

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	22713	22400	23200	24660	25207	23508-25207	Sell at CMP. Targets at 22400/22211. Aggressive targets at 21800-21900. Stop at 23200.
BANK NIFTY	51549	49900	53000	57863	57314	50200-52700	Sell at CMP. Targets at 49900/48000. Aggressive targets at 47000. Stop at 53000.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
SYRMA SGS	796	576	1071	787	755	Positive	Founded / Incorporation: 2004. Syrma SGS Technology Ltd. is a leading Electronics Manufacturing Services (EMS) and electronics systems design & manufacturing firm in India, specialising in printed circuit board (PCB) assembly, radio frequency identification (RFID), electromagnetic components, and box-build services with a diversified customer base across automotive, industrial, consumer, railways, med-tech and aerospace verticals — both domestically and internationally. Union Budget 2026 significantly increased the Electronics Component Manufacturing Scheme (ECMS) outlay to ₹40,000 crore — nearly doubling support for the domestic electronics and semiconductor ecosystem. Q3 FY26: Strong quarter with robust growth across key metrics: Revenue: ~₹1,274 crore, up ~45% YoY from ~₹891 crore in Q3 FY25. PAT: ~₹110 crore, up ~108% YoY. Order book: ~₹6,400 crore. Look to buy at CMP, and on dips between 625-650 zone, targeting 907/1071, and then aggressive targets at 1350-1400 zone. Stop below 576. Holding Period 15-18 Months.

SYRMA SGS TECHNOLOGY: A core beneficiary of Budget 2026's electronics and semiconductor ecosystem push.

SYRMA SGS TECHNOLOGY	BUY
CMP	796
Target Price	1401
Stop	576
52 Week H/L	909.50/355
P/E	54
EPS (TTM)	11.43
Promoter Holding/FIIs/DIIs/FIIs/Public	42.98%/7.06%/16.64%/33.28%
Book Value	146
Market Cap (INR)	15355

Daily Chart of SYRMA SGS TECHNOLOGY:



Company Overview

- Founded / Incorporation: 2004. Syрма SGS Technology Ltd. is a leading Electronics Manufacturing Services (EMS) and electronics systems design & manufacturing firm in India, specialising in printed circuit board (PCB) assembly, radio frequency identification (RFID), electromagnetic components, and box-build services with a diversified customer base across automotive, industrial, consumer, railways, med-tech and aerospace verticals — both domestically and internationally.
- The company is investing in expanded PCB and CCL manufacturing capacity, including a planned facility in Andhra Pradesh to become one of India's largest integrated PCB/CCL hubs.

Key Strengths & Competitive Advantages

- The Union Budget 2026 significantly increased the Electronics Component Manufacturing Scheme (ECMS) outlay to ₹40,000 crore — nearly doubling support for the domestic electronics and semiconductor ecosystem.
- Syrma's planned ₹1,800 crore investment for India's largest PCB/CCL unit in Andhra Pradesh (expected commissioning FY27) positions it well to capture both domestic and export opportunities as India deepens its EMS value chain.
- Global OEMs are increasingly diversifying supply chains away from China. Syрма's capabilities, especially in PCBs and specialised EMS, have drawn interest from German, Japanese and other international firms, pointing to export growth potential. End-to-End EMS Capability: Design, prototyping, PCBA, box build, testing — enabling clients to outsource more of the value chain.
- Diverse End Markets: Presence across industrial, automotive, medical, consumer — reduces revenue concentration risk.
- Scale & Manufacturing Infrastructure: 14 plants across India — allows capacity flexibility, proximity to clients, and operational scale.
- Strong Balance Sheet / Growth Initiatives and position in the high-growth Electronics Manufacturing Services (EMS) sector, robust export-driven growth (45% in H1FY26),

Risks & Challenges

- Revenue Volatility / Cycle Sensitivity: EMS is sensitive to global demand cycles, supply chain disruptions, semiconductor shortages.
- Margin Pressure: High competition, cost escalation (raw materials, components, logistics) can compress margins.
- Execution Risk in Scale-up: New capacity, AI integration, and scaling operations can have delays, defects or ramp-up issues.
- Dependence on Key Clients / Contracts: Client concentration or loss of major OEM contracts can hurt revenues.

Q3 FY26 Results Snapshot: Strong quarter with robust growth across key metrics:

- Revenue: ~₹1,274 crore, up ~45% YoY from ~₹891 crore in Q3 FY25. Exports: ₹335 crore, up ~66% YoY.
- EBITDA: ~₹159 crore, up ~101% YoY from ~₹79 crore. Gross margin: ~27.4% (improved).
- PBT: ~₹138 crore, up ~108% YoY. Net cash: ~₹404 crore on books.
- PAT: ~₹110 crore, up ~108% YoY. Order book: ~₹6,400 crore.

Technical Outlook: The recent sequence of higher high/low is intact in all time frames with bullish a probable 'bullish Flag' pattern break on the monthly charts. The 200-DMA of the stock is around 755 levels and will act as major support.

Preferred Strategy: Look to buy at CMP, and on dips between 625-650 zone, targeting 907/1071, and then aggressive targets at 1350-1400 zone. Stop below 576. Holding Period 15-18 Months.

Mehta Equities

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