

**Jul-Sep'26
Earnings
Preview**

Telecom

October 08, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
Bharti Airtel	BUY	1,834	2,367

ARPU and subscriber growth remains resilient

Quick Pointers

- Revenue/EBITDA to grow 2.7/2.9% QoQ for BHARTI and JIO
- Anticipated Tariff Hike remains a positive catalyst.

We expect Revenue and EBITDA of the telecom companies in our coverage (Jio [not rated] and BHARTI) to increase by 2.7% and 2.9% QoQ to INR952.9bn and INR535.4bn, respectively, supported by healthy subscriber additions and a gradual improvement in ARPU. Further ARPU growth is expected through higher-value offerings and new services, to enhance customer value and support premium monetization. We remain positive on the sector, supported by healthy subscriber additions and an improving ARPU trajectory. Anticipated tariff hikes are expected to provide further support to earnings, while the upcoming JPL IPO remains a key monitorable.

Bharti Airtel: We expect mobile ARPU to increase by 2.3% QoQ to INR269 in Q2FY27, with subscriber additions of ~4mn, taking the subscriber base to 381mn vs. 377mn QoQ. The Africa business is expected to report 6.3% QoQ revenue growth, with EBITDA of INR94.0bn, up 7.2% QoQ. Accordingly, Bharti's Q2FY27E consolidated revenue/EBITDA is expected at INR601.2bn/INR342.7bn, representing 2.7%/2.9% QoQ growth, respectively.

Reliance Jio: We expect ARPU to increase 1.2% QoQ to INR218 in Q2FY27, from INR216 in Q1FY27, with subscriber additions of ~8mn, taking the total subscriber base to 541.3mn. Accordingly, Jio's revenue/EBITDA is expected at INR351.7bn/INR192.3bn, representing 2.8%/3.0% QoQ growth, respectively.

Exhibit 1: Q2FY27E earnings snapshot (BHARTI and JIO)

Total (INR bn)	Q2FY27E	Q2FY26	YoY gr. (%)	Q1FY27	QoQ gr. (%)
Sales	952.87	840.02	13.4%	927.51	2.7%
EBITDA	535.4	468.36	14.3%	520.1	2.9%
PAT	162.1	137.6	17.8%	153.3	5.7%

Source: Company, PL

Exhibit 2: ARPU and subscriber addition has steadily risen

	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27E
ARPU (Rs/mon)						
BHARTI	250	256	259	257	264	269
JIO	209	211	214	214	216	218
Subscriber (Mn)						
BHARTI	363	364	369	373	377	381
JIO	498	506	515	524	533	541

Source: Company, PL

Exhibit 3: Q2FY27 Result Preview (INR mn)

Company Name		Q2FY27	Q2FY26	YoY gr. (%)	Q1FY27	QoQ gr. (%)	Remark
Bharti Airtel	Sales	6,01,178	5,21,454	15.3	5,85,391	2.7	We expect net subscriber additions of 4mn and ARPU to increase 2.0% QoQ to Rs269 in the India Mobile business in Q2FY27. India Mobile EBITDA is expected to grow 2.4% QoQ to INR253.0bn, while Africa EBITDA is likely to increase 7.2% QoQ. On a consolidated basis, Revenue and EBITDA are expected to grow 2.7% and 2.9% QoQ to INR601.2bn and INR342.7bn, respectively.
	EBITDA	3,42,672	2,95,614	15.9	3,33,028	2.9	
	Margin (%)	57.0	56.7	31 bps	56.9	11 bps	
	PBT	1,47,207	1,22,413	20.3	1,40,180	5.0	
	Adj. PAT	86,452	67,917	27.3	81,674	5.9	

Source: Company, PL

Exhibit 4: Valuation Summary

Company Name	C/S	Rating	CMP (INR)	TP (INR)	Mcap (INR mn)	Sales (INR mn)				EBITDA (INR mn)				Adj. PAT (INR mn)				EPS (INR)				RoE (%)				PE (x)			
						FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E
Bharti Airtel	C	Buy	1,834	2,367	10,610.0	21,09,728	24,43,282	27,12,678	29,51,278	11,96,745	13,91,750	15,44,900	16,95,539	3,01,127	3,74,389	4,36,840	5,25,295	52.0	64.7	75.5	90.8	22.9	22.3	21.0	20.5	35.2	28.3	24.3	20.2

Source: Company, PL C=Consolidated / S=Standalone

Exhibit 5: Change in Estimates

	Rating		Target Price			Sales (INR bn)						PAT (INR bn)						EPS (INR)					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Bharti Airtel	Buy	Buy	2,367	2,275	4.0%	24,43,282	24,38,272	0.2%	27,12,678	26,76,713	1.3%	3,74,389	3,56,343	5.1%	4,36,840	4,17,525	4.6%	64.7	61.6	5.1%	75.5	72.2	4.6%

Source: Company, PL C = Current / P = Previous

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Aarti Industries	Accumulate	526	489
2	Bharat Petroleum Corporation	HOLD	305	310
3	Bharti Airtel	BUY	2275	1978
4	Clean Science and Technology	HOLD	745	734
5	Deepak Nitrite	Reduce	1586	1750
6	Fine Organic Industries	BUY	6357	5028
7	GAIL (India)	BUY	206	181
8	Gujarat Energy	HOLD	275	274
9	Gujarat Fluorochemicals	HOLD	4498	4566
10	Hindustan Petroleum Corporation	Reduce	350	385
11	Indian Oil Corporation	Accumulate	147	140
12	Indraprastha Gas	BUY	178	152
13	Jubilant Ingrevia	Hold	711	745
14	Laxmi Organic Industries	Reduce	169	182
15	Mahanagar Gas	Accumulate	1254	1121
16	Mangalore Refinery & Petrochemicals	HOLD	150	157
17	Navin Fluorine International	Accumulate	8812	5256
18	NOCIL	HOLD	179	171
19	Oil & Natural Gas Corporation	Accumulate	273	240
20	Oil India	Accumulate	551	453
21	Petronet LNG	Accumulate	302	287
22	Reliance Industries	BUY	1675	1327
23	SRF	Reduce	2482	2632
24	Sudeep Pharma	SELL	855	1100
25	Vinati Organics	Accumulate	1443	1296

PL's Recommendation Nomenclature (Absolute Performance)

BUY	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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