

9th February 2026

Close* - ₹507/-

 View - **HOLD**
Q3FY26 Result Highlights

- Q3FY26 revenue declined 6.4% YoY to ₹378.4crs due to export weakness. Gross profit declined 1.7% YoY to ₹149.2crs, though gross margins expanded by 188bps YoY to 39.4%. EBITDA declined 12.9% YoY to ₹35.3crs with margins of 9.3%. PAT declined to ₹4.1crs with PAT margin of 1.1%.
- For 9MFY26, revenue grew 4.9% YoY to ₹1,192.9crs. Gross margin improved to 38.8%, driven by better cost control and product mix. EBITDA rose 5.4% YoY to ₹127.7crs with EBITDA margins of 10.7%. PAT stood at ₹35.9crs, marginally lower YoY due to one-time extraordinary items.
- The Management has guided for at least 100bps YoY improvement in gross, EBITDA, and PAT margins, with a longer-term aspiration to reach 41–42% gross margins over the next three years.
- The company launched a new dosa/roti maker which has seen strong acceptance in South India. Upcoming launches include instant water heaters and dry irons. Innovation remains anchored around consumer needs and affordability.
- For Q3FY26, channel mix was ~38.5% General Trade, 34% e-commerce, 12% Modern Trade, 8.5% own retail, ~3.3% corporate sales, and ~3.7% OEM exports.

Domestic Business Remains Strong

- Domestic business contributes ~96% of Q3FY26 revenues, reaffirming India as the company's core growth and cash-flow engine.
- Over 9MFY26, domestic contribution stood at ~88–89%, with Q3FY26 seeing an even higher skew due to export weakness.
- The Management emphasized that strategic decisions, capex, and product launches are primarily driven by domestic demand visibility.
- Wedding-led demand remains a structural tailwind, though Q3FY26 saw fewer wedding days YoY, impacting discretionary categories. Q4FY26 and Q1FY27 are seasonally weaker due to lower festive and wedding activity.
- January trends strong; management is confident of double-digit domestic growth ahead.

Pigeon Brand

- Pigeon revenues grew ~9.3% YoY in Q3FY26, despite overall demand softness and export weakness, supported primarily by domestic volumes. The company is targeting 500 exclusive Pigeon stores by 2027. During Q3FY26, 17 new stores were added, taking the total to ~313 stores across 21 states and 138 cities. Expansion is being executed through a mix of COCO and COFO models.
- Category wise performance: (i) Small appliances volumes grew ~38% YoY, driven by induction cooktops and new launches; value growth lagged due to mix, (ii) Pressure cookers grew ~9% YoY, aided by brand strength and replacement demand, (iii) Cookware growth was muted, partly due to SKU rationalization and focus on profitable products, (iv) Cooktops were impacted by the exit from oil-PSU distribution channels, which earlier contributed ~60–70% of cooktop sales, (v) The company remains market leader by volume in induction cooktops, (vi) Stainless steel cooktops are in structural decline, now forming <5–6% of LPG cooktops.

Export Weakness Temporary

- Export sales declined sharply in Q3FY26 due to inventory pile-up at US customers following delayed deliveries in Q1FY26, lack of new category orders, and continued tariff uncertainty. Export contribution fell to ~3.7% in

Important Statistics

Nifty	25,643
Sensex	83,314
Close* (₹)	507
MCAP (₹ bn)	16.79
52 Week H/L (₹)	820/453
NSE Code	STOVEKRAFT
BSE Code	543260
Bloomberg Code	STOVEKRA:IN

Close as on 6th February 2026*

Shareholding Pattern	Dec'25 (%)
Promoters	55.79
DII	8.34
FII	0.87
Public & Others	35.00

FINANCIALS

Particulars	(₹ crs)					
	2023	2024	2025	2026E	2027E	2028E
Revenue	1281	1361	1448	1584	1794	2041
EBITDA	101	121	152	169	197	231
EBITDA Margin	8%	9%	11%	11%	11%	11%
PAT	36	34	39	49	64	89
PAT Margin	2.8%	2.5%	2.7%	3%	3.5%	4.4%
EPS	10.83	10.33	11.65	14.78	19.5	27.83
ROE	8.9%	7.8%	8.28%	9.7%	13.7%	15.3%
P/E	35	41	60	40	35	25

Source: Company, Way2Wealth
Relative Performance

Return (%)	1 Yr	3Yr	5 Yr
SKL	(33.25)	13.79	18.85
Nifty 50	8.44	44.08	72.5
Sensex	6.57	37.99	65.08

Source: Company, Way2Wealth
Dhananjay Kansara

dhananjay.k@way2wealth.com

Ph:022-4019 2911

9th February 2026

Close* - ₹507/-

 View - **HOLD**

Q3FY26 versus ~11.4% for 9MFY26. The Management stated exports declined by ~₹27crs YoY.

- Weaknesses due to: (i) Inventory pile-up at U.S. customers, (ii) Tariff uncertainty delaying new categories, (iii) Delayed shipment

IKEA to Drive FY27

- The IKEA business remains strategically important. While revenue contribution has been delayed due to pending global testing and certification approvals (including lab shutdowns in February), management expects initial revenues to start from FY27. IKEA is viewed as a stable, long-term global opportunity not dependent on any single geography.
- FY27 priorities include export revival, IKEA scale-up, premium cookware expansion, and further working capital tightening, rather than aggressive capacity additions.

Working Capital & Debt Reduction

- The Management mentioned that the working capital days reduced to 43 days from 59 days in FY24 and 64 days in FY25. This resulted in a significant reduction in working capital debt, which declined to ₹80.6crs by the end of Q3FY26. Operating cash flow for 9MFY26 stood at ~₹242crs, aided by working capital optimization.

VIEW

For SKL, Q3FY26 revenue de-grew by 6% YOY. Gross Margins also improved during the quarter led by price hikes and focusing on higher margin products. The company has formed a strategic partnership with IKEA where the company will develop and supply cookware globally from FY27. The company is anticipating ₹150crs of revenue from the IKEA partnership, most of which will be accrued in FY27. Considering better than expected industry growth and continued strong growth potential and now with sustainable double-digit margins potential we remain positive on the stock. Hence, we recommend **HOLD** the stock trading at **P/E 25x FY28E EPS of ₹27.83.**

9th February 2026
Close* - ₹507/-
View - HOLD
FINANCIAL PERFORMANCE
(₹ crs)

Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ	9MFY26	9MFY25	YoY
Operating Revenues	378	404	-6.4%	474	-20.2%	1,193	1,137	4.9%
Cost of Matl	204	238	-14.1%	259	-21.3%	664	657	0.9%
Stock Purchases	18	22	-19.7%	17	3.6%	51	73	-29.2%
Inventory Changes	7	(8)	-196.3%	15	-52.0%	16	(25)	-162.4%
Gross Margin (%)	39.4	37.6	188.9	38.5	91.5	38.8	38.0	79
Employee Exps	47	46	1.7%	48	-2.4%	138.9	132.8	4.6%
Other Exps	68	65	4.5%	78	-12.7%	196.8	177.6	10.8%
EBITDA	34.3	40.5	-15.4%	56.8	-39.6%	126.7	121.2	4.5%
EBITDA Margin (%)	9.1	10.0	-96.8	12.0	-290.3	10.6	10.7	-4.1
Other Income	(1.9)	(0.1)	-	(2.9)	-34.0%	(2.7)	(0.9)	196.8%
Depreciation	20.9	18.1	15.0%	20.6	1.5%	58.5	50.6	15.7%
Interest Cost	6.1	7.4	-17.3%	6.2	-1.2%	19.5	22.0	-11.2%
PBT	5.4	14.9	-63.7%	27.2	-80.0%	46.0	47.7	-3.7%
Tax	1.3	2.8	-54.5%	5.8	-78.2%	10.0	10.6	-6.3%
Minority Interest	-	-	-	-	-	-	-	-
Net Profit	4.2	12.2	-65.8%	21.4	-80.5%	36.0	37.1	-3.0%
EPS (₹)	1.3	3.7	-65.8%	6.5	-80.5%	10.9	11.2	-3.1%

As % to Sales	Q3FY26	Q3FY25	YoY (bps)	Q2FY26	QoQ (bps)	9MFY26	9MFY25	YoY (bps)
Raw Matl Cost	60.6	62.4	(189)	61.5	(91)	61.2	62.0	(79)
Employee Exps	12.4	11.4	98	10.1	226	11.6	11.7	(4)
Other Exps	18.0	16.1	187	16.5	156	16.5	15.6	87

Source: Company, Way2Wealth

Revenue Breakup (%)	Q3FY26	Q3FY25	YoY (BPS)	Q2FY26	QoQ (BPS)	9MFY26	9MFY25	YoY (BPS)
Nonstick Cookware	12.0	16.0	(400)	19.0	(700)	19.0	20.0	(100)
Mixer/ Small Appliances	46.0	46.0	-	41.0	500	42.0	41.0	100
Pressure Cookers	23.0	20.0	300	20.0	300	21.0	21.0	-
Induction Cook top	12.0	12.0	-	10.0	200	11.0	11.0	-
Gas Cooktop	7.0	6.0	100	8.0	(100)	7.0	7.0	-

Source: Company, Way2Wealth

9th February 2026

Close* - ₹507/-

 View - **HOLD**
Disclaimer

Analyst Certification: I, Dhananjay Kansara, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Dhananjay Kansara, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement: Stove Kraft Ltd. as on 09th February 2026

Name of the Security	Stove Kraft Ltd.
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained	
Financial Interest	No
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and Enlistment with RAASB/BSE and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.