

February 6, 2026

Q3FY26 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	10,312		10,318	
Sales (Rs. m)	24,476	28,856	24,347	28,268
% Chng.	0.5	2.1		
EBITDA (Rs. m)	4,112	4,747	4,249	4,749
% Chng.	(3.2)	-		
EPS (Rs.)	372.9	420.3	374.9	418.8
% Chng.	(0.5)	0.4		

Key Financials - Standalone

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	19,342	20,691	24,476	28,856
EBITDA (Rs. m)	3,662	3,673	4,112	4,747
Margin (%)	18.9	17.8	16.8	16.5
PAT (Rs. m)	3,254	3,418	3,773	4,253
EPS (Rs.)	321.6	337.8	372.9	420.3
Gr. (%)	5.9	5.0	10.4	12.7
DPS (Rs.)	100.0	101.3	111.9	126.1
Yield (%)	1.3	1.3	1.4	1.6
RoE (%)	22.1	20.0	19.2	18.8
RoCE (%)	24.0	20.6	19.7	19.9
EV/Sales (x)	4.1	3.8	3.2	2.7
EV/EBITDA (x)	21.6	21.4	19.1	16.5
PE (x)	24.8	23.6	21.4	19.0
P/BV (x)	5.1	4.4	3.8	3.3

Key Data

	VOTL.BO	VAMP IN
52-W High / Low	Rs.10,088	/ Rs.5,900
Sensex / Nifty	83,580	/ 25,694
Market Cap	Rs.81bn/	\$ 890m
Shares Outstanding		10m
3M Avg. Daily Value		Rs.357.11m

Shareholding Pattern (%)

Promoter's	30.00
Foreign	21.78
Domestic Institution	31.38
Public & Others	16.84
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	4.4	(2.7)	6.9
Relative	6.3	(6.3)	(0.1)

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Strong Q3; domestic demand remains intact

Quick Pointers:

- Order intake declined by ~7% YoY to Rs6.0bn (5,326MVA), while order book (calc) stood at ~Rs13.8bn.
- Gross margin declined by 307bps YoY, likely due to invoicing of carried-forward inventory from prior quarters, impacting gross margin.

Voltamp Transformers (VAMP) delivered a strong quarter with revenue up 30.4% YoY, though EBITDA margin contracted 257bps YoY due to gross margin compression. Domestic demand momentum remains robust, with healthy visibility across industrial segments such as commercial & industrial, steel, metals, cement and state utilities (including GETCO). The company has incurred ~Rs1.2bn capex (till date) toward its 6,000MVA capacity expansion, which is on track for completion by Q1FY27 and is expected to cater to rising demand from data centers, renewables and infrastructure-led projects. However, rising private-sector capacity additions and intensifying competition could exert pricing pressure, leading to margin normalization. During the quarter, order inflows were impacted by higher copper prices, which slowed order finalization for time being. Near-term pricing and supply-chain challenges remain key monitorables, although underlying demand outlook remains strong over the next few years. The stock is trading at a P/E of 21.4x/19.0x FY27/28E. We maintain 'BUY' rating, valuing the stock at a P/E of 26x Sep'27E (same as earlier) with a TP of Rs10,312 (Rs10,318 earlier).

We remain positive on VAMP considering its 1) strong market position in industrial transformers, 2) healthy demand momentum, 3) debt-free balance sheet, 4) consistent free cash flow generation, and 5) growing high-margin services business.

Robust execution supports margins: Revenue increased by 30.4% YoY to Rs6.3bn (PLe: Rs5.3bn). Gross margin contracted by 307bps YoY to 26.1%. EBITDA increased by 14.0% YoY to Rs1.1mn (PLe: Rs1.0bn). with EBITDA margin contracting by 257bps YoY, due to lower gross margin, partially offset by operating leverage. Adj PBT increased by 32.2% YoY to Rs1.4bn aided by higher other income (Rs261mn vs. lower base of Rs69mn in Q3FY25). Adj PAT increased by 40.4% YoY to Rs1.0bn (PLe: Rs853mn) aided by lower effective tax rate (-445bps YoY to 23.7%). The management reported exceptional loss of Rs51.7mn, reflecting new labor code impact, which we have adjusted from employee costs.

Order book (calc) at ~Rs13.8bn (12,811MVA; 0.6x of TTM revenue): Order intake declined 7% YoY to Rs6.0bn (5,326MVA). The company remains selective in accepting new orders, focusing on profitability, execution certainty, and healthy cash flow.

Exhibit 1: Higher other income (Rs261mn vs. Rs69mn YoY) propelled adj PAT growth of 40.4% YoY to Rs1.0bn

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr.	Q3FY26E	% Var.	Q2FY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
Revenue	6,303	4,835	30.4%	5,314	18.6%	4,826	30.6%	15,365	13,094	17.3%
Gross Profit	1,645	1,410	16.6%	1,546	6.3%	1,415	16.2%	4,227	3,734	13.2%
Margin (%)	26.1	29.2	(307)	29.1	(301.0)	29.3	(323)	27.5	28.5	(100)
Employee Cost	160	136	17.8%	165	-2.7%	151	6.5%	466	416	12.1%
as % of sales	2.5	2.8	(27)	3.1	(55.7)	3.1	(58)	3.0	3.2	(14)
Other expenditure	355	283	25.2%	356	-0.3%	329	8.1%	969	820	18.3%
as % of sales	5.6	5.9	(23)	6.7	(106.8)	6.8	(118)	6.3	6.3	5
EBITDA	1,129	990	14.0%	1,026	10.1%	936	20.7%	2,791	2,498	11.7%
Margin (%)	17.9	20.5	(257)	19.3	(138.5)	19.4	(147)	18.2	19.1	(91)
Depreciation	38	34	11.9%	38	-0.3%	35	7.2%	107	95	12.2%
EBIT	1,091	957	14.1%	988	10.5%	900	21.2%	2,684	2,403	11.7%
Margin (%)	17.3	19.8	(247)	18.6	(127.1)	18.7	(134)	17.5	18.4	(88)
Other Income	261	69	281.4%	150	74.3%	148	77.1%	766	677	13.2%
Interest	2	3	-35.0%	1	121.9%	6	-62.8%	11	10	11.0%
PBT (ex. Extra-ordinaries)	1,351	1,022	32.2%	1,137	18.8%	1,042	29.6%	3,439	3,070	12.0%
Margin (%)	21.4	21.1	29	21.4	3.7	21.6	(17)	22.4	23.4	(106)
Extraordinary Items	(52)	-	-	-	-	-	-	(52)	-	-
PBT	1,299	1,022	27.1%	1,137	14.3%	1,042	24.7%	3,387	3,070	10.3%
Total Tax	308	288	7.0%	284	-	253	21.5%	812	784	3.7%
Effective Tax Rate (%)	23.7	28.2	(445)	25.0	(128.8)	24.3	(61)	24.0	25.5	(155)
Adj. PAT	1,030	734	40.4%	853	20.9%	789	30.7%	2,614	2,286	14.4%
Margin (%)	16.3	15.2	116	16.0	30.4	16.3	1	17.0	17.5	(44)
Adj. EPS	101.8	72.6	40.4%	84.3	20.9%	77.9	30.7%	258.4	225.9	14.4%

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	19,342	20,691	24,476	28,856
YoY gr. (%)	19.7	7.0	18.3	17.9
Cost of Goods Sold	13,930	15,043	17,965	21,151
Gross Profit	5,412	5,649	6,511	7,705
Margin (%)	28.0	27.3	26.6	26.7
Employee Cost	602	683	771	880
Other Expenses	483	538	747	1,039
EBITDA	3,662	3,673	4,112	4,747
YoY gr. (%)	13.6	0.3	12.0	15.4
Margin (%)	18.9	17.8	16.8	16.5
Depreciation and Amortization	132	148	235	254
EBIT	3,531	3,525	3,877	4,493
Margin (%)	18.3	17.0	15.8	15.6
Net Interest	14	12	12	14
Other Income	847	1,014	1,126	1,154
Profit Before Tax	4,363	4,527	4,991	5,633
Margin (%)	22.6	21.9	20.4	19.5
Total Tax	1,109	1,109	1,218	1,380
Effective tax rate (%)	25.4	24.5	24.4	24.5
Profit after tax	3,254	3,418	3,773	4,253
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	3,254	3,418	3,773	4,253
YoY gr. (%)	5.9	5.0	10.4	12.7
Margin (%)	16.8	16.5	15.4	14.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	3,254	3,418	3,773	4,253
YoY gr. (%)	5.9	5.0	10.4	12.7
Margin (%)	16.8	16.5	15.4	14.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,254	3,418	3,773	4,253
Equity Shares O/s (m)	10	10	10	10
EPS (Rs)	321.6	337.8	372.9	420.3

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	1,857	2,684	3,384	3,683
Tangibles	1,857	2,684	3,384	3,683
Intangibles	-	-	-	-
Acc: Dep / Amortization	684	832	1,067	1,321
Tangibles	684	832	1,067	1,321
Intangibles	-	-	-	-
Net fixed assets	1,173	1,853	2,318	2,362
Tangibles	1,173	1,853	2,318	2,362
Intangibles	-	-	-	-
Capital Work In Progress	39	12	12	13
Goodwill	-	-	-	-
Non-Current Investments	9,340	10,993	12,741	14,660
Net Deferred tax assets	(130)	(130)	(130)	(130)
Other Non-Current Assets	79	85	105	121
Current Assets				
Investments	1,237	1,237	1,237	1,237
Inventories	2,374	2,608	3,018	3,637
Trade receivables	2,926	3,231	3,755	4,348
Cash & Bank Balance	388	755	867	952
Other Current Assets	63	93	122	144
Total Assets	17,757	21,037	24,400	27,769
Equity				
Equity Share Capital	101	101	101	101
Other Equity	15,775	18,181	20,929	24,049
Total Networkth	15,876	18,282	21,030	24,150
Non-Current Liabilities				
Long Term borrowings	4	4	4	4
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	18	18	18	18
Trade payables	42	102	121	119
Other current liabilities	1,687	2,502	3,099	3,349
Total Equity & Liabilities	17,757	21,037	24,400	27,769

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	4,363	4,527	4,991	5,633
Add. Depreciation	132	148	235	254
Add. Interest	14	12	12	14
Less Financial Other Income	847	1,014	1,126	1,154
Add. Other	(799)	(1,014)	(1,126)	(1,154)
Op. profit before WC changes	3,711	3,673	4,112	4,747
Net Changes-WC	(499)	263	(428)	(1,070)
Direct tax	1,020	1,109	1,218	1,380
Net cash from Op. activities	2,192	2,827	2,467	2,297
Capital expenditures	(603)	(800)	(700)	(600)
Interest / Dividend Income	326	1,014	1,126	1,154
Others	(887)	(1,649)	(1,743)	(1,919)
Net Cash from Invt. activities	(1,164)	(1,435)	(1,318)	(1,365)
Issue of share cap. / premium	-	-	-	-
Debt changes	(13)	-	-	-
Dividend paid	(910)	(1,012)	(1,025)	(1,132)
Interest paid	(14)	(12)	(12)	(14)
Others	-	-	-	-
Net cash from Fin. activities	(938)	(1,024)	(1,037)	(1,146)
Net change in cash	90	368	112	(214)
Free Cash Flow	1,590	2,027	1,767	1,997

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	321.6	337.8	372.9	420.3
CEPS	334.7	352.4	396.2	445.4
BVPS	1,569.2	1,807.0	2,078.6	2,387.1
FCF	157.1	200.3	174.6	197.4
DPS	100.0	101.3	111.9	126.1
Return Ratio(%)				
RoCE	24.0	20.6	19.7	19.9
ROIC	20.1	17.6	16.7	16.6
RoE	22.1	20.0	19.2	18.8
Balance Sheet				
Net Debt : Equity (x)	(0.1)	(0.1)	(0.1)	(0.1)
Net Working Capital (Days)	99	101	99	100
Valuation(x)				
PER	24.8	23.6	21.4	19.0
P/B	5.1	4.4	3.8	3.3
P/CEPS	23.8	22.6	20.1	17.9
EV/EBITDA	21.6	21.4	19.1	16.5
EV/Sales	4.1	3.8	3.2	2.7
Dividend Yield (%)	1.3	1.3	1.4	1.6

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	6,248	4,236	4,826	6,303
YoY gr. (%)	23.9	(1.1)	21.3	30.4
Raw Material Expenses	4,569	3,068	3,411	4,659
Gross Profit	1,679	1,168	1,415	1,645
Margin (%)	26.9	27.6	29.3	26.1
EBITDA	1,164	726	936	1,129
YoY gr. (%)	15.5	(4.2)	24.8	14.0
Margin (%)	18.6	17.1	19.4	17.9
Depreciation / Depletion	36	34	35	38
EBIT	1,128	693	900	1,091
Margin (%)	18.0	16.4	18.7	17.3
Net Interest	4	3	6	2
Other Income	170	357	148	261
Profit before Tax	1,293	1,046	1,042	1,299
Margin (%)	20.7	24.7	21.6	20.6
Total Tax	325	251	253	308
Effective tax rate (%)	25.1	24.0	24.3	23.7
Profit after Tax	968	795	789	991
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	968	795	789	1,043
YoY gr. (%)	3.5	0.1	4.1	42.0
Margin (%)	15.5	18.8	16.3	16.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	968	795	789	1,043
YoY gr. (%)	3.5	0.1	4.1	42.0
Margin (%)	15.5	18.8	16.3	16.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	968	795	789	1,043
Avg. Shares O/s (m)	10	10	10	10
EPS (Rs)	95.9	78.8	78.1	103.2

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	BUY	10,318	7,720
2	10-Nov-25	BUY	10,318	7,845
3	07-Oct-25	BUY	10,285	7,190
4	30-Jul-25	BUY	10,285	8,892
5	09-Jul-25	BUY	10,285	9,420
6	06-May-25	BUY	10,285	8,195
7	09-Apr-25	BUY	11,437	6,582

Analyst Coverage Universe

Sr. No.	CompanyName	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	825	788
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	Accumulate	748	669
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	585	509
24	Voltamp Transformers	BUY	10,318	7,720

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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