Sector: Other Electrical Equipment | **RESULT REVIEW Q1FY27** | **Declared On: 14 Aug 2026**

Rishabh Instruments Limited

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs667	25.7	Accumulate	Rs800	20%

as on 18th Aug, 2026

About the Company:

Established in 1982, Rishabh Instruments Limited (RIL) is one of the leading global energy efficiency solutions company focused on designing, development, manufacturing and supply of electrical automation products, metering and measurement devices, portable test and measuring instruments, solar string inverters, and precision aluminium high-pressure die-casting (HPDC) products. The company manages the entire lifecycle of its products, catering to data centres, railways, automotive, and power industries. RIL is currently one of the leading players in analogue panel meters and low-voltage current transformers; over the period it has built strong technical expertise in measuring various electrical parameters. It has ~200+ product groups and ~0.13mn SKUs catering to ~3,000 customers spread across data centres, telecom, pharma, semi-conductor, EMS, FMCG, automobile, railways, utilities and petrochem industries. The company is led by the technical expertise of Mr. Narendra Goliya who is the Founder and Promoter of the company while Mr. Dinesh Kumar Musalekar is the Managing Director with a vast experience across industrial automation, precision engineering, green energy solutions and international operations.

Results: Quick Glance:

- The net sales for the quarter reported a growth of 4.2% to Rs1,983mn as compared to Rs1,903mn in Q1FY26
- The Ebitda margins for the quarter stood at 16.8% as compared to 14.9% in the comparative quarter last year
- The company reported profit of Rs194mn as compared to Rs196mn in the same quarter last year
- The EPS for the quarter stood at Rs4.93 as compared to Rs5.13 in the corresponding period of last year

Conference Call Highlights:

- In terms of the **segmental contribution**; ~77.7% of the revenues came in from the EEI segment at Rs1,540mn while ~22.3% was from the HPDC segment that stood at Rs443mn. EU remains to be the highest **geographical contributor** to the revenues at 62.5% during the quarter, followed by 28% from Asia and 9.4% from Others. **India standalone** business also reported growth of 25.6% y-o-y
- **EEI segment**: continues to be the primary growth engine for the company; delivering 34% y-o-y growth and maintained Ebitda margins at ~24%. This is majorly backed by the expanding product portfolio and customer reach. This performance is due to a combination of improving existing businesses, data-centre opportunities, geographical diversification, product launches, energy-distribution projects and strong growth in the US. Furthermore, growth was not driven by a single large or lumpy factor, but by multiple products and geographies. The **international EEI** business delivered particularly strong growth, with revenue increasing 39% y-o-y to Rs639mn and adj. Ebitda margin expanded to 24%, while PAT increased to Rs115mn. Multiple revenue streams across **Europe** include instrumentation, energy distribution projects, medium-voltage products, grid upgrades, security-related applications and solar installations
- Poland/Germany operations are not simply dependent on conventional instrumentation, but has other opportunities in radioactive material detection at airports, security products, medium-voltage protection, energy-system upgrades, solar installations and German grid upgrades to mention a few; explaining how the business can grow even when European industrial activity remains subdued
- The previously received **EUR5mn order** has been substantially executed, but the subsequent EUR3mn order is expected to continue through the end of FY27E. The Management also indicated that there could be further projects from the same customer over the next 2-3 years
- **US** continues to be a significant near-term opportunity for RIL. This business has grown in the range of 32-40% historically (although the base is small) and is targeting ~45% growth this year. The strategy is to expand organically through additional products, UL-certified offerings, sales resources and operations across Mexico and Canada, while also evaluating inorganic opportunities. The Management's targets to build the US business to Rs1000mn of revenue organically over the next 2-3 years
- **Solar inverters** contributed ~5% to the business; implying that the current India growth is primarily being driven by the core instrumentation portfolio rather than solar. The company had launched the single-phase iUNO range upto 5kW and, during Q1, it has launched the three-phase iUNO models upto 12kW. RIL intends to extend the range upto 50kW by the end of FY27E and also enter hybrid inverters. It has already started selling the newer products in meaningful quantities and sees substantial opportunity as customers seek alternatives to Chinese-sourced products

Conference Call Highlights (contd.):

- **Lumel Alucast-High Pressure Die Casting (HPDC)** remained breakeven at operating level in Q1FY27 while the company is not pursuing volume at the cost of profitability. Following the operational restructuring and exit from lower-margin contracts; focus is on filling capacity with profitable, higher-value opportunities and rebuilding sustainable business. RIL expects to remain break-even at adj. Ebitda in the HPDC segment in FY27E
- The **other business** remains under pressure, with Q1 revenue declining 41.2% and adj. Ebitda remaining negative. However, Management's commentary was constructive regarding the recovery path. The company has generated a **strong RFQ pipeline**, with projects at various stages of commercial negotiations, qualifications, audits and customer approvals. Industry consolidation is creating opportunities for companies that have remained resilient while weaker competitors have exited/shifted production elsewhere. The company expects new programmes to progressively utilise vacant capacity and ultimately restore double-digit Ebitda margins over the medium term. The company has also undertaken significant cost reduction and efficiency initiatives within this business
- The **PCBA/EMS business** is operating at full utilisation of its current three lines, with one-line being upgraded to handle more complex projects. High-end PCBA applications, including motherboards involving Intel chips, continue to be a part of the EMS opportunity
- The **new manufacturing** facility is partially commissioned in Nasik, with additional capacity expected to come online over the next 1-2 months. The facility is intended to increase capacity alongwith improving quality, operational efficiency and scalability
- **Emerging opportunities:** the **current-transformer** manufacturing capacity is being expanded from ~5,000-6,000 low-voltage current transformers to 8,000-10,000. RIL intends to extend its capabilities from low-voltage to medium-voltage current transformers, supported by demand from AI/data centres and broader energy infrastructure. The Management is seeing strong traction from India's **data-centre** build-out. RIL has already supplied to one data-centre customer, and subsequently secured another three projects and is currently quoting for approx. ten additional opportunities; as domestic data-centre opportunity is defined as a significant part of the current growth story
- The **domestic bookings** in Q1 were also described as encouraging, with bookings ~50% higher than the corresponding period last year. Management noted that billing has not yet fully reflected the strength of bookings, creating a backlog that should support future revenue conversion
- The company continues to prioritise **value over volume**. Management reiterated the earlier guidance with no changes despite the strong Q1 performance. For EEI, the Management continues to work with ~20% growth guidance for FY27E, although indicating that actual performance could be better. RIL is looking at **acquisitions** broadly in the Rs1500-2000mn range, depending on strategic fit and scalability
- The company has launched ~15 new products over the past few years, with more than 15 additional **products planned**. The strategic direction is to focus increasingly on high-value, application-led products, broaden the portfolio and expand the global customer base. Cash and cash equivalents stood at Rs1,606mn as of 30th June, 2026. The company continues to remain net debt free

Financials:

Performance (Q1FY27)							
Q1FY27 Result (Rs mn)	**Jun-26**	**Jun-25**	**y-o-y**	**Mar-26**	**q-o-q**	**FY26**	**FY27E**
Total Revenue	1983	1903	4.2%	2049	(3.2%)	7751	8494
EBITDA	333	284	17.3%	333	0.1%	1264	1410
Other Income	36	43	(14.3%)	59	(38.4%)	207	172
Interest	9	12	(21.7%)	19	(50.3%)	55	48
Depreciation	95	75	26.1%	97	(2.8%)	357	407
Exceptional Items	0	0	-	0	-	0	0
Tax	72	43	66.1%	76	(4.9%)	237	258
Net Profit after assoc.	**194**	**196**	**(1.3%)**	**200**	**(3.3%)**	**823**	**870**

Outlook and Recommendations: Despite the fact that businesswise Q1 is a weak quarter for RIL, the company has witnessed a decent start to FY27, with consolidated revenue growing 4.2% y-o-y to Rs1,983mn; indicating the underlying momentum and not just base effect. Ebitda margins came in at 16.8% for the quarter; supported by the stronger profitability and better product mix in the **EEI business** (reported revenue growth of 34% y-o-y) and the successful turnaround of the HPDC business at **Lumel Alucast**. The key highlight was that growth during the quarter was not attributed to one product, geography or customer; but had multiple growth engines across India, Europe, the US, data centres, energy distribution, new products and infrastructure applications. The Management is accelerating **global diversification**, across the US, Africa and Southeast Asia, while continuing to strengthen presence in India and Europe. It also intends to invest in new product pipeline across energy meters, medium-voltage products, automation and solar inverters while expanding the addressable market and strengthening technology capabilities. The more important **medium-term opportunity** is the broadening of the company's product and application portfolio. Current transformers, PCBA/EMS, solar inverters, hybrid inverters, data-centre applications and medium-voltage products provide multiple avenues beyond the traditional instrumentation portfolio. Furthermore, an important opportunity is emerging as some customers are facing issues with Chinese-sourced products, particularly around after-sales support and technical dependency. Management believes its vertically designed and manufactured products can offer an advantage in this environment. **Solar inverters** appear to be moving from an early-stage product introduction towards a potentially meaningful growth vertical. In terms of the **new plant**, the Management said some areas of the existing plant are already operating above available space. Thus, the new facility is not simply capacity built in anticipation of distant demand; it is intended to address current constraints while enabling larger export opportunities, new products and better manufacturing quality.

The company has launched around 15 products in recent years and plans more than 15 additional products. This should gradually broaden the addressable market and reduce dependency on the traditional portfolio. Current transformers are another area where the Management is seeing strong demand, particularly due to **AI/data centres and rising energy requirements.** This is strategically relevant because it connects RIL's instrumentation capabilities with the broader structural growth in power infrastructure and energy-intensive digital infrastructure. Despite the strong Q1 performance, Management has not revised its formal **guidance;** remaining staus quo. For EEI, Management continues to work with approx. 20% growth guidance for FY27E, while indicating that it expects to outperform the stated commitment if operating conditions remain supportive; citing the reasons being European holiday period in July-August and December, along with seasonal factors in India. The **industry outlook** remains structurally attractive, driven by investments in electrification, grid modernization, renewable energy, and industrial automation. The opportunity is not just industry growth but potentially share gain through supplier consolidation. The priorities for FY27E include focus on profitable growth, better product mix, new product development, deepen customer relationships, fetch strategic geographic expansion and maintain a disciplined capital allocation. RIL is graduating from being a concentrated instrumentation franchise towards a broader, globally diversified electrical/electronic technology platform, with growth increasingly linked to structural themes such as data centres, grid modernisation, energy efficiency, electrification, renewable energy and industrial automation. We maintain our positive stance and recommend accumulate on the stock for a target of Rs800.

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