Midas
Equities and Research

Hariom Pipe Industries Ltd

Q1FY27 Result Update

20 Aug 2026

- Due to the recent price correction, the company's market capitalization has fallen below our minimum threshold for coverage. Accordingly, we are discontinuing coverage of the company and will reassess it once its market capitalization moves back above our Watch Zone threshold.
- Topline declined 7% Y-o-Y and 15% Q-o-Q to Rs. 429 cr in Q1FY27, due to the suspension of its Perundurai Unit. Sales Volumes were lower in Q1FY27 by 19% YOY and 23% QOQ due to seasonality impact and plant shutdown. Although the power supply has started in the Perundurai plant from July 2026 but the volatility in the earnings driven by price volatility continues.
- Working Capital cycle remains stretched due to high inventory days of 117 as on FY26. Due to backward integration, the company's inventory cycle is bound to remain high hence the uncertainty reduction in short term debt remains a key monitorable.

Owing to uncertainty around ramping up value-added product capacity, we are discontinuing our coverage on the company.

Rating NA

CMP Rs. 348
14x FY26 EPS & 7x FY26 EV/EBITDA

RESEARCH ANALYST

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Q1FY27 Results Summary (Consolidated)

(In Rs. cr)

P&L(cr)	Q1FY26	Q4FY26	Q1FY27	YoY	QoQ
Volume (Tonnes)	78221	81,741	63,084	-19%	-23%
Net Revenue	**461**	**507**	**429**	-7%	-15%
RM	367	401	339		
% of sales	*79.5%*	*79.0%*	*79.0%*		
Gross Profit	**94**	**107**	**90**		
Gross Margin	*20.5%*	*21.0%*	*21.0%*		
Employee Benefits Expense	14	15	15		
Power and Fuel	18	21	18		
Other expenses	6	7	6		
Operating Expenses	**37**	**43**	**40**	8%	-7%
EBITDA EX OI	**58**	**64**	**50**	-13%	-21%
EBITDA Margin %	*12.5%*	*12.6%*	*11.7%*		
EBITDA/ton	*7360*	*7815*	*7964*		
Depreciation	14	17	15		
EBIT	**43**	**56**	**36**	-17%	-36%
Finance Costs	12	14	13		
Other Income	1	9	1		
PBT	**32**	**42**	**22**		
Tax	9	12	6		
Tax Rate %	*27%*	*28%*	*27%*		
NPAT	**24**	**30**	**16**	-30%	-45%
EPS	**7.3**	**9.3**	**5.1**	-30%	-45%

Revenue Y-o-Y	NPAT Y-o-Y	EBITDA Y-o-Y
- 7%	- 30 %	-13 %

Source: Company, Spark PWM Pvt. Ltd.

Hariom Pipe Industries Ltd - Q1FY27 Result Update

CMP
Rs. 348

Rating
NA

HARIOM - Our Commentary On Results

- Q1FY27 snapshot: Hariom Pipe Industries Ltd. (HARIOM) reported weak earnings.
- Revenue stood at Rs. 429 cr, declining 7% Y-o-Y and 15% Q-o-Q.
- EBITDA dipped 13% Y-o-Y & 21% Q-o-Q to Rs. 50 cr.
- EBITDA margin contracted by 80 bps Y-o-Y and 90 bps Q-o-Q to 11.7%.
- NPAT stood at Rs. 16 cr, declining 30% Y-o-Y and 45% Q-o-Q.
- Suspension of power supply at the company's Perundurai Unit weighed on Q1FY27 results.

Key concerns

- Due to the recent price correction, the company's market capitalization has fallen below our minimum threshold for coverage. Accordingly, we are discontinuing coverage of the company and will reassess it once its market capitalization moves back above our Watch Zone threshold.
- Topline declined 7% Y-o-Y and 15% Q-o-Q to Rs. 429 cr in Q1FY27, due to the suspension of its Perundurai Unit. Sales Volumes were lower in Q1FY27 by 19% YOY and 23% QOQ due to seasonality impact and plant shutdown. Although the power supply has started in the Perundurai plant from July 2026 but the volatility in the earnings driven by price volatility continues.
- Working Capital cycle remains stretched due to high inventory days of 117 as on FY26. Due to backward integration, the company's inventory cycle is bound to remain high hence the uncertainty reduction in short term debt remains a remains a key monitorable.

Financials and Estimates Summary

Particulars (Rs. cr)	Revenue	EBITDA	EBITDA %	PAT	EPS	RoE %	RoCE %	PE	EV/ EBITDA
2023	644	82	12.8%	47	17	12.4%	10.8%	28	18
2024	1,153	138	12.0%	57	20	12.2%	12.5%	26	13
2025	1,357	175	12.9%	62	20	10.8%	12.8%	19	9
2026	1,667	209	12.6%	76	24	11.7%	14.1%	14	7

20 Aug 2026

Industry	Industrial Products

Key Stock Data

Bloomberg	HARIOMPi:IN
Shares o/s (cr)	3.1
Market Cap (Rs. cr)	1,077
52-wk High/Low	572/268
20D ADV (In '000)	133
Index	BSE Industrials
F&O	N

Latest Shareholding (%)

	Jun 26	Mar 26	Dec 25
Promoters	57.3	57.3	57.3
Institutions	10.3	9.6	9.3
Public	32.4	33.1	33.4
Pledge	0.0	0.0	0.0

Stock Performance (%)

	1M	3M	12M
HARIOM	-12.5	15.5	-28.5
BSE Industrials	3.9	6.5	15.4

Source: Company reports, Bloomberg, Midas Research

Financial Summary

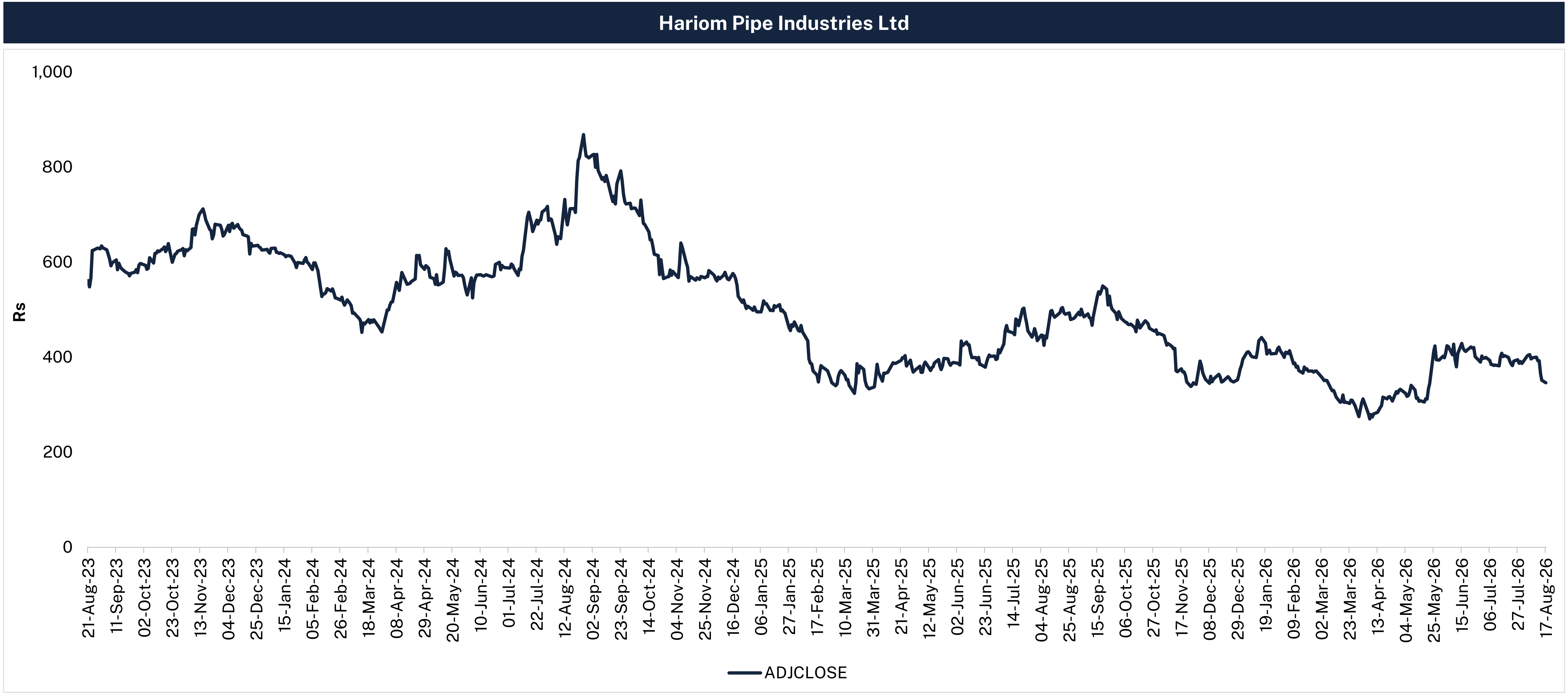
All figures in Rs. cr

Particulars	FY23	FY24	FY25	FY26
Profit & Loss				
Revenue	644	1153	1,357	1,667
Gross profit	181	267	309	365
EBITDA	82	138	175	209
Depreciation	9	34	50	65
EBIT	73	105	125	144
Other Income	1	5	3	13
Interest expense	10	33	45	54
Exceptional items	0	0	0	0
PBT	63	77	83	104
Reported PAT (after minority interest)	47	57	62	76
Adj PAT (Excl EI)	47	57	62	76
EPS (Rs.)	17	20	20	24
EPS (Rs.) (Excl EI)	17	20	20	24
Balance Sheet				
Net Worth	375	464	573	647
Total debt	297	372	400	377
Other liabilities and provisions	23	23	12	41
Total Net worth and liabilities	**709**	**880**	**1,197**	**1,220**
Gross Fixed assets	185	451	557	617
Net fixed assets	133	365	423	435
Capital work-in-progress	103	13	12	16
Intangible Assets	0	0	0	0
Investments	0	0	0	0
Cash and bank balances	105	32	51	3
Loans & advances and other assets	368	470	73	48
Net working capital	293	412	489	480
Total assets	**709**	**880**	**1,197**	**1,220**
Capital Employed	677	845	973	1,023
Invested Capital (CE - cash - CWIP)	469	800	911	1,005
Net debt	193	340	350	374
Cash Flows				
Cash flows from Operations (Pre-tax)	-83	23	93	215
Cash flows from Operations (post-tax)	-101	5	78	192
Capex	129	231	106	60
Free cashflows	-230	-226	-27	132
Free cashflows (post interest costs)	-240	-259	-72	79
Cash flows from Investing	-221	-182	-86	-141
Cash flows from Financing	425	74	31	-75
Total cash & liquid investments	**105**	**32**	**51**	**3**

Particulars	FY23	FY24	FY25	FY26
Growth ratios (%)				
Revenue	49%	79%	18%	23%
EBITDA	45%	68%	27%	19%
Reported PAT	47	57	62	76
Margin ratios				
Gross	28%	23%	22.8%	21.9%
EBITDA	13%	12%	13%	13%
Reported PAT	7.2%	4.9%	4.5%	4.5%
Performance ratios				
Pre-tax OCF/EBITDA	-101%	17%	53%	103%
OCF/IC (%)	-21%	1%	9%	19%
RoE (%)	12%	12%	10.8%	11.7%
RoCE (%)	11%	13%	12.8%	14.1%
Fixed asset turnover (x)	3.5	2.6	2.4	2.7
Total asset turnover (x)	1.1	0.8	0.9	0.7
Financial stability ratios				
Net Debt to Equity (x)	0.6	0.8	0.6	0.6
Net Debt to EBITDA (x)	2.3	2.5	2.0	1.8
Interest cover (x)	7	3	3	3
Working capital days	150	130	134	118
Valuation metrics				
Fully Diluted Shares (cr)	2.8	2.9	3.1	3.1
Market cap (Rs.cr)				1077
P/E (x)	28	26	19	14
P/OCF(x)	-4.8	103.2	4.7	1.8
EV (Rs.cr) (ex -CWIP)	1512	1829	1,501	1,451
EV/ EBITDA (x)	18.4	13.2	9	7
EV/ OCF(x)	-15.0	365.9	19	8
FCF Yield	-17.4%	-15.2%	-2.4%	12.3%
Price to BV (x)	3.8	3.4	2.1	1.8
Dividend pay-out (%)	0%	0%	3%	2%
Dividend yield (%)	0%	0%	0%	0%
Cash as a % of CE	15%	4%	5%	0%

Source: Company, Spark PWM Pvt. Ltd.

3-year Price Chart



Disclaimer (1/2)

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BUY	Stock expected to provide positive returns of >15% over a 1-year horizon	**REDUCE**	Stock expected to provide returns of <5% – -10% over a 1-year horizon
ACCUMULATE	Stock expected to provide positive returns of >5% – <15% over a 1-year horizon	**SELL**	Stock expected to fall >10% over a 1-year horizon
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