PL Capital PRABHUDAS LILLADHER

Thermax (TMX IN)

Q1FY27 Result Update

August 01, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	Reduce		Reduce	
Target Price	3,952		3,969	
Sales (INR mn)	122,855	144,370	122,876	145,115
% Chng.	(0.0)	(0.5)		
EBITDA (INR mn)	10,566	14,119	11,489	14,337
% Chng.	(8.0)	(1.5)		
EPS (INR)	58.0	76.1	66.9	78.1
% Chng.	(13.3)	(2.6)		

Key Data

Key Data	THMX.BO | TMX IN
BSE Code	500411
NSE Code	THERMAX
52-W High / Low	INR 5,271 / INR 2,739
Face Value	2
Sensex / Nifty	78,095 / 24,384
Market Cap	INR 513 bn / $ 5,379 mn
Shares Outstanding	119.16 mn
3M Avg. Daily Value	INR 1,628.11 mn

Shareholding Pattern (%)

Promoters	61.98
FIIs	11.46
Mutual Funds	15.22
Domestic Institutions	5.88
Public and Others	5.46
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(16.4)	5.7	49.8	9.4
Relative	(18.2)	4.1	57.8	13.7

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	103,231	106,260	122,855	144,370
EBITDA (INR mn)	8,422	9,581	10,566	14,119
Margin (%)	*8.2*	*9.0*	*8.6*	*9.8*
PAT (INR mn)	5,880	6,170	6,918	9,074
EV (INR mn)	502,556	512,231	519,015	522,202
Total Debt (INR mn)	17,177	23,525	32,525	41,525
C&C Eq. (INR mn)	12,085	11,907	13,122	17,936
EPS (INR)	49.3	51.8	58.1	76.2
Gr. (%)	*(0.2)*	*4.9*	*12.1*	*31.2*
DPS (INR)	12.0	12.0	17.4	22.8
Yield (%)	*0.3*	*0.3*	*0.4*	*0.5*
RoE (%)	*12.5*	*11.8*	*11.9*	*14.1*
RoCE (%)	*11.1*	*10.3*	*9.3*	*10.9*
EV/Sales (x)	4.9	4.8	4.2	3.6
EV/EBITDA (x)	59.7	53.5	49.1	37.0
PE (x)	87.3	83.2	74.2	56.5
P/BV (x)	10.4	9.2	8.4	7.5

Legacy overhang clouds Q1, order momentum key focus

Quick Pointers

- Q1FY27 order intake increased by ~2% to INR28.bn aided by receipt of boiler pressure parts order (INR 4bn) for data centre in USA
- Project related cost overruns of INR 910mn in Industrial Infra led to Q1FY27 EBIT loss of INR707mn

We revised our EPS estimates by -13.3%/-2.6% for FY27E/FY28E factoring in lower margin amid the impact of legacy government EPC project losses in Industrial Infra, shipment delays in Industrial Products and higher input cost. Thermax (TMX IN) reported a weak performance, with revenue growing 9.4% YoY and EBITDA margin contracted 518bps YoY to 2.9% impacted by cost overrun on a legacy government EPC project (INR 910mn), delayed dispatches (INR3bn) of industrial products due to the Middle East conflict, commodity cost inflation (INR 100mn). While the Industrial Products segment continued to witness healthy underlying demand across heating, cooling, water treatment and air pollution control solutions, margins remained under pressure owing to adverse commodity movements and shipment deferments, although recovery expected from Q3FY27. The Industrial Infrastructure segment remained affected by legacy government EPC projects; however, management reiterated that the remaining exposure has reduced to less than ~5% of the order book and is expected to be substantially completed over the next few quarters. The Chemicals business continued to recover with improving volumes and management expects ~20% growth in FY27, supported by normalization in customer demand despite near-term raw material volatility. Meanwhile, Green Solutions remained loss-making due to losses in FEPL and Bio-CNG operations; however, management expects FEPL to onboard a strategic partner while Bio-CNG performance obligations are likely to conclude over the next few quarters, reducing execution and profitability risks. We maintain our rating to 'Reduce' valuing the core business (ex. Green Solutions) at a PE of 40x Mar'28E (39x Mar'28E earlier) arriving at a revised SoTP-derived TP of INR3,952 (INR3,969 earlier).

Execution challenges and supply chain disruptions amid Middle East conflict impacting profitability will remain a key monitorable in the short term. However, in the long term, TMX is well placed to gain from increasing thrust on energy transition & de-carbonization led by its 1) sustainable green industrial solutions in bioenergy, heating & cooling, chemicals and water, 2) technical expertise, 3) prudent working capital management, and 4) emerging opportunities for cooling and heating solutions from data centre. The stock is currently trading at a PE of 74.2x/56.5x on FY27/28E.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	24,227	23,003	-5.0	21,017	9.0
EBITDA (INR mn)	1,987	661	-67.0	1,693	-61.0
Margin (%)	*8.2*	*2.9*	*-530 bps*	*8.1*	*-520 bps*
PAT (INR mn)	1,242	235	-81.0	1,128	-79.0

Source: Company, PL

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Cost overrun impacted overall profitability: Consol. Revenue increased by 9.4% YoY to INR23bn (Ex. Package Scheme of Incentive of INR24.7mn) (Ple: INR24.2bn). EBITDA decreased by 61% YoY to ~INR662mn (PLe: INR2bn). EBITDA margin contracted by 554bps YoY to 2.9% due to lower gross margin (-226bps YoY) and cost overrun of INR910mn in one of the Industrial infra project. Adj. PBT decreased by 74.5% YoY to INR397mn (PLe: INR1.7bn). Adj. PAT decreased by 78.7% YoY to INR240mn (Ple: INR1.2bn) due to higher effective tax rate (-1993bps YoY to 48.3%). Order inflow increased by 2%YoY to INR28bn. Order book stands at INR140.5bn (1.3x TTM revenue).

Segmental Overview: Revenue growth was driven by Industrial Products (+11.4% YoY to INR10.6bn) and Green Solutions (+3% YoY to INR2.4bn), Chemicals (+32.5% YoY to Rs2.3bn) and Industrial Infra (+3.8% YoY to INR8bn). Industrial Products margin came in at 6.1% (vs 8.3% in Q1FY26); Industrial Infra margin came in at -8.7% (vs 10.7% in Q1FY26); Green Solutions margin contracted to -6.9% (vs -2.2% in Q1FY26); Chemicals margin expanded to 11.2% (vs 9.3% in Q1FY26).

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	23,003	*9.4%*	28,495	*15.2%*	32,310	*22.6%*	39,048	*14.3%*
EBITDA	662	*-60.9%*	2,080	*20.9%*	3,005	*17.9%*	4,819	*33.1%*
Margin (%)	*2.9*	*(517.9)*	*7.3*	*34.6*	*9.3*	*(37.2)*	*12.3*	*174.4*
Adj. PAT	240	*-79%*	1,325	*11%*	2,008	*33%*	3,346	*43%*

Source: Company, PL

Exhibit 2: Cost overrun of INR910 mn in Industrial Infra impact overall profitability while revenue increased by 9.4% YoY to INR 23bn

INR mn	Q1FY27	Q1FY26	*YoY gr.*	Q1FY27E	*% Var.*	Q4FY26	*QoQ gr.*	FY27E	FY26	*YoY gr.*
Revenue	**23,003**	**21,017**	***9.4%***	**24,227**	***-5.1%***	**34,157**	***-32.7%***	**1,22,855**	**1,06,260**	***15.6%***
Gross Profit	10,797	10,340	*4.4%*	11,701	*-7.7%*	16,041	*-32.7%*	57,619	50,664	*13.7%*
Margin (%)	46.9	49.2	*(226)*	48.3	*(136)*	47.0	*(2)*	46.9	47.7	*(78)*
Employee Cost	3,715	3,290	*12.9%*	3,707	*0.2%*	3,915	*-5.1%*	15,603	14,212	*9.8%*
as % of sales	16.1	15.7	*49*	15.3	*85*	11.5	*469*	12.7	13.4	*(67)*
Other expenditure	6,421	5,357	*19.9%*	6,008	*6.9%*	8,507	*-24.5%*	31,451	26,871	*17.0%*
as % of sales	27.9	25.5	*243*	24.8	*312*	24.9	*301*	25.6	25.3	*31*
EBITDA	**662**	**1,693**	***-60.9%***	**1,987**	***-66.7%***	**3,620**	***-81.7%***	**10,565**	**9,581**	***10.3%***
Margin (%)	2.9	8.1	*(518)*	8.2	*(532)*	10.6	*(772)*	8.6	9.0	*(42)*
Depreciation	595	489	*21.8%*	550	*8.2%*	540	*10.2%*	2,501	2,076	*20.4%*
EBIT	**66**	**1,204**	***-94.5%***	**1,437**	***-95.4%***	**3,079**	***-97.8%***	**8,065**	**7,504**	***7.5%***
Margin (%)	0.3	5.7	*(544)*	5.9	*(564)*	9.0	*(873)*	6.6	7.1	*(50)*
Other Income	682	656	*3.9%*	650	*4.9%*	537	*27.0%*	3,071	2,520	*21.9%*
Interest Costs (other than fin serv.)	352	302	*16.4%*	430	*-18.3%*	424	*-17.0%*	1,527	1,390	*9.9%*
PBT (ex. Extra-ordinaries)	**397**	**1,558**	***-74.5%***	**1,657**	***-76.1%***	**3,193**	***-87.6%***	**9,609**	**8,635**	***11.3%***
Margin (%)	1.7	7.4	*(569)*	6.8	*(511)*	9.3	*(762)*	7.8	8.1	*(31)*
Extraordinary Items	25	558	*-95.6%*	-		148	*-83.3%*	-	1,448	*-100.0%*
PBT	**421**	**2,117**	***-80.1%***	**1,657**	***-74.6%***	**3,341**	***-87.4%***	**9,609**	**10,083**	***-4.7%***
Total Tax	204	600	*-66.1%*	417	*-51.3%*	897	*-77.3%*	2,690	2,877	*-6.5%*
Effective Tax Rate (%)	48.3	28.4	*1,993*	25.2	*2,309*	26.9	*2,144*	28.0	28.5	*(53)*
PAT before JVs/MI	**218**	**1,516**	***-85.6%***	**1,239**	***-82.4%***	**2,444**	***-91.1%***	**6,918**	**7,207**	***-4.0%***
Share of JVs/MI	35	8	*360.0%*	3	*1050.0%*	(1)	-	0	(2)	-
Reported PAT	**252**	**1,524**	***-83.4%***	**1,242**	***-79.7%***	**2,443**	***-89.7%***	**6,918**	**7,205**	***-4.0%***
Adj. PAT	**240**	**1,124**	***-78.7%***	**1,242**	***-80.7%***	**2,334**	***-89.7%***	**6,918**	**6,170**	***12.1%***
Adj. EPS	**2.0**	**9.4**	***-78.7%***	**10.4**	***-80.7%***	**19.6**	***-89.7%***	**58.1**	**51.8**	***12.1%***

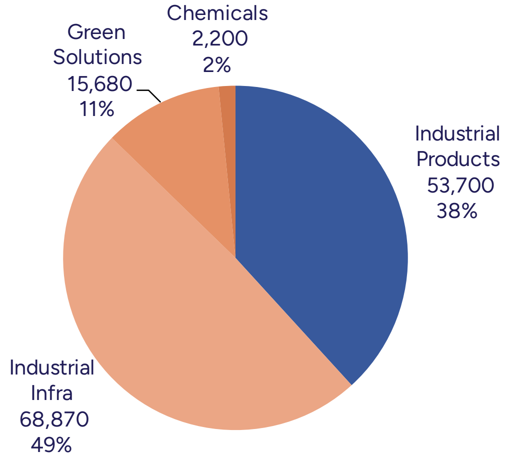
Source: Company, PL

Exhibit 3: Cost overrun in Industrial Infra and higher input cost and Shipment delay in Industrial Products impacts overall EBIT margins

Segment Performance	Q1FY27	Q1FY26	YoY gr.	Q1FY27E	% Var.	Q4FY26	QoQ gr.	FY27E	FY26	YoY gr.
Revenue (INR mn)										
Industrial Products	10,582	9,502	*11.4%*	9,941	*6.4%*	16,606	*-36.3%*	58,894	50,961	*15.6%*
Industrial Infrastructure	8,117	7,817	*3.8%*	10,921	*-25.7%*	13,712	*-40.8%*	49,242	42,799	*15.1%*
Green Solutions	2,447	2,375	*3.0%*	2,110	*16.0%*	2,930	*-16.5%*	9,187	7,322	*25.5%*
Chemicals	2,295	1,732	*32.5%*	1,754	*30.8%*	1,932	*18.8%*	8,553	7,576	*12.9%*
EBIT (INR mn)										
Industrial Products	642	793	*-19.0%*	845	*-24.0%*	2,280	*-71.8%*	5,713	5,430	*5.2%*
Industrial Infrastructure	(707)	833	-	655	-	959	-	1,330	2,504	*-46.9%*
Green Solutions	(169)	(53)	-	127	-	(319)	-	367	(368)	-
Chemicals	256	161	*59.5%*	105	*143.6%*	98	*162.7%*	855	540	*58.5%*
EBIT Margin (%)										
Industrial Products	6.1	8.3	*-228*	8.5	*-243*	13.7	*-766*	9.7	10.7	*-95*
Industrial Infrastructure	-8.7	10.7	*-1,936*	6.0	*-1,471*	7.0	*-1,570*	2.7	5.8	*-315*
Green Solutions	-6.9	-2.2	*-464*	6.0	*-1,289*	-10.9	*400*	4.0	-5.0	*903*
Chemicals	11.2	9.3	*189*	6.0	*517*	5.1	*612*	10.0	7.1	*288*

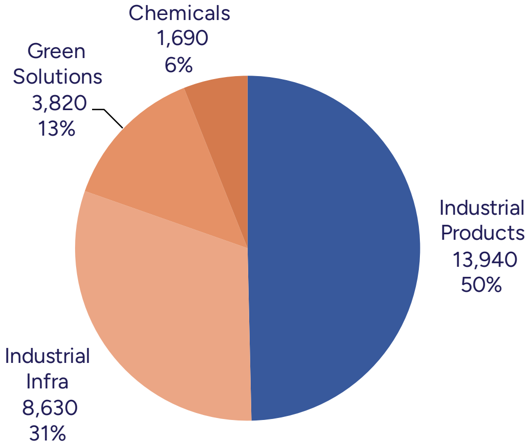
Source: Company, PL

Exhibit 4: Order book remains healthy at INR140.5bn (1.3x TTM sales)



Source: Company, PL

Exhibit 5: Order Inflow increased by ~2% YoY to INR28bn



Source: Company, PL

Exhibit 6: Green Solutions include TOESL and FEPL subsidiaries

	Mar'28E (INR mn)	Valuation basis	Target multiple (X)	Targeted Value (INR mn)	Value/Share
Core Business PAT	10,720	P/E	40	4,28,793	3,599
Green Solutions BV	8,411	P/B	5	42,057	353
Total Target (INR Mn)				4,70,850	3,952

Source: Company, PL

Conference Call Highlights:

Order Outlook: Management remain confident of FY27 order inflow surpassing FY26 supported by healthy pipeline across international markets (Middle East & Afrcia), super critical boilers, captive thermal projects and US data center opportunities. Management also noted several large orders have already been negotiated but not booked in Q1 due to customer advances. Government project exposure with current order book stood at **~INR3-4bn**

Industrial Infra (+4% YoY Ex of PSI): Segment profitability was impacted by **INR910mn increase in estimated cost-to-complete** for a legacy government EPC project (~INR12bn project), due to engineering modifications, higher equipment costs, construction expenses and project delays. ~**74% of the project** has been executed, with the balance expected to be completed over the next four quarters. Management expects **no further cost surprises** from FGD projects, with remaining executions scheduled over Q2-Q4FY27. Going forward Thermax will focus more on engineering work before biding, detailed 3D model for cost estimation, preference for internal engineered projects, limited civil construction, price escalation clause. However growth outlook remains healthy driven by supercritical boilers, captive thermal power plants, Waste-to-energy projects and data centre captive power opportunities.

Industrial Products (+11.4% YoY): Segment performance impacted by higher input costs i.e higher steel price **(~INR 100mn impact),** lower export dispatches and supply chain disruption leading to **~INR3bn** of finished goods inventory awaiting delivery from Middle East. Management highlighted another quarter of margin volatility is expected due to commodity normalization, profitability is likely to improve from **Q3 onwards** as delayed shipments are executed and higher-margin backlog starts contributing. Demand remained healthy across Water & Waste Solutions, Heating, Cooling and Air Pollution Control businesses, with Zero Liquid Discharge (ZLD), industrial water recycling, biomass boilers, clean air solutions and energy-efficient cooling technologies continuing to drive growth. Management highlighted robust opportunities across pharmaceuticals, chemicals, FMCG, industrial manufacturing and data centres.

Green Solutions (+3% YoY): Segment remained under pressure during the quarter due to losses at FEPL and Bio-CNG operations. FEPL reported an estimated INR200mn loss, primarily due to delays in commissioning two completed renewable projects in Tamil Nadu following government transition and election-related approvals, along with manpower carrying costs while preparing the renewable platform for induction of a strategic investor. Management continues to evaluate bringing an external partner into FEPL during FY27. Bio-CNG incurred approximately INR80mn quarterly loss due to ongoing engineering manpower costs despite limited order inflows over the last two years. Of the four legacy Bio-CNG projects under performance guarantee obligations, one has been successfully completed, the second has crossed more than 50% of performance testing, while the remaining two are expected to complete performance trials during August–September. Management expects most Bio-CNG liabilities to conclude during FY27 and believes upcoming government pricing reforms could revive project economics and support fresh order inflows.

Chemicals (+32.5% YoY): Management highlighted a gradual turnaround in the Chemicals business, supported by improving volumes across industrial end markets. Although commodity price volatility remains a near-term risk, the company expects ~**20% growth during FY27**, aided by improving demand across industrial process chemicals, water treatment chemicals and data centre-related applications. Overall profitability is expected to improve as operating leverage increases and input cost pressures normalize.

Data Centre opportunities: Management identified data centres as one of the company's most significant long-term growth opportunities, with participation across Cooling, Boilers, Water Solutions and Chemicals. Cooling remains the most differentiated business, where Thermax's absorption chillers and hybrid cooling technologies face limited global competition. The company has already signed MoUs with two major US data centre solution providers, with expectations of securing two additional project wins during Q3/Q4FY27. Growing demand for gas-fired captive power plants is also expected to support boiler opportunities through TBWES, particularly in the US market, while incremental opportunities are emerging in water treatment systems and specialty chemicals used in data centre operations.

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	103,231	106,260	122,855	144,370
YoY gr. (%)	*10.7*	*2.9*	*15.6*	*17.5*
Cost of Goods Sold	58,135	55,596	65,236	76,516
Gross Profit	45,096	50,664	57,619	67,854
Margin (%)	*43.7*	*47.7*	*47.0*	*47.0*
Employee Cost	12,689	14,212	15,603	17,931
Other Expenses	8,589	9,243	13,760	15,303
EBITDA	8,422	9,581	10,566	14,119
YoY gr. (%)	*5.6*	*13.8*	*10.3*	*33.6*
Margin (%)	*8.2*	*9.0*	*8.6*	*9.8*
Depreciation and Amortization	1,585	2,076	2,501	3,032
EBIT	6,837	7,504	8,065	11,087
Margin (%)	*6.6*	*7.1*	*6.6*	*7.7*
Net Interest	1,168	1,390	1,527	2,036
Other Income	2,522	2,520	3,071	3,465
Profit Before Tax	8,847	10,084	9,609	12,516
Margin (%)	*8.6*	*9.5*	*7.8*	*8.7*
Total Tax	2,578	2,877	2,690	3,442
Effective Tax Rate (%)	*29.1*	*28.5*	*28.0*	*28.0*
Profit After Tax	6,269	7,207	6,918	9,074
Minority Interest	(78)	(2)	-	-
Share Profit from Associate	(2)	(4)	-	-
Adjusted PAT	5,880	6,170	6,918	9,074
YoY gr. (%)	-	*4.9*	*12.1*	*31.2*
Margin (%)	*5.7*	*5.8*	*5.6*	*6.3*
Extra Ord. Income / (Exp)	465	1,035	-	-
Reported PAT	6,345	7,205	6,918	9,074
YoY gr. (%)	*(1.7)*	*13.6*	*(4.0)*	*31.2*
Margin (%)	*6.1*	*6.8*	*5.6*	*6.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	6,345	7,205	6,918	9,074
Equity Shares O/s (mn)	119	119	119	119
EPS (INR)	49.3	51.8	58.1	76.2

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	37,480	41,716	61,377	72,694
Tangibles	37,480	41,716	61,377	72,694
Intangibles	-	-	-	-
Acc: Dep / Amortization	11,328	13,037	15,538	18,570
Tangibles	11,328	13,037	15,538	18,570
Intangibles	-	-	-	-
Net Fixed Assets	26,152	28,679	45,839	54,124
Tangibles	26,152	28,679	45,839	54,124
Intangibles	-	-	-	-
Capital Work In Progress	7,533	16,215	9,054	10,237
Goodwill	-	-	-	-
Non-Current Investments	6,794	11,628	15,779	19,954
Net Deferred Tax Assets	1,243	1,346	1,346	1,346
Other Non-Current Assets	3,660	3,464	4,300	5,053
Current Assets				
Investments	15,679	12,767	13,767	14,767
Inventories	7,203	9,095	10,098	11,866
Trade Receivables	25,654	22,048	25,581	29,665
Cash & Bank Balance	12,085	11,907	13,122	17,936
Other Current Assets	6,476	5,941	7,371	8,662
Total Assets	119,376	131,074	154,532	182,413
Equity				
Equity Share Capital	225	225	225	225
Other Equity	49,144	55,274	60,763	67,761
Total Networth	49,369	55,500	60,988	67,987
Non-Current Liabilities				
Long Term Borrowings	11,804	16,734	24,060	30,654
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	5,373	6,792	8,465	10,871
Trade Payables	17,510	20,574	23,561	27,687
Other Current Liabilities	36,508	32,529	38,510	46,267
Total Equity & Liabilities	119,376	131,074	154,532	182,413

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	8,847	10,084	9,609	12,516
Add. Depreciation	1,585	2,076	2,501	3,032
Add. Interest	1,411	1,252	1,527	2,036
Less Financial Other Income	2,522	2,520	3,071	3,465
Add. Other	(917)	(1,568)	(3,071)	(3,465)
Op. Profit before WC Changes	10,926	11,844	10,566	14,119
Net Changes-WC	1,289	(2,285)	1,005	2,155
Direct Tax	1,861	3,495	2,690	3,442
Net Cash from Op. Activities	**10,354**	**6,065**	**8,880**	**12,833**
Capital Expenditures	(9,002)	(8,953)	(12,500)	(12,500)
Interest / Dividend Income	638	1,361	3,071	3,465
Others	(4,042)	1,721	(4,279)	(3,873)
Net Cash from Invt. Activities	**(12,406)**	**(5,871)**	**(13,707)**	**(12,908)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	4,336	5,585	9,000	9,000
Dividend Paid	(1,352)	(1,577)	(1,430)	(2,076)
Interest Paid	(1,758)	(1,619)	(1,527)	(2,036)
Others	9	87	-	-
Net Cash from Fin. Activities	**1,236**	**2,476**	**6,043**	**4,888**
Net Change in Cash	**(816)**	**2,670**	**1,216**	**4,813**
Free Cash Flow	1,328	(3,459)	(3,620)	333

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**24,739**	**26,347**	**34,157**	**23,003**
YoY gr. (%)	*(3.0)*	*5.1*	*10.7*	*9.4*
Raw Material Expenses	13,098	13,705	18,116	12,205
Gross Profit	11,641	12,642	16,041	10,797
Margin (%)	*47.1*	*48.0*	*47.0*	*46.9*
EBITDA	**1,720**	**2,548**	**3,620**	**661**
YoY gr. (%)	*(19.0)*	*34.8*	*20.8*	*(60.9)*
Margin (%)	*7.0*	*9.7*	*10.6*	*2.9*
Depreciation / Depletion	515	533	540	595
EBIT	**1,206**	**2,015**	**3,079**	**66**
Margin (%)	*4.9*	*7.6*	*9.0*	*0.3*
Net Interest	322	342	424	352
Other Income	854	473	537	682
Profit before Tax	**1,738**	**2,888**	**3,341**	**421**
Margin (%)	*7.0*	*11.0*	*9.8*	*1.8*
Total Tax	543	837	897	204
Effective Tax Rate (%)	*31.2*	*29.0*	*26.9*	*48.3*
Profit After Tax	**1,195**	**2,051**	**2,444**	**218**
Minority Interest	(3)	8	1	(35)
Share Profit from Associate	(1)	(1)	-	-
Adjusted PAT	**1,197**	**1,516**	**2,338**	**235**
YoY gr. (%)	*(20.5)*	*30.8*	*13.6*	*(79.2)*
Margin (%)	*4.8*	*5.8*	*6.8*	*1.0*
Extra Ord. Income / (Exp)	-	526	105	18
Reported PAT	**1,197**	**2,042**	**2,443**	**252**
YoY gr. (%)	*(39.3)*	*76.2*	*18.7*	*(83.4)*
Margin (%)	*4.8*	*7.7*	*7.2*	*1.1*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,197**	**2,042**	**2,443**	**252**
Avg. Shares O/s (mn)	119	119	119	119
EPS (INR)	**10.0**	**12.7**	**19.6**	**2.0**

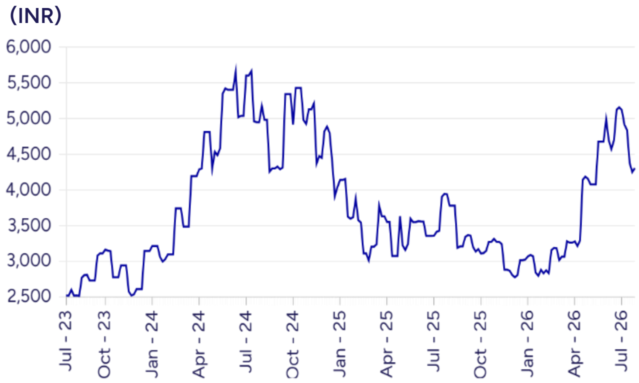
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	49.3	51.8	58.1	76.2
CEPS	62.6	69.2	79.0	101.6
BVPS	414.3	465.8	511.8	570.6
FCF	11.1	(29.0)	(30.4)	2.8
DPS	12.0	12.0	17.4	22.8
Return Ratio (%)				
RoCE	11.1	10.3	9.3	10.9
ROIC	14.2	11.1	9.8	11.7
RoE	12.5	11.8	11.9	14.1
Balance Sheet				
Net Debt : Equity (x)	-	-	0.1	0.1
Net Working Capital (Days)	54	36	36	35
Valuation (x)				
PER	87.2	83.1	74.1	56.5
P/B	10.3	9.2	8.4	7.5
P/CEPS	68.7	62.2	54.4	42.3
EV/EBITDA	59.6	53.4	49.1	36.9
EV/Sales	4.8	4.8	4.2	3.6
Dividend Yield (%)	0.2	0.2	0.4	0.5
FCFF Yield (%)	0.2	-	-	-
PEG Ratio	(363.3)	16.8	6.1	1.8

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	Reduce	3969	4603
2	08-May-26	REDUCE	3969	4678
3	09-Apr-26	Accumulate	3374	3535
4	06-Feb-26	Accumulate	3374	2916
5	07-Jan-26	Accumulate	3513	3069
6	12-Nov-25	Accumulate	3513	3061
7	07-Oct-25	Hold	3633	3185
8	12-Sep-25	Hold	3633	3330
9	02-Aug-25	Hold	3633	3779
10	09-Jul-25	Accumulate	3629	3435

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	6523	6772
2	Apar Industries	Accumulate	14720	13889
3	BEML	Accumulate	1940	1776
4	Bharat Electronics	Accumulate	452	407
5	BHEL	Reduce	368	435
6	Carborundum Universal	Reduce	986	1081
7	Cummins India	Reduce	5133	5499
8	Elgi Equipments	Accumulate	637	576
9	Engineers India	Buy	271	235
10	GE Vernova T&D India	Accumulate	4650	4467
11	Grindwell Norton	Accumulate	2113	2018
12	Harsha Engineers International	Hold	461	418
13	Hindustan Aeronautics	BUY	5423	4365
14	Hitachi Energy India	Reduce	30768	31755
15	Ingersoll-Rand (India)	Accumulate	4934	4360
16	Kalpataru Projects International	Buy	1466	1332
17	KEC International	Accumulate	558	487
18	Kirloskar Pneumatic Company	Accumulate	1715	1599
19	Larsen & Toubro	BUY	4425	3832
20	Praj Industries	Accumulate	389	355
21	Siemens	HOLD	3750	3446
22	Siemens Energy India	Accumulate	3274	3359
23	Thermax	Reduce	3969	4603
24	Triveni Turbine	Hold	638	613
25	Voltamp Transformers	Accumulate	10503	9390

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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