

Sigma Advanced Systems

Event Update

14 Jul 2026

Acquisition adds Rolls-Royce and Siemens-approved UK manufacturing capability

- Valuation-** At the CMP of Rs. 583, SIGMA trades at ~30x FY28E EV/EBITDA.

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Financial Summary

- Revenue is expected to grow at a CAGR of 98% over FY26–FY28E, aided by the consolidation of Nasmyth, AS Strategic and orders from Indrajaa, with a healthy order book across businesses underpinning growth.
- EBITDA is expected to grow at a CAGR of 171% over FY26–FY28E, driven by the transfer of hours from the UK to India and improving utilization of new capacities.
- NPAT is projected to grow at a CAGR of 66% over FY26–FY28E, aided by lower finance costs and improved profitability at Indrajaa.

	FY25	FY26	FY27E	FY28E
Profit & Loss				
Revenue	107	492	1,624	1,931
Gross profit	35	307	682	856
EBITDA	15	48	256	351
Depreciation	5	14	17	17
EBIT	10	33	239	334
Other Income	3	298	8	7
Interest expense	20	20	10	9
PBT	-7	301	237	332
NPAT(After Min Int)	-14	268	194	250
Adj PAT	-14	91	194	250
EPS (Rs.) (After Min Int)	-1.9	15.2	11.0	14.2
Adj EPS	-1.9	5.2	11.0	14.2
Balance Sheet				
Net Worth	204	468	663	913
Total debt	146	300	180	150
Other liabilities and provisions	98	97	97	97
Total Net worth and liabilities	468	1,059	1,085	1,404
Net fixed assets	202	259	273	298
Cash and bank balances	10	24	72	11
Loans & advances and other assets	468	468	663	913
Net working capital	32	359	372	629
Total assets	468	1,059	1,085	1,404
Capital Employed	351	769	843	1,063
Net debt	136	276	109	139
Cash Flows				
Cash flows from Operations (post-tax)	19	-225	208	20
Capex	0	342	31	42
Free cashflows	0	-566	177	-22
Free cashflows (post interest costs)	-20	-586	167	-31
Cash flows from Investing	20	-6	-31	-42
Cash flows from Financing	-50	242	-130	-39
Total cash & liquid investments	10	24	72	11

All figures in Rs. cr

- FY26 revenue was higher due to the consolidation of Nasmyth's operations in the last five months of FY26, while NPAT is elevated on account of higher other income from asset sales of the discontinued business.
- RoCE is expected to improve significantly, driven by operational efficiency gains at the new facilities in India.

	FY25	FY26	FY27E	FY28E
Growth ratios (%)				
Revenue		358%	230%	19%
EBITDA		222%	435%	37%
NPAT(After Min Int)		NA	-28%	29%
Adj PAT		NA	113%	29%
Margin ratios				
Gross	33%	62%	42%	44%
EBITDA	14%	10%	16%	18%
NPAT(After Min Int)	-13%	54%	12%	13%
Adj PAT	-13%	19%	12%	13%
Performance ratios				
OCF/EBITDA	0.0	-4.7	0.8	0.1
RoE (%)	-7%	57%	31%	29%
RoCE (%)	3%	4%	28%	31%
RoIC(%)	3%	4%	27%	25%
Fixed asset turnover (x)	0.5	1.9	6.0	6.5
Total asset turnover (x)	0.2	0.5	1.5	1.4
Financial stability ratios				
Net Debt to Equity (x)	0.7	0.6	0.2	0.2
Net Debt to EBITDA (x)	9.2	5.8	0.4	0.4
Interest cover (x)	0.5	1.7	23.9	37.1
Working capital days	201	271	130	130
Valuation metrics				
No. of Shares (cr)	7.38	17.6	17.6	17.6
Market cap (Rs. cr)		10,275		
P/E (x)	NA	38	49	39
EV (Rs.Cr)		10,551	10,383	10,414
EV/ EBITDA (x)	NA	220	41	30
Price to BV (x)	NA	22	16	11

Source: Company, Midas Research

Disclaimer (1/2)

Absolute Rating Interpretation

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
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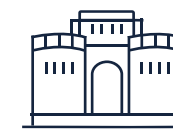
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