RATING HOLD | CMP INR 101 | TP INR 112

PL Capital
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Indian Energy Exchange (IEX IN)

Q2FY27 Result Update

October 30, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	HOLD		HOLD	
Target Price	112		122	
Sales (INR mn)	7,342	7,778	7,647	8,599
% Chng.	*(4.0)*	*(9.5)*		
EBITDA (INR mn)	6,256	6,610	6,540	7,374
% Chng.	*(4.3)*	*(10.4)*		
EPS (INR)	6.5	7.0	6.7	7.7
% Chng.	*(3.0)*	*(9.1)*		

Key Data	IEX.BO | IEX IN
BSE Code	540750
NSE Code	IEX
52-W High / Low	INR 160 / INR 99
Face Value	1
Sensex / Nifty	74,460 / 23,053
Market Cap	INR 90 bn / $ 948 mn
Shares Outstanding	891.69 mn
3M Avg. Daily Value	INR 455.82 mn

Shareholding Pattern (%)

Promoters	-
FIIs	12.63
Mutual Funds	24.21
Domestic Institutions	7.25
Public & Others	55.91
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(5.7)	(23.2)	(19.4)	(29.7)
Relative	(8.2)	(19.6)	(16.7)	(20.3)

Key Financials - Standalone

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	6,084	6,600	7,342	7,778
EBITDA (INR mn)	5,138	5,613	6,256	6,610
Margin (%)	*84.5*	*85.0*	*85.2*	*85.0*
PAT (INR mn)	4,737	5,094	5,752	6,204
EV (INR mn)	71,922	68,918	65,668	62,324
Total Debt (INR mn)	-	-	-	-
C&C Eq. (INR mn)	1,043	4,047	7,297	10,641
EPS (INR)	5.3	5.7	6.5	7.0
Gr. (%)	*14.2*	*7.5*	*12.9*	*7.9*
DPS (INR)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	*39.4*	*36.5*	*36.4*	*34.8*
RoCE (%)	*40.8*	*38.4*	*37.9*	*35.5*
EV/Sales (x)	11.8	10.4	8.9	8.0
EV/EBITDA (x)	14.0	12.3	10.5	9.4
PE (x)	19.0	17.6	15.6	14.5
P/BV (x)	6.9	6.1	5.4	4.8

Steady quarter; coupling pushed further out

Quick Pointers

- Q2 PAT up 9% YoY, ~5.5% ahead of Ple led by other income
- Coupling seen 1.5–2 years away; buyback under evaluation; IGX stake to be cut to 25% by December

IEX reported Q2FY27 PAT of INR 1,328 mn, up 9% YoY, with electricity volumes at 39.7 BU, up 12.7% YoY, including REC, volume are +3% YoY. On market coupling, CERC is yet to notify final regulations, and management said implementation is definitely not likely this calendar year. The CMD estimated another 1.5–2 years, given the software, settlement and mock-trial work required across exchanges, extending the runway on the uncoupled earnings base. The proposed cut in RTM gate closure to 50 minutes would make coupling in RTM even harder. On capital allocation, management said it will definitely consider a buyback given the low share price. IEX plans to sell down IGX from 47.3% to 25% by December 2026, with the IPO on track. The company holds cash and equivalents of ~INR 12 bn. We retain HOLD rating with a lower TP of INR 112 (from INR 135), valuing the stock at 15x average FY28E–FY29E EPS and lower our volume/PAT assumption due to weakness in REC volume.

Broadly in-line results; higher costs trim EBITDA margin, other income lifts PAT: IEX reported Q2FY27 revenue of INR 1,650 mn, up 8% YoY, and EBITDA of INR 1,395 mn, up 6% YoY, broadly in line with PL and consensus estimates. EBITDA margins fell to 84.6% from 86.7% in Q2FY26 as other expenses rose 41.5% YoY. PAT was INR 1,328 mn, up 9% YoY with margins at 80.5% (vs 79.9%), a ~5.5% beat to PLe, aided by other income of INR 418 mn (vs INR 345 mn in Q2FY26) and a lower tax rate of 23.9%. Electricity volumes stood at 39.7 BU, up 12.7% YoY. The weak monsoon pushed discoms into term contracts, so TAM rose 82% while DAM grew only 2% even as DAM prices rose 46% to INR 5.72/unit. Including certificates, total volumes were 41.2 BU, up 3% YoY, as REC volumes fell 65% with large buyers shifting to the buyout option.

Coupling pushed further out; RTM coupling harder: CERC's draft coupling regulations, issued in April with Grid India as the sole coupling operator, saw no movement this quarter after the June public hearing. Management said that once the rules are notified, new software, a common settlement system and mock trials will be needed across all three exchanges. It ruled out implementation this calendar year, and the CMD's own estimate is another 1.5–2 years. The courts have left IEX free to challenge the final rules on all its earlier grounds. Separately, CERC's proposal to cut the RTM bidding window to 5 minutes would make coupling in RTM, now ~42% of electricity volumes, even more difficult.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	1,618	1,650	*2.0*	1,522	*8.4*
EBITDA (INR mn)	1,394	1,395	*0.1*	1,320	*5.7*
Margin (%)	*86.2*	*84.6*	*(160) bps*	*86.7*	*(210) bps*
PAT (INR mn)	1,259	1,328	*5.5*	1,216	*9.2*

Source: Company, PL

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IGX sell-down by December; buyback being evaluated: IGX traded 42 mn MMBtu in Q2FY27, up 160% YoY, with PAT of INR 234 mn, up 144%, as gas plants met peak power demand; management guided 40–50% volume growth for FY27. IEX must cut its IGX stake from 47.3% to 25% by end-December 2026 under PNGRB rules, and the IPO, approved by SEBI on October 12, is on track. Indian Coal Exchange applied for its licence in September. On capital allocation, management maintained a 60–65% dividend payout and said it is actively working on a buyback, which will go to the Board.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	1,559	*11.4%*	1,650	*8.4%*	1,512	*5.1%*	2,269	*31.7%*
EBITDA	1,302	*14.3%*	1,395	*5.7%*	1,285	*6.8%*	1,631	*10.5%*
Margin (%)	*83.5%*		*84.6%*		*85.0%*		*71.9%*	
Adj. PAT	1,267	*12.1%*	1,328	*9.2%*	1,191	*3.4%*	1,308	*5.5%*

Source: Company, PL

Q2FY27 Earnings Call Highlights:

Market coupling: CERC has made no progress on the coupling regulations since the June public hearing, and management does not know when the final rules will come. Once they are notified, software, a common settlement system and mock trials will be needed across all three exchanges. Management said coupling will definitely not happen this calendar year, and the CMD estimated another 1.5–2 years. The courts have left IEX free to challenge the final rules on all its earlier grounds.

Coupling in RTM harder: CERC proposes cutting the RTM bidding window from 15 to 5 minutes and gate closure from 75 to 50 minutes. Management said this would make RTM coupling, which was already deferred in CERC's 2025 order, even more difficult.

Volumes: Electricity volume was 39.7 BU in Q2, up 12.7% YoY, and management expects ~15% growth for FY27. RTM volume rose 10.5% to ~16.5 BU, with a record day of 315 MU in September, and RTM stayed ahead of DAM at ~42% of electricity volumes. Since 2020, RTM has grown at a ~30–35% CAGR against ~2% for DAM. IEX's market share in DAM and RTM is over 99%.

DAM weak, TAM strong: The weak monsoon caused shortages, so discoms locked in term and bilateral contracts from July, moving volume from DAM to TAM. By end-October, prices had eased to ~INR 4/unit and DAM and RTM volumes had started recovering. In TAM, a little over 70% of volume is in daily, weekly and monthly contracts and under 30% is intraday. IEX's TAM market share has stayed around 35% for years.

Demand and prices: Power demand rose a record 11.5% YoY to 502 BU in Q2. DAM prices averaged INR 5.72/unit (+46%) and RTM INR 5.24/unit (+49%), touching INR 20/unit in some time blocks, where the high-price DAM helped meet urgent demand. Late in the quarter, cyclones and unseasonal rain pushed RTM prices to near zero in some time blocks on a few days. Solar-hour prices averaged INR 2.3/unit in H1, taking the arbitrage for battery storage above INR 6.5/unit.

Storage and renewables: A good part of RTM growth comes from renewable generators. FDRE projects build 4–5x the contracted capacity and sell the surplus on the exchange, and most of the ~4 GW of battery storage installed so far is merchant. Management expects over 100 GW of battery storage by 2032, with 43 GW already awarded under viability gap funding. Recent steps should add exchange liquidity: a 25-year transmission charge waiver for battery storage paired with renewables, recognition of the green day-ahead market as a green power source for storage, and a CEA draft requiring co-located storage for new solar and wind projects from July 2027.

REC: RECs traded fell to 15.3 lakh from 44 lakh a year ago. About 80% of FY26 volume came from large discoms and C&I buyers, many of whom now use the government's buyout option instead, with REC prices at ~INR 310–330. Management said some may return if prices fall another 10–15%, and RECs are no longer a significant revenue source.

Treasury and clearing: The CFO said treasury income is currently in a 15–18% range and is expected to stay there, though it depends on interest rates and volumes, which IEX does not control. There is no proposal to separate clearing from the exchange.

Capital allocation: IEX pays out 60–65% of profit as dividend, and the float money cannot be used under the regulations. Given the low share price, management said it will definitely consider a buyback and is working on it, now that earlier tax issues have changed. The decision will go to the Board.

IGX: IGX traded 42 mn MMBtu in Q2 (+160% YoY), led by domestic gas producers and gas-based power plants, with ~30% of volume from the power sector. PAT was INR 23.4 cr (+144%). For H1, volumes were ~70 mn MMBtu (+71%) and PAT was INR 39.7 cr (+67.4%). Management expects 40–50% volume growth in FY27. IEX must cut its stake from 47.3% to 25% by end-December 2026, and the IPO is on track.

Coal and other businesses: Indian Coal Exchange applied for its licence with the Coal Controller Organisation in September and will run a physical-delivery coal exchange; a mineral exchange is also being explored. ICX issued ~52 lakh I-RECs in Q2 (+38.4%), with revenue of INR 2.3 cr (+20.8%) and H1 PAT of INR 2.7 cr; management expects 20–25% revenue growth.

Other: CERC approval is still pending for 11-month TAM contracts, Green RTM and peak DAM/RTM contracts. IEX has filed with CERC to trade carbon credits, and BEE has issued draft trading rules. Management said it is not aware of any CERC draft to cut the TAM fee ceiling. Fees per unit are the same in DAM and RTM, so a shift between them does not affect revenue. Discoms account for ~80% of buying, mostly as direct members, and most of IEX's volume now comes through API links with major customers. IEX is building an AI bidding assistant for discoms. On supply, the government has raised its thermal capacity target to 115 GW by 2035, from 80 GW by 2032. Coal stocks were at ~8 days as of 22 October, with ~100 plants at a critical 3 days.

Exhibit 2: Q2FY27 Result Overview (INR mn)

Y/e March	Sep-26	Sep-25	YoY gr. (%)	Sep-26E	% Var.	Jun-26	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Net Sales	**1,650**	**1,522**	***8.4***	**1,618**	***2%***	**1,559**	***5.8***	**3,210**	**2,922**	***9.8***
EBIDTA	**1,395**	**1,320**	***5.7***	**1,394**	***0%***	**1,302**	***7.2***	**2,697**	**2,459**	***9.7***
Other income	418	345	*21.1*	350	*19%*	449	*(7.0)*	867	770	*12.5*
PBIDT	**1,813**	**1,665**	***8.9***	**1,744**	***4%***	**1,751**	***3.6***	**3,564**	**3,229**	***10.4***
Depreciation	(61)	(57)	*7.9*	(60)	*3%*	(60)	*2.2*	(121)	(111)	*9.2*
Interest	(7)	(5)	*27.1*	(5)	*30%*	(8)	*(11.6)*	(14)	(11)	*29.7*
PBT	**1,745**	**1,603**	***8.9***	**1,679**	***4%***	**1,683**	***3.7***	**3,428**	**3,107**	***10.3***
Tax	(417)	(387)	*7.7*	(420)	*-1%*	(416)	*0.1*	(833)	(760)	*9.5*
Adjusted PAT	**1,328**	**1,216**	***9.2***	**1,259**	***6%***	**1,267**	***4.8***	**2,595**	**2,347**	***10.6***
Reported PAT	**1,328**	**1,216**	***9.2***	**1,259**	***6%***	**1,267**	***4.8***	**2,595**	**2,347**	***10.6***
No. of shares (mn)	891	891	*NA*	891	*0%*	891	*NA*	891	891	*0.0*
EBIDTA margin (%)	84.6	86.7	*-215.4*	86	*(159.9)*	83.5	*108.1*	84.0	84.1	*(0.1)*
PBIDT margin (%)	109.9	109.4	*49.7*	108	*207.3*	112.3	*-241.6*	111.0	110.5	*0.5*
EPS (INR)	1.5	1.4	*9.2*	1	*6%*	1.4	*4.8*	2.9	2.6	*10.6*
Segment traded (in MU)										
DAM	14,855	14,535	*2%*	14,855	*0.0*	13,345	*11%*	62,737	61,312	*2.3*
TAM	5,475	3,008	*82%*	5,475	*0.0*	5,344	*2%*	12,944	11,760	*10.1*
RTM	16,485	14,924	*10%*	16,485	*0.0*	16,018	*3%*	54,845	38,907	*41.0*

Y/e March	Sep-26	Sep-25	YoY gr. (%)	Sep-26E	% Var.	Jun-26	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
REC and Others	1,527	4,421	-65%	1,527	0.0	977	56%	18,720	17,816	5.1
Total	41,205	39,927	3%	41,205	0.0	38,512	7%	1,60,033	1,38,542	15.5
Revenue INR/kwh	0.04	0.04	5%	0	0.0	0.04	-1%	0.02	0.02	-4.9
EBITDA INR/kwh	0.03	0.03	2%	0	0.0	0.03	0%	0.02	0.02	-5.1
Composition										
DAM	36%	36%	-35 bps	36%	0.0	35%	140 bps	39%	44%	-505 bps
TAM	13%	8%	575 bps	13%	0.0	14%	-59 bps	8%	8%	-40 bps
RTM	40%	37%	263 bps	40%	0.0	42%	-158 bps	34%	28%	619 bps
GDAM+GTAM	7%	8%	-66 bps	7%	0.0	7%	-39 bps	7%	6%	43 bps
REC and Others	4%	11%	-737 bps	4%	0.0	3%	117 bps	12%	13%	-116 bps
Total	**100%**	**100%**	**0 bps**	**100%**	**0.0**	**100%**	**0 bps**	**100%**	**100%**	**0 bps**

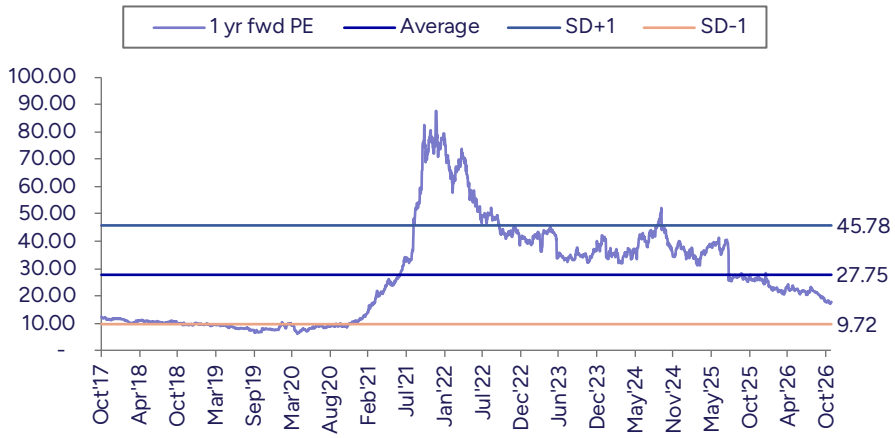
Source: Company, PL

Exhibit 3: Snapshot of operational details

	2020	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Volume										
- DAM	49,112	66,000	65,151	51,168	53,354	61,312	62,737	65,874	69,168	61,732
- TAM	4,768	5,000	5,756	10,091	14,943	11,760	12,944	17,863	23,222	30,188
- RTM			19,910	24,175	30,124	38,907	54,845	63,072	72,533	83,412
- Green			4,914	5,200	3,227	8,836	10,787	11,003	11,223	11,447
- REC	6,027	3,662	6,196	6,170	8,436	17,816	18,720	9,360	9,828	10,319
Electricity Vols	59,907	74,662	1,01,927	96,804	1,10,084	1,38,631	1,60,033	1,67,171	1,85,972	1,97,099
Change yoy, %	-2%	25%	37%	-5%	14%	26%	15%	4%	11%	6%
Growth yoy, %										
- DAM	-2%	34%	-1%	-21%	4%	15%	2%	5%	5%	-11%
- TAM	127%	5%	15%	75%	48%	-21%	10%	38%	30%	30%
- RTM				21%	25%	29%	41%	15%	15%	15%
- Green				6%	-38%	174%	22%	2%	2%	2%
- REC	-33%	-39%	69%	0%	37%	111%	5%	-50%	5%	5%
Total	-2%	25%	37%	-5%	14%	26%	15%	4%	11%	6%
Share										
- DAM	82%	88%	64%	53%	48%	44%	39%	39%	37%	31%
- TAM	8%	7%	6%	10%	14%	8%	8%	11%	12%	15%
- RTM			20%	25%	27%	28%	34%	38%	39%	42%
- Green			5%	5%	3%	6%	7%	7%	6%	6%
- REC	10%	5%	6%	6%	8%	13%	12%	6%	5%	5%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
ASP INR/kwh	0.043	0.040	0.040	0.039	0.039	0.037	0.038	0.039	0.039	0.039
EBITDA INR/kwh	0.034	0.035	0.036	0.035	0.034	0.033	0.032	0.034	0.034	0.034
Revenue INR mn	2,570	3,171	4,255	4,009	4,492	5,354	6,084	6,600	7,342	7,778
Change yoy, %	1%	23%	34%	-6%	12%	19%	14%	8%	11%	6%
EBITDA INR mn	2,044	2,618	3,670	3,365	3,785	4,551	5,138	5,613	6,256	6,610
Change yoy, %	1%	28%	40%	-8%	12%	20%	13%	9%	11%	6%
Margin %	80%	83%	86%	84%	84%	85%	84%	85%	85%	85%
Other Income (OI) , INR mn	401	403	523	732	1,016	1,189	1,366	1,503	1,753	2,017
OI as % to PAT	17%	14%	13%	19%	22%	22%	22%	22%	23%	24%
PAT INR mn	1,779	2,158	3,040	2,927	3,414	4,146	4,737	5,094	5,752	6,204
Change yoy, %	8%	21%	41%	-4%	17%	21%	14%	8%	13%	8%
Margin %	69%	68%	71%	73%	76%	77%	78%	77%	78%	80%

Source: Company, PL

Exhibit 4: One-year forward PER trading below averages



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**6,084**	**6,600**	**7,342**	**7,778**
YoY gr. (%)	*13.6*	*8.5*	*11.3*	*5.9*
Cost of Goods Sold	-	-	-	-
Gross Profit	6,084	6,600	7,342	7,778
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	481	525	572	623
Other Expenses	464	462	514	544
EBITDA	**5,138**	**5,613**	**6,256**	**6,610**
YoY gr. (%)	*12.9*	*9.2*	*11.5*	*5.6*
Margin (%)	*84.5*	*85.0*	*85.2*	*85.0*
Depreciation and Amortization	233	256	266	277
EBIT	**4,905**	**5,357**	**5,990**	**6,333**
Margin (%)	*80.6*	*81.2*	*81.6*	*81.4*
Net Interest	23	23	23	23
Other Income	1,366	1,503	1,753	2,017
Profit Before Tax	**6,248**	**6,837**	**7,721**	**8,327**
Margin (%)	*102.7*	*103.6*	*105.2*	*107.1*
Total Tax	1,511	1,744	1,969	2,123
Effective Tax Rate (%)	*24.2*	*25.5*	*25.5*	*25.5*
Profit After Tax	**4,737**	**5,094**	**5,752**	**6,204**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**4,737**	**5,094**	**5,752**	**6,204**
YoY gr. (%)	*14.2*	*7.5*	*12.9*	*7.9*
Margin (%)	*77.9*	*77.2*	*78.3*	*79.8*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**4,737**	**5,094**	**5,752**	**6,204**
YoY gr. (%)	*14.2*	*7.5*	*12.9*	*7.9*
Margin (%)	*77.9*	*77.2*	*78.3*	*79.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,737	5,094	5,752	6,204
Equity Shares O/s (mn)	**891**	**891**	**891**	**891**
EPS (INR)	**5.3**	**5.7**	**6.5**	**7.0**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**2,410**	**2,510**	**2,610**	**2,710**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Acc: Dep / Amortization	**1,390**	**1,646**	**1,913**	**2,189**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net Fixed Assets	**1,019**	**863**	**697**	**520**
Tangibles	1,019	863	697	520
Intangibles	-	-	-	-
Capital Work In Progress	-	-	-	-
Goodwill	-	-	-	-
Non-Current Investments	2,510	2,510	2,510	2,510
Net Deferred Tax Assets	(292)	(292)	(292)	(292)
Other Non-Current Assets	8	8	8	8
Current Assets				
Investments	16,924	16,924	16,924	16,924
Inventories	-	-	-	-
Trade Receivables	12	14	15	16
Cash & Bank Balance	1,043	4,047	7,297	10,641
Other Current Assets	1,487	1,487	1,487	1,487
Total Assets	**23,769**	**26,618**	**29,703**	**32,871**
Equity				
Equity Share Capital	891	891	891	891
Other Equity	12,176	13,917	15,883	18,004
Total Networth	**13,067**	**14,808**	**16,774**	**18,894**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	130	130	130	130
Other Non Current Liabilities	103	103	103	103
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	41	46	50	54
Other Current Liabilities	10,135	11,239	12,354	13,397
Total Equity & Liabilities	**23,769**	**26,618**	**29,703**	**32,871**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	6,248	6,837	7,721	8,327
Add. Depreciation	233	256	266	277
Add. Interest	23	23	23	23
Less Financial Other Income	1,366	1,503	1,753	2,017
Add. Other	(1,332)	(1,503)	(1,753)	(2,017)
Op. Profit before WC Changes	5,172	5,613	6,256	6,610
Net Changes-WC	645	1,107	1,118	1,046
Direct Tax	(1,570)	(1,744)	(1,969)	(2,123)
Net Cash from Op. Activities	**4,246**	**4,976**	**5,406**	**5,533**
Capital Expenditures	(148)	(100)	(100)	(100)
Interest / Dividend Income	889	1,503	1,753	2,017
Others	(2,985)	-	-	-
Net Cash from Invt. Activities	**(2,243)**	**1,403**	**1,653**	**1,917**
Issue of Share Cap. / Premium	7	-	-	-
Debt Changes	-	-	-	-
Dividend Paid	(2,670)	(3,353)	(3,786)	(4,084)
Interest Paid	(7)	(23)	(23)	(23)
Others	(48)	-	-	-
Net Cash from Fin. Activities	**(2,718)**	**(3,376)**	**(3,809)**	**(4,106)**
Net Change in Cash	**(715)**	**3,004**	**3,250**	**3,343**
Free Cash Flow	4,099	4,876	5,306	5,433

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**1,439**	**1,722**	**1,559**	**1,650**
YoY gr. (%)	*9.6*	*21.9*	*11.4*	*8.4*
Raw Material Expenses	-	-	-	-
Gross Profit	1,439	1,722	1,559	1,650
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
EBITDA	**1,204**	**1,476**	**1,302**	**1,395**
YoY gr. (%)	*6.7*	*21.0*	*14.3*	*5.7*
Margin (%)	*83.6*	*85.7*	*83.5*	*84.6*
Depreciation / Depletion	60	61	60	61
EBIT	**1,143**	**1,414**	**1,242**	**1,334**
Margin (%)	*79.4*	*82.1*	*79.6*	*80.8*
Net Interest	5	6	8	7
Other Income	374	221	449	418
Profit before Tax	**1,512**	**1,629**	**1,683**	**1,745**
Margin (%)	*105.1*	*94.6*	*107.9*	*105.7*
Total Tax	361	389	416	417
Effective Tax Rate (%)	*23.9*	*23.9*	*24.7*	*23.9*
Profit After Tax	**1,151**	**1,240**	**1,267**	**1,328**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,151**	**1,240**	**1,267**	**1,328**
YoY gr. (%)	*11.6*	*10.7*	*12.1*	*9.2*
Margin (%)	*80.0*	*72.0*	*81.2*	*80.5*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,151**	**1,240**	**1,267**	**1,328**
YoY gr. (%)	*11.6*	*10.7*	*12.1*	*9.2*
Margin (%)	*80.0*	*72.0*	*81.2*	*80.5*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,151**	**1,240**	**1,267**	**1,328**
Avg. Shares O/s (mn)	-	-	-	-
EPS (INR)	**-**	**-**	**-**	**-**

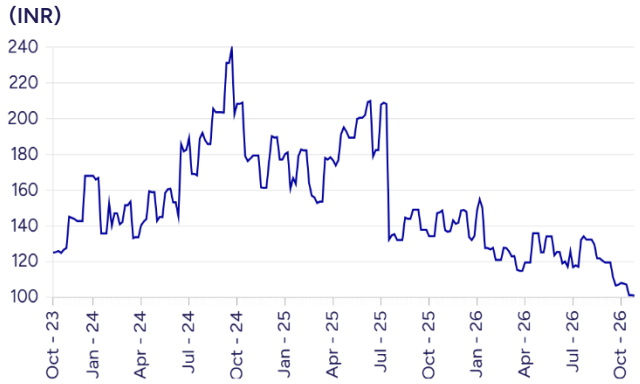
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	5.3	5.7	6.5	7.0
CEPS	5.6	6.0	6.8	7.3
BVPS	14.7	16.6	18.8	21.2
FCF	4.6	5.5	6.0	6.1
DPS	-	-	-	-
Return Ratio (%)				
RoCE	40.8	38.4	37.9	35.5
ROIC	(62.6)	(56.7)	(52.9)	(48.5)
RoE	39.4	36.5	36.4	34.8
Balance Sheet				
Net Debt : Equity (x)	(1.4)	(1.4)	(1.4)	(1.5)
Net Working Capital (Days)	(2)	(2)	(2)	(2)
Valuation (x)				
PER	19.0	17.6	15.6	14.5
P/B	6.9	6.1	5.4	4.8
P/CEPS	18.1	16.8	14.9	13.9
EV/EBITDA	14.0	12.3	10.5	9.4
EV/Sales	11.8	10.4	8.9	8.0
Dividend Yield (%)	-	-	-	-
FCFF Yield (%)	4.6	5.4	5.9	6.0
PEG Ratio	1.3	2.3	1.2	1.8

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Oct-26	HOLD	106	122
2	25-Jul-26	Hold	135	124
3	08-Jul-26	HOLD	135	122
4	26-Apr-26	Hold	135	123
5	08-Apr-26	HOLD	133	127
6	01-Feb-26	Hold	135	127

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Adani Energy Solutions	BUY	1526	1220
2	Adani Power	BUY	259	183
3	Ahluwalia Contracts (India)	BUY	930	576
4	Ashoka Buildcon	BUY	150	106
5	CESC	BUY	204	124
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	613	483
12	KNR Constructions	HOLD	126	116
13	NCC	BUY	195	128
14	NTPC	BUY	317	421
15	PNC Infratech	BUY	234	134
16	Power Grid Corporation of India	BUY	253	317
17	PSP Projects	Accumulate	1062	762
18	Rail Vikas Nigam	SELL	165	199
19	RITES	BUY	267	204
20	Tata Power Company	Accumulate	345	414

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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