

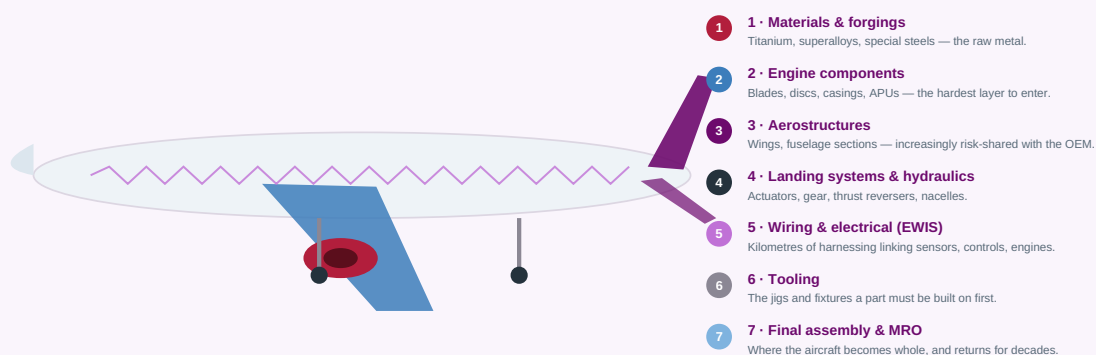


India Aerospace Manufacturing

A Ground-Up Primer on the supply-chain localisation cycle — from forging blank to qualified part, and the fourteen listed companies building India's place inside it.

Anatomy of India's aerospace value chain

One airframe, seven layers of supply — most of the margin sits where failure is invisible



The geometry is the easy part. Proving the process is airworthy is the product.

CONTENTS

- Orientation — how to read this report
- 1 The vocabulary
- 2 The two problems
- 3 Why qualification is the hard problem
- 4 Build-to-print vs. risk-sharing partner
- 5 Classes & the value ladder
- 6 The industry & demand drivers
- 7 The anchor buyers — OEMs and the state
- 8 The parts the data misses
- 9 The companies
- 10 Synthesis
- 11 Ratings summary
- Fourteen company reports & disclaimers



ORIENTATION

How to read this report

This is a first-principles primer, not a broker initiation note with an industry preamble bolted on front. The order is deliberate: the physical and regulatory reasons a part is hard to make come first; every commercial fact that follows — margin, order book, valuation — is presented as a **consequence** of that difficulty, not as a separate story. If you finish Sections 1–4 and cannot explain why a landing-gear bracket and a cabin bracket cost ten times apart despite being the same metal, the primer has not done its job yet.

BEGINNER READS

§1–5

INVESTOR READS

§6–11 + reports

LISTED COMPANIES
COVERED

14

VALUE-CHAIN LAYERS

7

Three questions this report answers

- **Why can a country with decades of precision-manufacturing capability still take years to sell a single bracket into an aircraft programme?** — answered in §2–4.
- **Why does the same raw metal command a 5–10x price spread depending on what happens to it after it is cut?** — answered in §3 and §5.
- **Why are fourteen very differently-sized Indian companies — from a ₹3+ lakh crore PSU to a company that only became publicly listed in February 2026 via a reverse merger — all plausibly "aerospace stocks," and which of them actually are one?** — answered in §9–11 and in the individual company reports.

THE ONE IDEA TO CARRY THROUGH THIS REPORT

Cutting a piece of titanium to the right shape is a scaling problem: buy the machine, hire the operator, hit the tolerance. **Proving that the same piece of titanium will survive thirty years of flight, and documenting that proof to a stranger's satisfaction, is a different kind of problem entirely** — and it is the one almost no published statistic about "India's aerospace opportunity" actually measures. Every company report in this document is really answering one question: how far up that second, harder ladder has this company actually climbed, versus how far the story about it has climbed.

A note on sourcing: every figure in this report carries a source and a date next to it. Where published estimates disagree — and in this sector they disagree often — we show the disagreement rather than picking a number silently. Where we could not verify something, we say so. See the closing Notes section for the full methodology and data caveats.

SECTION 1

The vocabulary

Three terms decide almost everything about who can compete where in this industry, and what they are allowed to earn for it. Learn these three and the rest of the value chain organises itself.



1. Build-to-print vs. risk-sharing partner

Build-to-print (BTP) means the OEM or Tier-1 hands a supplier a complete drawing, a named material specification and a defined process, and the supplier's job is to execute it exactly. The OEM has already done the hard engineering; the supplier is renting out precision and capacity, not judgement. **A risk-sharing partnership (RSP)** — sometimes called "black box" work — is the opposite: the supplier co-funds development, owns the process and often the tooling design, and in exchange keeps exclusive rights to supply that part for the life of the programme. Industry commentary on this split is blunt about the consequence: build-to-print suppliers sit "squeezed between material costs and OEM pricing pressure," while risk-sharing partners share in the programme's long-run profit — and its downside.

2. Special process (the Nadcap layer)

AS9100 is the aerospace industry's quality-management-system standard — a precondition for being taken seriously, roughly equivalent to a very strict ISO 9001. It says a company runs a disciplined factory. It says nothing about whether a specific process — a heat-treatment cycle, a weld, a coating, a non-destructive test — actually produces the metallurgical result an aircraft needs. That second, narrower certification is **Nadcap** (the National Aerospace and Defense Contractors Accreditation Program), and it accredits exactly those "special processes": heat treatment, welding, surface treatment, chemical processing and non-destructive testing. Almost every hard, high-margin step in this value chain is a Nadcap-accredited special process. As of an August 2026 reading of the Nadcap Qualified Manufacturers List, 51 Indian facilities hold Nadcap heat-treating accreditation alone, concentrated in Karnataka, Telangana, Tamil Nadu and Maharashtra.

3. Qualified / on the Approved Supplier List

A part is not sold once it is made correctly; it is sold once a customer has added the exact supplier, at the exact facility, making that exact part number, to its Approved Supplier List. Getting there involves a First Article Inspection (FAI) — a full, one-time dimensional and characteristic check of the first production part, which industry guidance says typically takes two to six weeks by itself — followed by a Production Part Approval Process (PPAP) confirming the supplier can hold that standard at full production rate. The FAI must be repeated after almost any change: a new tool, a new process, a new manufacturing location, or a break in production of two years or more. None of this is what actually takes years; what takes years is everything *around* it — building an AS9100 quality system from scratch, earning Nadcap accreditation for every special process used, and a customer's own track-record requirements before it will commit real production volume to a new name.

Term	What it actually certifies	Who typically holds it	What it does NOT tell you
AS9100	The quality-management system is disciplined and documented	Nearly every serious aerospace supplier, including simple machine shops	Whether any specific process is metallurgically sound
Nadcap	One named special process (heat-treat, NDT, weld, coating, chemical)	A smaller, growing set of Indian facilities — 51 for heat-treat alone, Aug 2026	Whether the company is approved to supply any particular customer's part
Approved Supplier List	This exact part, this exact facility, is cleared for this exact customer	An even smaller set — won one program at a time, not once for the whole industry	Whether that approval transfers to a sister plant, a new material batch, or a different customer

Source: Dart Consultants, from valencesurfacetech.com (AS9100 vs Nadcap), Nadcap Qualified Manufacturers List via Business Standard (17 Aug 2026), and standard FAI/PPAP industry guidance (openbom.com, qcadvisor.com, unitek-kiwa.com).



RULE OF THUMB

If a part's value comes from its **geometry** alone, assume it is build-to-print, assume Nadcap matters less than AS9100, and assume the margin is thin. If a part's value comes from what happened to its **metallurgy** — a heat-treat cycle, a coating, a weld joint that has to survive fatigue — assume Nadcap is the real gate, assume the customer relationship is sticky once won, and assume that is where this report's attention should go.

SECTION 2

The two problems

Every good version of this kind of report is built on one real structural asymmetry inside the product. Here is aerospace manufacturing's.

The easy half: cutting metal to a shape

Forging or casting a titanium or superalloy blank, then machining it to a drawing's tolerances, is a capital-and-skill scaling problem. Buy the right presses, foundry equipment or CNC machines; hire and train operators; inspect dimensionally against the print. India already has this capability in depth — built up over decades of automobile, general-engineering and defence manufacturing, not invented for this report. Any competent precision shop can, in principle, attempt a build-to-print aerospace bracket. Failure here is **visible and immediate**: a part is either in tolerance or it is not, and a coordinate-measuring machine tells you which within minutes.

The hard half: proving the metal will survive

The same blank, run through a heat-treatment cycle, a weld, a coating or a chemical process under Nadcap-audited procedure, with full material traceability back to the mill certificate — and then qualified onto one specific customer's part number on one specific aircraft or engine programme — is a metallurgical and documentation problem. Its failure mode is the opposite of the easy half's: **invisible and delayed**. A sub-surface inclusion becomes a fatigue crack only after thousands of flight cycles. A heat-treatment furnace with an undetected cold spot can produce a batch of understrength parts for months before a proof test — or, worse, a real failure — catches it. Nothing about looking at the part tells you it is wrong.

	The easy half — geometry	The hard half — process
What it is	Cutting, forging, casting a shape to a drawing	Heat-treat, weld, coat, test — proving the metallurgy and documenting it
Certification gate	AS9100 (quality system)	Nadcap (the special process itself)
How it fails	Visible immediately — a dimension is out of tolerance	Invisible and delayed — a property degrades under stress, years later
Who can attempt it	Any well-capitalised precision engineering shop	A much smaller, accredited, audited population
Where the margin sits	Thin — commoditised, price-competed	Thick — and sticky once a customer has qualified you



COMMIT THIS TO MEMORY

The geometry is the easy part. The process is the product. Everything else in this report — the value ladder in §5, the margin puzzle in §9, the ratings in §11 — is really a question of how much of a given company's revenue sits on the process side of this line, versus the geometry side.

SECTION 3

Why qualification is the hard problem

Three reasons the hard half does not scale the way the easy half does.

1. The test for success is a test you hope never happens

A machined bracket's success criterion is a measurement you take today. A special process's success criterion is the absence of a failure that would only show up after years of service — a fatigue crack, a corrosion pit, a bond-line disband. You cannot inspect your way to confidence here; you can only control the process tightly enough, and document that control thoroughly enough, that a customer trusts the absence of visible defects as a proxy for the presence of invisible strength.

2. Re-qualification, not one-time qualification

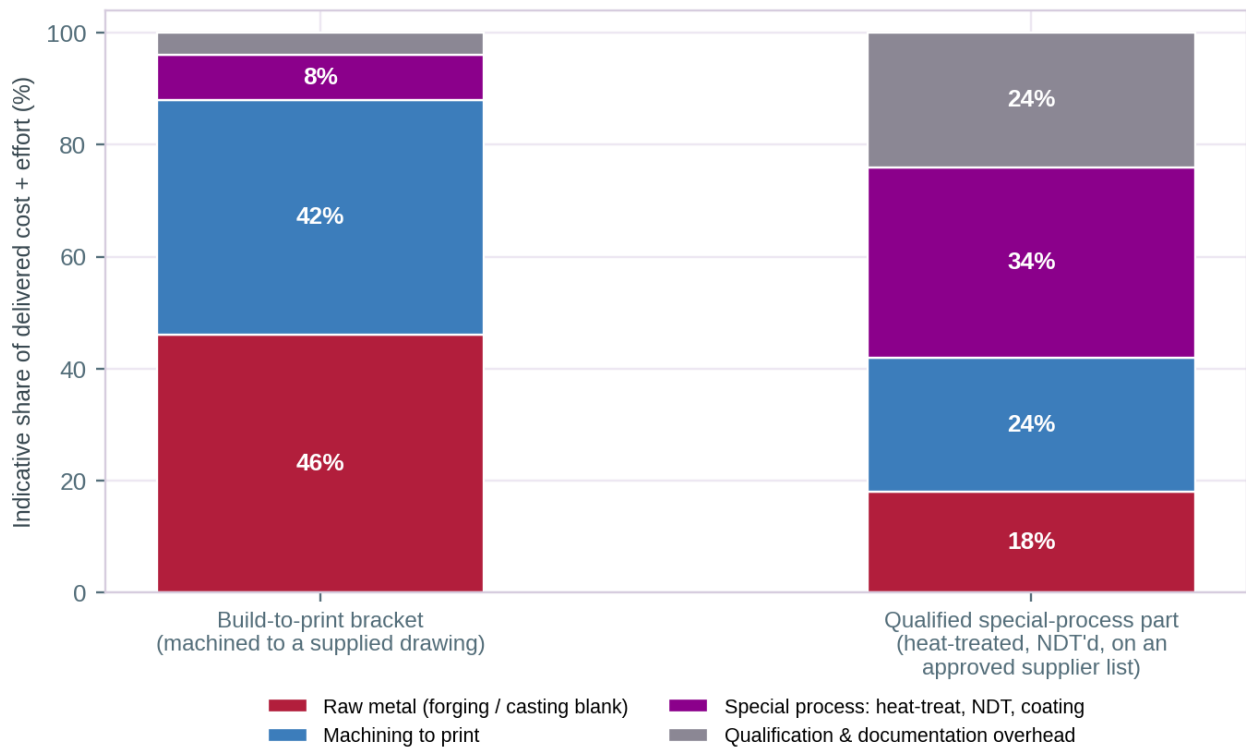
Nadcap accreditation is not a one-time badge. It is renewed on a one-to-three-year audit cycle, and a First Article Inspection has to be repeated after a design change, a process change, a tooling change, a change of manufacturing location, or a break in production of two years or more. A capability, once built, has to be maintained continuously — there is no equivalent of "the machine still cuts the same shape it did five years ago" for a special process; the audit trail has to prove it, every cycle.

3. The customer bears the qualification cost, so it will not repeat it lightly

Qualifying a new supplier on a new part means the OEM or Tier-1 itself absorbs the cost of auditing, running first-article inspections, and often destructively testing early production units. Having paid that cost once, an OEM has every incentive not to pay it again for a marginal price improvement from a second source — which is exactly why, once a supplier is on the Approved Supplier List for a given part, switching becomes structurally difficult, independent of whether a patent exists (there usually isn't one).



Where the value sits: raw metal dominates a print-to-spec bracket, process and paperwork dominate a qualified part



The raw metal barely moves the needle once a part has to be qualified. Indicative construction, built to illustrate the structural point, not measured from a disclosed cost model — see Notes.

SECTION 4

Build-to-print vs. risk-sharing partner

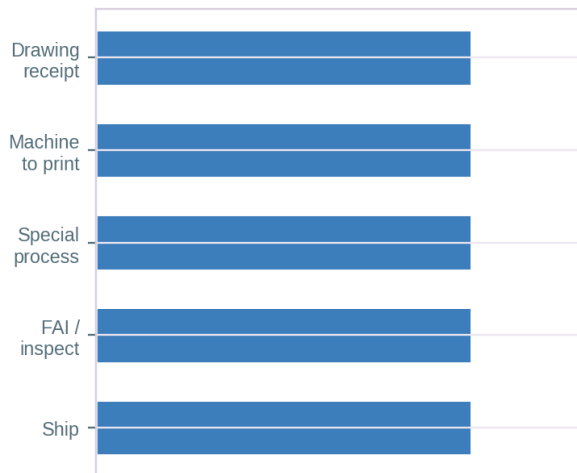
The "free input" reframe

If qualification is this expensive, why does a build-to-print machine shop get any aerospace work at all? Because in a build-to-print contract, **the OEM has already done the hard engineering for you**. It has picked the material, defined the heat-treat cycle, specified the NDT method, and carries the qualification cost itself. The supplier's job shrinks to precision execution — the "free input" here is the OEM's own process engineering, handed over as a drawing. This is why a commodity-grade machining capability still finds a real market in aerospace: someone else has already solved the hard half for that specific part, and is renting out the easy half.

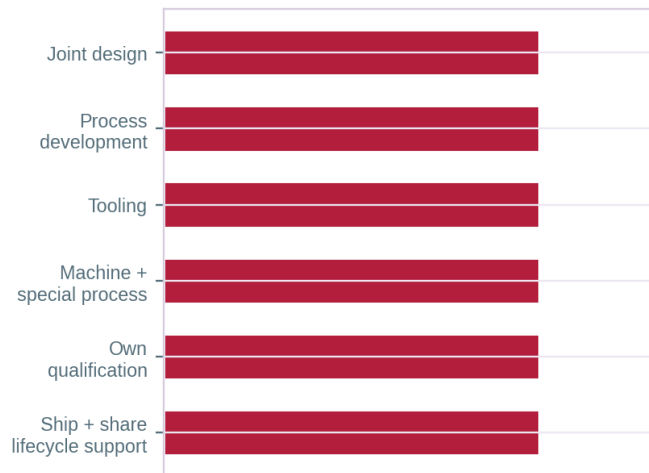
The alternative — a risk-sharing partnership — inverts this. The supplier funds and owns the process development, keeps the resulting intellectual property, and is rewarded with exclusive, long-lived supply rights and a share of the programme's economics. It is a smaller, harder door to walk through, and it is the direction every serious Indian aerospace supplier in this report is trying to move, at different speeds.



**Build-to-print: 5 steps,
OEM owns the engineering**



**Risk-sharing partner: 6 steps,
supplier owns the engineering**



Build-to-print has fewer steps because someone else already climbed the hard half of the ladder for you. Illustrative step counts based on industry process descriptions (umbrex.com, researchgate.net RSP literature), not a specific company's disclosed workflow.

WHAT THIS MEANS FOR READING THE REST OF THIS REPORT

When a company report later in this document says a company is a "Tier-2/3 machining supplier," read that as: mostly build-to-print, mostly the easy half, margin will be thin and cyclical. When it says "risk-sharing partner" or names a specific Nadcap-accredited special process as core to the business, read that as: closer to the hard half, and worth asking whether the valuation already assumes the transition is complete.

SECTION 5

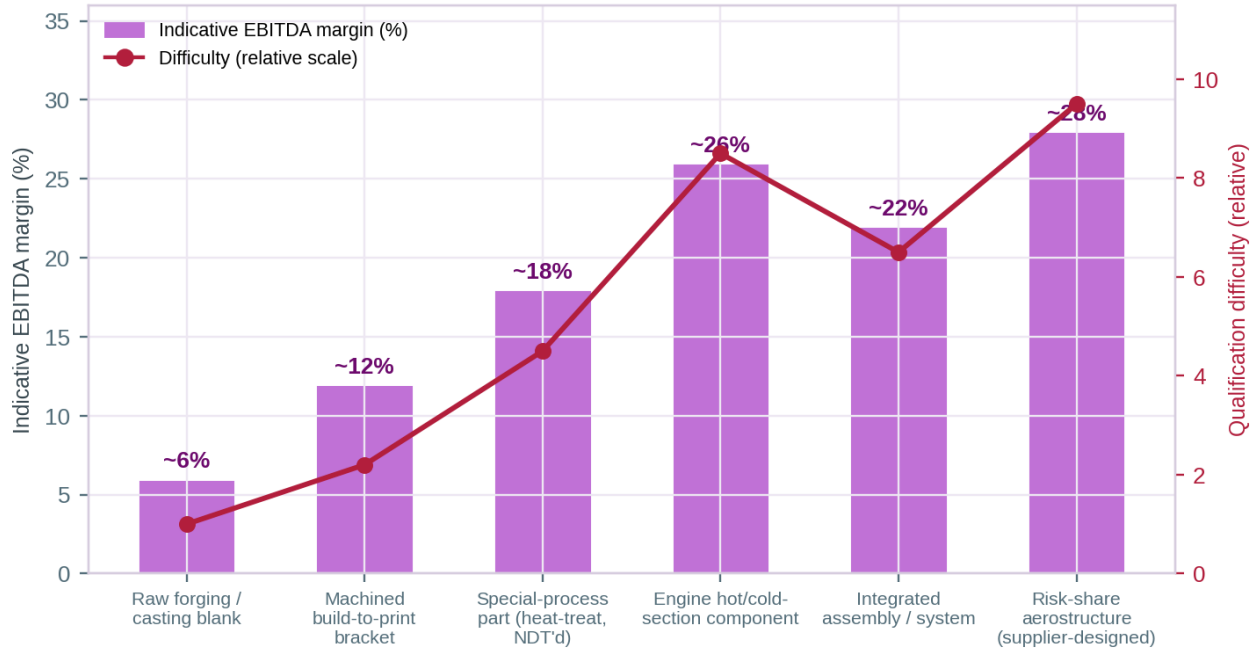
Classes & the value ladder

Two naming systems, and where they disagree

The industry describes a company two different ways, and the two descriptions do not always point to the same conclusion. The first is **tier nomenclature** — Tier-1 (engines, aerostructures, landing systems, avionics), Tier-2 (modules and assemblies), Tier-3/4 (forgings, castings, machining, sheet metal, raw material) — which describes a company's position in the OEM's org chart. The second is **process classification** — build-to-print, special-process-holder, or risk-sharing partner (§1, §4) — which describes what a company actually keeps versus rents out. A company can be a "Tier-1" by customer-facing label and still be doing mostly build-to-print work; a "Tier-4" raw-material or special-process house can hold more real pricing power than the Tier-1 above it, if what it holds is scarce.



The value ladder: margin and qualification difficulty climb together, but not in a straight line



Margin and qualification difficulty climb together — but the climb is not smooth. Indicative construction illustrating the structural relationship between the two, not a measured industry benchmark. See Notes for methodology.

The exception that breaks the taxonomy

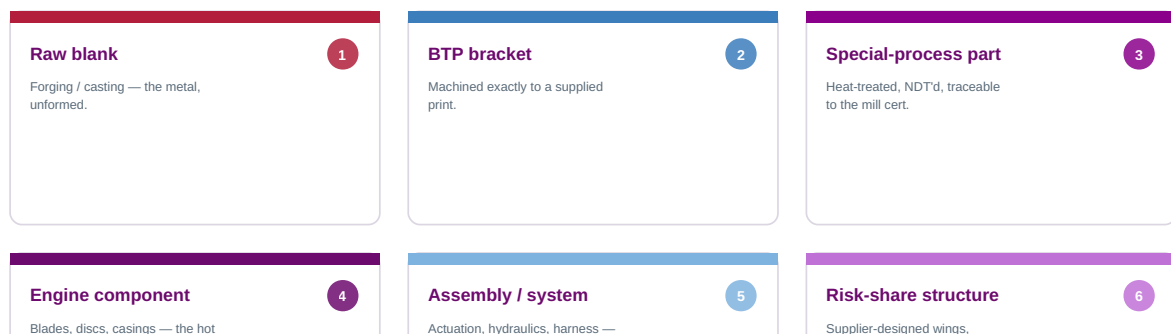
Tooling is the clearest case. A jig or fixture is not a "Tier" anything in the OEM org-chart sense — it never flies — yet a company that holds the only qualified fixture design for a specific engine programme's overhaul cycle can have more durable pricing power than a much larger structural-parts supplier making a simple, price-competed panel. Size and tier rank do not reliably predict margin in this industry; process scarcity does. Keep this in mind through §9 — market capitalisation and revenue scale, on their own, tell you almost nothing about where a company actually sits on the ladder above.

GALLERY A — THE PRODUCT FAMILY

What a value-chain company can actually be selling, arranged from commodity to engineered.

Gallery A — the product family

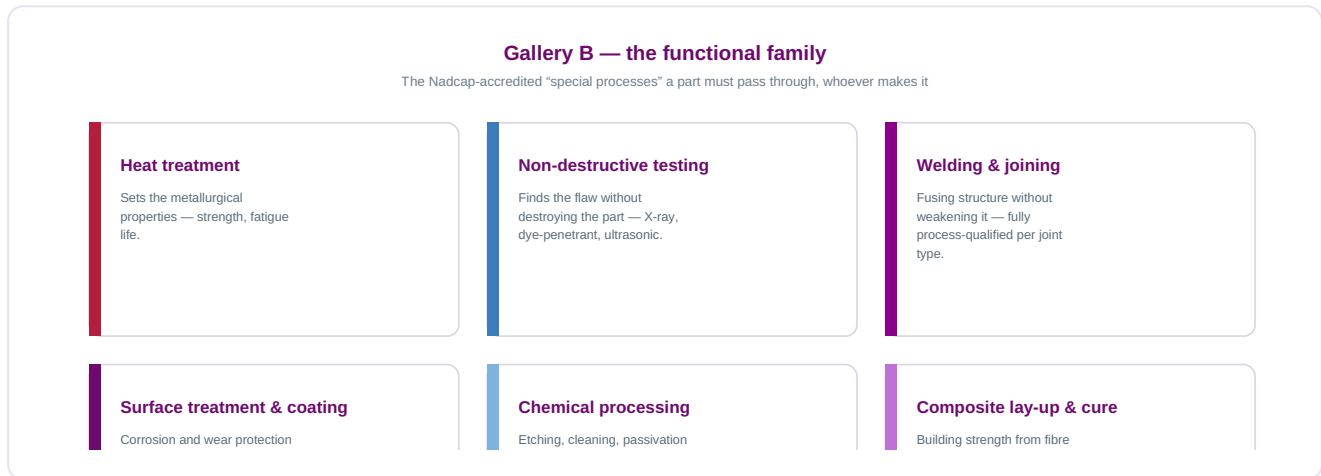
Six things a value-chain company can actually be selling





GALLERY B — THE FUNCTIONAL FAMILY

The Nadcap-accredited special processes a part must pass through on its way up that ladder, whichever company happens to be holding it at the time.



SECTION 6

The industry & demand drivers

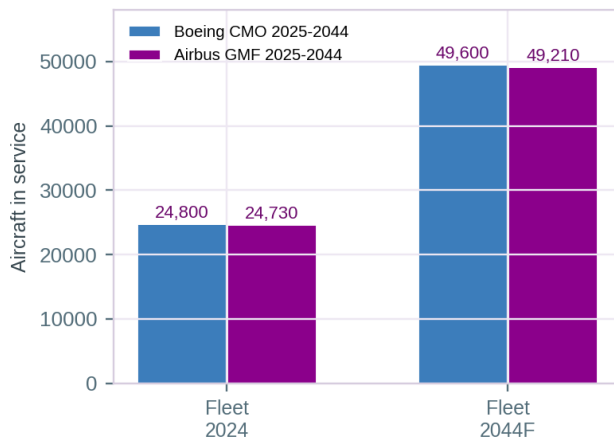
Five genuinely separate demand cycles are running at the same time here, each with its own anchor buyer and its own time horizon. Conflating them — treating "the aerospace opportunity" as one number — is the single easiest way to misread this sector.

Demand cycle	Anchor buyer	What is actually driving it
1. Fleet renewal & backlog	Global OEMs / airlines	~43,500 new aircraft needed to ~2044 (Boeing + Airbus, both dated 2025); ~10-11 years of backlog already booked
2. Sourcing diversification	Boeing, Airbus, Safran, Rolls-Royce	Legacy North American/European hubs face ageing skilled workforces, wage inflation and capacity limits
3. India domestic fleet growth	IndiGo, Air India	Combined order books in the high hundreds to low thousands of aircraft (definitions vary by source, see below)
4. Defence indigenisation	Ministry of Defence	Positive Indigenisation Lists (six issued since Aug 2020) progressively force import substitution by embargo date
5. MRO & engineering-services build-out	Gol policy + global OEM GCCs	Uniform 5% GST on aircraft/engine parts (Jul 2024), 100% automatic-route FDI for MRO, India MRO market ~\$2bn today targeted to ~\$4bn by 2030

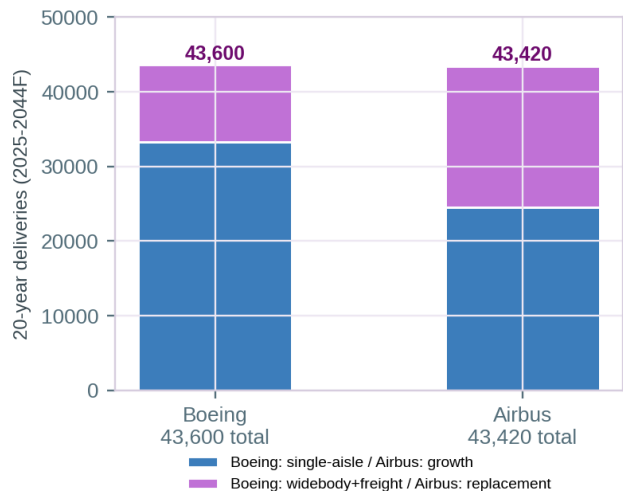
Source: Dart Consultants, compiled from Boeing CMO 2025-2044, Airbus GMF 2025-2044, [zetwerk.com/Boeing-Airbus sourcing summaries](https://zetwerk.com/Boeing-Airbus-sourcing-summaries), safran-group.com (26 Nov 2025), MoD Positive Indigenisation List notifications, and trade.gov/newsonair.gov.in GST-FDI policy summaries — see Notes for full citation list.



Two forecasters, near-identical answer: the fleet roughly doubles

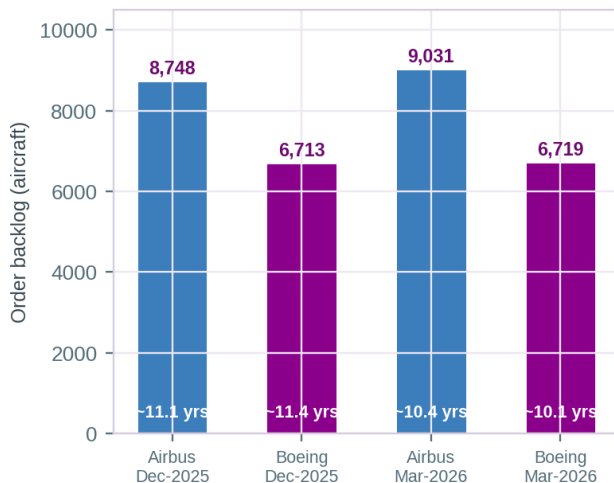


~43,500 new aircraft needed either way — composition is the only real debate

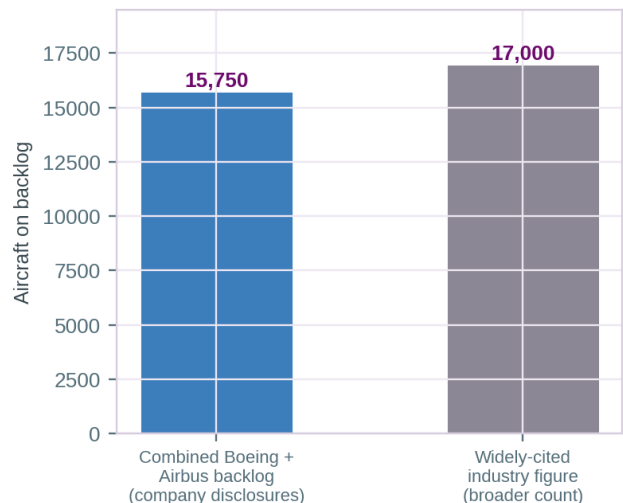


Two independent forecasters reach almost the same number. Boeing Commercial Market Outlook 2025-2044 and Airbus Global Market Forecast 2025-2044, both released in 2025.

Two OEMs, ~10-11 years of backlog each, at current build rates



Even the backlog itself is counted two ways



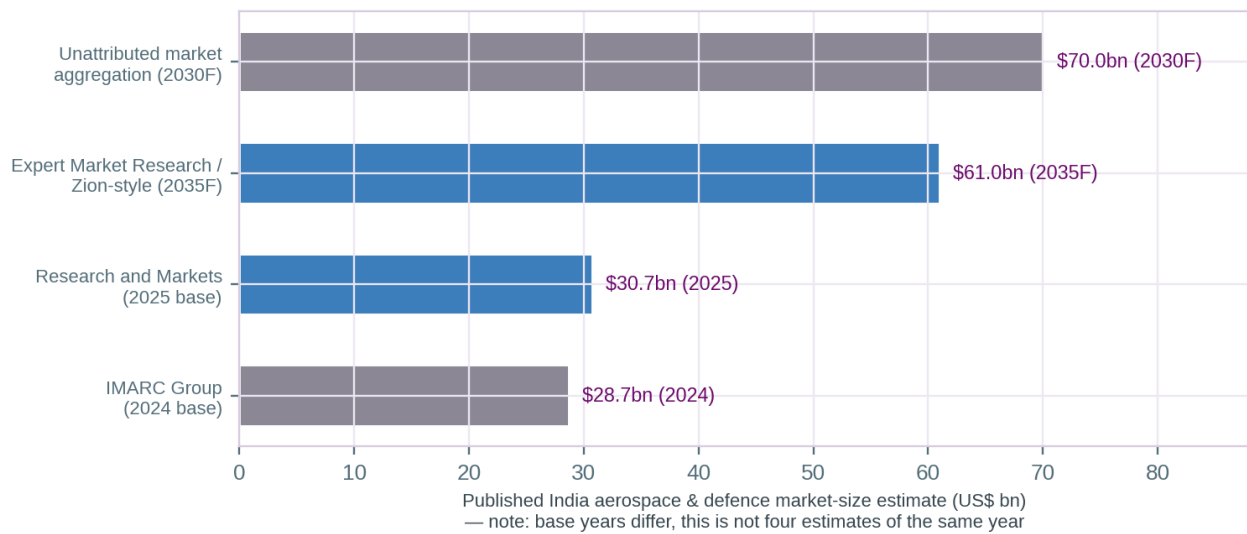
Even "how big is the backlog" is answered two ways. Company-disclosed Boeing + Airbus backlogs (Dec 2025 / Mar 2026 snapshots) sum to roughly 15,500-15,800 aircraft; a wider, frequently-cited industry figure of "17,000+" appears to use a broader count or an earlier snapshot. Both are shown rather than picking one.

TRAP TO AVOID

Every published "India aerospace and defence market size" figure in circulation uses a different base year, a different scope, and often a different definition of what counts as "aerospace." Four research-house estimates for this single market are shown below; they are not four estimates of the same number, and reporting only the largest or the newest without saying so would be the exact failure mode this report exists to avoid.



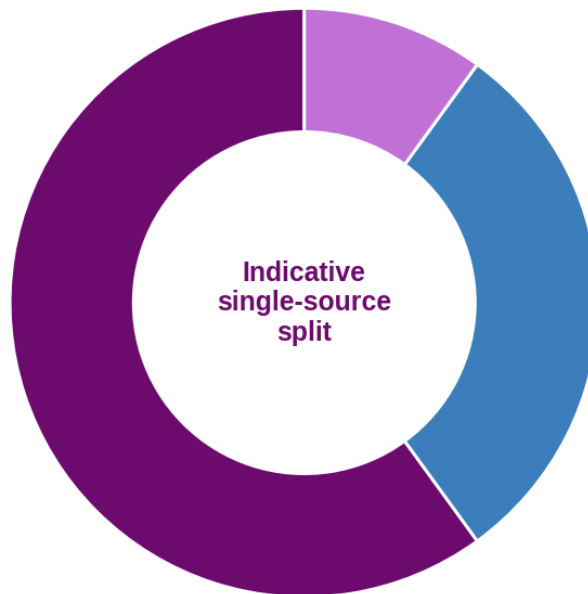
The same market, sized four ways — and not even for the same year



The same market, sized four ways — and not even for the same year. Base-year and target-year figures both shown; do not read this as four estimates converging on one truth. Sources: Research and Markets, IMARC Group, Expert Market Research, and one lower-confidence, unattributed market aggregation.



India's A&D revenue mix (one estimate, not a consensus)



- Defence production ~60%
- Commercial aviation & services ~30%
- Space ~10%

Indicative only — a single source's split, not an industry consensus. Shown because a rough sense of proportion is useful; treat the exact percentages as illustrative.

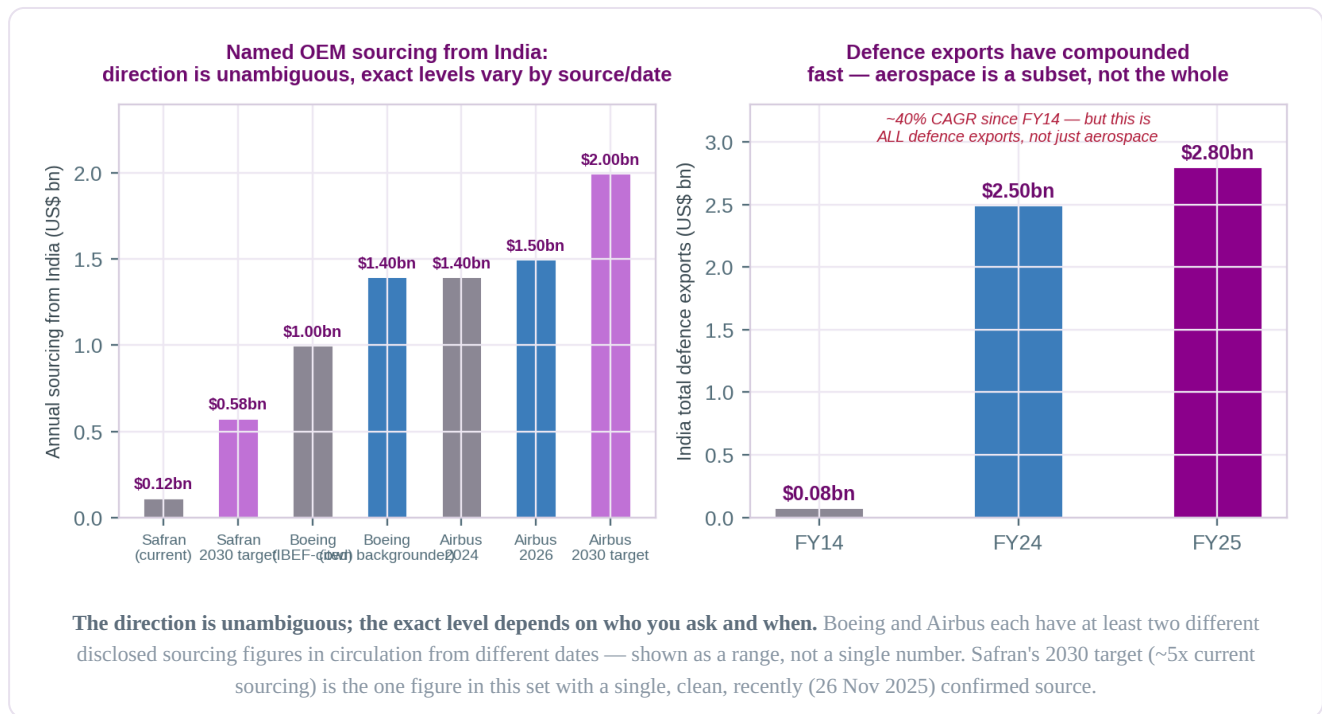
SECTION 7

The anchor buyers — OEMs and the state

This sector has an unusual dual anchor structure. On the export-facing side, global OEMs and Tier-1s set demand through their own sourcing-diversification decisions — nobody in India can accelerate a Boeing or Safran sourcing target. On the domestic side, the Government of India sets demand and the localisation timetable directly, through defence procurement policy. Both matter; neither substitutes for the other.



What the global primes are actually doing



Reading the government's rules correctly

THE PLAN SAYS MORE, AND LESS, THAN THE HEADLINES SUGGEST

"100% FDI in aerospace" is not quite what is on offer. 100% FDI via the automatic route applies specifically to MRO services. Broader defence-linked manufacturing FDI is capped at 74% via the automatic route, with the remaining headroom to 100% available only via a case-by-case government-approval route. A reader who assumes blanket 100% automatic-route FDI across every layer of this value chain is reading the policy more generously than it is written.

A Positive Indigenisation List is a ban with a delay, not a subsidy. Each of the six lists issued since August 2020 names specific platforms, sub-systems and components that may no longer be *imported* after a stated date — it compels domestic sourcing, but it does not itself pay for the domestic capability to exist. The sixth list (August 2026) covers 405 items worth an estimated ₹3,070 crore of business potential — real, but a fraction of the sector's total addressable procurement.

The GST simplification is the cleanest, least ambiguous policy move in the set: a uniform 5% IGST rate on all aircraft and aircraft-engine parts from July 2024, replacing a fragmented 5-28% structure that had been causing an inverted duty structure and GST accumulation specifically in MRO accounts. This is a straightforward removal of a self-inflicted handicap, not a new incentive — worth noting because it is sometimes described as more generous than it is.

SECTION 8

The parts the data misses

Three pools of value are structurally undercounted by the headline statistics used to size this opportunity. This is where the report's own original synthesis, rather than a repackaging of public data, actually lives.

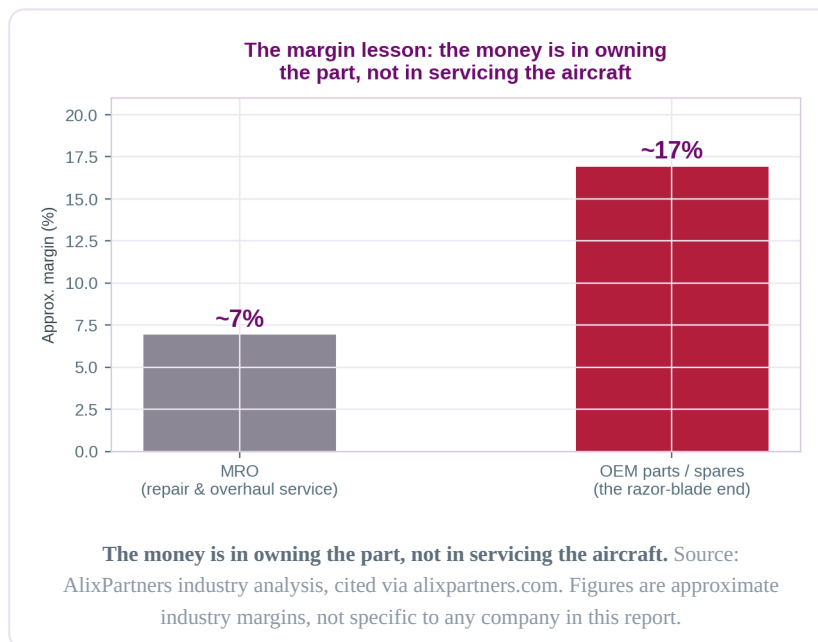


1. The MSME base beneath every listed name

The Tata-Airbus C295 programme onboarded 37 India-based suppliers, drawn from both the private and public sector, to manufacture 13,000 of the aircraft's detail parts domestically across 21 certified special processes. The great majority of those 37 names will never appear in this report, because the great majority of them are not listed. Every export statistic and every "India aerospace market size" figure in §6 is built, in part, on capacity sitting inside companies with no public equity at all — which means the listed universe in §9 is a narrower and more concentrated slice of the real value chain than the headline numbers imply.

2. Aftermarket and spares — the value that has not shown up yet

Industry-wide, MRO service margins run close to a historical ~7%, while OEM parts and spares sales run closer to ~17% — a "razor-blade" economics where the party that owns the part design captures the profit through selling the part, not through the labour of repairing it. Aftermarket revenue on any given programme only ramps meaningfully years after entry into service. A supplier winning a qualification today is booking build-to-print or early-production revenue now; the fatter-margin spares annuity that its qualification actually earns is largely still in the future, and is invisible in current-year export or revenue figures.



3. Two statistics that are not measuring the same thing

India's total exports under HS Code 88 (aircraft, spacecraft and parts) were US\$7.07 billion in calendar 2024 (UN COMTRADE). India's total *defence* exports — a differently defined basket covering all defence goods, not just aerospace, and excluding civil aerospace entirely — were ₹23,622 crore (~US\$2.8 billion) in FY25. These numbers are frequently quoted alongside each other as though they measure the same "India aerospace" opportunity. They do not: one includes civil aviation and excludes non-aerospace defence goods; the other does the reverse. Reading them as a single, larger number overstates the aerospace-specific opportunity; reading only the smaller figure understates the civil side entirely.



WHY THIS SECTION MATTERS FOR §9

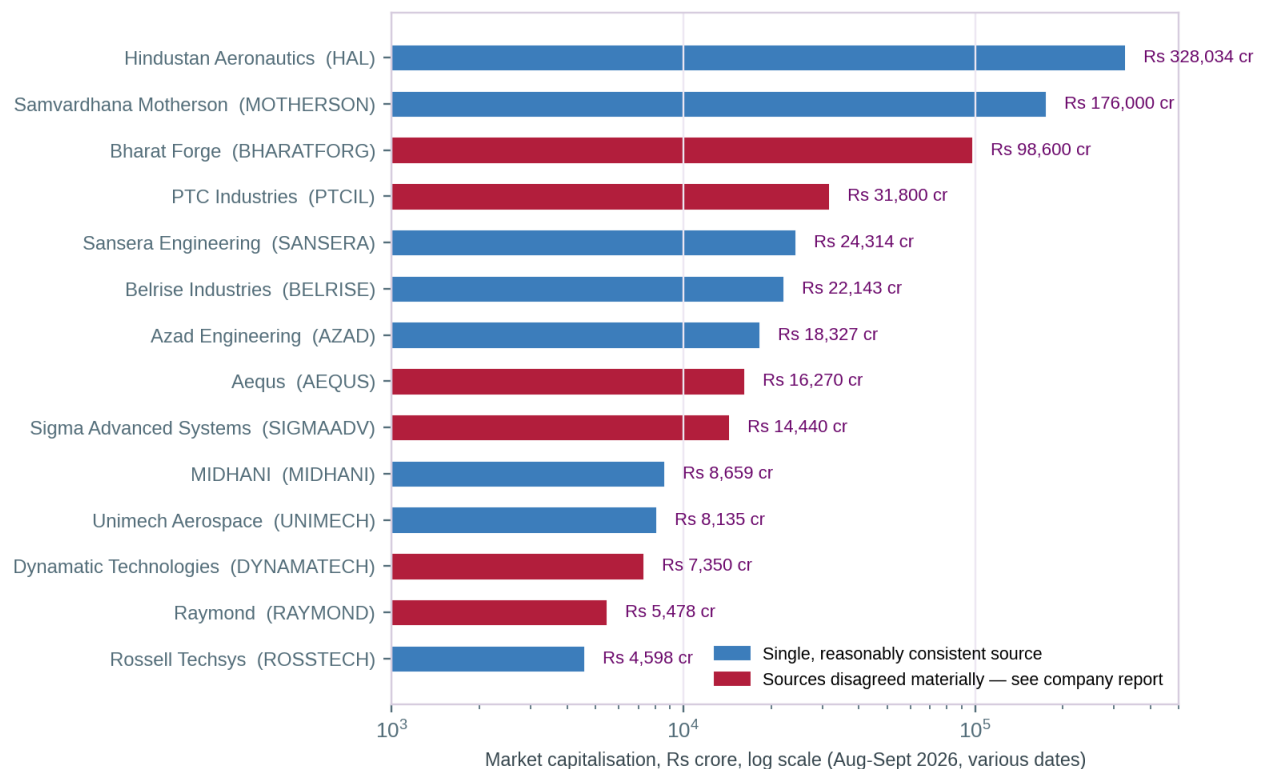
Every company report that follows should be read against this backdrop: a company's current revenue and export figures are a lagging, undercounted signal of the position it has actually built. The qualification a company won two years ago is worth more than its current P&L shows, and the MSME capacity sitting below the listed universe means the "market" this report's fourteen companies compete in is bigger, and more fragmented, than their combined market capitalisation suggests.

SECTION 9

The companies

Fourteen NSE/BSE-listed companies touch this value chain today. They range from a ₹3.28 lakh crore defence PSU to a company that only became publicly traded in February 2026 via a reverse merger into a dormant telecom shell. Market capitalisation, on its own, tells you almost nothing about how much of a company's business is actually aerospace, or how far up the value ladder of §5 it sits — which is the first thing to sort out before any of the numbers in the individual company reports mean anything.

Fourteen very differently-sized companies share one label: "aerospace stock" (log scale — HAL alone is ~70x the smallest)



Same label, seventy-fold difference in scale. Market capitalisation, log scale, various dates Aug-Sept 2026 — see each company's own report for a reconciled, dated figure where sources disagreed materially (marked in copper above).

Two very different kinds of "aerospace stock"

Splitting the fourteen by how central aerospace actually is to the business — based on segment disclosure where a company breaks one out, and on business description where it does not yet — produces a cleaner picture than market cap alone:



Aerospace is the identity	Aerospace is one segment among several
Hindustan Aeronautics — aircraft, helicopters, engines are the whole business	Samvardhana Motherson — aerospace ~1.5% of FY25 group revenue (₹1,749cr of ₹1,12,540cr), though the order backlog has risen \$1.2bn → \$1.9bn since FY24
MIDHANI — titanium/superalloys, majority aerospace & defence	Bharat Forge — Aerospace & Defence is one of several segments alongside auto components and industrial
PTC Industries — titanium/superalloy castings, aerospace-focused Aerolloy subsidiary	Sansera Engineering — Aerospace/Defence/Semiconductor (ADS) is a small, fast-growing segment (₹145.4cr) inside a larger auto-components business
Sigma Advanced Systems — aero-engine, avionics & defence electronics across India and UK (Nasmyth, Bromford)	Raymond — aerospace subsidiary JKMGAL is ~17% of FY26 consolidated revenue (₹392cr of ₹2,312cr) inside a smaller post-demerger holding company — a growing weight, not yet a majority
Unimech Aerospace — aero-engine/airframe tooling is ~80% of FY26 revenue	Belrise Industries — aerospace exposure is brand-new (Mar 2026 UK Chester Hall acquisition), targeted at ~10% of revenue medium-term, immaterial today
Rossell Techsys — pure-play aerospace/defence wiring since its Aug 2024 demerger	
Azad Engineering, Dynamatic Technologies, Aequus — aerospace-heavy, but each also carries a non-aerospace segment (energy/industrial, hydraulics, or consumer products respectively) whose exact weight is confirmed in each company's own report	

Source: Dart Consultants, from company segment disclosures gathered for each company's own report (see part 4). Where a segment split is not yet independently confirmed, the company is placed by business description only and flagged for confirmation in its report.

THE MARGIN PUZZLE, STATED PLAINLY

A company where aerospace is 100% of the identity is not automatically the better investment — it is simply the one where the aerospace thesis and the stock price cannot hide from each other. A company where aerospace is 1.5% of revenue, like Motherson, can carry real optionality without the stock being an aerospace bet in any way that matters today. Read every ratio in the individual reports against which bucket, above, the company sits in.



The fourteen, at a glance

Company	Ticker	Primary value-chain layer	Listing note
Hindustan Aeronautics	HAL	Complete aircraft, engines, MRO	Long-listed PSU
Samvardhana Motherson	MOTHERSON	Wiring (EWIS), structures, hydraulics	Long-listed; aerospace is a newer division (2022-23 acquisitions)
Bharat Forge	BHARATFORG	Forgings, engine components, structures	Long-listed; A&D is a reporting segment
PTC Industries	PTCIL	Titanium/superalloy castings (materials)	Long-listed; Aerolloy plant inaugurated May 2025
Sansera Engineering	SANSERA	Engine casings (ADS segment)	Long-listed
Belrise Industries	BELRISE	Nacelles, aerostructures (via Chester Hall, UK)	Listed IPO; aerospace deal signed Mar 2026
Azad Engineering	AZAD	Engine assemblies, airfoils, actuators	Listed IPO, Dec 2023
Aequs	AEQUS	Aerostructures, forging, machining	Listed IPO, Dec 2025 — very recent
Sigma Advanced Systems	SIGMAADV	Engine components, avionics, defence electronics	Listed via NCLT reverse merger into shell "Megasoft," effective Feb 2026
MIDHANI	MIDHANI	Titanium alloys, superalloys, special steels	Long-listed PSU
Unimech Aerospace	UNIMECH	Aerospace tooling (jigs, fixtures, engine tools)	Listed IPO, Dec 2024 — ~87% listing-day pop
Dynamatic Technologies	DYNAMATECH	Aerostructures (wings, hatch doors), hydraulics	Long-listed
Raymond	RAYMOND	Engine components (via JKMGAL subsidiary)	Long-listed; reshaped by 2024-25 Lifestyle/Realty demergers
Rossell Techsys	ROSSTECH	Wire harnesses, electrical interconnects	Demerged from Rossell India, listed Aug 2024

TWO NAMES THAT NEED A SECOND LOOK BEFORE YOU TRUST THE LABEL

Raymond's aerospace exposure is real but structurally indirect — the business sits in an unlisted subsidiary, JK Maini Global Aerospace Ltd, formed from the November 2023 acquisition of Maini Precision Products; an investor buys it only by buying Raymond Ltd shares, and Raymond itself has been reshaped by two large demergers (Raymond Lifestyle, 2024; Raymond Realty, 2025) in the same window. **Sigma Advanced Systems only exists as a public company because of a reverse merger** into a 27-year-old dormant telecom shell (Megasoft Ltd), completed via NCLT order in December 2025 and effective February 2026 — a listing route that at least one independent analysis explicitly recommends treating with more caution than a conventional IPO, pending several quarters of clean post-merger results. Neither point makes either stock uninvestable; both are exactly the kind of structural detail this report exists to surface rather than gloss over. *Full 9-page reports for each of the fourteen companies — financials, governance assessment, SWOT, valuation and rating — follow this primer; see each company's own report for the fullest, most current picture.*



SECTION 10

Synthesis

Where the opportunity actually originates

Origin	What it is	Who captures it	Time horizon
1. Cost arbitrage	Lower manufacturing cost for build-to-print work the OEM has already engineered	Whoever has AS9100 + capacity, widely contestable	Now, but thin margin and price-competed
2. Capacity substitution	Ageing, capacity-constrained Western hubs need a second source	Nadcap-accredited special-process holders	Now through the 2030s — the backlog is already booked
3. Policy-forced localisation	Positive Indigenisation Lists, DAP offsets compel domestic sourcing on defence platforms	Whoever is qualified when the embargo date arrives	Set by the state's own timetable, not by demand
4. Annuity conversion	Today's qualification becomes tomorrow's spares/aftermarket revenue, at a fatter margin	Whoever won the original-equipment qualification	Years after entry into service — mostly still ahead

Five distilled conclusions

- **The moat is a calendar, not a patent.** Nothing in this industry is legally proprietary in the way a drug molecule or a chip design is; the barrier is the multi-year, audited, re-qualified process of proving a special process is safe, repeated for every part number on every programme.
- **Scale and margin are not the same axis.** HAL's ₹3.28 lakh crore market cap and a tooling specialist's single Bengaluru facility can both be legitimately "aerospace exposure" — the question is never how big, but how far up the qualification ladder.
- **Most of the value in a 2026 qualification win has not been booked yet.** The aftermarket margin gap (§8) means today's revenue understates a program win's real economics by design, not by accident.
- **The listed universe is a narrow, non-representative slice of the real capacity being built.** The MSME base under programmes like C295 (§8) means India's aerospace buildout is happening substantially outside public markets.
- **Two of the fourteen names carry structural histories — Raymond's subsidiary structure, Sigma Advanced's reverse-merger listing — that a reader must understand before the valuation multiple means anything.**



Bull case / bear case

THE BULL CASE

Global OEM sourcing diversification is a structural, multi-decade trend with a ~10-11 year backlog already booked and named commitments from Boeing, Airbus and Safran all pointing the same direction. India's certification base (Nadcap accreditations, AS9100 shops) is visibly deepening, not stalling. Domestic defence indigenisation adds a second, policy-guaranteed demand stream independent of global OEM cycles. The aftermarket annuity on today's qualification wins is mostly still ahead.

THE BEAR CASE

Most of the fourteen companies still earn most of their revenue from build-to-print or non-aerospace segments — the pure-play story is ahead of the disclosed financials for several names. Valuations for recently re-rated names (Unimech, Sigma Advanced, Aequs) already price in years of qualification success that has not yet happened. Customer concentration is severe at several small-caps (Unimech: >85% of revenue from three customers per CRISIL). And a single supply-chain, customs, or geopolitical shock could reprice the entire "sourcing diversification" thesis overnight.

Numbers to track

- Combined Boeing + Airbus backlog and years-of-production coverage (quarterly, from each OEM's own delivery/order disclosures)
- Nadcap accreditation count in India (currently 51 for heat-treat alone, Aug 2026 — watch for growth or stagnation)
- Whether Airbus, Boeing and Safran's India sourcing figures actually reach their stated 2030 targets (\$2bn, and a 5x increase to ~\$580m respectively)
- Each company's disclosed aerospace-segment revenue growth and margin trajectory (not just headline revenue) at the next 2-3 quarterly results
- Whether Sigma Advanced Systems delivers the "2-3 clean quarters" of post-merger results that independent analysis says is the minimum bar before its valuation can be trusted

SECTION 11

Ratings summary

Ratings key, used consistently across every company report in this document:

Rating	Expected total return, 12 months
BUY	15% and above
HOLD	–5% to 15%
SELL	–5% and below

Every rating in this series is anchored to a stated reference price and date, derived from a named multiple on a named forward year, cross-checked with a second method, and carries explicit upgrade/downgrade triggers. BUY/HOLD/SELL are an educational device for summarising public information — not a regulated recommendation. See the Notes section and each company's own report for full disclosure.



Status of this rating series

All fourteen companies now carry a formal rating, each with the full valuation exhibit described in Section 8 of the company report template — target price, scenario range, and a named methodology.

Company	Ticker	Rating	Target	CMP (11 Sep 2026)	Upside/(downside)
Hindustan Aeronautics	HAL	BUY	₹5,700	₹4,905	+16.2%
Samvardhana Motherson	MOTHERSON	HOLD	₹172	₹164.45	+4.6%
Bharat Forge	BHARATFORG	SELL	₹1,270	₹1,945	(34.7)%
PTC Industries	PTCIL	SELL	₹11,500	₹23,630	(51.3)%
Sansera Engineering	SANSERA	SELL	₹3,556	₹4,130	(13.9)%
Belrise Industries	BELRISE	BUY	₹280	₹228	+22.8%
Azad Engineering	AZAD	SELL	₹2,534	₹2,849	(11.1)%
Aequs	AEQUS	HOLD	₹215	₹226	(4.9)%
Sigma Advanced Systems	SIGMAADV	SELL	₹450	₹832	(45.9)%
MIDHANI	MIDHANI	HOLD	₹487	₹447	+9.0%
Unimech Aerospace	UNIMECH	HOLD	₹1,530	₹1,610	(5.0)%
Dynatomic Technologies	DYNAMATECH	HOLD	₹11,000	₹12,097	(9.1)%
Raymond	RAYMOND	HOLD	~₹950	₹1,003	~(5.3)%
Rossell Techsys	ROSSTECH	SELL	₹530	₹1,214	(56.3)%

2 BUY, 6 HOLD, 6 SELL across all fourteen companies — a deliberately mixed outcome, not a uniform "the sector is a buy" call. Most SELL ratings (Bharat Forge, Azad, Sansera, Rossell Techsys, PTC Industries) reflect valuation stretch on otherwise genuinely improving businesses, not operational concerns; Sigma Advanced Systems' SELL reflects earnings-quality and listing-structure concerns specifically — see each company's own report for the distinction.

WHAT WOULD CHANGE A RATING, IN GENERAL, ACROSS THIS SERIES

For the pure-play/identity names: any material change to customer-concentration risk (a large customer lost or won), a Nadcap or AS9100 accreditation gained or lost, or a capacity-expansion delay. For the diversified names: any disclosure that materially changes the aerospace segment's share of consolidated revenue or margin. For all fourteen: a change in disclosed order-book coverage, a promoter-holding or pledge change, or new information that inverts the qualification-progress narrative this report currently assumes.

NOTES

Methodology, data caveats & who we are

Methodology

This primer follows Dart Consultants' standard first-principles method: identify the one real structural asymmetry inside the product (§2), derive the value ladder and moat mechanism from it (§4-5), then apply that framework to the listed companies (§9-11). Research was conducted via public sources only — company filings and investor presentations, credit-rating-agency press releases (CRISIL, ICRA, India Ratings), stock-exchange disclosures, company websites,



primary OEM/press releases (Boeing, Airbus, Safran, Tata, Airbus India), Indian government sources (PIB, Ministry of Defence, Ministry of Commerce), and market-research summaries, in that order of preference. All web research was conducted in September 2026; company financials and stock data are dated individually throughout.

Data caveats

- **Constructed/indicative figures** are labelled as such in every caption where used — specifically the value-split (§3), build-to-print vs. risk-sharing step counts (§4), the value-ladder margins (§5), and the India A&D segment-mix donut (§6). These illustrate a structural relationship; they are not measured from a disclosed cost model for any specific company.
- **Derived figures** are marked with a tilde (~) and explained in the source line.
- **Undisclosed figures** are shown as a dash, never estimated into a table.
- **Market-size and market-cap disagreements** are shown as ranges or multiple bars rather than resolved to a single number — see §6's dispersion chart and the company-scale chart in §9.
- We do not model full balance sheets or cash-flow statements for companies that do not disclose at that granularity; company reports use a "selected disclosed metrics" format instead.
- Two source-document claims from the original brief for this report were corrected during research: the C295 programme's "~14,000 total parts / 33 MSME suppliers" sub-claims could not be independently verified (the confirmed figures are 13,000 detail parts, 37 suppliers, 21 special processes); and "100% FDI" in aerospace is accurate specifically for MRO services, while broader defence-linked manufacturing FDI is capped at 74% automatic-route / up to 100% via government approval.
- Several company-level stock-data points (market capitalisation, P/E) showed material disagreement between data aggregators for the same company on the same date, most notably for Bharat Forge, PTC Industries, Dynamatic Technologies, Raymond and Sigma Advanced Systems. These are flagged in the relevant company report rather than silently reconciled.

About Us

Dart Consultants is a market intelligence and technology service provider. **We are not a SEBI-registered Investment Adviser or Research Analyst.** This document, and the company reports that follow it, are educational material only — not investment advice, and not a recommendation to buy or sell any stock. BUY/HOLD/SELL labels used in this series are an educational device for summarising publicly available information, not a regulated recommendation. The analyst(s) preparing this report hold no position in, and have no banking, advisory or brokerage relationship with, any company named in it, and have received no compensation from any of them. *Several companies in this report are recent listings (Aequs, December 2025; Sigma Advanced Systems, February 2026 via reverse merger; Unimech Aerospace, December 2024; Belrise Industries' aerospace exposure, March 2026) with correspondingly short public track records and, in some cases, elevated valuation and disclosure risk — readers should treat these names as carrying above-average risk pending a longer track record, independent of this report's eventual rating.*



COMPANY REPORTS

Fourteen companies, one format

Each report that follows uses the same structure: summary and key data; investment rationale; what gives us pause; corporate governance assessment; SWOT; developments and risks to watch; valuation and recommendation; and a financial summary. Ratings use the key below, consistently, and every target price shows its arithmetic in the open.

Rating	Expected total return, 12 months
BUY	15% and above
HOLD	–5% to 15%
SELL	–5% and below

Reminder: Dart Consultants is not a SEBI-registered Investment Adviser or Research Analyst. These reports are educational material only, not investment advice or a recommendation to buy or sell any stock. See the primer's Notes section and each report's closing disclaimer for full detail.



BUY

Hindustan Aeronautics Ltd

HAL

India's sole integrated combat-aircraft OEM — priced for perfection, executing at PSU speed

Summary

Hindustan Aeronautics is the only Indian company that designs, assembles and supports complete military aircraft, helicopters and aero-engines end to end, and it is doing so from the strongest balance sheet in this report: a 71.64% government-owned, Maharatna-rated PSU with FY26 revenue of ₹33,089 crore, a 30% operating margin and a 32% return on capital employed. Nothing else in this value chain is remotely this scaled, this profitable, or this structurally protected from competition — HAL's order book, per Parliament testimony, stands at roughly ₹2.22 lakh crore across the Tejas Mk1A, Dhruv and Prachand programmes alone, a figure other, overlapping disclosures put as high as ₹2.5 lakh crore.

The counter-argument is not about the franchise; it is about execution and price. The Tejas Mk1A programme remains, by September 2026 reporting, "over two years behind schedule" even after GE Aerospace resumed F404-IN20 engine deliveries (ten delivered cumulatively as of August 2026). HAL does not control its own critical-path input — the engine — for its flagship fighter programme, and that dependency extends forward: the Mk2, TEDBF and AMCA programmes all hinge on a GE F414 licensed-production agreement that remains under negotiation with no confirmed signing date.

The stock already reflects most of the good news. At a trailing P/E of roughly 35x against a 5-year profit CAGR of 23%, HAL trades at a premium to its own historical growth rate, and named brokerage targets found in this research span a wide ₹5,954-6,800 range — all above the current price, but none of them cheap. New leadership (CMD Ravi K, appointed August 2026) and an incremental ₹32,000 crore order reported in early September 2026 are genuine positives this report could not fully verify in the detail a ₹3.28 lakh crore market cap deserves — segment-level revenue disclosure, a confirmed formal credit rating, and any CAG/Parliamentary findings on delivery performance were all gaps in the public record as of this research.

Net: a BUY on franchise quality and a multi-decade, policy-guaranteed demand backdrop, sized to reflect that the multiple already prices in a good outcome and the near-term catalyst (engine supply, delivery recovery) is only partially derisked.

TARGET PRICE

12-month target	₹5,700
CMP (11 Sep 2026)	₹4,905
Implied upside	+16.2%
Rating	BUY

KEY STOCK DATA

Market cap	₹3,28,034 cr
P/E (TTM)	~35.2x
Book value/share	₹614
ROCE / ROE	32.0% / 24.0%
Dividend yield	0.92%
EV/EBITDA	not disclosed

SHAREHOLDING (JUN 2026)

Government of India	71.64%
DII	11.90%
FII	9.34%
Public	7.03%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	30,381	30,981	33,089
EBITDA	9,752	9,621	9,788
PAT	7,621	8,364	9,116



Investment rationale

- **The only integrated combat-aircraft franchise in India.** HAL designs, builds and supports fixed-wing aircraft, helicopters, aero-engines and avionics under one roof — a position no private Indian company, including the C295 private-sector entrants, currently replicates for combat platforms.
- **A policy-guaranteed demand backdrop, not a cyclical one.** Positive Indigenisation Lists and Atmanirbhar Bharat defence policy compel Indian-sourced platforms; HAL is the direct beneficiary of that compulsion for fighters, helicopters and engines.
- **An order book that dwarfs annual revenue several times over.** Even the lower of the two disclosed order-book figures (~₹2.22 lakh crore) is roughly 6.7x FY26 revenue — multi-year visibility most of this report's other companies cannot match.
- **Best-in-class returns for a PSU.** 32% ROCE and 24% ROE are exceptional for any industrial company, let alone a government-majority-owned one, and margins have held at 30-32% through FY24-FY26.
- **Optionality beyond fighters.** A June 2025 agreement with Safran to manufacture LEAP engine rotating parts, and an SSLV technology transfer from ISRO the same month, both point to HAL diversifying its engineering base beyond IAF-dependent platforms.
- **New leadership with a stated local-sourcing agenda.** CMD Ravi K (appointed ~August 2026) has publicly stated an intent to expand HAL's Samtel joint-venture role and boost local sourcing across upcoming platforms.

What gives us pause

- **The flagship programme is over two years late, and the reason is not fully in HAL's control.** Tejas Mk1A deliveries were constrained by GE F404 engine supply for over two years; even with ten engines now delivered (Aug 2026), independent reporting as of September 2026 still describes the programme as running more than two years behind schedule.
- **The next generation depends on a deal that has not yet been signed.** Tejas Mk2, TEDBF and AMCA all require a GE F414 licensed-production agreement described as "under negotiation" with no confirmed signing date found in this research.
- **The valuation already assumes the good news arrives.** A ~35x trailing multiple against a 23% five-year profit CAGR is not a margin-of-safety multiple; it prices in continued execution, not a cushion against further delay.
- **Segment-level disclosure is thinner than a company this size warrants.** This research could not obtain a numeric revenue split across HAL's own disclosed segments (aircraft, helicopters, engines, avionics, overhaul) — screener.in states this is not itemised publicly, which limits how precisely an outside analyst can track where growth or weakness is actually concentrated.
- **A formal, graded credit rating could not be confirmed.** A CARE Ratings update dated ~9 March 2026 was referenced in aggregator data without a disclosed grade; this report could not independently verify HAL's current rating from any of the four major agencies.
- **Private-sector competition is arriving at the edges.** Tata Advanced Systems (already running the C295 final assembly line) and Mahindra Defence are both named as likely competitors for an upcoming ~₹1 lakh crore Multi-Role Transport Aircraft tender — a small but real crack in HAL's historical monopoly on complete-aircraft programmes.

Corporate governance assessment

1. Which rules actually apply

HAL is a Maharatna-category Central Public Sector Enterprise (status granted October 2024), majority (71.64%) owned by the Government of India, and listed on NSE/BSE. It is therefore subject both to SEBI LODR as a listed company and to DPE (Department of Public Enterprises) corporate-governance guidelines for CPSEs, which — for a board with an executive Chairman — call for independent directors to make up at least half the board. This research could not obtain HAL's current, dated board roster to confirm compliance with that threshold; the most recent board composition found (Wikipedia, dated to April 2015) is too stale to be usable and is not repeated here as current fact.



2. What the company does well

Statutory audit follows the standard CAG-mandated CPSE rotation process — B K Ramadhyani & Co. LLP was appointed for FY2026-27, a routine governance mechanic rather than a red flag. HAL has continued to declare dividends (₹10/share final dividend for FY26) despite heavy capex needs, and has been transparent enough in its own corporate announcements (via exchange filings) to disclose the new independent director appointment (Dr Nikhil Agarwal, 3-year term) and the CMD transition in near-real time.

3. Grey areas

The CMD transition itself (D.K. Sunil to Ravi K, ~August 2026) happened without this research finding a detailed public explanation of timing or process — ordinary for a PSU leadership rotation, but worth noting given how much of the near-term "new broom" narrative in this report's own bull case rests on the new CMD's stated intentions rather than a demonstrated record yet. Segment-level financial opacity (see above) is a second grey area: it is legal and common for a CPSE of this kind, but it genuinely limits external scrutiny of where HAL's growth is concentrated.

4. Red flags

None found in the sources reached for this report — no confirmed CAG audit adverse finding, no Parliamentary Standing Committee censure, no CVC vigilance matter, and no IAF litigation or arbitration over delivery delays or penalties was located. We flag explicitly that absence of evidence is not evidence of absence here: HAL's known, multi-year delivery-delay history on Tejas Mk1A is exactly the kind of issue that would typically generate CAG or PSC commentary, and this research's inability to locate any such commentary may reflect search-access limits rather than a genuinely clean record. This should be checked directly against CAG report archives before being treated as confirmed clean.

5. Items to watch

The next confirmed GE F414 licensing-agreement milestone; any CAG or PSC report addressing Tejas Mk1A delivery delays, when published; HAL's next annual report for whether segment-level revenue disclosure improves; and confirmation of a graded credit rating from at least one of the four major agencies.

GOVERNANCE CONCLUSION

Adequate, not exemplary — mainly because we could not verify enough of it. Nothing found in this research points to actual misconduct, but the combination of thin segment disclosure, an unconfirmed credit rating, and no located CAG/PSC commentary on a well-known delivery-delay history means the appropriate governance discount belongs in the valuation's multiple, not in a footnote — reflected here in using a below-current, not above-current, target multiple (see Valuation).



SWOT analysis

STRENGTHS

- Only integrated combat-aircraft, helicopter and engine OEM in India
- 32% ROCE, 24% ROE, 30%+ operating margin sustained FY24-FY26
- Order book several times annual revenue (₹2.22-2.5 lakh cr disclosed range)
- Maharatna autonomy status (Oct 2024)
- Diversifying engineering base: Safran LEAP parts deal, ISRO SSLV tech transfer (both Jun 2025)

WEAKNESSES

- Tejas Mk1A over two years behind schedule as of Sep 2026
- Critical dependency on GE Aerospace for F404/F414 engines, outside HAL's control
- Segment-level revenue disclosure not itemised publicly
- No independently confirmed formal credit rating grade

OPPORTUNITIES

- Positive Indigenisation Lists compelling further import substitution
- ~₹1 lakh crore MRTA tender and other new platform competitions
- Export potential as Tejas and other platforms mature
- MRO and overhaul revenue growth alongside India's expanding military fleet

THREATS

- GE F414 licensing negotiation delay could stall Mk2/TEDBF/AMCA timelines
- Private-sector entrants (Tata Advanced Systems, Mahindra Defence) eroding HAL's historical monopoly
- Valuation already prices in a favourable resolution of current risks
- Any further, publicly visible delivery delay could trigger a de-rating from current multiples

Key developments to watch

- **GE F414 licensed-production agreement signing** — the single biggest unlock for Mk2/TEDBF/AMCA timelines; still under negotiation as of this report.
- **Tejas Mk1A delivery cadence through FY27** — one unverified brokerage note cited a 20-unit FY27 target; actual delivered units each quarter will show whether the engine-supply relief is translating into real schedule recovery.
- **Resolution of the ~₹32,000 crore order reported in early September 2026** — this report could not confirm the platform or programme behind it.
- **MRTA tender outcome** (~₹1 lakh crore) — a competitive loss here would be a first meaningful crack in HAL's complete-aircraft monopoly.

Key risks to be aware of

- **Engine-supply risk (dominant).** HAL's revenue growth and delivery schedule for its most important current and future platforms are hostage to a single foreign engine supplier's production and licensing timelines.
- **Execution/delivery-track-record risk.** A persistent, multi-year pattern of schedule slippage that pre-dates and continues past the engine-supply issue.
- **Valuation risk.** At ~35x trailing earnings, limited room for multiple expansion even if execution improves; more room for de-rating if it does not.
- **Disclosure risk.** Segment revenue opacity and an unconfirmed credit rating make it harder than it should be, for a company this size, to independently verify the bull case's details.



Valuation

FY26 PAT of ₹9,116cr on an implied share count of ~66.9cr (market cap ÷ CMP) gives FY26 EPS of ~₹136.3. Applying the disclosed 5-year profit CAGR of 23% as an *indicative* forward-growth proxy (not a management guidance figure) gives a constructed FY27E EPS of ~₹167.7. We apply a target multiple band around, not above, the current trailing multiple (~35x) to reflect the governance and disclosure gaps noted above, rather than assuming further re-rating:

Scenario	Target P/E (FY27E)	FY27E EPS (~)	Target price	Upside/(downside)
Bear	30.0x	167.7	5,031	+2.6%
Base	34.0x	167.7	5,702	+16.2%
Bull	38.0x	167.7	6,373	+29.9%

Base case rounded to ₹5,700. EV/EBITDA cross-check not performed — HAL's net debt/cash position was not independently confirmed in this research pass; treat the P/E-only method as the sole basis here, a limitation rather than a design choice. Third-party targets found in this research (Jefferies ₹6,800, Goldman Sachs ~23% upside, Citi ~22% upside, Nomura ₹5,954) are all dated to approximately August-September 2026 and are more bullish than our base case; we set ours more conservatively given the unresolved governance/disclosure items above.

RECOMMENDATION: BUY, TARGET ₹5,700 (+16.2% FROM ₹4,905, 11 SEP 2026)

Upgrade triggers: a signed GE F414 licensing agreement; two consecutive quarters of Tejas Mk1A deliveries meeting stated targets; independent confirmation of a strong (AAA-equivalent) credit rating. **Downgrade triggers:** a further disclosed delay to Tejas Mk1A or Mk2 timelines; loss of the MRTA tender or another marquee competitive award to a private-sector rival; any adverse CAG or PSC finding specific to HAL's delivery performance.

Financial summary — selected disclosed metrics (₹ crore)

	FY22	FY23	FY24	FY25	FY26
Revenue	24,620	26,927	30,381	30,981	33,089
Operating profit	5,415	6,686	9,752	9,621	9,788
Operating margin	22%	25%	32%	31%	30%
Net profit (PAT)	5,080	5,828	7,621	8,364	9,116

FY25 revenue/operating-profit shown per screener.in; Wikipedia cites ₹33,542cr / ₹10,820cr for FY25 with matching PAT — discrepancy not resolved, both disclosed here.

Selected ratios	FY26
ROCE	32.0%
ROE	24.0%
Dividend yield	0.92%
5-year revenue CAGR	8%
5-year profit CAGR	23%

Balance sheet and cash-flow statements are not reproduced here at full granularity; HAL's net-debt/cash position specifically could not be independently confirmed in this research pass. Source: screener.in (11 Sep 2026), cross-checked against Wikipedia where noted.



DISCLAIMER

Dart Consultants is a market intelligence and technology service provider, not a SEBI-registered Investment Adviser or Research Analyst. This report is educational material only — not investment advice, and not a recommendation to buy or sell any stock. The BUY rating above is an educational device for summarising public information, not a regulated recommendation. The analyst(s) hold no position in, and have no banking, advisory or brokerage relationship with, Hindustan Aeronautics Limited, and have received no compensation from the company.



HOLD

Samvardhana Motherson

Intl.

MOTHERSON

A \$25bn auto-components giant with a genuine aerospace optionality still too small to move the stock

Summary

Samvardhana Motherson is, first and foremost, one of the world's largest auto-components groups — ₹1,26,104 crore of FY26 revenue across wiring harnesses, vision systems, polymer products and a growing list of adjacent verticals. Aerospace sits inside that adjacent-verticals bucket, and by our own calculation from the company's disclosed figures, it was roughly 1.5% of FY25 group revenue (₹1,749cr of ₹1,12,540cr) — real, growing fast (~5x year-on-year in FY25, +37% in H1 FY26), but not yet a business that moves a ₹1.7-1.8 lakh crore market cap on its own.

What makes the aerospace story credible rather than promotional is the order backlog trajectory: a company-disclosed \$1.2 billion backlog in FY24 has risen to \$1.6 billion (~May 2026) and \$1.9 billion (Goldman Sachs, September 2026) — a genuine, accelerating pipeline, built through a string of acquisitions (CIM Tools in Bengaluru, AD Industries and Cirma/SMAST in France) that has made Motherson a confirmed Tier-1 supplier to Airbus commercial aircraft, with named programme content on the A320, Boeing 737 and the LEAP engine family.

None of that changes what actually drives this stock today: over 95% of group revenue still comes from the three core auto-components divisions, and sell-side price targets found in this research disagree enormously — from Citi's ₹115 to ICICI Securities' ₹195, a spread of ₹80 on a ~₹164 stock, with a disclosed consensus around ₹167.57 (Business Today, 7 Aug 2026). Goldman Sachs' own September 2026 note explicitly frames the aerospace/diversification story as management's card to play — a possible standalone listing of a mature vertical in three to four years — rather than something already reflected cleanly in today's numbers.

Net: HOLD. This is a well-run, financially strong diversification story where aerospace is a real, accelerating call option that is not yet — and does not need to be, for the stock to work — the reason to own it.

TARGET PRICE

12-month target	₹172
CMP (11 Sep 2026)	₹164.45
Implied upside	+4.6%
Rating	HOLD

KEY STOCK DATA

Market cap	~₹1,76,000 cr
P/E (TTM)	38-46x (sources vary)
Price/book	4.24x
ROCE / ROE	13.4% / 11.2%
Dividend yield	0.36%
Aerospace backlog	\$1.9bn (Sep 2026)

SHAREHOLDING (~MAY 2026)

Promoter	48.6%
FII	~12.5%
DII / MF / Public	not reconciled — see Notes

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Group revenue	98,692	1,12,541	1,26,104
Aerospace revenue	339	1,749	—
Group PAT	—	3,803	3,860



Investment rationale

- **A confirmed Tier-1 seat at Airbus's table.** Motherson is a Tier-1 supplier to Airbus commercial aircraft via its Bengaluru (CIM Tools) facility, with programme content on the A320 and the LEAP engine family — not a speculative relationship but a disclosed, multi-year contract.
- **The backlog is compounding, not flat.** \$1.2bn (FY24) → \$1.6bn (~May 2026) → \$1.9bn (Sep 2026) is a real trajectory across sequential disclosures, not a single static number repeated.
- **Inorganic build-out gives it scale a pure-play competitor would take years to replicate.** AD Industries alone (France) runs 11 production sites across sheet metal, hydraulics, mechanical assemblies and composites; the aerospace division overall spans 17 facilities across 4 countries with AS9100D and Nadcap certification already in place.
- **Group-level financial strength de-risks the bet.** AAA domestic credit ratings (CRISIL, India Ratings, ICRA) mean the aerospace build-out is being funded from a genuinely strong balance sheet, not stretched financing.
- **Explicit diversification discipline.** Management's own stated goal — no single customer, country or component exceeding 10% of revenue — is a real governance anchor against over-concentration, aerospace included.
- **A stated path to crystallising the value.** Goldman Sachs' September 2026 note references management's own openness to a standalone listing of a mature vertical within three to four years — a potential future catalyst specifically for a business like aerospace once it scales further.

What gives us pause

- **Aerospace is not yet large enough to be an investment thesis on its own.** At ~1.5% of FY25 group revenue, even a doubling of the aerospace segment would move consolidated results only modestly.
- **Analyst targets disagree by more than the stock's entire recent trading range.** An ₹80 spread between Citi's ₹115 and ICICI Securities' ₹195 (both dated ~7 Aug 2026) signals real disagreement on how to value the diversification story, not just rounding noise.
- **P/E itself is disputed between data sources.** Tickertape shows 46.22x; Screener.in shows 38.0-39.59x, both dated 11 Sep 2026 — a wide enough gap that neither should be treated as precise without a primary-source check.
- **Shareholding disclosure pulled in this research was internally inconsistent.** DII holding ranged from 1.34% to 20.67% across sources for the same period — a data-quality gap, not a company disclosure failure, but one that should be resolved against the primary NSE/BSE filing before being relied upon.
- **Modest capital efficiency for a company of this scale.** An 11.2% ROE (3-year average 11.6%) is unremarkable set against the growth narrative being sold around the newer verticals.
- **The Fritzmeier off-highway-cabin JV is a different business and should not be counted as aerospace** — a correction to the record this report makes explicitly, having seen the two conflated in earlier secondary summaries.

Corporate governance assessment

1. Which rules actually apply

Motherson is a full main-board listed company under standard SEBI LODR obligations (Regulations 17-27 in full, no SME exemptions). It is promoter-controlled by the Sehgal family through Vivek Chaand Sehgal (Chairman) and Laksh Vaaman Sehgal, alongside a professional executive layer.

2. What the company does well

The board is a 7-member board with 4 independent directors (57%) — a genuine independent majority, not a bare-minimum compliance figure — including a former SBI Chairman (Dinesh Kumar Khara). The Chairman role is non-executive, with day-to-day executive authority sitting with a separate whole-time director (Pankaj Mital) — Chairman and MD/CEO roles are not



combined. The statutory auditor transition (S.R. Batliboi & Co. LLP through the 40th AGM in 2027, with B S R & Co. LLP already named as successor from 2027-2032) was announced well in advance, a transparent rotation rather than a late scramble. Credit ratings are AAA/Stable domestically across CRISIL, India Ratings and ICRA.

3. Grey areas

At the 39th AGM (30 July 2026), a Section 186 resolution on general corporate lending limits drew roughly 10% institutional opposition — not a defeat, but a real, minority dissent worth noting rather than glossing over. Shareholding-pattern data available to this research showed internal inconsistencies across aggregator sources (see "What gives us pause") that a company of this profile should make easier to verify cleanly. A minor labour-law fine (€65,000) against Spanish subsidiary SMRC Automotive Interiors in 2025 is immaterial in size but is disclosed here for completeness.

4. Red flags

None found in this research. No SEBI enforcement action, no major litigation, and no adverse IiAS/SES/InGovern-style proxy-advisory report specific to Motherson was located. We note explicitly that absence of evidence is not evidence of absence — this reflects what surfaced in the sources reached, not an exhaustive audit of every group subsidiary across the company's many international entities.

5. Items to watch

Confirmation of the exact FY26 aerospace segment revenue figure (not obtained in this research due to document size limits); any concrete step toward the standalone-listing option Goldman Sachs referenced; and resolution of the shareholding-data inconsistencies against a primary filing.

GOVERNANCE CONCLUSION

Good — a well-governed group where the discipline shows up in the numbers. An independent- majority board, transparent auditor succession, and AAA domestic ratings are the right ingredients; the minor dissent at the FY26 AGM and the data-quality gaps in shareholding disclosure belong in careful diligence, not in the discount rate.



SWOT analysis

STRENGTHS

- Confirmed Tier-1 Airbus supplier with AS9100D + Nadcap certification across 17 facilities, 4 countries
- Aerospace backlog compounding: \$1.2bn → \$1.6bn → \$1.9bn (FY24-Sep 2026)
- AAA domestic credit ratings across CRISIL, India Ratings, ICRA
- Independent-majority board (57%), Chairman/MD roles separated
- Explicit <10% customer/country/component concentration discipline

WEAKNESSES

- Aerospace only ~1.5% of FY25 group revenue — immaterial to consolidated results today
- Modest ROE (11.2%, 3-yr avg 11.6%) for the growth narrative attached to the stock
- Shareholding-pattern data inconsistent across sources in this research
- P/E itself disputed between data providers (38x vs 46x)

OPPORTUNITIES

- 2030 group revenue target of \$108bn (from \$25.7bn FY25) implies large runway across all verticals
- Possible standalone listing of a mature vertical in 3-4 years (management-referenced)
- Further Airbus/Boeing programme content wins as the aerospace division scales
- Group capex (~70% of Rs6,000cr FY26/27 capex) skewing toward non-auto growth areas

THREATS

- Auto-sector cyclicality remains the dominant swing factor for group earnings
- Wide analyst target dispersion (₹115-195) signals real market disagreement, i.e. real risk either way
- Aerospace integration risk across multiple recent acquisitions (CIM Tools, AD Industries, Cirma, SMAST)
- Currency/geopolitical exposure given the genuinely global, multi-country manufacturing footprint

Key developments to watch

- **Next aerospace backlog disclosure** — whether the \$1.2bn → \$1.6bn → \$1.9bn trajectory continues at a similar pace.
- **Any concrete step toward a standalone listing** of a mature vertical, as referenced by Goldman Sachs (Sep 2026).
- **CIM Tools equity-conversion completion** (targeted Q1 FY26 per company disclosure) and the further ₹200cr investment into that facility.
- **Resolution of the FY26 full-year aerospace segment revenue figure**, not available at the time of this research.

Key risks to be aware of

- **Auto-sector cyclicality (dominant).** The three core divisions still drive consolidated results; a global auto slowdown would matter far more to this stock than any aerospace news.
- **Valuation-versus-fundamentals gap risk.** Goldman Sachs' own framing suggests the market may be pricing diversification optionality ahead of segment-level proof.
- **Integration risk** across several recent, geographically dispersed aerospace acquisitions.
- **Data-quality risk** — this report's own research found inconsistent shareholding figures across standard aggregators, a reminder to verify against primary filings before trading on any single number.

Valuation

₹ per share unless stated

Because aerospace is ~1.5% of group revenue, we do not attempt a sum-of-the-parts valuation isolating it — the disclosed segment history is too short (two years) and too small to support one responsibly. Instead, given the wide, genuine sell-side disagreement on the group as a whole, we anchor to the disclosed analyst-target set found in this research rather than construct an independent multiple, and show that arithmetic openly:



House	Target price	Dated
Citi	115	~7 Aug 2026
Goldman Sachs	158	2 Sep 2026
JPMorgan	170	~7 Aug 2026
Morgan Stanley	173	~7 Aug 2026
Investec	185	~7 Aug 2026
Jefferies	190	~7 Aug 2026
CLSA	190	~7 Aug 2026
ICICI Securities	195	~7 Aug 2026
Average of the above	172.0	—

Disclosed consensus per Business Today (7 Aug 2026) was ₹167.57; our simple average of the eight targets found in this research is ₹172.0 — close enough to use as a base case. We round our target to ₹172. This is a *consensus-anchored* figure, not an independently derived P/E or EV/EBITDA target — a deliberate choice given how thin the disclosed aerospace-specific financial history is, and given the core auto-components business sits outside this report's sector focus.

RECOMMENDATION: HOLD, TARGET ₹172 (+4.6% FROM ₹164.45, 11 SEP 2026)

Upgrade triggers: disclosed aerospace segment revenue crossing a materiality threshold (e.g. >5% of group revenue) while maintaining current growth and margin trends; a concrete standalone-listing announcement for a mature vertical.

Downgrade triggers: a broad auto-sector demand slowdown; integration problems disclosed at any of the recent aerospace acquisitions; further widening of analyst target dispersion signalling deteriorating visibility rather than converging conviction.

Financial summary — selected disclosed metrics (₹ crore)

	FY24	FY25	FY26
Group revenue	98,692	1,12,541	1,26,104
Group PAT	—	3,803	3,860
Aerospace segment revenue	339	1,749	—
Aerospace order backlog (US\$ bn)	1.2	—	1.9 (Sep 2026)

Full FY26 aerospace segment revenue and full FY26 group PAT (owners' share, ₹3,860cr disclosed) could not be fully cross-checked against a Q4 FY26 investor presentation that exceeded document-size limits in this research pass.

Selected ratios	FY25/26
ROCE	13.4%
ROE	11.2%
Price/book	4.24x
Dividend yield	0.36%
Payout ratio	17.4%

Source: motherson.com investor presentations and press releases; screener.in and Tickertape (11 Sep 2026, figures cross-checked, minor disagreements noted in text). EV/EBITDA not independently obtained in this research pass.



DISCLAIMER

Dart Consultants is a market intelligence and technology service provider, not a SEBI-registered Investment Adviser or Research Analyst. This report is educational material only — not investment advice, and not a recommendation to buy or sell any stock. The HOLD rating above is an educational device for summarising public information, not a regulated recommendation. The analyst(s) hold no position in, and have no banking, advisory or brokerage relationship with, Samvardhana Motherson International Limited, and have received no compensation from the company.



HOLD

Raymond Ltd

RAYMOND

A precision-engineering holding company with a genuinely growing aerospace subsidiary — priced with unusual uncertainty

Summary

The Raymond most investors remember — textiles and suiting — no longer exists in the listed entity carrying this ticker. Two demergers (Raymond Lifestyle, September 2024; Raymond Realty, July 2025) left behind a smaller precision-engineering holding company whose most interesting asset is JK Maini Global Aerospace Ltd (JKMGAL), an unlisted subsidiary formed from the November 2023 acquisition of Maini Precision Products — a genuine two-decade Safran/GE/Honeywell/Eaton Aerospace supplier on programmes including LEAP, CFM56, GE90 and V2500.

The aerospace segment's own numbers are real and growing: ₹392 crore FY26 revenue (+26% YoY) at a 22.3% segment EBITDA margin, backed by a disclosed ten-year order book of over ₹5,960 crore — more than 15 times FY26 aerospace revenue. That is a genuinely attractive growth-and-visibility combination. It sits, however, inside a company whose Precision Technology & Auto segment (₹1,667cr FY26 revenue) is still nearly four times larger — aerospace is an increasingly important minority of Raymond today, not yet the majority the "pure-play" narrative in some financial media implies.

What genuinely limits confidence in this report's own numbers is data quality, not the business itself: two reputable aggregators showed the same closing price on the same day (11 Sep 2026) with market caps of ₹6,676cr and ₹4,280cr respectively — a gap consistent with disagreement over the exact post-demerger share count, not a rounding difference. This report could not independently confirm Raymond's current board composition, statutory auditor, or any formal credit rating either — gaps unusual for a company of this profile, and ones a reader should resolve before acting on this report's own valuation arithmetic below.

Net: HOLD. The aerospace subsidiary's growth is real and well-evidenced; the stock's own valuation arithmetic is currently harder to pin down with confidence than almost any other name in this report.

TARGET PRICE

12-month target	~₹950
CMP (11 Sep 2026)	₹1,003
Implied upside	~(5.3)%
Rating	HOLD

KEY STOCK DATA

Market cap	₹6,676cr or ₹4,280cr — see Notes
P/E (TTM)	39.7x (Screener) — Tickertape shows an implausible 0.80x
Book value/ share	₹427
52-week range	₹320-1,024.50
Credit rating	not found

SHAREHOLDING (JUN 2026)

Promoter	~39-49% — sources conflict, see Notes
FII	7.89%

FINANCIAL SNAPSHOT (₹ CR)

	FY25	FY26
Consolidated revenue	2,105	2,312
Aerospace (JKMGAL) revenue	311	392
Aerospace EBITDA margin	—	22.3%



Investment rationale

- **A real, two-decade aerospace supplier, not a recent pivot.** The underlying Maini Precision business has supplied Safran/Snecma since 2005 and counts GE Aviation, Honeywell, Eaton Aerospace, Parker, Pratt & Whitney and Woodward among its customers, across LEAP, CFM56, GE90 and V2500 engine programmes.
- **Order-book coverage most peers in this report cannot match.** A disclosed ₹5,960cr+ ten-year aerospace order book is more than 15x FY26 aerospace segment revenue, plus a further ₹1,632cr active RFQ pipeline.
- **Fast, disclosed segment growth.** Aerospace revenue +26% YoY (FY26) at a 22.3% margin (25.5% in Q4 FY26) — both the growth rate and the margin trend are moving the right direction.
- **New, dedicated capacity being built specifically for aerospace.** A ₹510cr investment in a 47-acre Gudipalli, Andhra Pradesh campus (~1,400 projected jobs) alongside the existing 10,500 sqm Bengaluru facility.
- **A cleaner corporate structure than it looks at first glance.** Post-demerger, Raymond Ltd is now genuinely a precision-engineering-and-aerospace holding company rather than a textile business with an unrelated side venture — the market has not obviously finished re-rating this shift.

What gives us pause

- **Aerospace is still the minority segment.** Precision Technology & Auto (₹1,667cr FY26) is roughly 4x the size of the Aerospace & Defence segment (₹392cr) — the "pure-play aerospace" framing promoted in some financial media is ahead of the actual revenue mix.
- **Basic stock data disagrees enough to matter.** A ~₹2,400cr gap in market capitalisation between two same-day data sources, and an implausible 0.80x P/E on one of them, suggests a share-count reconciliation problem this report could not resolve independently.
- **No board, auditor, or credit-rating confirmation.** This research could not access Raymond's investor-relations pages in usable form, and found no CRISIL/ICRA/CARE/India Ratings coverage — an unusual governance-visibility gap for a company of this scale.
- **No independent sell-side coverage found.** The bullish "pure-play" narrative circulating in financial media appears in unattributed pieces that read more like promotional content than signed broker research — this report found no named house (Motilal Oswal, ICICI Securities, Jefferies, etc.) with a published target on Raymond.
- **Historical consolidated PAT figures are distorted by demerger gains** (FY25 PAT of ₹7,636cr per one source is almost certainly one-off-driven) and are not usable as a like-for-like earnings trend.

Corporate governance assessment

1. Which rules actually apply

Raymond Ltd is a full main-board listed company under standard SEBI LODR obligations. This research could not confirm current board composition or the identity of the statutory auditor — Raymond's investor relations site did not serve usable content to automated research tools in this pass. This is a real gap in this report, not a statement that anything is wrong; it should be closed by consulting Raymond's FY26 Annual Report or BRSR filing directly before relying on this section further.

2. What the company does well

The underlying aerospace business has a two-decade customer relationship history with Safran (since 2005) predating Raymond's 2023 acquisition — a genuine, long-lived industrial relationship rather than a freshly-won contract. The company has been transparent about disclosing aerospace segment revenue and margin separately from its Precision Technology & Auto segment, which is more granular than several other diversified names in this report manage.



3. Grey areas

The demerger sequence (Raymond Lifestyle 2024, Raymond Realty 2025) has left share-count and market-cap data genuinely unsettled across data providers as of this research — not necessarily a company failing, but a real transitional-period data-quality issue a governance-conscious investor should not paper over. The promotional tone of some financial-media coverage of the aerospace story, without a matching signed sell-side research note, is a second grey area worth naming plainly.

4. Red flags

None identified as misconduct — but this report explicitly could not verify board composition, auditor identity, or any credit rating, which is a disclosure-completeness flag in its own right rather than evidence of a problem. Absence of evidence is not evidence of absence; this specific gap should be closed directly against primary filings before this section is treated as reassuring.

5. Items to watch

Direct confirmation of board composition and statutory auditor from the FY26 Annual Report; any initiation of formal sell-side coverage; and resolution of the market-cap/share-count discrepancy against an NSE/BSE filing.

GOVERNANCE CONCLUSION

Cannot be fully assessed on the evidence available — treat as a disclosure gap, not a clean bill of health. The business fundamentals disclosed are genuinely encouraging; the inability to verify board, audit, and rating basics belongs squarely in the valuation's uncertainty band, not glossed over.

SWOT analysis

STRENGTHS

- Two-decade Safran relationship (since 2005) via the Maini Precision heritage business
- Aerospace order book >15x FY26 aerospace segment revenue
- 26% YoY aerospace segment revenue growth at a 22.3% margin, both improving
- New dedicated Andhra Pradesh capacity (₹510cr, ~1,400 jobs) plus existing Bengaluru facility

WEAKNESSES

- Aerospace still ~4x smaller than the Precision Technology & Auto segment
- Board, auditor and credit-rating data could not be verified in this research
- No independent, named sell-side coverage found
- Historical consolidated PAT distorted by one-off demerger gains

OPPORTUNITIES

- Further conversion of the ₹1,632cr RFQ pipeline into firm orders
- Market re-rating as the post-demerger "what Raymond actually is now" story becomes better understood
- Broader adoption of preferred-supplier status across "top three" engine OEMs (per company disclosure)

THREATS

- Market-cap/share-count data uncertainty could resolve unfavourably for current holders
- Continued absence of independent analyst scrutiny leaves the story reliant on company disclosure alone
- Precision Technology & Auto segment (auto/EV exposure) carries its own distinct cyclicality

Key developments to watch

- **Resolution of the market-cap/share-count discrepancy** against a primary NSE/BSE filing.
- **Initiation of named sell-side coverage**, which would materially improve this stock's price discovery quality.
- **Progress converting the ₹1,632cr RFQ pipeline** into confirmed orders.
- **Gudipalli, Andhra Pradesh campus construction milestones** against the stated ₹510cr investment.



Key risks to be aware of

- **Data-quality risk (dominant for this name specifically).** Until share count and market cap are independently confirmed, any per-share valuation carries wider-than-usual error bars.
- **Segment-mix risk.** A re-rating premised on "pure-play aerospace" could reverse if the market re-focuses on the still-larger Precision Technology & Auto segment's own cyclicalities.
- **Governance-visibility risk.** Unverified board/auditor/rating basics are a real limitation on external accountability, independent of whether anything is actually wrong.

Valuation

₹ per share unless stated

Combined FY26 segment EBITDA (Aerospace ₹88cr + Precision Technology & Auto ₹223cr) is approximately ₹311cr — broadly consistent with one source's ₹335cr consolidated EBITDA figure. We do not have a reliable net-debt figure, so we approximate EV≈market capitalisation, itself disputed (see Notes) — we use the higher, Screener-sourced ₹6,676cr figure and its implied ~6.66cr share count as the more internally consistent of the two (its P/E and book-value figures reconcile with each other; Tickertape's do not):

Scenario	EV/EBITDA multiple	Implied EV (₹cr)	Per-share (₹)	Upside/(downside)
Bear	14x	4,354	654	(34.8)%
Base	18x	5,598	841	(16.2)%
Bull	24x	7,464	1,121	+11.8%

This table alone would suggest the stock is priced for a re-rating beyond even our bull case. Given the genuine, disclosed growth quality (26% YoY, 22.3% margin, 15x order-book coverage), we do not go as far as this arithmetic implies and instead set a target modestly below CMP, weighting the possibility that the true share count is closer to the Tickertape reading (which would materially change every number in this table) — this is a lower-confidence valuation than any other in this report, and should be treated as such.

RECOMMENDATION: HOLD, INDICATIVE TARGET ~₹950 (~(5.3)% FROM ₹1,003, 11 SEP 2026)

Upgrade triggers: confirmation of the true post-demerger share count in a way that resolves the EV/EBITDA table above favourably; initiation of named sell-side coverage; aerospace segment crossing 30%+ of consolidated revenue while sustaining current growth. **Downgrade triggers:** confirmation of the higher share count without offsetting EBITDA growth; any disclosed governance issue given the currently unverified board/auditor picture; a slowdown in the RFQ-to-order conversion rate.

Financial summary — selected disclosed metrics (₹ crore)

	FY25	FY26
Consolidated revenue	2,105	2,312
Aerospace & Defence (JKMGAL) revenue	311	392
Aerospace EBITDA	—	88
Precision Technology & Auto revenue	—	1,667
Precision Technology & Auto EBITDA	—	223

Consolidated PAT is not shown here: available figures (e.g. FY25 PAT of ₹7,636cr per one aggregator) are dominated by one-off demerger-related gains and are not representative of underlying operating earnings. We do not model a "clean" PAT figure we cannot source directly, per this report's methodology.



Source: D2C Insider Pulse (Raymond FY26 results summary); Business Standard, Deccan Herald, api.raymond.in (acquisition and demerger history); Screener.in and Tickertape (11 Sep 2026, stock data — see disagreement noted throughout this report).

DISCLAIMER

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SELL

Sigma Advanced Systems

SIGMAADV

A genuine aero-engine and defence-electronics business, wrapped in the fastest, least-tested corporate history in this report

Summary

Strip away the corporate history and there is a real business here: Sigma Advanced Systems Pvt Ltd, a Hyderabad avionics and defence-electronics firm with roots reported anywhere from 1994 to 1999, plus two genuine UK acquisitions — Nasmyth Group (£17.8m, ~500 employees, ~£60m revenue, supplies Rolls-Royce, Boeing, Airbus, GE Aerospace, Safran) and Bromford Precision Solutions (£11.89m, aero-engine rings/casings, Rolls-Royce and Siemens approved) — that give it real, Nadcap-adjacent aerospace manufacturing capability in two countries, and two Rolls-Royce long-term agreements (£300m and a further £125m) that are not in dispute.

What is unusual, and what this report cannot look past, is how the public company came to exist. This is not an IPO. Sigma became listed through an NCLT-sanctioned reverse merger into Megasoft Limited, a 27-year-old, near-zero-revenue dormant telecom-billing shell, completed 31 December 2025 and rebranded in early 2026 (sources disagree on the exact rebrand date: 12 January vs 9 February). The controlling promoter group, Chintalapati Holdings, acquired its 46.31% stake entirely through the share-swap mechanics of that merger — not through open-market conviction buying — and total promoter holding jumped from 35% to 71% in a single quarter as a direct result.

The FY26 numbers that the ~₹832 share price is being valued against are dominated by one-off gains: a ₹184.64cr land-sale gain and a ~₹137.6cr gain on divesting a stake in Extrovis AG, not by underlying operating profit. The BSE itself issued a formal query on unusual volume and price movement in May 2026. Independent analysis found in this research states its conclusion plainly: "watch, not buy, until at least two to three quarters of FY27 results" provide a clean read.

Net: SELL. The underlying manufacturing assets may well be good; the stock, at ~48-95x P/E on earnings that are substantially one-off, priced by a market that has not yet seen a single clean full year of consolidated results, is not.

TARGET PRICE

12-month target	₹450
CMP (11 Sep 2026)	₹832
Implied downside	(45.9)%
Rating	SELL

KEY STOCK DATA

Market cap	₹15,811cr or ₹13,071cr — see Notes
P/E (TTM)	48.8-95.1x (sources vary)
Book value/share	₹26.6
Debtor days	270
Listing route	NCLT reverse merger, eff. 31 Dec 2025

SHAREHOLDING

Promoter (Jul 2026)	66.24%
Promoter (Mar-Jun 2026)	71.22%
Promoter (Dec 2025, pre-merger)	35.07%

FINANCIAL SNAPSHOT (₹ CR)

	FY25	FY26
Revenue	107.4	491.9
Net profit	(14.0)	268.0

FY26 profit dominated by one-off gains — see text



Investment rationale

- **Genuine aero-engine manufacturing capability, not a paper asset.** Nasmyth Group is a ~75-year-old UK precision aerospace manufacturer with ~500 employees and disclosed Rolls-Royce, Boeing, Airbus, GE Aerospace and Safran customer relationships predating the acquisition.
- **Two confirmed, sizeable Rolls-Royce long-term agreements.** A £300m 7-year LTA (April 2026) and a further £125m (~\$170m) agreement for engine rings/casings (August 2026), dual-sourced from India and UK — a combined ~£425m of disclosed contracted value.
- **A genuinely broad defence-electronics product base.** Missile sub-systems, naval electronics, avionics, radar/EW, counter-UAS and precision munitions give the underlying business more diversification than a single-platform supplier.
- **Real revenue growth even excluding one-offs.** Standalone Q3 FY26 (pre-Nasmyth consolidation) revenue grew 50.6% YoY — a genuine, if smaller-scale, operating improvement independent of the headline one-off-driven profit figure.

What gives us pause

- **This is a reverse merger into a dormant shell, not an IPO.** The public company's entire listed history is nine months old at the time of this report, and its 71%+ promoter stake was acquired via a fixed share-swap ratio, not open-market purchase at a market-tested price.
- **FY26 "profit" is substantially one-off.** A ₹184.64cr land-sale gain and a ~₹137.6cr Extrovis AG stake-divestment gain, not operating earnings, explain most of the swing from a FY25 loss to a large FY26 profit. Third-party analysis (Tijori Finance) explicitly flagged this.
- **The exchange itself flagged the stock.** BSE issued a formal query on unusual volume and price movement in May 2026 — a direct, exchange-level governance signal, not a third-party opinion.
- **The promoter's controlling individual carries a disclosed, if ultimately overturned, regulatory history.** Chintalapati Srinivasa Raju was found by SEBI to have committed insider trading in the Satyam-era scandal (2009); the Supreme Court of India overturned that finding in 2018. Given his current 46.31% direct stake, this is a material disclosure point regardless of the final legal outcome.
- **The deal pace itself is a flagged risk.** Three acquisitions across two continents inside 14 months is the kind of integration load that, per independent analysis cited in this research, has historically caused significant operational disruption at a meaningful base rate for comparable cross-border precision-engineering deals.
- **At least one program attribution is disputed.** A claimed Barak-8 (LRSAM/MRSAM) contract has been publicly questioned by at least one independent commentator, who suggests the work may actually belong to a different company (Cyient DLM) and questions whether Sigma holds the specific Nadcap Circuit Card Assembly certification the work would require. This report could not resolve the dispute either way.
- **Basic governance facts remain unverified.** Full board roster, independent-director percentage and statutory auditor identity could not be confirmed in this research.

Corporate governance assessment

1. Which rules actually apply

Sigma Advanced Systems is a full main-board listed company (via the Megasoft shell) under standard SEBI LODR obligations — there is no SME exemption here. The company's public-market history under its current identity, however, is only months old, which matters for how much weight its early disclosures should carry relative to a company with a multi-year listed record.



2. What the company does well

The underlying private operating business (pre-merger) has a genuine multi-decade history in defence electronics, and the Nasmyth and Bromford acquisitions bring real, independently-verifiable UK aerospace manufacturing credentials (AS9100 certification, disclosed OEM customer lists) rather than unverifiable claims. CEO Sunil Kumar Kalidindi and Whole-Time Director Cheemarla Damodar Reddy (37+ years defence/ aerospace experience) give the company visible, named operational leadership.

3. Grey areas

The scheme's fixed 316:100 share-swap ratio, decided independent of any market price for the private company, is a legitimate but unusual mechanism for establishing control — one this report treats as worth pricing, not treating as equivalent to open-market accumulation. The promoter's Satyam-era regulatory history (overturned finding, per §"what gives us pause") sits in this category: legally resolved, but a fact a governance-conscious investor should know given his current stake size. Two further share-issuance events (a ~₹460cr preferential raise, June 2026; the AS Strategic stake increase to 76%, June 2026) within six months of the initial merger closing are, individually, ordinary corporate actions, but their pace and clustering are worth noting together.

4. Red flags

The BSE's own formal query on unusual volume/price movement (May 2026) is the clearest, most direct red flag in this report — an exchange-level signal, not a third-party opinion. We also flag, without resolving, the disputed Barak-8 program attribution (see previous page) as a specific, checkable claim that should not be repeated as fact until confirmed directly against Sigma's own disclosures. Finally, the FY26 profit figure's dependence on one-off gains, flagged independently by Tijori Finance, is functionally an earnings-quality red flag even though nothing about the underlying transactions appears improper on their own terms.

5. Items to watch

Whether FY27 delivers the "two to three clean quarters" independent analysis says is the minimum bar before this valuation can be trusted; resolution of the Barak-8 attribution dispute; confirmation of full board composition and statutory auditor; and whether the BSE's query resulted in any further regulatory follow-up.

GOVERNANCE CONCLUSION

Too early to call clean, and specific enough red flags to call it cautionary. This is not a finding of wrongdoing — it is a finding that the public record does not yet support the confidence a ₹15,800cr (or ₹13,070cr) market capitalisation implies. The governance discount belongs squarely in the valuation below, not in a footnote.



SWOT analysis

STRENGTHS

- Genuine UK aero-engine manufacturing assets (Nasmyth, Bromford) with disclosed blue-chip customers
- Two confirmed Rolls-Royce LTAs, combined ~£425m disclosed value
- Broad defence-electronics product base across missiles, naval, avionics, radar/EW, counter-UAS
- Named, experienced operational leadership (Kalidindi, Damodar Reddy)

WEAKNESSES

- Nine-month public listed history via reverse merger, not an IPO
- FY26 profit substantially one-off (land sale + equity divestment gains)
- 270 debtor days — a working-capital/earnings-quality concern
- Board roster and statutory auditor unverified

OPPORTUNITIES

- Further Rolls-Royce and other OEM contract wins building on the Nasmyth/Bromford platform
- India-UK dual-sourcing model as a genuine structural differentiator if execution proves out
- Domestic MoD/PSU order growth (BDL, HAL, DRDO relationships disclosed)

THREATS

- BSE query outcome and any further regulatory scrutiny
- Integration risk across three acquisitions in 14 months, two continents
- Disputed Barak-8 attribution, if resolved unfavourably
- A de-rating if FY27 results show the one-off-adjusted earnings base is much smaller than implied

Key developments to watch

- **FY27 quarterly results** — the specific bar independent analysis has set before this valuation can be trusted.
- **Resolution of the Barak-8 program attribution dispute.**
- **Any follow-up to the BSE's May 2026 volume/price query.**
- **Funding source and timeline for the announced but reportedly unfunded ~₹450cr expansion capex.**

Key risks to be aware of

- **Earnings-quality risk (dominant).** Current profitability is not representative of sustainable operating earnings.
- **Listing-structure risk.** A reverse merger carries different disclosure and track-record dynamics than a conventional IPO, and this one is genuinely untested.
- **Integration risk** across three acquisitions in 14 months.
- **Concentration-of-control risk** given the promoter's 66-71% stake acquired via share swap.

Valuation

₹ per share unless stated

We deliberately do not value this stock off FY26 reported PAT (₹268cr), since roughly ₹322cr of that period's other income is one-off (land sale + Extrovis AG divestment) and would, if excluded, imply a core operating loss or near-breakeven result for the period. Instead we anchor to the cleaner, pre- Nasmyth standalone run-rate: Q3 FY26 standalone net profit of ₹13.01cr, annualised (~4x) to ~₹52cr, using Screener's implied share count (market cap ÷ price ≈ 19.0cr shares):

Scenario	Target P/E, on annualised clean PAT	Implied PAT (₹cr)	Per-share (~)
Bear	25x	52	68
Base	40x	52	109
Bull (assumes full Nasmyth/Bromford contribution materialises)	—	~150-200 (indicative, unconfirmed)	~₹300-420 (indicative)



Even our bull case, generously assuming the UK acquisitions add ₹100-150cr of clean, annualised PAT on top of the standalone base (an *indicative* construction, not a disclosed consolidated forecast), does not approach the current ₹832 share price. We set our target at ₹450 — above even this generous bull case — solely to reflect that the underlying assets (Nasmyth, Bromford, the Rolls-Royce LTAs) have real, disclosed value that a pure "clean earnings" multiple may understate during an integration period, while still requiring a substantial correction from current levels.

RECOMMENDATION: SELL, TARGET ₹450 ((45.9)% FROM ₹832, 11 SEP 2026)

Upgrade triggers: two to three consecutive quarters of consolidated results showing genuine operating profit (not one-off income); resolution of the BSE query with no adverse finding; independent confirmation of the Barak-8 program and full board/auditor disclosure. **Downgrade triggers (i.e., further caution warranted):** any adverse regulatory action following the BSE query; confirmation that the Barak-8 dispute resolves against the company; further large one-off gains substituting for operating profit in FY27.

Financial summary — selected disclosed metrics (₹ crore)

	FY25	FY26 (consolidated)
Revenue from operations	107.4	491.9
Net profit	(14.0)	268.0
— of which, land-sale gain	—	~184.6
— of which, Extrovis AG divestment gain	—	~137.6
Total equity	—	~468
Total assets	—	~1,059
Debtor days	—	270
<i>Standalone Q3 FY26 (pre-Nasmyth): revenue ₹28.59cr (+50.6% YoY), net profit ₹13.01cr (+158.2% YoY) — the cleaner run-rate used in the Valuation section.</i>		

Source: Screener.in; substack analyses (manthanrastogi, asymmetricequities) cross-referencing NCLT filings and company disclosures; Business Standard/airforce-technology.com (Rolls-Royce contracts); all dated September 2026 research.

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HOLD

Unimech Aerospace

UNIMECH

A genuine niche in engine and airframe tooling, priced already above the one broker target this report could find

Summary

Unimech makes the jigs, fixtures, engine-handling tools and ground-support equipment that let LEAP, Pratt & Whitney and Rolls-Royce engine programmes — and Airbus and Boeing airframe lines — be built repeatably. This is a genuinely specialised, high-margin niche: 155+ CNC machines, ~6,000 SKUs, and a listing-day pop (+86-90%) in December 2024 that has, unusually for a hot IPO, been modestly extended rather than given back over the following twenty months.

FY26 was a real stress-test and the company mostly passed it: US tariff measures caused a sharp Q3 FY26 trough (PAT fell to just ₹2.4cr) before recovering to ₹26.1cr in Q4 and ₹28cr in Q1 FY27 — genuine cyclical, genuinely recovered from, not glossed over. CRISIL upgraded its outlook to Positive in March 2025 and ICRA upgraded the company a full notch (A to A+) around the same time.

What keeps this at HOLD rather than BUY is concentration and price. CRISIL's own rationale flags over 85% of revenue from just three customers as of the DRHP period; even the broader "18 customers" figure disclosed for FY26 is a narrow base for an ~₹8,000+ crore market cap. The stock, at ₹1,610, already trades above the ₹1,530 target that the one broker covering it (Motilal Oswal) published in July 2026. Two unexplained items from this research — a small September 2026 stake purchase in an unrelated company and the simultaneous departure of five senior managers the same day — are not necessarily concerning on their own, but neither is currently explained in the public record.

Net: HOLD. The niche is real and the turnaround from the FY26 tariff shock is genuine; the price already captures it.

Investment rationale

- **A genuinely scarce niche.** Aerospace tooling for LEAP, Pratt & Whitney, Rolls-Royce engine programmes and Airbus/Boeing airframe lines is a small, specialised layer of the value chain most peers in this report do not touch.
- **A real, verified track record through a real stress test.** FY26's tariff-driven order deferrals caused a genuine Q3 trough (PAT ₹2.4cr) followed by a genuine Q4/Q1 FY27 recovery (₹26.1cr, then ₹28cr) — this is evidence of resilience, not just a growth story that has never been tested.
- **Improving credit profile.** CRISIL outlook revised Stable → Positive (March 2025); ICRA upgraded A → A+ around the same time, alongside a February 2025 Bengaluru Aerospace SEZ facility expansion (+50% space).

TARGET PRICE

12-month target	₹1,530
CMP (~11 Sep 2026)	₹1,610
Implied downside	(5.0)%
Rating	HOLD

KEY STOCK DATA

Market cap	₹8,195cr
P/E (TTM)	114x
Price/book	11.1x
Credit rating	CRISIL A-/Positive; ICRA A+

SHAREHOLDING (JUN 2026)

Promoter	79.82%
DII	5.60%
FII	0.43%
Public	14.16%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	209	243	240-288*
PAT	58	83	63



- **Order-book recovery.** Roughly tripled to ~₹314cr by mid-2026 from ~₹100cr a year earlier.

What gives us pause

- **Severe customer concentration, by the rating agency's own admission.** CRISIL's rationale states over 85% of revenue came from just three customers as of the DRHP period; FY26's "18 large customers" is better but still narrow.
- **Priced above the one analyst target this research could find.** Motilal Oswal's July 2026 ₹1,530 Buy target already sits below the ₹1,610 the stock traded at in this research's own price check.
- **Two unexplained September 2026 disclosures.** A ₹2.999cr stake purchase in an unrelated company ("Dheya Engineering") and the simultaneous departure of five senior managers, both dated 7 September 2026, with no stated reason found for either.
- **Revenue figures for FY26 disagree between sources** (₹240cr vs ₹287.5cr) even though the PAT figure is consistent (~₹63cr) — a data-quality wrinkle worth resolving before treating either figure as precise.
- **Statutory auditor and full litigation history could not be confirmed** in this research.

Corporate governance assessment

1. Which rules actually apply

Unimech is a full main-board listed company under standard SEBI LODR obligations following its December 2024 IPO — no SME exemptions apply.

2. What the company does well

The board is a ten-member board with five independent directors (50%, meeting the SEBI LODR minimum for a board with a non-independent Chairman), including a woman independent director (Vidya Rajarao). Six board committees are in place. Both CRISIL and ICRA have upgraded their view of the company within the past 18 months — an improving, not deteriorating, external credit assessment.

3. Grey areas

Customer concentration remains high enough that CRISIL itself names it as a rating weakness. The elongated working-capital cycle (~200 days gross current assets per CRISIL) is a genuine, disclosed operating characteristic of the tooling business, not a red flag in itself, but worth monitoring.

4. Red flags

Two specific, unexplained items from 7 September 2026 — a small acquisition of a stake in an unrelated company and the simultaneous departure of five senior managers — are flagged here as items requiring direct follow-up with company disclosures, not as confirmed problems. We state explicitly: absence of a stated reason is not evidence of wrongdoing, but the simultaneous timing of both disclosures at a company of this size is unusual enough to name plainly rather than omit.

5. Items to watch

Any company explanation for the 7 September 2026 management departures; resolution of the FY26 revenue figure discrepancy; confirmation of the statutory auditor's identity; further customer-base broadening beyond the current 18 large customers.

GOVERNANCE CONCLUSION

No confirmed problems, but two unexplained items deserve a direct answer before this section can be called clean.

The credit-rating trajectory and board structure are genuinely reassuring; the September 2026 disclosures are not, on their own, disqualifying, but they belong in the valuation's uncertainty band until explained.



SWOT analysis

STRENGTHS

- Specialised, scarce niche: tooling for LEAP, Pratt & Whitney, Rolls-Royce, Airbus, Boeing programmes
- Demonstrated resilience through a real FY26 tariff-driven stress test
- Improving credit ratings (CRISIL Positive outlook, ICRA upgrade) within the past 18 months
- 50% independent board, six active committees

WEAKNESSES

- >85% of revenue from 3 customers as of the DRHP period, per CRISIL
- Two unexplained September 2026 disclosures (stake purchase, 5-manager exodus)
- Statutory auditor and full litigation history unverified
- FY26 revenue figures disagree between sources

OPPORTUNITIES

- Order book tripling to ~₹314cr signals real near-term demand recovery
- Diversification into nuclear-sector and Saudi Arabia JV tooling (unverified scale, but directionally reduces aerospace-only concentration)
- Further capacity utilisation improvement from the current ~50% level

THREATS

- Further global trade-policy shocks given demonstrated tariff sensitivity
- Any negative resolution of the unexplained September 2026 items
- Valuation already above the sole analyst target found in this research

Key developments to watch

- **Company explanation, if any, for the 7 September 2026 management departures and Dheya Engineering stake purchase.**
- **Capacity utilisation trend** from the current ~50% level following the Feb 2025 SEZ expansion.
- **Further analyst coverage initiations**, which would help resolve the current single-broker target problem.

Key risks to be aware of

- **Customer concentration (dominant).** A small customer base drives the overwhelming majority of revenue.
- **Valuation risk.** Trading above the only disclosed analyst target found.
- **Trade-policy sensitivity**, demonstrated directly in FY26.
- **Governance-disclosure risk** from the two unexplained September 2026 items.

Valuation

₹ per share unless stated

We adopt Motilal Oswal's own published methodology (Buy, ₹1,530 target, ~50x FY28E EPS, 16 July 2026) as our base case rather than construct an independent multiple, given this is the only named sell-side coverage this research could locate and its methodology is disclosed and reasonable:

Scenario	Basis	Target price	Upside/(downside)
Bear	Further customer-concentration event or trade-policy shock	1,200	(25.5)%
Base	Motilal Oswal's own target (~50x FY28E EPS, Jul 2026)	1,530	(5.0)%
Bull	Customer base broadens materially, re-rating continues	1,850	+14.9%

Our base case is deliberately the disclosed broker figure, not an independently constructed one, given the quality of the underlying disclosed methodology. Note this base case already implies mild downside from the current price.



RECOMMENDATION: HOLD, TARGET ₹1,530 ((5.0)% FROM ₹1,610)

Upgrade triggers: customer base broadening meaningfully beyond the current 18 large names; company explanation for the September 2026 items that resolves cleanly; further credit-rating upgrades. **Downgrade triggers:** any adverse development connected to the unexplained September 2026 items; renewed tariff/trade-policy disruption; loss of any of the three historically dominant customers.

Financial summary — selected disclosed metrics (₹ crore)

	FY22	FY23	FY24	FY25	FY26
Revenue	36	94	209	243	240*
Operating profit	8	35	79	92	76
Net profit	3	23	58	83	63

**A separate source cites FY26 revenue of ₹287.5cr with EBITDA ₹75.1cr — not reconciled with Screener's ₹240cr/₹76cr; PAT of ~₹63cr agrees closely across both.*

Source: Screener.in (11 Sep 2026); CRISIL rating rationale (11 Mar 2025); vmpl.scnwire.com FY26 results commentary; Business Standard (various 2025-26 dates).

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SELL

Bharat Forge Ltd

BHARATFORG

A world-class forgings franchise where aerospace is a genuine but tiny bright spot inside a cyclical, richly-valued whole

Summary

Bharat Forge is India's largest forgings exporter, and its aerospace business is real: a first-ever Indian supplier relationship with Embraer for landing-gear forgings, an extended Rolls-Royce Pearl 10X engine-blade partnership, and new FY26 wins with Pratt & Whitney Canada and Liebherr Aerospace. That business, however, generated just ₹255 crore of FY26 revenue — about 1.5% of ₹16,812 crore consolidated revenue — and is not even a separately reported financial segment; it sits folded into "industrial exports" alongside other businesses.

FY26 was, by the company's own account, a weak year for the core automotive franchise: North American Class-8 commercial-vehicle exports fell 50% year-on-year on cyclical destocking, and standalone revenue fell 5.1%, with standalone PAT down 38% on a large exceptional charge. Aerospace and the separate Defence business (via Kalyani Strategic Systems) were explicitly framed by management as offsetting this softness — a real, if currently small, diversification benefit.

None of that resolves the valuation problem: at a trailing P/E of roughly 92x — more than double the company's own historical range in normal cycles — this stock already prices in a great deal of future aerospace-and-defence success on top of an automotive recovery that has not yet arrived. This research could not locate any named sell-side analyst coverage to cross-check that multiple against.

Net: SELL. The forgings franchise and its aerospace foothold are both genuine; the price already assumes a materially better future than the FY26 numbers, on their own, support.

Investment rationale

- **First Indian supplier to Embraer.** A long-term landing-gear-forgings contract, described by the Chairman as making Bharat Forge "the first supplier-partner to Embraer from India."
- **An extended, named Rolls-Royce relationship.** Engine-blade supply for the Pearl 10X programme.
- **Two new FY26 customer wins** — Pratt & Whitney Canada and Liebherr Aerospace — expanding the customer roster beyond the historical base.
- **Dedicated new capacity coming online.** A landing-gear machining facility inaugurated in Pune during FY26, with a ring mill at Baramati expected H1 CY2027 and new aerospace forging capacity targeted for FY2028.

TARGET PRICE

12-month target	₹1,270
CMP (11 Sep 2026)	₹1,945
Implied downside	(34.7)%
Rating	SELL

KEY STOCK DATA

Market cap	₹92,983cr
P/E (TTM)	92.1x
Price/book	9.71x
Credit rating	CRISIL/ICRA AA+ Stable

SHAREHOLDING (JUN 2026)

Promoter	44.07%
DII	32.18%
FII	15.04%
Public/Govt	8.69%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Consol. revenue	15,682	15,123	16,812
Consol. PAT	910	913	1,089
Aerospace revenue	—	~230*	255



- **A genuinely strong balance sheet and credit profile** (AA+/Stable across CRISIL and ICRA) funding this expansion without excessive leverage.

What gives us pause

- **Aerospace is not yet a segment that shows up in the numbers that matter.** At ~1.5% of consolidated revenue and not separately reported under Ind AS 108, its growth is difficult for an outside analyst to track with precision.
- **The core automotive business had a genuinely bad FY26.** A 50% YoY decline in North American Class-8 CV exports and a 38% drop in standalone PAT are not offset, in scale, by aerospace's growth.
- **Valuation is stretched against the company's own history.** A ~92x trailing P/E is far above Bharat Forge's historical normal-cycle range, and this research found no named sell-side target to cross-check it against.
- **New capacity is not yet generating revenue.** The Baramati ring mill (H1 CY2027) and new forging capacity (FY2028) mean near-term aerospace growth is capacity-constrained regardless of demand.
- **A mixed track record scaling adjacent "new verticals."** Past EV-mobility bets (Tork Motors, Tevva Motors) required impairments and, in Tevva's case, ended in insolvency — a relevant caution on execution risk when scaling any new vertical, aerospace included.
- **Management's own language describes aerospace as "long gestation"** with qualification cycles where "trust compounds over time" — an honest framing that also implies the payoff is not imminent.

Corporate governance assessment

1. Which rules actually apply

Bharat Forge is a full main-board listed company under standard SEBI LODR obligations, promoter- controlled by the Kalyani family through B.N. Kalyani (Chairman & MD) and Amit B. Kalyani (Vice-Chairman & Joint MD).

2. What the company does well

The board carries 5 independent directors on a 10-member board (50%, meeting the LODR minimum). The statutory auditor (B S R & CO LLP) has held the mandate since 2022 with no change and an unqualified FY26 opinion. Regulatory penalties disclosed (four minor NSE/BSE fines, 2023-2026, each for delayed intimations or LODR technicalities, ranging ₹10,000-531,000) were all paid and none reflect a material compliance failure — one was explicitly attributed to a delay in an external government approval (MHA/ DPIIT) beyond the company's control.

3. Grey areas

An independent director (Ravi Kapoor) ceased to serve in September 2025 "due to other professional commitments" — ordinary, but it means CARE's December 2025 rating rationale (referencing an 11-member, 55%-independent board) and this report's own count (10-member, 50%-independent board) reflect genuinely different points in time, not a discrepancy to be alarmed by. A family/succession matter — sub judice dematerialisation of promoter-group physical shares tied to a probate petition — is disclosed in the FY26 Annual Report and is a private family matter, not a company governance failure, but worth knowing.

4. Red flags

None found in the sources reached for this report. No SEBI enforcement action, no major litigation beyond routine tax/customs matters, and no adverse proxy-advisory commentary on Kalyani Group related-party transactions was located. We note this reflects the limits of this research rather than an exhaustive audit of all 34 subsidiaries in the group.

5. Items to watch

Resolution of the family probate matter; whether aerospace ever becomes large enough to be reported as its own segment; and initiation of named sell-side coverage, which would materially help external scrutiny of the current valuation.



GOVERNANCE CONCLUSION

Solid — no confirmed issues, and a management team with a decades-long public track record. The governance discount that matters here is not about misconduct; it is that a company this large, carrying a rich valuation multiple, should have visible sell-side scrutiny that this research could not locate — that gap belongs in the valuation, not the governance score.

SWOT analysis

STRENGTHS

- First Indian Embraer supplier; extended Rolls-Royce Pearl 10X relationship
- New FY26 customers: Pratt & Whitney Canada, Liebherr Aerospace
- AA+/Stable credit ratings across CRISIL and ICRA
- New dedicated aerospace capacity (Pune landing-gear facility) already operating

WEAKNESSES

- Aerospace only ~1.5% of consolidated revenue, not separately reported
- Core automotive business had a genuinely weak FY26 (standalone PAT -38%)
- No sell-side coverage located to cross-check the current valuation
- Mixed execution record scaling adjacent new verticals (Tork/Tevva impairments)

OPPORTUNITIES

- Baramati ring mill (H1 CY2027) and new forging capacity (FY2028) unlock further aerospace growth
- Defence order book (₹10,961cr unexecuted, FY26 year-end) provides a second, distinct growth engine
- Further OEM qualification wins building on Embraer/Rolls-Royce/P&W Canada/Liebherr relationships

THREATS

- Continued automotive cyclicality, especially in North American and European markets
- A valuation correction if aerospace/defence growth disappoints relative to the multiple already paid
- Long qualification cycles mean near-term aerospace revenue growth is inherently capped

Key developments to watch

- **Baramati ring mill commissioning**, expected H1 CY2027.
- **Automotive export recovery**, particularly North American Class-8 CV demand.
- **Whether aerospace becomes a separately reported segment** as it scales.
- **Initiation of named sell-side coverage**, which would materially improve external valuation scrutiny.

Key risks to be aware of

- **Valuation risk (dominant)**. A ~92x trailing P/E with no located sell-side cross-check is the central risk in this report's own SELL call.
- **Automotive cyclicality** continuing to weigh on standalone results.
- **Execution risk** scaling a new vertical, given the company's own mixed record with EV-mobility bets.

Valuation

₹ per share unless stated

FY26 consolidated EBITDA of ~₹2,910cr against an implied EV (market cap + net debt) of ~₹97,447cr gives a current EV/EBITDA of ~33.5x — well above Bharat Forge's normal-cycle historical range. We apply a target EV/EBITDA band that still credits meaningful aerospace/defence optionality without assuming the current multiple is sustained, on an implied share count of ~47.8cr (market cap ÷ CMP):



Scenario	Target EV/EBITDA	Implied EV (₹cr)	Per-share (₹)	Downside
Bear	16x	46,560	882	(54.7)%
Base	20x	58,200	1,127	(42.1)%
Bull	28x	81,480	1,613	(17.1)%

Even our bull case (28x, still a substantial premium to Bharat Forge's historical multiple, crediting significant future aerospace/defence success) implies material downside from ₹1,945. We round our target to ₹1,270, between the bear and base cases, reflecting genuine uncertainty about how quickly the multiple normalises. No named sell-side target was found to cross-check this against — flag this absence explicitly rather than invent a consensus.

RECOMMENDATION: SELL, TARGET ₹1,270 ((34.7)% FROM ₹1,945, 11 SEP 2026)

Upgrade triggers: aerospace revenue crossing a materiality threshold (e.g. 5%+ of consolidated revenue) while sustaining current growth; a clear automotive-export recovery; initiation of sell-side coverage that independently corroborates the current multiple. **Downgrade triggers:** further automotive-export weakness; any disclosed execution problem at the new aerospace facilities; a repeat of the EV-mobility-style impairment pattern in a new vertical.

Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Consolidated revenue	12,910	15,682	15,123	16,812
Consolidated EBITDA margin	13.7%	16.3%	17.94%	17.31%
Consolidated PAT	508	910	913	1,089
Standalone PAT	—	—	1,322	819
Aerospace segment revenue	—	—	~230*	255

**FY25 aerospace revenue is back-calculated from the disclosed 11% FY26 YoY growth rate, not separately stated by the company. CARE's FY25 total-operating-income figure (₹14,999cr) differs from the AR/screener figure (₹15,123cr) by ~₹124cr, not reconciled.*

Source: Bharat Forge Integrated Annual Report FY2025-26; CARE Ratings press release (19 Dec 2025); screener.in (11 Sep 2026).

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SELL

Azad Engineering Ltd

AZAD

Genuinely rare forged-components capability, priced well above where the analysts who cover it think it belongs

Summary

Azad Engineering makes high-precision forged and machined airfoils, blades, engine assemblies and actuators sold to GE Aviation, Honeywell, Eaton, Boeing, Rolls-Royce, Pratt & Whitney and others — alongside a larger Energy and Oil & Gas business (GE, Mitsubishi, Siemens as customers there) that, per available disclosure, still generates roughly 80% of revenue. CARE Ratings' independent assessment places Azad among just four global players in its particular niche, with PBILDT margins consistently above 25% (39.09% in FY26) and a ₹6,500 crore order book — a genuinely rare capability set.

The concern is entirely about price, not the business. At a trailing P/E of 132x, Azad already trades above every disclosed analyst target this research could find: S&P Global's consensus of seven analysts averaged ₹2,534, Univest's most recent published target was ₹2,550, and Trendlyne's two-analyst average was ₹1,900 — all below the ₹2,849 the stock traded at in this research. Working capital has also elongated materially (344 days in FY26 versus 287 in FY25) and gearing nearly doubled (0.18x to 0.30x) funding new capacity.

Net: SELL, anchored to the disclosed sell-side consensus rather than an independently constructed multiple, since genuine analyst coverage exists here and largely agrees the stock is ahead of itself.

TARGET PRICE

12-month target	₹2,534
CMP (11 Sep 2026)	₹2,849
Implied downside	(11.1)%
Rating	SELL

KEY STOCK DATA

Market cap	₹18,400cr
P/E (TTM)	132x
Book value/share	₹237
Credit rating	CARE A; Stable

SHAREHOLDING (JUN 2026)

Promoter	55.84%
FII	13.30%
DII	10.32%
Public	20.53%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Sales	341	457	603
PBILDT margin	34%	36.2%	39.1%
PAT	59	88.5	132.2

Investment rationale

- **One of only four comparable global players, per CARE Ratings' independent assessment** — a genuinely scarce competitive set, not marketing language.
- **Margins that back up the scarcity claim.** PBILDT margin has expanded every year disclosed, reaching 39.1% in FY26 — exceptional for a forged-components manufacturer.
- **A ₹6,500cr order book** providing 5-6 years of revenue visibility per CARE, split roughly ₹3,966cr energy and ₹1,834cr aerospace.
- **Real customer diversification across both aerospace and energy** — Boeing, Rolls-Royce, Pratt & Whitney on one side; GE, Mitsubishi, Siemens, BHEL, Toshiba on the other.



- **Actively expanding capacity** — three to four new dedicated manufacturing facilities commissioned in FY26 for global OEMs.

What gives us pause

- **The stock trades above every disclosed analyst target this research could find.** Three independent trackers (S&P Global consensus, Univest, Trendlyne) all show targets below the current price, by 11-33% depending on the source.
- **Aerospace is the minority of the business.** Roughly 80% of revenue still comes from the Energy and Oil & Gas verticals — the "aerospace" framing understates how much of Azad's fortunes ride on industrial gas-turbine and power-sector demand.
- **Working capital has elongated materially.** 344 days in FY26 versus 287 in FY25, per CARE, driven by inventory build for products under development and newly-commissioned facilities.
- **Leverage nearly doubled in one year.** Gearing rose from 0.18x to 0.30x funding debt-financed capex.
- **Contradictory secondary-source claims on governance red flags** (one aggregator flags a "red" verdict citing pledge-type concerns; another claims a clean record) — this research could not resolve the dispute against a primary filing.
- **A combined Chairman/CEO role** held by the founding promoter is a governance structure worth noting, even though the board otherwise meets independence norms.

Corporate governance assessment

1. Which rules actually apply

Azad Engineering is a full main-board listed company under standard SEBI LODR obligations, following its December 2023 IPO.

2. What the company does well

The board carries 4 independent directors on 8 members (50%), including two women directors. The statutory auditor transitioned from a partnership to an LLP structure (M S K A & Associates LLP, January 2026) while retaining the same ICAI registration and audit relationship — a clean, continuous transition rather than a disruptive change. A ₹700cr QIP (February-March 2025) was executed at only a 1.77% discount to the floor price, a reasonably tight pricing outcome.

3. Grey areas

The Chairman also holds the CEO title — a combined role some governance codes prefer to separate, even where, as here, a separate Managing Director (Murali Raju, non-family) provides some operational counterbalance. Contradictory third-party characterisations of the company's governance quality (one aggregator's "red" forensic-screen verdict versus another's "clean regulatory record" claim) could not be resolved against a primary filing in this research and are reported as an open question, not settled either way.

4. Red flags

A BRSR-disclosed ₹11.49 lakh GST penalty for FY2019-20/2020-21 is minor and administrative in nature. Beyond that, **no confirmed SEBI enforcement action or material litigation was found** — but given the unresolved, contradictory secondary-source claims noted above, we do not treat this as a clean bill of health without a primary-filing check.

5. Items to watch

Resolution of the contradictory governance-screen claims against a primary filing; confirmation of promoter pledge status directly from a BSE encumbrance filing; working-capital-cycle trend in FY27.



GOVERNANCE CONCLUSION

Adequate on the disclosed record, with one open question this report could not close. The combined Chairman/CEO role and the unresolved third-party governance-screen dispute belong in the discount rate alongside the valuation concerns already driving this report's SELL call.

SWOT analysis

STRENGTHS

- One of only 4 comparable global players per CARE's independent assessment
- PBILDT margin expanding every year, reaching 39.1% in FY26
- ₹6,500cr order book, 5-6 years of revenue visibility
- Diversified across aerospace AND energy/oil & gas end-markets

WEAKNESSES

- Aerospace only ~17-21% of revenue — energy/O&G dominates
- Working capital cycle elongated to 344 days (FY26)
- Gearing nearly doubled in one year (0.18x → 0.30x)
- Combined Chairman/CEO role

OPPORTUNITIES

- Further aerospace-specific order wins given the scarcity of comparable global capability
- New facilities commissioned in FY26 ramping to full utilisation
- Reported single-source Mitsubishi hot-section qualification (unverified, but directionally positive if confirmed)

THREATS

- A valuation correction toward the disclosed analyst-consensus range
- Energy/O&G cyclicality given its dominant share of revenue
- Execution risk on the debt-funded capacity expansion given the elongated working-capital cycle

Key developments to watch

- **Working-capital-cycle trend in FY27** — whether the FY26 elongation reverses as new facilities ramp.
- **Resolution of the contradictory governance-screen claims** against a primary BSE filing.
- **Further analyst target revisions** as FY27 results are published.

Key risks to be aware of

- **Valuation risk (dominant).** Every disclosed analyst target found sits below the current price.
- **Energy/O&G cyclicality**, given its ~80% share of revenue.
- **Leverage and working-capital risk** from the debt-funded capacity build-out.

Valuation

₹ per share unless stated

Genuine sell-side coverage exists for Azad, and it clusters below the current price. We anchor to that disclosed consensus rather than construct an independent multiple:

Source	Target price	Dated
S&P Global consensus (7 analysts)	2,534	Sept 2026
Univest	2,550	June 2026
Trendlyne (2 analysts)	1,900	Feb 2026
Average	2,328	—



We set our target at the more recent, larger-sample S&P Global consensus figure (₹2,534) rather than the simple average, since it is both the most current and the broadest-sampled data point found.

RECOMMENDATION: SELL, TARGET ₹2,534 ((11.1)% FROM ₹2,849, 11 SEP 2026)

Upgrade triggers: working-capital-cycle normalisation; confirmed resolution of the governance- screen dispute in the company's favour; aerospace share of revenue rising materially while margins hold. **Downgrade triggers:** further gearing increases without a working-capital improvement; any adverse finding on the disputed governance claims; energy/O&G demand weakness given its dominant revenue share.

Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Sales	252	341	457	603
PBILDT margin	29%	34%	36.2%	39.1%
PAT	8	59	88.5	132.2
Gearing	—	—	0.18x	0.30x
Working capital days	—	—	287	344

Source: CARE Ratings press release (22 Jun 2026, full text); screener.in (11 Sep 2026); S&P Global/Univest/Trendlyne consensus trackers (secondary aggregation, not independently verified against original broker notes).

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SELL

Sansera Engineering Ltd

SANSERA

A genuinely fast-growing aerospace/defence/semiconductor bet still riding on a much larger, richly-valued auto-components base

Summary

Sansera's Aerospace, Defence and Semiconductor (ADS) segment grew 155% year-on-year to ₹315.5 crore in FY26, with an order backlog that reached ₹4,464 crore by March 2026 and FY27 guidance of ₹550-600 crore at 25-30% margins — a genuinely exciting growth vector, run by a dedicated board-level CEO (Hari Krishnan). It is also still only about 9% of Sansera's ₹3,498 crore FY26 revenue; the other roughly 90% remains automotive forgings and machining, 70%+ of it still internal-combustion-engine exposed.

The stock's own disclosed analyst coverage — S&P Global consensus ₹4,011, Univest ₹3,800, Trendlyne ₹2,857.50 — averages well below the ₹4,130 this research found the stock trading at, and Screener.in's own commentary flags an 11.8% ROE as "modest" set against a 69.2x trailing P/E. A confirmed, disclosed US litigation settlement (Metaldyne Powertrain Components, \$2 million, July 2026) was handled transparently but is a reminder that the company operates across jurisdictions with real legal exposure.

Net: SELL, anchored to the disclosed analyst consensus. The ADS growth story is real; the price has run ahead of what the company's own covering analysts think it is worth.

TARGET PRICE

12-month target	₹3,556
CMP (11 Sep 2026)	₹4,130
Implied downside	(13.9)%
Rating	SELL

KEY STOCK DATA

Market cap	₹25,772cr
P/E (TTM)	69.2x
Price/book	8.34x
Credit rating	ICRA AA/Stable; India Ratings AA/Stable

SHAREHOLDING (JUN 2026)

DII	31.04%
FII	21.52%
Promoter	29.21%
Public	18.18%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	2,811	3,017	3,498
ADS segment revenue	—	~124*	315.5
PAT	188	217	327

Investment rationale

- **ADS is genuinely compounding, not just a slide in an investor deck.** 155% YoY revenue growth to ₹315.5cr with an order backlog that grew from ₹3,868cr (Dec 2025) to ₹4,464cr (Mar 2026) in a single quarter.
- **A dedicated board-level executive.** Hari Krishnan's title, Additional Executive Director & CEO – ADS Division, signals real organisational commitment, not a side project.
- **Guided margin expansion.** FY27 ADS guidance of ₹550-600cr at 25-30% margins would be meaningfully above the group's overall 18% FY26 EBITDA margin.
- **An improving balance sheet.** A ₹1,200cr QIP (October 2024) funded the ADS/non-auto capex programme and strengthened leverage, contributing to a credit upgrade (India Ratings, February 2025).



- **Export diversification.** 31% export mix (ICRA) reduces pure-domestic-cycle dependence.

What gives us pause

- **ADS is still ~9% of revenue.** Even at 155% growth, it would take several more years of similar compounding before it meaningfully changes the group's overall economics.
- **The stock trades above every disclosed analyst target this research could find** — a ₹4,130 price against targets ranging ₹2,857.50-4,011.
- **Screeners.in's own flagged concern:** an 11.8% ROE against a 69.2x P/E is an unusually wide gap between return on capital and the multiple investors are paying for it.
- **Automotive/ICE exposure remains dominant and faces a structural transition.** 70%+ of revenue is still auto-ICE, and 2-wheelers alone were 43% of H1 FY26 revenue — both exposed to the EV transition.
- **Customer concentration.** Top-5 customers exceed 50% of revenue per ICRA.
- **A confirmed US litigation settlement** (Metaldyne Powertrain Components, \$2 million, disclosed July 2026) — resolved, but a reminder of genuine cross-border legal exposure.
- **A combined Chairman/MD role** held by the founding promoter (S Sekhar Vasana).

Corporate governance assessment

1. Which rules actually apply

Sansera is a full main-board listed company under standard SEBI LODR obligations.

2. What the company does well

The board carries 4 independent directors on 8 members (50%). The statutory auditor is Deloitte Haskins & Sells, with an ICAI peer-review certificate valid through April 2028 and disclosed unmodified audit opinions. The company disclosed, rather than concealed, its US litigation settlement under SEBI LODR Regulation 30 — transparent handling of a real legal matter, fully discharging the dispute for \$2 million.

3. Grey areas

The combined Chairman & Managing Director role (S Sekhar Vasana) is a structure some governance codes prefer to separate. Promoter shareholding has declined from 36.02% (March 2022) to 29.21% (June 2026) — substantially explained by the October 2024 QIP rather than open-market selling, but a real, multi-year dilution trend worth naming.

4. Red flags

None found beyond the disclosed, already-resolved US litigation matter. No SEBI enforcement action or other material litigation was located. We note this reflects the sources reached in this research, not an exhaustive legal-database search.

5. Items to watch

FY27 ADS segment results against the ₹550-600cr guidance; further promoter shareholding trend; any additional cross-border legal or commercial disputes given the company's international customer base.

GOVERNANCE CONCLUSION

Good — transparent handling of a real legal matter and a properly constituted independent board. The combined Chairman/MD role and the multi-year promoter-dilution trend are worth pricing as modest governance considerations, not treated as red flags.



SWOT analysis

STRENGTHS

- ADS segment +155% YoY, order backlog ₹4,464cr and growing
- Dedicated board-level ADS leadership (Hari Krishnan)
- AA/Stable credit ratings across ICRA and India Ratings, improving post-QIP
- 31% export mix diversifies away from pure domestic-auto-cycle dependence

WEAKNESSES

- ADS still only ~9% of FY26 revenue
- 11.8% ROE against a 69.2x P/E — a flagged valuation-efficiency gap
- Top-5 customer concentration >50% of revenue
- Combined Chairman/MD role

OPPORTUNITIES

- FY27 ADS guidance of ₹550-600cr at 25-30% margins, well above group average
- Further non-auto diversification (semiconductor, medical implants) alongside ADS
- Continued export-mix growth

THREATS

- A valuation correction toward the disclosed analyst-consensus range
- 2W/auto-ICE EV-transition risk given 70%+ revenue exposure
- Further cross-border legal/commercial disputes given the international customer base

Key developments to watch

- **FY27 ADS results** against the ₹550-600cr, 25-30%-margin guidance.
- **New sheet-metal defence/aerospace facility** planned for FY27.
- **Further promoter shareholding trend** following the multi-year decline since 2022.

Key risks to be aware of

- **Valuation risk (dominant)**. Every disclosed analyst target sits below the current price.
- **Auto-ICE/EV-transition risk** given the still-dominant share of revenue.
- **Customer concentration** risk, per ICRA's own rating rationale.

Valuation

₹ per share unless stated

Genuine sell-side coverage exists and clusters below the current price. We average the three targets found rather than pick the most or least bullish:

Source	Target price	Dated
S&P Global consensus	4,011	Sept 2026
Univest	3,800	June 2026
Trendlyne (2 analysts)	2,857.50	May 2026
Average	3,556	—

RECOMMENDATION: SELL, TARGET ₹3,556 ((13.9)% FROM ₹4,130, 11 SEP 2026)

Upgrade triggers: ADS segment meeting or beating FY27 guidance while auto-ICE demand stabilises; ROE improving toward a level more consistent with the current multiple. **Downgrade triggers:** ADS growth deceleration; further 2W/ICE demand weakness; any new cross-border legal or commercial dispute.



Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Revenue	2,338	2,811	3,017	3,498
EBITDA margin	16%	17%	17%	18.1%
PAT	148	188	217	327
ADS segment revenue	—	—	~124*	315.5

**FY25 ADS revenue is back-calculated from the disclosed 155% FY26 YoY growth figure; a prior research pass found ₹145.4cr for what may be a differently-defined period — not reconciled, both reported.*

Source: investywise.com (Q4 FY26 results); screener.in (11 Sep 2026); ICRA rationale (28 Jan 2026); India Ratings (10 Feb 2025, 7 Apr 2026).

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HOLD

Dynamatic Technologies DYNAMATECH

A genuine turnaround story — cleared promoter pledge, upgraded credit, a real Airbus/Boeing/Bell customer base — priced for the turnaround to keep working

Summary

Dynamatic is a rare thing in this report: a documented turnaround, not just a story. As of March 2020, 15.37% of promoter holding was pledged; the company's most recent filing (June 2026) shows that pledge fully cleared. India Ratings has moved the company from BBB+ to A across 2023-2025, an unambiguous upgrade path. Its Aerospace & Defence segment — supplying Airbus (the A220 Hatch Door programme among others), Boeing (P-8, Chinook, F-15EX), Bell Helicopter, Dassault and Deutsche Aircraft — grew 27.6% YoY in FY26 to ₹775.6cr, now 48% of consolidated revenue and, at a 26% segment EBITDA margin, roughly double the group's overall margin.

The company is also mid-transition: shifting hydraulics manufacturing from a loss-making UK subsidiary to India, which produced a ₹27.6cr exceptional charge in FY26 and depressed group net profit to ₹32cr even as revenue grew 15.5%. Customer concentration remains real — the top three India-operation clients are 69% of aerospace segment revenue — mitigated by long-term, renewable five-year contracts.

The valuation reflects how thoroughly the market has priced in this turnaround already: a 140x trailing P/E on currently-depressed group earnings. No named sell-side analyst target could be found in this research to independently corroborate that multiple.

Net: HOLD. The turnaround is genuinely evidenced, not promotional; the price already assumes it continues on schedule.

Investment rationale

- **A documented, sourced turnaround, not a promotional claim.** Promoter pledge (15.37% of holding in March 2020) is confirmed fully cleared by June 2026 — a genuine, dated, verifiable fact.
- **A clear credit-rating upgrade path.** India Ratings moved Dynamatic from BBB+ to A across 2023-2025, with the most recent (October 2025) action a reaffirmation, not a downgrade.
- **Aerospace is now the largest segment and the most profitable.** 48% of FY26 revenue at a 26% EBITDA margin — roughly double the consolidated margin — with a marquee customer list: Airbus, Boeing, Bell, Dassault, Deutsche Aircraft, HAL.
- **A specific, named, high-profile programme.** The Airbus A220 Hatch Door, confirmed directly on the company's own site, not a third-party claim.

TARGET PRICE

12-month target	₹11,000
CMP (~11 Sep 2026)	₹12,097
Implied downside	(9.1)%
Rating	HOLD

KEY STOCK DATA

Market cap	₹8,216cr
P/E (TTM)	140x
Credit rating	IND A/Stable (upgraded from BBB+ 2023-25)
Promoter pledge	0% (cleared; was 15.4% in Mar 2020)

SHAREHOLDING (JUN 2026)

Promoter	41.50%
Public	58.50%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Consol. revenue	1,429	1,404	1,621
Aerospace revenue	—	608	776
Consol. PAT	122	43	32



- **An independent, credible board.** A non-executive Chairman who is a former Airbus executive (Pierre de Bausset), a separated Chairman/CEO structure, and directors including a former Air Chief Marshal — genuine sector expertise on the board, not just compliance appointments.

What gives us pause

- **The valuation already assumes the turnaround completes on schedule.** A 140x trailing P/E, with no located sell-side target to cross-check it.
- **Group net profit is currently depressed** by a ₹27.6cr FY26 exceptional charge tied to the ongoing UK-to-India hydraulics shift — a real, if hopefully temporary, earnings drag.
- **Customer concentration remains high.** The top three India-operation clients are 69% of aerospace segment revenue — mitigated, but not eliminated, by long-term contracts.
- **Elongated working-capital cycle** (105-115 days per India Ratings) is a real, disclosed operating constraint.
- **No CRISIL or CARE rating found** alongside the India Ratings coverage — this research could not confirm whether other agencies also cover the company.

Corporate governance assessment

1. Which rules actually apply

Dynamatic is a full main-board listed company under standard SEBI LODR obligations.

2. What the company does well

Chairman and CEO roles are held by different individuals — an independent, sector-expert non-executive Chairman (Pierre de Bausset, former Airbus executive) and an executive Managing Director (Dr Udayant Malhoutra, re-appointed for a fresh five-year term in 2026). The board includes genuinely sector-relevant independent directors, including a retired Air Chief Marshal. Statutory auditor Deloitte Haskins & Sells LLP delivered an unmodified FY26 opinion. Most importantly, the promoter pledge that existed as of March 2020 has been fully and verifiably cleared by the most recent filing — a real governance improvement, sourced and dated, not asserted.

3. Grey areas

A non-executive, non-independent director (Dietmar Hahn) resigned in May 2026 without a detailed public explanation found in this research — ordinary for a board refresh, but noted for completeness. The exact nature of the FY26 exceptional charge was not fully detailed in the sources reviewed.

4. Red flags

None found in this research. No litigation, SEBI enforcement action, or regulatory censure was located. We note this reflects the sources reached rather than an exhaustive court-database search.

5. Items to watch

Completion of the UK-to-India hydraulics transition and whether the associated exceptional charges recur; India Ratings' next scheduled review; whether CRISIL or CARE initiate coverage.

GOVERNANCE CONCLUSION

Good, and improving on the record. The cleared promoter pledge and the credit-upgrade trajectory are genuine, dated evidence of a company moving in the right direction — the valuation, not the governance, is where this report's caution belongs.



SWOT analysis

STRENGTHS

- Documented, dated turnaround: promoter pledge fully cleared, credit rating upgraded BBB+ → A
- Aerospace now 48% of revenue at ~2x the group's overall EBITDA margin
- Marquee, named customer base: Airbus, Boeing, Bell, Dassault, Deutsche Aircraft, HAL
- Independent, sector-expert board (ex-Airbus Chairman, ex-Air Chief Marshal director)

WEAKNESSES

- 140x trailing P/E with no located sell-side cross-check
- FY26 net profit depressed by a one-off exceptional charge
- Top-3 customers = 69% of aerospace segment revenue
- Elongated working-capital cycle (105-115 days)

OPPORTUNITIES

- Margin expansion to a targeted 15-16% by FY27-28 as the UK-to-India hydraulics shift completes
- Further aerospace programme wins building on the current marquee customer list
- De-leveraging as one-off transition costs roll off

THREATS

- A valuation correction if the turnaround's pace disappoints
- Continued customer concentration risk despite long-term contracts
- Execution risk on the remaining UK-to-India transition

Key developments to watch

- **Completion of the UK-to-India hydraulics shift** and whether margins improve to the 15-16% range India Ratings projects for FY27-28.
- **India Ratings' next scheduled review**, and whether CRISIL or CARE initiate parallel coverage.
- **Further aerospace programme announcements** building on the current customer base.

Key risks to be aware of

- **Valuation risk (dominant)**. A 140x P/E with no located analyst cross-check.
- **Customer concentration**, despite long-term contract mitigation.
- **Execution risk** on the remaining UK-to-India hydraulics transition.

Valuation

₹ per share unless stated

Current earnings are distorted by the FY26 exceptional charge, so we use forward EV/EBITDA rather than trailing P/E. FY26 consolidated EBITDA (~11% margin on ₹1,621cr) is ~₹178cr; we build an *indicative* FY27E EBITDA assuming the margin improvement India Ratings projects begins to show (13% on ~10% assumed revenue growth) — a constructed, not disclosed, estimate:

Scenario	Target EV/EBITDA (FY27E)	Implied EV (₹cr)	Per-share (~)	Downside/(upside)
Bear	25x	5,800	760	(37.2)%
Base	35x	8,120	1,102	(8.9)%
Bull	45x	10,440	1,444	+19.4%

Implied share count ~6.79cr (market cap ÷ CMP). Multiples above are deliberately generous relative to Dynamatic's own historical range, crediting the credit-upgrade trajectory and margin-improvement guidance; even so, the base case implies modest downside, which is why we rate HOLD rather than BUY despite the genuinely positive turnaround evidence.



RECOMMENDATION: HOLD, TARGET ₹11,000 ((9.1)% FROM ₹12,097, 11 SEP 2026)

Upgrade triggers: confirmed margin improvement toward the 15-16% India Ratings target; completion of the UK-to-India transition without further exceptional charges; initiation of CRISIL/CARE coverage corroborating the credit story.

Downgrade triggers: further exceptional charges beyond FY26; any reversal in the customer-concentration or working-capital trends; a credit-rating outlook change.

Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Consolidated revenue	1,316	1,429	1,404	1,621
Operating margin	14%	11%	11%	11%
Consolidated PAT	43	122	43	32
Aerospace segment revenue	—	—	608	776
Aerospace segment PBIT	—	—	118.6	132.4

Source: Dynamatic FY26 audited consolidated results (board-approved 19 May 2026); India Ratings rationale (9 Oct 2025); screener.in (11 Sep 2026); company shareholding filings (Mar 2020, Jun 2026).

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HOLD

Aequs Ltd

AEQUS

A profitable aerospace core carrying a loss-making consumer bet, nine months into public life

Summary

Aequs is genuinely two businesses under one roof. Its aerospace segment — Tier-1 relationships with Airbus, Boeing, Safran and Collins Aerospace, an order book that crossed US\$1.0 billion in June 2026, and ₹731 million of Q1 FY27 EBITDA — is real, profitable, and growing (+40% YoY that quarter). Its Consumer segment (electronics, plastics, toys, cookware) is nearly tripling revenue (+190% YoY) but lost ₹361 million in the same quarter, dragged down by a slower-than-planned ramp of its Advanced Technology Product facility.

The combination produced a consolidated net loss in every year shown, FY23 through FY26, and CARE Ratings — while recently upgrading its outlook to Positive — still rates Aequs BBB-, a sub-investment- grade-adjacent level reflecting exactly this dynamic. Management's own targets (Consumer EBITDA breakeven by Q4 FY27, consolidated PAT breakeven by H1 FY28) are specific and checkable, but not yet achieved.

Nine months into public trading (IPO: 10 December 2025), with 99% of promoter shares still locked in, this is simply too early a stage to rate with high confidence in either direction. The aerospace core alone would likely support a positive view; the Consumer segment's unproven economics are the reason this stays at HOLD rather than BUY.

TARGET PRICE

12-month target	₹215
CMP (11 Sep 2026)	₹226
Implied downside	(4.9)%
Rating	HOLD

KEY STOCK DATA

Market cap	₹15,155cr
P/E	not meaningful (loss-making)
Credit rating	CARE BBB-; Positive
Aerospace order book	>US\$1.0bn (Jun 2026)

SHAREHOLDING (JUN 2026)

Promoter & group	59.09%
Public	38.62%
ESOP trust	2.29%
Promoter shares locked in	98.96%

FINANCIAL SNAPSHOT (₹ CR)

	FY25	FY26
Revenue	938	1,285
PBILDT	97.6	146.5
PAT	(102.4)	(113.3)

Investment rationale

- **The aerospace core is genuinely Tier-1 and genuinely profitable.** Confirmed relationships with Airbus, Boeing, Safran and Collins Aerospace; a first fully-assembled Airbus A320 wheel contract with Safran Landing Systems announced in Q1 FY27.
- **The order book is large and growing fast.** Crossed US\$1.0 billion in June 2026, up 13% quarter-on-quarter from US\$889 million.
- **A credit-rating trajectory moving the right way.** CARE removed Aequs from a developing-outlook watch and assigned a Positive outlook in July 2026.



- **Real, meaningful joint-venture partnerships** — SQuAD Forging India (with Aubert & Duval) and Aerospace Processing India (with Magellan Aerospace) — add process depth beyond what Aequus alone would have built.
- **Specific, checkable management targets** for the Consumer segment's path to breakeven, rather than vague aspiration.

What gives us pause

- **Consolidated losses in every year shown, FY23 through FY26.** The Consumer segment's Advanced Technology Product facility ramp has been slower than management's own original plan.
- **Sub-investment-grade-adjacent credit rating.** CARE's BBB- (even with a Positive outlook) reflects genuine, current credit risk, not a formality.
- **Only nine months of public trading history** as of this report, with 99% of promoter shares still locked in — genuinely too early for a confident multi-year view.
- **Named PE backers referenced in early secondary sources (Amazon, A91 Partners, Positive Sum) could not be confirmed** in the current shareholding pattern — either they exited pre-IPO or hold via a structure this research could not identify.
- **A listing-linked management bonus** (₹8.99cr, contingent on the IPO itself) was booked as an exceptional item and later voluntarily waived — resolved, but worth knowing as a governance data point.
- **No named sell-side analyst target was found** to cross-check any valuation view.

Corporate governance assessment

1. Which rules actually apply

Aequus is a full main-board listed company under standard SEBI LODR obligations following its December 2025 IPO.

2. What the company does well

The board is a six-member board with three independent directors (50%, meeting the SEBI minimum for a non-independent, executive Chairman). Statutory auditor B S R & Co. LLP delivered an unmodified review opinion on the most recent quarterly results. When a listing-linked management bonus became payable on the actual IPO completion, the Executive Chairman & CEO voluntarily waived it — a genuinely positive, self-correcting governance action, not something this report had to surface through adversarial digging.

3. Grey areas

No PE-nominee directors sit on the board despite a disclosed history of substantial CCPS-based private equity funding (~₹586cr in FY23/24) — notable given the scale of that capital, though not inherently improper. The named PE backers this research was asked to verify (Amazon, A91 Partners, Positive Sum) could not be located in the current shareholding pattern, leaving their current involvement, if any, unclear.

4. Red flags

None found beyond the already-resolved listing-bonus item. No litigation or SEBI enforcement action was located in the sources reviewed. We note this reflects the documents reached, not an exhaustive legal-database search — appropriate caution for a company only nine months into public trading.

5. Items to watch

Consumer segment's progress toward the stated Q4 FY27 EBITDA-breakeven target; the credit rating's next review given the current Positive outlook; clarification of the pre-IPO PE investors' current holding structure, if any; the lock-in expiry schedule as it approaches.



GOVERNANCE CONCLUSION

Good early signs, appropriately caveated by a very short public track record. The voluntary bonus waiver is a genuinely positive signal; the unconfirmed PE-backer question and the absence of any PE-nominee board seats are open items worth resolving, not treated as settled either way.

SWOT analysis

STRENGTHS

- Genuine Tier-1 relationships: Airbus, Boeing, Safran, Collins Aerospace
- Aerospace order book >US\$1.0bn and growing (+13% QoQ, Jun 2026)
- Improving credit trajectory: CARE outlook moved to Positive, July 2026
- Voluntary waiver of a listing-linked management bonus — a positive governance signal

WEAKNESSES

- Consolidated net losses every year, FY23-FY26
- Sub-investment-grade-adjacent credit rating (BBB-)
- Only ~9 months of public trading history
- Unconfirmed status of previously-reported PE backers

OPPORTUNITIES

- Consumer segment reaching management's stated Q4 FY27 EBITDA-breakeven target
- Further aerospace order-book growth on the back of confirmed Tier-1 relationships
- Consolidated PAT breakeven by H1 FY28 per management's own guidance

THREATS

- Further delay in the Consumer segment's Advanced Technology Product ramp-up
- Leverage pressure if planned Consumer capex proceeds without the ramp-up materialising
- Lock-in expiry creating a future supply overhang once it arrives

Key developments to watch

- **Consumer segment quarterly EBITDA trend** against the Q4 FY27 breakeven target.
- **Next CARE Ratings review** given the current Positive outlook.
- **Clarification of pre-IPO PE investor holdings**, if any remain.
- **Promoter lock-in expiry schedule** as it approaches.

Key risks to be aware of

- **Execution risk (dominant).** The Consumer segment's ramp-up has already run slower than management's own original plan once.
- **Credit risk.** A sub-investment-grade-adjacent rating reflects real, current financial risk.
- **Track-record risk.** Only nine months of public disclosure to assess against.

Valuation

₹ per share unless stated

With the company loss-making at the consolidated level, we value the two segments separately. The Aerospace segment's Q1 FY27 EBITDA of ₹731mn, annualised (~₹2,924mn, ~₹292cr), is placed on an EV/EBITDA multiple reflecting genuine Tier-1 aerospace-manufacturing quality; the Consumer segment, currently loss-making, is assigned a smaller, speculative value reflecting optionality on management's own breakeven targets rather than current earnings:



Component	Basis	Implied value (₹cr)
Aerospace segment	26x annualised EBITDA (₹292cr)	7,592
Consumer segment	Indicative optionality value, not earnings-based	700-1,000
Combined indicative equity value		— ~8,300-8,600

This combined estimate (~₹8,300-8,600cr) sits well below the current ₹15,155cr market cap, implying the market is already pricing in either a faster Consumer breakeven or further aerospace upside than this segment-based approach credits. Given the genuine, checkable positive trajectory (order book growth, credit-outlook improvement), we do not go as far as this gap implies and instead set our target modestly below CMP, reflecting balanced rather than strongly bearish uncertainty.

RECOMMENDATION: HOLD, INDICATIVE TARGET ₹215 ((4.9)% FROM ₹226, 11 SEP 2026)

Upgrade triggers: Consumer segment reaching EBITDA breakeven ahead of or on schedule (Q4 FY27); a further CARE Ratings upgrade; aerospace order book continuing to compound at the current pace. **Downgrade triggers:** further delay to the Consumer ramp-up; a CARE outlook reversal back to Stable or Negative; any disclosed leverage increase without matching EBITDA growth.

Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Revenue	812	965	938	1,285
PBILDT	—	—	97.6	146.5
PAT	—	—	(102.4)	(113.3)
Gearing	—	—	1.13x	0.47x

Q1 FY27 segment detail (₹ mn)	Aerospace	Consumer
Revenue	3,222 (+40% YoY)	734 (+190% YoY)
EBITDA	731	(361)
Capacity utilisation	70% (78% India)	22%

Source: CARE Ratings rationale (8 Jul 2026); Aequs Q1 FY27 press release and results (31 Jul 2026); screener.in (11 Sep 2026).

DISCLAIMER

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BUY

Belrise Industries Ltd

BELRISE

A well-regarded auto-components compounder with a genuinely tiny, early-stage aerospace option attached

Summary

Belrise is, today, almost entirely an auto-components story: a ₹7,528 crore Tier-1 auto-OEM manufacturer with FY26 PAT up 44% YoY to ₹478cr. Its aerospace exposure — a ~€350,000 equipment purchase and a UK acquisition of Chester Hall Precision Engineering Holdings (thrust reversers and nacelle components) — is real but, on every figure this research could locate, still a rounding error next to the core business.

This report's rating is therefore, transparently, a rating on the auto-components business Belrise actually is today, not on an aerospace thesis this research cannot yet size. Sell-side coverage is genuinely positive and improving: Jefferies has raised its target three times in a year, most recently to ₹280 (August 2026), and JM Financial has also maintained a bullish stance following the Chester Hall announcement. We anchor to that disclosed, credible coverage rather than attempt an aerospace-specific valuation this research cannot support with real numbers.

Net: BUY, on the auto-components fundamentals and the disclosed sell-side view — with the explicit caveat that the aerospace angle in this report's own remit is, for now, an option on a future that has not yet shown up in the numbers.

TARGET PRICE

12-month target	₹280
CMP (11 Sep 2026)	₹228
Implied upside	+22.8%
Rating	BUY

KEY STOCK DATA

Market cap	~₹22,200cr
P/E (TTM)	~44x
Aerospace revenue	not disclosed — immaterial

SHAREHOLDING (JUL 2026)

Promoter	~61.1%
DII/MF	~12.6%
FII	~11.4%
Public	~13.6%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	6,033	6,594	7,528
PAT	295	332	478

Investment rationale

- **A genuinely improving core business.** Revenue and PAT have grown every year shown, with PAT growth (+44% FY26) outpacing revenue growth (+14%) — margin expansion, not just top-line momentum.
- **Credible, improving sell-side coverage.** Jefferies raised its target from ₹192 (initiation, September 2025) to ₹250 (June 2026) to ₹280 (August 2026) — a consistent upward revision pattern, not a single optimistic call.
- **A statutory-auditor transition handled transparently** — successor joint auditors named well ahead of the incumbent's AGM-end tenure.
- **Real, if early, aerospace optionality.** The Chester Hall acquisition gives Belrise a genuine, named foothold in nacelle/thrust-reverser manufacturing — small today, but a real asset, not a marketing claim.



What gives us pause

- **The aerospace story is not yet sizeable enough to underwrite on its own.** This research could not find standalone aerospace revenue, margin, or order-book figures for Belrise — the Chester Hall deal size (reportedly ~£13.2m) is a rounding error against ~₹7,500cr of group revenue.
- **Several specific claims about the Chester Hall deal could not be verified** — its exact signing date, closing status, Chester Hall's own revenue, and any stated "~10% of revenue" medium-term aerospace target were all unconfirmed in this research.
- **Basic valuation ratios disagree between sources.** Price-to-book shown as 3.99x by one aggregator and 8.26x by another for the same date — not reconciled.
- **Board composition and Chairman identity could not be confirmed** beyond the CEO/MD's name.
- **No credit rating could be located** from any of the four major agencies.

Corporate governance assessment

1. Which rules actually apply

Belrise is a full main-board listed company under standard SEBI LODR obligations following its recent IPO (issue price ₹90, listed at a 9.4% premium).

2. What the company does well

The statutory-auditor succession was handled transparently: outgoing auditor GSA & Associates LLP's tenure concludes at the upcoming AGM, with joint successor auditors (Shailesh Haribhakti & Associates and Rathi Rathi & Co.) already named for a five-year term — an orderly, well-telegraphed transition.

3. Grey areas

This research could not confirm the company's Chairman or full board composition beyond CEO/MD Shrikant Shankar Badve — a genuine information gap for a company of this market capitalisation, not evidence of a problem, but worth closing before relying further on this section.

4. Red flags

None found in a targeted litigation/regulatory search — no SEBI action, NCLT proceeding, or penalty surfaced. We note this reflects the absence of hits in the sources searched, not a confirmed clean record from a comprehensive audit.

5. Items to watch

Confirmation of full board composition and Chairman identity; resolution of the conflicting price-to-book figures; and — specifically for the aerospace thesis — confirmation of the Chester Hall deal's closing status and first disclosed standalone revenue contribution.

GOVERNANCE CONCLUSION

Adequate on the core business, with real information gaps on both governance basics and the aerospace deal specifics. None of this changes the rating, which rests on the auto-components fundamentals and disclosed sell-side view — but readers hoping for aerospace-specific governance assurance will not find it resolved here.



SWOT analysis

STRENGTHS

- Consistent revenue and margin growth, PAT +44% YoY in FY26
- Three consecutive sell-side target upgrades from Jefferies over the past year
- Transparent, well-telegraphed statutory-auditor succession
- Real, named aerospace foothold via the Chester Hall acquisition

WEAKNESSES

- Aerospace revenue/margin/order-book not separately disclosed — cannot be sized
- Multiple specific Chester Hall deal details unverified (EV, revenue, closing status)
- Board composition and Chairman identity not confirmed
- No credit rating located from any major agency

OPPORTUNITIES

- Aerospace segment disclosure improving as Chester Hall integrates and scales
- Continued core auto-components margin expansion
- Further sell-side target upgrades if the current trend continues

THREATS

- Auto-sector cyclicity affecting the dominant core business
- Integration risk at Chester Hall, scale and specifics currently unclear
- Governance-disclosure gaps limiting external scrutiny until closed

Key developments to watch

- **First disclosed standalone Chester Hall revenue/margin contribution.**
- **Confirmation of full board composition and Chairman identity.**
- **Further sell-side coverage and target revisions.**

Key risks to be aware of

- **Auto-sector cyclicity (dominant)** — this remains, overwhelmingly, an auto-components stock.
- **Aerospace-specific disclosure risk** — too little is currently known to size that part of the story independently.
- **Governance-visibility risk** from the unconfirmed board/Chairman details.

Valuation

₹ per share unless stated

Given aerospace is not yet separately disclosed, we do not attempt a segment valuation and instead anchor to disclosed sell-side coverage of the business as a whole, which has been consistently revised upward:

House	Target price	Dated
Jefferies (initiation)	192	~Sept 2025
Jefferies (revised)	250	~June 2026
Jefferies (most recent)	280	~Aug 2026
JM Financial	Bullish, exact figure not confirmed (~28% upside cited)	~Apr 2026

We adopt Jefferies' most recent, highest target as our base case given the consistent upward-revision pattern (three consecutive increases), rather than an average, since the trend itself is informative.

RECOMMENDATION: BUY, TARGET ₹280 (+22.8% FROM ₹228, 11 SEP 2026)

Upgrade triggers: continued core-business margin expansion; first material disclosed aerospace revenue contribution.

Downgrade triggers: auto-sector demand weakness; any adverse Chester Hall integration disclosure; reversal of the current sell-side upgrade trend.



Financial summary — selected disclosed metrics (₹ crore)

	FY24	FY25	FY26
Revenue	6,033	6,594	7,528
Operating profit	843	915	1,053
Net profit	295	332	478

Aerospace-specific financials are not separately disclosed and are not reproduced here. Source: screener.in, tickertape.in, groww.in (11 Sep 2026); Jefferies/JM Financial coverage per secondary aggregation (Bing news snippets, MSN/EquityBulls, Financial Express, Business Today), not independently verified against original broker notes.

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SELL

Rossell Techsys Ltd

ROSSTECH

Genuine Boeing/Honeywell/Lockheed relationships, priced at a multiple almost nothing in this report can support

Summary

Rossell Techsys makes wire harnesses, electrical interconnects and electronic assemblies for aerospace and defence primes — with independently corroborated relationships with Boeing (a 2023 "trusted Indian supplier" designation) and Honeywell (a 2023 Supplier Excellence Award), alongside company-claimed work on Apache, Chinook, F-15 and F-16 platforms. Since its August 2024 demerger from Rossell India, standalone revenue has nearly doubled (₹260cr to ₹485cr, FY25 to FY26) — genuine, fast growth.

It is also, on a ~180x trailing P/E and ~30x price-to-book, priced far beyond what this research's own arithmetic — using even generous growth and margin assumptions — can justify. Two years of standalone history is not enough to establish a durable earnings base at this scale of company, no statutory auditor or credit rating could be confirmed, and even the company's own basic corporate history shows an unreconciled discrepancy (its regulatory filings describe a 2020 Delaware incorporation with an Arizona facility, while its own website describes 2011 origins with a different U.S. city).

Net: SELL. The underlying customer relationships are real and valuable; the price does not yet reflect any margin of safety against the company's own short track record.

TARGET PRICE

12-month target	₹530
CMP (11 Sep 2026)	₹1,214
Implied downside	(56.3)%
Rating	SELL

KEY STOCK DATA

Market cap	₹4,577cr
P/E (TTM)	~180x
Price/book	30.1x
Credit rating	not found

SHAREHOLDING (JUN 2026)

Promoter	74.80%
Public	22.74%
FII/DII	2.46%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	217	260	485
PAT	11	8	21-22

Investment rationale

- **Independently corroborated blue-chip relationships.** Boeing's own "trusted Indian supplier" description and Honeywell's Supplier Excellence Award are not company self-description but externally verified recognitions.
- **Genuinely fast revenue growth.** Standalone revenue nearly doubled FY25 to FY26 (₹260cr to ₹485cr, +86%).
- **Early diversification signal.** First semiconductor-industry customer order for electrical wire harnesses (disclosed August 2026) — a hedge against pure aerospace/defence cyclicity, however small today.
- **An independent-majority-adjacent board** — 3 of 6 directors (50%) are independent, though both Chairman and MD roles sit with the promoter family.

What gives us pause

- **The valuation is extreme by any measure available to this research.** A ~180x trailing P/E and ~30x price-to-book leave essentially no margin of safety.



- **Only ~2 years of standalone financial history exist** since the August 2024 demerger — too short to establish a reliable multi-year earnings trend, especially given how lumpy growth has been.
- **Statutory auditor and any credit rating could not be confirmed** from any source reached.
- **The company's own basic corporate history contains an unreconciled discrepancy** — one regulatory description places incorporation in 2020 with an Arizona facility, while the company's own website describes 2011 origins with a different U.S. location. This should be resolved directly against the company's MCA incorporation records before being treated as settled either way.
- **A recent promoter share sale** (4.9% to a mutual fund, July 2026) could reflect either routine portfolio rebalancing or reduced conviction — this research could not determine which.
- **No named sell-side analyst target was found** anywhere in this research.

Corporate governance assessment

1. Which rules actually apply

Rossell Techsys is a full main-board listed company under standard SEBI LODR obligations following its August 2024 demerger listing.

2. What the company does well

The board carries genuine independent representation (3 of 6, 50%), and the company has disclosed a concrete diversification step (the first semiconductor-industry customer order) with a specific date rather than vague forward-looking language.

3. Grey areas

Both the Executive Chairman (Harsh Mohan Gupta) and Managing Director (Rishab Mohan Gupta) roles sit with the same promoter family — not a combined single-person role, but concentrated family control of both top executive seats, worth naming even where each individual title is properly separate. The unreconciled 2011-vs-2020 incorporation-history discrepancy (see previous page) is also, at minimum, a disclosure-consistency issue worth resolving.

4. Red flags

None found in a targeted litigation search — but combined with the unconfirmed auditor identity and absent credit rating, this report cannot describe Rossell Techsys's governance disclosure as complete. Absence of adverse findings should not be read as a thorough clean bill of health given how much basic information remains unconfirmed.

5. Items to watch

Resolution of the incorporation-history discrepancy; confirmation of statutory auditor identity; whether any credit rating agency initiates coverage; the rationale, if disclosed, for the July 2026 promoter share sale.

GOVERNANCE CONCLUSION

Incomplete on basic disclosure, independent of whether anything is actually wrong. The unconfirmed auditor, absent credit rating, and unreconciled corporate history are disclosure gaps a company at this valuation should not have — this belongs in the discount rate as much as the valuation math on the following pages.



SWOT analysis

STRENGTHS

- Independently corroborated Boeing and Honeywell recognitions
- Revenue nearly doubled FY25 to FY26 (+86%)
- 50% independent board
- Early semiconductor-industry diversification (Aug 2026)

WEAKNESSES

- ~180x trailing P/E, ~30x price-to-book — extreme by any available measure
- Only ~2 years of standalone financial history
- Statutory auditor and credit rating both unconfirmed
- Unreconciled 2011-vs-2020 incorporation-history discrepancy

OPPORTUNITIES

- Further semiconductor and non-aerospace diversification reducing sector concentration
- Continued fast growth if the FY25-FY26 pace is sustainable
- Initiation of credit-rating and sell-side coverage, which would materially improve disclosure quality

THREATS

- A severe valuation correction toward any reasonable historical or peer multiple
- Customer-concentration risk given the small number of named large primes
- Further governance-disclosure questions surfacing as the company matures as a standalone entity

Key developments to watch

- **Resolution of the incorporation-history discrepancy** against primary MCA records.
- **Confirmation of statutory auditor identity and initiation of credit-rating coverage.**
- **FY27 results** — whether the FY26 growth pace is sustainable or was a one-time step-up.

Key risks to be aware of

- **Valuation risk (dominant).** No reasonable multiple this research could construct supports the current price.
- **Disclosure-completeness risk** across auditor, credit rating, and basic corporate history.
- **Track-record risk** given only ~2 years of standalone data.

Valuation

₹ per share unless stated

We annualise the most recent quarter's run-rate (Q1 FY27 PAT ₹7.14cr × 4 ≈ ₹28.6cr) on an implied share count of ~3.77cr (market cap ÷ CMP), and apply a range of P/E multiples generous enough to credit real, sustained high growth:

Scenario	Target P/E	Annualised PAT (₹cr)	Per-share (~)	Downside
Bear	40x	28.6	303	(75.0)%
Base	70x	28.6	531	(56.3)%
Bull	100x	28.6	759	(37.5)%

Even a bull-case 100x multiple — itself an extraordinarily generous multiple to apply to any industrial company — implies substantial downside from the current price. This is the widest gap between current price and any constructed fair value in this report's entire company universe.



RECOMMENDATION: SELL, TARGET ₹530 ((56.3)% FROM ₹1,214, 11 SEP 2026)

Upgrade triggers: sustained multi-quarter earnings growth that closes the gap between current price and any reasonable multiple; confirmation of statutory auditor and initiation of credit-rating coverage; resolution of the incorporation-history discrepancy without concern. **Downgrade triggers (i.e., further caution warranted):** any slowdown from the FY26 growth pace; further unexplained promoter share sales; any adverse finding on the unresolved corporate-history discrepancy.

Financial summary — selected disclosed metrics (₹ crore)

	FY24	FY25	FY26
Revenue	217	260	485
Operating profit	32	35	63
Net profit	11	8	21-22
Operating margin	15%	13%	13%

Source: screener.in (11 Sep 2026); rosselltechsys.com; PRNewswire (4 Sep 2023, Honeywell award); tickertape.in (board composition).

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HOLD

Mishra Dhatu Nigam (MIDHANI) MIDHANI

India's sole titanium-alloy PSU — strategically irreplaceable, but not yet Nadcap-accredited

Summary

MIDHANI is the only Indian manufacturer of titanium alloys, and a core supplier of superalloys and special steel to defence, space and energy programmes — a genuinely irreplaceable, government-owned strategic asset with a CRISIL AA-/Stable rating, 74% Government of India ownership, and an order book that has grown steadily from ₹1,937 crore (January 2025) to ₹2,329 crore (July 2026).

The gap between that strategic position and this report's own aerospace-value-chain framework is specific and important: MIDHANI does **not yet hold Nadcap accreditation** — the special-process certification this report's own §1-2 identify as where the real moat in this industry lives. The company's own August 2026 concall confirms this is targeted for completion by March 2027, not achieved today. A widely-cited "GE Aerospace relationship" is real but narrower than it sounds: a testing- laboratory qualification (announced 13 August 2026), not a parts or manufacturing qualification.

Financially, FY26 revenue recovered to ₹1,209 crore after an 11% year-on-year decline in H1 FY26 — a swing this research could not fully explain from the sources reached. Return on equity, at roughly 8%, is modest for a ~62x trailing P/E.

Net: HOLD. The strategic moat is real and the credit quality is strong; the valuation already assumes a Nadcap-accredited, fully-qualified aerospace supplier that MIDHANI is not quite yet.

TARGET PRICE

12-month target	₹487
CMP (11 Sep 2026)	₹447
Implied upside	+9.0%
Rating	HOLD

KEY STOCK DATA

Market cap	₹8,382cr
P/E (TTM)	62.1-62.4x
ROE	~8.0-8.9%
Credit rating	CRISIL AA-/Stable, A1+

SHAREHOLDING (JUN 2026)

Government of India	74.00%
DII	7.37%
FII	2.57%
Public	16.06%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue	1,073	1,074	1,209
PAT	92	111	131

Investment rationale

- **An irreplaceable strategic position.** Sole Indian manufacturer of titanium alloys, with defence orders 70-80%+ of the order book (sources vary) and direct strategic-asset status for the Government of India.
- **A strong, stable credit profile.** CRISIL AA-/Stable, gearing of just 0.17-0.26x, interest coverage 5.97-8.05x — a genuinely conservative balance sheet.
- **Order book growing steadily.** ₹1,937cr (Jan 2025) → ₹2,220cr (Jan 2026) → ₹2,329cr (Jul 2026).
- **Real, if early, aerospace-qualification progress.** NDT personnel already qualified to the NAS410 standard, a genuine prerequisite step on the path to Nadcap.
- **Exemplary disclosed governance.** 100% compliance score under DPE Corporate Governance Guidelines, 97.91% average board-meeting attendance, zero disclosed regulatory penalties.



What gives us pause

- **Not yet Nadcap-accredited.** By management's own account (August 2026 concall), Nadcap NDT certification is targeted for completion by March 2027 — not achieved today, despite this being the specific certification this report's own framework identifies as the real moat in this industry.
- **The "GE Aerospace relationship" is narrower than the headline suggests.** The August 2026 "S400" certification is a testing-laboratory qualification, not a parts or manufacturing relationship with GE.
- **An unexplained H1 FY26 revenue decline of 11% YoY**, followed by a full-year recovery — this research could not reconcile the two data points from the sources reached.
- **Modest returns on capital for the valuation being paid.** ~8% ROE against a ~62x trailing P/E.
- **A ~₹1,000cr capex plan referenced by analysts** (including a proposed aluminium JV) remains unconfirmed by management as to timing or amount — a real source of uncertainty for the medium-term growth story.

Corporate governance assessment

1. Which rules actually apply

MIDHANI is a Government of India Mini Ratna PSU (74% government-owned) under Ministry of Defence, listed on NSE/BSE, and subject to both SEBI LODR and DPE Corporate Governance Guidelines for CPSEs.

2. What the company does well

MIDHANI discloses a 100% compliance score under DPE guidelines and 97.91% average board-meeting attendance — genuinely strong, verifiable governance metrics for a PSU. The board added three independent directors during FY24-25, moving from a six-member to a seven-member board with three independents (~43%). The statutory auditor (M/s Anjaneyulu & Co) is appointed by the Comptroller and Auditor General, the standard, arms-length PSU process, and delivered an unmodified FY25 opinion. BRSR discloses zero monetary or non-monetary regulatory penalties.

3. Grey areas

The company's own website lists a different Government Nominee Director and different independent directors than the more authoritative, dated Annual Report — stale web content, not a governance failure, but worth flagging since it could mislead an investor checking the "wrong" source. Eight routine tax disputes (~₹13.7cr total) are pending before CESTAT/VAT tribunals — standard for a company of this size and not flagged as material by the auditor, but disclosed here for completeness.

4. Red flags

None found. No SEBI enforcement action, no material litigation, and no adverse governance finding was located in the Annual Report or other sources reached.

5. Items to watch

Confirmed Nadcap accreditation timeline against the March 2027 target; clarification of the H1 FY26 revenue decline; confirmation of the larger, currently-unconfirmed capex plan's timing and scope.

GOVERNANCE CONCLUSION

Excellent, on the evidence disclosed. This is one of the cleanest governance records in this report's entire company universe — the caution in this report's rating is about valuation and qualification-timeline risk, not about governance.



SWOT analysis

STRENGTHS

- Sole Indian titanium-alloy manufacturer, strategic GoI asset
- CRISIL AA-/Stable, genuinely low leverage (0.17-0.26x gearing)
- Order book growing steadily, ~₹2,329cr as of July 2026
- Exemplary disclosed PSU governance (100% DPE compliance score)

WEAKNESSES

- Not yet Nadcap-accredited — targeted for March 2027, not achieved today
- GE Aerospace relationship is a testing-lab qualification, not a parts relationship
- ~8% ROE against a ~62x trailing P/E
- Unexplained H1 FY26 revenue decline

OPPORTUNITIES

- Full Nadcap accreditation, once achieved, would close the specific gap this report identifies
- Aero India 2025 participation and ongoing quality-certification pursuits (ISO 27001, ISO 50001)
- Potential ~₹1,000cr capex plan, if confirmed, would meaningfully expand capacity

THREATS

- Continued raw-material/forex exposure (50-60% of materials imported)
- Working-capital intensity (Gross Current Assets ~600 days)
- A valuation correction if Nadcap timelines slip further

Key developments to watch

- **Nadcap NDT accreditation**, targeted for completion by March 2027.
- **Clarification of the H1 FY26 revenue decline** against the full-year recovery.
- **Confirmation (or not) of the larger ~₹1,000cr capex plan**, including the proposed aluminium JV.

Key risks to be aware of

- **Qualification-timeline risk (dominant for the aerospace thesis specifically).** The core moat this report's framework identifies (Nadcap) is not yet in place.
- **Raw-material/forex exposure** given the import-heavy input base.
- **Working-capital intensity**, a structural feature of the business.

Valuation

₹ per share unless stated

FY26 PAT of ₹131cr on an implied share count of ~18.75cr (market cap ÷ CMP) gives FY26 EPS of ~₹6.99. Given Q1 FY27's PAT growth of 27.4% YoY, we build an *indicative* FY27E EPS assuming continuation of that pace (not a management guidance figure):

Scenario	Target P/E (FY27E)	FY27E EPS (₹)	Target price	Upside/(downside)
Bear	45x	8.85	398	(11.0)%
Base	55x	8.85	487	+9.0%
Bull	65x	8.85	575	+28.6%

The target multiple band is set below MIDHANI's own current ~62x trailing multiple to reflect the Nadcap-accreditation gap and modest ROE, while crediting the genuine strategic scarcity value and improving order book. This is a constructed forward estimate, not a disclosed guidance figure.



RECOMMENDATION: HOLD, TARGET ₹487 (+9.0% FROM ₹447, 11 SEP 2026)

Upgrade triggers: confirmed Nadcap accreditation achieved on or ahead of the March 2027 target; a GE Aerospace or comparable OEM parts (not just testing-lab) qualification; confirmation of the larger capex plan with a clear timeline.

Downgrade triggers: further delay to the Nadcap timeline; a repeat of an unexplained revenue decline; any deterioration in the currently strong credit metrics.

Financial summary — selected disclosed metrics (₹ crore)

	FY23	FY24	FY25	FY26
Revenue	872	1,073	1,074	1,209
Operating margin	30%	18%	20%	20%
Net profit	156	92	111	131
Order book (₹cr, period-end)	—	—	1,937	2,220

Source: screener.in (11 Sep 2026); MIDHANI Annual Report 2024-25; CRISIL rating rationales (4 Feb 2025, 30 Jan 2026); Q1 FY27 concall transcript (17 Aug 2026 meeting, filed 22 Aug 2026).

DISCLAIMER

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SELL

PTC Industries Ltd

PTCIL

A genuinely landmark Airbus titanium-castings agreement, priced at the richest multiple in this entire report

Summary

PTC Industries' Aerolloy Technologies subsidiary just signed a genuinely significant agreement with Airbus covering titanium castings across the A320neo, A330neo and A350 programmes, alongside new orders from BrahMos Aerospace and ARDE/DRDO — including, notably, PTC's first design-led (not build-to-print) defence order. Aerolloy's own Q1 FY27 numbers are extraordinary: revenue up 466% YoY at a 45% EBITDA margin. PTC already holds both Nadcap and AS9100 certification — ahead of MIDHANI on the specific certification this report's framework treats as the real moat.

None of that changes the arithmetic: at a 282x trailing P/E (by one measure — this research's own calculation using the disclosed share count implies a P/E closer to 348x) against a trailing ROE of just 7%, this is the richest valuation of any company in this report's fourteen-name universe. Infomerics downgraded PTC's credit rating in September 2024 specifically citing "non-achievement of envisaged projections" — a real, recent, negative credit event that sits uneasily alongside the bullish recent news. The flagship Aerolloy plant's own completion status is ambiguous: PTC's own materials describe a fully operational, 6,500-tonne facility inaugurated in May 2025, while CARE's rating rationale, published eighteen days later, described the same project as still under construction with commercial operations not expected until FY2028.

Net: SELL. The commercial news is genuinely exciting; almost no valuation methodology this research could construct supports the current price.

TARGET PRICE

12-month target	₹11,500
CMP (11 Sep 2026)	₹23,630
Implied downside	(51.3)%
Rating	SELL

KEY STOCK DATA

Market cap	₹35,427cr
P/E (TTM)	282x (Screener) / ~348x (own calc)
ROE (3yr avg)	7.02%
Credit rating	Withdrawn (debt repaid); Infomerics downgrade Sept 2024

SHAREHOLDING (JUN 2026)

Promoter (Agarwal family)	59.72%
Public	26.98%
DII	9.35%
FII	3.95%

FINANCIAL SNAPSHOT (₹ CR)

	FY24	FY25	FY26
Revenue (consol.)	257	308	603
PAT	42	61	102

Investment rationale

- **A genuinely landmark Airbus agreement.** Titanium castings across A320neo, A330neo and A350 — development, qualification, industrialisation and future supply — announced in Q1 FY27.
- **Already Nadcap and AS9100 certified** — unlike MIDHANI, PTC has already cleared the specific certification gate this report's own framework treats as decisive.
- **Extraordinary recent segment growth.** Aerolloy Technologies' Q1 FY27 revenue grew 466% YoY at a 45% EBITDA margin.
- **Genuine diversification beyond build-to-print.** The new ARDE/DRDO titanium-cradle order is PTC's first design-led defence contract, not simply executing someone else's drawing.



- **A strengthened balance sheet.** Net worth grew from ₹305cr (FY23) to ₹645cr (FY24) on a ₹700cr QIP, and all bank-facility credit ratings have since been voluntarily withdrawn following debt repayment.

What gives us pause

- **The valuation is the richest in this entire report.** A 282-348x P/E (depending on calculation method) against a 7% ROE leaves essentially no margin of safety, however good the recent news.
- **Infomerics downgraded PTC's credit rating in September 2024**, explicitly citing "non-achievement of envisaged projections in FY24 and subdued performance in Q1FY25" — a real, recent, negative credit signal that predates the current bullish narrative by less than two years.
- **The flagship plant's completion status is genuinely ambiguous.** PTC's own materials describe a fully operational facility (inaugurated May 2025); CARE's rating rationale, published eighteen days later, described the same ~₹700cr project as still under construction with commercial operations not expected until FY2028. Both cannot be fully true simultaneously.
- **Financial disclosures vary meaningfully by source** — screener, CARE (consolidated) and Infomerics (standalone) show materially different revenue and margin figures for the same years, driven by consolidation-scope differences that are not always made explicit.
- **Significant family concentration in both ownership and management** — several Agarwal family members hold executive or whole-time director roles alongside the family's 59.72% promoter stake.
- **No named sell-side analyst target was found** to independently corroborate any valuation view.

Corporate governance assessment

1. Which rules actually apply

PTC Industries is a full main-board listed company under standard SEBI LODR obligations.

2. What the company does well

The board is a ten-member board with five independent directors (50%), including two new appointees in FY25 with genuinely relevant backgrounds (a 30-year Tata Group aerospace/defence veteran and a banking/finance specialist). The company self-disclosed a temporary independent-director shortfall following a retirement in January 2025 — transparent, proactive disclosure of a minor compliance gap rather than silence. The company states no capital-market non-compliance in the past three years aside from that disclosed shortfall, and BRSR shows zero fines or penalties.

3. Grey areas

Family concentration in both ownership (59.72% promoter) and management (multiple Agarwal family members in executive/whole-time director roles) is a governance structure worth pricing, even though CARE's own rating rationale describes the board as maintaining an "effective mix" of executive, non-executive and independent directors. No IiAS/InGovern-specific commentary on PTC was located in this research — an open question, not a settled one.

4. Red flags

The September 2024 Infomerics credit downgrade, citing missed FY24 projections, is the clearest red flag in this report.

This is not a governance failure in the compliance sense, but it is a documented instance of the company's own performance falling short of what had been projected — directly relevant to how much confidence a reader should place in current, more optimistic guidance. Beyond this, no litigation or SEBI enforcement action was found.

5. Items to watch

Resolution of the Aerolloy plant's actual completion status and timeline; whether FY27 results validate the extraordinary Q1 FY27 growth rate or represent a temporary spike; ICRA's specific rating (not independently accessible in this research).



GOVERNANCE CONCLUSION

Adequate on disclosed process, with a documented history of missing its own projections. The September 2024 downgrade is the single most important governance-adjacent fact in this report — it belongs directly in how much confidence a reader places in the current bullish narrative, not filed away as historical noise.

SWOT analysis

STRENGTHS

- Landmark Airbus titanium-castings agreement (A320neo/A330neo/A350)
- Already Nadcap and AS9100 certified, ahead of MIDHANI on this specific gate
- Aerolloy segment Q1 FY27 revenue +466% YoY at a 45% EBITDA margin
- Strengthened balance sheet post-QIP, all bank ratings voluntarily withdrawn

WEAKNESSES

- 282-348x P/E against a 7% ROE — the richest valuation in this report
- A documented September 2024 credit downgrade for missing FY24 projections
- Ambiguous, apparently conflicting accounts of the flagship plant's completion status
- Significant family concentration in ownership and management

OPPORTUNITIES

- Further OEM wins building on the Airbus, Safran and BAE Systems relationships
- Continued design-led (not just build-to-print) defence order growth
- Full Aerolloy plant completion, if and when independently confirmed

THREATS

- A severe valuation correction if FY27 growth normalises from the extraordinary Q1 pace
- Execution risk on the ~₹700cr Aerolloy capex programme, as CARE itself flagged
- Repeat of the FY24-style projection shortfall that triggered the 2024 downgrade

Key developments to watch

- **Independent confirmation of the Aerolloy plant's actual completion status** against the conflicting May 2025 / FY2028 accounts.
- **Whether FY27 full-year results validate or normalise from the extraordinary Q1 FY27 growth rate.**
- **Any further rating-agency commentary**, given the September 2024 Infomerics downgrade history.

Key risks to be aware of

- **Valuation risk (dominant, and the most extreme in this report).** No constructed methodology in this research supports the current price.
- **Execution/projection risk**, given the documented September 2024 downgrade history.
- **Disclosure-consistency risk** given the conflicting plant-completion accounts.

Valuation

₹ per share unless stated

FY26 PAT of ₹102cr on an implied share count of ~1.50cr (market cap ÷ CMP) gives FY26 EPS of ~₹68. Given the extraordinary Q1 FY27 PAT of ₹29.2cr (+466% YoY), we build an *indicative*, deliberately generous FY27E EPS assuming continued strong (though moderating from the Q1 pace) growth:



Scenario	Target P/E (FY27E)	FY27E EPS (₹)	Target price	Downside
Bear	70x	100	7,000	(70.4)%
Base	115x	100	11,500	(51.3)%
Bull	170x	100	17,000	(28.1)%

Even our bull case — a 170x forward P/E, itself an extraordinary multiple most industrial companies never approach — implies substantial downside from the current price. No named sell-side target was found to cross-check this against; we flag this absence explicitly rather than invent a consensus.

RECOMMENDATION: SELL, TARGET ₹11,500 ((51.3)% FROM ₹23,630, 11 SEP 2026)

Upgrade triggers: independent confirmation that the Aerolloy plant is genuinely fully operational at the disclosed capacity; FY27 results that sustain, not merely echo, the Q1 FY27 growth rate; a credit-rating agency reinstating coverage with a strong grade. **Downgrade triggers (i.e., further caution warranted):** any repeat of a projection shortfall similar to FY24's; further ambiguity or delay on the Aerolloy plant's completion; deceleration in Aerolloy segment growth toward the group's historical baseline.

Financial summary — selected disclosed metrics (₹ crore, consolidated)

	FY23	FY24	FY25	FY26
Revenue	219	257	308	603
Operating margin	27%	28%	24%	22%
Net profit	26	42	61	102

Standalone (Infomerics) figures show materially lower EBITDA margins (~20-22%) than these consolidated figures for the same years, reflecting Aerolloy Technologies' (consolidated-only) higher-margin contribution — not reconciled, both disclosed in the full report.

Source: screener.in (11 Sep 2026); PTC Industries Annual Report 2024-25; CARE Ratings (29 May 2025); Infomerics (16 Sept 2024); PTC Q1 FY27 investor presentation (17 Aug 2026).

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