PL Capital PRABHUDAS LILLADHER

Q1FY27 Result Update

Apar Industries (APR IN)

July 25, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Strong Q1, Premium mix powers margin outperformance

Quick Pointers

- EBITDA margin expanded 263bps YoY to 11.5%, driven by higher sales realisation and improved profitability across all three business segments, led by Specialty Oils
- Capacity utilisation remained healthy at ~80–90% across businesses, prompting capacity expansion to debottleneck operations and support future growth

We revised our EPS estimates by +18.7%/+8.5% for FY27E/FY28E and upgrade our rating from 'Hold' to 'Accumulate' factoring in stronger-than-expected earnings, an improving premium product mix, robust order inflows and improving growth prospects. APAR Industries (APAR) reported robust revenue growth of ~29.1% YoY, while EBITDA margin expanded by 263bps YoY to ~11.5%, aided by higher sales realizations and strong profitability across all three business segments, led by the Specialty Oil business. In the Conductors segment, volumes declined due to delays in manufacturing clearances for conventional domestic orders following a sharp rise in aluminum prices. However, premium products contributed ~50.3% of revenues (vs. ~43.7% YoY), driving record EBITDA/t of ~Rs53,418, while the order book remained robust at ~Rs101.9bn, supported by ~Rs28bn of multi-year utility orders from the US and Europe. The Cables business reported healthy growth, supported by robust domestic demand, while recent approvals from Meta, Microsoft and Google are expected to strengthen APAR's presence in the US data centre cable market. Meanwhile, the Specialty Oil business delivered an exceptional quarter despite temporary disruptions at its UAE facility, with margin expansion driven by inventory procured at lower historical costs being realized at elevated market prices following the sharp rise in crude and gas oil prices during the Middle East conflict. With an improving premium product mix, healthy export order inflows, expanding global customer approvals and ongoing capacity expansion, management remains confident of sustaining healthy growth over the medium term. The stock is currently trading at a PE of 38.5x/34.4x on the earning of FY27/28E. We upgrade our rating from 'Hold' to 'Accumulate while valuing the Conductors/Cables/Specialty Oils segment at a PE of 40x/40x/16x Mar'28E (40x/40x/16x Mar'28E) arriving at a revised SoTP-derived TP of Rs14,720 (Rs13,309 earlier).

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Accumulate		Hold	
Target Price	14,720		13,310	
Sales (INR mn)	282,957	328,307	281,583	328,372
% Chng.	*0.5*	*(0.0)*		
EBITDA (INR mn)	25,554	28,510	22,473	26,841
% Chng.	*13.7*	*6.2*		
EPS (INR)	361.1	403.7	304.2	372.0
% Chng.	*18.7*	*8.5*		

Key Data

Key Data	APAR.BO | APR IN
BSE Code	532259
NSE Code	APARINDS
52-W High / Low	INR 17,157 / INR 6,800
Face Value	10
Sensex / Nifty	76,060 / 23,767
Market Cap	INR 558 bn / $ 5,779 mn
Shares Outstanding	40.18 mn
3M Avg. Daily Value	INR 2,105.07 mn

Shareholding Pattern (%)

Promoters	57.77
FIIs	9.35
Mutual Funds	21.55
Domestic Institutions	1.66
Public & Others	9.68
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(16.7)	20.4	97.5	51.9
Relative	(15.6)	21.4	111.7	64.1

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	185,812	229,021	282,957	328,307
EBITDA (INR mn)	15,474	18,994	25,554	28,510
Margin (%)	*8.3*	*8.3*	*9.0*	*8.7*
PAT (INR mn)	8,213	10,193	14,506	16,217
EV (INR mn)	554,050	559,690	558,398	556,173
Total Debt (INR mn)	5,847	9,555	10,355	10,105
C&C Eq. (INR mn)	7,610	7,319	9,411	11,386
EPS (INR)	204.5	253.8	361.1	403.7
Gr. (%)	*(0.5)*	*24.1*	*42.3*	*11.8*
DPS (INR)	40.0	40.0	108.3	121.1
Yield (%)	*0.3*	*0.3*	*0.8*	*0.9*
RoE (%)	*19.6*	*20.6*	*24.6*	*23.2*
RoCE (%)	*30.0*	*30.4*	*34.1*	*32.6*
EV/Sales (x)	3.0	2.4	2.0	1.7
EV/EBITDA (x)	35.8	29.5	21.9	19.5
PE (x)	67.9	54.7	38.5	34.4
P/BV (x)	12.4	10.3	8.7	7.4

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	61,416	65,911	*7.0*	51,042	*29.0*
EBITDA (INR mn)	5,417	7,576	*40.0*	4,523	*67.0*
Margin (%)	*8.8*	*11.5*	*270 bps*	*8.9*	*260 bps*
PAT (INR mn)	3,087	4,675	*51.0*	2,629	*78.0*

Source: Company, PL

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Long term view: While supply chain disruptions arising from Middle East conflict and persistent Chinese competition in non-US markets remain key monitorables in the near term, however company's outlook in long term remain intact driven by 1) robust T&D capex and renewable evacuation opportunities, 2) increasing mix of premium conductors such as AL-59 and HTLS in the domestic market, 3) healthy traction in elastomeric and specialty cables across renewables, railways, defence and data centers, and 4) leadership position in the transformer oils business supported by strong power infrastructure investments globally.

Better gross margin and operating leverage aided profitability: Consolidated revenue rose 29.1% YoY to Rs65.9bn (PLe: Rs61.4bn). Revenue mix stood at Conductors ~51%/ Speciality Oil ~26%/ Cables ~28%. Domestic/export mix stood at 72.5/27.5% (vs 68/32% in Q1FY26). EBITDA increased by 67.5% YoY to Rs7.6bn (PLe: Rs5.4bn). EBITDA margin expanded by 263bps YoY to 11.5% (Ple: 8.8%) due to better gross margin and operating leverage. Adj.PBT increased by 76.5% YoY to Rs6.2bn (Ple: Rs4.1bn) aided by higher other income (+35.7% YoY to Rs337mn). Adj. PAT grew by 77.8% YoY to Rs4.7bn (PLe: Rs3.1bn) aided by lower effective tax rate (-49bps YoY to 24.9%).

Strong growth in Conductors EBITDA/MT: Conductors revenue grew 19.9% YoY to Rs33.4bn likely driven product mix and higher realisations while US revenue was down by ~34% YoY. Conductors EBITDA/MT came in at Rs53,279 (PLe: Rs43,500), while EBITDA margin stood at 8.5% (vs 9% in Q1FY26) likely aided by Premium product mix which stood at 50.3% (vs 43.7% in Q1FY26). Specialty Oils revenue was up 34.8% YoY to Rs17bn, with volumes remain degrew by 13.7% YoY due to war. Specialty Oils EBITDA/KL came in at Rs25,482 (PLe: Rs5,917) and EBITDA margin expanded to 19.3% (vs 8.3% in Q1FY26). Company reported provision of Rs930mn on account of sharp volatility in oil prices. Cables revenue increased by 29.5% YoY to Rs18.4bn primarily driven by domestic (+59.9% YoY) while exports (-13.7% YoY) and US sales up by (+2.5% YoY). Cables EBITDA margin expanded by 60 bps YoY to10.6%.

Exhibit 1: **Quarterly Estimates**

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	65,911	*29.1%*	73,298	*28.2%*	72,599	*32.5%*	71,150	*7.8%*
EBITDA	7,576	*67.5%*	5,849	*25.8%*	5,989	*32.5%*	6,139	*18.2%*
Margin (%)	*11.5*	*263.4*	*8.0*	*(15.7)*	*8.3*	*0.0*	*8.6*	*76.2*
Adj. PAT	4,675	*78%*	3,207	*27%*	3,319	*46%*	3,309	*19%*

Source: Company, PL

Exhibit 2: Gross margin expanded by 215 bps YoY led to EBITDA margin expansion by 263bps YoY

Y/e March (INR mn)	Q1FY27	Q1FY26	YoY gr.	Q1FY27E	% Var.	Q4FY26	QoQ gr.	FY27E	FY26	YoY gr.
Revenue	**65,911**	**51,042**	***29.1%***	**61,416**	***7.3%***	**66,028**	***-0.2%***	**2,82,957**	**2,29,021**	***23.6%***
Gross Profit	15,248	10,709	*42.4%*	12,836	*18.8%*	14,157	*7.7%*	61,772	48,113	*28.4%*
Margin (%)	*23.1*	*21.0*	*215*	*20.9*	*223.4*	*21.4*	*169*	*21.8*	*21.0*	*82*
Employee Cost	1,262	1,049	*20.4%*	1,155	*9.3%*	1,143	*10.5%*	5,093	4,279	*19.0%*
as % of sales	*1.9*	*2.1*	*(14)*	*1.9*	*3.5*	*1.7*	*18*	*1.8*	*1.9*	*(7)*
Other expenditure	6,410	5,138	*24.7%*	6,264	*2.3%*	7,821	*-18.0%*	31,125	24,840	*25.3%*
as % of sales	*9.7*	*10.1*	*(34)*	*10.2*	*(47.5)*	*11.8*	*(212)*	*11.0*	*10.8*	*15*
EBITDA	**7,576**	**4,523**	***67.5%***	**5,417**	***39.9%***	**5,194**	***45.9%***	**25,554**	**18,994**	***34.5%***
Margin (%)	*11.5*	*8.9*	*263*	*8.8*	*267.4*	*7.9*	*363*	*9.0*	*8.3*	*74*
Depreciation	457	382	*19.6%*	450	*1.6%*	425	*7.6%*	2,031	1,611	*26.1%*
EBIT	**7,119**	**4,140**	***71.9%***	**4,967**	***43.3%***	**4,769**	***49.3%***	**23,522**	**17,383**	***35.3%***
Margin (%)	*10.8*	*8.1*	*269*	*8.1*	*271.3*	*7.2*	*358*	*8.3*	*7.6*	*72*
Other Income	337	248	*35.7%*	260	*29.4%*	197	*70.6%*	1,047	648	*61.6%*
Interest	1,232	863	*42.7%*	1,100	*12.0%*	1,368	*-10.0%*	5,124	4,371	*17.2%*
PBT (ex. Extra-ordinaries)	**6,223**	**3,525**	***76.5%***	**4,127**	***50.8%***	**3,598**	***73.0%***	**19,445**	**13,660**	***42.4%***
Margin (%)	*9.4*	*6.9*	*254*	*6.7*	*272.3*	*5.4*	*399*	*6.9*	*6.0*	*91*
Extraordinary Items	-	-		-	-	(311)	-	-	(560)	-
PBT	**6,223**	**3,525**	***76.5%***	**4,127**	***50.8%***	**3,288**	***89.3%***	**19,445**	**13,099**	***48.4%***
Total Tax	1,552	896	*73.1%*	1,040	-	755	*105.6%*	4,939	3,331	*48.3%*
Effective Tax Rate (%)	*24.9*	*25.4*	*(49)*	*25.2*	-	*23.0*	*197*	*25.4*	*25.4*	*(3)*
Reported PAT	**4,672**	**2,629**	***77.7%***	**3,087**	***51.3%***	**2,533**	***84.4%***	**14,506**	**9,768**	***48.5%***
Adj. PAT	**4,675**	**2,629**	***77.8%***	**3,087**	***51.4%***	**2,780**	***68.2%***	**14,509**	**10,193**	***42.3%***
Margin (%)	*7.1*	*5.2*	*194*	*5.0*	*206.6*	*4.2*	*288*	*5.1*	*4.5*	*68*
Adj. EPS	**116.4**	**65.4**	***77.8%***	**76.8**	***51.4%***	**69.2**	***68.2%***	**361.2**	**253.7**	***42.3%***

Source: Company, PL

Exhibit 3: Higher realization likely drove Conductors' growth while T-oil volumes impacted due to Middle East war

Y/e March (INR mn)	Q1FY27	Q1FY26	YoY gr.	Q1FY27E	% Var.	Q4FY26	QoQ gr.	FY27E	FY26	YoY gr.
Conductors										
Volume (MT)	53,279	57,132	*-6.7%*	63,000	*-15.4%*	64,956	*-18.0%*	2,67,257	2,41,787	*10.5%*
Revenue (INR mn)	33,380	27,847	*19.9%*	35,375	*-5.6%*	37,642	*-11.3%*	1,51,284	1,27,120	*19.0%*
EBITDA Adj (INR mn)	2,850	2,500	*14.0%*	2,741	*4.0%*	2,920	*-2.4%*	12,160	10,410	*16.8%*
EBITDA margin (%)	8.5	9.0	*(44)*	7.7	*79*	7.8	*78*	8.0	8.2	*(15)*
EBITDA Adj. (Rs/MT)	53,418	43,688	*22.3%*	43,500	*22.8%*	44,919	*18.9%*	38,095	38,885	*-2.0%*
Transformer & Specialty Oils										
Volume (KL)	1,29,085	1,49,497	*-13.7%*	1,38,000	*-6.5%*	1,49,234	*-13.5%*	6,79,196	6,31,985	*7.5%*
Revenue (INR mn)	17,010	12,621	*34.8%*	11,767	*44.6%*	13,109	*29.8%*	62,958	53,731	*17.2%*
EBITDA Adj (INR mn)	3,290	1,050	*213.3%*	938	*250.6%*	840	*291.7%*	6,656	3,750	*77.5%*
EBITDA margin (%)	19.3	8.3	*1,102*	8.0	*1,137*	6.4	*1,293*	10.6	7.0	*359*
EBITDA Adj. (Rs/KL)	25,482	7,004	*263.8%*	6,800	*274.7%*	5,656	*350.5%*	6,178	5,275	*17.1%*
Cables										
Revenue (INR mn)	18,381	14,194	*29.5%*	18,169	*1.2%*	19,033	*-3.4%*	78,372	62,200	*26.0%*
EBITDA Adj (INR mn)	1,940	1,420	*36.6%*	1,853	*4.7%*	2,020	*-4.0%*	8,307	6,330	*31.2%*
EBITDA margin (%)	10.6	10.0	*55*	10.2	*35*	10.6	*(6)*	10.6	10.2	*42*

Source: Company, PL

Exhibit 4: SoTP valuation- valuing Conductors/Cables/Specialty Oil segment at 40x/40x/16x Mar'28E

	Segmental PAT (INR mn)	Valuation basis	Target multiple (X)	Targeted Value (INR mn)	Value/Share
Conductors Segment	6,713	P/E	40	2,68,523	6,685
Cables Segment	7,196	P/E	40	2,87,853	7,166
Speciality Oil Segment	2,182	P/E	16	34,915	869
Total Target (Rs. Mn)				**5,91,291**	**14,720**

Source: Company, PL

Conference Call Highlights:

- **Conductors:** Apar reported healthy revenue growth despite **volumes declining ~6.7% YoY**, as a sharp increase in aluminium prices led several domestic customers to defer manufacturing clearances until metal prices stabilised. Management indicated that these delays were largely confined to conventional domestic conductor orders, while execution of premium products remained healthy. Share of premium products increased to **~50.3% of revenues** driving **EBITDA/MT higher to ~Rs53,400**. Export demand remained robust, with the conductors order book rising to **~Rs102bn** including two marquee overseas utility contracts ~Rs28bn from the US and Europe expected **to executed ~4 years**. Management highlighted that approvals have also been secured for **144-fibre OPGW** from one of the largest US utilities, strengthening its position in high-value transmission products. It further noted that manufacturing clearances have started normalising as aluminium prices moderated after the geopolitical disruptions.

- Specialty oil business: The Specialty Oils business delivered a strong performance with robust growth in **EBITDA ~214% YoY** and **EBITDA/KL rose to ~Rs25,500 (vs. Rs7,000 YoY)**. Management attributed the sharp margin expansion to inventory purchased at lower historical costs being realised at elevated market prices following the spike in crude and gas oil prices during the Middle East conflict. Despite recognising **~Rs930mn inventory-related provisions** in line with accounting standards after crude prices corrected towards quarter-end, profitability remained robust. Volumes declined due to temporary disruption at the UAE Hamriyah facility following port closures, although domestic oil volumes were down only **~4.4% YoY**. Management also highlighted that inventory levels have been deliberately reduced to mitigate downside risk from commodity price corrections

- **Cables business:** Revenue growth was led by ~59.9% domestic growth, supported by strong demand from **railways, defence, renewable energy and industrial applications**. Export revenues declined ~13.7% YoY, reflecting the lagged impact of weaker US order bookings during the previous quarter amid tariff-related uncertainties. However, management indicated that the US business has begun recovering following approvals from **Meta, Microsoft and Google** for supplying cables used in data centre projects through approved electrical contractors. These approvals significantly expand APAR's addressable market, enabling participation in **medium-voltage copper cable RFQs**, whereas exports to the US were earlier largely limited to aluminium cables. Cable order book improved to ~Rs19.3bn (vs. Rs16.5bn YoY), while EBITDA margin expanded to 10.6%, aided by a favourable domestic product mix.

- **Premium Products & HVDC Opportunity:** Premium conductors continued to outperform during the quarter, supported by strong execution across **HTLS reconductoring, copper transposed conductors, busbars, railway conductors and OPGW**. Management indicated that a portion of the newly secured US utility order includes **high-voltage transmission products**, while meaningful domestic HVDC-related ordering is expected to commence gradually as recently awarded transmission projects move into procurement

- **Wires & Distribution Expansion:** The consumer wires business continued to scale up rapidly, with retail wire sales growing ~46% YoY, supported by **25% increase in distributor network**, **51% expansion in retail touchpoints,** and **17% increase in active towns**. The B2B channel also remained strong, with revenues growing ~92% YoY, aided by 60% growth in distributor presence and 73% increase in active markets, reflecting continued strengthening of APAR's domestic distribution franchise

- **Working Capital:** Despite sharp volatility in commodity prices and supply chain disruptions during the quarter, APAR maintained **working capital at ~45–50 days**. Management highlighted improved inventory and debtor management, particularly in the Conductors business, demonstrating strong execution discipline and effective working capital control

- **Capacity Utilisation & Capex:** Management indicated that utilisation across most businesses remains healthy at **~80–90%**, necessitating ongoing capacity expansion. Existing capex projects remain on track and are expected to alleviate capacity constraints while supporting growth across conductors, cables and specialty products over the medium term.

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**185,812**	**229,021**	**282,957**	**328,307**
YoY gr. (%)	*15.0*	*23.3*	*23.6*	*16.0*
Cost of Goods Sold	147,393	180,909	221,185	256,033
Gross Profit	38,419	48,113	61,772	72,273
Margin (%)	*20.7*	*21.0*	*21.8*	*22.0*
Employee Cost	3,378	4,279	5,093	5,910
Other Expenses	19,567	24,840	31,125	37,854
EBITDA	**15,474**	**18,994**	**25,554**	**28,510**
YoY gr. (%)	*1.6*	*22.7*	*34.5*	*11.6*
Margin (%)	*8.3*	*8.3*	*9.0*	*8.7*
Depreciation and Amortization	1,322	1,611	2,031	2,402
EBIT	**14,153**	**17,383**	**23,522**	**26,108**
Margin (%)	*7.6*	*7.6*	*8.3*	*8.0*
Net Interest	4,089	4,371	5,124	5,683
Other Income	994	648	1,047	1,313
Profit Before Tax	**11,058**	**13,099**	**19,445**	**21,738**
Margin (%)	*6.0*	*5.7*	*6.9*	*6.6*
Total Tax	2,843	3,331	4,939	5,522
Effective Tax Rate (%)	*25.7*	*25.4*	*26.0*	*26.0*
Profit After Tax	**8,214**	**9,768**	**14,506**	**16,217**
Minority Interest	-	-	-	-
Share Profit from Associate	(1)	1	-	-
Adjusted PAT	**8,213**	**10,193**	**14,506**	**16,217**
YoY gr. (%)	-	*24.1*	*42.3*	*11.8*
Margin (%)	*4.4*	*4.5*	*5.1*	*4.9*
Extra Ord. Income / (Exp)	-	(424)	-	-
Reported PAT	**8,213**	**9,769**	**14,506**	**16,217**
YoY gr. (%)	-	*19.0*	*48.5*	*11.8*
Margin (%)	*4.4*	*4.3*	*5.1*	*4.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	8,213	9,769	14,506	16,217
Equity Shares O/s (mn)	**40**	**40**	**40**	**40**
EPS (INR)	**204.5**	**253.8**	**361.1**	**403.7**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**22,888**	**26,244**	**41,244**	**46,244**
Tangibles	22,843	26,198	41,198	46,198
Intangibles	45	46	46	46
Acc: Dep / Amortization	**7,458**	**9,070**	**11,101**	**13,503**
Tangibles	7,458	9,070	11,101	13,503
Intangibles	-	-	-	-
Net Fixed Assets	**15,430**	**17,174**	**30,143**	**32,740**
Tangibles	15,385	17,128	30,097	32,694
Intangibles	45	46	46	46
Capital Work In Progress	1,278	5,394	5,394	5,394
Goodwill	-	-	-	-
Non-Current Investments	126	142	112	112
Net Deferred Tax Assets	(30)	(261)	(261)	(261)
Other Non-Current Assets	1,582	2,273	1,698	1,970
Current Assets				
Investments	2,084	443	443	443
Inventories	33,105	41,528	50,390	57,566
Trade Receivables	41,933	53,373	58,917	70,159
Cash & Bank Balance	7,610	7,319	9,411	11,386
Other Current Assets	8,526	8,406	9,621	11,162
Total Assets	**112,636**	**137,113**	**167,331**	**192,328**
Equity				
Equity Share Capital	402	402	402	402
Other Equity	44,634	53,532	63,686	75,038
Total Networth	**45,035**	**53,934**	**64,088**	**75,440**
Non-Current Liabilities				
Long Term Borrowings	3,987	5,369	6,169	5,919
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	1,860	4,186	4,186	4,186
Trade Payables	55,488	68,559	84,500	98,042
Other Current Liabilities	6,235	4,805	8,127	8,480
Total Equity & Liabilities	**112,636**	**137,113**	**167,331**	**192,328**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	11,058	13,099	19,445	21,738
Add. Depreciation	1,322	1,611	2,031	2,402
Add. Interest	2,583	2,854	5,124	5,683
Less Financial Other Income	994	648	1,047	1,313
Add. Other	569	639	-	-
Op. Profit before WC Changes	15,531	18,203	26,600	29,823
Net Changes-WC	63	(4,807)	4,106	(6,529)
Direct Tax	2,689	3,720	4,939	5,522
Net Cash from Op. Activities	**12,906**	**9,676**	**25,768**	**17,773**
Capital Expenditures	(5,069)	(7,330)	(15,000)	(5,000)
Interest / Dividend Income	56	43	-	-
Others	(2,035)	1,706	-	-
Net Cash from Invt. Activities	**(7,048)**	**(5,581)**	**(15,000)**	**(5,000)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(82)	414	800	(250)
Dividend Paid	(2,046)	(2,039)	(4,352)	(4,865)
Interest Paid	(2,701)	(2,706)	(5,124)	(5,683)
Others	-	-	-	-
Net Cash from Fin. Activities	**(4,829)**	**(4,331)**	**(8,676)**	**(10,798)**
Net Change in Cash	**1,029**	**(236)**	**2,092**	**1,975**
Free Cash Flow	7,809	2,309	10,768	12,773

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**57,154**	**54,797**	**66,028**	**65,911**
YoY gr. (%)	*23.1*	*16.2*	*26.7*	*29.1*
Raw Material Expenses	44,710	43,996	51,871	50,663
Gross Profit	12,445	10,802	14,157	15,248
Margin (%)	*21.8*	*19.7*	*21.4*	*23.1*
EBITDA	**4,651**	**4,521**	**5,194**	**7,576**
YoY gr. (%)	*30.4*	*26.9*	*13.3*	*67.5*
Margin (%)	*8.1*	*8.2*	*7.9*	*11.5*
Depreciation / Depletion	399	406	425	457
EBIT	**4,252**	**4,115**	**4,769**	**7,119**
Margin (%)	*7.4*	*7.5*	*7.2*	*10.8*
Net Interest	1,079	1,061	1,368	1,232
Other Income	233	77	197	337
Profit before Tax	**3,406**	**2,881**	**3,288**	**6,223**
Margin (%)	*6.0*	*5.3*	*5.0*	*9.4*
Total Tax	888	792	755	1,552
Effective Tax Rate (%)	*26.1*	*27.5*	*23.0*	*24.9*
Profit After Tax	**2,517**	**2,089**	**2,533**	**4,672**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	1	3
Adjusted PAT	**2,517**	**2,276**	**2,780**	**4,675**
YoY gr. (%)	*29.8*	*30.1*	*11.2*	*77.8*
Margin (%)	*4.4*	*4.2*	*4.2*	*7.1*
Extra Ord. Income / (Exp)	-	(187)	(245)	-
Reported PAT	**2,517**	**2,089**	**2,534**	**4,675**
YoY gr. (%)	*29.8*	*19.4*	*1.4*	*77.8*
Margin (%)	*4.4*	*3.8*	*3.8*	*7.1*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**2,517**	**2,089**	**2,534**	**4,675**
Avg. Shares O/s (mn)	40	40	40	40
EPS (INR)	**62.7**	**56.7**	**69.2**	**116.4**

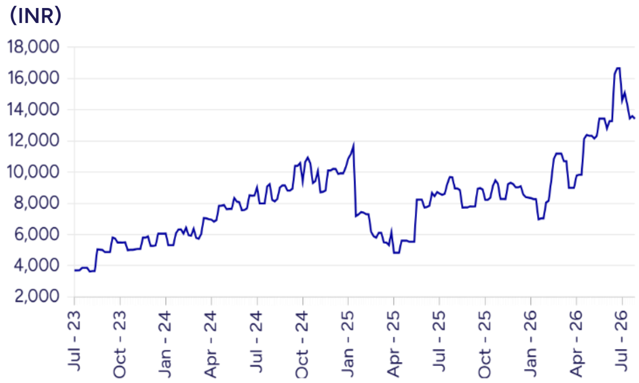
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	204.5	253.8	361.1	403.7
CEPS	237.4	293.9	411.7	463.5
BVPS	1,121.2	1,342.7	1,595.5	1,878.1
FCF	194.4	57.5	268.1	318.0
DPS	40.0	40.0	108.3	121.1
Return Ratio (%)				
RoCE	30.0	30.4	34.1	32.6
ROIC	28.0	26.2	29.7	28.6
RoE	19.6	20.6	24.6	23.2
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	38	42	32	33
Valuation (x)				
PER	67.9	54.7	38.4	34.4
P/B	12.3	10.3	8.7	7.3
P/CEPS	58.5	47.2	33.7	29.9
EV/EBITDA	35.8	29.4	21.8	19.5
EV/Sales	2.9	2.4	1.9	1.6
Dividend Yield (%)	0.2	0.2	0.7	0.8
FCFF Yield (%)	1.3	0.4	1.9	2.2
PEG Ratio	(147.2)	2.2	0.9	2.9

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	Hold	13310	13443
2	29-May-26	Hold	13309	13426
3	09-Apr-26	Accumulate	9629	10767
4	17-Mar-26	Accumulate	9629	9119
5	29-Jan-26	BUY	9629	7695
6	07-Jan-26	Hold	9431	8184
7	29-Dec-25	Hold	9744	8625
8	31-Oct-25	Hold	9744	9252
9	07-Oct-25	Hold	9540	8531
10	22-Sep-25	Hold	9540	8880

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	6523	6772
2	Apar Industries	Hold	13310	13443
3	BEML	Accumulate	1940	1776
4	Bharat Electronics	Accumulate	453	408
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	2002	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	4632	3892
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

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