Short Term Fundamental Pick

Thursday, 11 June 2026

Rating	**: Buy**
Cmp	**: ₹2502.50** as on 10th June 2026
Sector	**: Automobile and Auto Components.**
Target	**: ₹2965.40**
Upside Potential	**: 18.50%**
Time Frame	**: 8-12 Months**

Endurance Technologies Ltd

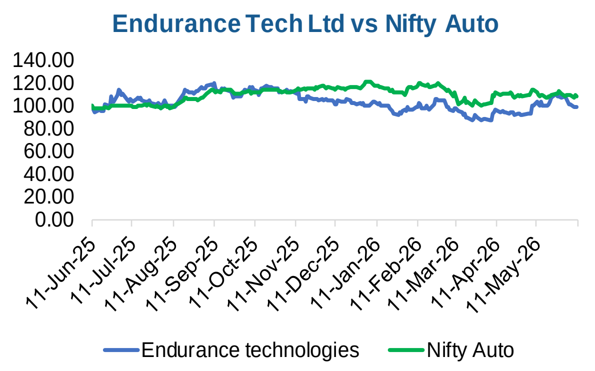
Thursday, 11 June 2026

Cmp: 2502.50 as *on 10th June 2026* **Rating: Buy** **Target: ₹2965.40** **Upside Potential: 18.50%**

Key Data	
Nifty/Sensex	23,214.95/73,983.18
BSE Code	540153
NSE Code	ENDURANCE
Bloomberg Code	ENDU: IN
Basic Industry	Auto Components & Equipments
Market Cap(Cr.)	35,447.04
No. of Shares(Cr.)	14.16
Face Value	10
52 Week High/Low	3079.90/2142.80

Shareholding Pattern

Particulars	Q4FY26
Promoter	75.00%
MF	6.10%
FII	13.10%
Public	2.10%
Others	3.70%



Rising EV Growth Opportunities, Robust Export, and Capex-led Expansion Will Enhance the Long Term Momentum…

Endurance Technologies is a leading Tier-1 automotive component supplier with a diversified portfolio comprising aluminium die-casting, suspension systems, disc brakes, alloy wheels, and aftermarket products, catering to two-wheelers, three-wheelers, and passenger vehicles. The company operates manufacturing facilities across India, Italy, and Germany, providing strong OEM linkages and global market exposure. Through its 61.5% stake in Maxwell Energy Systems, it has established a presence in the EV ecosystem via battery management systems (BMS). Endurance holds an estimated 13–15% share in the domestic ABS market and enjoys a leadership position in the two-wheeler and three-wheeler die-casting and suspension segments, supported by scale, technological capabilities, and long-standing customer relationships.

Highlights and Investment Rationale

- **Strong Q4FY26 Earnings Performance:** Revenue grew 38% YoY (+13% QoQ), driven by strong demand across segments. Despite a 200 bps decline in gross margin due to higher raw material costs, EBITDA and PAT increased 34% YoY and 19% YoY (+14% QoQ), respectively, supported by healthy operating leverage.

- **Healthy FY26 Revenue Growth Amid Margin Pressures:** FY26 standalone revenue increased 20% YoY to ₹10,696 crores. EBITDA and PAT grew 11% and 8.1%, respectively. EBITDA margin stood at 12.6%, impacted by elevated aluminium and steel prices as well as higher outsourcing costs.

- **European Business Delivers Record Profitability:** The European business posted strong performance, with revenue rising 28.9% YoY to €391.7 million and EBITDA margin at 18.5%. The integration of Stöferle contributed €82.1 million in revenue and €17.9 million in EBITDA. Improved operational efficiencies and healthy volumes supported a record quarterly EBITDA margin of 20.5%.

- **Expanding Presence in the EV Ecosystem:** Maxwell Energy Systems delivered strong growth, with FY26 revenue increasing to ₹162 crore from ₹70 crore in FY25. The company is strengthening its EV portfolio through battery pack manufacturing and high-voltage BMS solutions for electric commercial vehicles. Management expects the new battery pack business to offer a medium-term revenue potential of ₹350–600 crore.

- **Healthy Balance Sheet and Cash Generation:** Maintains a strong financial position with reserves growing at ~14% CAGR over the last five years, a low debt-to-equity ratio of 0.15x, and interest coverage above 5x. Improved working capital management reduced debtor days from 58 to 46 and inventory days from 62 to 51, supporting stable return ratios of ~18% and operating cash flow growth of ~25% CAGR.

- **Broad-Based Growth Across Segments:** FY26 performance was driven by strong execution across product segments, led by Die Casting (+39%), Disc Brakes (+24%), and Suspension (+20%), while the four-wheeler segment emerged as the key growth driver with 44% growth.

- **Strong Revenue Visibility and EV-Led Opportunity:** The company secured FY26 India order inflows of ₹1,596 crores, including ₹1,579 crore of new business, and ended the year with a ₹1,240 crore standalone order book and a 90% execution rate. High-margin segments are gaining traction, with four-wheelers and non-auto applications contributing 60% of orders, while EV-related annualized order wins reached ₹1,724 crores.

- **Growth Drivers and Capex:** Growth is supported by significant capacity additions, including 1.2 million ABS units, a new Chennai brake plant with 3-million-disc brake assembly capacity, and suspension expansion targeting ~100,000 inverted front forks per month by FY27. New initiatives such as aluminium forging for global OEMs and driveshaft supplies to Tata Motors are expected to further diversify revenue streams. Capex is maintained at Rs.800cr focusing on automation and operational efficiency.

- **Beneficiary of Premiumisation and EV Adoption:** Long-term growth is supported by rising vehicle premiumisation, increasing content per vehicle, growing exports, and accelerating EV adoption. India's electric two-wheeler scooter sales grew ~53.9% YoY in Q4FY26, while nearly two-thirds of vehicles sold in Europe are now electric or hybrid, creating a favourable demand environment.

- **Structural Growth Drivers and Policy Support:** Demand is expected to be driven by automotive industry expansion, rising disposable incomes, and increasing EV penetration, while supply-side advantages stem from India's emergence as an outsourcing hub and continued focus on technology and R&D. Government initiatives such as FAME, PLI schemes, and the Automotive Mission Plan 2047 provide additional long-term support for industry growth.

Key risks:

- **Global Macroeconomic Risks:** Global economic uncertainties, including tariffs, geopolitical tensions, energy price volatility, and regional economic slowdowns, could impact demand, supply chains, and profitability businesses.

- **Margin Pressure Risk:** Increasing competition from domestic and global automotive component manufacturers may result in pricing pressure, affecting market share, margins, and overall operational efficiency.

- **Regulatory and Compliance Risks**: Due to highly regulated environment, company faces risks from stricter safety, emission, and quality regulations. Any abrupt regulatory changes could increase compliance costs, require additional investments, and impact business operations.

Endurance Technologies Ltd

Thursday, 11 June 2026

StockHolding Services Limited (Formerly Known as SHCIL Services Limited)

Key Financial Indicators & Valuation (Consolidated)						
YE March (Cr.)	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Revenue	8,804.05	10,240.87	11,560.81	14,595.88	17,237.71	20,870.76
EBITDA	1,036.27	1,327.98	1,551.08	1,965.64	2,231.44	2,708.75
EBITDA Margin(%)	11.77%	12.97%	13.42%	13.47%	12.95%	12.98%
PAT	489.86	680.49	824.18	972.66	1,069.52	1,269.85
Net Profit Margin(%)	5.56%	6.64%	7.13%	6.66%	6.20%	6.08%
ROE(%)	11.10%	13.67%	14.42%	14.22%	13.80%	14.38%
EPS	34.83	48.38	58.59	69.15	76.04	90.28
PE	35.65	37.83	33.58	32.02	32.91	27.72
EV/EBITDA	16.43	18.99	17.27	15.42	15.47	12.62
P/BV	3.96	5.17	4.84	4.55	4.54	3.99
EV/Net Sales	1.93	2.46	2.32	2.08	2.00	1.64

Variance Analysis (Consolidated)					
Particulars (Rs. In Cr.)	**2026-March**	**2025-March**	**YoY%**	**2025-Dec**	**QoQ %**
Net Sales	4,085.95	2,963.48	38%	3,608.22	13%
Total Expenditure	3,518.15	2,541.02	38%	3,131.09	12%
PBIDT (Excl OI)	567.80	422.46	34%	477.13	19%
PAT	276.45	232.95	19%	242.59	14%
PBIDTM% (Excl OI)	13.90%	14.26%	-3%	13.22%	5%
PATM%	6.77%	7.86%	-14%	6.72%	1%
EPS(Rs)	19.65	16.56	19%	17.25	14%

Valuation and Outlook:

The company's strong and diversified growth profile, supported by robust order inflows, increasing content per vehicle, and rising exposure to high-growth segments such as premium vehicles, exports, and EVs. Its European business continues to deliver healthy profitability, while Maxwell's expanding EV ecosystem and upcoming battery pack manufacturing provide a significant long-term growth runway. Capacity expansions across braking, suspension, and aluminium forging businesses, coupled with a healthy ₹1,240 crore order book and strong EV-related wins, provide revenue visibility. The company also maintains a strong balance sheet with low leverage, improving working capital efficiency, and healthy cash generation, enabling sustained investments in growth. Favourable industry tailwinds from vehicle premiumisation, EV adoption, export opportunities, and supportive government policies strengthen its long-term earnings potential and justify a higher valuation multiple. **Endurance Technologies Ltd is currently trading at a discount to its 3-year median P/E multiple. We expect Revenue, EBITDA, and PAT to grow at a CAGR of 19.6%, 17.5%, and 14.3%, respectively, over FY27–FY28. We derive a target price of ₹2965.40, implying an upside potential of 18.50% valuing it at multiple of 39x P/E.**

Profit And Loss Statement Consolidated)						
YE March (Cr.)	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
I. Income						
Net Sales	**8,804.05**	**10,240.87**	**11,560.81**	**14,595.88**	**17,237.71**	**20,870.76**
II. Expenditure						
Raw Material Cost	5,329.52	6,050.57	6,603.12	8,417.70	10,099.53	12,109.48
Employee Cost	763.61	879.90	1,007.35	1,208.53	1,370.17	1,669.66
Other Expenses	1,674.65	1,982.42	2,399.27	3,004.01	3,536.57	4,382.86
Total Expenditure	**7,767.78**	**8,912.89**	**10,009.73**	**12,630.24**	**15,006.27**	**18,162.00**
EBITDA	**1,036.27**	**1,327.98**	**1,551.08**	**1,965.64**	**2,231.44**	**2,708.75**
Depreciation & Amortization	421.58	473.99	538.71	734.22	890.64	1,099.08
EBIT	**614.69**	**853.99**	**1,012.37**	**1,231.42**	**1,340.80**	**1,609.67**
Interest	20.58	42.66	46.81	57.36	57.34	66.23
Other Income	45.43	85.62	116.97	123.97	142.57	149.69
Earnings Before Tax(EBT)	**639.54**	**896.95**	**1,082.53**	**1,298.03**	**1,426.03**	**1,693.13**
Tax	149.68	216.46	258.36	325.37	356.51	423.28
Profit After Tax(PAT)	**489.86**	**680.49**	**824.18**	**972.66**	**1,069.52**	**1,269.85**
Exceptional Items	-10.29	-	12.18	-20.95	10.00	10.00
Share of Associate						
Consolidated Net Profit	**479.58**	**680.49**	**836.35**	**951.71**	**1,079.52**	**1,279.85**
EPS - Basic	34.83	48.38	58.59	69.15	76.04	90.28
No. Shares(Cr.)	14.07	14.07	14.07	14.07	14.07	14.07

Source: Company website, SSL Research Centre, ACE Equity, Trendlyne, Screener, NSE & BSE, etc

Investment Rating Matrix

Ratings	Expected Return
Buy	>15%
Accumulate	10% to 15%
Hold	0% to 15%
Sell	< - 15%

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