

# BHEL (BHEL IN)

**Q4FY26 Result Update**

May 04, 2026

Estimate Change |  Target |  Reco.

## Change in Estimates

|                 | Current |         | Previous |         |
|-----------------|---------|---------|----------|---------|
|                 | FY27E   | FY28E   | FY27E    | FY28E   |
| Rating          | Reduce  |         | HOLD     |         |
| Target Price    | 321     |         | 245      |         |
| Sales (INR mn)  | 433,761 | 534,887 | 433,761  | 517,132 |
| % Chng.         | -       | 3.4     |          |         |
| EBITDA (INR mn) | 46,716  | 70,445  | 46,468   | 66,296  |
| % Chng.         | 0.5     | 6.3     |          |         |
| EPS (INR)       | 9.3     | 13.9    | 9.3      | 12.9    |
| % Chng.         | -       | 7.8     |          |         |

## Key Data

BHEL.BO | BHEL IN

|                     |                             |
|---------------------|-----------------------------|
| BSE Code            | -                           |
| NSE Code            | -                           |
| 52-W High / Low     | INR 399 / INR 205           |
| Face Value          | 2                           |
| Sensex / Nifty      | 77,269 / 24,119             |
| Market Cap          | INR 1,313 bn / \$ 13,807 mn |
| Shares Outstanding  | 3482.06 mn                  |
| 3M Avg. Daily Value | INR 4,645.31 mn             |

## Shareholding Pattern (%)

|                   |       |
|-------------------|-------|
| Promoters         | 58.17 |
| FIIs              | 7.23  |
| MF                | 12.88 |
| DII               | 11.09 |
| Public and Others | 10.63 |
| Promoter's Pledge | -     |

## Stock Performance (%)

|          | 1M   | 3M   | 6M   | 12M  |
|----------|------|------|------|------|
| Absolute | 52.0 | 38.3 | 41.1 | 67.9 |
| Relative | 44.2 | 50.0 | 52.4 | 74.9 |

## Key Financials - Standalone

| Y/e Mar             | FY25      | FY26      | FY27E     | FY28E     |
|---------------------|-----------|-----------|-----------|-----------|
| Sales (INR mn)      | 283,395   | 337,822   | 433,761   | 534,887   |
| EBITDA (INR mn)     | 12,416    | 23,422    | 46,716    | 70,445    |
| Margin (%)          | 4.4       | 6.9       | 10.8      | 13.2      |
| PAT (INR mn)        | 5,130     | 15,780    | 32,515    | 48,666    |
| EV (INR mn)         | 1,326,934 | 1,276,115 | 1,269,011 | 1,262,727 |
| Total Debt (INR mn) | 90,146    | 81,870    | 76,870    | 76,870    |
| C&C Eq. (INR mn)    | 4,392     | 14,355    | 16,459    | 22,743    |
| EPS (INR)           | 1.5       | 4.5       | 9.3       | 14.0      |
| Gr. (%)             | 97.4      | 207.6     | 106.1     | 49.7      |
| DPS (INR)           | 0.3       | 0.3       | 0.9       | 1.4       |
| Yield (%)           | 0.1       | 0.1       | 0.2       | 0.4       |
| RoE (%)             | 2.1       | 6.1       | 11.6      | 15.2      |
| RoCE (%)            | 2.9       | 5.9       | 12.0      | 16.9      |
| EV/Sales (x)        | 4.7       | 3.8       | 2.9       | 2.4       |
| EV/EBITDA (x)       | 106.9     | 54.5      | 27.2      | 17.9      |
| PE (x)              | 255.9     | 83.2      | 40.4      | 27.0      |
| P/BV (x)            | 5.2       | 5.0       | 4.4       | 3.8       |

Healthy Q4; execution momentum remains monitorable

## Quick Pointers

- Order book for FY26 stood at ~ INR2.4trn (7.1x TTM revenue) comprising of Power (79%), Industry (18%) and Exports (3%)
- Total of 8.9GW Power projects were executed, with 94% from domestic and 6% from exports
- Net provision for FY26 stood at (INR1.7bn) (vs INR1.6bn in FY25)

We revise our FY28E EPS estimate by +7.8% accounting for improvement in execution and normalization in provision. BHEL delivered a strong Q4FY26 performance with revenue growth of 36.9% YoY, driven by robust execution of its order backlog, while EBITDA margin expanded 499bps YoY to 14.2% supported by lower other expenses. The Power segment remained the key growth driver, with ~54% YoY revenue growth backed by execution of a healthy order book of ~INR1.7trn, while order book further strengthen by recent key order win of INR135bn EPC package (3x800MW) from NTPC in Q4. BHEL has successfully commissioned 8.9GW of power capacity in FY26 reinforcing its positioning in the thermal space. The Industrial segment witnessed some moderation in growth, although order inflows remained healthy (~INR54bn) driven by across sectors such as transmission, transportation, process industries and industrial equipment. Recent easing in localisation norms for HVDC (LCC) is expected to support execution of key HVDC projects. With a robust order book of ~INR2.4trn, BHEL offers strong multi-year revenue visibility; however, sustained execution momentum and provision numbers remain a key monitorable. The stock is currently trading at P/E of 40.4x/27.0x on FY27E/FY28E. We roll forward to Mar'28E and downgrade the stock from 'Hold' to 'Reduce' given the recent rally in stock, with a TP of Rs321 (Rs245 earlier) valuing the stock at a PE of 23x Mar'28E (22x Sep'27E earlier). Downgrade to 'Reduce'.

**Long term view:** We believe 1) large thermal power order pipeline, 2) diversification into railways, defense, green hydrogen, coal gasification, etc., and 3) growing spares & services business could augurs well for BHEL. However, execution pace and balance sheet health continues to be key monitorable

## Quarter Summary

| Y/e Mar            | Q4'26E   | Q4'26A   | % Var.  | Q4'25A | YoY gr. (%) |
|--------------------|----------|----------|---------|--------|-------------|
| Net Sales (INR mn) | 1,13,585 | 1,23,104 | 8.0     | 89,934 | 37.0        |
| EBITDA (INR mn)    | 11,852   | 17,531   | 48.0    | 8,317  | 111.0       |
| Margin (%)         | 10.4     | 14.2     | 380 bps | 9.2    | 500 bps     |
| PAT (INR mn)       | 7,972    | 12,827   | 61.0    | 5,040  | 155.0       |

Source: Company, PL

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**Healthy execution in power helped improved operating performance:** Standalone revenue grew by 36.9% YoY to INR123.1bn (PLe: INR113.6bn) led by growth in Power segments (+53.6% YoY to INR95.1bn) while Industry segments growth remains flattish YoY to INR28.0bn. Gross margin expanded by 104bps YoY to 34.8% (PLe: 34.0%) likely due to favourable product mix. EBITDA increased by 110.8% YoY to INR17.5bn (PLe: INR11.9bn) with EBITDA margins expanded by 500bps YoY to 14.2% (PLe: 10.4%) aided by lower other expenses (-19% YoY to INR5.4bn) and gross margin expansion partially offset by higher employee expenses (+30%YoY). Adj. PAT increased by 154.5% to INR12.8bn (PLe: INR8bn) driven by increase in other income (+58.8% YoY to INR2.5bn) and lower effective rate (-299bps YoY to 25.4%).

**Order book stands at ~INR2.4trn (7.1x TTM revenue):** Order intake decreased by ~33% YoY to ~INR300bn (against higher base in Q4FY25). Order book stands at ~INR2.4trn (7.1x TTM revenue) comprising of Power (80%), Industry (18%) and Exports (1%).

**Exhibit 1 : EBITDA margin expanded by 499bps YoY aided by better gross margin and lower other expenses (-19% YoY to INR5.4bn).**

| Rs mn                             | Q4FY26        | Q4FY25       | YoY gr.%      | Q4FY26E       | %Var.        | Q3FY26       | QoQ gr.%      | FY26          | FY25          | YoY gr.%      |
|-----------------------------------|---------------|--------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Revenue                           | 1,23,104      | 89,934       | 36.9%         | 1,13,585      | 8.4%         | 84,731       | 45.3%         | 3,37,822      | 2,83,395      | 19.2%         |
| Gross Profit                      | 42,897        | 30,401       | 41.1%         | 38,650        | 11.0%        | 26,107       | 64.3%         | 1,07,991      | 94,943        | 13.7%         |
| Margin (%)                        | 34.8          | 33.8         | 104           | 34.0          | 82           | 30.8         | 403           | 32.0          | 33.5          | (154)         |
| Employee Cost                     | 19,945        | 15,394       | 29.6%         | 15,676        | 27.2%        | 15,307       | 30.3%         | 64,676        | 59,234        | 9.2%          |
| as % of sales                     | 16.2          | 17.1         | (91)          | 13.8          | 240          | 18.1         | (186)         | 19.1          | 20.9          | (176)         |
| Other expenditure                 | 5,422         | 6,691        | -19.0%        | 11,122        | -51.3%       | 5,347        | 1.4%          | 19,893        | 23,293        | -14.6%        |
| as % of sales                     | 4.4           | 7.4          | (304)         | 9.8           | (539)        | 6.3          | (191)         | 5.9           | 8.2           | (233)         |
| <b>EBITDA</b>                     | <b>17,531</b> | <b>8,317</b> | <b>110.8%</b> | <b>11,852</b> | <b>47.9%</b> | <b>5,453</b> | <b>221.5%</b> | <b>23,422</b> | <b>12,416</b> | <b>88.6%</b>  |
| Margin (%)                        | 14.2          | 9.2          | 499           | 10.4          | 381          | 6.4          | 781           | 6.9           | 4.4           | 255           |
| Depreciation                      | 879           | 850          | 3.4%          | 881           | -0.2%        | 780          | 12.7%         | 3,159         | 2,720         | 16.1%         |
| <b>EBIT</b>                       | <b>16,652</b> | <b>7,467</b> | <b>123.0%</b> | <b>10,971</b> | <b>-</b>     | <b>4,673</b> | <b>256.3%</b> | <b>20,263</b> | <b>9,696</b>  | <b>109.0%</b> |
| Margin (%)                        | 13.5          | 8.3          | 522           | 9.7           | 387          | 5.5          | 801           | 6.0           | 3.4           | 258           |
| Other Income                      | 2,521         | 1,588        | 58.8%         | 2,265         | 11.3%        | 2,271        | 11.0%         | 8,464         | 5,034         | 68.1%         |
| Interest                          | 1,975         | 2,014        | -1.9%         | 1,985         | -0.5%        | 1,825        | 8.2%          | 7,564         | 7,483         | 1.1%          |
| <b>PBT (ex. Extra-ordinaries)</b> | <b>17,198</b> | <b>7,040</b> | <b>144.3%</b> | <b>11,251</b> | <b>-</b>     | <b>5,119</b> | <b>236.0%</b> | <b>21,163</b> | <b>7,247</b>  | <b>192.0%</b> |
| Margin (%)                        | 14.0          | 7.8          | 614           | 9.9           | 407          | 6.0          | 793           | 6.3           | 2.6           | 371           |
| Extraordinary Items               | -             | -            | -             | -             | -            | -            | -             | -             | -             | -             |
| <b>PBT</b>                        | <b>17,198</b> | <b>7,040</b> | <b>144.3%</b> | <b>11,251</b> | <b>52.9%</b> | <b>5,119</b> | <b>236.0%</b> | <b>21,163</b> | <b>7,247</b>  | <b>192.0%</b> |
| Total Tax                         | 4,371         | 2,000        | 118.6%        | 3,279         | 33.3%        | 1,294        | 237.7%        | 5,384         | 2,117         | 154.3%        |
| Effective Tax Rate (%)            | 25.4          | 28.4         | (299)         | 29.1          | -            | 25.3         | -             | 25.4          | 29.2          | (378)         |
| <b>Reported PAT</b>               | <b>12,827</b> | <b>5,040</b> | <b>154.5%</b> | <b>7,972</b>  | <b>60.9%</b> | <b>3,825</b> | <b>235.3%</b> | <b>15,780</b> | <b>5,130</b>  | <b>207.6%</b> |
| <b>Adj. PAT</b>                   | <b>12,827</b> | <b>5,040</b> | <b>154.5%</b> | <b>7,972</b>  | <b>60.9%</b> | <b>3,825</b> | <b>235.3%</b> | <b>15,780</b> | <b>5,130</b>  | <b>207.6%</b> |
| <b>Adj. EPS</b>                   | <b>3.7</b>    | <b>1.4</b>   | <b>154.5%</b> | <b>2.3</b>    | <b>60.9%</b> | <b>1.1</b>   | <b>235.3%</b> | <b>4.5</b>    | <b>1.5</b>    | <b>207.6%</b> |

Source: Company, PL

**Exhibit 2 : Power EBIT margin expanded by 1469bps YoY to 19.7% driven by stronger execution**

| Segment Performance    | Q4FY26          | Q4FY25        | YoY gr.%      | Q4FY26E         | %Var.        | Q3FY26        | QoQ gr.%      | FY26            | FY25            | YoY gr.%     |
|------------------------|-----------------|---------------|---------------|-----------------|--------------|---------------|---------------|-----------------|-----------------|--------------|
| <b>Revenue (Rs mn)</b> |                 |               |               |                 |              |               |               |                 |                 |              |
| Power                  | 95,099          | 61,924        | 53.6%         | 82,575          | 15.2%        | 63,224        | 50.4%         | 2,54,067        | 2,09,373        | 21.3%        |
| Industry               | 28,005          | 28,010        | 0.0%          | 31,010          | -9.7%        | 21,507        | 30.2%         | 83,755          | 74,022          | 13.1%        |
| <b>Total</b>           | <b>1,23,104</b> | <b>89,934</b> | <b>36.9%</b>  | <b>1,13,585</b> | <b>8.4%</b>  | <b>84,731</b> | <b>45.3%</b>  | <b>3,37,822</b> | <b>2,83,395</b> | <b>19.2%</b> |
| <b>EBIT (Rs mn)</b>    |                 |               |               |                 |              |               |               |                 |                 |              |
| Power                  | 18,699          | 3,081         | 506.9%        | 13,113          | 42.6%        | 4,976         | 275.8%        | 24,512          | 12,160          | 101.6%       |
| Industry               | 6,730           | 8,773         | -23.3%        | 3,469           | 94.0%        | 4,242         | 58.7%         | 16,841          | 12,625          | 33.4%        |
| <b>Total</b>           | <b>25,429</b>   | <b>11,854</b> | <b>114.5%</b> | <b>16,583</b>   | <b>53.3%</b> | <b>9,217</b>  | <b>175.9%</b> | <b>41,353</b>   | <b>24,785</b>   | <b>66.8%</b> |
| <b>EBIT Margin (%)</b> |                 |               |               |                 |              |               |               |                 |                 |              |
| Power                  | 19.7            | 5.0           | 1,469         | 15.9            | 378          | 7.9           | 1,179         | 9.6             | 5.8             | 384          |
| Industry               | 24.0            | 31.3          | -729          | 11.2            | 1,284        | 19.7          | 431           | 20.1            | 17.1            | 305          |
| <b>Total</b>           | <b>20.7</b>     | <b>13.2</b>   | <b>748</b>    | <b>14.6</b>     | <b>606</b>   | <b>10.9</b>   | <b>978</b>    | <b>12.2</b>     | <b>8.7</b>      | <b>350</b>   |

Source: Company, PL

## Financials

### Income Statement (INR mn)

| Y/e Mar                       | FY25    | FY26    | FY27E   | FY28E   |
|-------------------------------|---------|---------|---------|---------|
| <b>Net Revenues</b>           | 283,395 | 337,822 | 433,761 | 534,887 |
| YoY gr. (%)                   | 18.6    | 19.2    | 28.4    | 23.3    |
| Cost of Goods Sold            | 188,452 | 229,831 | 280,644 | 341,258 |
| Gross Profit                  | 94,943  | 107,991 | 153,118 | 193,629 |
| Margin (%)                    | 33.5    | 32.0    | 36.0    | 37.0    |
| Employee Cost                 | 59,234  | 64,676  | 64,197  | 65,256  |
| Other Expenses                | 21,713  | 21,663  | 29,626  | 37,870  |
| <b>EBITDA</b>                 | 12,416  | 23,422  | 46,716  | 70,445  |
| YoY gr. (%)                   | 102.7   | 88.6    | 99.5    | 50.8    |
| Margin (%)                    | 4.4     | 6.9     | 10.8    | 13.2    |
| Depreciation and Amortization | 2,720   | 3,159   | 3,343   | 3,651   |
| <b>EBIT</b>                   | 9,696   | 20,263  | 43,373  | 66,793  |
| Margin (%)                    | 3.4     | 6.0     | 10.0    | 12.5    |
| Net Interest                  | 7,483   | 7,564   | 7,200   | 7,226   |
| Other Income                  | 5,034   | 8,464   | 8,675   | 8,023   |
| <b>Profit Before Tax</b>      | 7,247   | 21,163  | 44,848  | 67,591  |
| Margin (%)                    | 2.6     | 6.3     | 10.3    | 12.6    |
| Total Tax                     | 2,117   | 5,384   | 12,333  | 18,925  |
| Effective Tax Rate (%)        | 29.2    | 25.4    | 28.0    | 28.0    |
| <b>Profit After Tax</b>       | 5,130   | 15,780  | 32,515  | 48,666  |
| Minority Interest             | -       | -       | -       | -       |
| Share Profit from Associate   | -       | -       | -       | -       |
| <b>Adjusted PAT</b>           | 5,130   | 15,780  | 32,515  | 48,666  |
| YoY gr. (%)                   | 97.4    | 207.6   | 106.1   | 49.7    |
| Margin (%)                    | 1.8     | 4.7     | 7.5     | 9.1     |
| Extra Ord. Income / (Exp)     | -       | -       | -       | -       |
| <b>Reported PAT</b>           | 5,130   | 15,780  | 32,515  | 48,666  |
| YoY gr. (%)                   | 97.4    | 207.6   | 106.1   | 49.7    |
| Margin (%)                    | 1.8     | 4.7     | 7.5     | 9.1     |
| Other Comprehensive Income    | -       | -       | -       | -       |
| Total Comprehensive Income    | 5,130   | 15,780  | 32,515  | 48,666  |
| <b>Equity Shares O/s (m)</b>  | 3,482   | 3,482   | 3,482   | 3,482   |
| <b>EPS (INR)</b>              | 1.5     | 4.5     | 9.3     | 14.0    |

Source: Company, PL

### Balance Sheet (INR mn)

| Y/e Mar                               | FY25    | FY26    | FY27E   | FY28E   |
|---------------------------------------|---------|---------|---------|---------|
| <b>Non-Current Assets</b>             |         |         |         |         |
| <b>Gross Block</b>                    | 74,045  | 77,912  | 81,412  | 84,912  |
| Tangibles                             | 74,045  | 77,912  | 81,412  | 84,912  |
| Intangibles                           | -       | -       | -       | -       |
| <b>Acc: Dep / Amortization</b>        | 45,420  | 48,579  | 51,922  | 55,573  |
| Tangibles                             | 45,420  | 48,579  | 51,922  | 55,573  |
| Intangibles                           | -       | -       | -       | -       |
| <b>Net Fixed Assets</b>               | 28,625  | 29,333  | 29,489  | 29,338  |
| Tangibles                             | 28,625  | 29,333  | 29,489  | 29,338  |
| Intangibles                           | -       | -       | -       | -       |
| Capital Work In Progress              | 2,797   | 5,598   | 5,598   | 5,598   |
| Goodwill                              | -       | -       | -       | -       |
| Non-Current Investments               | 13,881  | 9,359   | 11,712  | 14,442  |
| Net Deferred Tax Assets               | 40,677  | 35,328  | 35,328  | 35,328  |
| Other Non-Current Assets              | 140,750 | 147,161 | 151,817 | 176,513 |
| <b>Current Assets</b>                 |         |         |         |         |
| Investments                           | -       | -       | -       | -       |
| Inventories                           | 98,695  | 133,346 | 142,607 | 168,526 |
| Trade Receivables                     | 89,309  | 92,232  | 115,274 | 131,890 |
| Cash & Bank Balance                   | 76,124  | 118,666 | 120,770 | 127,055 |
| Other Current Assets                  | 190,928 | 191,258 | 195,193 | 224,653 |
| <b>Total Assets</b>                   | 644,116 | 730,273 | 776,796 | 883,363 |
| <b>Equity</b>                         |         |         |         |         |
| Equity Share Capital                  | 6,964   | 6,964   | 6,964   | 6,964   |
| Other Equity                          | 244,166 | 258,201 | 289,845 | 335,259 |
| <b>Total Network</b>                  | 251,130 | 265,165 | 296,809 | 342,223 |
| <b>Non-Current Liabilities</b>        |         |         |         |         |
| Long Term Borrowings                  | 88,522  | 80,188  | 75,188  | 75,188  |
| Provisions                            | -       | -       | -       | -       |
| Other Non Current Liabilities         | -       | -       | -       | -       |
| <b>Current Liabilities</b>            |         |         |         |         |
| ST Debt / Current of LT Debt          | 1,624   | 1,682   | 1,682   | 1,682   |
| Trade Payables                        | 117,117 | 118,350 | 130,723 | 153,872 |
| Other Current Liabilities             | 226,400 | 300,217 | 307,723 | 345,727 |
| <b>Total Equity &amp; Liabilities</b> | 644,116 | 730,273 | 776,796 | 883,363 |

Source: Company, PL

**Cash Flow (INR mn)**

| Y/e Mar                              | FY25            | FY26            | FY27E           | FY28E           |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| PBT                                  | 7,247           | 21,163          | 44,848          | 67,591          |
| Add. Depreciation                    | 2,720           | 3,159           | 3,343           | 3,651           |
| Add. Interest                        | 7,483           | 7,564           | 7,200           | 7,226           |
| Less Financial Other Income          | 5,034           | 8,464           | 8,675           | 8,023           |
| Add. Other                           | (13,638)        | (14,452)        | -               | -               |
| Op. Profit before WC Changes         | 3,811           | 17,434          | 55,391          | 78,468          |
| Net Changes-WC                       | 17,295          | 40,837          | (23,781)        | (37,561)        |
| Direct Tax                           | 813             | 104             | (12,333)        | (18,925)        |
| <b>Net Cash from Op. Activities</b>  | <b>21,919</b>   | <b>58,374</b>   | <b>19,277</b>   | <b>21,981</b>   |
| Capital Expenditures                 | (2,681)         | (5,747)         | (3,500)         | (3,500)         |
| Interest / Dividend Income           | 3,717           | 6,494           | -               | -               |
| Others                               | (28,346)        | (31,101)        | (603)           | (1,719)         |
| <b>Net Cash from Inv. Activities</b> | <b>(27,309)</b> | <b>(30,354)</b> | <b>(4,103)</b>  | <b>(5,219)</b>  |
| Issue of Share Cap. / Premium        | (554)           | (770)           | (5,000)         | -               |
| Debt Changes                         | (130)           | (8,450)         | -               | -               |
| Dividend Paid                        | (874)           | (1,746)         | (871)           | (3,251)         |
| Interest Paid                        | (7,010)         | (7,091)         | (7,200)         | (7,226)         |
| Others                               | -               | -               | -               | -               |
| <b>Net Cash from Fin. Activities</b> | <b>(8,568)</b>  | <b>(18,057)</b> | <b>(13,071)</b> | <b>(10,477)</b> |
| <b>Net Change in Cash</b>            | <b>(13,958)</b> | <b>9,963</b>    | <b>2,104</b>    | <b>6,285</b>    |
| Free Cash Flow                       | 19,104          | 52,497          | 15,777          | 18,481          |

Source: Company, PL

**Quarterly Financials (INR mn)**

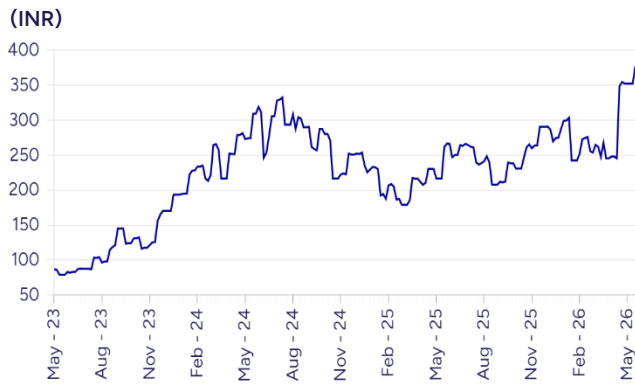
| Y/e Mar                           | Q1FY26         | Q2FY26        | Q3FY26        | Q4FY26         |
|-----------------------------------|----------------|---------------|---------------|----------------|
| <b>Net Revenues</b>               | <b>54,869</b>  | <b>75,118</b> | <b>84,731</b> | <b>123,104</b> |
| YoY gr. (%)                       | -              | 14.1          | 16.4          | 36.9           |
| Raw Material Expenses             | 38,865         | 52,135        | 58,624        | 80,206         |
| Gross Profit                      | 16,004         | 22,983        | 26,107        | 42,897         |
| Margin (%)                        | 29.2           | 30.6          | 30.8          | 34.8           |
| <b>EBITDA</b>                     | <b>(5,371)</b> | <b>5,809</b>  | <b>5,453</b>  | <b>17,531</b>  |
| YoY gr. (%)                       | 217.2          | 111.2         | 79.2          | 110.8          |
| Margin (%)                        | (9.8)          | 7.7           | 6.4           | 14.2           |
| Depreciation / Depletion          | 745            | 755           | 780           | 879            |
| <b>EBIT</b>                       | <b>(6,117)</b> | <b>5,055</b>  | <b>4,673</b>  | <b>16,652</b>  |
| Margin (%)                        | (11.1)         | 6.7           | 5.5           | 13.5           |
| Net Interest                      | 1,812          | 1,952         | 1,825         | 1,975          |
| Other Income                      | 1,854          | 1,818         | 2,271         | 2,521          |
| <b>Profit before Tax</b>          | <b>(6,074)</b> | <b>4,920</b>  | <b>5,119</b>  | <b>17,198</b>  |
| Margin (%)                        | (11.1)         | 6.5           | 6.0           | 14.0           |
| Total Tax                         | (1,525)        | 1,243         | 1,294         | 4,371          |
| Effective Tax Rate (%)            | 25.1           | 25.3          | 25.3          | 25.4           |
| <b>Profit After Tax</b>           | <b>(4,549)</b> | <b>3,677</b>  | <b>3,825</b>  | <b>12,827</b>  |
| Minority Interest                 | -              | -             | -             | -              |
| Share Profit from Associate       | -              | -             | -             | -              |
| <b>Adjusted PAT</b>               | <b>(4,549)</b> | <b>3,677</b>  | <b>3,825</b>  | <b>12,827</b>  |
| YoY gr. (%)                       | 114.0          | 280.3         | 206.6         | 154.5          |
| Margin (%)                        | (8.3)          | 4.9           | 4.5           | 10.4           |
| Extra Ord. Income / (Exp)         | -              | -             | -             | -              |
| <b>Reported PAT</b>               | <b>(4,549)</b> | <b>3,677</b>  | <b>3,825</b>  | <b>12,827</b>  |
| YoY gr. (%)                       | 114.0          | 280.3         | 206.6         | 154.5          |
| Margin (%)                        | (8.3)          | 4.9           | 4.5           | 10.4           |
| Other Comprehensive Income        | -              | -             | -             | -              |
| <b>Total Comprehensive Income</b> | <b>(4,549)</b> | <b>3,677</b>  | <b>3,825</b>  | <b>12,827</b>  |
| Avg. Shares O/s (m)               | 3,482          | 3,482         | 3,482         | 3,482          |
| <b>EPS (INR)</b>                  | <b>(1.3)</b>   | <b>1.1</b>    | <b>1.1</b>    | <b>3.7</b>     |

Source: Company, PL

**Key Financial Metrics**

| Y/e Mar                    | FY25  | FY26 | FY27E | FY28E |
|----------------------------|-------|------|-------|-------|
| <b>Per Share (INR)</b>     |       |      |       |       |
| EPS                        | 1.5   | 4.5  | 9.3   | 14.0  |
| CEPS                       | 2.3   | 5.4  | 10.3  | 15.0  |
| BVPS                       | 72.1  | 76.2 | 85.2  | 98.3  |
| FCF                        | 5.5   | 15.1 | 4.5   | 5.3   |
| DPS                        | 0.3   | 0.3  | 0.9   | 1.4   |
| <b>Return Ratio (%)</b>    |       |      |       |       |
| RoCE                       | 2.9   | 5.9  | 12.0  | 16.9  |
| ROIC                       | 2.6   | 6.7  | 13.1  | 17.9  |
| RoE                        | 2.1   | 6.1  | 11.6  | 15.2  |
| <b>Balance Sheet</b>       |       |      |       |       |
| Net Debt : Equity (x)      | 0.1   | -    | -     | -     |
| Net Working Capital (Days) | 91    | 116  | 107   | 100   |
| <b>Valuation (x)</b>       |       |      |       |       |
| PER                        | 255.9 | 83.2 | 40.3  | 26.9  |
| P/B                        | 5.2   | 4.9  | 4.4   | 3.8   |
| P/CEPS                     | 167.2 | 69.3 | 36.6  | 25.0  |
| EV/EBITDA                  | 106.8 | 54.4 | 27.1  | 17.9  |
| EV/Sales                   | 4.6   | 3.7  | 2.9   | 2.3   |
| Dividend Yield (%)         | -     | -    | 0.2   | 0.3   |
| FCFF Yield (%)             | 1.4   | 3.9  | 1.2   | 1.4   |
| PEG Ratio                  | 2.6   | 0.4  | 0.3   | 0.5   |

Source: Company, PL

**Price Chart**

**Recommendation History**

| No. | Date      | Rating     | TP (INR) | Share Price (INR) |
|-----|-----------|------------|----------|-------------------|
| 1   | 09-Apr-26 | HOLD       | 245      | 277.2             |
| 2   | 19-Jan-26 | Hold       | 245      | 263               |
| 3   | 07-Jan-26 | Hold       | 250      | 304               |
| 4   | 09-Dec-25 | Hold       | 250      | 270               |
| 5   | 30-Oct-25 | Hold       | 250      | 246               |
| 6   | 07-Oct-25 | Hold       | 215      | 245               |
| 7   | 07-Aug-25 | Hold       | 215      | 228               |
| 8   | 09-Jul-25 | Hold       | 237      | 258               |
| 9   | 20-May-25 | Hold       | 237      | 244               |
| 10  | 09-Apr-25 | Accumulate | 226      | 211               |

**Analyst Coverage Universe**

| Sr. No. | Company Name                     | Rating     | TP (INR) | Share Price (INR) |
|---------|----------------------------------|------------|----------|-------------------|
| 1       | ABB India                        | Accumulate | 6319     | 6614              |
| 2       | Apar Industries                  | Accumulate | 9629     | 10767             |
| 3       | BEML                             | Accumulate | 1922     | 1603              |
| 4       | Bharat Electronics               | REDUCE     | 411      | 440               |
| 5       | BHEL                             | HOLD       | 245      | 277               |
| 6       | Carborundum Universal            | HOLD       | 825      | 855               |
| 7       | Cummins India                    | Hold       | 4182     | 4907              |
| 8       | Elgi Equipments                  | Accumulate | 603      | 500               |
| 9       | Engineers India                  | Buy        | 261      | 209               |
| 10      | GE Vernova T&D India             | Buy        | 4050     | 3911              |
| 11      | Grindwell Norton                 | Hold       | 1731     | 1488              |
| 12      | Harsha Engineers International   | Hold       | 409      | 349               |
| 13      | Hindustan Aeronautics            | BUY        | 5338     | 4033              |
| 14      | Hitachi Energy India             | Hold       | 26108    | 27315             |
| 15      | Ingersoll-Rand (India)           | Buy        | 4589     | 3798              |
| 16      | Kalpataru Projects International | Buy        | 1466     | 1143              |
| 17      | KEC International                | Accumulate | 748      | 578               |
| 18      | Kirloskar Pneumatic Company      | BUY        | 1715     | 1448              |
| 19      | Larsen & Toubro                  | BUY        | 4806     | 3896              |
| 20      | Praj Industries                  | Accumulate | 340      | 337               |
| 21      | Siemens                          | ACCUMULATE | 3409     | 3223              |
| 22      | Siemens Energy India             | Accumulate | 3145     | 2768              |
| 23      | Thermax                          | Accumulate | 3374     | 3535              |
| 24      | Triveni Turbine                  | Accumulate | 585      | 455               |
| 25      | Voltamp Transformers             | BUY        | 10312    | 9079              |

**PL's Recommendation Nomenclature (Absolute Performance)**

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

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