

Rating: Subscribe

Issue Offer

Total issue size:

OFS – INR 7,123 Mn (26.28 Mn Shares)

Issue Summary`

Price Band (INR)	258-271
Face Value (INR)	5
Implied Market Cap (INR Mn)	47,487.3
Market Lot	55
Issue Opens on	13 th October 2026
Issue Close on	14 th October 2026
No. of share pre-issue	17,52,30,000
No. of share post issue	17,52,30,000
Listing	NSE, BSE

Issue Break-up (% of Total Issue)

QIB Portion	50
Retail Portion	35
NII Portion	15

Book Running Lead Managers

Ambit Private Limited

Anand Rathi Advisors Limited

IIFL Capital Services Limited

Registrar

MUFG Intime India Private Limited

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	100%	85%
Public & Others	0%	15%

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HD Fire Protect Ltd. is engaged in the manufacturing of fire protection equipment and systems, catering to industrial, commercial and infrastructure applications. The company's product portfolio addresses fire safety requirements across sectors where reliable fire suppression and protection systems are critical.

Investment Rationale:

Established Market Position: The company has established a presence in the fire protection equipment industry, supported by its diversified product portfolio and long-standing operating track record. Its capabilities in specialised fire suppression solutions enable it to cater to demanding industrial applications.

Strong Product Certifications: The company's international product certifications and approvals support its ability to serve customers operating under stringent safety requirements. These certifications can act as an entry barrier for new competitors and strengthen its positioning in export markets.

Diversified Product Portfolio: HD Fire Protect offers water-, foam- and gas-based fire suppression solutions, along with specialised valves and systems. This enables it to address varied fire safety requirements across industrial facilities, infrastructure projects and commercial establishments.

Export-led Growth Opportunities: The company has established an international distribution network and exports to multiple countries. Its overseas presence provides opportunities to benefit from industrial investments and increasing fire safety requirements across global markets, although export demand remains exposed to regional economic and project-related fluctuations.

Consistent Financial Performance: Revenue from operations increased from INR 3,729.5 Mn in FY24 to INR 4,892.8 Mn in FY26, while profit after tax grew from INR 879.2 Mn to INR 1,167.9 Mn during the same period. The company has maintained healthy profitability, supported by its specialised product portfolio and established customer relationships.

Valuation & Outlook: At the upper price band of INR 271 per share, the company's implied market capitalisation stands at approximately INR 47,490 Mn, translating into a price-to-earnings multiple of around 40.7x FY26 earnings. While established market positioning, product certifications and healthy profitability support the business outlook, the valuation appears demanding. Sustained revenue growth, margin stability, efficient working capital management and continued export demand will remain key factors in supporting future earnings growth and valuation. **Hence, we recommend 'Subscribe' rating.**

Particulars (INR Mn)	FY24	FY25	FY26
Revenue	3729.53	4327.99	4892.81
<i>Growth (% YoY)</i>		<i>16.05%</i>	<i>13.05%</i>
EBITDA	1066.32	1380.07	1504.59
<i>Margins</i>	<i>28.59%</i>	<i>31.89%</i>	<i>30.75%</i>
PAT	879.2	1097.18	1167.87
<i>Margins</i>	<i>23.57%</i>	<i>25.35%</i>	<i>23.87%</i>

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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