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This report is a compilation of our analysis of Financial / Business performance “**SJS Enterprises Limited**” from an investment perspective

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Registration Number - **INA000004088**

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## Company Analysis: SJS Enterprises Limited

Posted on 5<sup>th</sup> October 2024

### About

SJS Enterprises is a leading Indian manufacturer of decorative aesthetic products, serving a variety of industries with a focus on automotive and consumer appliances. Founded in 1987 as a partnership firm, the company transitioned into a private limited company in 2005 and went public in 2021, listing its shares on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE). SJS is headquartered in Bengaluru, India, with additional manufacturing facilities in Pune and Manesar.

SJS operates as a “design-to-delivery” aesthetics solutions provider, offering services from initial design and development to final product manufacturing and delivery. This approach has allowed SJS to become a trusted partner for its customers, as seen from the average relationship tenure of over 20 years with its top 10 clients.

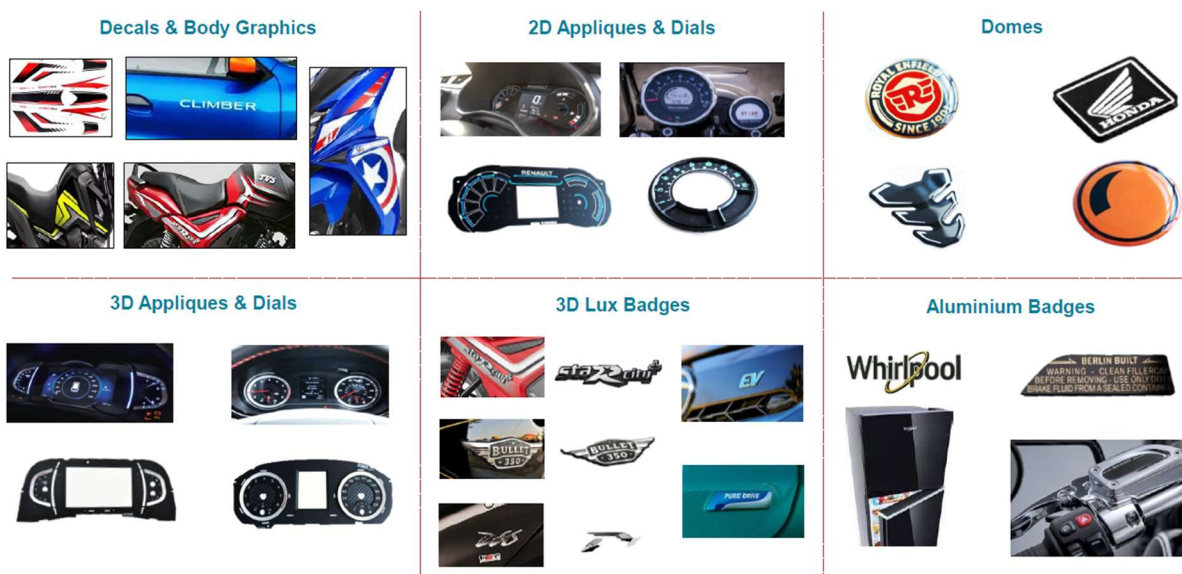
In FY2024, SJS supplied over 169 million parts with more than 7000 SKUs to around 180 customers across 90 cities in 20 countries. The company has a wide range of traditional and premium aesthetic products, as well as aftermarket accessories. Key product categories include:

- **Decals and Body Graphics:** These products are used for branding and decoration on a variety of vehicles and consumer durables.
- **2D and 3D Appliques/Dials:** SJS manufactures a variety of appliques and dials, both traditional and 3D, for automotive and consumer appliance applications.
- **3D Lux Badges and Domes:** These products are used to showcase customer logos and brands, featuring different finishes, colors, shapes, and curvatures.
- **Overlays:** SJS produces overlays for consumer appliance control panels and other applications.
- **Aluminum Badges:** These badges are a durable and aesthetically pleasing option for branding and identification.
- **In-Mould Labels (IML) and In-Mould Decorations (IMD):** SJS has capabilities in IML and IMD technology, which allows for the integration of decorative elements directly into plastic parts during the moulding process.
- **Lens Mask Assembly:** These assemblies are used in a variety of automotive and consumer electronic applications.
- **Optical Plastics/Cover Glass:** SJS is expanding into the production of optical plastics and cover glass, a high-growth segment driven by the increasing demand for touchscreens and other display applications.
- **Chrome-plated, Printed, and Painted Injection-Moulded Plastic Parts:** SJS also manufactures a variety of chrome-plated, printed, and painted plastic parts for various applications.

SJS serves seven distinct end markets: two-wheelers, passenger vehicles, commercial vehicles, consumer appliances and electricals, farm equipment, medical devices, and sanitary ware. The company's aftermarket accessories are sold under the brand name "Transform".

The following is a snapshot of the company's products from its investor presentation

### SJS | Diverse Product Portfolio...(1/2)



SJS Company Profile December 2022 4

## Opportunities and Strategies for Growth

### Key Opportunities

- Growing Demand for Premium Aesthetics:** The Indian automotive and consumer durables industries are witnessing a significant shift toward premiumization, driven by rising disposable incomes and evolving consumer preferences. SJS is well-positioned to benefit from this trend with its wide range of products and its ability to offer customized solutions to meet specific customer needs.
- Expansion of the Chrome-Plating Market:** The demand for chrome-plated parts is expected to grow at a CAGR of 20% over the next few years, higher than the overall growth of the decorative aesthetics market. SJS's acquisition of Exotech, will benefit from this trend
- Increasing Adoption of Optical Displays:** The automotive and consumer electronics industries are witnessing a rapid adoption of optical displays and touchscreens. SJS is investing in its optical plastics and cover glass business to capitalize on this trend. The company expects this segment to become a significant contributor to its revenue in the coming years.

- **Growth in Exports:** SJS sees significant potential for growth in exports, particularly in markets like Europe and North America. The company is strengthening its sales force and exploring new opportunities in these regions. SJS has also secured its first export order for Exotech chrome-plated parts and expects demand from the four-wheeler industry.
- **Inorganic Growth Opportunities:** SJS is actively evaluating inorganic growth opportunities to further expand its product portfolio, customer base, and geographical reach. The company is interested in acquiring companies with complementary products, technologies, and customer relationships.

### Company strategy

- **Focus on Premiumization:** The company is investing in new technologies, such as 2K injection moulding, laser decoration, and large part in-mold forming, to enhance its product offerings and differentiate itself from competitors.
- **Expansion of Capacity:** SJS is undertaking capacity expansion initiatives to meet the growing demand for its products. The company is investing Rs. 80 crores to enhance the chrome-plating capacity of its subsidiary, Exotech. SJS is also expanding its glass business to cater to the demand for optical displays and cover glass. These expansions are expected to be operational by Q1 FY2026.
- **New Customer Acquisition and Cross-Selling:** SJS is focused on expanding its customer base by targeting new customers in both domestic and international markets. The company is also leveraging its existing customer relationships to cross-sell products from its different business units. The acquisition of Walter Pack India has created significant cross-selling opportunities, as the company's products complement SJS's existing offerings.
- **Strengthening Exports:** SJS is expanding its global footprint by increasing its focus on exports. The company is targeting new markets, such as South Korea, and strengthening its sales force in existing geographies. SJS is also participating in international trade shows and exhibitions to enhance its brand visibility and generate new business leads.
- **Strategic Acquisitions:** SJS is actively pursuing strategic acquisitions to accelerate its growth and expand its market presence. The company is evaluating potential targets that offer complementary products, technologies, and customer relationships.
- **Investing in R&D and Innovation:** SJS is investing in research and development to create innovative and differentiated products. The company has a dedicated team of NPD personnel focused on developing new technologies and products

The acquisition of Exotech Plastics Private Limited in 2021 enhanced SJS's capabilities in chrome plating, a segment expected to be the largest within the overall aesthetics market in India by FY2026.

The following slide from the investor presentation provides an overview of the management's strategy

### SJS | Strong organic growth with best-in-class margins



#### Strategy for organic growth over FY24-26



Q1FY24 Earnings Presentation Mar 2024 20

## Competition

SJS Enterprises faces competition from a mix of organized and unorganized players in the Indian decorative aesthetics market. A few competitors and their financials are listed below

**Polyplastics Industries India Private Limited:** This company is a major player in the Indian decorative aesthetics market, with a diverse product portfolio that includes emblems, wheel covers, and other automotive components. Polyplastics also has a significant presence in export markets, generating around 13.4% of its revenue from exports in FY2020

The company caters to the passenger vehicle segment, producing chrome-plated plastic parts, wheel trims, and other automotive components. It has technological collaboration with overseas players like Sakae Riken Koygo (Japan)

**Classic Stripes Private Limited:** Classic Stripes, is known for its focus on traditional aesthetic products, such as decals, stickers, and aluminum badges. The company has limited exposure to export markets. It is a leading manufacturer of automotive decals in the domestic market, focusing on the two-wheeler space. The company has plans to expand into printed electronics for automotive and white goods sectors. It faces obsolescence risks with the emergence of electric vehicles and digital consoles.

**PRS Permacel Private Limited:** PRS Permacel is a long-standing player in the Indian industrial and automotive markets, offering a range of products, including insulation, identification, and

aesthetic enhancements. The company serves a wide customer base, including major automotive OEMs like Maruti Suzuki, Tata Motors, and Hyundai.

**Monochem Graphics Private Limited:** Monochem Graphics specializes in a variety of aesthetic products, including decals, graphics, and advertising material. The company has four manufacturing units across Delhi and Gurgaon, and serves clients such as Whirlpool, Godrej, and Maruti Suzuki.

**Galva Deco Parts Private Limited:** The company is focused on plastic chrome-plating and caters to passenger vehicle, commercial vehicle, and two-wheeler segments. It is known for its technological expertise and ability to handle projects

**Kongovi:** The company Produces chrome-plated automotive plastic components for both interior and exterior applications. Key products include grills, logos, garnishes, and door handle covers. It is increasing focus on exports to enhance margins

Financial metrics for some of the competitors is given below. Although the financials are dated, we can see that SJS has the best margins and growth among all the companies. Since FY20, the company has acquired two businesses and has maintained the operating margins of the standalone business

Exhibit 13: Peer set comparison of key financials						
Company	Operating income		FY20			
	FY20 (₹ cr)	FY14-20 CAGR	Exports	EBITDA margin	PAT margin	Gearing ratio
Polyplastics Industries	450.4	13.4%	8.0%	12.2%	4.9%	0.6
Classic Stripes	358.8	1.5%	-	28.9%	11.8%	0.5
<b>SJS Enterprises</b>	<b>215.5</b>	<b>15.1%</b>	<b>15.0%</b>	<b>31.9%</b>	<b>18.0%</b>	-
PRS Permacel	135.1	8.6%	-	1.9%	-1.5%	3.6
Monochem Graphics	108.0	11.1%	-	24.2%	28.0%	-
Galva Deco Parts	107.0	23.6%	-	22.7%	-3.6%	2.9
Kongovi Pvt Ltd	96.9	9.8%	25.0%	17.2%	7.0%	1.0

Source: RHP, Crisil Research, ICICI Direct Research; Note – PAT margin for Monochem Graphics includes non-operating income

Financial Performance

SJS Enterprises Limited has delivered strong financial performance over the years. Key financial metrics are as follows:

Narration	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
<b>Sales</b>	<b>240.70</b>	<b>221.20</b>	<b>255.10</b>	<b>369.86</b>	<b>433.05</b>	<b>627.80</b>
Sales growth		-8%	15%	45%	17%	45%
Expenses	94.80	82.10	97.20	274.80	326.04	475.59
GM	60.6%	62.9%	61.9%	57.0%	53.4%	53.8%
<b>Operating Profit</b>	<b>71.40</b>	<b>68.50</b>	<b>79.50</b>	<b>98.95</b>	<b>117.01</b>	<b>159.91</b>
OPM	29.66%	30.97%	31.16%	26.75%	27.02%	25.47%
OP growth		-4%	16%	24%	18%	37%
Other Income	3.50	5.10	3.50	3.89	10.00	7.70
Depreciation	9.60	12.80	14.70	21.57	23.30	38.74
Depreciation %	4.0%	5.8%	5.8%	5.8%	5.4%	6.2%
Interest	1.60	1.49	0.70	3.44	2.54	8.52
Interest %	0.7%	0.7%	0.3%	0.9%	0.6%	1.4%
Profit before tax	52.90	54.30	64.10	73.94	91.17	112.65
Tax	15.30	13.06	16.41	18.92	23.92	27.28
<b>Net profit</b>	<b>37.60</b>	<b>41.24</b>	<b>47.69</b>	<b>55.02</b>	<b>67.25</b>	<b>84.82</b>
<b>NPM</b>	<b>15.6%</b>	<b>18.6%</b>	<b>18.7%</b>	<b>14.9%</b>	<b>15.5%</b>	<b>13.5%</b>

The company had an IPO in 2021, so the prior numbers are from the DHRP

The company has delivered a topline growth of 21% CAGR over the last 5 years. This includes the impact of two acquisitions done by the company – Exotech and WPI. Organic growth for the company would be around 15%.

Operating profit and net profit have grown at the same level. During this period the company has spent around 300 Crs for the two acquisitions with 30 Crs being raised from the promoter and the balance has been funded from internal cash flow and a small amount of debt

The company is generating around 100 Crs of operating cash per annum. It is in a net cash position now and plans to build cash on its balance sheet to fund inorganic growth opportunities.

### Management Quality

The key management personnel are as follows:

K.A. Joseph: Managing Director and promoter of the company. He has over 34 years of experience in the aesthetics printing business and leads the manufacturing operations.

Sanjay Thapar: Executive Director and CEO. He has over 30 years of experience in the auto industry. Previously, he was the Group Chief Strategy Officer with Ashok Minda Group and MD of Minda Valeo Security Systems.

Management compensation: Management compensation at 7.1% of pre-tax profit appears to be reasonable

**Capital allocation record:** Management has a good capital allocation record. The company has maintained an ROE of 15%+ inspite of the two recent acquisitions which are being scaled up. The ROC for the company is improving as these businesses achieve scale. The company has used the excess cash to pay down the debt it took for the acquisition.

**Shareholder communication:** appears adequate. Management communicates regularly with investors via annual report, quarterly updates and conference calls. On the conference calls, they are open about the prospects of the company

**Accounting practices:** appear reasonable

**Conflict of interest:** None. All related party transactions are with the acquired companies in the normal course of business

## Positives

SJS is recognized as a leading player in the Indian decorative aesthetics industry. This industry is seeing high growth rate due to focus on premiumization and increasing export share.

The company is focused on product design and innovation, due to which around 25% of its sales is from new products. This should drive growth for the company in the future

SJS has a strong track record of inorganic growth through strategic acquisitions. The acquisitions of companies like Delta Ram Enterprises, Sirisha Enterprises, SM Enterprises, Exotech Plastics Private Limited, and Walter Pack Automotive Products India Private Limited demonstrate this approach. These acquisitions have expanded the company's product portfolio and market reach, contributing to revenue and profit growth.

Finally, the company has Long-standing relationships with key customers (10+ years) across multiple industries which adds to the stickiness of revenue.

We have seen this dynamic with one of our past holdings - AIA engineering which supplies grinding media for metal and cement industry. Both companies are a play on the same dynamics - low cost (in proportion to total cost) but critical input for the end product, where quality and service are more important than price

## Risks

**Client Concentration:** Significant portion of revenue from top customers, which increases the topline risk for the company

**Cyclicality of Automotive sector:** High exposure to the automotive sector, particularly two-wheelers, which is subject to economic cycles. This has reduced with the recent acquisitions due to which contribution from the two-wheeler segment has dropped from 70% to 37.4% in 2024

**Acquisition Risks:** Potential challenges in integrating and realizing synergies from acquisitions.

## Valuation/scenario analysis

We have the following range of scenarios for the company and corresponding range of valuations for the company for 2027

- **Hypothesis 1:** Management expects 20%+ CAGR growth and has delivered 30% operating margin in the past. Current margins are lower due to the acquisitions. Management expects margins to improve. We are assuming a conservative operating margin of 25%
- **Hypothesis 2:** Management expects 20%+ CAGR growth. In the optimistic scenario, we are assuming 24% growth and operating margin to touch 27%
- **Hypothesis 3:** Pessimistic scenario where management is not able to grow as per plan and grows at 10-12% growth. Also in this scenario, operating margin is assumed to drop to 24% which is below the 6 year average

Current + Yr 3	H1	H2	H3
Sales	1200	1400	1000
OPM	25%	27%	24%
NPM	14%	16%	14%
Net profit	171	221	143
PE	30	35	20
Mcap	5130	7718	2850
Multitple	1.8	2.6	1.0

The above scenarios are a range of values for the company based on which hypothesis plays out. At the high end (H2), there is a 2.5X on the upside and on the low end a 5-10% loss on the downside. We are looking at greater than 3:1 odd for the company

## Conclusion

SJS Enterprises, a leading manufacturer of decorative aesthetic products, has demonstrated solid growth driven by strong relationships with key clients, a focus on premium aesthetics, and successful acquisitions that have expanded its product portfolio and market presence.

The company's product offerings cater to multiple industries, including automotive, consumer appliances, and electronics. SJS's strategy is focused on premiumization, capacity expansion, and increasing exports, to capitalize on high-growth areas such as chrome-plated parts and optical displays.

Key risks include client concentration and automotive sector cyclicality. The company has delivered consistent growth and free cash flow generation over the years. Management is focused on capital allocation and plans to grow further via acquisitions

## Q2- 2025 Results Analysis

*Posted on 4<sup>th</sup> November 2024*

SJS Enterprises reported revenue of ₹1,927.9 million, an 18.1% year-over-year (YoY) growth. This growth was higher than the overall automotive industry growth (10% YoY for automotive production) and was driven by both domestic and export sales. SJS achieved a consolidated EBITDA of ₹517 million, which was 26.6% margin, up by 370 basis points YoY, due to improved operational efficiencies and product mix. The PAT for the quarter reached ₹291.5 million, a 50.9% YoY increase and a 15.1% margin

### Segment Performance

**Automotive Segment:** The automotive sector continued to be the largest contributor to SJS's revenue, showing strong growth in both domestic and export markets. Revenue from the domestic automotive business grew by 15.4% YoY, driven by the passenger vehicle (PV) and two-wheeler segments. SJS's automotive segment growth, especially within the PV market, was higher than the industry, achieving a YoY growth of 18.2% compared to the industry's 10% growth rate. This was due to significant new orders from both established and new clients

**Consumer Durables Segment:** The consumer durables segment contributed 20.6% to the total revenue. This segment focuses on high-value aesthetic products, such as overlays, optical plastics, and touch screen covers, which cater to consumer preferences for premium product finishes. SJS has built strong client relationships with key players in this sector, resulting in new orders and deeper penetration in the consumer durables market

**Export Market:** The export business achieved 54.7% YoY growth and contributed to 8.5% of the consolidated revenue in Q2 FY 2025. Major export markets include North America, Europe, and Latin America, where SJS has secured long-term contracts with global OEMs. The company won a large multi-year contract to supply parts for an international client's North American, European, and Latin American plants (Stellantis)

Management plans to increase its export contribution to 14-15% of total revenue over the next three years. This will be achieved by expanding into new regions, including Southeast Asia and Turkey. As part of this strategy, SJS is enhancing its salesforce in key regions like South Korea, Brazil, Argentina etc

The company is also focused on premiumization—providing clients with high-end aesthetic products and features that enhance the look and feel of consumer goods and automotive interiors. Through its recent acquisition of Walter Pack India (WPI), the company now offers advanced products such as in-mold labels (IMLs), in-mold electronics (IMEs), and optical plastics. This focus on higher end aesthetic solutions should drive higher per-vehicle kit values in the

automotive sector, with current values ranging from ₹3,500 to ₹5,000 per vehicle. Management expects the per vehicle kit value to touch 8000-10000 range

The company plans to expand capacity at its Exotech facility, with the new plant expected to be operational by Q1 FY 2026. The project involves an investment of approximately ₹80 crore, which is part of the company's ongoing capital expenditure plan of ₹170-190 crore over the next three years. Exotech's expanded facility will support SJS's production of chrome-plated parts and other high-demand automotive components, aligning with the company's aim to double Exotech's revenue within three years

Management is also investing in a new facility to produce optical cover glass, which will cater to growing demand from both domestic and export markets. This new greenfield project, expected to begin revenue contributions by Q2/Q3 FY 2026, is located in Hosur, Tamil Nadu, close to Visteon's display assembly facility.

Overall management is confident of high double-digit growth especially from the export market which has a TAM of 3.5 Bn. Management consider exports as a key driver of topline and margins and is optimistic of the prospects based on the work they have already done and recent orders win from global OEMs

## Q3- 2025 Results Analysis

*Posted on 14<sup>th</sup> March 2025*

SJS Enterprises reported revenue of ₹1786 million, an 11.2% year-over-year (YoY) growth. This growth was higher than the overall automotive industry growth (7.1% YoY for automotive production). SJS achieved a consolidated EBITDA of ₹482 million, which was 26.6% margin, up by 110 basis points YoY, due to improved operational efficiencies and product mix. The PAT for the quarter reached ₹277 million, a 33% YoY increase and a 15.5% margin

The overall growth of the company is slowing due to the slowdown in the automotive industry especially in the 2W space. Although the company is expanding in the export market and into other industries such as consumer durables with large order wins, it is expected to face headwinds in the near term

### Segment Performance

**Automotive Segment:** The automotive sector continued to be the largest contributor to SJS's revenue. Revenue from the domestic automotive business grew by 15.4% YoY, driven by the passenger vehicle (PV) and two-wheeler segments. SJS's automotive segment growth, especially within the PV market, was higher than the industry, achieving a YoY growth of 22.4% compared to the industry's 2.8% growth rate. This was due to significant new orders from both established and new clients

**Consumer Durables Segment:** The consumer durables segment contributed 19.1% to the total revenue. This segment focuses on high-value aesthetic products, such as overlays, optical plastics, and touch screen covers, which cater to consumer preferences for premium product finishes. SJS has built strong client relationships with key players in this sector, resulting in new orders in the consumer durables market

**Export Market:** The export business was flat and contributed to 6.4% of the consolidated revenue in Q3 FY 2025. There was a slowdown in demand in the export markets especially in the US and Europe. The company won a large order from Whirlpool for their plant in the US and management expects growth due to such order wins. They have set a target of 14-15% sales from export markets by FY 28 due to these big wins from OEMs such as Whirlpool and Stellantis

The company is also expanding into new regions, including Southeast Asia and Turkey. As part of this strategy, SJS is enhancing its salesforce in key regions like South Korea, Brazil, Argentina etc

The company is also focused on premiumization—providing clients with high-end aesthetic products and features that enhance the look and feel of consumer goods and automotive interiors. Through its recent acquisition of Walter Pack India (WPI), the company now offers advanced

products such as in-mold labels (IMLs), in-mold electronics (IMEs), and optical plastics. This focus on higher end aesthetic solutions should drive higher per-vehicle kit values in the automotive sector, with current values ranging from ₹3,500 to ₹5,000 per vehicle. Management expects the per vehicle kit value to touch 8000-10000 range

The company plans to expand capacity at its Exotech facility, with the new plant expected to be operational by Q1 FY 2026. The project involves an investment of approximately ₹80 crore, which is part of the company's ongoing capital expenditure plan of ₹170-190 crore over the next three years. Exotech's expanded facility will support SJS's production of chrome-plated parts and other high-demand automotive components, to double Exotech's revenue within three years

Management is also investing in a new facility to produce optical cover glass, which will cater to growing demand from both domestic and export markets. This new greenfield project, expected to begin revenue contributions by Q2/Q3 FY 2026, is located in Hosur, Tamil Nadu, close to Visteon's display assembly facility.

## Q1- 2026 Results Analysis

*Posted on 14<sup>th</sup> August 2025*

SJS Enterprises reported revenue of ₹2,096 million, an 11.2% year-over-year (YoY) growth. SJS achieved a consolidated EBITDA of ₹587 million, which was 27.6% margin. The PAT for the quarter reached ₹346.2 million, a 22.6% YoY increase and a 16.5% margin

### Segment Performance

**Automotive Segment:** The automotive sector continued to be the largest contributor to SJS's revenue, showing growth in both domestic and export markets. Revenue from the domestic automotive business grew by 22.8% YoY, driven by the passenger vehicle (PV) and two-wheeler segments. SJS's automotive segment growth, especially within the 2W market, was higher than the industry, achieving a YoY growth of 22.8% compared to the industry's 1.2% growth rate. This was due to new orders from both established and new clients such as Hero motor corp

**Consumer Durables Segment:** The consumer durables segment contributed 17.9% to the total revenue. This segment focuses on high-value aesthetic products, such as overlays, optical plastics, and touch screen covers, which cater to consumer preferences for premium product finishes.

This segment had a de-growth, especially from the WPI business due to delay in order for certain premium products. Management is working on expanding the numbers of customers and expects the demand to pick up soon with the launch of premium models by customers

**Export Market:** Export grew at a slower pace, but management expects to increase its export contribution to 14-15% of total revenue over the next three years. This will be achieved by expanding into new regions, including Southeast Asia and Turkey. As part of this strategy, SJS is enhancing its salesforce in key regions like South Korea, Brazil, Argentina etc

The company continues to win new (and large accounts) such as FCA (part of Stellantis), Autoliv and Yazaki which should increase the export business in the future.

### Management plans

The company is focused on premiumization – providing clients with high-end aesthetic products and features that enhance the look and feel of consumer goods and automotive interiors.

The company is expanding capacity at its Exotech facility, with the new plant expected to be operational by Q3 FY 2026. The scope of this project has been expanded to capture new opportunities from a large customer. The project involves an investment of approximately ₹100 crore, which is part of the company's ongoing capital expenditure plan of ₹170-190 crore over the next three years.

Management is also investing in a new facility to produce optical cover glass, which will cater to growing demand from both domestic and export markets. This new greenfield project, expected to begin revenue contributions by Q2/Q3 FY 2026, is located in Hosur, Tamil Nadu, close to Visteon's display assembly facility. Management is expanding the scope of this project too based on customer enquiries to assemble the entire unit instead of cover glass alone. This should help capture higher value add and improve margins along with better topline growth

Overall, the growth plans seem to be intact and company continues to grow based on the premiumization and exports related tailwinds

## Q2- 2026 Results Analysis

*Posted on 17<sup>th</sup> December 2025*

SJS Enterprises reported revenue of ₹2,417.6 million, with a 25.4% year-over-year (YoY) growth and highest ever quarterly revenue for the company. Consolidated EBITDA for the quarter was at ₹728.4 million, which was EBITDA margin of 29.6%, due favourable product mix, operating leverage, and continued cost optimization. PAT for the quarter increased to ₹432.7 million, up 48.4% YoY, with PAT margin expanding to 17.9%.

### Segment Performance

**Automotive Segment:** The automotive segment continued to be the dominant growth driver for SJS. Automotive revenues (2W + PV) grew 29.5% YoY, outperforming the industry growth of ~9.5%. Within this, the two-wheeler segment grew 44.3% YoY, while the passenger vehicle segment grew 16.5% YoY. Growth was driven by strong volumes, premiumization trends, and ramp-up of new programs with large OEMs such as Hero MotoCorp, along with increasing content per vehicle.

**Consumer Durables Segment:** The consumer segment remained stable during the quarter, supported by demand for high-value aesthetic products such as overlays, IMD/IML parts, optical plastics, and touch interfaces. While some sub-segments saw lower growth due to customer-specific issues, management indicated that demand visibility is good, supported by new model launches and increasing adoption of premium finishes across appliances and consumer electronics.

**Export Market:** Exports recorded their highest ever quarterly performance, growing 40.9% YoY to ₹231.9 million and contributing 9.6% of consolidated revenue. Growth was driven by new product launches and ramp-up with global OEMs. Management confirmed its medium-term objective of increasing export contribution to 14-15% of total revenue by FY28, supported by deeper penetration in North America, Europe, Southeast Asia, and Latin America, and expansion of the overseas sales footprint in regions such as South Korea, Brazil, Argentina, Turkey, and Colombia. The company continues to add new global customers including Stellantis, River, Autoliv, and Yazaki.

### Management Plans

SJS continues to focus on premiumization by expanding its portfolio of high-value aesthetic and functional products, thereby increasing kit value across automotive and consumer applications. During the quarter, the company signed an MoU with BOE Varitronix to collaborate on manufacturing automotive display solutions in India, marking entry into advanced display and optical bonding technologies.

Capacity expansion plans remain on track. The new chrome plating and painting facility at SJS Decoplast in Pune is progressing as planned and is expected to be operational in Q3 FY26, with total capex of ~₹100 crore. Additionally, the greenfield optical cover glass and display facility at Hosur is under development, with management evaluating an expanded scope to include display assembly, which would improve value addition, margins, and long-term growth potential.

Overall, growth plans are as per plan and management has raised its guidance to outperform the industry by 2.5X (versus 2X) in the medium term.

## Q3 - 2026 Results Analysis

Posted on 23<sup>rd</sup> February 2026

SJS Enterprises reported revenue of ₹2,435.3 million, with a 36.4% year-over-year (YoY) growth and 0.7% quarter-over-quarter (QoQ) increase. Consolidated EBITDA for the quarter was ₹756.4 million, with EBITDA margin improving to 30.5% (vs 29.6% last quarter), supported by product mix, operating leverage and higher export contribution; results also include a one-time ₹18.1 million impact under employee benefit expenses linked to new labour codes. PAT for the quarter increased to ₹450.4 million, up 62.5% YoY (4.1% QoQ), with PAT margin at 18.5%.

### Segment Performance

**Automotive Segment:** Automotive remained the key driver, with 2W + PV revenues growing 46.0% YoY versus industry growth of 15.7% (≈3x outperformance). Two-wheeler revenues grew 48.7% YoY, while passenger vehicle revenues grew 43.5% YoY – marking a sharp step-up in PV growth versus last quarter – driven by ramp-up in newer programs, premiumization and higher content per vehicle across large OEM accounts.

**Consumer Durables Segment:** The consumer business was steady, with management highlighting continued demand for premium aesthetic products such as overlays, IMD/IML parts, optical plastics and touch interfaces. Performance remains linked to customer-specific production schedules and model launch timing, but the pipeline remains supported by incremental programs, including newer customer additions such as Urban Company (water purifier).

**Export Market:** Exports increased to ₹283.1 million, growing 146.2% YoY and contributing 11.6% of consolidated revenue (vs 9.6% last quarter). The step-up was supported by ramp-up in global programs (including Stellantis) and improving traction with international customers; SJS also strengthened its presence in Germany through a local sales representative. Management reiterated its medium-term objective of increasing exports to 14–15% of total revenue by FY28, supported by deeper penetration in North America and Europe, and a broader overseas sales footprint across markets such as Turkey, Brazil, Argentina, Colombia and South Korea.

### Management Plans

SJS continues to focus on premiumization and increasing the share of new generation products to raise kit value across automotive and consumer applications. During the quarter, the company signed a Technology License cum Supply Agreement with BOE Varitronix for optical bonding and assembly of automotive display systems in India, moving the earlier collaboration into an execution phase for cover glass and display assemblies.

Capacity expansion is progressing. The new chrome plating facility at SJS Decoplast (Pune) has been set up and is under commissioning, with management indicating commercial ramp-up from next year (a shift versus earlier timelines). The Bengaluru expansion remains on track, while the Hosur cover glass and display facility is ready with equipment on order; management reiterated FY27 installation timelines with initial revenues expected from FY28. Overall, the company maintained its guidance to outperform underlying industry growth by >2.5x, while targeting a steady-state EBITDA margin range around 28–29%

You can find the financials of the company at [Sjs Enterprises Ltd Financial Results – Quarterly & Annual, Quarterly Trends, Annual Trends |BSE](#)

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