

Q1FY26 Earnings Review: Margin tailwinds boost corporate profitability

Corporate earnings in Q1 FY26 saw a meaningful recovery, driven primarily by margin tailwinds, even as topline growth remained steady. Nifty 50 companies posted revenue growth of 6.2% YoY, marking the fourth straight quarter of growth in the 6% range, while Nifty 500 companies recorded a slightly lower yet stable growth of 5.9% YoY. Excluding the Energy sector — which was weighed down by softer crude prices and weaker refining margins — revenue growth improved to a three-quarter high of 7.6% for Nifty 50 and 8.1% for Nifty 500 companies. Operating performance strengthened sharply, supported by lower input costs, cost rationalisation, and a favourable base. EBITDA for Nifty 50 and Nifty 500 companies (ex-Financials) rose by 12.8% and 12.5% YoY, respectively — the first double-digit growth in five quarters. This translated into a significant margin expansion, with the Nifty 50/Nifty 500 (ex-Financials) EBITDA margin climbing to a nine/four-year high of 23.3/19.8%. Margin gains, coupled with lower interest expenses following the 100bps policy rate cut earlier this year, provided a strong boost to profitability. As a result, aggregate PAT growth for Nifty 50 and Nifty 500 companies returned to a double-digit trajectory at 14.8% and 13.2% YoY, respectively.

Notwithstanding the improvement in profitability in Q1 FY26, consensus profit estimates continued to face downward revisions, though the scale of cuts has moderated, reflecting tariff-related uncertainty around corporate earnings. According to LSEG Workspace, earnings estimates for FY26 and FY27 for the top 200 well-covered companies by market capitalisation were trimmed by 0.5% and 0.9%, respectively, since end-June (As of September 5th, 2025), implying an aggregate earnings CAGR of 13.3% over FY25–27. In line with these trends, the Earnings Revision Indicator (ERI) has remained in negative territory, signalling more downgrades than upgrades, though recent readings suggest the downgrade cycle may be nearing its trough. Macroeconomic conditions, meanwhile, remain broadly supportive. The RBI's cumulative 100 bps rate cut this year, combined with fiscal measures such as income tax relief in the Union Budget and GST rationalisation, alongside easing inflation and a healthy monsoon, are expected to lift consumption. On the investment side, sustained public capex and lower funding costs should help crowd in private investment. However, persistent geopolitical tensions and tariff-related headwinds could weigh on external demand and commodity markets, leaving risks to the earnings outlook skewed to the downside.

- Topline growth remained steady in Q1FY26:** Net sales growth of Nifty 50 companies remained in the 6% range for the fourth consecutive quarter, registering a 6.2% YoY in Q1FY26, possible reflecting the bottoming out of demand conditions. For the broader Nifty 500 universe, topline growth remained steady at 5.9% YoY, marking the ninth single-digit growth in a row. Performance of mid-cap companies, while still behind large-caps, seem to have improved in Q1, with their contribution to overall Nifty 500 top line growth improving by ~600bps QoQ to 37% in Q1. Sector-wise, Financials, Consumer Discretionary, and Materials accounted for over 68% of the YoY expansion, with Financials leading at 39%.
- EBITDA growth accelerated in Q1FY26 amid margin tailwinds:** EBITDA for Nifty 50 (ex-Financials) rose 12.8% YoY in Q1FY26 — the highest in six quarters — despite a modest 5.4% YoY revenue growth. Operating margin expanded 153 bps YoY to a 36-quarter high of 23.3%, supported by cost optimisation, softer input prices and operational efficiency in addition to lower base effect. Similar trends were seen in the Nifty 500 universe, where EBITDA grew at a six-quarter high pace of 12.5% YoY and margins rose to a 16-quarter high of 19.8%. Energy, Materials, and Communication Services drove over 79% of the Nifty 500 YoY EBITDA gains, despite contributing only 15% to the YoY revenue growth in Q1FY26. Input cost pressures eased, with raw material cost to net sales ratio

Nifty 50 and Nifty 500 companies reported a stable topline growth of 6.2% and 5.9%, respectively in Q1.

EBITDA growth outpaced revenue growth for both Nifty 50 (12.8% YoY) and Nifty 500 (12.5% YoY) in Q1, with margins expanding to multi-quarter highs.

dropping over 100 bps YoY and 400 bps QoQ. Wage bills rose 6.4% YoY but remained stable as a share of net sales.

- **PAT growth hits five-quarter high; large caps continue to outperform:** Margin tailwinds and lower interest expenses, thanks to 100bps cut in the policy repo rate early this year, boosted corporate profitability in Q1FY26. Nifty50 companies reported a 14.8% YoY growth in aggregate PAT in Q1FY26 — the strongest in five quarters. PAT margins improved to a decadal high of 12.7%, up 95 bps YoY and 64 bps QoQ. For the Nifty 500 universe, PAT grew at a tad higher 13.2% YoY, with margins up 67 bps YoY to 10.5%. Excluding the top 100 companies — the so-called large-caps—PAT growth came in at lower 10.2% with weaker margins at 7.5%. Sector-wise, PAT growth of the Nifty 500 companies was led by Energy, contributing 43.5%, followed by Financials (21.1%), Materials (14.9%), and Communication Services (10.3%).
- **Downward revisions continued, albeit at a slower scale:** Our analysis of earnings revisions for the top 200 well-covered companies by market capitalisation shows that aggregate FY26 profit estimates have been trimmed by 0.5% since end-June, with projected earnings growth now at 11.6% (As of September 5th) compared with 12.1% as of June-end. Sector-wise, only Energy recorded upward revisions, while all other sectors saw downgrades, led by Consumer Discretionary, Materials, Financials, and Consumer Staples. Notably, Consumer Discretionary alone accounted for over 40% of the reduction in aggregate earnings since June, despite contributing just 7.3% to total profits. For FY27, earnings estimates were cut by 0.9% over the same period, with expected growth now at 15.0%, bringing the implied FY25–27 CAGR to 13.3%, down from 15.6% at end-March. Looking ahead, Financials, Energy, and Materials are projected to drive more than 63% of incremental earnings growth over the next two years.
- **...With the ERI hovering in the negative territory:** The Earnings Revision Indicator (ERI) for the Nifty 50 has remained in negative territory since October 2024, reflecting more downgrades than upgrades. A brief improvement in July 2025, when the ERI edged up to –0.3, proved short-lived as the indicator weakened again in August. While downgrades continue to outweigh upgrades, their magnitude has eased, suggesting the revision cycle may be close to bottoming out. Sector-wise, Energy, Financials, IT, and Materials have seen ERI readings stabilise near neutral, pointing to a more balanced outlook. By contrast, consumption-linked sectors—Consumer Staples, Consumer Discretionary, Utilities, and Healthcare—have slipped deeper into negative territory, highlighting ongoing headwinds for earnings in these segments.

PAT growth for Nifty 50/500 came in much stronger at 14.8%/13.2% YoY, aided by lower input costs and operating efficiency.

Aggregate earnings growth of top 200 companies is pegged at 11.6% and 15.0% in FY26 and FY27 respectively, implying an earnings CAGR of 13.3% during this period.

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Nifty 50 Q1FY26 results

Nifty50 topline growth remained broadly steady in Q1FY26: Net sales of Nifty 50 companies grew by 6.2% YoY in Q1 FY26 to Rs 18.4 lakh crore, slightly below the 6.5% growth in Q4 FY25, marking the fourth straight quarter of ~6% growth. Of the 50 companies, 41 reported higher revenues compared with the same quarter last year. Sector-wise, all but Utilities posted topline growth during the quarter.

In terms of contribution, Financials, Consumer Discretionary, and Materials were the key drivers, together accounting for 63% of the YoY revenue expansion. Financials alone, contributed 34%, marking their third straight quarter of accelerating growth (+8.6% YOY), led by robust treasury gains, steady gross interest income, and strong premium collections, partly offset by muted credit demand. Consumer Discretionary—accounting for 14.9% of YoY topline expansion—has seen its growth rate slow for three consecutive quarters, reflecting weakness in discretionary demand. By contrast, Materials contributed 14.3% and delivered their strongest performance in 11 quarters, supported by a low base, higher metal prices, and strong results from cement producers. Energy, comprising nearly a quarter of Nifty 50 revenues, posted its weakest growth in three quarters, weighed down by softer crude prices, weak refining margins, and subdued power demand in Utilities. Excluding Energy, revenue growth for the Nifty 50 was stronger at 7.6% YoY.

Demand trends in Q1 FY26 showed incremental improvement, albeit at a slower pace. Looking ahead, a healthy monsoon is expected to bolster rural consumption, while policy measures—both direct (income tax relief in the Union Budget) and indirect (GST rationalisation)—combined with falling interest rates and easing inflation, should further support household spending. Input costs also remain subdued, enhancing margin resilience. On the investment side, continued public capex and lower funding costs are likely to spur private activity, though rising US tariffs cloud the outlook for export-oriented sectors. Overall, corporate earnings are positioned to benefit from controlled costs, rural recovery, and public investment, even as global trade tensions pose a key near-term risk.

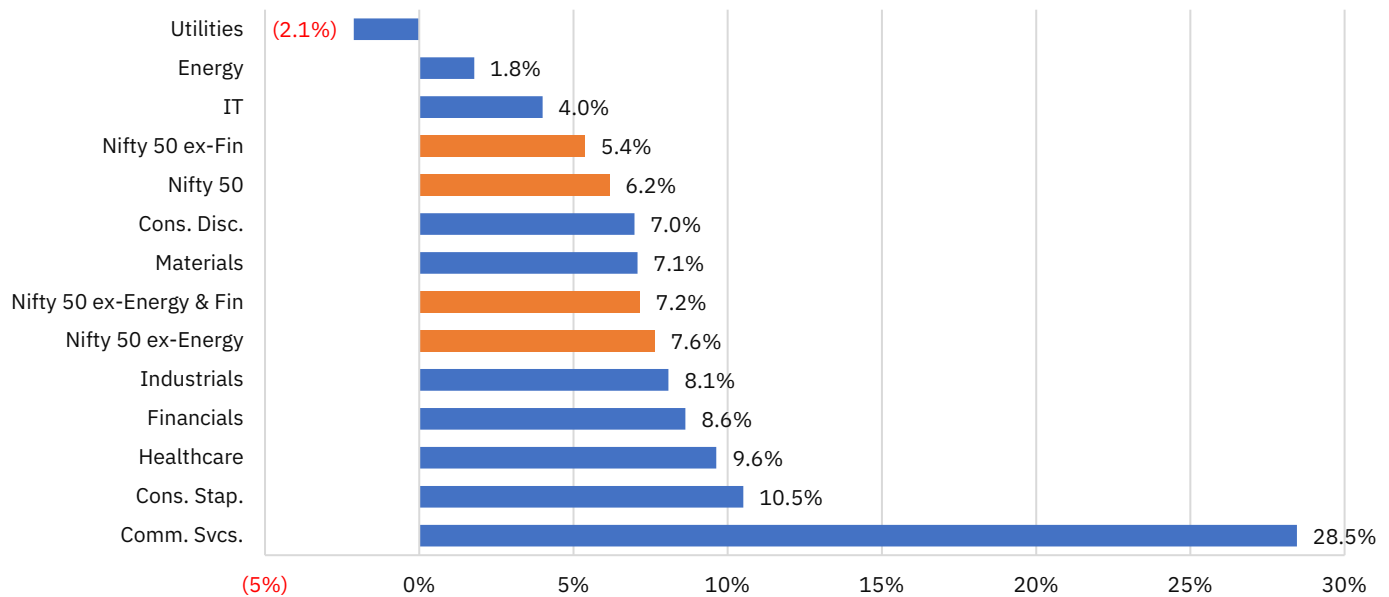
Table 1: Sector-wise net sales growth (%) of Nifty 50 companies

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	2.4	6.1	3.3	2.8	27.3	28.5
Consumer Discretionary	(4.0)	2.3	(4.3)	10.0	7.2	7.0
Consumer Staples	2.4	1.6	7.5	5.5	5.2	10.5
Energy	(1.3)	6.4	(5.8)	6.7	6.7	1.8
Financials	1.0	5.4	4.6	26.2	4.9	8.6
Health Care	6.4	(2.4)	4.2	9.1	11.9	9.6
Industrials	(17.8)	17.5	(16.6)	10.5	6.5	8.1
Information Technology	1.4	0.2	0.0	3.4	5.4	4.0
Materials	(5.4)	12.9	(4.4)	1.4	6.1	7.1
Utilities	(0.1)	10.3	(6.2)	10.0	4.2	(2.1)
Nifty 50	(2.1)	6.2	(2.4)	10.5	6.5	6.2
Nifty 50 ex-Energy	(2.4)	6.2	(1.3)	11.8	6.5	7.6
Nifty 50 ex-Financials	(3.1)	6.5	(4.6)	6.2	7.0	5.4
Nifty 50 ex-energy ex-fin	(3.9)	6.5	(4.0)	6.0	7.2	7.2

Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

Figure 1: Sector-wise net sales YoY growth of Nifty 50 companies in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide data for companies in the Nifty 50 index as on June 30th, 2025.

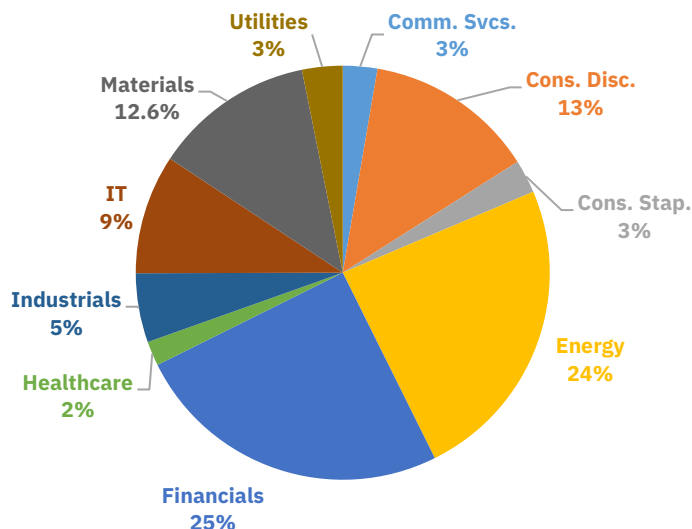
Table 2: Sector-wise contribution of Nifty 50 companies to net sales growth rate in Q1FY26

Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	49,463	0.1	0.6
Consumer Discretionary	2,44,925	(0.6)	0.9
Consumer Staples	47,884	0.2	0.3
Energy	4,42,582	(1.5)	0.4
Financials	4,59,700	1.1	2.1
Health Care	35,223	0.1	0.2
Industrials	99,206	(1.0)	0.4
Information Technology	1,71,551	0.0	0.4
Materials	2,30,889	(0.6)	0.9
Utilities	58,262	(0.2)	(0.1)
Nifty 50	18,39,684	(2.4)	6.2
Nifty 50 ex-Energy	13,97,101	2.5	5.7
Nifty 50 ex-Financials	13,79,984	8.9	4.1
Nifty 50 ex-energy ex-fin	9,37,402	5.2	3.6

Source: CMIE Prowess, LSEG workspace, NSE

Note: The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

Figure 2: Sector-wise share in net sales of Nifty 50 companies in Q1FY26

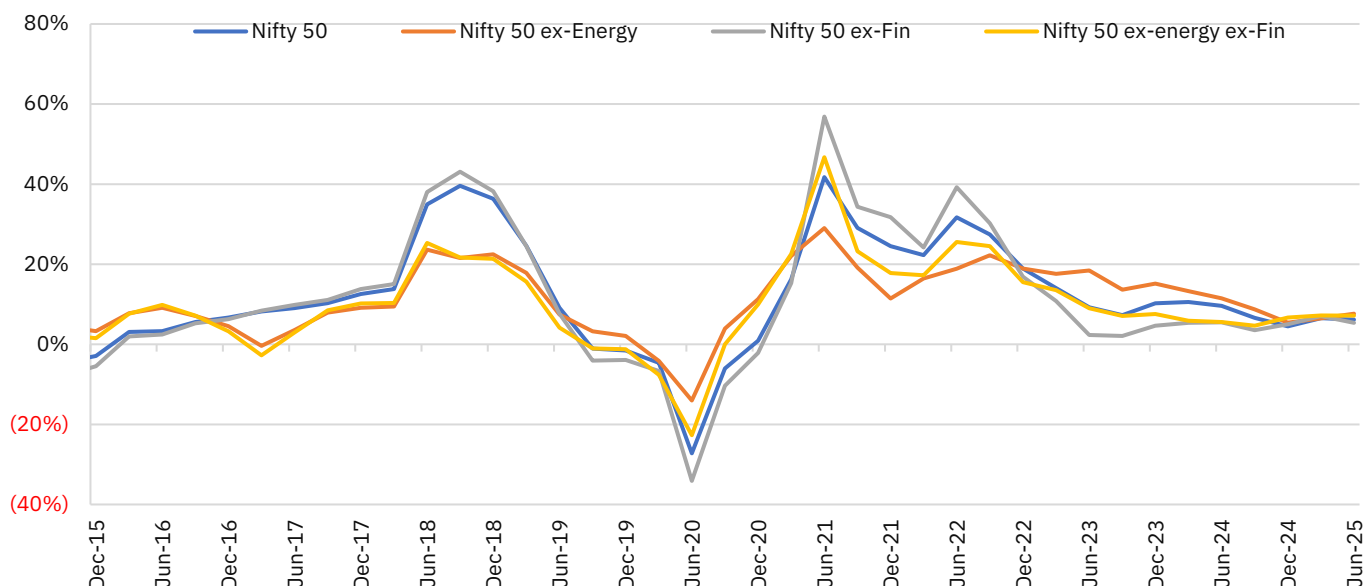


Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on June 30th, 2025.

Figure 3: Quarterly trend of Nifty 50 revenue growth (YoY)

Net sales growth trend for Nifty 50 companies across quarters



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 50 index as at the end of respective quarters.

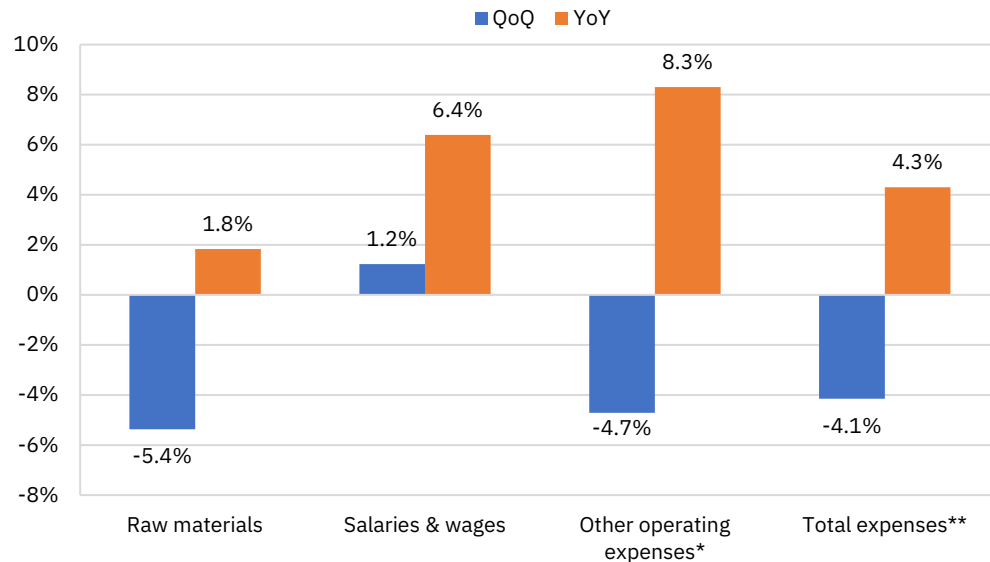
Nifty50 companies' EBITDA growth/margin registered a six/36-quarter high in Q1:

EBITDA for non-financial Nifty 50 companies rose by 12.8% YoY to Rs 3.2 lakh crore in Q1FY26 – the highest growth rate in past six quarters – significantly outpacing the 5.4% YoY revenue growth for the same group. This strong operating performance led to a 153 bps YoY and 115 bps QoQ expansion in operating margins, which reached a 36-quarter high of 23.3%. On a sequential basis, while revenue declined by 2.4% QoQ, EBITDA remained largely flat, inching up by 0.4%. Of the 38 non-financial Nifty 50 companies, 29 reported YoY EBITDA growth. Despite the muted topline performance, margin expansion was supported by cost optimisation measures, softer input costs, and improved operational efficiency.

Across sectors, the Energy sector led the YoY growth in operating profit in Q1FY26, contributing a significant 45.7% to the total increase in EBITDA. It was followed by Communication Services and Materials, which accounted for 20.5% and 19.3%, respectively. Operating profit growth in the Energy sector was primarily driven by Reliance Industries' non-traditional businesses. Meanwhile, the Communication Services sector benefited from higher ARPU and an expanding user base, and the Materials sector saw gains from improved price realisations. Collectively, these three sectors were responsible for over 85.5% of the total operating profit expansion during the quarter, despite contributing just 31.8% to overall revenue growth, highlighting a significant improvement in operational efficiency. In contrast, sectors such as Consumer Discretionary, Consumer Staples, and Utilities made only modest contributions to the operating profit growth, held back by subdued demand.

For the Nifty 50 (ex-Financials), raw material costs rose 1.8% YoY but declined 5.4% QoQ, bringing down the raw material cost-to-net sales ratio by 131 bps YoY and 453 bps QoQ—indicating improved operational efficiency despite subdued revenue growth. The YoY increase in raw material costs was driven primarily by the Consumer Discretionary sector, followed by Materials, though partially offset by lower costs in the Energy sector. The wage bill increased 6.4% YoY, with its share of net sales rising slightly by 16 bps YoY. IT sector was the largest contributor to the wage bill growth, followed by Consumer Discretionary. Overall operating expenses rose 4.3% YoY, remaining below the net sales growth rate for the non-financial Nifty 50 universe.

Figure 4: Change in expenses for Nifty 50 companies (ex-Financials) in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE

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 June 30th, 2025.

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

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	2.3	3.1	3.2	2.2	34.3	35.5
Consumer Discretionary	(1.4)	8.3	(9.3)	21.2	5.2	(3.2)
Consumer Staples	1.5	5.2	(0.2)	2.8	1.2	(0.5)
Energy	(4.8)	1.3	11.2	(3.6)	2.5	19.8
Financials	0.3	1.4	6.0	27.2	6.9	13.0
Health Care	14.6	(5.2)	6.0	15.3	20.7	11.6
Industrials	(10.8)	19.8	(12.5)	19.9	17.1	14.8
Information Technology	(3.7)	0.0	(0.9)	9.0	1.7	4.6
Materials	(5.6)	26.8	2.8	3.4	11.4	21.4
Utilities	(4.8)	20.8	(13.9)	6.6	14.8	3.7
Nifty 50	(1.5)	4.4	3.2	15.7	7.7	12.9
Nifty 50 ex-Energy	(1.0)	5.0	1.9	19.7	8.6	11.7
Nifty 50 ex-Financials	(3.4)	7.6	0.4	5.6	8.5	12.8
Nifty 50 ex-energy ex-fin	(2.8)	10.3	(3.9)	9.9	11.1	9.8

Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

Table 4: Sector-wise EBITDA margin (%) of Nifty 50 companies in Q1FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	57.5	(7)	299
Consumer Discretionary	15.9	(88)	(166)
Consumer Staples	27.6	(213)	(304)
Energy	22.7	349	341
Financials	74.2	98	286
Health Care	28.9	49	52
Industrials	21.2	99	124
Information Technology	25.4	(23)	16
Materials	17.3	122	204
Utilities	43.6	(392)	246
Nifty 50	36.0	197	214
Nifty 50 ex-Energy	40.2	126	147
Nifty 50 ex-Financials	23.3	115	153
Nifty 50 ex-energy ex-fin	23.5	2	58

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

Figure 5: Sector-wise EBITDA growth (YoY) of Nifty 50 companies in Q1FY26

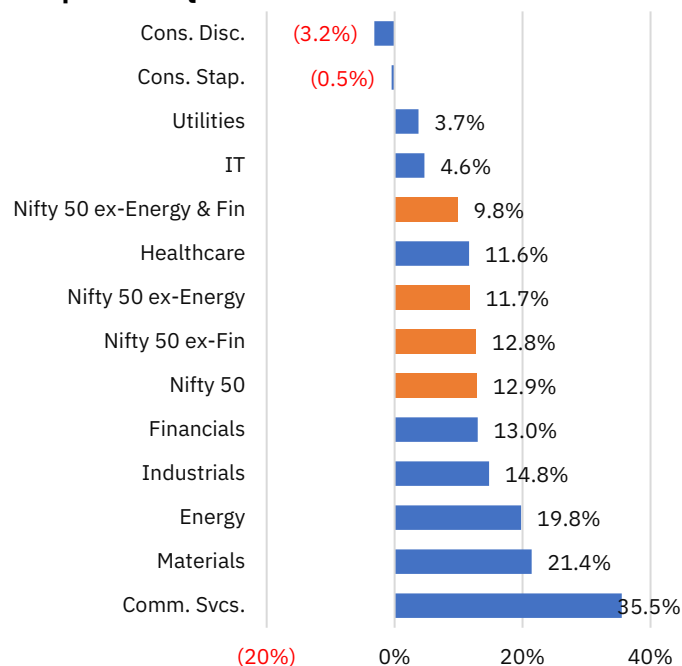
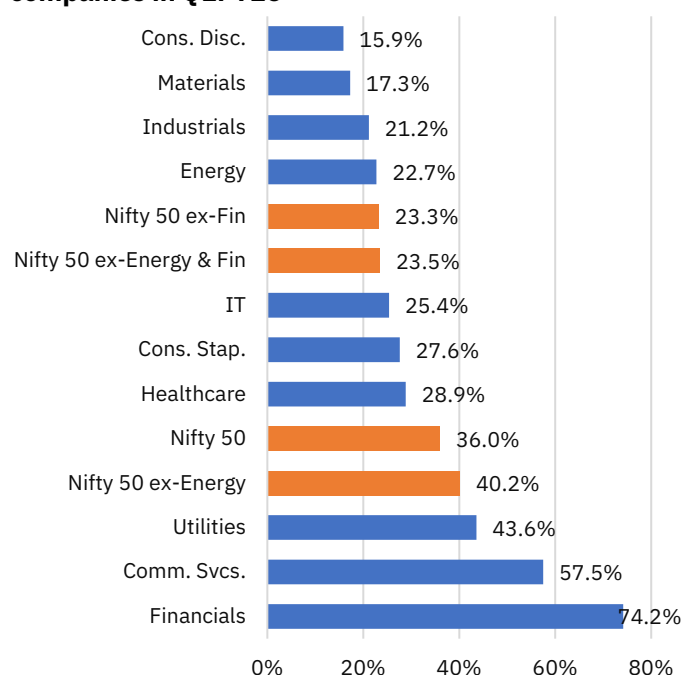


Figure 6: Sector-wise EBITDA margin of Nifty 50 companies in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide data for companies in the Nifty 50 index as on June 30th, 2025.

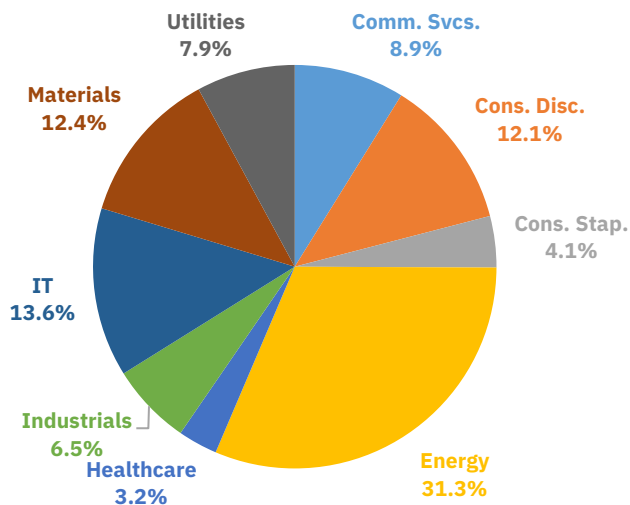
Table 5: Sector-wise contribution of Nifty 50 companies (ex-Financials) to EBITDA growth rate in Q1FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	28,430	0.3	2.6
Consumer Discretionary	38,856	(1.2)	(0.4)
Consumer Staples	13,211	(0.0)	(0.0)
Energy	1,00,660	3.2	5.8
Health Care	10,162	0.2	0.4
Industrials	21,011	(0.9)	0.9
Information Technology	43,520	(0.1)	0.7
Materials	39,881	0.3	2.5
Utilities	25,383	(1.3)	0.3
Nifty 50 ex-Financials	3,21,114	0.4	12.8
Nifty 50 ex-energy ex-fin	2,20,454	(1.4)	3.4

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

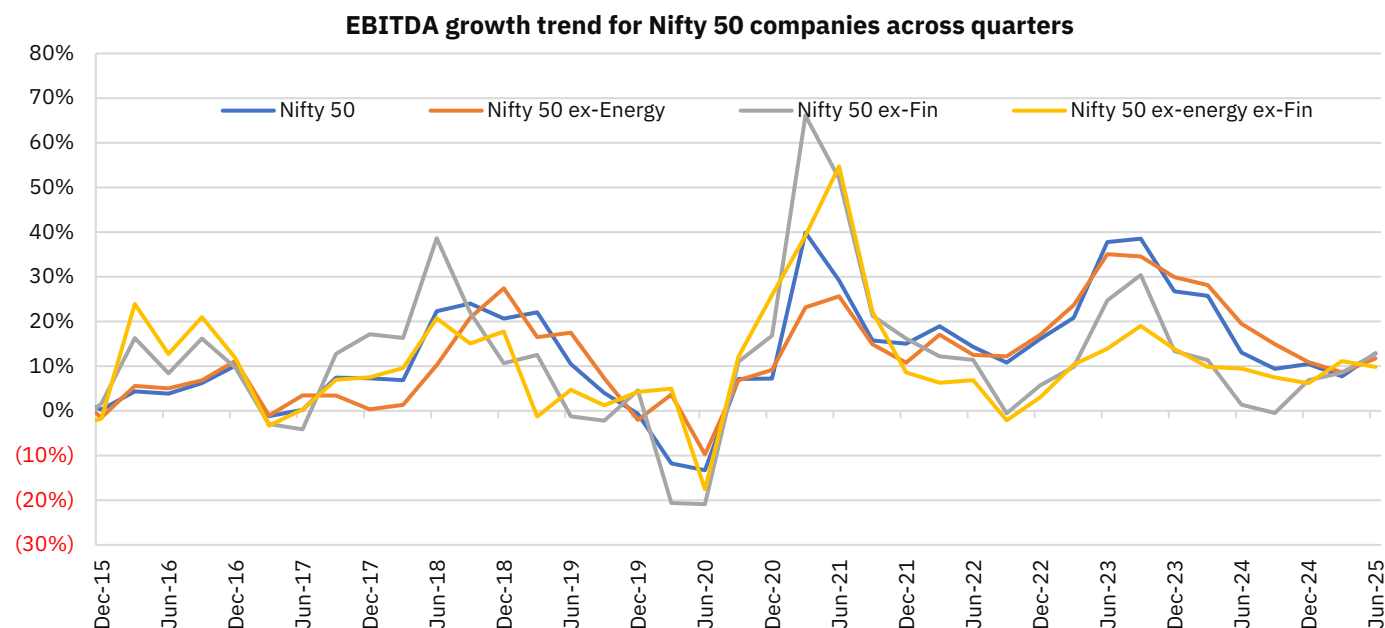
Figure 7: Sector-wise share in EBITDA of Nifty 50 companies (ex-Financials) in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

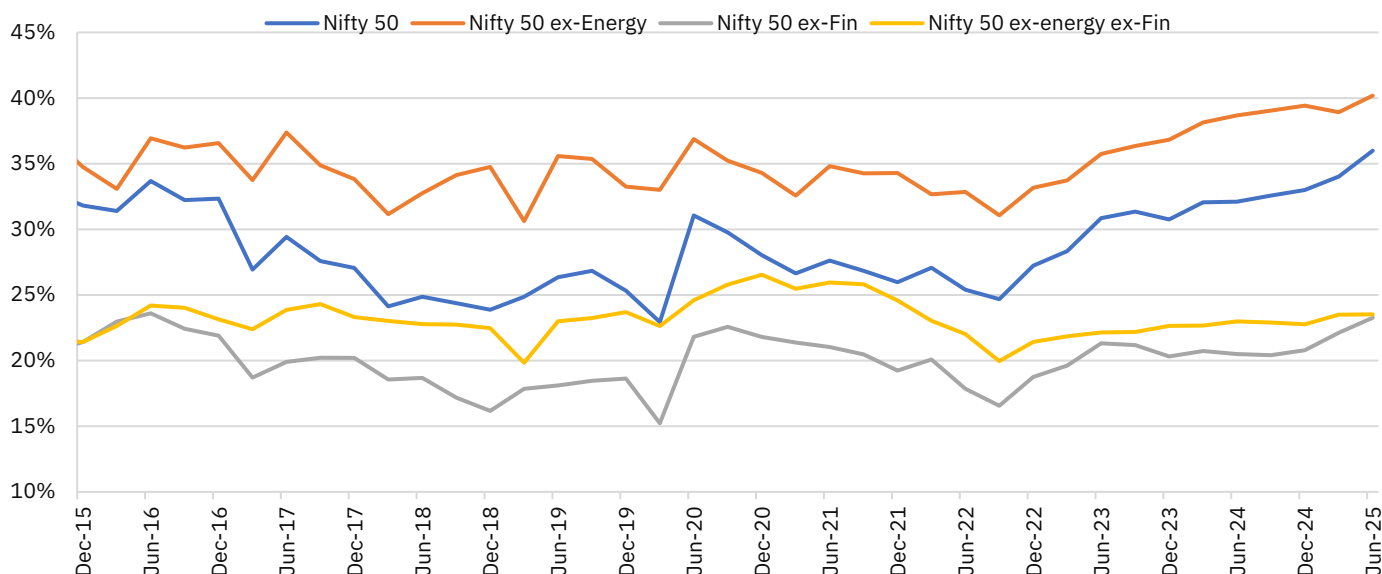
Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on June 30th, 2025.

Figure 8: Quarterly trend of Nifty 50 EBITDA growth (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 50 index as at the end of respective quarters.

Figure 9: Quarterly EBITDA margin trend of Nifty 50 companies
EBITDA margin trend for Nifty 50 companies across quarters


Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 50 index as at the end of respective quarters.

PAT growth for the Nifty 50 universe reached a five-quarter high in Q1: In Q1FY26, the Nifty 50 universe reported a 14.8% YoY increase in aggregate profit after tax (PAT) to Rs 2.3 lakh crore – the strongest growth rate in last five quarters, aided by margin tailwinds and lower interest expenses. PAT margins improved by 95 bps YoY and 64 bps QoQ to 12.7%, marking the highest level recorded between 2014 and 2025. Of the 50 constituents, 38 reported an expansion in PAT on a YoY basis.

All sectors registered YoY PAT growth, but the Energy sector was the largest contributor, accounting for 40.9% of the overall YoY increase, primarily driven by low base effect and strong growth reported by Reliance Industries. Excluding Reliance Industries, the Energy sector's aggregate PAT declined 5% YoY in Q1FY26, while the overall Nifty 50 universe reported a modest 9% YoY rise in PAT. Financials, Communication Services, and Materials also made notable contributions to overall PAT growth, accounting for 17.4%, 14.6%, and 13.2%, respectively.

Despite the overall margin expansion at the index level, several key sectors – namely Consumer Discretionary, Consumer Staples, Financials, and Healthcare – experienced PAT margin compression during the quarter, highlighting uneven profitability trends across segments.

Table 6: Sector-wise PAT growth (%) of Nifty 50 companies

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	53.8	(22.0)	10.7	100.2	238.6	143.8
Consumer Discretionary	(38.2)	14.6	(13.1)	33.7	(26.7)	3.2
Consumer Staples	(1.7)	8.5	2.5	0.6	(0.5)	3.8
Energy	(9.7)	2.3	23.9	(11.5)	(3.9)	31.8
Financials	(2.2)	(0.1)	3.5	13.2	1.2	7.1
Health Care	9.6	(11.8)	5.8	18.4	10.9	7.1
Industrials	(14.8)	35.5	(12.4)	32.4	9.3	12.4
Information Technology	(5.8)	0.9	(1.2)	10.1	0.4	5.3
Materials	(13.9)	91.5	(4.5)	(6.7)	24.7	38.3
Utilities	(12.0)	33.3	(19.1)	10.2	13.0	3.9
Nifty 50	(9.7)	7.1	2.8	8.1	0.8	14.8
Nifty 50 ex-Energy	(9.7)	8.2	(1.9)	14.1	2.0	10.8
Nifty 50 ex-Financials	(13.5)	11.1	2.4	5.5	0.7	19.1
Nifty 50 ex-energy ex-fin	(15.0)	14.8	(5.7)	14.8	2.5	13.8

Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 50 index as on June 30th. 2025.

Table 7: Sector-wise PAT margin (%) of Nifty 50 companies in Q1FY26

Sector	PAT Margin	QoQ change (bps)	YoY change (bps)
Communication Services	15.0	101	710
Consumer Discretionary	7.7	(78)	(28)
Consumer Staples	19.2	(94)	(125)
Energy	11.5	276	262
Financials	17.1	(19)	(24)
Health Care	17.5	27	(41)
Industrials	9.7	47	37
Information Technology	16.4	(20)	20
Materials	6.2	(1)	140
Utilities	16.7	(267)	97
Nifty 50	12.7	64	95
Nifty 50 ex-Energy	13.0	(8)	37
Nifty 50 ex-Financials	11.2	76	129
Nifty 50 ex-energy ex-fin	11.0	(20)	64

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 50 index as on June 30th. 2025.

Figure 10: Sector-wise PAT growth (YoY) of Nifty 50 companies in Q1FY26

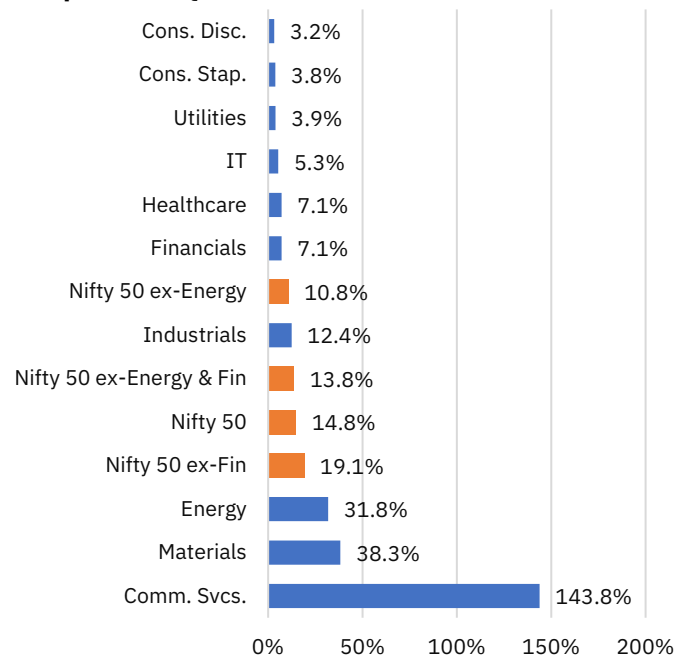
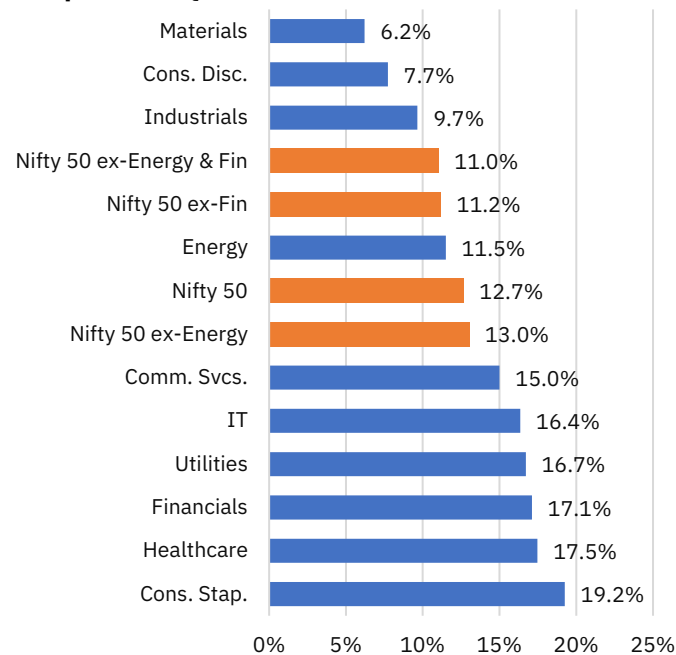


Figure 11: Sector-wise PAT margin of Nifty 50 companies in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide data for companies in the Nifty 50 index as on June 30th, 2025.

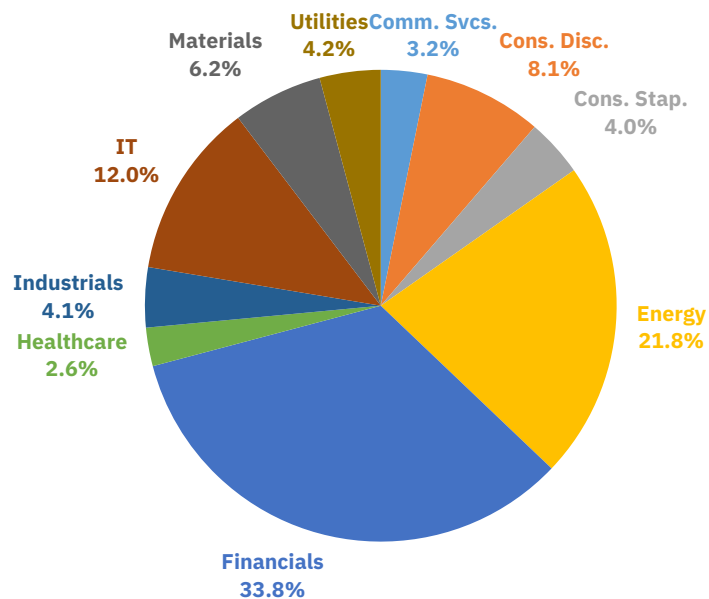
Table 8: Sector-wise contribution of Nifty 50 companies to PAT growth rate in Q1FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	7,422	0.3	2.2
Consumer Discretionary	18,933	(1.3)	0.3
Consumer Staples	9,217	0.1	0.2
Energy	50,914	4.3	6.1
Financials	78,669	1.2	2.6
Health Care	6,153	0.1	0.2
Industrials	9,574	(0.6)	0.5
Information Technology	28,052	(0.2)	0.7
Materials	14,353	(0.3)	2.0
Utilities	9,739	(1.0)	0.2
Nifty 50	2,33,026	2.8	14.8
Nifty 50 ex-Energy	1,82,112	(1.6)	8.7
Nifty 50 ex-Financials	1,54,357	1.6	12.2
Nifty 50 ex-energy ex-fin	1,03,443	(2.8)	6.2

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

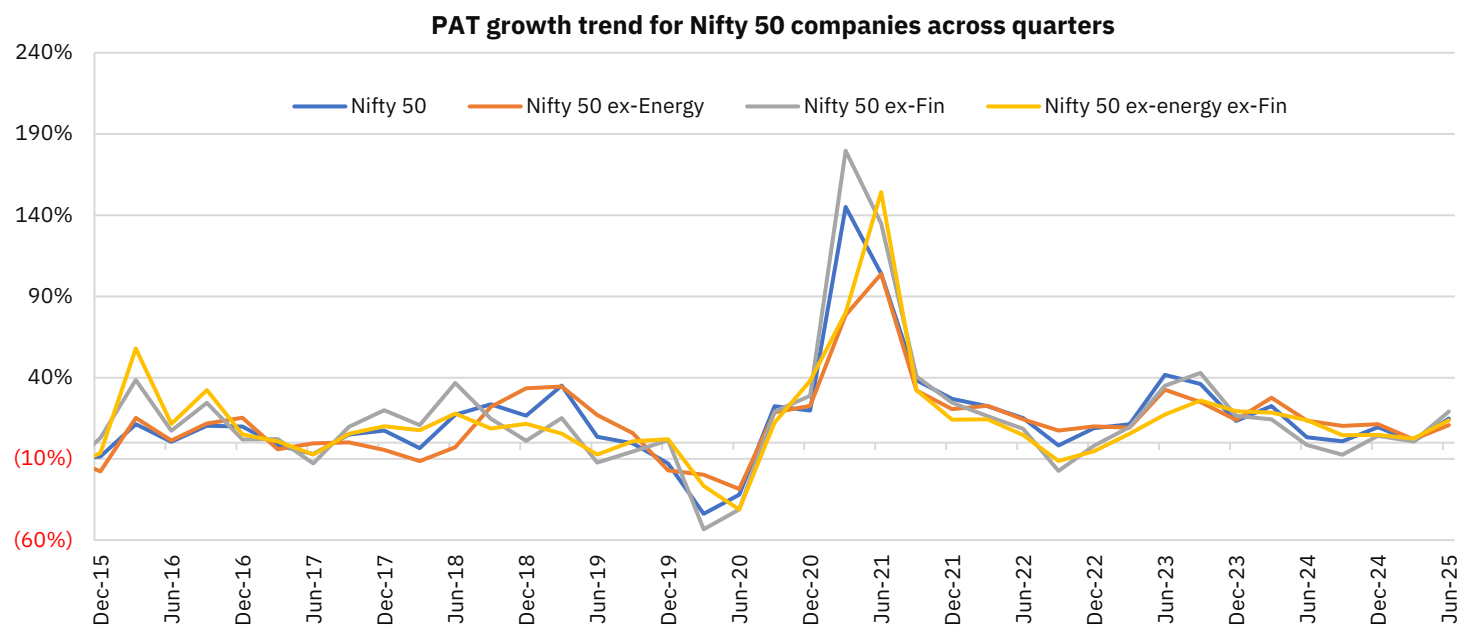
Figure 12: Sector-wise share in PAT of Nifty 50 companies in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide sector-wise share of net sales for companies in the Nifty 50 index as on June 30th, 2025.

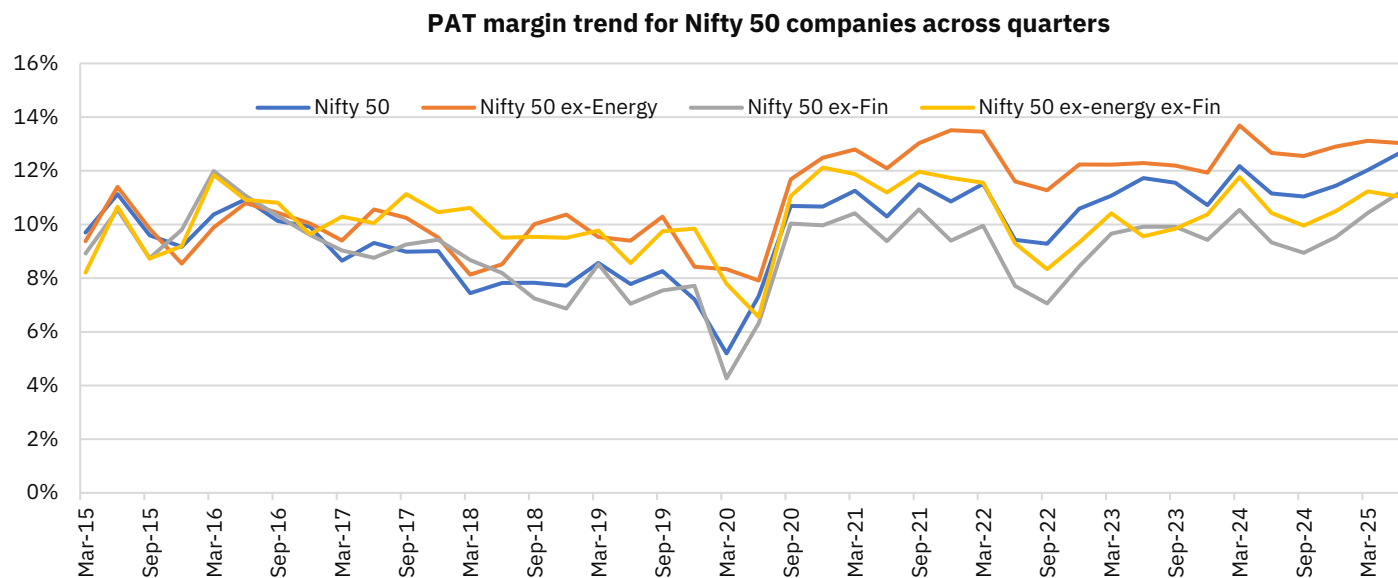
Figure 13: Quarterly trend of Nifty 50 PAT growth (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 50 index as at the end of respective quarters.

Figure 14: Quarterly trend of Nifty 50 PAT margin



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 50 index as at the end of respective quarters.

Nifty 500 Q4FY25 results

Topline growth for Nifty 500 reached a three-quarter high in Q1FY26: Topline growth for the Nifty 500 universe remained steady at 5.9% YoY in Q1FY26, up from 4.6% YoY growth reported in the December quarter. That said, topline growth for this universe has remained in single digits for nine straight quarters, reflecting underlying demand challenges. Nifty 50 companies, which accounted for 45% of the Nifty 500's total revenue in Q1FY26, contributed nearly 47% to the YoY revenue increase – slightly lower than their 51% share in the previous quarter.

Excluding the large-cap companies of the Nifty 50 cohort, the remaining Nifty 500 companies posted a marginally lower YoY revenue growth of 5.8% during the quarter. Among other key segments, Nifty Next 50, Nifty Midcap 150, and Nifty Smallcap 250 companies contributed 6% (-100 bps), 37% (+600 bps), and 10% (-200 bps), respectively, to the overall YoY revenue growth of the Nifty 500 universe.

In terms of breadth, 383 of the Nifty 500 companies recorded YoY revenue growth in the June quarter. The overall Nifty 500 median net sales growth stood at 9.2% YoY, with Nifty Midcap 150 companies leading at a median growth rate of 10.7% YoY.

Sector-wise: Barring Energy—that registered a YoY contraction in topline on decline in crude oil prices and lower refining margins—all sectors within the Nifty 500 universe registered YoY topline expansion in Q1FY26. Excluding Energy, Nifty 500 revenue growth was slightly higher at 8.1% YoY—higher than Nifty 50 (ex-Energy) growth rate of 7.6% YoY. Financials, Consumer Discretionary, and Materials were the key drivers to YoY topline expansion, contributing 39%, 14.7%, and 14.2%, respectively. Overall, these sectors together accounted for over 68% of the total YoY increase in net sales, while representing 51% of overall Nifty 500 net sales. Notably, when excluding Nifty 50 companies, the combined contribution of these three sectors rose to 72%, with Financials alone accounting for 43% of the YoY topline growth in Q1.

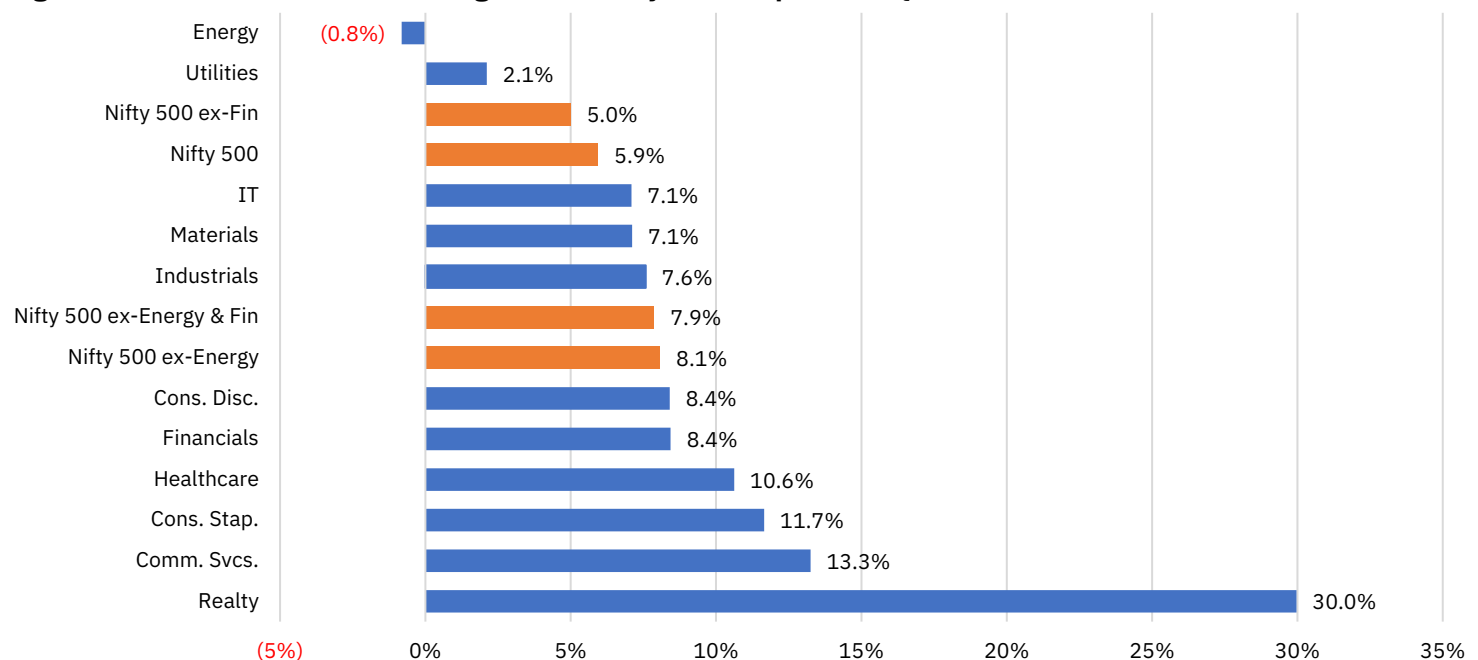
Although Financials remained the largest contributors to YoY topline growth within the Nifty 500 (ex-Nifty 50 universe), the sector's overall growth rate remained in single digits for three successive quarters. Following two consecutive quarters of decline, the Consumer Discretionary sector saw a slight recovery in its topline growth rate in Q1FY26, supported by a low base effect. Materials sector, in contrast, recorded its second-highest top line growth in the past ten quarters, supported by a low base and favourable pricing. Industrials sector posted its weakest performance in seven quarters, with growth slowing for the third straight quarter, as private capex continues to remain subdued due to sustained uncertainty around demand recovery.

Table 9: Sector-wise net sales growth (%) of Nifty 500 companies

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	2.1	2.7	1.6	3.9	13.8	13.3
Consumer Discretionary	(1.1)	1.8	(1.0)	12.3	8.2	8.4
Consumer Staples	5.7	2.0	5.0	8.3	12.3	11.7
Energy	(2.0)	3.7	(4.1)	3.7	1.3	(0.8)
Financials	(2.3)	8.7	1.4	19.4	4.5	8.4
Health Care	2.5	3.8	1.5	6.9	11.7	10.6
Industrials	(16.6)	18.7	(18.0)	11.1	9.4	7.6
Information Technology	1.1	0.9	(0.9)	5.8	9.3	7.1
Materials	(3.8)	8.6	(3.8)	1.5	7.2	7.1
Real Estate	(22.8)	17.2	(12.8)	25.1	15.1	30.0
Utilities	7.7	5.7	2.1	13.2	7.8	2.1
Nifty 500	(2.4)	6.4	(2.4)	9.6	5.9	5.9
Nifty 500 ex-Energy	(2.6)	7.3	(1.9)	11.7	7.4	8.1
Nifty 500 ex-Financials	(2.5)	5.6	(3.9)	6.3	6.5	5.0
Nifty 500 ex-energy ex-fin	(2.8)	6.5	(3.7)	7.7	9.0	7.9

Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 500 index as on June 30th, 2025.

Figure 15: Sector-wise net sales YoY growth of Nifty 500 companies in Q1FY26


Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide data for companies in the Nifty 500 index as on June 30th, 2025.

Table 10: Sector-wise contribution of Nifty 500 companies to net sales growth in Q1FY26

Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	86,684	0.0	0.3
Consumer Discretionary	4,31,643	-0.1	0.9
Consumer Staples	1,42,084	0.2	0.4
Energy	9,13,930	-0.9	-0.2
Financials	11,46,435	0.4	2.3
Health Care	1,18,197	0.0	0.3
Industrials	2,90,225	-1.5	0.5
Information Technology	2,52,470	-0.1	0.4
Materials	4,87,913	-0.5	0.8
Real Estate	15,322	-0.1	0.1
Utilities	1,84,871	0.1	0.1
Nifty 500	40,69,773	-2.4	5.9
Nifty 500 ex-Energy	31,55,843	-1.5	6.1
Nifty 500 ex-Financials	29,23,338	-2.8	3.6
Nifty 500 ex-energy ex-fin	20,09,408	-1.9	3.8

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

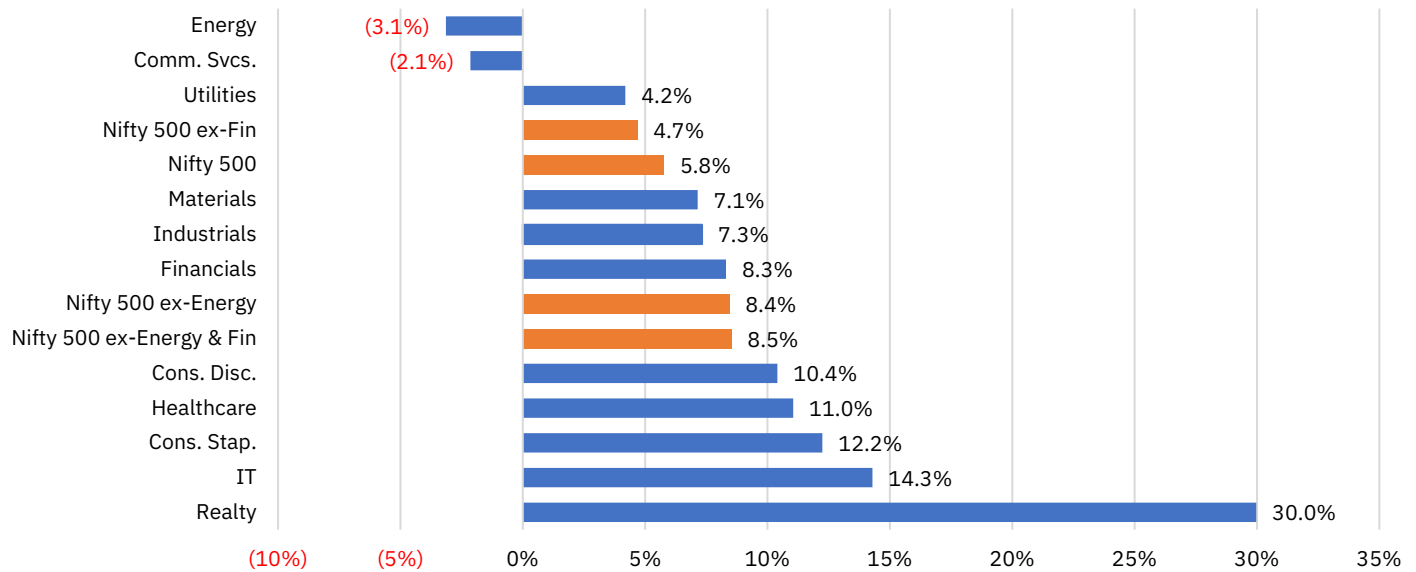
Table 11: Sector-wise net sales growth of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	1.8	(1.4)	(0.6)	5.0	0.2	(2.1)
Consumer Discretionary	3.2	0.8	3.6	15.5	9.8	10.4
Consumer Staples	7.4	2.2	3.8	9.7	16.2	12.2
Energy	(2.6)	1.3	(2.4)	1.1	(3.4)	(3.1)
Financials	(4.3)	11.0	(0.6)	15.3	4.3	8.3
Health Care	0.9	6.6	0.4	6.0	11.6	11.0
Industrials	(15.9)	19.2	(18.7)	11.4	11.0	7.3
Information Technology	0.5	2.4	(2.8)	12.0	18.2	14.3
Materials	(2.3)	4.9	(3.2)	1.7	8.2	7.1
Real Estate	(22.8)	17.2	(12.8)	25.1	15.1	30.0
Utilities	12.1	3.4	6.4	14.9	9.8	4.2
Nifty 500	(2.7)	6.6	(2.4)	8.9	5.4	5.8
Nifty 500 ex-Energy	(2.8)	8.1	(2.4)	11.6	8.1	8.4
Nifty 500 ex-Financials	(2.0)	4.8	(3.2)	6.4	5.9	4.7
Nifty 500 ex-energy ex-fin	(1.7)	6.4	(3.5)	9.3	10.6	8.5

Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 500 index as on June 30th, 2025.

Figure 16: Sector-wise net sales YoY growth of Nifty 500 companies (ex-Nifty 50) in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provide data for companies in the Nifty 500 index as on June 30th, 2025.

Table 12: Sector-wise contribution of Nifty 500 companies (ex-Nifty 50) to net sales growth in Q1FY26

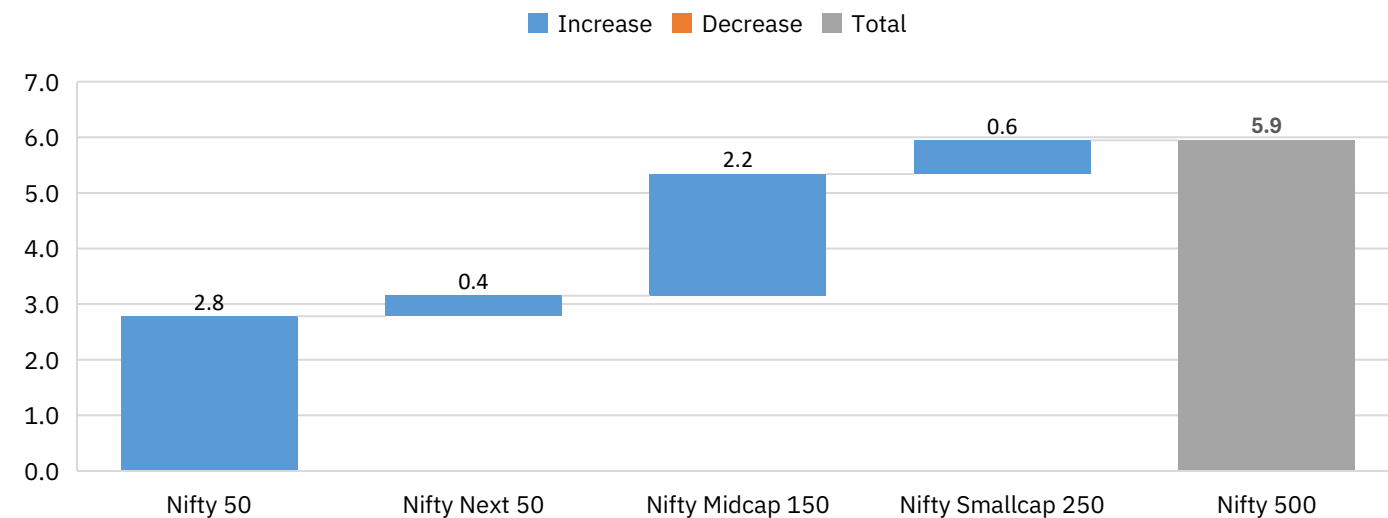
Sector	Net sales (Rs crore)	Contribution to net sales growth	
		% QoQ	% YoY
Communication Services	37,221	-0.0	-0.0
Consumer Discretionary	1,86,718	0.3	0.8
Consumer Staples	94,200	0.2	0.5
Energy	4,71,348	-0.5	-0.7
Financials	6,86,735	-0.2	2.5
Health Care	82,974	0.0	0.4
Industrials	1,91,019	-1.9	0.6
Information Technology	80,919	-0.1	0.5
Materials	2,57,024	-0.4	0.8
Real Estate	15,322	-0.1	0.2
Utilities	1,26,609	0.3	0.2
Nifty 500	22,30,089	-2.4	5.8
Nifty 500 ex-Energy	17,58,741	-1.9	6.5
Nifty 500 ex-Financials	15,43,354	-2.2	3.3
Nifty 500 ex-energy ex-fin	10,72,007	-1.7	4.0

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 17: Share of Nifty index constituents in overall net sales growth of Nifty 500 universe in Q1FY26

Contribution of Nifty index constituents to the overall net sales growth (%YoY) in Q1FY26



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 13: Segment-wise distribution of companies based on YoY aggregate and median topline growth in Q1FY26

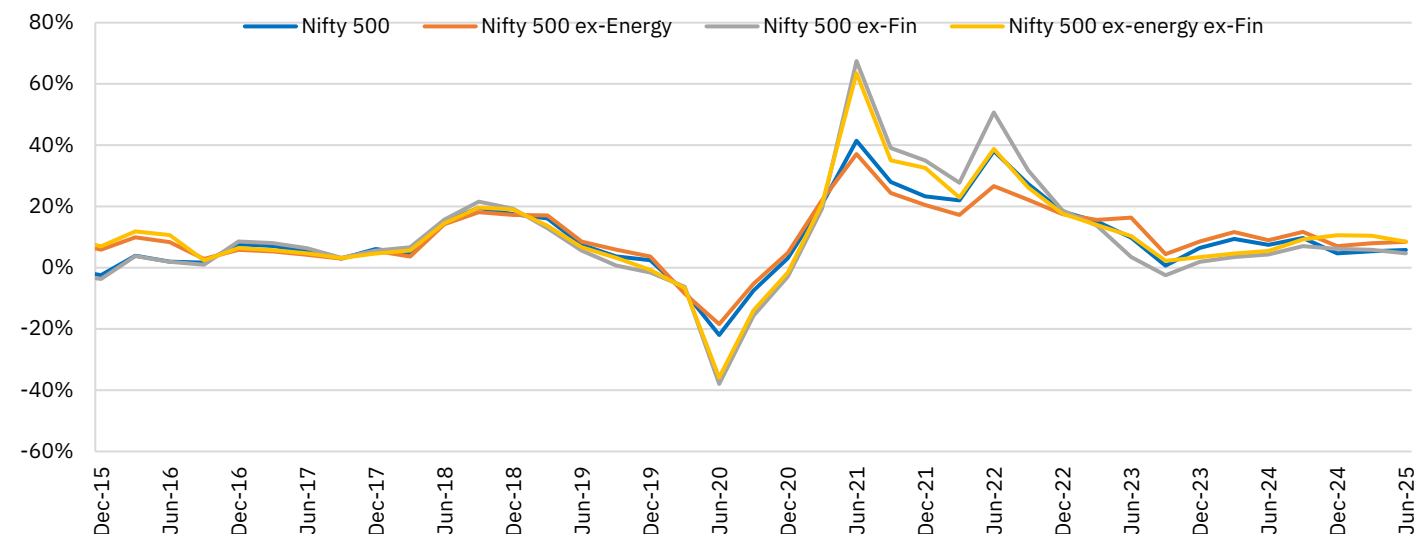
Index	<=0%	0% - 10%	10% -20%	20% - 30%	30% - 40%	40% - 50%	> 50%	Median (%)
Nifty 50	9	20	13	5	1	1	1	8.5%
Nifty Next 50	15	11	9	12	2	0	2	9.9%
Nifty Midcap 150	23	50	41	19	8	3	6	10.7%
Nifty Smallcap 250	66	69	56	20	16	3	15	8.2%
Nifty 500	113	150	119	56	27	7	24	9.2%

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 18: Quarterly trend of Nifty 500 revenue growth (YoY)

Sales growth trend for Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 500 index as at the end of respective quarters.

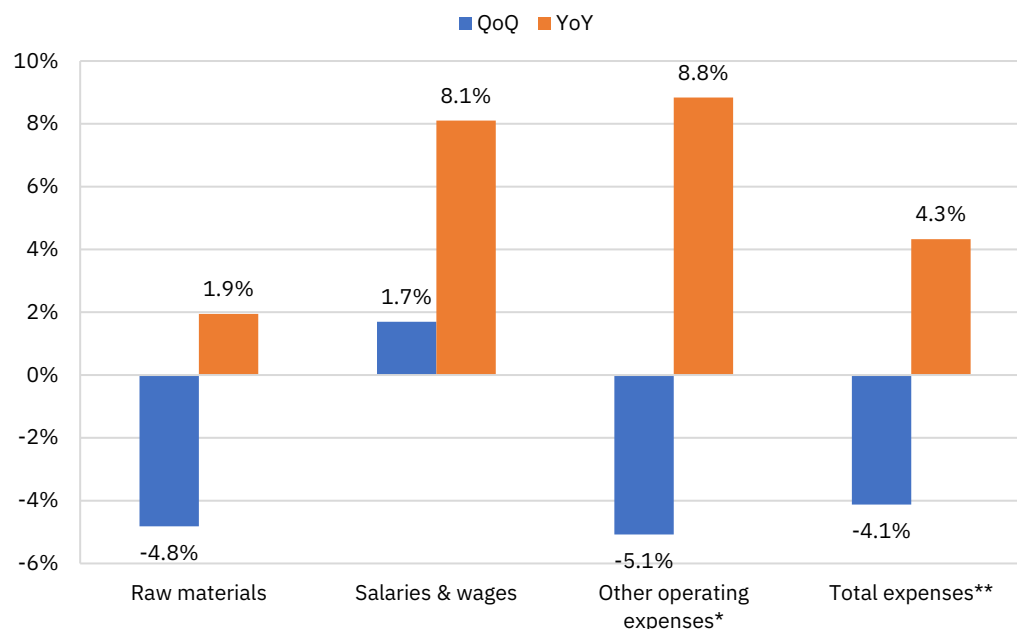
Operating performance for Nifty 500 strongest in the last six quarters: EBITDA for Nifty 500 companies (excluding Financials) rose 12.5% YoY in Q1FY26 — its strongest increase in six quarters and marking the third straight quarter of acceleration in growth rate. Meanwhile, operating margins expanded to a 16-quarter high of 19.8%, up 132 bps YoY and 67 bps QoQ.

EBITDA performance of companies within the Nifty 500 universe, excluding the Nifty 50 cohort, was slightly lower at 12.2% YoY against a revenue increase of just 4.7% YoY, resulting in margin expansion of 112 bps YoY and 27 bps QoQ to a seven-quarter high of 16.8%. Among non-financial Nifty 500 companies, 278 reported YoY growth in EBITDA down from 291 in the previous quarter.

For the Nifty 500 (excluding Financials), raw material costs rose 1.9% YoY but declined sharply by 4.8% QoQ, resulting in a significant 102bps YoY and 405bps QoQ drop in the raw material cost-to-net sales ratio. The sequential decline in input costs can be partly attributed to easing commodity prices, especially crude oil, helping support EBITDA margins, even in the face of relatively lower top-line expansion. Overall operating expenses rose 4.3% YoY, staying below the net sales growth rate, which points to improved cost management efforts and operating leverage across sectors, thereby supporting margin resilience in a subdued revenue environment.

In Q1FY26, Energy, Materials, and Communication Services were the primary drivers of YoY EBITDA growth within the Nifty 500 universe. Energy and Materials saw a boost from easing input costs, while Communication Services, with a strong EBITDA growth of 13.6% — benefited from rising ARPU and new subscriber additions. All three sectors also reported notable improvements in EBITDA margins, reflecting improved cost efficiencies.

Figure 19: Change in expenses for Nifty 500 companies (ex-Financials) in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 500 index as on June 30th, 2025

Table 14: Sector-wise EBITDA growth (%) of Nifty 500 companies

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	1.4	1.6	1.7	2.8	25.4	25.7
Consumer Discretionary	(1.5)	3.8	(6.5)	17.3	3.2	(2.0)
Consumer Staples	8.4	4.3	3.0	11.7	5.2	(0.1)
Energy	(11.3)	9.9	8.5	(23.7)	2.7	25.6
Financials	1.0	3.9	2.3	22.5	11.0	12.4
Health Care	14.5	2.4	6.0	27.2	16.6	7.9
Industrials	(17.5)	12.4	(18.2)	23.2	11.9	10.9
Information Technology	(3.7)	2.0	(1.3)	9.7	6.1	8.7
Materials	0.1	13.1	(0.5)	7.9	17.2	16.4
Real Estate	(9.2)	11.5	(7.2)	53.0	7.7	9.9
Utilities	9.6	11.6	3.1	6.5	9.1	2.7
Nifty 500	(1.0)	5.8	1.0	12.3	10.2	12.5
Nifty 500 ex-Energy	0.3	5.3	0.1	18.4	11.2	11.0
Nifty 500 ex-Financials	(3.3)	8.1	(0.5)	2.0	9.4	12.5
Nifty 500 ex-energy ex-fin	(0.8)	7.6	(3.1)	12.7	11.4	8.8

Source: CMIE Prowess, LSEG workspace, NSE.

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 15: EBITDA margin (%) of Nifty 500 companies in Q1FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	49.5	6	491
Consumer Discretionary	14.1	(83)	(150)
Consumer Staples	17.8	(35)	(209)
Energy	15.5	180	326
Financials	60.4	53	215
Health Care	27.6	117	(68)
Industrials	20.6	(5)	61
Information Technology	21.9	(8)	33
Materials	19.3	63	154
Real Estate	39.1	236	(713)
Utilities	33.2	34	19
Nifty 500	31.3	106	181
Nifty 500 ex-Energy	35.8	74	95
Nifty 500 ex-Financials	19.8	67	132
Nifty 500 ex-energy ex-fin	21.8	14	19

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of Jun 30th, 2025.

Figure 20: Sector-wise EBITDA growth (YoY) of Nifty 500 companies in Q1FY26

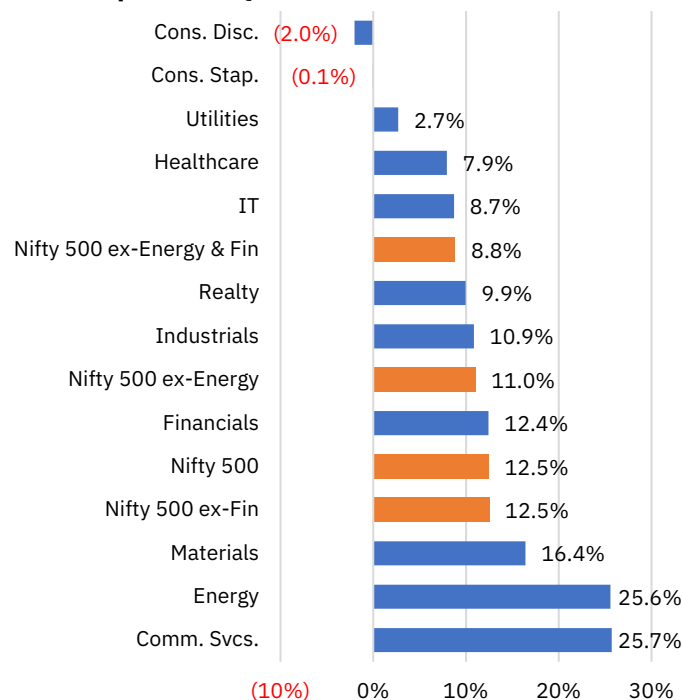
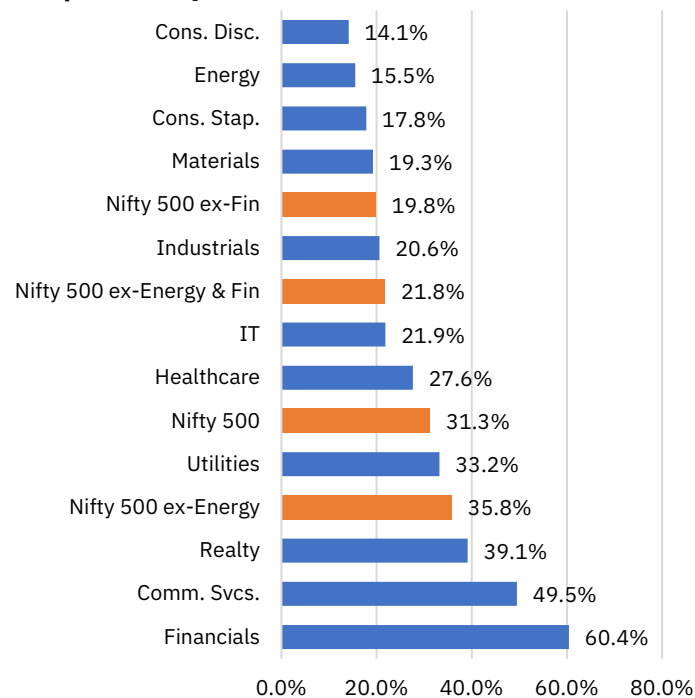


Figure 21: Sector-wise EBITDA margin of Nifty 500 companies in Q1FY26



Source: CMIE Prowess, LSEG Workspace, NSE

Note: 1. The above charts provide data for companies in the Nifty 500 index as of June 30th, 2025.

Table 16: Sector-wise contribution of Nifty 500 companies (ex-Financials) to EBITDA growth rate in Q1FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	42,905	0.1	1.7
Consumer Discretionary	61,035	(0.7)	(0.2)
Consumer Staples	25,334	0.1	(0.0)
Energy	1,41,820	1.9	5.6
Health Care	32,641	0.3	0.5
Industrials	59,763	(2.3)	1.1
Information Technology	55,169	(0.1)	0.9
Materials	93,999	(0.1)	2.6
Real Estate	5,997	(0.1)	0.1
Utilities	61,397	0.3	0.3
Nifty 500 ex-Financials	5,80,061	(0.5)	12.5
Nifty 500 ex-energy ex-fin	4,38,241	(2.4)	22.7

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 17: Sector-wise EBITDA growth (%) of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	0.1	(1.0)	(1.0)	3.9	11.3	10.1
Consumer Discretionary	(1.7)	(3.8)	(1.1)	10.7	(0.4)	0.3
Consumer Staples	17.2	3.2	6.7	23.4	10.3	0.4
Energy	(25.8)	36.0	2.3	(52.5)	3.3	42.5
Financials	1.8	6.2	(1.0)	18.3	15.0	11.9
Health Care	14.4	6.2	6.0	33.1	14.8	6.4
Industrials	(20.5)	9.1	(21.0)	24.9	9.5	8.8
Information Technology	(3.4)	10.2	(2.7)	12.8	26.1	27.1
Materials	4.5	5.1	(2.9)	11.2	21.6	13.0
Real Estate	(9.2)	11.5	(7.2)	53.0	7.7	9.9
Utilities	22.3	3.8	19.9	6.5	4.1	2.0
Nifty 500	(0.4)	7.2	(1.3)	8.8	13.0	12.0
Nifty 500 ex-Energy	1.6	5.7	(1.5)	17.2	13.8	10.3
Nifty 500 ex-Financials	(3.2)	8.6	(1.6)	(2.1)	10.4	12.2
Nifty 500 ex-energy ex-fin	1.3	4.8	(2.3)	15.6	11.8	7.9

Source: CMIE Prowess, LSEG Workspace, NSE.

Note: 1. The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 18: EBITDA margin (%) of Nifty 500 companies (ex-Nifty 50) in Q1FY26

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	38.9	(17)	432
Consumer Discretionary	11.9	(59)	(122)
Consumer Staples	12.9	35	(152)
Energy	8.7	40	280
Financials	51.2	(21)	164
Health Care	27.1	143	(120)
Industrials	20.3	(59)	28
Information Technology	14.4	2	145
Materials	21.1	7	109
Real Estate	39.1	236	(713)
Utilities	28.4	320	(62)
Nifty 500	27.4	32	153
Nifty 500 ex-Energy	32.4	30	55
Nifty 500 ex-Financials	16.8	27	112
Nifty 500 ex-energy ex-fin	20.3	26	(13)

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index excluding the Nifty 50 companies as of June 30th, 2025.

Figure 22: Sector-wise EBITDA growth (YoY) of Nifty 500 companies (ex-Nifty 50) in Q1FY26

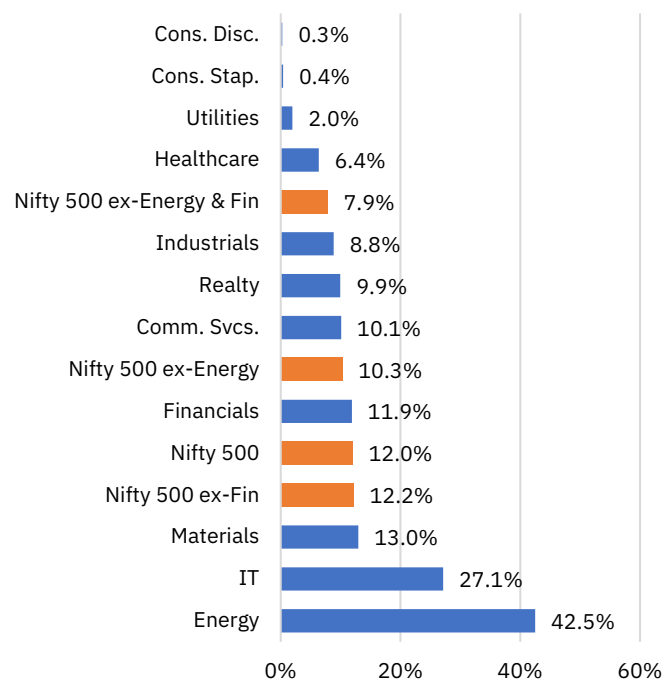
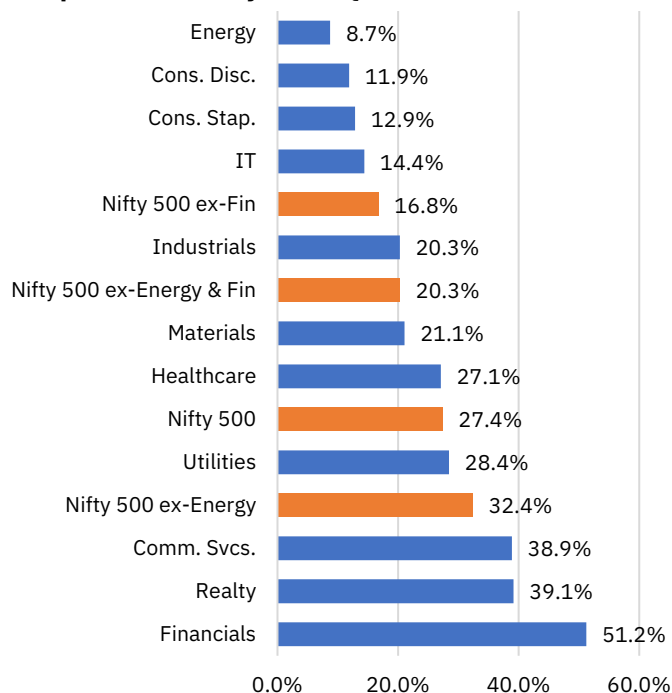


Figure 23: Sector-wise EBITDA margin of Nifty 500 companies (ex-Nifty 50) in Q1FY26



Source: CMIE Prowess, LSEG workspace, NSE.

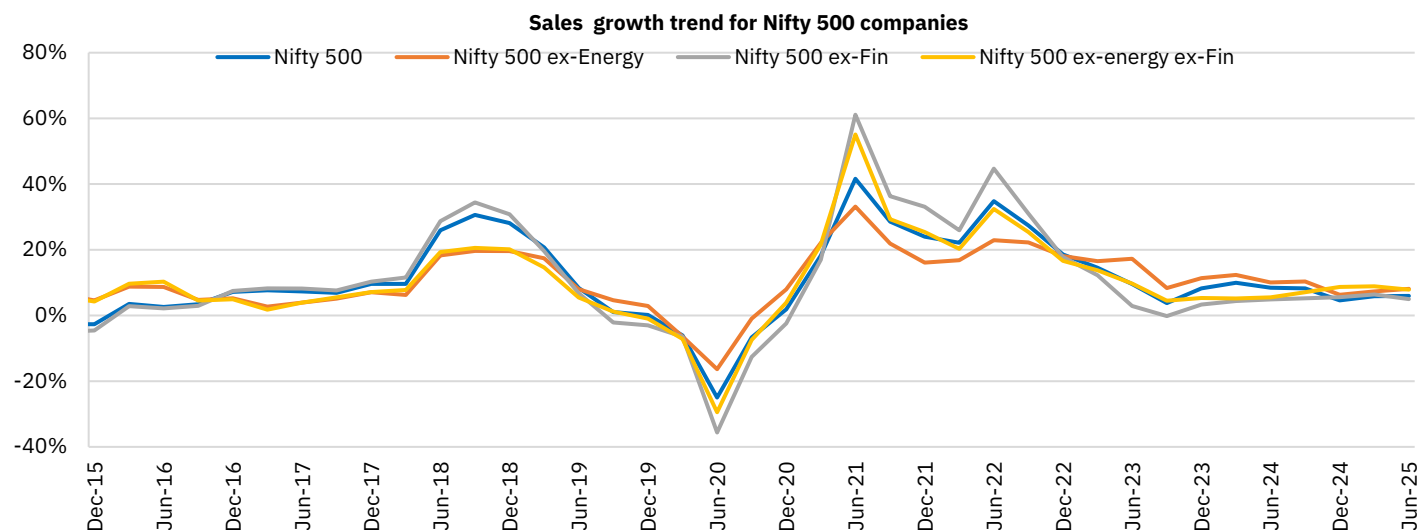
Note: 1. The above charts provide data for companies in the Nifty 500 index as on June 30th, 2025.

Table 19: Sector-wise contribution of Nifty 500 companies (ex-Fin/Nifty 50) to EBITDA growth in Q1FY26

Sector	EBITDA (Rs crore)	Contribution to EBITDA growth	
		% QoQ	% YoY
Communication Services	14,475	(0.1)	0.6
Consumer Discretionary	22,179	(0.1)	0.0
Consumer Staples	12,123	0.3	0.0
Energy	41,160	0.4	5.3
Health Care	22,478	0.5	0.6
Industrials	38,752	(3.9)	1.4
Information Technology	11,649	(0.1)	1.1
Materials	54,118	(0.6)	2.7
Real Estate	5,997	(0.2)	0.2
Utilities	36,014	2.3	0.3
Nifty 500 ex-Financials	2,58,947	(1.6)	12.2
Nifty 500 ex-energy ex-fin	2,17,786	(3.3)	23.1

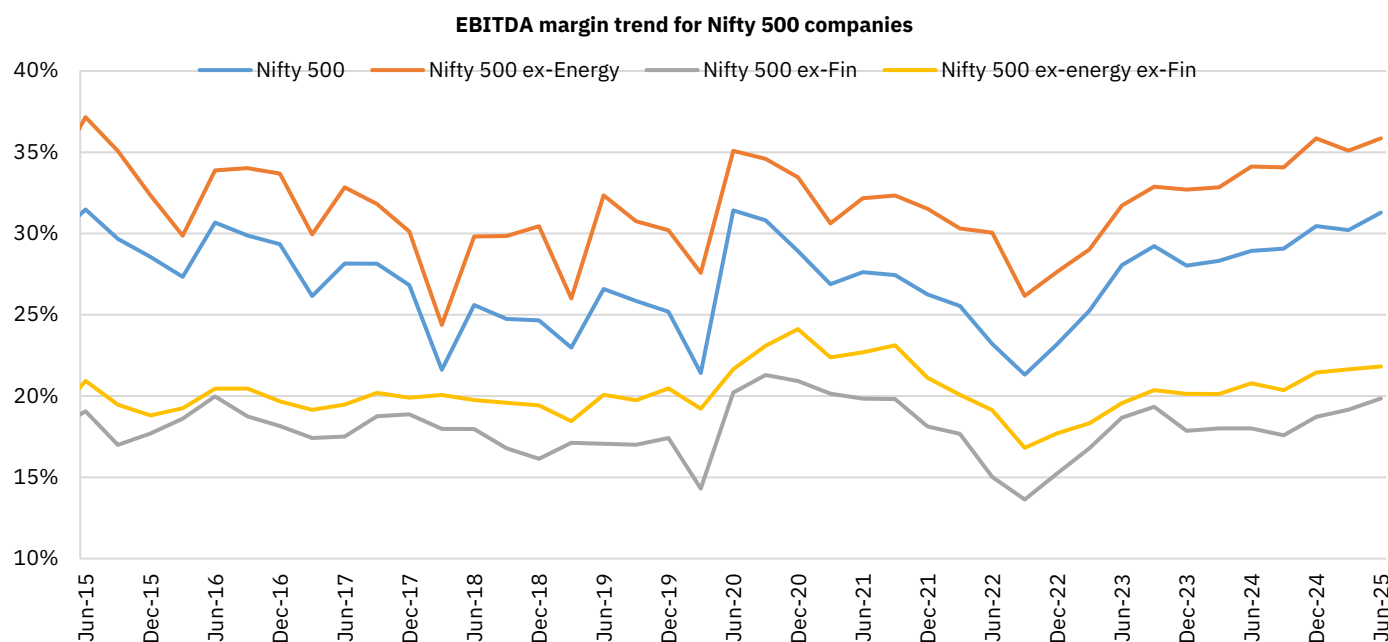
Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 24: Quarterly trend in Nifty 500 EBITDA growth (YoY)


Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 500 index as at the end of respective quarters.

Figure 25: Quarterly trend in EBITDA margin of Nifty 500 companies


Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart includes companies in the Nifty 500 index as at the end of respective quarters.

PAT growth for Nifty 500 universe touched a five-quarter high in Q1: In Q1FY26, aggregate adjusted PAT for Nifty 500 companies rose 13.2% YoY to Rs 4.25 lakh crore. This was accompanied by a 67 bps YoY expansion in PAT margins, which climbed to a multi-quarter high of 10.5%. However, excluding the Nifty 50 constituents, the remaining Nifty 500 companies posted a slightly lower PAT growth of 11.4% — their weakest in last three quarters. Profitability in this broader segment also lagged, with PAT margins at 8.6%, underscoring the continued outperformance of large-cap companies.

Within the Nifty 500 universe, 311 companies reported YoY growth in PAT, down from 314 in the previous quarter. In terms of profit share, the Nifty 50 accounted for 54.8% of the total Nifty 500 PAT in Q1FY26, followed by the Nifty Midcap 150 at 32.6%. The Nifty Next 50 and Nifty Smallcap 250 had relatively smaller shares at 4.1% and 8.5%, respectively.

Notably, the Nifty 50 also contributed a higher 60% to the overall YoY PAT growth, highlighting its dominant role in driving earnings momentum. The median PAT growth for Nifty 500 companies came in at 9.2% YoY.

Despite the dominance of large caps, midcap companies also showed improvement in underlying growth trends. The median YoY PAT growth for the Nifty Midcap 150 stood at a robust 11.9% YoY, outpacing the Nifty 50 (9.9% YoY) and the overall Nifty 500 (9.2% YoY). In comparison, the Nifty Next 50 and Nifty Smallcap 250 posted more modest median PAT growth rates of 5.9% YoY and 5.3% YoY, respectively — highlighting relatively muted earnings performance in the broader market. Sector-wise, Energy (43.5%), Financials (21.1%), Materials (14.9%) and Communication Services (10.3%) continued to be major contributors to PAT growth in Nifty 500 universe.

Table 20: Sector-wise PAT growth (%) of Nifty 500 companies

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	NA	(38.8)	44.0	NA	NA	NA
Consumer Discretionary	(29.8)	8.2	(10.4)	22.7	(22.3)	(0.8)
Consumer Staples	9.1	6.3	5.4	13.0	5.4	1.8
Energy	(17.8)	20.2	17.6	(37.3)	(0.4)	42.6
Financials	(3.9)	8.7	(6.3)	18.3	9.9	7.1
Health Care	46.5	(0.4)	9.3	39.1	42.5	6.3
Industrials	(18.0)	14.9	(25.7)	28.4	13.9	3.1
Information Technology	(6.0)	2.8	(1.3)	9.5	5.0	10.2
Materials	5.7	27.1	(3.1)	3.6	34.0	22.8
Real Estate	(15.7)	12.7	(12.6)	65.7	9.3	13.4
Utilities	19.1	26.3	2.8	0.1	13.8	(1.8)
Nifty 500	(5.6)	11.5	(2.4)	4.9	9.5	13.2
Nifty 500 ex-Energy	(3.3)	10.2	(5.6)	17.2	11.3	8.7
Nifty 500 ex-Financials	(6.6)	13.4	0.2	(2.3)	9.3	17.2
Nifty 500 ex-energy ex-fin	(2.8)	11.5	(5.1)	16.3	12.6	9.9

Source: CMIE Prowess, LSEG workspace, NSE.

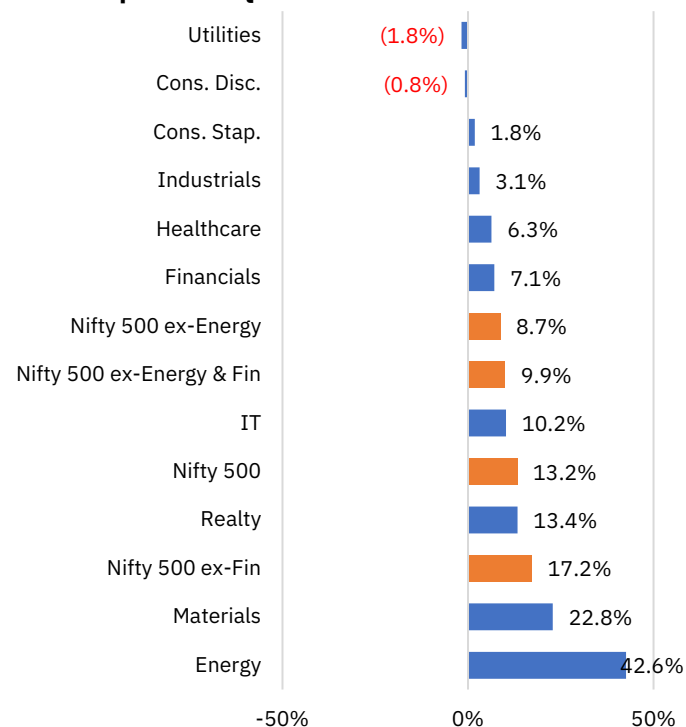
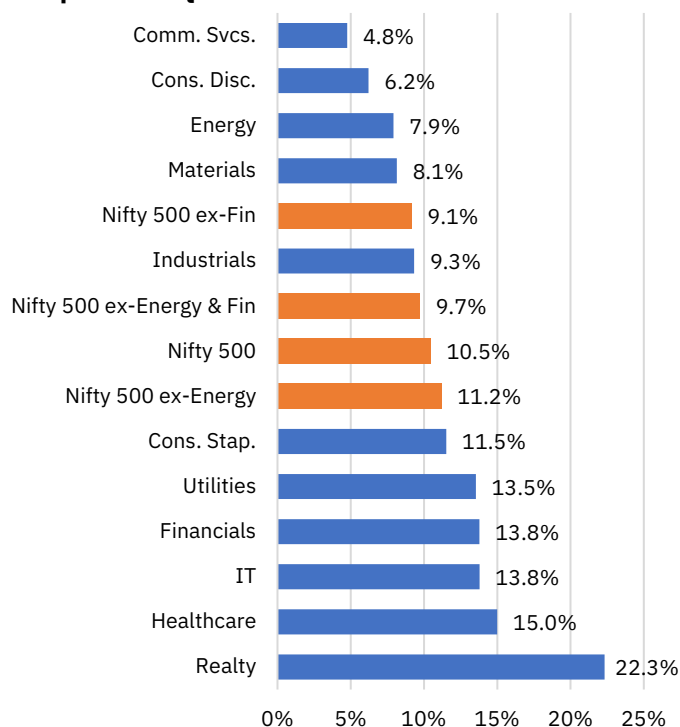
Note: 1. The above table provides data for companies in the Nifty 50 index as on June 30th, 2025.

Table 21: Sector-wise PAT margin (%) of Nifty 500 companies in Q1FY26

Sector	PAT Margin	QoQ change (bps)	YoY change (bps)
Communication Services	4.8	140	605
Consumer Discretionary	6.2	(65)	(58)
Consumer Staples	11.5	4	(111)
Energy	7.9	146	241
Financials	13.8	(114)	(17)
Health Care	15.0	107	(61)
Industrials	9.3	(97)	(40)
Information Technology	13.8	(5)	39
Materials	8.1	6	104
Real Estate	22.3	6	(327)
Utilities	13.5	9	(53)
Nifty 500	10.5	1	67
Nifty 500 ex-Energy	11.2	(44)	6
Nifty 500 ex-Financials	9.1	37	95
Nifty 500 ex-energy ex-fin	9.7	(13)	18

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 26: Sector-wise PAT growth (YoY) of Nifty 500 companies in Q1FY26

Figure 27: Sector-wise PAT margin of Nifty 500 companies in Q1FY26


Source: CMIE Prowess, LSEG Workspace, NSE

Note: 1. The above charts provide data for companies in the Nifty 500 index as of June 30th, 2025.

Table 22: Sector-wise contribution of Nifty 500 companies to PAT growth in Q1FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	4,123	0.3	1.4
Consumer Discretionary	26,725	(0.7)	(0.1)
Consumer Staples	16,360	0.2	0.1
Energy	72,299	2.5	5.8
Financials	1,58,051	(2.5)	2.8
Health Care	17,724	0.3	0.3
Industrials	27,055	(2.1)	0.2
Information Technology	34,825	(0.1)	0.9
Materials	39,742	(0.3)	2.0
Real Estate	3,421	(0.1)	0.1
Utilities	25,024	0.2	(0.1)
Nifty 500	4,25,349	(2.4)	13.2
Nifty 500 ex-Energy	3,53,050	(4.8)	7.5
Nifty 500 ex-Financials	2,67,298	0.1	10.4
Nifty 500 ex-energy ex-fin	1,94,998	(2.4)	4.7

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 23: Sector-wise PAT growth (%) of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth		
	Jun-24	Mar-25	Jun-25	Jun-24	Mar-25	Jun-25
Communication Services	NA	NA	NA	NA	NA	NA
Consumer Discretionary	(1.1)	(5.9)	(3.1)	4.3	(7.4)	(9.4)
Consumer Staples	26.3	3.3	9.4	33.1	14.8	(0.6)
Energy	(36.2)	85.7	4.9	(67.5)	7.8	77.1
Financials	(5.5)	17.2	(14.4)	23.7	18.2	7.1
Health Care	78.0	7.3	11.2	53.2	69.5	5.9
Industrials	(19.4)	7.8	(31.4)	26.6	16.0	(1.3)
Information Technology	(6.8)	11.5	(1.7)	6.1	29.7	36.8
Materials	18.5	6.4	(2.2)	9.2	40.1	15.5
Real Estate	(15.7)	12.7	(12.6)	65.7	9.3	13.4
Utilities	50.0	20.1	24.2	(5.0)	14.6	(5.1)
Nifty 500	(0.2)	16.8	(7.9)	1.3	20.8	11.4
Nifty 500 ex-Energy	4.3	12.3	(9.3)	20.5	22.4	6.5
Nifty 500 ex-Financials	4.3	16.6	(2.7)	(10.9)	22.9	14.6
Nifty 500 ex-energy ex-fin	14.5	8.0	(4.3)	17.9	26.7	5.9

Source: CMIE Prowess, LSEG Workspace, NSE

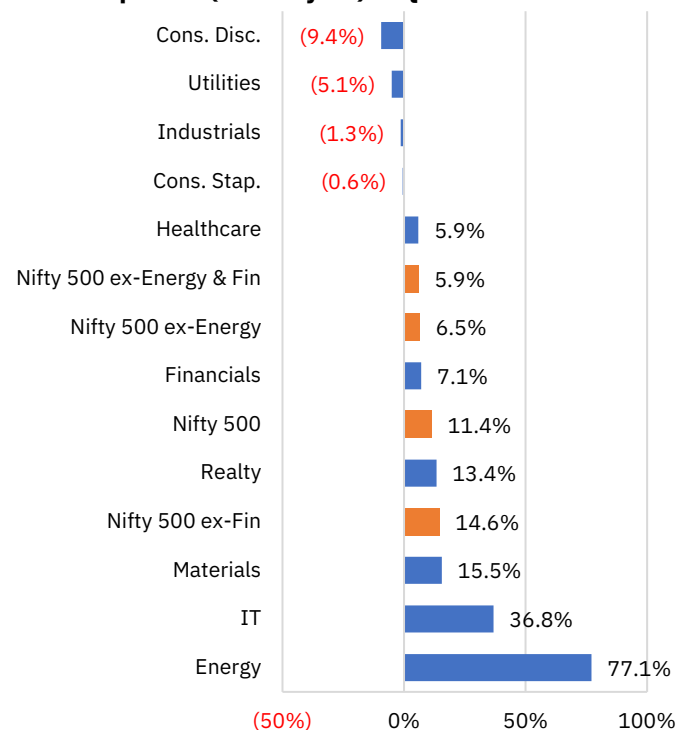
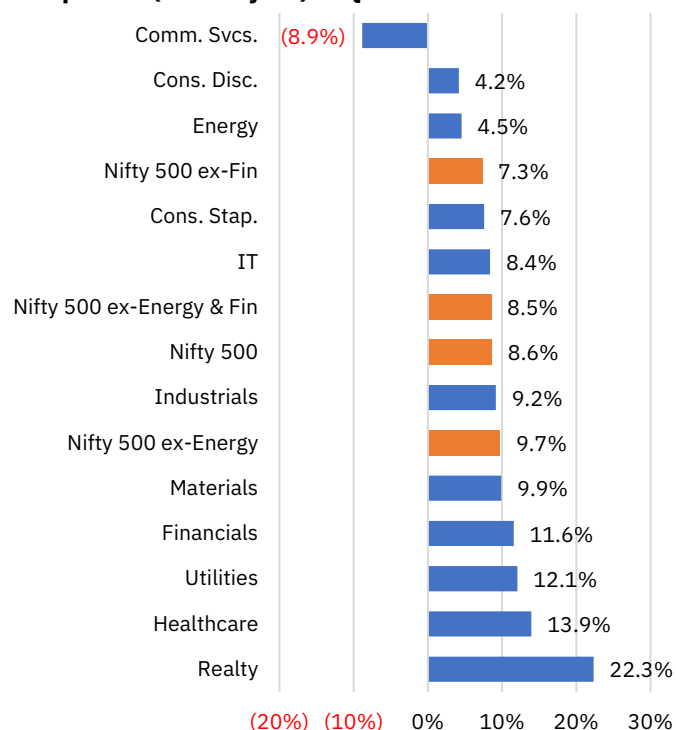
Note: 1. The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 24: Sector-wise PAT margin (%) of Nifty 500 companies (ex-Nifty 50) in Q1FY26

Sector	PAT Margin	QoQ change (bps)	YoY change (bps)
Communication Services	(8.9)	140	174
Consumer Discretionary	4.2	(29)	(91)
Consumer Staples	7.6	39	(98)
Energy	4.5	31	206
Financials	11.6	(186)	(13)
Health Care	13.9	136	(68)
Industrials	9.2	(170)	(80)
Information Technology	8.4	10	138
Materials	9.9	10	72
Real Estate	22.3	6	(327)
Utilities	12.1	173	(118)
Nifty 500	8.6	(51)	44
Nifty 500 ex-Energy	9.7	(74)	(18)
Nifty 500 ex-Financials	7.3	4	64
Nifty 500 ex-energy ex-fin	8.5	(7)	(21)

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 28: Sector-wise PAT growth (YoY) of Nifty 500 companies (ex-Nifty 50) in Q1FY26

Figure 29: Sector-wise PAT margin of Nifty 500 companies (ex-Nifty 50) in Q1FY26


Source: CMIE Prowess, LSEG Workspace, NSE

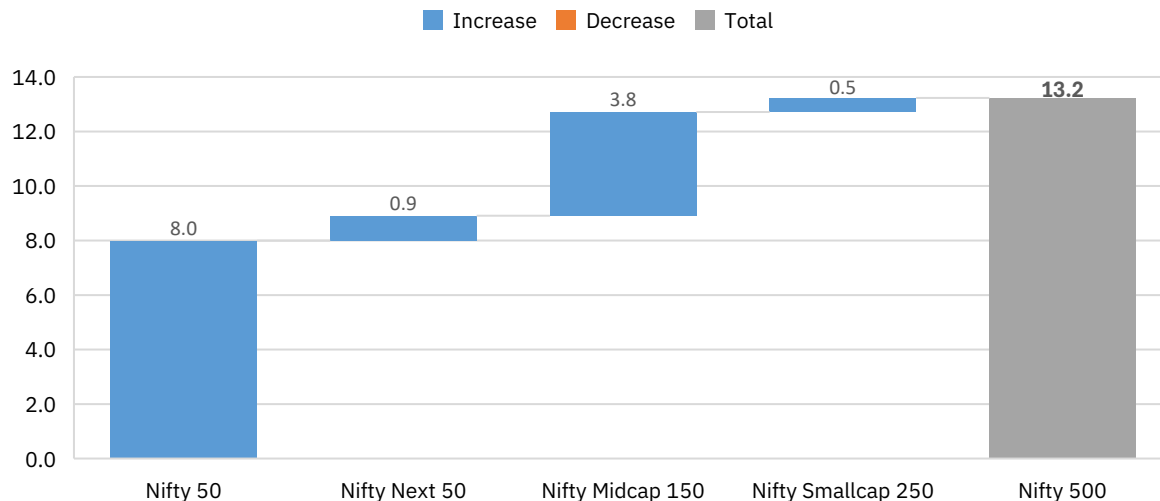
Note: 1. The above charts provide data for companies in the Nifty 500 index as of June 30th, 2025.

Table 25: Sector-wise contribution of Nifty 500 companies (ex-Nifty 50) to PAT growth in Q1FY26

Sector	PAT (Rs crore)	Contribution to PAT growth	
		% QoQ	% YoY
Communication Services	-3,299	0.3	0.4
Consumer Discretionary	7,792	(0.1)	(0.5)
Consumer Staples	7,144	0.3	(0.0)
Energy	21,385	0.5	5.4
Financials	79,382	(6.4)	3.0
Health Care	11,571	0.6	0.4
Industrials	17,480	(3.8)	(0.1)
Information Technology	6,772	(0.1)	1.1
Materials	25,389	(0.3)	2.0
Real Estate	3,421	(0.2)	0.2
Utilities	15,285	1.4	(0.5)
Nifty 500	1,92,323	(7.9)	11.4
Nifty 500 ex-Energy	1,70,937	(8.4)	6.0
Nifty 500 ex-Financials	1,12,940	(1.5)	8.4
Nifty 500 ex-energy ex-fin	91,555	(2.0)	3.0

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above table provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 30: Share of Nifty index constituents in overall PAT growth of Nifty 500 universe in Q1FY26
Contribution of Nifty index constituents to the overall PAT growth (%YoY) in Q1FY26


Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart provides data for companies in the Nifty 500 index as of June 30th, 2025.

Table 26: 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	12	14	6	7	5	1	5	9.9%
Nifty Next 50	19	8	5	2	4	3	10	5.9%
Nifty Midcap 150	44	24	26	17	8	6	25	11.9%
Nifty Smallcap 250	101	32	28	26	12	12	34	5.3%
Nifty 500	176	78	65	52	29	22	74	9.2%

Source: CMIE Prowess, LSEG Workspace, NSE

Note: The above chart provides data for companies in the Nifty 500 index as of June 30th, 2025.

Figure 31: Quarterly trend in Nifty 500 PAT growth (YoY)

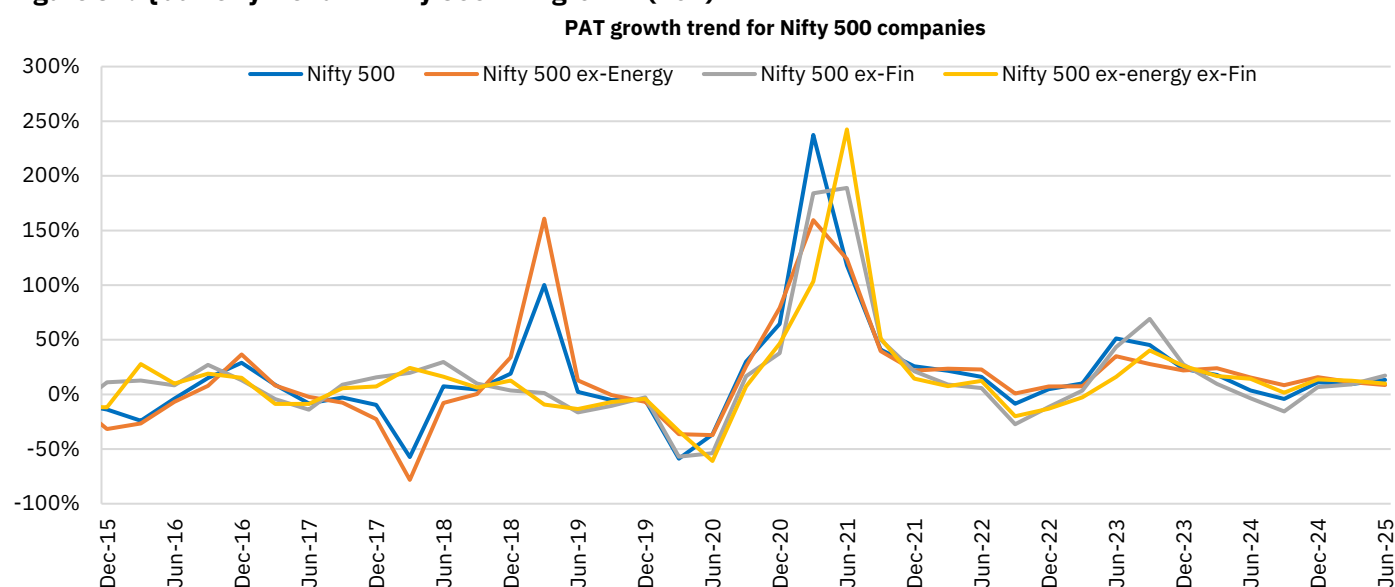
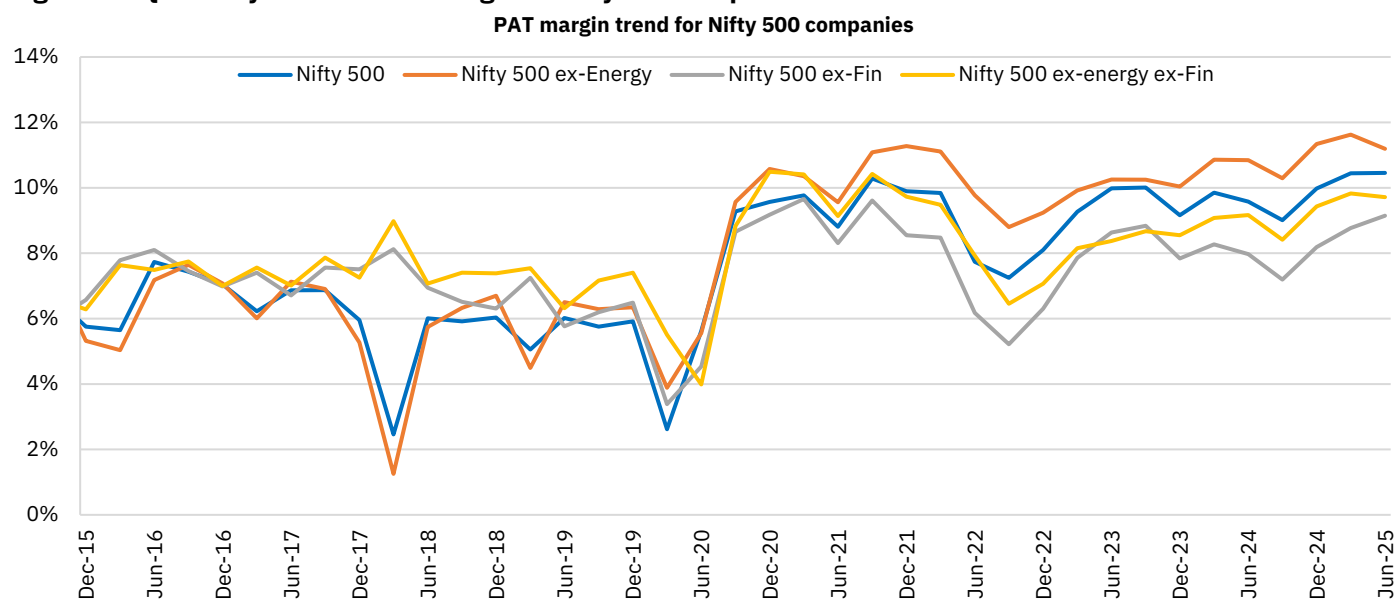


Figure 32: Quarterly trend in PAT margin of Nifty 500 companies



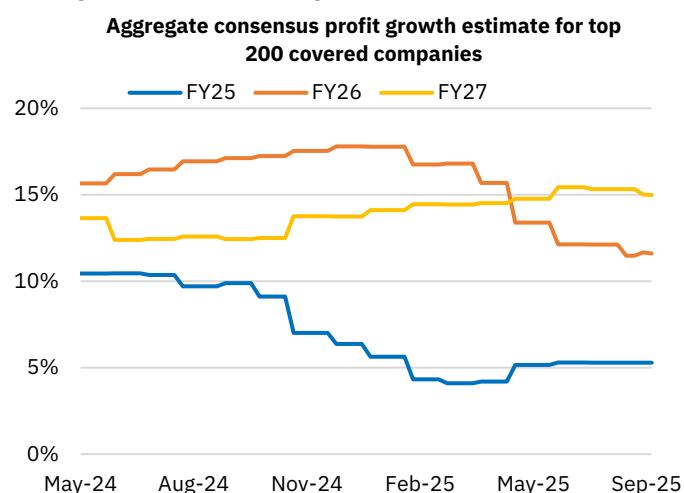
Earnings revision analysis

Consensus FY26/27 aggregate PAT estimates witnessed modest downgrades:

Aggregate PAT growth witnessed continued recovery in the first quarter, despite steady topline growth, reflecting the impact of easing input prices and cost optimization by companies. The relatively slower top-line performance, coupled with tariff-induced threat to corporate profitability, triggering further downgrades in earnings estimates, even as the pace has reduced. Our analysis of earnings revisions of the top 200 well-covered companies by market capitalisation¹ show that the aggregate earnings estimate for FY26 fell by a modest 0.5% since June-end, translating into earnings growth of 11.6% (As on September 5th) vs. 12.1% as of June-end, outpacing expected nominal GDP growth for this year. Notably, all sectors, barring Energy, have seen downgrades in earnings estimates, led by Consumer Discretionary, Materials and Financials, together contributing to ~94% of the earnings downgrades, higher than their combined share of ~53% to total aggregate earnings of this universe for FY26. Consumer Staples and Healthcare also saw similar cuts in earnings estimates in absolute terms. The Energy sector, on the other hand, saw steep upgrades in the current quarter, almost entirely offsetting the impact of combined downward revisions in Consumer Discretionary, Materials, Financials and Consumer Staples.

Earnings estimate for FY27 was also cut by a slightly higher 0.9% since Jun-end, leading to an expected profit growth of 15.0%. This translates into an annualized growth of 13.3% for FY25-27 as of September 5th, falling from 13.8% as of June-end and 15.6% as of March-end. The downward revision in FY27 earnings was also broad-based, with all sectors seeing a decline in earnings estimates, led by Consumer Discretionary, Energy, Information Technology, and Materials.

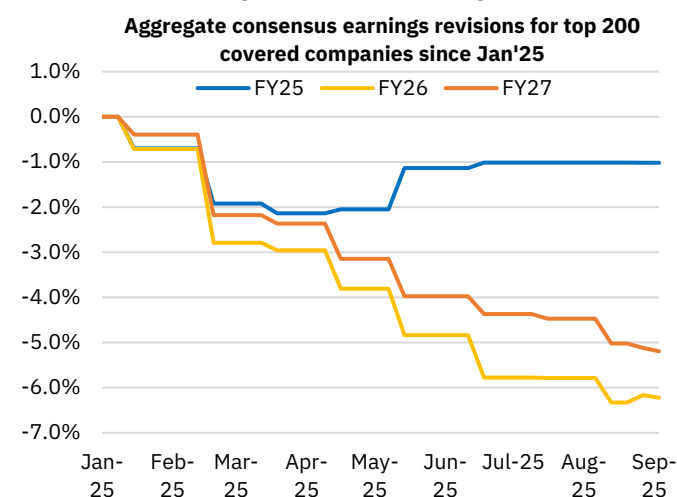
Figure 33: Aggregate consensus profit growth estimate for top 200 covered companies (% YoY)



Source: CMIE Prowess, LSEG Workspace, NSE

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 September 5th, 2025.

Figure 34: Aggregate consensus earnings revisions since Jan'25 for top 200 covered companies



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

Sectors	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Comm. Svcs.	252.5	357.1	713.7	576.7	412.7	343.2	225	47.7	25.7	29.5	13.7	15.8
Consumer Disc.	20.2	20.5	20.5	20.2	20.0	19.6	17.8	8.4	6.1	5.7	3.6	3.3
Consumer Staples	14.7	14.6	14.6	14.5	13.7	13.8	13.5	12.8	11.6	11.1	8.6	8.4
Energy	14.1	16.2	16.8	17.2	19.2	19.7	17.4	15.6	19.0	19.5	23.2	23.0
Financials	14.0	12.6	12.4	12.1	9.9	9.9	9.8	9.5	7.5	7.8	7.2	7.2
Health Care	18.0	18.2	18.1	18.3	16.8	16.8	16.5	12.8	10.7	10.2	7.8	7.8
Industrials	21.8	23.1	23.6	24.0	23.1	23.6	23.1	19.9	18.2	17.9	17.3	17.3
IT	13.9	13.6	13.2	12.8	12.7	12.6	9.0	7.0	6.9	5.7	5.8	5.8
Materials	28.6	34.9	35.2	36.9	36.2	36.5	36.5	34.6	31.8	31.6	29.9	29.9
Real Estate	26.6	21.5	22.0	21.7	17.9	19.0	18.1	18.7	13.3	12.2	11.4	11.4
Utilities	9.9	9.9	9.6	9.7	9.2	8.8	8.8	5	7.2	7.1	4.8	4.8
Total	17.2	17.5	17.8	17.8	16.8	16.8	15.7	13.4	12.1	12.1	11.7	11.6

Source: LSEG Workspace, NSE.

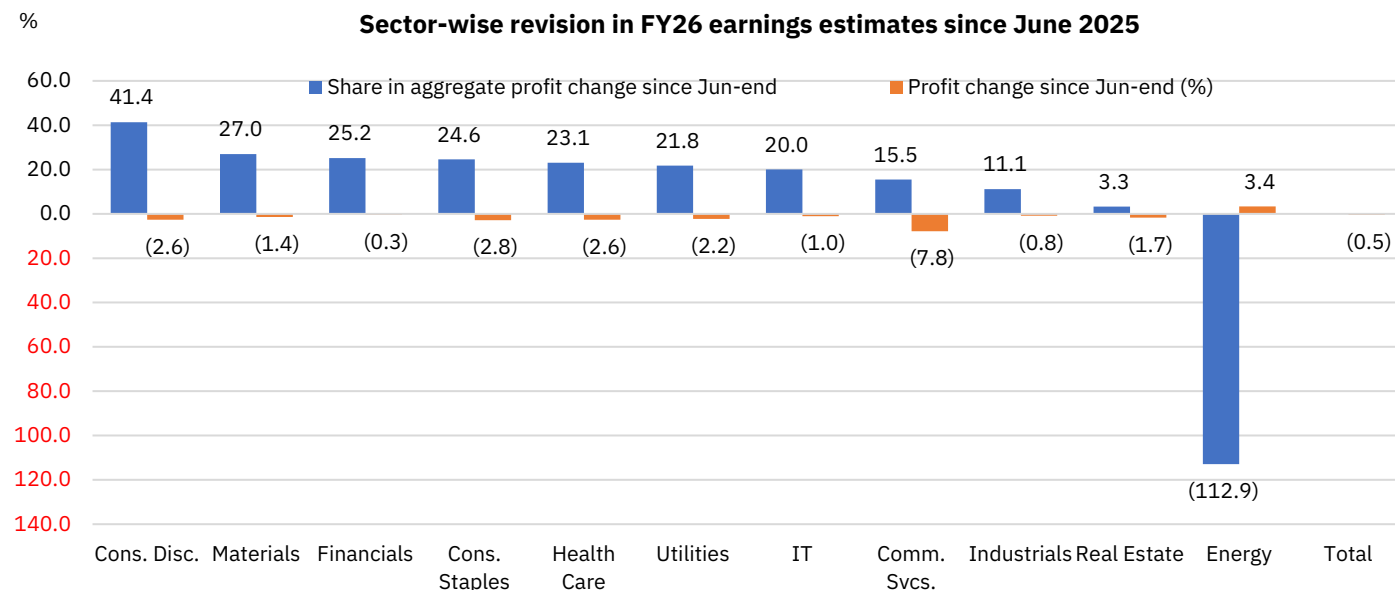
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30th, 2025, covered by at least five analysts at any given point of time over the last one year. * Data is as of September 5th, 2025.

Table 28: Monthly trend of sector-wise FY27 consensus earnings growth estimate (% YoY)

Sectors	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Comm. Svcs.	73.2	96.8	104.0	102.8	103.5	93.6	105.3	136.0	129.4	128.2	151.9	148.7
Consumer Disc.	13.5	15.3	15.6	15.7	16.6	16.4	16.9	17.1	17.8	17.6	17.9	18.1
Consumer Staples	11.9	13.1	13.0	12.8	12.5	12.4	12.7	13.0	13.2	13.3	13.9	14.0
Energy	7.5	8.9	8.7	10.5	10.4	10.6	10.5	10.6	10.8	10.1	6.4	6.1
Financials	14.0	14.3	14.3	14.1	14.0	13.9	14.1	13.7	14.9	14.8	15.2	15.2
Health Care	8.2	9.5	9.3	9.2	10.3	10.4	10.3	10.8	11.1	11.3	12.2	12.3
Industrials	16.6	17.3	16.7	17.2	17.1	18.2	17.5	17.8	19.3	19.4	19.8	19.8
IT	11.8	12.1	12.1	11.9	12.0	11.9	11.0	10.4	10.6	10.6	10.1	10.1
Materials	9.0	13.5	13.6	14.8	16.6	16.7	17.0	18.5	19.0	18.9	19.4	19.3
Real Estate	30.8	25.4	25.7	25.8	25.5	25.8	25.8	26.3	27.1	27.9	26.6	26.7
Utilities	6.6	7.6	7.7	7.2	8.6	8.6	8.6	9.0	9.6	9.6	10.3	10.2
Total	12.5	13.8	13.7	14.1	14.5	14.4	14.5	14.8	15.4	15.3	15.0	15.0

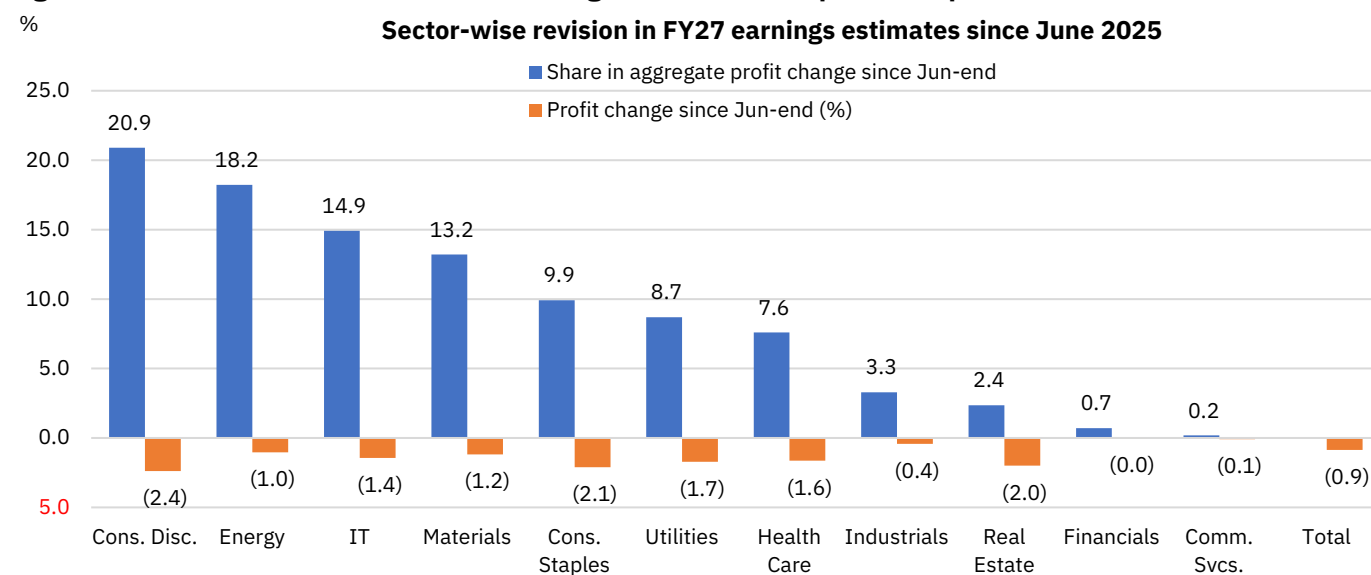
Source: LSEG Workspace, NSE.

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 September 5th, 2025.

Figure 35: Sector-wise revision in FY26 earnings estimates for top 200 companies since June 2025


Source: LSEG Workspace, NSE

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 September 5th, 2025.

Figure 36: Sector-wise revision in FY27 earnings estimates for top 200 companies since June 2025


Source: LSEG Workspace, NSE.

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 September 5th, 2025.

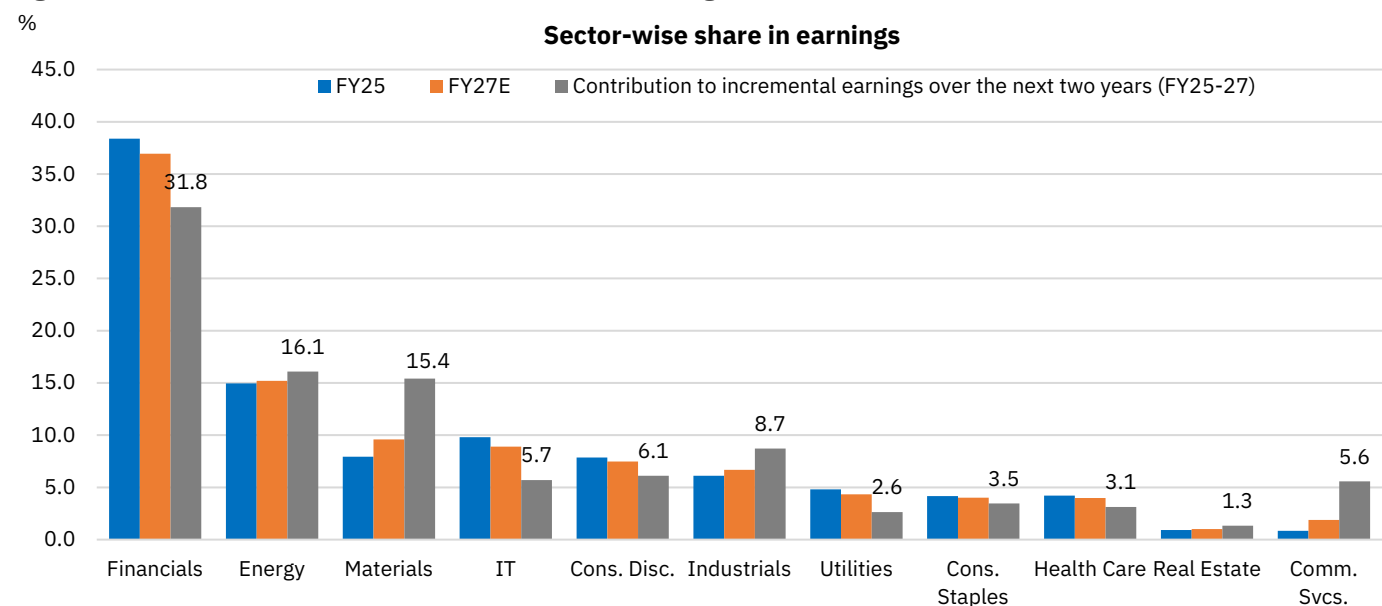
Financials, Energy and Materials to account for over 63% of the incremental earnings over the next two years: Financials, which accounted for 38.4% of the aggregate earnings of the top 200 companies in FY25, are projected to see their share decline to 36.9% by FY27. Despite this, the sector is expected to contribute nearly 32% to incremental earnings between FY25 and FY27. The Materials sector follows, contributing 15.4% to the absolute earnings increase over the same period. This comes despite notable earnings downgrades during the year, with the sector's share in total earnings rising from 7.9% in FY25 to 9.6% by FY27.

The Energy sector, with a projected earnings share of 15.2% in FY27, is expected to contribute nearly 16% to incremental earnings over FY25–27. Communication Services,

which moved from a large loss in FY24 to significant profitability in FY25, is expected to deliver an annualized earnings growth of 70% over the next two years. As a result, it is expected to contribute 5.6% to incremental earnings during this period despite holding a modest 2% share of overall earnings.

Consumption-driven sectors—Consumer Staples and Consumer Discretionary—are expected to post relatively weaker earnings, contributing 9.6% to incremental gains, though they command a higher aggregate share of 11.5%. In contrast, Industrials are projected to contribute 8.7% to incremental earnings, despite a lower earnings share of 6.7%.

Figure 37: Sector-wise share and contribution to earnings



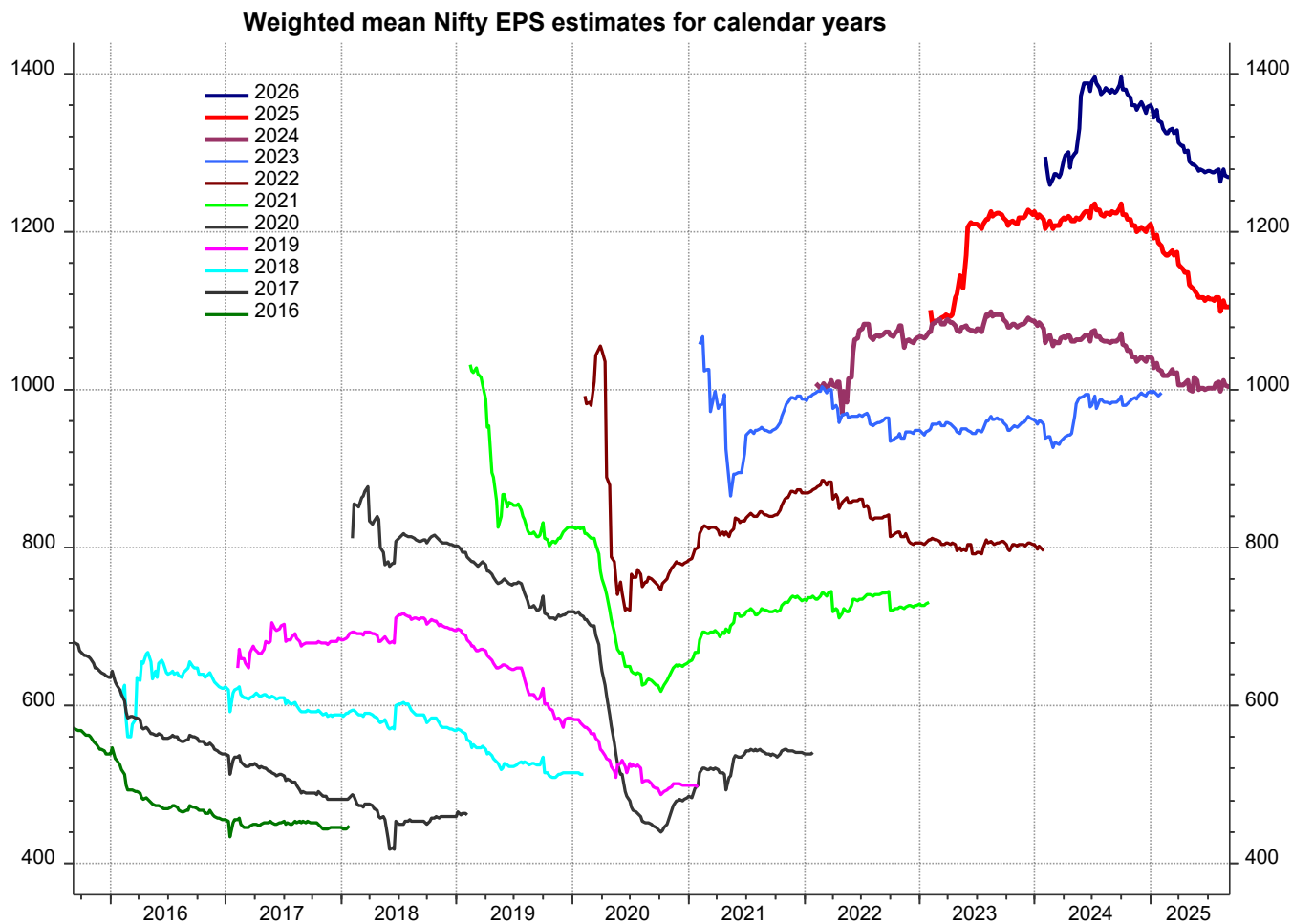
Source: CMIE Prowess, LSEG Workspace, NSE.

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 September 5th, 2024.

The chart below shows how Consensus estimates usually begin the year (calendar) with a bullish view on earnings, but are then brought back to *terra firma* with downgrades, year after year, as the macro environment overhang prevails over optimism.

Barring an exception in 2023, a similar story has been playing out again, with earnings for the Nifty 50 companies for both 2025 and 2026 seeing a steady downward trend over the last several months. The EPS estimates for Nifty 50 for 2025 and 2026 have been curtailed by 1% and 0.7% since June-end, translating into total drop of 4.6% and 3.3% in this fiscal thus far (beginning April 2025). This reflects the impact of weakening domestic and global demand, elevated tariff-induced uncertainty and consequent volatility in global commodity prices.

Figure 38: Yearly trend of NIFTY 50 Consensus EPS estimates



Source: LSEG Workspace, NSE

Nifty 50 Earnings Revision Indicator improved but remained in the negative territory:

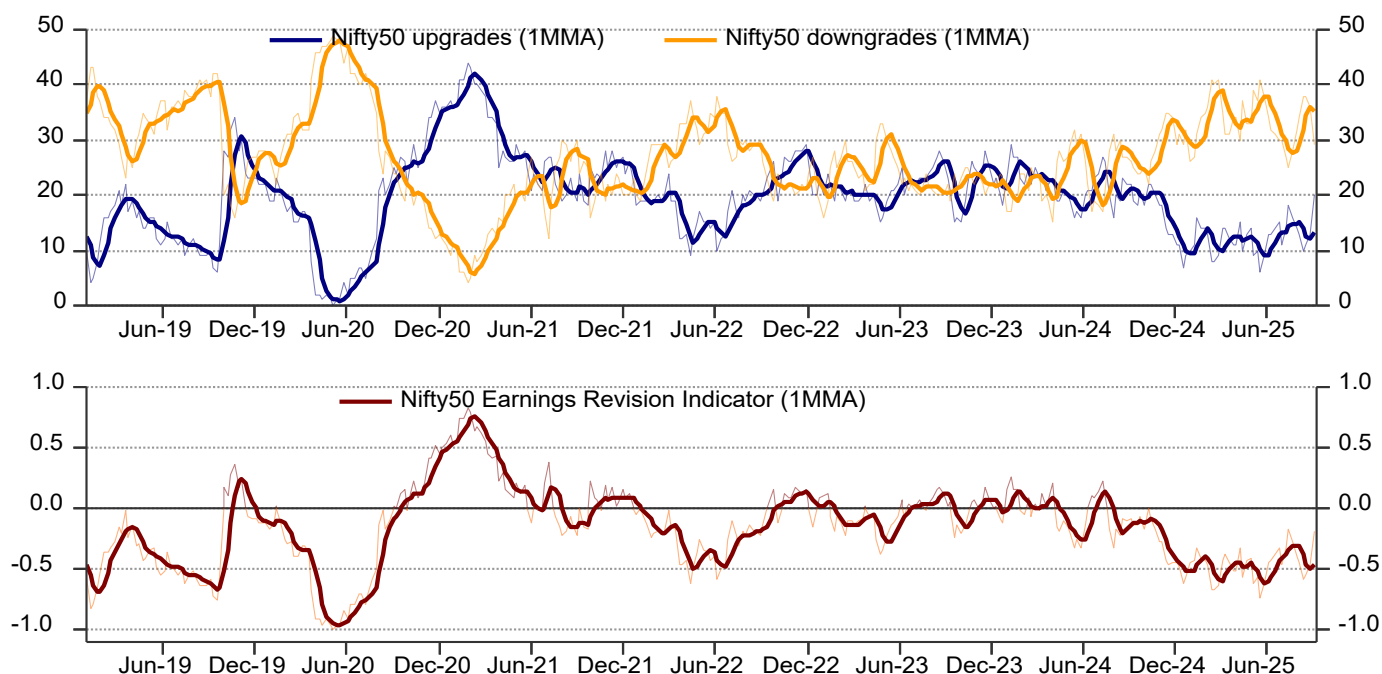
Following a sharp decline after the onset of the Russia–Ukraine war in February 2022, the Earnings Revision Indicator (ERI) for the Nifty 50 staged a meaningful recovery in H2 2022, reflecting a higher incidence of upgrades relative to downgrades. This rebound was supported by resilient macroeconomic conditions, government-led capital expenditure, and robust bank credit growth. Over the subsequent 15 months through March 2024, the ERI remained largely range-bound, as corporate earnings broadly aligned with expectations, keeping revisions balanced.

Since April 2024, however, the indicator has turned more volatile, slipping steadily into negative territory by October 2024 and remaining there since. A brief improvement in July 2025 saw the ERI rise to -0.3 , though still below zero, before weakening again in August, suggesting downgrades continue to outpace upgrades. That said, the magnitude of downgrades has moderated, pointing to signs that the downgrade cycle may be nearing its end.

At the sectoral level, Energy, Financials, Information Technology, and Materials have shown a notable improvement in ERI readings, though they remain close to neutral, reflecting a broadly even balance between upgrades and downgrades. In contrast, consumption-oriented sectors such as Consumer Staples and Consumer Discretionary, along with Utilities and Healthcare, have seen their ERIs fall further into negative territory, underscoring persistent earnings headwinds in these segments.

Figure 39: Nifty 50 Earnings Revision Indicator (since January 1919)

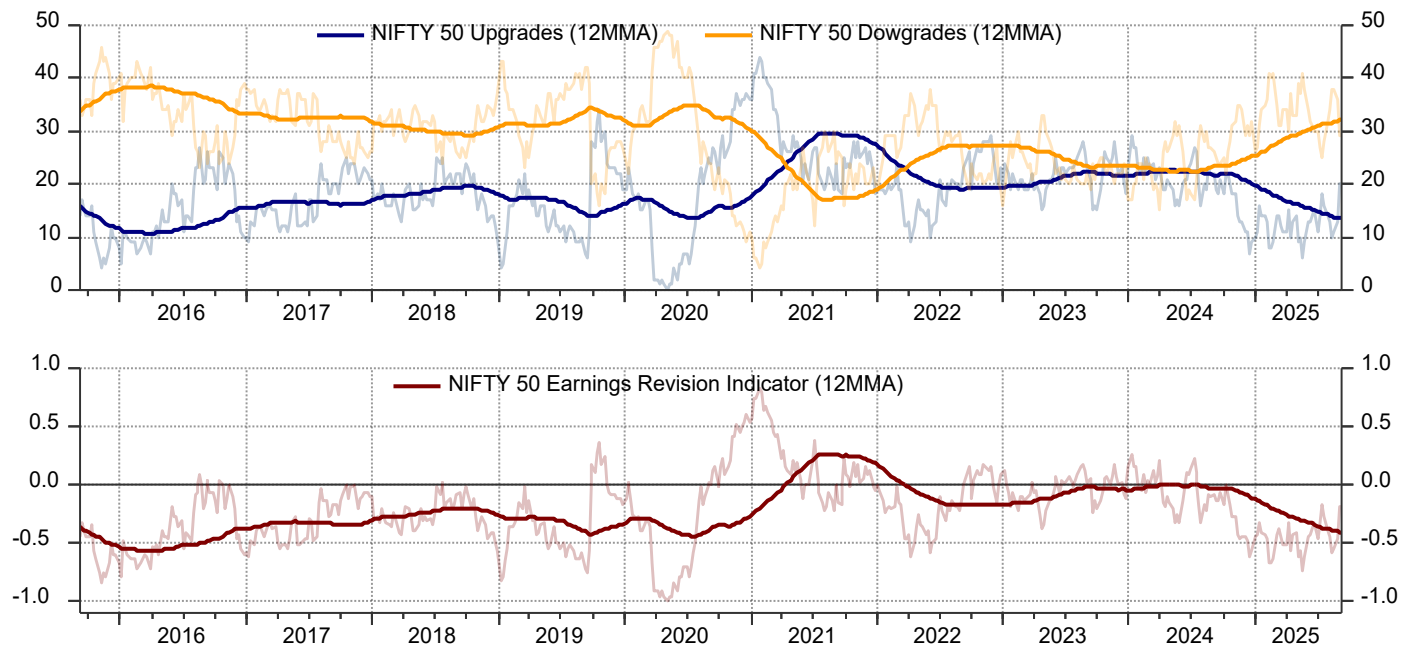
NIFTY 50 Earnings Revisions



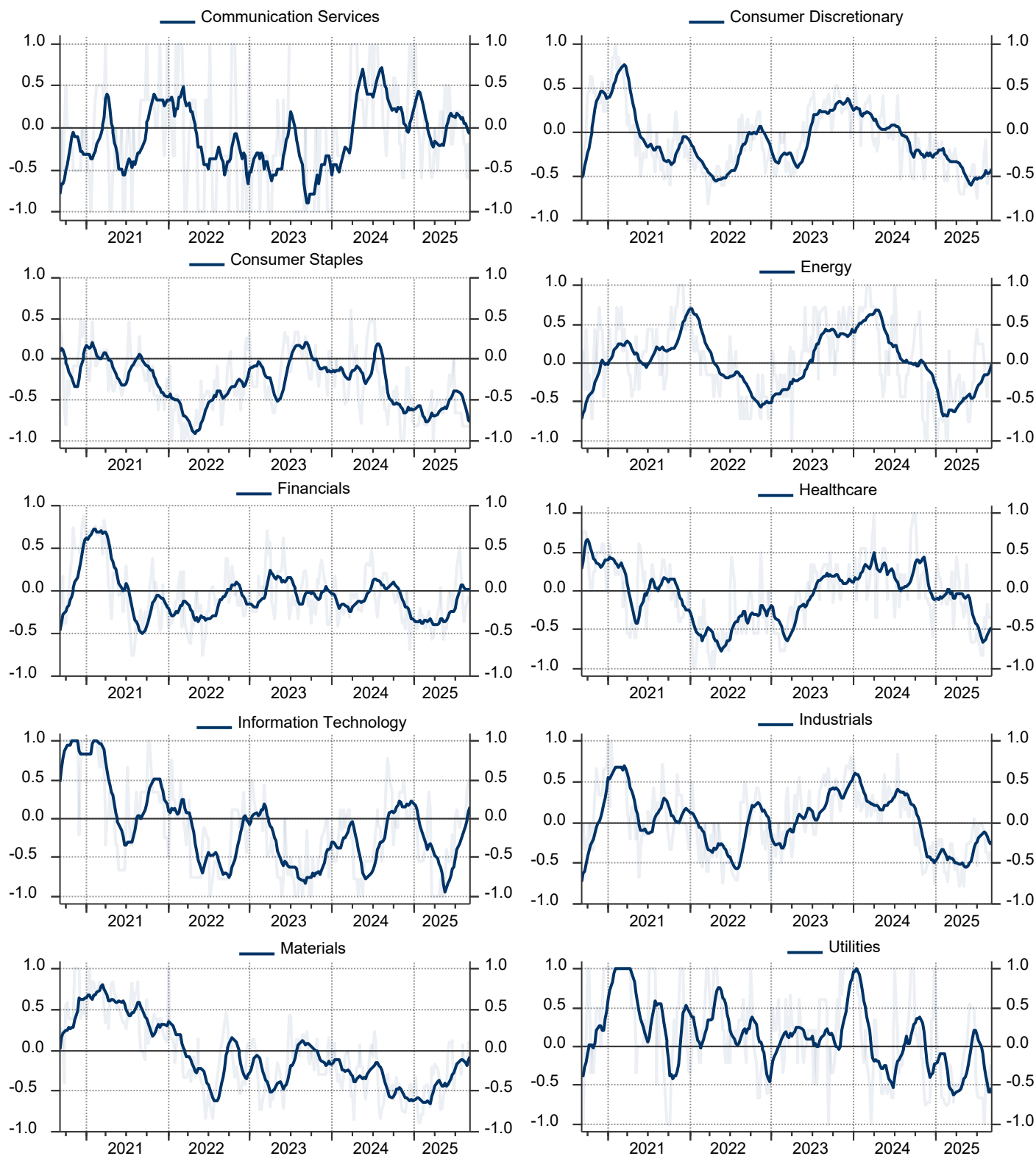
Source: LSEG Workspace, NSE.

Figure 40: Nifty 50 Earnings Revision Indicator (10-year trend)

NIFTY 50 Earnings Revisions



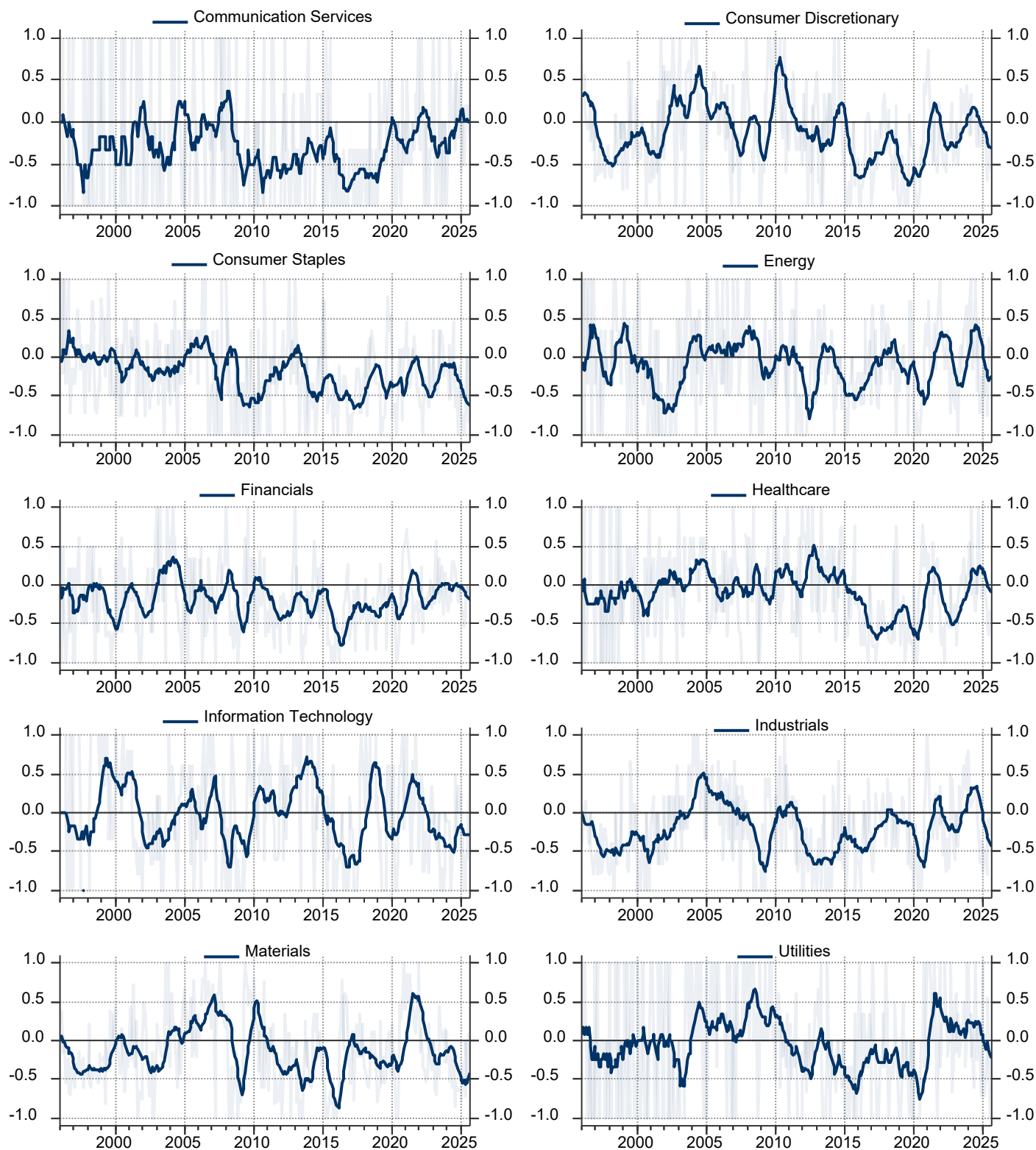
Source: LSEG Workspace, NSE.

Figure 41: Short-term trend of Earnings Revision Indicator across MSCI sectors
India Earnings Revision Indicator across sectors: Short-term (2MMA)


Source: LSEG Workspace, NSE.

Figure 42: Long-term trend of Earnings Revision Indicator across MSCI sectors

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



Source: LSEG Workspace, NSE.

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