

Input cost pressure mounts amid soft demand

- **Commodity-led channel stocking supports W&C momentum in Jan-Feb; March cautious on rising input costs amid slow secondary demand**
- **Pre-season stocking coupled with price-hike-led buying supports large-appliance primary sales; channel inventory stays elevated**
- **Margin pressure persists as raw material costs spike on supply-chain disruptions**

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W&C demand remains subdued amid high channel inventory and modest secondary demand:

W&C demand was supported by commodity-led channel stocking in January but slowed in February - March amid modest secondary demand. Although Q4 is seasonally the strongest quarter for W&C, driven by project completions, primary volumes moderated as robust channel stocking in Q3 had already pulled forward demand, resulting in lower replenishment during Q4. s.

RACs primary demand improved YoY ahead of price hikes: Higher copper prices, freight costs and rupee depreciation increased the cost of imported components (compressors and cu tubes), leading RAC companies to raise prices. The channel pre-bought ahead of these hikes in January–February, consistent with the usual pre-season stocking pattern. Consequently, primary demand was strong in January–February but softened in March, while secondary demand improved with the onset of summer. Channel inventories remain elevated above normalized levels.

LPG curbs disrupt March output: EMS players continued to see better utilisation through Q4, carrying forward December's momentum. March output, however, was partly affected by reduced commercial LPG availability, which disrupted heat-exchanger's brazing, a key step in RAC manufacturing.

Small appliances moderate; lighting margins hold: In fans, pre-season stocking supported primary demand however was limited due to higher channel inventories. Further secondary offtake remained muted amid cautious consumer sentiment. Lighting profitability is stabilising after prolonged LED price erosion, aided by a richer mix of higher-ASP products such as decorative and smart lighting, alongside new SKU launches.

Margins to compress amid soft consumer demand: We expect margin pressure across our coverage universe due to a sharp rise in input costs, with copper up ~37% YoY, aluminium at record highs, and plastics/resins up 30–70% on West Asia-led crude inflation. With consumer demand still modest, we believe companies may have to absorb part of the increase rather than pass it on fully.



Fig 1 – BOBCAPS Consumer Durables universe: Q4FY26 snapshot

Companies	Revenue (Rs mn)					EBITDA (Rs mn)					EBITDA margin (%)			PAT (Rs mn)				
	Q4FY26E	Q4FY25	Q3FY26	YoY(%)	QoQ(%)	Q4FY26E	Q4FY25	Q3FY26	YoY(%)	QoQ(%)	Q4FY26E	Q4FY25	Q3FY26	Q4FY26E	Q4FY25	Q3FY26	YoY(%)	QoQ(%)
VOLT	50,596	47,676	30,708	6.1	64.8	2,961	3,328	1,773	(11.0)	67.0	5.9	7.0	5.8	1,891	2,410	1,114	(21.6)	69.6
BLSTR	42,929	40,190	29,253	6.8	46.8	3,199	2,794	2,207	14.5	44.9	7.5	7.0	7.5	2,215	1,940	1,369	14.2	61.8
POLYCAB	80,246	69,858	76,361	14.9	5.1	8,686	10,254	9,661	(15.3)	(10.1)	10.8	14.7	12.7	5,404	7,267	6,217	(25.6)	(13.1)
CROMPTON	22,748	20,606	18,983	10.4	19.8	2,224	2,644	1,953	(15.9)	13.9	9.8	12.8	10.3	1,505	1,695	1,184	(11.2)	27.2
HAVL	72,227	65,436	55,879	10.4	29.3	5,725	7,570	5,161	(24.4)	10.9	7.9	11.6	9.2	3,639	5,178	3,458	(29.7)	5.2
ORIENTEL	9,551	8,619	9,065	10.8	5.4	699	668	677	4.5	3.2	7.3	7.8	7.5	347	313	346	11.1	0.3
VGUARD	17,424	15,381	14,035	13.3	24.1	1743	1,431	1,232	21.8	41.5	10.0	9.3	8.8	1034	911	792	13.4	30.6
KEI	35,049	29,148	29,547	20.2	18.6	3310	3,013	3,201	9.9	3.4	9.4	10.3	10.8	2272	2,265	2,349	0.3	(3.3)
DIXON	1,08,620	1,02,925	1,06,716	5.5	1.8	3098	4,428	4,145	(30.0)	(25.3)	2.9	4.3	3.9	1041	1,504	1,559	(30.8)	(33.3)
AMBER	44,546	37,537	29,428	18.7	51.4	3377	2,948	2,461	14.6	37.2	7.6	7.9	8.4	1617	1,161	759	39.3	113.1
SYRMA	13,266	9,244	12,642	43.5	4.9	1288	1,075	1,594	19.8	(19.2)	9.7	11.6	12.6	817	715	1,062	14.3	(23.1)
Total	19,929	19,099	14,121	4.4	41.1	2441	2,119	1,169	15.2	108.9	12.3	11.1	8.3	1505	1,452	620	3.6	142.8

Source: Company, BOBCAPS Research

Fig 2 – Quarterly revenue growth trend

YoY(%)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26E
VOLT	21.4	29.7	30.9	42.1	46.5	14.2	18.3	13.4	(20.0)	(10.4)	(1.1)	6.1
BLSTR	12.6	19.9	24.9	26.8	28.7	20.4	25.3	20.8	4.1	6.4	4.2	6.8
POLYCAB	42.1	0.0	16.8	29.3	20.8	30.4	20.4	24.9	25.7	17.7	46.1	14.9
CROMPTON	0.7	4.9	11.6	9.5	13.9	6.4	4.5	5.1	(6.5)	1.0	7.3	10.4
HAVL	13.9	6.0	6.9	12.0	20.1	16.4	10.8	20.2	(6.0)	5.3	14.3	10.4
ORIENTEL	13.5	11.0	1.7	19.7	7.0	16.4	8.6	9.4	1.9	6.4	11.0	10.8
VGUARD	19.3	15.0	18.8	17.8	21.6	14.1	8.9	14.5	(0.7)	3.6	10.6	13.3
KEI	13.9	21.1	15.4	18.7	15.6	17.1	20.0	25.7	25.7	19.6	19.5	20.2
DIXON	14.6	27.8	100.4	52.0	101.1	133.3	117.0	121.0	95.1	28.8	2.1	5.5
AMBER	(6.8)	23.5	(4.0)	(6.6)	41.1	81.7	64.8	33.8	43.6	(2.2)	37.9	18.7
SYRMA	54.4	52.4	37.9	66.9	92.9	17.0	23.0	(18.5)	(18.6)	37.6	45.4	43.5
PGEL	26.2	37.2	15.8	30.0	94.9	45.8	81.9	77.4	13.9	(2.4)	45.9	4.4
EPACK	NA	NA	1.8	(17.7)	77.2	111.7	35.0	22.4	(14.4)	(43.4)	13.5	26.3

Source: Company, BOBCAPS Research

Fig 3 – Quarterly EBITDA margin trend

YoY (%)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26E
VOLT	5.5	3.1	1.1	4.5	8.6	6.2	6.4	7.0	4.5	3.0	5.8	5.9
BLSTR	6.5	6.5	6.9	7.3	8.3	6.6	7.5	7.0	6.7	7.6	7.5	6.6
POLYCAB	14.1	14.4	13.1	13.6	12.4	11.5	13.8	14.7	14.5	15.7	12.7	12.1
CROMPTON	9.9	9.8	8.8	10.4	10.9	10.7	10.6	12.8	9.6	8.3	10.3	10.2
HAVL	8.3	9.5	9.8	11.7	9.9	8.3	8.7	11.6	9.5	9.2	9.2	7.4
ORIENTEL	6.2	3.6	6.5	3.9	5.3	5.4	7.5	7.8	6.0	5.4	7.5	6.9
VGUARD	8.6	8.2	8.7	9.5	10.5	8.5	8.2	9.3	8.4	8.1	8.8	9.4
KEI	10.0	10.5	10.4	10.5	10.4	9.7	9.9	10.3	10.0	9.9	10.8	9.4
DIXON	4.0	4.0	3.8	3.9	3.8	3.7	3.7	4.3	3.8	3.8	3.9	2.9
AMBER	7.8	6.4	6.1	7.9	8.2	6.8	7.4	7.9	7.4	5.5	8.4	7.4
SYRMA	6.1	6.9	5.5	6.5	3.8	8.5	9.1	11.6	9.2	10.1	12.6	6.6
PGEL	9.7	8.2	7.9	10.8	9.9	8.4	8.8	11.1	8.1	4.6	8.3	10.0
EPACK	6.7	4.3	8.5	10.5	6.7	2.5	6.4	11.2	8.2	0.3	7.4	7.2

Source: Company, BOBCAPS Research

Fig 4 – Quarterly PAT growth trend

YoY(%)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26E
VOLT	18.7	(63.0)	(212.6)	(19.1)	158.5	265.3	(534.5)	107.0	(58.0)	(74.4)	(15.7)	(21.6)
BLSTR	12.3	66.2	72.0	192.9	102.3	35.8	19.4	21.5	(28.4)	2.8	14.1	14.2
POLYCAB	80.0	58.4	15.2	27.3	(0.3)	3.6	11.5	32.7	49.3	54.5	35.7	(25.6)
CROMPTON	(7.1)	(22.7)	(0.4)	(2.0)	28.2	28.5	29.4	31.9	(19.4)	(26.7)	7.7	(11.2)
HAVL	18.1	32.4	1.5	24.8	42.0	8.2	(3.5)	15.9	(14.7)	17.3	24.4	(29.7)
ORIENTEL	3.9	NA	(25.3)	(48.0)	(27.2)	NA	11.7	144.2	22.2	15.5	27.5	11.1
VGUARD	20.5	35.0	48.2	44.5	54.1	7.5	3.4	19.6	(25.4)	3.0	31.5	13.4
KEI	16.9	31.3	17.2	22.1	23.8	10.4	9.4	34.3	30.2	31.5	42.5	0.3
DIXON	43.5	39.4	85.9	18.1	103.9	68.0	77.5	58.1	68.3	(3.3)	(8.9)	(30.8)
AMBER	8.5	NA	(103.6)	(4.8)	58.6	NA	NA	17.2	0.4	(270.7)	111.5	39.3
SYRMA	65.9	5.4	(40.9)	5.5	(28.2)	29.9	172.5	58.0	145.5	67.3	106.2	14.3
PGEL	106.1	72.3	39.6	73.2	147.6	56.3	106.2	108.8	(20.0)	(85.7)	56.7	3.6
EPACK	2.0	(3.4)	1.8	5.3	3.0	(2.3)	0.7	5.9	3.5	(10.4)	0.6	1.9

Source: Company, BOBCAPS Research

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