Q4FY26 Result Update

Apar Industries (APR IN)

May 29, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Hold		Accumulate	
Target Price	13,309		9,629	
Sales (INR mn)	281,583	328,372	274,783	307,681
% Chng.	*2.5*	*6.7*		
EBITDA (INR mn)	22,473	26,841	21,522	24,858
% Chng.	*4.4*	*8.0*		
EPS (INR)	304.2	372.0	295.1	345.6
% Chng.	*3.1*	*7.6*		

Key Data	APAR.BO | APR IN
BSE Code	532259
NSE Code	APARINDS
52-W High / Low	INR 13,590 / INR 6,800
Face Value	10
Sensex / Nifty	75,868 / 23,907
Market Cap	INR 539 bn / $ 5,635 mn
Shares Outstanding	40.17 mn
3M Avg. Daily Value	INR 1,488.82 mn

Shareholding Pattern (%)

Promoters	57.77
FIIs	9.35
MF	21.55
DII	1.66
Public & Others	9.68
Promoter's Pledge	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	10.6	20.1	46.8	75.6
Relative	12.7	28.7	65.9	88.8

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	185,812	229,021	281,583	328,372
EBITDA (INR mn)	15,474	18,994	22,473	26,841
Margin (%)	*8.3*	*8.3*	*8.0*	*8.2*
PAT (INR mn)	8,213	10,193	12,223	14,947
EV (INR mn)	535,452	541,092	541,387	540,308
Total Debt (INR mn)	5,847	9,555	10,355	10,105
C&C Eq. (INR mn)	6,864	6,688	7,193	8,022
EPS (INR)	204.5	253.8	304.3	372.1
Gr. (%)	*(0.5)*	*24.1*	*19.9*	*22.3*
DPS (INR)	40.0	40.0	91.3	111.6
Yield (%)	*0.3*	*0.3*	*0.7*	*0.8*
RoE (%)	*19.6*	*20.6*	*21.0*	*22.1*
RoCE (%)	*30.0*	*30.4*	*30.0*	*31.4*
EV/Sales (x)	2.9	2.4	1.9	1.6
EV/EBITDA (x)	34.6	28.5	24.1	20.1
PE (x)	65.7	52.9	44.1	36.1
P/BV (x)	12.0	10.0	8.6	7.4

Strong T&D tailwinds anchor long term outlook

Quick Pointers

- US revenues grew 28.8% YoY in Q4FY26 driven by recovery in demand, improved tariff visibility and normalization in customer ordering activity
- Apar announced a capex of ~Rs15bn, to be invested in Conductors (Rs4.0bn), Cables (Rs8.5bn), Specialty Oils (Rs2.0bn) in FY27

We revise our EPS estimates by +3.1%/+7.6% for FY27E/FY28E factoring in improving premium product mix in conductors, healthy demand visibility across conductors and cables, improving US traction supported by data centre and grid modernization investments, and higher growth capex across key businesses. Apar Industries (APR) reported 26.7% YoY revenue growth while EBITDA margin contracted by 93bps YoY to 7.9% (adj for one-offs) likely due to elevated freight and insurance costs, higher specialty polymer prices and supply chain disruptions arising from the Middle East conflict. Conductors' business continued to benefit from renewable evacuation, reconductoring, grid modernization and upcoming HVDC opportunities, with premium products contributing over 50% of the order book (Rs76.7bn), while US demand improved supported by data-centre investments and transmission infrastructure spending. The cables business also witnessed healthy traction across renewables, utilities, railways, defence and data centres, with the company already supplying to multiple hyperscale US data-centre projects. However, the specialty oils business remained impacted by refinery curtailments, elevated freight costs, supply-chain disruptions and delayed customer ordering activity amid Middle East disruptions, which are expected to weigh on near-term margins and volumes. Despite temporary headwinds from elevated commodity prices, logistics costs and shipment delays management revised upwards its conductors' EBITDA/MT guidance to ~Rs35,000-36,000MT along with ~10% volume growth and cables (~25% YoY revenue growth) supported by strong demand visibility in domestic and the US for FY27. Additionally, the sharply increased FY27 capex plan (~Rs15bn) across conductors (Rs4bn), cables (Rs8.5bn) and specialty oils (Rs2bn) reflects confidence in the multi-year opportunity across transmission, renewables, data centres and grid modernization.

Quarter Summary

Y/e Mar	Q4'26E	Q4'26A	*% Var.*	Q4'25A	*YoY gr. (%)*
Net Sales (INR mn)	63,442	66,028	*4.1*	52,098	*26.7*
EBITDA (INR mn)	4,884	5,194	*6.3*	4,582	*13.3*
Margin (%)	*7.7*	*7.9*	*17 bps*	*8.8*	*-93 bps*
PAT (INR mn)	3,182	2,780	*-12.7*	2,500	*11.2*

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, we remain positive on the company's long-term growth outlook 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. The stock is currently trading at a PE of 52.9x/43.4x on the earning of FY27/28E. We downgrade our rating from 'Accumulate' to 'HOLD' given the rise in stock price. We value the Conductors/Cables/Specialty Oils segment at a PE of 40x/40x/15x Mar'28E (34x/34x/12x Sep'27E) arriving at a revised SoTP-derived TP of Rs13,309 (Rs9,629 earlier).

Strong domestic sales drive topline growth: Consolidated revenue rose 26.7% YoY to Rs66bn (PLe: Rs63.4bn). Revenue mix stood at Conductors ~57%/ Speciality Oil ~20%/ Cables ~29%. Domestic/export mix stood at 72/28% (vs 69/31% in Q4FY25). EBITDA increased by 13.3% YoY to Rs5.2bn (PLe: Rs4.9bn). EBITDA margin contracted by 93bps YoY to 7.9% due to lower gross margin, marginal higher other expenses and employee expenses. Adj.PBT increased by 5.8% YoY to Rs3.6bn despite of higher interest expenses (+37.3% YoY to Rs1.4bn). Adj. PAT grew by 11.2% YoY to Rs2.8bn (PLe: Rs2.8bn) aided by lower effective tax rate (352bps YoY to 23%). Q4 had one-offs of Rs310mn due to additional impact in the new wage code on gratuity and leave encashment, MTM impact of ECB loan and provision for an old legal case

T-oil volumes impacted due to war: Conductors revenue grew 29.9% YoY to Rs37.6bn likely driven by higher realisations (+19% Yoy) while US revenue growth remained at par vs Q4FY25. Conductors EBITDA/MT came in at Rs44,919 (PLe: Rs39,162), while EBITDA margin stood at 7.8% (vs 8.2% in Q4FY25). Premium product mix stood at 49.3% (vs 45.9% in Q4FY25. Specialty Oils revenue was up 4.9% YoY to Rs13.1bn, with volumes remain flattish YoY due to war. Specialty Oils EBITDA/KL came in at Rs5,942 (PLe: Rs5,917) and EBITDA margin contracted to 6.4% (vs 7.0% in Q4FY25). Cables revenue increased by 35% YoY to Rs19bn primarily driven by exports (+33.6% YoY) and US sales up by (+52.2% YoY). Cables EBITDA margin remained flattish YoY at 10.6%.

Exhibit 1 : Revenue grew by 26.7% to Rs66bn while EBITDA margin contracted by 93bps to 7.9%

Y/e March (INR mn)	Q4FY26	Q4FY25	YoY gr.	Q4FY26E	% Var.	Q3FY26	QoQ gr.	FY26	FY25	YoY gr.
Revenue	**66,028**	**52,098**	***26.7%***	**63,442**	***4.1%***	**54,797**	***20.5%***	**2,29,021**	**1,85,812**	***23.3%***
Gross Profit	14,157	11,228	*26.1%*	13,850	*2.2%*	10,802	*31.1%*	48,113	38,419	*25.2%*
Margin (%)	*21.4*	*21.6*	*(11)*	*21.8*	*(39.0)*	*19.7*	*173*	*21.0*	*20.7*	*33*
Employee Cost	1,143	784	*45.8%*	962	*18.7%*	1,091	*4.7%*	4,279	3,378	*26.7%*
as % of sales	*1.7*	*1.5*	*23*	*1.5*	*21.4*	*2.0*	*(26)*	*1.9*	*1.8*	*5*
Other expenditure	7,821	5,863	*33.4%*	8,004	*-2.3%*	5,266	*48.5%*	24,840	19,567	*26.9%*
as % of sales	*11.8*	*11.3*	*59*	*12.6*	*(77.2)*	*9.6*	*223*	*10.8*	*10.5*	*32*
EBITDA	**5,194**	**4,582**	***13.3%***	**4,884**	***6.3%***	**4,444**	***16.9%***	**18,994**	**15,474**	***22.7%***
Margin (%)	*7.9*	*8.8*	*(93)*	*7.7*	*16.8*	*8.1*	*(24)*	*8.3*	*8.3*	*(3)*
Depreciation	425	356	*19.3%*	433	*-1.8%*	406	*4.7%*	1,611	1,322	*21.9%*
EBIT	**4,769**	**4,226**	***12.8%***	**4,451**	***7.1%***	**4,039**	***18.1%***	**17,383**	**14,153**	***22.8%***
Margin (%)	*7.2*	*8.1*	*(89)*	*7.0*	*20.7*	*7.4*	*(15)*	*7.6*	*7.6*	*(3)*
Other Income	197	171	*15.1%*	264	*-25.4%*	153	*28.8%*	648	994	*-34.8%*
Interest	1,368	997	*37.3%*	1,023	*33.7%*	1,061	*28.9%*	4,371	4,089	*6.9%*
PBT (ex. Extra-ordinaries)	**3,598**	**3,401**	***5.8%***	**3,692**	***-2.5%***	**3,131**	***14.9%***	**13,660**	**11,058**	***23.5%***
Margin (%)	5.4	6.5	*(108)*	5.8	*(37.0)*	5.7	*(26)*	6.0	6.0	*1*
Extraordinary Items	(311)	-		-	-	(250)	-	(560)	-	-
PBT	**3,288**	**3,401**	***-3.3%***	**3,692**	***-11.0%***	**2,881**	***14.1%***	**13,099**	**11,058**	***18.5%***
Total Tax	755	901	*-16.2%*	895	-	792	*-4.6%*	3,331	2,843	*17.1%*
Effective Tax Rate (%)	*23.0*	*26.5*	*(352)*	*24.2*	-	*27.5*	*(452)*	*25.4*	*25.7*	*(29)*
Reported PAT	**2,533**	**2,500**	***1.3%***	**2,798**	***-9.5%***	**2,089**	***21.2%***	**9,768**	**8,214**	***18.9%***
Adj. PAT	**2,780**	**2,500**	***11.2%***	**2,798**	***-0.6%***	**2,276**	***22.1%***	**10,192**	**8,214**	***24.1%***
Margin (%)	*4.2*	*4.8*	*(59)*	*4.4*	*(20.0)*	*4.2*	*6*	*4.5*	*4.4*	*3*
Adj. EPS	**69.2**	**62.2**	***11.2%***	**69.6**	***-0.6%***	**56.7**	***22.1%***	**253.7**	**204.5**	***24.1%***

Source: Company, PL

Exhibit 2 : Higher realization likely drove Conductors' growth while T-oil volumes impacted due to Middle East war

Y/e March (INR mn)	Q4FY26	Q4FY25	YoY gr.	Q4FY26E	% Var.	Q3FY26	QoQ gr.	FY26	FY25	YoY gr.
Conductors										
Volume (MT)	64,956	59,593	*9.0%*	64,808	*0.2%*	56,762	*14.4%*	2,41,787	2,22,684	*8.6%*
Revenue (INR mn)	37,642	28,983	*29.9%*	34,760	*8.3%*	30,629	*22.9%*	1,27,120	95,820	*32.7%*
EBITDA Adj (INR mn)	2,920	2,470	*18.2%*	2,538	*15.0%*	2,510	*16.3%*	10,410	8,170	*27.4%*
EBITDA margin (%)	*7.8*	*8.5*	*(76)*	*7.3*	*46*	*8.2*	*(44)*	*8.2*	*8.5*	*(34)*
EBITDA Adj. (Rs/MT)	44,919	41,430	*8.4%*	39,162	*14.7%*	44,195	*1.6%*	38,095	38,885	*-2.0%*
Transformer & Specialty Oils										
Volume (KL)	1,49,840	1,49,840	*0.0%*	1,62,391	*-7.7%*	1,72,603	*-13.2%*	6,32,591	5,79,642	*9.1%*
Revenue (INR mn)	13,109	12,501	*4.9%*	14,291	*-8.3%*	14,579	*-10.1%*	53,731	50,864	*5.6%*
EBITDA Adj (INR mn)	840	880	*-4.5%*	961	*-12.6%*	920	*-8.7%*	3,750	3,560	*5.3%*
EBITDA margin (%)	*6.4*	*7.0*	*(63)*	*6.7*	*(32)*	*6.3*	*10*	*7.0*	*7.0*	*(2)*
EBITDA Adj. (Rs/KL)	5,656	5,873	*-3.7%*	5,917	*-4.4%*	5,331	*6.1%*	6,178	5,275	*17.1%*
Cables										
Revenue (INR mn)	19,033	14,103	*35.0%*	16,669	*14.2%*	13,619	*39.8%*	62,200	49,447	*25.8%*
EBITDA Adj (INR mn)	2,020	1,500	*34.7%*	1,673	*20.7%*	1,320	*53.0%*	6,330	4,975	*27.2%*
EBITDA margin (%)	*10.6*	*10.6*	*(2)*	*10.0*	*58*	*9.7*	*92*	*10.2*	*10.1*	*11*

Source: Company, PL

Exhibit 3 : SoTP valuation- valuing Conductors/Cables/Specialty Oil segment at 40x/40x/15x Mar'28E

	Segmental PAT (INR mn)	Valuation basis	Target multiple (X)	Targeted Value (INR mn)	Value/Share
Conductors Segment	5,537	P/E	40	2,21,463	5,513
Cables Segment	7,014	P/E	40	2,80,556	6,985
Speciality Oil Segment	2,172	P/E	15	32,583	811
Total Target (Rs. Mn)				**5,34,603**	**13,309**

Source: Company, PL

Conference Call Highlights:

- **Guidance:** Company maintained medium-term conductor EBITDA guidance of Rs35,000–36,000/MT while reiterating ~10% conductor volume growth and ~25% cables growth aspirations. Apar has also front-loaded capex plans (~Rs15bn for FY27) reflecting strong confidence in the multi-year energy infrastructure opportunity across India and the US. Management highlighted near-term softness in ordering activity due to elevated metal prices, higher freight costs and Middle East-related disruptions; however, structural demand outlook remains robust led by renewables, transmission expansion, data centers and grid modernization

- **Conductors:** Performance driven by riven by higher volumes, improved product mix and elevated commodity prices. Domestic revenues grew 34.8% YoY while exports increased 14.6% YoY with strong sequential recovery in US business. Management highlighted strong medium-term demand visibility driven by renewable evacuation, reconductoring opportunities, grid modernization and upcoming HVDC projects, with execution likely to continue through FY27/FY28. Premium products now account for over 50% of the order book, reflecting rising utility preference for high-efficiency conductors. US business witnessed strong recovery during Q4FY26 supported by improved tariff visibility and rising investments in data centers and transmission infrastructure. Despite near-term challenges from elevated metal prices, higher freight costs and delayed project execution, management maintained medium-to-long term EBITDA guidance of Rs35,000–36,000/MT plus treasury income while targeting ~10% annual volume growth.

- **Specialty oils business** faced significant operational challenges during Q4FY26 due to Middle East disruptions, impacting supply chains, freight availability and customer ordering activity. Management highlighted that exports were severely affected during March-April as major refineries curtailed production while freight, packing and insurance costs increased sharply. The company temporarily stopped fresh order booking in March and focused on execution of pending orders amid uncertainty in pricing and supply availability. Supplies from key refineries reportedly declined by ~50% during April, though conditions have gradually started normalizing from May onwards at higher pricing levels. Management indicated that near-term margins and volumes could remain impacted by elevated logistics costs and supply-side constraints, though long-term demand outlook remains healthy driven by strong transformer demand, renewable integration and transmission infrastructure expansion.

- **Cables business:** Cables business delivered healthy performance driven by robust domestic demand and recovery in export execution. Domestic and export revenues both grew 33.6% YoY while US revenues increased 52.2% YoY aided by improved tariff visibility and normalization in customer ordering activity. Margins remained healthy supported by favorable product mix and higher contribution from specialty and medium voltage cables. Management highlighted strong demand traction across renewable energy, utilities, railways, defence, industrial capex and data centers, with Apar already supplying to three major US data center projects. The company continues to see strong opportunities from AI-led hyperscaler investments and grid modernization in the US, supporting long-term demand visibility for medium voltage and specialty cables. To capitalize on the opportunity, Apar is expanding medium voltage rubber and XLPE cable capacities as part of its aggressive FY27 capex plans while reiterating ~25% growth aspiration for the cables business.

- **Capex & Capacity Expansion:** Apar increased its FY27 capex guidance to ~Rs15bn versus ~Rs7.4bn incurred in FY26, reflecting strong confidence in long-term demand visibility across transmission, renewables, data centers and specialty cables. Segment-wise capex allocation includes ~Rs8.5bn for cables, ~Rs4bn for conductors and ~Rs2bn for specialty oils. The company is expanding medium voltage rubber and XLPE cable capacities along with renewable, railway, defence and specialty cable capacities, while conductor capex is focused on premium products and export opportunities. Management highlighted that capex has been front-loaded considering longer equipment delivery cycles and strong multi-year growth opportunity across India and the US.

- **US Market:** Management highlighted strong long-term growth opportunity in the US driven by data center expansion, grid modernization, renewable energy investments and transmission infrastructure upgrades. US business witnessed recovery during Q4FY26 aided by improved tariff visibility and normalization in customer ordering activity post Section 232 tariff rationalization. Apar has already supplied to three major US data center projects and continues to see strong traction from AI-led hyperscaler investments. Management expects meaningful growth in US revenues across both cables and conductors over FY27/FY28 despite near-term headwinds from elevated freight costs and higher commodity prices.

- **Supply Chain & Logistics:** Management highlighted significant supply chain disruptions during Q4FY26 due to Middle East conflict, resulting in elevated freight costs, higher insurance premiums, container shortages and delays in shipment execution. Specialty polymer availability for cables remained impacted while transformer oil exports witnessed disruption amid refinery curtailments and lower product availability. Customers across segments also delayed ordering and delivery schedules due to volatile metal prices and logistics uncertainty. While supply conditions have gradually started normalizing from May onwards, management expects near-term pressure on volumes and margins due to elevated logistics and raw material costs.

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**185,812**	**229,021**	**281,583**	**328,372**
YoY gr. (%)	*15.0*	*23.3*	*23.0*	*16.6*
Cost of Goods Sold	147,393	180,909	221,237	256,413
Gross Profit	38,419	48,113	60,346	71,960
Margin (%)	*20.7*	*21.0*	*21.4*	*21.9*
Employee Cost	3,378	4,279	5,068	6,042
Other Expenses	19,567	24,840	32,804	39,076
EBITDA	**15,474**	**18,994**	**22,473**	**26,841**
YoY gr. (%)	*1.6*	*22.7*	*18.3*	*19.4*
Margin (%)	*8.3*	*8.3*	*8.0*	*8.2*
Depreciation and Amortization	1,322	1,611	2,031	2,402
EBIT	**14,153**	**17,383**	**20,441**	**24,439**
Margin (%)	*7.6*	*7.6*	*7.3*	*7.4*
Net Interest	4,089	4,371	5,099	5,684
Other Income	994	648	1,042	1,281
Profit Before Tax	**11,058**	**13,099**	**16,384**	**20,036**
Margin (%)	*6.0*	*5.7*	*5.8*	*6.1*
Total Tax	2,843	3,331	4,162	5,089
Effective Tax Rate (%)	*25.7*	*25.4*	*26.0*	*26.0*
Profit After Tax	**8,214**	**9,768**	**12,223**	**14,947**
Minority Interest	-	-	-	-
Share Profit from Associate	(1)	1	-	-
Adjusted PAT	**8,213**	**10,193**	**12,223**	**14,947**
YoY gr. (%)	*-*	*24.1*	*19.9*	*22.3*
Margin (%)	*4.4*	*4.5*	*4.3*	*4.6*
Extra Ord. Income / (Exp)	-	(424)	-	-
Reported PAT	**8,213**	**9,769**	**12,223**	**14,947**
YoY gr. (%)	*-*	*19.0*	*25.1*	*22.3*
Margin (%)	*4.4*	*4.3*	*4.3*	*4.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	8,213	9,769	12,223	14,947
Equity Shares O/s (mn)	**40**	**40**	**40**	**40**
EPS (INR)	**204.5**	**253.8**	**304.3**	**372.1**

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	1,689	1,970
Current Assets				
Investments	2,084	443	443	443
Inventories	33,105	41,528	50,145	57,578
Trade Receivables	41,933	53,373	58,631	70,173
Cash & Bank Balance	7,610	7,319	7,825	8,654
Other Current Assets	8,526	8,406	9,574	11,165
Total Assets	**112,636**	**137,113**	**165,153**	**189,624**
Equity				
Equity Share Capital	402	402	402	402
Other Equity	44,634	53,532	62,088	72,550
Total Networth	**45,035**	**53,934**	**62,490**	**72,952**
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	84,089	98,062
Other Current Liabilities	6,235	4,805	7,958	8,244
Total Equity & Liabilities	**112,636**	**137,113**	**165,153**	**189,624**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	11,058	13,099	16,384	20,036
Add. Depreciation	1,322	1,611	2,031	2,402
Add. Interest	2,583	2,854	5,099	5,684
Less Financial Other Income	994	648	1,042	1,281
Add. Other	569	639	-	-
Op. Profit before WC Changes	15,531	18,203	23,515	28,122
Net Changes-WC	63	(4,807)	4,118	(6,786)
Direct Tax	2,689	3,720	4,162	5,089
Net Cash from Op. Activities	**12,906**	**9,676**	**23,472**	**16,247**
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)	(3,667)	(4,484)
Interest Paid	(2,701)	(2,706)	(5,099)	(5,684)
Others	-	-	-	-
Net Cash from Fin. Activities	**(4,829)**	**(4,331)**	**(7,966)**	**(10,418)**
Net Change in Cash	**1,029**	**(236)**	**506**	**829**
Free Cash Flow	7,809	2,309	8,472	11,247

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Net Revenues	**51,042**	**57,154**	**54,797**	**66,028**
YoY gr. (%)	*27.3*	*23.1*	*16.2*	*26.7*
Raw Material Expenses	40,332	44,710	43,996	51,871
Gross Profit	10,709	12,445	10,802	14,157
Margin (%)	*21.0*	*21.8*	*19.7*	*21.4*
EBITDA	**4,523**	**4,609**	**4,444**	**5,194**
YoY gr. (%)	*20.1*	*29.3*	*24.8*	*13.3*
Margin (%)	*8.9*	*8.1*	*8.1*	*7.9*
Depreciation / Depletion	382	399	406	425
EBIT	**4,140**	**4,210**	**4,039**	**4,769**
Margin (%)	*8.1*	*7.4*	*7.4*	*7.2*
Net Interest	863	1,079	1,061	1,368
Other Income	248	274	153	197
Profit before Tax	**3,525**	**3,406**	**2,881**	**3,288**
Margin (%)	*6.9*	*6.0*	*5.3*	*5.0*
Total Tax	896	888	792	755
Effective Tax Rate (%)	*25.4*	*26.1*	*27.5*	*23.0*
Profit After Tax	**2,629**	**2,517**	**2,089**	**2,533**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	1
Adjusted PAT	**2,629**	**2,517**	**2,276**	**2,780**
YoY gr. (%)	*29.8*	*29.8*	*30.1*	*11.2*
Margin (%)	*5.2*	*4.4*	*4.2*	*4.2*
Extra Ord. Income / (Exp)	-	-	(187)	(245)
Reported PAT	**2,629**	**2,517**	**2,089**	**2,534**
YoY gr. (%)	*29.8*	*29.8*	*19.5*	*1.4*
Margin (%)	*5.2*	*4.4*	*3.8*	*3.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**2,629**	**2,517**	**2,089**	**2,534**
Avg. Shares O/s (mn)	40	40	40	40
EPS (INR)	**65.4**	**62.7**	**56.7**	**69.2**

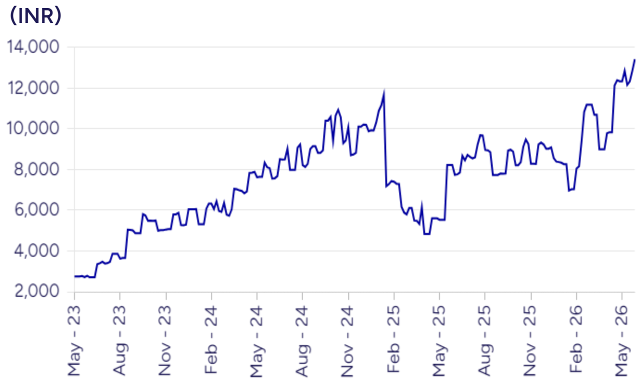
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	204.5	253.8	304.3	372.1
CEPS	237.4	293.9	354.9	431.9
BVPS	1,121.2	1,342.7	1,555.7	1,816.2
FCF	194.4	57.5	210.9	280.0
DPS	40.0	40.0	91.3	111.6
Return Ratio (%)				
RoCE	30.0	30.4	30.0	31.4
ROIC	28.0	26.2	25.5	26.5
RoE	19.6	20.6	21.0	22.1
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	38	42	32	33
Valuation (x)				
PER	65.6	52.9	44.1	36.0
P/B	11.9	9.9	8.6	7.3
P/CEPS	56.5	45.6	37.8	31.0
EV/EBITDA	34.6	28.4	24.0	20.1
EV/Sales	2.8	2.3	1.9	1.6
Dividend Yield (%)	0.2	0.2	0.6	0.8
FCFF Yield (%)	1.4	0.4	1.5	2.0
PEG Ratio	(142.3)	2.1	2.2	1.6

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	09-Apr-26	Accumulate	9629	10767
2	17-Mar-26	Accumulate	9629	9119
3	29-Jan-26	BUY	9629	7695
4	07-Jan-26	Hold	9431	8184
5	29-Dec-25	Hold	9744	8625
6	31-Oct-25	Hold	9744	9252
7	07-Oct-25	Hold	9540	8531
8	22-Sep-25	Hold	9540	8880
9	30-Jul-25	Hold	9540	9682
10	09-Jul-25	Accumulate	7825	8600

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	6523	7013
2	Apar Industries	Accumulate	9629	10767
3	BEML	Accumulate	1922	1603
4	Bharat Electronics	Accumulate	453	413
5	BHEL	REDUCE	321	377
6	Carborundum Universal	REDUCE	986	1102
7	Cummins India	Hold	4182	4907
8	Elgi Equipments	Accumulate	603	500
9	Engineers India	Buy	271	216
10	GE Vernova T&D India	Accumulate	4650	4385
11	Grindwell Norton	Accumulate	1887	1680
12	Harsha Engineers International	Hold	461	439
13	Hindustan Aeronautics	BUY	5423	4386
14	Hitachi Energy India	REDUCE	30768	35995
15	Ingersoll-Rand (India)	Buy	4589	3798
16	Kalpataru Projects International	BUY	1466	1258
17	KEC International	Accumulate	558	499
18	Kirloskar Pneumatic Company	BUY	1715	1448
19	Larsen & Toubro	BUY	4632	4055
20	Praj Industries	Accumulate	340	337
21	Siemens	ACCUMULATE	3409	3223
22	Siemens Energy India	Accumulate	3274	3086
23	Thermax	REDUCE	3969	4678
24	Triveni Turbine	HOLD	638	638
25	Voltamp Transformers	Accumulate	10503	10002

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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