



AJCONGLOBAL
YOUR FRIENDLY FINANCIAL ADVISORS



IPO Note:

HD FIRE PROTECT LIMITED- SUBSCRIBE

HD Fire Protect Limited is an Indian manufacturer and supplier of fire protection equipment and systems, with over three decades of experience in the industry. Established in 1990, the business focuses on providing in-house designed products that meet national and international quality standards. Its products cater to high-risk industrial applications as well as residential and commercial sectors, including oil and gas, refining, petrochemicals, power and energy, pharmaceuticals, data centres, healthcare, hospitality and warehousing.

According to the CRISIL Report, HD Fire Protect was **the second-largest manufacturer** of fire protection equipment and systems in India by operating income and the largest exporter by equipment value in FY25. The business has established a **strong presence in the domestic and international markets**, exporting to more than 90 countries as of FY26. Its established global presence and product certifications have helped position it as a recognized and reliable brand in the fire protection industry.

The **product portfolio spans eight categories**, including sprinklers and alarm valves, deluge valves and systems, foam equipment and suppression systems, monitors and monitor nozzles, system valves and accessories, water spray nozzles, custom-engineered systems and gas suppression systems. The business also specializes in customized fire protection skids and advanced systems designed to meet specific customer requirements.

HD Fire Protect has a **strong focus on indigenous manufacturing and import substitution**. It was the **first Indian manufacturer to receive UL Listing** for deluge valves in 1996 and the first Indian manufacturer to **receive FM approval** for a range of low-expansion foam system products. It was also the first Indian company focused on fire protection equipment manufacturing to receive the ASME U stamp certification for pressure vessels. As of September 2026, it held 21 UL Listed and 87 FM Approved product certifications, the highest among fire protection equipment-focused peers in India, according to the provided information.

The business operates **two manufacturing facilities** at Jalgaon MIDC and Thane MIDC in Maharashtra, covering a combined area of 8.50 acres. Its operations are supported by an in-house fire testing laboratory, research and development capabilities, and contract manufacturing and white-labelling arrangements. In FY26, it supplied products to 2,066 customers. Key installations include projects at Sriharikota's space launch facility, the Jamnagar refinery, India's new Parliament building and international industrial facilities.

HD Fire Protect continues to invest in R&D, product innovation and customized solutions. **It holds patents** in India, the United States, Turkey and Saudi Arabia for a pressure-operated fluid valve design, along with design registrations in India. Its focus on quality is reflected in the absence of product recalls and a replacement rate of just 0.01% over the three-month period ended June 30, 2026 and the preceding three fiscal years.

Investment Recommendation and Rationale: -

HD Fire Protect offers an attractive long-term opportunity, supported by its established market position, diversified product portfolio, strong export presence and internationally certified products. Growing fire safety requirements support future demand. However, raw material volatility, supplier concentration and export dependence remain key risks. At the upper price band of ₹271, the issue is valued at a P/E multiple of about 40.63x on its FY26 post-IPO EPS of ₹6.67. We give a 'SUBSCRIBE' rating to the issue for the following reasons:

1. A strong market position as India's second-largest fire protection equipment manufacturer by operating income in FY25, supported by over 36 years of industry experience.
2. Exports to over 90 countries in FY26, providing access to international markets and diversified revenue opportunities.
3. Comprehensive Product Portfolio, offers water, foam and gas-based fire suppression systems across industrial, commercial and residential applications.
4. Holds 21 UL Listed and 87 FM Approved product certifications, supporting credibility and access to regulated markets.
5. Revenue grew at a 14.54% CAGR between FY24 and FY26, while FY26 operating EBITDA margin remained strong at 30.75%, reflecting healthy operating performance.

Issue Opens	13th October, 2026
Issue Closes	15th October, 2026
Type of Issue	Offer for sale of 2,62,84,500 shares of ₹5 (aggregating up to ₹712.00 Crores)
Issue size	₹ 712 Crores
Price Band	₹258 to ₹271 per share
Bid lot/ Bid Size	55 shares/ Rs. 14,905
Issue structure	QIB-50%, HNI- 15%, Retail- 35%
Post issue equity shares	17,52,30,000 shares
Promoters and Promoter Group Public	Pre Issue – 100% Post Issue – 85% Pre issue – 0% Post Issue- 15%
Post issue implied market cap	₹ 4,748.73 Crores
BRLMs	Ambit Private Limited, Anand Rathi Advisors Limited, IIFL Capital Services Limited.
Registrar to the issue	MUFG Intime India Private Limited.

Financial Summary (in ₹ million, unless otherwise indicated)

Particulars	Q1FY27	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations	1,090.52	4,892.81	4,327.99	3,729.53
Domestic Revenue	727.77	3,170.07	2,731.69	2,465.79
Exports Revenue	354.93	1,684.05	1,552.62	1,232.84
Operating EBITDA	297.25	1,504.59	1,380.08	1,066.32
Operating EBITDA Margin (%)	27.26%	30.75%	31.89%	28.59%
PAT	238.65	1,167.87	1,097.18	879.20
PAT Margin (%)	20.92%	23.12%	24.35%	22.43%
ROE	6.13%	30.17%	29.63%	28.41%
RoCE	8.36%	40.33%	39.63%	37.61%
Fixed Asset Turnover Ratio	1.09	5.17	5.18	4.86
Inventory Days	109	85	77	85
Trade Receivable Days	61	57	45	48
Trade Payable Days	58	40	39	37
Cash Conversion Cycle	112	102	83	96

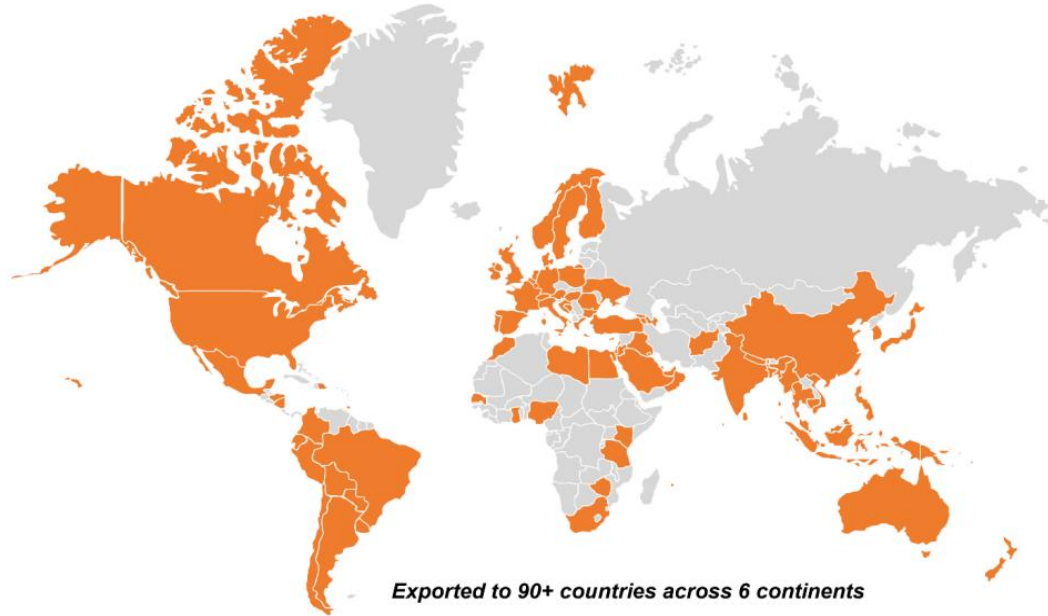
Source: RHP

Revenue Mix – Domestic and Export Markets:

Particulars	For the three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations*(₹ million)	% of revenue from operations	Revenue from operations*(₹ million)	% of revenue from operations	Revenue from operations*(₹ million)	% of revenue from operations	Revenue from operations*(₹ million)	% of revenue from operations
Domestic revenue	727.77	67.22%	3,170.07	65.31%	2,731.69	63.76%	2,465.79	66.67%
Exports revenue	354.93	32.78%	1,684.05	34.69%	1,552.62	36.24%	1,232.84	33.33%
Total	1,082.70	100.00%	4,854.12	100.00%	4,284.31	100.00%	3,698.63	100.00%

Source: Red Herring Prospectus (RHP); *Revenue from Operations excluding other operating revenue i.e. export incentives and scrap sales

Geographical Presence:



Source: Red Herring Prospectus (RHP)

Objects of the issue

Offer for Sale of 2,62,84,500 shares of ₹5 (aggregating up to ₹712.00 Cr)

Shareholding Pattern:

Name of the Selling Shareholders	Type of the Selling Shareholders	Aggregate Value of Equity Shares Offered for Sale (in ₹ million)	Weighted Average Cost of Acquisition per Equity Share (in ₹)
Harish Narshi Dharamshi	PSS	8,983,700 Equity Shares of face value of ₹5 each	0.05
Kusum Harish Dharamshi	PSS	17,300,800 Equity Shares of face value of ₹5 each	0.09

Peer Comparison

Name of Company	Face Value per Equity share (in Rs.)	Total income (₹ in million)	EPS (Basic)	EPS (Diluted)	PE (Basic)	PE (Diluted)	RoNW (%)	NAV (₹ per share)
HD Fire Protect Limited	5	5,051.15	6.66	6.66	NA	NA	31.07%	21.45
Listed Industry Peers								
Azad Engineering Limited	2	6486.29	20.57	20.57	145.65	145.65	8.74%	236.74
KSB Limited	2	27,548.69	15.54	15.54	55.68	55.68	16.11%	96.46
Kirloskar Pneumatic	2	18,144.60	39.45	39.39	17.18	17.20	20.36%	192.25



AJCONGLOBAL
YOUR FRIENDLY FINANCIAL ADVISORS

Company Limited								
Elgi Equipment Limited	1	40,685.0	13.65	13.61	44.70	44.83	19.28%	70.41
IngersollRand (India) Limited	10	14307.97	81.10	81.10	51.39	51.39	20.36%	195.04

Source: Red Herring Prospectus (RHP)

Competitive Strengths

1. A well-established global presence, with over 36 years of industry experience and exports to more than 90 countries, supported by strong technical expertise and high entry barriers in the certification-driven fire protection industry.
2. The business offers a comprehensive portfolio of water, foam and gas-based fire suppression equipment and systems, catering to diverse industrial, residential and commercial applications.
3. Diversified customer base of over 905 clients across domestic and international markets, with long-standing relationships across sectors such as oil and gas, power, aerospace, pharmaceuticals and data centres.
4. The business has vertically integrated manufacturing capabilities covering R&D, design, casting, machining, assembly, testing and quality control, supporting product quality, operational efficiency and continuous innovation.
5. Benefits from an experienced promoter group and qualified professionals with deep industry knowledge, supporting business execution and long-term growth.

Growth Strategies

1. Plans to strengthen its market position through continuous product innovation, R&D and the development of advanced fire protection technologies to cater to growing demand across industrial and infrastructure sectors.
2. aims to expand manufacturing capacity at its Jalgaon and Thane facilities and enhance infrastructure to improve operational efficiency, reduce delivery timelines and meet rising domestic and international demand.
3. Enhance market reach and customer base by expanding our geographical footprint across key markets.
4. Undertake capacity expansion while enhancing operational efficiency to support future growth and improve productivity.

Key Risks

1. The top 10 suppliers accounted for 47.76% of total expenses in FY26. The absence of long-term purchase agreements increases the risk of supply disruptions and higher procurement costs.
2. Any product malfunction could result in property damage, loss of life, legal claims and reputational damage. Failure to maintain or renew mandatory certifications could also restrict market access.
3. Dependence on materials such as iron, copper and steel exposes margins to price fluctuations. Limited ability to pass on cost increases to customers could affect profitability.
4. Exports contributed 34.69% of revenue in FY26, exposing the business to geopolitical tensions, economic slowdown, tariffs and regulatory changes in international markets.

Source: Red Herring Prospectus (RHP)

Disclosure under SEBI Research Analyst Regulations 2014:

Sr.no.	Particulars	Yes/No
1)	Research Analyst or his/her relative's or Ajcon Global Services Limited financial interest in the subject company(ies):	No
2)	Research Analyst or his/her relative or Ajcon Global Services Limited actual/beneficial ownership of 1% or more securities of the subject company (ies) at the end of the month immediately preceding the date of publication of the Research report	No
3)	Research Analyst or his/her relative or Ajcon Global Services Limited has any other material conflict of interest at the time of publication of the Research Report	No
4)	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5)	Ajcon Global Services Limited has received any compensation from the subject company in the past twelve months	No
6)	Ajcon Global Services Limited has received any compensation for investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
7)	Ajcon Global Services Limited has received any compensation for products or services other than investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
8)	Ajcon Global Services Limited has received any compensation or other benefits from the subject	No



	company or third party in connection with the research report	
9)	Ajcon Global Services Limited has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10)	Research Analyst or Ajcon Global Services Limited has been engaged in market making activity for the subject company(ies)	No

Disclaimer

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Ajcon Global Services Limited is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

Individuals employed as research analyst by Ajcon Global Services Limited or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and within five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations.

Subject to the restrictions mentioned in above paragraph, We and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Limited is a fully integrated stock broking, investment banking, merchant banking, corporate advisory, commodity and currency broking Company. It may therefore have commercial relationship for the above said services with the Company covered in this Report. Ajcon Global Services Limited research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Limited encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Limited or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Ajcon Global Services Limited nor Research Analysts have any material conflict of interest at the time of publication of this report.

Ajcon Global Services Limited or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Limited and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Ajcon Global Services Limited. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Limited is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon Global Services Limited from doing so. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Ajcon Global Services Limited will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Ajcon Global Services Limited accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Ajcon Global Services Limited or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.



It is confirmed that or any other Research Analysts of this report has not received any compensation from the company mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Ajcon Global Services Limited or its subsidiaries collectively or Directors including their relatives, Research Analysts, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Ajcon Global Services Limited may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Neither the Research Analysts nor Ajcon Global Services Limited have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Limited by any Regulatory Authority impacting Equity Research Analysis activities.

Analyst Certification

I Akhilesh Desai research analyst, author and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.

For research related queries contact:

Akhilesh Desai - Research Analyst at research@ajcon.net

CIN: L74140MH1986PLC041941

SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

Website: www.ajcononline.com

Registered and Corporate office

408 - (4th Floor), Express Zone, "A" Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel's, Western Express Highway, Goregaon (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062

**AKHILESH
RAJENDRA
DESAI**

Digitally signed by
AKHILESH RAJENDRA
DESAI

Date: 2026.10.12 18:52:04
+05'30'