RATING BUY | CMP INR 272 | TP INR 331

PL Capital PRABHUDAS LILLADHER

Power Grid Corporation of India (PWGR IN)

Q1FY27 Result Update

August 08, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	331		346	
Sales (INR mn)	516,612	574,235	538,796	593,712
% Chng.	*(4.1)*	*(3.3)*		
EBITDA (INR mn)	431,381	473,300	445,763	484,615
% Chng.	*(3.2)*	*(2.3)*		
EPS (INR)	17.2	18.5	17.3	18.7
% Chng.	*(0.6)*	*(1.1)*		

Key Data	PGRD.BO | PWGR IN
BSE Code	532898
NSE Code	POWERGRID
52-W High / Low	INR 324 / INR 250
Face Value	10
Sensex / Nifty	78,499 / 24,571
Market Cap	INR 2,526 bn / $ 26,532 mn
Shares Outstanding	9300.6 mn
3M Avg. Daily Value	INR 3,332.29 mn

Shareholding Pattern (%)

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

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(4.5)	(13.4)	(7.2)	(4.9)
Relative	(4.9)	(14.2)	(1.2)	(2.3)

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	457,923	467,329	516,612	574,235
EBITDA (INR mn)	390,654	379,791	431,381	473,300
Margin (%)	*85.3*	*81.3*	*83.5*	*82.4*
PAT (INR mn)	152,131	152,279	160,126	172,430
EV (INR mn)	3,734,920	3,916,929	4,188,917	4,416,743
Total Debt (INR mn)	1,309,650	1,480,090	1,661,762	1,883,391
C&C Eq. (INR mn)	100,772	89,204	(1,113)	(7,309)
EPS (INR)	16.4	16.4	17.2	18.5
Gr. (%)	*(2.3)*	*0.1*	*5.2*	*7.7*
DPS (INR)	9.9	10.3	9.9	11.3
Yield (%)	*3.7*	*3.8*	*3.7*	*4.2*
RoE (%)	*16.9*	*15.8*	*15.4*	*15.6*
RoCE (%)	*12.0*	*10.6*	*11.7*	*11.7*
EV/Sales (x)	8.2	8.4	8.1	7.7
EV/EBITDA (x)	9.6	10.3	9.7	9.3
PE (x)	16.6	16.6	15.8	14.6
P/BV (x)	2.7	2.5	2.4	2.2

Healthy capex and order win

Quick Pointers

- Order win in Q1FY27 at INR 105 bn with order book of INR1.7trn (capitalisation visibility of 4 years+)
- Upside risk to FY27E capitalisation could materialise post Q3FY27 result

Q1FY27 consolidated Adj PAT (adjusted for prior-period income) stood at INR36bn, broadly flattish YoY and 6%/7% below our/Street estimates. In the post-result earnings call, PWGR highlighted that the lack of PAT growth was largely due to a one-off gain of INR2.3bn in Q1FY26. Adjusting for this, Q1FY27 PAT growth works out to ~6% YoY. Capitalization remained healthy at INR53bn, achieving 18% of its FY27 target of INR300bn, while capex stood at INR78bn, or 21% of the FY27 target of INR370bn. Management highlighted an upside risk to its FY27 capitalization guidance, although we expect greater clarity only post Q3FY27 results. Based on the order book including CWIP, new order inflows in Q1FY27 stood at INR105bn, compared with nil in FY26, as the Leh HVDC project was removed in Q4FY26. Post results, we have marginally cut our FY27E/28E EPS estimates by 1%, factoring in lower ROE from TBCB projects, and revised our TP to INR331 (2.7x FY28 BV). We retain our BUY rating. The stock offers an attractive dividend yield of ~4%.

Consolidated performance below estimates: Consolidated revenue was INR 114bn (+3% YoY), 5%/8% below our/street estimates; EBITDA of INR 95.3bn (+4% YoY) missed by 3%/9%, but margin expanded to 82.9% (vs. 81.7% in Q1FY26) on lower other expenses (11% of revenue vs. 13%). Reported PAT was INR 37bn (+8% YoY), aided by a lower tax rate and a swing to JV profits; adjusted PAT was flattish YoY at INR 35bn, 6-7% below estimates. The softness is regulatory, not operational - a ~INR 5.6bn drag (~INR 3.3bn depreciation on assets crossing the ~12-year tariff curve, ~INR 2.3bn lower interim CERC interest) offset ~INR 7.9bn of revenue from newly commissioned assets. Availability held at 99.80% and receivable days improved to 12.1 (from 19.4).

Capex cycle accelerating: Q1 capex was INR 77.7bn (+11% YoY) and capitalization jumped ~3.1x YoY to INR 52.8bn, both tracking ahead of FY27 guidance (INR 370bn/INR 300bn). With FY26 capex (~INR 400bn) already beating plan and a heavy commissioning slate completed post-June, management flagged upside to capitalization guidance. At a stable ~2:1 capex-to-capitalization lag, this sets up a meaningful earnings ramp from FY27, with ~21 HVDC projects under planning/bidding.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	*% Var.*	Q1'26A	*YoY gr. (%)*
Net Sales (INR mn)	1,20,561	1,14,967	*-5.0*	1,11,962	*3.0*
EBITDA (INR mn)	98,465	95,365	*-3.0*	91,467	*4.0*
Margin (%)	*81.7*	*82.9*	*120 bps*	*81.7*	*120 bps*
PAT (INR mn)	38,777	36,200	*-7.0*	36,228	-

Source: Company, PL

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Robust bidding pipeline underpins visibility: Works-in-hand stood at ~INR 1.75trn (83% TBCB, 14% RTM), with a bidding pipeline of >INR 1.19trn (INR 739bn under bidding, ~80% ISTS; INR 456bn to float). Key projects include Rajasthan REZ Ph-IV Barmer HVDC (INR 250bn, under BPC evaluation), Jam Khambhaliya+Jamnagar (INR 77bn) and Lakadia REZ-II (INR 75bn). Management reiterated a >INR 15trn long-term opportunity (CEA 900+ GW plan ~INR 7.9trn to FY36, Brahmaputra hydro ~INR 6.4trn, plus data centre/GH2 demand); the INR 7.9trn bids out over 3-4 years, with upside as new land/RoW costs are not yet factored in.

TBCB momentum and a maiden asset class: PWGR won 6 of 19 projects bid FY27-to-date (>INR 22bn annual tariff), holding ~47% cumulative ISTS tariff share, and secured India's first TBCB SynCon scheme (Fatehgarh-II) — a maiden 400kV asset class for grid strength and reactive support. Operational TBCB equity doubled YoY to INR 99.7bn (+INR 34.1bn under construction), entirely equity-funded with no parent debt. Rising use of finance-lease accounting on new TBCB assets explains the gap between consol gross block (+67% YoY) and the depreciation differential (+27%), with no PAT impact. The recent CERC amendment also opens a new regulated BESS opportunity, on which PWGR has filed petitions.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	114,967	*2.68*	130,826	*14%*	136,346	*10%*	134,473	*15%*
EBITDA	95,365	*4.26*	107,277	*18%*	114,531	*8%*	114,208	*26%*
Margin (%)	*82.9%*	*125bps*	*82%*	*258bps*	*84%*	*-195bps*	*85%*	*722bps*
Adj. PAT	36,200	*-0.1%*	36,290	*4%*	38,685	*5%*	48,950	*10%*

Source: Company, PL

Exhibit 2: Q1FY27 Result Overview

In INR mn	Q1FY27	Q1FY26	*YoY gr. (%)*	Q1FY27E	*% Var*	Q4FY26	*QoQ gr. (%)*	FY27E	FY26	*YoY gr. (%)*
Net Sales	**1,14,967**	**1,11,962**	***2.7***	**1,20,561**	***(4.6)***	**1,16,656**	***(1.4)***	**516,612**	**467,329**	***10.5***
EBIDTA	**95,365**	**91,467**	***4.3***	**98,465**	***(3.1)***	**90,656**	***5.2***	**431,381**	**379,791**	***13.6***
Other income	2,000	2,482	*(19.4)*	2,606	*(23.3)*	3,051	*(34.4)*	10,849	9,516	*14.0*
PBIDT	**97,365**	**93,949**	***3.6***	**1,01,071**	***(3.7)***	**93,707**	***3.9***	**442,230**	**389,306**	***13.6***
Depreciation	(31,285)	(31,305)	*(0.1)*	(32,870)	*(4.8)*	-32,946	*(5.0)*	127,155	130,297	*(2.4)*
Interest	(20,229)	(19,343)	*4.6*	(19,730)	*2.5*	-21,747	*(7.0)*	109,390	84,476	*29.5*
Profit/loss from JV	23	(444)	*NM*	-	*NA*	170	*(86.7)*	(1,323)	(1,323)	*0.0*
PBT	**45,873**	**42,858**	***7.0***	**48,471**	***(5.4)***	**39,183**	***17.1***	**204,361**	**173,210**	***18.0***
Tax	(8,827)	(8,680)	*1.7*	(9,694)	*(8.9)*	43,911	*(120.1)*	43,390	(13,813)	*(414.1)*
Reported PAT	**37,046**	**34,178**	***8.4***	**38,777**	***(4.5)***	**83,094**	***(55.4)***	**160,972**	**159,279**	***1.1***
Regulatory Income/(Expense)	(1,062)	2,129	*(149.9)*	-	*NA*	-37,631	*(97.2)*	(1,062)	(27,744)	*(96.2)*
Adjusted PAT	**36,200**	**36,228**	***(0.1)***	**38,777**	***(6.6)***	**44,556**	***(18.8)***	**160,126**	**152,279**	***5.2***

Source: Company, PL

Q1FY27 Webinar Highlights

Reported PAT masks growth: Consol PAT INR 36bn (-1% YoY) despite total income +3% to INR 117.0 bn and transmission charges +3% to INR 109.1 bn; standalone PAT INR 34.1 bn (-7%). Softness is regulatory/accounting, not operational – management mentioned new assets added ~INR 7.9 bn revenue and should have lifted PAT ~INR 2.5 bn, but the regulatory drag took it to -INR 0.33 bn. Q4FY26 had a one-off INR 8.32 bn (consol)/8.29 bn (standalone) deferred-tax write-back for the expected new-tax-regime shift.

Regulatory drag (~INR 5.6 bn): ~INR 3.3 bn depreciation (assets crossing the ~12-yr tariff curve) along with ~INR 2.3 bn interim interest (SBI MCLR+100bps earned between filing and CERC order - large in Q1FY26, now dwindled as CERC cleared its backlog). To normalise YoY: add back ~INR 2.3 bn this quarter, reduce the base by a ~INR 330 mn one-off write-back (KSK Mahanadi). FX in the regulatory account is fully passed through. Depreciation keeps rising as the 2014–16 vintage completes 12 years but is revenue-neutral by design.

Capex ahead of plan; capitalisation guidance conservative: Q1 capex INR 77.65 bn (+11% YoY) vs INR 370 bn FY27 guidance; capitalisation ~3.1x YoY to INR 52.77 bn vs INR 300 bn guidance - management flagged explicit upside as Koppal/Raichur/Bidar-Maheshwaram commission through the year.

Execution: 1,635 ckm + 10,500 MVA commissioned (~35% of prior-year run-rate in one quarter) — 765kV Kurnool III-Maheshwaram, Dausa-Beawar; 400kV New Navsari-Kala, Kadapa-Ananthapuram. Post-June: 765kV Raichur-Koppal II, 400kV Gadag II-Koppal II, Bikaner II-III, 765/400kV Koppal-II S/s. GoI eased line timelines to ~26–30 months (from an impractical 18); 132kV mobile GIS indigenised (220kV in use, 400kV underway).

Operations & collections: Availability 99.80% (99.84% Q1FY26), tripping/line 0.09. Billing INR 109.63 bn vs realisation INR 114.04 bn (104%); receivable days improved to 12.1 (from 19.4).

Order book & pipeline: Works-in-hand ~INR 1,750 bn (TBCB INR 1,463.15 bn/83%, RTM INR 251.68 bn/14%, other INR 42.17 bn; incl. CWIP INR 504.19 bn; excl. Pang-Kaithal INR 229.42 bn and offshore INR 131.42 bn). Bidding pipeline >INR 1,190 bn — INR 738.75 bn under bidding (25 projects, 80% ISTS) + INR 456.20 bn to float. Key live: Rajasthan REZ Ph-IV/Barmer HVDC (INR 249.74 bn, bids in, under BPC evaluation, award date unknown), Jam Khambhaliya+Jamnagar (INR 76.88 bn), Lakadia REZ-II (INR 75.06 bn), ERES-47 Nawada-Durgapur-Jeerat (INR 52.70 bn), WR Pumped Storage Satara (INR 47.10 bn).

Sectoral runway (>INR 15,000 bn): CEA 900+ GW plan (~INR 7,900 bn transmission capex to FY36), Brahmaputra hydro (~INR 6,400 bn), data-centre/GH2 (~71 GW GH2 uplift by 2032; NCT ~INR 131.03 bn), OSOWOG. The INR 7,900 bn bids out over ~3–4 years (systems needed FY35-36, ~2–3 yr build) with upward-revision risk — general escalation plus land/RoW under new MRC guidelines (Delhi, Haryana, now Gujarat) not yet factored in.

TBCB - share, wins, all-equity funded: ~47% cumulative ISTS tariff share; 6 of 19 FY27-to-date wins (>INR 22.0 bn annual tariff), incl. India's first TBCB SynCon (two units, Fatehgarh-II — maiden 400kV asset class for SCR/reactive support/inertia/damping). Operational TBCB equity 2x'd YoY to INR 99.65 bn (+INR 34.08 bn under construction, ~INR 130 bn total) — entirely equity/internal-accrual funded, no parent debt.

Lease accounting explains depreciation gap: New TBCB assets on finance-lease (lease receivables, no depreciation; recovery via lease amortisation) — hence consol-minus-standalone gross block +67% YoY vs depreciation differential only +27%. PAT unaffected by PPE-vs-lease treatment.

Revenue de-linked from generation: Charges are INR/annum, not INR/MWh - revenue accrues on commissioning regardless of RE ramp/utilisation. ~INR 3.0 bn RTM revenue pending CERC deemed-COD clearance; TBCB gets deemed COD automatically.

BESS - new regulated opportunity: Post CERC amendment allowing transmission developers to own storage, PowerGrid has NR/WR RPC consent and has filed petitions to build BESS on regulated returns (early-stage, incremental to core).

HVDC & equipment: ~21 HVDC projects in the medium-term frame (14 CEA 900 GW, ~6 Brahmaputra, plus international incl. Sri Lanka); one in pipeline, another expected FY27; 1,200kV under evaluation. Bulk-ordering has let OEMs add capacity - transformer/GIS pricing and availability easing, aided by four Chinese OEMs cleared to bid.

Balance sheet & other financials: Consol GFA INR 3,260 bn, net worth INR 1,040.28 bn, debt INR 1,455.86 bn (D:E 58:42), EPS INR 3.87, BVPS INR 111.85. Standalone other income +19% to INR 15.75 bn on interest from subs & JVs (INR 10.89 bn vs 7.40 bn) as SPV lending scales; interest cost +11% to INR 24.82 bn on higher debt. JV/sub dividends (INR 170 mn/2.54 bn) reflect held-for-sale status of Torrent, Sikkim Power, Parbati Koldam. Signed JPY 80 bn JBIC green loan (GoI-supported hedging).

Telecom, consultancy & ESG: PowerTel income INR 2.52 bn (~INR 2.26 bn Q1 orders, 34 new customers; A&N connectivity, first Nepal ILD from a global OTT, NIC/NKN to 2.3 Tbps, 100% backbone). Consultancy INR 3.91 bn (PESL smart-meter INR 2.20 bn; 25-country footprint). ESG: 50%-RE met by Dec'25, zero-waste-to-landfill >90%, net-water-positive >50% (both ahead of 2030), ~20% emissions-intensity cut toward Net Zero 2047.

Disclosure ask: Analysts pushed for separate consolidated TBCB revenue/EBITDA/PAT, and normative-vs-actual debt gap on operating regulated assets (to size the drag). Management acknowledged and will examine better disclosures.

Exhibit 3: Consistent Plant Availability

Period	System Availability (%)
FY21	99.8
FY22	99.8
FY23	99.8
FY24	99.9
FY25	99.8
FY26	99.8
Q1FY27	99.8

Source: Company, PL

Exhibit 4: Annual line tripping continues to reduce over the years

Period	Annual Tripping per Line
FY21	0.36
FY22	0.33
FY23	0.27
FY24	0.28
FY25	0.27
FY26	0.26
Q1FY27	0.09

Source: Company, PL

Exhibit 5: Order book in hand gives revenue visibility

Category	Works in Hand (INR Bn)
Tariff Based Competitive Bidding (TBCB)	1,463
New Regulated Tariff Mechanism (RTM)	252
Others	42
Total Works in Hand (incl CWIP)	**1,757**

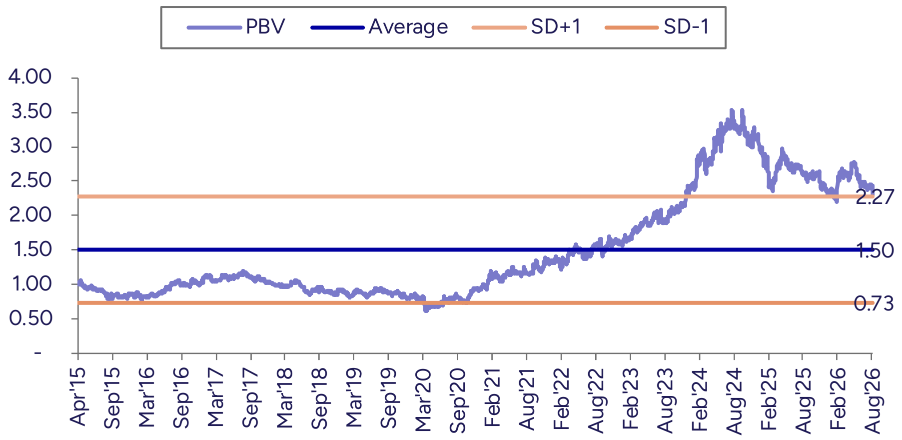
Source: Company, PL

Exhibit 6: Key operational metrics

INR bn	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E
Capex	92	246	400	370	450	450	450
- RTM, RoE fixed	38	96	68	70	70	70	70
- TBCB	54	150	331	300	380	380	380
Capitalisation	59	90	282	300	350	450	500
- RTM, RoE fixed	30	35	106	80	70	60	50
- TBCB	29	55	176	220	280	390	450
Capitalisation / Capex	0.6	0.4	0.7	0.8	0.8	1.0	1.1
DER	1.4	1.4	1.5	1.5	1.6	1.7	1.8
Debt / EBITDA	3.1	3.4	3.9	3.7	3.9	3.9	3.9
CWIP / Capital Employeed	6%	14%	16%	17%	18%	17%	15%
Regulated Equity/Equity	856	878	945	1013	1090	1186	1291
- RTM	810	820	852	876	897	915	930
- TBCB	47	58	93	137	193	271	361
Change yoy, %		*3%*	*8%*	*7%*	*8%*	*9%*	*9%*

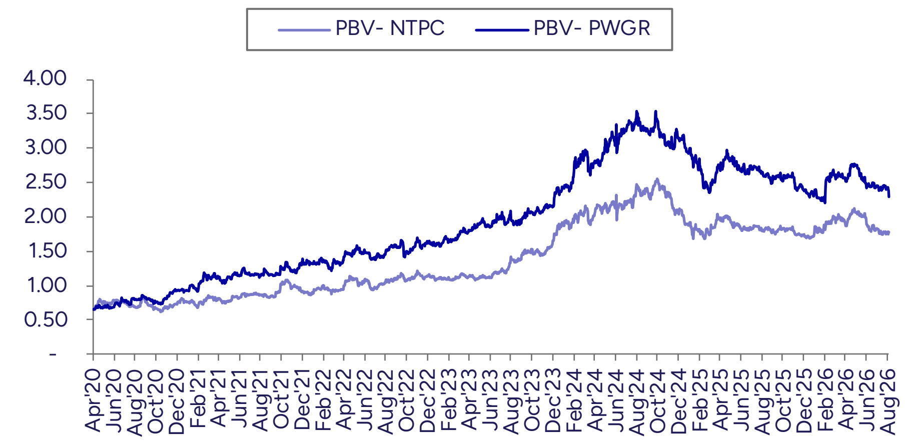
Source: Company, PL

Exhibit 7: PWGR PBV band at +1STD



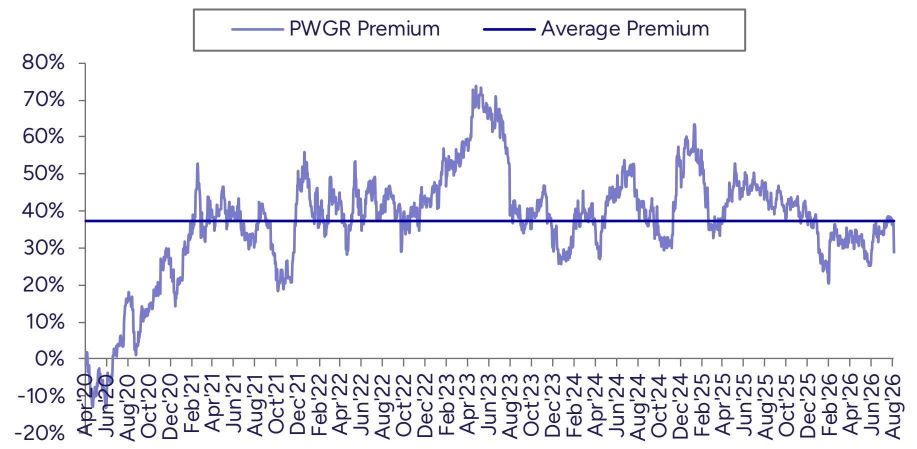
Source: Company, PL

Exhibit 8: PWGR vs. NTPC PB over the last 6 financial years



Source: Company, PL

Exhibit 9: PWGR's premium to NTPC PB is below last 6 years' average



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**457,923**	**467,329**	**516,612**	**574,235**
YoY gr. (%)	-	*2.1*	*10.5*	*11.2*
Cost of Goods Sold	-	-	-	-
Gross Profit	457,923	467,329	516,612	574,235
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	26,044	26,689	32,216	35,114
Other Expenses	41,226	60,849	53,015	65,821
EBITDA	**390,654**	**379,791**	**431,381**	**473,300**
YoY gr. (%)	*(2.1)*	*(2.8)*	*13.6*	*9.7*
Margin (%)	*85.3*	*81.3*	*83.5*	*82.4*
Depreciation and Amortization	129,042	130,297	127,155	137,030
EBIT	**261,612**	**249,494**	**304,226**	**336,270**
Margin (%)	*57.1*	*53.4*	*58.9*	*58.6*
Net Interest	87,001	84,476	109,390	123,432
Other Income	19,434	37,260	11,911	12,727
Profit Before Tax	**194,045**	**202,278**	**206,746**	**225,565**
Margin (%)	*42.4*	*43.3*	*40.0*	*39.3*
Total Tax	37,728	(13,813)	43,390	51,811
Effective Tax Rate (%)	*19.4*	*(6.8)*	*21.0*	*23.0*
Profit After Tax	**156,317**	**216,091**	**163,357**	**173,754**
Minority Interest	-	-	-	-
Share Profit from Associate	(1,103)	(1,323)	(1,323)	(1,323)
Adjusted PAT	**152,131**	**152,279**	**160,126**	**172,430**
YoY gr. (%)	*(2.3)*	*0.1*	*5.2*	*7.7*
Margin (%)	*33.2*	*32.6*	*31.0*	*30.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**152,131**	**152,279**	**160,126**	**172,430**
YoY gr. (%)	*(2.3)*	*0.1*	*5.2*	*7.7*
Margin (%)	*33.2*	*32.6*	*31.0*	*30.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	152,131	152,279	160,126	172,430
Equity Shares O/s (mn)	**9,301**	**9,301**	**9,301**	**9,301**
EPS (INR)	**16.4**	**16.4**	**17.2**	**18.5**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**2,837,712**	**3,007,873**	**3,453,461**	**3,811,511**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Acc: Dep / Amortization	**1,111,346**	**1,241,643**	**1,399,724**	**1,559,512**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net Fixed Assets	**1,726,366**	**1,766,230**	**2,053,737**	**2,251,998**
Tangibles	1,726,366	1,766,230	2,053,737	2,251,998
Intangibles	-	-	-	-
Capital Work In Progress	332,687	436,543	490,739	590,739
Goodwill	-	-	-	-
Non-Current Investments	31,167	27,439	27,439	27,439
Net Deferred Tax Assets	(107,054)	(61,547)	(61,547)	(61,547)
Other Non-Current Assets	275,860	380,919	380,919	380,919
Current Assets				
Investments	-	-	-	-
Inventories	18,025	21,264	22,385	24,817
Trade Receivables	79,648	116,726	122,881	136,232
Cash & Bank Balance	100,772	89,204	(1,113)	(7,309)
Other Current Assets	95,210	107,556	113,228	125,530
Total Assets	**2,661,074**	**2,947,273**	**3,211,680**	**3,531,991**
Equity				
Equity Share Capital	93,006	93,006	93,006	93,006
Other Equity	833,622	911,934	979,680	1,046,582
Total Networth	**926,628**	**1,004,940**	**1,072,686**	**1,139,588**
Non-Current Liabilities				
Long Term Borrowings	1,309,650	1,480,090	1,661,762	1,883,391
Provisions	-	-	-	-
Other Non Current Liabilities	119,093	124,086	124,086	124,086
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	-	-	-	-
Other Current Liabilities	198,649	276,609	292,030	323,811
Total Equity & Liabilities	**2,661,074**	**2,947,273**	**3,212,112**	**3,532,422**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	192,942	145,466	205,423	224,242
Add. Depreciation	129,042	130,297	127,155	137,030
Add. Interest	87,001	84,476	109,390	123,432
Less Financial Other Income	19,434	37,260	11,911	12,727
Add. Other	(3,084)	(7,000)	(216)	-
Op. Profit before WC Changes	405,901	353,239	441,753	484,704
Net Changes-WC	60,152	25,244	2,400	3,535
Direct Tax	(37,728)	13,813	(43,390)	(51,811)
Net Cash from Op. Activities	**428,325**	**392,296**	**400,764**	**436,428**
Capital Expenditures	(300,561)	(298,833)	(468,858)	(435,292)
Interest / Dividend Income	-	-	-	-
Others	10,465	3,728	-	-
Net Cash from Invt. Activities	**(290,096)**	**(295,105)**	**(468,858)**	**(435,292)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	75,163	170,441	181,672	221,629
Dividend Paid	(92,211)	(95,353)	(92,380)	(105,529)
Interest Paid	(87,001)	(84,476)	(109,390)	(123,432)
Others	(8,359)	(99,371)	-	-
Net Cash from Fin. Activities	**(112,408)**	**(108,759)**	**(20,098)**	**(7,332)**
Net Change in Cash	**25,822**	**(11,568)**	**(88,193)**	**(6,196)**
Free Cash Flow	127,764	93,463	(68,095)	1,136

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**114,760**	**123,951**	**116,656**	**114,967**
YoY gr. (%)	*1.8*	*10.3*	*(5.0)*	*2.7*
Raw Material Expenses	-	-	-	-
Gross Profit	114,760	123,951	116,656	114,967
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
EBITDA	**91,137**	**106,530**	**90,656**	**95,365**
YoY gr. (%)	*(6.1)*	*11.7*	*(11.3)*	*4.3*
Margin (%)	*79.4*	*85.9*	*77.7*	*82.9*
Depreciation / Depletion	32,231	33,815	32,946	31,285
EBIT	**58,906**	**72,715**	**57,710**	**64,080**
Margin (%)	*51.3*	*58.7*	*49.5*	*55.7*
Net Interest	21,481	21,905	21,747	20,229
Other Income	1,943	2,040	3,051	2,000
Profit before Tax	**39,368**	**52,850**	**39,013**	**45,851**
Margin (%)	*34.3*	*42.6*	*33.4*	*39.9*
Total Tax	8,294	13,125	(43,911)	8,827
Effective Tax Rate (%)	*21.1*	*24.8*	*(112.6)*	*19.3*
Profit After Tax	**31,075**	**39,726**	**82,924**	**37,023**
Minority Interest	-	-	-	-
Share Profit from Associate	(587)	(462)	170	23
Adjusted PAT	**34,733**	**36,763**	**44,556**	**36,200**
YoY gr. (%)	*(2.6)*	*(3.2)*	*6.1*	*-*
Margin (%)	*30.3*	*29.7*	*38.2*	*31.5*
Extra Ord. Income / (Exp)	5,173	2,586	(37,631)	(1,062)
Reported PAT	**30,488**	**39,263**	**83,094**	**37,046**
YoY gr. (%)	*(14.1)*	*2.8*	*103.0*	*8.4*
Margin (%)	*26.6*	*31.7*	*71.2*	*32.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**30,488**	**39,263**	**83,094**	**37,046**
Avg. Shares O/s (mn)	-	-	-	-
EPS (INR)	-	-	-	-

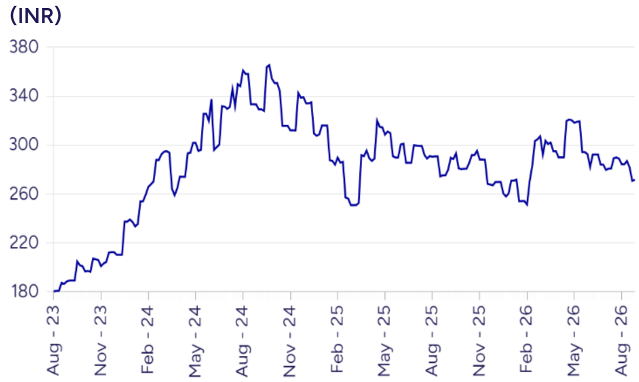
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	16.4	16.4	17.2	18.5
CEPS	30.2	30.4	30.9	33.3
BVPS	99.6	108.1	115.3	122.5
FCF	13.7	10.0	(7.3)	0.1
DPS	9.9	10.3	9.9	11.3
Return Ratio (%)				
RoCE	12.0	10.6	11.7	11.7
ROIC	10.2	11.7	9.2	9.0
RoE	16.9	15.8	15.4	15.6
Balance Sheet				
Net Debt : Equity (x)	1.3	1.4	1.6	1.7
Net Working Capital (Days)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Valuation (x)				
PER	16.6	16.5	15.7	14.6
P/B	2.7	2.5	2.3	2.2
P/CEPS	8.9	8.9	8.7	8.1
EV/EBITDA	9.5	10.3	9.7	9.3
EV/Sales	8.1	8.3	8.1	7.6
Dividend Yield (%)	3.6	3.7	3.6	4.1
FCFF Yield (%)	5.0	3.6	(2.7)	-
PEG Ratio	(7.2)	169.4	3.0	1.9

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Jul-26	BUY	346	284
2	18-May-26	BUY	346	297
3	08-Apr-26	BUY	348	295
4	24-Mar-26	BUY	348	302
5	03-Feb-26	BUY	324	270
6	08-Jul-20	BUY	205	170
7	22-Jun-20	BUY	205	179
8	16-Apr-20	BUY	205	160
9	03-Feb-20	BUY	224	187
10	03-Jan-20	BUY	224	193

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Adani Energy Solutions	HOLD	1752	1724
2	Ahluwalia Contracts (India)	BUY	1045	853
3	Ashoka Buildcon	BUY	152	131
4	CESC	BUY	216	167
5	Coal India	Accumulate	472	410
6	Dilip Buildcon	Accumulate	520	430
7	H.G. Infra Engineering	Accumulate	670	569
8	Indian Energy Exchange	Hold	135	124
9	IRCON International	HOLD	136	134
10	JSW Energy	Buy	646	562
11	KNR Constructions	HOLD	119	130
12	NCC	BUY	195	150
13	NTPC	BUY	450	351
14	PNC Infratech	BUY	271	242
15	Power Grid Corporation of India	BUY	346	284
16	PSP Projects	Accumulate	1062	951
17	Rail Vikas Nigam	Sell	165	234
18	RITES	BUY	267	216
19	Tata Power Company	Accumulate	414	371

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

ANALYST CERTIFICATION

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