

Consumer Durables

1QFY26 Result Preview

July 11, 2025

W&C and EMS shine amid cooling blues

Key Points

- For our coverage universe, we expect a topline growth of 16% YoY with 100bps margin decline.
- **Consumer Durables (CD):** We expect topline growth of 24.6% YoY, primarily driven by strong performance in Dixon's mobile division and Amber's electronics segment. This will be partially offset by revenue declines in cooling categories such as air coolers, RACs, and fans, which were impacted by an erratic summer season and a high base effect.
- **Consumer Electricals (CE):** We expect topline growth of 4.4% YoY. This will be primarily driven by strong performance in the wires & cables (W&C) segment supported by robust domestic volume growth. However, this momentum will be partially offset by subdued pricing trends and weak export demand, as well as muted growth in consumer lighting and FMEG.
- **Margins:** Consumer Durables (CD) and Consumer Electricals (CE) are expected to witness margin contractions of 130bps and 8.9bps YoY, respectively. Despite this, non-cooling categories such as water heaters and solar products continue to show healthy traction. Overall, we expect another strong quarter from Polycab and Dixon, whereas Voltas, Crompton, and Whirlpool are likely to report muted performance. Within segments, Polycab (wires & cables) along with Dixon and Amber (EMS) are expected to outperform on both revenue and profitability, whereas Voltas may disappoint on the sales front.

Wires and cable lead...: W&C companies are expected to report healthy domestic volume growth in Q1FY26, supported by steady residential and commercial demand. However, realizations may remain slightly impacted by raw material price fluctuations—copper prices rose ~4% and aluminum increased ~3.5% in May/Jun-25, respectively. Within W&C, cables are likely to outpace wires, driven by strong demand from the industrial and infrastructure segments. We estimate W&C revenue growth of 20% YoY for Polycab, 14% for Havells, and 13% for V-Guard. Wires are expected to post high-teen growth, aided by trade channel up-stocking amid rising copper prices, while cables could see largely volume-led growth of over 20%, with 1-2% realization gains.

...amid cooling category drag: On the contrary, the cooling product categories have been under pressure. The RAC industry is estimated to have declined ~25% YoY in Q1FY26 after last year's strong summer. Fans are expected to post high single-digit decline, while refrigerators may see mid-teen de-growth. April and May were particularly weak months, but June showed some recovery, especially in North India, thus helping brands with stronger northern presence clear inventory faster than those focused in the South. We expect BLSTR, Voltas, and Llyod to report 8%/16%/20% de-growth for Q1FY26E.

Company	TP (Rs)	Rating
Amber Enterprises India	6,910	Hold
Blue Star	1,908	Buy
Dixon Technologies	19,420	Buy
IFB Industries	1,780	Buy
Voltas	1,309	Hold
Whirlpool of India	1,350	Hold
Stove Kraft	695	Buy
EPACK Durables	468	Buy
PG Electroplast	920	Buy
Bajaj Electricals	586	Hold
Crompton Consumer	388	Buy
Havells India	1,867	Buy
Orient Electric	287	Buy
Polycab India	6,555	Hold
V-Guard Industries	445	Buy

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Q1 stays tepid for kitchen appliances: The kitchen appliances segment is expected to post modest growth in Q1FY26, as the quarter is typically soft for the category. Consumer preferences are gradually shifting from general trade to quick commerce platforms driven by better pricing and convenience. Despite the muted demand environment, Butterfly is likely to outperform peers, supported by its stronger market positioning and improving operational metrics. Stove Kraft and Sunflame are expected to see steady performance, though overall demand remains under pressure due to seasonal factors and higher penetration levels. Operating margins are set to improve slightly aided by reduced losses across select players. We expect Butterfly, Stove Kraft, and Sunflame to deliver YoY revenue growth of 10%, 6%, and 5%, respectively, in Q1FY26.

Lighting sees modest uptick: The lighting segment is expected to see steady growth in Q1FY26, supported by strong volumes, especially in the B2B space. While price erosion remains a concern, the intensity has eased compared to previous quarters, helping drive better value growth. Premium products are also contributing by pushing up average selling prices, even though competitive pressure continues to limit overall pricing power. Among key players, Orient Electric is likely to outperform, while Crompton and Havells are expected to post flat-to-low single digit growth. Overall, the segment is expected to grow in low-single digits as the sharp fall in LED prices begins to stabilize.

EMS continues stellar run: EMS companies are expected to post strong revenue growth in Q1FY26, supported by a steady flow of new orders, and continued client additions. Dixon is set to lead with an impressive 88% YoY growth, while Amber and PG Electroplast are expected to grow 18% and 12%, respectively. Notably, Amber and PGEL are likely to deliver positive growth despite a ~25% YoY decline in the RAC industry this quarter—impacted by unseasonal rains and a high base. Their diversified exposure and traction in non-RAC categories have helped offset the broader industry slowdown.

Top picks: Havells, PGEL, and Dixon: We remain positive on Havells (TP: Rs1,867) in the consumer durable segment along with PGEL (TP: Rs920) and Dixon (TP: Rs19,420) in the EMS segment.

Company	Sales			EBITDA			EBITDA margin (%)			PAT		
	1QFY26E	YoY (%)	QoQ (%)	1QFY26E	YoY (%)	QoQ (%)	1QFY26E	4QFY25	1QFY25	1QFY26E	YoY (%)	QoQ (%)
Amber Enterprises	28,396	18.3	(24.4)	2,239	14.1	(24.0)	7.9	7.9	8.2	951	22.0	(18.1)
Blue Star	28,945	1.0	(28.0)	2,100	(11.7)	(24.8)	7.3	7.0	8.3	1,479	(12.4)	(23.6)
Dixon Technologies	123,527	87.7	20.0	4,345	75.3	(1.9)	3.5	4.3	3.8	2,159	61.5	43.5
IFB Industries	12,006	(3.0)	(7.7)	721	(9.2)	23.9	6.0	4.5	6.4	317	(18.4)	42.2
Voltas	44,030	(10.5)	(7.6)	2,748	(35.2)	(17.4)	6.2	7.0	8.6	2,244	(32.9)	(6.9)
Whirlpool of India	22,971	(8.0)	14.6	1,684	(20.2)	(8.1)	7.3	9.1	8.4	1,136	(21.0)	1.2
Stove Kraft	3,335	6.1	6.5	316	(0.1)	7.4	9.5	9.4	10.1	40	(51.5)	174.5
EPACK Durables	7,350	(5.0)	14.3	573	10.9	(20.5)	7.8	11.2	6.7	258	10.3	(31.5)
PG Electroplast	14,792	12.0	(22.6)	1,507	15.3	(28.9)	10.2	11.1	9.9	977	147.1	(32.7)
Consumer Durables	285,352	24.6	(1.6)	16,233	0.8	(14.8)	5.7	6.6	7.0	8,326	(8.1)	(0.5)
Bajaj Electricals	11,156	(3.4)	(11.8)	630	(16.4)	(32.3)	5.6	7.3	6.5	166	(40.8)	(61.3)
Crompton Consumer	20,368	(4.7)	(1.2)	2,084	(10.3)	(21.2)	10.2	12.8	10.9	1,368	(9.8)	(19.3)
Havells India	57,291	(1.3)	(12.4)	5,445	(4.8)	(28.1)	9.5	11.6	9.9	3,764	(7.7)	(27.3)
Orient Electric	7,421	(1.7)	(13.9)	407	1.7	(39.0)	5.5	7.8	5.3	144	0.3	(54.0)
Polycab India	56,755	20.8	(18.8)	7,559	29.6	(26.3)	13.3	14.7	12.4	5,175	30.7	(28.9)
V-Guard Industries	14,295	(3.2)	(7.1)	1,341	(13.9)	(6.3)	9.4	9.3	10.5	795	(19.6)	(12.7)
Consumer Electricals	167,286	4.4	(13.1)	17,466	5.3	(25.7)	10.4	12.2	10.4	11,413	4.0	(27.8)
Our coverage universe	452,638	16.2	(6.2)	33,699	3.1	(20.8)	7.4	8.8	8.4	20,974	1.5	(19.3)

Source: Company, Nirmal Bang Institutional Equities Research

Valuation Summary

Company	CMP	TP	Current	M-cap	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
	(Rs)	(Rs)	Rating	(Rs mn)	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Havells India	1,524	1,867	Buy	954,990	64.0	51.6	39.0	43.4	33.6	25.7	12.8	11.5	10.4	18.6	20.8	24.6	18.4	21.4	26.9
Polycab India	6,719	6,555	Hold	1,009,950	48.9	41.6	34.9	33.9	21.5	17.9	12.3	10.3	8.9	20.6	21.0	21.2	26.4	27.1	27.5
Amber Enterprises India	7,692	6,910	Hold	260,680	93.7	68.9	50.1	35.9	24.5	20.1	12.6	11.3	9.8	12.6	15.0	17.5	13.2	14.9	16.8
Bajaj Electricals	682	586	Hold	78,750	58.0	36.2	28.1	26.0	15.2	12.8	5.5	4.6	3.5	7.7	9.5	11.1	9.5	12.6	14.3
Crompton Greaves Consumer Electricals	343	388	Buy	220,710	38.7	32.7	27.3	25.0	20.6	17.4	7.4	6.5	6.4	17.7	19.5	22.8	17.9	20.5	24.2
Dixon Technologies India	15,710	19,420	Buy	950,290	84.8	74.5	55.6	63.3	36.9	28.2	55.4	31.4	25.2	36.4	33.2	31.0	32.5	43.8	41.2
Voltas	1,367	1,309	Hold	452,390	52.7	46.1	40.3	40.7	33.5	28.6	7.8	6.9	6.8	13.6	14.6	15.5	15.1	16.5	18.3
Whirlpool of India	1,348	1,350	Hold	170,690	46.6	37.8	29.0	26.5	16.6	14.1	4.6	4.3	4.4	9.4	11.2	14.0	8.7	10.8	14.4
Blue Star	1,810	1,908	Buy	372,020	63.3	49.8	40.5	42.4	38.3	31.2	14.3	12.1	9.0	20.8	20.3	20.3	24.7	24.3	24.7
IFB Industries	1,520	1,780	Buy	61,730	47.7	26.5	19.1	21.9	11.4	8.9	8.6	7.3	7.4	16.3	26.7	36.7	18.0	29.6	41.1
Orient Electric	222	287	Buy	47,200	55.9	34.3	24.5	23.3	15.0	11.8	7.4	6.8	6.2	12.5	16.4	18.7	19.1	23.3	26.1
Stove Kraft	586	695	Buy	19,380	54.5	33.1	24.3	15.1	12.1	9.5	4.4	4.1	3.7	7.7	11.5	13.9	12.9	16.7	22.2
V-Guard Industries	392	445	Buy	170,740	53.3	37.2	31.6	33.4	23.1	19.2	9.4	8.1	7.3	16.0	20.2	20.6	19.0	24.2	25.0
EPACK Durables	356	468	Buy	34,260	60.9	40.6	25.6	24.1	17.7	13.3	3.8	3.6	3.3	6.0	8.3	11.7	6.5	7.7	9.6
PG Electroplast	789	920	Buy	223,660	70.3	49.6	36.7	45.0	39.5	29.8	19.8	7.3	6.3	14.9	13.4	15.5	14.7	12.4	14.4

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 1: Quarterly revenue growth trend

(YoY, %)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Amber Enterprises India	-7	24	-4	-7	41	82	65	34	18
Blue Star	13	19	25	27	29	20	25	21	1
Dixon Technologies	15	28	100	52	101	133	117	121	88
IFB Industries	1	-3	16	7	17	10	8	23	-3
Voltas	21	30	31	42	46	14	18	13	-11
Whirlpool of India	-2	-6	18	4	22	13	11	16	-8
Stove Kraft	8	-7	11	17	6	10	12	-4	6
EPACK Durables	NA	NA	1	-17	77	111	35	22	-5.0
PG Electroplast	26	37	16	30	95	46	82	77	12
Bajaj Electricals	-9	-4	-6	-8	4	0	5	7	-3
Crompton Greaves Consumer Electricals	1	5	12	9	14	6	5	5	-5
Havells India	14	6	7	12	20	16	11	20	-1
Orient Electric	14	11	2	20	7	16	9	9	-2
Polycab India	42	27	17	29	21	30	20	25	21
V-Guard Industries	19	15	19	18	22	14	9	15	-3

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Quarterly EBITDA margin

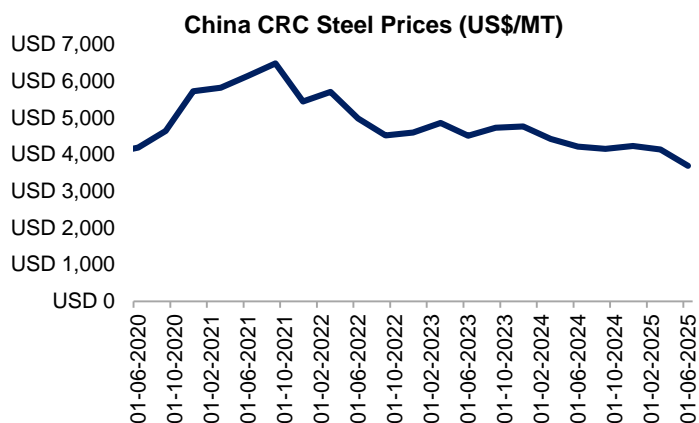
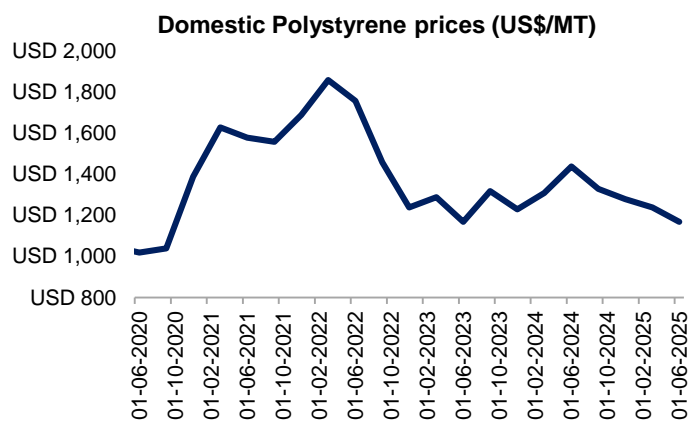
(YoY, %)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Amber Enterprises India	8	6	6	8	8	7	7	8	8
Blue Star	7	6	7	7	8	7	7	7	7
Dixon Technologies	4	4	4	4	4	4	4	4	4
IFB Industries	3	6	6	4	6	6	7	4	6
Voltas	6	3	1	5	9	6	6	7	6
Whirlpool of India	6	5	4	8	8	5	4	9	7
Stove Kraft	8	11	8	8	10	12	10	9	9
EPACK Durables	7	3	9	11	7	3	6	11	8
PG Electroplast	10	8	8	11	10	8	9	11	10
Bajaj Electricals	6	7	5	4	7	5	7	7	6
Crompton Greaves Consumer Electricals	10	10	9	10	11	11	11	13	10
Havells India	8	10	10	12	10	8	9	12	10
Orient Electric	6	4	7	4	5	5	7	8	5
Polycab India	14	14	13	14	12	11	14	15	13
V-Guard Industries	9	8	9	10	11	9	8	9	9

Source: Company, Nirmal Bang Institutional Equities Research

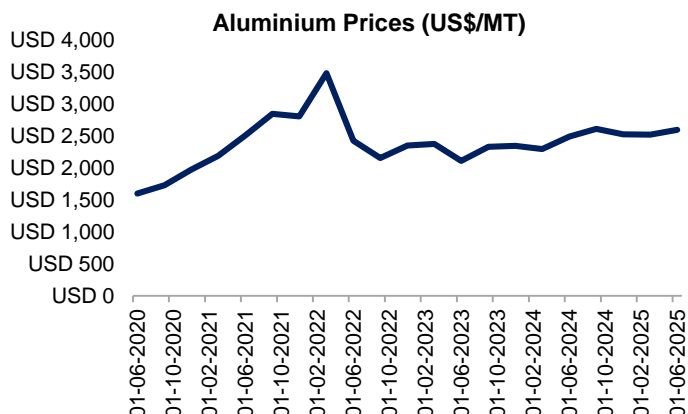
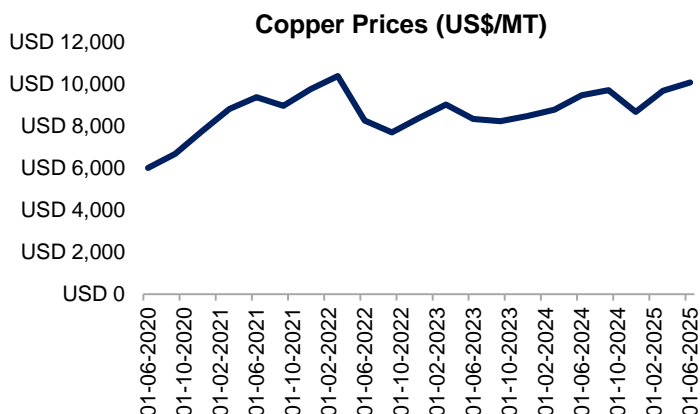
Exhibit 3: Quarterly PAT growth trend

(YoY, %)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Amber Enterprises India	8	135	-103	-7	71	-377	-7537	20	22
Blue Star	12	66	72	87	103	36	32	22	-12
Dixon Technologies	51	39	86	18	94	117	78	58	62
IFB Industries	32	19	NA	NA	1377	16	45	61	-18
Voltas	19	-63	NA	-19	159	265	NA	107	-33
Whirlpool of India	-11	-24	5	51	92	42	57	16	-21
Stove Kraft	2	-36	-13	NA	0	1	80	-46	-52
EPACK Durables	NA	NA	-178	-20	168	-8	-49	36	10
PG Electroplast	106	73	40	73	148	56	106	109	17
Bajaj Electricals	-16	-46	-40	-45	-25	-59	-11	47	-41
Crompton Greaves Consumer Electricals	-7	-23	1	5	28	28	28	22	-10
Havells India	18	33	1	25	42	8	-2	16	-8
Orient Electric	4	NA	-25	-48	-27	172	12	144	29.2
Polycab India	82	59	15	28	-1	3	11	33	31
V-Guard Industries	20	35	48	44	54	8	3	20	-20

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: China CRC Steel prices

Exhibit 5: Domestic Polystyrene prices


Source: Company, Nirmal Bang Institutional Equities Research Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Aluminium prices

Exhibit 7: Copper prices


Source: Company, Nirmal Bang Institutional Equities Research Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: Domestic average diesel price

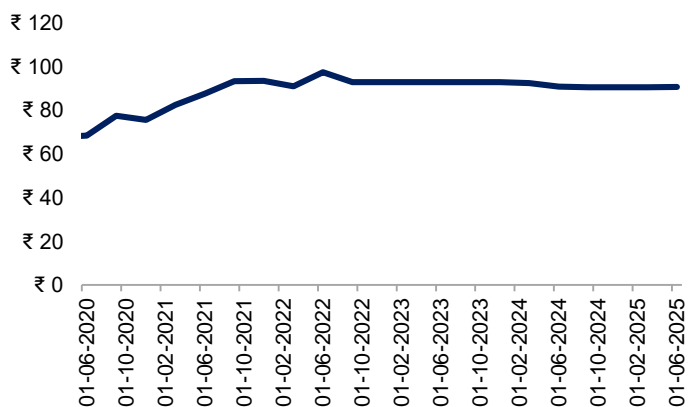
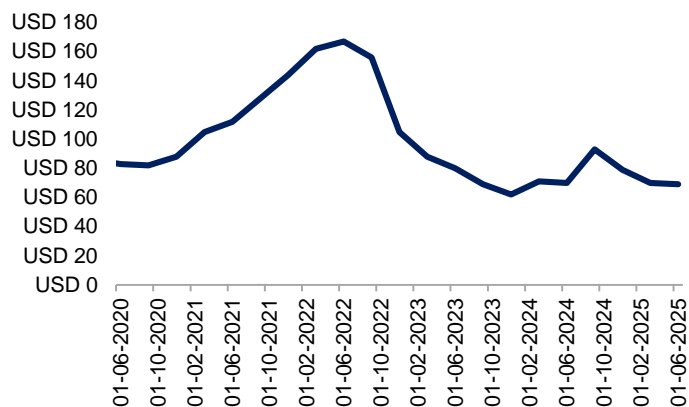


Exhibit 9: Container freight index prices



Source: Company, Nirmal Bang Institutional Equities Research Source: Company, Nirmal Bang Institutional Equities Research

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