PL Capital
PRABHUDAS LILLADHER

Dilip Buildcon (DBL IN)

Rating: ACCUMULATE | CMP: Rs454 | TP: Rs514

February 11, 2026

Q3FY26 Result Update

Key Financials - Standalone

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	90,045	72,650	89,274	1,15,318
EBITDA (Rs. m)	9,033	7,628	8,927	11,532
Margin (%)	*10.0*	*10.5*	*10.0*	*10.0*
PAT (Rs. m)	1,546	1,766	2,884	5,339
EPS (Rs.)	10.6	10.9	17.8	32.9
Gr. (%)	*(58.6)*	*2.8*	*63.3*	*85.2*
DPS (Rs.)	0.1	0.1	0.1	0.1
Yield (%)	*0.0*	*0.0*	*0.0*	*0.0*
RoE (%)	*2.9*	*2.9*	*4.2*	*7.4*
RoCE (%)	*8.4*	*6.3*	*7.3*	*9.8*
EV/Sales (x)	0.9	1.2	1.0	0.7
EV/EBITDA (x)	9.2	11.4	9.8	7.4
PE (x)	42.9	41.7	25.6	13.8
P/BV (x)	1.2	1.1	1.1	1.0

Key Data	DIBL.BO | DBL IN
52-W High / Low	Rs.588 / Rs.376
Sensex / Nifty	84,234 / 25,954
Market Cap	Rs.74bn/ $ 813m
Shares Outstanding	162m
3M Avg. Daily Value	Rs.178.87m

Shareholding Pattern (%)

Promoter's	63.14
Foreign	2.47
Domestic Institution	6.23
Public & Others	28.16
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	1.8	(4.2)	9.4
Relative	1.0	(8.3)	(0.9)

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Execution recovery ahead; record order book

Dilip Buildcon (DBL) reported robust order inflows of ~Rs179bn in YTDFY26, driving its order book to a record high of ~Rs293bn (around 4x TTM revenue). The order book remains well diversified across roads, mining, renewables, transmission, and irrigation. While execution remained subdued in 9MFY26 (revenue down 23% YoY), this trend is expected to reverse from FY27E. We have factored in revenue growth of 23% and 30% YoY in FY27E and FY28E, respectively, with a meaningful pickup likely from 2HFY27 onward. Net debt currently stands at ~Rs21bn (net DER ~0.3x), elevated due to lower execution over the past 2 years. However, the management remains committed to deleveraging, targeting Rs7–8bn debt reduction in FY27 and aiming to achieve a net debt-free balance sheet by FY28. Pending InvIT transfers are expected to yield Rs17–18bn of additional units, strengthening balance sheet resilience and annuity cash flows. DBL has already bid for ~Rs150bn of projects, with a broader industry pipeline of ~Rs700bn, positioning it well for sustained inflows of Rs100–150bn annually on a selective basis. We value DBL on SoTP basis, assigning 10x PER to the standalone EPC business and 4x EV/EBITDA to the coal MDO segment, along with investments at book value. This results in TP of Rs514 per share, implying upside potential; we have 'Accumulate' rating.

Strong FY26 order wins, its highest ever order book: DBL has secured ~Rs179bn of order inflows in YTDFY26, exceeding its initial annual guidance. This has led to the highest ever order book in the company's history at ~Rs293bn, with improved diversification across roads, mining, renewables, transmission, irrigation and urban infrastructure. The management expects execution normalization from FY27 and guiding for ~Rs100bn revenue (30–40% growth), supported by the robust order backlog.

Debt reduction strategy: Net debt currently stands at ~Rs21bn (net DER at ~0.3x), higher than earlier expectations due to muted execution over the past 2 years. However, the management reiterated its commitment to deleveraging, targeting Rs7–8bn reduction in FY27 and aiming to become net debt-free by FY28. The strategy is supported by higher execution-led cash flows and InvIT monetization, with Rs17–18bn of additional InvIT units expected from pending asset transfers. The management emphasized that retaining InvIT units strengthens long-term annuity income and balance sheet resilience.

Strong bid pipeline: DBL has already bid for ~Rs150bn worth of projects, largely in the roads segment (NHAI), with tender openings awaited. The broader NHAI pipeline remains sizable (~Rs700bn industry pipeline), although timing remains uncertain. For FY27, the company is targeting Rs100–150bn of fresh order inflows on a selective basis, prioritizing margin discipline and capital efficiency. Additionally, DBL remains open to BOT and asset-backed opportunities through its partnership platforms, reinforcing its transition toward a diversified, asset-led infrastructure model.

9MFY26 financial performance: DBL reported muted performance in 9MFY26, reflecting lower execution. Standalone revenue declined ~23% YoY to ~Rs51.5bn, while EBITDA stood at ~Rs5.35bn (Q3FY26 revenue -20% YoY). On a consolidated basis, revenue declined ~19% YoY to ~Rs66.8bn, with EBITDA at ~Rs13.7bn. However, reported PAT was supported by an exceptional gain from the transfer of 7 HAM assets to the InvIT platform. The management indicated that FY26 revenue is likely be at ~Rs70–75bn, with margin recovery expected from FY27 as execution ramps up.

Exhibit 1: Quarterly table

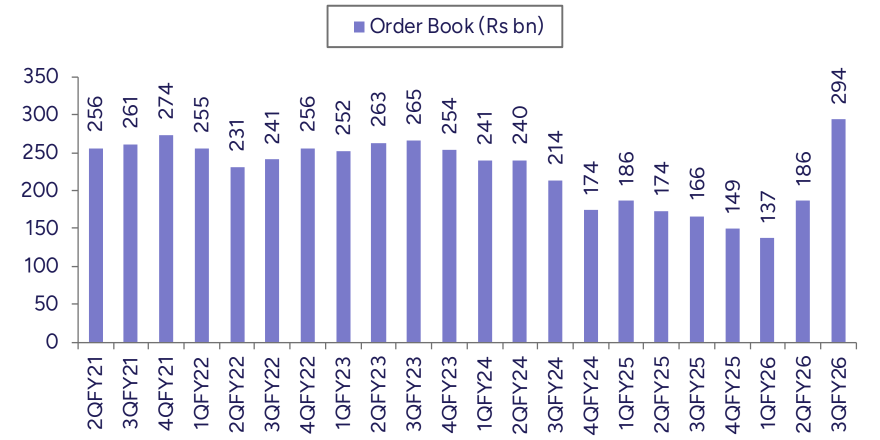
Particulars	Dec-25	Dec-24	*YoY gr. (%)*	Sep-25	*QoQ gr. (%)*	9MFY26	9MFY25	*YoY gr. (%)*
Net Sales	**17,182**	**21,549**	***(20.3)***	**14,166**	***21.3***	**51,448**	**66,898**	***(23.1)***
Cost of sales ex Depri	15,388	19,454	*(20.9)*	12,644	*21.7*	46,099	59,957	*(23.1)*
EBIDTA	**1,795**	**2,096**	***(14.4)***	**1,523**	***17.8***	**5,349**	**6,941**	***(22.9)***
EBITDA margin (%)	*10.4*	*9.7*	*72bps*	*10.8*	*-31bps*	*10.4*	*10.4*	*-2bps*
Other income	631	161	*292.1*	376	*67.8*	1,285	499	*157.5*
Depreciation	580	736	*(21.3)*	619	*(6.3)*	1,843	2,233	*(17.5)*
Interest	1,129	1,252	*(9.8)*	1,049	*7.7*	3,269	3,671	*(11.0)*
Exceptional items	5,772	816	*607.3*	418	*1,281.9*	7,170	1,794	*299.8*
Pre-tax profit	**6,488**	**1,085**	***498.2***	**649**	***899.6***	**8,693**	**3,329**	***161.1***
Tax (current+deferred)	378	209	*80.9*	241	*57.0*	947	690	*37.4*
Adj profit after tax	**675**	**217**	***211.2***	**146**	***363.3***	**7,745**	**2,639**	***193.5***
Reported profit after tax	**6,110**	**876**	***597.8***	**408**	***1,395.8***	**1,273**	**1,003**	***27.0***

Source: Company, PL

Q3FY26 earnings call highlights

- DBL's order book stands at ~Rs293bn, the highest in its history. Importantly, the order book is well-diversified across roads, mining, renewables, transmission, irrigation, and urban infrastructure, reducing dependence on any single segment. This provides strong multi-year revenue visibility and supports execution ramp-up in FY27.
- The company has already secured ~Rs179bn of inflows in YTDFY26, exceeding its initial annual guidance. With additional bids opened and pipeline visibility improving, the management remains optimistic about further additions.
- FY26 revenue is expected to close at ~Rs70–75bn due to slower execution over the past 2 years. However, with mobilization underway on recent wins, the management has guided for ~Rs100bn revenue in FY27, implying 30–40% growth.
- EBITDA margin hover at 10–11%, impacted by lower operating leverage. With higher execution and better fixed-cost absorption, margins are guided to improve to 12–13% in FY27. Improved sector diversification and disciplined bidding are expected to aid profitability.
- Net debt stands at ~Rs21bn, higher than earlier expectations due to muted execution. The management targets ~Rs7–8bn reduction in FY27 and aspires to become net debt-free by FY28. Deleveraging will be driven by higher EBITDA and InvIT monetization inflows.
- Seven HAM assets have already been transferred to the InvIT platform. The remaining 11 assets are expected to be monetized by FY27, generating ~Rs17–18bn of additional InvIT units.
- Coal production is expected at ~30MMT in FY26, with a target of ~57MMT by FY29. Mining is increasingly positioned as a central EBITDA and cash flow engine for DBL.
- Standalone capex has been moderated to ~Rs1bn annually versus peak levels of ~Rs5bn in earlier years. Most growth capex for mining and HAM assets is already incurred by the company. This improves free cash flow visibility and supports deleveraging.
- The combined equity requirement for solar and transmission projects is ~Rs17bn. DBL plans to contribute only ~Rs2–3bn, with the balance funded through structured/mezz debt at the HoldCo level.
- For FY27, DBL is targeting ~Rs100–150bn of fresh order inflows on a selective basis. The focus remains on profitability, return ratios, and capital efficiency, rather than aggressive volume growth. The management reiterated its commitment to disciplined bidding, especially in the roads segment.

Exhibit 2: Order book spurts post order wins in YTDFY26



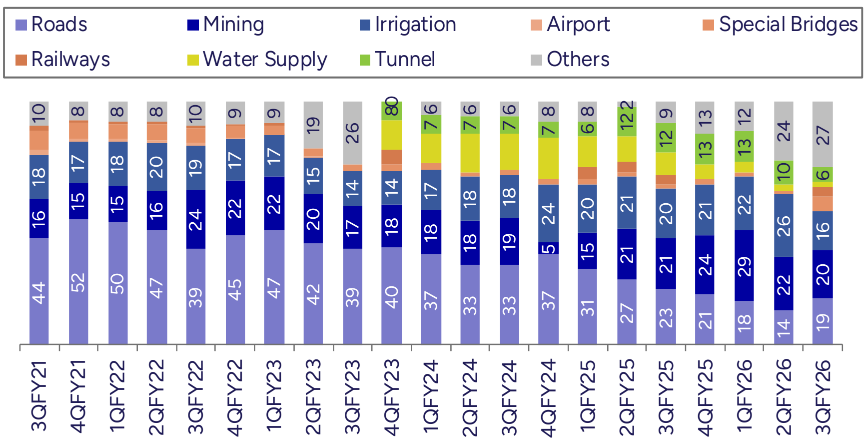
Source: Company, PL

Exhibit 3: YTDFY26 order wins

Project Name	Type	State	Client	Contract Value (Rs bn)	Order Won
Construction of Feeder from Isarda to Khura Chainpura to Bandh Baretha Bharatpur	HAM	Rajasthan	Rajasthan Water Grid Corporation Limited	20	Q2FY26
Construction of viaduct and 14 Elevated Station from Millennium City Centre to Sector-9, Gurugram Metro	EPC	Haryana	Gurugram Metro Rail Limited	13	Q2FY26
Development of a 100 MW Grid-Connected Ground-Mounted Solar PV Power Project	EPC	Madhya Pradesh	Madhya Pradesh Jal Nigam Maryadit	3	Q2FY26
Industrial Corridor at Pudussery Central & Kannambra of Palakkad Node	EPC	Kerala	The Kerala Industrial Corridor Development Corporation Limited	11	Q2FY26
Paramakudi to Ramanathapuram Sec of NH49 New NH87 from Km 80.360 to Km 127.025 DC in Tamil Nadu	HAM	Tamil Nadu	National Highways Authority of India	7	Q3FY26
Development of Barpali loading hub at Kusara	EPC	Odisha	South Eastern Railway	3	Q3FY26
MDO Contract for Development and Operation of Pottangi Bauxite Mines along with Overland Conveyor Corridor	EPC	Odisha	National Aluminum Company Limited (NALCO)	18	Q3FY26
Establishment of grid-connected Solar PV-based Power Plants under PM KUSUM-C (Surya Mitra Krishi Solarization)	EPC	Madhya Pradesh	Madhya Pradesh Urja Vikas Nigam Limited	49	Q3FY26
Establishing 400 kV Sub-station at Mekhali along with associated transmission lines (Belagavi District), Karnataka	EPC	Karnataka	REC Power Development and Consultancy Limited (RECPDCL)	19	Q3FY26
Construction of Ganga Path connecting Sultanganj-Bhagalpur-Sabour Road	EPC	Bihar	Adani Road Transport Limited	34	Q3FY26
Total				**176**	

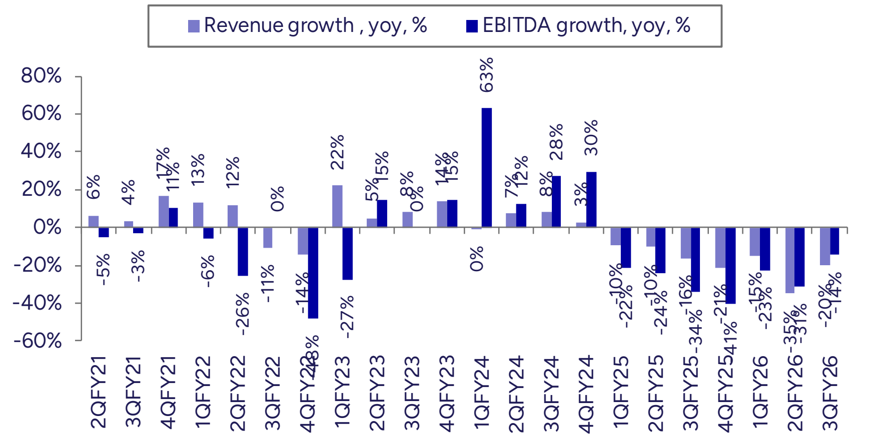
Source: Company, PL

Exhibit 4: Diversified order book



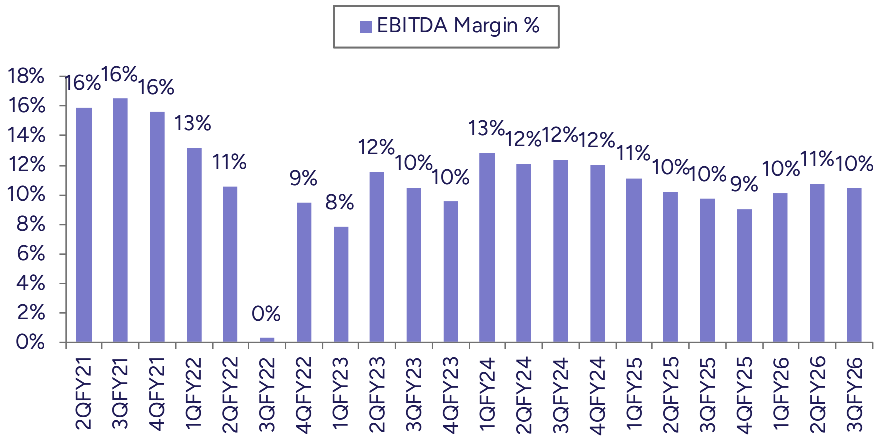
Source: Company, PL

Exhibit 5: Revenue growth muted so far



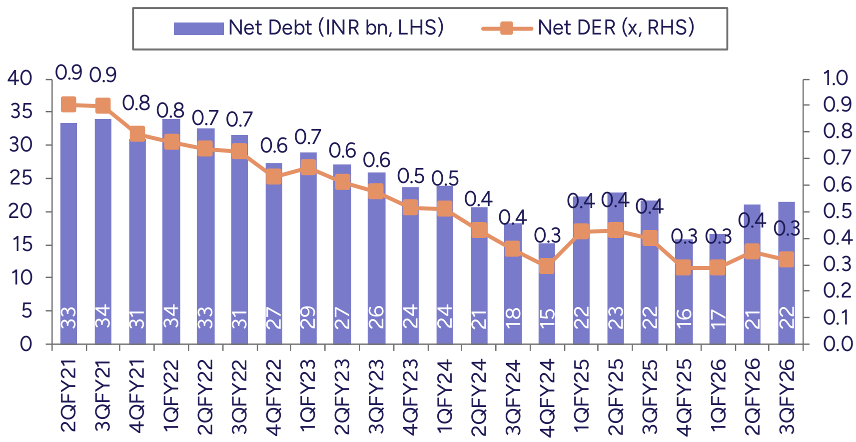
Source: Company, PL

Exhibit 6: EBITDA margin steady



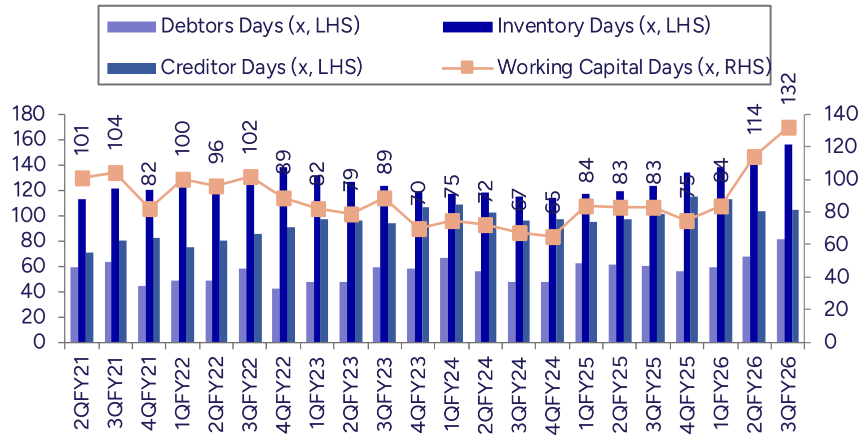
Source: Company, PL

Exhibit 7: Net debt has fallen over the years



Source: Company, PL

Exhibit 8: Working capital days higher due to lower revenue



Source: Company, PL

Exhibit 9: Operational and financial metrics

Rs mn	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Order Book	2,11,718	1,90,816	2,74,114	2,55,945	2,53,950	1,74,316	1,05,271	2,17,620	2,78,346	3,13,028
Order Inflow	64,019	68,936	1,75,387	71,892	99,200	25,739	21,000	1,85,000	1,50,000	1,50,000
Book to bill x			2.5	2.9	2.5	2.0	1.6	2.2	2.8	2.6
Revenue	91,182	89,838	92,089	90,061	1,01,195	1,05,373	90,045	72,650	89,274	1,15,318
Change YoY, %	18%	-1%	3%	-2%	12%	4%	-15%	-19%	23%	29%
EBITDA	16,044	15,720	14,690	7,536	9,884	12,991	9,033	7,628	8,927	11,532
EBITDA Margin %	18%	17%	16%	8%	10%	12%	10%	11%	10%	10%
Interest Cost	5,299	6,127	5,862	6,048	5,137	5,016	4,910	4,499	4,365	4,937
PAT	7,609	4,184	3,193	-1,214	1,199	3,736	1,546	1,766	2,884	5,339
Change YoY, %	23%	-44%	-25%	-127%	-358%	90%	-59%	14%	63%	85%
PAT Margin %	8%	5%	3%	-1%	2%	4%	3%	11%	3%	5%
WC as a % of sales	42%	35%	46%	51%	39%	39%	48%	59%	49%	40%
Net debt (Rs bn)	30,124	24,130	30,988	27,389	23,760	17,729	18,712	13,452	13,629	11,618
Net debt/ equity (x)	0.94	0.67	0.79	0.63	0.52	0.34	0.34	0.20	0.20	0.15
Capex (Rs bn)	5,705	3,694	2,945	1,360	554	1,420	1,759	1,000	1,000	1,000

Source: Company, PL

Outlook & valuations

We derive SoTP-based TP of Rs514 per share for DBL based on FY28E earnings and asset valuations.

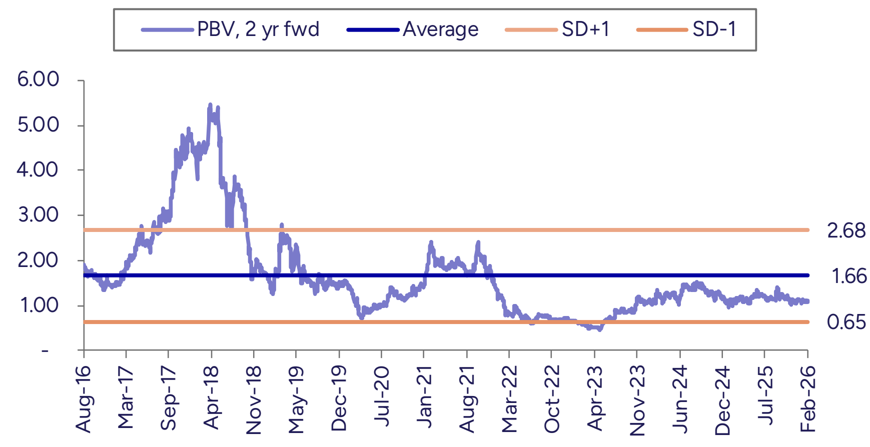
- For the standalone EPC business (excluding other income), we assign a 10x PER to FY28E PAT of Rs2,920mn, arriving at an equity value of Rs29,195mn (A).
- Separately, we value the coal MDO business on an EV/EBITDA multiple of 4x, applied to FY28E EBITDA of Rs7,354mn, implying an EV of Rs29,417mn; after adjusting for MDO net debt of Rs5,530mn, which translates into an equity value of Rs23,887mn.
- Additionally, we include book value of investments (ex-coal MDO) at Rs30,360mn. Aggregating the 3 components yields a total equity value of Rs83,442mn, which divided by 162mn shares results in TP of Rs514 per share with 'ACCUMULATE' rating.

Exhibit 10: SoTP-based TP of DBL at Rs514/share

Particulars		FY28E
Standalone PAT, Ex other income (Rs)		2,920
Target Multiple, PER (x)		10.0
Equity value (Rs)	A	29,195
BV Investment , ex coal MDO (Rs)	B	30,360
Coal MDO EBITDA (Rs)		7,354
Target Multiple, EV EBITDA (x)		4.0
EV (Rs)		29,417
MDO Debt (Rs)		5,530
Equity value (Rs)	C	23,887
Total Equity Value (Rs)	A+B+C	83,442
No. of shares		162
Target price (Rs)		**514**

Source: Company, PL

Exhibit 11: DBL PB valuation band, at 1x BV



Source: Company, PL

Key risks

- **Revenue growth miss risk (FY27 target ~Rs100bn):** The management has guided for 30–40% revenue growth in FY27 (targeting ~Rs100bn vs. Rs70–75bn for FY26E). Any delay in project mobilization (typically 6+ months post award) or slower execution ramp-up could lead to revenue falling short of guidance.

- **Margin expansion risk (target EBITDA 12–13%):** EBITDA margin stands at 10–11%, with the management targeting 12–13% in FY27. Failure to improve operating leverage or aggressive industry bidding could limit margin expansion, impacting profitability and cash flows.

- **Debt reduction risk (Rs7–8bn FY27 reduction target):** Net debt stands at ~Rs21bn, with the management guiding for Rs7–8bn reduction next year and aiming for a net debt-free balance sheet by FY28. Slower execution, weaker cash generation, or delay in asset monetization could defer deleveraging timelines.

- **InvIT monetization & inflow timing risk (Rs17–18bn expected units):** DBL expects significant value realization from pending asset transfers to InvIT (additional Rs17–18bn of units). Any regulatory delays or slippage in COD milestones could impact projected inflows and balance sheet strengthening.

- **Mining scale-up risk (FY29 target ~57MMT production):** Mining is expected to become a core EBITDA engine, with coal production targeted to scale from ~30MMT in FY26 to ~57MMT by FY29. Operational, regulatory or ramp-up challenges could impact projected long-term cash flow stability.

Annexure

DBL: Contractor who has seen many business cycles

- Dilip Buildcon Ltd was started as a proprietorship Dilip Builders in 1987 in Bhopal by Mr. Dilip Suryavanshi and later incorporated as Dilip Buildcon Pvt Ltd on 12th Jun'06 (converted to a public limited company in 2010).

- Over the decades, DBL has evolved from a regional contractor into a diversified, pan-India infrastructure developer and EPC player focused on roads & highways, HAM/BOT projects, irrigation, mining (MDO), transmission, water and renewables.

- DBL's total order book stood at Rs293.72bn as of 31st Dec'25, reflecting strong diversification across 10 infrastructure verticals. On a business division basis, the largest contribution comes from mining at Rs58.50bn (19.9%), followed closely by roads & highways at Rs56.89bn (19.4%), and renewable energy at Rs51.79bn (17.6%). Irrigation contributes Rs47.06bn (16.0%), while transmission accounts for Rs18.50bn (6.3%). Among the remaining segments, tunnel projects stand at Rs17.57bn (6.0%), special bridge & urban development at Rs17.18bn (5.9%), metro & railways at Rs13.19bn (4.5%), optical fiber at Rs8.68bn (3.0%), and water supply at Rs4.38bn (1.5%).

- On a model-wise basis, the order book is predominantly EPC-led (86%), with HAM projects contributing 14%, indicating continued focus on execution-driven revenue with selective asset-based exposure. Notably, the mining order book includes only a rolling 3-year portion of long-tenure MDO contracts, implying strong long-term revenue visibility beyond the reported order book.

- IPO (Aug'16): DBL raised ~Rs4.3bn through a fresh issue, with the total offer size at ~Rs6.54bn including an offer-for-sale. The IPO was priced in the band of Rs214–219 per share.

- QIP / Preferential allotment (2017): In 2017, the company raised additional equity via QIP / preferential allotment. DBL allotted ~17.8mn shares to institutional investors at a price of Rs369 per share, raising Rs6.5–6.6bn in fresh equity. The proceeds were primarily used to strengthen the balance sheet, reduce debt, and fund project equity requirements.

- Strategic tie-up with Alpha (2023–25): DBL entered into a multi-tranche strategic capital arrangement with Alpha Alternatives through:
    - Warrants issuance: ~Rs5.3bn raised at Rs328.05 per share for ~10% stake
    - Stake sale in SPVs / InvIT route: 26% stake in certain road/HAM assets

- Overall, the structured transaction (warrants + SPV stake sales + InvIT monetization) is expected to bring in Rs15–20bn over time, supporting asset monetization and balance sheet deleveraging.

Shareholding (as of Dec'25)

- Promoters own 63% stake in the company, with Dilip Suryavanshi family owning 41% and Devendra Jain owning 22%.
- DIIs have 6% stake, with 1%+ held by HDFC MF, and Alfa Alternatives each.

Management team led by

Mr. Dilip Suryavanshi, Chairman and Managing Director: He holds a bachelor's degree in civil engineering from the University of Jabalpur and has over 42 years of experience in the construction business. He is currently the President of the Madhya Pradesh Builders Association. As the Managing Director, he liaises with various government departments and oversees key processes, including tendering, bidding, and project planning.

Mr. Devendra Jain, Managing Director and Chief Executive Officer: He holds a bachelor's degree in civil engineering from Vikram University, Ujjain, and has over 25 years of experience in the construction sector. He is responsible for project implementation, ensuring quality execution, and timely completion of projects undertaken by the company.

Mr. Bharat Singh, President: He joined Dilip Builders in 1988**,** prior to which he had a sole proprietorship concern. He has 39 years of experience in the construction sector. At DBL, he is responsible for administration and the management of finance and accounts.

Mr. Rohan Suryavanshi, Head – Strategy & Planning: He joined DBL in 2007**.** He holds a BA (Hons) in commerce from the University of Pune and an MBA (Finance and Management) from The Wharton School, University of Pennsylvania. At DBL, he is responsible for business strategy, financial planning, business process streamlining, and investor management.

Mr. Karan Suryavanshi, Head – Business Development: He joined DBL in 2010**.** He holds a bachelor's degree in business administration from the Symbiosis Centre for Management Studies. At DBL, he is responsible for planning, liaising with government authorities, sales and marketing, business development, and overall management functions.

Mr. Sanjay Kumar Bansal, Chief Financial Officer: He joined DBL in 2022. He is a chartered accountant and holds a bachelor's degree in science from Mohanlal Sukhadia University, Udaipur. He has 23 years of experience in handling finance and accounts, including corporate finance, treasury, accounting, taxation, and working capital management.

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	**90,045**	**72,650**	**89,274**	**1,15,318**
YoY gr. (%)	*(14.5)*	*(19.3)*	*22.9*	*29.2*
Cost of Goods Sold		-	-	-
Gross Profit	13,944	72,650	89,274	1,15,318
Margin (%)	*15.5*	*100.0*	*100.0*	*100.0*
Employee Cost		-	-	-
Other Expenses		-	-	-
EBITDA	**9,033**	**7,628**	**8,927**	**11,532**
YoY gr. (%)	*(30.5)*	*(15.6)*	*17.0*	*29.2*
Margin (%)	*10.0*	*10.5*	*10.0*	*10.0*
Depreciation and Amortization	2,921	2,581	2,636	2,691
EBIT	**6,113**	**5,047**	**6,291**	**8,840**
Margin (%)	*6.8*	*6.9*	*7.0*	*7.7*
Net Interest	4,910	4,499	4,365	4,937
Other Income	739	1,454	1,930	3,235
Profit Before Tax	**3,907**	**9,172**	**3,855**	**7,138**
Margin (%)	*4.3*	*12.6*	*4.3*	*6.2*
Total Tax	795	1,082	972	1,799
Effective tax rate (%)	*20.3*	*11.8*	*25.2*	*25.2*
Profit after tax	**3,112**	**8,090**	**2,884**	**5,339**
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,546**	**1,766**	**2,884**	**5,339**
YoY gr. (%)	*(58.6)*	*14.2*	*63.3*	*85.2*
Margin (%)	*1.7*	*2.4*	*3.2*	*4.6*
Extra Ord. Income / (Exp)	1,566	6,324	-	-
Reported PAT	**3,112**	**8,090**	**2,884**	**5,339**
YoY gr. (%)	*(26.3)*	*159.9*	*(64.4)*	*85.2*
Margin (%)	*3.5*	*11.1*	*3.2*	*4.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,112	8,090	2,884	5,339
Equity Shares O/s (m)	**146**	**162**	**162**	**162**
EPS (Rs)	**10.6**	**10.9**	**17.8**	**32.9**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	**45,935**	**46,935**	**47,935**	**48,935**
Tangibles	-	-	-	-
Intangibles	4	-	-	-
Acc: Dep / Amortization	**35,902**	**38,484**	**41,120**	**43,812**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net fixed assets	**10,036**	**8,451**	**6,815**	**5,124**
Tangibles	10,033	8,451	6,815	5,124
Intangibles	4	-	-	-
Capital Work In Progress	-	-	-	-
Goodwill	-	-	-	-
Non-Current Investments	15,281	27,651	31,941	34,191
Net Deferred tax assets	759	759	759	759
Other Non-Current Assets	3,487	3,487	3,487	3,487
Current Assets				
Investments	-	-	-	-
Inventories	33,074	32,066	34,120	36,965
Trade receivables	13,840	11,544	13,452	17,377
Cash & Bank Balance	2,917	4,249	4,072	6,083
Other Current Assets	-	-	-	-
Total Assets	**1,15,462**	**1,17,290**	**1,27,170**	**1,43,115**
Equity				
Equity Share Capital	1,462	1,624	1,624	1,624
Other Equity	53,271	65,198	68,082	73,421
Total Networth	**54,733**	**66,822**	**69,706**	**75,045**
Non-Current Liabilities				
Long Term borrowings	1,024	1,024	1,024	1,024
Provisions	274	302	332	365
Other non current liabilities	2,706	2,841	2,983	3,133
Current Liabilities				
ST Debt / Current of LT Debt	18,677	16,677	16,677	16,677
Trade payables	28,302	21,377	26,415	34,121
Other current liabilities	9,746	8,247	10,033	12,750
Total Equity & Liabilities	**1,15,462**	**1,17,290**	**1,27,170**	**1,43,115**

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	3,907	9,172	3,855	7,138
Add. Depreciation	2,921	2,581	2,636	2,691
Add. Interest	4,910	4,499	4,365	4,937
Less Financial Other Income	739	1,454	1,930	3,235
Add. Other	(2,092)	(278)	(306)	(336)
Op. profit before WC changes	9,646	15,975	10,551	14,431
Net Changes-WC	(3,868)	(1,939)	(407)	(2,770)
Direct tax	(504)	(1,082)	(972)	(1,799)
Net cash from Op. activities	**5,274**	**12,954**	**9,173**	**9,862**
Capital expenditures	(1,703)	(1,000)	(1,000)	(1,000)
Interest / Dividend Income	614	278	306	336
Others	(1,157)	(10,442)	(4,290)	(2,250)
Net Cash from Invt. activities	**(2,245)**	**(11,164)**	**(4,984)**	**(2,914)**
Issue of share cap. / premium	-	4,015	-	-
Debt changes	1,668	(2,000)	-	-
Dividend paid	(146)	(16)	(16)	(16)
Interest paid	(5,543)	(4,499)	(4,365)	(4,937)
Others	393	-	16	16
Net cash from Fin. activities	**(3,628)**	**(2,500)**	**(4,365)**	**(4,937)**
Net change in cash	**(600)**	**(710)**	**(177)**	**2,011**
Free Cash Flow	3,571	11,954	8,173	8,862

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	**23,148**	**20,099**	**14,166**	**17,182**
YoY gr. (%)	*(21.0)*	*(14.8)*	*(34.9)*	*(20.3)*
Raw Material Expenses	19,704	17,118	11,688	14,373
Gross Profit	3,444	2,981	2,478	2,810
Margin (%)	*14.9*	*14.8*	*17.5*	*16.4*
EBITDA	**2,093**	**2,031**	**1,523**	**1,795**
YoY gr. (%)	*(40.6)*	*(22.6)*	*(31.4)*	*(14.4)*
Margin (%)	*9.0*	*10.1*	*10.8*	*10.4*
Depreciation / Depletion	688	645	619	580
EBIT	**1,405**	**1,387**	**904**	**1,215**
Margin (%)	*6.1*	*6.9*	*6.4*	*7.1*
Net Interest	1,239	1,091	1,049	1,129
Other Income	240	279	376	631
Profit before Tax	**578**	**1,556**	**649**	**6,488**
Margin (%)	*2.5*	*7.7*	*4.6*	*37.8*
Total Tax	105	329	241	378
Effective tax rate (%)	*18.1*	*21.2*	*37.1*	*5.8*
Profit after Tax	**473**	**1,227**	**408**	**6,110**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**332**	**453**	**146**	**675**
YoY gr. (%)	*(71.0)*	*(4.4)*	*(53.4)*	*211.2*
Margin (%)	*1.4*	*2.3*	*1.0*	*3.9*
Extra Ord. Income / (Exp)	(141)	(774)	(263)	(5,435)
Reported PAT	**473**	**1,227**	**408**	**6,110**
YoY gr. (%)	*(61.8)*	*158.9*	*(68.3)*	*597.8*
Margin (%)	*2.0*	*6.1*	*2.9*	*35.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**473**	**1,227**	**408**	**6,110**
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	**2.3**	**3.1**	**1.0**	**4.6**

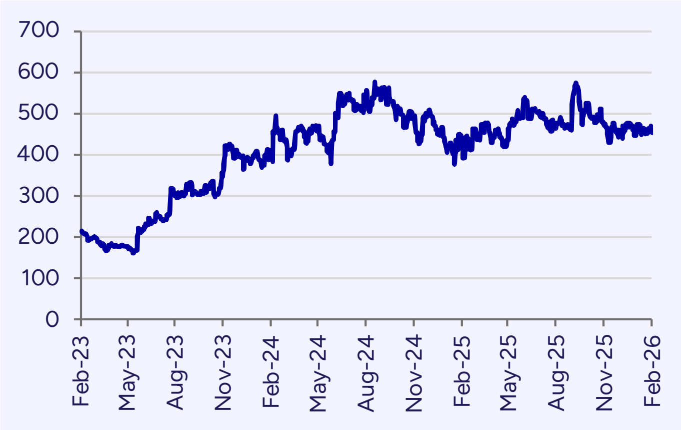
Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	10.6	10.9	17.8	32.9
CEPS	30.6	26.8	34.0	49.4
BVPS	374.3	411.4	429.2	462.1
FCF	24.4	73.6	50.3	54.6
DPS	0.1	0.1	0.1	0.1
Return Ratio(%)				
RoCE	8.4	6.3	7.3	9.8
ROIC	7.0	5.9	5.7	7.9
RoE	2.9	2.9	4.2	7.4
Balance Sheet				
Net Debt : Equity (x)	0.3	0.2	0.2	0.2
Net Working Capital (Days)	75	112	87	64
Valuation(x)				
PER	42.9	41.7	25.6	13.8
P/B	1.2	1.1	1.1	1.0
P/CEPS	14.9	17.0	13.3	9.2
EV/EBITDA	9.2	11.4	9.8	7.4
EV/Sales	0.9	1.2	1.0	0.7
Dividend Yield (%)	0.0	0.0	0.0	0.0

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	CESC	BUY	204	154
3	Indian Energy Exchange	Hold	135	127
4	KNR Constructions	Hold	148	152
5	NCC	BUY	200	156
6	NTPC	BUY	423	356
7	PNC Infratech	BUY	291	232
8	Power Grid Corporation of India	BUY	324	270
9	PSP Projects	BUY	1,028	750
10	Rail Vikas Nigam	Sell	183	314
11	RITES	BUY	276	223
12	Tata Power Company	Hold	359	366

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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
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