

May 24, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	2,005		1,950	
Sales (Rs. m)	59,137	75,511	62,856	77,807
% Chng.	(5.9)	(3.0)		
EBITDA (Rs. m)	11,443	14,687	11,597	14,511
% Chng.	(1.3)	1.2		
EPS (Rs.)	30.7	40.1	30.8	40.1
% Chng.	(0.3)	-		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	31,679	42,923	59,137	75,511
EBITDA (Rs. m)	3,190	8,337	11,443	14,687
Margin (%)	10.1	19.4	19.4	19.5
PAT (Rs. m)	1,811	6,233	7,864	10,265
EPS (Rs.)	7.1	24.3	30.7	40.1
Gr. (%)	(8,624.5)	244.3	26.2	30.5
DPS (Rs.)	1.8	6.0	9.2	12.0
Yield (%)	0.1	0.3	0.5	0.6
RoE (%)	15.6	41.3	38.4	38.3
RoCE (%)	20.4	50.9	52.0	51.5
EV/Sales (x)	15.2	11.1	7.9	6.1
EV/EBITDA (x)	150.6	57.2	41.0	31.4
PE (x)	265.8	77.2	61.2	46.9
P/BV (x)	38.7	27.1	20.7	15.8

Key Data

GETD.BO | GVTD IN

52-W High / Low	Rs.2,243 / Rs.1,223
Sensex / Nifty	81,721 / 24,853
Market Cap	Rs.481bn/ \$ 5,648m
Shares Outstanding	256m
3M Avg. Daily Value	Rs.643.22m

Shareholding Pattern (%)

Promoter's	51.00
Foreign	13.04
Domestic Institution	28.18
Public & Others	7.78
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	23.6	0.3	37.9
Relative	21.2	(2.9)	27.3

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Domestic strength sustains growth momentum

Quick Pointers:

- Q4FY25 order intake came in at Rs29.9bn vs Rs13.3bn in Q4FY24.
- Robust order intake led to strong order book of Rs126.6bn (2.9x TTM revenue).

GE Vernova T&D India (GVTD) delivered a strong quarterly performance, registering a 26.2% YoY revenue growth alongside a notable adj. EBITDA margin expansion of 1,103bps YoY to 23.2%. Continued investments in grid modernization and the energy transition have driven the strong domestic performance of GVTD, further supported by robust opportunities and pipeline of HVDC projects in India. Meanwhile, sustained order momentum from group companies and increased traction in international markets such as Europe, the Middle East, Australia, and Latin America are expected to drive export growth. Management's focus on product orders may improve product mix in the revenue, further aiding the margin sustenance. Furthermore, the company's announced capex of ~Rs2.4bn towards new capacity addition and debottlenecking of existing capacity paves way for execution ramp up.

We believe 1) a healthy order pipeline in the power market, 2) a robust order book (Rs126.6bn), and 3) the management's focus on margin improvement augur well for strong revenue & profit growth. The stock is trading at a P/E of 61.4x/47.0 on FY26/27E. We roll forward to Mar'27E and maintain 'Accumulate' rating with a revised TP of Rs2,005 (Rs1,950 earlier) valuing the stock at a PE of 50x Mar'27E (55x Sep'26E earlier).

Higher mix of products in revenue aided margin expansion: Revenue rose 26.2% YoY to Rs11.5bn (PLe: Rs13.4bn) driven by strong growth in domestic sales (+41.3% YoY to Rs8.9bn) while export sales declined 7.6% YoY to Rs2.6bn. Adjusting for a litigation-related one-off of Rs150mn from other expenses, EBITDA jumped to Rs2.7bn vs Rs1.1bn in Q4FY24 (PLe: Rs2.6bn). EBITDA margin increased by 1,103bps YoY to 23.2% (PLe: 19.2%) led by gross margin expansion, employee cost leverage (down 254bps YoY as % of sales) partially offset by higher other expenses (+48.9% YoY to rs1.5bn). Adj. PBT jumped to Rs2.7bn vs Rs1.0bn in Q4FY24 (PLe: Rs2.4bn). Adj. PAT came in at Rs2.0bn vs Rs663mn in Q4FY24 (PLe: Rs1.5bn), driven by strong operating performance and higher other income (Rs211mn vs Rs57mn in Q4FY24) along with lower effective tax rate (27.2% vs 34.5% in Q4FY24).

Robust order book at record high of Rs126.6bn (2.9x TTM revenue): Q4FY25 order inflow came in at Rs29.9bn (vs Rs13.3bn in Q4FY24), driven by 158.8% YoY growth in domestic order intake of Rs27.3bn while export orders slumped by 6.2% YoY to Rs2.6bn. Order book stands healthy at Rs126.6bn (2.9x TTM revenue) with a mix of Private/State Utilities/Central Utilities at ~62%/4%/34%.

Exhibit 1: Other expenses for the quarter included Rs150mn of litigation-related one-off.

Y/e March (Rs mn)	Q4FY25	Q4FY24	YoY gr.	Q4FY25E	% Var.	Q3FY25	QoQ gr.	FY25	FY24	YoY gr.
Revenue	11,525	9,136	26.2%	13,354	-13.7%	10,737	7.3%	42,923	31,679	35.5%
Gross Profit	4,875	3,031	60.8%	5,097	-4.4%	4,053	20.3%	17,356	10,901	59.2%
Margin (%)	42.3	33.2	912	38.2	412.7	37.8	454	40.4	34.4	603
Employee Cost	897	944	-4.9%	1,150	-22.0%	998	-10.1%	3,999	3,738	7.0%
as % of sales	7.8	10.3	(254)	8.6	(82.7)	9.3	(151)	9.3	11.8	(248)
Other expenditure	1,306	978	33.6%	1,387	-5.8%	1,259	3.7%	5,021	3,973	26.4%
as % of sales	11.3	10.7	63	10.4	94.4	11.7	(39)	11.7	12.5	(84)
EBITDA	2,671	1,110	140.8%	2,560	4.4%	1,797	48.7%	8,337	3,190	161.4%
Margin (%)	23.2	12.1	1,103	19.2	401.0	16.7	644	19.4	10.1	935
Depreciation	115	123	-6.8%	146	-21.5%	117	-2.0%	473	502	-5.7%
EBIT	2,557	986	159.2%	2,414	5.9%	1,680	52.2%	7,864	2,688	192.5%
Margin (%)	22.2	10.8	1,139	18.1	410.9	15.6	654	18.3	8.5	984
Other Income	211	57	269.7%	33	545.2%	258	-18.2%	626	226	177.6%
Interest	57	32	78.2%	18	214.8%	39	45.6%	143	283	-49.4%
PBT (ex. Extra-ordinaries)	2,711	1,012	168.0%	2,428	11.6%	1,899	42.8%	4,875	2,631	85.3%
Margin (%)	23.5	11.1	1,245	18.2	534.0	17.7	584	11.4	8.3	305
Extraordinary Items	(150)	-	-	-	-	-	-	(150)	-	-
PBT	2,561	1,012	153.1%	2,428	5.5%	1,899	34.9%	8,197	2,631	211.6%
Total Tax	696	349	99.6%	921	-	472	47.5%	2,113	820	157.7%
Effective Tax Rate (%)	27.2	34.5	-	37.9	-	24.9	-	25.8	31.2	-
Reported PAT	1,865	663	181.3%	1,507	23.7%	1,427	30.7%	6,083	1,811	236.0%
Adj. PAT	1,977	663	198.3%	1,507	31.2%	1,427	38.6%	6,196	1,811	242.2%
Margin (%)	17.2	7.3	990	11.3	586.9	13.3	387	14.4	5.7	872
Adj. EPS	7.3	2.6	181.3%	5.9	23.7%	5.6	30.7%	23.8	7.1	236.0%

Source: Company, PL

Conference Call Highlights

- The management **expects to sustain the current levels of gross and EBITDA margins** going forward.
- **Order intake for FY25 came in at Rs107.8bn vs Rs57.9bn in FY24.** The order intake for the year had 2 large orders. 1) Order from group company worth Rs22bn, 2) Software related order from Adani group worth Rs8.0bn. Order backlog stands strong at Rs126.6bn, out of which, worth Rs38-40bn are project orders having execution period of 3-5 years while orders worth ~Rs85bn have an execution timeline of 18-24 months. The rest of the order book comprises of orders having execution period of less than 12 months.
- **Capex and capacity:** GVTD's recently announced capex of Rs1.4bn for HVDC and FACTS equipment will be operational by FY27. This facility will enable GVTD to localize the production while gaining competitive advantage. Prior to this, GVTD also announced capex worth ~Rs8.0-9.0bn for debottlenecking of the existing capacity. Overall, GVTD expects to incur capex of ~Rs2.3-2.4bn over the next 12-24 months.
- **HVDC tendering pipeline:** The company expects at least 1-2 HVDC projects to be tendered out in FY26. It is currently participating in the Khavda-South Olpad HVDC project. Meanwhile, one more project was tabled at the meeting of National Commission of Transmission (NCT) which is delayed due to exploration of possible alternative solutions.
- **Domestic demand scenario:** The company is experiencing strong demand for products such as Transformers, Switchgear, HVDC and FACTS. The pricing is currently stable in the domestic market and is not expected to see material improvements hereon. Meanwhile, any increases in the raw material costs can be passed on to maintain margins.
- **Export demand scenario:** The global energy transition trend has led to strong demand from Europe, Australia, Middle East, Latin America and South East Asia for the company. Meanwhile, due to technological differentiation, GVTD has little to no exposure to the USA market. Management aims to maintain ~30% order intake mix from group companies in its export orders.
- **Better pricing, a greater mix of product orders and higher contribution from exports** led to an improvement in the gross margin during the quarter.

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	31,679	42,923	59,137	75,511
YoY gr. (%)	14.2	35.5	37.8	27.7
Cost of Goods Sold	20,779	25,567	36,310	46,590
Gross Profit	10,901	17,356	22,827	28,921
Margin (%)	34.4	40.4	38.6	38.3
Employee Cost	3,738	3,999	4,494	5,135
Other Expenses	2,253	5,021	3,607	4,908
EBITDA	3,190	8,337	11,443	14,687
YoY gr. (%)	214.0	161.4	37.3	28.3
Margin (%)	10.1	19.4	19.4	19.5
Depreciation and Amortization	502	473	612	705
EBIT	2,688	7,864	10,831	13,982
Margin (%)	8.5	18.3	18.3	18.5
Net Interest	283	143	97	97
Other Income	226	626	532	717
Profit Before Tax	2,631	8,347	11,267	14,602
Margin (%)	8.3	19.4	19.1	19.3
Total Tax	820	2,113	3,403	4,337
Effective tax rate (%)	31.2	25.3	30.2	29.7
Profit after tax	1,811	6,233	7,864	10,265
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,811	6,233	7,864	10,265
YoY gr. (%)	(8,624.5)	244.3	26.2	30.5
Margin (%)	5.7	14.5	13.3	13.6
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,811	6,233	7,864	10,265
YoY gr. (%)	(12,251.0)	244.3	26.2	30.5
Margin (%)	5.7	14.5	13.3	13.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,811	6,233	7,864	10,265
Equity Shares O/s (m)	256	256	256	256
EPS (Rs)	7.1	24.3	30.7	40.1

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	7,809	8,069	9,269	10,369
Tangibles	7,809	8,069	9,269	10,369
Intangibles	-	-	-	-
Acc: Dep / Amortization	3,879	4,352	4,964	5,669
Tangibles	3,879	4,352	4,964	5,669
Intangibles	-	-	-	-
Net fixed assets	3,930	3,717	4,306	4,700
Tangibles	3,930	3,717	4,306	4,700
Intangibles	-	-	-	-
Capital Work In Progress	111	474	475	476
Goodwill	-	-	-	-
Non-Current Investments	84	88	-	-
Net Deferred tax assets	1,018	1,270	1,270	1,270
Other Non-Current Assets	4,284	4,262	5,027	6,041
Current Assets				
Investments	76	75	79	83
Inventories	5,892	7,035	11,017	13,861
Trade receivables	14,375	14,689	21,063	26,274
Cash & Bank Balance	1,341	4,728	12,555	20,340
Other Current Assets	3,159	4,268	4,731	5,663
Total Assets	34,826	45,341	65,331	83,598
Equity				
Equity Share Capital	512	512	512	512
Other Equity	11,917	17,219	22,724	29,910
Total Network	12,429	17,731	23,236	30,422
Non-Current Liabilities				
Long Term borrowings	120	135	135	135
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	299	211	211	211
Trade payables	8,856	10,259	15,878	20,274
Other current liabilities	14,140	18,275	27,142	33,827
Total Equity & Liabilities	34,826	45,341	65,331	83,598

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	2,631	8,197	11,267	14,602
Add. Depreciation	502	473	612	705
Add. Interest	283	143	97	97
Less Financial Other Income	226	626	532	717
Add. Other	1,032	316	-	-
Op. profit before WC changes	4,447	9,129	11,975	15,404
Net Changes-WC	946	1,962	(626)	(4,391)
Direct tax	(209)	(2,055)	(3,403)	(4,337)
Net cash from Op. activities	5,184	9,036	7,947	6,677
Capital expenditures	(292)	(5,229)	(1,201)	(1,101)
Interest / Dividend Income	0	266	-	-
Others	(1,432)	(4,350)	(4)	(4)
Net Cash from Invt. activities	(1,724)	(9,313)	(1,205)	(1,105)
Issue of share cap. / premium	-	-	-	-
Debt changes	(2,194)	(158)	-	-
Dividend paid	(155)	(512)	(2,359)	(3,080)
Interest paid	(238)	(20)	(97)	(97)
Others	-	-	3,541	5,389
Net cash from Fin. activities	(2,587)	(691)	1,085	2,213
Net change in cash	873	(968)	7,827	7,785
Free Cash Flow	4,892	8,162	6,746	5,576

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	7.1	24.3	30.7	40.1
CEPS	9.0	26.2	33.1	42.8
BVPS	48.5	69.2	90.7	118.8
FCF	19.1	31.9	26.3	21.8
DPS	1.8	6.0	9.2	12.0
Return Ratio(%)				
RoCE	20.4	50.9	52.0	51.5
ROIC	15.8	55.1	92.3	145.6
RoE	15.6	41.3	38.4	38.3
Balance Sheet				
Net Debt : Equity (x)	(0.1)	(0.3)	(0.5)	(0.7)
Net Working Capital (Days)	131	97	100	96
Valuation(x)				
PER	265.8	77.2	61.2	46.9
P/B	38.7	27.1	20.7	15.8
P/CEPS	208.2	71.8	56.8	43.9
EV/EBITDA	150.6	57.2	41.0	31.4
EV/Sales	15.2	11.1	7.9	6.1
Dividend Yield (%)	0.1	0.3	0.5	0.6

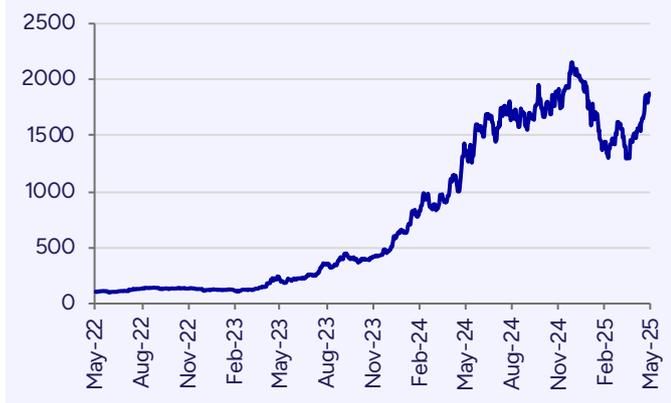
Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	9,583	11,078	10,737	11,525
YoY gr. (%)	33.6	58.8	28.0	26.2
Raw Material Expenses	5,722	6,511	6,683	6,651
Gross Profit	3,862	4,567	4,053	4,875
Margin (%)	40.3	41.2	37.8	42.3
EBITDA	1,822	2,047	1,797	2,671
YoY gr. (%)	258.5	237.5	86.1	140.8
Margin (%)	19.0	18.5	16.7	23.2
Depreciation / Depletion	121	121	117	115
EBIT	1,701	1,926	1,680	2,557
Margin (%)	17.8	17.4	15.6	22.2
Net Interest	20	28	39	57
Other Income	118	39	258	211
Profit before Tax	1,799	1,938	1,899	2,561
Margin (%)	18.8	17.5	17.7	22.2
Total Tax	454	491	472	696
Effective tax rate (%)	25.2	25.4	24.9	27.2
Profit after Tax	1,345	1,446	1,427	1,865
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	1,345	1,446	1,427	2,015
YoY gr. (%)	376.4	289.1	189.1	204.0
Margin (%)	14.0	13.1	13.3	17.5
Extra Ord. Income / (Exp)	-	-	-	(150)
Reported PAT	1,345	1,446	1,427	1,865
YoY gr. (%)	376.4	289.1	189.1	181.3
Margin (%)	14.0	13.1	13.3	16.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,345	1,446	1,427	1,865
Avg. Shares O/s (m)	256	256	256	256
EPS (Rs)	5.3	5.6	5.6	7.9

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Apr-25	Accumulate	1,950	1,304
2	06-Feb-25	Accumulate	1,950	1,710
3	09-Jan-25	Accumulate	1,962	1,991
4	11-Nov-24	Accumulate	1,946	1,693
5	07-Oct-24	Hold	1,601	1,661
6	01-Aug-24	Hold	1,601	1,585
7	08-Jul-24	Reduce	1,100	1,690

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	BUY	6,851	5,587
2	Apar Industries	Accumulate	7,825	6,928
3	BEML	Accumulate	3,561	2,875
4	Bharat Electronics	Hold	374	364
5	BHEL	Hold	237	244
6	Carborundum Universal	Hold	1,028	985
7	Cummins India	BUY	3,309	2,746
8	Elgi Equipments	BUY	517	418
9	Engineers India	BUY	242	164
10	GE Vernova T&D India	Accumulate	1,950	1,304
11	Grindwell Norton	Accumulate	1,716	1,612
12	Harsha Engineers International	Accumulate	398	374
13	Hindustan Aeronautics	Accumulate	5,500	5,128
14	Ingersoll-Rand (India)	BUY	4,540	3,376
15	Kalpataru Projects International	Accumulate	1,268	1,116
16	KEC International	Accumulate	801	665
17	Kirloskar Pneumatic Company	BUY	1,636	1,230
18	Larsen & Toubro	BUY	4,004	3,324
19	Praj Industries	BUY	545	461
20	Siemens	Accumulate	3,497	3,135
21	Thermax	Accumulate	3,629	3,297
22	Triveni Turbine	BUY	772	560
23	Voltamp Transformers	BUY	10,285	8,195

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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