

December 23, 2025

Deep Dive

☒ Change in Estimates | ☒ Target | ☒ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		ACCUMULATE	
Target Price	4,005		3,531	
Sales (Rs. m)	82,716	1,02,868	75,067	92,973
% Chng.	10.2	10.6		
EBITDA (Rs. m)	19,314	23,814	17,153	21,337
% Chng.	12.6	11.6		
EPS (Rs.)	55.2	68.0	48.4	60.2
% Chng.	14.0	13.0		

Key Financials - Standalone

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	42,923	60,093	82,716	1,02,868
EBITDA (Rs. m)	8,337	15,444	19,314	23,814
Margin (%)	19.4	25.7	23.4	23.2
PAT (Rs. m)	6,233	11,390	14,138	17,418
EPS (Rs.)	24.3	44.5	55.2	68.0
Gr. (%)	244.3	82.7	24.1	23.2
DPS (Rs.)	6.0	13.3	16.6	20.4
Yield (%)	0.2	0.4	0.5	0.7
RoE (%)	41.3	52.4	46.1	41.8
RoCE (%)	50.9	67.4	59.7	54.1
EV/Sales (x)	18.4	13.0	9.4	7.5
EV/EBITDA (x)	94.6	50.8	40.3	32.3
PE (x)	127.2	69.6	56.1	45.5
P/BV (x)	44.7	30.9	22.3	16.6

Key Data

GETD.BO | GVTD IN

52-W High / Low	Rs.3,324 / Rs.1,253
Sensex / Nifty	85,567 / 26,172
Market Cap	Rs.793bn / \$ 8,847m
Shares Outstanding	256m
3M Avg. Daily Value	Rs.2500.07m

Shareholding Pattern (%)

Promoter's	51.00
Foreign	16.15
Domestic Institution	25.20
Public & Others	7.65
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	6.7	31.5	43.7
Relative	6.3	26.6	31.1

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Statement win; significant T&D prospects ahead

We revise our FY27/28E EPS estimates by +14%/+13% and upgrade our rating from 'Accumulate' to 'Buy', factoring in the award of the Khavda-South Olpad VSC HVDC project. We estimate this order to drive incremental EPS of ~Rs6.8 in FY27 and ~Rs7.8 in FY28. In our post-order win discussion with the management, they highlighted a robust ~Rs1.0trn+ HVDC pipeline expected to be awarded in India over the next 2-3 years. Beyond HVDC, base orders are also expected to grow at a healthy 10-15% YoY including STATCOMs which add a ~Rs40bn annual addressable opportunity over the medium term. Supported by a focused ~Rs10.6bn capex program and the global parent's "Asia for Asia" strategy, which is driving higher localization and high-value export orders (~Rs25bn order expected in FY27), we expect a sustained execution ramp-up and improved operating leverage to result in EBITDA margin sustenance of over 20% in the medium term.

We believe, 1) GVTD's strong position in HVDC with the recent Khavda – South Olpad win, 2) a robust order book (Rs131.1bn), and 3) the management's focus on margin improvement augur well for strong revenue & profit growth of GVTD. The stock is trading at a P/E of 56.1x/45.5x on FY27/28E. We value the stock at a PE of 65x Sep'27E (same as earlier) arriving at a TP of Rs4,005 (Rs3,531 earlier). Upgrade to 'Buy'.

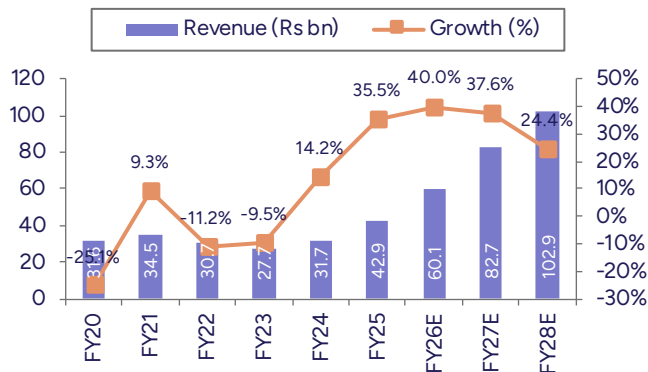
Strongly positioned to capitalize on the robust HVDC pipeline in India with recent mega win: GVTD is well-positioned to capitalize on the HVDC opportunities in India, underpinned by its differentiated capability to execute both Voltage Source Converter (VSC) and Line Commutated Converter (LCC) HVDC projects. Beyond the recently won Khavda – South Olpad VSC HVDC order, a robust HVDC pipeline of ~Rs1.0trn across four projects in next 2-3 years translates into an addressable equipment opportunity of ~Rs500bn.

"Asia for Asia" driving localization efforts and high margin export orders: GE Vernova Global's "Asia for Asia" strategy is driving deeper localization at GVTD supported by a targeted ~Rs1.4bn investment in India. The initiative enhances GVTD's manufacturing and engineering depth, improves execution agility and positions the company to secure higher-value, higher-margin mandates within the group. As a result, GVTD's role in the global supply chain is strengthening, with exports forming ~30% of order intake and a potential high-value export order of ~Rs25bn from the global parent expected by FY27.

Energy transition led expansion in addressable markets: GVTD is well positioned to benefit from India's energy-transition-driven transmission capex, with an estimated addressable opportunity of ~Rs250bn per annum (~Rs1.3trn over FY25–30) across transformers, switchgear and substation EPC. This drives a ~3.4x expansion in GVTD's addressable market from \$2.9bn in 2022 to \$9.8bn by 2030, with HVDC accounting for ~40%. To capitalize on this, the company is executing a focused ~Rs10.6bn capex program across HVDC, STATCOM and capacity debottlenecking, while STATCOMs offer incremental ~Rs40bn annual addressable opportunity supported by grid-stability mandates.

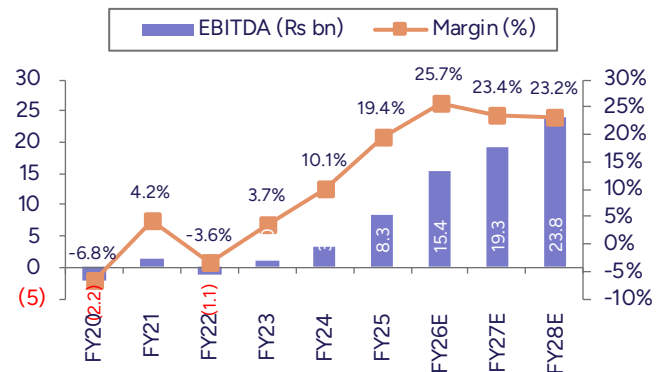
Story in Charts

Exhibit 1: Revenue to register ~34% CAGR over FY25-28E



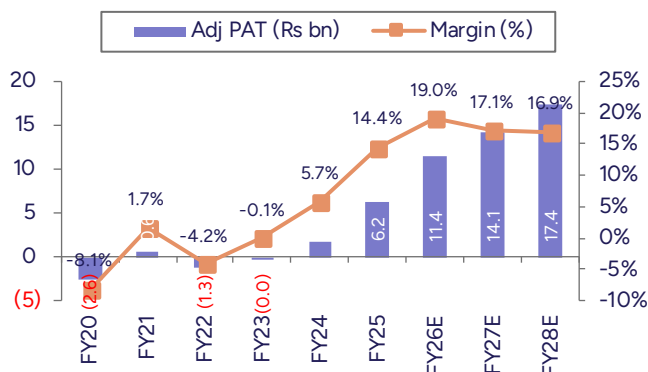
Source: Company, PL

Exhibit 2: EBITDA Margin to expand ~373bps over FY25-28E



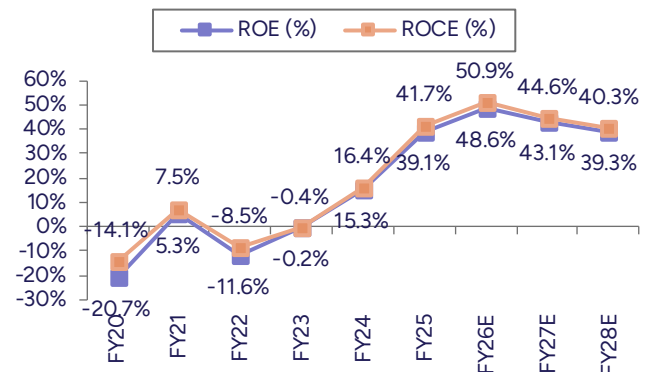
Source: Company, PL

Exhibit 3: Adj PAT to register ~41% CAGR over FY25-28E



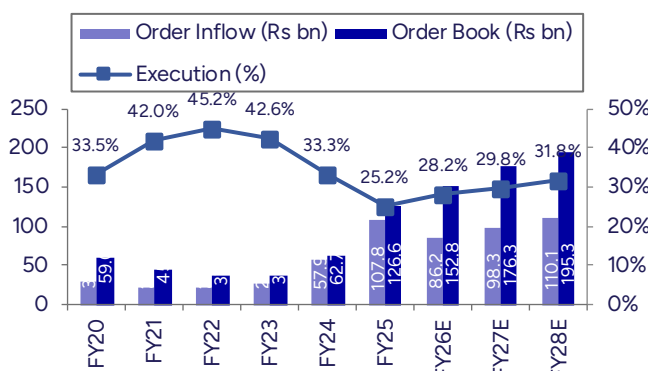
Source: Company, PL

Exhibit 4: ROE/ROCE to normalize by FY28E



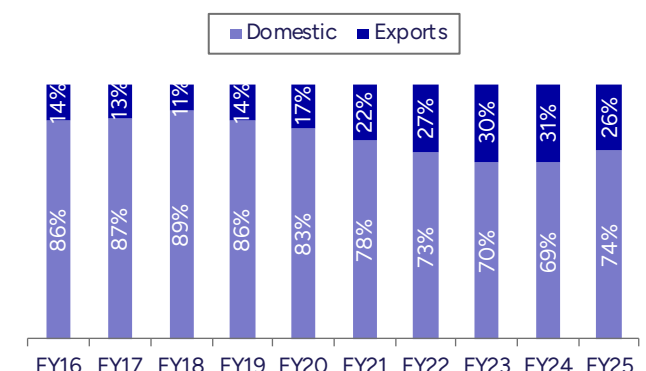
Source: Company, PL

Exhibit 5: Robust order book & intake over FY25-27E



Source: Company, PL

Exhibit 6: Increasing share of export aid margin expansion



Source: Company, PL

Investment Rationale

GVTD: Strong contender in both VSC & LCC HVDC

HVDC is set to play a key role in India's T&D infrastructure with multiple VSC and LCC projects lined up for bidding. **GVTD is one of the only two players in India (other being Hitachi Energy) to possess both VSC and LCC technology.**

Exhibit 7: Difference between VSC and LCC technology

	VSC	LCC
Maturity and cost	Newer technology, ~35% more expensive than LCC	Mature technology, cost-effective for large capacities
Use case	Ideal for integration of renewables, offshore wind, and weak grid applications	Long-distance bulk power transmission
Control & flexibility	High controllability and fast response	Less flexible, slower response
Reactive power requirement	Provides dynamic reactive power support	Requires external compensation
Losses	Slightly higher losses	Slightly lower losses
Power reversal	Possible; requires changing DC polarity for power reversal	Possible (seamless); achieved by changing current direction without altering DC polarity

Source: Industry, PL

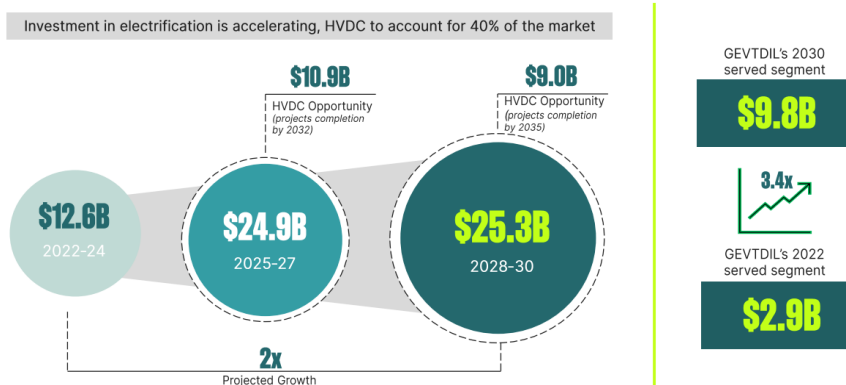
A massive win along with further annual addressable HVDC opportunity worth ~Rs280bn till 2030.

GE Vernova T&D India has won the marquee **Khavda - South Olpad (2,500 MW) VSC HVDC project**, valued at **~Rs120bn**, emerging as the lowest bidder against strong competition from Hitachi Energy India and Siemens Energy India. In our estimations, this single project is expected to be a material earnings driver, **contributing incremental revenues of ~Rs8.0bn in FY27 and ~Rs12.0bn in FY28**, with a meaningful **EPS accretion of ~Rs6.8 in FY27 and ~Rs7.8 in FY28**.

Furthermore, according to GVTD,

- Investments in electrification are expected to garner an addressable opportunity worth \$24.9bn in the period of 2025-27 followed by similar investments of \$25.3bn in the period of 2028-2030.
- Among these investments, identified HVDC opportunity is worth **\$10.9bn during 2025-27** (including the awarded project of Khavda – South Olpad) and **\$9.0bn from 2028-30** resulting in **an annual HVDC opportunity worth ~\$3.3bn (~Rs280bn per annum)**.
- Furthermore, **GVTD's served segment is anticipated to reach \$9.8bn by 2030** from \$2.9bn in 2022 primarily driven by increasing TAM across HVDC, STATCOM and AC equipment.

Exhibit 8: India's cumulative HVDC opportunity stands at ~\$20bn till 2030



Source: Company, PL

Strong HVDC pipeline with 4 projects up for grabs worth ~Rs1.0trn

There are two VSC-based HVDC projects cumulatively worth ~Rs480bn and one LCC-based HVDC project worth ~Rs250bn which are already approved. Furthermore, the Lakadia – Alephata HVDC project is under approval stage and can come as either LCC or VSC project with an estimated cost of ~Rs500bn. Of these, we expect at least 1 project to be awarded in the next 12-15 months, while the remaining 3 may be finalized over the next 15-24 months, signaling a steady pipeline of opportunities. In a typical HVDC project, **electrical equipment accounts for 40–50% of the total cost**, implying a cumulative **addressable market of ~Rs500bn for GVTD**.

Exhibit 9: HVDC pipeline in India with total estimated cost of ~Rs1.0trn

Project	Direct voltage	Project capacity	Project technology	Expected award date	Cost (Rs mn)	Potential bidders
Paradeep – Andaman	±320kV	250MW	VSC	FY28	379,810	SIEMENS energy, Hitachi Energy, GE T&D India Limited
India – Sri Lanka	±320kV	500MW	VSC	FY28	99,000	SIEMENS energy, Hitachi Energy, GE T&D India Limited
Total VSC HVDC Pipeline					478,810	
Barmer – South Kalamb	±800kV	6000MW	LCC	H2FY26	249,740	Hitachi Energy, GE T&D India Limited
Lakadia – Alephata*	±800kV	6000MW	LCC/VSC	NA	250,000	SIEMENS energy, Hitachi Energy, GE T&D India Limited
Total LCC HVDC Pipeline					499,740	
Total HVDC Pipeline in India					~978,550	

Source: CEA *Lakadia – Alephata project is currently under deliberation, with the technology yet to be finalized, and the project cost is an estimate derived from previously awarded comparable projects.

“Asia for Asia” strategy to strengthen localization & exports

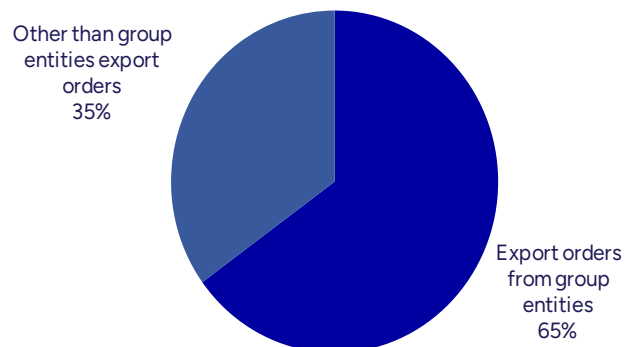
GE Vernova Global’s “Asia for Asia” strategy is a localization-driven growth initiative aimed at building manufacturing and engineering capabilities within Asia to support the region’s accelerating demand for transmission, HVDC and grid-stability solutions. **The strategy is embedded within the global parent’s cumulative capex program of ~USD 4.0bn through 2028, with a targeted investment of ~Rs1.4bn in India to expand grid-technology manufacturing and engineering capabilities.** This reinforces GE Vernova T&D India’s strategic importance within the global portfolio while reducing reliance on overseas supply chains and aligning closely with localization and Make-in-India objectives.

Strategically, the initiative **meaningfully enhances GVTDs competitive positioning by improving execution agility, increasing local value addition and strengthening system-level capabilities critical for large and complex projects.** The integrated manufacturing and engineering footprint is expected to shorten delivery timelines, enhance bid competitiveness and support margin expansion through operating leverage, while positioning the company as a key beneficiary of India’s multi-year transmission capex cycle and the rising adoption of HVDC and FACTS technologies for renewable integration.

Furthermore, **the strategy meaningfully strengthens GVTD’s standing within GE Vernova’s global supply chain.** Exports currently account for ~26% of revenues and ~30% of order intake, with ~65% of export orders sourced from group companies. While management intends to maintain exports at ~30% of the overall mix, the enhanced localization and capability depth **position GVTD to secure higher value and more complex mandates within the group.**

In this context, **GVTD is well placed to receive a sizeable export order of ~Rs25bn from the global parent by FY27,** supported by board and shareholder approval for an enhanced **related-party transaction limit of Rs30bn.** This underscores growing internal confidence in GVTD’s execution capabilities and reinforces its role as a **preferred global manufacturing and supply hub within the GE Vernova ecosystem.**

Exhibit 10: Group companies account for ~65% of total export orders



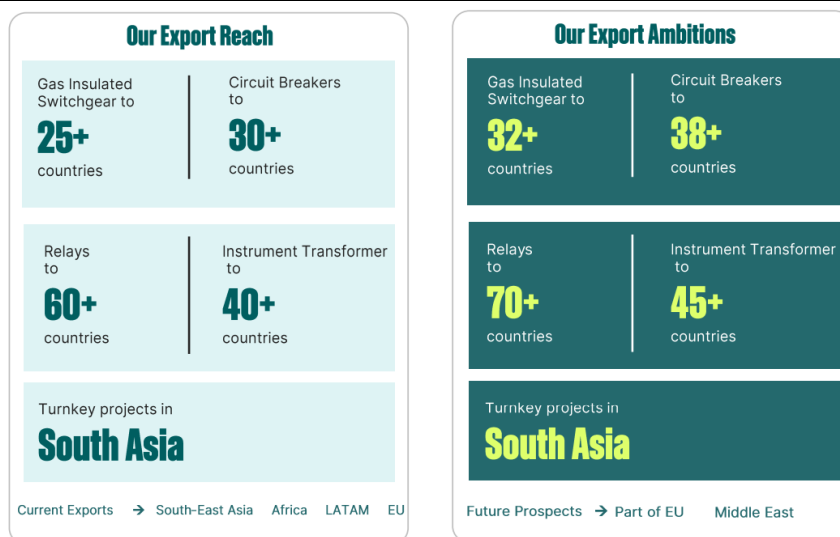
Source: Company, PL

Ambitions to expand exports reach; exploring eastern EU & Middle East

Given the robust domestic pipeline fueled by macro-economic tailwinds in the transformer sector, **GVTD is strategically prioritizing the domestic market**, particularly in meeting the demand for transformers and supporting customers in project-based initiatives. Although export margins are slightly higher, **the company is focusing its export efforts on automation products such as AIS and GIS, due to their short delivery timelines of 6-12 months** (vs 2-3 years for products & projects).

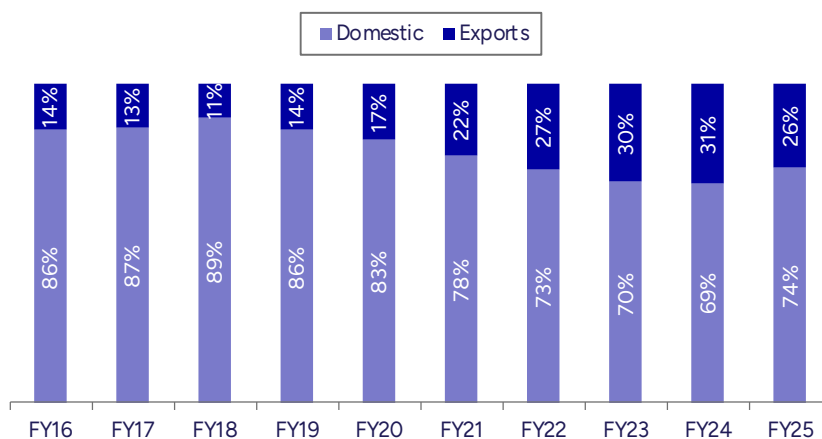
While management intends to maintain exports at ~30% of total revenues, GVTD is actively pursuing deeper penetration into new international markets. The company currently exports to Southeast Asia, Africa, Latin America and parts of Europe, and is targeting further expansion into Eastern Europe and the Middle East. **Expansion into these higher-value export geographies is expected to support margin sustainability above 20% over the medium term.**

Exhibit 11: Ambitions to export equipment in Eastern Europe and Middle East



Source: Company, PL

Exhibit 12: High margin export share was 26% in FY25 (vs 14% in FY16)



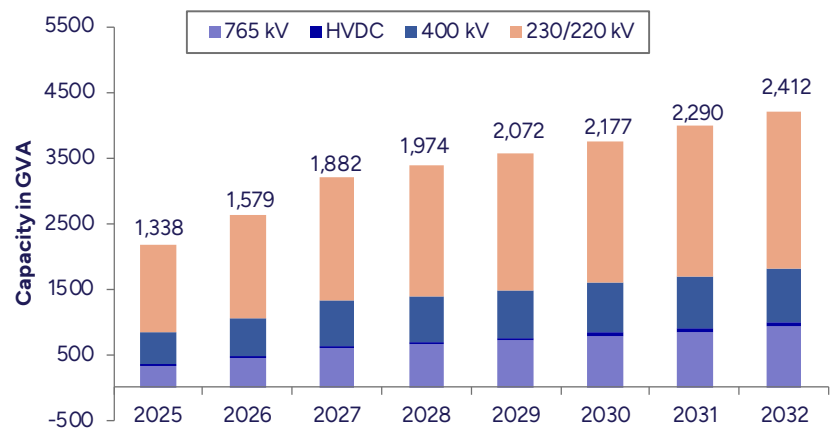
Source: Company, PL

Energy transition unlocks Rs1.3trn+ addressable market

Energy transition warranted Rs2.44trn investment by CEA in India's T&D network to integrate 500 GW of RE generation capacity to the grid by FY30. CEA plans to add substantial capacity of transmission lines and sub-station capacity in India to facilitate the energy transition.

With the planned addition of substation capacity and transmission lines, demand for GVTD's full portfolio, including transformers, switchgear, SCADA, and other grid automation products, is expected to increase. GVTD's expertise in turnkey solutions will further drive demand for substation EPC projects.

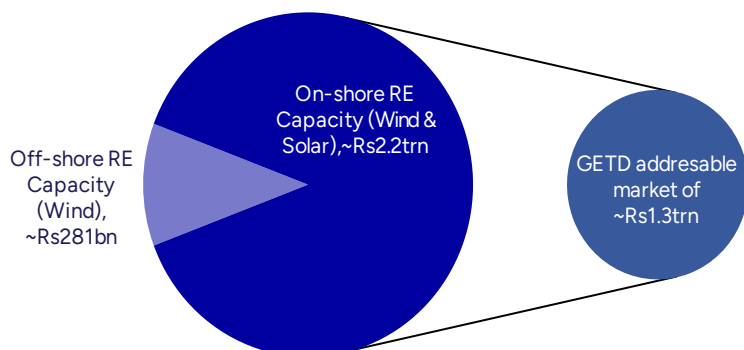
Exhibit 13: Substation capacity to reach 2,412 GVA by 2032 (~9% CAGR)



Source: CEA

Out of the total Rs2.44trn investment, **GVTD's addressable market is estimated at ~Rs250bn annually, totaling ~Rs1.3trn over the five-year period from FY25 to FY30 which includes supply of electrical equipment and turnkey solutions.**

Exhibit 14: GVTD's addressable market of ~Rs250bn per year till FY30



Source: Company, CEA

STATCOMs: ~Rs40bn annual addressable opportunity

When renewable energy sources like solar and wind are integrated into the main grid, their intermittent nature can lead to grid destabilization. **STATCOMs serve as crucial voltage regulators in renewable energy systems, helping to maintain grid stability.** In line with this, CEA has issued technical standards for connectivity, outlining regulations to ensure sufficient reactive power compensation for grid stability. **A total budget of Rs1.1trn has been allocated for reactive circuits by FY27 including installation of STATCOMs.**

- Currently in India, **75 STATCOM projects are in the pipeline to be awarded in next 7-8 years with each STATCOM costing ~Rs4.0bn depending upon the specifications.** It presents a potential **annual addressable market of ~Rs40bn in medium term.**
- GE's global expertise with 20+ years of industry experience and having more than 100 SVCs (Static Var Compensator) and STATCOMs with capacity of 6,000+ MVar installed bodes well for the Indian entity.
- GVTD has not won or executed any notable STATCOM projects in India. However, the STATCOM prowess of global parent along with STATCOM capacity addition bodes well for GVTD to compete for future STATCOM projects in India.

Capex commitments for the capacity expansions and debottlenecking

GVTD announced a **capex commitment of Rs1.4bn** in May 2025 to set up manufacturing of **HVDC LCC valves, VSC valves and STATCOM** systems at its existing Chennai facility, alongside setting up an integrated platform for HVDC control systems integration, testing and supply at Noida. The investment, to be fully funded through internal accruals, is **expected to be operational by early FY27**, materially strengthening GVTD's end-to-end HVDC and grid solutions capabilities.

Furthermore, GVTD is undertaking a series of debottlenecking initiatives, with a capex outlay of **Rs1.1bn for Phase 1 and Rs8.1bn for Phase 2**, aggregating to ~Rs9.2bn. These initiatives span capacity expansion for **transformers and reactors at the Vadodara facility, GIS and AIS products** at the Padappai and Hosur facilities, and the addition of **new manufacturing lines for air core reactors and bushings** at the Hosur facility.

Exhibit 15: ~Rs8.1bn capex for debottlenecking to be incurred over FY26-30E

Sr. No.	Capex Amount (Rs bn)	Purpose	Completion Time
1	8.1	Debottlenecking of Transformers, Reactors, GIS, AIS. New line for Air Core Reactors and Bushings	Spread over till FY30
2	1.4	New LCC & VSC valve line, Engineering & Test Lab expansion	H1FY27
3	1.1	Debottlenecking of existing capacities	FY26
Total	10.6		

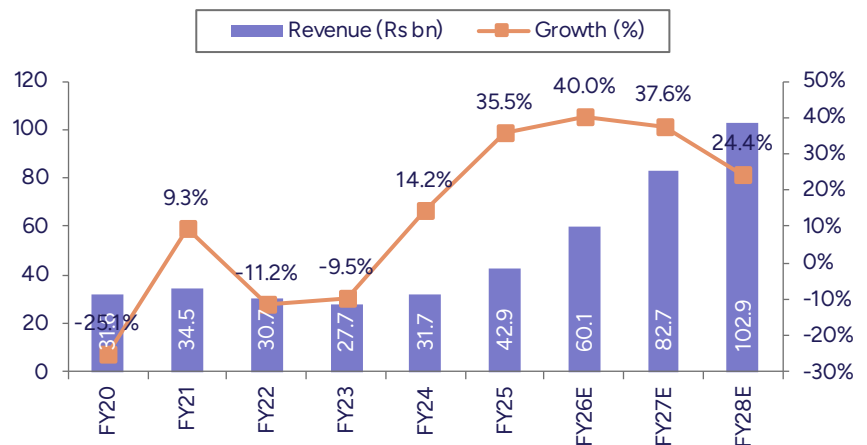
Source: Company, PL

Financial Analysis

Revenue to register CAGR 33.8% over FY25-28E

We expect GVTD to record a 33.8% revenue CAGR over FY25-27E driven by 1) Rs1.3trn addressable market from energy transition by FY30, 2) A large HVDC order win and further traction in HVDC pipeline in India, 3) better export demand from group companies in key geographies, and 4) growth opportunities in new edge sectors such as data centers and STATCOMs.

Exhibit 16: Revenue to register CAGR 33.8% over FY25-28E

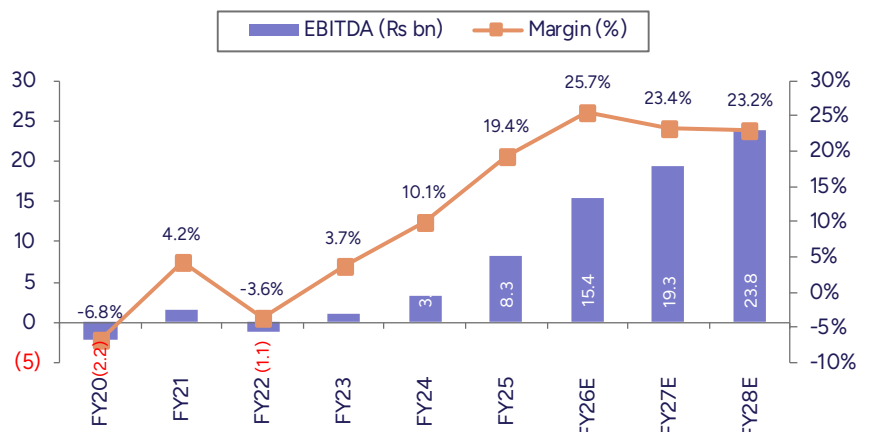


Source: Company, PL

EBITDA margin to improve by 373bps over FY25-28E

We expect GVTD to register a robust EBITDA margin expansion of 373bps over FY25-28E driven by 1) improving demand for higher margin exports supported by group companies, 2) larger share of private players in GVTD's order book with better pricing and executional terms, 3) higher share of products in revenue mix of the company, 4) operating leverage driven by significantly lower employee costs as percentage of sales and 5) improving localization driven by global parent's "Asia for Asia" strategy.

Exhibit 17: EBITDA to register CAGR of 41.9% over FY25-28E

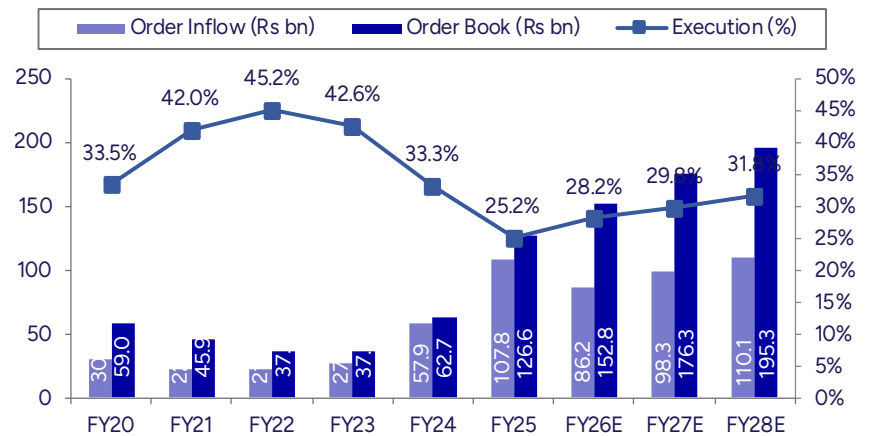


Source: Company, PL

Order book to clock 15.6% CAGR reaching Rs195bn by FY28E

We anticipate robust order intake leading to a 15.6% CAGR in order book reaching Rs195bn by FY28E driven by 1) A large HVDC order win with a healthy pipeline of at least 2 HVDC order per year in India, 2) ~Rs1.3trn addressable market by FY30 driven by energy transition, 3) company foraying into STATCOMs with annual addressable market of ~Rs40bn, and 4) traction in exports supported by orders from group entities and GVTD entering new geographies.

Exhibit 18: Strong order book & inflow growth with stable execution



Source: Company, PL

Valuation & Outlook

We expect GVTD to record a 33.8% revenue CAGR over FY25-27E driven by 1) Rs1.3trn addressable market from energy transition by FY30, 2) A large HVDC order win and further traction in HVDC pipeline in India, 3) better export demand from group companies in key geographies, and 4) growth opportunities in new edge sectors such as data centers and STATCOMs.

We estimate EBITDA/Adj. PAT CAGR of 41.9%/41.1% over FY25-28E driven by 1) higher share of exports in the revenue, 2) management initiatives for cost saving and sourcing and capacity debottlenecking, 3) improving localization aiding margin expansion and 4) higher share of private customers in the book with better margins and payment terms.

The stock is currently trading at P/E of 56.1x/45.5x FY27/28E. We value the business at a PE of 65x on Sep'27E (same as earlier) arriving at a TP of Rs4,005 (Rs3,531 earlier). Upgrade to 'Buy'.

Peer Comparison

Exhibit 19: Highest return ratios among peers; valuations remain at a discount to peers

Peer Comparison (Rs bn)	Revenue			EBITDA			EBITDA Margin (%)			PAT		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
GE Vernova T&D India	60.1	82.7	102.9	15.4	19.3	23.8	25.7%	23.4%	23.2%	11.4	14.1	17.4
Siemens Energy India*	78.3	96.8	119.8	14.7	19.1	24.5	18.8%	19.7%	20.5%	10.7	14.0	18.1
Hitachi Energy India#	80.2	118.5	162.3	11.0	17.6	25.9	13.7%	14.8%	16.0%	8.7	13.1	19.1

Peer Comparison	EPS (Rs)			PE (x)			ROE (%)			ROCE (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
GE Vernova T&D India	44.5	55.2	68.0	69.6	56.1	45.5	52.4%	46.1%	41.8%	67.4%	59.7%	54.1%
Siemens Energy India*	30.0	39.5	50.9	87.2	66.3	51.4	28.1%	28.6%	29.5%	34.7%	35.7%	36.9%
Hitachi Energy India#	192.8	293.5	428.2	97.1	63.7	43.7	18.5%	22.6%	26.2%	21.7%	25.7%	31.4%

Source: Company, PL *FY26E = SY25 #Bloomberg Consensus

Key Risks

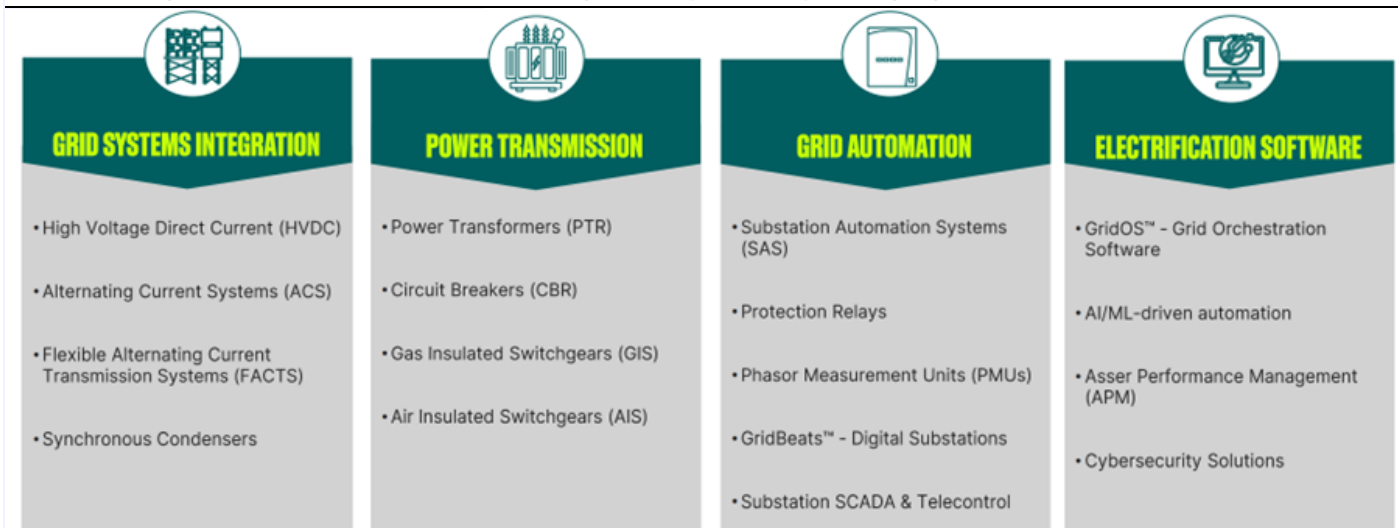
- Changes in government policies related to technical regulations or other standards affecting the company's products, as well as shifts in policies supporting energy transition or broader macroeconomic trends, could have a material impact on the company's financial performance.
- Failure to win HVDC orders in the near future may impact company's revenue visibility.
- Company has exposure to CRGO Steel for transformer manufacturing which is majorly imported. Unavailability of CRGO or any difficulties in import may hamper operations of the company.
- Primary raw materials used in manufacturing apart from CRGO Steel is Copper. Any fluctuations in prices of Copper may adversely affect the financials of the company.
- Amid private capex to increase capacities to meet transformer demand in the industry, excess capacity may lead to price wars resulting in lower prices for the products.
- Increasing exports to the revenue mix will increase company's exposure to forex fluctuations.

Annexure: GE Vernova T&D India Ltd. (GVTD)

GVTD, a publicly listed entity of GE Grid Solutions in India, is a prominent leader in the transmission and distribution industry. The company offers a diverse and reliable suite of solutions for connecting and transferring power from generation sources to the grid, equipping utilities with the essential tools to efficiently meet growing demand.

GVTD provides an extensive range of products spanning from medium to ultra-high voltage (1200 kV) for the power generation, transmission, and distribution sectors. With a significant presence across all stages of the power supply chain, GVTD offers a comprehensive portfolio of products and services, including power transformers, circuit breakers, GIS, instrument transformers, substation automation equipment, digital software solutions, and turnkey solutions for substation engineering and construction. **The company also specializes in Flexible AC Transmission Systems (FACTS), High Voltage DC (HVDC), and maintenance support.**

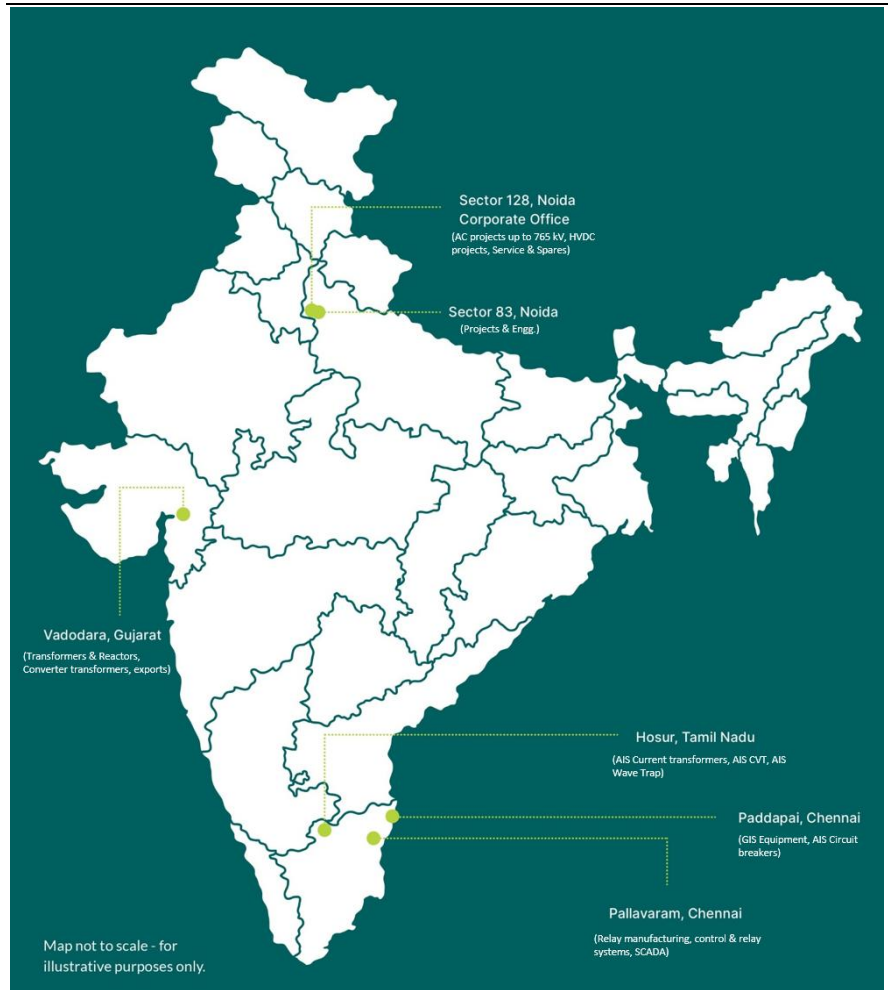
Exhibit 20: Segment wise product portfolio including company's industry leading digital solutions



Source: Company, PL

GVTD operates five strategically located manufacturing sites across India, positioning the company to effectively meet the increasing demand for grid equipment and services within the country's transmission and distribution (T&D) industry. These facilities are equipped with advanced technology and production capabilities, enabling GVTD to produce high-quality, reliable products that cater to the evolving needs of India's power infrastructure. Furthermore, GVTD offers EPC and turnkey solutions for HVDC & AC transmissions which are carried out at their facility and corporate office in Noida.

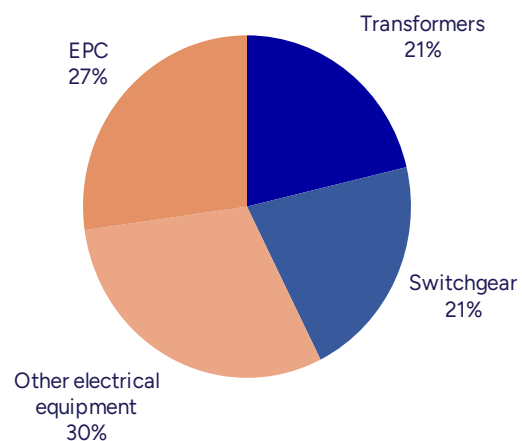
Exhibit 21: GVTD's manufacturing & service plants across India



Source: Company, PL

GVTD is involved in the manufacturing of transformers, regulators, switchgear & other electrical equipment. **Together it accounted for ~73% of the revenue while EPC business accounted for 27% of the revenue in FY25.**

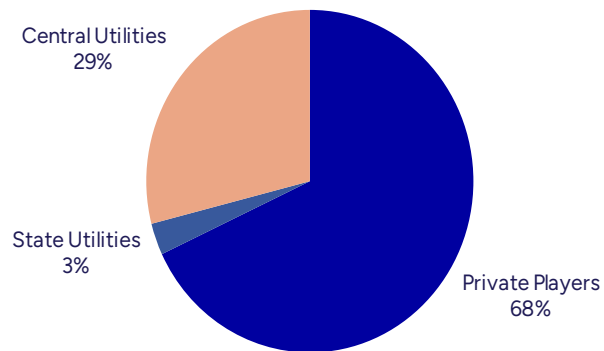
Exhibit 22: Revenue mix across products and services



Source: Company, PL

GVTD has established itself as a key supplier to private sector companies, state utilities, central utilities, and public sector undertakings (PSUs). **As on 30th Sep 2025, company's order book stood at Rs131.1bn with composition of 68%/3%/29% from private/state/central utilities.** The order book has historically been weighted towards private sector clients, driven by more favorable contract terms and a faster pace of execution. Management remains confident that private players will continue to play a pivotal role in the company's growth trajectory.

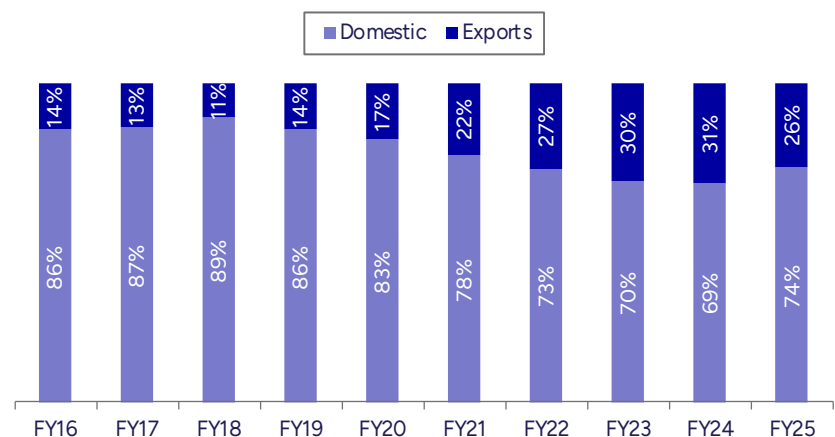
Exhibit 23: GVTD order book composition as on 30th Sep 2025



Source: Company, PL

GVTD's Indian manufacturing operations play a pivotal role in supporting its group companies across various global regions, as well as serving third-party clients. Presently, GVTD caters to markets in Southeast Asia, Australia, South Asia, Africa, Latin America, and parts of Europe. Orders from group companies typically represent 65%-75% of total exports. **Notably, the company announced the receipt of a substantial order valued at ~Rs8.0bn from a group company in July 2024 while it is likely to win an additional order worth ~Rs25.0bn by FY27.**

Exhibit 24: Exports to remain in the range of ~30% of total sales going forward



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	42,923	60,093	82,716	1,02,868
YoY gr. (%)	35.5	40.0	37.6	24.4
Cost of Goods Sold	25,567	33,832	48,058	60,692
Gross Profit	17,356	26,261	34,658	42,176
Margin (%)	40.4	43.7	41.9	41.0
Employee Cost	3,999	4,417	5,377	6,172
Other Expenses	3,301	3,065	5,377	6,481
EBITDA	8,337	15,444	19,314	23,814
YoY gr. (%)	161.4	85.2	25.1	23.3
Margin (%)	19.4	25.7	23.4	23.2
Depreciation and Amortization	473	583	806	1,086
EBIT	7,864	14,861	18,508	22,727
Margin (%)	18.3	24.7	22.4	22.1
Net Interest	143	97	97	97
Other Income	626	691	877	1,132
Profit Before Tax	8,347	15,455	19,288	23,762
Margin (%)	19.4	25.7	23.3	23.1
Total Tax	2,113	4,065	5,150	6,344
Effective tax rate (%)	25.3	26.3	26.7	26.7
Profit after tax	6,233	11,390	14,138	17,418
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	6,233	11,390	14,138	17,418
YoY gr. (%)	244.3	82.7	24.1	23.2
Margin (%)	14.5	19.0	17.1	16.9
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	6,233	11,390	14,138	17,418
YoY gr. (%)	244.3	82.7	24.1	23.2
Margin (%)	14.5	19.0	17.1	16.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	6,233	11,390	14,138	17,418
Equity Shares O/s (m)	256	256	256	256
EPS (Rs)	24.3	44.5	55.2	68.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	8,015	9,715	13,215	16,715
Tangibles	8,015	9,715	13,215	16,715
Intangibles	-	-	-	-
Acc: Dep / Amortization	4,298	4,881	5,687	6,773
Tangibles	4,298	4,881	5,687	6,773
Intangibles	-	-	-	-
Net fixed assets	3,717	4,834	7,528	9,942
Tangibles	3,717	4,834	7,528	9,942
Intangibles	-	-	-	-
Capital Work In Progress	474	475	476	477
Goodwill	-	-	-	-
Non-Current Investments	88	-	-	-
Net Deferred tax assets	1,270	1,270	1,270	1,270
Other Non-Current Assets	4,262	5,408	7,444	9,258
Current Assets				
Investments	75	79	83	87
Inventories	7,035	10,208	13,824	16,910
Trade receivables	14,689	20,580	28,328	35,229
Cash & Bank Balance	4,728	9,286	15,452	24,861
Other Current Assets	4,268	5,468	7,527	9,361
Total Assets	45,341	62,421	86,858	1,12,421
Equity				
Equity Share Capital	512	512	512	512
Other Equity	17,219	25,192	35,089	47,281
Total Networth	17,731	25,704	35,601	47,794
Non-Current Liabilities				
Long Term borrowings	135	135	135	135
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	211	211	211	211
Trade payables	10,259	14,323	19,716	24,801
Other current liabilities	18,275	23,318	32,466	40,752
Total Equity & Liabilities	45,341	62,421	86,858	1,12,421

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	8,197	15,455	19,288	23,762
Add. Depreciation	473	583	806	1,086
Add. Interest	143	97	97	97
Less Financial Other Income	626	691	877	1,132
Add. Other	316	-	-	-
Op. profit before WC changes	9,129	16,135	20,191	24,945
Net Changes-WC	1,962	(5,209)	(7,465)	(8,289)
Direct tax	(2,055)	(4,065)	(5,150)	(6,344)
Net cash from Op. activities	9,036	6,862	7,576	10,312
Capital expenditures	(874)	(1,701)	(3,501)	(3,501)
Interest / Dividend Income	266	-	-	-
Others	(4,350)	(4)	(4)	(4)
Net Cash from Invst. activities	(4,958)	(1,705)	(3,505)	(3,505)
Issue of share cap. / premium	-	-	-	-
Debt changes	(158)	-	-	-
Dividend paid	(512)	(3,417)	(4,241)	(5,225)
Interest paid	(20)	(97)	(97)	(97)
Others	-	2,914	6,433	7,925
Net cash from Fin. activities	(691)	(599)	2,095	2,603
Net change in cash	3,388	4,557	6,166	9,409
Free Cash Flow	8,162	5,161	4,075	6,811

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	24.3	44.5	55.2	68.0
CEPS	26.2	46.8	58.4	72.3
BVPS	69.2	100.4	139.0	186.7
FCF	31.9	20.2	15.9	26.6
DPS	6.0	13.3	16.6	20.4
Return Ratio(%)				
RoCE	50.9	67.4	59.7	54.1
ROIC	55.1	86.2	87.7	97.4
RoE	41.3	52.4	46.1	41.8
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.4)	(0.4)	(0.5)
Net Working Capital (Days)	97	100	99	97
Valuation(x)				
PER	127.2	69.6	56.1	45.5
P/B	44.7	30.9	22.3	16.6
P/CEPS	118.3	66.2	53.1	42.9
EV/EBITDA	94.6	50.8	40.3	32.3
EV/Sales	18.4	13.0	9.4	7.5
Dividend Yield (%)	0.2	0.4	0.5	0.7

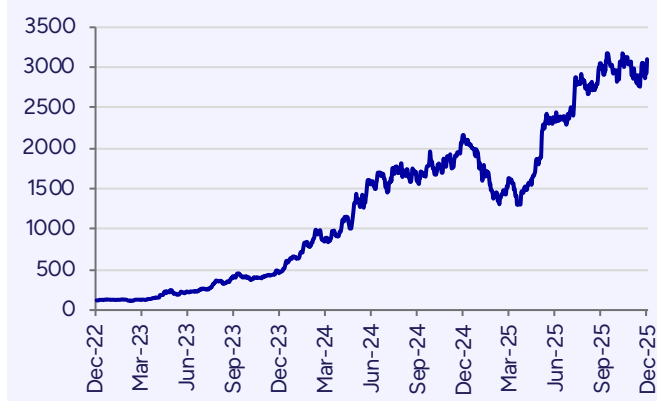
Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Net Revenue	10,737	11,525	13,301	15,385
YoY gr. (%)	28.0	26.2	38.8	38.9
Raw Material Expenses	6,683	6,651	6,860	8,675
Gross Profit	4,053	4,875	6,442	6,709
Margin (%)	37.8	42.3	48.4	43.6
EBITDA	1,797	2,671	3,876	3,965
YoY gr. (%)	86.1	140.8	112.7	93.7
Margin (%)	16.7	23.2	29.1	25.8
Depreciation / Depletion	117	115	111	116
EBIT	1,680	2,557	3,765	3,849
Margin (%)	15.6	22.2	28.3	25.0
Net Interest	39	57	28	22
Other Income	258	211	163	186
Profit before Tax	1,899	2,561	3,900	4,013
Margin (%)	17.7	22.2	29.3	26.1
Total Tax	472	696	988	1,018
Effective tax rate (%)	24.9	27.2	25.3	25.4
Profit after Tax	1,427	1,865	2,912	2,995
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	1,427	2,015	2,912	2,995
YoY gr. (%)	189.1	204.0	116.4	107.1
Margin (%)	13.3	17.5	21.9	19.5
Extra Ord. Income / (Exp)	-	(150)	-	-
Reported PAT	1,427	1,865	2,912	2,995
YoY gr. (%)	189.1	181.3	116.4	107.1
Margin (%)	13.3	16.2	21.9	19.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,427	1,865	2,912	2,995
Avg. Shares O/s (m)	256	256	256	256
EPS (Rs)	5.6	7.9	11.4	11.7

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	04-Nov-25	Accumulate	3,531	3,171
2	07-Oct-25	Accumulate	2,706	3,098
3	30-Jul-25	Accumulate	2,706	2,473
4	09-Jul-25	Accumulate	2,005	2,383
5	24-May-25	Accumulate	2,005	1,880
6	09-Apr-25	Accumulate	1,950	1,304
7	06-Feb-25	Accumulate	1,950	1,710
8	09-Jan-25	Accumulate	1,962	1,991

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Accumulate	5,540	5,017
2	Apar Industries	Hold	9,744	9,252
3	BEML	Hold	1,982	1,987
4	Bharat Electronics	Hold	407	426
5	BHEL	Hold	250	270
6	Carborundum Universal	Hold	894	901
7	Cummins India	Hold	4,172	4,292
8	Elgi Equipments	Accumulate	561	500
9	Engineers India	BUY	255	190
10	GE Vernova T&D India	Accumulate	3,531	3,171
11	Grindwell Norton	Hold	1,744	1,676
12	Harsha Engineers International	Hold	407	388
13	Hindustan Aeronautics	BUY	5,507	4,749
14	Ingersoll-Rand (India)	Accumulate	4,271	3,804
15	Kalpataru Projects International	BUY	1,494	1,256
16	KEC International	BUY	932	768
17	Kirloskar Pneumatic Company	BUY	1,620	1,047
18	Larsen & Toubro	BUY	4,766	3,958
19	Praj Industries	Hold	353	335
20	Siemens	Accumulate	3,470	3,145
21	Siemens Energy India	Accumulate	3,312	2,982
22	Thermax	Accumulate	3,513	3,061
23	Triveni Turbine	Accumulate	609	543
24	Voltamp Transformers	BUY	10,318	7,845

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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