

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs783	136.3	Hold	Rs1000	28%

*as on 26th Feb, 2026

About the Company:

KSB has three companies in India- KSB Limited, KSB Tech Pvt. Ltd and MIL Controls Ltd. As a global player, KSB provides services and produces complete hydraulic systems for the transport of water and waste water in all industries. Our company of interest, KSB Limited (KSB), is promoted by KSB AG. It was established in 1960 by setting up a pump manufacturing facility in Pimpri, Pune (Maharashtra). The company has been at the forefront of importing technology from its parent for delivering cutting edge, high quality products in the domestic market. In India, KSB supplies pumps and valves to all major industries i.e. energy, oil and gas, waste water treatment, agriculture, construction, etc.

Results: Quick Glance:

- The total revenue for the quarter came in at Rs7,840mn as compared to Rs7,264mn in the same quarter last year; growth of 7.9%
- The Ebitda margins stood at 16.5% in comparison to 13.5% in the corresponding quarter
- The net profit came in at Rs810mn as against Rs731mn in the comparative quarter; growth of 10.8%
- The EPS stands at Rs4.65 as against Rs4.20 in comparative quarter
- On the segmental front, the Pumps and Valves segment grew by 9.1% and 2.6% respectively
- The Board has recommended dividend of Rs4.40 per share (FV of Rs2 each) for the year ended Dec, 2025

Financials:

Performance (Q4&CY25)									
Q4&CY25 Result (Rs mn)	Dec-25	Dec-24	y-o-y	Sept-25	q-o-q	CY25	CY24	y-o-y	CY26E
Total Revenue	7840	7264	7.9%	6496	20.7%	26957	25331	6.4%	28627
EBITDA	1296	984	31.7%	848	52.8%	3735	3375	10.7%	4036
Other Income	164	102	60.8%	185	(11.4%)	592	368	60.9%	642
Interest	8	4	-	7	14.3%	30	27	11.1%	30
Depreciation	156	144	8.3%	148	5.4%	583	543	7.4%	619
Exceptional Items	(255)	0	-	0	0	(255)	0	-	0
Tax	272	249	9.2%	236	15.3%	900	832	8.2%	1048
Net Profit	810	731	10.8%	675	20.0%	2705	2475	9.3%	3122

Outlook and Recommendations:

The company has reported revenue growth of 7.9% y-o-y led by 9.1% growth in the Pump segment while Valves grew by 2.6% y-o-y. With better cost efficiencies adopted, the margins expanded to 16.5% for the quarter under reference. There has been an exceptional of Rs255mn pertaining to provision for labour codes that impacted the profits which reported growth of 10.8% y-o-y. For the full year as well, revenues grew by 6.4% and PAT by 9.3% y-o-y. The last updated orders in hand as of Sept'25 stands at Rs13,254mn (excluding the nuclear), while the nuclear stands at Rs13,138mn; totalling to Rs26,392mn orders in hand. The average order intake/month stands at Rs2,541mn; YTD Sept'25 without nuclear is Rs22,869mn, while nuclear stood at Rs496mn. The non-nuclear business has been growing steadily with ~16% CAGR in order intake. The order intake has been steady and driven by segments like supercritical, conventional energy, Exports-PCC and standard and water waste. On the exports, the OI (w/o nuclear) YTD Sept'25 stood at Rs3,905mn; as a percent to total OI is up to 17%. With regard to revenue contribution, Water industry contributes 29% (amongst top 3), General Industry at 23% contribution, Energy where it is the market leader the contribution is 18% while Petrochem stands at 21% contribution. For the Energy segment, the company has received orders for 2 supercritical power plant projects coupled with an export order received by KSB Inc, for a US based power project. The water and waste water segment has the order intake growing at a CAGR of 35% in the past 5 years. The demand for industrial products has been on a rise. The general industry segment supplied 1200+ pumps to 14 ethanol projects; 100+ to major paper industry customers with 8 other big orders across corporates. In the mining segment, the company has introduced new products for the Indian markets.

Outlook and Recommendations (contd.):

With regard to the Orlen order, where Hyundai was the contractor; KSB Coimbatore has received the largest single value order ever; major reference for SICCA valves in the EU region. Total of 63 valves were supplied for this project. Through the EPD segment, KSB caters to nuclear, thermal power and O&G industry. The company has developed reciprocating pump models; manufactured and tested in-house, showcasing KSB's expanding capabilities in high-performance pump solutions. It has marked significant strides in govt., water projects, power sector advancements, digital transformation, and sustainability initiatives. It has secured substantial orders under key govt. schemes, and has become the first Indian manufacturer to supply an external fire fighting system. It is diversifying into emerging segments like hydrogen and renewable energy, strengthening the supply chain through strategic partnerships and expanding domestic presence. India's growth momentum is set to accelerate, driven by the govt's vision of a USD30tn economy by 2047. Energy and Infrastructure will be key enablers; core to India's sustainable and inclusive development goals. KSB India is well-positioned to ride this wave with strong market presence and sectoral alignment. Presence in all sectors provides the company an effective edge from any sectoral headwinds. It is well-positioned to deliver sustainable growth and long-term value creation. With its strong market position, diverse product portfolio, and focus on key growth sectors, it is well-positioned to capitalize on India's expanding infrastructure and energy needs. The company has highlighted Energy Pumps, Standard Pumps and SupremeServ to power the next phase of growth; where the valves and solar portfolio ensure a future-ready, diversified revenue base. It continues to invest in capacity enhancement, supply chain strengthening, and digitization, and aims to solidify its position as a leader in the Indian pump and valve industry while contributing to the country's economic growth and sustainability goals. KSB India is well-positioned to ride this wave with strong market presence and sectoral alignment. We continue to remain positive on the prospects through the domestic capex plans and the opportunities that KSB can capitalize on. We maintain a hold on the stock with a target of Rs1000.

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