

GRSE Q4FY26: Result Update

Date: 29th April, 2026

We had initiated coverage on GRSE on 1st January 2026 at Market price of ₹2,444.10 with a target price of ₹2,951, which was achieved on 24th April 2026.

GRSE reported a strong operational and financial performance in FY26, achieving record-high revenue and profitability. The growth was driven by improved execution across shipbuilding projects and milestone deliveries. Profitability expanded in line with revenue growth, while the balance sheet remained robust with minimal leverage.

Operational Highlights – Execution Momentum Remains Strong

Project Category	Execution Progress & Key Milestones
Strong Delivery Performance in Major Naval Defense projects	<p>Delivered 8 warships to Indian Navy in FY26:</p> <ul style="list-style-type: none"> Delivered 2 Project 17A Frigates & Commissioned INS Himgiri – first Project 17A Advanced Frigate. Delivered 2 vessels & commissioned INS Ikshak. Delivered 4 ASW Shallow Water Crafts & work commissioned on INS Arnala, Androth, Anjadip – ASW-SWC vessels. Contract for 5 vessels are in advanced stage. <p>Achieved milestone of delivering 3 warships (Dunagiri, Sanshodhak and Agray) in a single day, highlighting strong execution and project management.</p>
Strong Pipeline & Execution Visibility from Export Projects	<ul style="list-style-type: none"> Significant progress for 12 export vessels for German client. Building a dredger for foreign customer.
Specialised Research & Domestic Civil Segment	<ul style="list-style-type: none"> Portfolio expanded into specialised platforms including Acoustic / Coastal / Ocean Research Ships. Strengthening presence beyond defense shipbuilding in Hybrid Ferries & Commercial Vessels.
Diversification & Capability Enhancement	<ul style="list-style-type: none"> Expanding into engineering (Launched Modular Foot Suspension Bridge - up to 400 ft without piers, fully indigenous) Delivered 7 naval gun systems in FY26 (30mm Naval Surface Guns) Executed multiple refit projects Capability upgrades via – Next Generation VR Lab
Strategic Partnership	<p>Collaborations with Hindustan Shipyard Ltd, K2 Cranes & Components Pvt. Ltd., Kalyani Strategic Systems Ltd, SWAN Defense & Heavy Industries Ltd and Reintjes GmbH, Germany</p>

Source: Company

Financial Highlights

The company delivered healthy YoY growth across key financial metrics, supported by higher execution and scale-up in operations.

Particulars (₹ Cr)	Q4FY26	Q4FY25	YoY (%)	FY26	FY25	YoY (%)
Revenue from Operations	2,119	1,642	29.06	7,002	5,076	37.95
EBITDA	426	335	27.33	1,070	756	41.47
PBT	411	324	26.98	1,005	703	42.86
PAT	303	244	24.14	748	527	41.81
EPS (₹)	26.47	21.32	24.14	65.29	46.04	41.81

Source: Company

The company continues to benefit from healthy order visibility, diversified project portfolio and a strong balance sheet with minimal leverage, positioning it well for sustained growth in the defense shipbuilding segment.

However, working capital intensity leading to weak operating cash flows and dependence on timely execution of large defense contracts remain key monitorables. Overall, GRSE appears well-placed to maintain its growth trajectory, supported by execution momentum and a stable demand outlook in the defense sector.