

Electronic Manufacturing Services

Jan-Mar'26
Earnings
Preview

April 07, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
Amber Enterprises India	BUY	6,405	8,646
Avalon Technologies	BUY	963	1,175
Cyient DLM	Accumulate	290	327
Kaynes Technology India	BUY	3,707	5,444
Syrma SGS Technology	BUY	809	905

Revenue Momentum Intact, Margins Soft

Quick Pointers

- EMS universe expected to report ~26.6% YoY revenue growth in Q4FY26, led by strong execution across players.
- AMBER is likely to post ~19% YoY growth (dragged by single-digit growth in CD segment).
- EMS universe expected to deliver ~26.0% YoY PAT growth, despite margin pressures.

Electronics manufacturing services (EMS) companies under our coverage are expected to post healthy YoY revenue growth of 26.6% in Q4FY26, driven by strong revenue momentum in KAYNES, SYRMA, and AVAL, with YoY revenue growth of ~60.0%, 37.8%, and 21.3%, respectively. We expect margins to contract by 50bps to 9.9% for the EMS universe, while AMBER is likely to witness a correction in margins due to sharp surge in commodity costs and currency depreciation. Overall, EMS companies under our coverage are expected to deliver 26.0% YoY profit growth. Looking ahead, we expect pickup in order book across EMS companies, supported by their strategic focus on higher margin sectors and orders, which should further support margin expansion in the coming quarters.

We expect our EMS universe to register sales/EBITDA/PAT growth of 26.6%/20.5%/26.0% YoY in Q4FY26, on the back of robust order execution and margin improvement led by cost rationalization and increased contribution from high-margin segments. We continue our positive view on EMS companies that will see healthy growth and continuously expanding opportunity market.

EMS sector maintains healthy growth: EMS companies (incl. AMBER's Electronics segment) under our coverage universe are expected to report healthy revenue growth of 41.6% YoY in Q4FY26. AMBER's revenue is expected to grow ~19% YoY, driven by 54.4% growth in its EMS segment with consolidation of inorganic expansion. AVAL is expected to grow by 21.3% YoY, with Mobility/Industrial/Clean Energy segment to grow by 15%/58%/36% YoY. CYIENTDL revenues are expected to remain flat YoY, with Altek revenue also likely to stay stable, contributing ~17.0% to the topline in Q4FY26. KAYNES is expected to grow by 59.6% YoY, led by strong performance across segments — Automotive/Industrial/Medical is expected to grow by 50%/82%/19% YoY. SYRMA's revenue is expected to grow by ~38% YoY, primarily driven by the Auto and Industrial segments, which are likely to grow by ~35% and ~43%, respectively, and contribute ~23% and ~43% to the topline in Q4FY26.

In Q4FY26, margins across the coverage universe are expected to contract by ~50bps YoY to 9.9%, primarily driven by CYIENTDL, which is likely to report a margin contraction of ~390bps YoY to 9.5%. This is on a high base, as the company had reported EBITDA margins of 13.4% in Q4FY25, adjusting for one-offs, margins stood at 10.9%.

AMBER/AVAL/KAYNES/SYRMA are expected to see PAT growth of 5.8%/33.2%/31.3%/76.5% YoY. However, in CYIENTDLM PAT is expected to decline by ~28.6% YoY, primarily due to margin contraction.

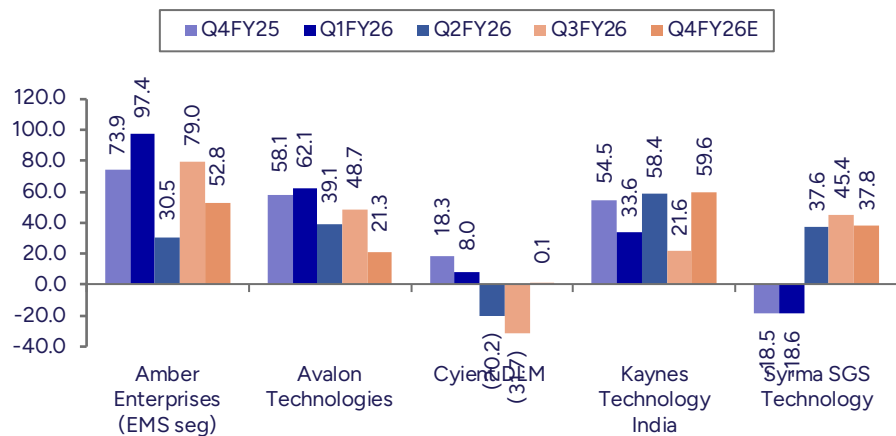
Key changes in ratings/TP: We downward revise our FY27E/FY28E earnings estimates across coverage, except for AMBER and AVALON, while maintaining our existing ratings on all covered companies.

Exhibit 1: xxx

	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26E	YoY gr. (%)
Revenue (Rs mn)										
Amber Enterprises	28055	24013	16847	21333	37537	34491	16470	29428	44570	18.7
Avalon Technologies	2,168	1,995	2,750	2,809	3,428	3,233	3,825	4,175	4,158	21.3
Cyient DLM	3,618	2,579	3,895	4,442	4,281	2,784	3,106	3,033	4,283	0.1
Kaynes Technology India	6,373	5,040	5,721	6,612	9,845	6,735	9,062	8,040	15,708	59.6
Syrma SGS Technology	11,341	11,599	8,327	8,697	9,244	9,440	11,459	12,642	12,735	37.8
EBITDA margin (%)										
										bps change
Amber Enterprises	7.9	8.2	6.8	7.4	7.9	7.4	5.5	8.4	7.4	-49
Avalon Technologies	7.9	2.2	11	12.3	12.1	9.2	10.1	11.5	11.5	-56
Cyient DLM	10.5	7.8	8.1	6.3	13.4	9	10	10.2	9.5	-391
Kaynes Technology India	14.9	13.3	14.4	14.2	17.1	16.8	16.3	14.8	15.8	-121
Syrma SGS Technology	6.5	3.8	8.5	9.1	11.6	9.2	10.1	12.6	11.1	-58
PAT (Rs mn)										
Amber Enterprises	990	747	210	370	1,184	1,060	-321	-93	1,253	5.8
Avalon Technologies	71	-23	175	240	243	142	250	326	323	33.2
Cyient DLM	228	106	155	110	310	75	321	112	222	-28.6
Kaynes Technology India	813	508	602	665	1,162	746	1,214	766	1,525	31.3
Syrma SGS Technology	349	203	396	380	654	497	641	1,028	1,155	76.5

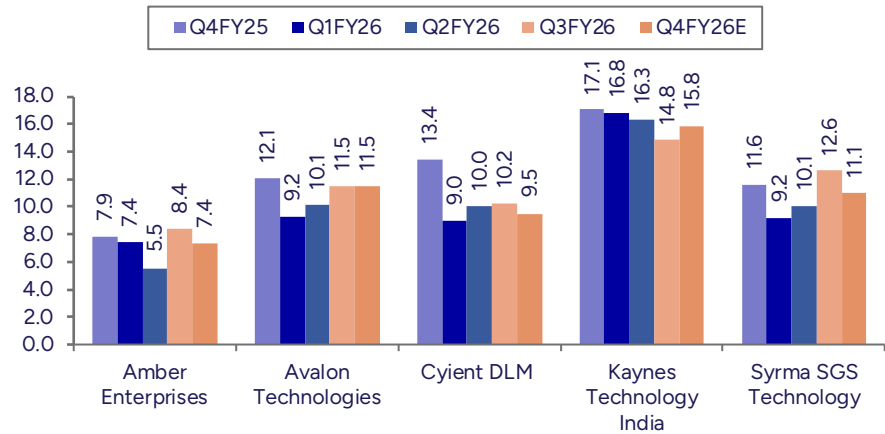
Source: Company, PL

Exhibit 2: Healthy revenue growth of 26.6% YoY in Q4FY26E



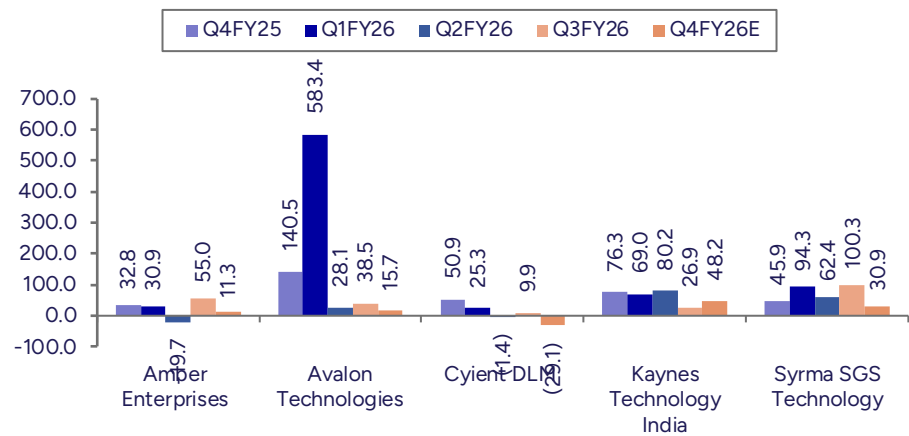
Source: Company, PL

Exhibit 3: EBITDA margin to contract by 50bps to 9.9% YoY



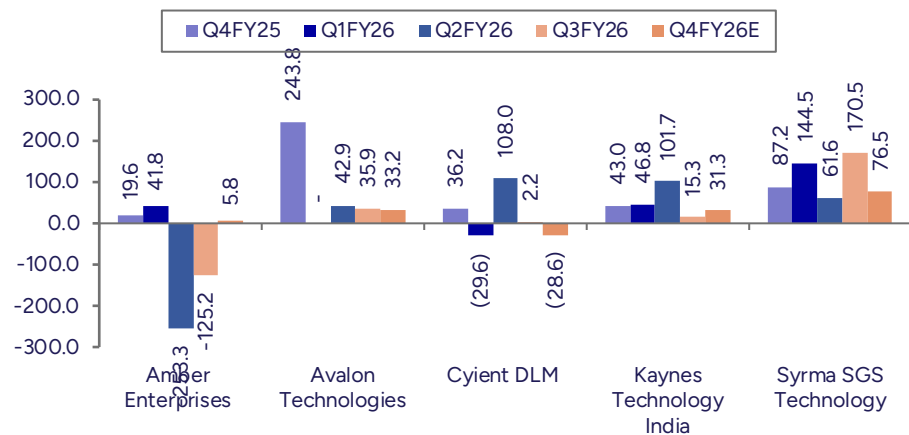
Source: Company, PL

Exhibit 4: Healthy EBITDA growth of ~21% YoY



Source: Company, PL

Exhibit 5: PAT growth of ~26% YoY with a PAT margin of 5.5%



Source: Company, PL

Exhibit 6: Q4FY26 Result Preview (INR mn)

Company Name		Q4FY26E	Q4FY25	YoY gr. (%)	Q3FY26	QoQ gr. (%)	Remark
Amber Enterprises India	Sales	44,570	37,537	18.7	29,428	51.5	
	EBITDA	3,281	2,948	11.3	2,461	33.3	We expect sales to grow by 18.7% YoY. CD/Electronics/Railway segment revenue to grow by 2.9%/54.4%/7.8% YoY. EBITDA margin to contract by ~50bps to 7.4% and PAT to grow by ~6% YoY
	Margin (%)	7.4	7.9	-49 bps	8.4	-100 bps	
	PBT	1,948	2,013	(3.2)	1,303	49.5	
	Adj. PAT	1,253	1,184	5.8	-93	NA	
Avalon Technologies	Sales	4,158	3,428	21.3	4,175	(0.4)	
	EBITDA	478	414	15.7	480	(0.3)	We expect sales growth of 21.3% YoY. Mobility/Industrial/Clean Energy segment to grow by 15%/58%/36% YoY. EBITDA margin to contract by ~60 bps to 11.5%. PAT is expected to grow by 33.2% YoY
	Margin (%)	11.5	12.1	-56 bps	11.5	2 bps	
	PBT	432	326	32.5	445	(3.0)	
	Adj. PAT	323	243	33.2	326	(0.8)	
Cyient DLM	Sales	4,283	4,281	0.1	3,033	41.2	
	EBITDA	407	574	(29.1)	309	31.6	We expects sales are expected to remain flat YoY, with Altek revenue also likely to stay stable, contributing ~17.0% to the topline. Margins are anticipated to contract by ~400bps to 9.5%, leading to a ~29% YoY decline in PAT..
	Margin (%)	9.5	13.4	-391 bps	10.2	-69 bps	
	PBT	296	417	(28.9)	183	61.6	
	Adj. PAT	222	310	(28.6)	112	97.3	
Kaynes Technology India	Sales	15,708	9,845	59.6	8,040	95.4	
	EBITDA	2,488	1,679	48.2	1,193	108.5	We expect sales to grow 59.6% YoY, led by strong performance across segments — Automotive/Industrial/Medical is expected to grow by 50.2%/82.2%/19.2% YoY, respectively. Margins are likely to contract by 120bps to 15.8%, with PAT expected to rise by 31.3% YoY.
	Margin (%)	15.8	17.1	-121 bps	14.8	100 bps	
	PBT	2,043	1,419	44.0	1,189	71.9	
	Adj. PAT	1,525	1,162	31.3	766	99.0	
Syrma SGS Technology	Sales	12,735	9,244	37.8	12,642	0.7	
	EBITDA	1,407	1,075	30.9	1,594	(11.7)	We expect sales to grow by 37.8% YOY. Auto/Industrial to grow by 35%/47% YoY. Margin is expected to contract by ~60bps to 11.1%. PAT to grow by ~77% YoY
	Margin (%)	11.1	11.6	-58 bps	12.6	-156 bps	
	PBT	1,208	934	29.3	1,417	(14.8)	
	Adj. PAT	1,155	654	76.5	1,028	12.3	

Source: Company, PL

Exhibit 7: Valuation Summary

Company Name	C/S	Rating	CMP (Rs)	TP (Rs)	Mcap (Rs bn)	Sales (Rs m)				EBITDA (Rs m)				Adj. PAT (Rs m)				EPS (Rs)				RoE (%)				PE (x)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Amber Enterprises India	C	BUY	6,405	8,646	225.3	99,730	1,24,959	1,54,513	1,83,606	7,634	9,222	12,716	16,212	2,512	2,929	5,137	7,472	74.3	83.3	146.1	212.5	11.5	8.2	10.1	13.1	86.3	76.9	43.9	30.1
Avalon Technologies	C	BUY	963	1,175	64.2	10,981	15,391	19,481	25,099	1,149	1,643	2,299	2,987	634	1,041	1,490	1,941	9.6	15.6	22.3	29.1	10.9	15.7	18.9	20.2	100.4	61.7	43.1	33.1
Cyient DLM	C	Accumulate	290	327	23.0	15,196	13,207	18,188	20,950	1,372	1,277	1,928	2,179	681	888	1,085	1,219	8.6	9.2	13.7	15.4	7.3	8.8	9.7	9.9	33.8	31.7	21.2	18.9
Kaynes Technology India	C	BUY	3,707	5,444	248.2	27,218	39,545	58,851	83,286	4,107	6,288	9,240	13,076	2,934	4,248	5,865	8,042	45.8	63.4	87.6	120.1	11.0	11.1	11.5	13.9	80.9	58.4	42.3	30.9
Syrma SGS Technology	C	BUY	809	905	155.5	37,867	46,276	64,294	80,163	3,233	5,019	6,118	7,725	1,699	3,013	3,981	4,973	9.5	15.7	20.7	25.9	10.1	12.6	12.4	13.7	84.7	51.6	39.1	31.3

Source: Company, PL C=Consolidated / S=Standalone

Exhibit 8: Change in Estimates

	Rating		Target Price			Sales						PAT						EPS					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Amber Enterprises India	BUY	BUY	8,646	8,617	0.3%	1,54,513	1,54,513	0.0%	1,83,606	1,83,606	0.0%	5,137	5,109	0.6%	7,472	7,438	0.5%	146.1	145.2	0.6%	212.5	211.5	0.5%
Avalon Technologies	BUY	BUY	1,175	1,175	0.0%	19,481	19,481	0.0%	25,099	25,100	0.0%	1,490	1,490	0.0%	1,941	1,941	0.0%	22.3	22.3	0.0%	29.1	29.1	0.0%
Cyient DLM	Accumulate	Accumulate	327	418	-21.7%	18,188	18,281	-0.5%	20,950	21,773	-3.8%	1,085	1,087	-0.2%	1,219	1,278	-4.7%	13.7	13.7	-0.2%	15.4	16.1	-4.7%
Kaynes Technology India	BUY	BUY	5,444	5,502	-1.1%	58,851	59,561	-1.2%	83,286	84,328	-1.2%	5,865	5,946	-1.4%	8,042	8,162	-1.5%	87.6	88.8	-1.4%	120.1	121.9	-1.5%
Syrma SGS Technology	BUY	BUY	905	929	-2.5%	64,294	65,574	-2.0%	80,163	82,075	-2.3%	3,981	4,065	-2.1%	4,973	5,103	-2.5%	20.7	21.1	-2.1%	25.9	26.5	-2.5%

Source: PL C = Current / P = Previous

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Amber Enterprises India	BUY	8617	7048
2	Astral Ltd.	BUY	1876	1554
3	Avalon Technologies	BUY	1175	1021
4	Bajaj Electricals	BUY	449	349
5	Cello World	BUY	621	405
6	Century Plyboard (I)	BUY	841	720
7	Cera Sanitaryware	BUY	6747	4677
8	Crompton Greaves Consumer Electricals	BUY	344	232
9	Cyient DLM	Accumulate	418	364
10	Finolex Industries	BUY	203	159
11	Greenpanel Industries	BUY	370	182
12	Havells India	BUY	1512	1181
13	Kajaria Ceramics	BUY	1147	966
14	Kaynes Technology India	BUY	5502	3700
15	KEI Industries	BUY	5545	4048
16	LG Electronics India	BUY	1813	1319
17	Polycab India	BUY	9611	6878
18	Premier Energies	BUY	892	683
19	R R Kabel	BUY	1844	1334
20	Supreme Industries	BUY	4698	3642
21	Syrma SGS Technology	BUY	929	755
22	Vikram Solar	BUY	226	190
23	Voltas	Accumulate	1423	1235
24	Waaree Energies	BUY	3600	2599

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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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