Sector: Auto Components & Equip. **RESULT REVIEW Q1FY27** **Declared On: 13 Aug 2026**

Triton Valves Limited

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs1155	5.9	Accumulate	Rs1400	21%

as on 21st Aug, 2026

About the Company:

Triton Valves Limited (Triton) part of the Triton group was incorporated in 1975, that began with manufacturing valves for the tyre and inner tube industry; today has emerged as India's largest tyre valve manufacturer. The company has evolved at every stage, from manufacturing tyres and tube valves to developing tubeless valves, Tyre Pressure Monitoring Systems (TPMS) valves and expanding into the emerging Electric Vehicle (EV), closely mirroring the progress of the Indian automotive industry. Triton develops indigenous and environment friendly solutions for key industrial segments, including air conditioning, hydraulics, aerospace, defence and industrial HVAC & refrigeration. It supplies to almost all the major tyre manufacturers in India and has maintained its leadership position for over a decade. The company was set up by Mr. M V Gokarn and is currently managed by his son, Mr. Aditya Gokarn (Managing Director).

Results: Quick Glance:

- The net sales for the quarter reported a growth of 38.5% to Rs1,866mn as compared to Rs1,347mn in the same quarter last year
- The Ebitda margins for the quarter under review stood at 6.5% as compared to 6.3% in the comparative quarter last year
- The company reported profit of Rs98mn as compared to Rs15mn in the same quarter last year
- The EPS for the quarter stood at Rs19.11 as compared to Rs3.20 in the corresponding period of last year

Conference Call Highlights:

- In terms of the **segmental** performance, the automotive segment reported growth of 33% y-o-y while the metals segment grew by 51.2% y-o-y while Climate control has come in lower by 13.7% y-o-y
- **Volume wise growth** across components has tubeless with 25% y-o-y volume growth, tube valves at 20%, TPMS at 75-80% y-o-y and EV at 103% y-o-y volume growth
- With regard to the **Climatech** segment which remains as an overhang, the company expects another 2-3 quarters of pain. It has been lobbying with the govt. to get minimum import price in place to stop Chinese dumping which is hampering the domestic players, which if and when happens, the vertical would reach the potential. The industry with pure play A/c players is not doing good as the pricing is impacting the margins. Q2FY27 too is anticipated to be slow for this segment with no big growth expected. The company would start mass production of products of the climatech segment for **Mitsubishi**; parts were tested in Japan and approved; mass supplies would be initially for the Chennai plant and then to go overseas as well. In terms of the **new export business** in the US, the company has indicated of Rs10-15mn sales from it; 14 components are developed in a span of 2-3 months. This appears to be ~Rs100-150mn export opportunity
- The **total addressable market** for Triton across the different segments stands at Rs8-10bn for the domestic auto segment, Rs200-400bn in metals and around Rs10bn for the climatech products
- In terms of the **market share in** the auto segment, the company command ~60-65% leading with tubeless around ~90%. For TPMS, Triton is the only company currently supplying the same. The company has a strong client base across OEMs and increasing reach in the EV segment, there is no Aether or TVS EV scooter that would be without Triton battery component
- Post the **clearance** from NCLT Bengaluru, for the scheme of amalgamation between Tritonvalves Climatech and Triton Valves, the business now consists of three operating segments of interest. The benefit of the merger reflects as the Rs47.5mn tax credit which has led to higher PAT for the quarter
- The company has signed a five-year LoA with **Sensata** Technologies Inc., a US-based automotive sensor and technology company, to supply Tyre Pressure Monitoring System (TPMS) valves, marking another step in the company's expansion into global automotive components. It carries a potential revenue opportunity of ~Rs1000-1100mn over the contract tenure. The Management has indicated to be on track for the same
- The company had also signed a multiyear supply agreement with **Aumovio** in April 2026; where Triton will supply 47mn TPMS valve units between 2027-2031 with estimated revenue potential of Rs1120mn. The company is on track to begin execution by Q3FY28
- The contract of 5 years with **Bosch** tasked to supply TPMS is also scaling up on expected lines

Conference Call Highlights (contd.):

- With regard to **the EV segment,** specifically the 2Ws, demand has been outstripping supply with waiting period for vehicles with surging demand. Triton has indicated that currently it is sufficient on capacity, but at this run-rate of growth it will have to invest in increasing its capacities. Also, as vast sales in the metal space are low margin products, the company is moving towards **special alloys** which fetch higher margins; investment would be needed to develop capacities and equipments for the same; ~50-60% of the total capex is expected to commercialize in FY27
- For Q2FY27, demand has been strong across the auto and metals segment while climate control would continue to be tepid. The Management expects the EV component business to be ~Rs1000mn by the next year and if trade remediations happen then, climate control should also be on similar lines as the capacities are in place. RoCE is chalked at 13-14% for this year and targeted to be ~15% the following year.
- The **second casting** line in the metals division has been installed. The Management has indicated of good volume growth expected in FY27E with a good order book
- In terms of **guidance**, the Management expects strong **double-digit growth** in volumes for FY27E; 15-20% growth of the previous year, ~7000T for the year with better margins. The target of Rs10bn in revenues remains intact for FY29/30E. The major verticals of tyre tubes, vehicle OEMs, EV and metals are expected to clock double digit (10-11%) volume growth in FY27E
- On **capex**, the Management has indicated Rs150mn for FY27; Rs100mn for Auto (distributed investment across tubeless, TPMS and the EV segment) and the remaining for the metal segment. There is pending tax credit of Rs30-40 lacs that the company is eligible for going ahead. In terms of the **capacity utilization**, the auto segment is at high utilization witnessing organic growth; with tubeless, TPMS, EV running at 85-90% utilization. The tube valves have not maxed out fully and so capacity is available for the same

Financials:

Performance (Q1FY27)							
Q1FY27 Result (Rs mn)	**Jun-26**	**Jun-25**	**y-o-y**	**Mar-26**	**q-o-q**	**FY26**	**FY27E**
Total Revenue	1866	1347	38.5%	1593	17.1%	5784	6710
EBITDA	122	85	44.1%	115	5.9%	402	443
Other Income	2	4	(45.9%)	(2)	-	5	5
Interest	32	35	(7.0%)	32	0.8%	134	135
Depreciation	30	30	0.3%	34	(10.2%)	121	131
Exceptional Items	0	0	-	0	-	15	0
Tax	(36)	8	-	11	-	40	39
Net Profit	**98**	**15**	**-**	**36**	**-**	**97**	**143**

Outlook and Recommendations:

The company has reported strong revenue growth of 38.5% y-o-y for the quarter under reference. This was led by growth across business segments, where Auto which has the major share of 55.6% to the total revenues grew by 33% y-o-y followed by Metals that reported 51.2% y-o-y growth in Q1FY27. The climate control segment came in lower by 13.7% y-o-y; sluggish due to the seasonal impact. The Ebitda margins have come lower at 6.54% compared to 7.24% on a q-o-q basis due to the impact of increasing commodity prices. The management expects to catch up on the margins with change in prices; commodity prices are settling and so margins should get back to teens. The PAT has been higher due to the tax credit of Rs45.4mn due to the merger, which if adjusted the PAT grew to Rs55.1mn. The higher auto sales were led by superior volume mix, increased realization and the commodity impact. Metals growth was boosted by increase in the share of special alloys and volumes. Of the overall 38.5% growth seen in the consolidated revenues; 20% was attributed to volume growth across the business segments while the remaining was the value growth. The company has also implemented the net reporting of brass boring sales from Q1FY27; which would be a booster to the ratios of material cost, RoCE, Ebitda on standalone basis.

Outlook and Recommendations (contd.)

In terms of revenue mix which is a healthy distribution across segments currently; going forward with the RM costs, over the next 2-3 years it is expected to be ~60% of metals and remaining with the other two namely Auto and climate control. Beyond traditional tyres, Triton is a pioneer in manufacturing valves for TPMS. It has also successfully diversified into the HVAC and refrigeration sectors through its subsidiary, Triton Climatech. The merger of Climatech with Triton has been approved leading to specific 3 business segments for the company going ahead. The climate control vertical will be organized as a separate business segment within the holding company, alongside the automotive vertical. This move is designed to streamline operations, utilize tax shields, and improve overall profitability. The company is exploring opportunitis in **high-tech** sectors like aerospace and defence; with increased traction seen in the markets of US, India and Middle East.

Innovation is another core pillar, evidenced by the recent patents for safety-critical PRVs used in EV battery packs. Installation of infrastructure for a second casting line in the metals business unit is done positioning it for execution in coming quarters. Metals segment has RoCE of ~16% currently and as it is moving up the value chain it is expected to improve to 20-25%. The three major **growth levers** include (a) tubeless valves, TPMS, EV components, (b) service valves for room air conditioners and (c) new alloys of brass, all of which are expected to generate **higher margins**. Sustained revenue growth is expected to be driven by improved market demand, strong execution capabilities, expanding customer base across key segments and continued focus on innovation and quality. The company has maintained its guidance of Rs10bn by FY29/30E. The company appears to be fairly placed and well on track to cater to the industry needs and deliver the requisite ancillary components needed for the functioning of the tyre industry. The stock has already breached our target of Rs1200; the supportive tailwinds can benefit the company in the upcoming quarter. We are also aware that Q3 is generally a weak quarter for the entire industry and then the demand again picks up in Q4 , we maintain an accumulate on the stock with a revised target price of Rs1400.

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