

06 August 2025

India | Equity Research | Results Update

Siemens Energy India

Capital Goods

Transmission tailwinds in the sails

Siemens Energy India (SEI) is operating in one of the best plays in energy transition – the ongoing grid expansion. It is amongst the leading players providing transmission equipment. India's transmission story is pacing well; FY25 saw transmission project awards worth INR 1.6trn in the bids. We expect the bidding activity to be strong at >INR 1trn/annum over the next 3 years; large transmission capex bodes well for SEI. It also has a generation portfolio – gas/steam turbines, O&M and other services; we expect the segment to grow at a steady rate of ~10% in medium term. SEI also caters to part of Siemens Energy Global's orderbook, adding another growth dimension. Its order outlook remains positive; SEI's order inflow was healthy in 9MFY25 at ~INR 108bn. We estimate its orderbook at INR 156bn as of Jun'25 (healthy book-to-bill of ~2.3x). However, given the recent run up in the stock price post its listing in Jun'25, we downgrade it to **HOLD** from Add.

Good show in Q3FY25 led by transmission

SEI reported a good set of results in Q3 – revenue was up 20% YoY to INR 17.9bn, EBITDA was up 59% to INR 3.4bn and PAT was up 80% YoY to INR 2.6bn. The growth was led by transmission segment which recorded 35% revenue growth and 150% EBITDA growth YoY (aided by higher margins on a low base). Generation segment's revenue and profit were steady (up 6% YoY).

Strong OB; book-to-bill at ~2.3x

SEI saw a good inflow of orders in Q3 at ~INR 33bn (+94% YoY). Note that the steep jump in new orders is due to large orders in Q3. Also, the jump is on a low base - inflow in the base quarter was ~37% lower compared to last 8-quarter average. We estimate SEI's OB at INR 156bn, which translates to healthy book-to-bill of ~2.3x. The order inflow growth over 9MFY25 was very good at 66% YoY, reflecting healthy ordering activity.

Upbeat outlook driven by transmission tailwinds

We expect India's transmission capex story to remain bullish for the next 5 years led by the ongoing energy transition. In FY25, transmission projects worth INR 1.6trn were awarded through bids. The capex outlook remains strong for the next 4-5 years. The need for High Voltage (HV) and grid stability equipment is going up and SEI is well positioned to benefit from this. Eying the opportunity, SEI is also ramping up its capacity. It is undertaking capex of INR 2.8bn at its Aurangabad, Maharashtra factory. In FY24, Siemens had announced capex of INR 4.6bn for its transformer factory in Kalwa (in Maharashtra) and INR 3.3bn for its GIS factory in Goa.

Downgrade to HOLD from Add

Downgrade to **HOLD** from Add with a revised TP of INR 3,125 (INR 2,900 earlier).

Financial Summary

Y/E Sep-30 (INR mn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	63,452	73,365	96,244	1,17,925
EBITDA	9,339	14,453	18,671	22,117
EBITDA Margin (%)	14.7	19.7	19.4	18.8
Net Profit	6,980	10,690	14,353	17,117
EPS (INR)	19.6	30.0	40.3	48.1
EPS % Chg YoY	-	53.2	34.3	19.3
P/E (x)	166.3	108.6	80.9	67.8
EV/EBITDA (x)	111.3	71.5	55.2	46.3
RoCE (%)	22.1	29.0	29.1	26.5
RoE (%)	21.7	28.5	28.7	26.0

*Some of the numbers are estimated/derived

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Market Data

Market Cap (INR)	1,161bn
Market Cap (USD)	13,225mn
Bloomberg Code	ENRIN IN
Reuters Code	SIEE.BO
52-week Range (INR)	3,419 / 2,509
Free Float (%)	25.0
ADTV-3M (mn) (USD)	0.0

Price Performance (%)	3m	6m	12m
Absolute	0.0	0.0	0.0
Relative to Sensex	0.0	0.0	0.0

ESG Score	2023	2024	Change
ESG score	NA	NA	NA
Environment	NA	NA	NA
Social	NA	NA	NA
Governance	NA	NA	NA

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

20-06-2025: [Initiating Coverage](#)

Valuation and outlook

India is in the midst of an energy transition. India's endeavour to increase the share of clean energy stems from its commitment to achieve net zero by 2070. It is targeting 500GW non-fossil fuel-based capacity by 2030. But the energy transition, amidst growing power demand, means balancing clean energy with conventional power sources, as seen from India's revived interest in thermal power.

India is targeting 43% of electricity consumption from renewables by 2030. The increasing penetration of RE into the grid requires expansion and strengthening of the grid. India is upgrading its grid to prime for evacuation of ~900GW (vs. 450GW now). As a result, transmission capex is set to pick up after FY20–24's subdued investment cycle. We estimate INR 3.4trn capex on inter-state transmission over the next 4–5 years. Out of which, the need for HV equipment is on the rise. With rising complexity of the grid due to a potential influx of renewables, unique challenges in stability shall emerge. To ensure a stable grid, the need for specialised equipment like STATCOMs, reactors etc. shall become a necessity. With Siemens Energy India being one of the key players in this transition, we believe the company could benefit in India's pursuit of grid strengthening. While transmission is expected to drive the growth over the next 3–4 years, SEI's generation segment growth is estimated to be lower at ~10–12% during the period.

SEI's reported strong order inflow of ~INR 33bn in Q3FY25 (up 94% YoY). We estimate the OB at ~INR 156bn (book to bill of ~2.2x) as of Jun'25. It is expected to further benefit from the HVDC project pipeline. Given the OB, we expect the company to have strong execution over the next three years.

However, given the recent run up in the stock price post its listing in Jun'25, we downgrade the stock to **HOLD** from *Add* with a revised target price of **INR 3,125** (INR 2,900 earlier), valuing the stock at 65x FY27E earnings.

Key risks: 1) Delay in execution of existing OB; 2) lower than estimated order intake and 3) higher-than-estimated margins.

Exhibit 1: Quarterly result highlights

INR mn	Q3FY24	Q2FY25	Q3FY25	% ch qoq	% ch yoy
Net sales	14,842	18,795	17,846	-5	20
EBITDA	2,134	3,585	3,403	-5	59
OPM (%)	14.4	19.1	19.1	-1 bps	469 bps
Other inc.	0	144	525	265	
Interest	13	33	142	330	992
Dep. & Amort.	160	243	266	9	66
PBT	1,961	3,453	3,520	2	80
PAT	1,458	2,461	2,627	7	80
Reported PAT	1,458	2,461	2,627	7	80
EPS (Rs)	41.0	69.1	73.8	7	80
Order Inflow	16,930		32,900		94

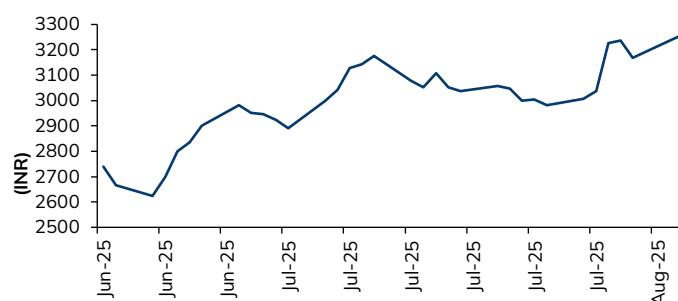
Source: I-Sec research, Company data

Exhibit 2: Shareholding pattern

%	Sep'24	Mar'25	Jun'25
Promoters		75.0	75.0
Institutional investors		15.4	15.4
MFs and others		3.5	3.5
FIs/Banks		1.1	1.1
Insurance		2.3	2.3
FIIIs		8.5	8.5
Others		9.6	9.6

Source: Bloomberg, I-Sec research

Exhibit 3: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 4: Profit & Loss

(INR mn, year ending Sep-30)

	FY24A	FY25E	FY26E	FY27E
Net Sales	63,452	73,365	96,244	1,17,925
Operating Expenses	17,078	34,848	45,716	56,392
EBITDA	9,339	14,453	18,671	22,117
EBITDA Margin (%)	14.7	19.7	19.4	18.8
Depreciation & Amortization	720	958	1,034	1,086
EBIT	8,619	13,495	17,637	21,031
Interest expenditure	165	264	308	377
Other Non-operating Income	482	1,157	1,808	2,170
Recurring PBT	8,936	14,388	19,137	22,823
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	1,956	3,698	4,784	5,706
PAT	6,980	10,690	14,353	17,117
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	6,980	10,690	14,353	17,117
Net Income (Adjusted)	6,980	10,690	14,353	17,117

Source Company data, I-Sec research, *Some of the numbers are estimated/derived

Exhibit 5: Balance sheet

(INR mn, year ending Sep-30)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	62,595	78,425	1,04,677	1,32,844
of which cash & cash eqv.	-	6,051	9,733	16,512
Total Current Liabilities & Provisions	32,635	37,734	49,501	60,652
Net Current Assets	29,960	40,692	55,177	72,193
Investments	-	-	-	-
Net Fixed Assets	3,069	3,311	3,477	3,891
ROU Assets	1,221	1,221	1,221	1,221
Capital Work-in-Progress	521	521	521	521
Total Intangible Assets	-	-	-	-
Other assets	3,071	3,071	3,071	3,071
Deferred Tax Assets	-	-	-	-
Total Assets	37,842	48,816	63,467	80,897
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	-	-	-	-
provisions	-	-	-	-
other Liabilities	5,674	5,958	6,256	6,568
Equity Share Capital	712	712	712	712
Reserves & Surplus	31,456	42,146	56,499	73,616
Total Net Worth	32,168	42,858	57,211	74,328
Minority Interest	-	-	-	-
Total Liabilities	37,842	48,816	63,467	80,897

Source Company data, I-Sec research, *Some of the numbers are estimated/derived

Exhibit 6: Cashflow statement

(INR mn, year ending Sep-30)

	FY24A	FY25E	FY26E	FY27E
Operating Cashflow	(33,402)	5,227	567	4,159
Working Capital Changes	(41,102)	(6,421)	(14,820)	(14,044)
Capital Commitments	(1,241)	(958)	(1,034)	(1,086)
Free Cashflow	(32,160)	6,184	1,601	5,245
Other investing cashflow	6,852	1,498	3,852	3,393
Cashflow from Investing Activities	5,611	541	2,817	2,307
Issue of Share Capital	25,188	-	-	-
Interest Cost	-	-	-	-
Inc (Dec) in Borrowings	-	-	-	-
Dividend paid	-	-	-	-
Others	2,603	284	298	313
Cash flow from Financing Activities	27,791	284	298	313
Chg. in Cash & Bank balance	0	6,051	3,682	6,779
Closing cash & balance	0	6,051	9,733	16,512

Source Company data, I-Sec research, *Some of the numbers are estimated/derived

Exhibit 7: Key ratios

(Year ending Sep-30)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	19.6	30.0	40.3	48.1
Adjusted EPS (Diluted)	19.6	30.0	40.3	48.1
Cash EPS	21.6	32.7	43.2	51.1
Dividend per share (DPS)	-	-	-	-
Book Value per share (BV)	90.4	120.4	160.7	208.8
Dividend Payout (%)	-	-	-	-
Growth (%)				
Net Sales	-	15.6	31.2	22.5
EBITDA	-	54.8	29.2	18.5
EPS (INR)	-	53.2	34.3	19.3
Valuation Ratios (x)				
P/E	166.3	108.6	80.9	67.8
P/CEPS	150.7	99.6	75.4	63.8
P/BV	36.1	27.1	20.3	15.6
EV / EBITDA	111.3	71.5	55.2	46.3
P / Sales	16.4	14.2	10.8	8.8
Dividend Yield (%)	-	-	-	-
Operating Ratios				
Gross Profit Margins (%)	41.6	67.2	66.9	66.6
EBITDA Margins (%)	14.7	19.7	19.4	18.8
Effective Tax Rate (%)	21.9	25.7	25.0	25.0
Net Profit Margins (%)	11.0	14.6	14.9	14.5
NWC / Total Assets (%)	0.8	0.8	0.9	0.9
Net Debt / Equity (x)	-	(0.1)	(0.2)	(0.2)
Net Debt / EBITDA (x)	-	(0.4)	(0.5)	(0.7)
Profitability Ratios				
RoCE (%)	22.1	29.0	29.1	26.5
RoE (%)	21.7	28.5	28.7	26.0
RoIC (%)	22.1	29.0	29.1	26.5
Fixed Asset Turnover (x)	20.7	22.2	27.7	30.3
Inventory Turnover Days	45	48	51	49
Receivables Days	107	115	121	118
Payables Days	100	108	114	110

Source Company data, I-Sec research, *Some of the numbers are estimated/derived

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