

YASHHV: Strong H1FY27 Performance; Growth Momentum Intact

October 22, 2026 | CMP: INR 1,149 | Target Price: INR 1,500

BUY**Expected Share Price Return: 30.5% | Dividend Yield: 0.1% | Potential Upside: 30.6%**

Change in Estimates	✓
Target Price Change	✓
Recommendation	✓

Company Info

BB Code	YASHHV IN EQUITY
Face Value (INR)	5.0
52-w High/Low (INR)	1,264/366
Mkt Cap (Bn)	INR 34.7
Shares o/s (Mn)	30.6
3M Avg. Daily Volume	82,949

Change in Estimates

	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	4.0	3.6	10.9%	5.8	5.3	9.0%
EBITDA	1.1	0.9	23.2%	1.7	1.4	22.0%
EBITDAM %	27.1	24.4	270 bps	29.0	25.9	310 bps
EPS	20.6	14.8	39.6%	30.4	22.3	36.5%

Actual vs CIE Estimates

INR Bn	H1FY27A	CIE Est.	Dev. %
Revenue	1.9	1.7	11.2%
EBITDA	0.5	0.4	28.8%
EBITDAM %	27.5	23.8	376 bps
PAT	0.4	0.2	56.7%

Key Financials

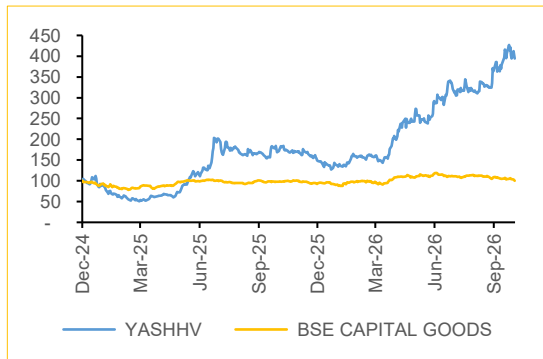
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	1.5	2.4	4.0	5.8	7.9
YoY (%)	37.9%	57.2%	68.4%	45.8%	36.1%
EBITDA	0.3	0.6	1.1	1.7	2.4
EBITDAM %	21.8%	24.1%	27.1%	29.0%	30.5%
Adj PAT	0.2	0.4	0.6	0.9	1.5
EPS	8.9	13.1	20.6	30.4	48.4
ROE %	22.7%	22.5%	22.0%	21.4%	26.8%
ROCE %	26.9%	26.1%	26.8%	26.5%	33.3%
PE(x)	128.6	87.9	55.7	37.8	23.7

Shareholding Pattern (%)

	Sept-26	Jun-26	Mar-26
Promoters	53.79	57.24	57.94
FIIIs	2.26	0.62	0.05
DIIIs	9.68	9.50	11.06
Public	34.27	32.64	30.96

Relative Performance (%)

YTD	1Y	6M	3M
BSE CAPITAL GOODS	1.8	-7.6	-10.1
YASHHV	123.8	95.2	25.2

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Strong Volume Growth and Improved Product Mix in H1FY27

YASHHV reported strong H1FY27 performance, with **revenue increasing 95% YoY to INR 1,945 Mn**, supported by **nearly 40% volume growth** and a robust domestic demand. **Improved product mix, higher realisation, cost-efficiencies and operating leverage** supported margin expansion. The order book of INR 7,600 Mn and ramp-up of the Jarod greenfield facility support growth outlook.

Valuation & View

We have **revised our estimate upwards** and expect revenue/EBITDA/Adj. PAT to rise at a **CAGR of 49%/62%/58%**, respectively, over FY26–FY29E, supported by a strong volume growth, an improving product mix, operating leverage and higher realisation. The medium-term outlook for transformer bushings remains favourable, backed by **investments in grid expansion and replacement, renewable energy integration, data centres and industrial electrification**. Based on our DCF valuation, we revise our target price for **YASHHV to INR 1,500** (from INR 1,200). Our target price implies a P/E of 38x on an average of FY28-29E EPS. We **retain our 'BUY' rating**.

H1FY27 Growth Led by Strong Volumes and Higher Realisation

- Revenue increased **95.3% YoY to INR 1.9 Bn**, supported by **40% YoY volume growth (~4,000 bushings)** and higher realisation, reflecting a strong domestic demand and a higher share of RIP bushings
- EBITDA rose **152.3% YoY to INR 0.5 Bn**, with **EBITDA margin expanding 620 bps YoY to 27.5%**, driven by operating leverage, better product mix, higher price realisation and efficiency gains
- PAT grew 165.7% YoY to INR 0.4 Bn**, aided by **higher operating profitability**

Margin Expansion Drivers and Localisation Benefits

- Gross margin** rose from 44.9% to 52%, attributed to product mix, nearly 40% higher volume, better realisation and cost-efficiency measures
- EBITDA margin expansion** reflected **customer pricing**, stronger product mix, better vendor terms, factory efficiency and overhead leverage. **Localisation of cores** could lead to exclusion of import duty and freight expenses.
- Customer expectations and competitor pricing will determine how savings are passed on. Higher-voltage projects do not always earn higher margin, as profitability depends on project mix and factory utilisation

Capacity Expansion and Capex Outlook

- Greenfield capex of INR 2,200 Mn:** INR 1,060 Mn was deployed by 30 September, 2026, and the balance will be invested over the next 12 months. The brownfield OIP expansion at Halol is on track to complete in Q3FY27
- No major capex is planned beyond the current investment**, which is sufficient to support revenue of INR 9,000–10,000 Mn by FY30–FY31. Only minor capex will be required to support volume growth

Particulars (INR Mn)	H1FY27	H1FY26	YoY (%)	H2FY26	HoH (%)
Revenue	1,945	996	95.3%	1,356	43.5%
COGS	934	549	70.2%	705	32.5%
Gross profit	1,011	447	126.1%	651	55.4%
Employee cost	210	108	93.6%	154	36.1%
Operating expenses	265	126	109.8%	142	86.8%
EBITDA	536	212	152.3%	354	51.2%
EBITDA margin (%)	27.5%	21.3%	622 bps	26.1%	140 bps
Other income	11	20	-47.4%	38	-71.5%
Interest	24	22	13.9%	18	34.1%
PBT	478	185	158.5%	316	51.4%
Tax	117	48	143.6%	79	48.1%
Adj. PAT	364	137	165.7%	236	53.8%
EPS (INR)	12.4	4.7	161.0%	8.2	50.9%

Source: YASHHV, Choice Institutional Equities

[Click here to read Initiating Coverage Report](#)

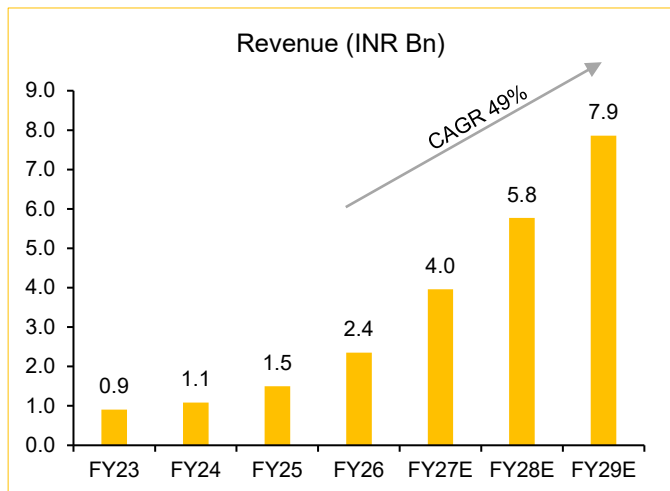
Management Call – Highlights

RIP drove growth at 86% of revenue, with volumes up ~40% and realisation rising sharply on a richer higher-voltage mix

Localised-core type testing is due within weeks, and the order book nearly doubled to INR 7,600 Mn in six months. That gives 15–18 months of execution visibility

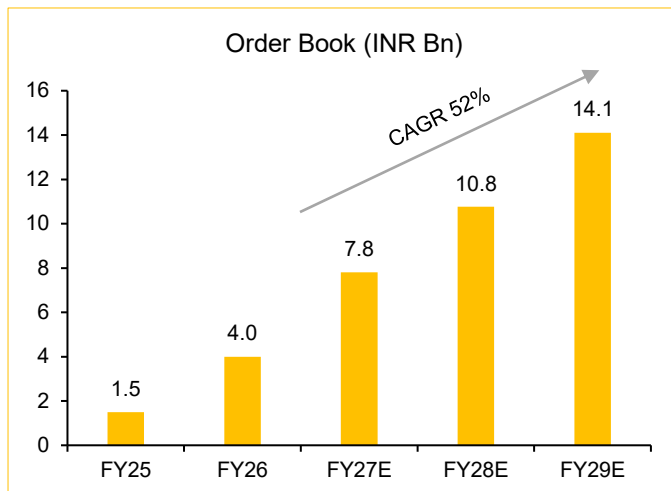
- **Demand:** The demand remains structurally strong, driven by grid modernisation, replacement of ageing infrastructure, renewables integration and rising demand from data centres and industrial electrification.
- **Pricing and margin outlook:** Management expects a seller's market for the next two to four years. Transformer manufacturers announced fresh capacity expansion plan as recently as last month, which will be ready in 24–30 months. Management sees no excess capacity building in bushings.
- **Bushings:** They remain a critical component, linking the transformer to external circuits. Utilities and transformer makers are prioritising reliability and high-voltage performance, which favour technically qualified suppliers with a proven track record.
- **International expansion:** It is the top strategic priority. Yash HV USA has three representation agreements covering close to 27 states; a healthy US order book already exists.
- **Technical milestones:** YASHHV is the first Indian OEM to complete seismic qualification of IEEE-compliant 138kV and 230kV OIP bushings. It also supplied its first 245kV wall-through bushing to a PSU.
- **Jarod:** Commercial production has started on the assembly model using imported cores. Orders from the existing book are being shifted there, easing the Halol bottleneck.
- **Greenfield capex:** It now stands at INR 2,200 Mn, up from INR 1,530 Mn guided in May 2026. INR 1,060 Mn had been deployed by 30 September, 2026, and the balance will follow over the next 12 months.
- **Preferential allotment:** The total proceeds amount to INR 1,510 Mn, of which INR 909.9 Mn has been received through equity issuance and INR 150 Mn as upfront warrant proceeds, taking total receipts to INR 1,060 Mn. The balance INR 450 Mn is payable upon exercise of the warrants within 18 months.
- **Margin:** The expansion was achieved without any core localisation. Management credited customer-specific pricing, better vendor terms, timely procurement and scale, which it expects to sustain into H2 and FY28.
- **Localisation economics:** Localisation eliminates import duties and freight costs on cores, alongside overhead savings. If Indian competitors offer lower prices, the management may pass on part of the cost savings, while aiming to protect margin.
- **Localised-core timeline:** Type testing of localised-core bushings is due within weeks and first-go trial result was encouraging. Localised RIP up to 245kV is expected from Q4FY27, and 420kV/550kV between Q4FY28 and mid-FY29.
- **Approvals:** Localised cores can be shipped only after completing the required qualification process. Plant and product approvals are pursued separately, with plant approval documents submitted to most customers. Product approvals follow successful completion of type testing.
- **Imported cores:** These will continue for a couple of years, as in-house capacity alone will not meet demand in India and abroad.
- **Order book:** It nearly doubled, from INR 4,000 Mn to INR 7,600 Mn in six months, implying around INR 5,550 Mn of H1FY27 inflow, already above the full-year target. It will be executed over the next 15–18 months.
- **Long-term potential:** Both units can invoice INR 9,000–10,000 Mn by FY30–FY31, with no major capex.
- **Sukrut:** It turned profitable within nine months of the takeover. The management is aiming for a more balanced H1/H2 split this year.

Driven by Improving Capacity Utilisation, Revenue Projected to Rise at CAGR 49% over FY26–29E



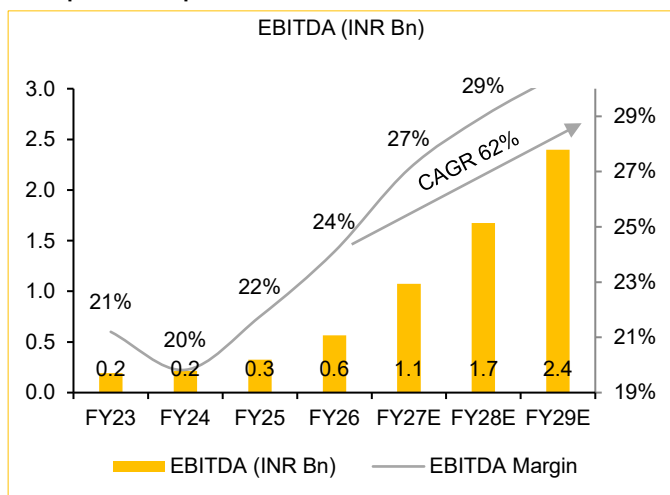
Source: YASHHV, Choice Institutional Equities

Robust Order Book Provides Strong Revenue Visibility



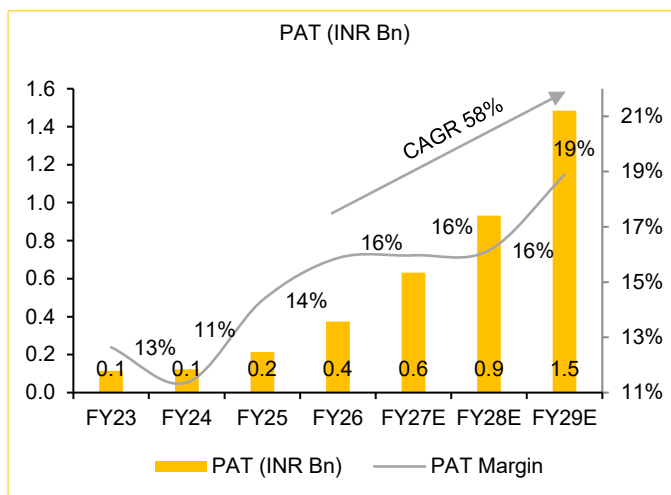
Source: YASHHV, Choice Institutional Equities

Driven by Better Product Mix and Operating Leverage, EBITDA Anticipated to Expand at 62% CAGR over FY26–29E



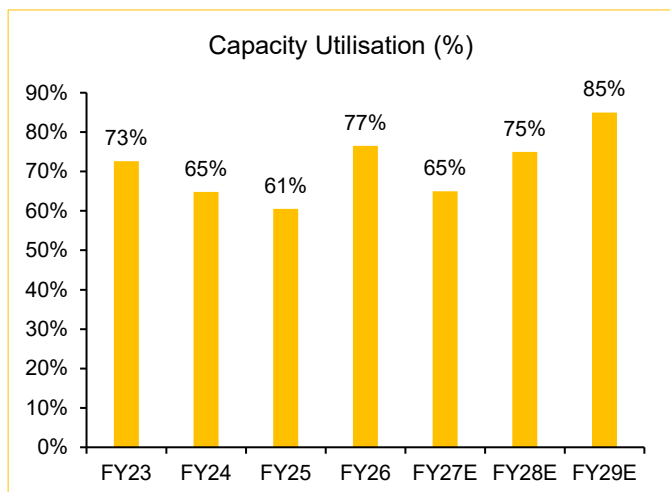
Source: YASHHV, Choice Institutional Equities

Driven by Premiumisation and Higher Operating Leverage, PAT Expected to Expand at 58% CAGR over FY26–29E



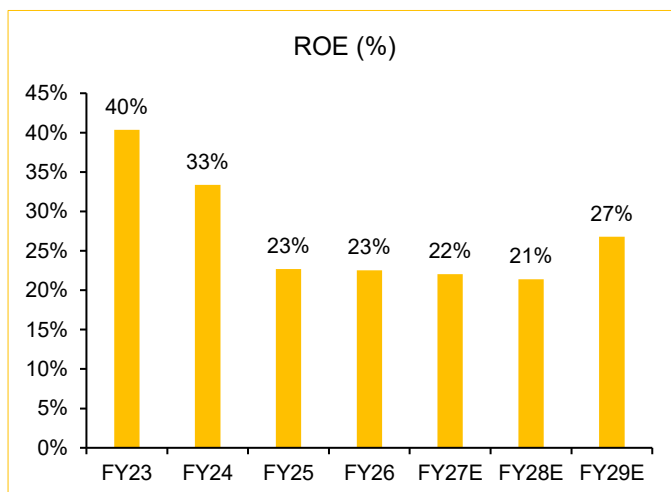
Source: YASHHV, Choice Institutional Equities

Capacity Utilisation to See Gradual Ramp-up



Source: YASHHV, Choice Institutional Equities

ROE Trajectory Improving with Scale and Profitability Gains



Source: YASHHV, Choice Institutional Equities

Income Statement (INR Mn)

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Revenue	1,496	2,352	3,960	5,772	7,857
Gross Profit	677	1,098	1,964	2,973	4,164
EBITDA	325	567	1,073	1,674	2,396
Depreciation	31	63	216	427	426
EBIT	295	504	857	1,247	1,971
Other Income	20	58	30	43	59
Interest Paid	32	40	44	47	51
Adj. PAT	214	389	632	932	1,484
EPS (INR)	8.9	13.1	20.6	30.4	48.4

Key Ratios

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Growth Ratios (%)					
Revenues	37.9%	57.2%	68.4%	45.8%	36.1%
EBITDA	51.3%	74.2%	89.3%	56.0%	43.2%
EBIT	52.8%	70.9%	70.2%	45.5%	58.0%
PAT	74.0%	74.1%	69.4%	47.4%	59.2%
Margins (%)					
Gross Margin	45.3%	46.7%	49.6%	51.5%	53.0%
EBITDA Margin	21.8%	24.1%	27.1%	29.0%	30.5%
PAT Margin	14.3%	15.9%	16.0%	16.2%	18.9%
Profitability (%)					
ROE	22.7%	22.5%	22.0%	21.4%	26.8%
ROCE	26.9%	26.1%	26.8%	26.5%	33.3%
Turnover ratios					
Asset Turnover (x)	1.1	1.0	1.0	1.0	1.1
Receivable Days	49	45	45	45	45
Inventory Days	114	140	175	175	175
Payable Days	79	59	59	59	59
Cash Conversion Cycle Days	84	126	161	161	161
Liquidity Ratios					
Current ratio (x)	2.9	2.0	2.9	3.4	4.1
Quick ratio (x)	2.2	1.0	1.9	2.2	2.9
Interest cover (x)	9.1	12.7	19.7	26.3	38.4
Total Debt/Equity (%)	0.2	0.2	0.1	0.1	0.1
Valuation Metrics					
PER (x)	128.6	87.9	55.7	37.8	23.7
EV/Sales (x)	18.1	14.0	8.7	5.9	4.2
EV/EBITDA (x)	83.2	58.1	32.2	20.3	13.6

Source: YASHHV, Choice Institutional Equities

Balance Sheet (INR Mn)

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Inventories	297	666	957	1,342	1,771
Trade Receivables	277	306	491	716	974
Cash and Bank Balance	249	201	1,060	1,647	2,927
Other Bank Balances	467	0	0	0	0
Other Current Assets	90	152	114	145	181
Total Current Assets	1,380	1,324	2,622	3,850	5,852
Tangible Fixed Asset	406	455	1,870	1,793	1,517
CWIP	24	430	-	-	-
Other Non-current Assets	231	434	434	434	434
Total Assets	2,041	2,644	4,925	6,076	7,803
Current Liabilities	476	672	889	1,137	1,408
Provisions	8	5	5	5	5
Total Current Liabilities	484	677	894	1,142	1,414
Non-Current Liabilities	83	127	127	127	127
Total Liabilities	567	804	1,022	1,269	1,541
Paid-up Capital	143	143	153	153	153
Reserves & Surplus	1,331	1,697	3,750	4,654	6,109
Shareholders' Equity	1,474	1,840	3,904	4,807	6,263
Total Equity & Liabilities	2,041	2,644	4,925	6,076	7,803

Cash Flow (INR Mn)

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Cash flows from Operations	95	88	612	954	1,451
Cash flows from Investing	(837)	(149)	(1,171)	(321)	(121)
Cash flows from Financing	964	12	1,418	(46)	(50)

DuPont Analysis

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Tax Burden (%)	76.0%	74.6%	75.0%	75.0%	75.0%
Interest Burden (%)	95.8%	99.5%	98.4%	99.7%	100.4%
EBIT Margin (%)	19.7%	21.4%	21.6%	21.6%	25.1%
Asset Turnover (x)	1.1	1.0	1.0	1.0	1.1
Equity Multiplier (x)	1.5	1.4	1.3	1.3	1.3
RoE (%)	22.7%	22.5%	22.0%	21.4%	26.8%

Source: YASHHV, Choice Institutional Equities

Historical share price chart: YASHHV



Date	Rating	Target Price
June 8, 2026	BUY	1,200
October 22, 2026	BUY	1,500

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CHOICE RATING DISTRIBUTION & METHODOLOGY	
Large Cap*	
BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months
Mid & Small Cap*	
BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months
Other Ratings	
NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change
Sector View	
POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

*Large Cap: More Than INR 20,000 Cr Market Cap
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