

Consumer Durables & EMS

Demand holds up; cost pressures remain elevated

Demand trends remained decent across most consumer durables categories in Q2FY27. Performance across cooling categories remained healthy in Q2FY27, aided by an extended summer and a favorable base. However, persistent input-cost inflation remained a key headwind in the quarter, weighing on margins. In wires and cable, volume was muted at mid-single-digit; however, revenue growth is expected to remain strong, supported by price hikes. The lighting segment is expected to witness an acceleration in revenue growth, supported by price hikes implemented in prior months, while demand in switchgears remained decent. Televisions are expected to report strong revenue growth, while refrigerators are likely to remain weak. Water purifiers, washing machines, and kitchen appliances should post healthy revenue growth, supported by both volume and price increases. Overall, channel inventories across categories have largely normalized and remain at comfortable levels. We project our consumer durables coverage universe to deliver revenue growth of 17% YoY, with EBITDA and APAT projected to grow by 21% and 20% YoY. The EMS universe is expected to sustain healthy growth, albeit at a moderating pace, primarily reflecting volume weakness in Dixon Technologies' mobile segment amid softness in the handset market and elevated memory prices. Despite the decline in mobile volumes, Dixon is expected to deliver healthy topline growth, led by improved realizations. Amber Enterprises, Kaynes Technology, and Syrma SGS are likely to continue double-digit revenue growth. Overall, we expect our EMS coverage universe to report revenue growth of 38% YoY, translating into EBITDA/APAT growth of 14/2% YoY. Industry fundamentals remain constructive; however, margin pressures from elevated input costs remain a key concern. Factoring in persistent input-cost inflation, we have trimmed our earnings estimates for a few companies. We have also lowered our valuation multiples for Eureka Forbes and Symphony to reflect near-term margin pressures and the potential impact of price hikes on consumer affordability, which could moderate the earnings growth outlook (highlighted in Exhibit 2).

- **Cooling category saw decent demand:** Performance across cooling categories (RACs, air coolers, and fans) remained decent in Q2FY27, aided by an extended summer and a favorable base. Channel inventories across categories have largely normalized. However, input cost inflation remained a key headwind in the quarter. While price hikes were undertaken to offset inflationary pressures, the delayed pass-through of higher costs kept margins stressed.
- **W&C:** Demand momentum in the W&C segment moderated to mid-single-digit levels in the quarter; however, revenue growth is expected to remain in double digits, supported by price hikes. Commodity costs remained elevated amid ongoing geopolitical uncertainties, prompting the industry to undertake price increases to pass on higher input costs. Consequently, improved realizations should support healthy topline growth despite moderation in volumes.
- **Other product categories:** The lighting segment is expected to witness an acceleration in revenue growth, supported by price hikes implemented in prior months, while demand in switchgears remained decent. Televisions are expected to report strong growth, while refrigerators are likely to remain weak. Water purifiers and washing machines should deliver healthy topline growth. Strong traction in induction cooktops should aid healthy performance in kitchen appliances, though demand eased late in the quarter because festive buying had not begun — unlike last year's early festive season and the induction category cooling off from a high base. We expect our consumer durables coverage universe to deliver revenue growth of 17% YoY, with EBITDA and APAT projected to grow by 21% and 20% YoY.

HSIE Universe

Companies	CMP* (INR)	TP (INR)	Rating
Consumer Durables			
Bajaj Electricals	300	320	REDUCE
Crompton Consumer	212	320	BUY
Eureka Forbes	355	570	BUY
Havells	1,056	1,245	ADD
LG Electronics	1,758	1,530	REDUCE
Orient Electric	161	225	BUY
Symphony	557	790	BUY
TTK Prestige	520	580	REDUCE
V-Guard	304	400	BUY
Voltas	1,069	1,365	ADD
EMS			
Amber Enterprises	6,860	8,060	REDUCE
Dixon Technologies	13,000	12,660	REDUCE
Kaynes Technology	3,400	3,270	REDUCE
Syrma SGS	1,685	1,650	BUY

* CMP as on October 06, 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

Kartikey

kartikey@hdfcsec.com
+91-22-6171-7359

- Key input prices continue upward trajectory:** Metal prices continued their upward trajectory in Q2, extending the inflationary trend witnessed over the past few quarters. Average copper prices increased ~55% YoY and ~7% QoQ, while aluminum prices rose ~35% YoY despite declining ~8% QoQ. Polypropylene prices also remained elevated, increasing ~40% YoY (down 9% QoQ). Importantly, commodity prices strengthened further toward the end of the quarter, with Sep-end prices for copper, aluminum, and polypropylene ~10%, ~5% and ~10% higher, respectively, than the Jun-end levels, indicating continued input-cost pressure heading into Q3.
- Electronics Manufacturing Services (EMS):** The EMS universe is expected to sustain healthy growth, albeit at a moderating pace, primarily reflecting volume weakness in Dixon Technologies' mobile segment amid softness in the handset market and elevated memory prices. Despite the decline in mobile volumes, Dixon is expected to deliver healthy topline growth, supported by improved realizations. Amber Enterprises, Kaynes Technology, and Syrma SGS are likely to continue double-digit revenue growth. Overall, we expect our EMS coverage universe to report revenue growth of 38% YoY, translating into EBITDA/APAT growth of 14/2% YoY.
- Valuation:** The consumer durables sector continues to operate in a competitive environment. Cooling categories benefited from a strong summer season, driving healthy demand and largely normalized channel inventories. However, demand trends across the broader portfolio remain mixed. Elevated commodity prices are resulting in renewed input cost inflation, posing downside risks to margins. While industry fundamentals remain constructive, we remain cautious on margins amid cost pressures. Factoring in persistent input-cost inflation, we have trimmed our earnings estimates for a few stocks. We have also lowered our valuation multiples for Eureka Forbes (from 38x to 35x) and Symphony (from 30x to 25x) to reflect near-term margin pressures and the potential impact of price hikes on consumer affordability, which could moderate the earnings growth outlook (highlighted in Exhibit 2).

Exhibit 1: Q2FY27 Quarterly Estimates Snapshot

Companies	Net Sales (INR mn)			EBITDA (INR mn)			EBITDA Margin (%)			APAT (INR mn)			Adj. EPS (INR)		
	Q2 FY27E	YoY (%)	QoQ (%)	Q2 FY27E	YoY (%)	QoQ (%)	Q2 FY27E	YoY (bps)	QoQ (bps)	Q2 FY27E	YoY (%)	QoQ (%)	Q2 FY27E	YoY (%)	QoQ (%)
Consumer Durables															
Bajaj Electricals	11,429	3.2	4.9	645	4.2	(16.3)	5.6	10.0	(140.0)	240	63.9	(42.0)	2.1	63.9	(42.0)
Crompton	21,408	11.8	(4.2)	1,874	13.7	(16.5)	8.8	10.0	(130.0)	1,058	22.3	(24.7)	1.6	22.3	(24.7)
Eureka Forbes	8,647	12.0	23.5	1,065	9.1	53.5	12.3	(30.0)	240.0	688	9.4	62.2	3.6	9.4	(62.2)
Havells	60,814	27.6	(6.6)	5,352	21.1	12.9	8.8	(50)	150.0	3,432	8.1	15.0	5.5	8.1	15.0
LG Electronics	71,001	15.0	(1.8)	6,745	23.2	(25.4)	9.5	60.0	(300.0)	4,773	22.6	(26.9)	7.0	22.6	(26.9)
Orient Electric	8,387	19.4	(11.7)	503	32.7	(24.4)	6.0	60.0	(100.0)	213	76.9	(39.8)	1.0	76.9	(39.8)
Symphony	2,278	39.8	(39.7)	205	(14.6)	(55.4)	9.0	(570.0)	(320.0)	191	(23.5)	(52.2)	2.7	(23.5)	(52.2)
TTK Prestige	10,088	21.0	24.0	1,029	6.6	26.1	10.2	(140.0)	20.0	684	6.4	26.6	5.0	6.4	26.6
V-Guard	16,255	21.2	(10.2)	1,513	38.5	(20.7)	9.3	120.0	(120.0)	968	48.2	(25.7)	2.2	48.2	(25.7)
Voltas	24,947	6.3	(46.6)	1,094	55.4	(58.8)	4.3	130.0	(130.0)	578	68.5	(73.0)	1.7	68.5	(73.0)
Aggregates	2,35,496	17.0	(10.8)	20,026	21.2	(16.6)				12,826	19.7	(22.2)			
EMS															
Amber	21,617	31.3	(44.4)	1,499	64.2	(52.0)	6.6	100.0	(150.0)	(431)	NA	(129.7)	(12.3)	NA	(129.7)
Dixon	2,05,801	38.5	32.4	5,762	2.7	24.4	2.8	(100.0)	(20.0)	2,867	20.1	31.1	47.2	19.7	31.1
Kaynes	10,240	13.0	8.2	1,382	(6.6)	(6.3)	13.5	(280.0)	(210.0)	509	(58.1)	(9.9)	7.6	(58.1)	(9.9)
Syrma SGS	17,761	55.0	11.8	1,776	54.1	9.9	10.0	(10.0)	(20.0)	1,036	61.7	3.5	5.4	61.5	3.5
Aggregates	2,55,419	37.7	16.3	10,420	13.8	(3.9)				3,980	1.7	(23.5)			

Source: Company; HSIE Research, NA- Not applicable

Exhibit 2: Change in estimates/rating

Company	Rating		TP (INR)		Target P/E (x)		Old EPS			New EPS			Change %		
	OLD	NEW	OLD	NEW	OLD	NEW	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Consumer Durables															
Bajaj Electricals	REDUCE	REDUCE	320	320	25	25	10.1	12.4	13.2	10.1	12.4	13.2	-	-	-
Crompton Consumer	BUY	BUY	320	320	28	28	9.0	10.7	12.0	9.0	10.7	12.0	-	-	-
\$ Eureka Forbes	BUY	BUY	640	570	38	35	11.5	14.5	16.8	11.3	13.9	16.2	-1.1	-3.7	-3.5
Havells	ADD	ADD	1,245	1,245	38	38	26.3	30.1	35.4	26.2	30.2	35.5	-	-	-
LG Electronics	REDUCE	REDUCE	1,530	1,530	38	38	32.7	38.4	42.1	32.7	38.4	42.1	-	-	-
Orient Electric	BUY	BUY	225	225	28	28	6.2	7.7	8.5	6.2	7.7	8.5	-	-	-
Symphony	BUY	BUY	925	790	28	25	24.5	31.2	34.8	22.7	29.9	33.4	-7.4	-4.2	-4.0
TTK Prestige	REDUCE	REDUCE	580	580	30	30	16.2	18.3	20.4	16.2	18.3	20.4	-	-	-
V-Guard	ADD	BUY	400	400	35	35	9.2	10.7	12.3	9.2	10.7	12.3	-	-	-
# Voltas	ADD	ADD	1,375	1,365	SOTP	SOTP	21.7	31.3	37.6	20.7	31.1	37.4	-4.6	-0.7	-0.6
EMS															
Amber	REDUCE	REDUCE	8,060	8,060	DCF	DCF	102.1	164.9	242.4	102.1	164.9	242.4	-	-	-
Dixon	REDUCE	REDUCE	12,660	12,660	DCF	DCF	159.2	236.9	300.7	159.2	236.9	300.7	-	-	-
Kaynes	REDUCE	REDUCE	3,280	3,270	DCF	DCF	61.6	77.5	87.7	58.8	73.6	83.8	-4.6	-4.9	-4.5
Syrma SGS	BUY	BUY	1,470	1,650	DCF	DCF	22.9	30.5	40.8	23.4	32.7	45.8	2.2	7.2	12.2

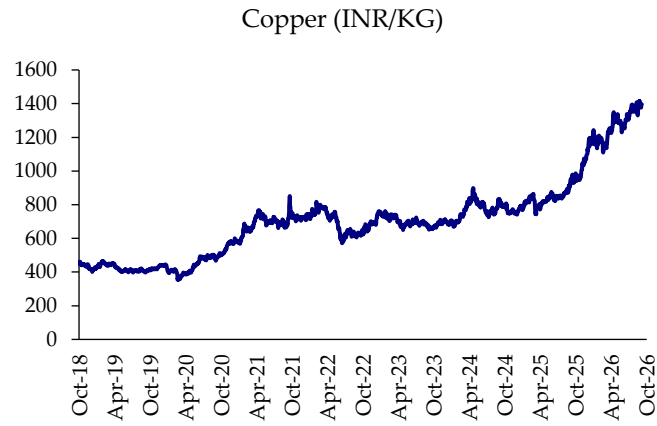
Source: Company, HSIE Research. ^Valuation is based on Sep-28E EPS. # Voltas is valued using a SOTP approach, with the UPC/EMPS/EPS segments valued at 40x/18x/18x, respectively, and the Voltas Beko JV at 2x P/S. \$ Eureka Forbes is valued at 35x earnings, excluding non-cash intangible amortisation and 50% of performance-based ESOP expenses.

Exhibit 3: Valuation summary

Company	Mcap (INR bn)	CMP (INR)	TP (INR)	RECO	EPS (INR)				P/E (x)				RoE %				Rev CAGR FY26- 29E	EPS CAGR FY26- 29E
					FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E		
Consumer																		
Bajaj Electricals	35	300	320	REDUCE	1.2	10.1	12.4	13.2	249.2	29.7	24.1	22.8	0.9	7.8	9.0	8.9	7.8	122.0
Crompton	137	212	320	BUY	7.8	9.0	10.7	12.0	27.1	23.4	19.7	17.6	13.8	16.0	17.0	17.0	11.3	15.4
Eureka Forbes	69	355	570	BUY	10.0	11.3	13.9	16.2	35.6	31.3	25.5	21.8	4.3	4.7	5.5	6.1	13.5	17.6
Havells	662	1,056	1,245	ADD	24.6	26.2	30.2	35.5	43.0	40.2	35.0	29.8	17.3	16.6	17.6	19.2	14.6	13.0
LG Electronics	1,193	1,758	1,530	REDUCE	25.2	32.7	38.4	42.1	69.7	53.7	45.8	41.8	25.1	25.3	23.8	21.7	11.5	18.6
Orient Electric	34	161	225	BUY	5.0	6.2	7.7	8.5	32.4	25.9	20.8	18.9	14.6	16.4	18.2	18.0	11.9	19.7
Symphony	38	557	790	BUY	9.8	22.7	29.9	33.4	57.1	24.5	18.7	16.7	10.3	26.7	30.2	29.0	12.9	50.7
TTK Prestige	71	520	580	REDUCE	13.8	16.2	18.3	20.4	37.8	32.0	28.4	25.5	9.8	10.9	11.6	12.2	10.1	14.1
V-Guard	133	304	400	BUY	7.6	9.2	10.7	12.3	40.2	33.2	28.5	24.8	19.7	21.3	21.6	21.7	12.9	17.5
Voltas	354	1,069	1,365	ADD	12.2	20.7	31.1	37.4	87.9	51.6	34.4	28.6	6.2	10.3	14.1	15.5	13.7	45.4
EMS																		
Amber	241	6,860	8,060	REDUCE	84.9	102.1	164.9	242.4	80.8	67.2	41.6	28.3	9.0	7.9	11.6	14.9	48.1	41.9
Dixon	783	13,000	12,660	REDUCE	136.9	159.2	236.9	300.7	95.0	81.7	54.9	43.2	21.7	18.9	23.0	23.5	35.4	30.0
Kaynes	228	3,400	3,270	REDUCE	54.7	58.8	73.6	83.8	62.2	57.8	46.2	40.6	9.7	8.0	9.2	9.5	32.9	15.3
Syrma SGS	325	1,685	1,650	BUY	16.7	23.4	32.7	45.8	100.7	72.1	51.6	36.8	14.0	14.6	17.4	20.4	38.2	39.9

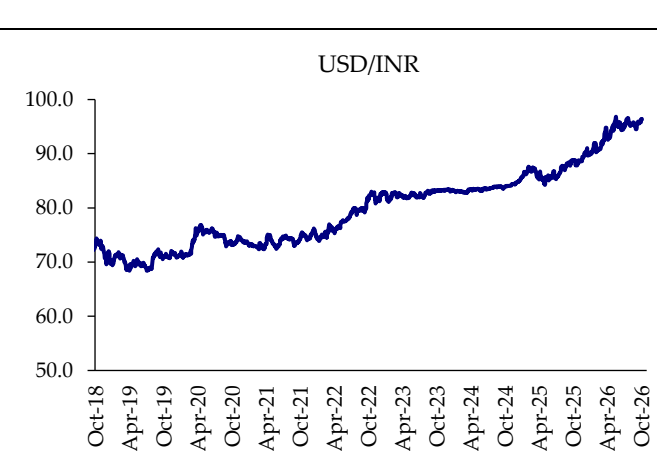
Source: Company; HSIE Research | CMP as on October 06, 2026

Exhibit 4: Copper prices up ~55/7% YoY/QoQ



Source: Bloomberg

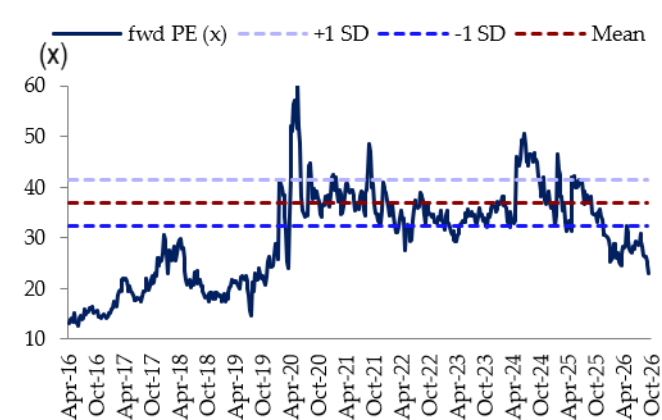
Exhibit 6: Rupee price up ~8/2% YoY/QoQ



Source: Bloomberg

Exhibit 8: 1-year Forward P/E chart

Bajaj Electricals



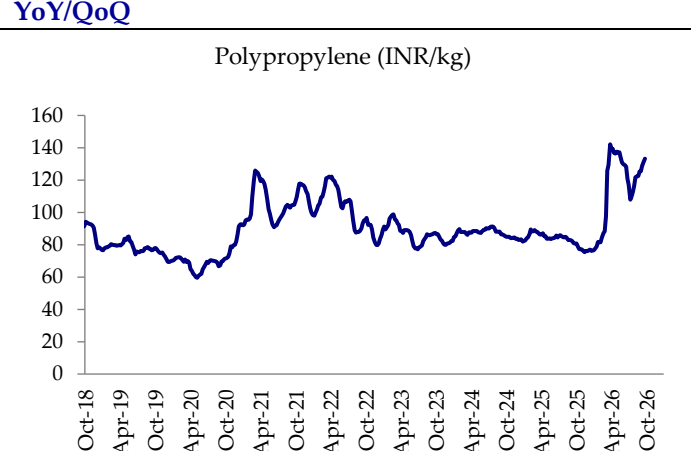
Source: Bloomberg, HSIE Research

Exhibit 5: Aluminum prices up ~35/-8% YoY/QoQ



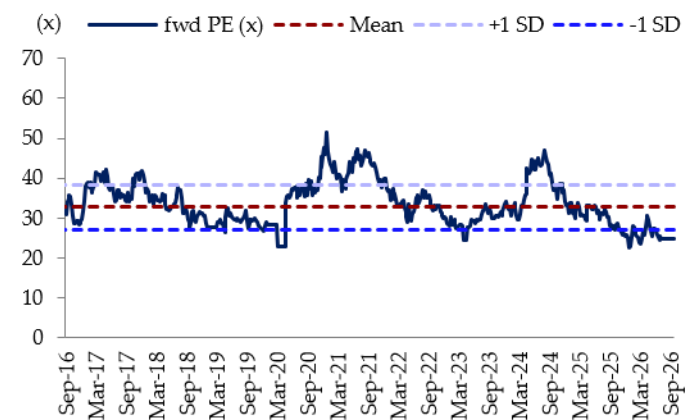
Source: Bloomberg

Exhibit 7: Polypropylene prices have surged ~40/-9% YoY/QoQ



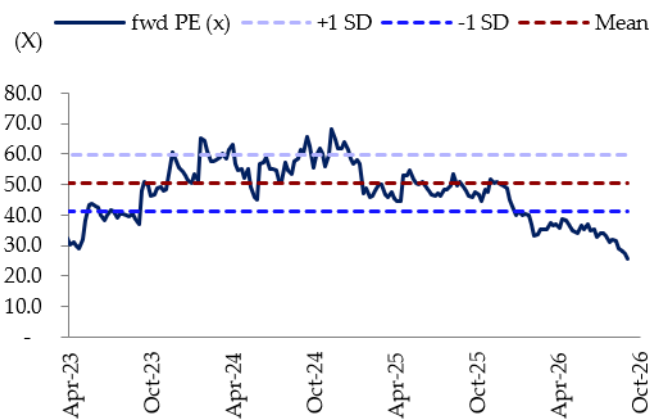
Source: Bloomberg

Crompton Greaves Consumer



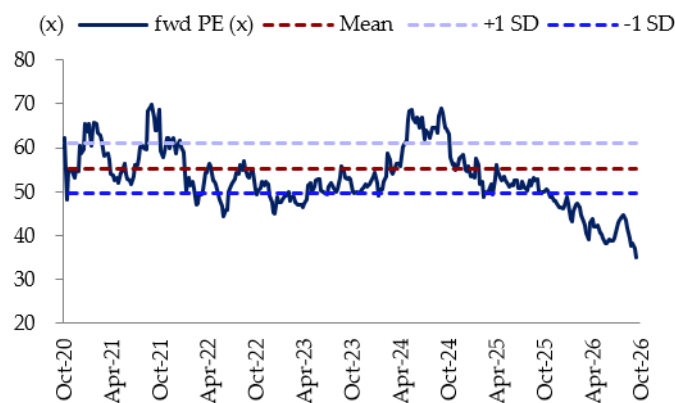
Source: Bloomberg, HSIE Research

Eureka Forbes



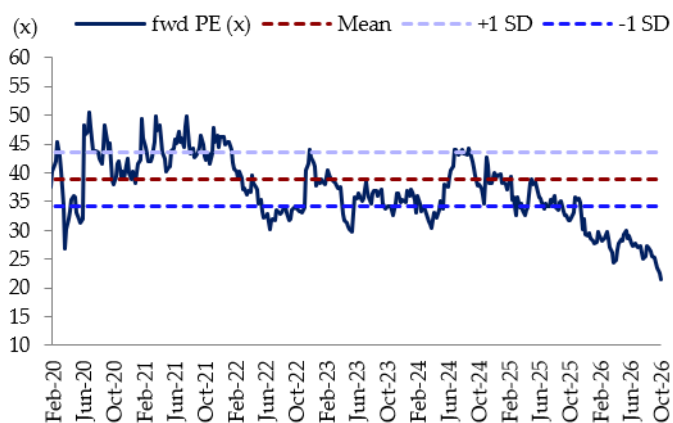
Source: Bloomberg, HSIE Research

Havells



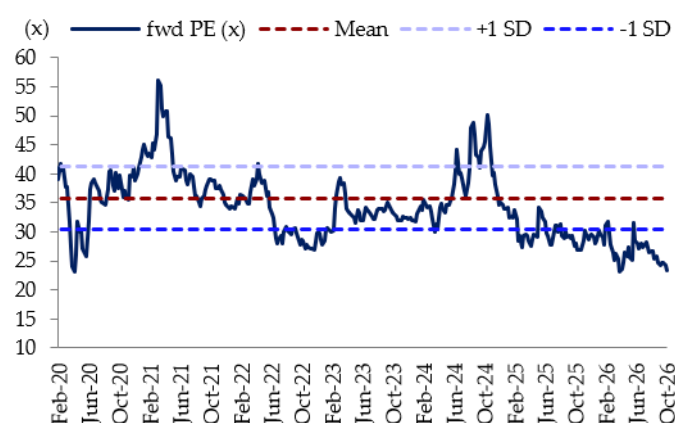
Source: Bloomberg, HSIE Research

Orient Electric



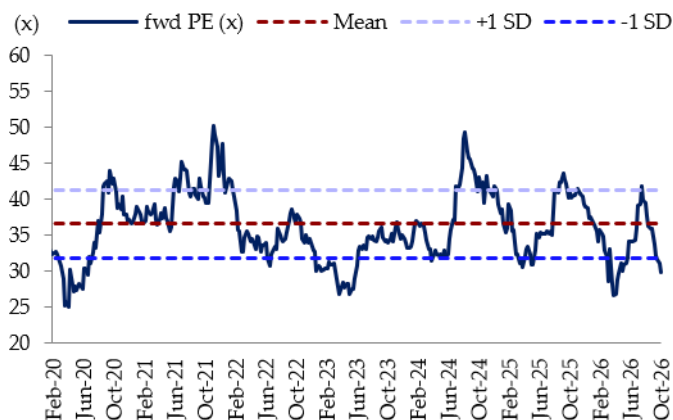
Source: Bloomberg, HSIE Research

Symphony



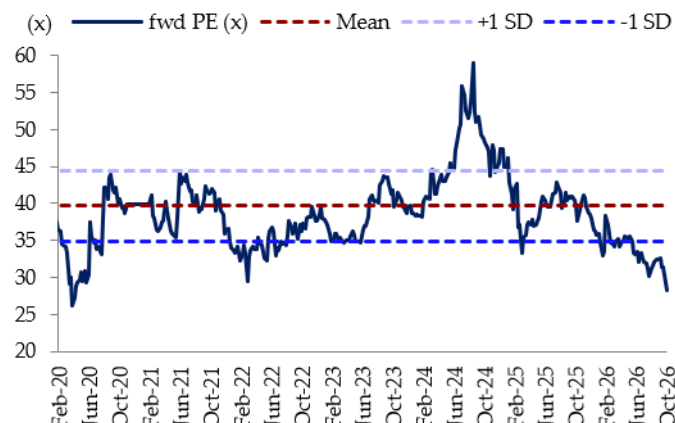
Source: Bloomberg, HSIE Research

TTK Prestige



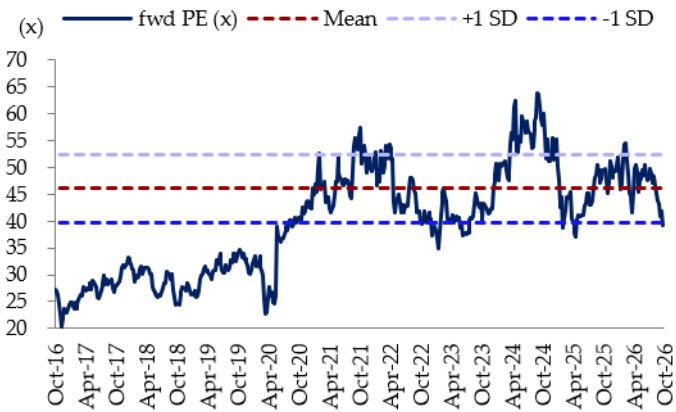
Source: Bloomberg, HSIE Research

V-Guard Industries



Source: Bloomberg, HSIE Research

Voltas



Source: Bloomberg, HSIE Research

Price history		
Rating Criteria BUY: >+15% return potential ADD: +5% to +15% return potential REDUCE: -10% to +5% return potential SELL: >10% Downside return potential		

Disclosure:

We, **Keshav Lahoti, CA, CFA, Rajesh Ravi, MBA, Mahesh Nagda, CA & Kartikey, CA** authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does have/does not have any material conflict of interest.

Any holding in the stock - NO

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

Disclaimer:

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. "This report may have been refined using AI tools to enhance clarity and readability."

Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

Consumer Durables & EMS: Q2FY27 Results Preview

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

Please note that HDFC Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg(East), Mumbai 400 042 Tel.: +91-22-30753400 Fax: +91-22-30753435 www.hdfcsec.com

Compliance Officer: Murli V Karkera, Contact: +91 022-69151436, Email: complianceofficer@hdfcsec.com, For any complaints / grievance: services@hdfcsec.com

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475. BSE Enlistment Number: 5159; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

SEBI Registration & Disclaimer <https://www.hdfcsec.com/article/disclaimer-1795>.

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