



# Research Report

11 Sept, 2025

## Rating

Business	★ ★ ★ ★
Financials	★ ★ ★ ★ ★
Valuation	★ ★ ★ ★
Management	★ ★ ★ ★

Ranking 1 to 5, denoting lowest to highest

CMP: Rs.8470.00 | Buy Range: Rs.8455 – 8485 | Target 1/2: 9400/10248 | Potential Upside: 21% | Recommendation: Buy

## Stock Info:

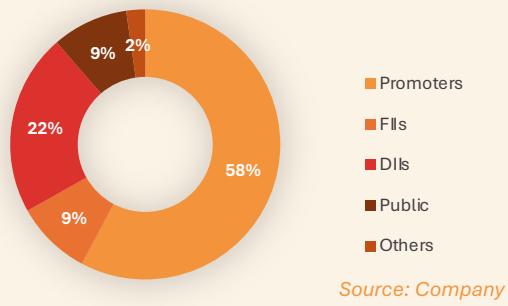
Market Cap (Rs.in cr.)	31,807.28
52-Weeks High/Low	11,779.90 / 4,308.05
Avg. volume (Lakhs)	0.32
No. of eq. shares (cr.)	4.02
Face value	10
BSE code	532259
NSE Code	APARINDS
Free float (cr.)	13,329.48

Source: NSE / BSE

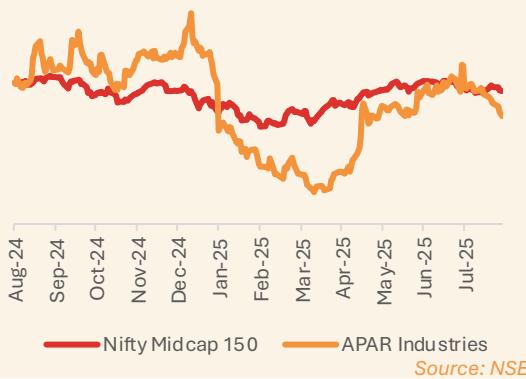
Particulars	2024	2025
P/E	32.9	38.6
EPS (in Rs.)	212.1	204.5
ROCE	26.4%	22.9%
EBIT Margin	9.2%	8.2%
P/B	7.0x	7.0x
EV/EBITDA	17.3x	13.3x
EV/EBIT	1.7x	1.2x
ROE	27.0%	19.6%
Net Profit Margin	5.1%	4.4%

Source: Company, Annual report

## Shareholding patterns



## Stock Performance



**APAR Industries Limited**, founded in 1958 and headquartered in Mumbai, is a diversified Indian multinational with strong leadership in conductors, specialty oils, lubricants, cables, and polymers, catering to over 140 countries. The company is among the top three global conductor manufacturers and a leading private player in transformer and specialty oils, while also holding a strong position in renewable energy cables and telecom infrastructure. Over the decades, APAR has expanded through strategic acquisitions and partnerships, including its POWEROIL brand and collaborations with global majors like ENI. Its revenue mix is well-diversified, with conductors contributing the largest share, followed by oils, cables, and lubricants.

## Key Highlights:

- APAR Industries delivered a solid Q1 FY26, with consolidated revenue rising 27.3% YoY to ₹5,104 crore, primarily supported by strong domestic demand across business segments. Export contribution stood at 31.6%, reflecting a healthy global presence despite tariff and competitive headwinds.
- Operating performance remained resilient with EBITDA up 27% YoY to ₹501 crore and margins stable at 9.8%, indicating effective cost management and premiumization strategy. Net profit rose 30% YoY to ₹263 crore, translating into a PAT margin of 5.2%, showcasing both operating leverage and sustained demand momentum.
- APAR is pressing ahead with a planned ₹1,300 crore CAPEX by June 2026, focusing on conductor and cable capacity expansion, product premiumization, and enhancing flexibility to switch between copper/aluminum and specialty products.
- Management indicated that bulk payouts for new capacity will materialize between November 2025 and January 2026, with fresh capacity expected to come online from Q3/Q4 FY26.
- The management reiterated its FY26 guidance of 10% conductor volume growth with EBITDA/MT above ₹30,000, 25% growth in cables, and steady growth in oils led by domestic demand. While acknowledging near-term uncertainties from US tariffs, geopolitical tensions, and Chinese subsidies, the company expressed strong confidence in its long-term growth trajectory, underpinned by secular drivers such as renewables, grid reconductoring, railway modernization, data center growth, and the EV ecosystem.

## Key Risks:

- Exposure to Global Shocks and Policy-Linked Slowdowns:** APAR remains vulnerable to external shocks, with exports (33% of FY25 revenue) exposed to trade conflicts and tariff risks that disrupt execution and margins. Its heavy reliance on the power T&D sector adds cyclical risk, where delays or slowdowns in large infrastructure projects could significantly limit growth and affect the broader value chain.

Rating: Buy

| Buying Range: Rs.8455 – 8485

| Target 1/2: 9400/10248

| Potential Upside: 21%

## SWOT Analysis

### S

#### STRENGTHS

**Diversified business portfolio:** APAR Industries holds a diversified business portfolio across specialty oils, conductors, and cables, reducing dependence on any single product line and creating stability across business cycles.

**Global leader in transformer oils and aluminum conductors:** The company is a global leader, with a strong domestic market share and significant export presence in over 140 countries. Its focus on premium and high-value products such as HTLS conductors, AL59 alloys, elastomeric cables, and EV charging cables provides it with margin resilience even during commodity volatility.

### W

#### WEAKNESSES

**High working capital intensity:** APAR faces high working capital intensity, particularly in exports and government-linked projects, which can pressure cash flows.

**Trade policy changes, tariffs, and geopolitical factors:** Export revenues (31.6% of total) are vulnerable to trade policy changes, tariffs, and geopolitical factors, which can cause short-term revenue swings, as evident in the US tariff disruptions.

### O

#### OPPORTUNITIES

**Structural tailwinds in power transmission, renewable energy, and electrification:** India's aggressive renewable capacity addition, growing transmission network upgrades, and push for reconductoring projects open a significant long-term market.

**Rising investments in green energy, EV infrastructure, and data centers:** Globally, rising investments in green energy, EV infrastructure, and data centers will drive demand for specialty conductors, renewable cables, and transformer oils. The ongoing replacement of ACSR conductors with AL59 in India is a game-changer, as it significantly enhances efficiency and margins.

### T

#### THREATS

**Execution delays in transmission and renewable projects:** Domestically, execution delays in transmission and renewable projects (due to right-of-way and environmental clearances) can push order book conversion, creating revenue timing risks.

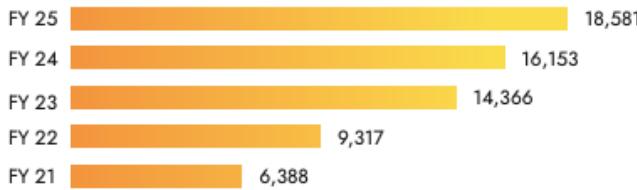
**Global trade policy uncertainties:** The most pressing threat for APAR comes from global trade policy uncertainties, particularly US tariffs (50% Section 232 duty) and reciprocal levies, which could delay export demand or make landed costs unattractive.

## Financial Highlights

### Revenue (₹ in crores)

**₹ 18,581 Crores**

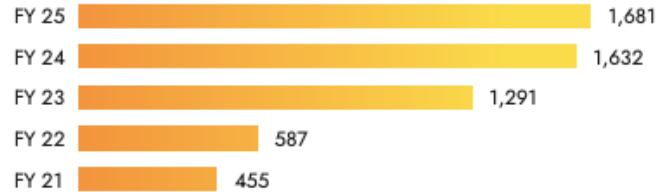
↑ 15% y-o-y growth



### EBITDA Post open Period Forex (₹ in crores)

**₹ 1,681 Crores**

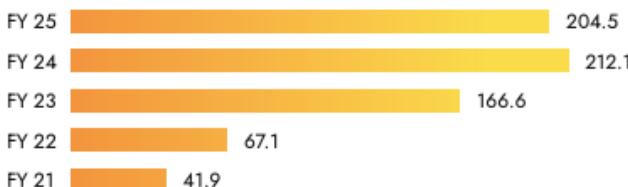
↑ 3.0% y-o-y growth



### Earnings per Share (EPS) (₹)

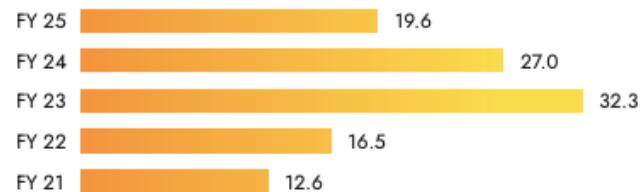
**₹ 204.5 Crores**

↓ 3.8% y-o-y growth



### ROE (in %)

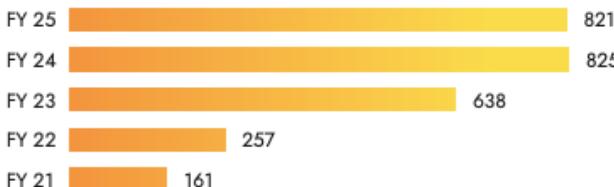
**19.6%**



### Net Profit (₹ in crores)

**₹ 821 Crores**

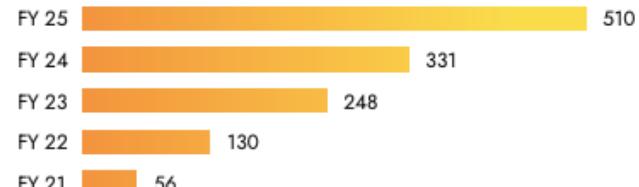
↓ 3.0% y-o-y growth



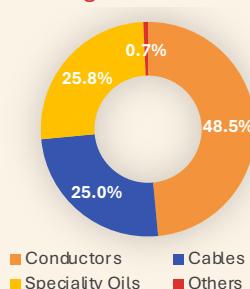
### Capex (₹ in crores)

**₹ 510 Crores**

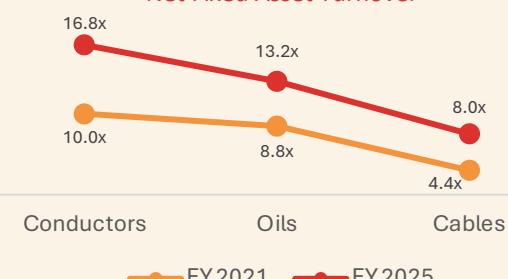
↑ 52.28% y-o-y growth



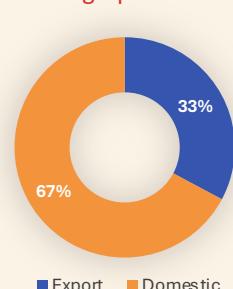
### Segmental Mix



### Net Fixed Asset Turnover



### Geographical Mix





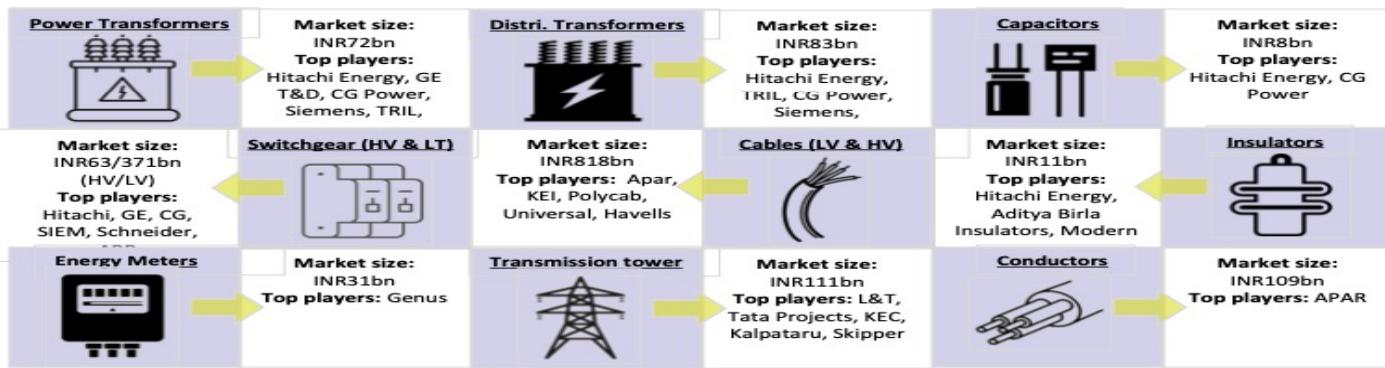
## Industry Overview & Its Growth Drivers

# Industry Overview

## Conductor

India's power sector is undergoing rapid transformation across generation, transmission, and distribution. To meet the growing electricity demand driven by urbanization, transmission capacity must expand significantly. With India targeting 50% of energy from renewables and 500 GW of non-fossil fuel capacity by 2030, large-scale strengthening of both interstate (ISTS) and intra-state transmission networks will be essential to transmit renewable power efficiently. According to the CEA's latest transmission plan, integrating additional wind and solar capacity by 2030 will require 50,890 circuit km of transmission lines and 433,575 MVA of substation capacity at the ISTS level, with an estimated investment of ₹2,442 billion.

The conductor industry has kept pace through major technological advancements, particularly with the adoption of High-Performance Conductors (HPCs) such as High Temperature (HT) and High Temperature Low Sag (HTLS)conductors. Proven successful worldwide, these next-generation conductors not only meet rising energy demand but also reduce the need for entirely new transmission infrastructure, thereby lowering overall project costs while enhancing efficiency.



Source: IEEMA

## Growth Driver (Conductor)

### Renewable Energy Integration

India targets 500 GW of non-fossil fuel capacity by 2030, with 50% of energy from renewables. To transmit this power efficiently, the CEA's transmission plan calls for 50,890 ckt km of new lines and 433,575 MVA of substation capacity, requiring ₹2.4 trillion investment. This will significantly increase demand for high-performance conductors (HPCs) like HTLS, ACCC, and OPGW to handle renewable evacuation.

### Railways Electrification & Infrastructure Push

Indian Railways is targeting 100% electrification by 2030. Specialty conductors are key to electrification of rail tracks, high-speed rail (Bullet Train), and metro projects. APAR, for example, is already the market leader in supplying conductors for railway electrification.

### Technological Advancements in Conductors

High-Performance Conductors (HPCs) such as HTLS, composite-core conductors, and Optical Ground Wire (OPGW) are gaining traction. These enable higher power transfer, reduced sag, and lower infrastructure cost critical for integrating renewables and meeting rising electricity demand.

### Grid Modernization & Urbanization

India's transmission line length (220 kV+) has expanded from 291,336 ckt km in 2014 to 485,544 ckt km in 2024, at 5% CAGR . Rapid urbanization and industrialization require expansion of transmission & distribution networks, boosting demand for aluminium and alloy conductors.

### Rising Power Demand

India's electricity demand is growing at 6% annually (IEA forecast), among the fastest in the world. Conductor demand will rise in parallel, as transmission infrastructure must scale up to meet base load, renewable integration, and EV charging needs.

### Export Momentum

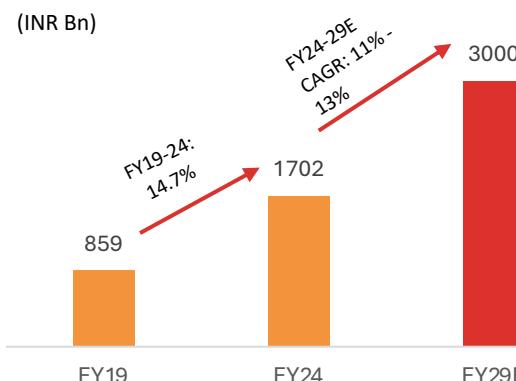
Conductor exports grew from ₹55.04 bn in FY23 to ₹58.81 bn in FY24, while imports remained negligible (₹9.4 bn). Strong demand from Africa, Latin America, and Southeast Asia is boosting India's global market presence, making exports a reliable growth engine.

## Industry Overview

### Cables

Demand for cables and wires is set to rise as India's combined expenditure on power, railways, and real estate is projected to increase by approx. 25% to nearly ₹9 lakh crore in FY26. This includes the planned addition of 45–55 GW in power generation capacity, investments in 10,000 circuit km of interstate transmission lines, and continued capex in railways, metro projects, and real estate development. Collectively, these initiatives are expected to drive cable and wire demand of around ₹20,000 crore in FY26. With organized players expected to capture nearly two-thirds of this demand, revenues from the domestic segment are likely to grow at a healthy pace of approx. 15%.

**India Wires & Cables Market to Grow at 11-13% CAGR Between FY24-29E**

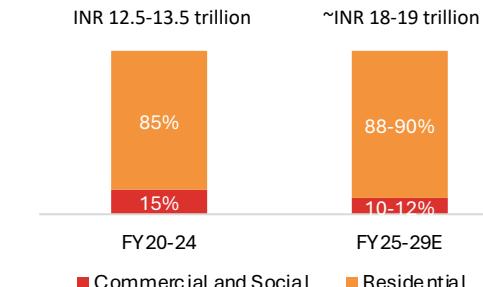


Source: CRISIL

### Key Growth Initiatives for Cables and Wire Industry

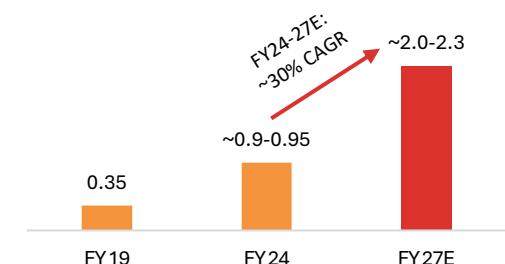
- Growing demand of cables and wires from building and construction sector – Growing demand of residential and commercial spaces and emergence of data centres and cloud computing represent key growth drivers.
- Government spending on smart cities, metro projects, highways, and affordable housing (PMAY) is boosting demand for low-voltage building wires and medium-voltage cables. Large-scale real estate development in Tier 1 & Tier 2 cities is creating consistent growth opportunities.

### Total construction spends in building segment



■ Commercial and Social ■ Residential

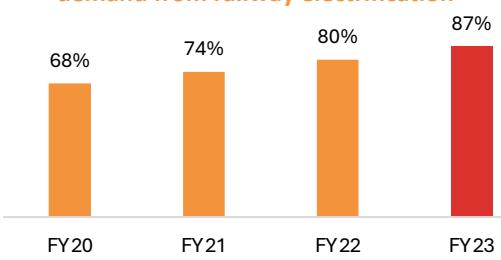
### Data centre – installed capacity in India (GW)



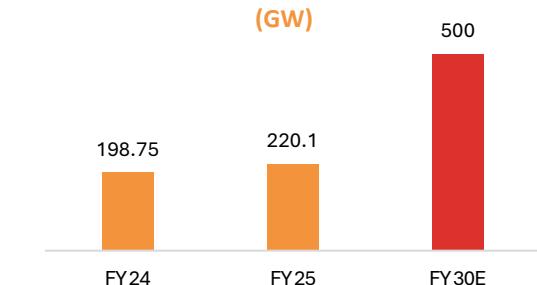
- With Indian Railways targeting 100% electrification by 2030, and expanding high-speed rail (Bullet Train) and metro projects, demand for railway cables, signaling cables, and specialty conductor-cable solutions is rising sharply.

- Rollout of 5G networks, fiber-to-the-home (FTTH), and the National Broadband Mission is creating robust demand for optical fiber cables (OFC) and telecom solutions.
- Growth in data centers and cloud infrastructure is further accelerating demand for specialty cables.

### Power sector to witness incremental power demand from railway electrification



### Total installed renewable energy capacity in India (GW)

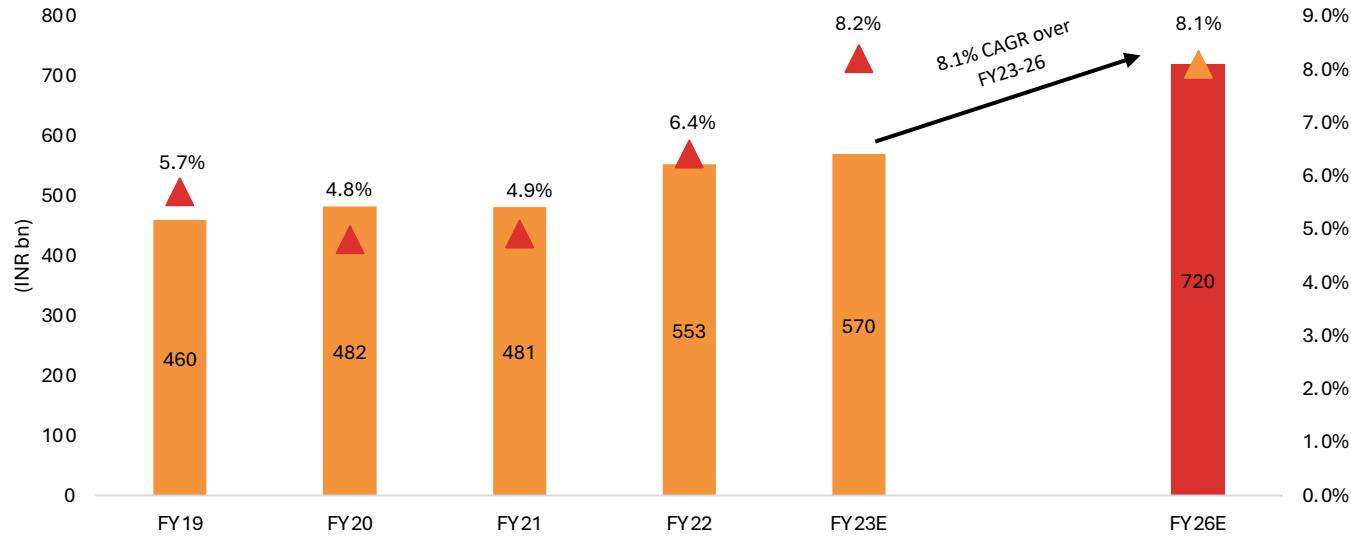


- India's target of 500 GW renewable capacity by 2030 is driving demand for solar cables, wind cables, and extra-high-voltage (EHV) power cables.
- Investments in inter-state transmission systems (ISTS) and green energy corridors are expanding market size for high-performance power cables.

Source: CRISIL, Ministry of New and Renewable Energy

## Industry Overview

Speciality oils market are projected to CAGR of 8.1% over FY23–26E in India



Source: CRISIL

### Speciality Oil

- Automotive Sector to be a Major Growth Driver:** India is projected to become the third-largest automobile market globally by 2030 in terms of volume. Rising disposable incomes, a young demographic profile, increasing vehicle penetration, growing R&D hubs, and government support through Atmanirbhar Bharat Abhiyaan and the PLI scheme for advanced automotive technologies will underpin this growth. Other enablers include easier access to credit, competitive domestic steel manufacturing, strong logistics and passenger transport demand, and availability of low-cost labor.
- PLI Scheme Catalyzing Industrial Investments:** Industrial construction spend grew 7–10% in FY23, aided by deferred capex from FY21 and the rollout of PLI-backed investments. CRISIL MI&A estimates industrial construction investments of ₹2.8–3 trillion between FY24–FY26, reflecting a 1.2x increase over FY21–FY23 levels, largely driven by PLI-linked capacity additions across key industries.
- Government Policy Support:** The Government of India's PLI schemes across 14 sectors (pharma, food products, auto, textiles, etc.) and broader infrastructure development initiatives are set to attract investments, build scale, enhance exports, and integrate India more deeply into global supply chains. These initiatives, along with capacity expansion by domestic manufacturers, are expected to propel lubricant demand in the near to medium term.
- Manufacturing Sector Expansion:** India's manufacturing sector is expanding rapidly, with higher emphasis on capacity addition, automation, and faster production cycles. This shift is expected to increase demand for lubricants, particularly higher-value, performance-oriented products required to protect advanced machinery and ensure operational efficiency.
- Pharma and Consumer Sectors Positioned for Strong Growth:** Growth in pharmaceuticals, personal care, and food & beverages will be driven by government initiatives to enhance local manufacturing and reduce import dependence, deeper penetration of distribution networks in Tier 3 and 4 cities, rising living standards, and greater awareness around health and hygiene.
- Supply Chain De-risking Driving Investments:** Global lubricant supply is currently concentrated in China, but rising concerns around supply chain resilience—particularly among European companies—are expected to accelerate foreign investments in India's lubricant industry, making the country an attractive alternative hub.



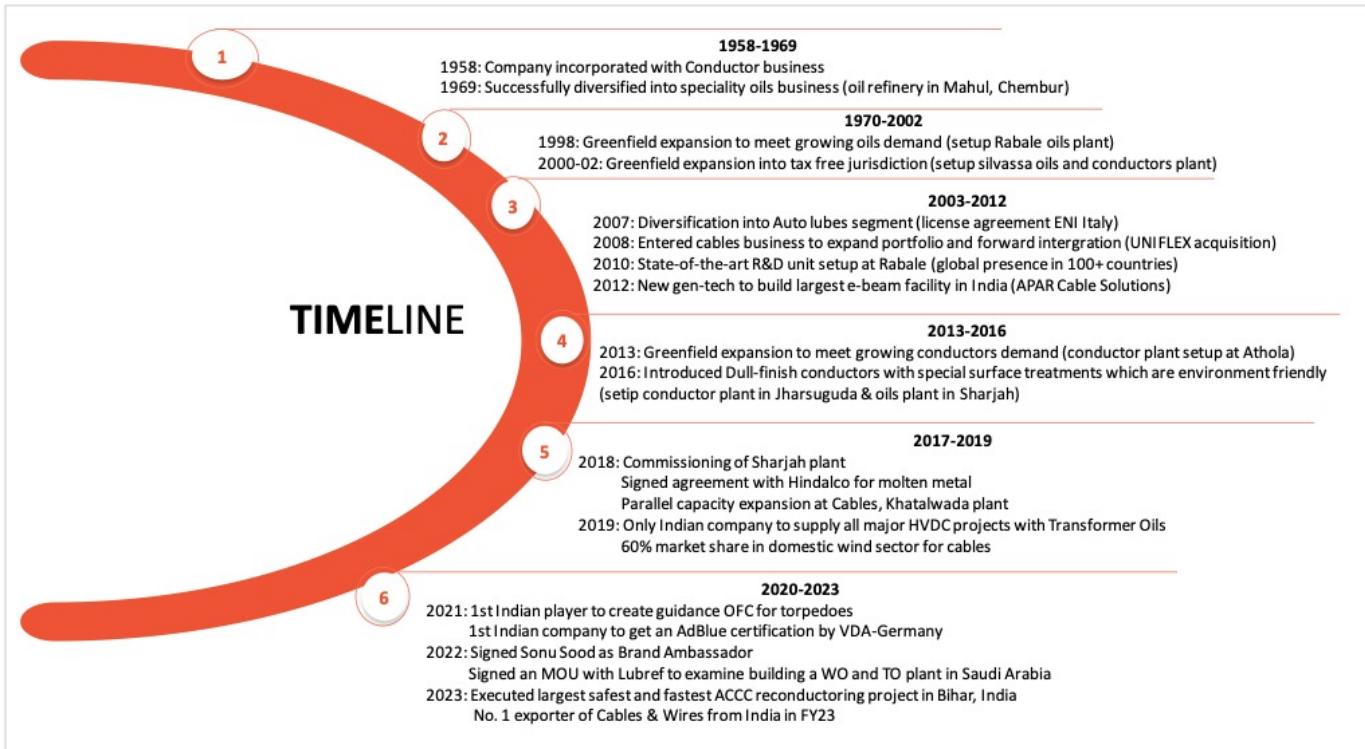
## Business Overview

## Business Overview

**APAR Industries**, established in 1958, has evolved into a diversified manufacturer with revenues exceeding USD 2 billion and a global footprint spanning 140+ countries. The company is a leading supplier of conductors, specialty oils, power and telecom cables, polymers, and lubricants, primarily serving the global energy infrastructure sector. It is India's largest conductor manufacturer by sales, a top exporter of conductors and cables, and among the top three players in the domestic renewable energy cable segment. APAR was also the largest private manufacturer of specialty oils by capacity.

The company operates across three core segments: (i) conductors, (ii) transformer and specialty oils, and (iii) power and telecom cables. It has ten manufacturing facilities in India and one in Sharjah, UAE, strategically positioned to optimize supply chain efficiency and export logistics. In addition, APAR has developed a dedicated Telecom Solutions vertical offering optical fiber cables (OFC), LAN and 5G solutions, convergence products, and network services. Its hybrid cable portfolio caters to the growing demand for telecom-power convergence in applications such as 5G, IoT, and M2M.

A strong focus on R&D and product innovation has been central to APAR's growth, enabling it to design customized, high-performance solutions for its global clientele. With a consistent track record of launching premium and customer-centric products, APAR has reinforced its positioning as a trusted solutions provider in critical infrastructure markets.



Source: Company

Over the past six decades, APAR has grown into the world's largest manufacturer of conductors, serving loyal customers across 107 countries with a comprehensive portfolio of conventional and new-generation specialty conductors. Its cables division has delivered a remarkable 23%+ CAGR over the past decade, supported by sustained investments in advanced equipment. APAR is the only Indian company with four e-beam facilities alongside continuous innovation and a diverse product portfolio.

In lubricants, APAR ranks among India's largest industrial and automotive manufacturers, with a presence across nearly every industry segment. Its portfolio of 150+ grades is designed to meet the latest BIS and global quality standards.

APAR is also India's largest private blender and marketer of specialty oils, a business it has built over five decades. Today, it manages annual volumes of 400,000 KL in India and 120,000 KL in the UAE, offering a comprehensive portfolio of 350+ grades and 500+ variants spanning transformer oils, white oils, petroleum jelly, and process oils. This breadth of product capability underscores APAR's leadership in serving critical industries worldwide.

# Business Overview

## Diverse Industry Applications

APAR Industries operates across seven diversified business verticals, supplying mission-critical products to a wide spectrum of industries worldwide. Its portfolio is deeply integrated with India's infrastructure growth, renewable energy transition, and global demand for advanced materials.

APAR's wide-ranging portfolio creates a balanced mix of infrastructure-led, industrial, and consumer-facing revenue streams, reducing cyclical. Its leadership in conductors, specialty oils, renewable and telecom cables, coupled with diversification into automotive, defence, and consumer applications, positions it as a multi-vertical growth story aligned with India's long-term infrastructure and sustainability roadmap.



### Energy Transmission and Distribution

- Specialised Turnkey Solutions
- Conventional Conductors
- HTLS, OPGW, MVCC
- Copper Rods, Wires, Busbars & Strips
- Transformer Oil, CTC/PICC Conductor
- House Wire & Industrial Cables



### Industrial & Infrastructure

- Screened and Instrumentation Cables, Process Oils, Auto Lubricants, Rubber Process Oils, Agricultural Oils, Lubricants, Automotive Wires & Harnesses, Polymers



### Railway

- Contact Wire, Catenary Wire, Conductors, Railway Locomotive and Rolling Stock Cables,
- Cable Harnesses, Power Cable, Railway Signalling Cables



### Automotive

- (Two-Wheelers, Three-Wheelers, Four-Wheelers, Tractors, Trucks, Cranes)
- Automotive Wiring Harnesses, Tyres, Batteries, Lubricants, Adblue, Engine Oils, Coolants, Brake Fluids, Polymers, and Car and Bike Care Products



### Telecommunications

- Communication Cables, LAN Cables
- Fibre Optic Cables, OPGW, OPPC Conductors
- Hybrid Cables



### Pharmaceuticals & Personal Care

- Cosmetics, Skin Care, Eye Care, Ointment, Vaccination
- Technical and Pharmaceutical Grade White Oils
- Petroleum Jelly, Polymers



### Consumer Goods & Appliances

- Power Cables, Light Duty and House Wiring Cables
- Speciality Cables, LAN Cables
- White Goods, Electrical Goods
- Fitness Equipment, Sports Goods, Toys, Leather
- Polymers (TPE, TPV, TPU, TPR)



### Renewable Energy

- Solar Cables, Wind Cables
- Fibre Optic Cables, Harnesses



### Agriculture & Food

- Irrigation and Plumbing Cables
- White Oils for Food Packaging, Fertilisers, Spray Oils, Food Coating, Baking
- Lubricants for Tractors



### Defence

- Communication Systems Cable Harness, Speciality Cables (Tactical, Tether, Festoon)
- Marine, Submarine & Torpedo Cables, Optical Fibre Cables, Cables (Control, Power, Instrumental and Co-Axial Cables)

## Segment Overview

### APAR Conductors - world's largest manufacturer of conductors



Source: Company, Annual report

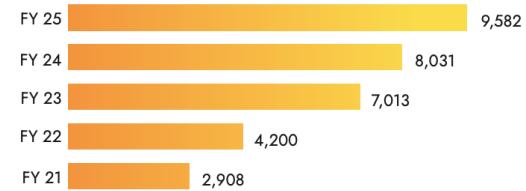
APAR Industries' conductor business is its largest revenue contributor approx. 48.5% and a critical growth engine, positioned strongly as the world's largest aluminium and alloy conductor manufacturer. The segment continues to benefit from rising demand in transmission, distribution, and renewable energy projects. APAR's strategy is to shift from being a pure commodity supplier to a value-added solution provider, focusing on high-margin products such as HTLS (High-Temperature Low-Sag) conductors, CTC (Continuously Transposed Conductors), OPGW (Optical Ground Wire), and turnkey solutions. The company's conductor business is also aligned with global energy transition trends. With increasing grid modernization, renewable energy integration, and railway electrification, APAR is seeing rising demand for specialty conductors. Exports form nearly 24.2% of conductor revenues, with strong traction in Africa, Latin America, and Southeast Asia. Additionally, APAR is capitalizing on India's domestic power reforms, transmission investments by Power Grid Corporation, and railway electrification under the government's infrastructure push.

Overall, APAR's conductor business is evolving from a volume-led, commodity-driven operation into a technology-driven, high-margin, export-oriented growth pillar, well-positioned to benefit from rising demand in renewables, transmission modernization, and railway electrification both in India and globally.

#### Outlook

- The Company intends to allocate its capital expenditure primarily towards de-bottlenecking operations, enhancing capacity and capabilities, improving productivity, reducing costs, and strengthening R&D initiatives.
- Amid the evolving Transmission and Distribution (T&D) landscape, the Conductor division is set to drive transformation through its broad portfolio, including high-performance conductors, HTLS conductors, turnkey solutions, CTC conductors, EHV cabling solutions, and optical phase conductors.
- Growing global commitments to clean energy, the modernization of aging infrastructure, increasing adoption of EVs, the expansion of new data centres, and rapid technological advancements are expected to drive stronger demand for innovative solutions in the T&D sector.
- Capitalizing on strong domestic project execution capabilities and the shift towards higher value-added products to strengthen demand within the domestic market.
- New order inflow stands at `2,114 crore in FY25. Order book remains strong at 7,163 crore. Export mix in total order book is 35.6%.

#### Revenue in ₹ Crore



#### Operational Highlights

**2,22,709 MT**

Sales Volume

FY 2023-24 ₹ 2,06,633 MT

**₹817 Crore**

EBITDA

(post open period forex)

FY 2023-24 ₹ 871 cr

#### Conductors

**₹ 9,582 Crores**

 Revenue  19.3%

**36,683/-MT**

 EBITDA (₹ per MT)  13.0%

**2,22,709 MT**

 Volume  7.8%

**₹ 206 Crores**

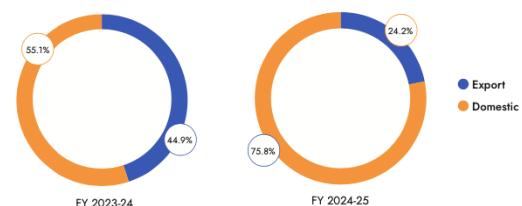
 Capex  43.7%

**₹ 817 Crores**

 EBITDA  6.2%

#### Domestic Export Mix

Ratio in (%)

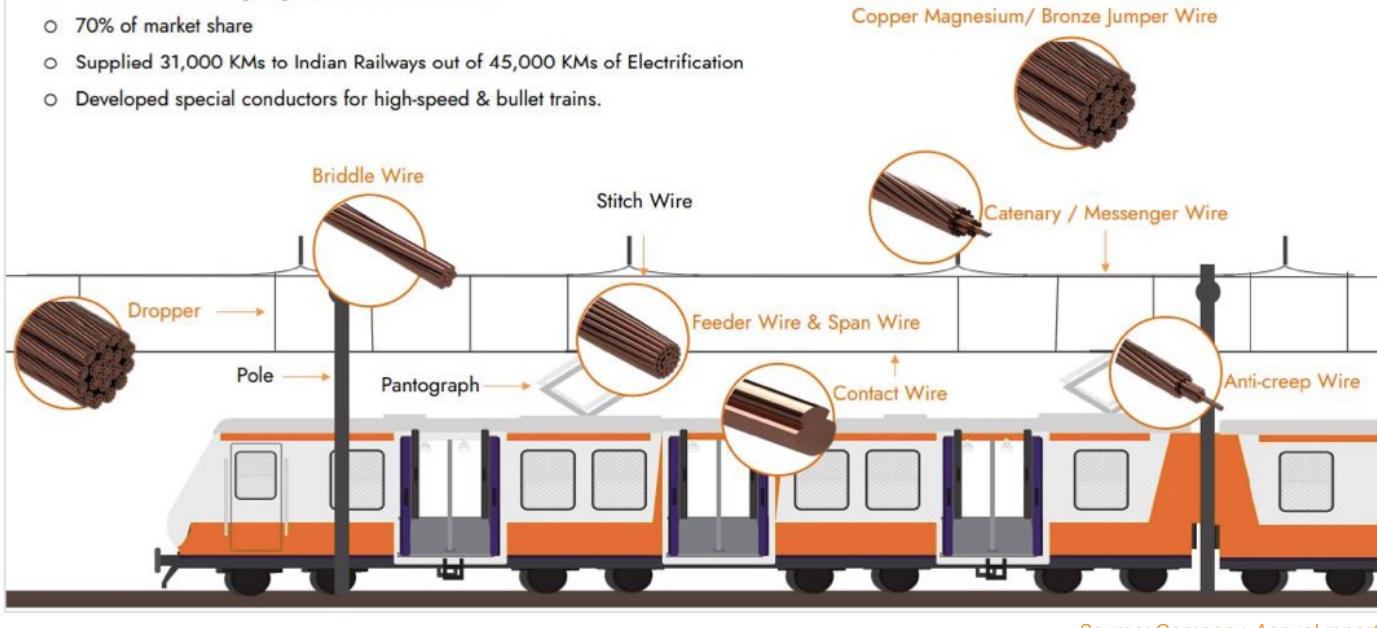


Source: Company, Annual report

## Segment Overview

### Powering Railway Electrification

- We are No.1 among largest manufacturer in India
- 70% of market share
- Supplied 31,000 KMs to Indian Railways out of 45,000 KMs of Electrification
- Developed special conductors for high-speed & bullet trains.



Source: Company, Annual report

### APAR innovates continuously to stay ahead of peers

**Optical Ground Wire (OPGW) 144F** – Introduced high fiber-count, high-density OPGW solutions with up to 144F capacity, integrating bandwidth expansion with grid reliability. These are critical for smart grids, data centers, and dynamic load management systems.

**Lead Connection Cable** – Expanded its portfolio with specialized cables that integrate with CTC and PICC products, strengthening its solutions for transformer manufacturers.

**Coated Conductors** – Designed to reduce energy losses and improve durability of overhead lines, particularly in polluted or coastal environments. These conductors support lower carbon emissions and more stable performance across varied radiation levels.

**Copper Magnesium (Cu-Mg) Catenary Wire** – APAR became the first Indian manufacturer to develop Cu-Mg catenary wires under RDSO specifications. These are crucial for modernizing railway electrification projects, including DMRC and DFCC, enabling high-speed and reliable operations.

**Copper Silver (Cu-Ag) Contact Wire** – Developed and successfully type-tested India's first high-current density Cu-Ag contact wire, now approved for Indian Railways, Metro Rail, and DFCC applications.

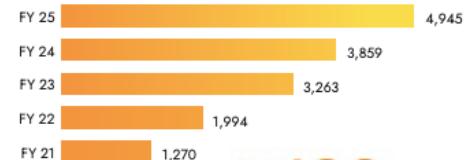
## Segment Overview

### APAR Cable Solutions - India's 6th largest cable manufacturer



Source: Company, Annual report

Revenue in ₹ Crore



**₹498 Crore**

EBITDA  
(post open period forex)

FY 2023-24 ₹ 439 Crore

APAR's Cable Business has grown into one of the company's most dynamic segments, shaping both domestic and global markets through scale, innovation, and diversification. Since the strategic acquisition of Uniflex Cables in 2008, APAR has transformed from a mid-tier player into a formidable leader, redefining India's cable industry with agility and technology leadership. Today, the company is the sixth-largest player in India's organized cables and wires sector and stands out as the fastest-growing cable company in the segment. With the widest range of cables manufactured in India, APAR has also become the largest exporter of cables and the leading manufacturer for the renewable energy sector, where it commands 70% market share in solar cables. It is the largest cable supplier (more than 90%) for Vande Bharat trains and market leader in supply of conductors for Indian railway electrification & development of new products for Bullet trains.

### Outlook

- In FY26, the Company will maintain its focus on premium global markets while further strengthening its portfolio of higher value-added products.
- The growth trajectory will be driven by increasing electricity demand, the rapid expansion of data centres, and the worldwide transition to renewable energy.
- As advanced economies create a more level playing field for emerging markets like India, the Company is strategically positioned to secure a substantial share of this growth alongside global peers.
- The Company anticipates sustained strong cable demand in FY26, supported by ongoing electrification projects, growth in rolling stock, and the development of smart railway infrastructure.
- The Company continues to innovate and deliver high-performance, reliable cabling solutions tailored to the stringent needs of defence operations, thereby supporting India's vision of self-reliance in defence manufacturing.
- Company's order book remains strong at Rs.1,690 crore in FY25. Capex incurred during the year Rs.186 crore which is expected to cater future demands.
- The Company foresees sustained growth opportunities as the nation progresses toward its 'Power for All' vision and undertakes large-scale network restructuring to meet rising electricity demand.

### Cables

**₹ 4,945 Crores**

Revenue  28.1%

**10.1%**

EBITDA (%)  1.3%

**₹ 498 Crores**

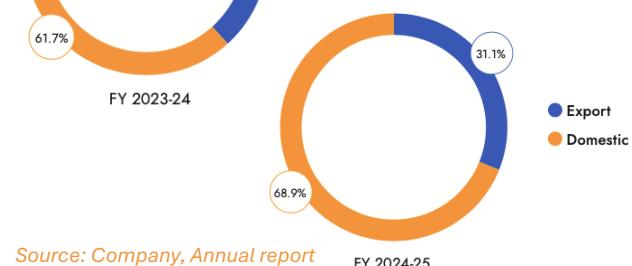
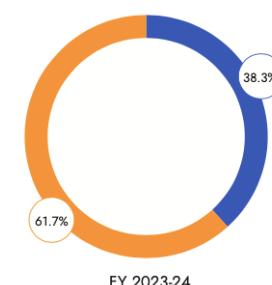
EBITDA  13.4%

**₹ 187 Crores**

Capex  11.5%

### Domestic Export Mix

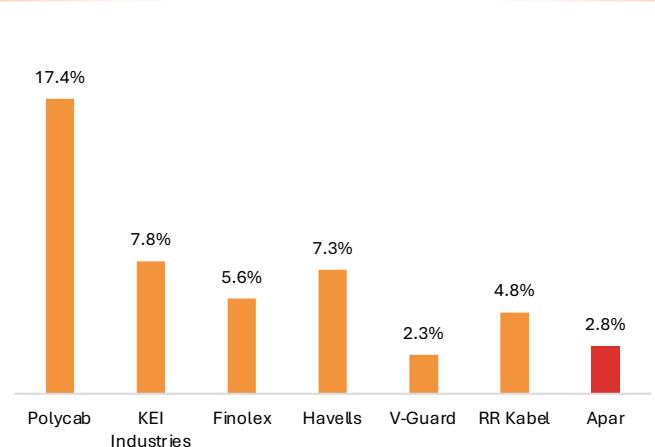
Ratio in (%)



Source: Company, Annual report

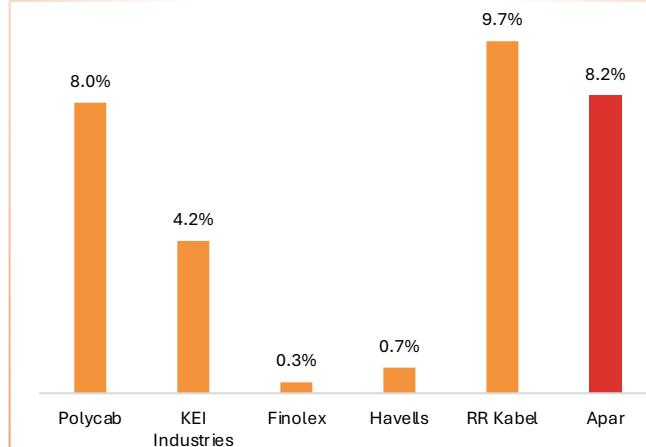
## Segment Overview

Domestic market share narrow at 2.8%



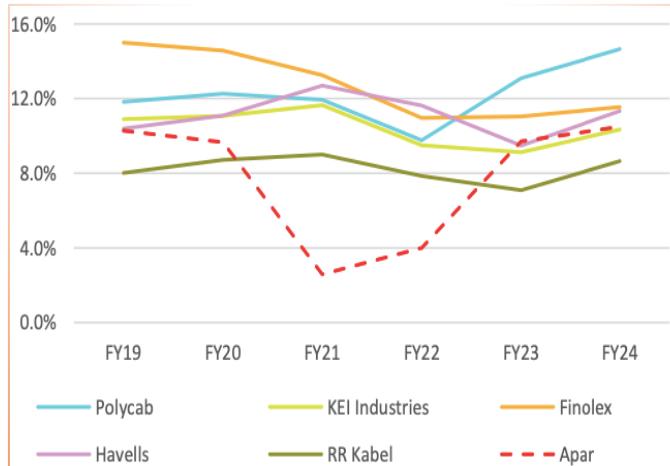
Source: Company, Bloomberg

Export market share comparable to Polycab



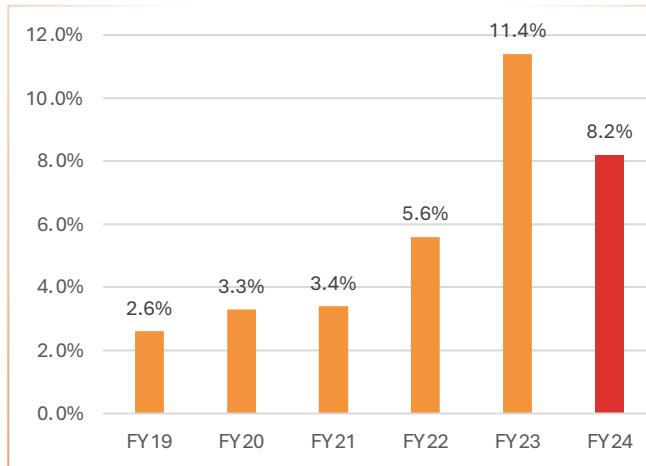
Source: Company, Bloomberg

Industry operating at OPMs of 10–12%, except Polycab



Source: Company, Bloomberg

APAR's export market share increased to 8.2% in FY24 from 2.6% in FY19



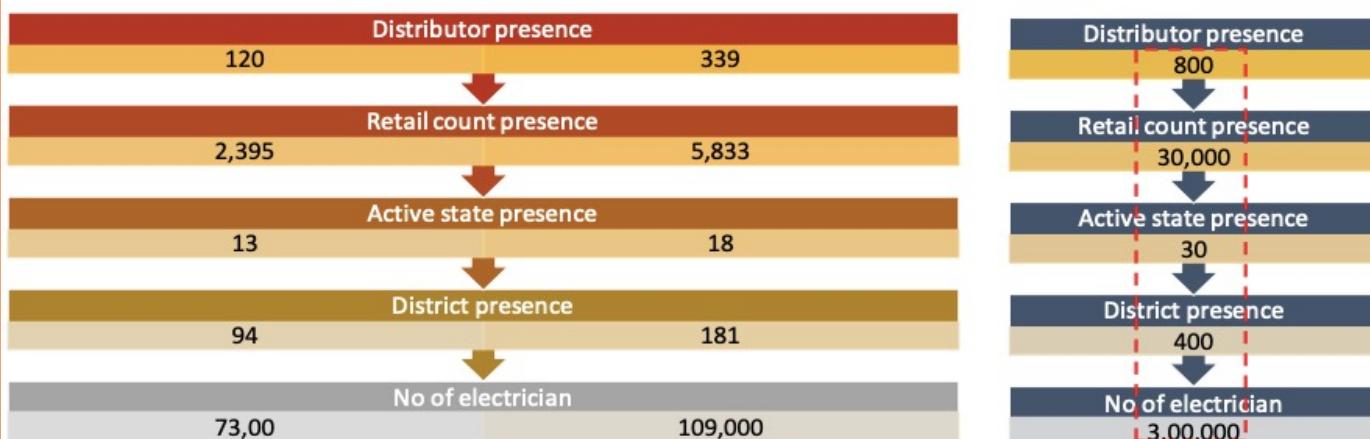
Source: Company, Bloomberg

Light-duty cables distribution expansion roadmap

31st Mar'23

31st Mar'24

31st Mar'29



Source: Company, Bloomberg

## Segment Overview

### APAR Speciality Oils - World's 3rd largest transformer oil manufacturer



Source: Company, Annual report

The Speciality Oil segment is APAR's most established and stable business, providing consistent cash flows while steadily transitioning toward higher-value offerings. It encompasses a diverse portfolio including transformer oils, white oils, rubber process oils (RPO), liquid paraffin, industrial and automotive oils, catering to industries such as power transmission, healthcare, FMCG, automotive, tyres, and textiles. The Speciality Oil business anchors APAR's portfolio with its stable earnings base and global leadership in transformer oils, while creating growth avenues through premiumisation, eco-friendly innovation, and global expansion. Exports are a cornerstone of the segment, contributing nearly 44% of revenues. The company's international presence provides natural hedging against domestic demand fluctuations and commodity price risks. Growth is further supported by India's power sector expansion, rising EV and automotive lubricant requirements, and demand from healthcare and consumer sectors.

### Outlook

- The transformer oil business is expected to expand in line with the growth of the T&D sector. However, in the short term, growth may moderate if there are delays or reductions in infrastructure capex spending.
- The focus will remain on enhancing per-unit profitability rather than overall volumes, while sustaining strong free cash flows by maintaining lean inventory levels.
- The company enhance global market presence by improving product quality, expanding capacity, and ensuring alignment with international regulatory and environmental standards.
- Establish and operate manufacturing facilities and storage tanks across key geographies to reduce import duties and shorten transit times.
- Strengthen strategic focus on expanding global presence and enhancing market share in transformer oils.



Rabale,  
Navi Mumbai



Silvassa,  
D&N Haveli



Hamriyah Free Zone,  
Sharjah, UAE



**₹ 5,087 Crores**

Revenue 5.2%

**₹ 356 Crores**

EBITDA 15.3%

**5,79,642 KL**

Volume 7.8%

**₹ 80 Crores**

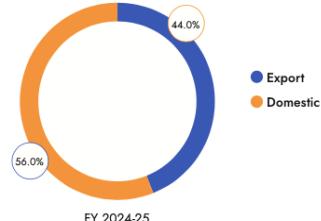
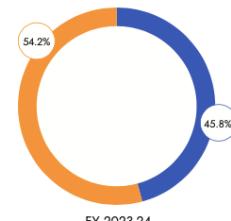
Capex 2075.6%

**₹ 6,145/-KL**

EBITDA (₹ per KL) 6.9%

### Domestic Export Mix

Ratio in (%)



APAR serves as a key global supplier to the Saudi Electricity Company (SEC), having delivered over 40,000 KL of speciality oils through leading OEMs worldwide. To align with the Saudi government's strategic localisation programme, company expanding a transformer oil and white oil facility at Luberef, Yanbu, KSA.

Source: Company, Annual report

## Segment Overview

### Oil/lubricants portfolio

TRANSFORMER OILS	TECHNICAL GRADE WHITE OILS	PHARMACEUTICAL GRADE WHITE OILS	RUBBER PROCESS OILS
Heart of a transformer, used in dielectric cooling	Used in the textile industry and incense perfume	Used in cosmetics & personal care products	Used in EPDM, tyres and rubbers
30+ grades	15+ grades	15+ grades	15+ grades
Brands <b>POWEROIL</b> <b>POWEROIL NE PREMIUM</b>	Brands <b>POWEROIL TOPAZ</b>	Brands <b>POWEROIL PEARL</b>	Brands <b>POWEROIL SAPHIRE</b>

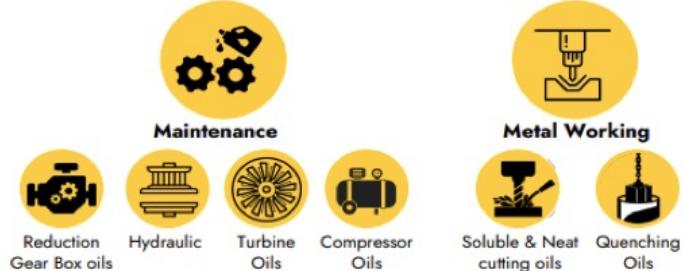
#### AUTOMOTIVE LUBRICANTS



#### Speciality areas of focus

- Gas Engine oils – Mobile & Stationery
- Marine Engine Oils
- Automatic Transmission Fluids
- Automotive Specialties like Coolants and Brake Fluids

#### INDUSTRIAL LUBRICANTS



#### Speciality areas of focus

- Metal Working fluids – Semi Synthetic
- Rust Preventives
- Rolling fluids
- Drawing Fluids

APAR's client portfolio includes some of the most reputed names across key sectors



## Segment Overview

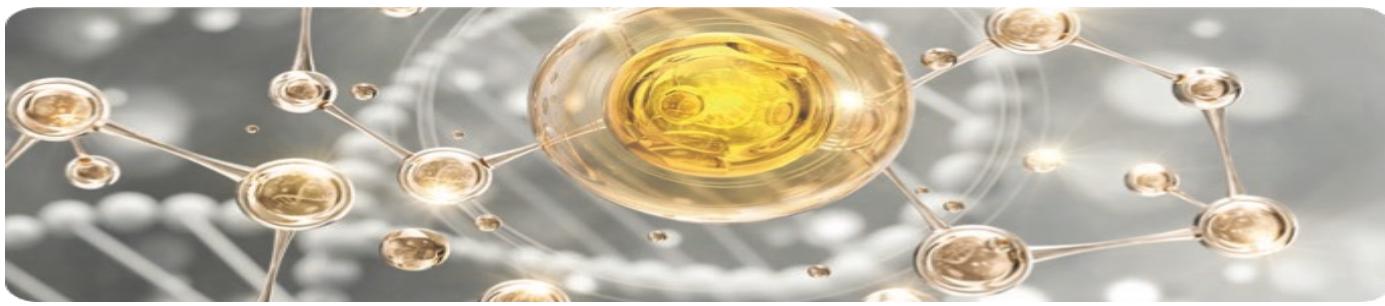
### APAR Telecom Solutions - Among the top 5 players in the Indian Optical Fibre Cable (OFC) segment



Source: Company, Bloomberg

APAR Telecom Solutions is emerging as a key player in the evolving connectivity ecosystem, where the convergence of 5G/6G, AI-driven networks, and data-centric infrastructure is driving demand for advanced telecom solutions. Ranked among the top five players in India's Optical Fibre Cable (OFC) segment, APAR has differentiated itself through its Hybrid Giga-Volt cables (fibre + copper) that are gaining strong adoption across global markets. With demand for real-time, high-capacity, low-latency connectivity set to accelerate, APAR is well positioned to capture market share in both domestic and export markets. The company brings over two decades of expertise in telecom infrastructure, offering end-to-end connectivity ecosystems rather than just cables. Its solutions span telecom mobility, defence, power, datacentres, and transport, underpinned by backward-integrated manufacturing that ensures cost competitiveness and stringent quality control.

### APAR Lubricants - One of the largest industrial and automotive lubricant manufacturers in India



Source: Company, Annual report

APAR has steadily expanded its lubricants business, now ranked as the 9th largest player in India, with a presence across automotive, industrial, power generation, agriculture, and renewable energy. In FY25, volumes reached 81,745 KL, firmly positioning APAR among the top three players in the agricultural and industrial lubricants segment. The business leverages its POWEROIL brand for industrial applications and benefits from strategic partnerships with Eni Italy and ARKOS Singapore for high-end lubricant formulations.

APAR's lubricants division complements its conductor, cable, and specialty oil businesses by adding a scalable, margin-accretive growth pillar. With strong brand equity, diversified product applications, and sustainability-driven innovations, the segment is well positioned to capture market share in India's fast-growing lubricants industry while expanding into global specialty niches. Growth visibility is underpinned by rising industrial activity, agriculture mechanization, and renewable energy expansion.

## Segment Overview

### APAR Speciality Automotive - First Indian company with an AdBlue license



I.



II.



III.



IV.

Source: Company, Annual report

#### Outlook

- Achieved strong domestic growth with sales rising over 15%, driven by resilient demand and a more premium product mix.
- Expanded the portfolio with new ARKOS Tyre variants, enabling entry into previously untapped markets.
- Diversified further with the launch of three-wheeler batteries, strengthening presence in key mobility segments and broadening category reach.
- Enhanced market footprint through the launch of the ARKOS VETEK Bike and Car Care range.
- Fourteen AdBlue® filling stations are now operational across India, with six additional sites set to open soon.

APAR Speciality Automotive is expanding its presence in India's mobility ecosystem with a diversified portfolio of lubricants, batteries, tyres, and aftermarket vehicle care solutions marketed under the ARKOS brand. A key differentiator is its position as the first Indian company licensed by VDA to produce AdBlue®, marketed as *POWEROL AdBlue®*, which helps reduce NOx emissions in new-generation diesel vehicles using SCR technology. This aligns APAR with tightening environmental regulations and growing demand for cleaner mobility solutions across passenger and commercial fleets.

In FY24-25, APAR focused on aligning its business with emerging EV and hybrid mobility trends, positioning itself as a long-term enabler in India's transition to sustainable transportation. Its solutions are engineered to improve engine efficiency, lower emissions, and ensure compliance with environmental norms, providing both regulatory alignment and customer value.

### APAR Polymers - One of the country's leading manufacturers of Thermoplastic Elastomers



Source: Company, Annual report

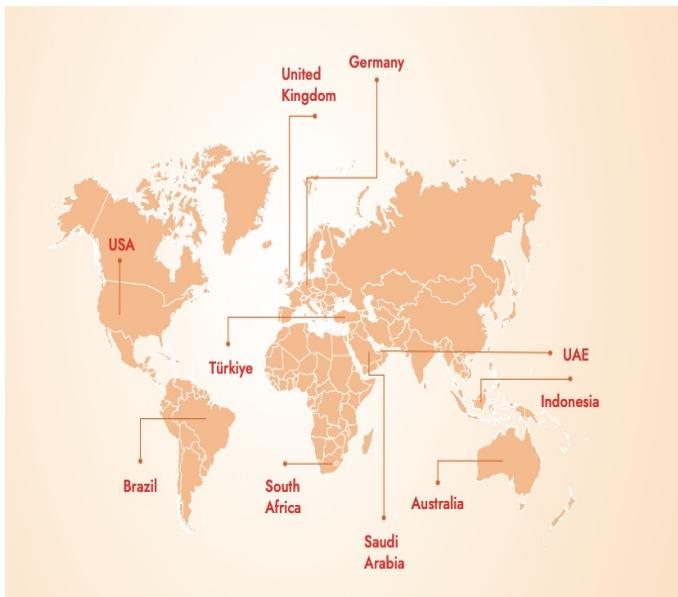
APAR's Polymers business integrates advanced polymer technologies with global best practices, positioning itself as a niche player in the engineering compounds and specialty polymer segment. Its flagship APARPRENE brand offers fully recyclable compounds, reinforcing the company's sustainability agenda while catering to diverse end-markets such as automotive, construction, electrical & electronics, energy, and consumer goods.

The business differentiates itself by focusing on high-performance materials that improve system reliability, reduce maintenance, and extend asset life attributes critical for OEM adoption. In FY24-25, APAR expanded its premium product range, enhanced vertical integration, and increased capacity, alongside introducing new specialty compounds to diversify its portfolio. Endorsements from leading OEMs validate APAR's quality and global compliance standards.

The polymer division adds a scalable, sustainability-driven growth vertical to APAR's portfolio. With rising demand for recyclable, high-performance materials in automotive and industrial applications, the segment is positioned to capture long-term value creation opportunities, while benefiting from vertical integration, product innovation, and regulatory tailwinds in sustainability.

# Business Overview

## Global Market Reach



Source: Company, Annual report

APAR operates with strong manufacturing capabilities, supported by 10 advanced plants in India and one facility in Sharjah, UAE. These world-class facilities enable the company to produce a diversified portfolio across conductors, speciality oils, lubricants, and high-performance cables, all built to meet stringent global standards.

With exports to 140+ countries, APAR has established a significant global footprint, underpinned by its focus on quality, reliability, and innovation. Its manufacturing scale and technological capabilities support critical industries including power transmission & distribution, automotive, renewables, and infrastructure, making it a trusted partner for both domestic and international customers.

## Why APAR ?

Large manufacturing capacities with a comprehensive product portfolio spanning both Transmission and Distribution.

Strong relationships with leading customers, including Utilities, EPCs, Developers, and OEMs, supported by global approvals.

Over six decades of global expertise with a strong track record in power infrastructure solutions.

Strategic tie-ups for advanced product development ensure continuous innovation.

Reliable access to molten metal, ensuring raw material availability and cost efficiency.

Market leader in specialised turnkey solutions for the Transmission & Distribution segment.

Strong customer mindshare and recall across domestic and international markets.

Robust balance sheet with the capacity to meet bank guarantee and working capital needs.

Continuous investment in R&D and e-beam technology supports premiumisation and differentiation in both domestic and global markets.



## Management Overview

## Board of Directors



### MR. KUSHAL N. DESAI

*Chairman and Managing Director (Executive) & Promoter*

Mr. Kushal Desai is currently Chairman & Managing Director of APAR Industries Ltd. He has a Bachelor of Science degree in Electrical Engineering from the Moore School of Electrical Engineering and a Business degree from the Wharton School, both of which are part of University of Pennsylvania. In 1997, Kushal co-founded APAR Infotech, a system integration software company, which he actively worked with till 2004. At the time of its listing on NASDAQ in 2004, APAR Infotech was operating in 13 countries.

### MR. CHAITANYA N. DESAI

*Managing Director (Executive) & Promoter*

Mr. Chaitanya Desai is currently the Managing Director of APAR Industries Limited, the world's largest manufacturer of aluminium and alloy conductors. He has a Bachelor of Science (Hons.) degree in Chemical Engineering from the University of Pennsylvania and a Bachelor of Science degree in Economics (Hons.) from the Wharton Business School. He joined APAR in 1993 to head the Polymer division, a collaboration with The Goodyear Tire & Rubber Company of USA.



### MR. RISHABH K. DESAI

*Non-Executive, Non-Independent Director & Promoter*

Mr. Rishabh Desai serves as Director of Petroleum Specialities FZE (PSF), a wholly owned subsidiary of APAR Industries based in the UAE and is also a member of the Board of Directors at APAR Industries. He earned his B.Sc. in Business Management and Entrepreneurship with dual concentrations in Finance and Strategic Management from Babson College, USA, in 2014. After graduation, he worked at Ergon Inc., an oil refinery in Mississippi, USA, before relocating to the UAE.

### MR. RAJESH NARAYAN SEHGAL

*Independent Director (Non-Executive)*

Mr. Rajesh Sehgal is a Chartered Financial Analyst with an MBA in Finance and Marketing from XLRI, India, and a Bachelor of Science in Physics from Mumbai University. He brings extensive expertise in finance, investments, and business management.



### MR. KAUSHAL JAYSINGH SAMPAT

*Independent Director (Non-Executive)*

Mr. Kaushal Sampat holds an MBA from Bowling Green State University, Ohio, a Diploma in Business Management from NMIMS, Mumbai, and a Bachelor of Commerce from the University of Bombay. He brings expertise across general management, sales, marketing, operations, international business development, risk management, and data & analytics.

### SMT. NIRUPA KIRAN BHATT

*Independent Director (Non-Executive)*

Smt. Nirupa Bhatt holds a Bachelor of Science degree in Chemistry and Physics from the University of Mumbai. She brings extensive expertise in the gems and jewellery industry, organizational management, ethics, cost management, strategy, and stakeholder engagement.

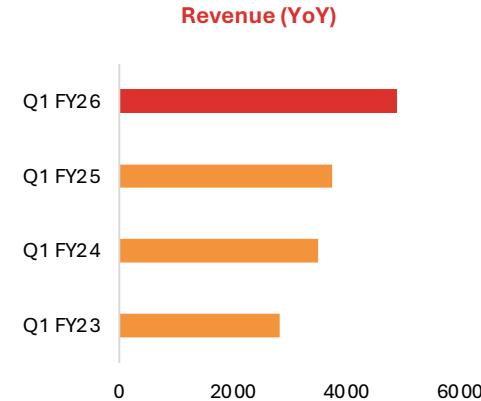




## Financials & Valuation

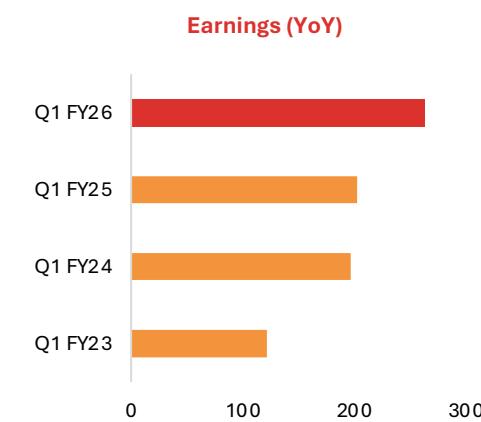
## Quarterly Update (Standalone)

Particulars	Q1 FY26	Q1 FY25	YoY (%)	Q4 FY25	QoQ (%)
Revenue from operations	4,881	3,747	30.3%	4,981	-2.0%
COGS	3,847	2,924	31.6%	3,893	-1.2%
Gross profit	1,034	822	25.7%	1,088	-5.0%
SG&A	595	464	28.3%	642	-7.2%
Operating profit	438	358	22.3%	446	-1.7%
Dep. & Amort.	35	28	25.4%	33	7.8%
EBIT	403	330	22.1%	413	-2.4%
EBIT margin (%)	8.3%	8.8%	-6.3%	8.3%	-0.4%
Other income	27	17	54.1%	16	69.7%
Interest expense	83	85	-2.8%	97	-14.1%
EBT	347	262	32.3%	332	4.4%
Tax	89	67	33.2%	88	0.9%
PAT	258	196	31.9%	244	5.6%
PAT margin (%)	5.3%	5.2%	1.3%	4.9%	7.8%



## Quarterly Update (Consolidated)

Particulars	Q1 FY26	Q1 FY25	YoY (%)	Q4 FY25	QoQ (%)
Revenue from operations	5,104	4,011	27.3%	5,210	-2.0%
COGS	4,138	3,230	28.1%	4,165	-0.6%
Gross profit	966	781	23.7%	1,045	-7.6%
SG&A	514	404	27.2%	586	-12.3%
Operating profit	452	377	19.9%	459	-1.5%
Dep. & Amort.	38	31	22.6%	36	5.6%
EBIT	414	346	19.7%	423	-2.1%
EBIT margin (%)	8.1%	8.6%	-6.0%	8.1%	-0.1%
Other income	25	15	66.7%	17	47.1%
Interest expense	86	90	-4.4%	100	-14.0%
EBT	353	271	30.3%	340	3.8%
Tax	90	68	32.4%	90	0.0%
PAT	263	203	29.6%	250	5.2%
PAT margin (%)	5.2%	5.1%	1.8%	4.8%	7.4%

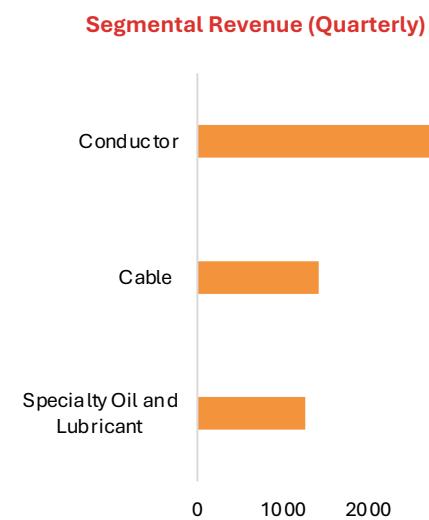


APAR posted a strong Q1 FY26 with revenue up 27.3% YoY to ₹5,104 crore, driven by domestic growth. Exports contributed 31.6% of sales. EBITDA rose 27% YoY to ₹501 crore (9.8% margin), while PAT grew 30% YoY to ₹263 crore (5.2% margin).

The conductors division reported a 43.9% YoY revenue increase, aided by 18% volume growth and improved realization from premium products, which formed 43.5% of sales versus 37.1% last year. The order book reached ₹7,779 crore, with fresh inflows of ₹3,135 crore in Q1 the highest in five quarters.

Cables business also delivered a strong performance, with revenues at ₹1,419 crore (+36.3% YoY), led by robust demand from renewable, railway, and data center projects domestically and a sharp 136% YoY growth in US exports driven by pre-buying ahead of tariff deadlines. Order book in cables stood at ₹1,653 crore, giving strong visibility for FY26 growth.

The oils segment posted flat revenues YoY, as lower crude derivative prices offset an 8.1% increase in volumes. Transformer oils grew 7.4%, supported by nearly 20% domestic volume growth, while automotive and industrial lubricants rose 8.4% and 15.9%, respectively. However, exports weakened, with contribution falling to 36.7% (vs. 45% YoY) due to execution delays in large overseas projects across Saudi Arabia, South Africa, and Australia.



## Financial Statements

Income Statement			
Particulars	2025	2024	2023
Revenue from operations	18,581.2	16,153.0	14,336.3
Cost of goods sold	14,739.3	12,540.0	11,076.2
<b>Gross profit</b>	<b>3,841.9</b>	<b>3,613.0</b>	<b>3,260.1</b>
<i>Gross profit margin (%)</i>	20.7%	22.4%	22.7%
SG&A	2,294.5	2,085.3	2,033.1
Operating profit	1,547.4	1,527.7	1,226.9
<i>Operating profit margin (%)</i>	8.3%	9.5%	8.6%
Depreciation	132.2	115.7	104.3
<b>EBIT</b>	<b>1,415.3</b>	<b>1,412.0</b>	<b>1,122.6</b>
Other income	99.4	81.1	37.5
Interest expense	408.9	386.6	305.5
Share in Net profit/(loss) of associate	(0.1)	(0.6)	(0.0)
<b>EBT</b>	<b>1,105.6</b>	<b>1,105.9</b>	<b>854.5</b>
Tax	284.3	280.7	216.8
<b>PAT</b>	<b>821.3</b>	<b>825.1</b>	<b>637.7</b>
<i>PAT margin (%)</i>	4.4%	5.1%	4.4%

Balance Sheet			
Particulars	2025	2024	2023
PPE	1,432.0	1,129.9	884.4
Capital work-in-progress	127.8	120.7	99.1
Intangible Assets	4.5	2.8	1.4
Right-of-use assets	106.5	61.9	65.0
Financial assets	139.9	34.4	44.3
Non-current tax assets (net)	26.0	61.6	54.3
Other non-current assets	114.3	34.5	62.8
<b>Total non-current assets</b>	<b>1,951.0</b>	<b>1,445.8</b>	<b>1,211.1</b>
Inventories	3,310.5	2,864.5	2,575.6
Investments	226.2	21.8	84.6
Trade Receivables	4,078.2	3,928.9	3,198.1
Cash and cash equivalents	686.4	584.0	498.8
Bank balances other than above	74.6	62.0	31.3
Loans	1.2	1.1	5.2
Other financial assets	82.9	63.6	48.4
Other current assets	852.6	644.1	564.6
<b>Total Current Assets</b>	<b>9,312.5</b>	<b>8,170.0</b>	<b>7,006.6</b>
<b>Total Assets</b>	<b>11,263.6</b>	<b>9,615.8</b>	<b>8,217.7</b>
Common Shares	40.2	40.2	38.3
Other Equity	4,463.4	3,836.3	2,198.1
<b>Total Equity</b>	<b>4,503.5</b>	<b>3,876.4</b>	<b>2,236.4</b>
Long Term Debt/Lease	398.7	394.6	215.1
Other NC Fin. Liab.	6.8	13.6	8.5
Deferred tax liabilities (Net)	3.0	0.9	21.7
Provisions	17.5	14.1	12.5
<b>Total non current liabilities</b>	<b>426.1</b>	<b>423.1</b>	<b>257.8</b>
Short term debt	186.0	81.0	161.2
Trade Payables	5,548.8	4,764.8	5,206.3
Other Financial Liabilities	119.3	133.5	107.4
Provisions current	7.4	6.7	4.3
Current tax liabilities (Net)	31.1	98.2	47.7
Other current liabilities	441.4	232.1	196.7
<b>Total Current Liabilities</b>	<b>6,333.9</b>	<b>5,316.2</b>	<b>5,723.5</b>
<b>Total Equity and Liabilities</b>	<b>11,263.6</b>	<b>9,615.8</b>	<b>8,217.7</b>

APAR reported consolidated revenue of ₹18,580 crore in FY25, reflecting a diversified business mix across conductors (48.5% of revenue), specialty oils (25.8%), and cables (25%). While top-line growth remained healthy, the composition shows reliance on infrastructure-led demand (power T&D, renewables, cables for data centers/railways). Export contribution was 33%, down from FY24, as global trade disruptions (tariffs, shipping constraints) weighed on execution. Domestic demand acted as the key growth driver, benefiting from India's strong renewable and transmission capex cycle.

EBITDA stood at ₹1,547 crore (margin 8.3%), supported by an improving product mix, especially in premium conductors (AL59, HTLS) and specialty cables. The conductor business historically lower-margin showed profitability improvements due to premiumization. However, overall margins remain sensitive to commodity cycles, tariffs, and project execution delays.

Capex spend in FY25 was ₹510 crore, largely towards expanding conductor and cable capacity and enhancing product flexibility (premium cables, copper-rich conductors). With planned capex of ₹1,300 crore till FY26, APAR is positioning to capture demand from renewables, reconductoring, EV ecosystem, and export recovery once tariff headwinds stabilize.

### Exports mix

**32.8%**

Contribution of export revenue to FY25 revenues

**24.2%**

Export Mix Conductor

**44.0%**

Export Mix Oil

**31.1%**

Export Mix Cable

## Ratio Analysis

### Profitability Ratio

Particulars	2025	2024	2023
Sales growth	15.0%	12.7%	53.8%
Expense growth	17.5%	13.2%	53.7%
GP growth	6.3%	10.8%	54.3%
EBITDA growth	1.3%	24.5%	124.0%
EBIT growth	0.2%	25.8%	149.5%
NP growth	-0.5%	29.4%	148.4%
EBITDA margin	8.3%	9.5%	8.6%
PAT margin	4.4%	5.1%	4.4%
ROCE	28.7%	32.8%	45.0%
ROIC	24.3%	27.1%	38.0%
ROE	19.7%	27.0%	32.3%

### Liquidity Ratio

Particulars	2025	2024	2023
Current ratio	1.47x	1.54x	1.22x
Quick ratio	0.95x	1.00x	0.77x
Cash ratio	0.16x	0.13x	0.11x

### Valuation Ratio

Particulars	2025	2024	2023
Enterprise value	30,940.84	31,151.15	31,104.84
EV/EBITDA	20.00	20.39	25.35
P/E	38.56	32.94	15.03
Price/Sales	1.69	1.94	2.19
Price/BV	7.04	7.25	4.50

APAR Industries closed FY25 with revenue of ₹18,581.2 crore, supported by a healthy demand environment across conductors, specialty oils, and cables. Profitability ratios show a stable operating profile, with EBITDA margin at 8.3% reflecting the benefits of premiumization in conductors (AL59, HTLS) and sustained double-digit margins in cables. The PAT margin of 4.4% highlights the thin nature of final profitability after absorbing finance costs a structural feature of APAR's volume-driven business model. Nonetheless, return ratios remain strong ROE stood at 19.6%, indicating superior capital efficiency compared to peers, while ROCE hovered around 28.7%, suggesting efficient use of both equity and debt capital despite the company's capital-intensive operations.

The debt-to-equity ratio at 0.13x reflects balance sheet strength and provides ample headroom to fund the planned ₹1,300 crore capex program. The interest coverage ratio of 3.46x further underlines that the company generates enough operating profit to comfortably service its debt obligations, minimizing solvency risks.

### Efficiency Ratio

Particulars	2025	2024	2023
Inventory turnover	5.61x	5.64x	5.57x
Asset turnover	1.65x	1.68x	1.74x
Receivable turnover	4.56x	4.11x	4.48x
Payable turnover	2.66x	2.63x	2.13x

### Leverage Ratio

Particulars	2025	2024	2023
Debt-to-equity	0.13x	0.12x	0.17x
Debt-to-capital	0.11x	0.11x	0.14x
Equity multiplier	2.50x	2.48x	3.67x
Interest cov. ratio	3.46x	3.65x	3.67x

### Cash Ratio

Particulars	2025	2024	2023
CFO/EBITDA	0.83x	-0.19x	0.57x
CFO/Total assets	0.11x	-0.03x	0.08x
CFO/Revenue	0.07x	-0.02x	0.05x
CFO/PAT	1.57x	-0.34x	1.10x

### Working Capital Management

Particulars	2025	2024	2023
Days Sales Outstanding	80.11	88.78	81.42
Days Payable	137.41	138.69	171.57
Days Inventory	81.98	83.38	84.88
Cash Conversion Cycle	24.68	33.47	-5.27

FY21

FY25

Conductor:  
EBITDA<sup>^</sup> margin

8,072 MT  36,683 MT

Conductor:  
EBITDA<sup>^</sup> margin

3.6%  8.5%

Cable:  
EBITDA<sup>^</sup> margin

4.8%  10.1%

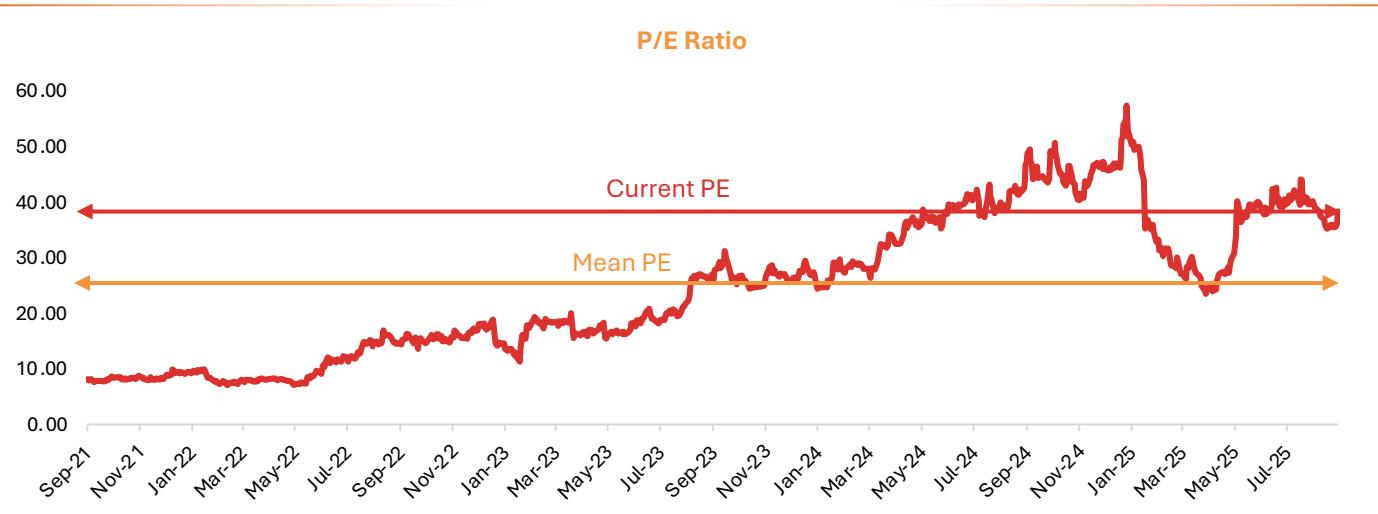
Oil:  
EBITDA<sup>^</sup> margin

7,176 KL  6,145 KL

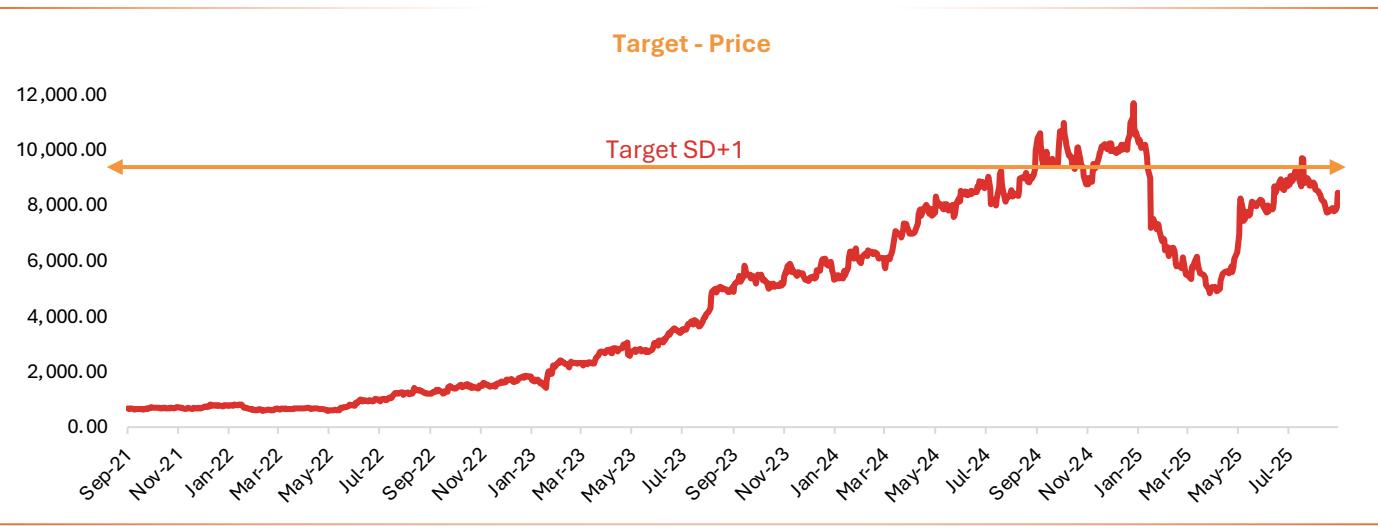
Oil:  
EBITDA<sup>^</sup> margin %

12.1%  7.0%

## Valuation



APAR Industries Price-to-Earnings (P/E) ratio has consistently traded well above its historical average, underscoring sustained investor optimism and premium market positioning. The stock currently trades at a P/E of 38.42 versus its long-term mean of 24.63, reflecting strong earnings visibility and robust growth prospects. This elevated multiple highlights the market's confidence in APAR Industries operational efficiency, brand equity, and leadership within conductors and renewable cables. The upward trajectory in P/E, particularly over recent years, points to a structural re-rating supported by improved profitability, expansion into higher-margin geographies, and rising volumes across domestic segments.



SD+1 = 9400

We believe APAR Industries offers a compelling investment opportunity at current levels, supported by robust fundamentals, sustained earnings momentum, and strong structural growth drivers in the conductor and cable sector. The ongoing P/E re-rating is underpinned by operating leverage, network expansion, and a strategic focus on high-acuity tertiary care. Our target price of ₹9400 is based on forward earnings, calibrated at one standard deviation above the historical mean P/E, and is backed by improving volume, rising demand, and a growing mix of premium product offerings. Given its elevated but well-supported valuation, strong balance sheet, superior return metrics, and continued investor interest, we initiate a **BUY** recommendation on APAR Industries. The stock represents an attractive opportunity for investors looking to participate in India's expanding infrastructure growth.

## Disclaimer

### RATING SCALE: DEFINITION OF RATINGS

- **BUY** –We expect the stock to deliver more than 10%-20% returns over the next 9 months.
- **ACCUMULATE** –We expect the stock to deliver 5% -12% returns over the next 9 months.
- **REDUCE** –We expect the stock to deliver 0% -5% returns over the next 9 months.
- **SELL** –We expect the stock to deliver negative returns over the next 9 months.
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- **NOTE** –Our target prices are with a 9-month perspective. Returns stated in the rating scale are our internal benchmark.

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