

## Q2FY26 Result Update | Industrials

Equity Research Desk

7 November 2025

## Navigating Growth with Resilient Performance

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

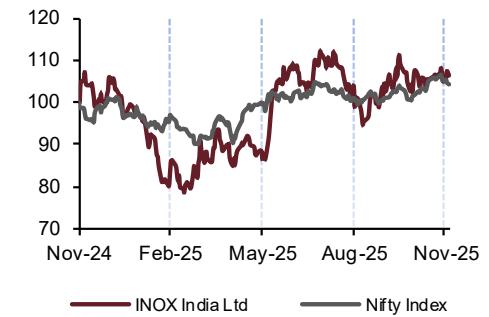
Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Net sales	9,659	11,333	13,060	15,424	18,787
EBITDA	2,044	2,503	2,844	3,326	4,188
<b>EBITDA margins</b>	21.2	22.1	21.8	21.6	22.3
PAT	1,547	1,960	2,258	2,577	3,158
EPS	17	22	25	28	35
P/E (x)	71	56	48	42	35
P/B (x)	20	17	12	10	8
EV/EBITDA (x)	47	38	33	28	22
RoE (%)	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 (%)
<b>BUY</b>	<b>1,316</b>	<b>9</b>
<b>Market data</b>		
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
<b>Total</b>	<b>100</b>	<b>100</b>

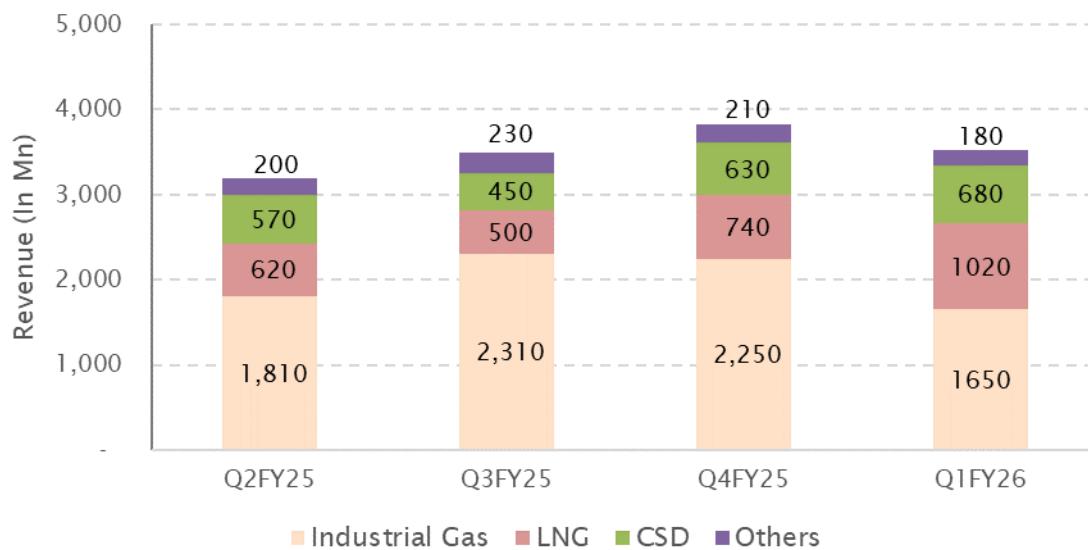
Source: BSE

Het Shah

+91 22 67141414

het.shah@dalal-broacha.com

## Segmental Highlights



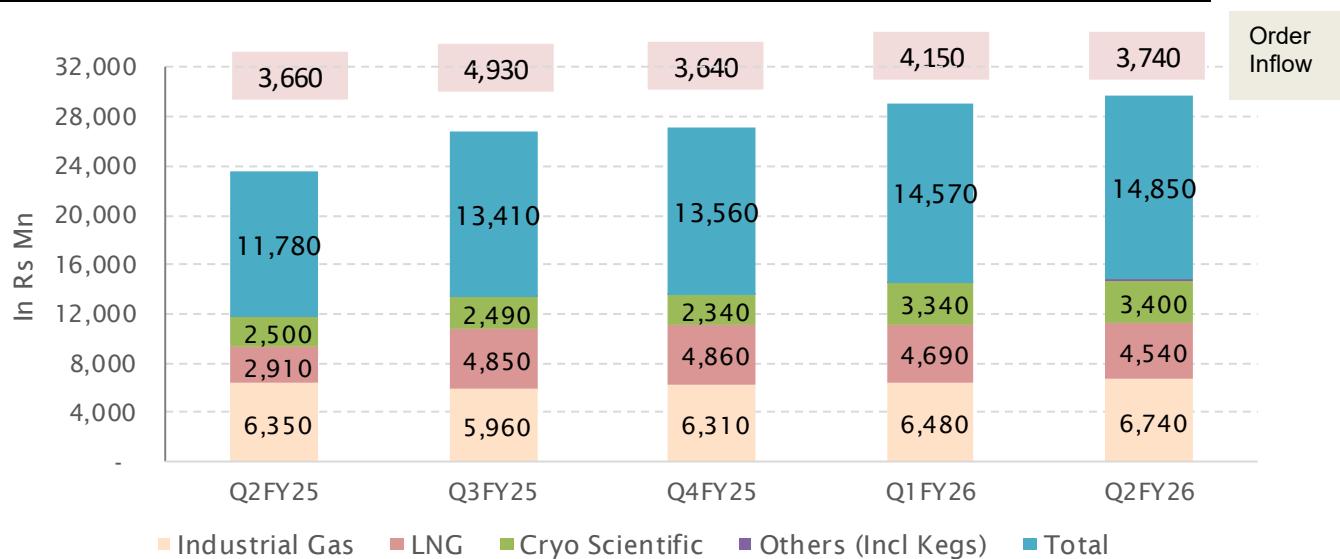
Source: Company, Dalal & Broacha Research

## Quarterly Financials

Particulars (In Mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ(%)
<b>Revenue from Operations</b>	<b>3,582</b>	<b>3,066</b>	<b>17%</b>	<b>3,396</b>	<b>5%</b>
COGS	1,503	1,402	7%	1,348	12%
<b>Gross Profit</b>	<b>2,080</b>	<b>1,664</b>	<b>25%</b>	<b>2,049</b>	<b>2%</b>
Employee Benefit Expense	338	273	24%	339	0%
Other Expenses	963	751	28%	948	2%
<b>Total Expenses</b>	<b>2,803</b>	<b>2,427</b>	<b>16%</b>	<b>2,635</b>	<b>6%</b>
<b>EBITDA</b>	<b>779</b>	<b>639</b>	<b>22%</b>	<b>761</b>	<b>2%</b>
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	-	-	-	-
<b>PBT</b>	<b>792</b>	<b>686</b>	<b>15%</b>	<b>805</b>	<b>-2%</b>
Exceptional Items	20	-	-	-	-
Tax Expense	203	191	6%	194	5%
<b>PAT</b>	<b>608</b>	<b>495</b>	<b>23%</b>	<b>611</b>	<b>0%</b>
<b>Adj PAT</b>	<b>588</b>	<b>495</b>	<b>19%</b>	<b>611</b>	<b>-4%</b>
<b>EPS (Reported)</b>	<b>6.70</b>	<b>5.45</b>	<b>23%</b>	<b>6.73</b>	<b>0%</b>
<b>Margins (%)</b>			(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
<b>As % of Revenue</b>			(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 KTA

### 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'sstrong 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
<b>Operating Profit</b>	<b>2,044</b>	<b>2,503</b>	<b>2,844</b>	<b>3,326</b>	<b>4,188</b>
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
<b>Reported PAT</b>	<b>1,547</b>	<b>1,960</b>	<b>2,258</b>	<b>2,577</b>	<b>3,158</b>
<b>Adjusted PAT</b>	<b>1,547</b>	<b>1,960</b>	<b>2,191</b>	<b>2,557</b>	<b>3,158</b>

<b>Balance Sheet (Rs mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>
Equity capital	182	182	182	182	182
Reserves	5,313	6,309	8,555	11,065	14,305
<b>Net worth</b>	<b>5,495</b>	<b>6,491</b>	<b>8,737</b>	<b>11,247</b>	<b>14,487</b>
MI	-	-	-	-	-
<b>Non Current Liabilities</b>	<b>279</b>	<b>313</b>	<b>290</b>	<b>440</b>	<b>499</b>
<b>Current Liabilities</b>	<b>5,704</b>	<b>5,427</b>	<b>7,526</b>	<b>6,442</b>	<b>7,729</b>
<b>Total Equity &amp; Liabilities</b>	<b>11,478</b>	<b>12,231</b>	<b>16,553</b>	<b>18,128</b>	<b>22,715</b>
<b>Non Current Assets</b>	<b>1,749</b>	<b>2,712</b>	<b>3,762</b>	<b>4,330</b>	<b>4,797</b>
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
<b>Current Assets</b>	<b>9,624</b>	<b>9,197</b>	<b>10,911</b>	<b>13,703</b>	<b>17,822</b>
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
<b>TOTAL ASSETS</b>	<b>11,478</b>	<b>12,017</b>	<b>14,769</b>	<b>18,128</b>	<b>22,715</b>

<b>Cashflow (Rs mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>
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
<b>CFO</b>	<b>1,767</b>	<b>1,256</b>	<b>1,463</b>	<b>3,394</b>	<b>2,221</b>
Capex	-449	-941	-1,284	-898	-860
Net Investments made	738	213	-205	-267	-294
Others	-410	447	-	-	-
<b>CFI</b>	<b>-121</b>	<b>-281</b>	<b>-1,489</b>	<b>-1,165</b>	<b>-1,154</b>
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
<b>CFF</b>	<b>-1,536</b>	<b>-1,030</b>	<b>186</b>	<b>55</b>	<b>-4</b>
Adj. on account of foreign currency translation reserve	-9	-8	-	-	-
<b>Total Cash Generated</b>	<b>100</b>	<b>-63</b>	<b>160</b>	<b>2,284</b>	<b>1,064</b>
<b>Cash Opening Balance</b>	<b>12</b>	<b>112</b>	<b>92</b>	<b>235</b>	<b>2,338</b>
<b>Other Bank Balance</b>	<b>505</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Closing Balance + Other Bank bala</b>	<b>616</b>	<b>92</b>	<b>252</b>	<b>2,519</b>	<b>3,401</b>

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
<b>Growth Ratios (%)</b>					
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
<b>Per Share (Rs.)</b>					
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
<b>Valuation Ratios</b>					
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
<b>Return Ratios (%)</b>					
ROE	28%	30%	26%	23%	22%
ROCE	38%	40%	33%	30%	29%
RoIC	29%	31%	25%	22%	22%

Source: Dalal & Broacha Research, Company

## Disclaimer

**Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B** (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. [www.dalal-broacha.com](http://www.dalal-broacha.com)

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

**Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-**

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

**Disclosures in respect of Research Analyst:**

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No

D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.  
Tel: 91-22- 2282 2992, 2287 6173 | E-mail: [equity.research@dalal-broacha.com](mailto:equity.research@dalal-broacha.com)