

# Retail Equity Research

## PG Electroplast Ltd.



**Accumulate**

10<sup>th</sup> February 2026

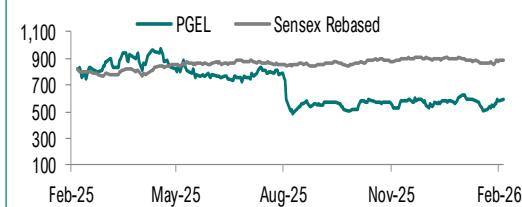
Sector: Consumer Durables-EMS

Key Changes		Target	Rating	Earnings		Target	Rs.686
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame	CMP	Rs.593
Small Cap	PGEL:IN	84,066	PGEL	533581	12 Months	Return	+16%

Data as of: 09-02-2026, 18:00 hrs

Company Data			
	Q1FY26	Q2FY26	Q3FY26
Market Cap (Rs Cr)	16,586		
52 Week High — Low (Rs.)	1,008 - 471		
Enterprise Value (cr)	15,694		
Outstanding Shares (Rs cr)	28.3		
Free Float (%)	57		
Dividend Yield (%)	0.04		
6m average volume (cr)	0		
Beta	1.08		
Face value (Rs)	1		
Shareholding (%)	Q1FY26	Q2FY26	Q3FY26
Promoters	43.7	43.6	43.4
FII's	13.0	11.5	10.6
MFs/Insti	18.1	18.8	22.7
Public	25.2	26.1	23.3
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	12%	22%	-31%
Absolute Sensex	0%	4%	7%
Relative Return*	12%	18%	-39%

\*over or under performance to benchmark index



Standalone (Rs cr)	FY26E	FY27E	FY28E
Sales	5,723	7,121	8,754
Growth (%)	17.5	24.4	22.9
EBITDA	498	641	797
EBITDA Margin(%)	8.7	9.0	9.1
PAT Adj.	277	369	486
Growth (%)	-4.9	33.3	31.6
Adj.EPS	9.8	13.0	17.2
Growth (%)	-4.9	33.3	31.6
P/E	59.9	45.0	34.1
P/B	5.3	4.8	4.2
EV/EBITDA	32.5	25.3	20.8
ROE (%)	9.3	11.2	13.1
D/E	0.1	0.1	0.1

### Summer Season RAC Demand to drive Growth...

**PG Electroplast Ltd (PGEL)**, the flagship entity of PG Group is a leading electronic manufacturing service provider in India, having a diverse portfolio and pan-India presence.

- In Q3FY26, PGEL reported a better-than-estimated revenue growth of 46% YoY, driven by 80% YoY growth in the RAC segment and ~59% YoY growth in washing machine business.
- Gross margin fell by 338 bps YoY to 18.2%, primarily due to the adoption of SAP, which reclassified certain costs as raw materials instead of other expenses. Meanwhile, the EBITDA margin slipped slightly by 53 bps YoY to 8.3%, impacted by rising input costs and higher employee expenses.
- The management remains confident in achieving the full-year sales guidance of 17-19% despite current market uncertainties in the AC business.
- PGEL expects inventory to be cleared in Q4FY26 as the seasonal demand picks up.
- Washing machine sales remained strong during the quarter, with expectations of 40–45% YoY growth in Q4FY26.

### Outlook & Valuations

We expect the management's focus to diversify to other business verticals like refrigerator and compressor manufacturing to keep the long-term story intact. While superior execution and margin expansion through cost controls and backward integration continue to aid profitability. **We therefore increased our TP to Rs 686 with an Accumulate rating and valued the stock at a P/E of 40x on FY28E EPS.**

### Quarterly Financials Consol.

Rs.cr	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)
Sales	1,412	968	45.9	655	115.5	3,571	2,960	20.7
EBITDA	117	85	37.2	30	288.4	268	272	-1.5
Margin (%)	8.3	8.8	-52bps	4.6	368bps	7.5	9.2	-169bps
EBIT	95	69	38.0	8	1023.3	204	225	-9.6
PBT	79	54	47.7	6	1151.6	170	184	-7.7
Rep. PAT	60	43	41.0	2	2436.5	129	147	-11.8
Adj PAT	60	43	41.0	2	2436.5	129	147	-11.8
EPS (Rs)	2.1	1.5	41.0	0.1	2436.5	4.6	5.2	-11.8

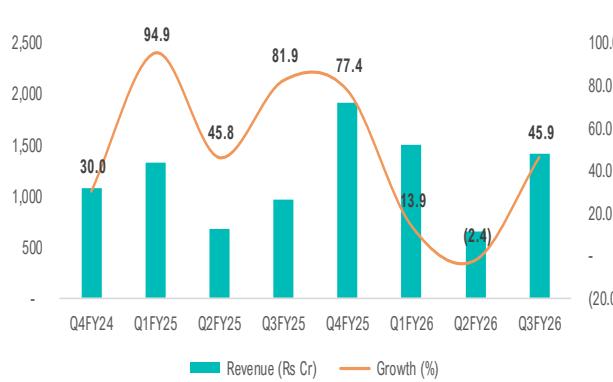
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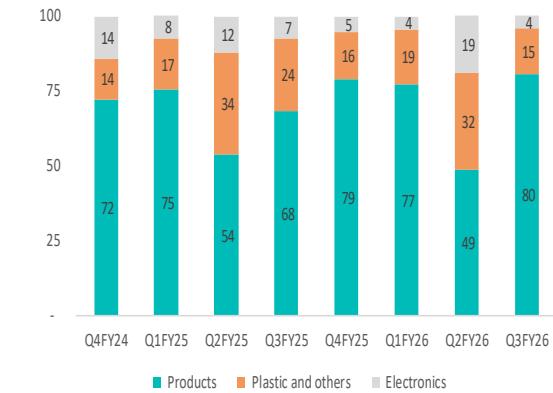
## Key Concall Highlights

- The Capex for the year is projected to be around Rs700cr to Rs750cr, with investments in Greater Noida, Supa, Rajasthan, and Sri City facilities.
- Management is cautiously optimistic about AC sales, awaiting the summer season's start in late February or early March.
- New POS device models are under testing with Indian customers, with order book visibility expected in 1-2 months.
- The company's AC division inventory decreased by 15-17% from the third quarter, holding about 5.5 lakh ACs as of December 31.
- Despite competitive pricing, the company has not lost a single client in its AC business over the past five years, and its market share with most clients has increased.
- The company is targeting the single-door, direct-cool refrigerator category, anticipating increased outsourcing due to its price sensitivity.

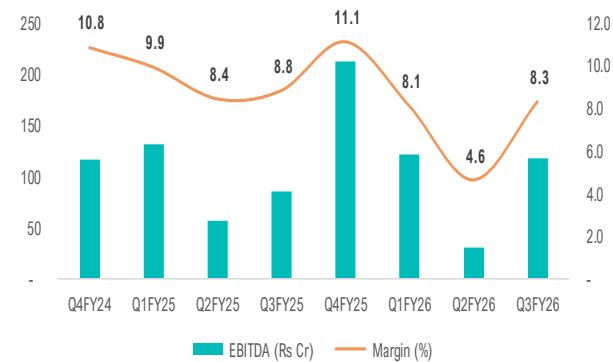
### Revenue



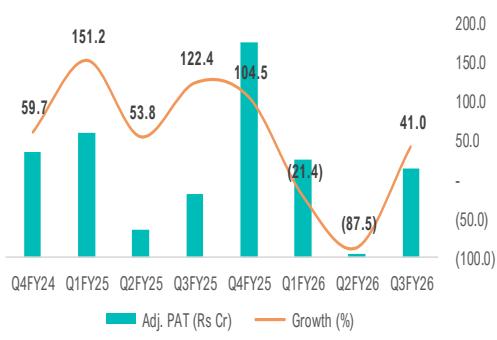
### Revenue mix trend %



### EBITDA



### PAT



## Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	5,711	7,170	5,677	7,374	-0.6	2.8
EBITDA	577	739	500	671	-13.4	-9.2
Margins (%)	10.1	10.3	8.8	9.1	-130bps	-121bps
Adj. PAT	389	543	292	441	-24.9	-18.8
EPS	14	19	10	16	-24.7	-18.9

## Consolidated Financials

### PROFIT & LOSS

Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Sales	2,746	4,870	5,723	7,121	8,754
% change	27	77	18	24	23
EBITDA	262	484	498	641	797
% change	48.7	84.9	2.9	28.7	24.3
Depreciation	47	66	100	143	168
EBIT	215	418	398	498	629
Interest	52	89	109	81	76
Other Income	13	35	57	57	70
PBT	176	365	346	473	623
% change	80.9	106.7	-5.1	36.7	31.6
Tax	39	74	69	104	137
Tax Rate (%)	22.4	20.2	20.0	22.0	22.0
Reported PAT	137	291	277	369	486
Adj.*	0	0	0	0	0
Adj. PAT	137	291	277	369	486
% change	76.9	112.3	-4.9	33.3	31.6
No. of shares (cr)	28	28	28	28	28
Adj EPS (Rs)	5	10	10	13	17
% change	77	112	-5	33	32
DPS (Rs)	0.2	0.2	0.2	0.2	0.2

### CASH FLOW

Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Net inc. + Depn.	132	223	430	446	616
Non-cash adj.	50	58	54	52	24
Changes in W.C	-137	-95	-515	-335	-407
<b>C.F. Operation</b>	<b>46</b>	<b>186</b>	<b>-31</b>	<b>163</b>	<b>234</b>
Capital exp.	-155	-227	-387	-630	-300
Change in inv.	-2	-9	-4	-6	-7
Other invest.CF	3	8	35	57	57
<b>C.F - Investment</b>	<b>-173</b>	<b>-399</b>	<b>-356</b>	<b>-579</b>	<b>-250</b>
Issue of equity	3	492	1,500	0	0
Issue/repay debt	109	-257	-75	-73	-43
Dividends paid	0	0	0	0	0
Other finance.CF	0	0	0	0	0
<b>C.F - Finance</b>	<b>112</b>	<b>234</b>	<b>1,441</b>	<b>-55</b>	<b>-17</b>
Chg. in cash	-15	22	1,054	-471	-33
<b>Closing cash</b>	<b>9</b>	<b>30</b>	<b>1,084</b>	<b>613</b>	<b>580</b>

### BALANCE SHEET

Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	182	1,213	716	648	685
Account Receivable	553	1,001	1,254	1,561	1,919
Inventories	543	853	1,034	1,302	1,598
Other Cur. Assets	127	167	198	240	289
Investments	6	6	6	6	6
Gross Fixed Assets	942	1,322	2,022	2,322	2,622
Net Fixed Assets	781	1,096	1,695	1,852	1,984
CWIP	63	70	0	0	0
Intangible Assets	3	4	4	4	4
Other Assets	49	53	59	66	74
<b>Total Assets</b>	<b>2,308</b>	<b>4,462</b>	<b>4,966</b>	<b>5,678</b>	<b>6,558</b>
Current Liabilities	784	1,140	1,339	1,652	2,015
Provisions	9	9	9	10	10
Debt Funds	361	321	301	281	261
Other Liabilities	114	160	208	258	309
Equity Capital	26	28	28	28	28
Reserves & Surplus	1,012	2,803	3,080	3,449	3,935
Shareholder's Fund	1,038	2,831	3,108	3,477	3,963
<b>Total Liabilities</b>	<b>2,308</b>	<b>4,462</b>	<b>4,966</b>	<b>5,678</b>	<b>6,558</b>
<b>BVPS</b>	<b>37</b>	<b>100</b>	<b>110</b>	<b>123</b>	<b>0</b>

### RATIOS

Y.E March	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Profitab &amp; Return</b>					
EBITDA margin (%)	9.5	9.9	8.7	9.0	9.1
EBIT margin (%)	7.8	8.6	6.9	7.0	7.2
Net profit mgn. (%)	5.0	6.0	4.8	5.2	5.5
ROE (%)	19.1	15.0	9.3	11.2	13.1
ROCE (%)	18.3	16.2	10.2	11.3	12.7
<b>W.C &amp; Liquidity</b>					
Receivables (days)	65.8	58.2	71.9	72.1	72.5
Inventory (days)	74.2	65.5	74.8	74.5	75.3
Payables (days)	85.7	80.3	92.3	90.2	90.7
Current ratio (x)	1.5	2.5	2.2	2.1	2.1
Quick ratio (x)	0.8	1.8	1.4	1.3	1.3
<b>Turnover &amp; Leverage</b>					
Gross asset T.O (x)	3.4	4.3	3.4	3.3	3.5
Total asset T.O (x)	1.4	1.4	1.2	1.3	1.4
Int. covge. ratio (x)	4.2	4.7	3.7	6.1	8.3
Adj. debt/equity (x)	0.3	0.1	0.1	0.1	0.1
<b>Valuation</b>					
EV/Sales (x)	6.1	3.2	2.8	2.3	1.9
EV/EBITDA (x)	64.0	32.4	32.5	25.3	20.8
P/E (x)	121.1	57.0	59.9	45.0	34.1
P/BV (x)	16.0	5.9	5.3	4.8	4.2



## Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
<b>Buy</b>	Upside is above 10%	Upside is above 15%	Upside is above 20%
<b>Accumulate</b>	-	Upside is between 10%-15%	Upside is between 10%-20%
<b>Hold</b>	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
<b>Reduce/sell</b>	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.

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

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