

Adani Energy Solutions (ADANIENS IN)

**Q2FY27 Result
Update**

October 24, 2026

☒ Estimate Change | ☒ Target | ☒ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		HOLD	
Target Price	1,526		1,752	
Sales (INR mn)	453,708	429,747	438,472	390,326
% Chng.	3.5	10.1		
EBITDA (INR mn)	151,571	177,672	142,905	163,656
% Chng.	6.1	8.6		
EPS (INR)	41.3	47.8	37.9	41.7
% Chng.	9.0	14.6		

Key Data

ADAI.BO | ADANIENS IN

BSE Code	539254
NSE Code	ADANIENSOL
52-W High / Low	INR 1,789 / INR 803
Face Value	10
Sensex / Nifty	73,124 / 22,600
Market Cap	INR 1,492 bn / \$ 15,715 mn
Shares Outstanding	1222.95 mn
3M Avg. Daily Value	INR 4,117.23 mn

Shareholding Pattern (%)

Promoters	73.39
FII's	9.57
Mutual Funds	9.38
Domestic Institutions	4.23
Public & Others	3.44
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(11.6)	(27.5)	(10.4)	28.1
Relative	(9.5)	(24.3)	(4.8)	48.1

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	275,880	383,808	453,708	429,747
EBITDA (INR mn)	79,888	123,679	151,571	177,672
Margin (%)	29.0	32.2	33.4	41.3
PAT (INR mn)	24,424	43,432	49,658	57,444
EV (INR mn)	1,903,691	2,050,022	2,211,472	2,262,121
Total Debt (INR mn)	488,985	641,347	812,437	907,927
C&C Eq. (INR mn)	39,473	45,505	55,145	98,486
EPS (INR)	20.3	36.2	41.3	47.8
Gr. (%)	34.9	77.8	14.3	15.7
DPS (INR)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	10.3	15.7	15.4	14.5
RoCE (%)	8.8	11.9	12.0	12.1
EV/Sales (x)	6.9	5.3	4.9	5.3
EV/EBITDA (x)	23.8	16.6	14.6	12.7
PE (x)	60.0	33.7	29.5	25.5
P/BV (x)	5.8	4.9	4.2	3.3

Energy solutions drives beat, valuations attractive

Quick Pointers

- Energy solutions spread moves up in Q2FY27 to ~INR2/kwh+ vs INR1.7/kwh QoQ
- Transmission order book +22% QoQ; Capex guidance intact

ADANIENS adjusted Q2FY27 EBITDA was 6% ahead of our estimate. Revenue was INR ~101bn (+52.8% YoY) and adjusted EBITDA INR ~33bn (+73% YoY), including regulatory income. The beat was again led by the Energy Solutions Platform, with revenue of INR 22.0bn (vs INR 19bn QoQ) and EBIT of INR 8.0bn (vs INR6bn QoQ), ~30% of segment EBIT. We raise our FY28/29E EBITDA by ~6%/9%, driven by the Energy Solutions Platform, and upgrade the stock to BUY from HOLD with a SOTP-based TP of INR 1,526 (refer exhibit 6). After recent weakness (down 30% in the last 3 months), stock trades at reasonable valuation of 13x FY29E EV/EBITDA and modelled ~29% EBITDA CAGR over FY26-29E with energy solution platform contribution to consol EBITDA at 13-14% resulting in improved consolidated ROE to 15% in FY27E/28E vs 10% in FY26. Transmission visibility has improved in Q2FY27: the U/C book rose to INR 872bn (from INR 718bn in Q1) after the Vizag and Satara wins, and FY27 capex guidance maintained and has incurred INR79bn in 1HFY27. Smart metering lagged, with the FY27 installation marginally lower at 8–9mn from ~10mn on slower ground execution (now in-line with our estimate), though the IntelliSmart deal is expected to close within a month.

Beat led by Energy Solutions Platform: Revenue was INR 100.8bn, up 52.8% YoY and 3.8% QoQ, and 5.1%/4.1% ahead of PLe/consensus. Growth was led by the Energy Solutions Platform (INR 22.0bn, up ~11x YoY) and transmission (INR 36.0bn, +51.7% YoY). Smart metering revenue was INR 3.8bn (~2.1x YoY, on conventional accounting), and distribution was flat at INR 31.8bn (+2.0% YoY). Adjusted EBITDA, including regulatory income, was INR ~34bn, up 73% YoY and 11.4% QoQ, a 5.6% beat to PLe. Margins were 33.6%, against 29.6% in Q2FY26 and 31.3% in Q1FY27. Segment EBIT rose 93% YoY, with Energy Solutions EBIT at INR 8.0bn (vs INR 0.1bn in Q2FY26), distribution up 42.4% and transmission up 26.2%. Reported PAT was INR 30.4bn, mainly due to a one-time tax credit of ~INR 12.7bn.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	95,868	1,00,755	5.1	65,958	52.8
EBITDA (INR mn)	32,050	31,007	(3.3)	22,891	35.5
Margin (%)	33.4	30.8	(260) bps	34.7	(390) bps
PAT (INR mn)	10,682	13,639	27.7	5,582	144.3

Source: Company, PL

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Energy Solutions: strong spreads now, steadier contracts ahead: Of the 14,583 MUs sold in Q2, ~3,500 MUs was position-based: AESL buys power under long-term supply contracts and sells it to third parties or on the exchange. This volume realised ~INR 5.75/unit at a ~INR 1.70–2.00/unit margin and generated nearly all the segment's EBITDA. The other ~11,000 MUs, client trading (9,500 MU) and power management (1,500 MU), earned INR 0.02–0.03/unit. On the supply side, ~4GW of renewables and ~3.5GWh of batteries are tied up on take-or-pay, mostly from Adani Green. On the customer side, 3.25GW is now contracted: 2,500MW with MSEDCL, phased in expected from February to July 2027 with ~50% of its supply already sourced, and 750MW with AEML. Management targets 7–8GW of customer contracts in 3–4 years and expects long-term contracts to earn a steadier margin of ~INR 0.80–1.00/unit. Q2 margins were helped by strong market prices, so we see the current spread as a peak until the long-term contracts take over.

Transmission: order book up, H2-heavy execution: Q2 capex was INR 43.5bn (1.16x YoY), led by transmission at INR 33.4bn (1.44x YoY). The under-construction book is INR 872bn, including the Vizag and Satara wins, which add ~2,000 ckm and ~INR 14.7bn of annual tariff. FY27 transmission capex guidance of ~INR 140bn is maintained, which needs INR 80–90bn in H2. FY28 capex is guided at INR 180–190bn. WRSR, Khavda Phase III (Halvad), Khavda Phase IV and Mahan Phase I are due in FY27, adding ~INR 80–90bn of capitalisation. Halvad is still held up by RoW issues, with ~50 tower locations pending. Navinal could slip into H1FY28, and Mahan Phase II is due in Q1FY28, with FY28 capitalisation expected at ~INR 100bn.

Smart metering: slower installs, target cut: AESL installed 1.3mn meters in Q2 and 3.4mn in H1, taking the total to 14.8mn (2x YoY), ~60% of its 24.6mn order book. Installations were slower than planned for three reasons: consumer resistance, MSEDCL asking AESL to cover one consumer category first, and Bihar requiring every consumer to be tagged before installation. FY27 target is cut to 8–9mn from ~10mn, and the remaining ~4–4.5mn moves to H1FY28. Management says all three issues are now resolved and expects the pace to pick up. Capex was INR 5.6bn in Q2 (0.52x YoY), in line with the slower rollout. The IntelliSmart acquisition is expected to close within a month, as only CCI approval is pending.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27A	YoY gr. (%)	Q2FY27A	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	97,111	42.4%	100,755	52.8%	87,490	30.0%	98,451	32.3%
EBITDA	30,085	30.0%	31,007	35.5%	30,622	31.1%	31,965	49.0%
Margin (%)	31.0	-3bps	30.8	-4bps	35.0	0bps	32.5	4bps
Adjusted PAT	12,852	137.6%	13,639	144.3%	8,762	52.4%	9,144	36.7%

Source: Company, PL

Exhibit 2: Quarterly Financials & Segment details

In INR mn	Q2FY27	Q2FY26	% YoY Chg	Q2FY27E	% Variance	Q1FY27	% QoQ Chg	H1FY27	H1FY26	% Chg
Reported Net Sales	1,00,755	65,958	52.8	95,868	5.1	97,111	3.8	1,97,867	1,34,151	47.5
Reported EBITDA	31,007	22,891	35.5	32,050	-3.3	30,085	3.1	61,092	46,037	32.7
Reported EBITDA margin (%)	31	35	-393bps	33	-8bps	31	373bps	31	34	-344bps
Other income	1,638	1,713	-4.4	1,679	-2.4	1,411	16.1	3,049	3,775	-19.2
Depreciation	6,006	5,094	17.9	6,000	0.1	5,854	2.6	11,859	9,742	21.7
Interest	11,803	8,717	35.4	10,250	15.2	11,517	2.5	23,321	17,657	32.1
Exceptional Items	-	-	NA	-	-	-	NA	-	-	NA
Regulatory Deferral Account Balance	2,836	-3,337	-185	-3,236	-187.6	286	893.2	3,121	-8,375	-137.3
PBT	17,672	7,457	137	14,243	24.1	14,411	22.6	32,082	14,037	128.6
Tax	-12,743	1,874	-779.8	3,561	-457.9	1,559	-917.3	-11,183	3,046	-467.2
Reported PAT	13,639	5,582	144.3	10,682	27.7	12,852	6.1	26,491	10,992	141
Exceptional Items										
Segmental Revenue										
Transmission	35,987	23,720	51.7	34,500	4.3	33,353	7.9	69,340	45,602	52.1
Mumbai GTD business	31,814	31,180	2	32,739	-2.8	35,200	-9.6	67,014	64,780	3.4
Smart metering	7,802	8,150	-4.3	8,000	-2.5	7,930	-1.6	15,732	8,830	78.2
Trading / Energy Solution Platform	21,969	2,010	993	19,068	15.2	19,068	15.2	41,038	4,110	898.5
Others	3,183	900	253.6	1,560	104	1,560	104	4,743	11,520	-58.8
Gross sales incl SCA	1,00,756	65,960	52.8	95,868	5.1	97,111	3.8	1,97,867	1,34,150	47.5
SCA (from PPT)	25,900	17,680	46.5	NA	NA	23,720	9.2	49,620	36,920	34.4
- Transmission	20,770	10,690	94.3	NA	NA	17,400	19.4	38,170	20,860	83
- Smart Meter	5,130	6,990	-26.6	NA	NA	6,320	-18.8	11,450	16,060	-28.7
EBIT										
Transmission	13,200	10,458	26.2	-	-	13,275	-0.6	26,474	19,730	34.2
Mumbai GTD business	3,714	2,609	42.4	-	-	3,569	4	7,283	5,636	29.2
Smart metering	1,728	724	138.6	-	-	1,526	13.2	3,254	1,200	171.3
Trading / Energy Solution Platform	8,022	110	7,193.00	-	-	5,903	35.9	13,925	285	4,792.80
Others	423	123	244.5	-	-	278	52.4	701	210	234.4
unallocable	1,638	1,713	-4.4	-	-	1,411	16.1	3,049	3,775	-19.2
Total	28,724	15,737	82.5	-	-	25,961	10.6	54,686	30,835	77.4
SCA EBITDA	3,340	1,330	151.1	-	-	2,620	27.5	5,960	3,230	84.5
- Transmission	3,120	1,090	186.2	-	-	2,090	49.3	5,210	2,410	116.2
- Smart Meters	220	260	-15.4	-	-	250	-12	470	710	-33.8

Source: Company, PL

Exhibit 3: Operational Details

	Q2FY27	Q2FY26	% YoY Chg	Q1FY27	% QoQ Chg	H1FY27	H1FY26	% Chg
Transmission order book	872	-	-	718	21.5	1,590	593	168.1
Transmission Network (ckm)	29,802	26,705	11.6	27,949	6.6	57,751	53,401	8.1
Meters order book (mn units)	25	25	0.0	25	0.0	49	47	3.8
Meters Installed (mn units)	1	2	(23.3)	2	(31.4)	3	4	(18.9)
Cumulative meters Installed (mn units)	15	7	100.8	13	10.4	28	13	118.4
Distribution AEML unit Sold mn kwh	2,930	2,650	10.6	3,260	(10.1)	6,190	5,589	10.8
Distribution MUL unit Sold mn kwh	-	364	(100.0)	-	-	-	635	(100.0)

Capex								
Transmission	21,990	10,250	114.5	33,340	(34.0)	55,420	33,430	65.8
Distribution	4,600	3,450	33.3	6,690	(31.2)	9,100	7,050	29.1
Smart Meter	8,380	8,530	(1.8)	9,360	(10.5)	13,980	19,270	(27.5)
Total	34,970	22,230	57.3	49,390	(29.2)	78,500	59,750	31.4

Source: Company, PL

Q2FY27 Conference Call Highlights

- Transmission** - One element of Khavda Phase IV was recently commissioned. WRSR, Khavda Phase IV and Khavda Phase III (Halvad) and Mahan Phase I are certain for FY27. Halvad is held up by RoW issues, with only ~50 tower locations left. WRSR is in final stringing. Navinal could slip into H1FY28, and Mahan Phase II is due in Q1FY28. **Capex and capitalisation:** The FY27 capex guidance of ~INR 140 bn is maintained, with INR 80–90 bn to be spent in H2. FY28 capex is guided at INR 180–190 bn. Capitalisation should be ~INR 80–90 bn in FY27 and ~INR 100 bn in FY28, then rise sharply as the HVDC projects are commissioned. The national tender pipeline is ~INR 1.4 trn and still mostly central, but Green Energy Corridor II will add intra-state projects, which usually earn slightly better returns. Demand is coming from state network upgrades, city load growth, ~100 GW of new thermal capacity and pumped storage.
- Distribution:** Mumbai distribution loss fell to 4.29% in H1 while consumption grew over 10%. Q2 units sold rose 11% YoY to 2,930 MUs. The regulated asset base is INR 104.6 bn, up 11% YoY.
- Energy Solutions Platform:** Q2 revenue was over INR 20 bn and EBITDA over INR 8 bn, on 14,583 MU. Of this, ~3,500 MUs was volume where AESL takes a position, buying power under its long-term supply contracts and selling it to third parties/on the exchange. Another ~9,500 MUs was trading for clients and ~1,500 MUs was power management. **Realizations:** Position-based sales realised ~INR 5.75/unit at a margin of ~INR 1.70–2.00/unit. Trading for clients earns only INR 0.02–0.03/unit, so nearly all EBITDA comes from position-based sales.
- Supply:** ~4 GW of renewables and ~3.5 GWh of batteries are tied up on take-or-pay, mostly from Adani Green at market prices, with ~650–700 MW from third parties and nothing yet with Adani Power. AESL pays only for power that is scheduled. **Customer side:** ~3.25 GW is contracted. The 2,500 MW MSEDCL round-the-clock contract starts in phases from end-February 2027 to end-July 2027, and ~50% of its supply is already sourced. The 750 MW AEML PPA has regulatory approval and should be signed in 3–4 weeks. AESL also serves ~400 MW of C&I customers and is in advanced talks with data centres. **Outlook:** 7–8 GW of customer contracts in 3–4 years, with little exposure to market prices. Q2 margins were helped by strong market prices, and long-term contracts should earn a steadier INR 0.80–1.00/unit.
- Smart metering:** Installed: 14.8 mn meters, ~60% of the 24.6 mn order book, with the balance due in 12–14 months. The FY27 target is cut to 8–9 mn from ~10 mn, and the remaining ~4–4.5 mn moves to H1FY28.

- Slowdown causes were consumer resistance, MSEDCL asking AESL to prioritise one consumer category, and Bihar requiring consumer tagging first. All three are now resolved, and the pace should pick up. **IntelliSmart:** Only CCI approval is pending. Closing is expected within a month.
- **Others:** The ~INR 15 bn deferred-tax credit comes from MEGPTCL and ATIL moving to the new tax regime. It is offset by an equal pass-through liability, so there is no net P&L impact. About 75–80% of debt is at fixed rates, and ECBs are ~10% of gross debt of ~INR 510 bn.

Exhibit 4: Financial Snapshot (INR mn)

	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Transmission									
- Order book	157800	182300	192600	170000	599360	7,17,790	7,91,400	8,51,952	10,51,952
- Order Inflow		53760	38270	50,360	4,40,000	2,02,630	2,00,000	2,00,000	2,00,000
- Capitalisation		29,260	27,970	72,960	46,120	1,03,661	1,26,390	1,39,448	0
- Capex	40035	45744.3	49975.1	56130	114430	142320	210000	231000	196000
- Regulated Equity+Equity	50,514	59,292	67,683	89,571	1,03,407	1,34,505	1,72,422	2,14,257	2,14,257
- Change yoy, %		17%	14%	32%	15%	30%	28%	24%	0%
- PAT	10,310	11,050	9,460	10,330	13,800	13,510	17,429	21,958	24,333
- Change yoy, %		7%	-14%	9%	34%	-2%	29%	26%	11%
- RoE %	20%	20%	15%	13%	14%	11%	11%	11%	11%
Distribution									
- Capex	12430	16190	14500	14450	17820	18830	16000	16000	16000
- Regulated Equity	40360	43700	46260	49827	50430	56079	62178	68727	75726
- Change yoy, %		8%	6%	8%	1%	11%	11%	11%	10%
- PAT	2590	1310	1260	1640	9790	4300	3843	4582	5417
- Change yoy, %		-49%	-4%	30%	497%	-56%	-11%	19%	18%
- RoE %	7%	3%	3%	3%	20%	6%	7%	7%	8%
Smart Meter									
- Annual Instalation					3.1	8.2	7.0	8.0	8.0
- Cumulative meter					3.1	11.36	18.36	26.36	34.36
- Revenues					490	5,490	18,117	28,284	38,779
- Change yoy, %						1020%	230%	56%	37%
- EBITDA					300	4,520	14,916	23,286	31,927
- Change yoy, %						1407%	230%	56%	37%
- EBITDA Margin %					61%	82%	82%	82%	82%
- PAT					-	4,080	8,123	12,682	17,387
- Change yoy, %						-	99%	56%	37%
- PAT Margin %					0%	74%	45%	45%	45%
Consolidation									
- Revenues	99,263	1,12,575	1,32,927	1,66,074	2,37,671	2,75,880	383,808	453,708	429,747
- Change yoy, %		13%	18%	25%	43%	16%	39%	18%	-5%
- Revenues, Ex SCA	99,263	1,12,575	1,32,927	1,57,494	1,84,830	1,93,040	271,616	320,702	392,627
- Change yoy, %		13%	18%	18%	17%	4%	41%	18%	22%
- EBITDA	45,332	48,886	55,532	57,112	70,665	79,888	123,679	151,571	177,672
- Change yoy, %		8%	14%	3%	24%	13%	55%	23%	17%
- EBITDA Margin %	45.7%	43.4%	41.8%	34.4%	29.7%	29.0%	32.2%	33.4%	41.3%
- EBITDA, ex SCA	45,332	48,886	55,532	56,954	65,232	68,402	115,930	142,825	175,148
- Change yoy, %		6%	8%	13%	15%	5%	69%	23%	23%
- EBITDA Margin %	45.7%	43.4%	41.8%	36.2%	35.3%	35.4%	42.7%	44.5%	44.6%

	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
- PAT	12,896	12,358	12,806	11,995	9,217	23,928	44,396	50,808	60,788
- Change yoy, %		-4%	4%	-6%	-23%	160%	86%	14%	20%
- PAT Margin %	13%	11%	10%	7%	4%	9%	12%	11%	14%
- Capex	40,035	45,744	49,975	56,130	1,14,430	1,42,320	210,000	231,000	196,000
- Net Debt	2,41,550	2,46,890	2,71,554	2,89,426	2,85,613	4,20,073	560,531	721,981	774,130
- Net DER	2.9	2.9	2.8	2.8	1.7	1.8	2.0	2.2	1.8
- Net debt /EBITDA	5.3	5.1	4.9	5.1	4.0	5.3	4.5	4.8	4.4
- ROE	11.7	10.9	9.9	9.8	10.4	10.3	15.7	15.4	14.5

Source: Company, PL

Exhibit 5: Segmental break up (INR mn)

	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Revenue Rs mn									
Transmission	31,221	34,693	39,452	40,450	47,760	52,140	67,671	84,643	104,375
Distribution	60,476	69,663	85,919	1,01,730	1,22,660	1,24,500	126,698	128,935	131,212
Energy Solution Platform	7,566	8,219	7,557	10,874	13,920	10,910	59,130	78,840	118,260
Smart Meter	-	-	-	4,440	490	5,490	18,117	28,284	38,779
SCA	-	-	-	8,580	52,830	82,840	112,192	133,007	37,120
Total	99,263	1,12,575	1,32,927	1,66,074	2,37,660	2,75,880	383,808	453,708	429,747

Revenue Contribution %									
Transmission	31%	31%	30%	24%	20%	19%	18%	19%	24%
Distribution	61%	62%	65%	61%	52%	45%	33%	28%	31%
Energy Solution Platform	8%	7%	6%	7%	6%	4%	15%	17%	28%
Smart Meter	-	-	-	3%	0%	2%	5%	6%	9%
SCA	-	-	-	5%	22%	30%	29%	29%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

EBITDA Rs mn									
Transmission	25,740	29,680	32,430	36,880	43,660	47,670	61,869	77,386	95,427
Distribution	16,590	16,920	20,980	20,070	21,750	21,080	21,452	21,831	22,216
Energy Solution Platform	757	822	756	1,087	1,392	1,091	23,652	26,280	31,536
Smart Meter	-	-	-	-	300	4,520	14,916	23,286	31,927
SCA	-	-	-	158	5,433	11,487	7,853	9,310	2,598

EBITDA Contribution %									
Transmission	56%	60%	58%	65%	62%	60%	50%	51%	54%
Distribution	36%	34%	37%	35%	31%	26%	17%	14%	12%
Energy Solution Platform	8%	6%	5%	0%	-1%	-6%	14%	13%	14%
Smart Meter	-	-	-	-	0%	6%	12%	15%	18%
SCA	-	-	-	0%	8%	14%	6%	6%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

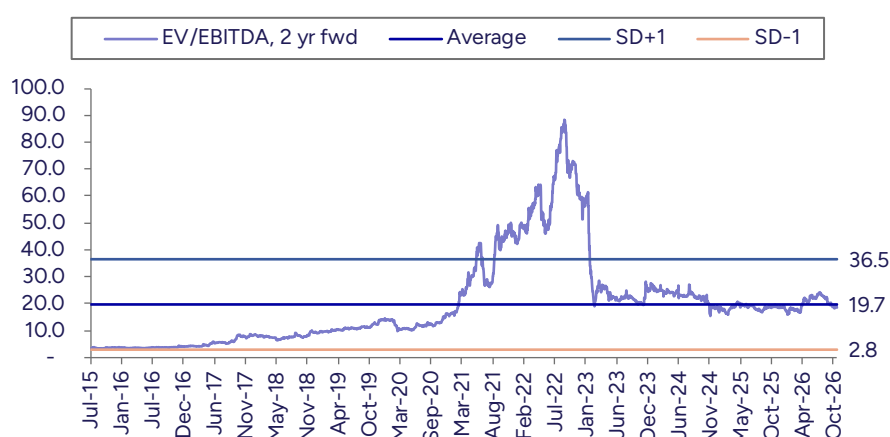
Source: Company, PL

Exhibit 6: SOTP basis TP

	Valuation	Multiple	Equity Value		As %	EBITDA CAGR FY27-29
			INR mn	INR /sh		
SOTP bases TP on Ev/EBITDA and PBV						
Transmission	EV/EBITDA	18.0	11,45,903	954	63%	24%
Distribution	P/PBV	3.0	2,16,680	180	12%	2%
Smart Meters	EV/EBITDA	7.5	1,45,507	121	8%	46%
Energy Solution platform	PER	15.0	3,25,215	271	18%	15%
Mcap / TP			18,33,304	1,526	100%	20%
Implied TP						
- PER				34		
- PBV				5		
- EV/EBITDA				16		

Source: Company, PL

Exhibit 7: EV/EBITDA valuation band at historic averages



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	275,880	383,808	453,708	429,747
YoY gr. (%)	16.1	39.1	18.2	(5.3)
Cost of Goods Sold	10,041	35,478	52,560	86,724
Gross Profit	265,839	348,330	401,148	343,023
Margin (%)	96.4	90.8	88.4	79.8
Employee Cost	10,926	11,558	12,226	12,933
Other Expenses	111,545	150,378	176,752	95,997
EBITDA	79,888	123,679	151,571	177,672
YoY gr. (%)	13.1	54.8	22.6	17.2
Margin (%)	29.0	32.2	33.4	41.3
Depreciation and Amortization	19,782	23,579	25,162	26,194
EBIT	60,106	100,099	126,409	151,478
Margin (%)	21.8	26.1	27.9	35.2
Net Interest	36,329	47,687	65,700	78,363
Other Income	7,371	6,783	7,035	7,935
Profit Before Tax	31,645	59,195	67,743	81,050
Margin (%)	11.5	15.4	14.9	18.9
Total Tax	7,717	14,799	16,936	20,263
Effective Tax Rate (%)	24.4	25.0	25.0	25.0
Profit After Tax	23,928	44,396	50,808	60,788
Minority Interest	(496)	965	1,150	3,343
Share Profit from Associate	-	-	-	-
Adjusted PAT	24,424	43,432	49,658	57,444
YoY gr. (%)	34.9	77.8	14.3	15.7
Margin (%)	8.9	11.3	10.9	13.4
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	24,424	43,432	49,658	57,444
YoY gr. (%)	157.8	77.8	14.3	15.7
Margin (%)	8.9	11.3	10.9	13.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	24,424	43,432	49,658	57,444
Equity Shares O/s (mn)	1,201	1,201	1,201	1,201
EPS (INR)	20.3	36.2	41.3	47.8

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	587,482	631,046	666,636	682,636
Tangibles	576,027	619,591	655,181	671,181
Intangibles	11,455	11,455	11,455	11,455
Acc: Dep / Amortization	125,426	149,005	174,167	201,641
Tangibles	125,426	149,005	174,167	201,641
Intangibles	-	-	-	-
Net Fixed Assets	462,057	482,041	492,469	480,995
Tangibles	450,601	470,586	481,014	469,540
Intangibles	11,455	11,455	11,455	11,455
Capital Work In Progress	20,536	20,536	20,536	20,536
Goodwill	5,983	5,983	5,983	5,983
Non-Current Investments	123,092	264,352	430,610	477,010
Net Deferred Tax Assets	(24,120)	(24,120)	(24,120)	(24,120)
Other Non-Current Assets	117,484	143,465	172,617	306,217
Current Assets				
Investments	22,363	22,363	22,363	23,863
Inventories	6,695	8,941	10,304	13,034
Trade Receivables	57,338	73,607	87,013	82,417
Cash & Bank Balance	39,473	45,505	55,145	98,486
Other Current Assets	57,235	57,235	57,235	57,235
Total Assets	928,349	1,140,581	1,371,298	1,583,286
Equity				
Equity Share Capital	12,013	12,013	12,013	12,013
Other Equity	242,263	285,694	335,352	431,874
Total Networth	254,275	297,707	347,365	443,887
Non-Current Liabilities				
Long Term Borrowings	453,673	606,036	777,126	872,616
Provisions	6,810	6,810	6,810	6,810
Other Non Current Liabilities	6,549	6,549	6,549	6,549
Current Liabilities				
ST Debt / Current of LT Debt	35,311	35,311	35,311	35,311
Trade Payables	49,937	66,373	76,344	96,319
Other Current Liabilities	70,431	70,431	70,431	70,431
Total Equity & Liabilities	928,349	1,140,581	1,371,298	1,583,286

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	31,148	59,195	67,743	81,050
Add. Depreciation	19,782	23,579	25,162	26,194
Add. Interest	36,329	47,687	65,700	78,363
Less Financial Other Income	7,371	6,783	7,035	7,935
Add. Other	(7,087)	-	-	-
Op. Profit before WC Changes	80,172	130,461	158,606	185,607
Net Changes-WC	34,085	(2,537)	(5,270)	19,855
Direct Tax	(4,291)	(14,799)	(16,936)	(20,263)
Net Cash from Op. Activities	109,967	113,126	136,400	185,200
Capital Expenditures	(144,823)	(187,227)	(205,838)	(168,526)
Interest / Dividend Income	4,068	-	-	-
Others	(74)	(23,579)	(25,162)	(26,194)
Net Cash from Invst. Activities	(140,829)	(210,806)	(231,000)	(194,720)
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	65,689	152,363	171,090	95,490
Dividend Paid	-	-	-	-
Interest Paid	(40,749)	(47,687)	(65,700)	(78,363)
Others	1,364	(965)	(1,150)	(3,343)
Net Cash from Fin. Activities	26,303	103,711	104,240	13,784
Net Change in Cash	(4,559)	6,031	9,640	4,264
Free Cash Flow	(34,351)	(74,101)	(69,438)	16,674

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	67,297	74,433	97,111	100,755
YoY gr. (%)	15.4	16.8	42.4	52.8
Raw Material Expenses	2,307	3,919	672	1,728
Gross Profit	64,990	70,513	96,439	99,027
Margin (%)	96.6	94.7	99.3	98.3
EBITDA	23,357	21,450	30,085	31,007
YoY gr. (%)	9.9	(4.7)	30.0	35.5
Margin (%)	34.7	28.8	31.0	30.8
Depreciation / Depletion	4,962	5,078	5,854	6,006
EBIT	18,396	16,372	24,231	25,001
Margin (%)	27.3	22.0	25.0	24.8
Net Interest	9,130	9,543	11,517	11,803
Other Income	2,148	1,448	1,411	1,638
Profit before Tax	8,011	9,101	14,411	17,672
Margin (%)	11.9	12.2	14.8	17.5
Total Tax	2,262	2,410	1,559	(12,743)
Effective Tax Rate (%)	28.2	26.5	10.8	(72.1)
Profit After Tax	5,749	6,691	12,852	30,414
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	5,749	6,691	12,852	13,639
YoY gr. (%)	(8.1)	(2.5)	137.6	144.3
Margin (%)	8.5	9.0	13.2	13.5
Extra Ord. Income / (Exp)	-	-	-	(16,775)
Reported PAT	5,749	6,691	12,852	30,414
YoY gr. (%)	(8.1)	(2.5)	137.6	444.8
Margin (%)	8.5	9.0	13.2	30.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	5,749	6,691	12,852	30,414
Avg. Shares O/s (mn)	-	-	-	-
EPS (INR)	-	-	-	-

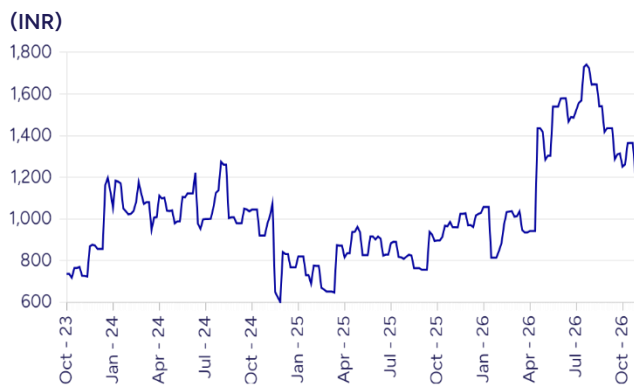
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	20.3	36.2	41.3	47.8
CEPS	36.8	55.8	62.3	69.6
BVPS	211.7	247.8	289.2	369.5
FCF	(28.6)	(61.7)	(57.8)	13.9
DPS	-	-	-	-
Return Ratio (%)				
RoCE	8.8	11.9	12.0	12.1
ROIC	7.3	9.7	9.8	10.0
RoE	10.3	15.7	15.4	14.5
Balance Sheet				
Net Debt : Equity (x)	1.7	1.9	2.1	1.8
Net Working Capital (Days)	19	15	17	(1)
Valuation (x)				
PER	60.0	33.7	29.5	25.5
P/B	5.8	4.9	4.2	3.3
P/CEPS	33.2	21.9	19.6	17.5
EV/EBITDA	23.8	16.6	14.6	12.7
EV/Sales	6.9	5.3	4.9	5.3
Dividend Yield (%)	-	-	-	-
FCFF Yield (%)	(2.3)	(5.1)	(4.7)	1.1
PEG Ratio	1.7	0.4	2.1	1.6

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Oct-26	HOLD	1319	1752
2	22-Jul-26	HOLD	1752	1724
3	08-Jul-26	HOLD	1452	1651
4	27-Apr-26	Hold	1452	1412
5	08-Apr-26	Accumulate	1090	986
6	04-Mar-26	Accumulate	1090	961

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Adani Energy Solutions	HOLD	1319	1752
2	Adani Power	BUY	197	259
3	Ahluwalia Contracts (India)	BUY	930	576
4	Ashoka Buildcon	BUY	150	106
5	CESC	BUY	131	204
6	Coal India	Accumulate	415	472
7	Dilip Buildcon	Accumulate	507	401
8	H.G. Infra Engineering	Accumulate	622	417
9	Indian Energy Exchange	HOLD	106	122
10	IRCON International	HOLD	136	108
11	JSW Energy	BUY	485	613
12	KNR Constructions	HOLD	126	116
13	NCC	BUY	195	128
14	NTPC	BUY	317	421
15	PNC Infratech	BUY	271	138
16	Power Grid Corporation of India	BUY	253	317
17	PSP Projects	Accumulate	1062	762
18	Rail Vikas Nigam	SELL	165	199
19	ITES	BUY	267	204
20	Tata Power Company	Accumulate	345	414

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BUY	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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