




Olectra Greentech Ltd.

Accumulate

Sector: Automobiles

21st August 2025

Key Changes	Target 	Rating 	Earnings 	Target	Rs. 1,732		
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame	CMP	Rs. 1,528
Small Cap	OLECTRA:IN	81,858	OLECTRA	532439	12 Months	Return	+13%

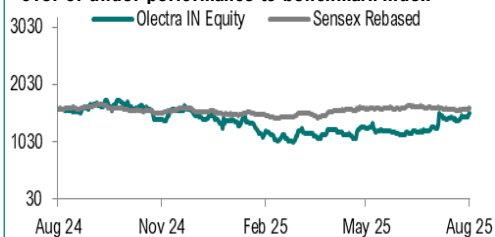
Data as of: 20-08-2025 18:00 hrs

Company Data			
Market Cap (Rs.cr)	12,583		
52 Week High - Low (Rs.)	1,787-974		
Enterprise Value (Rs.cr)	12,623		
Outstanding Shares (cr)	8.2		
Free Float (%)	50		
Dividend Yield	0.0%		
6m average volume (cr)	0.09		
Beta	1.4		
Face value Rs.	4		

Shareholding (%)	Q3FY25	Q4FY25	Q1FY26
Promoters	50.0	50.0	50.0
FII's	5.7	5.4	5.7
MFs/Insti	0.3	0.4	0.5
Public	44.0	44.2	43.8
Total	100.0	100.0	100.0
Promotor pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	21.9%	28.6%	-3.8%
Absolute Sensex	0.9%	8.4%	1.0%
Relative Return*	21.1%	20.2%	-4.9%

*over or under performance to benchmark index



Consolidated (Rs.cr)	FY25A	FY26E	FY27E
Sales	1,802	2,650	3,820
Growth (%)	56.1	47.1	44.1
EBITDA	261	360	546
EBITDA Margin (%)	14.5	13.6	14.3
Adj. PAT	139	209	356
Growth (%)	80.8	50.8	69.8
Adj. EPS	16.9	25.5	43.3
Growth (%)	80.8	50.8	69.8
P/E	78.3	51.9	30.6
P/B	9.9	8.3	6.5
EV/EBITDA	41.5	30.7	20.4
ROE (%)	13.4	17.4	23.9
D/E	0.2	0.4	0.4

Author: Saji John - Sr. Research Analyst

Capacity Expansion to Drive Growth...

Olectra Greentech Ltd. (OGL) is a subsidiary of Megha Engineering and Infrastructures Ltd. (MEIL). The company is primarily engaged in the manufacturing of electric buses and composite polymer insulators.

- Q1FY26 revenue grew by ~11% YoY, driven by growth in both business segments. EBITDA margin contracted by 20 bps to 13.8%, while PAT is up by ~9% YoY.
- The electric bus order book stands at 10,193 units, post delivery of 161 buses in Q1FY26. The upcoming manufacturing facility, with an initial capacity of 5,000 buses (scalable to 10,000), is expected to be operational by Q4FY26, supporting higher production ahead.
- Olectra's latest technology advancement, the 'Blade Battery' technology (to be commercialized from Q3FY26), promises not only longer ranges but also faster charging times, ultimately enhancing the performance, safety, and reliability.
- The insulator business reported a strong margin improvement in Q1FY26, driven by design optimisation, lower wastage, and higher-margin exports. Management remains confident that US tariffs will not affect the business, as insulators are critical components for transmission lines.

Outlook & Valuation

Olectra Greentech's outlook for FY26 appears positive, supported by a strong order book of over 10,000 electric buses, planned production ramp-up, and technological advancements. The company aims to deliver 2,000 buses in FY26, with volumes expected to accelerate from Q2 and peak in H2 as supply chain bottlenecks ease and capacity utilisation improves. Management foresees steady revenue growth and rising profits with higher volumes. Key watchpoints include timely supply of key components like chassis and batteries, successful execution of the new facility, and effective localization to reduce dependency on imports. **We recommend Accumulate rating at CMP with a target price of Rs.1,732 on FY27E EPS (40x). Please note that the stock is recommended for investors with a risk appetite and a long-term investment view.**

Quarterly Financials Consolidated.

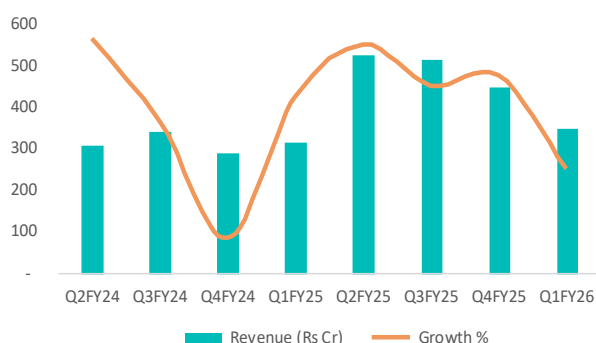
Rs.cr	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ (%)
Sales	347	314	10.6	449	-22.7
EBITDA	48	44	9.0	57	-15.4
Margin (%)	13.8	14.0	-21bps	12.6	118bps
EBIT	38	35	8.1	47	-19.9
PBT	34	32	6.1	29	15.5
Rep. PAT	26	24	8.5	21	23.9
Adj PAT	26	24	8.5	21	23.9
EPS (Rs)	3.2	2.9	8.5	2.6	23.9



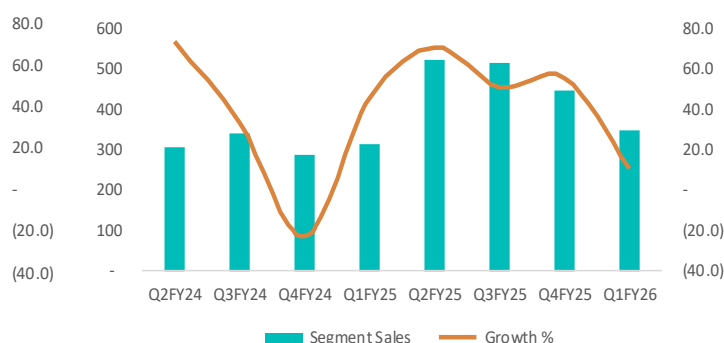
Key Highlights

- Olectra's electric buses have cumulatively covered over 44 crore kilometres across India, saving about 135.4 million litres of diesel.
- Olectra follows a continuous localisation strategy, with all components localized except the battery, battery management system, and certain powertrain parts that are still imported.
- Total capex for the new facility is about Rs.700 cr. The company has taken a Rs. 500 cr term loan for the new facility, and the remaining Rs. 200 cr will be through internal accruals.
- The 'Blade Battery', which uses cutting-edge technology, design and exceptional energy density, enhances performance by 30%. The homologation process of this bus (using Blade battery technology) is in its advanced stages and is expected to be completed by the end of August 2025.
- Under the extended PM E-drive scheme (deadline shifted to 31 March 2028 from 31 March 2026), a total of 10,900 buses are planned (2,300 nine-metre and 8,600 twelve-metre) with a subsidy component of Rs.3,585 crore, and Olectra intends to participate in these tenders.

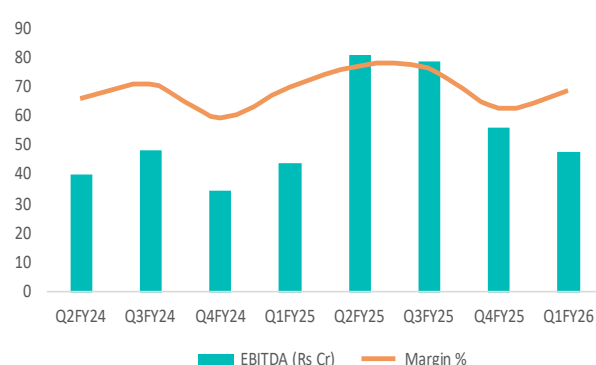
Revenue



Segment Sales



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	2,718	3,525	2,650	3,820	-2.5	8.4
EBITDA	389	504	360	546	-7.3	8.4
Margins (%)	14.3	14.3	13.6	14.3	-71bps	0bps
Adj. PAT	226	329	209	356	-7.3	8.1
EPS	28	40	26	43	-7.2	8.0



Consolidated Financials

PROFIT & LOSS

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Revenue	1,091	1,154	1,802	2,650	3,820
% change	84%	6%	56%	47%	44%
EBITDA	141	261	261	360	546
% change	13%	14%	14%	14%	14%
Depreciation	33	37	37	59	59
EBIT	108	176	223	301	487
Interest	31	43	51	66	72
Other Income	10	12	12	40	57
PBT	86	159	184	275	473
% change	61%	13%	89%	49%	72%
Tax	23	27	49	72	123
Tax Rate (%)	26%	28%	26%	26%	26%
Reported PAT	66	77	139	209	356
Adj*	0	0	0	0	0
Adj PAT	66	77	139	209	356
% change	108%	17%	81%	51%	70%
No. of shares (cr)	8.2	8.2	8.2	8.2	8.2
Adj EPS (Rs.)	8.0	9.4	16.9	25.5	43.3
% change	108%	17%	81%	51%	70%
DPS (Rs.)	0.4	0.4	0.4	0.4	0.4
CEPS (Rs.)	12.0	13.8	21.5	32.7	50.5

CASH FLOW

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Net inc. + Depn.	123	134	222	334	532
Non-cash adj.	4	16	5	-4	-50
Changes in W.C	-137	159	-73	-107	-241
C.F. Operation	-10	309	154	223	241
Capital exp.	-65	66	-70	-403	-233
Change in inv.	-2	-108	-178	-54	-89
Other invest.CF	28	0	0	0	0
C.F – Investment	-38	-42	-248	-457	-322
Issue of equity	0	-10	2	2	2
Issue/repay debt	-74	-107	98	234	78
Dividends paid	0	-3	-3	-3	-3
Other finance.CF	109	0	0	0	0
C.F – Finance	35	-120	97	232	77
Chg. in cash	-13	147	3	-1	-4
Closing cash	167	167	171	174	174

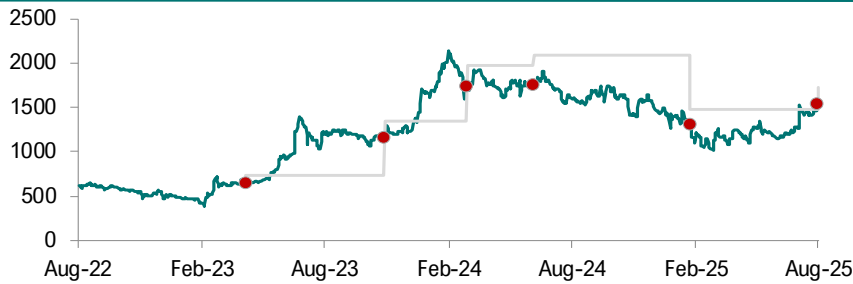
BALANCE SHEET

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash	167	167	171	174	174
Accounts Receivable	635	511	689	871	1,308
Inventories	142	216	290	472	680
Other Cur. Assets	207	240	358	370	429
Investments	2	42	105	145	209
Gross Fixed Assets	430	366	434	835	1,066
Net Fixed Assets	345	243	274	616	788
CWIP	4	72	187	200	225
Intangible Assets	12.92	11.43	14	16	18
Def. Tax (Net)	19	0	0	0	0
Other Assets	49	27	40	58	84
Total Assets	1,582	1,530	2,127	2,923	3,916
Current Liabilities	550	503	811	1,070	1,527
Provisions	24	34	44	73	105
Debt Funds	129	58	208	508	658
Other Liabilities	40	15	10	12	13
Equity Capital	90	82	82	82	82
Reserves & Surplus	807	886	1,022	1,228	1,580
Shareholder's Fund	840	919	1,055	1,261	1,613
Total Liabilities	1,582	1,530	2,127	2,923	3,916
BVPS (Rs.)	108	117	133	158	200

RATIOS

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Profitab. & Return					
EBITDA margin (%)	13.0	14.4	14.5	13.6	14.3
EBIT margin (%)	9.9	11.2	12.4	11.4	12.8
Net profit mgn.(%)	6.0	6.7	7.7	7.9	9.3
ROE (%)	7.6	8.2	13.4	17.4	23.9
ROCE (%)	7.9	8.9	12.5	13.4	15.6
W.C & Liquidity	0.0	0.0	0.0	0.0	0.0
Receivables (days)	169.1	181.2	121.6	107.5	104.1
Inventory (days)	33.6	56.6	51.3	52.5	55.0
Payables (days)	158.2	182.9	143.2	140.9	136.0
Current ratio (x)	1.7	2.0	1.7	1.6	1.5
Quick ratio (x)	1.2	1.2	1.0	0.9	0.9
Turnover & Leverage	0.0	0.0	0.0	0.0	0.0
Gross asset T.O (x)	2.7	2.9	4.5	4.2	4.0
Total asset T.O (x)	0.8	0.7	1.0	1.0	1.1
Int. coverage ratio (x)	3.5	3.0	4.4	4.6	6.8
Adj. debt/equity (x)	0.2	0.1	0.2	0.4	0.4
Valuation	0.0	0.0	0.0	0.0	0.0
EV/Sales (x)	9.9	9.3	6.0	4.2	2.9
EV/EBITDA (x)	76.7	64.6	41.5	30.7	20.4
P/E (x)	165.8	141.5	78.3	51.9	30.6
P/BV (x)	12.1	11.2	9.9	8.3	6.5

Recommendation Summary (Last 3 years)



Dates	Rating	Target
25-Apr-23	Accumulate	738
15-Nov-23	Accumulate	1,351
18-Mar-24	Accumulate	1,971
25-Jun-24	Buy	2,086
11-Feb-25	Accumulate	1,485
21-Aug-25	Accumulate	1,732

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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