RATING ACCUMULATE | CMP INR 1,348 | TP INR 1,472

PL Capital PRABHUDAS LILLADHER

# Kalpataru Projects International (KPIL IN)

Q1FY27 Result Update

August 12, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

**Change in Estimates**

| | Current | | Previous | |
|---|---|---|---|---|
| | FY27E | FY28E | FY27E | FY28E |
| Rating | Accumulate | | Buy | |
| Target Price | 1,472 | | 1,466 | |
| Sales (INR mn) | 266,691 | 312,123 | 266,691 | 315,220 |
| *% Chng.* | - | *(1.0)* | | |
| EBITDA (INR mn) | 23,602 | 29,183 | 23,602 | 29,158 |
| *% Chng.* | - | *0.1* | | |
| EPS (INR) | 68.8 | 87.7 | 66.5 | 86.4 |
| *% Chng.* | *3.5* | *1.5* | | |

**Key Data** KAPT.BO | KPIL IN

| | |
|---|---|
| BSE Code | 522287 |
| NSE Code | KPIL |
| 52-W High / Low | INR 1,499 / INR 1,007 |
| Face Value | 2 |
| Sensex / Nifty | 78,154 / 24,472 |
| Market Cap | INR 230 bn / $ 2,411 mn |
| Shares Outstanding | 170.77 mn |
| 3M Avg. Daily Value | INR 337.31 mn |

**Shareholding Pattern (%)**

| | |
|---|---|
| Promoters | 33.58 |
| FIIs | 10.77 |
| MF | 40.17 |
| Banks and FIs | 4.67 |
| Public | 10.81 |
| Promoter's Pledge | 24.73 |

**Stock Performance (%)**

| | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| Absolute | (0.3) | 6.8 | 18.6 | 8.9 |
| Relative | (1.1) | 3.9 | 27.8 | 12.3 |

**Key Financials - Standalone**

| Y/e Mar | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|
| Sales (INR mn) | 188,879 | 232,101 | 266,691 | 312,123 |
| EBITDA (INR mn) | 15,870 | 20,287 | 23,602 | 29,183 |
| *Margin (%)* | *8.4* | *8.7* | *8.9* | *9.4* |
| PAT (INR mn) | 6,718 | 10,011 | 11,757 | 14,980 |
| EV (INR mn) | 248,874 | 244,579 | 243,671 | 242,503 |
| Total Debt (INR mn) | 34,609 | 29,947 | 28,447 | 29,447 |
| C&C Eq. (INR mn) | 15,885 | 15,519 | 14,926 | 17,094 |
| EPS (INR) | 39.3 | 58.6 | 68.8 | 87.7 |
| *Gr. (%)* | *20.3* | *49.0* | *17.4* | *27.4* |
| DPS (INR) | 7.6 | 11.0 | 13.8 | 17.5 |
| *Yield (%)* | *0.6* | *0.8* | *1.0* | *1.3* |
| *RoE (%)* | *10.4* | *13.0* | *13.5* | *15.2* |
| *RoCE (%)* | *12.3* | *15.0* | *16.2* | *18.7* |
| EV/Sales (x) | 1.3 | 1.1 | 0.9 | 0.8 |
| EV/EBITDA (x) | 15.7 | 12.1 | 10.3 | 8.3 |
| PE (x) | 34.3 | 23.0 | 19.6 | 15.4 |
| P/BV (x) | 3.2 | 2.8 | 2.5 | 2.2 |

## Healthy Q1; Growth Outlook intact

### Quick Pointers

- Management maintains guidance for order inflow of INR300bn+ with revenue growth of 15%+ and consolidated PBT margin expansion of 75bps in FY27.
- Order book at Rs666.1bn (2.8x TTM sales) with strong prospects across Power T&D, O&G infrastructure and B&F

Kalpataru Projects International (KPIL) reported a decent revenue growth of 8.8% YoY in Q1FY27, while EBITDA margin expanded by 40bps to 8.9% led by a 242bps Gross Margin expansion. Sustained momentum across T&D, B&F and O&G supports the FY27 order inflow target of Rs300bn, revenue growth of 15%+ and ~75bps PBT margin expansion. The company is favorably placed in projects worth ~Rs73bn, while the Rs1–1.25tn annual T&D addressable market over the next five years, provides multi-year visibility across domestic and international markets. B&F continues to benefit from residential, commercial, airport and data-centre projects, while O&G growth is supported by Saudi execution and tenders spanning across onshore high-end projects, process lines, pipelines etc. The entry into Middle East water treatment and supply, along with opportunities in desalination, provides an incremental growth avenue, although the business remains in the early stages of building its order book. Balance-sheet metrics continue to improve, with standalone net debt down to Rs7.5bn and NWC days at 94, while the company remains on track to keep NWC below 100 days. Supply-chain constraints and Middle East execution remain key monitorable. The stock is trading at a P/E of 19.6x/15.4x on FY27/28E core-EPS. We downgrade our rating from 'Buy' to 'Accumulate' despite healthy performance in Q1 FY27 given the recent rally in share price valuing the core business at a PE of 16x Mar'28E (same as earlier) arriving at a SoTP derived TP of INR1,472 (earlier TP of INR 1,466).

**Long-term view:** We remain positive on KPIL in the long run owing to 1) strong order pipeline across segments, 2) focus on geographical expansion across Middle East, LATAM and Europe, 3) increasing pre-qualification for large contracts, and 4) Improving balance sheet and backward integration supporting sustainable growth.

**Quarter Summary**

| Y/e Mar | Q1'27E | Q1'27A | *% Var.* | Q1'26A | *YoY gr. (%)* |
|---|---|---|---|---|---|
| Net Sales (INR mn) | 53,364 | 54,819 | *3.0* | 50,397 | *9.0* |
| EBITDA (INR mn) | 4,536 | 4,879 | *8.0* | 4,284 | *14.0* |
| *Margin (%)* | *8.5* | *8.9* | *40 bps* | *8.5* | *40 bps* |
| PAT (INR mn) | 2,128 | 2,654 | *25.0* | 2,008 | *32.0* |

*Source: Company, PL*

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**Decent execution and higher gross margin lead to beat on estimates:** Standalone revenue grew by 8.8% YoY to Rs54.8bn (PLe: Rs53.4bn) driven by growth in T&D (+11.1% YoY to Rs20.9bn), O&G (+17.9% YoY to Rs6.9bn), B&F (+14.8% YoY to Rs15.9bn) and Urban Infra (+14.8% YoY to Rs3.0bn). EBITDA increased by 13.9% YoY to Rs4.9bn (PLe: Rs4.5bn) while EBITDA margin expanded by 40bps YoY to 8.9% (Ple: 8.5%) driven by better gross margin (+242bps YoY to 25.6%) partially offset by higher other expenses (+26.7% YoY to Rs4bn) and employee costs (+21.5% YoY to Rs5.2bn). Adj. PBT rose by 31.7% YoY to Rs3.6bn (Ple: Rs2.9bn) aided by higher other income (+124.1% YoY to Rs524mn) and decrease in interest expense (-19.4% YoY to Rs677mn). Adj. PAT increased by 32.2% YoY to Rs2.7bn (Ple: Rs2.1bn) aided by a strong operational performance and a lower effective tax rate (-29bps YoY to 26.5%).

**Strong order book of Rs666.1bn (2.8x TTM revenue):** Order inflow decreased by 22.5% YoY to INR76.7bn due by a sharp decline B&F business. Additionally, favourably placed in orders worth Rs73bn. T&D order intake stood at Rs41.6bn, Water Order intake stood at Rs 3.4bn, Railways Order intake stood at Rs 1.9bn, while B&F order intake stood at Rs 28.2bn. Domestic/Export mix of order intake stood at 69%/31% (vs 77%/23% YoY). Order book stands at Rs 666.1bn (2.8x TTM sales) with domestic/export mix of 61%/39% (vs 60%/40% YoY).

**Exhibit 1: Quarterly Estimates**

| (INR mn) | Q1FY27 | YoY gr. | Q2FY27E | YoY gr. | Q3FY27E | YoY gr. | Q4FY27E | YoY gr. |
|---|---|---|---|---|---|---|---|---|
| Sales | 54,819 | *8.8%* | 61,774 | *14.0%* | 67,136 | *16.0%* | 82,962 | *19.1%* |
| EBITDA | 4,879 | *13.9%* | 5,313 | *18.8%* | 5,841 | *21.4%* | 7,570 | *12.7%* |
| *Margin (%)* | *8.9* | *40.0* | *8.6* | *34.8* | *8.7* | *38.4* | *9.1* | *(52.3)* |
| Adj. PAT | 2,654 | *32.2%* | 2,589 | *29.5%* | 2,764 | *18.6%* | 3,750 | *3.4%* |

*Source: Company, PL*

**Exhibit 2: Strong gross margin expansion (+242bps YoY to 25.6%) drove the EBITDA margin expansion of 40bps YoY to 8.9% in Q1FY27**

| INR mn | Q1FY27 | Q1FY26 | YoY gr. | Q1FY27E | % Var. | Q4FY26 | QoQ gr. | FY27E | FY26 | YoY gr. |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | **54,819** | **50,397** | ***8.8%*** | **53,364** | ***2.7%*** | **69,640** | ***-21.3%*** | **266,691** | **232,101** | ***14.9%*** |
| Gross Profit | 14,060 | 11,706 | *20.1%* | 12,274 | *14.6%* | 16,678 | *-15.7%* | 62,672 | 54,270 | *15.5%* |
| *Margin (%)* | *25.6* | *23.2* | *242* | *23.0* | *264.8* | *23.9* | *170* | *23.5* | *23.4* | *12* |
| Employee Cost | 5,190 | 4,273 | *21.5%* | 4,376 | *18.6%* | 4,887 | *6.2%* | 21,069 | 18,184 | *15.9%* |
| *as % of sales* | *9.5* | *8.5* | *99* | *8.2* | *126.7* | *7.0* | *245* | *7.9* | *7.8* | *7* |
| Other expenditure | 3,991 | 3,149 | *26.7%* | 3,362 | *18.7%* | 5,073 | *-21.3%* | 18,002 | 15,800 | *13.9%* |
| *as % of sales* | *7.3* | *6.2* | *103* | *6.3* | *98.1* | *7.3* | *(0)* | *6.8* | *6.8* | *(6)* |
| **EBITDA** | **4,879** | **4,284** | ***13.9%*** | **4,536** | ***7.6%*** | **6,719** | ***-27.4%*** | **23,602** | **20,287** | ***16.3%*** |
| *Margin (%)* | *8.9* | *8.5* | *40* | *8.5* | *40.0* | *9.6* | *(75)* | *8.9* | *8.7* | *11* |
| Depreciation | 1,117 | 936 | *19.3%* | 1,050 | *6.4%* | 1,041 | *7.3%* | 4,757 | 3,948 | *20.5%* |
| **EBIT** | **3,762** | **3,348** | ***12.4%*** | **3,486** | ***7.9%*** | **5,678** | ***-33.7%*** | **18,845** | **16,339** | ***15.3%*** |
| *Margin (%)* | *6.9* | *6.6* | *22* | *6.5* | *33.0* | *8.2* | *(129)* | *7.1* | *7.0* | *3* |
| Other Income | 524 | 234 | *124.2%* | 280 | *87.2%* | 369 | *41.9%* | 1,200 | 1,101 | *9.1%* |
| Interest | 677 | 840 | *-19.4%* | 890 | *-24.0%* | 890 | *-24.0%* | 3,983 | 3,680 | *8.2%* |
| **PBT (ex. Extra-ordinaries)** | **3,610** | **2,742** | ***31.7%*** | **2,876** | ***25.5%*** | **5,157** | ***-30.0%*** | **16,062** | **13,759** | ***16.7%*** |
| *Margin (%)* | *6.6* | *5.4* | *114* | *5.4* | *119.5* | *7.4* | *(82)* | *6.0* | *5.9* | *9* |
| Extraordinary Items | - | - | | - | - | (2,033) | - | - | (2,328) | *-100.0%* |
| **PBT** | **3,610** | **2,742** | ***31.7%*** | **2,876** | ***25.5%*** | **3,124** | ***15.5%*** | **16,062** | **11,431** | ***40.5%*** |
| Total Tax | 956 | 734 | *30.2%* | 748 | - | 926 | *3.3%* | 4,305 | 3,114 | *38.2%* |
| *Effective Tax Rate (%)* | *26.5* | *26.8* | *(29)* | *26.0* | - | *29.6* | - | *26.8* | *27.2* | *(44)* |
| **Reported PAT** | **2,654** | **2,008** | ***32.2%*** | **2,128** | ***24.7%*** | **2,198** | ***20.7%*** | **11,757** | **8,318** | ***41.4%*** |
| **Adj. PAT** | **2,654** | **2,008** | ***32.2%*** | **2,128** | ***24.7%*** | **3,629** | ***-26.9%*** | **11,757** | **10,011** | ***17.4%*** |
| *Margin (%)* | *4.8* | *4.0* | *86* | *4.0* | *85.3* | *5.2* | *(37)* | *4.4* | *4.3* | *10* |
| **Adj. EPS** | **15.5** | **11.8** | ***32.2%*** | **12.5** | ***24.7%*** | **21.2** | ***-26.9%*** | **68.8** | **58.6** | ***17.4%*** |

*Source: Company, PL*

**Exhibit 3: Decent Execution across multiple segments contributed to revenue growth in Q1 FY27**

| Revenue (INR mn) | Q1FY27 | Q1FY26 | *YoY gr. (%)* | Q4FY26 | *QoQ gr. (%)* | FY27E | FY26 | *YoY gr. (%)* |
|---|---|---|---|---|---|---|---|---|
| Standalone T&D | 20,910 | 18,820 | *11.1%* | 27,880 | *-25.0%* | 105,874 | 91,210 | *16.1%* |
| O&G | 6,930 | 5,880 | *17.9%* | 8,850 | *-21.7%* | 29,756 | 27,230 | *9.3%* |
| Railways | 1,950 | 2,540 | *-23.2%* | 3,480 | *-44.0%* | 9,409 | 11,130 | *-15.5%* |
| B&F | 15,880 | 13,830 | *14.8%* | 20,880 | *-23.9%* | 84,013 | 69,580 | *20.7%* |
| Water | 6,260 | 6,700 | *-6.6%* | 5,400 | *15.9%* | 22,142 | 21,130 | *4.8%* |
| Urban Infra | 2,950 | 2,570 | *14.8%* | 3,180 | *-7.2%* | 13,643 | 11,580 | *17.8%* |
| **Total** | **54,880** | **50,340** | ***9.0%*** | **69,670** | ***-21.2%*** | **264,837** | **231,860** | ***14.2%*** |
| | | | | | | | | |
| **Order Book (INR mn)** | | | | | | | | |
| Standalone T&D | 253,430 | 226,800 | *11.7%* | 247,710 | *2.3%* | 246,271 | 247,710 | *-0.6%* |
| O&G | 39,850 | 71,480 | *-44.3%* | 45,780 | *-13.0%* | 22,024 | 45,780 | *-51.9%* |
| Railways | 23,630 | 32,110 | *-26.4%* | 23,820 | *-0.8%* | 14,411 | 23,820 | *-39.5%* |
| B&F | 196,020 | 166,950 | *17.4%* | 182,950 | *7.1%* | 230,154 | 182,950 | *25.8%* |
| Water | 72,080 | 89,030 | *-19.0%* | 74,860 | *-3.7%* | 56,759 | 74,860 | *-24.2%* |
| Urban Infra | 38,390 | 27,920 | *37.5%* | 41,430 | *-7.3%* | 50,689 | 41,430 | *22.3%* |
| **Total** | **623,400** | **614,290** | ***1.5%*** | **616,550** | ***1.1%*** | **620,309** | **616,550** | ***0.6%*** |

*Source: Company, PL*

**Exhibit 4: Standalone business accounts for ~95% of the total valuation**

| INR mn | Equity Investment/PAT (Mar-28) | Fwd multiple (x) | Basis of Investment | Market Cap | KPTL Share (%) | Value for KPTL | Value per share |
|---|---|---|---|---|---|---|---|
| KPP+JMC (Merged) | 14,980 | 16 | PE | 239,673 | 100% | 239,673 | 1,403 |
| Linjemontage (100% stake) | 3,357 | 1.5 | PBV | 5,036 | 100% | 5,036 | 29 |
| Fasttel (100% stake) | 1,233 | 1.5 | PBV | 1,850 | 100% | 1,850 | 11 |
| Shree Shubham Logistics | 3,906 | 0.65 | PBV | 2,539 | 100% | 2,539 | 15 |
| Total Investment in Road BOOT Assets | 4,580 | 1 | PBV | 4,580 | 50% | 2,290 | 13 |
| **Total** | | | | **2,53,678** | | **2,51,388** | **1,472** |

*Source: PL*

## Conference Call Highlights:

**Guidance:** Project delivery remains resilient with a diversified prospect pipeline, while the FY27 order inflow target of Rs300bn, revenue growth of at least 15% and ~75bps PBT margin expansion remain unchanged. T&D, B&F and O&G are expected to drive margin improvement. Interest cost as a percentage of sales is expected to remain at a similar run rate, with NWC targeted at <100 days in FY27. Growth will be supported by enhancing the value chain within existing businesses, expanding internationally and pursuing backward integration.

**Order Book & Order Inflow:** Near-term growth prospects remain strong across Power T&D, B&F and O&G infrastructure; and favourably placed in projects worth ~Rs73bn, led by T&D and B&F. Internationally, inadequate grid capacity is emerging as a bottleneck amid rising electricity demand across Europe, the Middle East and parts of South America, while T&D and O&G opportunities in the Middle East remain attractive.

**Transmission & Distribution:** T&D revenue growth is being driven by execution and the order backlog despite supply-chain constraints in international markets. Management remains bullish on LATAM, Europe and the Middle East. Domestic opportunities include HVDC, GIS substations and renewable-energy integration, while the annual addressable market is expected at Rs1–1.25tn over the next five years, including 1–2 HVDC projects annually.

**Building & Factory:** B&F revenue growth is being driven by project progress and a favourable project mix, with continued traction in large-scale residential, commercial offices, airports, data centres and urban development. Capex from industrial PSUs and private-sector players is also supporting demand, while the order book remains in the 10–12% EBITDA margin range.

**Data Centre:** The company is qualified for both civil and MEP data-centre projects, having completed two projects and currently executing a third. It is bidding for multiple tenders from domestic and international developers in India and expects to secure a few projects over the next 6–9 months.

**Water:** The company secured its first water treatment and supply project in the Middle East, with additional opportunities across water-treatment plants and desalination. Water collections have improved, with ~Rs6.5bn collected YTD, and further improvement expected in the coming months. During the quarter, EBITDA margins remained positive, although PBT was impacted by higher interest costs. The company is qualified with large Middle East developers and sees a 2–3 year opportunity to build its water order book alongside delivery capabilities; margins for such projects remain positive but below those of T&D, B&F and O&G as the business is still in the early stages of building its Middle East presence.

**Oil & Gas:** O&G revenue improved, supported by execution of projects in Saudi Arabia. Utilities and asset developers in the Middle East remain positive on investment plans despite regional conflicts, while the company is bidding for tenders across Saudi Arabia, ADNOC, Kuwait and Qatar, with awards expected to pick up in late Q2/Q3; individual opportunities range from US$100–500mn. The company remains focused on the Middle East over the next 1–2 years, with opportunities across pipelines, process lines, capex projects and stations, while also exploring BESS and hydrocarbon projects.

**Financials Highlights:** Revenue growth and margin improvement were achieved despite early-quarter labour shortages related to state elections, slower water collections and Middle East-related supply-chain disruptions. The impact of diesel prices on fixed-price contracts remains limited, with the company on track to meet its margin-growth guidance. Debt-to-equity stands at 0.16x, while Shubham Logistics is reducing debt through asset sales and is nearing zero external debt; RoCE remains within the 21–22% target range, while standalone net debt declined by ~Rs12bn to Rs7.5bn and NWC days improved from 106 to 94 days. India Ratings upgraded the credit rating to AA+/Stable.

**Capex:** The company approved Rs1.5bn capex for a rolling mill at the Raipur plant as part of backward integration. Q1FY27 capex exceeded Rs2.5bn, with capital employed in the water business also increasing. The FY27 capex target of ~Rs8bn remains on track, with potential for higher spending.

# Financials

### Income Statement (INR mn)

| Y/e Mar | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|
| **Net Revenues** | **188,879** | **232,101** | **266,691** | **312,123** |
| *YoY gr. (%)* | *12.7* | *22.9* | *14.9* | *17.0* |
| Cost of Goods Sold | 147,393 | 177,830 | 204,018 | 239,398 |
| Gross Profit | 41,486 | 54,270 | 62,672 | 72,725 |
| *Margin (%)* | *22.0* | *23.4* | *23.5* | *23.3* |
| Employee Cost | 13,955 | 18,184 | 21,069 | 21,849 |
| Other Expenses | 11,661 | 15,800 | 18,002 | 21,693 |
| | | | | |
| **EBITDA** | **15,870** | **20,287** | **23,602** | **29,183** |
| *YoY gr. (%)* | *16.2* | *27.8* | *16.3* | *23.6* |
| *Margin (%)* | *8.4* | *8.7* | *8.9* | *9.4* |
| | | | | |
| Depreciation and Amortization | 3,749 | 3,948 | 4,757 | 5,418 |
| | | | | |
| **EBIT** | **12,121** | **16,339** | **18,845** | **23,765** |
| *Margin (%)* | *6.4* | *7.0* | *7.1* | *7.6* |
| | | | | |
| Net Interest | 3,807 | 3,680 | 3,983 | 4,505 |
| Other Income | 979 | 1,101 | 1,200 | 1,373 |
| | | | | |
| **Profit Before Tax** | **8,964** | **11,431** | **16,062** | **20,633** |
| *Margin (%)* | *4.7* | *4.9* | *6.0* | *6.6* |
| | | | | |
| Total Tax | 2,485 | 3,114 | 4,305 | 5,653 |
| *Effective Tax Rate (%)* | *27.7* | *27.2* | *26.8* | *27.4* |
| | | | | |
| **Profit After Tax** | **6,480** | **8,318** | **11,757** | **14,980** |
| Minority Interest | - | - | - | - |
| Share Profit from Associate | - | - | - | - |
| | | | | |
| **Adjusted PAT** | **6,718** | **10,011** | **11,757** | **14,980** |
| *YoY gr. (%)* | *20.3* | *49.0* | *17.4* | *27.4* |
| *Margin (%)* | *3.6* | *4.3* | *4.4* | *4.8* |
| Extra Ord. Income / (Exp) | (239) | (1,694) | - | - |
| | | | | |
| **Reported PAT** | **6,480** | **8,318** | **11,757** | **14,980** |
| *YoY gr. (%)* | *21.6* | *28.4* | *41.4* | *27.4* |
| *Margin (%)* | *3.4* | *3.6* | *4.4* | *4.8* |
| | | | | |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 6,480 | 8,318 | 11,757 | 14,980 |
| **Equity Shares O/s (mn)** | **171** | **171** | **171** | **171** |
| **EPS (INR)** | **39.3** | **58.6** | **68.8** | **87.7** |

*Source: Company, PL*

### Balance Sheet (INR mn)

| Y/e Mar | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|
| **Non-Current Assets** | | | | |
| | | | | |
| **Gross Block** | **34,104** | **42,350** | **49,850** | **54,350** |
| Tangibles | - | - | - | - |
| Intangibles | - | - | - | - |
| | | | | |
| **Acc: Dep / Amortization** | **15,180** | **17,744** | **22,501** | **27,920** |
| Tangibles | - | - | - | - |
| Intangibles | - | - | - | - |
| | | | | |
| **Net Fixed Assets** | **18,924** | **24,606** | **27,348** | **26,430** |
| Tangibles | 18,924 | 24,606 | 27,348 | 26,430 |
| Intangibles | - | - | - | - |
| | | | | |
| Capital Work In Progress | 265 | 683 | 533 | 624 |
| Goodwill | 201 | 201 | 201 | 201 |
| Non-Current Investments | 17,171 | 13,028 | 18,504 | 21,656 |
| Net Deferred Tax Assets | 1,953 | 1,583 | 1,583 | 1,583 |
| Other Non-Current Assets | 1,466 | 1,261 | 2,400 | 2,809 |
| | | | | |
| **Current Assets** | | | | |
| Investments | - | - | - | - |
| Inventories | 13,708 | 17,626 | 19,728 | 23,089 |
| Trade Receivables | 72,180 | 78,394 | 91,332 | 106,891 |
| Cash & Bank Balance | 15,885 | 15,519 | 14,926 | 17,094 |
| Other Current Assets | 79,704 | 88,706 | 95,172 | 111,073 |
| **Total Assets** | **234,662** | **253,382** | **283,242** | **324,441** |
| | | | | |
| **Equity** | | | | |
| Equity Share Capital | 342 | 342 | 342 | 342 |
| Other Equity | 71,508 | 81,804 | 91,683 | 104,311 |
| **Total Networth** | **71,849** | **82,145** | **92,024** | **104,652** |
| | | | | |
| **Non-Current Liabilities** | | | | |
| Long Term Borrowings | 13,166 | 6,801 | 4,801 | 4,801 |
| Provisions | 525 | 752 | 800 | 936 |
| Other Non Current Liabilities | 63 | 80 | 80 | 94 |
| | | | | |
| **Current Liabilities** | | | | |
| ST Debt / Current of LT Debt | 21,443 | 23,147 | 23,647 | 24,647 |
| Trade Payables | 60,914 | 64,534 | 74,527 | 87,223 |
| Other Current Liabilities | 65,907 | 74,957 | 86,267 | 100,805 |
| **Total Equity & Liabilities** | **234,662** | **253,382** | **283,242** | **324,441** |

*Source: Company, PL*

## Cash Flow (INR mn)

| Y/e Mar | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|
| PBT | 8,964 | 11,431 | 16,062 | 20,633 |
| Add. Depreciation | 3,749 | 3,948 | 4,757 | 5,418 |
| Add. Interest | 3,807 | 3,680 | 3,983 | 4,505 |
| Less Financial Other Income | 979 | 1,101 | 1,200 | 1,373 |
| Add. Other | (603) | 1,606 | - | - |
| Op. Profit before WC Changes | 15,916 | 20,666 | 24,802 | 30,557 |
| Net Changes-WC | (5,189) | (8,988) | (2,246) | (9,448) |
| Direct Tax | (2,356) | (4,033) | (4,305) | (5,653) |
| **Net Cash from Op. Activities** | **8,371** | **7,645** | **18,251** | **15,455** |
| Capital Expenditures | (5,493) | (4,887) | (7,351) | (4,591) |
| Interest / Dividend Income | 460 | 1,738 | - | - |
| Others | (2,708) | 4,741 | (4,132) | (2,840) |
| **Net Cash from Invt. Activities** | **(7,740)** | **1,592** | **(11,483)** | **(7,430)** |
| Issue of Share Cap. / Premium | 9,822 | - | - | - |
| Debt Changes | 472 | (6,600) | (1,500) | 1,000 |
| Dividend Paid | (1,300) | (1,537) | (1,878) | (2,351) |
| Interest Paid | (3,570) | (3,238) | (3,983) | (4,505) |
| Others | - | - | - | - |
| **Net Cash from Fin. Activities** | **5,424** | **(11,375)** | **(7,361)** | **(5,857)** |
| **Net Change in Cash** | **6,054** | **(2,138)** | **(593)** | **2,168** |
| Free Cash Flow | 2,397 | 146 | 10,900 | 10,864 |

*Source: Company, PL*

## Quarterly Financials (INR mn)

| Y/e Mar | Q2FY26 | Q3FY26 | Q4FY26 | Q1FY27 |
|---|---|---|---|---|
| **Net Revenues** | **54,188** | **57,876** | **69,640** | **54,819** |
| *YoY gr. (%)* | *12.3* | *(6.7)* | *38.2* | *1.2* |
| Raw Material Expenses | 41,155 | 45,022 | 52,962 | 40,759 |
| Gross Profit | 13,033 | 12,854 | 16,678 | 14,060 |
| *Margin (%)* | *24.1* | *22.2* | *23.9* | *25.6* |
| **EBITDA** | **4,472** | **4,813** | **6,719** | **4,879** |
| *YoY gr. (%)* | *11.3* | *(8.0)* | *56.8* | *9.1* |
| *Margin (%)* | *8.3* | *8.3* | *9.6* | *8.9* |
| Depreciation / Depletion | 966 | 1,005 | 1,041 | 1,117 |
| **EBIT** | **3,506** | **3,808** | **5,678** | **3,762** |
| *Margin (%)* | *6.5* | *6.6* | *8.2* | *6.9* |
| Net Interest | 1,025 | 926 | 890 | 677 |
| Other Income | 242 | 255 | 369 | 524 |
| **Profit before Tax** | **2,723** | **2,843** | **3,124** | **3,610** |
| *Margin (%)* | *5.0* | *4.9* | *4.5* | *6.6* |
| Total Tax | 724 | 730 | 926 | 956 |
| *Effective Tax Rate (%)* | *26.6* | *25.7* | *29.6* | *26.5* |
| **Profit After Tax** | **1,999** | **2,112** | **2,198** | **2,654** |
| Minority Interest | - | - | - | - |
| Share Profit from Associate | - | - | - | - |
| **Adjusted PAT** | **1,999** | **2,331** | **3,629** | **2,654** |
| *YoY gr. (%)* | *27.0* | *(12.3)* | *80.8* | *32.7* |
| *Margin (%)* | *3.7* | *4.0* | *5.2* | *4.8* |
| Extra Ord. Income / (Exp) | - | (219) | (1,430) | - |
| **Reported PAT** | **1,999** | **2,112** | **2,198** | **2,654** |
| *YoY gr. (%)* | *27.0* | *(12.6)* | *9.5* | *32.7* |
| *Margin (%)* | *3.7* | *3.6* | *3.2* | *4.8* |
| Other Comprehensive Income | - | - | - | - |
| **Total Comprehensive Income** | **1,999** | **2,112** | **2,198** | **2,654** |
| Avg. Shares O/s (mn) | 171 | 171 | 171 | 171 |
| **EPS (INR)** | **11.7** | **13.7** | **21.2** | **15.5** |

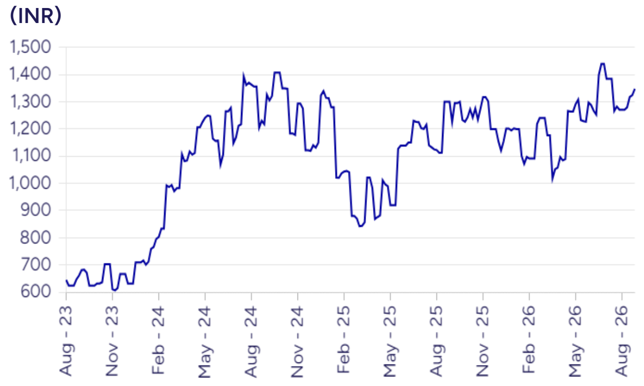
*Source: Company, PL*

## Key Financial Metrics

| Y/e Mar | FY25 | FY26 | FY27E | FY28E |
|---|---|---|---|---|
| **Per Share (INR)** | | | | |
| EPS | 39.3 | 58.6 | 68.8 | 87.7 |
| CEPS | 61.3 | 81.7 | 96.7 | 119.4 |
| BVPS | 420.7 | 481.0 | 538.9 | 612.8 |
| FCF | 14.0 | 0.9 | 63.8 | 63.6 |
| DPS | 7.6 | 11.0 | 13.8 | 17.5 |
| **Return Ratio (%)** | | | | |
| RoCE | 12.3 | 15.0 | 16.2 | 18.7 |
| ROIC | 10.6 | 12.7 | 13.6 | 15.7 |
| RoE | 10.4 | 13.0 | 13.5 | 15.2 |
| **Balance Sheet** | | | | |
| Net Debt : Equity (x) | 0.3 | 0.2 | 0.1 | 0.1 |
| Net Working Capital (Days) | 48 | 50 | 50 | 50 |
| **Valuation (x)** | | | | |
| PER | 34.2 | 22.9 | 19.5 | 15.3 |
| P/B | 3.2 | 2.8 | 2.5 | 2.1 |
| P/CEPS | 21.9 | 16.4 | 13.9 | 11.2 |
| EV/EBITDA | 15.6 | 12.0 | 10.3 | 8.3 |
| EV/Sales | 1.3 | 1.0 | 0.9 | 0.7 |
| Dividend Yield (%) | 0.5 | 0.8 | 1.0 | 1.3 |
| FCFF Yield (%) | 1.0 | - | 4.7 | 4.7 |
| PEG Ratio | 1.6 | 0.4 | 1.1 | 0.5 |

*Source: Company, PL*

## Price Chart




## Recommendation History

| No. | Date | Rating | TP (INR) | Share Price (INR) |
|---|---|---|---|---|
| 1 | 08-Jul-26 | Buy | 1466 | 1332 |
| 2 | 16-May-26 | BUY | 1466 | 1258 |
| 3 | 09-Apr-26 | Buy | 1465 | 1143 |
| 4 | 30-Mar-26 | BUY | 1466 | 1074 |
| 5 | 05-Feb-26 | BUY | 1489 | 1100 |
| 6 | 07-Jan-26 | BUY | 1494 | 1174 |
| 7 | 31-Oct-25 | BUY | 1494 | 1256 |
| 8 | 07-Oct-25 | Accumulate | 1366 | 1273 |
| 9 | 08-Aug-25 | Accumulate | 1366 | 1184 |
| 10 | 09-Jul-25 | Accumulate | 1268 | 1190 |

## Analyst Coverage Universe

| Sr. No. | Company Name | Rating | TP (INR) | Share Price (INR) |
|---|---|---|---|---|
| 1 | ABB India | HOLD | 6944 | 7285 |
| 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 | HOLD | 5323 | 5402 |
| 8 | Elgi Equipments | Accumulate | 637 | 576 |
| 9 | Engineers India | Buy | 271 | 235 |
| 10 | GE Vernova T&D India | Accumulate | 4701 | 4299 |
| 11 | Grindwell Norton | Accumulate | 2113 | 2018 |
| 12 | Harsha Engineers International | Hold | 461 | 418 |
| 13 | Hindustan Aeronautics | BUY | 5423 | 4365 |
| 14 | Hitachi Energy India | HOLD | 34026 | 32600 |
| 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 | 3434 | 3252 |
| 23 | Thermax | Reduce | 3952 | 4306 |
| 24 | Triveni Turbine | Hold | 638 | 613 |
| 25 | Voltamp Transformers | Accumulate | 11003 | 9950 |

## 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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