

January 30, 2026

## Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
<b>Rating</b>	<b>HOLD</b>		<b>HOLD</b>	
<b>Target Price</b>	<b>825</b>		<b>894</b>	
Sales (Rs. m)	56,246	61,972	56,175	62,002
% Chng.	0.1	-		
EBITDA (Rs. m)	7,481	8,738	7,584	8,680
% Chng.	(1.4)	0.7		
EPS (Rs.)	21.7	25.5	22.9	26.5
% Chng.	(5.2)	(3.7)		

### Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	48,942	51,196	56,246	61,972
EBITDA (Rs. m)	7,118	6,015	7,481	8,738
Margin (%)	14.5	11.8	13.3	14.1
PAT (Rs. m)	3,552	2,867	4,133	4,853
EPS (Rs.)	18.7	15.1	21.7	25.5
Gr. (%)	(23.0)	(19.3)	44.1	17.4
DPS (Rs.)	4.0	3.6	5.4	10.9
Yield (%)	0.5	0.5	0.7	1.4
RoE (%)	10.7	7.9	10.7	11.5
RoCE (%)	14.5	9.5	12.1	13.3
EV/Sales (x)	3.0	2.9	2.6	2.3
EV/EBITDA (x)	20.7	24.6	19.6	16.5
PE (x)	42.2	52.3	36.3	30.9
P/BV (x)	4.3	4.0	3.7	3.4

### Key Data

CRBR.BO | CU IN

52-W High / Low	Rs.1,217 / Rs.771
Sensex / Nifty	82,270 / 25,321
Market Cap	Rs.150bn / \$ 1,632m
Shares Outstanding	190m
3M Avg. Daily Value	Rs.247.2m

### Shareholding Pattern (%)

Promoter's	38.90
Foreign	10.98
Domestic Institution	30.01
Public & Others	20.11
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	(4.9)	(17.4)	(32.6)
Relative	(2.1)	(18.2)	(37.1)

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## Weak Q3 amid continued losses from subsidiaries

### Quick Pointers:

- Management cut consolidated EBIT margin guidance to 7-8% and reduced Abrasives margins and Ceramics growth and margin guidance.
- CUMI incurred capex of ~Rs2.5bn in 9MFY26 and expect to incur a total capex of ~Rs3.5bn in FY26.

**Carborundum Universal (CU) reported muted consolidated revenue growth of 2.5% YoY, with EBITDA margin contracting 159 bps YoY to 12.5%, driven by continued losses at subsidiaries. While standalone Abrasives performance remains healthy, margin pressure from subsidiaries has prompted management to revise Abrasives margin guidance to 4-4.5% from 6-6.5%. The Ceramics business faces headwinds from weak demand in wear ceramics and tariff-related project delays in the US, leading to cuts in FY26 growth and margin guidance. Standalone Electrominerals is benefiting from export traction, but losses at VAW and Foskor Zirconia continue to weigh on consolidated performance, with a potential divestment of Foskor Zirconia under consideration. Despite these challenges, the India-EU FTA is expected to offer some support to the European business. The stock is trading at a P/E of 36.3x/30.9x on FY27/28E earnings. We revise our FY27/28 EPS estimates by -5.2%/-3.7% factoring in continued weakness in subsidiaries. We maintain 'Hold' rating with a SoTP-based revised TP of Rs825 (Rs894 earlier) valuing Abrasives/Ceramics/Electrominerals at 30x/34x/15x Sep'27E (30x/35x/15x Sep'27E earlier).**

**Long-term View:** We remain cautious in the short-term given the continued challenges in VAW along with Chinese dumping impacting Abrasives. However, CU may perform well in the long run given 1) healthy domestic demand, 2) capacity expansion in Electrominerals and Abrasives 3) value-added product launches in Engineered ceramics, and 4) strong market reach and exports.

**Lower revenue put pressure on margins:** Consolidated revenue was up 2.5% YoY to Rs12.7bn (Ple: Rs13.1bn). EBITDA declined by 8.8% YoY to Rs1.6bn (PLe: Rs1.6bn) while EBITDA margin contracted by 159bps YoY to 12.5% (PLe: 12.2%) primarily due to lower gross margin partially offset by lower other expenses (-6.6% YoY to Rs2.6bn). PBT declined 20.4% YoY to Rs1.1bn (Ple: Rs1.1bn) due to weaker operational performance and lower other income (-18.8% YoY to Rs133mn). Adj. PAT declined by 34.8% YoY to Rs786mn (PLe: Rs892mn) on account of increase in effective tax rate (38.2% vs 17.7% in Q3FY25).

**Weaker subsidiary performance across segments:** Abrasives grew by 8.1% YoY to Rs5.7bn mainly driven by standalone business while EBIT margin contracted by 180bps YoY to 3.6%. Ceramics was flattish YoY to Rs3.2bn while its EBIT margin contracted by 392bps YoY to 17.8% primarily due to decline in standalone margins. Electrominerals sales declined by 3.6% to Rs4.0bn while its EBIT margin dropped by 760bps YoY to 8.6% likely due to VAW sanctions.

**Exhibit 1: Lower revenue growth led to EBITDA margin decline of 159bps YoY to 12.5%**

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr.	Q3FY26E	% Var.	Q2FY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
<b>Sales</b>	<b>12,728</b>	<b>12,412</b>	<b>2.5%</b>	<b>12,970</b>	<b>-1.9%</b>	<b>12,867</b>	<b>-1.1%</b>	<b>37,662</b>	<b>36,346</b>	<b>3.6%</b>
Other Operating income	180	142	26.8%	145	24.3%	114	58.7%	418	425	-1.8%
<b>Total Revenue</b>	<b>12,909</b>	<b>12,555</b>	<b>2.8%</b>	<b>13,115</b>	<b>-1.6%</b>	<b>12,981</b>	<b>-0.6%</b>	<b>38,080</b>	<b>36,771</b>	<b>3.6%</b>
Gross Profit	7,812	7,770	0.5%	8,158	-4.2%	7,941	-1.6%	23,442	23,353	0.4%
Margin (%)	60.5	61.9	(137)	62.2	(168)	61.2	(66)	61.6	63.5	(195)
Employee Cost	2,276	2,027	12.3%	2,453	-7.2%	2,414	-5.7%	7,069	5,944	18.9%
as % of sales	17.9	16.3	155	18.9	(103)	18.8	(88)	18.8	16.4	242
Power & Fuel	1,291	1,157	11.6%	1,298	-0.6%	1,268	1.8%	3,782	3,494	8.2%
as % of sales	10.1	9.3	82	10.0	13	9.9	29	10.0	9.6	43
Other expenditure	2,631	2,816	-6.6%	2,807	-6.3%	2,695	-2.4%	8,200	8,259	-0.7%
as % of sales	20.7	22.7	(202)	21.6	(97)	20.9	(27)	21.8	22.7	(95)
<b>EBITDA</b>	<b>1,614</b>	<b>1,770</b>	<b>-8.8%</b>	<b>1,600</b>	<b>0.9%</b>	<b>1,564</b>	<b>3.2%</b>	<b>4,391</b>	<b>5,655</b>	<b>-22.4%</b>
Margin (%)	12.5	14.1	(159)	12.2	30	12.0	46	11.5	15.4	(385)
Depreciation	611	526	16.2%	620	-1.4%	622	-1.8%	1,823	1,560	16.9%
<b>EBIT</b>	<b>1,003</b>	<b>1,244</b>	<b>-19.4%</b>	<b>980</b>	<b>2.3%</b>	<b>942</b>	<b>6.5%</b>	<b>2,568</b>	<b>4,095</b>	<b>-37.3%</b>
Margin (%)	7.8	9.9	(214)	7.5	30	7.3	51	6.7	11.1	(439)
Other Income	133	164	-18.8%	163	-18.4%	169	-21.3%	489	347	40.9%
Interest	46	39	19.2%	20	129.5%	44	3.6%	125	108	15.4%
<b>PBT (ex. Extra-ordinaries)</b>	<b>1,090</b>	<b>1,369</b>	<b>-20.4%</b>	<b>1,123</b>	<b>-3.0%</b>	<b>1,066</b>	<b>2.2%</b>	<b>2,932</b>	<b>4,334</b>	<b>-32.3%</b>
Margin (%)	8.4	10.9	(246)	8.6	(12)	8.2	23	7.7	11.8	(409)
Extraordinary Items	(43)	(1,041)	-	-	0.0%	-	0.0%	(43)	(1,041)	-
<b>PBT</b>	<b>1,047</b>	<b>328</b>	<b>219.2%</b>	<b>1,123</b>	<b>-6.8%</b>	<b>1,066</b>	<b>-1.8%</b>	<b>2,889</b>	<b>3,293</b>	<b>-12.3%</b>
Total Tax	400	58	588.5%	292	37.0%	383	4.6%	1,037	945	9.7%
Effective Tax Rate (%)	38.2	17.7	2,050	26.0	1,222	35.9	235	35.9	28.7	718
<b>PAT before JVs/MI</b>	<b>647</b>	<b>270</b>	<b>139.7%</b>	<b>831</b>	<b>-22.2%</b>	<b>684</b>	<b>-5.4%</b>	<b>1,852</b>	<b>2,348</b>	<b>-21.1%</b>
Share of Profit/loss from JVs/MI	113	78	44.2%	61	83.8%	61	83.8%	271	288	-6.0%
<b>Reported PAT</b>	<b>759</b>	<b>348</b>	<b>118.3%</b>	<b>892</b>	<b>-14.9%</b>	<b>745</b>	<b>1.9%</b>	<b>2,123</b>	<b>2,636</b>	<b>-19.5%</b>
<b>Adj. PAT</b>	<b>786</b>	<b>1,205</b>	<b>-34.8%</b>	<b>892</b>	<b>-11.9%</b>	<b>745</b>	<b>5.5%</b>	<b>2,150</b>	<b>3,493</b>	<b>-38.4%</b>
Margin (%)	6.1	9.6	(351)	6.8	(72)	5.7	35	5.6	9.5	(385)
<b>Adj. EPS</b>	<b>4.1</b>	<b>6.3</b>	<b>-34.8%</b>	<b>4.7</b>	<b>-11.9%</b>	<b>3.9</b>	<b>5.5%</b>	<b>11.3</b>	<b>18.4</b>	<b>-38.4%</b>

Source: Company, PL

**Exhibit 2: Subsidiary performance continues to remain weak, dragging consolidated performance**

Segment Breakup	Q3FY26	Q3FY25	YoY gr.	Q3FY26E	% Var.	Q2FY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
<b>Revenue (Rs mn)</b>										
Abrasives	5,692	5,263	8.1%	5,500	3.5%	5,837	-2.5%	16,605	16,213	2.4%
Ceramics	3,156	3,145	0.4%	3,617	-12.7%	3,015	4.7%	9,167	8,638	6.1%
Electrominerals	4,010	4,157	-3.6%	3,949	1.5%	3,986	0.6%	12,045	11,987	0.5%
Others	365	497	-26.5%	581	-37.2%	499	-26.9%	1,295	1,329	-2.5%
Less: Intersegmental	495	650	-23.9%	677	-27.0%	470	5.2%	1,450	1,820	-20.3%
<b>Total</b>	<b>12,728</b>	<b>12,412</b>	<b>2.5%</b>	<b>12,970</b>	<b>-1.9%</b>	<b>12,867</b>	<b>-1.1%</b>	<b>37,662</b>	<b>36,346</b>	<b>3.6%</b>
<b>EBIT (Rs mn)</b>										
Abrasives	205	284	-28.0%	330	-38.0%	331	-38.2%	650	1,179	-44.9%
Ceramics	563	684	-17.7%	803	-29.9%	625	-9.9%	1,937	2,127	-9.0%
Electrominerals	347	675	-48.7%	178	95.0%	327	6.0%	718	1,684	-57.4%
Others	4	(15)	-127.3%	(46)	-108.8%	8	-51.2%	(8)	(93)	-91.7%
<b>EBIT Margin (%)</b>										
Abrasives	3.6%	5.4%	(180)	6.0%	(241)	5.7%	(208)	3.9%	7.3%	(336)
Ceramics	17.8%	21.8%	(392)	22.2%	(437)	20.7%	(289)	21.1%	24.6%	(350)
Electrominerals	8.6%	16.2%	(760)	4.5%	414	8.2%	44	6.0%	14.0%	(809)
Others	1.1%	-3.0%	414	-8.0%	912	1.7%	(56)	-0.6%	-7.0%	641

Source: Company, PL

**Exhibit 3: SoTP valuation – Ceramics segment accounts for ~58% of value**

Particular	Sep'27 EPS	Multiple (x)	Net Value/share
Abrasives	8.9	30	266
Industrial Ceramics	14.1	34	481
Electrominerals	5.4	15	81
Others	(3.4)	1	(3)
<b>SoTP</b>			<b>825</b>

Source: Company, PL

## Conference Call Highlights

- **Guidance:** The management maintained their consolidated revenue growth guidance of 5.5-6.5% YoY while they reduced the PBIT margin guidance to 7-8% in FY26. Management expects consolidated Abrasives revenue to grow by 4-5% while PBIT margin may come between 4-4.5% in FY26. Similarly, Ceramics is expected to grow by 13-14% YoY with PBIT margins in the range of 21-22% in FY26. Electrominerals is anticipated to grow by 1-2% on consolidated basis with PBIT margin between 4.5-5.5% amid drag from VAW.
- **Abrasives:** Revenue growth of 8.1% YoY was primarily driven by broad based growth in standalone business aided by demand from retail, industrial and precision abrasives. Meanwhile, continued sluggishness in Awuko and Rhodius weighed on the standalone results.
- **Rhodius** reported Q3FY26 sales of EUR 14.8mn (-3% YoY) primarily due to Q3 being a seasonally slower quarter amid Christmas vacations. Loss after tax extended to EUR 0.84mn in Q3FY26 vs EUR 0.78mn YoY. Given the continued weakness in Rhodius, **management now anticipates a total sales of EUR 60mn in FY26 with a loss after tax of EUR 4.5mn** after write off of PPA of EUR 2.8mn for FY26.
- **Awuko** reported Q3FY26 sales at EUR 2.4mn vs EUR 2.3mn YoY. Q3FY26 loss before tax stood at EUR 2.7mn vs loss of EUR 1.4mn YoY. Losses extended this quarter primarily on account of loss of production for optimization of inventory. **Management expect Awuko to clock flattish YoY growth in FY26.** CUMI has suffered total losses to the extent of EUR 30mn in last 4 years in Awuko. **Given the continued losses, management expect to explore divestment opportunity in next one year.**
- **Ceramics:** Ceramics continue to face challenges in wear ceramics and project based fire refractories. Ceramics business in the USA is also sluggish due to project delays by customers on account of tariff uncertainty. **Management expects Q4FY26 to be strong for ceramics** given the current order backlog. **Standalone Ceramics are anticipated to growth by 9-11% YoY in FY26** while consolidated Ceramics are expected to clock 13-14% YoY.
- **Foskor Zirconia:** Q3FY26 sales stood at ZAR 101mn vs ZAR 106mn YoY. During 9MFY26, volumes went up by 28% YoY while realization fell by 13% YoY due to heightened Chinese competition. Foskor had a loss of ZAR 10mn in Q3FY26 on account of drop in price and depreciation of the currency. Currently, company is only producing Z-450 product and has stopped production of all other products. If Z-450 doesn't perform in Q4, and losses do not stop, management will explore divestment opportunities for Foskor Zirconia.
- **VAW** Q3FY26 sales declined 46% YoY to RUB 1.4bn.
- **India-EU FTA** is expected to be beneficial to CUMI. The tariffs are anticipated to be 4-5% lower for the categories in which CUMI operations in EU.

## Financials

### Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Net Revenues</b>	<b>48,942</b>	<b>51,196</b>	<b>56,246</b>	<b>61,972</b>
YoY gr. (%)	4.1	4.6	9.9	10.2
Cost of Goods Sold	17,950	19,710	21,036	22,992
Gross Profit	30,992	31,485	35,210	38,980
Margin (%)	63.3	61.5	62.6	62.9
Employee Cost	8,623	9,343	9,731	10,535
Other Expenses	15,252	16,127	17,999	19,707
<b>EBITDA</b>	<b>7,118</b>	<b>6,015</b>	<b>7,481</b>	<b>8,738</b>
YoY gr. (%)	(3.7)	(15.5)	24.4	16.8
Margin (%)	14.5	11.8	13.3	14.1
Depreciation and Amortization	2,120	2,463	2,678	3,052
<b>EBIT</b>	<b>4,998</b>	<b>3,552</b>	<b>4,803</b>	<b>5,686</b>
Margin (%)	10.2	6.9	8.5	9.2
Net Interest	140	115	84	58
Other Income	410	661	760	806
<b>Profit Before Tax</b>	<b>4,227</b>	<b>4,098</b>	<b>5,479</b>	<b>6,434</b>
Margin (%)	8.6	8.0	9.7	10.4
Total Tax	1,692	1,393	1,561	1,834
Effective tax rate (%)	40.0	34.0	28.5	28.5
<b>Profit after tax</b>	<b>2,535</b>	<b>2,705</b>	<b>3,917</b>	<b>4,600</b>
Minority interest	60	95	137	161
Share Profit from Associate	452	257	353	414
<b>Adjusted PAT</b>	<b>3,552</b>	<b>2,867</b>	<b>4,133</b>	<b>4,853</b>
YoY gr. (%)	(23.0)	(19.3)	44.1	17.4
Margin (%)	7.3	5.6	7.3	7.8
Extra Ord. Income / (Exp)	(624)	-	-	-
<b>Reported PAT</b>	<b>2,928</b>	<b>2,867</b>	<b>4,133</b>	<b>4,853</b>
YoY gr. (%)	(36.5)	(2.1)	44.1	17.4
Margin (%)	6.0	5.6	7.3	7.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,928	2,867	4,133	4,853
<b>Equity Shares O/s (m)</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>190</b>
<b>EPS (Rs)</b>	<b>18.7</b>	<b>15.1</b>	<b>21.7</b>	<b>25.5</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>22,853</b>	<b>26,353</b>	<b>29,153</b>	<b>31,953</b>
Tangibles	22,853	26,353	29,153	31,953
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>10,620</b>	<b>13,083</b>	<b>15,761</b>	<b>18,813</b>
Tangibles	10,620	13,083	15,761	18,813
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>12,232</b>	<b>13,269</b>	<b>13,391</b>	<b>13,139</b>
Tangibles	12,232	13,269	13,391	13,139
Intangibles	-	-	-	-
Capital Work In Progress	1,184	1,169	935	935
Goodwill	4,928	5,174	5,284	5,366
Non-Current Investments	2,232	2,563	2,832	3,111
Net Deferred tax assets	(1)	28	94	168
Other Non-Current Assets	1,221	1,466	1,759	2,110
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	10,550	11,093	12,034	13,105
Trade receivables	7,662	7,904	8,530	9,241
Cash & Bank Balance	3,806	3,088	4,424	6,266
Other Current Assets	837	870	956	1,054
<b>Total Assets</b>	<b>46,433</b>	<b>48,435</b>	<b>52,195</b>	<b>56,584</b>
<b>Equity</b>				
Equity Share Capital	190	190	190	190
Other Equity	35,096	36,916	40,171	43,896
<b>Total Network</b>	<b>35,286</b>	<b>37,107</b>	<b>40,361</b>	<b>44,086</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	249	249	249	249
Provisions	323	230	225	248
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	954	754	554	304
Trade payables	3,498	3,647	4,007	4,414
Other current liabilities	3,146	3,377	3,591	3,913
<b>Total Equity &amp; Liabilities</b>	<b>46,433</b>	<b>48,435</b>	<b>52,195</b>	<b>56,584</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	4,679	4,098	5,479	6,434
Add. Depreciation	2,120	2,463	2,678	3,052
Add. Interest	140	115	84	58
Less Financial Other Income	410	661	760	806
Add. Other	299	-	-	-
Op. profit before WC changes	7,237	6,677	8,241	9,544
Net Changes-WC	(2,217)	(1,396)	(1,734)	(2,046)
Direct tax	(1,978)	(1,393)	(1,561)	(1,834)
<b>Net cash from Op. activities</b>	<b>3,042</b>	<b>3,887</b>	<b>4,946</b>	<b>5,664</b>
Capital expenditures	(2,731)	(3,500)	(2,800)	(2,800)
Interest / Dividend Income	458	-	-	-
Others	(1,553)	257	353	414
<b>Net Cash from Invst. activities</b>	<b>(3,826)</b>	<b>(3,243)</b>	<b>(2,447)</b>	<b>(2,386)</b>
Issue of share cap. / premium	55	-	-	-
Debt changes	(22)	(200)	(200)	(250)
Dividend paid	(912)	(1,047)	(878)	(1,128)
Interest paid	(93)	(115)	(84)	(58)
Others	(116)	-	-	-
<b>Net cash from Fin. activities</b>	<b>(1,089)</b>	<b>(1,362)</b>	<b>(1,163)</b>	<b>(1,436)</b>
<b>Net change in cash</b>	<b>(1,873)</b>	<b>(718)</b>	<b>1,336</b>	<b>1,842</b>
Free Cash Flow	302	387	2,146	2,864

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Per Share(Rs)</b>				
EPS	18.7	15.1	21.7	25.5
CEPS	29.8	28.0	35.8	41.5
BVPS	185.4	195.0	212.0	231.5
FCF	1.6	2.0	11.3	15.0
DPS	4.0	3.6	5.4	10.9
<b>Return Ratio(%)</b>				
RoCE	14.5	9.5	12.1	13.3
ROIC	9.8	6.9	9.8	11.1
RoE	10.7	7.9	10.7	11.5
<b>Balance Sheet</b>				
Net Debt : Equity (x)	(0.1)	(0.1)	(0.1)	(0.1)
Net Working Capital (Days)	110	109	107	106
<b>Valuation(x)</b>				
PER	42.2	52.3	36.3	30.9
P/B	4.3	4.0	3.7	3.4
P/CEPS	26.4	28.1	22.0	19.0
EV/EBITDA	20.7	24.6	19.6	16.5
EV/Sales	3.0	2.9	2.6	2.3
Dividend Yield (%)	0.5	0.5	0.7	1.4

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
<b>Net Revenue</b>	<b>12,171</b>	<b>12,190</b>	<b>12,981</b>	<b>12,909</b>
YoY gr. (%)	1.3	1.8	6.0	2.8
Raw Material Expenses	4,532	4,501	5,040	5,097
Gross Profit	7,639	7,689	7,941	7,812
Margin (%)	62.8	63.1	61.2	60.5
<b>EBITDA</b>	<b>1,463</b>	<b>1,213</b>	<b>1,564</b>	<b>1,614</b>
YoY gr. (%)	(30.1)	(37.4)	(19.8)	(8.8)
Margin (%)	12.0	9.9	12.0	12.5
Depreciation / Depletion	561	589	622	611
<b>EBIT</b>	<b>902</b>	<b>624</b>	<b>942</b>	<b>1,003</b>
Margin (%)	7.4	5.1	7.3	7.8
Net Interest	31	35	44	46
Other Income	63	187	169	133
<b>Profit before Tax</b>	<b>934</b>	<b>776</b>	<b>1,066</b>	<b>1,090</b>
Margin (%)	7.7	6.4	8.2	8.4
Total Tax	746	254	383	400
Effective tax rate (%)	79.9	32.8	35.9	36.7
<b>Profit after Tax</b>	<b>187</b>	<b>522</b>	<b>684</b>	<b>690</b>
Minority interest	10	(15)	(3)	(28)
Share Profit from Associates	114	82	59	85
<b>Adjusted PAT</b>	<b>291</b>	<b>619</b>	<b>745</b>	<b>802</b>
YoY gr. (%)	(78.4)	(45.2)	(35.7)	(42.2)
Margin (%)	2.4	5.1	5.7	6.2
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>291</b>	<b>619</b>	<b>745</b>	<b>802</b>
YoY gr. (%)	(78.4)	(45.2)	(35.7)	(42.2)
Margin (%)	2.4	5.1	5.7	6.2
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>291</b>	<b>619</b>	<b>745</b>	<b>802</b>
Avg. Shares O/s (m)	190	190	190	190
<b>EPS (Rs)</b>	<b>1.5</b>	<b>3.3</b>	<b>3.9</b>	<b>4.2</b>

Source: Company Data, PL Research

**Price Chart**



**Recommendation History**

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	Hold	894	824
2	31-Oct-25	Hold	894	901
3	07-Oct-25	Hold	835	919
4	08-Aug-25	Hold	835	841
5	09-Jul-25	Hold	1,028	994
6	14-May-25	Hold	1,028	985
7	09-Apr-25	Accumulate	1,052	950
8	17-Feb-25	Accumulate	1,114	1,005

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Accumulate	5,540	4,695
2	Apar Industries	BUY	9,629	7,695
3	BEML	Hold	1,982	1,861
4	Bharat Electronics	Reduce	411	453
5	BHEL	Hold	245	263
6	Carborundum Universal	Hold	894	824
7	Cummins India	Hold	4,172	4,148
8	Elgi Equipments	Accumulate	561	472
9	Engineers India	BUY	255	205
10	GE Vernova T&D India	BUY	4,050	2,911
11	Grindwell Norton	Hold	1,744	1,576
12	Harsha Engineers International	Hold	407	395
13	Hindustan Aeronautics	BUY	5,507	4,525
14	Ingersoll-Rand (India)	Accumulate	4,271	3,395
15	Kalpataru Projects International	BUY	1,494	1,174
16	KEC International	BUY	932	717
17	Kirloskar Pneumatic Company	BUY	1,557	1,068
18	Larsen & Toubro	BUY	4,806	3,794
19	Praj Industries	Hold	353	322
20	Siemens	Accumulate	3,470	3,134
21	Siemens Energy India	Accumulate	3,312	2,603
22	Thermax	Accumulate	3,513	3,069
23	Triveni Turbine	Accumulate	609	533
24	Voltamp Transformers	BUY	10,318	7,720

**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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