PL Capital
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Engineers India (ENGR IN)

Q2FY27 Result Update

October 31, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Buy		Buy	
Target Price	328		297	
Sales (INR mn)	50,587	59,916	51,744	61,140
% Chng.	*(2.2)*	*(2.0)*		
EBITDA (INR mn)	8,145	10,006	8,408	10,119
% Chng.	*(3.1)*	*(1.1)*		
EPS (INR)	15.5	18.2	15.3	17.9
% Chng.	*1.3*	*1.7*		

Key Data	ENGI.BO | ENGR IN
BSE Code	532178
NSE Code	ENGINERSIN
52-W High / Low	INR 321 / INR 163
Face Value	5
Sensex / Nifty	74,460 / 23,053
Market Cap	INR 142 bn / $ 1,491 mn
Shares Outstanding	562.04 mn
3M Avg. Daily Value	INR 1,504.79 mn

Shareholding Pattern (%)

Promoters	51.32
FIIs	8.09
Mutual Funds	14.72
Domestic Institutions	1.89
Public & others	23.98
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(18.7)	13.5	-	22.8
Relative	(20.8)	18.7	3.3	39.2

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	37,017	42,674	50,587	59,916
EBITDA (INR mn)	4,472	6,892	8,145	10,006
Margin (%)	*12.1*	*16.2*	*16.1*	*16.7*
PAT (INR mn)	5,047	7,482	8,684	10,235
EV (INR mn)	127,245	126,647	125,368	123,574
Total Debt (INR mn)	168	168	168	168
C&C Eq. (INR mn)	13,639	14,468	15,690	17,209
EPS (INR)	9.0	13.3	15.5	18.2
Gr. (%)	*(2.6)*	*48.2*	*16.1*	*17.9*
DPS (INR)	3.0	6.0	7.0	8.2
Yield (%)	*1.2*	*2.4*	*2.8*	*3.3*
RoE (%)	*17.4*	*22.7*	*24.0*	*25.5*
RoCE (%)	*13.9*	*19.5*	*21.0*	*23.5*
EV/Sales (x)	3.4	3.0	2.5	2.1
EV/EBITDA (x)	28.5	18.4	15.4	12.4
PE (x)	28.0	18.9	16.3	13.8
P/BV (x)	4.5	4.1	3.7	3.4

Strong Q2; Consultancy mix underpins margin resilience

Quick Pointers

- YTD order intake stood at ~INR81bn surpasses management FY27 guidance of ~INR80bn
- Management reiterated revenue guidance of INR42-43bn with ~60% contribution from consultancy segment for FY27

Engineers India (EIL) reported a strong operating performance supported by robust order inflows (+196% YoY inc. Dangote order of INR44bn) and a favourable consultancy mix (~75%). YTD order intake stood at ~INR81bn, surpassing the annual guidance of INR80bn, while the order book stood at ~INR204bn, with ~75% contribution from consultancy and ~55% from overseas projects. Management expects FY27 revenue of INR42-43bn, followed by ~10% growth in FY28. Consultancy margins stood at ~30% in Q2FY27 (27.7% in H1FY27), with management guiding for ~25% for FY27 and potential upside from overseas projects, including the INR44bn Dangote project, where engineering work is underway. LSTK execution is expected to improve in H2FY27, with its contribution targeted at 40% of full-year execution vs 32% in H1. The lower-margin depository business (~7% margin) is expected to peak in FY27 and taper from H1FY28, supporting a favourable margin mix thereafter. Nuclear opportunities across engineering consultancy, balance-of-plant and construction supervision are at an early stage, with meaningful order inflows expected from FY28 onwards. While Middle East order prospects remain subdued amid geopolitical uncertainty, diversification into infrastructure (~25% of order inflows), fertilisers and strategic storage, along with improving traction in Africa, provides additional growth opportunities. The stock is currently trading at a PE of 16.3x/13.8x on FY28E/29E. We roll forward to Sep'28E and maintain our 'Buy' rating valuing the Consultancy/Turnkey segments at a PE of 24x/10x Sep'28E (24x/10x Mar'28E earlier) with a revised SoTP-derived TP of INR328 (INR297 earlier).

We believe EIL's long-term growth prospects remain intact given 1) strong order book prospects in non-oil & gas and oil & gas projects 2) sizeable potential in overseas consultancy business from Middle East & Africa region 3) opportunities beyond hydrocarbon in infrastructure, nuclear, coal gasification and energy transition, and 4) lean balance sheet.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	*% Var.*	Q2'26A	*YoY gr. (%)*
Net Sales (INR mn)	10,437	8,242	*(21.0)*	9,213	*(10.5)*
EBITDA (INR mn)	1,461	1,728	*18.3*	846	*104.3*
Margin (%)	*14.0*	*21.0*	*700 bps*	*9.2*	*1180 bps*
PAT (INR mn)	1,597	1,967	*23.2*	572	*243.9*

Source: Company, PL

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Consultancy revenue mix supports profitability: Consol. revenue decreased by ~11% YoY to INR8.2bn (PLe: INR10.4bn) against higher base due to decline in Turnkey revenue (-57.5% YoY to Rs2bn) while Consultancy revenue increased by 42.6% YoY to INR6.2bn. Gross margin expanded by 1991bps YoY to 67.8%, likely due to higher margin order execution in consultancy. Consultancy/Turnkey mix stood at 75%/25% (vs 47%/53% in Q2FY26). EBITDA increased 104.4% YoY to INR1.7bn (PLe: INR1.5bn) while EBITDA margin expanded by 1179bps YoY to 21% (Ple: 9.9%) on account of higher gross margin. Consultancy EBIT margin expanded by 1085bps to 31.6% (vs 20.7% in Q2FY26) and Turnkey EBIT margin contracted by 65bps YoY to 4.3%. PBT increased by 105.8% YoY to INR2.3bn (Ple: INR1.8bn) aided by increase in other income (+78.3% YoY to INR658mn). Adj. PAT (ex. JVs/associates) increased by ~112.3% YoY to INR1.8bn (PLe: INR1.3bn) led by better operating performance and lower effective tax rate (-237bps YoY to 22.9%) Profit from JVs/Associates stood at INR209mn in Q2FY27 (vs loss of INR256mn in Q2FY26). Adj.PAT increased by 243.8% YoY to INR2.0bn (Ple:INR1.6bn).

Order book stands at INR204.2bn (5.7x TTM revenue): Q2FY27 order inflow came in at INR69.1bn (+196.1% YoY) includes Dangote order of ~INR44bn. Order book stands at INR204.2bn (5.7x TTM revenue), with Consultancy Domestic/Consultancy Overseas/Turnkey mix of 19%/56%/25%.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr.*	Q2FY27	*YoY gr.*	Q3FY27E	*YoY gr.*	Q4FY27E	*YoY gr.*
Sales	8,198	*-5.8%*	8,242	*-10.5%*	12,856	*30.7%*	13,378	*44.4%*
EBITDA	1,264	*75.4%*	1,728	*104.4%*	2,057	*48.2%*	1,842	*21.3%*
Margin (%)	*15.4*	*714.0*	*21.0*	*1,179.1*	*16.0*	*188.9*	*13.8*	*(262.1)*
Adj. PAT	1,579	*141%*	1,967	*244%*	2,081	*11%*	1,855	*-5%*

Source: Company, PL

Exhibit 2: EBITDA margin expanded by 1,179bps YoY to 21% led by higher consultancy revenue mix

INR mn	Q2FY27	Q2FY26	*YoY gr.*	Q2FY27E	*% Var.*	Q1FY26	*QoQ gr.*	H1FY27	H1FY26	*YoY gr.*
Revenue	**8,242**	**9,213**	***-10.5%***	**10,437**	***-21.0%***	**8,198**	***0.5%***	**16,440**	**17,916**	***-8.2%***
Gross Profit	5,584	4,407	*26.7%*	5,323	*4.9%*	4,915	*13.6%*	10,499	8,655	*21.3%*
Margin (%)	*67.8*	*47.8*	*1,991*	*51.0*	*1,675*	*59.9*	*780*	*63.9*	*48.3*	*1,555*
Employee Cost	2,807	2,665	*5.3%*	2,818	*-0.4%*	2,643	*6.2%*	5,450	5,171	*5.4%*
as % of sales	*34.1*	*28.9*	*513*	*27.0*	*706*	*32.2*	*183*	*33.1*	*28.9*	*429*
Other expenditure	1,048	896	*17.0%*	1,044	*0.5%*	1,008	*4.0%*	2,056	1,918	*7.2%*
as % of sales	*12.7*	*9.7*	*300*	*10.0*	*272*	*12.3*	*43*	*12.5*	*10.7*	*180*
EBITDA	**1,728**	**846**	***104.4%***	**1,461**	***18.3%***	**1,264**	***36.7%***	**2,993**	**1,567**	***91.0%***
Margin (%)	*21.0*	*9.2*	*1,179*	*14.0*	*697*	*15.4*	*555*	*18.2*	*8.7*	*946*
Depreciation	104	101	*2.6%*	110	*-5.5%*	98	*6.2%*	202	207	*-2.4%*
EBIT	**1,624**	**744**	***118.2%***	**1,351**	***20.2%***	**1,167**	***39.3%***	**2,791**	**1,360**	***105.2%***
Margin (%)	*19.7*	*8.1*	*1,163*	*12.9*	*676*	*14.2*	*548*	*17.0*	*7.6*	*939*
Other Income	658	369	*78.3%*	450	*46.1%*	382	*72.2%*	1,039	732	*41.9%*
Interest	3	5	*-53.7%*	5	*-49.5%*	5	*-50.5%*	8	12	*-34.5%*
PBT (ex. Extra-ordinaries)	**2,279**	**1,108**	***105.8%***	**1,796**	***26.9%***	**1,543**	***47.7%***	**3,823**	**2,080**	***83.7%***
Margin (%)	*27.7*	*12.0*	*1,563*	*17.2*	*1,045*	*18.8*	*883*	*23.3*	*11.6*	*1,164*
Extraordinary Items	-	352	-	-	-	-	-	-	352	-
PBT	**2,279**	**1,459**	***56.2%***	**1,796**	***26.9%***	**1,543**	***47.7%***	**3,823**	**2,432**	***57.2%***
Total Tax	522	369	*41.6%*	449	*16.2%*	389	*34.2%*	911	614	*48.4%*
Effective Tax Rate (%)	*22.9*	*25.3*	*(237)*	*25.0*	*(210)*	*25.2*	*(231)*	*23.8*	*25.2*	*(141)*
PAT before JVs/Assoc.	**1,758**	**1,091**	***61.2%***	**1,347**	***30.5%***	**1,154**	***52.3%***	**2,912**	**1,818**	***60.1%***
Adj. PAT before JVs/Assoc.	**1,758**	**828**	***112.3%***	**1,347**	***30.5%***	**1,154**	***52.3%***	**2,912**	**1,555**	***87.2%***
Profit from JVs/Assoc.	209	(256)	*-181.8%*	250	-	425	*-50.8%*	634	(329)	*-292.5%*
Reported PAT	**1,967**	**835**	***135.6%***	**1,597**	***23.1%***	**1,579**	***24.5%***	**3,546**	**1,489**	***138.2%***
Adj. PAT	**1,967**	**572**	***243.8%***	**1,597**	***23.1%***	**1,579**	***24.5%***	**3,546**	**1,226**	***189.2%***
Adj. EPS	**3.5**	**1.0**	***243.8%***	**2.8**	***23.1%***	**2.8**	***24.5%***	**6.3**	**2.2**	***189.2%***

Source: Company, PL

Exhibit 3: Consultancy vs Turnkey projects revenue mix stood at 75%/25%

Segment Performance	Q2FY27	Q2FY26	YoY gr.	Q2FY27E	% Var.	Q1FY27	QoQ gr.	H1FY27	H1FY26	YoY gr.
Revenue (Rs mn)										
Consultancy & Engineering Projects	6,162	4,322	*42.6%*	5,922	*4.1%*	5,180	*19.0%*	11,342	8,535	*32.9%*
Turnkey Projects	2,080	4,891	*-57.5%*	4,515	*-53.9%*	3,019	*-31.1%*	5,098	9,381	*-45.7%*
Total	**8,242**	**9,213**	***-10.5%***	**10,437**	***-21.0%***	**8,198**	***0.5%***	**16,440**	**17,916**	***-8.2%***
EBIT (Rs mn)										
Consultancy & Engineering Projects	1,946	896	*117.2%*	1,480	*31.4%*	1,287	*51.2%*	3,233	1,609	*100.9%*
Turnkey Projects	90	243	*-63.0%*	293	*-69.3%*	227	*-60.3%*	317	493	*-35.8%*
Total	**2,036**	**1,139**	***78.7%***	**1,774**	***14.8%***	**1,514**	***34.5%***	**3,550**	**2,102**	***68.9%***
EBIT Margin (%)										
Consultancy & Engineering Projects	31.6	20.7	*1,085*	25.0	*658*	24.9	*673*	28.5	18.9	*965*
Turnkey Projects	4.3	5.0	*-65*	6.5	*-217*	7.5	*-318*	6.2	5.3	*95*
Total	**24.7**	**12.4**	***1,234***	**17.0**	***771***	**18.5**	***624***	**21.6**	**11.7**	***986***

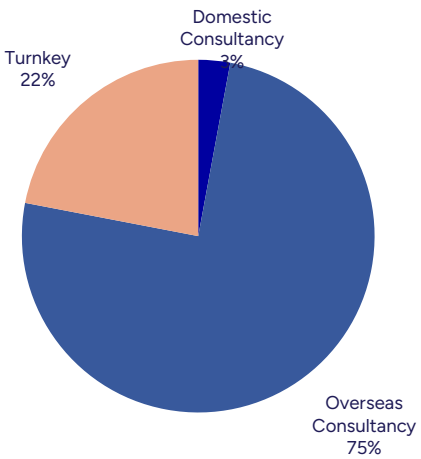
Source: Company, PL

Exhibit 4: SoTP Valuation – Valuing core Consultancy/Turnkey businesses at 24x/10x on Sep'28E EPS

	FY27E	FY28E	FY29E	Sep'28E EPS	Multiple (x)	Basis (x)	Value Per Share
EIL Consol PAT (ex-JVs/Associates)	6,332	7,484	8,835				
Less: Post-Tax Dividend Income from Numaligarh	524	603	693				
EIL Core PAT	5,808	6,881	8,142	13.4			-
Core PAT - Consultancy	*4,919*	*5,836*	*6,905*	11.3	*24*	PE	*272*
Core PAT - LSTK	*888*	*1,045*	*1,238*	2.0	*10*	PE	*20*
Equity Investments							
Numaligarh Refinery			10,241		1.5	PB	27
Ramagundam Fertilizer Project			4,915		1.0	PB	9
Total Value per Share							328

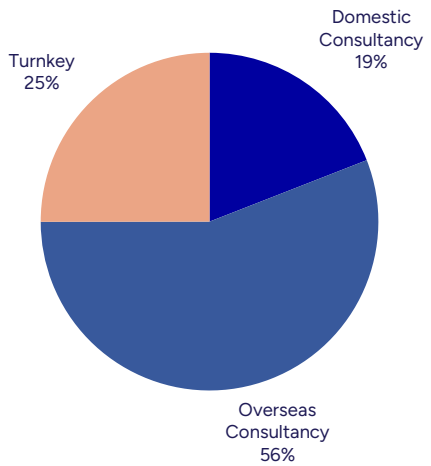
Source: Company, PL

Exhibit 5: Q2FY27 Order Inflow segmental mix (INR 69.1bn)



Source: Company, PL

Exhibit 6: Order Book stands at INR204bn (5.7x TTM sales)



Source: Company, PL

Conference Call Highlights:

Guidance & Outlook: Management reiterated **FY27 revenue guidance of INR42-43bn**, with consultancy expected to contribute ~60% of revenue against the earlier envisaged 55:45 consultancy/LSTK mix. Order inflows have already reached ~INR81bn as of the call, and management expects to surpass the FY27 target of ~INR81bn. For FY28, order inflows are expected to remain at a minimum of **INR80-81bn**, with potential upside depending on market conditions. **Revenue is expected to grow by ~10% going forward**, while overall **EBITDA margin guidance of 15–16%** remains intact.

Order Book & Pipeline: Order book reached at INR204bn providing strong revenue visibility. H1FY27 order inflows stood at INR7.4bn, comprising consultancy orders of INR5.8bn and LSTK orders of INR1.7bn. Consultancy accounts for **~75% of the current order book**, with overseas projects contributing ~55–60%. Management expects the normal order inflow mix to remain at ~60:40 between consultancy and LSTK, while actively pursuing opportunities across refineries, strategic petroleum storage, fertilisers, infrastructure and non-ferrous metals.

Consultancy Business: Consultancy contribution to revenue increased to 68% in H1FY27 from 47% in H1FY26, supporting overall margin improvement. Segment margin stood at ~30% in Q2FY27 and 27.7% in H1FY27, with management clarifying that there were no one-off gains or settlements during the quarter. Management expects to maintain **consultancy margins of at least ~25% for FY27**, with potential upside from execution of overseas projects, particularly Dangote. Consultancy is expected to remain the key profitability driver, contributing ~60–65% of revenue over the medium term.

LSTK Business: LSTK contributed 32% of H1FY27 revenue, with management expecting execution to **ramp up in H2FY27** and its revenue contribution to improve to **at least 40%.** Margins on newly commenced projects were lower at **~4–5% due to initial-stage execution** and lower cost progress but are expected to improve towards the **normal 6–7% range as projects gain momentum**. Completion of certain large-ticket projects and gradual ramp-up of newly awarded projects have resulted in a temporarily lower LSTK contribution.

Depository Business: Depository business is reported separately from consultancy as the entire plant, machinery and material cost is recognised in revenue, unlike consultancy where only the fee component is recognised. The segment typically operates at **~7% margins, broadly similar to LSTK business**. Management intends to maintain a balanced business mix, with consultancy contributing ~60–65% and the balance coming from LSTK/depository projects. In Q2FY27, EIL secured two order of INR14.4bn in depository business.

Dangote Project: Execution of the ~INR44bn Dangote refinery order is progressing well, with engineering activities underway and teams deployed on the project. Management clarified that the ongoing legal developments in Kenya have not impacted EIL's scope of work or execution so far, with the client handling the legal matters. The project is expected to have an **execution period of ~4–5 years**, with momentum expected to improve in H2FY27 and FY28. The project is expected to support consultancy profitability as execution ramps up, with a stronger earnings contribution over the coming years.

Middle East & International Business: Middle East order inflows remain subdued at **~Rs5-6bn** amid geopolitical uncertainty and delays in project capex decisions. EIL continues to bid for projects in Saudi Arabia and other Middle Eastern markets, particularly strategic petroleum storage and refinery-related opportunities, although order conversion remains contingent on stabilisation of the geopolitical situation. Africa has partly offset the slowdown in the Middle East, with improved business opportunities and ongoing project execution. Management expects international tendering and capex activity to improve once geopolitical conditions stabilise.

Nuclear Segment: Nuclear opportunities remain at an early stage, with projects currently in study, environmental impact assessment and initial tendering phases. Meaningful order inflows are expected to emerge over the **next 12–18 months, potentially from FY28**, as project locations are finalised and projects move towards implementation. EIL is building capabilities through dedicated verticals and manpower training, with potential scope including balance of plant (BOP) engineering, consultancy, environmental studies and construction supervision/owner's engineer services.

Diversification & Emerging Opportunities: EIL is expanding beyond hydrocarbons into infrastructure, fertilisers, ferrous and non-ferrous metals and strategic storage. **Infrastructure currently contributes ~20–25% of order inflows**. In coal gasification, the company is bidding for multiple assignments and undertaking studies, including work for NTPC, while green hydrogen and biorefinery opportunities remain at an early stage. EIL is implementing a CBG plant through its own investment and evaluating another plant. Upcoming **ISPRL strategic petroleum storage projects, refinery revamps, Paradeep Phase-II, BPCL Andhra refinery and non-ferrous metal projects offer additional opportunities.** The company has also secured a data-centre-related assignment for Power Grid, indicating opportunities beyond traditional hydrocarbon segments.

Other highlights: Ramagundam Fertilizers reported profit of INR200mn in Q2FY27 and INR630mn in H1FY27, with management indicating improving operational performance. Multiple change orders are under negotiation with clients and are expected to be settled during the current financial year. **Q2FY27 other income** included dividends of ~INR210mn from NRL and ~INR110mn from CIL, with the balance comprising interest income, rental and miscellaneous income.

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**37,017**	**42,674**	**50,587**	**59,916**
YoY gr. (%)	*19.9*	*15.3*	*18.5*	*18.4*
Cost of Goods Sold	18,149	18,520	23,371	27,801
Gross Profit	18,868	24,153	27,216	32,115
Margin (%)	*51.0*	*56.6*	*53.8*	*53.6*
Employee Cost	10,604	12,162	13,659	15,638
Other Expenses	3,921	5,100	5,413	6,471
EBITDA	**4,472**	**6,892**	**8,145**	**10,006**
YoY gr. (%)	*4.1*	*54.1*	*18.2*	*22.9*
Margin (%)	*12.1*	*16.2*	*16.1*	*16.7*
Depreciation and Amortization	417	447	497	535
EBIT	**4,055**	**6,445**	**7,648**	**9,471**
Margin (%)	*11.0*	*15.1*	*15.1*	*15.8*
Net Interest	21	21	25	27
Other Income	1,950	1,963	2,276	2,337
Profit Before Tax	**6,336**	**8,386**	**9,899**	**11,780**
Margin (%)	*17.1*	*19.7*	*19.6*	*19.7*
Total Tax	1,494	2,055	2,415	2,945
Effective Tax Rate (%)	*23.6*	*24.5*	*24.4*	*25.0*
Profit After Tax	**4,842**	**6,332**	**7,484**	**8,835**
Minority Interest	-	-	-	-
Share Profit from Associate	474	1,150	1,200	1,400
Adjusted PAT	**5,047**	**7,482**	**8,684**	**10,235**
YoY gr. (%)	*(2.6)*	*48.2*	*16.1*	*17.9*
Margin (%)	*13.6*	*17.5*	*17.2*	*17.1*
Extra Ord. Income / (Exp)	269	-	-	-
Reported PAT	**5,316**	**7,482**	**8,684**	**10,235**
YoY gr. (%)	*(8.3)*	*40.7*	*16.1*	*17.9*
Margin (%)	*14.4*	*17.5*	*17.2*	*17.1*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	5,316	7,482	8,684	10,235
Equity Shares O/s (mn)	**562**	**562**	**562**	**562**
EPS (INR)	**9.0**	**13.3**	**15.5**	**18.2**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**5,284**	**5,884**	**6,534**	**7,234**
Tangibles	5,284	5,884	6,534	7,234
Intangibles	-	-	-	-
Acc: Dep / Amortization	**2,261**	**2,709**	**3,205**	**3,741**
Tangibles	2,261	2,709	3,205	3,741
Intangibles	-	-	-	-
Net Fixed Assets	**3,023**	**3,176**	**3,329**	**3,494**
Tangibles	3,023	3,176	3,329	3,494
Intangibles	-	-	-	-
Capital Work In Progress	351	351	351	351
Goodwill	-	-	-	-
Non-Current Investments	16,816	17,405	18,158	18,957
Net Deferred Tax Assets	3,364	3,364	3,364	3,364
Other Non-Current Assets	359	768	911	1,078
Current Assets				
Investments	835	603	660	935
Inventories	5	12	14	16
Trade Receivables	4,793	5,261	6,237	7,387
Cash & Bank Balance	13,639	14,468	15,690	17,209
Other Current Assets	3,722	5,548	6,576	7,789
Total Assets	**55,331**	**60,736**	**67,760**	**75,671**
Equity				
Equity Share Capital	2,810	2,810	2,810	2,810
Other Equity	28,647	31,612	35,188	39,417
Total Networth	**31,457**	**34,422**	**37,998**	**42,228**
Non-Current Liabilities				
Long Term Borrowings	168	168	168	168
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	5,866	5,612	6,653	7,879
Other Current Liabilities	21,204	23,897	26,305	28,760
Total Equity & Liabilities	**55,331**	**60,736**	**67,760**	**75,671**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	8,945	8,386	9,899	11,780
Add. Depreciation	417	447	497	535
Add. Interest	21	21	25	27
Less Financial Other Income	1,950	1,963	2,276	2,337
Add. Other	(2,022)	-	-	-
Op. Profit before WC Changes	7,361	8,855	10,421	12,343
Net Changes-WC	(2,494)	(1,714)	(1,644)	(1,771)
Direct Tax	(1,678)	(2,055)	(2,415)	(2,945)
Net Cash from Op. Activities	**3,190**	**5,086**	**6,362**	**7,627**
Capital Expenditures	(671)	(600)	(650)	(700)
Interest / Dividend Income	1,004	-	-	-
Others	(1,342)	(269)	(557)	(775)
Net Cash from Invt. Activities	**(1,009)**	**(869)**	**(1,207)**	**(1,475)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	-	-	-	-
Dividend Paid	(2,529)	(3,367)	(3,908)	(4,606)
Interest Paid	-	(21)	(25)	(27)
Others	(161)	-	-	-
Net Cash from Fin. Activities	**(2,690)**	**(3,388)**	**(3,933)**	**(4,633)**
Net Change in Cash	**(508)**	**829**	**1,222**	**1,519**
Free Cash Flow	3,190	5,086	6,362	7,627

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**9,837**	**9,263**	**8,198**	**8,242**
YoY gr. (%)	*28.7*	*(8.3)*	*(5.8)*	*(10.5)*
Raw Material Expenses	4,759	4,129	3,284	2,658
Gross Profit	5,078	5,134	4,915	5,584
Margin (%)	*51.6*	*55.4*	*59.9*	*67.8*
EBITDA	**1,388**	**1,518**	**1,264**	**1,728**
YoY gr. (%)	*41.8*	*(30.5)*	*75.4*	*104.4*
Margin (%)	*14.1*	*16.4*	*15.4*	*21.0*
Depreciation / Depletion	102	108	98	104
EBIT	**1,286**	**1,410**	**1,167**	**1,624**
Margin (%)	*13.1*	*15.2*	*14.2*	*19.7*
Net Interest	6	4	5	3
Other Income	592	626	382	658
Profit before Tax	**1,872**	**2,033**	**1,543**	**2,279**
Margin (%)	*19.0*	*21.9*	*18.8*	*27.7*
Total Tax	412	465	389	522
Effective Tax Rate (%)	*22.0*	*22.9*	*25.2*	*22.9*
Profit After Tax	**1,460**	**1,568**	**1,154**	**1,758**
Minority Interest	-	-	-	-
Share Profit from Associate	416	387	425	209
Adjusted PAT	**1,876**	**1,955**	**1,579**	**1,967**
YoY gr. (%)	*72.5*	*(10.5)*	*141.5*	*243.8*
Margin (%)	*19.1*	*21.1*	*19.3*	*23.9*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,876**	**1,955**	**1,579**	**1,967**
YoY gr. (%)	*72.5*	*(10.5)*	*141.5*	*243.8*
Margin (%)	*19.1*	*21.1*	*19.3*	*23.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,876**	**1,955**	**1,579**	**1,967**
Avg. Shares O/s (mn)	562	562	562	562
EPS (INR)	**3.3**	**3.5**	**2.8**	**3.5**

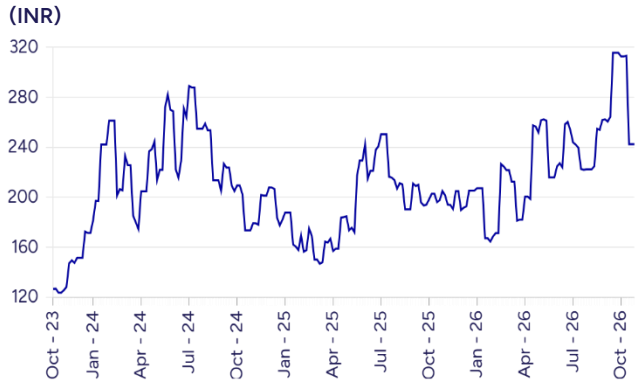
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	9.0	13.3	15.5	18.2
CEPS	9.7	14.1	16.3	19.2
BVPS	56.0	61.2	67.6	75.1
FCF	5.7	9.0	11.3	13.6
DPS	3.0	6.0	7.0	8.2
Return Ratio (%)				
RoCE	13.9	19.5	21.0	23.5
ROIC	20.9	27.0	28.9	32.1
RoE	17.4	22.7	24.0	25.5
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	(11)	(3)	(3)	(3)
Valuation (x)				
PER	28.0	18.9	16.3	13.8
P/B	4.5	4.1	3.7	3.4
P/CEPS	25.9	17.9	15.4	13.1
EV/EBITDA	28.5	18.4	15.4	12.4
EV/Sales	3.4	3.0	2.5	2.1
Dividend Yield (%)	1.2	2.4	2.8	3.3
FCFF Yield (%)	2.3	3.6	4.5	5.4
PEG Ratio	(10.9)	0.4	1.0	0.8

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	BUY	308	297
2	15-Aug-26	BUY	294	244
3	08-Jul-26	Buy	271	235
4	17-Jun-26	Buy	271	232
5	23-May-26	Buy	271	216
6	09-Apr-26	Buy	261	209
7	13-Feb-26	BUY	261	202
8	07-Jan-26	BUY	255	205
9	09-Dec-25	BUY	255	190
10	15-Nov-25	BUY	255	200

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	7005	6944
2	Apar Industries	Accumulate	16674	15846
3	BEML	Accumulate	2007	2011
4	Bharat Electronics	Accumulate	378	452
5	BHEL	REDUCE	426	464
6	Carborundum Universal	HOLD	1257	1072
7	Cummins India	BUY	5414	4386
8	Elgi Equipments	Accumulate	602	638
9	Engineers India	BUY	308	297
10	GE Vernova T&D India	BUY	5928	4316
11	Grindwell Norton	Accumulate	2245	1955
12	Harsha Engineers International	Accumulate	462	462
13	Hindustan Aeronautics	BUY	4746	5795
14	Hitachi Energy India	HOLD	31610	34026
15	Ingersoll-Rand (India)	Accumulate	4089	5029
16	Kalpataru Projects International	Accumulate	1454	1472
17	KEC International	BUY	363	451
18	Kirloskar Pneumatic Company	BUY	790	536
19	Larsen & Toubro	BUY	4437	3665
20	Praj Industries	BUY	300	390
21	Siemens	HOLD	3793	3831
22	Siemens Energy India	BUY	3344	3655
23	Solar Industries India	BUY	20050	23124
24	Thermax	REDUCE	3230	3952
25	Triveni Turbine	HOLD	529	615
26	Voltamp Transformers	BUY	11524	9811

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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