PL Capital
PRABHUDAS LILLADHER

Elgi Equipments (ELEQ IN)

Q2FY27 Result Update

November 06, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Buy		Accumulate	
Target Price	663		638	
Sales (INR mn)	51,988	58,957	50,470	57,037
% Chng.	*3.0*	*3.4*		
EBITDA (INR mn)	8,474	9,610	8,176	9,354
% Chng.	*3.6*	*2.7*		
EPS (INR)	18.7	21.4	18.2	21.1
% Chng.	*2.7*	*1.4*		

Key Data	ELGE.BO | ELEQ IN
BSE Code	522074
NSE Code	ELGIEQUIP
52-W High / Low	INR 653 / INR 408
Face Value	1
Sensex / Nifty	81,028 / 25,030
Market Cap	INR 176 bn / $ 1,873 mn
Shares Outstanding	316.91 mn
3M Avg. Daily Value	INR 316.00 mn

Shareholding Pattern (%)

Promoters	31.19
FIIs	20.20
Mutual Funds	10.50
Domestic Institutions	37.63
Public and Others	0.48
Promoter's Pledge (INR mn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(7.4)	(5.8)	1.2	14.8
Relative	(16.5)	(8.2)	(2.6)	18.0

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	39,507	45,775	51,988	58,957
EBITDA (INR mn)	5,791	7,370	8,474	9,610
Margin (%)	*14.7*	*16.1*	*16.3*	*16.3*
PAT (INR mn)	4,181	5,144	5,932	6,793
EV (INR mn)	172,813	170,096	167,442	164,306
Total Debt (INR mn)	5,331	5,031	4,731	4,431
C&C Eq. (INR mn)	7,180	10,468	12,823	15,659
EPS (INR)	13.2	16.2	18.7	21.4
Gr. (%)	*19.4*	*23.0*	*15.3*	*14.5*
DPS (INR)	2.0	3.2	3.7	4.3
Yield (%)	*0.4*	*0.6*	*0.7*	*0.8*
RoE (%)	*20.4*	*21.0*	*20.3*	*19.8*
RoCE (%)	*22.9*	*24.7*	*24.1*	*23.5*
EV/Sales (x)	4.4	3.7	3.2	2.8
EV/EBITDA (x)	29.8	23.1	19.8	17.1
PE (x)	42.1	34.2	29.6	25.9
P/BV (x)	7.9	6.6	5.6	4.7

Healthy Q2, GTM momentum fuels growth

Quick Pointers

- India grew 25% YoY, while North America/Europe/Australia delivered 14%/13%/8% YoY growth.
- ~50-60% of the tariff refund has been recognized in Q2 as credit to material cost.

Elgi Equipments (ELGI) reported a healthy performance for Q2FY27, with revenue growing 17% YoY, including ~4% contribution from forex, while EBITDA increased 28% YoY, reflecting healthy volume growth and operating leverage. India witnessed strong growth, supported by improved customer conversion for Demand-Match, higher inquiry levels following the implementation of its go-to-market (GTM) strategy and buoyant domestic demand. North America also sustained a strong growth trajectory, while Europe remained mixed, with industrials growing but the Italian portables business facing subdued demand. Management remains confident of achieving marginal profitability in Europe in FY27, with breakeven considered the worst-case scenario, while Australia is expected to recover in H2FY27 following ongoing restructuring. Increasing aftermarket contribution across the US and Europe is expected to support profitability, while the company is undertaking cost-reduction initiatives to mitigate commodity inflation and geopolitical cost pressures. The oil-free compressor segment offers incremental growth opportunities, supported by healthy demand from pharma and food processing, while the MK2 campus consolidation and automated global parts warehouse are expected to strengthen operational efficiency. Overall, improving demand, GTM-led market penetration and a rising aftermarket mix support ELGI's growth outlook, although geopolitical uncertainty, commodity inflation and the pace of recovery in Europe and Australia remain key monitorables. The stock is currently trading at a PE of 29.6x/25.9x on FY28E/29E. We roll forward to Sep'28E and upgrade our rating from 'Accumulate' to 'Buy' on the stock given recent correction in the stock price valuing it at a PE of 33x Sep'28E (33x Mar'28E earlier) arriving at a TP of INR663 (INR638 earlier).

Long-term view: Commodity price volatility and the pace of recovery in Europe remain key near-term monitorable, we remain constructive on ELGI's long-term growth prospects driven by (1) its strong positioning among the leading air-compressor players globally and in India, (2) increasing technology differentiation and backward integration, (3) a growing installed base supporting higher-margin aftermarket revenues, (4) continued new product introductions and market-share gains, and (5) leadership in the automotive garage equipment segment.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	*% Var.*	Q2'26A	*YoY gr. (%)*
Net Sales (INR mn)	11,057	11,343	*2.6*	9,680	*17.2*
EBITDA (INR mn)	1,681	1,850	*10.1*	1,399	*32.2*
Margin (%)	*15.2*	*16.3*	*110 bps*	*14.5*	*180 bps*
PAT (INR mn)	1,168	1,310	*12.2*	988	*32.6*

Source: Company, PL

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Volume growth aided the performance: Consol. revenue increased by 17.2% YoY to INR11.3bn (Ple: INR11bn) driven by ~18.0% YoY growth in Air Compressors sales to INR10.4bn and 8.3%YoY growth in Automotive equipment sales to INR897mn. Gross margin contracted by 106bps YoY to 50.8%. (Ple: 51%). EBITDA increased by 32.2% YoY to INR1.9bn (Ple: INR1.7bn). EBITDA margin expanded by 186bps YoY to 16.3% (Ple: 15.2%) primarily led by better operating leverage despite decline in gross margin. PBT (ex. Extra ordinaries) increased by 32.2% YoY to INR1.7bn (Ple: INR1.6bn) aided by lower interest cost (-30% YoY to INR49mn). Adj. PAT increased by 32.6% YoY to INR1.3bn (Ple: INR1.2bn) supported by lower effective tax rate (-153bps YoY to 26.3%). Company reported one-time expenses of INR37mn an account of restructuring cost arising from organizational realignment.

Regional performance: Growth momentum continued in the Indian (+25% YoY) and American markets (+14% YoY). Performance in Europe (+13% YoY) and Australia (+8% YoY) remained subdued amid prevailing economic headwinds. ELEQ's compressor mix stood at 52%/48% from India/RoW in Q2FY27.

Exhibit 1: **Quarterly Estimates**

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	10,622	*23%*	11,343	*17%*	11,341	*13%*	12,469	*12%*
EBITDA	1,553	*28%*	1,850	*32%*	1,815	*26%*	2,152	*24%*
Margin (%)	*14.6*	*64.8*	*16.3*	*185.7*	*16.0*	*165.9*	*17.3*	*160.2*
Adj. PAT	1,087	*27%*	1,310	*33%*	1,263	*19%*	1,485	*16%*

Source: Company, PL

Exhibit 2: **Revenue increased by 17.2% YoY to INR11.3bn with EBITDA margin expanded by 186bps to 16.3%**

Y/e March (INR mn)	Q2FY27	Q2FY26	*YoY gr.*	Q2FY27E	*% Var.*	Q1FY27	*QoQ gr.*	H1FY27	H1FY26	*YoY gr.*
Sales	**11,343**	**9,680**	***17.2%***	**11,057**	***2.6%***	**10,622**	***6.8%***	**21,965**	**18,347**	***19.7%***
Gross Profit	**5,764**	**5,022**	***14.8%***	**5,639**	***2.2%***	**5,334**	***8.1%***	**11,098**	**9,544**	***16.3%***
Margin (%)	50.8	51.9	*(106)*	51.0	*(18.5)*	50.2	*60*	50.5	52.0	*(149)*
Employee Cost	2,072	1,944	*6.6%*	2,145	*-3.4%*	2,085	*-0.6%*	4,157	3,800	*9.4%*
as % of sales	18.3	20.1	*(182)*	19.4	*(113.3)*	19.6	*(136)*	18.9	20.7	*(179)*
Other expenditure	1,842	1,679	*9.7%*	1,813	*1.6%*	1,696	*8.6%*	3,538	3,134	*12.9%*
as % of sales	16.2	17.3	*(111)*	16.4	*(16.1)*	16.0	*27*	16.1	17.1	*(97)*
EBITDA	**1,850**	**1,399**	***32.2%***	**1,681**	*10.1%*	**1,553**	***19.1%***	**3,403**	**2,610**	***30.4%***
Margin (%)	16.3	14.5	*186*	15.2	*111.0*	14.6	*169*	15.5	14.2	*127*
Depreciation	258	207	*24.6%*	248	*4.0%*	247	*4.5%*	505	395	*27.8%*
EBIT	**1,592**	**1,192**	***33.6%***	**1,433**	*11.1%*	**1,306**	***21.9%***	**2,898**	**2,215**	***30.8%***
Margin (%)	14.0	12.3	*172*	13.0	*107.8*	12.3	*174*	13.2	12.1	*112*
Other Income	206	201	*2.5%*	215	*-4.2%*	204	*1.0%*	410	398	*3.0%*
Interest	49	70	*-30.0%*	74	*-33.8%*	60	*-18.3%*	109	143	*-23.8%*
PBT (ex. Extra-ordinaries)	**1,749**	**1,323**	***32.2%***	**1,574**	*11.1%*	**1,450**	***20.6%***	**3,199**	**2,470**	***29.5%***
Margin (%)	15.4	13.7	*175*	14.2	*118.7*	13.7	*177*	14.6	13.5	*110*
Extraordinary Items	(37)	313		-	-	(73)	-	(110)	313	-
PBT	**1,712**	**1,636**	***4.6%***	**1,574**	*8.8%*	**1,377**	***24.3%***	**3,089**	**2,783**	***11.0%***
Total Tax	451	456	*-1.1%*	420	*7.3%*	362	*24.6%*	813	*777*	*4.6%*
Effective Tax Rate (%)	26.3	27.9	*(153)*	26.7	*(35.7)*	26.3	*5*	26.3	27.9	*(160)*
PAT before JVs	**1,261**	**1,180**	***6.9%***	**1,153**	***9.3%***	**1,015**	***24.2%***	**2,276**	**2,006**	***13.5%***
Profit/(Loss) from JVs	22	34	*-35.3%*	15	*46.7%*	18	*22.2%*	40	64	*-37.5%*
Reported PAT	**1,283**	**1,214**	***5.7%***	**1,168**	***9.8%***	**1,033**	***24.2%***	**2,316**	**2,070**	***11.9%***
Adj. PAT	**1,310**	**988**	***32.6%***	**1,168**	***12.1%***	**1,087**	***20.6%***	**2,397**	**1,844**	***30.0%***
Margin (%)	11.3	12.5	*(123)*	10.6	*74.3*	9.7	*159*	10.5	11.3	*(74)*
Adj. EPS	**4.1**	**3.1**	***32.6%***	**3.7**	***12.1%***	**3.4**	***20.6%***	**7.6**	**5.8**	***30.0%***

Source: Company, PL

Exhibit 3: **Air Compressors revenue grew by ~18% YoY while PBT margin contracted by 147bps YoY**

Segment Data	Q2FY27	Q2FY26	YoY gr.	Q2FY27E	% Var.	Q1FY27	QoQ gr.	H1FY27	H1FY26	YoY gr.
Revenue (Rs mn)										
Air Compressors	10,447	8,855	18.0%	10,155	2.9%	9,823	6.4%	20,270	16,847	20.3%
Automotive Equipment	897	828	8.3%	900	-0.3%	800	12.1%	1,697	1,507	12.6%
PBT (Rs mn)										
Air Compressors	1,674	1,549	8.1%	1,716	-2.5%	1,411	18.6%	3,085	2,660	16.0%
Automotive Equipment	74	83	-10.8%	95	-21.7%	38	94.7%	112	119	-5.9%
PBT Margin (%)										
Air Compressors	16.0	17.5	(147)	16.9	(87.6)	14.4	166	15.2	15.8	(57)
Automotive Equipment	8.2	10.0	(177)	10.5	(225.0)	4.8	350	6.6	7.9	(130)

Source: Company, PL

Conference Call Highlights:

Domestic Market: India delivered strong YoY and sequential growth, supported by buoyant demand, improved customer conversion and increased inquiry levels. The GTM strategy, fully crystallised in FY27 after ~2.5 years of implementation, has expanded customer coverage and improved inquiry generation. New product launches have enhanced customer conversion ratios, while the favourable domestic demand environment has further supported growth.

US Market: North America continued to demonstrate a strong performance, with revenue maintaining a higher trajectory sequentially and registering significant YoY growth. The industrial business remains the key growth driver, supported by healthy profitability and increasing contribution from the aftermarket business. Management expects the North American industrial business to continue delivering healthy growth, with increasing installed machines supporting aftermarket revenue and profitability. Patton's distribution business continues to face challenges but is gradually recovering, with improvement in service income and equipment sales.

Europe: European industrial business registered YoY growth, while the portable compressor business in Italy remained muted due to weak economic conditions across the region. o Profitability expected in FY27 subject to geopolitical condition not getting worst. The company has undertaken restructuring initiatives and cost reduction measures to improve profitability. Expanding its presence in Germany, where its current market share is negligible, providing an incremental growth opportunity despite subdued economic conditions. Europe remains a medium-term growth opportunity, with improving aftermarket contribution expected to support profitability as the installed base expands. Not expected any significant incremental overheads from the European expansion, as most costs are already reflected in the current P&L

Australia: Australia remained relatively muted, with challenges primarily in service and distribution operations. Management is resetting processes and undertaking restructuring initiatives, with the business expected to return to normal performance by Q3-Q4FY27.

Other International Markets: Brazil witnessed healthy growth, although performance remained below the previous year's unusually strong base, which was supported by election-related demand. Middle East markets were impacted by geopolitical disruptions, while Africa delivered a strong performance. Management expects demand in these markets to recover as geopolitical disruptions ease. Gross margins in second-tier markets such as Brazil, the Middle East and Africa are broadly comparable to India, although pricing levels are lower than in developed markets such as the US, Europe and Australia.

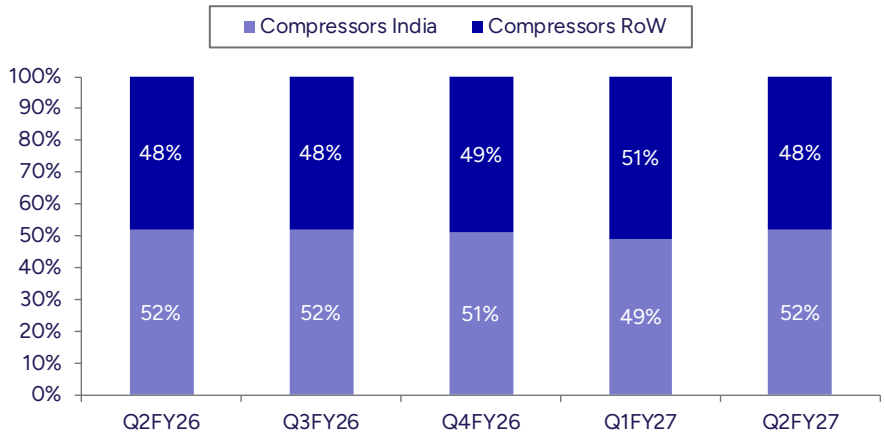
Oil- free segment: Oil-free compressor demand remains healthy, supported by strong investment plans across pharma, food processing and other specialised industries. Expects continued demand momentum in the oil-free segment, driven by investments across key end-user industries. ELGI has carved out oil-free compressors as a separate vertical within its sales organisation to provide greater focus and improve market penetration. The dedicated sales vertical is expected to support higher customer engagement and drive incremental growth in the oil-free business.

Vayu- New Product Launch: VAYU has been launched as ELGI's brand to compete with low-cost compressor imports from China, particularly in the smaller compressor segment. The initial launch has been outstanding, with order bookings and sales significantly exceeding management's expectations. The company achieved ~35% geographical coverage by September, in line with its planned rollout. ELGI remains on track to achieve pan-India geographical coverage by Jan–Feb. Management indicated that the addressable market for VAYU, in volume terms, is ~25-30% of the oil-lubricated screw compressor market. Gross margins for VAYU are expected to remain lower than ELGI's traditional range; however, management expects EBITDA margins to improve as scale and aftermarket contribution increase.

Southeast Asia: Southeast Asia remains challenging despite a sizeable addressable market, with Indian-brand positioning continuing to be a constraint in certain markets. Management is evaluating alternative strategies but expects improvement to be a longer-term exercise. The region currently remains a non-material contributor to overall revenue. The dedicated sales vertical is expected to support higher customer engagement and drive incremental growth in the oil-free business.

MK2 campus & capex : The MK2 programme involves progressive relocation of ELGI's city campus operations to its main campus outside the city, with an overall investment of ~INR6bn over 4–5 years. The first phase involved the creation of a Global Support Centre, comprising a fully automated parts warehouse serving ELGI's global operations. The second part of Phase 1 involves shifting diesel machines and portable compressors from the city factory to the main campus. The relocation of diesel and portable compressor manufacturing is expected to be completed by Q1CY28

Exhibit 4: Elgi Compressors - India vs ROW



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**39,507**	**45,775**	**51,988**	**58,957**
YoY gr. (%)	*12.5*	*15.9*	*13.6*	*13.4*
Cost of Goods Sold	19,339	22,430	25,214	28,594
Gross Profit	20,168	23,345	26,774	30,363
Margin (%)	*51.0*	*51.0*	*51.5*	*51.5*
Employee Cost	7,755	8,423	9,878	11,202
Other Expenses	6,622	7,553	8,422	9,551
EBITDA	**5,791**	**7,370**	**8,474**	**9,610**
YoY gr. (%)	*10.3*	*27.3*	*15.0*	*13.4*
Margin (%)	*14.7*	*16.1*	*16.3*	*16.3*
Depreciation and Amortization	858	1,002	1,100	1,195
EBIT	**4,933**	**6,368**	**7,374**	**8,415**
Margin (%)	*12.5*	*13.9*	*14.2*	*14.3*
Net Interest	254	280	273	257
Other Income	865	855	930	1,027
Profit Before Tax	**5,707**	**6,943**	**8,031**	**9,185**
Margin (%)	*14.4*	*15.2*	*15.4*	*15.6*
Total Tax	1,472	1,868	2,176	2,480
Effective Tax Rate (%)	*25.8*	*26.9*	*27.1*	*27.0*
Profit After Tax	**4,235**	**5,076**	**5,854**	**6,705**
Minority Interest	-	-	-	-
Share Profit from Associate	67	69	78	88
Adjusted PAT	**4,181**	**5,144**	**5,932**	**6,793**
YoY gr. (%)	*19.4*	*23.0*	*15.3*	*14.5*
Margin (%)	*10.6*	*11.2*	*11.4*	*11.5*
Extra Ord. Income / (Exp)	121	-	-	-
Reported PAT	**4,302**	**5,144**	**5,932**	**6,793**
YoY gr. (%)	*22.8*	*19.6*	*15.3*	*14.5*
Margin (%)	*10.9*	*11.2*	*11.4*	*11.5*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,302	5,144	5,932	6,793
Equity Shares O/s (mn)	**317**	**317**	**317**	**317**
EPS (INR)	**13.2**	**16.2**	**18.7**	**21.4**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**11,100**	**13,160**	**14,844**	**16,524**
Tangibles	10,094	12,092	13,726	15,356
Intangibles	1,005	1,067	1,118	1,168
Acc: Dep / Amortization	**6,498**	**7,500**	**8,600**	**9,795**
Tangibles	5,708	6,601	7,586	8,660
Intangibles	789	898	1,014	1,135
Net Fixed Assets	**4,602**	**5,660**	**6,244**	**6,729**
Tangibles	4,386	5,491	6,141	6,696
Intangibles	216	169	104	33
Capital Work In Progress	1,357	92	104	118
Goodwill	2,388	2,388	2,388	2,388
Non-Current Investments	1,601	2,004	2,250	2,525
Net Deferred Tax Assets	232	232	232	232
Other Non-Current Assets	167	481	546	619
Current Assets				
Investments	1,223	351	351	351
Inventories	7,107	8,152	9,258	10,338
Trade Receivables	7,239	7,776	8,688	9,853
Cash & Bank Balance	7,180	10,468	12,823	15,659
Other Current Assets	996	1,282	1,456	1,651
Total Assets	**35,455**	**40,415**	**45,929**	**52,118**
Equity				
Equity Share Capital	317	317	317	317
Other Equity	22,002	26,444	31,269	36,788
Total Networth	**22,319**	**26,761**	**31,586**	**37,105**
Non-Current Liabilities				
Long Term Borrowings	892	892	892	892
Provisions	75	252	286	324
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	4,439	4,139	3,839	3,539
Trade Payables	4,596	5,016	5,555	6,138
Other Current Liabilities	2,924	3,145	3,561	3,910
Total Equity & Liabilities	**35,455**	**40,415**	**45,929**	**52,118**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	5,774	6,943	8,031	9,185
Add. Depreciation	858	1,002	1,100	1,195
Add. Interest	254	280	273	257
Less Financial Other Income	865	855	930	1,027
Add. Other	(190)	-	-	-
Op. Profit before WC Changes	6,696	8,225	9,404	10,636
Net Changes-WC	(665)	(3,123)	(2,086)	(1,897)
Direct Tax	(1,496)	(1,868)	(2,176)	(2,480)
Net Cash from Op. Activities	**4,535**	**3,235**	**5,141**	**6,259**
Capital Expenditures	(1,054)	(2,060)	(1,684)	(1,680)
Interest / Dividend Income	689	-	-	-
Others	(618)	872	-	-
Net Cash from Invt. Activities	**(983)**	**(1,188)**	**(1,684)**	**(1,680)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(1,949)	(300)	(300)	(300)
Dividend Paid	(694)	(634)	(1,029)	(1,186)
Interest Paid	(258)	(280)	(273)	(257)
Others	(219)	-	-	-
Net Cash from Fin. Activities	**(3,120)**	**(1,214)**	**(1,602)**	**(1,743)**
Net Change in Cash	**432**	**833**	**1,855**	**2,836**
Free Cash Flow	2,991	1,175	3,457	4,579

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**10,034**	**11,126**	**10,622**	**11,343**
YoY gr. (%)	*18.4*	*12.1*	*22.6*	*17.2*
Raw Material Expenses	4,948	5,588	5,288	5,579
Gross Profit	5,086	5,538	5,334	5,764
Margin (%)	*50.7*	*49.8*	*50.2*	*50.8*
EBITDA	**1,439**	**1,742**	**1,553**	**1,850**
YoY gr. (%)	*20.5*	*16.2*	*28.2*	*32.2*
Margin (%)	*14.3*	*15.7*	*14.6*	*16.3*
Depreciation / Depletion	213	250	247	258
EBIT	**1,226**	**1,492**	**1,306**	**1,592**
Margin (%)	*12.2*	*13.4*	*12.3*	*14.0*
Net Interest	50	61	60	49
Other Income	245	222	204	206
Profit before Tax	**1,271**	**1,653**	**1,377**	**1,712**
Margin (%)	*12.7*	*14.9*	*13.0*	*15.1*
Total Tax	337	358	362	451
Effective Tax Rate (%)	*26.5*	*21.7*	*26.3*	*26.3*
Profit After Tax	**934**	**1,295**	**1,015**	**1,261**
Minority Interest	-	-	-	-
Share Profit from Associate	18	(15)	18	22
Adjusted PAT	**1,062**	**1,280**	**1,087**	**1,310**
YoY gr. (%)	*31.8*	*25.5*	*27.0*	*32.6*
Margin (%)	*10.6*	*11.5*	*10.2*	*11.6*
Extra Ord. Income / (Exp)	(110)	-	(54)	(27)
Reported PAT	**952**	**1,280**	**1,033**	**1,283**
YoY gr. (%)	*18.1*	*25.5*	*20.7*	*5.7*
Margin (%)	*9.5*	*11.5*	*9.7*	*11.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**952**	**1,280**	**1,033**	**1,283**
Avg. Shares O/s (mn)	317	317	317	317
EPS (INR)	**3.4**	**4.0**	**3.4**	**4.1**

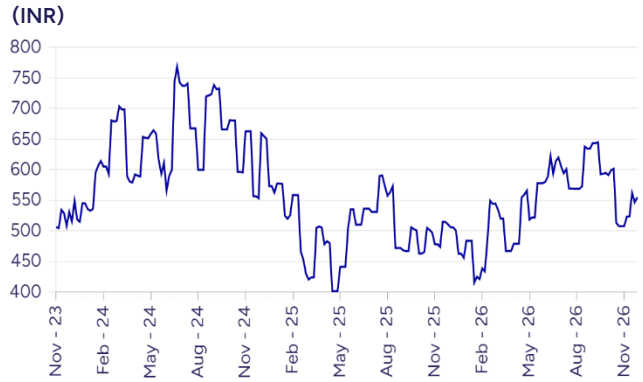
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	13.2	16.2	18.7	21.4
CEPS	15.9	19.4	22.2	25.2
BVPS	70.4	84.4	99.7	117.1
FCF	9.4	3.7	10.9	14.4
DPS	2.0	3.2	3.7	4.3
Return Ratio (%)				
RoCE	22.9	24.7	24.1	23.5
ROIC	27.9	31.1	30.9	31.1
RoE	20.4	21.0	20.3	19.8
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	90	87	87	87
Valuation (x)				
PER	42.1	34.2	29.6	25.9
P/B	7.9	6.6	5.6	4.7
P/CEPS	34.9	28.6	25.0	22.0
EV/EBITDA	29.8	23.1	19.8	17.1
EV/Sales	4.4	3.7	3.2	2.8
Dividend Yield (%)	0.4	0.6	0.7	0.8
FCFF Yield (%)	1.7	0.7	2.0	2.6
PEG Ratio	2.2	1.5	1.9	1.8

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	Accumulate	602	638
2	15-Aug-26	Accumulate	638	610
3	08-Jul-26	Accumulate	637	576
4	01-Jun-26	Accumulate	637	573
5	09-Apr-26	Accumulate	603	500
6	27-Feb-26	Accumulate	603	541
7	12-Feb-26	Accumulate	565	512
8	07-Jan-26	Accumulate	561	472
9	13-Nov-25	Accumulate	561	500
10	07-Oct-25	Accumulate	559	494

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	2011	2007
4	Bharat Electronics	BUY	490	380
5	BHEL	REDUCE	426	464
6	Carborundum Universal	Accumulate	1178	1114
7	Cummins India	BUY	5334	4059
8	Elgi Equipments	Accumulate	638	602
9	Engineers India	BUY	328	252
10	GE Vernova T&D India	BUY	5928	4020
11	Grindwell Norton	Accumulate	2245	1955
12	Harsha Engineers International	Accumulate	520	462
13	Hindustan Aeronautics	BUY	4746	5795
14	Hitachi Energy India	HOLD	34026	31610
15	Ingersoll-Rand (India)	Accumulate	4089	5029
16	Kalpataru Projects International	Accumulate	1472	1454
17	KEC International	BUY	406	316
18	Kirloskar Pneumatic Company	BUY	790	536
19	Larsen & Toubro	BUY	4437	3665
20	Praj Industries	BUY	353	242
21	Siemens	HOLD	3793	3831
22	Siemens Energy India	BUY	3344	3655
23	Solar Industries India	BUY	23124	19393
24	Thermax	REDUCE	3230	3952
25	Triveni Turbine	HOLD	615	529
26	Voltamp Transformers	BUY	11858	10262

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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