PL Capital PRABHUDAS LILLADHER ESTD 1944

Q2CY26 Result Update

ABB India (ABB IN)

August 02, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	CY27E	CY28E	CY27E	CY28E
Rating	HOLD		HOLD	
Target Price	6,944		6,523	
Sales (INR mn)	172,567	205,489	165,192	190,507
% Chng.	*4.5*	*7.9*		
EBITDA (INR mn)	27,956	33,906	27,091	31,815
% Chng.	*3.2*	*6.6*		
EPS (INR)	108.1	131.2	107.3	125.6
% Chng.	*0.7*	*4.5*		

Key Data ABB.BO | ABB IN

BSE Code	500002
NSE Code	ABB
52-W High / Low	INR 7,924 / INR 4,637
Face Value	2
Sensex / Nifty	78,095 / 24,384
Market Cap	INR 1,544 bn / $ 16,182 mn
Shares Outstanding	211.91 mn
3M Avg. Daily Value	INR 3,069.38 mn

Shareholding Pattern (%)

Promoters	75
FIIs	7.67
Mutual Funds	4.75
Domestic Institutions	5.14
Public and Others	7.44
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	3.6	0.8	30.6	32.2
Relative	1.5	(0.8)	37.6	37.4

Key Financials - Standalone

Y/e Dec	CY25	CY26E	CY27E	CY28E
Sales (INR mn)	125,038	146,764	172,567	205,489
EBITDA (INR mn)	19,738	20,063	27,956	33,906
Margin (%)	*15.8*	*13.7*	*16.2*	*16.5*
PAT (INR mn)	16,183	16,536	22,927	27,812
EV (INR mn)	1,486,085	1,489,195	1,475,054	1,461,519
Total Debt (INR mn)	848	848	848	848
C&C Eq. (INR mn)	58,349	55,239	69,380	82,915
EPS (INR)	76.4	78.0	108.2	131.3
Gr. (%)	*(9.4)*	*2.2*	*38.6*	*21.3*
DPS (INR)	30.5	31.2	43.3	52.5
Yield (%)	*0.4*	*0.4*	*0.6*	*0.7*
RoE (%)	*21.7*	*19.9*	*23.9*	*24.5*
RoCE (%)	*24.3*	*21.9*	*26.9*	*27.7*
EV/Sales (x)	11.9	10.1	8.5	7.1
EV/EBITDA (x)	75.3	74.2	52.8	43.1
PE (x)	95.4	93.3	67.3	55.5
P/BV (x)	19.7	17.6	14.8	12.6

Mixed Q2; strong order inflow reinforces outlook

Quick Pointers

- Order inflows increased by 49.6% YoY to INR43.6bn while order book increased 22.2% YoY to Rs119.0bn (0.9x TTM).
- Domestic/export revenue mix stood at 87%/13% vs (83%/17% in Q2CY25).

We revise our EPS estimates by +0.7%/+4.5% for CY27E/28E factoring in stronger-than-expected order inflows, a record order backlog and improved revenue visibility. ABB India (ABB) reported a mixed quarterly performance with revenue growing ~21% YoY to Rs35.6bn, while EBITDA margin contracted 108bps YoY to 12.6% due to rupee depreciation, forex volatility and elevated raw material costs. Order inflow surged ~50% YoY, led by Electrification (+77% YoY) driven by robust demand across data centres, buildings & infrastructure, metals & mining, renewables and process industries, taking the order backlog to a record ~Rs119bn, with ~40% executable over the next two quarters. Motion continued to witness healthy traction across railways, metros and industrial applications, while Process Automation remained supported by marine, refining and conventional power. Data centres continue to emerge as a key growth driver, supported by strong enquiries from hyperscalers and colocation players, capacity expansion and localisation at the newly commissioned Nelamangala facility. Although commodity inflation, higher copper prices and forex volatility remain near-term headwinds, recent price hikes and easing QCO-related disruptions are expected to support gradual margin recovery. With a net cash position of ~INR7.2bn, healthy tendering activity across power, railways, water, renewables and infrastructure, and continued investments in electrification, automation and AI-led data centres, ABB remains well positioned to deliver sustainable profitable growth over the medium term.

ABB is likely to face headwinds from higher input cost and forex volatility amid West Aisa crisis in the near term. However, we remain constructive on ABB in the long run given: 1) rising demand for energy-efficient and premium-quality products, 2) its resilient business model, 3) focused growth in high-potential segments such as data centers, rail & metro, renewables, and electronics, and 4) a strong domestic order pipeline. The stock currently trades at P/E of 67.3x/55.5x on CY27E/28E. We maintain our 'Hold' rating, valuing the stock at a P/E of 58x Jun'28E (56x Jun'28E earlier), reflecting strong order momentum and improving structural growth opportunities across electrification, automation and data centres, resulting in revised TP of INR6,944 (INR6,523 earlier).

Quarter Summary

Y/e Dec	Q2CY26E	Q2CY26A	*% Var.*	Q2CY25A	*YoY gr. (%)*
Net Sales (INR mn)	32,425	35,589	*9.8*	29,405	*21.0*
EBITDA (INR mn)	4,248	4,470	*5.2*	4,012	*11.4*
Margin (%)	*13.1*	*12.6*	*-54 bps*	*13.6*	*-108 bps*
PAT (INR mn)	3,606	3,701	*2.6*	3,426	*8.0*

Source: Company, PL

Amit Anwani
amitanwani@plindia.com | +91-22-66322250

Hitesh Agarwal
hiteshagarwal@plindia.com | +91-22-66322535

Higher input costs and rupee depreciation impact margins despite strong execution: Revenue grew by 21.0% YoY to INR35.6bn (PLe: INR32.4bn) led by growth across all segments. Electrification increased by +30.9% YoY to Rs18.0bn driven by effective price management and increased volume contribution while motion increased by +16.6% YoY to Rs12.7bn driven by contribution from all divisions and Automation increased by 6.5% YoY to Rs5.2bn led by the energy industries division. Gross margin contracted by 274bps YoY to 37.1% (PLe: 38.4%) due to elevated input costs. EBITDA increased by 11.4% YoY to Rs4.5bn (PLe: Rs4.2bn) while EBITDA margin contracting by 108bps YoY to 12.6% (PLe: 13.1%) largely due to lower gross margin despite operating leverage. Adj. PAT increased by 8% YoY to Rs3.7bn (PLe: Rs3.6) with effective tax rate remaining flattish YoY to 25.8%.

Strong order book at INR119.0bn (0.9x TTM revenue): Order inflows for Q2CY26 increased by 49.6% YoY to INR43.6bn led by base orders in Electrification and an increase in export orders in Motion and Automation. Order book stood at INR119.0bn (0.9x TTM revenue) up by 22.2% YoY, with segmental mix of 40.8%/40.6%/18.6% for Motion /Electrification/Process Automation.

Exhibit 1: **Quarterly Estimates**

(INR mn)	Q1CY26	*YoY gr.*	Q2CY26	*YoY gr.*	Q3CY26E	*YoY gr.*	Q4CY26E	*YoY gr.*
Sales	31,841	*5.8%*	35,589	*21.0%*	37,659	*20.3%*	41,676	*21.7%*
EBITDA	4,084	*-27.0%*	4,470	*11.4%*	5,009	*3.1%*	6,500	*23.2%*
Margin (%)	*12.8*	*(576.5)*	*12.6*	*(108.1)*	*13.3*	*(221.6)*	*15.6*	*18.9*
Adj. PAT	3,419	*-25%*	3,701	*8%*	4,084	*3%*	5,333	*27%*

Source: Company, PL

Exhibit 2: **EBITDA margin contracted by 108bps YoY to 12.6% due to elevated input costs despite operating leverage**

(INR mn)	Q2CY26	Q2CY25	*YoY gr.*	Q2CY26E	*% Var.*	Q1CY26	*QoQ gr.*	H1CY26	H1CY25	*YoY gr.*
Revenue	**35,589**	**29,405**	***21.0%***	**32,425**	***9.8%***	**31,841**	***11.8%***	**67,429**	**59,505**	***13.3%***
Gross Profit	13,203	11,715	*12.7%*	12,322	*7.2%*	12,324	*7.1%*	25,526	24,490	*4.2%*
Margin (%)	*37.1*	*39.8*	*(274)*	*38.0*	*(90.1)*	*38.7*	*(161)*	*37.9*	*41.2*	*(330)*
Employee Cost	2,510	2,089	*20.2%*	2,302	*9.0%*	2,529	*-0.7%*	5,038	4,472	*12.7%*
as % of sales	*7.1*	*7.1*	*(5)*	*7.1*	*(4.8)*	*7.9*	*(89)*	*7.5*	*7.5*	*(4)*
Other expenditure	6,223	5,615	*10.8%*	5,772	*7.8%*	5,711	*9.0%*	11,934	10,410	*14.6%*
as % of sales	*17.5*	*19.1*	*(161)*	*17.8*	*(31.5)*	*17.9*	*(45)*	*17.7*	*17.5*	*20*
EBITDA	**4,470**	**4,012**	***11.4%***	**4,248**	***5.2%***	**4,084**	***9.5%***	**8,554**	**9,608**	***-11.0%***
Margin (%)	*12.6*	*13.6*	*(108)*	*13.1*	*(53.9)*	*12.8*	*(27)*	*12.7*	*16.1*	*(346)*
Depreciation	392	354	*11.0%*	440	*-10.8%*	424	*-7.4%*	816	689	*18.4%*
EBIT	**4,078**	**3,658**	***11.5%***	**3,808**	***7.1%***	**3,660**	***11.4%***	**7,739**	**8,918**	***-13.2%***
Margin (%)	*11.5*	*12.4*	*(98)*	*11.7*	*(28.4)*	*11.5*	*(4)*	*11.5*	*15.0*	*(351)*
Other Income	927	998	*-7.1%*	1,105	*-16.1%*	996	*-7.0%*	1,923	1,921	*0.1%*
Interest	17	42	*-59.1%*	40	*-57.3%*	38	*-55.1%*	55	89	*-37.8%*
PBT (ex. Extra-ordinaries)	**4,988**	**4,614**	***8.1%***	**4,873**	***2.4%***	**4,619**	***8.0%***	**9,606**	**10,750**	***-10.6%***
Margin (%)	*14.0*	*15.7*	*(168)*	*15.0*	*(101.3)*	*14.5*	*(49)*	*14.2*	*18.1*	*(382)*
Extraordinary Items	-	-		-	-	-	-	-	-	-
PBT	**4,988**	**4,614**	***8.1%***	**4,873**	***2.4%***	**4,619**	***8.0%***	**9,606**	**10,750**	***-10.6%***
Total Tax	1,287	1,188	*8.3%*	1,267	-	1,200	*7.3%*	2,487	2,752	*-9.6%*
Effective Tax Rate (%)	*25.8*	*25.8*	*5*	*26.0*	*(19.7)*	*26.0*	*(17)*	*25.9*	*25.6*	*29*
Reported PAT	**3,701**	**3,426**	***8.0%***	**3,606**	***2.6%***	**3,419**	***8.2%***	**7,120**	**7,999**	***-11.0%***
Adj. PAT	**3,701**	**3,426**	***8.0%***	**3,606**	***2.6%***	**3,419**	***8.2%***	**7,120**	**7,999**	***-11.0%***
Margin (%)	*10.4*	*11.6*	*(125)*	*11.1*	*(72.2)*	*10.7*	*(34)*	*10.6*	*13.4*	*(288)*
Adj. EPS	**17.5**	**16.2**	***8.0%***	**17.0**	***2.6%***	**16.1**	***8.2%***	**33.6**	**37.7**	***-11.0%***

*Source: Company, PL *Q2CY26E excludes robotics division numbers*

Exhibit 3: Revenue grew by 21.0% YoY driven by strong execution in Electrification (+30.9% YoY to Rs18.0bn)

Segment Revenue (INR mn)	Q2CY26	Q2CY25	*YoY gr.*	Q2CY26E	*% Var.*	Q1CY26	*QoQ gr.*	H1CY26	H1CY25	*YoY gr.*
Motion	12,688	10,881	*16.6%*	12,329	*2.9%*	11,606	*9.3%*	24,294	21,840	*11.2%*
Electrification	18,044	13,786	*30.9%*	15,160	*19.0%*	15,645	*15.3%*	33,688	27,362	*23.1%*
Industrial Automation	5,241	4,921	*6.5%*	5,260	*-0.4%*	5,004	*4.7%*	10,245	10,786	*-5.0%*
Others	27	38	*-29.4%*	6	*320.3%*	6	*320.3%*	33	89	*-62.7%*
Less : Inter segment revenues (continuing)	410	221	*85.7%*	330	*24.3%*	421	*-2.6%*	831	571	*45.5%*
Total	**35,589**	**29,405**	***21.0%***	**32,425**	***9.8%***	**31,841**	***11.8%***	**67,429**	**59,505**	***13.3%***
EBIT										
Motion	1,522	1,788	*-14.9%*	1,602.8	*-5.0%*	1,480	*2.9%*	3,002	4,186	*-28.3%*
Electrification	2,673	2,214	*20.7%*	2,273.9	*17.5%*	2,370	*12.8%*	5,042	5,569	*-9.5%*
Industrial Automation	767	847	*-9.4%*	746.9	*2.6%*	706	*8.6%*	1,472	1,809	*-18.6%*
EBIT Margin (%)										
Motion	12.0%	16.4%	*(443)*	13.0%	*(100.3)*	12.7%	*(75)*	12.4%	19.2%	*(681)*
Electrification	14.8%	16.1%	*(125)*	15.0%	*(18.7)*	15.1%	*(33)*	15.0%	20.4%	*(539)*
Industrial Automation	14.6%	17.2%	*(258)*	14.2%	*42.8*	14.1%	*53*	14.4%	16.8%	*(240)*

Source: Company, PL

Conference Call Highlights:

Order Book & inflows: Order inflows surged ~50% YoY during the quarter, taking the order backlog to ~INR119bn, with no slow-moving orders and ~40% of the backlog expected to be executed over the next two quarters, providing strong revenue visibility. Ordering momentum remained broad-based, with all inflows comprising base orders, led by data centers (15–17%), metals & mining (~15%), oil & gas (~9%), buildings & infrastructure (~8%) and renewables (~6%). Healthy partner inventory replenishment and faster customer decision-making supported order conversion, while key wins included gas insulated switchgear, ring main units, railway propulsion systems, motors, electrical control systems and power distribution solutions.

Margin Outlook: Margins are expected to remain under pressure over the next 2–3 quarters due to elevated copper, aluminium and silver prices, rupee depreciation and forex volatility. Although ABB has implemented two rounds of price hikes, price pass-through continues to lag input cost inflation. Around 60% of the Distribution Solutions business comprises flow products, enabling faster price revisions, while the tender-based systems business offers limited pricing flexibility, delaying margin recovery. A strong backlog and operating leverage, along with the full pass-through of pricing actions, should support margins once raw material prices stabilize. Revenue growth during the quarter also benefited from the execution of Q1 projects delayed by the West Asia conflict.

Electrification: Electrification reported robust order inflows (+77% YoY) driven by data centers, metals & mining, buildings & infrastructure and cement, with a healthy order backlog of ~INR48.9bn providing strong execution visibility. Revenue growth remained healthy, while margins moderated due to elevated copper, aluminium and silver prices, rupee depreciation and forex volatility. Customer acceptance of price hikes is gradually improving, with pricing actions expected to support profitability over the coming quarters.

Motion: Motion reported healthy order growth (+26% YoY) driven by railways, exports and industrial applications, while maintaining segment margins of ~12% despite commodity inflation, forex volatility and an adverse revenue mix. Revenue recognition remained lower due to the execution profile of long-duration railway contracts; however, management highlighted strong execution visibility backed by long-term agreements with Indian Railways. Metro-related opportunities also remain healthy, supported by ongoing network expansion, while export restrictions to West Asia weighed on the quarterly mix.

Process Automation: Process Automation reported healthy order growth (+24% YoY) driven by automotive, cement and export demand, while revenue growth was supported by execution across energy industries. Service revenues, accounting for ~30% of segment revenues, continued to underpin profitability despite cyclical ordering trends. Management remains constructive on opportunities across refining, conventional power generation and energy industries as project activity gradually improves.

Core Industries: Demand across core industries remained mixed, with downstream refining and other crude oil-linked sectors witnessing temporary sluggishness amid elevated crude prices and geopolitical uncertainty, impacting services and project execution. However, announced capex projects continue to progress, while easing crude prices are improving customer activity. Management also highlighted a healthy outlook for upstream oil & gas, conventional power generation and renewables, supported by an improving project pipeline and continued investments in the power sector.

Data Centers: Data centers remain a key structural growth driver, contributing **~15–17% of quarterly order inflows,** supported by strong investments from hyperscalers and colocation operators. Faster project decision-making and the company's localized manufacturing footprint have enabled quicker deliveries, providing a competitive advantage. To cater to the growing opportunity, the company has commissioned its **new Nelamangala manufacturing facility** and is investing in capacity expansion, localization and dedicated data center products, positioning it to address the anticipated multifold demand growth over CY27–CY28.

Capex & Localization (QCO): Capex continues to be directed towards manufacturing expansion, new product development and localization, while maintaining capacity utilization of ~85–90% and 15–20% capacity headroom to support future growth. Increased localization has strengthened supply-chain resilience and positioned the company to better comply with evolving QCO requirements, with regulatory relaxations and extended timelines for select components further supporting implementation. Investments remain focused on high-growth areas such as data centers and localized manufacturing capabilities.

Financials

Income Statement (INR mn)

Y/e Dec	CY25	CY26E	CY27E	CY28E
Net Revenues	125,038	146,764	172,567	205,489
YoY gr. (%)	*6.7*	*17.4*	*17.6*	*19.1*
Cost of Goods Sold	75,277	91,214	105,007	124,424
Gross Profit	49,761	55,550	67,560	81,065
Margin (%)	*39.8*	*37.9*	*39.2*	*39.5*
Employee Cost	9,450	9,951	11,476	13,665
Other Expenses	9,477	12,328	12,597	15,001
EBITDA	19,738	20,063	27,956	33,906
YoY gr. (%)	*(11.0)*	*1.6*	*39.3*	*21.3*
Margin (%)	*15.8*	*13.7*	*16.2*	*16.5*
Depreciation and Amortization	1,448	1,654	1,874	2,166
EBIT	18,290	18,409	26,082	31,740
Margin (%)	*14.6*	*12.5*	*15.1*	*15.4*
Net Interest	197	191	173	205
Other Income	3,524	3,889	4,659	5,548
Profit Before Tax	21,617	22,107	30,569	37,083
Margin (%)	*17.3*	*15.1*	*17.7*	*18.0*
Total Tax	5,434	5,571	7,642	9,271
Effective Tax Rate (%)	*25.1*	*26.0*	*25.0*	*25.0*
Profit After Tax	16,183	16,536	22,927	27,812
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	16,183	16,536	22,927	27,812
YoY gr. (%)	*(9.4)*	*2.2*	*38.6*	*21.3*
Margin (%)	*12.9*	*11.3*	*13.3*	*13.5*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	16,183	16,536	22,927	27,812
YoY gr. (%)	*(9.4)*	*2.2*	*38.6*	*21.3*
Margin (%)	*12.9*	*11.3*	*13.3*	*13.5*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	16,183	16,536	22,927	27,812
Equity Shares O/s (mn)	212	212	212	212
EPS (INR)	76.4	78.0	108.2	131.3

Source: Company, PL

Balance Sheet (INR mn)

Y/e Dec	CY25	CY26E	CY27E	CY28E
Non-Current Assets				
Gross Block	19,337	22,347	27,553	32,816
Tangibles	19,337	22,347	27,553	32,816
Intangibles	-	-	-	-
Acc: Dep / Amortization	7,593	9,246	11,120	13,286
Tangibles	7,593	9,246	11,120	13,286
Intangibles	-	-	-	-
Net Fixed Assets	11,744	13,100	16,433	19,531
Tangibles	11,744	13,100	16,433	19,531
Intangibles	-	-	-	-
Capital Work In Progress	1,368	1,377	1,584	1,847
Goodwill	-	-	-	-
Non-Current Investments	93	15,800	14,249	12,859
Net Deferred Tax Assets	565	565	565	565
Other Non-Current Assets	5,118	5,284	5,867	7,809
Current Assets				
Investments	-	-	-	-
Inventories	20,530	20,909	23,639	27,586
Trade Receivables	31,763	35,786	40,660	48,417
Cash & Bank Balance	58,349	55,239	69,380	82,915
Other Current Assets	3,770	3,963	4,314	7,192
Total Assets	135,820	154,540	179,750	212,470
Equity				
Equity Share Capital	424	424	424	424
Other Equity	77,936	87,503	103,816	122,457
Total Networth	78,360	87,927	104,239	122,881
Non-Current Liabilities				
Long Term Borrowings	552	552	552	552
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	296	296	296	296
Trade Payables	34,557	40,611	46,806	55,735
Other Current Liabilities	22,620	25,718	28,421	33,570
Total Equity & Liabilities	135,820	154,540	179,750	212,470

Source: Company, PL

Cash Flow (INR mn)

Y/e Dec	CY25	CY26E	CY27E	CY28E
PBT	22,299	22,107	30,569	37,083
Add. Depreciation	1,455	1,654	1,874	2,166
Add. Interest	199	191	173	205
Less Financial Other Income	3,524	3,889	4,659	5,548
Add. Other	(4,571)	-	-	-
Op. Profit before WC Changes	19,383	23,952	32,615	39,454
Net Changes-WC	(1,617)	4,371	(202)	(3,159)
Direct Tax	(5,555)	(5,571)	(7,642)	(9,271)
Net Cash from Op. Activities	**12,210**	**22,751**	**24,771**	**27,025**
Capital Expenditures	(2,396)	(3,019)	(5,413)	(5,527)
Interest / Dividend Income	3,131	-	-	-
Others	2,899	(15,682)	1,570	1,413
Net Cash from Invt. Activities	**3,633**	**(18,701)**	**(3,843)**	**(4,114)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(312)	-	-	-
Dividend Paid	(9,152)	(6,969)	(6,615)	(9,171)
Interest Paid	(199)	(191)	(173)	(205)
Others	-	-	-	-
Net Cash from Fin. Activities	**(9,662)**	**(7,160)**	**(6,787)**	**(9,376)**
Net Change in Cash	**6,181**	**(3,110)**	**14,141**	**13,534**
Free Cash Flow	9,811	19,732	19,359	21,498

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Dec	Q3CY25	Q4CY25	Q1CY26	Q2CY26
Net Revenues	**31,301**	**34,232**	**31,841**	**35,589**
YoY gr. (%)	*7.5*	*1.7*	*5.8*	*21.0*
Raw Material Expenses	19,249	21,012	19,517	22,386
Gross Profit	12,052	13,220	12,324	13,203
Margin (%)	*38.5*	*38.6*	*38.7*	*37.1*
EBITDA	**4,857**	**5,274**	**4,084**	**4,470**
YoY gr. (%)	*(10.1)*	*(19.8)*	*(27.0)*	*11.4*
Margin (%)	*15.5*	*15.4*	*12.8*	*12.6*
Depreciation / Depletion	364	395	424	392
EBIT	**4,493**	**4,879**	**3,660**	**4,078**
Margin (%)	*14.4*	*14.3*	*11.5*	*11.5*
Net Interest	56	53	38	17
Other Income	840	763	996	927
Profit before Tax	**5,276**	**5,590**	**4,619**	**4,988**
Margin (%)	*16.9*	*16.3*	*14.5*	*14.0*
Total Tax	1,296	1,386	1,200	1,287
Effective Tax Rate (%)	*24.6*	*24.8*	*26.0*	*25.8*
Profit After Tax	**3,981**	**4,204**	**3,419**	**3,701**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**3,981**	**4,204**	**3,419**	**3,701**
YoY gr. (%)	*(9.6)*	*(21.0)*	*(25.2)*	*8.0*
Margin (%)	*12.7*	*12.3*	*10.7*	*10.4*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**3,981**	**4,204**	**3,419**	**3,701**
YoY gr. (%)	*(9.6)*	*(21.0)*	*(25.2)*	*8.0*
Margin (%)	*12.7*	*12.3*	*10.7*	*10.4*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**3,981**	**4,204**	**3,419**	**3,701**
Avg. Shares O/s (mn)	212	212	212	212
EPS (INR)	**18.8**	**19.8**	**16.1**	**17.5**

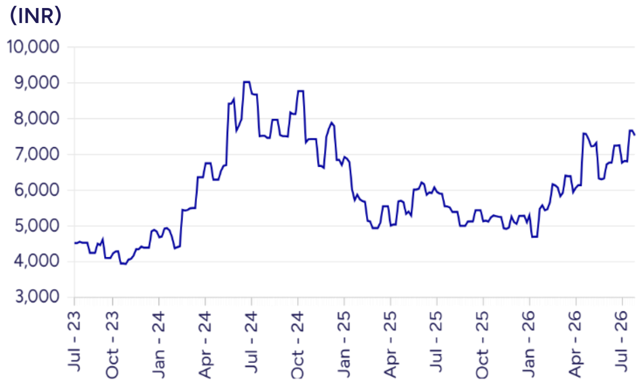
Source: Company, PL

Key Financial Metrics

Y/e Dec	CY25	CY26E	CY27E	CY28E
Per Share (INR)				
EPS	76.4	78.0	108.2	131.3
CEPS	83.2	85.8	117.0	141.5
BVPS	369.8	414.9	491.9	579.9
FCF	46.3	93.1	91.4	101.5
DPS	30.5	31.2	43.3	52.5
Return Ratio (%)				
RoCE	24.3	21.9	26.9	27.7
ROIC	81.1	47.9	71.0	75.6
RoE	21.7	19.9	23.9	24.5
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	52	40	37	36
Valuation (x)				
PER	95.3	93.3	67.3	55.5
P/B	19.6	17.5	14.8	12.5
P/CEPS	87.5	84.8	62.2	51.4
EV/EBITDA	75.2	74.2	52.7	43.1
EV/Sales	11.8	10.1	8.5	7.1
Dividend Yield (%)	0.4	0.4	0.5	0.7
FCFF Yield (%)	0.6	1.2	1.2	1.3
PEG Ratio	(10.2)	42.7	1.7	2.6

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	HOLD	6523	6772
2	09-May-26	HOLD	6523	7013
3	09-Apr-26	Accumulate	6319	6614
4	23-Feb-26	Accumulate	6319	5918
5	27-Jan-26	Accumulate	5540	4695
6	07-Jan-26	Accumulate	5540	5299
7	07-Nov-25	Accumulate	5540	5017
8	07-Oct-25	Accumulate	5584	5224
9	05-Aug-25	Accumulate	5600	5093
10	09-Jul-25	BUY	6851	5840

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	6523	6772
2	Apar Industries	Accumulate	14720	13889
3	BEML	Accumulate	1940	1776
4	Bharat Electronics	Accumulate	452	407
5	BHEL	Reduce	368	435
6	Carborundum Universal	Reduce	986	1081
7	Cummins India	Reduce	5133	5499
8	Elgi Equipments	Accumulate	637	576
9	Engineers India	Buy	271	235
10	GE Vernova T&D India	Accumulate	4650	4467
11	Grindwell Norton	Accumulate	2113	2018
12	Harsha Engineers International	Hold	461	418
13	Hindustan Aeronautics	BUY	5423	4365
14	Hitachi Energy India	Reduce	30768	31755
15	Ingersoll-Rand (India)	Accumulate	4934	4360
16	Kalpataru Projects International	Buy	1466	1332
17	KEC International	Accumulate	558	487
18	Kirloskar Pneumatic Company	Accumulate	1715	1599
19	Larsen & Toubro	BUY	4425	3832
20	Praj Industries	Accumulate	389	355
21	Siemens	HOLD	3750	3446
22	Siemens Energy India	Accumulate	3274	3359
23	Thermax	Reduce	3969	4603
24	Triveni Turbine	Hold	638	613
25	Voltamp Transformers	Accumulate	10503	9390

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

ANALYST CERTIFICATION

Indian Clients

We/I Mr. Amit Anwani MBA (Finance), Mr. Hitesh Agarwal MBA Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

US Clients

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

Prabhudas Lilladher Pvt. Ltd.

Corporate Office: 6th Floor, Tower 2B South Annex, One World Centre, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Registered Office: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018

Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

AMNISH AGGARWAL

Digitally signed by AMNISH AGGARWAL
DN: c=IN, o=Personal, title=1443, 2.5.4.20=21151ea12dd366d1ac370cb42343ee44b6e851c37bdbac5f86aa4ff3e6948487, postalCode=400015, st=Maharashtra, serialNumber=7a6f13691881d5a8af6353865a61b48b7040e72f4a1bf53182e368b3ca14a5e4, cn=AMNISH AGGARWAL
Date: 2026.08.02 11:35:52 +05'30'

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipients particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report.

PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report.

PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Amit Anwani MBA (Finance), Mr. Hitesh Agarwal MBA Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.