



Key Guidance for FY26 & FY27:

- Double digit growth from here looks very achievable on consolidated level- after seeing flattish revenue for the last couple of years.
- Margins (Including other income) will be maintained at around 22-23%.
- Elevated working capital (250–260 days) is being addressed through supplier localisation and tripartite financing arrangements; management targets normalization by March 2026.
- Overall revenue growth guidance (FY26) of 10-12% reiterated as tariff disruptions ease, with margins expected to remain structurally strong.

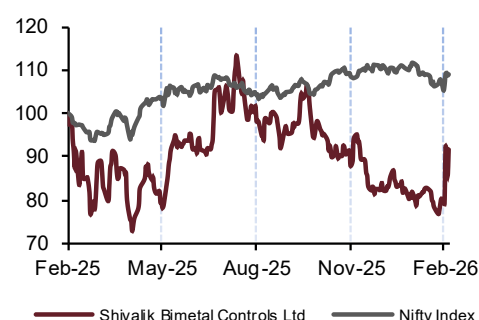
Rating	TP (Rs)	Up/Dn (%)
HOLD	566	17

Market Data

Current price	Rs	485
Market Cap (Rs.Bn)	(Rs Bn)	28
Market Cap (US\$ Mn)	(US\$ Mn)	310
Face Value	Rs	2
52 Weeks High/Low	Rs	730 / 454
Average Daily Volume	('000)	86
BSE Code		513097
Bloomberg		SBC.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Dec-25	Sep-25
Promoters	33.17	33.17
Public	66.83	66.83
Total	100.00	100.00

Source: Bloomberg

Financial Summary

Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net sales	4,704	5,089	5,083	5,673	7,065	8,555
EBIDTA	1,089	1,063	1,037	1,240	1,665	1,820
Margins (%)	23.2	20.9	20.4	21.9	23.6	21.3
Adjusted net profit	791	843	771	911	1,225	1,357
EPS (Rs)	13.7	14.6	13.38	15.8	21.3	23.6
P/E (x)	35	33	36	30	23	20
EV/EBITDA (x)	26	26	27	22	17	15
RoCE (%)	33.66%	27.70%	23.67%	23.76%	25.97%	23.54%
RoE (%)	29.79%	24.67%	19.00%	18.72%	20.45%	18.76%

Source: Company

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Q3FY26 Snapshot

(Rs.Mn)	Q3FY26	Q3FY25	YoY Growth	Q2FY26	QoQ Growth
Revenue from Operations	1,342	1,233	9%	1,374	-2%
Other Income	31	35	-11%	36	-14%
Total Mfg Cost	715	696	3%	727	-2%
Employee Benefits Expense	154	128	20%	146	5%
Other Expenses	151	164	-8%	190	-20%
Total Expenses	1,020	987	3%	1,063	-4%
EBITDA (Excluding Other Income)	322	246	31%	311	4%
Depreciation and Amortisation Expenses	35	30	17%	34	5%
EBIT / PBIT	318	251	27%	313	2%
Finance Costs	13	9	54%	11	16%
Profit before share in profit of associate & exceptional item	305	242	26%	302	1%
Share in profit of associate (net of tax)	-0	1	-123%	23	-101%
Profit before exceptional item	305	243	25%	324	-6%
Exceptional item	-9	-		-	
EBT/PBT	295	243	21%	324	-9%
Tax Expense	73	61	20%	76	-3%
Net Profit after Tax	222	182	22%	249	-11%
Adj Net Profit after Tax	231	182	27%	249	-7%
Adj Earning Per Share	4.01	3.2	27%	4.3	-7%
		-		-	
Margins (%)		-		-	
Gross Margins	46.7%	43.6%	315	47.1%	-36
EBITDA Margins (Excl Other Income)	24.0%	19.9%	410	22.6%	140
PAT Margins	16.2%	14.4%	177	17.6%	-147
As a % to sales					
RM as a % to sales	53.28%	56.43%	-315	52.92%	36
EE Cost as a % to sales	11.44%	10.35%	108	10.65%	79
Other exps as a % to sales	11.27%	13.31%	-203	13.81%	-254

Source: Company, Dalal and Broacha Research

Key Financial Highlights:

For Q3FY26

- **Revenue from operations:** Rs 1342 Mn vs Rs 1233 Mn (+9% YoY) & Rs 1374 Mn (-2% QoQ)
- **EBITDA :** Rs 322 Mn vs Rs 246 Mn (+31% YoY) & Rs 311 Mn (+4% QoQ)
- **EBITDA Margins:** 24% vs 19.9%(YoY) & 22.6%(QoQ)
- **ADJ PAT:** 231 Mn vs 18 Mn(27% YoY) & 249 Mn(-7% QoQ)
- **EPS:** 4.01 vs 3.2 (YoY) vs 4.3 (QoQ)

Concall Highlights:

Shunt Business:

- Regional mix in Q3FY26: Europe (+98.6% YoY) and Asia (+8.5% YoY) offset weakness in the Americas (-22.3% YoY); India saw an 18.9% YoY rebound led by smart meters and industrial demand
- Q3FY26 shunt revenues grew 7.5% YoY to ₹55.0 crore, despite a 5.6% YoY decline in volumes, indicating strong pricing and favourable mix.
- Revenue mix remains healthy: ~60% from automotive applications and ~35% from energy meters.
- Balance 5% growth from Energy storage related & miscellaneous applications
- Strong traction seen with Japanese and global OEMs, particularly in automotive and energy metering applications.

Bimetals Business:

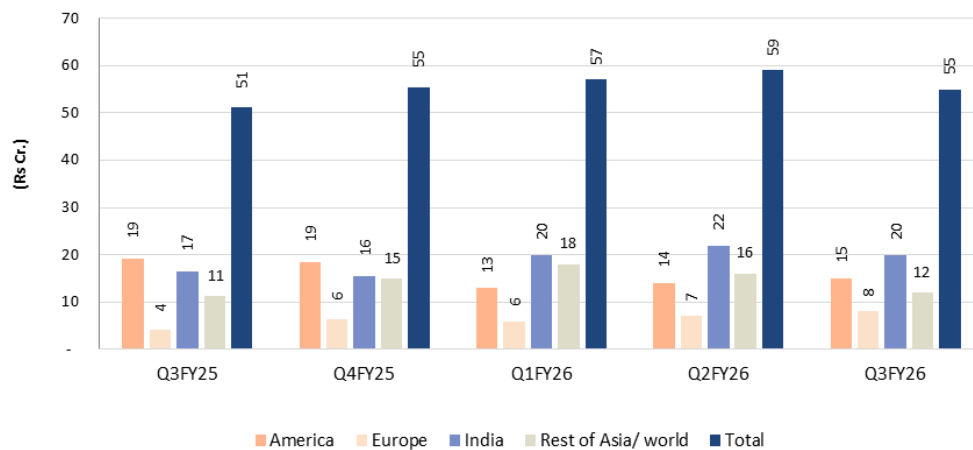
- Domestic market to see higher growth than exports basis strong underlying real-estate led demand.
- Indian market demand remains largely driven by the MCB / switchgear segment, which has been relatively flat during the quarter.
- Regional performance in Q3FY26: Europe (+42.0% YoY) and Asia (+42.6% YoY) showed strong growth, while Americas (-7.2% YoY) and India (-11.7% YoY) were softer.
- Management is actively pursuing R&D-led diversification to deploy capacity beyond traditional switchgear applications.

Forward Integration (PCBA + Busbar):

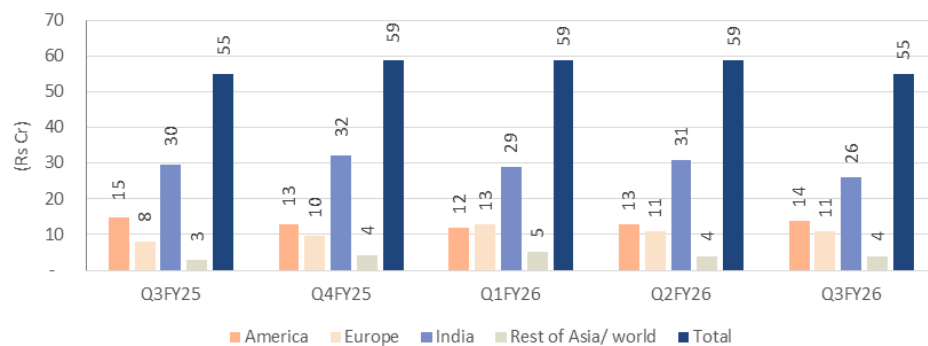
- The Board approved setting up a new Pune facility focused on automotive busbars, connectors and assembly operations.
- Planned capex of ~₹20 crore will be funded entirely through internal accruals; the rented, ready-to-use facility is expected to commence phased operations from 2026, with capacity additions starting Q1 FY27.
- Assembly business revenue potential estimated at ₹70–75 crore in FY27, scaling up to ₹250–300 crore over three years.
- PCBA integration remains on track, supporting higher value addition and deeper customer engagement
- Shift from exporting raw strips to value-added components, accelerated by US tariffs, is expected to sustain EBITDA margins in the 22-23% range despite slightly lower margins in assembly.
- EB welding capabilities built over 30+ years continue to act as a strong competitive moat with no direct domestic competition.

Region wise Sales

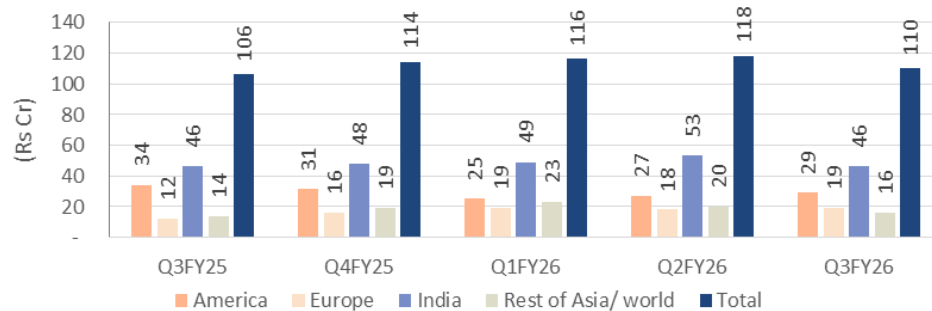
SHUNT



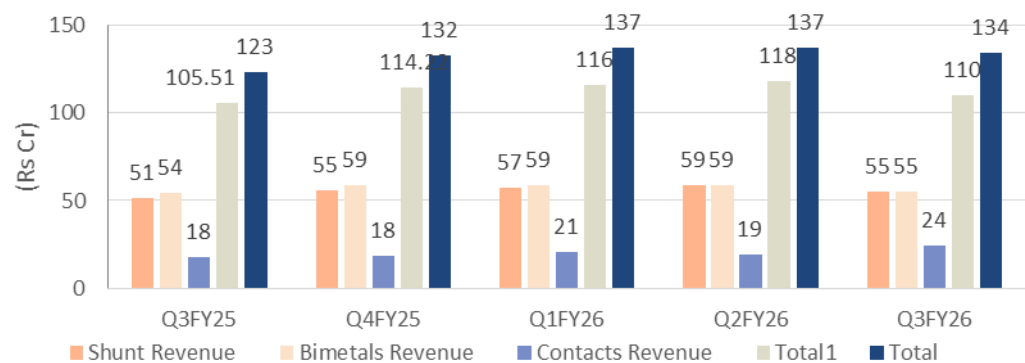
Thermostatic Bimetals



Total Revenues



SBCL Revenue Split By Product



Source: Company, Dalal & Broacha Research

Valuations and Outlook:

Backed by structural demand tailwinds across electric vehicles, smart meters and switchgear, the Company has multiple growth levers in place. Improved clarity on forward-integration initiatives further enhances growth visibility, making sustained double-digit revenue growth achievable over the medium term.

At current market price of 485, Shivalik trades at 30x/23x/20x FY26/27/28e EPS of Rs 15.8/21.3/23.6 respectively. The new products & forward integration measures provide a new lever of growth. We have a “HOLD” rating & have valued Shivalik at 24x Mar’28e EPS of Rs 23.6 to arrive at a TP of Rs 566 (~17% Upside).

Financials

P&L (Rs mn)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	3,240	4,704	5,089	5,083	5,673	7,065	8,555
Total Raw material consumed	1,611	2,452	2,828	2,893	3,064	3,674	4,277
Employee Cost	271	389	427	497	596	715	894
Other Expenses	623	774	771	657	774	1,011	1,563
Operating Profit	735	1,089	1,063	1,037	1,240	1,665	1,820
Depreciation	64	105	121	118	153	178	190
PBIT	671	984	942	919	1,087	1,487	1,630
Other income	54	99	191	128	142	177	214
Interest	28	70	49	38	51	71	86
PBT (Before share of JV/associates)	698	1,013	1,084	1,010	1,178	1,593	1,758
Share of JV/Associates	35	10	33	17	37	41	51
PBT	733	1,023	1,118	1,027	1,215	1,633	1,809
Provision for tax	182	232	275	257	304	408	452
PAT (From continuing operations)	551	791	843	771	911	1,225	1,357
PAT (From Discontinuing operations)	-	-	-	-	-	-	-
MI							
Reported PAT	551	791	843	771	911	1,225	1,357
Adjusted Profit	551	791	843	771	911	1,225	1,357

Source: Dalal & Broacha Research

Balance Sheet (Rs mn)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity capital	77	115	115	115	115	115	115
Reserves	1,839	2,540	3,300	3,941	4,752	5,873	7,115
Net worth	1,916	2,655	3,415	4,057	4,867	5,988	7,230
Minority Interest	-	-	-	-	-	-	-
Non Current Liabilities	208	290	191	201	177	161	148
Current Liabilities	954	953	822	821	946	1,201	1,422
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-	-
TOTAL LIABILITIES	3,084	3,897	4,428	5,079	5,990	7,350	8,800
Non Current Assets	1,085	1,361	1,478	1,785	1,530	1,732	1,715
Fixed Assets	850	1,203	1,298	1,570	1,295	1,452	1,387
Goodwill	-	20	127	20	20	20	20
Non Current Investments	185	98	131	148	163	198	235
Loans							
Non-current assets tax (net)	0	1	2	-	-	-	-
Deferred Tax Asset	-	-	-	-	-	-	-
Other Financial Assets	-	4	5	10	10	10	10
Other Non Current Assets	50	36	25	37	41	52	63
Current Assets	1,993	2,536	2,949	3,294	4,460	5,619	7,085
Current investments	-	-	-	-	-	-	-
Inventories	1,149	1,320	1,279	1,312	1,511	1,761	1,992
Trade Receivables	593	932	1,137	1,115	1,166	1,452	1,758
Cash and Bank Balances	109	177	112	209	367	318	525
Other bank balances	9	2	277	581	1,331	1,981	2,681
Short Term Loans and Advances	-	-	-	-	-	-	-
Other Financial Assets	0	1	88	39	44	55	66
Other current assets tax (net)	0	1	2	-	-	-	-
Other current assets	133	103	54	37	41	52	62
TOTAL ASSETS	3,078	3,897	4,428	5,079	5,990	7,350	8,800

Source: Dalal & Broacha Research

OPM	22.68%	23.16%	20.88%	20.40%	21.86%	23.56%	21.28%
NPM	16.73%	16.47%	15.96%	14.78%	15.67%	16.91%	15.47%
Tax Rate	24.81%	22.68%	24.60%	24.98%	25.00%	25.00%	25.00%
Growth Ratios (%)							
Net Sales	18.00%	45.18%	8.20%	-0.11%	11.61%	24.53%	21.08%
Operating Profit	103.34%	48.27%	-2.44%	-2.42%	19.56%	34.25%	9.33%
PBT	34.68%	45.13%	7.06%	-6.82%	16.62%	35.16%	10.40%
PAT	35.96%	43.53%	6.53%	-8.56%	18.27%	34.39%	10.76%
CFO/EBITDA Ratio	-0.05	0.60	0.64	0.90	0.74	0.64	0.44
CFO/PAT Ratio	-0.06	0.83	0.81	1.21	1.00	0.86	0.59
Per Share (Rs.)							
Net Earnings (EPS)	14.35	13.73	14.63	13.38	15.82	21.26	23.55
Cash Earnings (CPS)	16.01	15.56	16.72	15.42	18.47	24.36	26.85
Payout ratio	7%	9%	10%	20%	11%	8%	8%
Dividend	1.00	1.20	1.40	2.70	1.75	1.80	2.00
Book Value per share (BVPS)	49.89	46.09	59.29	70.42	84.49	103.96	125.51
Free Cash Flow	(263)	179	470	546	1,036	724	673
Valuation Ratios							
P/E(x)	33.38	34.88	32.74	35.81	30.28	22.53	20.34
P/B(x)	9.60	10.39	8.08	6.80	5.67	4.61	3.82
EV/EBIDTA(x)	25.67	25.70	26.25	26.72	22.24	16.64	15.15
Div. Yield(%)	0.21	0.25	0.29	0.56	0.37	0.38	0.42
FCFF Yield(%)	(1.43)	0.65	1.70	1.98	3.75	2.62	2.44
Return Ratios (%)							
ROE	28.76%	29.79%	24.67%	19.00%	18.72%	20.45%	18.76%
ROCE	29.49%	33.66%	27.70%	23.67%	23.76%	25.97%	23.54%

Source: Company, Dalal and Broacha Research

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