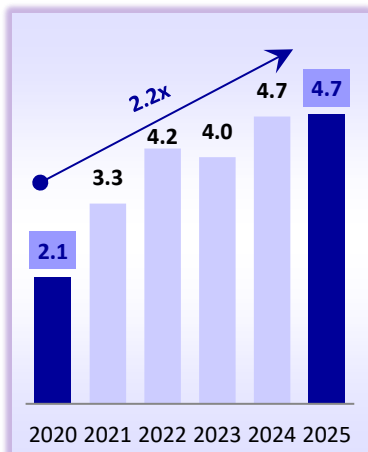


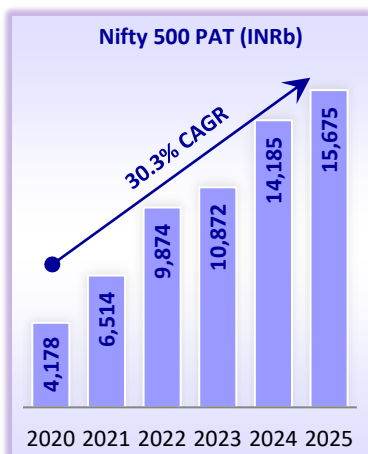
BSE Sensex: 82,515

Nifty-50: 25,141

Corporate profit-to-GDP ratio remains flat YoY, up 2.2x in five years



Profits have grown at a faster pace in the last five years



GDP has recorded a double-digit growth in the past five years



Corporate profit-to-GDP: Standing tall at a 17-year high!

Defying all odds: As the world grapples with geopolitical challenges, sluggish growth, high inflation, and elevated interest rates, India's macroeconomic indicators present a contrasting narrative. The country is experiencing strong GDP growth, a stable currency, and moderating inflation and interest rates, alongside robust corporate earnings. For the first time in many years, corporate earnings are tracking GDP growth, resulting in the corporate profit-to-GDP ratio remaining flat YoY at a 17-year high of 4.7% in FY25. This stable ratio was primarily driven by a healthy 10.5% YoY profit growth in FY25, building on a strong earnings base of 30% YoY in FY24, which was broadly aligned with the year's revenue growth. This performance was bolstered by a robust GDP growth of 9.8% YoY in FY25, following a high base of 12% YoY growth in FY24.

Analyzing India's corporate profit-to-GDP ratio: We take a closer look at the corporate profit-to-GDP ratio achieved by India's listed corporate sector. Our analysis examines corporate earnings as a percentage of GDP in greater detail, using the Nifty-500 as a proxy for corporate earnings, as this index represents ~90% of India's market capitalization.

India's corporate profit-to-GDP ratio in FY25: Under the lens

- **In 2025, the corporate profit-to-GDP ratio for the Nifty-500 Universe remained at 4.7%, marking a 17-year high. Notably, for listed India Inc., the ratio stood at 5.1%, at a 14-year high.** The sustained profit-to-GDP ratio for the Nifty-500 was positively influenced by sectors such as Telecom (which shifted from being a negative contributor for the past seven years to a positive contributor in FY25), PSU Banks (with a 0.07% increase in the ratio), Healthcare (a 0.04% rise), Consumer (a 0.04% increase), Metals (a 0.03% rise), and Infrastructure (a 0.2% increase). In contrast, sectors that experienced a decline in the ratio included Oil & Gas (a 0.28% decline), Automobiles (a dip of 0.03%), Cement (a decline of 0.02%), Utilities (a dip of 0.02%), Private Banks (a decline of 0.01%), and Retail (a dip of 0.01%).
- **The top-5 sectors contributed 71% to the aforesaid ratio**, with BFSI (1.84% of the GDP), Oil & Gas (0.51%), Technology (0.40%), Metals (0.34%), and Automobiles (0.32%) being the key contributors. In contrast, e-commerce was the only sector that contributed adversely to the corporate profit-to-GDP ratio.
- **The corporate profits for the Nifty-500 universe experienced double-digit growth**, rising 10.5% YoY in FY25. This growth was notable given the high base of +30.5% in FY24 and clocking a 30.3% CAGR over the past five years. This achievement occurred in a challenging year characterized by weak consumption, a slowdown in government spending during 1HFY25 amid elections, and volatile exports resulting from heightened global uncertainties.
- **Meanwhile, nominal GDP growth remained strong in 2HFY25 and exceeded market expectations.** Nominal GDP expanded 9.8% YoY in FY25, although this was slower than corporate profit growth during the year. It recorded a 10.5% CAGR over the past five years.

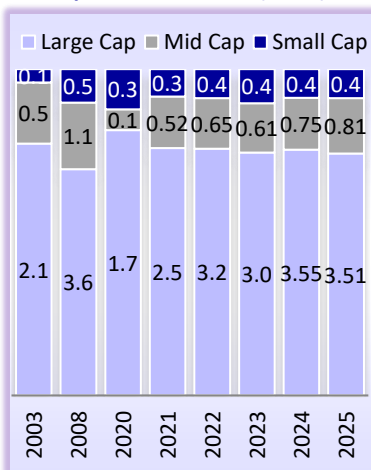
Research Analyst: Gautam Duggad (Gautam.Duggad@MotilalOswal.com) | Deven Mistry (Deven@MotilalOswal.com)

Research Analyst: Abhishek Saraf (Abhishek.Saraf@motilaloswal.com) | Aanshul Agarawal (Aanshul.Agarawal@Motilaloswal.com)

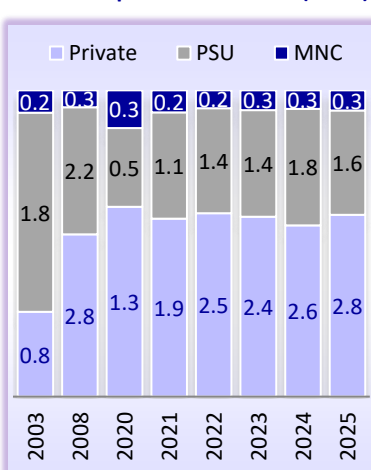
Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Profit pool of mid-caps grew at a faster pace over Phase 3 (INR b)



Profit pool of PSU corporates grew at a faster pace over Phase 3 (INR b)



Mid- and small-caps add to the ratio as large-caps' weight slips

- According to SEBI's categorization, large-, mid-, and small-cap stocks accounted for 3.51%, 0.81%, and 0.42% of the total Nifty-500's corporate profit-to-GDP ratio, respectively.
- The Nifty-500 ratio was driven higher by mid- and small-caps, while large-caps offset these gains. The mid- and small-caps ratio grew to 0.81% and 0.42%, respectively, in FY25 (from 0.75% and 0.41% in FY24). Large-caps witnessed a dip to 3.51%, down marginally from the 16-year high of 3.55% recorded in FY24.
- The mid- and small-cap shares have experienced a nearly continuous increase in the corporate profit-to-GDP ratio since the lows of 2020, rising 6.2x and 1.6x, respectively. This marks a reversal from the period between 2008 and 2020, during which mid-caps faced a significant decline, while small-caps exhibited range-bound performance. Large-cap stocks have also posted substantial gains since the 2020 lows, more than doubling in value, in contrast to their earlier trend of sustained weakness from the highs of 2008 through 2020.

Private and MNC companies bolster the ratio; PSUs weigh it down

- We analyze India's corporate profit-to-GDP distribution across three categories of **ownership**, i.e., 1) Private Corporate, 2) PSU Corporate, and 3) MNCs.
- On an **ownership basis**, the corporate profit-to-GDP ratio for **Private** companies within the Nifty-500 reached an all-time high of 2.8% in FY25, up from 2.6% in FY24. The ratio for **PSUs** dipped marginally to 1.6% in FY25 from 1.8% in FY24. For **MNCs**, notably, the ratio hit an all-time high of 0.31% in FY25 (0.29% in FY24).
- PSUs recorded the sharpest increase in the corporate profit-to-GDP ratio since the lows of 2020, fueled by a broad-based earnings recovery, particularly among PSUs Banks, Insurance, and Oil & Gas sectors. The ratio surged approximately threefold to reach 1.6% in 2025 from 0.5% in 2020. In comparison, Private and MNC companies within the Nifty-500 universe also recorded notable gains, with their ratios surging 2.2x to 2.8% and 1.2x to 0.3% in 2025 (from 1.3% and 0.3% in 2020), respectively.

Analyzing two decades of corporate profit-to-GDP trends

We examined the peaks and troughs in the corporate profit-to-GDP ratio over the past two decades, breaking them down into distinct phases of expansion and contraction.

- We segregate the 2003 to 2025 period into three phases: 1) 2003-08, 2) 2008-20, and 3) 2020-25.
- **During Phase 1 (2003-08)**, the corporate profit-to-GDP ratio almost doubled to 5.2% from 2.7%, with profits of Nifty-500 compounding at a solid 30% CAGR.
- **During Phase 2 (2008-20)**, the downturn in domestic corporate earnings led to a compression in the Nifty-500 profit-to-GDP ratio to 2.1% from 5.2%.
- Despite the pandemic-led slowdown and subdued economic recovery during **Phase 3 (2020-25)**, corporate profits witnessed a strong resurgence from the lows. This recovery drove the corporate profit-to-GDP ratio to a 17-year high of 4.7% in 2025 (above the long-period average of 3.7%). Over this period, Nifty-500 companies delivered an impressive 30.3% profit CAGR, with a YoY growth of 10.5% in FY25.

Corporate profit-to-GDP ratio poised for further expansion

- India's nominal GDP grew 10.8% YoY in 4QFY25, marking the highest growth in four quarters. This resulted in an overall growth of 9.8% for FY25. This healthy performance reflects the strengthening domestic macroeconomic conditions, which are likely to sustain and support corporate earnings going forward.
- Although corporate profit growth moderated in FY25 due to a high base set in FY24 and other factors mentioned earlier, we expect a gradual recovery going ahead. This rebound is likely to be driven by increased government spending compared to FY25, a favorable monsoon season, and coordinated policy measures by the government and the RBI, including tax incentives and an accommodative monetary policy that should help stimulate consumer spending.
- Consequently, corporate earnings are projected to outpace GDP growth, with Nifty earnings forecasted to grow 12% and 15% YoY in FY26E and FY27E, respectively. This growth is anticipated alongside a nominal GDP growth rate of 10.8% YoY in FY26, which will further enhance the corporate profit-to-GDP ratio in the coming years.

Exhibit 1: Sectoral corporate profit-to-GDP ratio for Nifty-500 (%) – BFSI, Consumer, Healthcare, and Infrastructure at all-time highs

Sector	Profit-to-GDP (%)								Change (x)			
	2003	2008	2020	2021	2022	2023	2024	2025	2003-2008	2008-2020	2020-2025	2024-2025
BFSI	0.66	0.85	0.46	0.97	1.14	1.54	1.76	1.84	1.3	0.5	4.0	1.0
Banks - Private	0.12	0.19	0.12	0.38	0.44	0.49	0.61	0.61	1.5	0.7	4.9	1.0
Banks - Public	0.39	0.44	0.01	0.19	0.30	0.41	0.50	0.57	1.1	0.0	56.8	1.1
Insurance	0.02	0.05	0.05	0.05	0.04	0.19	0.19	0.20	2.5	0.9	4.4	1.1
NBFCs	0.12	0.18	0.28	0.34	0.36	0.45	0.46	0.46	1.4	1.6	1.7	1.0
Oil & Gas	1.07	1.19	0.36	0.66	0.77	0.51	0.78	0.51	1.1	0.3	1.4	0.6
Technology	0.10	0.33	0.41	0.45	0.45	0.43	0.40	0.40	3.2	1.2	1.0	1.0
Metals	0.11	0.90	0.17	0.36	0.68	0.36	0.30	0.34	8.6	0.2	2.0	1.1
Automobiles	0.09	0.23	0.09	0.08	0.12	0.20	0.35	0.32	2.6	0.4	3.4	0.9
Consumer	0.17	0.20	0.23	0.20	0.19	0.20	0.20	0.23	1.2	1.2	1.0	1.2
Utilities	0.25	0.29	0.13	0.20	0.21	0.22	0.24	0.23	1.2	0.4	1.8	0.9
Healthcare	0.07	0.15	0.13	0.19	0.16	0.15	0.17	0.21	2.1	0.9	1.6	1.3
Capital Goods	0.09	0.27	0.09	0.12	0.12	0.14	0.17	0.19	3.2	0.3	2.0	1.1
Misc	0.05	0.12	0.04	0.02	0.05	0.08	0.07	0.08	2.6	0.3	1.8	1.1
Logistics	0.01	0.02	0.02	0.00	0.00	0.03	0.07	0.07	1.7	1.5	3.0	1.0
Real Estate	0.01	0.19	0.01	0.02	0.03	0.03	0.04	0.06	23.9	0.1	6.4	1.5
Chemicals	0.03	0.07	0.11	0.08	0.10	0.10	0.05	0.06	2.7	1.5	0.6	1.2
Cement	0.02	0.18	0.08	0.09	0.10	0.07	0.08	0.06	8.5	0.5	0.7	0.8
Telecom	-0.01	0.15	-0.28	-0.19	-0.07	-0.07	-0.06	0.06	-24.6	-1.9	-0.2	-1.0
Infrastructure	0.00	0.02	0.02	0.02	0.02	0.02	0.02	0.04	3.4	1.0	2.1	1.7
Retail	0.00	0.01	0.02	0.02	0.03	0.03	0.04	0.03	2.7	3.3	1.6	0.8
Consumer Durables	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.02	3.7	1.1	1.3	1.5
Media	0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.00	1.7	0.6	0.2	0.3
Textiles	0.00	0.01	0.01	-0.02	0.01	0.00	0.00	0.00	1.6	1.5	0.1	3.0
E-Commerce	0.00	0.00	-0.04	-0.01	0.03	-0.02	-0.01	0.00	68.3	-34.5	0.1	0.4
Nifty-500	2.7	5.2	2.1	3.3	4.2	4.0	4.7	4.7	1.9	0.4	2.3	1.0

Exhibit data are sourced from Capitaline, the RBI, companies, and MOFSL database based on the current Nifty-500 constituents.

Insightful trends

Exhibit 2: Nifty-500 – the corporate profit-to-GDP ratio remains flat YoY at 4.7% in FY25

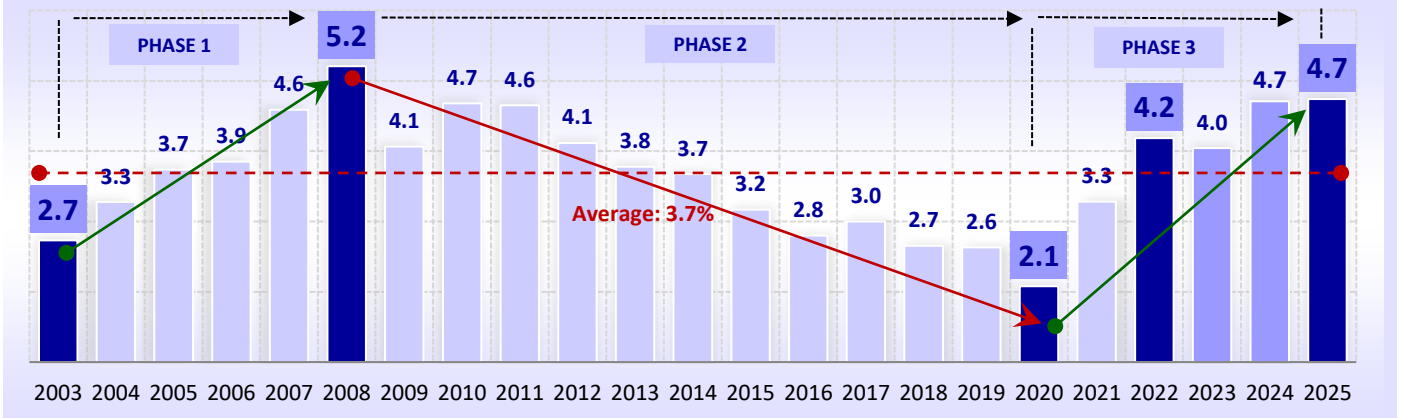


Exhibit 3: Contrast between GDP growth and corporate earnings growth

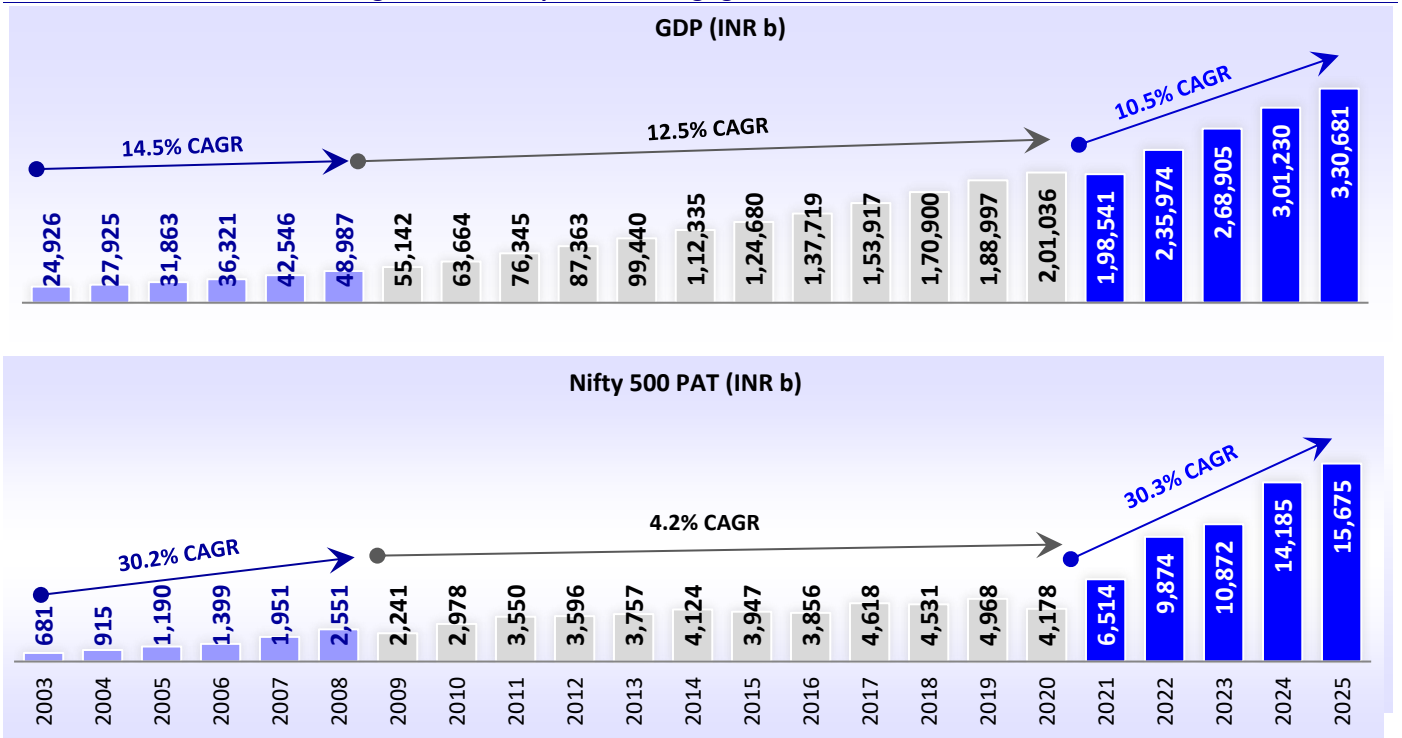
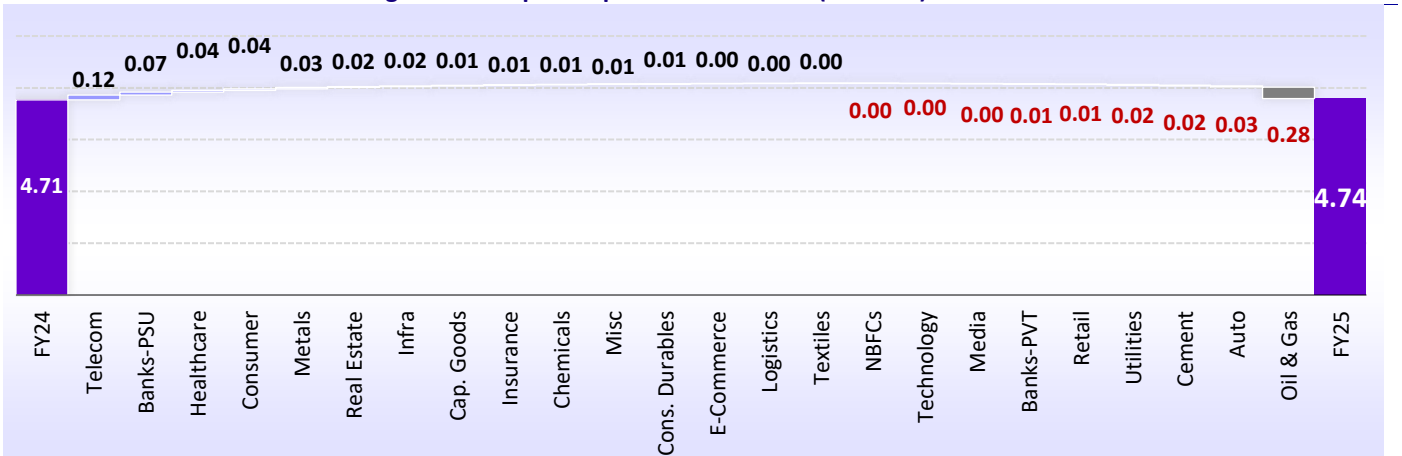


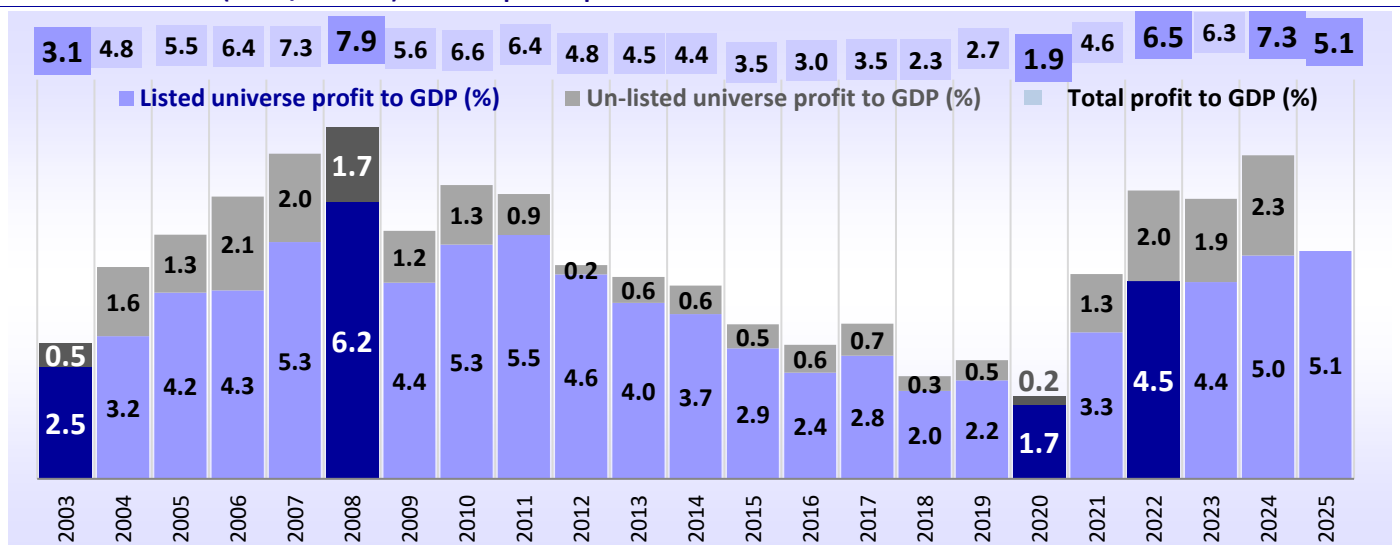
Exhibit 4: Contributors to the change in the corporate profit-to-GDP ratio (FY24–25)



Corporate profit-to-GDP scales a 17-year high in 2025

- **In 2025, the corporate profit-to-GDP ratio for the Nifty-500 Universe remained at 4.7%, marking a 17-year high. Notably, for listed India Inc., the ratio stood at 5.1%, at a 14-year high.** The sustained profit-to-GDP ratio for the Nifty-500 was positively influenced by sectors such as Telecom (which shifted from being a negative contributor for the past seven years to a positive contributor in FY25), PSU Banks (with a 0.07% increase in the ratio), Healthcare (a 0.04% rise), Consumer (a 0.04% increase), Metals (a 0.03% rise), and Infrastructure (a 0.2% increase). In contrast, sectors that experienced a decline in the ratio included Oil & Gas (a 0.28% decline), Automobiles (a dip of 0.03%), Cement (a decline of 0.02%), Utilities (a dip of 0.02%), Private Banks (a decline of 0.01%), and Retail (a dip of 0.01%).
- **The top-5 sectors contributed 71% to the aforesaid ratio**, with BFSI (1.84% of the GDP), Oil & Gas (0.51%), Technology (0.40%), Metals (0.34%), and Automobiles (0.32%) being the key contributors. In contrast, e-commerce was the only sector that contributed adversely to the corporate profit-to-GDP ratio.
- The **corporate profits for the Nifty-500** universe experienced double-digit growth, rising 10.5% YoY in FY25. This growth was notable given the high base of +30.5% in FY24 and clocking a 30.3% CAGR over the past five years. This achievement occurred in a challenging year characterized by weak consumption, a slowdown in government spending during 1HFY25 amid elections, and volatile exports resulting from heightened global uncertainties.
- Meanwhile, **nominal GDP** growth remained strong in 2HFY25 and exceeded market expectations. Nominal GDP expanded 9.8% YoY in FY25, although this was slower than corporate profit growth during the year. It recorded a 10.5% CAGR over the past five years.
- India's corporate profit-to-GDP ratio for the listed universe further expanded to 5.1% in FY25 from 5.0% in FY24. Notably, the ratio for both the listed and unlisted universe also expanded materially to 7.3% in FY24 from 6.3% in FY23, mainly led by a spike in corporate profits of listed companies.

Exhibit 5: India Inc. (listed/unlisted) – the corporate profit-to-GDP ratio trend



Note: Corporate profit compiled from Capitaline for available listed and unlisted companies; FY25 earnings from unlisted companies are yet to be available.

Exhibit 6: Nifty-500 – the corporate profit-to-GDP ratio remains flat YoY

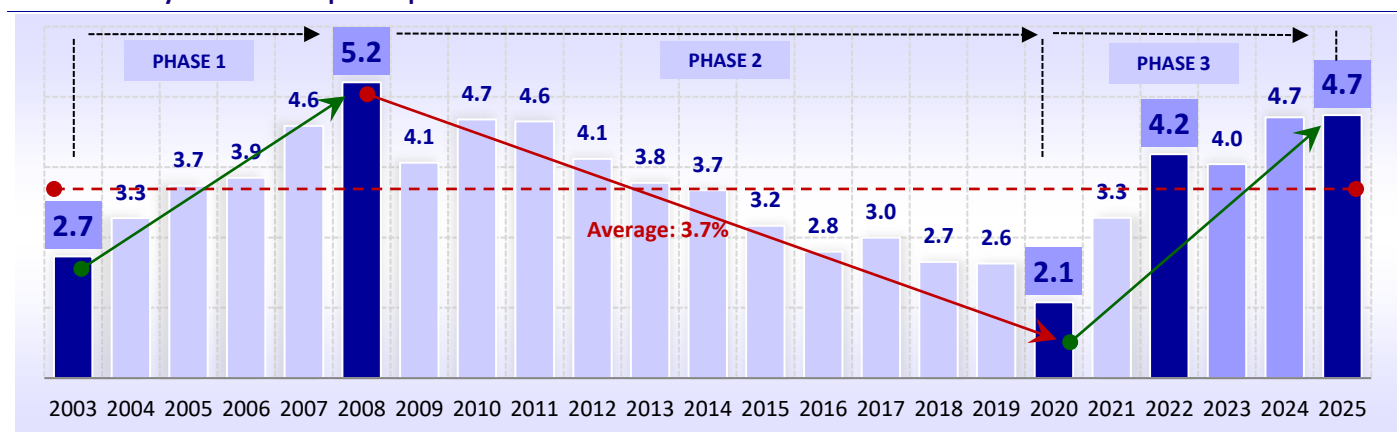


Exhibit 7: Contributors to the change in the corporate profit-to-GDP ratio (FY24–25)

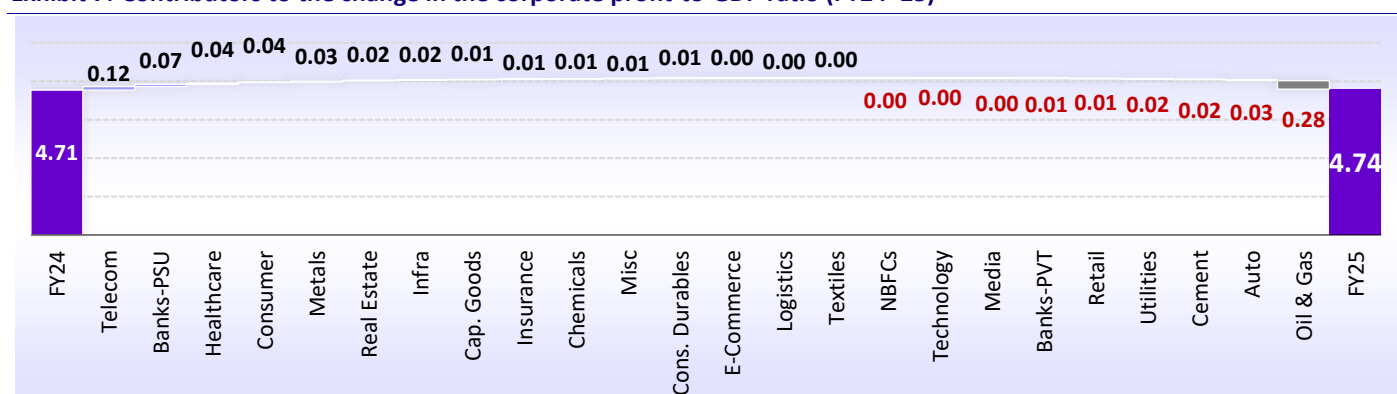


Exhibit 8: Nifty-500 profits expand 10.5% YoY and clock a 30.3% five-year CAGR in 2025

Sector	PAT (INR b)		Change		Profit-to-GDP (%)	
	2024	2025	(x)	YoY (%)	2024	2025
Automobiles	1,059	1,061	1.0	0	0.4	0.3
BFSI	5,311	6,086	1.1	15	1.8	1.8
Banks - Private	1,852	2,010	1.1	9	0.6	0.6
Banks - Public	1,501	1,885	1.3	26	0.5	0.6
Insurance	561	660	1.2	18	0.2	0.2
NBFCs	1,397	1,531	1.1	10	0.5	0.5
Capital Goods	518	618	1.2	19	0.2	0.2
Cement	227	191	0.8	-16	0.1	0.1
Chemicals	148	196	1.3	32	0.0	0.1
Consumer	588	764	1.3	30	0.2	0.2
Consumer Durables	34	57	1.7	68	0.0	0.0
E-Commerce	-19	-9	Loss	Loss	0.0	0.0
Healthcare	510	700	1.4	37	0.2	0.2
Infrastructure	64	122	1.9	91	0.0	0.0
Logistics	202	233	1.2	15	0.1	0.1
Media	20	6	0.3	-69	0.0	0.0
Metals	914	1,117	1.2	22	0.3	0.3
Oil & Gas	2,364	1,685	0.7	-29	0.8	0.5
Real Estate	131	210	1.6	60	0.0	0.1
Retail	129	112	0.9	-13	0.0	0.0
Technology	1,219	1,326	1.1	9	0.4	0.4
Telecom	-178	187	LP	LP	-0.1	0.1
Textiles	1	4	3.3	225	0.0	0.0
Utilities	738	754	1.0	2	0.2	0.2
Others	205	255	1.2	25	0.1	0.1
Nifty-500	14,185	15,675	1.1	11	4.7	4.7

The ratio has improved for 15 of 24 sectors

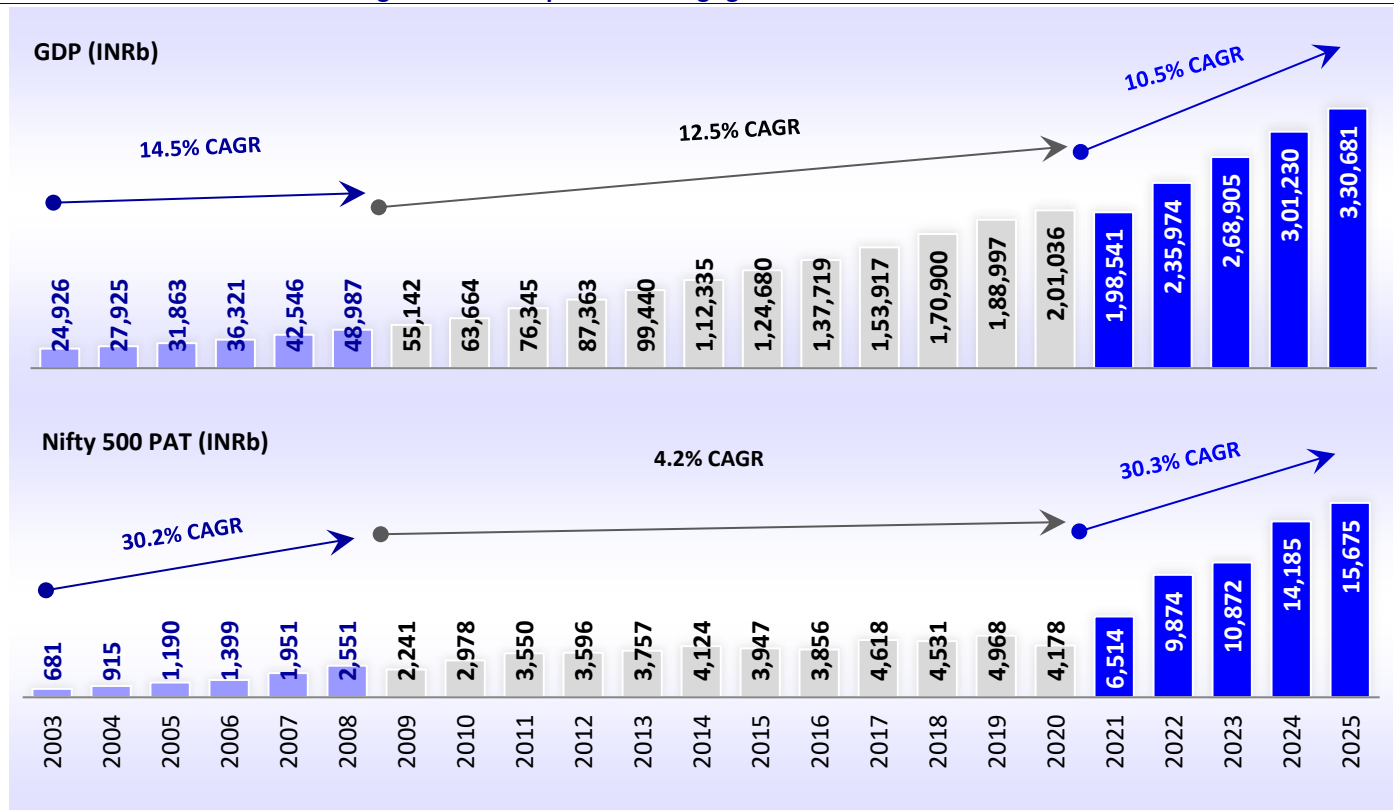
Exhibit 9: Stocks with a positive contribution to change

Company	Sector	Contributors to change (FY24-25)	
		pp	%
Bharti Airtel	Telecom	0.08	245.0
ITC	Consumer	0.04	118.7
Vedanta	Metals	0.03	99.9
Punjab Natl.Bank	Banks - Public	0.03	82.0
Tata Steel	Metals	0.03	80.1
Vodafone Idea	Telecom	0.02	66.8
Raymond	Real Estate	0.02	56.4
IRB Infra.Devl.	Infrastructure	0.02	56.2
Aster DM Health.	Healthcare	0.02	50.6
Reliance Power	Utilities	0.02	50.4
Hindalco Inds.	Metals	0.01	46.9
St Bk of India	Banks - Public	0.01	37.9
Adani Enterp.	Others	0.01	34.2
Life Insurance	Insurance	0.01	32.9
Indus Towers	Telecom	0.01	31.9

Exhibit 10: Stocks with a negative contribution to change

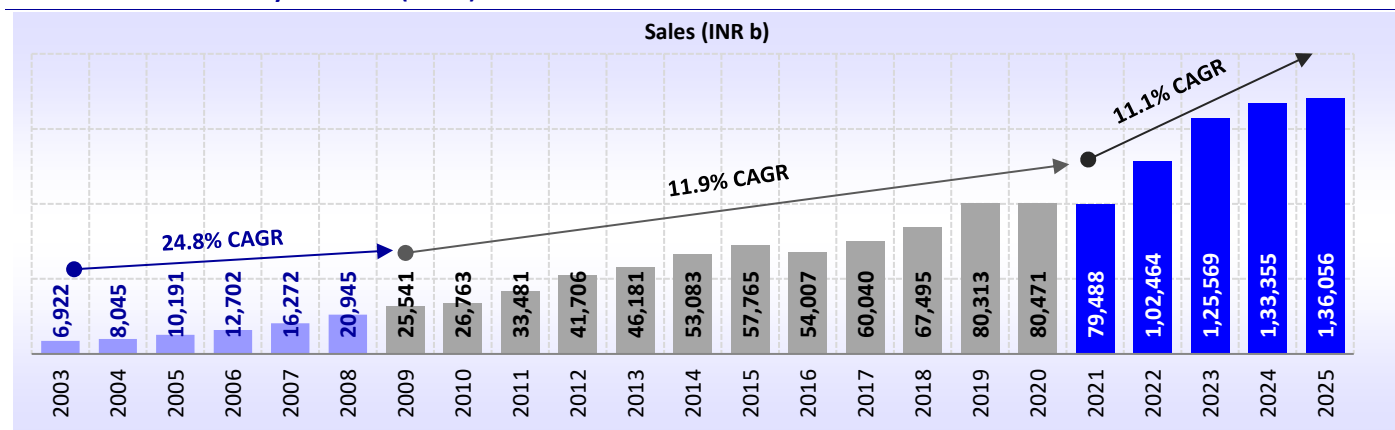
Company	Sector	Contributors to change (FY24-25)	
		pp	%
I O C L	Oil & Gas	-0.10	-311.2
O N G C	Oil & Gas	-0.05	-172.1
B P C L	Oil & Gas	-0.05	-156.0
H P C L	Oil & Gas	-0.03	-104.8
Adani Power	Utilities	-0.03	-95.9
IndusInd Bank	Banks - Private	-0.02	-70.3
Reliance Industr	Oil & Gas	-0.02	-65.5
Tata Motors	Automobiles	-0.02	-64.1
JSW Steel	Metals	-0.02	-59.6
Coal India	Metals	-0.02	-55.1
M R P L	Oil & Gas	-0.01	-37.6
Jindal Steel	Metals	-0.01	-35.8
Sammaan Capital	NBFCs	-0.01	-30.3
C P C L	Oil & Gas	-0.01	-27.0
Grasim Inds	Cement	-0.01	-23.9

- As we can infer from Exhibit 11, Nifty-500 profits have remained range-bound at INR4-5t over FY14-20, while they surged to ~INR16t in 2025.
- Notably, the corporate profit CAGR of 30.3% was much higher than the GDP CAGR of 10.5% over 2020-25.

Exhibit 11: Contrast between GDP growth and corporate earnings growth


- The revenue growth of the Nifty-500 index remained muted at 2% YoY in FY25, mainly due to a correction in commodity prices and a slowdown in revenue growth across consumer-oriented sectors.
- However, over FY20–25, revenue growth registered a CAGR of 11.1%, primarily driven by the BFSI, Automobiles, and Global Commodities sectors.

Exhibit 12: Trend in Nifty-500 sales (INR b)



- Corporate margins have continued to experience volatility since the onset of the pandemic. After reaching multi-year highs of 16.9% in FY22, operating margins saw a marginal contraction of 20bp YoY to 16.4% in FY25 (down 50bp from the 2022 high), while profit margins expanded 10bp YoY to 8.4% in FY25.
- The improvement in margins in 2025 was driven by strong performances in the Telecom, Healthcare, and Metals sectors, while a moderation was observed in the Oil & Gas, Cement, Retail, and Media sectors.

Exhibit 13: Nifty-500 – EBITDA margin, ex-Financials (%)

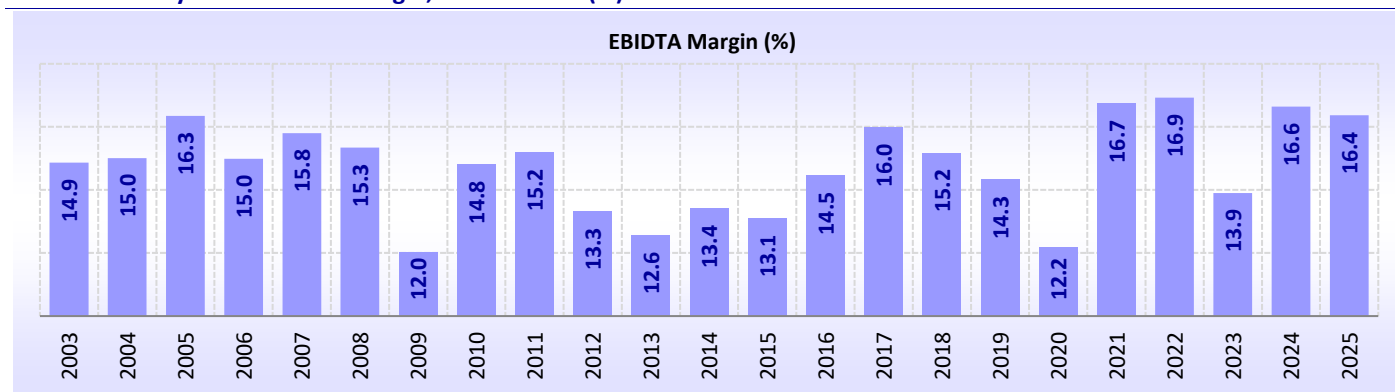
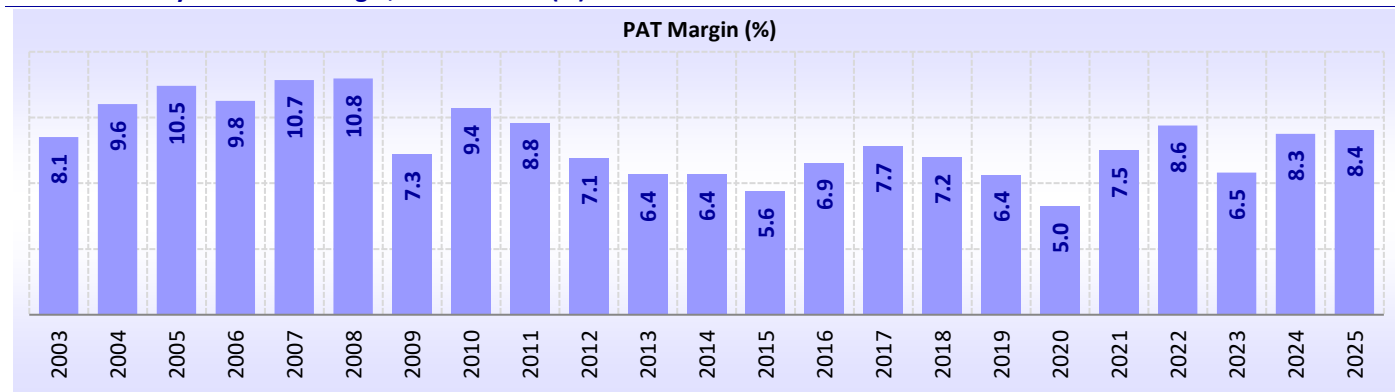


Exhibit 14: Nifty-500 – PAT margin, ex-Financials (%)



Mid- and small-caps add to the ratio as large-caps' weight slips

- According to SEBI's categorization, large-, mid-, and small-cap stocks accounted for 3.51%, 0.81%, and 0.42% of the total Nifty-500's corporate profit-to-GDP ratio, respectively.
- The Nifty-500 ratio was driven higher by mid- and small-caps, while large-caps offset these gains. The mid- and small-caps ratio grew to 0.81% and 0.42%, respectively, in FY25 (from 0.75% and 0.41% in FY24). Large-caps witnessed a dip to 3.51%, down marginally from the 16-year high of 3.55% recorded in FY24.
- The mid- and small-cap shares have experienced a nearly continuous increase in the corporate profit-to-GDP ratio since the lows of 2020, rising 6.2x and 1.6x, respectively. This marks a reversal from the period between 2008 and 2020, during which mid-caps faced a significant decline, while small-caps exhibited range-bound performance. Large-cap stocks have also posted substantial gains since the 2020 lows, more than doubling in value, in contrast to their earlier trend of sustained weakness from the highs of 2008 through 2020.

Exhibit 15: Large-caps' earnings expand 9% YoY in 2025

Sector	Large-caps						
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
	2020	2024	2025		2020	2024	2025
Automobiles	92	846	854	1.0	0.05	0.28	0.26
Banks - Private	473	1,529	1,720	12.5	0.24	0.51	0.52
Banks - Public	126	976	1,202	23.1	0.06	0.32	0.36
Insurance	65	452	537	18.8	0.03	0.15	0.16
NBFCs	311	843	950	12.7	0.15	0.28	0.29
Capital Goods	158	328	368	12.2	0.08	0.11	0.11
Cement	123	162	139	-14.2	0.06	0.05	0.04
Chemicals	11	17	21	20.1	0.01	0.01	0.01
Consumer	327	482	635	31.9	0.16	0.16	0.19
Consumer Durables	7	13	15	15.9	0.00	0.00	0.00
E-Commerce	-64	-14	-16	Loss	-0.03	0.00	0.00
Healthcare	109	264	305	15.5	0.05	0.09	0.09
Infrastructure	8	16	13	-18.6	0.00	0.01	0.00
Logistics	35	163	184	12.7	0.02	0.05	0.06
Metals	262	639	836	30.8	0.13	0.21	0.25
Oil & Gas	617	1,973	1,453	-26.4	0.31	0.66	0.44
Real Estate	1	43	71	66.8	0.00	0.01	0.02
Retail	29	75	76	1.0	0.01	0.02	0.02
Technology	753	1,058	1,147	8.3	0.37	0.35	0.35
Telecom	-289	135	435	222.1	-0.14	0.04	0.13
Utilities	232	652	608	-6.8	0.12	0.22	0.18
Others	11	32	71	119.1	0.01	0.01	0.02
Nifty-500	3,399	10,685	11,622	8.8	1.69	3.55	3.51

Large-caps ratio saw a marginal decline to 3.51% from the 16-year high of 3.55% recorded in FY24

Exhibit 16: Mid-caps' earnings expand 19% YoY in 2025

Sector	Mid-caps						
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
	2020	2024	2025		2020	2024	2025
Automobiles	67	126	124	-1.8	0.03	0.04	0.04
Banks - Private	-254	244	204	-16.4	-0.13	0.08	0.06
Banks - Public	-106	525	683	30.2	-0.05	0.17	0.21
Insurance	24	97	110	12.9	0.01	0.03	0.03
NBFCs	156	317	364	15.0	0.08	0.11	0.11
Capital Goods	-12	95	141	48.5	-0.01	0.03	0.04
Cement	36	63	51	-20.2	0.02	0.02	0.02
Chemicals	74	53	86	60.8	0.04	0.02	0.03
Consumer	111	53	72	36.2	0.05	0.02	0.02
Consumer Durables	8	12	28	131.7	0.00	0.00	0.01
E-Commerce	-29	-14	-6	Loss	-0.01	0.00	0.00
Healthcare	90	145	208	42.9	0.04	0.05	0.06
Infrastructure	7	6	65	969.7	0.00	0.00	0.02
Logistics	11	35	41	16.4	0.01	0.01	0.01
Metals	61	213	217	2.1	0.03	0.07	0.07
Oil & Gas	129	298	208	-30.3	0.06	0.10	0.06
Real Estate	17	51	51	-0.9	0.01	0.02	0.02
Retail	6	14	19	36.5	0.00	0.00	0.01
Technology	47	95	107	12.8	0.02	0.03	0.03
Telecom	-245	-298	-241	Loss	-0.12	-0.10	-0.07
Utilities	71	82	94	14.8	0.04	0.03	0.03
Others	-7	36	42	16.9	0.00	0.01	0.01
Nifty-500	264	2,250	2,668	18.6	0.13	0.75	0.81

Mid-caps ratio grew to 0.81%, marking a 13-year high

Exhibit 17: Small-caps' earnings expand 11% in 2025

Sector	Small-caps						
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
	2020	2024	2025		2020	2024	2025
Automobiles	31	87	83	-4.2	0.02	0.03	0.03
Banks - Private	31	79	86	9.2	0.02	0.03	0.03
Insurance	2	11	13	15.9	0.00	0.00	0.00
NBFCs	94	237	216	-8.9	0.05	0.08	0.07
Capital Goods	39	95	109	14.8	0.02	0.03	0.03
Cement	7	1	1	-2.7	0.00	0.00	0.00
Chemicals	130	77	89	15.5	0.06	0.03	0.03
Consumer	26	53	57	7.5	0.01	0.02	0.02
Consumer Durables	11	9	14	56.4	0.01	0.00	0.00
E-Commerce	5	9	14	51.8	0.00	0.00	0.00
Healthcare	70	101	187	86.2	0.03	0.03	0.06
Infrastructure	20	42	44	5.1	0.01	0.01	0.01
Logistics	0	4	8	106.0	0.00	0.00	0.00
Metals	19	62	63	1.5	0.01	0.02	0.02
Oil & Gas	-29	93	24	-73.9	-0.01	0.03	0.01
Real Estate	2	37	88	136.0	0.00	0.01	0.03
Retail	6	40	17	-56.7	0.00	0.01	0.01
Technology	20	66	72	10.4	0.01	0.02	0.02
Telecom	-37	-15	-7	Loss	-0.02	0.00	0.00
Utilities	-50	3	51	1455.0	-0.02	0.00	0.02
Others	80	137	143	4.5	0.04	0.05	0.04
Nifty-500	516	1,250	1,385	10.8	0.26	0.41	0.42

Small-caps ratio grew marginally in FY25

Private & MNC companies bolster the ratio; PSUs weigh it down

- We analyze India's corporate profit-to-GDP distribution across three categories of **ownership**, i.e., 1) Private Corporate, 2) PSU Corporate, and 3) MNCs.
- On an **ownership basis**, the corporate profit-to-GDP ratio for **Private** companies within the Nifty-500 reached an all-time high of 2.8% in FY25, up from 2.6% in FY24. The ratio for **PSUs** dipped marginally to 1.6% in FY25 from 1.8% in FY24. For **MNCs**, notably, the ratio hit an all-time high of 0.31% in FY25 (0.29% in FY24).
- PSUs recorded the sharpest increase in the corporate profit-to-GDP ratio since the lows of 2020, fueled by a broad-based earnings recovery, particularly among PSUs Banks, Insurance, and Oil & Gas sectors. The ratio surged approximately threefold to reach 1.6% in 2025 from 0.5% in 2020. In comparison, Private and MNC companies within the Nifty-500 universe also recorded notable gains, with their ratios surging 2.2x to 2.8% and 1.2x to 0.3% in 2025 (from 1.3% and 0.3% in 2020), respectively.

Exhibit 18: Corporate profit-to-GDP ratio (%) – by business group

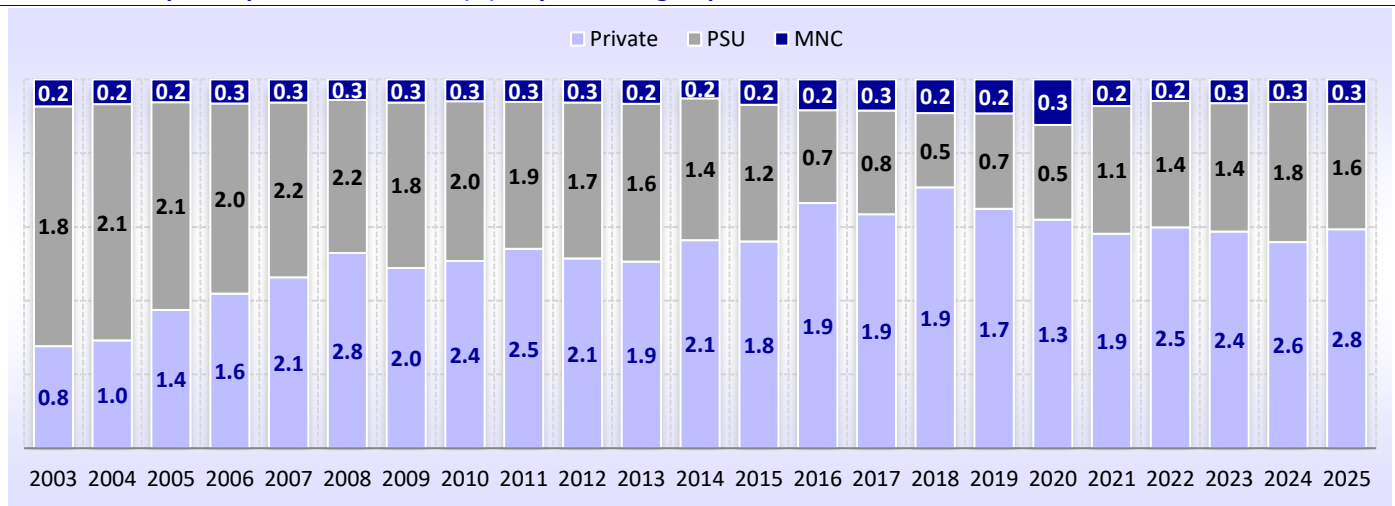
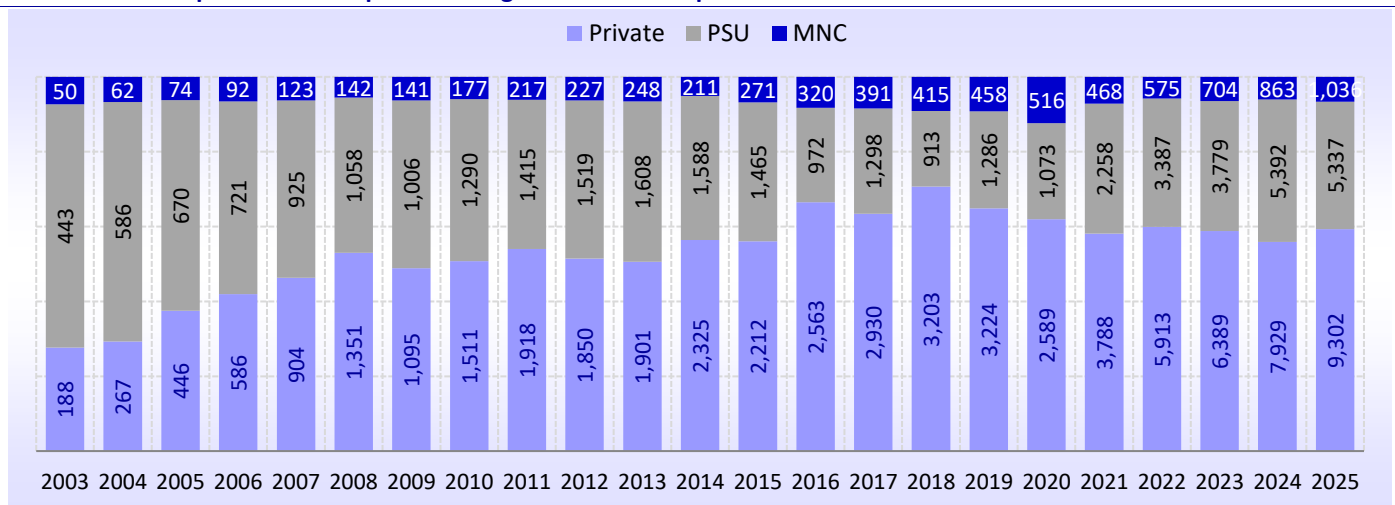


Exhibit 19: Profit pool of PSU corporates has grown at a faster pace over FY20-25



PSU profits surge 5x while that of Private surged 3.6x over Phase 3

- The Indian PSUs have made a successful comeback fueled by a sharp 5x jump in profits, reaching INR5.3t from INR1t during FY20-25. More than 36% of these incremental profits originated from PSU banks alone.
- PSU corporate's profit-to-GDP ratio decreased to 0.5% in 2020 from 2.2% in 2008, given the significant value migration from public to private sectors such as Banking, Telecom, and Airlines. This occurred even as PSU-heavy sectors, such as Oil & Gas and Utilities, underperformed in terms of profit growth compared to the underlying GDP growth. However, the sectors recovered to 1.8% in 2024 and then moderated to 1.6% in 2025.
- The private corporate sector's profit-to-GDP ratio improved to 2.8% in 2008 from a meager 0.8% in 2003. However, the ratio contracted to 1.3% in 2020 before rebounding to an all-time high of 2.8% in 2025. The corporate profit of Nifty-500 companies jumped 3.6x in the last five years.

Exhibit 20: Private companies' earnings within Nifty-500 rise 17% YoY in 2025

				Private			
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
Sector	2020	2024	2025	2025	2020	2024	2025
Automobiles	92	816	816	-0.1	0.05	0.27	0.25
Banks - Private	389	1,776	1,913	7.7	0.19	0.59	0.58
Insurance	38	55	68	24.5	0.02	0.02	0.02
NBFCs	341	848	923	8.8	0.17	0.28	0.28
Capital Goods	105	295	355	20.2	0.05	0.10	0.11
Cement	165	227	191	-15.8	0.08	0.08	0.06
Chemicals	180	117	164	39.7	0.09	0.04	0.05
Consumer	196	194	228	17.9	0.10	0.06	0.07
Consumer Durables	22	32	54	68.4	0.01	0.01	0.02
E-Commerce	-87	-19	-9	Loss	-0.04	-0.01	0.00
Healthcare	246	472	654	38.7	0.12	0.16	0.20
Infrastructure	21	35	96	178.1	0.01	0.01	0.03
Logistics	35	172	200	16.4	0.02	0.06	0.06
Media	17	20	6	-69.4	0.01	0.01	0.00
Metals	121	440	634	43.8	0.06	0.15	0.19
Oil & Gas	398	703	703	0.0	0.20	0.23	0.21
Real Estate	17	131	209	59.9	0.01	0.04	0.06
Retail	44	132	114	-13.4	0.02	0.04	0.03
Technology	788	1,170	1,273	8.8	0.39	0.39	0.39
Telecom	-574	-174	186	LP	-0.29	-0.06	0.06
Textiles	22	1	4	225.2	0.01	0.00	0.00
Utilities	-32	306	295	-3.8	-0.02	0.10	0.09
Others	44	180	224	24.6	0.02	0.06	0.07
Nifty-500	2,589	7,929	9,302	17.3	1.29	2.63	2.81

Private players' corporate profit-to-GDP ratio improves YoY

Exhibit 21: PSU companies' profits decline 1% YoY for Nifty-500

Sector	PSU						
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
	2020	2024	2025		2020	2024	2025
Banks - Public	-120	1,577	1,982	25.7	-0.06	0.52	0.60
Insurance	54	506	592	17.0	0.03	0.17	0.18
NBFCs	209	509	571	12.4	0.10	0.17	0.17
Capital Goods	55	163	194	19.0	0.03	0.05	0.06
Chemicals	17	9	9	1.4	0.01	0.00	0.00
Infrastructure	13	29	25	-12.2	0.01	0.01	0.01
Logistics	9	24	26	9.8	0.00	0.01	0.01
Metals	221	474	483	2.0	0.11	0.16	0.15
Oil & Gas	320	1,661	982	-40.9	0.16	0.55	0.30
Telecom	3	-3	1	LP	0.00	0.00	0.00
Utilities	286	431	459	6.4	0.14	0.14	0.14
Others	7	13	13	-0.9	0.00	0.00	0.00
Nifty-500	1,073	5,392	5,337	-1.0	0.53	1.79	1.61

PSU companies' ratio declines YoY for Nifty-500

Exhibit 22: MNCs' earnings expand 20% in 2025

Sector	MNC						
	PAT (INR b)			Change (%)	Profit-to-GDP (%)		
	2020	2024	2025		2020	2024	2025
Automobiles	97	243	246	1.2	0.05	0.08	0.07
NBFCs	12	40	36	-9.5	0.01	0.01	0.01
Capital Goods	24	59	69	15.3	0.01	0.02	0.02
Chemicals	18	22	24	6.1	0.01	0.01	0.01
Consumer	267	394	536	36.1	0.13	0.13	0.16
Consumer Durables	5	2	4	65.4	0.00	0.00	0.00
Healthcare	23	38	46	19.7	0.01	0.01	0.01
Logistics	3	6	6	1.0	0.00	0.00	0.00
Real Estate	3	0	1	92.8	0.00	0.00	0.00
Retail	-2	-3	-2	Loss	0.00	0.00	0.00
Technology	32	49	53	8.1	0.02	0.02	0.02
Others	34	11	18	59.7	0.02	0.00	0.01
Nifty-500	516	863	1,036	20.0	0.26	0.29	0.31

MNCs' corporate profit-to-GDP ratio improves YoY

Corporate profit-to-GDP poised for further expansion

- India's nominal GDP grew 10.8% YoY in 4QFY25, marking the highest growth in four quarters. This resulted in an overall growth of 9.8% for FY25. This healthy performance reflects the strengthening domestic macroeconomic conditions, which are likely to sustain and support corporate earnings going forward.
- Although corporate profit growth moderated in FY25 due to a high base set in FY24 and other factors mentioned earlier, we expect a gradual recovery going ahead. This rebound is likely to be driven by increased government spending compared to FY25, a favorable monsoon season, and coordinated policy measures by the government and the RBI, including tax incentives and an accommodative monetary policy that should help stimulate consumer spending.
- Consequently, corporate earnings are projected to outpace GDP growth, with Nifty earnings forecasted to grow 12% and 15% YoY in FY26E and FY27E, respectively. This growth is anticipated alongside a nominal GDP growth rate of 10.8% YoY in FY26, which will further enhance the corporate profit-to-GDP ratio in the coming years.
- Nifty is trading at a 12-month forward P/E of 21.2x, marginally above its own long-period average (LPA).
- We continue to focus on domestically oriented sectors amid ongoing global uncertainties and volatility related to trade tariffs. Our OW positions are in BFSI, Consumer Discretionary, Industrials, Healthcare, IT, and Telecom, while we remain UW on Oil & Gas, Cement, Automobiles, Real Estate, and Metals.

Exhibit 23: MOFSL Universe – profit pool (INR b)

Sector	PAT (INR b)					Chg. YoY (%)					CAGR (%) (FY25-FY27)
	FY23	FY24	FY25	FY26E	FY27E	FY23	FY24	FY25	FY26E	FY27E	
Auto (26)	483	912	975	1,012	1,143	121.5	88.7	6.9	3.8	13.0	8.3
Capital Goods (13)	241	304	380	447	541	21.0	26.1	25.4	17.6	20.8	19.2
Cement (11)	179	233	170	236	305	-22.2	30.4	-27.2	39.1	29.0	34.0
Chemicals (12)	96	68	65	85	107	31.1	-29.0	-5.2	31.3	25.7	28.5
Consumer (21)	513	593	583	656	731	17.2	15.6	-1.6	12.4	11.5	12.0
Consumer Durables (5)	34	42	53	62	75	8.4	23.2	27.9	17.0	20.8	18.9
EMS (7)	8	11	18	27	39	36.9	27.3	66.8	50.5	46.3	48.4
Financials (65)	3,527	4,346	4,934	5,464	6,387	60.8	23.2	13.5	10.7	16.9	13.8
Banks-PVT (12)	1,309	1,667	1,774	1,943	2,318	39.8	27.3	6.4	9.5	19.3	14.3
Banks-PSU (6)	966	1,294	1,597	1,680	1,898	58.4	34.0	23.4	5.2	12.9	9.0
Insurance (8)	431	480	573	630	721	378.9	11.5	19.3	9.8	14.5	12.1
NBFC - Lending (25)	756	811	866	1,069	1,281	52.3	7.3	6.9	23.4	19.9	21.6
NBFC - Non Lending (14)	65	94	124	143	169	5.1	44.9	31.3	15.5	18.3	16.9
Healthcare (26)	347	433	524	600	684	-4.7	24.9	21.1	14.4	14.0	14.2
Infrastructure (3)	20	17	18	24	30	33.7	-12.4	3.1	33.9	25.7	29.7
Logistics (8)	108	121	145	181	213	29.6	12.3	19.2	25.3	17.3	21.2
Media (3)	21	24	23	28	31	-11.2	16.7	-3.3	18.2	12.7	15.4
Metals (11)	891	893	1,039	1,294	1,584	-43.9	0.2	16.4	24.5	22.5	23.5
Oil & Gas (15)	1,351	2,407	1,646	1,860	2,038	-20.3	78.2	-31.6	13.0	9.6	11.3
Ex OMCs (12)	1,310	1,570	1,335	1,506	1,673	4.2	19.9	-15.0	12.8	11.1	11.9
Real Estate (13)	81	97	139	190	212	51.7	19.2	42.8	36.9	11.5	23.5
Retail (22)	89	94	103	138	171	61.3	5.0	10.0	34.0	24.0	28.9
Staffing (4)	7	5	8	10	12	-3.4	-27.0	47.8	30.8	18.2	24.3
Technology (13)	1,085	1,127	1,225	1,312	1,430	7.1	3.9	8.7	7.1	9.0	8.1
Telecom (5)	-165	-126	-29	59	197	Loss	Loss	Loss	LP	235	LP
Utilities (7)	373	404	432	526	575	8.1	8.4	6.9	21.9	9.3	15.4
Others (20)	56	145	163	233	326	-0.9	159.0	12.9	42.7	40	41.3
MOFSL (310)	9,345	12,149	12,614	14,444	16,831	9.8	30.0	3.8	14.5	16.5	15.5

Analyzing two decades of corporate profit-to-GDP trends

- We segregate the 2003 to 2025 period into three phases: 1) 2003-08, 2) 2008-20, and 3) 2020-25.

Corporate profit-to-GDP doubles in Phase 1 (2003-08)...

- The corporate profit-to-GDP ratio almost doubled to 5.2% from 2.7%, with profits of Nifty-500 surging 30.2%. This was twice the pace of the underlying GDP CAGR of 14.5% over the same period.
- This surge was propelled by the investments, exports, and capex-oriented sectors. During 2003–08, the global economy was growing at a faster rate, supporting the export-oriented players. Capex investments across sectors were also significant as the investment cycle took off steadily.
- Of the 2.5% improvement in the corporate profit-to-GDP ratio over this period, 1.7% was contributed by Metals, Technology, Cap Goods, Cement, and Telecom.
- The Technology sector benefited from global growth and the inflection point in Indian IT when the sector built scale and took rapid strides.
- The top 5 contributors to the profit delta during this phase were RIL, Tata Steel, SAIL, DLF, and Bharti Airtel.

Exhibit 24: Contributors to the rise in corporate profit-to-GDP ratio (Phase 1)

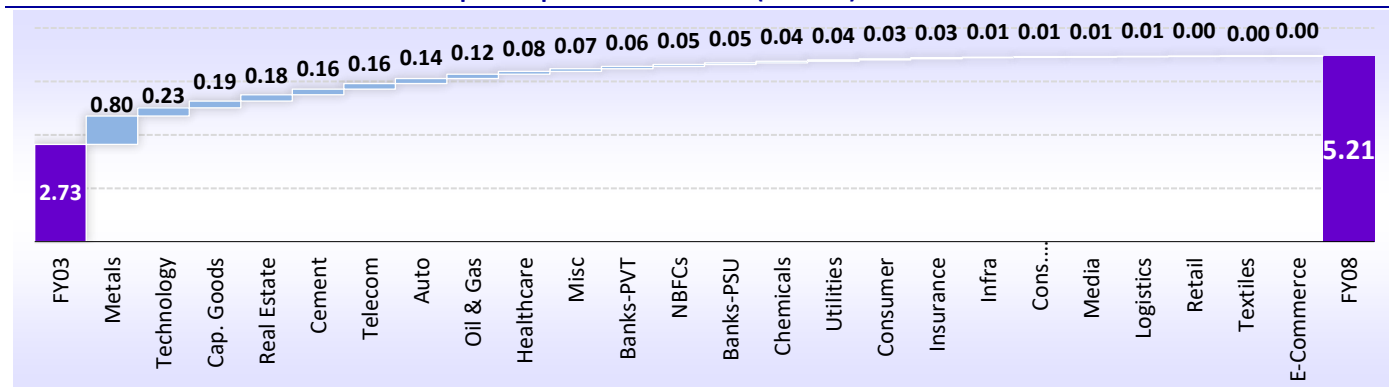


Exhibit 25: Stocks with a positive contribution to change

Company	Sector	Contributors to change (FY03-08)	
		pp	%
Reliance Inds	Oil & Gas	0.24	9.6
Tata Steel	Metals	0.21	8.5
SAIL	Metals	0.17	7.0
DLF	Real Estate	0.16	6.3
Bharti Airtel	Telecom	0.14	5.6
TCS	Technology	0.10	4.1
Coal India	Metals	0.10	3.9
Hindustan Zinc	Metals	0.08	3.4
Infosys	Technology	0.06	2.3
NMDC	Metals	0.05	2.2
Grasim Inds	Cement	0.05	1.9
MRPL	Oil & Gas	0.04	1.7
BHEL	Capital Goods	0.04	1.6
JSW Steel	Metals	0.04	1.5
Wipro	Technology	0.03	1.4

Exhibit 26: Stocks with a negative contribution to change

Company	Sector	Contributors to change (FY03-08)	
		pp	%
IOCL	Oil & Gas	-0.10	-4.1
Tata Comm	Telecom	-0.03	-1.3
HPCL	Oil & Gas	-0.03	-1.3
HUL	Consumer	-0.03	-1.2
BPCL	Oil & Gas	-0.03	-1.1
NLC India	Utilities	-0.02	-1.0
Power Fin.Corp.	NBFCs	-0.02	-0.9
ONGC	Oil & Gas	-0.01	-0.6
Bajaj Holdings	NBFCs	-0.01	-0.4
GAIL	Oil & Gas	-0.01	-0.4
J&K Bank	Banks - Private	-0.01	-0.3
TVS Motor Co.	Automobiles	-0.01	-0.2
Dr Reddy's Labs	Healthcare	-0.01	-0.2
REC	NBFCs	-0.01	-0.2
IDBI Bank	Banks - Private	-0.01	-0.2

Export-, investment-, and capex-oriented sectors drive the ratio in Phase 1

Exhibit 27: Nifty-500 earnings expand at 30% CAGR over 2003–08

Sector	PAT (INR b)		Change		Profit-to-GDP (%)	
	2003	2008	(x)	CAGR (%)	2003	2008
Automobiles	21	111	5.2	39	0.1	0.2
BFSI	164	419	2.6	21	0.7	0.9
Banks - Private	30	91	3.0	25	0.1	0.2
Banks - Public	98	214	2.2	17	0.4	0.4
Insurance	5	25	4.8	37	0.0	0.1
NBFCs	31	88	2.8	23	0.1	0.2
Capital Goods	21	135	6.3	45	0.1	0.3
Cement	5	88	16.7	76	0.0	0.2
Chemicals	7	35	5.2	39	0.0	0.1
Consumer	42	98	2.4	19	0.2	0.2
Consumer Durables	1	6	7.3	49	0.0	0.0
E-Commerce	0	1	134.2	166	0.0	0.0
Healthcare	19	75	4.0	32	0.1	0.2
Infrastructure	1	8	6.6	46	0.0	0.0
Logistics	2	8	3.3	27	0.0	0.0
Media	2	7	3.4	27	0.0	0.0
Metals	26	442	16.8	76	0.1	0.9
Oil & Gas	266	583	2.2	17	1.1	1.2
Real Estate	2	91	46.9	116	0.0	0.2
Retail	1	3	5.3	39	0.0	0.0
Technology	26	163	6.4	45	0.1	0.3
Telecom	-2	74	LP	LP	0.0	0.2
Textiles	1	4	3.2	26	0.0	0.0
Utilities	63	143	2.3	18	0.3	0.3
Others	12	60	5.1	39	0.0	0.1
Nifty-500	681	2,551	3.7	30	2.7	5.2

...but more than halved over Phase 2 (2008-20)

- During 2008–20, the downturn in domestic corporate earnings led to a compression in the Nifty-500 profit-to-GDP ratio to 2.1% from 5.2%.
- Similar to Phase 1, the movement in the ratio over Phase 2 was led by certain sectors – **83% of the decline was attributed to Oil & Gas (27%), Metals (23%), PSU Banks (14%), Telecom (14%), and Capital Goods (6%).**
- NBFC, Technology, Chemicals, Consumer, Retail, and Logistics were the only sectors that have seen an improvement in the ratio during Phase 2.
- **The PSU banks** had been hit by asset quality issues (especially in corporate-oriented banks), and lower loan growth that led to a significant deterioration in profitability and return ratios.
- **The Metals sector** has seen significant swings in profitability since 2008. It declined to 0.1% in 2015 from 0.9% in 2008 and bottomed out in 2017. The fortunes of sectoral profitability are inextricably linked to underlying commodity prices and have swung in line with the prices. During 2016-19, the sector experienced a massive profitability jump owing to rising commodity prices along with the phase of deleveraging in some big companies.
- **Telecom's** profitability plummeted due to elevated competitive intensity after the entry of Reliance Jio. This, coupled with rising capex intensity and a lower operating margin, pushed the sector towards losses.
- NBFCs, meanwhile, have delivered a solid performance over the last decade, with consistent market share gains and rising penetration in several segments (Home Finance / Vehicle Finance, etc.). The profit-to-GDP ratio for NBFCs expanded consistently over the last decade. In fact, the Nifty-500 NBFC Universe PAT clocked a 17% CAGR over 2008–20.
- Key stocks contributing to the decline in the ratio over Phase 2 were ONGC (-11%), Bharti Airtel (-9%), Tata Steel (-8%), RIL (-6%), and IOCL (-5%).

Exhibit 28: Contributors to decline in the corporate profit-to-GDP ratio (Phase 2; pp)

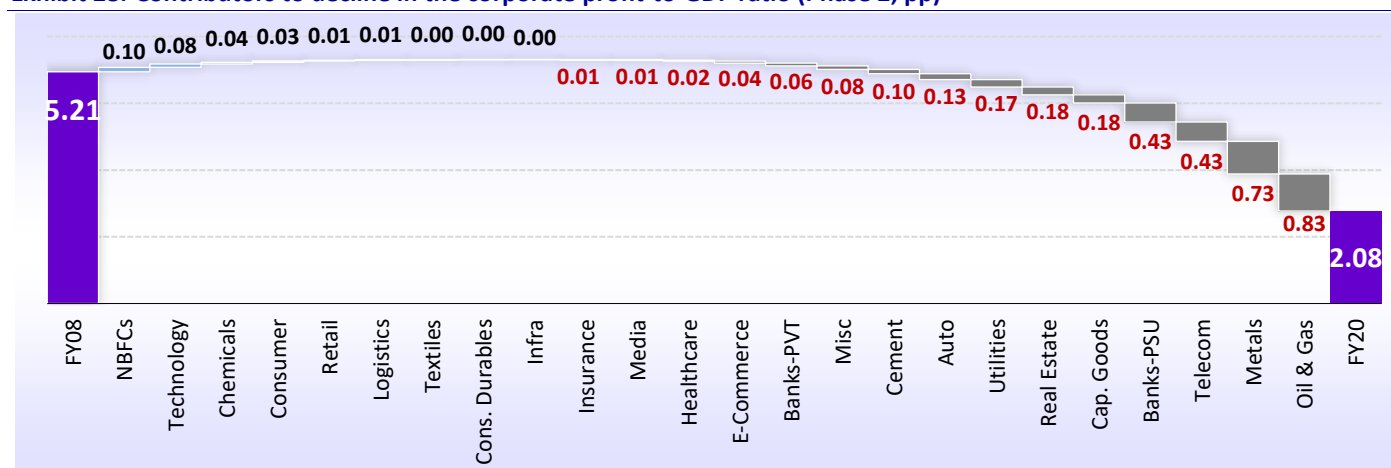


Exhibit 29: Stocks with a positive contribution to change

Company	Sector	Contributors to change (FY08-20)	
		pp	%
HDFC Bank	Banks - Private	0.10	3.3
TCS	Technology	0.06	1.9
Patanjali Foods	Consumer	0.03	1.1
HCL Technologies	Technology	0.03	1.1
Bajaj Finance	NBFCs	0.03	0.8
Power Grid Corp	Utilities	0.03	0.8
Kotak Mah. Bank	Banks - Private	0.02	0.7
IndusInd Bank	Banks - Private	0.02	0.7
Bajaj Finserv	NBFCs	0.02	0.6
Indus Towers	Telecom	0.02	0.5
Tata Chemicals	Chemicals	0.02	0.5
Bandhan Bank	Banks - Private	0.02	0.5
Adani Ports	Logistics	0.01	0.5
Muthoot Finance	NBFCs	0.01	0.5
LIC of India	Insurance	0.01	0.4

Exhibit 30: Stocks with a negative contribution to change

Company	Sector	Contributors to change (FY08-20)	
		pp	%
ONGC	Oil & Gas	-0.35	-11.2
Bharti Airtel	Telecom	-0.29	-9.3
Tata Steel	Metals	-0.24	-7.8
Reliance Inds	Oil & Gas	-0.20	-6.5
IOCL	Oil & Gas	-0.17	-5.3
DLF	Real Estate	-0.16	-5.2
SAIL	Metals	-0.14	-4.6
Vodafone Idea	Telecom	-0.13	-4.1
Tata Motors	Automobiles	-0.10	-3.3
NTPC	Utilities	-0.09	-3.0
Yes Bank	Banks - Private	-0.09	-2.7
SBI	Banks - Public	-0.08	-2.7
IDBI Bank	Banks - Private	-0.08	-2.5
IOB	Banks - Public	-0.07	-2.1
BHEL	Capital Goods	-0.07	-2.1

Corporate profit-to-GDP ratio declines to 2.1% in Phase 2 from 5.2% in 2008 led by just five sectors

Exhibit 31: A meager 4% CAGR in profits over Phase 2

Sector	PAT (INR b)		Change		Profit-to-GDP (%)	
	2008	2020	(x)	CAGR (%)	2008	2020
Automobiles	111	190	1.7	5	0.2	0.1
BFSI	419	923	2.2	7	0.9	0.5
Banks - Private	91	249	2.7	9	0.2	0.1
Banks - Public	214	20	0.1	-18	0.4	0.0
Insurance	25	92	3.7	11	0.1	0.0
NBFCs	88	562	6.4	17	0.2	0.3
Capital Goods	135	185	1.4	3	0.3	0.1
Cement	88	165	1.9	5	0.2	0.1
Chemicals	35	215	6.2	16	0.1	0.1
Consumer	98	463	4.7	14	0.2	0.2
Consumer Durables	6	27	4.6	14	0.0	0.0
E-Commerce	1	-87	PL	PL	0.0	0.0
Healthcare	75	269	3.6	11	0.2	0.1
Infrastructure	8	34	4.3	13	0.0	0.0
Logistics	8	46	6.1	16	0.0	0.0
Media	7	17	2.3	7	0.0	0.0
Metals	442	342	0.8	-2	0.9	0.2
Oil & Gas	583	718	1.2	2	1.2	0.4
Real Estate	91	20	0.2	-12	0.2	0.0
Retail	3	42	13.6	24	0.0	0.0
Technology	163	820	5.0	14	0.3	0.4
Telecom	74	-571	PL	PL	0.2	-0.3
Textiles	4	22	6.1	16	0.0	0.0
Utilities	143	253	1.8	5	0.3	0.1
Others	60	84	1.4	3	0.1	0.0
Nifty-500	2,551	4,178	1.6	4	5.2	2.1

Financials & Global Cyclical lead the surge in Phase 3 (2020-25)

- During Phase 3 (2020-25), the ratio improved for 19 of 25 sectors, of which 80% was driven by PSU Banks (21%), Private Banks (18%), Telecom (13%), Automobiles (9%), NBFCs (7%), and Metals (6%).
- Technology, Cement, Chemicals, Media, and Textiles were the only sectors to witness a compression in the ratio.

Top-5 contributors to rise in Phase 3 (%)

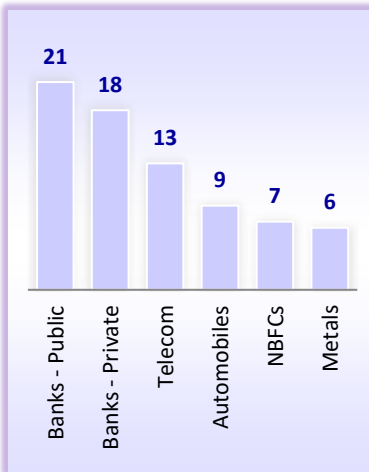


Exhibit 32: Nifty-500 earnings expand at 30% CAGR over 2020-25

Sector	PAT (INR b)		Change		Profit-to-GDP (%)	
	2020	2025	(x)	CAGR (%)	2020	2025
Automobiles	190	1,061	5.6	41	0.1	0.3
BFSI	923	6,086	6.6	46	0.5	1.8
Banks - Private	249	2,010	8.1	52	0.1	0.6
Banks - Public	20	1,885	93.5	148	0.0	0.6
Insurance	92	660	7.2	48	0.0	0.2
NBFCs	562	1,531	2.7	22	0.3	0.5
Capital Goods	185	618	3.3	27	0.1	0.2
Cement	165	191	1.2	3	0.1	0.1
Chemicals	215	196	0.9	-2	0.1	0.1
Consumer	463	764	1.7	11	0.2	0.2
Consumer Durables	27	57	2.1	17	0.0	0.0
E-Commerce	-87	-9	Loss	Loss	0.0	0.0
Healthcare	269	700	2.6	21	0.1	0.2
Infrastructure	34	122	3.5	29	0.0	0.0
Logistics	46	233	5.0	38	0.0	0.1
Media	17	6	0.4	-19	0.0	0.0
Metals	342	1,117	3.3	27	0.2	0.3
Oil & Gas	718	1,685	2.3	19	0.4	0.5
Real Estate	20	210	10.5	60	0.0	0.1
Retail	42	112	2.7	22	0.0	0.0
Technology	820	1,326	1.6	10	0.4	0.4
Telecom	-571	187	LP	LP	-0.3	0.1
Textiles	22	4	0.2	-28	0.0	0.0
Utilities	253	754	3.0	24	0.1	0.2
Others	84	255	3.0	25	0.0	0.1
Nifty-500	4,178	15,675	3.8	30	2.1	4.7

Exhibit 33: Contributors to rise in corporate profit-to-GDP ratio (in Phase 3)

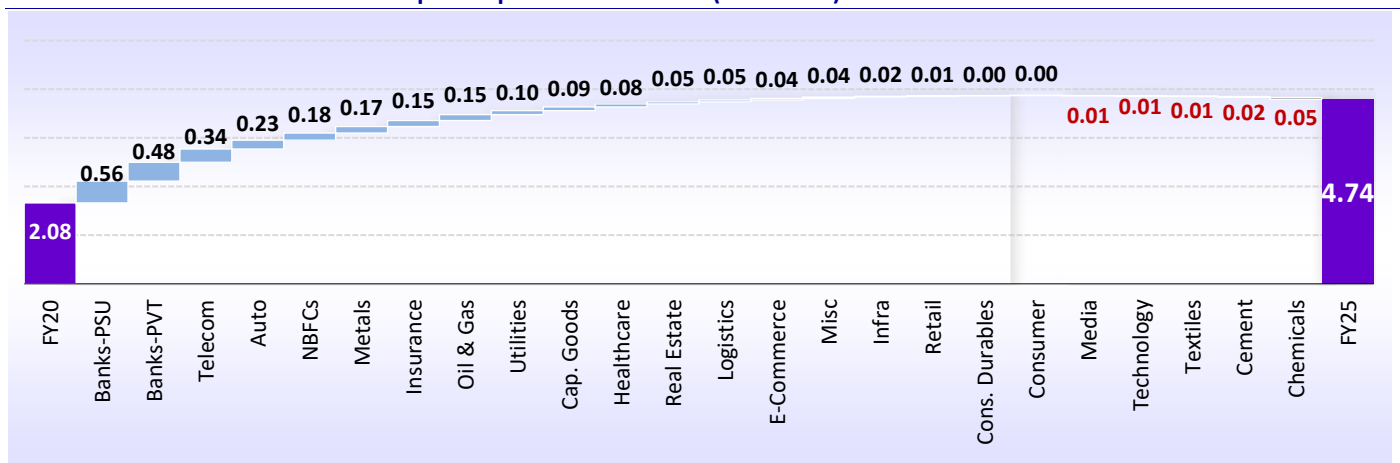


Exhibit 34: Stocks with a positive contribution to change

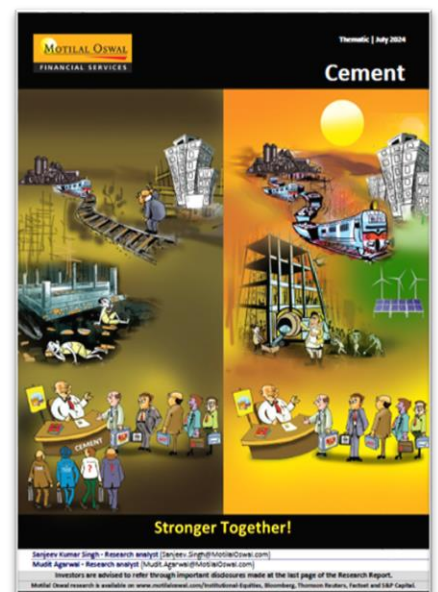
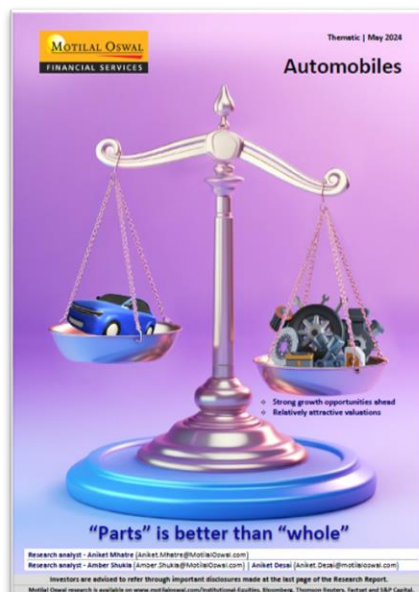
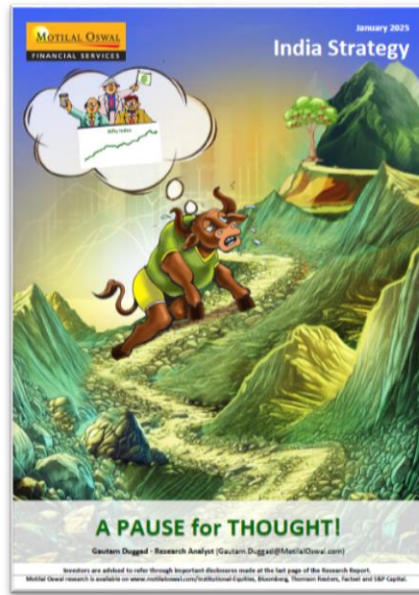
Company	Sector	Contributors to change (FY20-25)	
		pp	%
Bharti Airtel	Telecom	0.26	9.8
Tata Motors	Automobiles	0.14	5.4
St Bk of India	Banks - Public	0.14	5.1
Life Insurance	Insurance	0.13	5.0
ICICI Bank	Banks - Private	0.11	4.0
Yes Bank	Banks - Private	0.09	3.3
IDBI Bank	Banks - Private	0.09	3.3
HDFC Bank	Banks - Private	0.08	2.9
Vedanta	Metals	0.08	2.9
Axis Bank	Banks - Private	0.08	2.8
Union Bank (I)	Banks - Public	0.07	2.6
Canara Bank	Banks - Public	0.06	2.4
Bank of Baroda	Banks - Public	0.06	2.2
O N G C	Oil & Gas	0.06	2.1
Punjab Natl.Bank	Banks - Public	0.05	2.0

Exhibit 35: Stocks with a negative contribution to change

Company	Sector	Contributors to change (FY20-25)	
		pp	%
Patanjali Foods	Consumer	-0.03	-1.3
Tata Chemicals	Chemicals	-0.03	-1.3
Sammaan Capital	NBFCs	-0.02	-0.6
IndusInd Bank	Banks - Private	-0.01	-0.5
TCS	Technology	-0.01	-0.5
Sh.Renuka Sugar	Others	-0.01	-0.4
Grasim Inds	Cement	-0.01	-0.4
UltraTech Cem.	Cement	-0.01	-0.4
JSW Steel	Metals	-0.01	-0.4
GAIL (India)	Oil & Gas	-0.01	-0.3
Alok Industries	Textiles	-0.01	-0.3
Wipro	Technology	-0.01	-0.3
Power Grid Corpn	Utilities	-0.01	-0.3
Tech Mahindra	Technology	-0.01	-0.3
NMDC Steel	Metals	-0.01	-0.3

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