IPO NOTE · PREPARED FOR CLIENTS

# HD Fire Protect Ltd

India's second-largest manufacturer of fire protection equipment & systems and the largest exporter by value — a pure Offer for Sale, with subscription opening 13 October 2026..

**RECOMMENDATION — SUBSCRIBE**

Angel One Equity Research Desk
12 October 2026

## 01 THE OFFER

| PRICE BAND | ISSUE SIZE | SUBSCRIPTION | LISTING (TENTATIVE) |
|---|---|---|---|
| ₹258–271 | 712.31Cr | 13–15 Oct 2026 | 21 Oct 2026 |
| Per equity share | Pure Offer for Sale | | |

| STRUCTURE | POST-ISSUE P/E | POST-ISSUE MCAP | QIB / NIB / RETAIL |
|---|---|---|---|
| Pure OFS | 49.72x | ₹4,748.73 Cr | 50 / 15 / 35% |
| No fresh proceeds | vs BSE peer 54.28x | At upper price band | Allocation split |

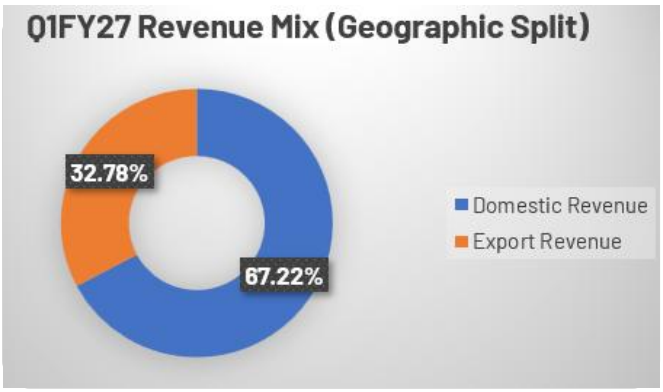
## 02 COMPANY SNAPSHOT

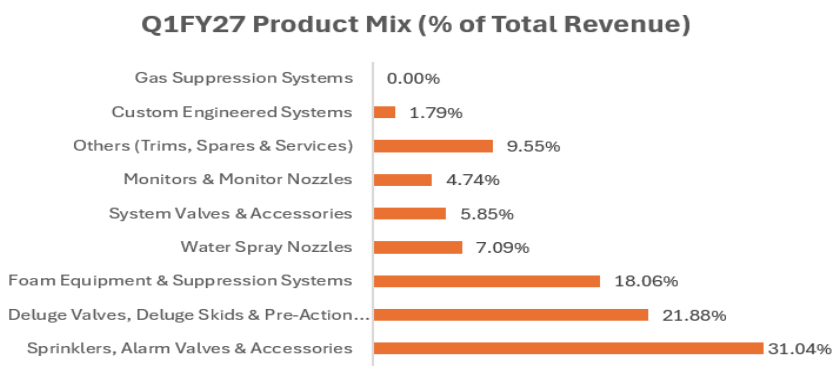
HD Fire Protect Limited possesses a proven business legacy of over 36 years as a prominent Indian manufacturer and exporter of water, foam, and gas-based fire protection equipment and systems as of June 30, 2026. Sole fire protection equipment manufacturer in its peer group holding UL Listing, FM Approval, CE Marking, VdS, ASME-U Stamp, and Lloyd's Register across key product segments.

| ORDER BOOK | EXPORT REACH | MANUFACTURING AREA | CUSTOMERS SERVED |
|---|---|---|---|
| ₹158.60 Cr | 90+ Countries | 8.5 Acres | 2,066 |
| As of 30 Jun 2026 | | Across facilities in Thane & Jalgaon, MH | In Fiscal 2026 |

| UL Listed certifications | FM Approved certifications | International Market Contribution |
|---|---|---|
| 21 | 87 | 32.78% of Revenue |
| Highest among Peers | Highest among Peers | As of 30 June 2026 |

## 03 BUSINESS MIX & MARKET LEADERSHIP

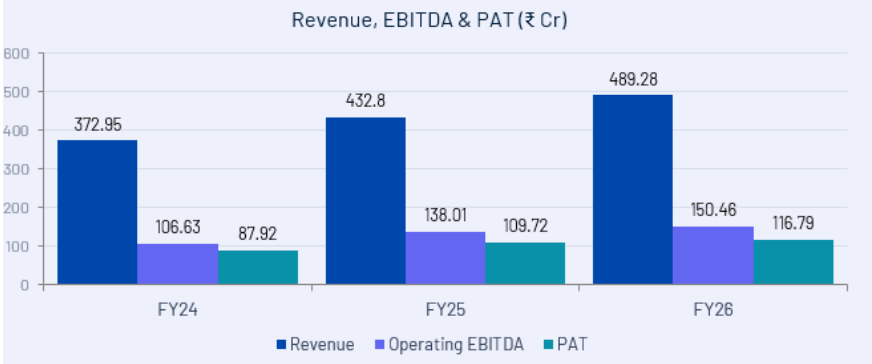



**Where the revenue comes from**

Water-based suppression (Sprinklers, Deluge, & Water Spray Systems) serves as the core revenue engine—contributing over **62.6%** of FY26 revenue. Foam-based suppression systems form the second-largest product pillar at **18.71%**, while exports to **90+ countries** generate over one-third (**32.78%**) of total operational income.

## 04 FINANCIAL PERFORMANCE




### What happened

- Revenue from operations expanded at a **14.56% CAGR** from **₹372.95 Cr (FY24)** to **₹489.28 Cr (FY26)**, driven by strong domestic project demand and global market penetration across 90+ countries.
- Operating EBITDA grew at a **18.82% CAGR** from **₹106.63 Cr in FY24** to **₹150.46 Cr in FY26** (delivering a strong Operating EBITDA Margin of **30.75% in FY26**).
- Profit After Tax (PAT) expanded from **₹87.92 Cr (FY24)** to **₹116.79 Cr (FY26)** at a **15.25% CAGR**, maintaining a strong PAT Margin of **23.12% in FY26**

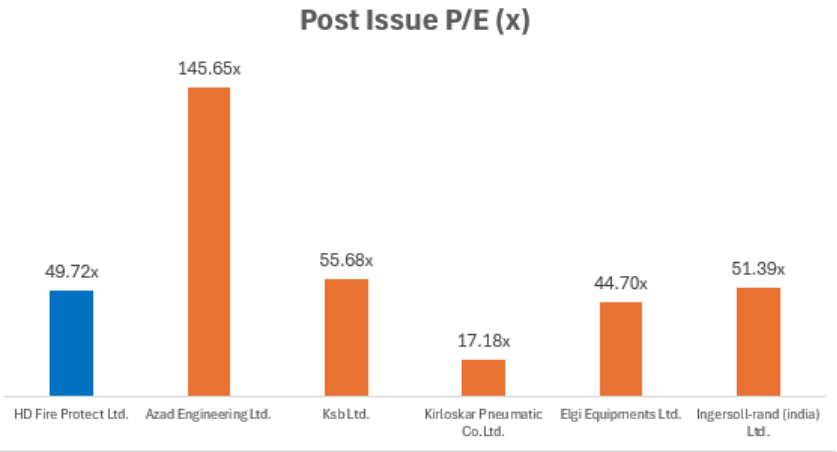
REVENUE (Q1 FY27)
**₹109.05 Cr**

OP. EBITDA (Q1 FY27)
**₹29.73 Cr**
Margin 27.26%

PAT (Q1 FY27)
**₹23.86 Cr**
Margin 20.92%

| ₹ Cr | FY24 | FY25 | FY26 | Q1 FY27 |
|---|---|---|---|---|
| Revenue from operations | **372.95** | **432.80** | **489.28** | **109.05** |
| Operating EBITDA | **106.63** | **138.01** | **150.46** | **29.73** |
| PAT | **87.92** | **109.72** | **116.79** | **23.86** |

## 05 VALUATION ( LISTED PEER)




### Why the discount looks attractive

At the upper price band of ₹271 per share, HD Fire Protect Limited is valued at a post-issue P/E of ~40.7x based on FY26 restated EPS of ₹6.66. Relative to peers such as Azad Engineering (145.65x), KSB (55.68x), Ingersoll-Rand India (51.39x) and Elgi Equipments (44.70x), the company offers attractive valuation while delivering industry-leading profitability with a RoNW of 31.07% and PAT Margin of 23.12% in FY26.

| Particulars | HD Fire Protect Ltd. | Azad Engineering Ltd. | Ksb Ltd. | Kirloskar Pneumatic Co.Ltd. | Elgi Equipments Ltd. | Ingersoll-rand (india) Ltd. |
|---|---|---|---|---|---|---|
| Revenue (Cr) | 4,892.81 | 6,029.75 | 26,957.28 | 17,868.00 | 39,507.00 | 13,923.70 |
| Operating EBITDA Margin % | 30.75% | 37.37% | 13.45% | 19.99% | 14.45% | 23.10% |
| PAT Margin % | 23.12% | 20.59% | 9.82% | 14.01% | 10.57% | 18.91% |
| RoNW (%) | 31.07% | 8.74% | 16.11% | 20.36% | 19.28% | 20.36% |
| EPS (Basic) | 6.66 | 20.57 | 15.54 | 39.45 | 13.65 | 81.1 |
| EPS (Diluted) | 6.66 | 20.57 | 15.54 | 39.39 | 13.61 | 81.1 |
| NAV (per share) | 21.45 | 236.74 | 96.46 | 192.25 | 70.41 | 195.04 |
| P/E (x) | 49.72x | 145.65x | 55.68x | 17.18x | 44.70x | 51.39x |

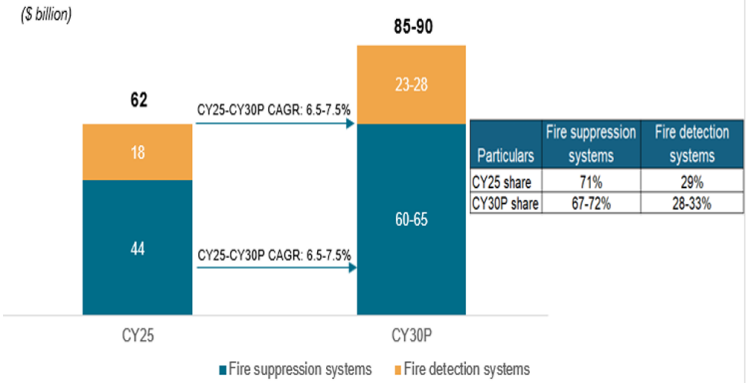
## 06 SECTOR OUTLOOK & KEY RISK

### Meaningful growth headroom by FY30

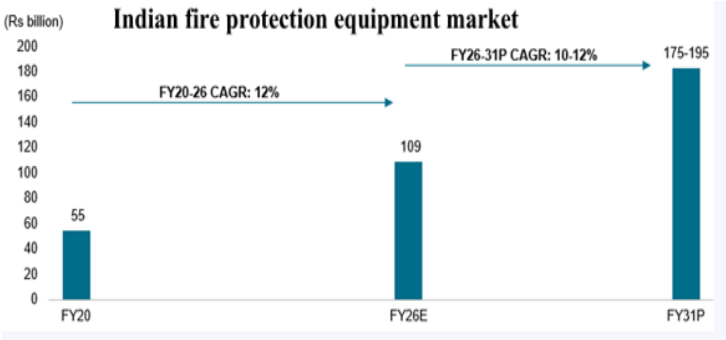
The global fire protection equipment market is projected to expand from $62 billion (CY2025) to $85–$90 billion by CY2030 at a 6.5–7.5% CAGR—driven by the fire suppression segment (~71% share)—while the Indian market is set to outpace global growth, compounding at 10–12% CAGR from ₹109 billion (FY26) to ₹175–₹195 billion by FY31, supported by strict building safety codes, infrastructure capex, and a structural shift toward eco-friendly suppression agents.

**⚠ KEY RISK**

- Top 10 suppliers account for **47.76%** of FY26 expenses, with **30.96%** of purchases imported from China.
- Centralized manufacturing across Thane and Jalgaon, MH (**63.49%** of FY26 revenue).
- Risk of legal claims, warranty invocations, or brand damage from product failures




| Particulars | Fire suppression systems | Fire detection systems |
|---|---|---|
| CY25 share | 71% | 29% |
| CY30P share | 67-72% | 28-33% |




## 07 OFFER STRUCTURE

### Price Band

**₹258** **₹271**

Post-issue market cap at the upper band: ₹ 4,748.73 cr, across 2.62845 crore shares under offer.

### Investor Category Allocation

QIB · 50% | Retail · 35%

QIB 1.314 Cr · NIB 0.394 Cr · Retail 0.920 Cr shares

### Timeline

**13 Oct** → **15 Oct** → **21 Oct**

Subscription opens · Subscription closes · Tentative listing

### Shareholding Pattern

| Category | Pre IPO | Post IPO |
|---|---|---|
| **Promoter and Promoter Group** | 100% | 85% |
| **Public** | | 15% |
| **Total** | **100%** | **100%** |

## 08 OUR CALL

**SUBSCRIBE**

HD Fire Protect is a leading player in the high-barrier fire protection equipment industry with strong global certifications (UL, FM, CE), diversified product portfolio, and consistent high profitability (RoNW 31.07%, PAT Margin 23.12% in FY26). Significant export presence and robust domestic demand provide structural growth visibility.

Cost-competitive products and global certifications are the key strengths of the business. Going forward, the 75%-owned Saudi Arabian JV will act as one of the growth drivers. The company's industry leadership, strong margins, high return ratios, and long-term growth potential in both domestic and international markets make it an attractive opportunity.

| | |
|---|---|
| Price band | **₹258– 271** |
| Issue size | **₹712.31 Cr** |
| Structure | **Pure OFS** |
| Post-issue P/E | **49.72x** |
| Listing | **21 Oct 2026** |

## 09 DISCLOSURES — RESEARCH TEAM & CERTIFICATION

**SEBI (Research Analyst) Regulations, 2014 — Registration No. INH000000164**

| | | | |
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### Certification & contact

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