



Key Guidance for FY27:

- Revenue growth ~ 20%-30% from here looks very achievable on consolidated level- after seeing flattish revenue for the last couple of years.
- Expect smart meter growth to continue for the next 6-8 quarters
- Anticipate to achieve US business back to historical levels.

Rating	TP (Rs)	Up/Dn (%)
HOLD	612	-8

Market Data

Current price	Rs	665
Market Cap (Rs.Bn)	(Rs Bn)	38
Market Cap (US\$ Mn)	(US\$ Mn)	397
Face Value	Rs	2
52 Weeks High/Low	Rs	681 / 369
Average Daily Volume	('000)	957
BSE Code		513097
Bloomberg		SBC.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Mar-26	Dec-25
Promoters	33.37	33.17
Public	66.63	66.83
Total	100.00	100.00

Source: Bloomberg

Y/E Mar (Rs mn)	FY24	FY25	FY26	FY27E	FY28E
Net sales	5,089	5,083	5,709	6,866	8,351
EBIDTA	1,063	1,037	1,307	1,566	1,900
Margins (%)	20.9	20.4	22.9	22.8	22.7
Adjusted net profit	843	771	968	1,146	1,411
EPS (Rs)	14.6	13.38	16.8	19.9	24.5
P/E (x)	45	50	39	33	27
EV/EBITDA (x)	36	37	30	25	20
RoCE (%)	27.70%	23.67%	24.18%	24.02%	23.98%
RoE (%)	24.67%	19.00%	20.11%	19.57%	19.73%

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Q4FY26 Snapshot

(Rs.Mn)	Q4FY26	Q4FY25	YoY Growth	Q3FY26	QoQ Growth
Revenue from Operations	1,626	1,324	23%	1,342	21%
Other Income	34	34	1%	31	10%
Total Mfg Cost	929	754	23%	715	30%
Employee Benefits Expense	144	110	31%	141	2%
Other Expenses	199	175	14%	164	22%
Total Expenses	1,272	1,039	22%	1,020	25%
EBITDA (Excluding Other Income)	355	285	24%	322	10%
Depreciation and Amortisation Expenses	37	31	19%	35	4%
EBIT / PBIT	352	288	22%	318	11%
Finance Costs	12	11	12%	13	-9%
Profit before share in profit of associate & exceptional item	340	277	23%	305	12%
Share in profit of associate (net of tax)	6	5	2%	(0)	-1748%
Profit before exceptional item	346	283		305	14%
Exceptional item				(9)	
EBT/PBT	346	283	22%	295	17%
Tax Expense	85	72	18%	73	16%
Net Profit after Tax	260	211	24%	222	17%
Adj Net Profit after Tax	260	211	24%	231	13%
Adj Earning Per Share	4.52	3.7	24%	4.0	13%
Margins (%)					
Gross Margins	42.9%	43.0%	-13	46.7%	-381
EBITDA Margins (Excl Other Income)	21.8%	21.5%	29	24.0%	-220
PAT Margins	15.7%	15.5%	19	16.2%	-47
As a % to sales					
RM as a % to sales	57.10%	56.97%	13	53.3%	381
EE Cost as a % to sales	8.83%	8.29%	54	10.5%	-166
Other exps as a % to sales	12.26%	13.22%	-96	12.2%	5

Key Financial Highlights:

For Q4FY26

- **Revenue from operations:** Rs. 1626 Mn vs Rs 1324 Mn (+23% YoY) & Rs 1342 Mn (+21% QoQ)
- **EBITDA:** Rs 355 Mn vs Rs 285 Mn (+24% YoY) & Rs 322 Mn (+10% QoQ)
- **EBITDA Margins:** 21.8% vs 21.5%(YoY) & 24%(QoQ)
- **EPS:** 4.5 vs 3.7 (YoY) vs 4.0 (QoQ)

Concall Highlights:

Shunt Business:

- Regional mix in Q4FY26: Europe (+21.8% YoY) and Asia (+1.5% YoY) offset weakness in the Americas (-28.73% YoY); India saw an 47.83% YoY rebound led by smart meters and industrial demand
- Shunt mix shifted from ~55% components earlier to ~65%, driving ~10–12% realization improvement/kg.
- Management expects another strong year of growth from smart meters with healthy visibility over next 6–8 quarters
- Smart meter-linked revenue nearly doubled in FY26 to ~₹75–80 cr; shunt revenue from energy meters reached ~₹70 cr

Bimetals Business:

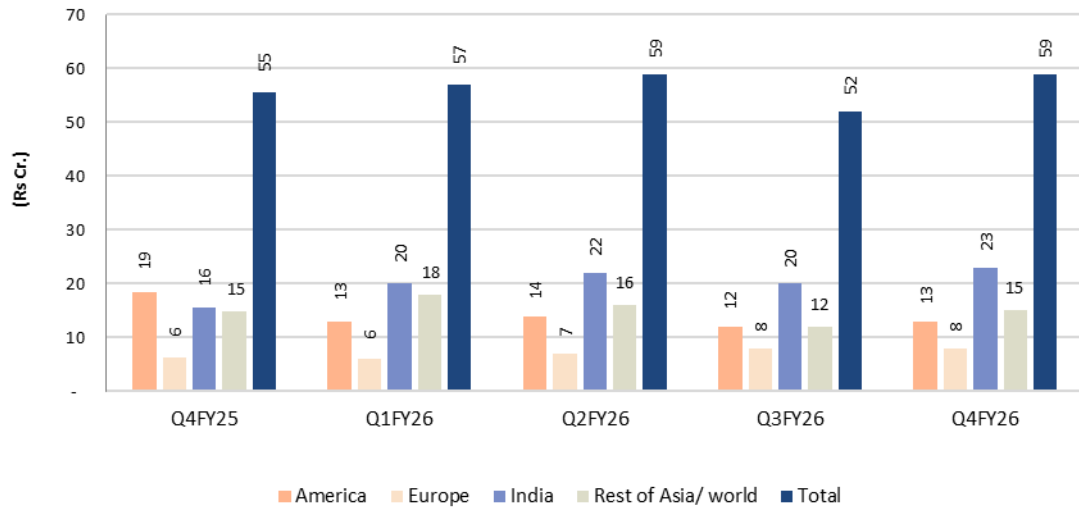
- Domestic thermostatic bimetal demand remained sluggish due to weak MCB/switchgear demand and muted mid-income housing activity.
- Europe emerged as a strong growth market for bimetals driven by deeper customer engagement and export momentum.
- Management exploring higher-volume export opportunities to better utilize spare bimetal capacity.
- Contacts business saw strong growth aided by higher capacity, improved customer penetration & migration toward lower-silver, higher-value-added products.
- Of ~60% contacts revenue growth, ~31–32% represented underlying business growth excluding silver price impact
- Regional performance in Q4FY26: Europe (+44.38% YoY) and Asia (+31.39% YoY) showed strong growth, while Americas (-27.3% YoY) and India (-10.53% YoY) were softer.

Forward Integration (PCBA + Busbar):

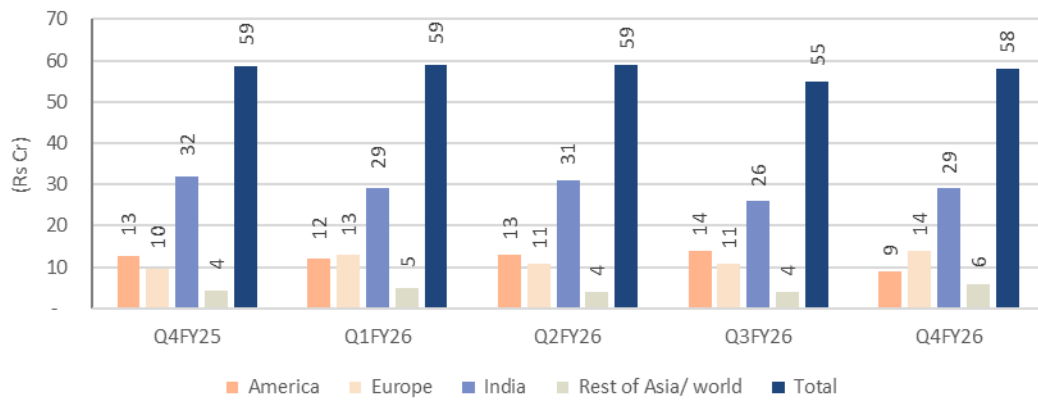
- Pune facility phase 1 nearly complete; focused on PCBA & busbar/CCS assemblies for EV and electrification applications.
- Initial focus on EV 2W applications, with future opportunities across 3W, 4W, ESS & industrial energy systems.
- EB-welded CCS/busbars offer strong technological moat, higher precision, safety benefits & copper savings.
- Management sees ~₹250–350 cr revenue potential over next 2–3 years from current investment phase alone.

Region wise Sales

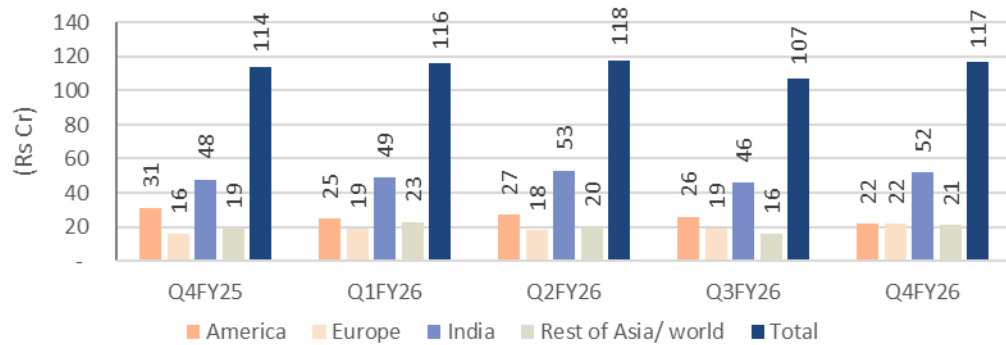
SHUNT



Thermostatic Bimetals



Total Revenues



Source: Company, Dalal and Broacha Research

Valuations and Outlook:

Backed by rising value-added content, recovery in the US shunts business, accelerating smart meter opportunities and new growth verticals like busbars/PCBA assemblies, Shivalik is building multiple scalable growth engines. Improved product mix, higher component-level integration and disciplined capital allocation provide stronger visibility for sustained 20%+ growth with structurally better margin profile over the medium term.

At current market price of Rs. 663, Shivalik trades at 33x/27x/ FY27e/FY28e EPS. Our previous TP of Rs. 566 was achieved. We maintain our "HOLD" rating with a TP of Rs 612 (~9% downside).

Financials

P&L (Rs mn)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	3,240	4,704	5,089	5,083	5,709	6,866	8,351
Total Raw material consumed	1,611	2,452	2,828	2,893	3,128	3,708	4,510
Employee Cost	271	389	427	478	566	679	814
Other Expenses	623	774	771	675	708	913	1,127
Operating Profit	735	1,089	1,063	1,037	1,307	1,566	1,900
Depreciation	64	105	121	118	138	178	190
PBIT	671	984	942	919	1,169	1,388	1,709
Other income	54	99	191	128	123	172	209
Interest	28	70	49	38	47	69	84
PBT (Before share of JV/associates)	698	1,013	1,084	1,010	1,245	1,491	1,835
Share of JV/Associates	35	10	33	17	34	37	46
PBT	733	1,023	1,118	1,027	1,279	1,528	1,881
Provision for tax	182	232	275	257	311	382	470
PAT (From continuing operations)	551	791	843	771	968	1,146	1,411
PAT (From Discontinuing operations)	-	-	-	-	-	-	-
MI							
Reported PAT	551	791	843	771	968	1,146	1,411
Adjusted Profit	551	791	843	771	968	1,146	1,411
Balance Sheet (Rs mn)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity capital	77	115	115	115	115	115	115
Reserves	1,839	2,540	3,300	3,941	4,698	5,741	7,036
Net worth	1,916	2,655	3,415	4,057	4,813	5,856	7,151
Minority Interest	-	-	-	-	-	-	-
Non Current Liabilities	208	290	191	249	309	268	237
Current Liabilities	954	953	822	774	1,237	1,413	1,712
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-	-
TOTAL LIABILITIES	3,084	3,897	4,428	5,079	6,360	7,536	9,099
Non Current Assets	1,085	1,361	1,478	1,785	2,071	1,859	1,820
Fixed Assets	850	1,203	1,298	1,570	1,805	1,556	1,470
Goodwill	-	20	127	20	20	20	20
Non Current Investments	185	98	131	148	181	214	256
Loans							
Non-current assets tax (net)	0	1	2	-	-	-	-
Deferred Tax Asset	-	-	-	-	-	-	-
Other Financial Assets	-	4	5	39	46	46	46
Other Non Current Assets	50	36	25	8	19	23	27
Current Assets	1,993	2,536	2,949	3,294	4,289	5,677	7,279
Current investments	-	-	-	-	-	-	-
Inventories	1,149	1,320	1,279	1,312	1,530	1,778	2,100
Trade Receivables	593	932	1,137	1,115	1,555	1,871	2,275
Cash and Bank Balances	109	177	112	209	70	214	348
Other bank balances	9	2	277	581	977	1,627	2,327
Short Term Loans and Advances	-	-	-	-	-	-	-
Other Financial Assets	0	1	88	39	7	8	10
Other current assets tax (net)	0	1	2	-	-	-	-
Other current assets	133	103	54	37	149	179	218
TOTAL ASSETS	3,078	3,897	4,428	5,079	6,360	7,536	9,099

Source: Dalal & Broacha Research

Cash Flow St. (Rs. mn)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT (excluding JV/Associates)	698	1,013	1,084	1,010	1,245	1,491	1,835
Add: Dep. & Am ort.	64	105	121	118	138	178	190
Add: Interest Expenses	28	70	49	38	47	69	84
Operating profit before working capital change	789	1,189	1,254	1,166	1,430	1,738	2,109
(Inc)/Dec in Working capital adjustment	(500)	(396)	(198)	(15)	(485)	(512)	(944)
Gross cash generated from operations	290	792	1,056	1,151	945	1,226	1,165
Direct taxes paid	(182)	(232)	(275)	(257)	(311)	(382)	(470)
Others	(143)	98	(96)	42	(86)	0	180
CF from Oper. activities	(35)	658	685	936	549	844	875
CF from Inv. activities	(242)	(431)	(415)	(575)	(684)	(638)	(539)
CF from Fin. activities	229	(185)	(292)	(263)	(4)	(58)	63
Cash generated/(utilised)	(48)	42	(22)	97	(140)	149	399
Cash at start of the year	157	109	177	112	209	70	214
Cash at end of the year	109	177	112	209	70	214	348

Ratios	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OPM	22.68%	23.16%	20.88%	20.40%	22.90%	22.81%	22.75%
NPM	16.73%	16.47%	15.96%	14.78%	16.60%	16.28%	16.48%
Tax Rate	24.81%	22.68%	24.60%	24.98%	24.29%	25.00%	25.00%
Growth Ratios (%)							
Net Sales	18.00%	45.18%	8.20%	-0.11%	12.30%	20.27%	21.64%
Operating Profit	103.34%	48.27%	-2.44%	-2.42%	26.04%	19.82%	21.28%
PBT	34.68%	45.13%	7.06%	-6.82%	23.22%	19.77%	23.04%
PAT	35.96%	43.53%	6.53%	-8.56%	25.61%	18.40%	23.09%
CFO/EBITDA Ratio	-0.05	0.60	0.64	0.90	0.42	0.54	0.46
CFO/PAT Ratio	-0.06	0.83	0.81	1.21	0.57	0.74	0.62
Per Share (Rs.)							
Net Earnings (EPS)	14.35	13.73	14.63	13.38	16.80	19.89	24.49
Cash Earnings (CPS)	16.01	15.56	16.72	15.42	19.20	22.99	27.79
Payout ratio	7%	9%	10%	20%	24%	9%	8%
Dividend	1.00	1.20	1.40	2.70	4.00	1.80	2.00
Book Value per share (BVPS)	49.89	46.09	59.29	70.42	83.56	101.66	124.14
Free Cash Flow	(263)	179	470	546	176	915	770
Valuation Ratios							
P/E(x)	46.20	48.28	45.32	49.56	39.46	33.33	27.07
P/B(x)	13.29	14.38	11.18	9.41	7.93	6.52	5.34
EV/EBIDTA(x)	35.28	35.43	36.22	36.93	29.62	24.67	20.33
Div. Yield(%)	0.15	0.18	0.21	0.41	0.60	0.27	0.30
FCFF Yield(%)	(1.03)	0.47	1.23	1.43	0.46	2.40	2.02
Return Ratios (%)							
ROE	28.76%	29.79%	24.67%	19.00%	20.11%	19.57%	19.73%
ROCE	29.49%	33.66%	27.70%	23.67%	24.18%	24.02%	23.98%

Source: Dalal & Broacha Research

Source: Company, Dalal and Broacha Research

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