



# Q4 FY2025-26 Earnings Analysis — India Inc.

1,264 of 4,976 Companies Reported | Data Source: Moneycontrol | As of May 16, 2026

## 1. HEADLINE NUMBERS AT A GLANCE

Metric	Mar 26 (Q4 FY26)	Mar 25 (Q4 FY25)	YoY Growth
Revenue	₹34,38,669 Cr	₹31,06,945 Cr	+10.68%
Gross Profit	₹6,58,195 Cr	₹5,94,708 Cr	+10.68%
Net Profit	₹4,31,520 Cr	₹3,58,997 Cr	+20.20%

Positive Growth Companies: 745 | Negative Growth Companies: 519

## 2. CATEGORY-WISE BREAKDOWN

### 2.1 Nifty 50 — Steady but Moderate

Metric	Mar 26	Mar 25	YoY Growth
Revenue	₹16,04,211 Cr	₹14,72,173 Cr	+8.97%
Gross Profit	₹3,00,593 Cr	₹2,88,338 Cr	+4.25%
Net Profit	₹2,19,946 Cr	₹1,99,355 Cr	+10.33%

**Assessment:** The Nifty 50 is showing the most conservative growth. Net profit at +10.33% is respectable but the gross profit growth of only +4.25% reveals margin pressure among India's largest blue-chips. Revenue growth at ~9% suggests topline expansion but input costs are eating into operating margins.

### 2.2 Large Cap — Better than Nifty, but Margin Compressed

Metric	Mar 26	Mar 25	YoY Growth
Revenue	₹20,58,717	—	+9.33%

Cr

Gross Profit	₹4,40,984 Cr	—	+5.64%
Net Profit	₹3,02,437 Cr	—	+14.42%

**Assessment:** Large caps outperform Nifty 50 with 14.42% net profit growth. They benefit from scale and operational leverage. However, gross profit growth (+5.64%) lagging revenue growth (+9.33%) is a yellow flag on input costs or pricing power.

### 2.3 Mid Cap — ★ Star Performer of the Quarter

Metric	Mar 26	Mar 25	YoY Growth
Revenue	₹8,73,398 Cr	₹7,89,261 Cr	+10.66%
Gross Profit	₹1,57,398 Cr	₹1,30,459 Cr	+20.65%
Net Profit	₹90,045 Cr	₹66,513 Cr	+35.38%

**Assessment:** Mid caps are the clear star of this earnings season. Net profit growth of 35.38% is exceptional — nearly 3.5x the growth rate of Nifty 50 companies. Gross profit growing at 20.65% vs revenue at 10.66% shows significant operating leverage and margin expansion. Mid-cap companies are scaling efficiently and gaining competitive strength.

### 2.4 Small Cap — Robust and Broad-Based

Metric	Mar 26	Mar 25	YoY Growth
Revenue	₹4,76,989 Cr	₹4,17,321 Cr	+14.30%
Gross Profit	₹74,951 Cr	₹64,487 Cr	+16.23%
Net Profit	₹39,966 Cr	₹33,948 Cr	+17.73%

**Assessment:** Small caps show the highest revenue growth (+14.30%) among all segments, and healthy net profit growth of 17.73%. Gross profit (16.23%) growing faster than revenue shows margin improvements. This is a broad-based recovery with genuine earnings power at the grassroots of corporate

### 3. CATEGORY COMPARISON SUMMARY

Category	Revenue Growth	Gross Profit Growth	Net Profit Growth	Verdict
All India	+10.68%	+10.68%	+20.20%	✓ Strong
Nifty 50	+8.97%	+4.25%	+10.33%	● Moderate
Large Cap	+9.33%	+5.64%	+14.42%	✓ Good
Mid Cap	+10.66%	+20.65%	+35.38%	✨ Excellent
Small Cap	+14.30%	+16.23%	+17.73%	✓ Strong

### 4. SECTOR SCORECARD

#### 4.1 Top Performing Sectors

Sector	Market Cap (₹ Cr)	Revenue YoY	Gross Profit YoY	Net Profit YoY
Retailing	5,77,339	+12.58%	+40.49%	+979.25%
Paper	4,933	+10.09%	+325.90%	+774.42%
Media & Entertainment	37,438	+12.01%	+542.96%	+161.83%

- **Retailing:** Massive turnaround driven by operating leverage in retail chains after years of restructuring.
- **Paper:** Spectacular recovery on lower input costs and improved pricing.
- **Media & Entertainment:** OTT, digital advertising and content monetization driving strong profits.

#### 4.2 Underperforming Sectors

Sector	Market Cap (₹ Cr)	Revenue YoY	Gross Profit YoY	Net Profit YoY
Trading	4,07,709	+23.49%	-19.19%	-87.58%

<b>Consumer Durables</b>	2,42,258	+9.23%	<b>-7.57%</b>	<b>-79.61%</b>
<b>Industrial Gases &amp; Fuels</b>	78,519	+9.19%	<b>-24.10%</b>	<b>-27.49%</b>

- **Trading:** Revenue growing but margins have collapsed — likely commodity margin squeeze.
- **Consumer Durables:** Despite decent revenue growth, profits cratered due to intense competition, input costs, and pricing pressure.
- **Industrial Gases & Fuels:** Energy cost pressures squeezing margins despite volume growth.

## 5. NOTABLE INDIVIDUAL RESULTS

Company	Revenue Growth	Net Profit Growth	Note
Tata Steel	+12%	<b>+151%</b>	Strong metals recovery
SAIL	+5%	<b>+43%</b>	PSU steel doing well
NHPC	+19%	<b>+68%</b>	Strong hydro power growth
Hindustan Copper	+58%	<b>+134%</b>	Copper boom continues
Solar Industries	+40%	<b>+59%</b>	Defence/explosives demand surge
Godrej Industries	+33%	<b>+86%</b>	Conglomerate recovery
HAL	+7%	<b>+36%</b>	Beats estimates by 35.76%
Muthoot Finance	+14%	<b>+19%</b>	Gold loan demand robust; beats by 19.28%
JSW Steel	Beat revenue	<b>Missed by -62.7%</b>	Weak quarter on profitability
Voltas	Slight miss	<b>Missed by -52.8%</b>	Consumer durables pressure
Power Grid	-4%	+8%	Revenue dipped, profits stable
United Spirits	—	<b>Beats by +32.24%</b>	Premiumisation driving profitability

## 6. MARKET IMPACT ANALYSIS

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### 6.1 Short-Term Impact (1–4 Weeks)

The earnings season is ~25% complete (1,264/4,976). The Net Profit growth of 20%+ at the aggregate level is a significant positive surprise, particularly the mid-cap performance. Markets are likely to react positively in the near term, especially in mid and small cap indices. However, sector-specific underperformance (Consumer Durables, Trading) may drag some large-cap heavyweights. JSW Steel missing estimates by -62.7% and Voltas missing by -52.8% could weigh on indices.

**Outlook:** Expect selective buying with mid-cap and small-cap outperformance continuing. Stock-specific moves will dominate rather than broad index rallies.

### 6.2 Medium-Term Impact (1–6 Months)

The remaining 3,712 companies are yet to report. If the quality of results holds — particularly the mid-cap margin expansion story — it could meaningfully re-rate valuations upward for the Nifty Midcap 100 and Nifty Smallcap indices. The gap between Nifty 50 profit growth (10.33%) and broader market profit growth (20.20%) suggests that the wider market is in better health than what index-level tracking implies.

**Outlook:** Sectors like Defence, Metals, Power, and Media will continue to attract institutional money. Expect FII/DII interest to shift towards quality mid-cap names with strong earnings momentum. Broader market participation in any rally is likely.

### 6.3 Long-Term Impact (6–24 Months)

The structural story is very encouraging. Mid-cap companies posting 35%+ profit growth with gross margin expansion signals a fundamental shift in corporate India's earning power. The massive contrast between Nifty 50 (sluggish 10%) and Mid Cap (explosive 35%) indicates the next phase of India's growth story will be driven by next-generation mid-tier champions — in manufacturing, defence, specialty chemicals, logistics, and consumer discretionary.

**Outlook:** Long-term investors should look to build positions in quality mid-caps with strong earnings momentum. Sectoral winners in Retailing, Paper, and Media signal consumer confidence returning. India Inc.'s profit pool is diversifying well beyond just the top 50 companies.

## 7. OVERALL VERDICT — ARE THE RESULTS ENCOURAGING?

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✓ YES — Very Encouraging Overall (Scorecard: 7.5 / 10)

• 20%+ net profit growth for all-India India Inc. — well above expectations.

• Mid-cap sector delivering spectacular 35.38% net profit growth with genuine margin expansion.

• Small cap sector's 14.30% revenue growth is the highest across all categories.

• 745 companies in positive growth vs 519 negative — broad-based recovery.

• Strong turnarounds in Retailing, Media, Metals, Defence and Power sectors.

• Multiple companies beating analyst estimates (HAL +35.7%, Muthoot +19.3%, United Spirits

+32.2%).

#### Areas of Caution

• Consumer Durables with -79.61% profit decline is alarming — demand fatigue or margin

destruction.

• Trading sector's -87.58% profit fall despite +23% revenue growth shows severe commodity margin

squeeze.

- Nifty 50 gross profit growth at only +4.25% suggests India's largest companies face cost headwinds.

- JSW Steel and Voltas missing estimates by wide margins are notable disappointments.

- Power Grid revenue declining -4% needs monitoring for the PSU energy sector.

**Conclusion:** This is a solid, above-expectation earnings season. The mid-cap and small-cap segments are firing on all cylinders, offsetting patchy large-cap performance. The results confirm that India's broader corporate ecosystem is growing faster than headline index numbers suggest, making this a fundamentally positive quarter for long-term investors. With 75% of companies yet to report, the trend bears close watching — but early signals are firmly bullish.

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Report prepared based on data from Moneycontrol.com | Q4 FY2025-26 Earnings Season | Date: May 16, 2026

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