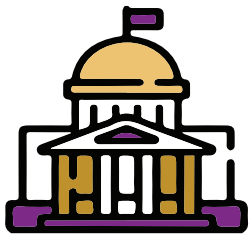


September 2025

## MARKETS ARE LIKE CHESS: EVERY MOVE SHAPES THE ENDGAME

Dear Clients,

In chess, no single move decides the game - it is the balance between defense and opportunity that secures the win. Today, India's economy is playing on a shifting global board, where U.S. tariffs have placed exporters under pressure, yet domestic reforms are setting up longer-term advantages.



The government's extension of the cotton duty waiver offers immediate relief, while GST 2.0 could be the decisive middle game move - simplifying taxes, lowering costs, and boosting demand across vehicles, consumer durables, and wider consumption. While near-term pressures from the trade war could slow growth, India's structural strengths and fundamentals remain unshaken. A 7.8% GDP growth this quarter and a trajectory toward becoming the world's second-largest economy by 2038 underscore its enduring potential.

Our approach, like a seasoned player, is to back sectors with durable positioning - consumption, infrastructure, and manufacturing, while holding liquidity as reserve pieces, ready to deploy when opportunity presents itself. The board may shift with every global move, but the endgame for India's growth remains firmly in sight.

### OUR MOVES ON THE BOARD

This month's game saw Sanghvi Movers advance strongly, while Arrow Green, IGIL, Schneider Electric and Ganesha Ecosphere held their positions under pressure.

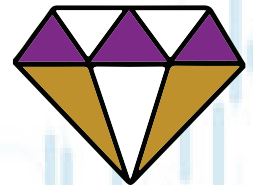


Sanghvi Movers delivered a strong performance, driven by India's infrastructure boom and confidence in its growth strategy. The company aims to be among the top five crane rental players in Saudi Arabia by 2030, supported by construction demand, global diversification, and expansion of Wind EPC segment. Robust domestic demand and overseas opportunities anchor their long-term outlook.

Arrow Greentech delivered a weak performance as revenues declined sharply, driven by

a 40% fall in High-Tech Products, the largest revenue contributor, which overshadowed the strong 80% YoY growth in Green Products, the core driver of our investment case. The lack of management commentary added to investor concerns, dragging the stock down 20%. Nonetheless, the sustained momentum in Green Products offers a base for recovery if execution and visibility improve.

International Gemmological Institute (India) faced headwinds from weak technical trends and subdued sentiment despite strong fundamentals. Near-term catalysts include growing adoption of lab-grown diamond (LGD) jewelry, the exit of GIA from full 4Cs LGD grading which creates a market gap that IGIL can fill, and IGIL's capacity expansion along with AI-driven initiatives. Together, these factors reinforce its leadership and position the company for a recovery.



Schneider Electric Infrastructure Ltd experienced a soft quarter as Q1 revenues were pushed into Q2FY26, and profitability was impacted by higher employee costs and new plant commissioning. PAT declined due to muted topline, although finance costs improved thanks to better treasury management. Strong order wins in metro rail, power grids, and hydro, with a sizeable portion from government entities, provide a solid foundation for recovery.



Ganesha Ecosphere's weak quarter reflected a spike in scrap bottle prices, lower beverage demand, and pressure on Recycled PET (rPET) from cheaper virgin polyester. Still, revenues held steady QoQ, exports improved, and scrap costs have normalized. With expansions like Warangal and supportive regulations, it is positioned to surpass FY25 targets.

Apollo Hospitals Enterprise Limited joined our universe this month with a compelling multi-engine growth story. Rising health care demand, fueled by increasing health concerns, is driving the addition of 4,300 new beds and significant hospital expansion, while the planned demerger of Apollo HealthCo by FY27 is expected to unlock value. Together, these initiatives strengthen visibility on both growth and profitability.

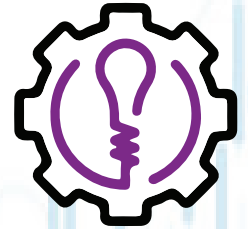
We included Transport Corporation of India, driven by stable performance and strategic expansion initiatives. Planned capital expenditure will expand the Seaways segment with two new ships and enhance the auto rakes for SUVs to carry double the current capacity. With guidance for healthy revenue and profit growth, along with a focus on AI, ML, and automation, TCI offers both near-term stability and structural long-term growth.



With the resurgence of the specialty chemicals sector, we have added Navin Fluorine to our portfolio. The company benefits from strong visibility through new contracts in specialty chemicals, CDMO, and high-performance products, alongside phased capacity expansions through 2028. Revenue growth is already

visible, while the shift toward specialty chemicals and CRAMS/CDMO is boosting profitability, supporting sustainable long-term performance.

We have also added Siemens Energy India (SEIL) which emerges as a pure-play energy technology leader, poised to capitalize on India's clean energy transition. With the power sector boom favoring transmission and distribution, its investments in high-voltage switchgear and transformer expansion are modernizing the grid and boosting exports, while strong order inflows and rising margins reinforce its growth potential at home and abroad.



*Note: The stocks mentioned above are part of a broader stock universe of approximately 50 stocks that we actively track. Individual portfolio holdings may vary based on factors such as market conditions, portfolio strategy, and timing of entry. These stocks are highlighted for reference and may not be present in all client portfolios.*

## CHECKMATE IN SIGHT

Markets, much like a long chess match, will always bring unexpected moves and moments of pressure. Our focus remains on positioning with foresight, backing businesses that play the long game, adapt to changing strategies, and steadily advance across the board. With patience, precision, and readiness to seize the right opportunities, we stay committed to guiding you toward a winning position in the financial game.

Thank you for your continued trust. The road ahead may have a few bumps, but we move forward—with clarity, confidence, and commitment to your financial goals.

**Warm regards,  
Team Hedge**



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