

Quant-Funda

Fiem Industries Ltd.

27th October 2025

Sector: Auto Components & Equipment

Security Not Under ASM: ☒

LTP	Recommendation	Target	Stop Loss	Return
Rs. 2,014	Buy between Rs.2,000–2,050	Rs.2,500	Rs.1,828	+24%
SENSEX	Market Cap	NSE Code	BSE Code	Time Frame
84,212	Rs.5,493cr	FIEMIND	532768	3-6 Months

Data as of: 24-10-2025

52W H/L	Group	F&O Listed	Div. Yield	D/E
Rs.2,276/Rs.1,156	B	No	1.5%	0.02
Standalone (Rs.cr)	FY25A	FY26E	FY27E	
Revenue	2,405	2,806	3,223	
Growth (%)	19	17	15	
EBITDA	323	379	438	
EBITDA Margin(%)	13.4	13.5	13.6	
Adj. PAT	204	240	279	
Growth (%)	23	17	17	
EPS	79	92	107	
Growth (%)	23	17	17	
RoE (%)	21.3	20.8	20.7	
Valuation	FY25A	FY26E	FY27E	
P/E (x)	26	22	19	
Price/Book Value	5.2	4.5	3.9	
EV/EBITDA	10.6	13.4	11.7	
Price Performance	3 Month	6 Month	1 Year	
Absolute Return (%)	1.4	34.0	33.7	
Absolute Sensex (%)	3.4	5.0	6.1	
Shareholding (%)	Q3FY25	Q4FY25	Q1FY26	
Promoters	58.9	58.9	54.5	
FII's	2.99	4.68	7.19	
MFs/Institutions	7.05	8.51	10.05	
Public	30.9	27.8	28.2	
Total	100.0	100.0	100.0	
Promoter pledge	NIL	NIL	NIL	

Fundamental View

Fiem Industries Ltd (FIL), founded in 1989, is a leading Indian manufacturer of automotive lighting & signalling equipment, and rearview mirrors, primarily serving the two-wheeler segment with a ~33% market share. Its manufacturing facilities are strategically located across key automotive hubs in India, including Hosur and Mysore (South), Sonapat, Tapukara, and Nalagarh (North), and Ahmedabad (West).

- FIL's topline grew ~13.2% YoY to ₹649cr in Q1FY26, outperforming a flat two-wheeler market through strong demand from key OEMs like TVS, Royal Enfield, and Yamaha.
- FIL's EBITDA rose ~16% YoY to ₹87cr in Q1FY26, while the EBITDA margin dipped slightly by 27bps to 13.46%, mainly due to higher operating expenses from new project ramp-ups and increased R&D investments.
- PAT increased ~14% YoY to ₹56cr in Q1FY26, driven by strong topline growth. The net profit margin remained steady at ~8.6%, reflecting consistent profitability.
- FIL is well positioned to benefit from the industry-wide shift to LED lighting, which now accounts for nearly 64% of its automotive lighting revenue, driven by early adoption, strong OEM demand, and a fully LED-based product pipeline.
- FIL's expansion into the four-wheeler segment, supported by orders from Force Motors and Mahindra, along with investments in SMT (surface mount technology) lines, an EMC/EMI (electromagnetic compatibility/ Interference) validation lab, and a growing RFQ (request for quotation) pipeline, strengthens its diversification and technological capabilities for the medium term.
- As per market consensus, FIL is currently trading at a 1-year forward P/E of 20x (which is ~26% above the 3-year Avg P/E of 16x). Fiem Industries' long-term outlook remains strong, supported by rising LED adoption, expansion into passenger vehicles, and tailwinds from GST cuts and improved rural demand in the two-wheeler segment.

Technical View

- Fiem Industries is maintaining a constructive setup within a rising channel, sustaining its medium-term uptrend despite minor consolidation. The stock holding firm above key supports near the 100-DMA, forming a solid demand zone.
- Momentum indicators are strengthening — the RSI (14) at 59 is rebounding from neutral levels, while the MACD shows a fresh bullish crossover, confirming improving momentum.
- As long as the stock holds above ₹2,000, it maintains a strong bullish bias. Sustaining this level could trigger further momentum, with the potential to reach ₹2,500 in the coming weeks, supported by positive technical indicators and improving market sentiment.

Price Chart



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Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/ GIL . For investor queries: customercare@geojit.com

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