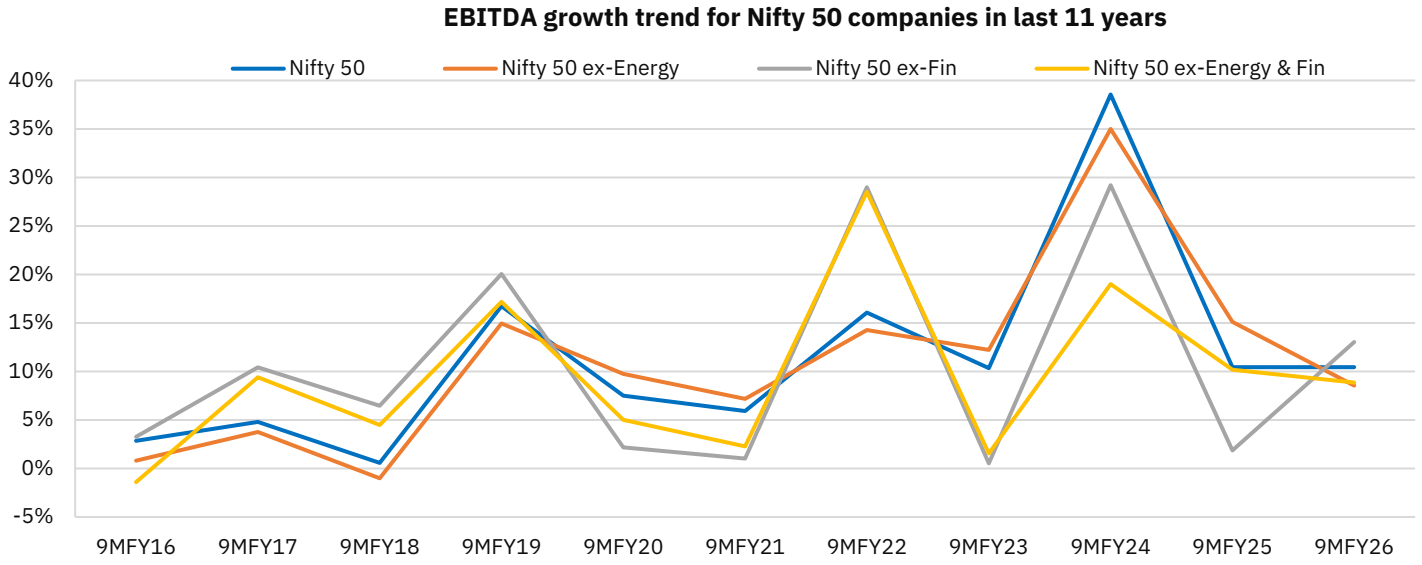
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 45: Quarterly trend in Nifty 500 EBITDA growth (YoY)



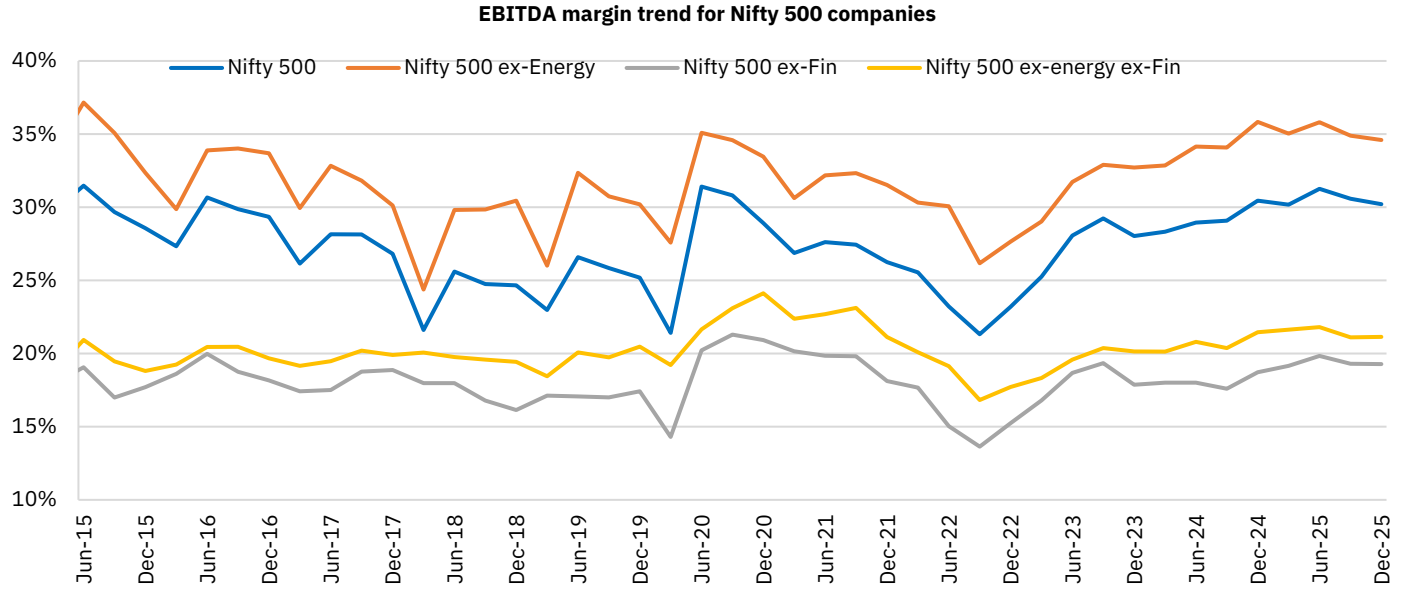
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

Figure 46: Nine-month EBITDA growth trend for Nifty 500 over 11 Years (YoY)



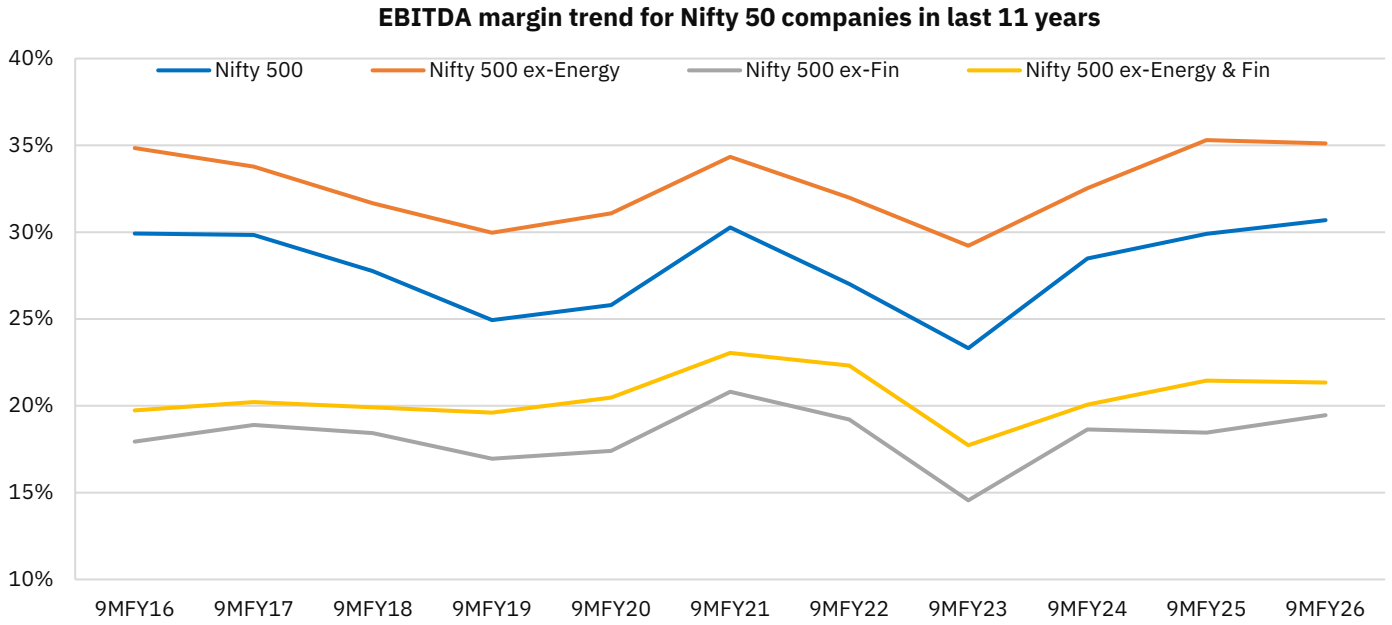
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Figure 47: Quarterly trend in EBITDA margin of Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

Figure 48: Nine-month EBITDA margin trend of Nifty 500 companies over 11 years



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as at the end of December 31st of the respective fiscal years.
2. EBITDA margin is calculated based on interim financial data.

PAT growth remained strong beyond Nifty 50; Margins led by Nifty 50: In Q3 FY26, adjusted PAT for Nifty 500 companies (excluding Nifty 50) rose 24.5% YoY to Rs 2.18 lakh crore, moderating from the elevated 30.7% growth recorded in Q2, reflecting normalisation after a strong Q2. Median PAT growth stood at 19.1% YoY, significantly higher than the 10.1% median for the Nifty 50 cohort, underscoring sustained earnings momentum beyond the top 50, particularly within Energy and Financials.

Within this universe, the Nifty Next 50 accounted for 48% of the YoY PAT expansion, with median growth of 13%. The Nifty Midcap 150 and Nifty Smallcap 250 together contributed the remaining 52%, delivering median growth of 19.1% and 21.8%, respectively. This highlights the relatively stronger earnings trajectory among mid- and small-cap companies, supported by robust revenue growth.

Profitability metrics remained resilient. Operating margins expanded 108 bps YoY and 34 bps sequentially to 9.3%, a multi-quarter high, while median PAT margins stood at 10.9%. Segment-wise, the Nifty Next 50 led with a 15.3% median PAT margin, followed by the Nifty 50 at 13.9%, the Midcap 150 at 11.6%, and the Smallcap 250 at 10.2%, indicating relatively stronger cost absorption capacity among larger companies.

Sectorally, Energy and Financials were the principal drivers, contributing 46% and 27% of YoY PAT growth, respectively, aided by solid revenue expansion and improved operating efficiency. Excluding these two sectors, the remaining companies recorded a more moderate 13.9% YoY and 1.4% QoQ increase in PAT, suggesting that earnings growth was concentrated in select segments.

Earnings breadth improved in Q3. Within the Nifty 500 (ex-Nifty 50), 327 companies reported YoY PAT growth and 280 posted sequential gains, up from 272 and 245 in Q2. Approximately 95% of the cohort reported positive PAT margins, although over 70% operated with margins below 20%, indicating that profitability remains modest for a majority of firms.

For 9M FY26, aggregate PAT for the Nifty 500 (ex-Nifty 50) rose 21.8% YoY to Rs 6.1 lakh crore, a marked acceleration from 9.9% in the corresponding period last year and above the 12.3% growth recorded by the Nifty 50. PAT margins expanded 160 bps YoY to 8.9%, a multi-year high, though still below the 12.6% margin for the Nifty 50, underscoring the superior profitability profile of large-cap companies.

Table 24: Sector-wise PAT growth of Nifty 500 companies

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs crore)	Growth (%)
Communication Services	NA	56.6	2.8	NA	NA	41.6	0.16	510.7
Consumer Discretionary	24.7	(33.6)	43.5	1.2	(19.6)	(7.4)	0.70	(8.7)
Consumer Staples	(1.7)	(5.8)	7.1	0.6	3.2	12.5	0.50	6.2
Energy	33.5	(14.8)	17.3	(12.4)	60.7	41.2	2.06	47.0
Financials	2.7	2.4	7.8	18.7	7.0	12.3	4.95	8.9
Health Care	0.4	6.5	(0.2)	18.2	12.9	12.2	0.55	9.5
Industrials	35.8	(9.9)	32.5	28.6	4.7	2.5	0.81	3.9
Information Technology	6.9	5.1	6.5	11.2	14.1	13.8	1.11	12.7
Materials	17.6	(6.1)	8.6	5.7	36.4	26.6	1.17	28.1
Real Estate	26.8	20.5	(0.1)	43.7	50.5	18.7	0.12	26.4
Utilities	(33.5)	(8.1)	(15.3)	(1.1)	(5.7)	20.0	0.67	2.4
Nifty 500	**10.0**	**(4.3)**	**10.3**	**11.4**	**15.5**	**15.9**	**12.80**	**14.9**
Nifty 500 ex-Energy	**7.2**	**(2.1)**	**9.1**	**16.2**	**10.0**	**12.1**	**10.74**	**10.3**
Nifty 500 ex-Financials	**15.5**	**(8.2)**	**12.0**	**7.1**	**21.9**	**18.4**	**7.85**	**19.1**
Nifty 500 ex-energy ex-fin	**11.3**	**(5.7)**	**10.3**	**14.2**	**12.8**	**12.0**	**5.79**	**11.6**
Nifty 500 ex-Tata Motors	**9.5**	**(2.3)**	**9.6**	**12.1**	**18.0**	**18.2**	**12.83**	**16.7**

Source: CMIE Prowess, LSEG workspace, NSE EPR.
Note: 1. The above table provides data for companies in the Nifty 500 index as on December 31st, 2025.
2. NA: Not Applicable

Table 25: Sector-wise PAT margin of Nifty 500 companies in Q3FY26

Sector	PAT Margin	QoQ change (bps)	YoY change (bps)
Communication Services	6.9	2	136
Consumer Discretionary	5.6	138	(84)
Consumer Staples	11.7	34	18
Energy	7.4	50	187
Financials	14.6	37	(28)
Health Care	15.0	(57)	(23)
Industrials	9.6	166	(98)
Information Technology	14.0	23	44
Materials	8.0	68	114
Real Estate	23.3	(352)	20
Utilities	11.0	(143)	178
Nifty 500	**10.5**	**47**	**57**
Nifty 500 ex-Energy	**11.3**	**50**	**12**
Nifty 500 ex-Financials	**8.9**	**52**	**78**
Nifty 500 ex-energy ex-fin	**9.5**	**56**	**25**
Nifty 500 ex-Tata Motors	**(2.8)**	**355**	**(771)**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Table 26: Sector-wise PAT margin of Nifty 500 companies in 9MFY26

Sector	PAT Margin	YoY change (bps)
Communication Services	6.2	498
Consumer Discretionary	5.3	(91)
Consumer Staples	11.6	(50)
Energy	7.4	224
Financials	14.2	9
Health Care	15.2	(31)
Industrials	8.9	(56)
Information Technology	13.9	54
Materials	7.8	113
Real Estate	24.1	128
Utilities	12.2	6
Nifty 500	**10.3**	**69**
Nifty 500 ex-Energy	**11.1**	**18**
Nifty 500 ex-Financials	**8.8**	**91**
Nifty 500 ex-energy ex-fin	**9.4**	**24**
Nifty 500 ex-Tata Motors	**10.5**	**78**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Figure 49: Sector-wise PAT growth of Nifty 500 companies in Q3FY26

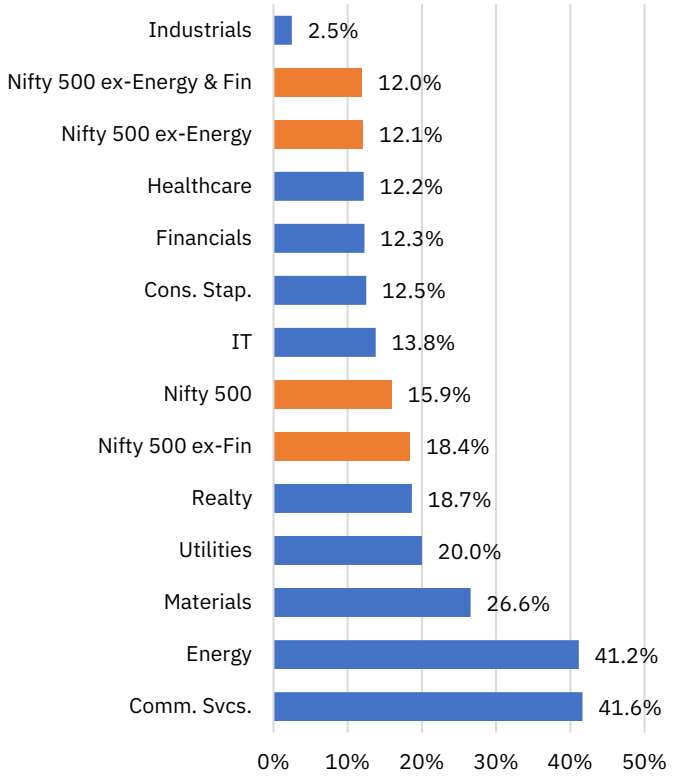
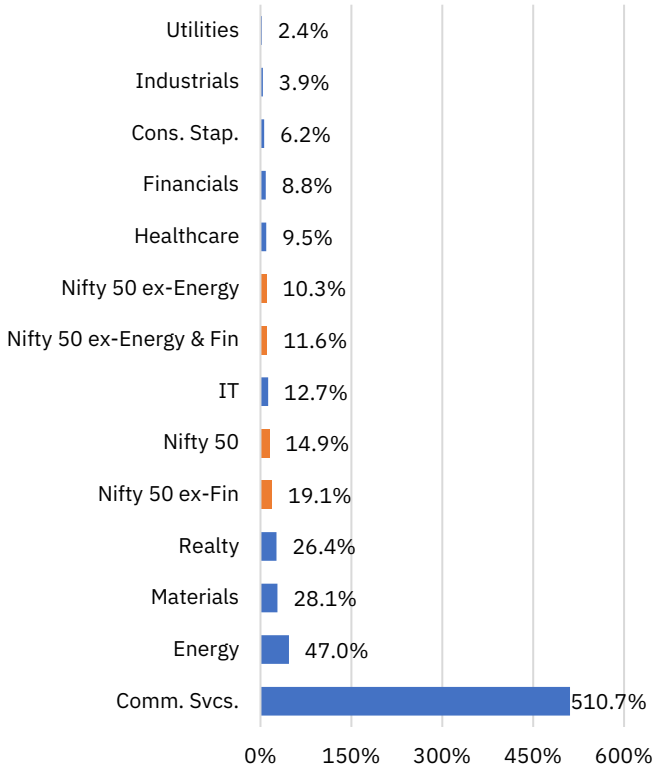


Figure 50: Sector-wise PAT growth of Nifty 500 companies in 9MFY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above charts provide data for companies in the Nifty 500 index as of December 31st, 2025.

Figure 51: Sector-wise PAT margin of Nifty 500 companies in Q3FY26

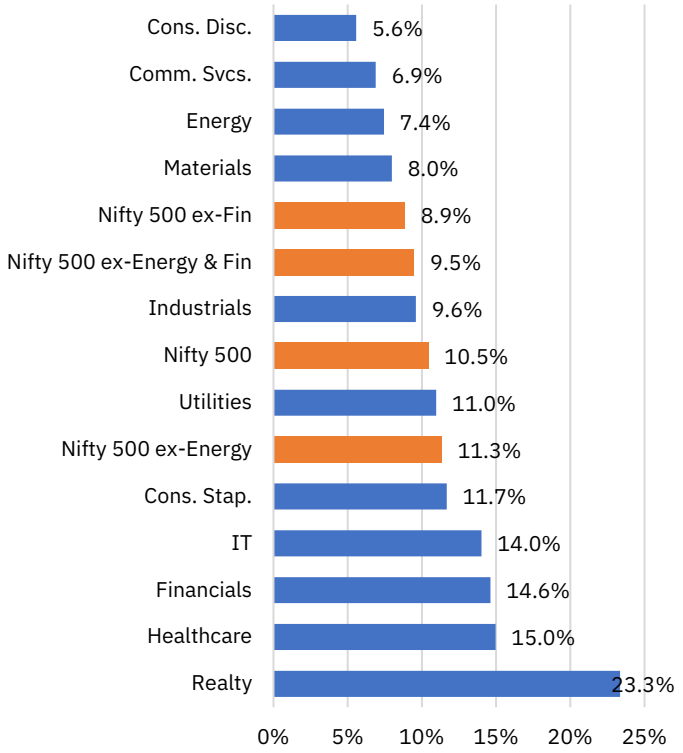
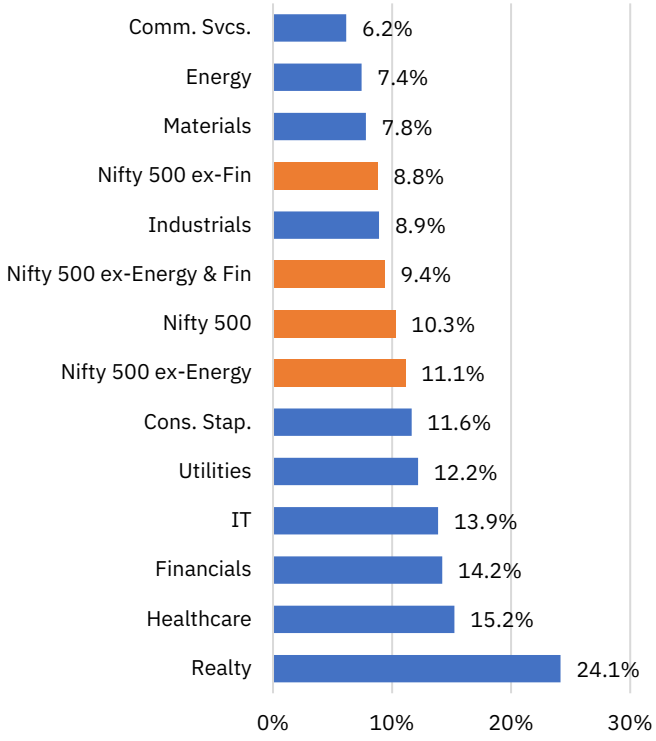


Figure 52: Sector-wise PAT margin of Nifty 500 companies in 9MFY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above charts provide data for companies in the Nifty 500 index as of December 31st, 2025.

Table 27: Sector-wise contribution of Nifty 500 companies to PAT growth in Q3FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	6,286	0.0	0.5
Consumer Discretionary	25,534	1.9	(0.5)
Consumer Staples	16,965	0.3	0.5
Energy	72,273	2.6	5.4
Financials	1,74,732	3.1	4.9
Health Care	18,791	(0.0)	0.5
Industrials	31,470	1.9	0.2
Information Technology	39,196	0.6	1.2
Materials	40,531	0.8	2.2
Real Estate	4,121	(0.0)	0.2
Utilities	19,237	(0.9)	0.8
Nifty 500	**4,49,134**	**10.3**	**15.9**
Nifty 500 ex-Energy	**3,76,862**	**7.7**	**10.5**
Nifty 500 ex-Financials	**2,74,403**	**7.2**	**11.0**
Nifty 500 ex-energy ex-fin	**2,02,130**	**4.6**	**5.6**
Nifty 500 ex-Tata Motors	**4,51,100**	**9.7**	**17.9**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025.

Table 28: Sector-wise PAT growth of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	NA	NA	NA	NA	NA	NA	-0.09	NA
Consumer Discretionary	16.3	7.1	18.8	4.1	22.8	25.4	0.32	14.9
Consumer Staples	3.5	(6.8)	8.5	7.0	7.9	13.1	0.22	7.5
Energy	284.2	5.7	36.4	(42.4)	690.3	180.5	0.75	188.0
Financials	9.4	5.8	8.9	14.9	14.8	14.3	2.58	11.3
Health Care	(3.7)	7.2	0.3	18.0	17.6	22.5	0.35	13.3
Industrials	44.0	18.4	11.8	63.9	23.2	(3.6)	0.51	7.1
Information Technology	4.9	7.3	15.1	18.3	24.1	36.1	0.23	31.7
Materials	27.7	(6.3)	0.1	29.7	24.8	(1.5)	0.73	11.7
Real Estate	26.8	20.5	(0.1)	43.7	50.5	18.7	0.12	26.4
Utilities	(53.1)	(7.1)	(32.1)	(0.1)	(6.6)	35.1	0.38	2.2
Nifty 500	**14.1**	**4.7**	**8.5**	**13.7**	**30.7**	**24.5**	**6.10**	**21.8**
Nifty 500 ex-Energy	**9.0**	**4.6**	**5.0**	**21.4**	**18.2**	**14.1**	**5.35**	**12.7**
Nifty 500 ex-Financials	**18.5**	**4.0**	**8.3**	**12.7**	**45.3**	**33.3**	**3.52**	**30.9**
Nifty 500 ex-energy ex-fin	**8.6**	**3.6**	**1.4**	**28.2**	**21.4**	**13.9**	**2.77**	**14.1**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.
2. NA: Not Applicable

Table 29: Sector-wise PAT margin of Nifty 500 companies (ex-Nifty 50) in Q3FY26

Sector	PAT Margin	QoQ change (bps)	YoY change (bps)
Communication Services	(6.6)	23	518
Consumer Discretionary	5.6	61	50
Consumer Staples	7.8	26	6
Energy	6.1	104	383
Financials	12.7	74	6
Health Care	14.1	(60)	73
Industrials	10.2	32	(191)
Information Technology	9.0	53	136
Materials	9.0	33	(48)
Real Estate	23.3	(352)	20
Utilities	8.1	(290)	215
Nifty 500	**9.3**	**34**	**108**
Nifty 500 ex-Energy	**10.1**	**25**	**25**
Nifty 500 ex-Financials	**7.7**	**20**	**144**
Nifty 500 ex-energy ex-fin	**8.4**	**(7)**	**30**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Table 30: Sector-wise PAT margin of Nifty 500 companies (ex-Nifty 50) in 9MFY26

Sector	PAT Margin	YoY change (bps)
Communication Services	(7.8)	419
Consumer Discretionary	5.1	67
Consumer Staples	7.9	55
Energy	5.3	345
Financials	12.0	122
Health Care	14.3	169
Industrials	9.6	64
Information Technology	8.6	208
Materials	9.2	96
Real Estate	24.1	504
Utilities	10.2	23
Nifty 500	**8.9**	**160**
Nifty 500 ex-Energy	**9.9**	**112**
Nifty 500 ex-Financials	**7.5**	**178**
Nifty 500 ex-energy ex-fin	**8.5**	**105**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 53: Sector-wise PAT growth of Nifty 500 companies (ex-Nifty 50) in Q3FY26

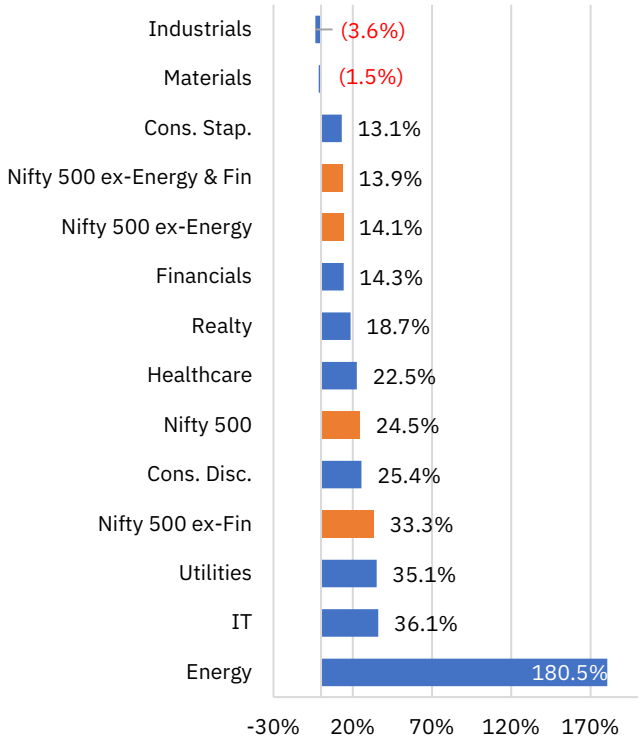
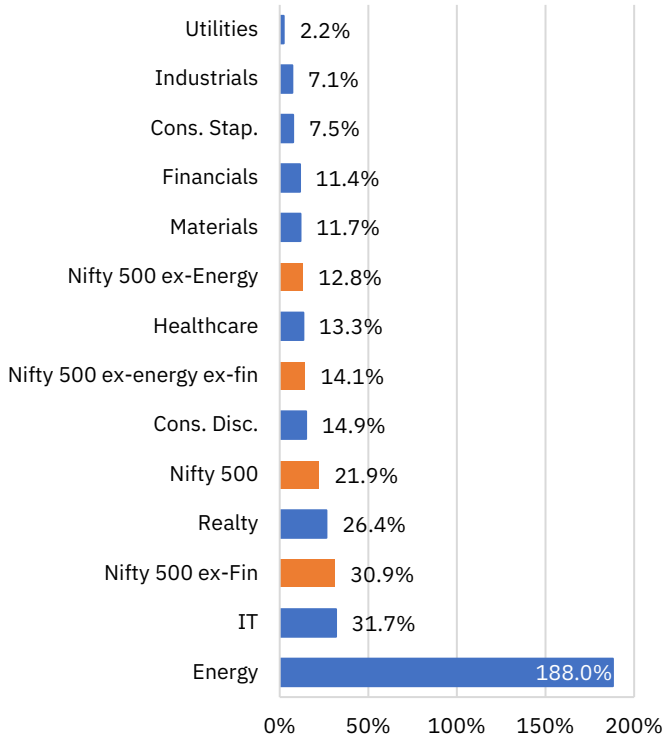


Figure 54: Sector-wise PAT growth of Nifty 500 companies (ex-Nifty 50) in 9MFY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above charts provide data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 55: Sector-wise PAT margin of Nifty 500 companies (ex-Nifty 50) in Q3FY26

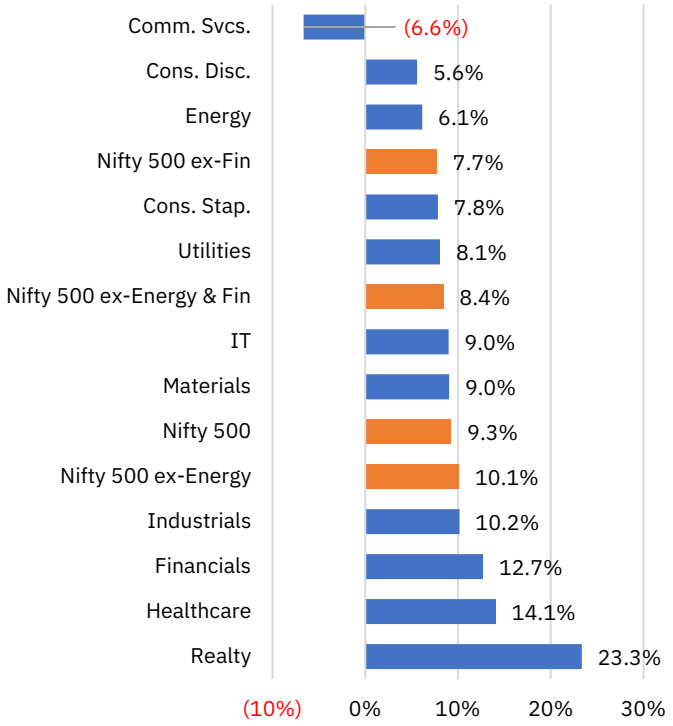
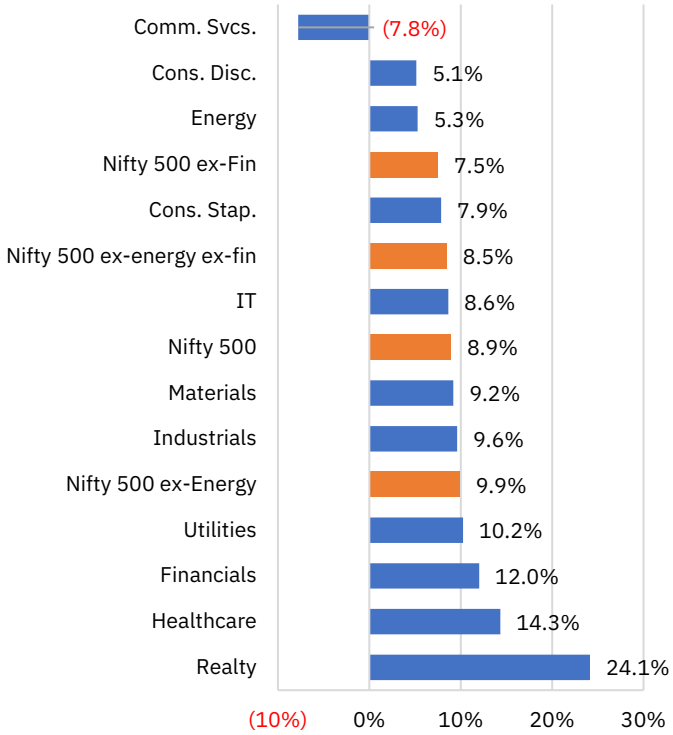


Figure 56: Sector-wise PAT margin of Nifty 500 (ex-Nifty 50) companies in 9MFY26



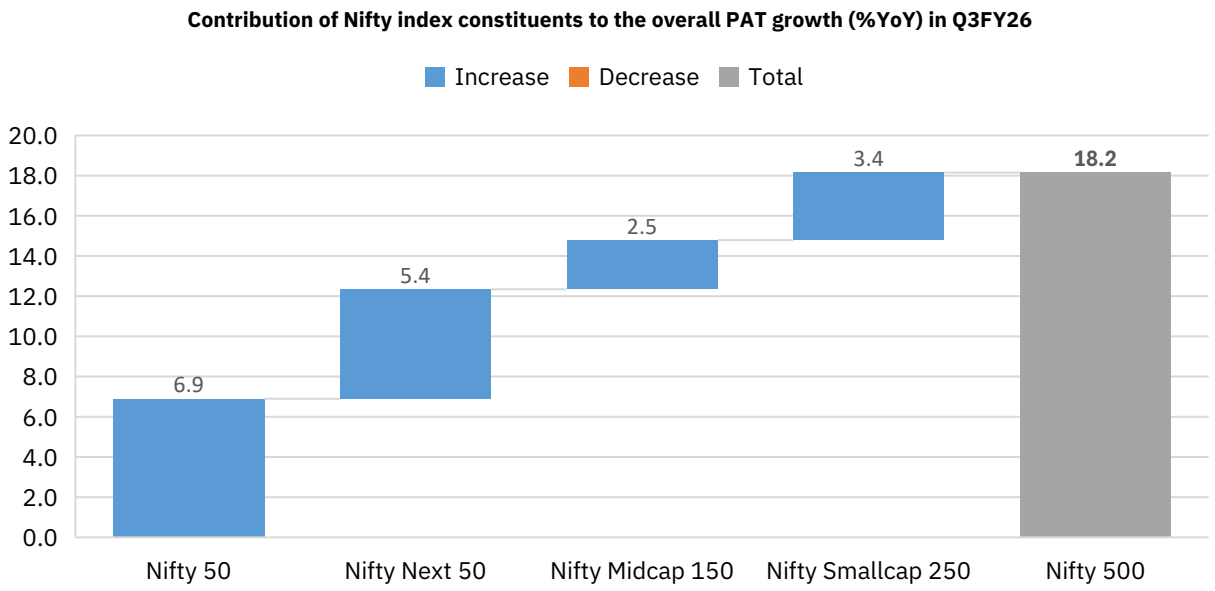
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above charts provide data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Table 31: Sector-wise contribution of Nifty 500 companies (ex-Nifty 50) to PAT growth in Q3FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	-2,474	0.0	1.0
Consumer Discretionary	12,148	1.0	1.4
Consumer Staples	7,684	0.3	0.5
Energy	30,903	4.1	11.3
Financials	92,482	3.7	6.6
Health Care	12,074	0.0	1.3
Industrials	19,475	1.0	(0.4)
Information Technology	8,569	0.6	1.3
Materials	23,811	0.0	(0.2)
Real Estate	4,121	(0.0)	0.4
Utilities	9,453	(2.2)	1.4
Nifty 500	**2,18,246**	**8.5**	**24.5**
Nifty 500 ex-Energy	**1,87,343**	**4.4**	**13.2**
Nifty 500 ex-Financials	**1,25,764**	**4.8**	**17.9**
Nifty 500 ex-energy ex-fin	**94,861**	**0.7**	**6.6**

Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above table provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Nifty 50 companies.

Figure 57: Share of Nifty index constituents in overall PAT growth of Nifty 500 universe in Q3FY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: The above chart provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Tata Motors Ltd. which underwent a demerger on October 1st, 2025.

Table 32: Segment-wise distribution of companies based on YoY aggregate and median PAT growth across Nifty 500 constituents

Index	<=0%	0% - 10%	10% -20%	20% - 30%	30% - 40%	40% - 50%	> 50%	Median (%)
Nifty 50	9	15	7	8	3	2	4	10.1%
Nifty Next 50	8	13	9	8	3	3	5	13.0%
Nifty Midcap 150	25	25	25	15	13	8	34	19.1%
Nifty Smallcap 250	63	26	22	29	23	12	54	21.8%
Nifty 500	**105**	**79**	**63**	**60**	**42**	**25**	**97**	**18.4%**

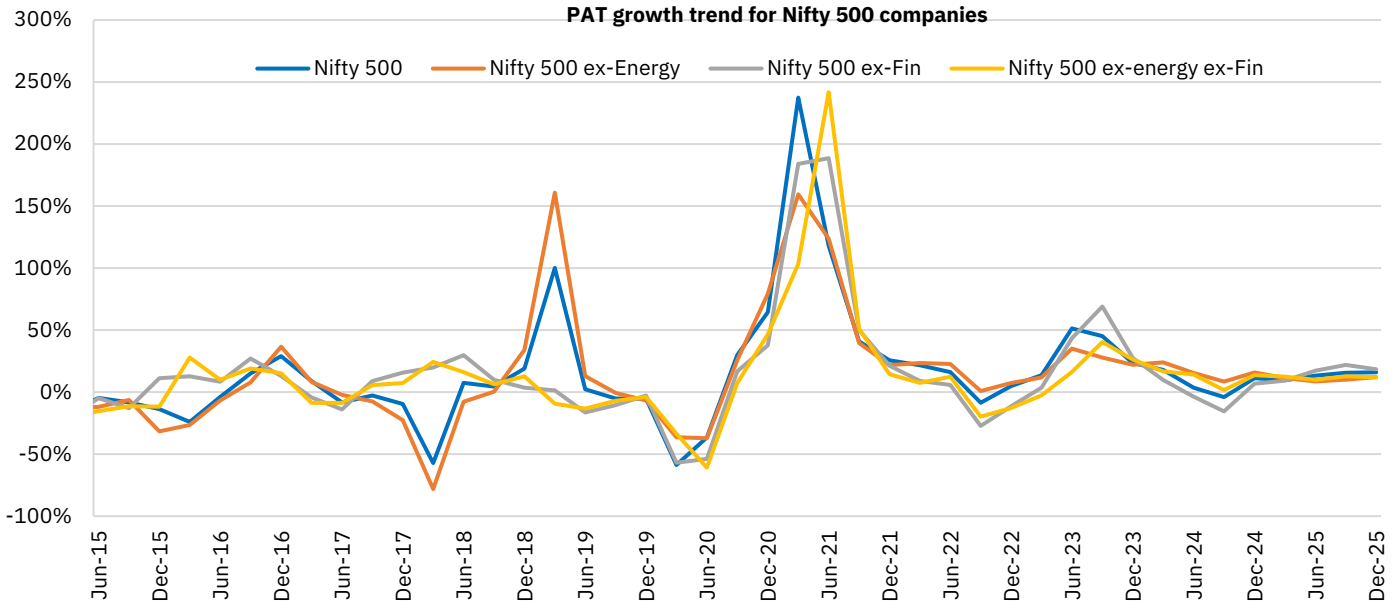
Source: CMIE Prowess, LSEG Workspace, NSE
Note: The above chart provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Tata Motors Ltd. which underwent a demerger on October 1st, 2025.

Table 33: Segment-wise distribution of companies based on PAT margin across Nifty 500 constituents

Index	<=0%	0% - 10%	10% -20%	20% - 30%	30% - 40%	40% - 50%	> 50%	Median (%)
Nifty 50	0	19	16	11	3	0	0	13.9%
Nifty Next 50	0	18	18	9	1	1	2	15.3%
Nifty Midcap 150	4	54	56	25	4	2	4	11.6%
Nifty Smallcap 250	19	102	65	37	15	6	5	10.2%
Nifty 500	**23**	**193**	**155**	**82**	**23**	**9**	**11**	**11.0%**

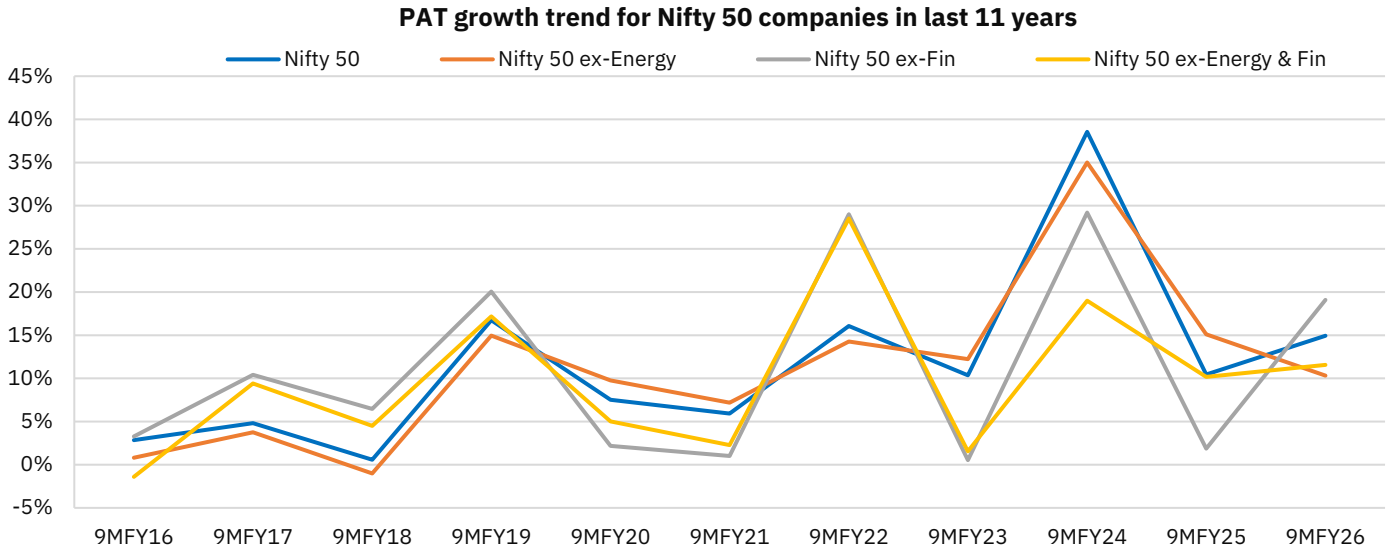
Source: CMIE Prowess, LSEG Workspace, NSE
Note: The above chart provides data for companies in the Nifty 500 index as of December 31st, 2025 and excludes Tata Motors Ltd. which underwent a demerger on October 1st, 2025.

Figure 58: Quarterly trend in Nifty 500 PAT growth (YoY)



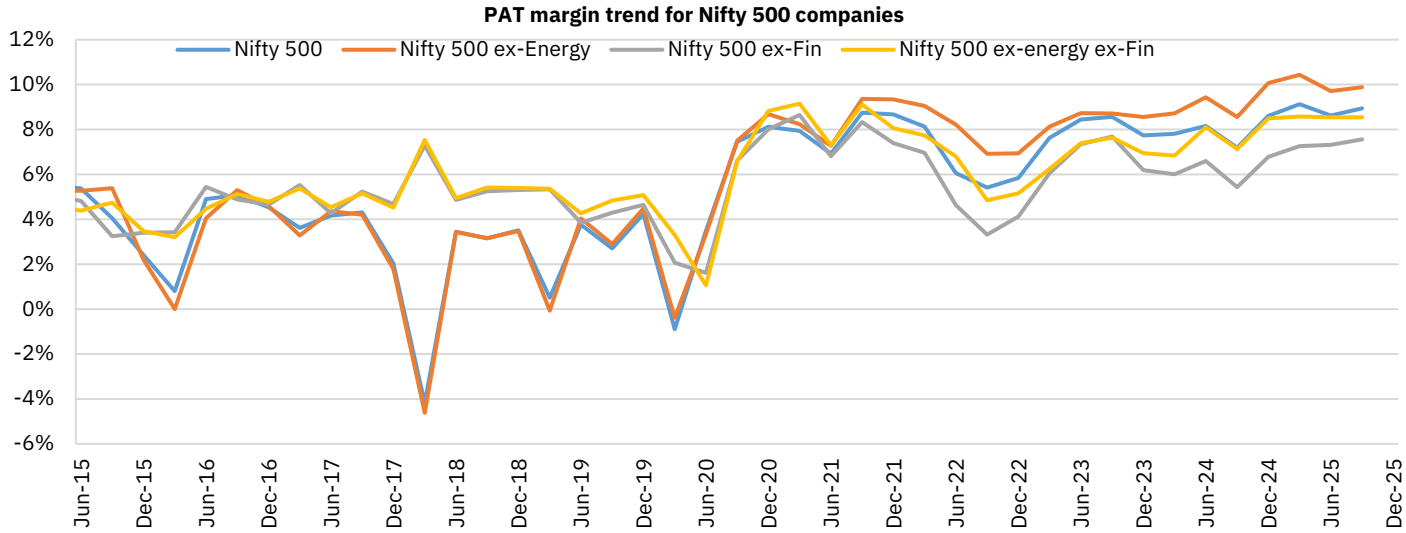
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

Figure 59: Nine-month PAT growth trend for Nifty 500 over 11 Years (YoY)



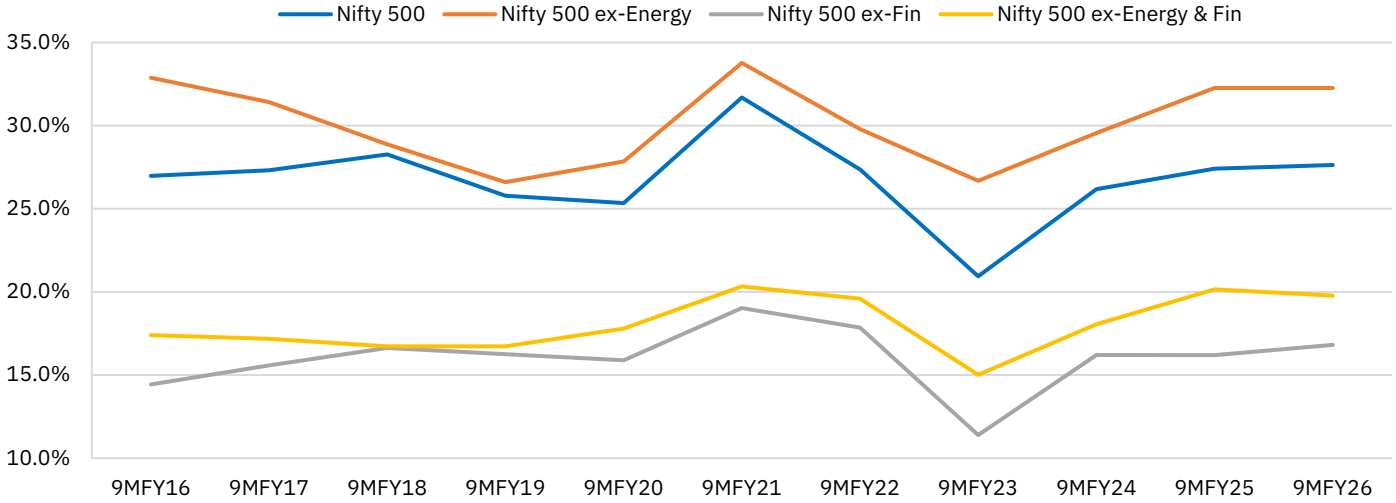
Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as at the end of December 31st of the respective fiscal years.
2. YoY growth is calculated based on interim financial data.

Figure 60: Quarterly trend in PAT margin of Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

Figure 61: Nine-month PAT margin trend for Nifty 500 over the last 11 fiscal years



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: 1. The above chart includes companies in the Nifty 500 index as at the end of December 31st of the respective fiscal years.
2. PAT margin is calculated based on interim financial data.

Earnings concentration analysis

To assess the breadth and resilience of India Inc.'s earnings base, we analyse concentration trends across the Nifty 50, Nifty 500, and the Nifty 500 ex-Nifty 50 universes using the Herfindahl–Hirschman Index (HHI). The HHI provides a quantitative measure of how evenly revenues and profits are distributed across listed firms: higher values indicate greater concentration in a few companies, while lower readings signal broader participation. By computing the HHI for sales, EBITDA, and PAT across these three cohorts over the past decade, we evaluate whether India's corporate growth cycle is becoming more top-heavy or more broad-based, and how this dispersion has evolved across large, mid-, and small-cap segments.

Understanding the Herfindahl–Hirschman Index (HHI)

The HHI is a widely used measure of concentration that captures how evenly (or unevenly) activity is distributed across a set of firms. It is calculated by squaring each firm's share of the total and summing these squared shares:

$$\text{HHI} = \sum_{i=1}^{N} (s_i)^2$$

where s_i represents the percentage share of firm i.

Higher values indicate that a small number of firms account for a large portion of activity, while lower values point to a more diffused and competitive structure. The index ranges from **0 to 10,000**, with commonly used thresholds distinguishing low, moderate, and high concentration.

Because larger shares exert a disproportionate influence when squared, the index rises quickly when a few firms dominate.

- **Below 1,500** → activity is spread across many firms.
- **1,500–2,500** → moderate concentration.
- **Above 2,500** → high concentration.
- **10,000** represents a single firm holding the entire market.

Why is HHI relevant for corporate earnings?

HHI serves as a clean indicator of how widely distributed earnings are within an index or sector.

- A higher value means that a small cluster of companies accounts for most of the revenue or profit.
- A lower value means earnings contributions are more evenly spread across the universe.

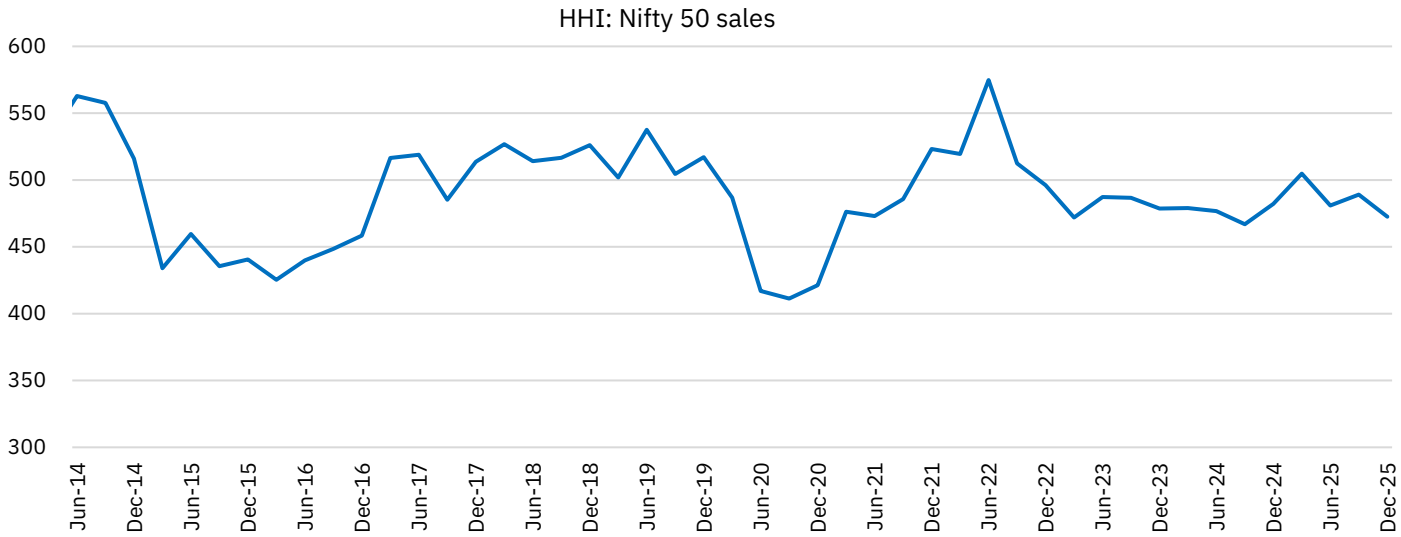
Tracking changes in HHI helps identify whether an earnings cycle is broadening—with greater participation from mid- and small-cap firms—or becoming increasingly top-heavy and dependent on a few leaders. This, in turn, aids in assessing the robustness and sustainability of corporate performance.

Concentration in Nifty 50 sales fell to a five-quarter low in Q3FY26: Revenue concentration within the Nifty 50 declined to 473 in Q3 FY26, a five-quarter low, indicating a broader distribution of sales growth across constituents. In contrast, concentration in the Nifty 500 (excluding Nifty 50) edged up marginally to 261 from 257 in Q2, suggesting that growth was driven by a relatively narrower set of companies. This is consistent with 354 firms reporting sequential revenue gains in Q3, compared with 358 in the previous quarter.

Sectorally, concentration eased notably in Consumer Discretionary, falling to multi-quarter lows as festive-led demand supported a wider-based recovery in sales. Revenue concentration also declined in Financials and Energy—the two largest sectors across the Nifty 50 and broader Nifty 500—reflecting stronger and more evenly distributed growth during the December quarter.

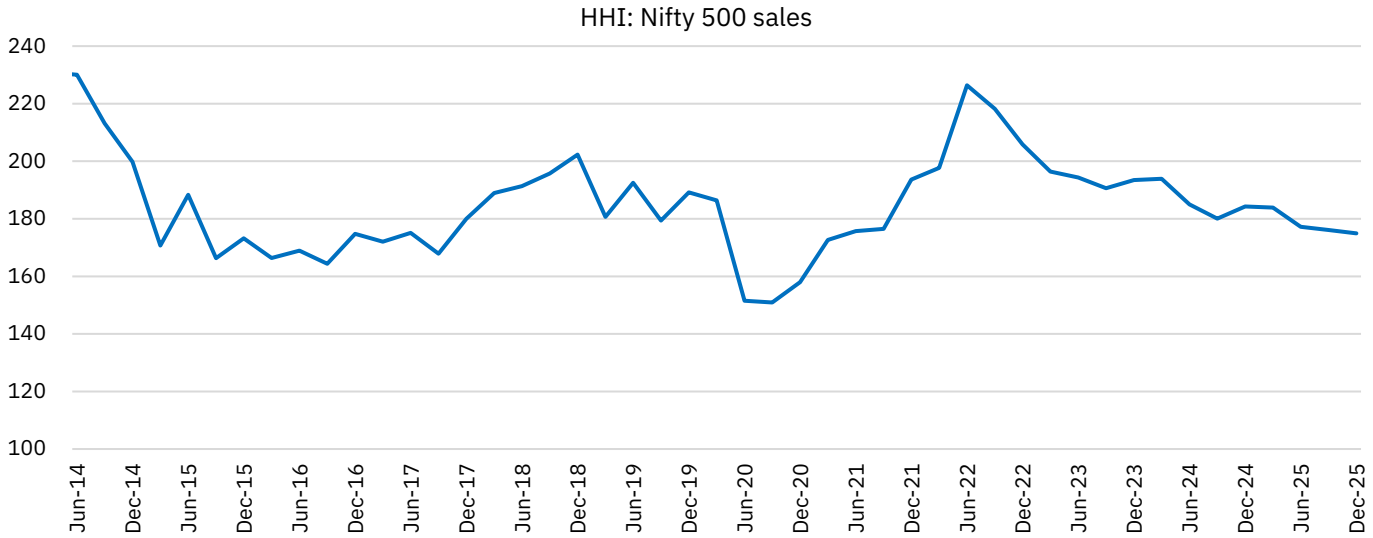
Since the pandemic, concentration dynamics have diverged across segments. The Nifty 50 initially experienced a broad-based disruption, followed by increased dominance of large players, particularly in Energy, IT and Consumer Staples. While there has been some normalisation since, concentration remains elevated relative to pre-pandemic levels. By contrast, the Nifty 500—especially excluding Nifty 50 constituents—has exhibited structurally improving dispersion, driven by the expansion of mid- and small-cap participation and a more diversified sectoral recovery.

Figure 62: HHI Index for net sales for Nifty 50 companies



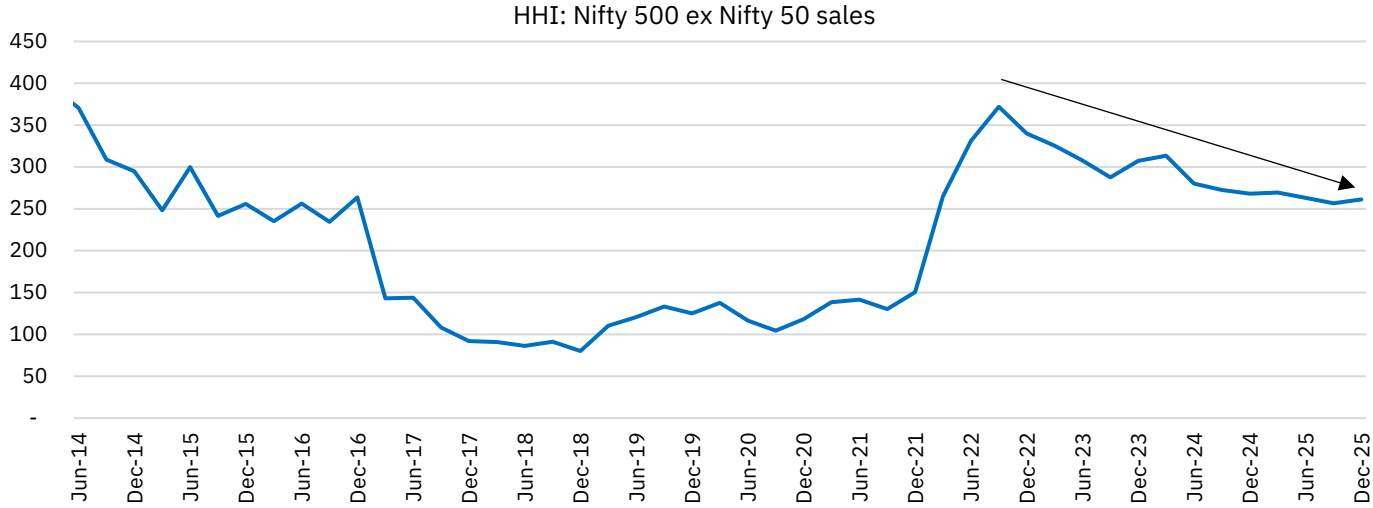
Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 63: HHI Index for net sales for Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 64: HHI Index for net sales for Nifty 500 excluding Nifty 50 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Table 34: Sector-wise HHI for net sales for Nifty 500 companies

Sectors	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Comm. Svcs	2,393	2,580	2,784	2,509	2,473	2,922	2,717	2,785	2,849	3,070	3,287	3,803
Cons.Disc,	1,648	1,593	1,629	1,468	1,258	1,181	1,382	1,156	1,202	1,077	1,102	651
Cons.Staples	1,057	976	944	810	824	782	819	901	783	763	781	793
Energy	1,802	1,779	1,781	1,816	1,753	1,766	1,708	1,781	1,766	1,780	1,778	1,805
Financials	572	579	549	513	422	454	436	439	801	752	704	682
Healthcare	737	708	623	566	527	516	511	466	514	476	483	460
Industrials	637	674	572	631	577	675	607	597	662	678	655	678
IT	1,544	1,521	1,504	1,444	1,517	1,488	1,544	1,469	1,430	1,409	1,367	1,242
Materials	560	484	523	530	564	523	534	579	559	571	571	579
Real Estate	946	1,364	1,329	1,271	1,504	1,618	1,496	1,461	1,471	1,617	1,320	1,566
Utilities	1,511	1,233	1,212	1,251	1,302	1,244	1,554	1,647	1,802	1,489	1,448	1,324

Source: CMIE Prowess, LSEG Workspace, NSE EPR.

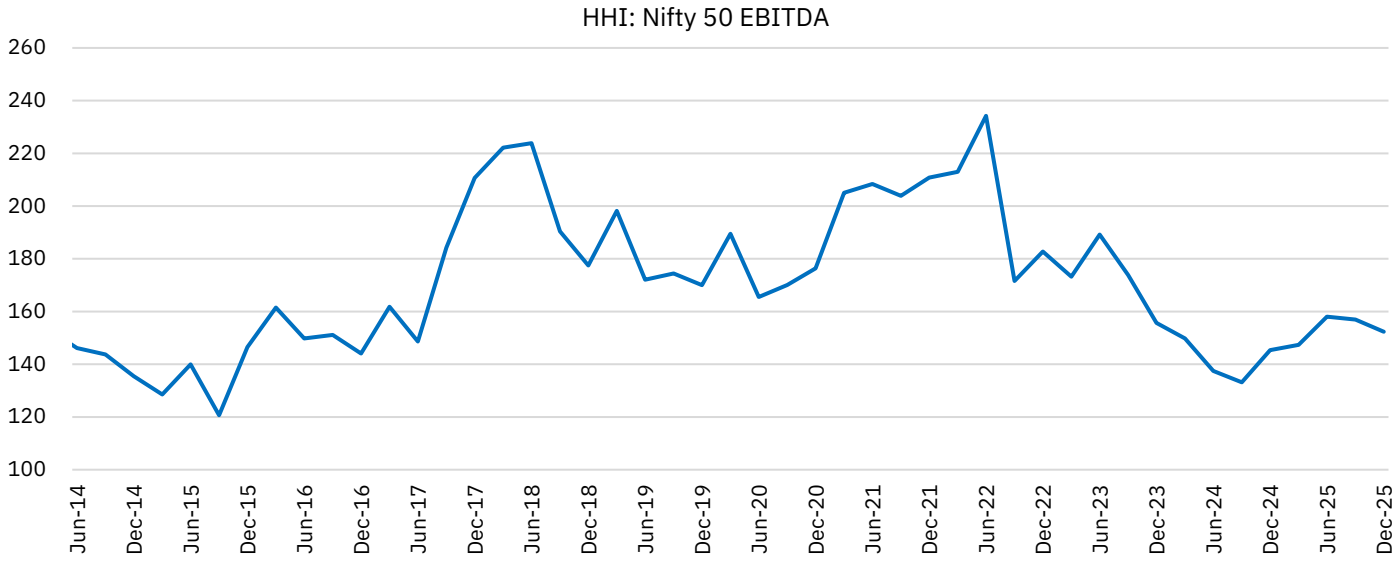
EBITDA concentration trends in Q3FY26 broadly mirrored revenue patterns: EBITDA concentration among non-financial Nifty 50 companies moderated in Q3, with the EBITDA-HHI easing sequentially from 157 to 152. This points to a more even distribution of operating profit growth across constituents. In contrast, EBITDA concentration within the Nifty 500 (excluding Nifty 50) rose from 25 to 30, indicating that profit expansion was driven by a narrower set of companies—primarily within the Energy sector, which accounted for nearly two-thirds of the YoY EBITDA increase in this segment.

Despite the uptick, EBITDA concentration remained below revenue concentration levels, suggesting relatively better dispersion in operating profitability than in topline performance.

Sectorally, EBITDA concentration increased in Healthcare, Industrials, Realty and Utilities. Conversely, consumption- and commodity-linked sectors witnessed a decline in concentration, reflecting broader operating leverage and improved cost absorption across companies.

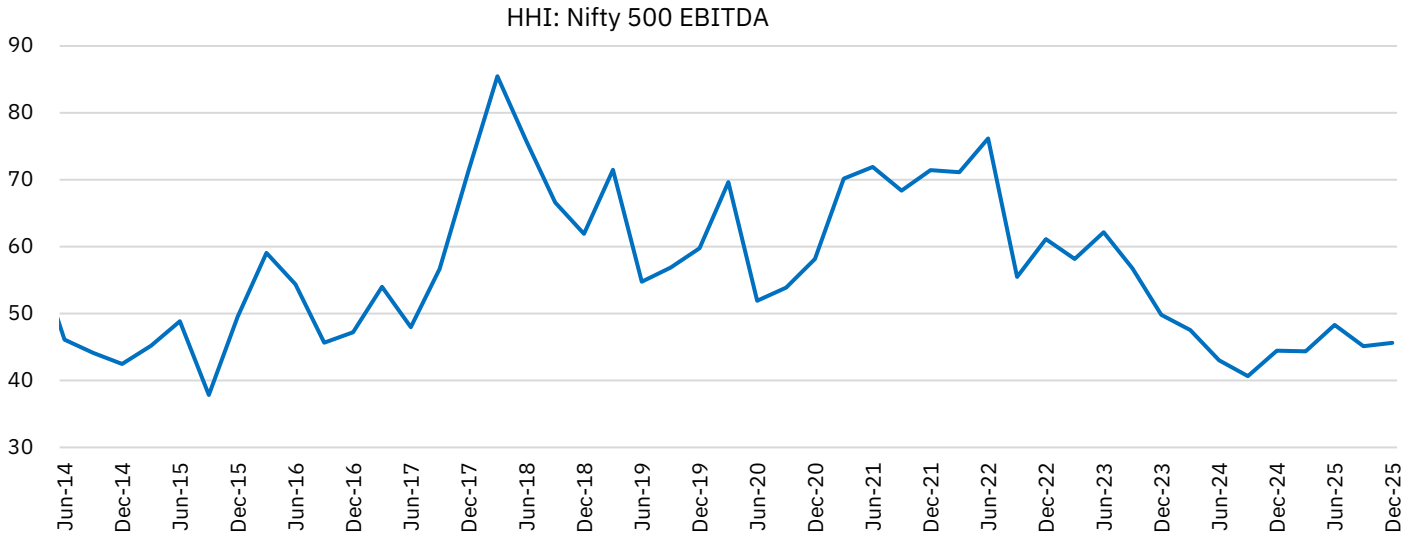
Over the longer term, EBITDA concentration within the Nifty 500 has broadly tracked revenue concentration trends. However, the past year has seen some divergence, signalling a shift in margin dynamics. Recent dispersion in profitability appears to be driven less by revenue concentration and more by operating efficiency gains and sector-specific cost movements. Excluding Nifty 50 constituents, EBITDA concentration in the broader cohort has remained relatively volatile.

Figure 65: HHI Index for EBITDA for Nifty 50 companies (ex-Financials)



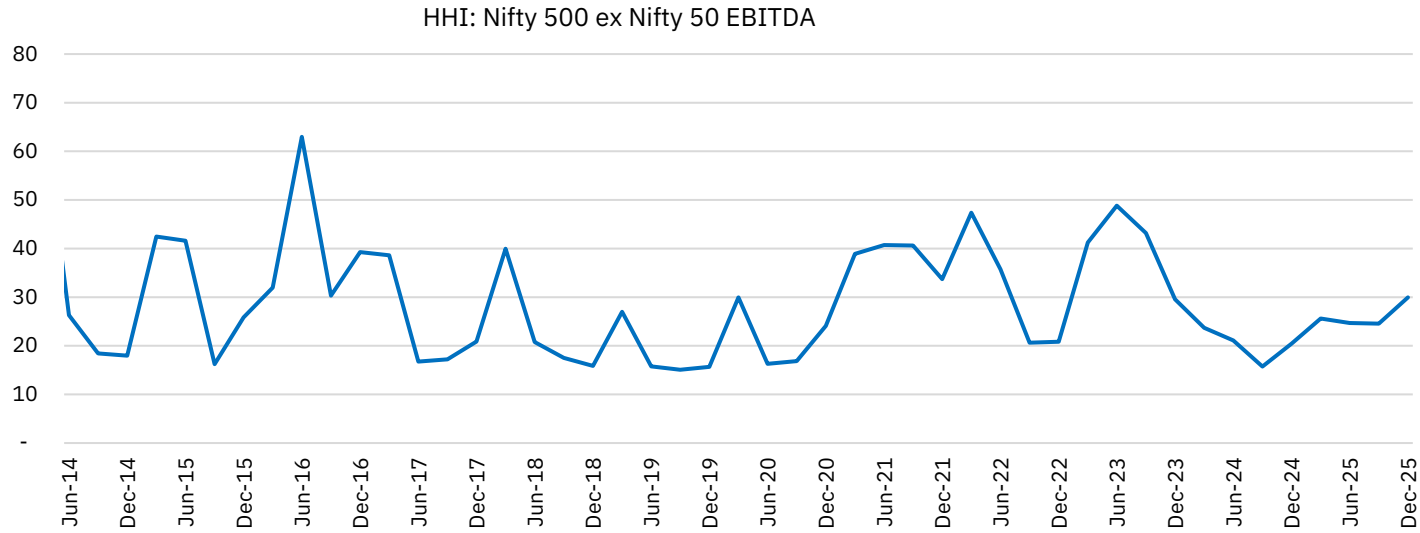
Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 66: HHI Index for EBITDA for Nifty 500 companies (ex-Financials)



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 67: HHI Index for EBITDA for Nifty 500 excluding Nifty 50 companies (ex-Financials)



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Table 35: Sector-wise HHI for EBITDA for Nifty 500 companies (ex-Financials)

Sectors	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Comm. Svcs	2,641	2,898	3,863	3,372	3,050	3,196	3,017	2,847	4,412	4,340	4,420	4,775
Cons.Disc,	1,745	1,441	942	1,328	922	956	1,372	909	1,070	1,153	990	644
Cons.Staples	2,536	2,003	1,891	1,751	1,644	1,628	1,390	1,578	1,537	1,343	1,269	1,245
Energy	2,326	1,823	1,773	1,904	2,569	2,378	2,220	2,286	2,533	2,234	2,425	2,037
Financials	538	586	542	500	586	649	558	574	598	624	593	586
Healthcare	965	903	770	646	729	602	574	606	603	549	563	566
Industrials	690	554	631	718	672	836	834	687	685	665	615	595
IT	2,044	2,098	2,131	2,027	2,118	2,001	1,974	1,973	1,959	2,011	1,931	1,687
Materials	710	568	665	617	632	538	530	711	533	549	553	552
Real Estate	1,281	1,914	1,757	1,617	1,876	1,497	1,692	1,517	1,662	1,614	1,571	1,494
Utilities	1,402	1,212	1,246	1,284	1,415	1,485	1,775	1,905	1,991	1,469	1,459	1,385

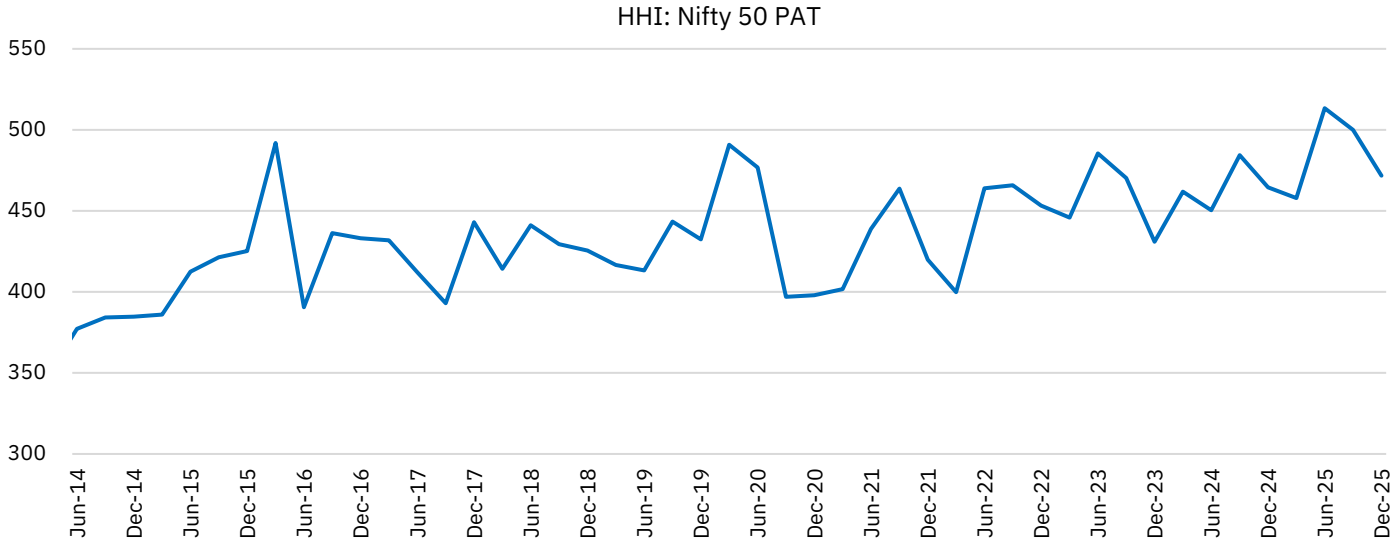
Source: CMIE Prowess, LSEG Workspace, NSE EPR.

PAT concentration in Q3FY26 broadly tracked the trends observed in revenue and EBITDA: PAT concentration within the Nifty 50 declined in Q3 FY26, signalling a more even distribution of net profit growth across large-cap companies. In contrast, PAT concentration in the Nifty 500 (excluding Nifty 50) increased sequentially, indicating that bottom-line gains beyond the top 50 were driven by a relatively narrower group of companies. On an aggregate basis, overall PAT concentration for the Nifty 500 remained broadly unchanged QoQ, as the decline within the Nifty 50 offset the uptick in the broader universe.

Sectorally, PAT concentration rose within Financials—the largest sector in the Nifty 500—even as revenue concentration moderated. This suggests that profit growth was concentrated among select companies benefiting from stronger margins and treasury gains. Conversely, Energy—the second-largest sector—saw a decline in PAT concentration alongside robust profitability, pointing to a more broad-based earnings recovery across firms during the quarter.

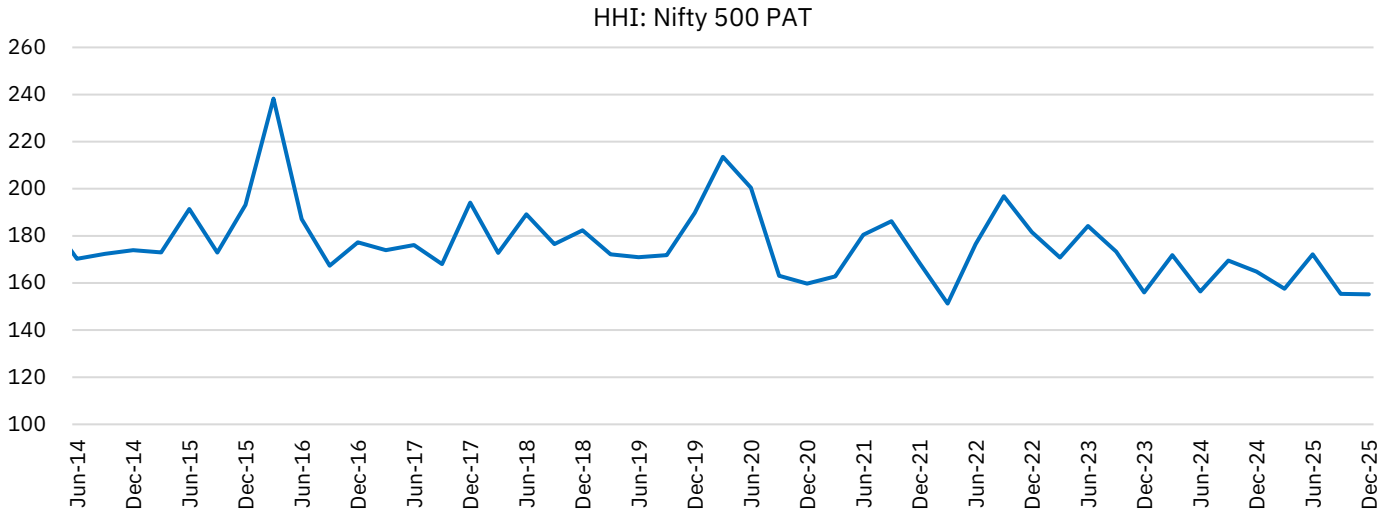
Over the past decade, PAT concentration has generally tracked trends in revenue and EBITDA, albeit at lower absolute levels. Within the Nifty 50, PAT-HHI has trended upward since the pandemic, reflecting profit gains skewed towards dominant large-cap leaders. In contrast, the Nifty 500—particularly excluding Nifty 50 constituents—continues to exhibit greater dispersion, with mid- and small-cap companies maintaining a more diversified earnings profile.

Figure 68: HHI Index for PAT for Nifty 50 companies



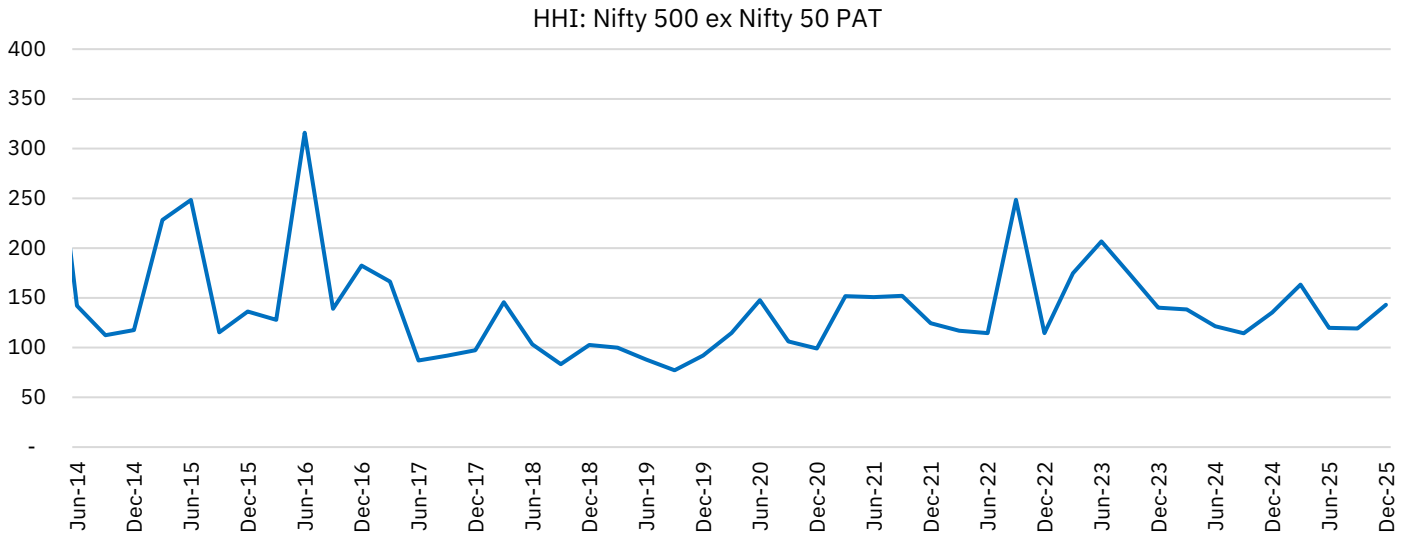
Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 69: HHI Index for PAT for Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Figure 70: HHI Index for PAT for Nifty 500 excluding Nifty 50 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Table 36: Sector-wise HHI for PAT for Nifty 500 companies

Sectors	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Comm. Svcs	2,048	1,842	1,887	1,761	1,771	1,899	1,556	2,761	3,658	3,575	5,587	4,925
Cons.Disc,	1,574	1,058	818	691	633	670	864	654	767	1,034	883	699
Cons.Staples	2,719	2,236	2,139	1,743	1,788	1,841	1,506	1,728	1,810	1,512	1,429	1,408
Energy	2,378	2,032	1,785	1,869	2,701	2,453	2,680	2,292	2,609	2,066	2,577	1,818
Financials	607	706	623	671	588	754	627	574	547	500	553	543
Healthcare	859	1,202	866	664	787	576	620	628	769	697	735	653
Industrials	655	528	571	657	628	853	727	624	540	623	730	549
IT	2,163	2,275	2,301	2,190	2,258	2,145	2,050	2,030	2,098	2,219	2,079	1,788
Materials	1,005	814	902	701	578	558	477	729	572	458	568	566
Real Estate	763	1,480	1,038	1,347	1,646	1,476	2,541	2,280	2,206	2,022	2,029	1,883
Utilities	1,871	1,638	1,639	1,360	1,724	1,549	1,602	1,937	1,932	1,485	1,515	1,524

Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Earnings revision analysis

Consensus FY27 aggregate PAT estimates upgraded further: Aggregate profitability for the Nifty 500 universe strengthened further in Q3 FY26, reflecting broad-based improvement led by robust credit offtake, firmer realisations in metals and commodity-linked sectors, and festive-led consumption demand. The recovery was driven predominantly by mid-cap companies, offsetting relatively muted earnings from large-caps. Consequently, the share of Nifty 50 profits within the Nifty 500 declined from 54% in FY25 to ~51% in Q3 FY26, indicating a widening earnings contribution across the broader market. Despite this improvement in operating momentum, consensus earnings estimates were marginally trimmed for FY26, with downgrades limited in magnitude and concentrated in select sectors, even as FY27 saw further upgrades. This possibly reflects geopolitical tensions, external demand uncertainty, and tariff-related overhang.

Our analysis of earnings revisions of the top 200 well-covered companies by market capitalisation[2] shows that FY26 aggregate earnings estimates fell by a modest 0.1% since end-December, implying projected growth of 12% as of February 27th, 2026. Downgrades were led primarily by Consumer Discretionary and Information Technology. Excluding these two sectors, FY26 earnings estimates rose by 0.7%. Financials, Energy and Materials recorded notable upgrades, together accounting for 64% of total FY26 earnings within this cohort, underscoring their outsized contribution to overall profit growth.

For FY27, aggregate earnings estimates were revised upward by 0.7% since December 2025, lifting the expected growth rate from 14.8% to 15.7% as of 27 February 2026. Upgrades were led by Materials, where estimates increased by 7.3% YTD, followed by Financials. These gains were partly offset by downgrades in Consumer Staples, Utilities and Consumer Discretionary. Excluding Materials and Financials, FY27 earnings estimates declined by 0.6%. On balance, the implied annualised profit growth over FY25–27 improved to 13.9% as of February 27th, 2026, up from 13.4% at end-December and 13.1% at end-September, signalling a gradual strengthening in the medium-term earnings trajectory despite near-term sectoral divergences.

Figure 71: Aggregate consensus profit growth estimate for top 200 covered companies (% YoY)

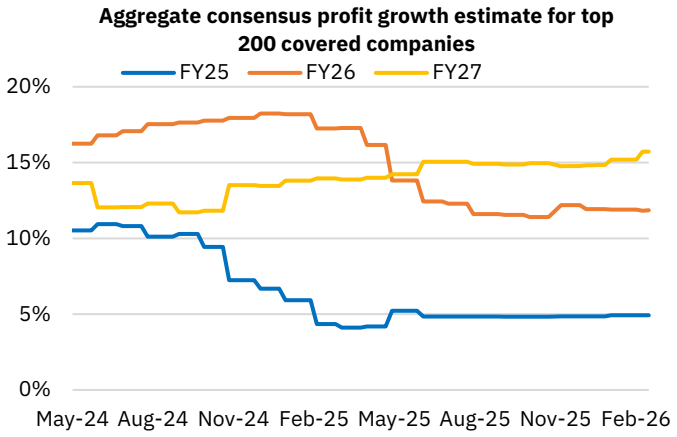
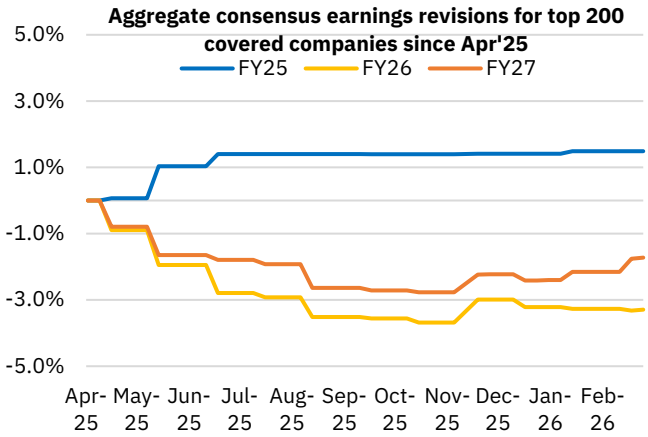


Figure 72: Aggregate consensus earnings revisions since Apr'25 for top 200 covered companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. Data is as of February 27th, 2026.

[2] The sample set consists of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five or more analysts during the previous 12 months using IBES estimates from LSEG Workspace.

Table 37: Monthly trend of sector-wise FY26 consensus earnings growth estimate (% YoY)

Sectors	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Comm. Svcs.	343.2	225.0	47.7	27.3	31.1	22.3	18.0	8.7	21.6	24.1	27.8	11.2
Consumer Disc.	19.6	17.8	8.4	6.1	5.7	3.9	3.5	3.1	3.3	1.0	-0.3	-6.3
Consumer Staples	13.8	13.5	12.8	11.6	11.1	9.0	8.5	8.3	7.2	7.1	6.3	6.4
Energy	19.7	17.4	15.6	19.0	19.5	21.1	23.9	23.9	25.2	25.0	25.6	28.1
Financials	11.1	11.0	10.7	8.4	8.4	7.6	7.0	6.7	8.2	8.2	8.4	9.3
Health Care	16.8	16.5	12.8	10.7	10.3	8.2	7.7	7.4	7.6	7.4	7.9	8.6
Industrials	23.8	23.4	19.6	17.1	16.6	16.6	16.2	16.5	14.6	13.6	13.7	11.7
IT	12.6	9.0	7.0	6.9	5.7	5.8	5.6	6.1	6.9	7.0	5.8	5.2
Materials	36.5	36.5	34.6	31.8	31.6	29.7	29.4	29.0	30.7	30.5	30.8	32.2
Real Estate	19.0	18.1	18.7	13.3	12.2	12.4	11.5	11.5	12.8	13.5	12.5	11.8
Utilities	8.8	8.8	10.9	7.2	7.1	5.2	4.7	5.3	2.0	1.9	1.5	-0.5
Total	**17.3**	**16.2**	**13.8**	**12.4**	**12.3**	**11.6**	**11.6**	**11.4**	**12.2**	**11.9**	**11.9**	**11.9**

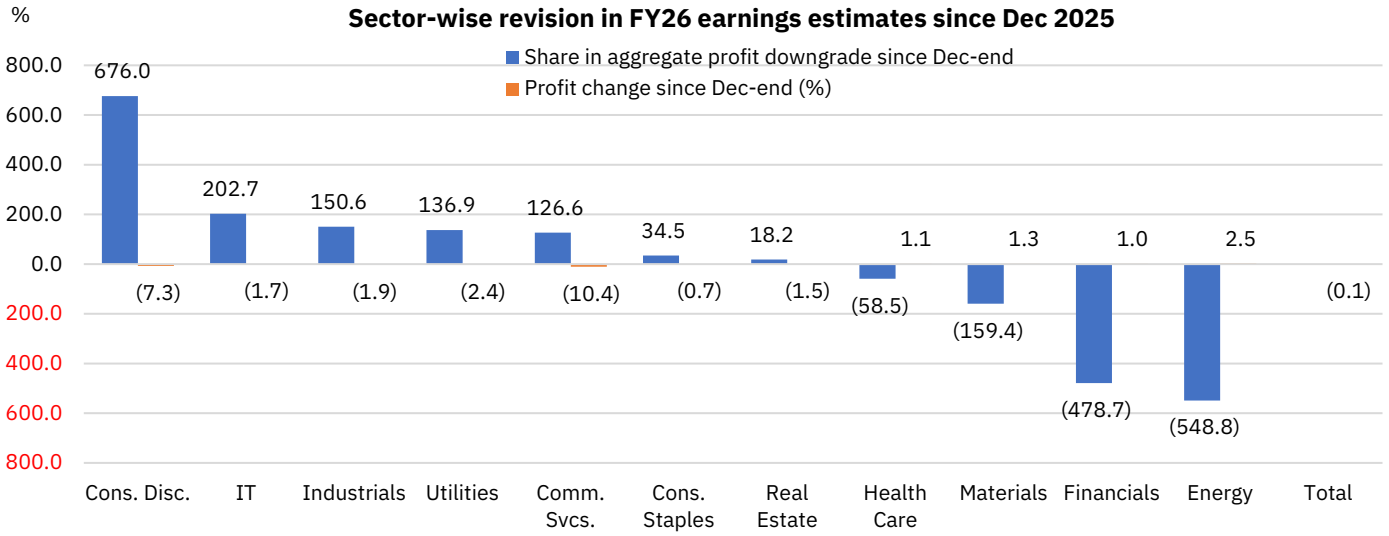
Source: LSEG Workspace, NSE EPR.
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. * Data is as of February 27th, 2026.

Table 38: Monthly trend of sector-wise FY27 consensus earnings growth estimate (% YoY)

Sectors	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Comm. Svcs.	93.6	105.3	136.0	129.0	127.9	143.6	147.0	158.8	137.5	131.8	127.5	158.8
Consumer Disc.	16.4	16.9	17.1	17.8	17.6	18.1	18.5	18.7	15.0	16.2	16.3	24.4
Consumer Staples	12.4	12.7	13.0	13.2	13.3	13.9	14.0	14.0	14.4	14.4	11.3	9.4
Energy	10.6	10.5	10.6	10.8	10.1	8.3	5.5	5.2	5.1	4.7	4.8	2.1
Financials	12.4	12.5	12.1	13.8	14.0	14.0	15.1	15.3	15.1	15.2	15.4	14.9
Health Care	10.4	10.3	10.8	11.1	11.3	12.1	12.3	12.6	11.7	11.8	11.0	9.7
Industrials	18.3	18.5	18.8	19.7	19.6	19.8	19.8	19.9	21.5	21.7	21.9	23.3
IT	11.9	11.0	10.4	10.6	10.6	10.1	10.0	9.6	8.8	8.9	11.1	12.2
Materials	16.7	17.0	18.5	19.0	18.9	19.3	19.4	20.2	22.2	22.6	24.6	29.8
Real Estate	25.8	25.8	26.3	27.1	27.9	26.5	26.6	26.6	25.3	25.3	25.0	24.8
Utilities	8.6	8.6	9.0	9.6	9.6	10.1	10.2	10.2	10.7	10.8	11.1	11.6
Total	**13.9**	**14.0**	**14.2**	**15.1**	**15.1**	**14.9**	**14.9**	**15.0**	**14.8**	**14.8**	**15.2**	**15.7**

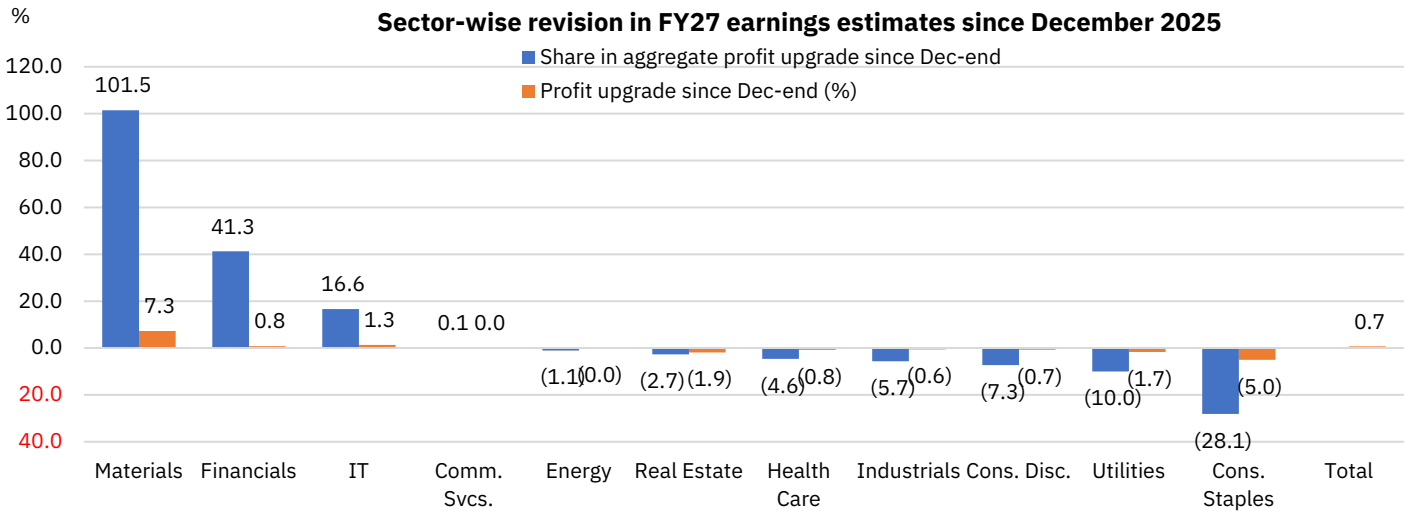
Source: LSEG Workspace, NSE EPR.
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. * Data is as of February 27th, 2026.

Figure 73: Sector-wise revision in FY26 earnings estimates for top 200 companies since December 2025



Source: LSEG Workspace, NSE EPR
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. Data is as on February 27th, 2026.

Figure 74: Sector-wise revision in FY27 earnings estimates for top 200 companies since December 2025



Source: LSEG Workspace, NSE EPR.
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. Data is as on February 27th, 2026.

Financials, Energy and Materials to account for nearly 68% of the incremental earnings over the next two years: Financials, which accounted for 38.4% of aggregate earnings of the top 200 companies in FY25, are projected to see their share moderate to 37.5% in FY26 and 37.2% in FY27. Despite this marginal decline, the sector remains the principal engine of profit expansion, contributing 33% of the total incremental earnings expected over FY25–27.

Materials ranks second in terms of incremental contribution, accounting for 19.2% of additional earnings over the same period, despite representing only about 10% of aggregate profits. Earlier downward revisions during the fiscal year have largely been retraced, with FY27 estimates revised upward. As a result, the sector's share of total profits is projected to rise from 8% in FY25 to 10.5% by FY27.

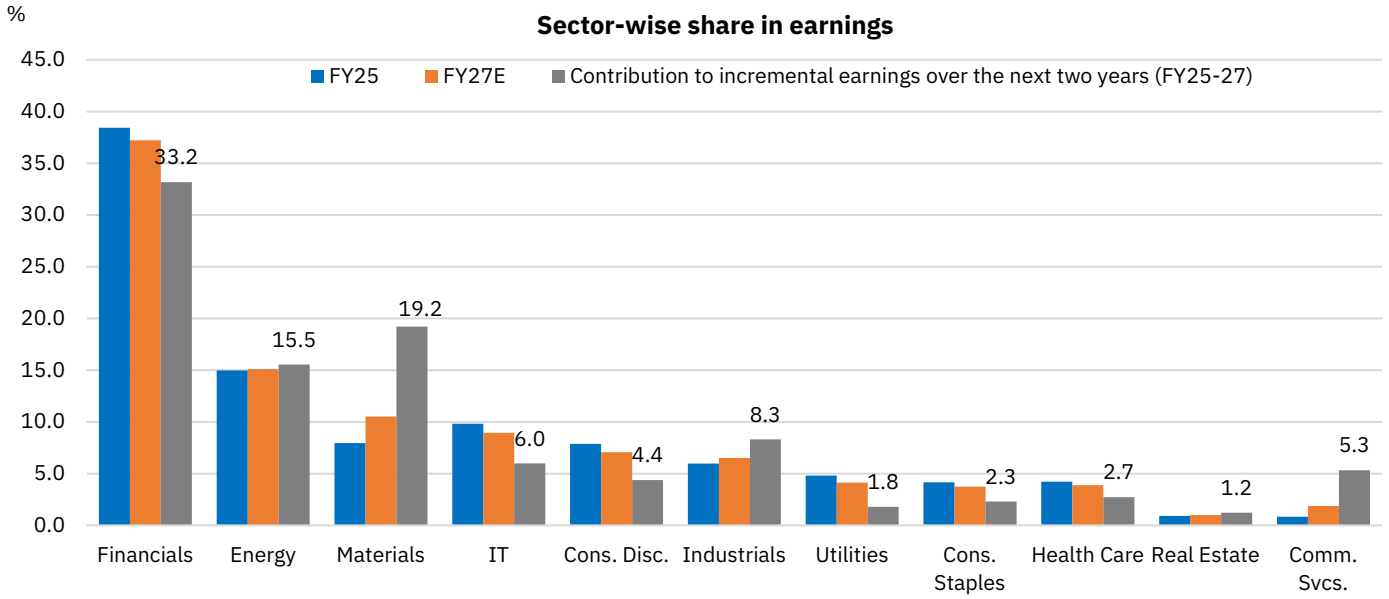
Energy is expected to maintain a broadly stable earnings profile, with its share of aggregate profits projected at 15.1% in FY27 and a slightly higher 15.5% contribution to incremental earnings over FY25–27, indicating steady but not outsized growth.

Communication Services presents a contrasting trajectory. After moving from losses in FY24 to meaningful profitability in FY25, the sector is projected to expand at a CAGR of nearly 70% over the next two years. Although it accounts for just 1.9% of aggregate earnings, this sharp turnaround translates into a 5.3% share of incremental earnings.

Consumption-oriented sectors remain comparatively subdued. Consumer Staples and Consumer Discretionary together are expected to contribute only 6.7% of incremental profits over FY25–27. Their combined share in aggregate earnings is projected to decline from 12.9% in FY24 to 10.5% in FY26E, before a modest recovery to 10.8% in FY27E.

In contrast, Industrials are projected to contribute 8.3% of incremental earnings—above their 6.5% share in aggregate profits—suggesting a more constructive medium-term earnings outlook relative to their current weight in the profit pool.

Figure 75: Sector-wise share and contribution to earnings



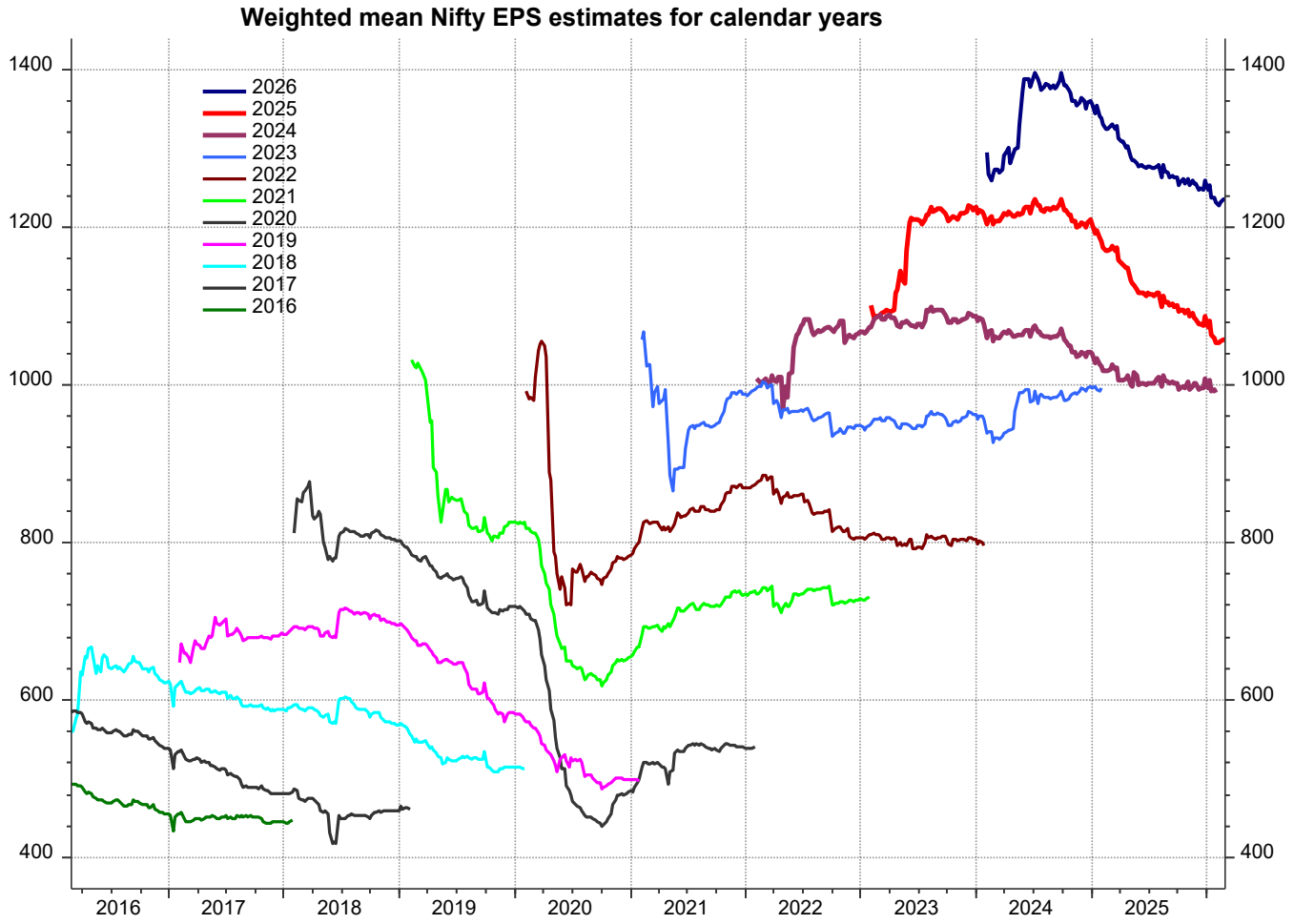
Source: CMIE Prowess, LSEG Workspace, NSE EPR.
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. Data is as of February 27th, 2026.

The chart captures a persistent feature of consensus earnings behaviour: projections typically begin each calendar year on an optimistic note, only to be revised lower as growth conditions, margins and external risks become clearer. Barring 2023, this pattern of early-year buoyancy followed by progressive downgrades has characterised India's earnings cycle for over a decade.

The same dynamic is visible in 2025 and 2026. Since the start of this year, consensus EPS estimates for the Nifty 50 have been trimmed by 1.9% for CY2025 and 2.6% for CY2026. Relative to April 2025, cumulative downgrades now stand at 5.9% and 8.7%, respectively. The revisions reflect softer domestic and global demand conditions, lingering trade-policy uncertainty and renewed volatility in commodity prices.

Importantly, the intensity of downgrades appears to have moderated in recent months. Revision momentum has stabilised, with early signs of improvement, consistent with the recovery in reported corporate earnings over the past two quarters.

Figure 76: Yearly trend of NIFTY 50 Consensus EPS estimates



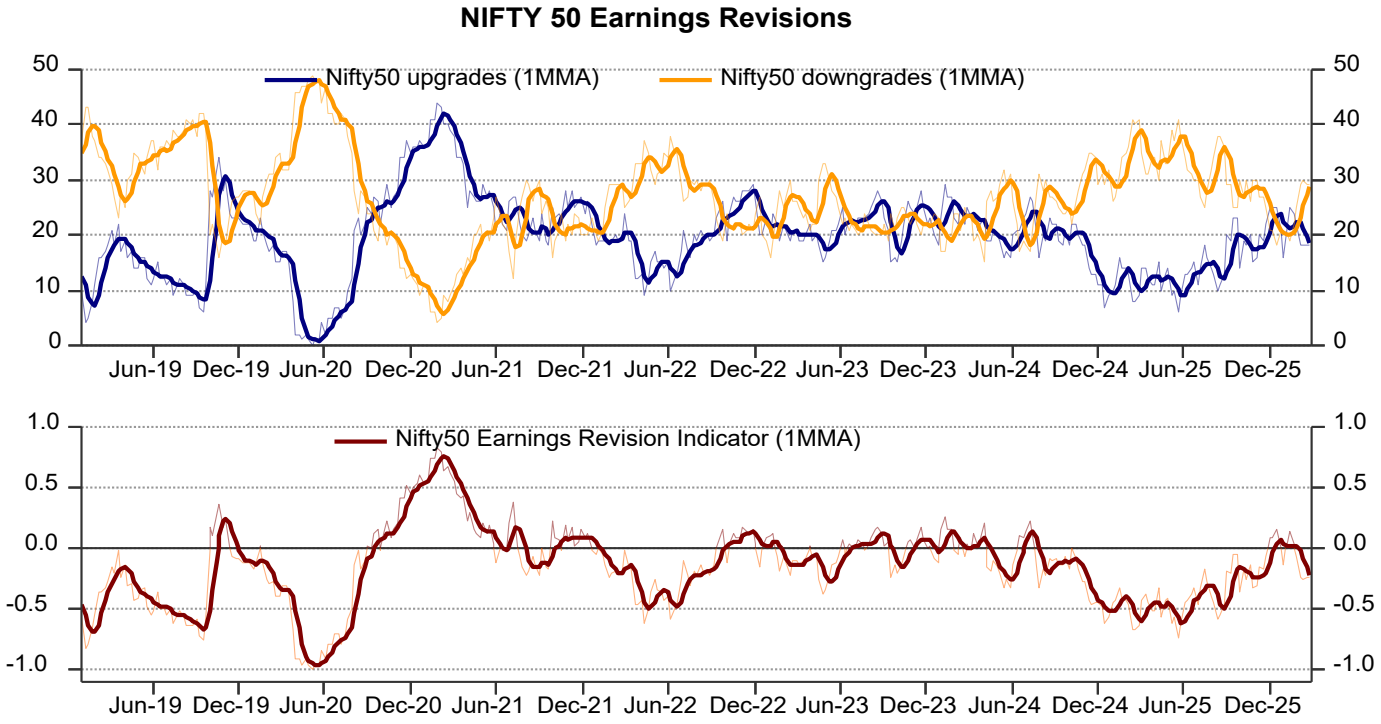
Source: LSEG Workspace, NSE EPR

Nifty 50 Earnings Revision Indicator slips back into the negative territory: The Earnings Revision Indicator (ERI) measures the breadth of analyst sentiment by calculating the proportion of index constituents receiving upward EPS revisions minus those receiving downward revisions over a specified period. A positive ERI signals that upgrades outnumber downgrades, while a negative reading indicates the reverse. It is therefore a compact gauge of the direction of revisions across Nifty 50 companies. Importantly, ERI captures breadth rather than magnitude: aggregate earnings can still rise even when the ERI is negative, if the quantum of upgrades outweighs downgrades. In that sense, the indicator reflects the distribution of revisions, not their depth.

After remaining firmly in negative territory through much of last year and into June 2025, the ERI has improved gradually, though it has softened again in recent months. Following a brief return to positive readings, the indicator slipped back into contraction territory this year, suggesting that downgrades once again exceed upgrades—albeit less sharply than during the early part of last year.

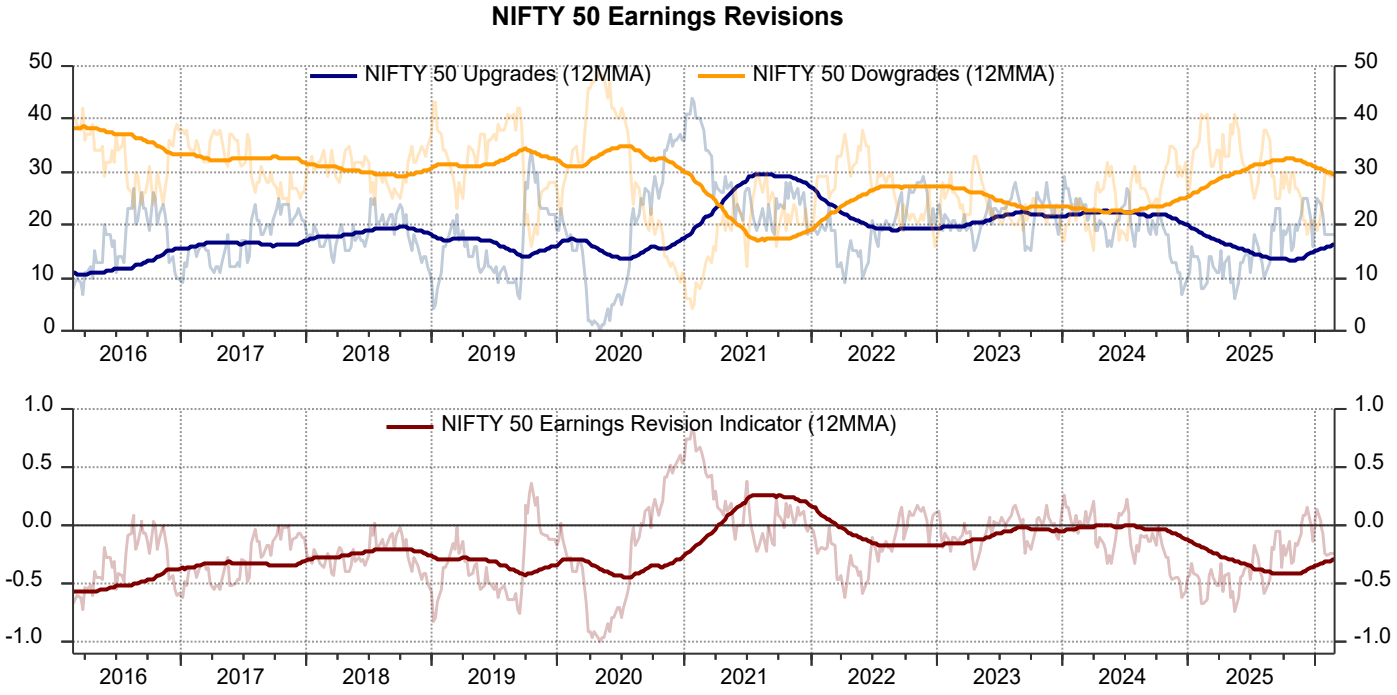
The partial recovery over the past six months is consistent with the broader stabilisation in earnings revisions. However, elevated geopolitical tensions, along with domestic and external demand headwinds, continue to weigh on the durability of sustained earnings upcycle.

Figure 77: Nifty 50 Earnings Revision Indicator (since January 2019)



Source: LSEG Workspace, NSE EPR.

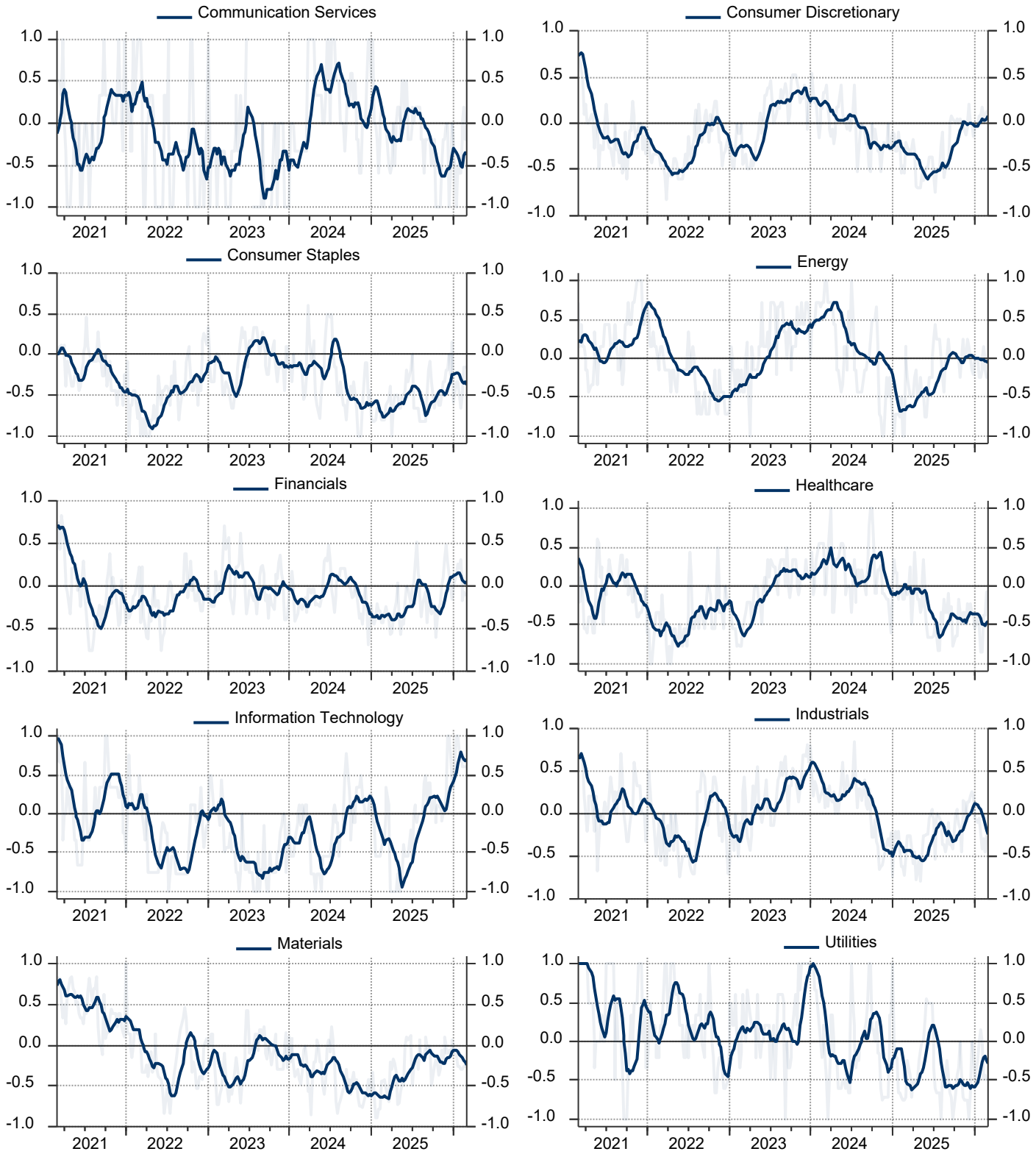
Figure 78: Nifty 50 Earnings Revision Indicator (10-year trend)



Source: LSEG Workspace, NSE EPR.

Figure 79: Short-term trend of Earnings Revision Indicator across MSCI sectors

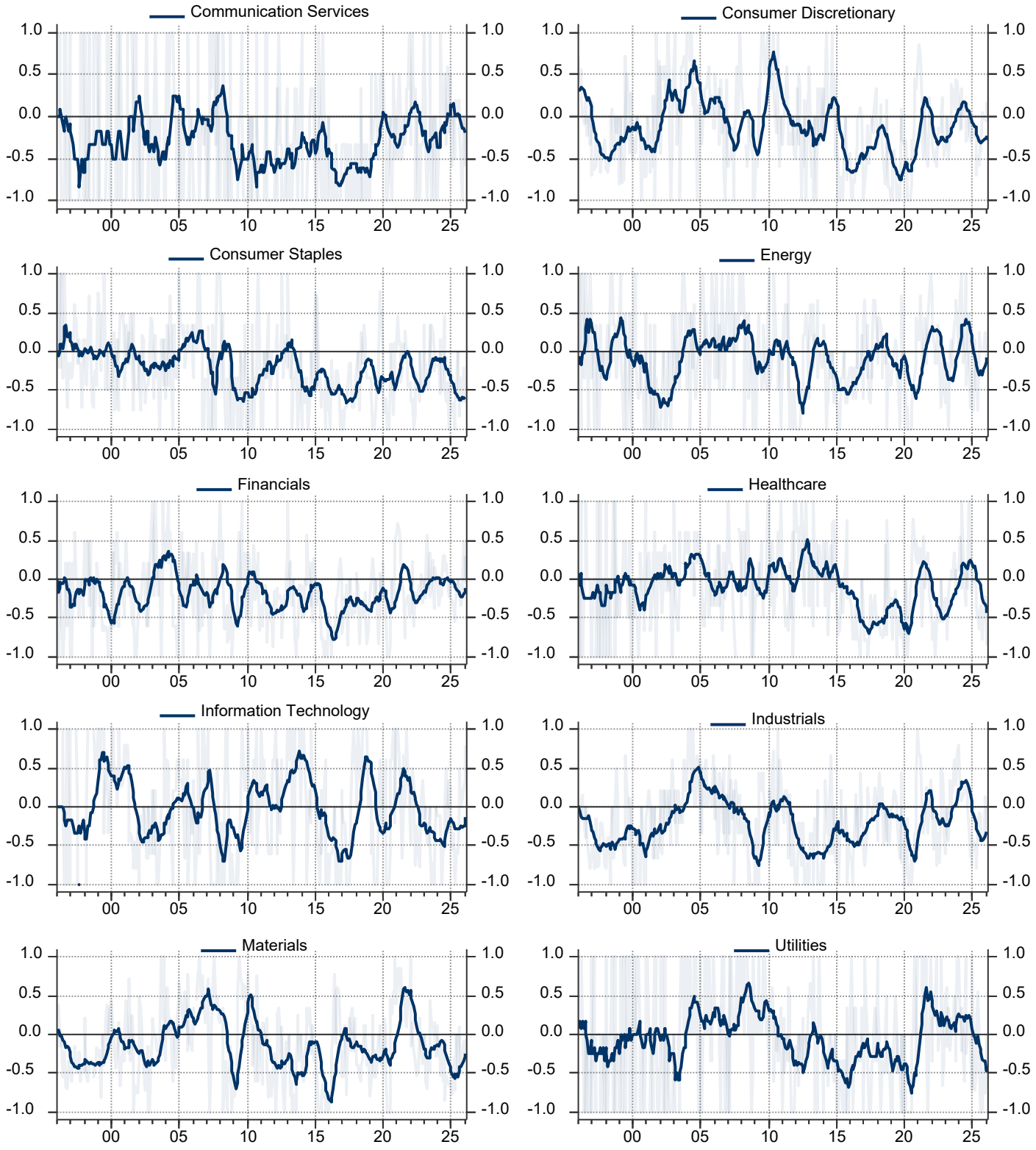
India Earnings Revision Indicator across sectors: Short-term (2MMA)



Source: LSEG Workspace, NSE EPR.

Figure 80: Long-term trend of Earnings Revision Indicator across MSCI sectors

India Earnings Revision Indicator (ERI) across sectors: Long-term (12MMA)



Source: LSEG Workspace, NSE EPR.

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