PL Capital
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CESC (CESC IN)

Rating: BUY | CMP: Rs154 | TP: Rs204

February 8, 2026

Q3FY26 Result Update

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	1,82,490	2,01,503	2,20,104	2,46,317
EBITDA (Rs. m)	39,370	43,455	47,626	57,464
Margin (%)	*21.6*	*21.6*	*21.6*	*23.3*
PAT (Rs. m)	14,390	16,093	17,103	18,505
EPS (Rs.)	10.8	12.1	12.8	13.9
Gr. (%)	*4.6*	*11.8*	*6.3*	*8.2*
DPS (Rs.)	4.5	6.0	6.0	6.0
Yield (%)	*2.9*	*3.9*	*3.9*	*3.9*
RoE (%)	*12.3*	*12.9*	*12.7*	*12.7*
RoCE (%)	*9.8*	*10.2*	*9.9*	*10.2*
EV/Sales (x)	1.9	1.8	1.7	1.8
EV/EBITDA (x)	8.7	8.3	8.0	7.6
PE (x)	14.2	12.7	12.0	11.1
P/BV (x)	1.7	1.6	1.5	1.3

Key Data	CESC.BO | CESC IN
52-W High / Low	Rs.185 / Rs.119
Sensex / Nifty	81,666 / 25,088
Market Cap	Rs.204bn/ $ 2,229m
Shares Outstanding	1,326m
3M Avg. Daily Value	Rs.277.78m

Shareholding Pattern (%)

Promoter's	52.11
Foreign	11.88
Domestic Institution	25.62
Public & Others	10.39
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(10.1)	(7.2)	13.8
Relative	(10.1)	(11.3)	6.0

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Profit growth driven by operations

PAT increased 8% YoY in 3QFY26 and 11% YoY in 9MFY26, putting the company on track for double-digit earnings growth in FY26, a sharp improvement over the low single-digit PAT CAGR delivered over the past 3–5 years. The recovery is led by stronger performance at the Chandrapur plant and a sustained reduction in losses at Malegaon. On the operating front, Malegaon's T&D losses improved to 35% versus 37% YoY (40% QoQ), while Q3FY26 generation declined 4% YoY at Haldia and rose 6% YoY at Chandrapur. Regulatory income in the Kolkata distribution business moderated to Rs 2.8 bn in 9MFY26 from Rs 10 bn YoY, which is positive for cash flows. CESC aims to expand renewable capacity to 1.2 GW by FY27E and 3.2 GW by FY29E, with PPAs already tied up for 0.7 GW of the FY27E target. Valuations remain attractive at 1.3x FY28E BV, at a discount to peers; we have a BUY with an SoTP-based target price of Rs 204 and an implied dividend yield of ~4%. Key catalysts include potential discom privatization wins and continued traction in the renewables business.

- **Good quarter:** CESC reported revenue (including regulatory income) of Rs 42 bn in 3QFY26, reflecting an 8% YoY increase, supported by stable demand across its distribution businesses. EBITDA grew 4% YoY to Rs 9 bn, driven primarily by meaningful savings in fuel and power procurement costs, along with continued improvement in distribution efficiency as T&D losses trended lower. Regulatory income declined sharply by 57% YoY to Rs 1.4 bn (vs. Rs 3.2 bn in the corresponding quarter last year), highlighting a reduced reliance on regulatory true-ups and improved underlying cash-flow quality. PAT came in at Rs 3 bn, up 8% YoY, aided by operational efficiencies, incremental contribution from the Chandrapur PPA, and lower losses at the Malegaon distribution business, reinforcing the company's improving earnings profile.

- **Volume growth in the distribution circle:** For Q3FY26, distribution volumes showed steady traction across most operating areas. CESC's standalone sales increased ~2% YoY to 2,478MU, supported by stable demand in the Kolkata license area, even as generation volumes declined modestly. Noida Power (NPCL) reported sales of 820MU in Q3FY26, up 6% YoY, driven by sustained industrial and commercial demand. Among the Rajasthan distribution franchisees, performance continued to improve on the back of loss-reduction initiatives. With EBITDA improving across most circles alongside lower T&D losses. In Malegaon distribution franchise (DF), volumes increased to 219MU, though the business continues to face elevated losses. T&D losses moderated to ~35% from ~37% YoY, leading to a gradual reduction in losses, though the segment remained EBITDA-negative during the quarter

- **Renewables expansion underway:** CESC's renewables business continues to scale up meaningfully, with a clear roadmap to 3.2GW by FY29 and ~10GW by FY32, focused on solar, hybrid, FDRE and BESS-linked projects. As of Q3FY26, the company had ~2.15GW of renewables capacity under implementation, involving an aggregate capex of ~Rs148bn and offering annualized revenue potential of ~Rs21bn. During the quarter, the company secured 2 marquee projects: a 300MW solar + BESS project under SECI at a tariff of Rs2.86/kWh and a 180MW RTC renewables project from REMCL at Rs4.35/kWh, strengthening long-term contracted visibility. Execution progress remains healthy, with ~3,531 acres of land already acquired, transmission connectivity approvals in place for ~3.9GW, and 600MW of solar projects under EPC execution with Waaree and Sterling & Wilson. In parallel, CESC is advancing its 3GW solar cell and module manufacturing plan, having secured an LoI from the Uttar Pradesh government for 100 acres in Greater Noida with commissioning targeted around 2027.

Exhibit 1: Quarterly Table

Particulars (Rs mn)	3QFY26	3QFY25	YoY gr. (%)	2QFY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	41,680	38,610	8.0	53,390	-21.9	1,49,370	1,42,320	5.0
EBITDA	9,420	9,100	3.5	11,330	-16.9	31,670	29,850	6.1
EBIDTA margin (%)	*22.6%*	*23.6%*		*21.2%*		*21.2%*	*21.0%*	
Other Income	940	960	-2.1	840	11.9	2,610	2,210	18.1
Depreciation	3,080	3,050	1.0	3,110	-1.0	9,230	9,010	2.4
Interest	3,430	3,390	1.2	3,370	1.8	10,430	9,890	5.5
PBT	3,850	3,620	6.4	5,690	-32.3	14,620	13,160	11.1
TAX	810	800	1.3	1200	-32.5	3,050	2,730	11.7
Reported PAT	3,040	2,820	7.8	4,490	-32.3	11,570	10,430	10.9
PAT margin %	*7.3%*	*7.3%*		*8.4%*		*7.7%*	*7.3%*	

Source: Company, PL

Exhibit 2: Subsidiary-wise PAT break-up

Particulars (Rs mn)	3QFY26	3QFY25	YoY gr. (%)	2QFY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Standalone	1760	1720	2.3	2420	-27.3	6290	5820	8.1
Haldia	570	560	1.8	840	-32.1	2240	2140	4.7
Chandrapur / Dhairwal	700	510	37.3	980	-28.6	2840	2440	16.4
Crescent	160	150	6.7	120	33.3	390	420	-7.1
Chandigarh	50	0	NA	80	-37.5	131.2	0	NA
Noida	510	440	15.9	590	-13.6	1600	1340	19.4
Rajasthan DF	100	30	233.3	40	150.0	220	100	120.0
-Kota	20	-20	-200.0	-30	-166.7	0	-90	NA
-Bikaner	60	20	200.0	40	50.0	120	50	140.0
-Bharatpur	20	30	-33.3	30	-33.3	100	80	25.0
Malegaon	-290	-380	-23.7	-350	-17.1	-1080	-1230	NA
Less: Inter-segment/ eliminations	-520	-210	NA	-270	92.6	-1101	-600	NA
Total	**3040**	**2820**	**7.8**	**4450**	**-31.7**	**11530**	**10430**	**10.5**

Source: Company, PL

Exhibit 3: T&D loss

	3QFY26	3QFY25	YoY	2QFY26	QoQ	9MFY26	9MFY25	YoY
Noida Power	6%	6%	-1bps	9%	-3bps	6%	6%	-1bps
Kota DF	13%	16%	-260%	15%	-185%	13%	16%	-260%
Bharatpur DF	8%	10%	-160%	10%	-183%	8%	10%	-160%
Bikaner DF	9%	14%	-440%	14%	-483%	9%	14%	-440%
Malegaon DF	35%	37%	-240%	40%	-509%	35%	37%	-240%
Chandigarh Power	13%	0%	1300%	0%	1300%	13%	0%	1300%

Source: Company, PL

Outlook & Valuations

CESC is India's first fully integrated electrical utility company (since 1899) with business interests in generation (2.1GW operating asset) and distribution of power (more than 6 cities/ towns) and has vast experience in running and turning around discoms. We retain 'BUY' with a SoTP-based TP of Rs203. **Risks:** (1) Adverse or delay in recovery of dues from discoms and (2) capital allocation to projects earning lower equity IRR. We value **CESC** using the SoTP framework, arriving at TP of **Rs204/share**, reflecting the diversified nature of its regulated, generation and renewable businesses.

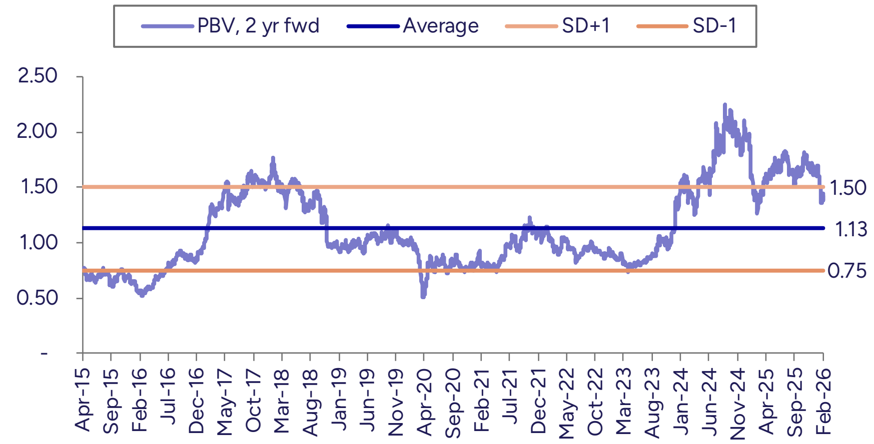
- The standalone regulated distribution and generation business (Kolkata discom and power plants) is valued at 1.4x FY25 BV, contributing Rs56/share (~28%), supported by a stable cost-plus regime and regulated RoE of ~17%.
- The thermal generation subsidiaries—Dhariwal (600MW) and Haldia (600MW)—are valued at 1.3x–2.0x BV, contributing Rs44/share (~22%). Dhariwal benefits from high PPA coverage (90%+) with residual merchant exposure, while Haldia enjoys a superior regulated RoE of ~22% under a cost-plus structure.
- The Noida and Chandigarh distribution businesses, both regulated equity models with ~18% RoE, together contribute Rs10/share (~5%), reflecting steady cash flows and improving regulatory visibility.
- The renewables platform is a key growth driver and is valued at 12x FY28E EV/EBITDA, contributing Rs69/share (~33%), factoring in part of capacity awaiting PPA.
- The DF business and regulatory assets are conservatively valued at 1.0x book value, contributing Rs24/share (~12%), providing downside protection to valuations.
- Overall, the SoTP valuation highlights CESC's balanced mix of stable regulated earnings and high-growth renewables, with the stock currently trading close to book value, offering an attractive risk-reward as renewables scale up and regulatory cash-flow visibility improves.

Exhibit 4: SOTP based TP Rs204

Segment	Multiple (x)	Target value (Rs mn)	Value/ share (Rs)	%	Remarks
Standalone	1.4	74,913	56	28%	Kolkata discom and power plant cost plus basis, with RoE 17%
Dhariwal	1.3	36,193	27	13%	600MW, 90%+ power sold in PPA and rest on merchant, with RoE 17%
Haldia	2.0	23,310	17	9%	600MW, sold on cost plus, with RoE 22%
Noida	1.6	9,839	7	4%	Regulated equity business with RoE ~18%
Chandigarh	1.5	3,375	3	1%	Regulated equity business with RoE ~18%
Renewable	12	91,980	69	34%	FY28E EBITDA valued at 12x EV / EBITDA
DF business	1.0	7,123	5	3%	Valued on 1.0x BV FY25
Regulatory assets	1.0	25,000	19	9%	Valued on 1x BV
Total			**204**	**100%**	

Source: Company, PL

Exhibit 5: CESC trades at 1.3x FY28E BVPS



Source: Company, PL

Key Risks

- CESC's distribution and generation businesses operate largely under regulated cost-plus frameworks, making earnings sensitive to tariff orders, RoE resets, and regulatory lag. Delays or adverse outcomes in tariff revisions, especially in Kolkata discom and newly acquired Chandigarh discom, could impact cash flows and return ratios. The management itself has highlighted the structural difficulty in raising tariffs in India.

- The company plans an aggressive renewable capacity ramp-up to 3.2GW by FY29 and 10GW by FY32, involving large hybrid, FDRE and BESS projects. This exposes CESC to execution delays, land acquisition challenges, grid connectivity risks, and EPC/vendor performance issues, which could defer CODs and earnings visibility.

- Renewables expansion and solar manufacturing initiatives entail high upfront capex (~Rs148bn for projects under implementation). Any slowdown in cash generation from regulated businesses or delays in project monetization could lead to higher leverage and pressure on return metrics, particularly during the peak construction phase.

- While a large part of thermal capacity is backed by PPAs, a portion of generation (especially at Dhariwal) has merchant exposure, making earnings vulnerable to power price volatility, fuel cost movements, and plant load factors. Any sustained weakness in merchant tariffs or fuel supply disruptions could impact profitability.

- Certain DF areas, notably Malegaon, continue to report high AT&C losses, despite gradual improvement. Slower-than-expected loss reduction, political interference, or collection inefficiencies could weigh on DF profitability and dilute consolidated margins.

Annexure

CESC: One of the oldest utility companies in India

- CESC Ltd is an integrated power utility with operations spanning power distribution, thermal generation and renewable energy, backed by a stable regulated business model and expanding clean energy portfolio. The company is part of the RP–Sanjiv Goenka Group and has a long operating history in India's power sector.

- Distribution: CESC's core business is regulated power distribution, anchored by its legacy license area in Kolkata and adjoining regions of West Bengal, serving ~3.7mn consumers. Outside Kolkata, the company operates distribution utilities in Greater Noida (NPCL) and recently acquired Chandigarh Power Distribution Ltd, along with DF operations in Rajasthan (Kota, Bharatpur, Bikaner) and Maharashtra (Malegaon). Distribution earnings are largely cost-plus in nature, offering stable returns driven by regulated equity and efficiency improvements such as AT&C loss reduction.

- Thermal Generation: CESC owns and operates ~2.1GW of thermal capacity, including plants at Kolkata (Budge Budge and Southern), Haldia (600MW), Dhariwal (600MW) and Asansol (40MW). Majority of the generation is tied to long-term PPAs or linked to own distribution, providing earnings stability, while limited merchant exposure offers upside during favorable power price cycles.

- Renewable Energy: Renewables represent CESC's key growth engine, housed under its subsidiary Purvah Green Power. The company targets 3.2GW of renewable capacity by FY29 and ~10GW by FY32, with a focus on solar, hybrid, FDRE and BESS-based projects awarded through SECI, REMC and NTPC tenders. The renewable portfolio provides long-term contracted cash flows and enhances earnings visibility as projects get commissioned.

- Solar Manufacturing (upcoming): CESC is entering solar cell and module manufacturing (3GW capacity), aligned with India's domestic manufacturing and DCR requirements. While still in early stages, this business is intended to support captive renewable demand and reduce supply-chain risk over the medium term.

Shareholding

- CESC is owned by the RPSG Group, with 52% stake.

- DIIs own ~26% with 1%+ owned by SBI MF, LIC, FT, Nippon, HDFC, and ICICI Pru MF.

Management team

- **Dr. Sanjiv Goenka, Chairman**: He is the Chairman of CESC and the promoter of the RP–Sanjiv Goenka Group. He has decades of experience across power, infrastructure, FMCG, retail, media and sports. Under his leadership, CESC has transitioned from a legacy regulated utility to a diversified power platform with a strong renewables growth agenda, while maintaining balance sheet discipline and regulatory stability.

- **Mr. Shashwat Goenka, Vice Chairman**: He represents the next generation of leadership within the group. He plays a key role in strategic direction, capital allocation and growth initiatives, particularly in new-age and emerging businesses. At CESC, he is closely involved in renewables expansion and long-term transformation strategy.

- **Mr. Brajesh Singh, Managing Director – Generation**: He oversees CESC's thermal generation portfolio, including operations at Kolkata, Haldia and Dhariwal. He brings deep experience in power plant operations, fuel management, PPA frameworks and efficiency improvement, with a focus on maintaining plant availability, cost optimization and regulatory compliance.

- **Mr. Vineet Sikka, Managing Director – Distribution**: He heads CESC's distribution businesses, covering Kolkata, Noida, Chandigarh and distribution franchisee operations. He has extensive experience in regulated utilities, AT&C loss reduction, billing & collection efficiency, and digitalization of customer interfaces, which is critical to sustaining regulated RoE and improving cash flows.

- **Mr. Rajarshi Banerjee, Executive Director & CFO**: He is responsible for finance, treasury, capital structure, investor relations and risk management. He plays a central role in funding CESC's renewable capex cycle, maintaining liquidity, and balancing leverage while supporting growth across regulated and non-regulated businesses.

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	**1,82,490**	**2,01,503**	**2,20,104**	**2,46,317**
YoY gr. (%)	*7.0*	*10.4*	*9.2*	*11.9*
Cost of Goods Sold	60	-	-	-
Gross Profit	1,82,430	2,01,503	2,20,104	2,46,317
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	12,210	-	-	-
Other Expenses	20,800	-	-	-
EBITDA	**39,370**	**43,455**	**47,626**	**57,464**
YoY gr. (%)	*1.4*	*10.4*	*9.6*	*20.7*
Margin (%)	*21.6*	*21.6*	*21.6*	*23.3*
Depreciation and Amortization	12,050	11,379	13,180	16,501
EBIT	**27,320**	**32,076**	**34,446**	**40,963**
Margin (%)	*15.0*	*15.9*	*15.6*	*16.6*
Net Interest	13,240	15,040	16,218	21,139
Other Income	3,740	3,132	3,224	3,366
Profit Before Tax	**17,820**	**20,168**	**21,452**	**23,189**
Margin (%)	*9.8*	*10.0*	*9.7*	*9.4*
Total Tax	3,540	3,460	3,698	3,998
Effective tax rate (%)	*19.9*	*17.2*	*17.2*	*17.2*
Profit after tax	**14,280**	**16,708**	**17,753**	**19,192**
Minority interest	590	616	651	686
Share Profit from Associate	-	-	-	-
Adjusted PAT	**14,390**	**16,093**	**17,103**	**18,505**
YoY gr. (%)	*4.6*	*11.8*	*6.3*	*8.2*
Margin (%)	*7.9*	*8.0*	*7.8*	*7.5*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**14,390**	**16,093**	**17,103**	**18,505**
YoY gr. (%)	*4.6*	*11.8*	*6.3*	*8.2*
Margin (%)	*7.9*	*8.0*	*7.8*	*7.5*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	14,390	16,093	17,103	18,505
Equity Shares O/s (m)	**1,332**	**1,332**	**1,332**	**1,332**
EPS (Rs)	**10.8**	**12.1**	**12.8**	**13.9**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	**3,26,534**	**3,62,058**	**4,01,082**	**4,77,106**
Tangibles	629	629	629	629
Intangibles	10,309	10,309	10,309	10,309
Acc: Dep / Amortization	**1,09,806**	**1,21,185**	**1,34,365**	**1,50,867**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net fixed assets	**2,27,665**	**2,51,810**	**2,90,850**	**3,36,068**
Tangibles	2,17,356	2,41,501	2,80,541	3,25,759
Intangibles	10,309	10,309	10,309	10,309
Capital Work In Progress	4,273	4,273	4,273	4,273
Goodwill	-	-	-	-
Non-Current Investments	658	658	658	658
Net Deferred tax assets	(33,911)	(33,911)	(33,911)	(33,911)
Other Non-Current Assets	16,366	16,366	16,366	16,366
Current Assets				
Investments	-	-	-	-
Inventories	7,252	7,912	8,734	9,680
Trade receivables	24,277	27,875	30,602	34,208
Cash & Bank Balance	40,419	46,153	51,856	56,757
Other Current Assets	88,860	90,106	91,332	92,952
Total Assets	**4,09,811**	**4,45,196**	**4,94,714**	**5,51,005**
Equity				
Equity Share Capital	1,332	1,332	1,332	1,332
Other Equity	1,18,765	1,28,125	1,38,727	1,50,801
Total Networth	**1,20,097**	**1,29,457**	**1,40,059**	**1,52,133**
Non-Current Liabilities				
Long Term borrowings	1,28,538	1,52,538	1,79,038	2,37,038
Provisions	5,822	5,822	5,822	5,822
Other non current liabilities	30,695	30,695	30,695	30,695
Current Liabilities				
ST Debt / Current of LT Debt	48,652	48,652	48,652	48,652
Trade payables	15,880	17,327	19,126	21,197
Other current liabilities	20,289	20,289	20,289	20,289
Total Equity & Liabilities	**4,09,812**	**4,45,234**	**4,84,786**	**5,57,618**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	17,823	20,168	21,452	23,189
Add. Depreciation	12,055	11,379	13,180	16,501
Add. Interest	13,240	15,040	16,218	21,139
Less Financial Other Income	3,740	3,132	3,224	3,366
Add. Other	(1,649)	(3,132)	(3,224)	(3,366)
Op. profit before WC changes	41,469	43,455	47,626	57,464
Net Changes-WC	(11,534)	(4,106)	(2,972)	(4,104)
Direct tax	(3,800)	(3,615)	(3,923)	(4,253)
Net cash from Op. activities	**25,815**	**35,734**	**40,731**	**49,107**
Capital expenditures	(18,524)	(35,524)	(39,024)	(76,024)
Interest / Dividend Income	1,425	3,132	3,224	3,366
Others	(13,025)	-	-	-
Net Cash from Invt. activities	**(30,125)**	**(32,392)**	**(35,801)**	**(72,659)**
Issue of share cap. / premium	-	-	-	-
Debt changes	33,646	24,000	26,500	58,000
Dividend paid	(6,031)	(7,953)	(7,953)	(7,953)
Interest paid	(13,725)	(15,040)	(16,218)	(21,139)
Others	(522)	-	-	-
Net cash from Fin. activities	**13,369**	**1,006**	**2,328**	**28,907**
Net change in cash	**9,059**	**4,349**	**7,258**	**5,356**
Free Cash Flow	7,184	210	1,706	(26,917)

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	**40,170**	**54,300**	**53,390**	**41,680**
YoY gr. (%)	*1.5*	*(2.2)*	*10.8*	*8.0*
Raw Material Expenses	9,370	9,700	10,400	8,520
Gross Profit	30,800	44,600	42,990	33,160
Margin (%)	*76.7*	*82.1*	*80.5*	*79.6*
EBITDA	**9,520**	**10,920**	**11,330**	**9,420**
YoY gr. (%)	*(3.1)*	*3.0*	*11.6*	*3.5*
Margin (%)	*23.7*	*20.1*	*21.2*	*22.6*
Depreciation / Depletion	3,040	3,040	3,110	3,080
EBIT	**6,480**	**7,880**	**8,220**	**6,340**
Margin (%)	*16.1*	*14.5*	*15.4*	*15.2*
Net Interest	3,350	3,630	3,370	3,430
Other Income	1,530	830	840	940
Profit before Tax	**4,660**	**5,080**	**5,690**	**3,850**
Margin (%)	*11.6*	*9.4*	*10.7*	*9.2*
Total Tax	810	1,040	1,200	810
Effective tax rate (%)	*17.4*	*20.5*	*21.1*	*21.0*
Profit after Tax	**3,850**	**4,040**	**4,490**	**3,040**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**3,850**	**4,040**	**4,490**	**3,040**
YoY gr. (%)	*(7.2)*	*4.1*	*20.4*	*7.8*
Margin (%)	*9.6*	*7.4*	*8.4*	*7.3*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**3,850**	**4,040**	**4,490**	**3,040**
YoY gr. (%)	*(7.2)*	*4.1*	*20.4*	*7.8*
Margin (%)	*9.6*	*7.4*	*8.4*	*7.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**3,850**	**4,040**	**4,490**	**3,040**
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	**115.6**	**121.3**	**134.8**	**91.3**

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	10.8	12.1	12.8	13.9
CEPS	19.8	20.6	22.7	26.3
BVPS	90.2	97.2	105.1	114.2
FCF	5.4	0.2	1.3	(20.2)
DPS	4.5	6.0	6.0	6.0
Return Ratio(%)				
RoCE	9.8	10.2	9.9	10.2
ROIC	9.2	9.9	9.6	9.8
RoE	12.3	12.9	12.7	12.7
Balance Sheet				
Net Debt : Equity (x)	1.1	1.2	1.3	1.5
Net Working Capital (Days)	31	33	34	34
Valuation(x)				
PER	14.2	12.7	12.0	11.1
P/B	1.7	1.6	1.5	1.3
P/CEPS	7.8	7.5	6.8	5.9
EV/EBITDA	8.7	8.3	8.0	7.6
EV/Sales	1.9	1.8	1.7	1.8
Dividend Yield (%)	2.9	3.9	3.9	3.9

Source: Company Data, PL Research

Price Chart

Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Ashoka Buildcon	BUY	183	153
2	Indian Energy Exchange	Hold	135	127
3	NTPC	BUY	423	356
4	Power Grid Corporation of India	BUY	324	270
5	PSP Projects	BUY	1,028	750
6	RITES	BUY	276	223
7	Tata Power Company	Hold	359	366

PL's Recommendation Nomenclature (Absolute Performance)

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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