



INOX INDIA delivered another record quarter in Q2 FY26, with revenue and margins reaching the highest levels in the company's history. The strong performance was driven by healthy execution across key business segments and a robust order inflow. The total consolidated order backlog stood at ₹1,485 crore as of September 30, 2025 — the highest ever, providing strong revenue visibility for the coming quarters.

Inox India is poised for robust growth in FY26, targeting an 18-20% increase in revenue driven by strong momentum across its key business segments.

The Industrial Gas Solutions division is expected to achieve over 15% growth, fueled by innovative, high-margin products and continuous development of new products, as is evident by the new large order wins in USA for cryogenic vessel for an aerospace customer.

The LNG segment, accounting for nearly 25-30% of revenue, is set for over 20% growth supported by significant capacity expansions, also winning orders for LNG regasification for two small islands in Bahamas.

The CSD division had a muted quarter, however Q3 will be a key quarter where the co. expects new order wins.

The Kegs and Disposable cylinders have also seen increasing traction as is evident by the new orders and approvals received. H2 accounts for ~55% of the revenue generally and the Co. is on track to achieve its full year guidance of 18-20% growth.

Financial Summary

Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Net sales	9,659	11,333	13,060	15,424	18,787
EBITDA	2,044	2,503	2,844	3,326	4,188
EBITDA margins	21.2	22.1	21.8	21.6	22.3
PAT	1,547	1,960	2,258	2,577	3,158
EPS	17	22	25	28	35
P/E (x)	71	56	48	42	35
P/B (x)	20	17	12	10	8
EV/EBITDA (x)	47	38	33	28	22
RoE (%)	28	30	26	23	22
ROCE (%)	38	40	33	30	29
RoIC (%)	29	31	25	22	22

Source: Dalal and Broacha

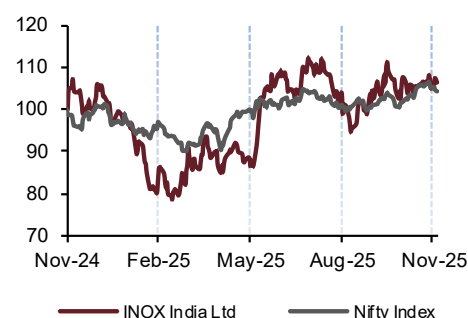
Rating	TP (Rs)	Up/Dn (%)
BUY	1,316	9

Market data

Current price	Rs	1,203
Market Cap (Rs.Bn)	(Rs Bn)	109
Market Cap (US\$ Mn)	(US\$ Mn)	1,231
Face Value	Rs	2
52 Weeks High/Low	Rs	1289 / 884.2
Average Daily Volume	('000)	102
BSE Code		544046
Bloomberg		INOXINDI

Source: Bloomberg

One Year Performance



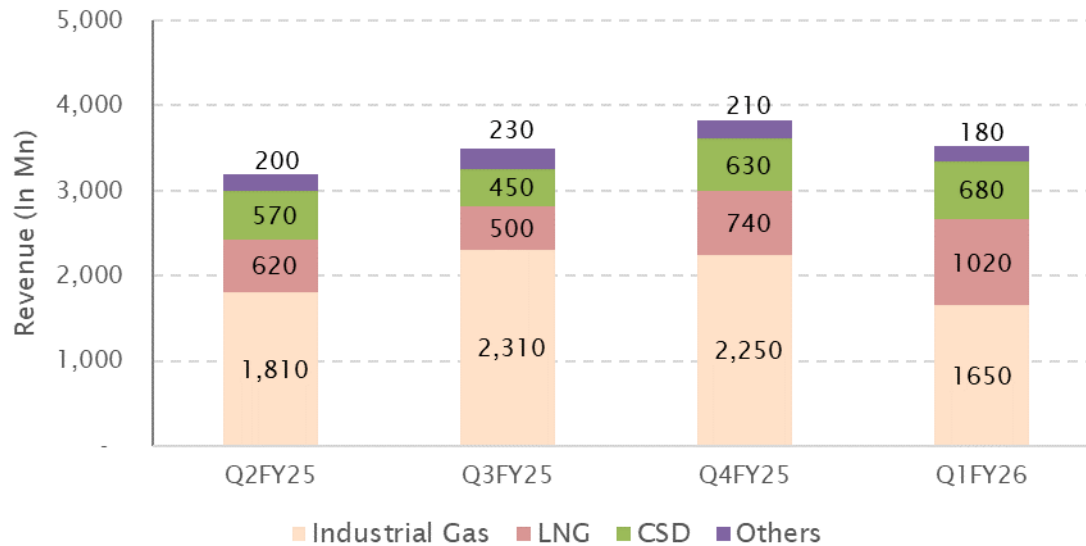
Source: Bloomberg

% Shareholding	Sep-25	Jun-25
Promoters	75	75
Public	25	25
Total	100	100

Source: BSE

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Segmental Highlights



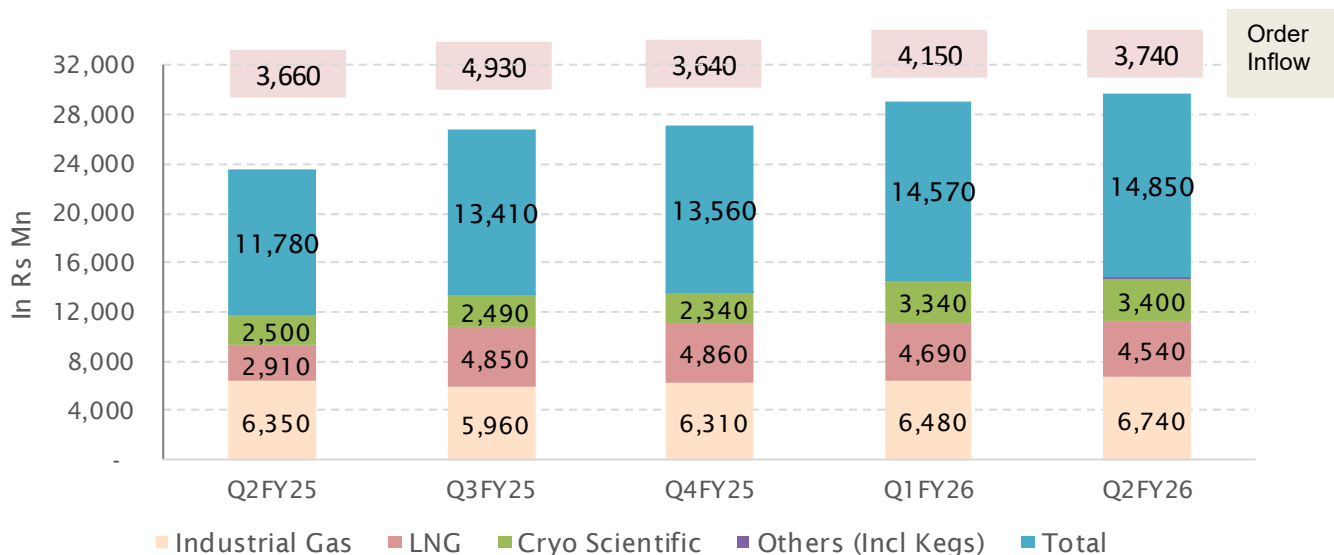
Source: Company, Dalal & Broacha Research

Quarterly Financials

Particulars (In Mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ(%)
Revenue from Operations	3,582	3,066	17%	3,396	5%
COGS	1,503	1,402	7%	1,348	12%
Gross Profit	2,080	1,664	25%	2,049	2%
Employee Benefit Expense	338	273	24%	339	0%
Other Expenses	963	751	28%	948	2%
Total Expenses	2,803	2,427	16%	2,635	6%
EBITDA	779	639	22%	761	2%
Other Income	108	134	-19%	127	-14%
Finance Cost	20	28	-29%	7	176%
Depreciation	76	59	29%	76	1%
Captive consumption of material	0	-	-	-	-
PBT	792	686	15%	805	-2%
Exceptional Items	20	-	-	-	-
Tax Expense	203	191	6%	194	5%
PAT	608	495	23%	611	0%
Adj PAT	588	495	19%	611	-4%
EPS (Reported)	6.70	5.45	23%	6.73	0%
Margins (%)			(bps)		(bps)
Gross Margins	58.1%	54.3%	378	60.3%	-227
EBITDA Margins	21.7%	20.8%	90	22.4%	-67
PAT Margins	16.5%	15.5%	102	17.3%	-86
As % of Revenue			(bps)		(bps)
Cost of Goods Sold	42%	46%	-378	40%	227
Employee Benefit Expense	9%	9%	51	10%	-55
Other Expenses	27%	25%	236	28%	-105

Source: Dalal & Broacha Research, Company

Segment-wise Order Backlog & Order inflow



Source: Company, Dalal & Broacha Research

Management Concall KTAs

Segmental Highlights

- **Industrial Gases (~57% Revenue):** The industrial gas sector typically experiences **steady growth of around 8-10%**, with an additional 5-6% from new product introductions, aiming for a total growth of 15-17%.

Order Backlog Share : This segment accounts for 45% of the total order book (674 Cr)

- Strategic Orders (Hydrogen/Semiconductor): Secured an order for a liquid hydrogen storage tank from a European customer for semiconductor and electronic facilities, reinforcing presence in high purity and clean energy domains
- Semiconductor Order Book: The current order book for highly technical semiconductor industry applications is estimated to be around 8% to 10% of total revenue
- Received two large orders from a leading US aerospace company for high-engineered tanks designed for critical applications
- Execution Timeline: Large orders, such as the US aerospace tank orders, have a standard execution guideline of 12 to 18 months

Disposable Cylinders: (10-12% of Revenue)

- Sold approximately ₹46 crore of cylinders to National Refrigeration
- Production (H1 FY26): Almost half a million cylinders were manufactured
- FY26 Internal Target: The production target for FY26 is set around 2 million to 2.5 million cylinders

Beverage Kegs:

- secured a 30,000-keg order from a German company, with the first batch already dispatched, and the remainder delivery scheduled post-November trials
- The Company is actively bidding for large sized orders with major breweries including Heineken, AB InBev and Paulaner of about ~0.5 Mn Kegs
- On track to achieve the guidance of 100,000-150,000 kegs this year
- **LNG (~25% of Revenue): The company foresees more than 20% growth in the next 3-4 years,**
 - During the Quarter, the Company received order for LNG regassification for two small Islands at The Bahamas - Abaco & Eleuthera - for power generation facilities, building on the success of the ongoing main project at The Bahamas
 - **Order Book:** This segment accounts for 31% of the total order book (454 Cr)
 - LNG Stations: Uptake is slow compared to expectations, but private players (Ultra gas, Green line) are putting up almost 100 stations, and at least 10 to 15 more small stations are expected by year-end
- **CSD (~13% of Revenue): Major orders expected in Q3**
 - **Order book:** This segment accounts for 23% of the total order book (340 Cr)
 - Key highlights for the Quarter included two major refurbishment contracts- the Vacuum Vessel Thermal Shield (VVTs) sector and the Cryostat Thermal Shield (CTS), underscoring the expertise in cryogenic solutions, and ITER Org's strong faith in the Company's capabilities.
 - Further ITER assignments expected in Q3 FY26
 - Fusion market expected to contribute ₹100–150 crore annually over next 5 years.
- **Other KTA's**
 - **ISRO (Third Launch Pad):** The tender for the third launch pad is expected in December with the order
 - Expected in Late FY26 period. Inox India anticipates securing approximately **15-20% of the total projected order** (which is close to ₹4,000 crores for the third launch), having a better chance due to its experience with the second launch pad.
 - **Kegs:** Audits from Asahi and Carlsberg are expected to be completed in the coming quarters with samples already been dispatched.

Outlook and Valuations

Inox India is targeting 18–20% revenue growth in FY26, supported by robust demand across its key business segments. The LNG division, which contributed 25% of Q2 revenue, is expected to grow over 20% annually over the next 3–4 years, driven by significant capacity expansions and favorable regulatory tailwinds accelerating LNG adoption in India. The Industrial Gas Solutions and Cryo Scientific divisions continue to demonstrate strong innovation and order momentum, highlighted by a cryogenic vessel order from a leading US customer, the dispatch of RFTSA vessels for an air separation project, and a 90 KL liquid hydrogen tank order from a European semiconductor facility. In addition, the company is well-positioned to capitalize on emerging opportunities such as ISRO's Third Launch Pad project, which carries a potential ₹600–800 crore revenue opportunity, further strengthening Inox India's role as a strategic partner in India's critical infrastructure and advanced technology ecosystem.

With ₹1,485 crore order book, and a debt free balance sheet, strong execution pipeline, and diversified growth drivers across LNG, CSD, and clean energy applications. Inox is well positioned for sustained, diversified growth

INOX INDIA Ltd @ CMP of Rs. 1,203 trades at 42x/35x FY26E/FY27E EPS. We maintain our BUY rating with a Target Price of Rs. 1,316, implying ~9% upside. We derive the TP valuing at 34x Sep-27 EPS.

Financials

P&L (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Net Sales	9,659	11,333	13,060	15,424	18,787
Cost of goods sold	4,327	5,038	5,775	6,566	8,078
Employee Cost	787	1,017	1,100	1,368	1,503
Other Expenses	2,502	2,776	3,340	4,165	5,017
Operating Profit	2,044	2,503	2,844	3,326	4,188
Depreciation	-139	-181	-251	-310	-412
PBIT	1,904	2,321	2,594	3,016	3,776
Other income	202	313	407	447	492
Net Interest (Exp)/Inc	-37	-57	-85	-54	-57
Profit before tax	2,069	2,578	2,915	3,409	4,211
Exceptional Item	-	-	72	20	-
Provision for tax	-522	-618	-729	-852	-1,053
Reported PAT	1,547	1,960	2,258	2,577	3,158
Adjusted PAT	1,547	1,960	2,191	2,557	3,158

Balance Sheet (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Equity capital	182	182	182	182	182
Reserves	5,313	6,309	8,555	11,065	14,305
Net worth	5,495	6,491	8,737	11,247	14,487
MI	-	-	-	-	-
Non Current Liabilities	279	313	290	440	499
Current Liabilities	5,704	5,427	7,526	6,442	7,729
Total Equity & Liabilities	11,478	12,231	16,553	18,128	22,715
Non Current Assets	1,749	2,712	3,762	4,330	4,797
Fixed Assets	1,638	2,494	3,537	4,083	4,528
Intangible Assets	9	108	98	103	107
Investments	2	2	2	2	2
Loans	2	5	3	3	3
Other Financial Assets	18	57	58	65	73
Other Non Current Assets	80	45	64	73	84
Current Assets	9,624	9,197	10,911	13,703	17,822
Inventories	4,128	4,338	4,930	5,594	6,672
Loans	6	11	9	9	9
Current investments	2,487	2,465	2,670	2,937	3,231
Trade Receivables	1,429	1,739	2,516	2,972	3,620
Cash and Bank Balances	617	92	235	1,534	3,506
Other Financial Assets	613	54	19	19	19
Other Current Assets	318	498	531	638	765
Current Tax Assets	26	-	-	-	-
Non-Current Asset held for sale	105	108	96	96	96
TOTAL ASSETS	11,478	12,017	14,769	18,128	22,715

Cashflow (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
PBT	2,069	2,578	2,992	3,429	4,211
Depreciation	139	181	251	310	412
Net Chg in WC	-1,336	106	-1,229	-1,405	-1,684
Interest Expense	37	57	85	54	57
Taxes	-522	-618	-729	-852	-1,053
Others	1,379	-1,049	92	1,859	278
CFO	1,767	1,256	1,463	3,394	2,221
Capex	-449	-941	-1,284	-898	-860
Net Investments made	738	213	-205	-267	-294
Others	-410	447	-	-	-
CFI	-121	-281	-1,489	-1,165	-1,154
Change in Share capital	-	-	-	-	-
Change in Debts	-434	49	282	99	43
Div. & Div Tax	-1,044	-998	-	-	-
Payment & Interest on lease liability paid	-28	-31	-11	10	10
Finance Charges Paid	-31	-50	-85	-54	-57
CFF	-1,536	-1,030	186	55	-4
Adj. on account of foreign currency translation reserve	-9	-8	-	-	-
Total Cash Generated	100	-63	160	2,284	1,064
Cash Opening Balance	12	112	92	235	2,338
Other Bank Balance	505	43	-	-	-
Cash Closing Balance + Other Bank bala	616	92	252	2,519	3,401

Ratios	FY23	FY24	FY25	FY26E	FY27E
OPM	21.2	22.1	21.8	21.6	22.3
NPM	15.7	16.8	16.8	16.2	16.4
Tax rate	25.2	24.0	25.0	25.0	25.0
Growth Ratios (%)					
Net Sales	23.4	17.3	15.2	18.1	21.8
Operating Profit	21.9	22.5	13.7	16.9	25.9
PBIT	22.4	21.9	11.7	16.3	25.2
PAT	18.6	26.7	11.8	16.7	23.5
Per Share (Rs.)					
Net Earnings (EPS)	17	22	25	28	35
Cash Earnings (CPS)	19	24	28	32	39
Dividend					
Book Value	61	72	96	123	155
Free Cash Flow	29	12	28	38	49
Valuation Ratios					
P/E(x)	71	56	48	42	35
P/B(x)	20	17	12	10	8
EV/EBIDTA(x)	47	38	33	28	22
Div. Yield(%)	-	-	-	-	-
FCF Yield(%)	2	1	2	3	4
Return Ratios (%)					
ROE	28%	30%	26%	23%	22%
ROCE	38%	40%	33%	30%	29%
RoIC	29%	31%	25%	22%	22%

Source: Dalal & Broacha Research, Company

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