

## Apar Industries rallies 36% in 8 days on strong Q4 results

The management is optimistic to deliver a stronger performance in FY23

SI Reporter | Mumbai June 07, 2022 Last Updated at 14:33 IST



Shares of Apar Industries moved higher by 7 per cent to Rs 824.45 on the BSE in Tuesday's intra-day trade, surging 15 per cent in the past two trading days, as the management remains optimistic on delivering a stronger performance in FY23.

In the past eight trading days, the stock of the electric equipment company has soared 36 per cent after it reported healthy earnings for the quarter ended March 2022 (Q4FY22).

At 02:02 PM, the stock was up 4 per cent at Rs 798 on the BSE. In comparison, the S&P BSE Sensex was down 1.19 per cent at 55,015 level. The stock had hit a 52-week high of Rs 868.45 on January 27, 2022.

Apar Industries operates in the diverse fields of electrical and metallurgical engineering. The company is one among the top 3

global leaders in conductors and the 4th largest global transformer oil manufacturer, the largest domestic cable manufacturer in the renewables sector, and a leading player in auto lubricants.

For Q4FY22, the company reported highest-ever quarterly revenue, up 58 per cent year on year (YoY) at Rs 3,018 crore, driven by strong volume growth across segments. Profit after tax jumped 73 per cent YoY at Rs 83 crore. Earnings before interest, taxes, depreciation, and amortization (ebitda) was up 70 per cent YoY at Rs 181 crore and ebitda margin was up 43 bps YoY to 6 per cent versus 5.6 per cent in Q4FY21.

The management said it is noteworthy to mention that, in spite of the sharp increase in commodity prices and also the cost of funds, the profitability improved which is fundamentally attributable to a better product mix across all three business segments.

"We expect strong conductor business from the overseas markets, and that is also reflected in the Rs 3,000 crore order books that we have. On the cable side we've got non-conventional energy and the growth happening in our wires and LDC (light-duty cable) business where we have growing distribution. So, all of those are kicking in. So, we're optimistic as we go into the next year," the management said in Q4FY22 earnings conference call on May 30, 2022.