

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs3041	34.4	Accumulate	Rs3900	28%

*as on 23rd July, 2025

About the Company:

Bharat Bijlee Limited (BBL) is one of the leading players in the electrical engineering industry in India. The company operates through two divisions namely Power Systems and Industrial Systems. The different products of the company include Transformers, Projects, Electric Motors, Elevator Systems, Drives and Automation. The manufacturing facilities of BBL are located at Airoli in Navi Mumbai.

Results: Quick Glance:

- The net sales for the quarter reported a growth of 24.1% to Rs4,649mn as compared to Rs3,748mn in Q1FY25
- The Ebitda margins for the quarter stood at 7.2% as compared to 7.9% in the comparative quarter last year
- The company reported profit of Rs279mn as compared to Rs239mn in the same quarter last year
- The EPS for the quarter stood at Rs24.6 as compared to Rs21.1 in the corresponding period of last year
- On the segmental front, the Power division reported a growth of 45.0% on a y-o-y basis and drop of 34.5% on a q-o-q basis whereas, Industrial division reported a growth of 3.9% on a y-o-y basis and drop of 6.5% on a q-o-q basis

Financials:

Performance (Q1FY26)							
Q1FY26 Result (Rs mn)	Jun-25	Jun-24	y-o-y	Mar-25	q-o-q	FY25	FY26E
Total Revenue	4649	3748	24.1%	6191	(24.9%)	19017	20254
EBITDA	336	295	14.2%	634	(46.9%)	1673	1803
Other Income	103	96	7.1%	135	(23.7%)	435	437
Interest	20	27	(23.7%)	38	(45.9%)	125	94
Depreciation	49	46	6.1%	50	(3.2%)	193	209
Tax	92	79	16.1%	178	(48.6%)	454	492
Net Profit	279	239	16.5%	503	(44.6%)	1337	1445

Outlook and Recommendations:

The company has reported revenue growth of 24.1% y-o-y in the quarter under reference. The Ebitda margins stood at 7.2% compared to 7.9% in the same quarter last year; led by higher RM and employee costs on a y-o-y comparison. The PAT accordingly reported growth of 16.5% y-o-y. The q-o-q comparison is tepid but Q4 generally is the strongest quarter for the company. On the segmental performance, for the quarter under review, the power segment (majorly includes transformers, turnkey projects for electrical sub-stations and maintenance products) has reported growth of 45.0% y-o-y while the industrial segment (includes electric motors, drives & automation systems and magnet technology machines) grew by 3.9%. BBL continues to be the conductor of the electrical orchestra; electrical engineering being the key to strong growth across major sectors with its offerings being power transformers, switchyards, electric motors, drives & automation systems and permanent magnet technology machines to name a few. It is one of the leading players in the domestic transformer as well as the electrical motor industry and receives repeat orders from various SEBs and private players, along with a healthy retail presence in the motors segment. It has strong liquidity with cash and bank balance of ~Rs4,003mn and investments to the tune of Rs362mn as of March'25. Furthermore, investment in equities has led to the debt free position over the last several years. Hence, with no major repayment obligations, the company enjoys an edge over the peers. From the industry perspective, there is intense competition in the transformer and motors divisions being witnessed. Business by nature is working capital intensive with elongated receivable cycles and long manufacturing process especially for the power transformer segment. However, BBL has been able to diversify its customer base tilted towards private sector players, where the payment cycles are better, leading to a notable reduction in the working capital intensity. Investments in the power and capital goods sector are critical for the company to ramp up its scale of operations and improve its profitability and return indicators. It has been working to expand its geographical reach and strengthening the channel network with continued cost optimization efforts.

Outlook and Recommendations (contd.):

The company has an established presence and proven track record to solidify its position as a key player in India's electrical engineering landscape. Post the planned capex, the capacity will increase to 28,000MVA p.a. Pick up in private capex, deployment by the government, global supply chain would be some of the uncertain factors to watch out for at the current juncture. We have accordingly tweaked our numbers and maintain accumulate on the stock for a revised target of Rs3900.

DISCLAIMERS AND DISCLOSURES-

Progressive Share Brokers Pvt. Ltd. and its affiliates are a full-service, brokerage and financing group. Progressive Share Brokers Pvt. Ltd. (PSBPL) along with its affiliates are participants in virtually all securities trading markets in India. PSBPL started its operation on the National Stock Exchange (NSE) in 1996. PSBPL is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) for its stock broking services and is Depository Participant with Central Depository Services Limited (CDSL) and is a member of Association of Mutual Funds of India (AMFI) for distribution of financial products.

PSBPL is SEBI registered Research Analyst under SEBI (Research Analysts) Regulations, 2014 with SEBI Registration No. INH000000859/Research Analyst BSE Enlistment No. 5049. PSBPL hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years. PSBPL has not been debarred from doing business by any Stock Exchange/SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

PSBPL offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by Progressive Share Brokers Pvt. Ltd. (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company (s) covered in this report:-

- PSBPL or its associates financial interest in the subject company: NO
- Research Analyst (s) or his/her relative's financial interest in the subject company: NO
- PSBPL or its associates and Research Analyst or his/her relative's does not have any material conflict of interest in the subject company. The research Analyst or research entity (PSBPL) has not been engaged in market making activity for the subject company.
- PSBPL or its associates actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NO
- Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NO
- PSBPL or its associates may have received any compensation including for brokerage services from the subject company in the past 12 months. PSBPL or its associates may have received compensation for products or services other than brokerage services from the subject company in the past 12 months. PSBPL or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Subject Company may have been client of PSBPL or its associates during twelve months preceding the date of distribution of the research report and PSBPL may have co-managed public offering of securities for the subject company in the past twelve months.
- The research analyst has served as officer, director or employee of the subject company: NO
- Registration granted by SEBI and certification from NISM is in no way guarantee performance of the intermediary or provide any assurance of returns to investors

PSBPL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our sales people, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses (if any) may make investment decisions that may be inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution publication, availability or use would be contrary to law or regulation or which would subject PSBPL or its group companies to any registration or licensing requirement within such jurisdiction. If this document is sent or has reached any individual in such country, especially, USA, the same may be ignored. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of PSBPL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of PSBPL or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Terms & Conditions:

This report has been prepared by PSBPL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of PSBPL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and its at the discretion of the clients to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. PSBPL will not treat recipients as customers by virtue of their receiving this report.

Registered Office Address:

Progressive Share Brokers Pvt. Ltd,
122-124, Laxmi Plaza, Laxmi Indl Estate,
New Link Rd, Andheri West,
Mumbai—400053, Maharashtra
www.progressiveshares.com | Contact No.:022-40777500.

Compliance Officer:

Ms. Neha Oza,
Email: compliance@progressiveshares.com,
Contact No.:022-40777500.

Grievance Officer:

Email: grievancecell@progressiveshares.com