

Consumer Durables & EMS

Soft durables demand; EMS growth moderate

After a subdued H1FY26, demand in most consumer durables categories remained soft through Q3FY26, though it has gained momentum since. Ahead of BEE norm changes for RAC and fans effective January, our channel checks reveal distributors accumulated stocks by late December. Wires and cables are set to post strong performance, propelled by price increases, even as rising input costs create margin headwinds. Revenue in the lighting segment should grow in low single digits, bolstered by higher volumes but tempered by price erosion. Kitchen appliances are forecasted for mid-single-digit growth, while momentum for the water purifier segment has slowed down. We expect our consumer durable universe to register a revenue/EBITDA/PAT growth of 6/1-1% YoY. The EMS universe should sustain its growth trajectory, though at a moderate pace, led by (i) a slowdown in mobile division for Dixon Technologies and (ii) subdued demand in RAC segment, weighing on Amber Enterprises' performance. We expect Keynes Technology and Syrma SGS to continue to report healthy topline growth. We expect our EMS universe's revenue/EBITDA/PAT to grow by 11/22/17% YoY.

- **Demand remains soft:** Demand for RAC, coolers and fans stayed subdued amid unfavorable weather and elevated channel inventories, squeezing margins. Growth has since accelerated versus H1. With BEE norms tightening for RAC and fans from January, channel checks confirm distributors ramped up stocks by late December. The wires and cables segment continues delivering robust performance via price hikes, despite rising input costs weighing on margins. Lighting revenue is set to grow in low single digits, driven by higher volumes but moderated by price erosion. Kitchen appliances should see mid-single-digit growth, while water purifier momentum has eased. We expect our consumer durable universe to register a revenue/EBITDA/PAT growth of 6/1-1% YoY.
- **Key input prices surged:** Metals maintained their upward momentum in Q3, mirroring H1 trends. Copper jumped ~28% YoY (+15% QoQ), while aluminum rose 16% YoY (+10% QoQ). In contrast, polypropylene prices corrected, declining 7% YoY (-5% QoQ).
- **Electronics Manufacturing Services (EMS):** The EMS universe is expected to continue growing, albeit at a slower pace and the (i) slowdown in mobile division for Dixon Technologies as well as (ii) subdued RAC demand should weigh on Amber Enterprises' performance. We expect Keynes Technology and Syrma SGS to continue to report healthy topline growth. We expect our EMS universe's revenue/EBITDA/PAT to grow by 11/22/17% YoY.
- **Valuation:** Given elevated competition, we have lowered valuation multiples for ECD-focused companies (see exhibit 2). The table below (exhibit 2) details updates to estimates, target multiples, price targets, and ratings across our coverage. We have rolled forward target prices for the consumer durables universe to Mar-28E EPS (previously Sep-27E), except Voltas and Eureka Forbes (updated earlier). For EMS companies, we now use DCF valuation over PE, as it accounts better for earnings volatility from capex cycles, incentives, and moderating growth.

HSIE Universe

Companies	CMP*	TP (INR)	Rating
Consumer Durables			
Bajaj Electricals	431	415	REDUCE
Crompton Consumer	251	370	BUY
Eureka Forbes	560	830	BUY
Havells	1,421	1,765	BUY
Orient Electric	171	250	BUY
Symphony	895	1,220	BUY
TTK Prestige	599	645	REDUCE
V-Guard	308	370	ADD
Volta	1,407	1,430	ADD
EMS			
Amber Enterprises	6,141	8,015	BUY
Dixon Technologies	10,738	13,260	ADD
Kayne Technology	3,610	4,530	REDUCE
Syrma SGS	708	890	BUY

* CMP as on 16th January 2026

Keshav Lahoti

keshav.lahoti@hdfcsec.com
+91-22-6171-7353

Rajesh Ravi

rajesh.ravi@hdfcsec.com
+91-22-6171-7352

Mahesh Nagda

mahesh.nagda@hdfcsec.com
+91-22-6171-7319

Riddhi Shah

riddhi.shah@hdfcsec.com
+91-22-6171-7359

Consumer Durables & EMS: Q3FY26 Results Preview

Exhibit 1: Q3FY26 Quarterly Estimates Snapshot

Companies	NET SALES (INR bn)			EBITDA (INR bn)			EBITDA Margin (%)			APAT (INR bn)			Adj. EPS (INR)		
	Q3 FY26E	QoQ (%)	YoY (%)	Q3 FY26E	QoQ (%)	YoY (%)	Q3 FY26E	QoQ (%)	YoY (%)	Q3 FY26E	QoQ (%)	YoY (%)	Q3 FY26E	QoQ (%)	YoY (%)
Consumer Durables															
Bajaj Electricals	13,281	20.0	3.0	784	26.6	(10.4)	5.9	30.0	(90.0)	273	86.4	(18.3)	2.4	86.4	(18.3)
Crompton	18,544	(3.2)	4.8	1,669	5.4	(11.2)	9.0	70.0	(160.0)	956	4.5	(12.9)	1.5	4.5	(12.9)
Eureka Forbes	6,456	(16.4)	8.0	679	(30.5)	14.8	10.5	(210.0)	60.0	421	(33.1)	20.2	2.2	8.9	20.2
Havells	54,491	14.3	11.6	5,068	14.7	17.4	9.3	-	50	3,241	2.1	14.6	5.2	2.1	14.6
Orient Electric	8,689	23.7	6.4	634	67.2	3.7	7.3	190.0	(20.0)	289	139.9	6.5	1.4	139.9	6.5
Symphony	1,850	13.5	(23.6)	296	23.3	2.1	16.0	130.0	400.0	312	24.9	(13.3)	4.5	24.9	(13.3)
TTK Prestige	7,563	(9.3)	4.0	756	(21.6)	(4.7)	10.0	(160.0)	(90.0)	492	(23.5)	(15.9)	3.6	(23.5)	(15.9)
V-Guard	13,832	3.2	9.0	1,120	2.5	7.6	8.1	-	(10.0)	663	1.6	10.1	1.5	1.6	10.2
Volta	30,913	31.7	(0.4)	1,453	106.3	(26.4)	4.7	170.0	(170.0)	1,026	199.2	(22.4)	3.1	199.2	(22.4)
Aggregates	1,55,618	11.6	5.9	12,459	13.5	0.7				7,673	11.6	(1.0)			
EMS															
Amber	25,185	52.9	18.1	1,713	87.6	7.9	6.8	130.0	(60.0)	273	(183.0)	(24.0)	7.8	(183.0)	(26.7)
Dixon	1,09,767	(26.1)	5.0	4,281	(23.7)	9.6	3.9	10.0	20.0	1,484	(39.9)	(13.3)	24.5	(39.9)	(13.9)
Kaynes	9,703	7.1	46.8	1,601	8.2	70.3	16.5	20.0	230.0	1,193	(1.8)	79.5	17.8	(1.8)	71.5
Syrma SGS	11,803	25.0	41.7	1,121	29.4	58.0	9.5	30.0	100.0	664	33.5	83.2	3.5	23.5	69.0
Aggregates	1,56,457	(14.7)	11.1	8,716	(1.8)	22.0				3,613	(6.2)	16.7			

Source: Company; HSIE Research

Exhibit 2: Change in estimates /Rating

Company	CMP* (INR)	Rating		TP (INR)		Target P/E (x)		Old EPS			New EPS			Change %		
		OLD	NEW	OLD	NEW	OLD	NEW	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Consumer Durables																
Bajaj Electricals	431	REDUCE	REDUCE	530	415	35	28	10.2	15.0	15.4	8.2	13.8	14.9	-20.0	-8.0	-3.1
Crompton Consumer	251	BUY	BUY	450	370	40	32	7.5	10.4	12.3	7.2	10.0	11.6	-4.7	-3.2	-5.2
Eureka Forbes	560	BUY	BUY	830	830	45	45	10.7	13.4	17.1	10.7	13.4	17.1	-	-	-
Havells	1,421	ADD	BUY	1,645	1,765	50	50	25.3	30.4	35.5	25.1	30.2	35.3	-1.1	-0.8	-0.5
Orient Electric	171	BUY	BUY	290	250	38	32	5.1	7.1	8.2	4.5	6.8	7.9	-13.2	-4.5	-4.2
Symphony	895	BUY	BUY	1,215	1,220	30	30	26.5	38.5	42.5	22.9	36.9	40.7	-13.5	-4.2	-4.2
TTK Prestige	599	REDUCE	REDUCE	605	645	33	33	13.4	17.0	19.6	13.3	16.9	19.5	-0.6	-0.6	-0.6
V-Guard	308	REDUCE	ADD	345	370	35	35	6.9	9.0	10.6	6.9	9.0	10.6	-	-	-
Volta	1,407	ADD	ADD	1,430	1,430	40	40	16.4	29.9	36.4	16.4	29.9	36.4	-	-	-
EMS																
Amber	6,141	BUY	BUY	8,400	8,015	50	DCF	103.3	156.9	178.9	89.9	150.0	170.6	-12.9	-4.4	-4.6
Dixon	10,738	ADD	ADD	18,830	13,260	70	DCF	173.6	223.8	314.1	154.9	200.4	283.5	-10.7	-10.5	-9.7
Kaynes	3,610	REDUCE	REDUCE	7,110	4,530	60	DCF	71.8	104.4	132.7	70.2	95.5	118.0	-2.2	-8.5	-11.1
Syrma SGS	708	BUY	BUY	890	890	40	DCF	14.2	19.6	25.0	14.2	19.6	25.0	-	-	-

Source: Company; HSIE Research | *CMP as on 16th January 2026

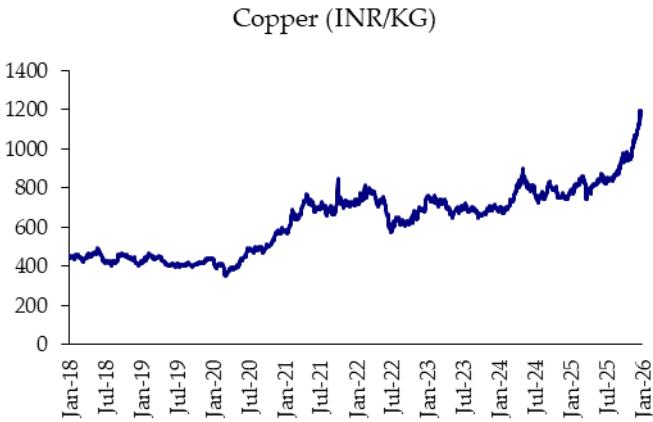
Exhibit 3: Valuation Summary

Company	Mcap (INR bn)	CMP* (INR)	TP (INR)	RECO	EPS (INR)				P/E (x)				RoE %				Rev CAGR FY25-28E	EPS CAGR FY25-28E
					FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E		
Consumer Durables																		
Bajaj Electricals	50	431	415	REDUCE	9.7	8.2	13.8	14.9	44.4	52.8	31.2	28.9	7.5	5.9	9.6	9.8	5.2	15.3
Crompton Consumer	162	251	370	BUY	8.6	7.2	10.0	11.6	29.1	35.1	25.1	21.6	15.2	11.6	15.0	15.8	8.6	10.4
Eureka Forbes	108	560	830	BUY	8.3	10.7	13.4	17.1	67.6	52.3	41.8	32.7	18.9	17.9	19.5	20.5	14.3	27.4
Havells	894	1,421	1,765	BUY	23.7	25.1	30.2	35.3	59.8	56.7	47.1	40.3	12.5	13.2	18.2	19.1	11.2	14.1
Orient Electric	37	171	250	BUY	3.9	4.5	6.8	7.9	43.9	38.3	25.3	21.7	32.3	20.0	28.8	27.6	8.8	26.4
Symphony	61	895	1,220	BUY	35.5	22.9	36.9	40.7	25.2	39.0	24.3	22.0	9.3	9.5	11.3	12.2	4.1	4.7
TTK Prestige	82	599	645	REDUCE	13.4	13.3	16.9	19.5	44.6	44.9	35.5	30.7	20.8	18.4	21.2	22.2	8.8	13.2
V-Guard	134	308	370	ADD	7.2	6.9	9.0	10.6	42.7	44.3	34.1	29.0	13.6	8.1	13.8	15.2	9.9	13.8
Volta	466	1,407	1,430	ADD	25.4	16.4	29.9	36.4	55.3	85.5	47.0	38.6	3.7	4.6	5.5	6.6	8.6	12.7
EMS																		
Amber Enterprises	208	6,141	8,015	BUY	72.0	89.9	150.0	170.6	85.3	68.3	40.9	36.0	11.2	8.3	9.4	9.7	23.5	33.3
Dixon Technologies	647	10,738	13,260	ADD	116.9	154.9	200.4	283.5	91.8	69.3	53.6	37.9	29.9	25.5	24.7	27.3	29.1	34.3
Kaynes Technology	231	3,610	4,530	REDUCE	45.8	70.2	95.5	118.0	78.8	51.4	37.8	30.6	23.2	19.1	16.8	17.5	44.0	37.1
Syrma SGS	136	708	890	BUY	9.7	14.2	19.6	25.0	73.3	50.0	36.2	28.3	10	11	12	14	28.2	37.3

Source: Company; HSIE Research | *CMP as on 16th January 2026

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Exhibit 4: Copper prices up 28/15% YoY/QoQ



Source: Bloomberg

Exhibit 6: Rupee has depreciated by 5% YoY



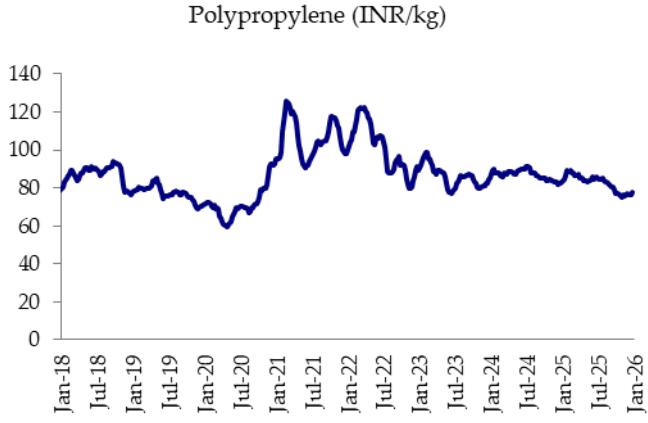
Source: Bloomberg

Exhibit 5: Aluminum prices up 16/10% YoY/QoQ



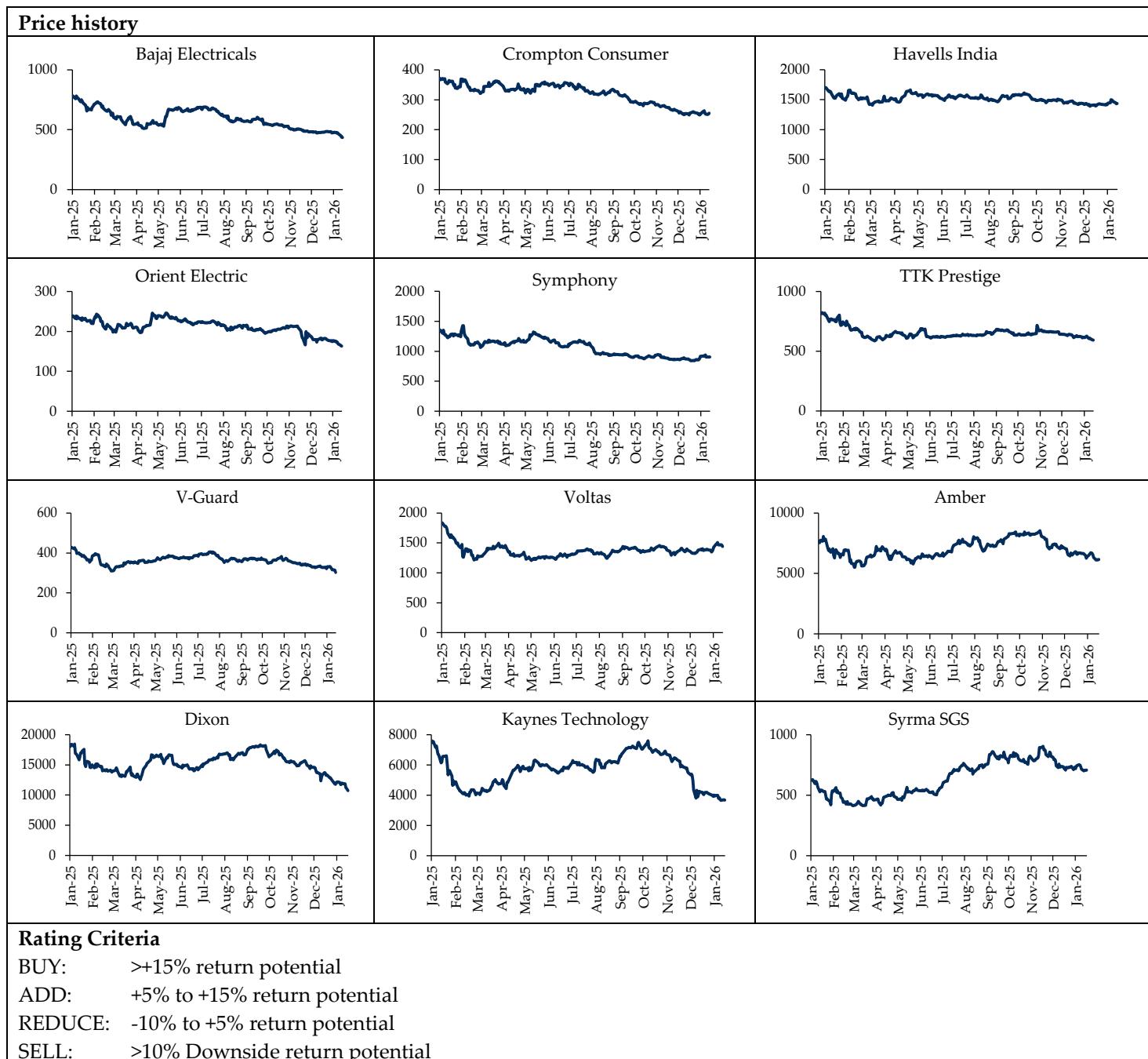
Source: Bloomberg

Exhibit 7: HDPE prices have corrected 7% YoY; -5% QoQ



Source: Bloomberg

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HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

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HDFC Securities

Institutional Equities

Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park,

Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Board: +91-22-6171-7330 www.hdfcsec.com