PL Capital PRABHUDAS LILLADHER

Q1FY27 Result Update

RITES (RITE IN)

August 05, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	267		275	
Sales (INR mn)	27,669	32,305	27,669	32,305
% Chng.	-	-		
EBITDA (INR mn)	6,095	6,997	6,095	7,192
% Chng.	-	(2.7)		
EPS (INR)	9.3	10.6	9.3	10.9
% Chng.	-	(2.8)		

Key Data RITS.BO | RITE IN

BSE Code	541556
NSE Code	RITES
52-W High / Low	INR 280 / INR 175
Face Value	10
Sensex / Nifty	78,429 / 24,615
Market Cap	INR 104 bn / $ 1,089 mn
Shares Outstanding	480.6 mn
3M Avg. Daily Value	INR 984.45 mn

Shareholding Pattern (%)

Promoters	72.20
FIIs	3.43
Mutual Funds	2.32
Domestic Institutions	6.43
Public & Others	15.62
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(0.9)	(1.8)	(4.2)	(16.5)
Relative	(1.8)	(3.3)	2.4	(13.8)

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	22,178	24,151	27,669	32,305
EBITDA (INR mn)	5,150	5,541	6,095	6,997
Margin (%)	*23.2*	*22.9*	*22.0*	*21.7*
PAT (INR mn)	3,848	4,156	4,487	5,135
EV (INR mn)	71,017	75,543	77,623	75,690
Total Debt (INR mn)	-	-	-	-
C&C Eq. (INR mn)	33,751	29,462	27,770	30,092
EPS (INR)	8.0	8.6	9.3	10.7
Gr. (%)	*(57.8)*	*8.0*	*8.0*	*14.4*
DPS (INR)	7.6	8.0	8.6	9.8
Yield (%)	*3.5*	*3.7*	*4.0*	*4.5*
RoE (%)	*14.7*	*15.6*	*16.6*	*18.8*
RoCE (%)	*17.3*	*18.3*	*20.0*	*22.8*
EV/Sales (x)	3.2	3.1	2.8	2.3
EV/EBITDA (x)	13.8	13.6	12.7	10.8
PE (x)	27.0	25.0	23.1	20.2
P/BV (x)	3.9	3.9	3.8	3.8

Exports deferred to Q2; growth story intact

Quick Pointers

- Bangladesh coach exports deferred to Q2; FY27 export revenue guided at minimum INR 3bn (~15% of total).
- Record order book of INR 94.5bn (~4x TTM revenue); on track for INR 100bn target.

RITES delivered an in-line Q1FY27 performance, with revenue growing 9% YoY, while EBITDA margin moderated to 21.5% (23.0% YoY), largely due to a higher share of low-margin turnkey projects. Export revenue remained muted at INR 10mn as rake-based revenue recognition shifted to Q2FY27, with the first Bangladesh rake scheduled for dispatch shortly. The order book reached a record ~INR 94.5bn (~4x TTM revenue), rising sequentially despite execution, supported by INR 6.7bn of order inflows during the quarter. Management remains on track to achieve its INR 100bn order book target in FY27E and reiterated guidance of double-digit revenue growth, with consolidated EBITDA/PAT margins of at least ~20%/~15%. RITES' asset-light business model, negative working capital cycle and expected ~19% RoE by FY28E remain key positives. We expect revenue to clock a 16% CAGR over FY26-28E, a sharp improvement from flattish growth over FY24-26. Factoring in the impact of the 4th Pay Commission revision effective January 2027, we cut our FY28E EPS by 3%. We maintain our 25x FY28E P/E multiple and retain BUY with a revised TP of INR 267. The stock also offers an attractive dividend yield of ~4-5%.

In-line Quarter: RITES reported revenue of INR 5.3bn, up 8.7% YoY and ~2% above PL/street estimates, led by turnkey (up 18.9% YoY) and leasing (up 14.4% YoY), while exports contributed just INR 10mn on rake-based recognition deferred to Q2. EBITDA stood at INR 1.1bn, up 0.4% YoY and 1%/3% above PL/street, with margins at 21.5% (vs 23.3% YoY and 21.9% in Q4FY26) on higher supplies and services cost at 46% of revenue (vs 43% YoY) and a ~INR 100mn YoY increase in employee cost on a ~450 headcount addition. PAT came in at INR 978mn, up 7.6% YoY and 4%/7% above PL/street, aided by higher other income. The company declared a first interim dividend of INR 1.40 per share (payout ratio: 93.7%, yield: ~4%).

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	5,265	5,322	*1.0*	4,897	*9.0*
EBITDA (INR mn)	1,158	1,147	*-1.0*	1,142	-
Margin (%)	*22.0*	*21.5*	*-50 bps*	*23.3*	*-180 bps*
PAT (INR mn)	936	978	*4.0*	909	*8.0*

Source: Company, PL

Vishal Periwal
vishalperiwal@plindia.com | +91-22-63782549

Shubham Shelar
shubhamshelar@plindia.com | +91-22-66322222

Disha Mudda
dishamudda@plindia.com | +91-22-66322222

Order book grows despite heavier execution: They have an order book of INR 94.5bn as of Q1FY27, led by Turnkey (INR 47.2bn, 50%), Consultancy (INR 26.0bn, 26%) and Exports (INR 17.8bn, 19%), with Leasing (INR 2.4bn) and REMC (INR 1.2bn) making up the balance. Mix by mode was broadly stable at 62% competitive and 38% nomination. Q1FY27 inflows stood at INR 6.7bn across 128 orders, led by Turnkey (INR 3.1bn) and Consultancy (INR 2.8bn), with ~70% won competitively. Management remains on track for its INR 100bn target; a US$35mn South Africa locomotive order won in July is yet to be booked. Management mentioned that Turnkey will not be >50% of their orderbook in the future as well.

Export segment to drive next phase of growth: Exports remain the key growth driver, backed by a INR 21bn order book (INR 17.75bn rolling stock). Q1 exports were negligible at INR 10mn as rake-based recognition slipped, but the first Bangladesh rake ships within 10 days with full recognition in Q2FY27. Management guided to a minimum INR 3bn of export revenue in FY27 (~15% of revenue), with the Bangladesh order (200 coaches) completing only in FY28 and Mozambique deliveries starting by end-FY27. Fresh wins continue at one export order per quarter, including a US$35mn South Africa order in July.

Guidance: Management guided for double-digit revenue growth in FY27, backed by a young INR 94.5bn order book moving into execution, with sequential ramp-up the key focus. Margins face pressure from competitively bid orders, travel costs and an impending pay revision, but red lines of 20% EBITDA and 15% PAT on a consolidated annual basis were reaffirmed. Consultancy delivers steady high-margin growth, exports scale from Q2, and turnkey drives volume at 1.5-2% margins without exceeding ~50% of the book. Employee cost rises ~INR 100mn per quarter YoY, with FY28 growth lin the same guided at 8-10%.

Conference Call Highlights

Overall performance: Q1 delivered 9-10% revenue and ~8% PAT growth, tracking the FY roadmap of the record order book converting into revenue. Management flagged the need to step up execution sequentially over coming quarters to achieve substantial full-year growth, reiterating double-digit revenue growth guidance for FY27.

Exports - Q1 recognition slippage: Export revenue is recognised only on despatch of a complete rake of 20 coaches, not on partial build, hence Q1 exports of just INR 10mn. First-rake approval across ~4 coach types took extra time; the rake ships within 10 days with full recognition in Q2FY27. Subsequent rakes should move faster now that designs are approved.

Export order book: INR 21bn as on 30 June - INR 17.75bn rolling stock, balance project consultancy. Bangladesh is ~INR 9bn (200 coaches, ~10 rakes), roughly half the book; the rest is locomotives for Mozambique and other African geographies. Bangladesh completes in FY28 (early Q2/Q3) Mozambique deliveries targeted to begin by end-FY27, with clarity by end FY27Q2.

Export revenue guidance: Minimum INR 3bn for FY27, ~15% of total revenue, to be fine-tuned by end-Q2 once first-rake cadence is established. Exports become a major revenue contributor in FY28 as the current book is largely covered next year. A US$35mn order for nine locomotives to South Africa was received in July but is not in the reported order book pending formal agreement. Management has maintained 1 export order per quarter for 7-8 quarters, with live bids across locomotives, coaches and DMUs, mostly via competitive global tender.

Vande Bharat: Exploration of standard-gauge Vande Bharat exports has been initiated, with outreach to interested countries done and prototype discussions started with Indian Railways. Early stage, expected to gather pace over coming months; no quantification offered.

Order book and inflows Management is on track for the INR 100bn target with a 200+ order pipeline. Split is now ~50:50 - INR 47bn turnkey against INR 47bn consultancy plus export/rolling-stock consultancy.

Turnkey - accounting, not underperformance: Turnkey is ~50% of the order book, ~30-33% of Q1 revenue, at 1.5-2% margins. Management stressed RITES is not a construction company - scope is identical to PMC, only the accounting differs. On An INR 1bn project with INR 50mn fees, consultancy books INR 50mn while turnkey books INR 1.05bn gross: same absolute fee, larger denominator. Taken strategically as clients want a single point of contact; not seen exceeding ~50% of the book.

Margins: Three pressure points cited: 70%+ of the book competitively bid at tougher margins, elevated travel costs, and an impending pay revision to be provided for. Red lines reaffirmed at 20% EBITDA and 15% PAT on a consolidated annual basis, with Q1 holding ~22% and ~17%, flat sequentially. Management prioritises higher-margin orders from the 700+ live projects each quarter to hold the blend.

Employee cost: Up ~INR 100mn YoY in Q1, guided as the per-quarter run-rate for FY27. Headcount is up ~450 YoY to ~3,125, a deliberate bench build-up ahead of executing the record book. FY28 employee cost growth guided at 8-10%, not the 20% suggested, despite the pay revision.

Quality Assurance: QA revenue at ~INR 700mn in Q1, back at all-time-high levels seen before the competitive L&F transition. Management expects to surpass FY26 QA revenue by double digits in FY27.

REMCL: Q1 PAT of INR 220mn at 50%+ margin with ~91% payout, giving RITES a dividend of ~INR 100mn. Diversification into international and domestic renewable consultancy made early headway in Q1, with meaningful contribution expected by end-FY27.

Dividend: No change to the payout policy contemplated. Low capex, negligible working capital and a debt-free balance sheet underpin a sustained 90%+ payout, with management ruling out surprises to the business model over the next two to three years**.**

Exhibit 1: Quarterly Estimates

(INR mn)	1QFY27	*YoY gr.*	2QFY27	*YoY gr.*	3QFY27	*YoY gr.*	4QFY27	*YoY gr.*
Sales	5,322	*8.7%*	6,036	*10.0%*	7,121	*17.0%*	9,190	*19.6%*
EBITDA	1,147	*0.4%*	1,328	*2.5%*	1,638	*15.2%*	1,983	*17.9%*
Margin (%)	*21.5%*	*-176bps*	*22.0%*	*-162bps*	*23.0%*	*-36bps*	*21.6%*	*-31bps*
Adj. PAT	978	*7.6%*	1,114	*2.1%*	1,311	*13.9%*	1,473	*5.7%*

Source: Company, PL

Exhibit 2: Q1FY27 Result Overview

Particulars (INR mn)	1QFY27	1QFY26	*YoY gr. (%)*	1QFY27E	*% Var.*	4QFY26	*QoQ gr. (%)*	FY27E	FY26	*YoY gr. (%)*
Net Sales	**5,322**	**4,897**	***8.7***	**5,265**	***1.1***	**7,683**	***(30.7)***	**27,669**	**24,151**	***14.6***
EBITDA	**1,147**	**1,142**	***0.4***	**1,158**	***(1.0)***	**1,682**	***(31.8)***	**6,095**	**5,541**	***10.0***
EBITDA margin (%)	*21.5%*	*23.3%*	*-176bps*	*22.0%*	*-46bps*	*21.9%*	*-34bps*	*22.0%*	*22.9%*	*-92bps*
Other income	285	220	*29.6*	240	*18.7*	310	*(8.0)*	1,059	1,095	*(3.3)*
Depreciation	166	155	*7.0*	160	*3.6*	165	*0.4*	701	660	*6.2*
Interest	8	14	*(41.5)*	14	*(39.7)*	9	*(7.8)*	71	38	*86.8*
Share of profit/(loss) from JVs	48	24	*103.4*	23	*109.7*	40	*19.3*	140	140	-
Pre-tax profit	**1,306**	**1,216**	***7.4***	**1,247**	***4.7***	**1,858**	***(29.7)***	**6,521**	**6,078**	***7.3***
Tax (current+deferred)	328	307	*6.8*	312	*5.2*	464	*(29.4)*	1,645	1,533	*7.3*
PAT	**978**	**909**	***7.6***	**936**	***4.5***	**1,394**	***(29.8)***	**4,876**	**4,544**	***7.3***

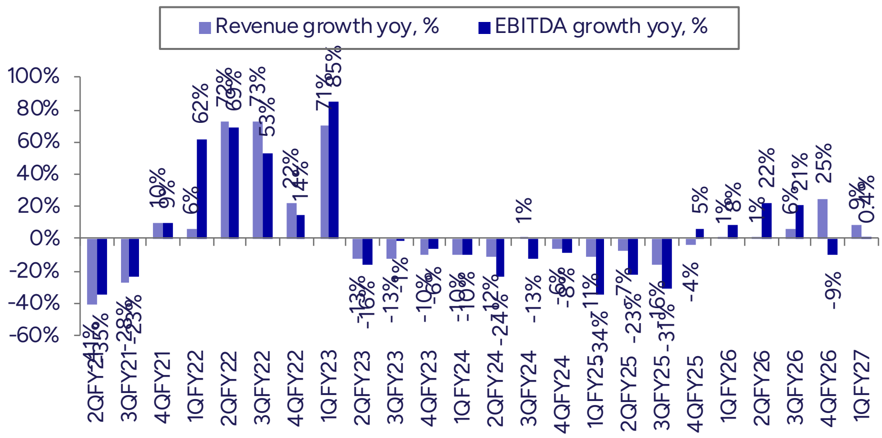
Source: Company, PL

Exhibit 3: Segmental Breakup (INR mn)

Segmental Revenue	1QFY27	1QFY26	YoY gr. (%)	4QFY26	QoQ gr. (%)	FY27E	FY26	YoY gr. (%)
Consultancy	3,000	2,902	*3.4*	3,624	*(17.2)*	14,159	13,098	*5.6*
Exports	10	34	*(69.3)*	1,905	*(99.5)*	4,428	3,163	*1,942.8*
Leasing	487	426	*14.4*	436	*11.8*	1,979	1,721	*14.5*
Turnkey Projects	1,764	1,484	*18.9*	1,686	*4.6*	6,928	6,024	*(24.4)*
Power generation	60	52	*15.5*	32	*91.7*	175	146	*0.6*
Segmental EBIT								
Consultancy	1,121	1,116	*0.5*	1,404	*(20.1)*	5,552	5,175	*1.0*
Exports	4	(8)	*(148.1)*	363	*(99.0)*	620	502	*449.0*
Leasing	186	164	*13.5*	161	*15.1*	690	600	*13.8*
Turnkey Projects	24	23	*5.7*	40	*(39.6)*	112	97	*(14.3)*
Power generation	13	14	*(6.9)*	(16)	*(183.8)*	(16)	(16)	*507.4*
EBIT Margin %								
Consultancy	37.4%	38.4%	*-107bps*	38.7%	*-137bps*	39.2%	39.5%	*-29bps*
Exports	36.9%	-23.6%	*6048bps*	19.1%	*1782bps*	14.0%	15.9%	*-187bps*
Leasing	38.1%	38.4%	*-32bps*	37.0%	*111bps*	34.9%	34.9%	*0bps*
Turnkey Projects	1.4%	1.5%	*-17bps*	2.4%	*-100bps*	1.6%	1.6%	*0bps*
Power generation	22.2%	27.5%	*-535bps*	-50.8%	*-2861bps*	-9.3%	-11.2%	*187bps*

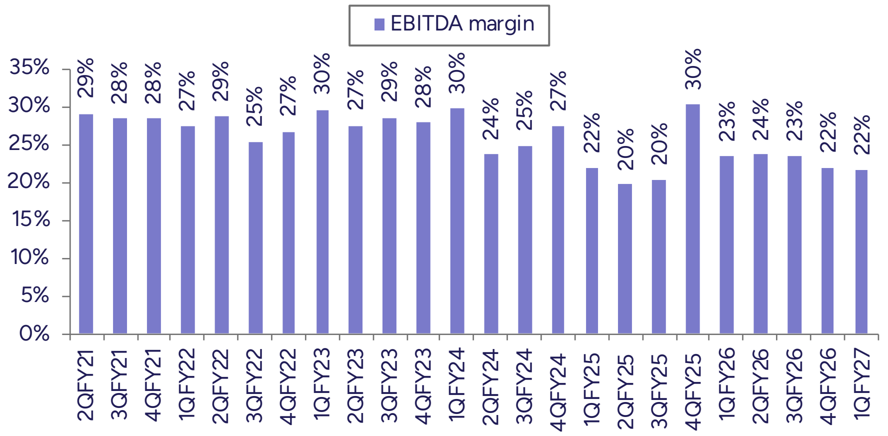
Source: Company, PL

Exhibit 4: Revenue growth coming back after period of weakness



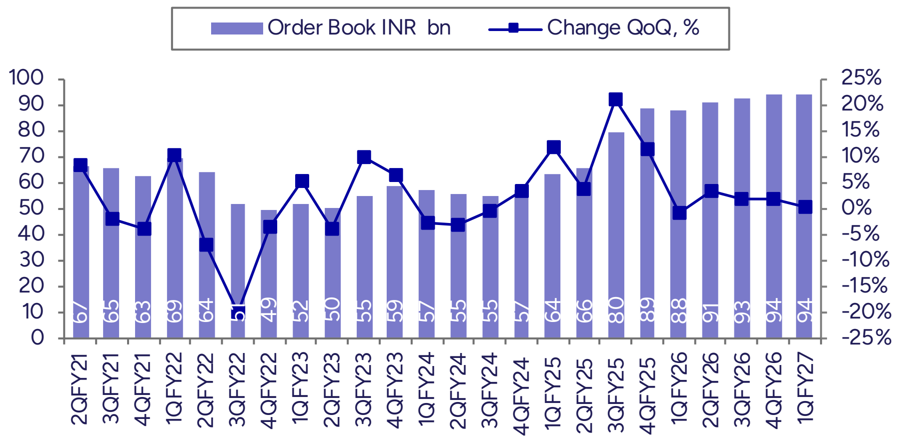
Source: Company, PL

Exhibit 5: Margin maintain at 20%+



Source: Company, PL

Exhibit 6: Order book at 3.8x TTM revenue provides good visibility



Source: Company, PL

Exhibit 7: Order book Segment wise break up

	1QFY19	1QFY20	1QFY21	1QFY22	1QFY23	1QFY24	1QFY25	1QFY26	1QFY27
Consultancy	43%	39%	41%	37%	48%	47%	39%	33%	27%
Exports	23%	18%	23%	19%	7%	1%	19%	16%	19%
Leasing	3%	2%	2%	2%	3%	3%	3%	2%	2%
Turnkey	31%	40%	33%	42%	40%	47%	37%	48%	50%

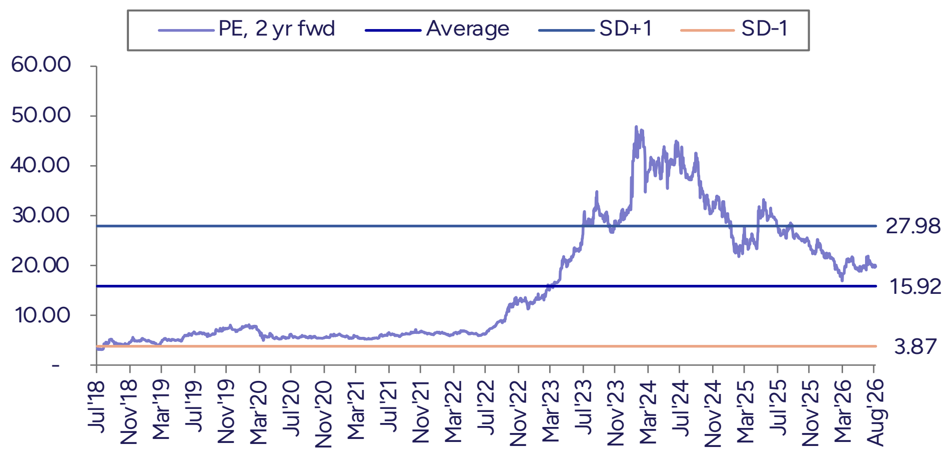
Source: Company, PL

Exhibit 8: Financial Snapshot

INR mn	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Order Book	62,230	62,770	49,390	58,700	56,900	88,770	94,160	1,05,218	1,22,262
Order Inflow	26,004	19,593	13,238	35,593	22,729	54,048	29,541	39,541	49,541
Book to bill x	2.5	3.3	2.1	2.1	2.4	3.3	3.8	3.6	3.5
Revenue	24,744	19,053	26,618	26,283	24,529	22,178	24,151	27,669	32,305
Change yoy, %	*21%*	*-23%*	*40%*	*-1%*	*-7%*	*-10%*	*9%*	*15%*	*17%*
EBITDA	6,609	5,496	7,238	7,449	6,441	5,150	5,541	6,095	6,997
Change yoy, %	*15%*	*-17%*	*32%*	*3%*	*-14%*	*-20%*	*8%*	*10%*	*15%*
EBITDA Margin %	*26.7%*	*28.8%*	*27.2%*	*28.3%*	*26.3%*	*23.2%*	*22.9%*	*22.0%*	*21.7%*
PAT	6,162	4,324	5,164	5,420	4,554	3,848	4,156	4,487	5,135
Change yoy, %	*31%*	*-30%*	*19%*	*5%*	*-16%*	*-16%*	*8%*	*8%*	*14%*
PAT Margin %	*25%*	*23%*	*19%*	*21%*	*19%*	*17%*	*17%*	*16%*	*16%*
WC as a % of sales	*-61%*	*-86%*	*-63%*	*-61%*	*-56%*	*-76%*	*-48%*	*-34%*	*-32%*
WC days	(224)	(316)	(230)	(222)	(203)	(276)	(174)	(123)	(116)
Net debt (INR bn)	-34,676	-31,427	-31,325	-31,739	-29,579	-32,133	-25,042	-23,511	-25,163
Net debt/ equity (x)	-1.32	-1.31	-1.26	-1.22	-1.13	-1.22	-0.93	-0.87	-0.91
Capex (INR bn)	1,603	569	836	1,354	1,367	1,323	944	775	905
Capex as % to revenue	*6.5%*	*3.0%*	*3.1%*	*5.2%*	*5.6%*	*6.0%*	*3.9%*	*2.8%*	*2.8%*
CFO (INR bn)	3,192	5,157	3,096	5,598	4,316	6,371	3,275	2,221	6,948
CFO/ EBITDA	48%	94%	43%	75%	67%	124%	59%	36%	99%
ROE	24.4	17.2	21.2	21.3	17.5	14.7	15.6	16.6	18.8
- Asset Turnover (x)	0.5	0.3	0.5	0.4	0.4	0.4	0.4	0.5	0.5
- Leverage (x)	2.0	2.3	2.4	2.3	2.2	2.2	2.3	2.2	2.3
- PAT Margin (%)	*25%*	*23%*	*19%*	*21%*	*19%*	*17%*	*17%*	*16%*	*16%*

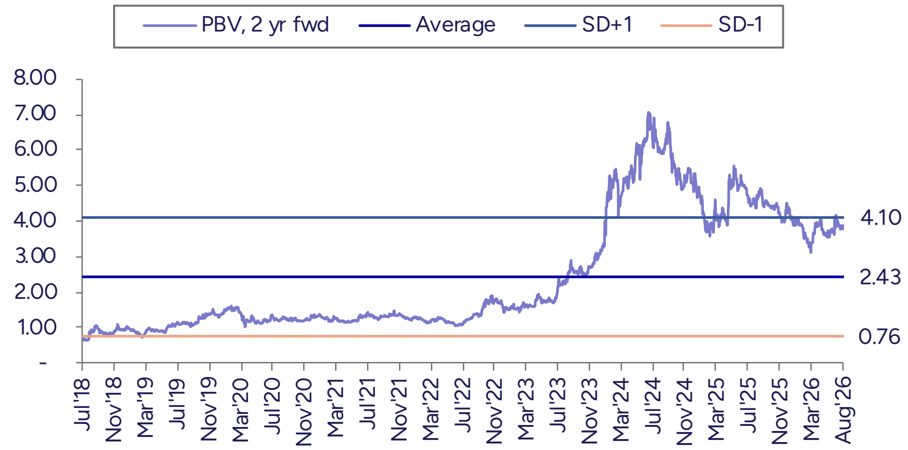
Source: Company, PL

Exhibit 9: RITE PE trading above average



Source: Company, PL

Exhibit 10: RITE PBV trading near SD +1



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**22,178**	**24,151**	**27,669**	**32,305**
YoY gr. (%)	*(9.6)*	*8.9*	*14.6*	*16.8*
Cost of Goods Sold	-	-	-	-
Gross Profit	22,178	24,151	27,669	32,305
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	5,034	5,217	5,550	6,105
Other Expenses	1,074	2,738	2,629	3,069
EBITDA	**5,150**	**5,541**	**6,095**	**6,997**
YoY gr. (%)	*(20.0)*	*7.6*	*10.0*	*14.8*
Margin (%)	*23.2*	*22.9*	*22.0*	*21.7*
Depreciation and Amortization	621	660	701	749
EBIT	**4,529**	**4,881**	**5,394**	**6,247**
Margin (%)	*20.4*	*20.2*	*19.5*	*19.3*
Net Interest	58	38	71	71
Other Income	1,057	1,095	1,059	1,070
Profit Before Tax	**5,528**	**5,938**	**6,381**	**7,247**
Margin (%)	*24.9*	*24.6*	*23.1*	*22.4*
Total Tax	1,414	1,533	1,645	1,864
Effective Tax Rate (%)	*25.6*	*25.8*	*25.8*	*25.7*
Profit After Tax	**4,114**	**4,405**	**4,736**	**5,383**
Minority Interest	389	389	389	389
Share Profit from Associate	122	140	140	140
Adjusted PAT	**3,848**	**4,156**	**4,487**	**5,135**
YoY gr. (%)	*(15.5)*	*8.0*	*8.0*	*14.4*
Margin (%)	*17.4*	*17.2*	*16.2*	*15.9*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**3,848**	**4,156**	**4,487**	**5,135**
YoY gr. (%)	*(15.5)*	*8.0*	*8.0*	*14.4*
Margin (%)	*17.4*	*17.2*	*16.2*	*15.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,848	4,156	4,487	5,135
Equity Shares O/s (mn)	**481**	**481**	**481**	**481**
EPS (INR)	**8.0**	**8.6**	**9.3**	**10.7**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**10,981**	**11,523**	**12,298**	**13,202**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Acc: Dep / Amortization	**5,016**	**5,676**	**6,378**	**7,127**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net Fixed Assets	**5,965**	**5,846**	**5,920**	**6,075**
Tangibles	5,965	5,846	5,920	6,075
Intangibles	-	-	-	-
Capital Work In Progress	476	878	878	878
Goodwill	-	-	-	-
Non-Current Investments	3,850	3,994	4,000	4,007
Net Deferred Tax Assets	206	220	220	220
Other Non-Current Assets	1,828	3,729	3,729	3,729
Current Assets				
Investments	200	-	-	-
Inventories	781	346	396	463
Trade Receivables	7,400	9,312	10,234	11,948
Cash & Bank Balance	33,751	29,462	27,770	30,092
Other Current Assets	6,684	5,414	6,203	7,242
Total Assets	**61,192**	**59,250**	**59,399**	**64,703**
Equity				
Equity Share Capital	4,806	4,806	4,806	4,806
Other Equity	21,596	22,006	22,368	22,782
Total Networth	**26,402**	**26,812**	**27,174**	**27,588**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	93	101	106	112
Other Non Current Liabilities	98	149	156	164
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	3,643	3,195	3,661	4,274
Other Current Liabilities	28,248	23,445	22,527	25,732
Total Equity & Liabilities	**61,192**	**59,251**	**59,399**	**64,703**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	5,650	6,078	6,521	7,387
Add. Depreciation	621	660	701	749
Add. Interest	(597)	(673)	(988)	(999)
Less Financial Other Income	1,057	1,095	1,059	1,070
Add. Other	(300)	(113)	-	-
Op. Profit before WC Changes	5,374	5,952	6,235	7,137
Net Changes-WC	2,648	(1,563)	(2,368)	1,675
Direct Tax	(1,651)	(1,115)	(1,645)	(1,864)
Net Cash from Op. Activities	**6,371**	**3,275**	**2,221**	**6,948**
Capital Expenditures	(1,323)	(611)	(775)	(905)
Interest / Dividend Income	559	749	1,059	1,070
Others	(1,431)	1,125	-	-
Net Cash from Invt. Activities	**(2,195)**	**1,262**	**284**	**166**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	-	-	-	-
Dividend Paid	(3,557)	(3,773)	(4,126)	(4,721)
Interest Paid	(50)	(33)	(71)	(71)
Others	-	-	-	-
Net Cash from Fin. Activities	**(3,607)**	**(3,806)**	**(4,197)**	**(4,792)**
Net Change in Cash	**569**	**731**	**(1,691)**	**2,322**
Free Cash Flow	5,048	2,664	1,447	6,043

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**5,487**	**6,086**	**7,683**	**5,322**
YoY gr. (%)	*1.5*	*5.7*	*24.8*	*8.7*
Raw Material Expenses	-	-	-	-
Gross Profit	5,487	6,086	7,683	5,322
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
EBITDA	**1,296**	**1,422**	**1,682**	**1,147**
YoY gr. (%)	*22.0*	*21.2*	*(9.4)*	*0.4*
Margin (%)	*23.6*	*23.4*	*21.9*	*21.5*
Depreciation / Depletion	171	170	165	166
EBIT	**1,126**	**1,252**	**1,517**	**981**
Margin (%)	*20.5*	*20.6*	*19.7*	*18.4*
Net Interest	8	7	9	8
Other Income	303	263	310	285
Profit before Tax	**1,421**	**1,508**	**1,817**	**1,257**
Margin (%)	*25.9*	*24.8*	*23.7*	*23.6*
Total Tax	373	390	464	328
Effective Tax Rate (%)	*26.2*	*25.8*	*25.5*	*26.1*
Profit After Tax	**1,048**	**1,118**	**1,353**	**930**
Minority Interest	-	-	-	-
Share Profit from Associate	43	33	40	48
Adjusted PAT	**1,091**	**1,151**	**1,394**	**978**
YoY gr. (%)	*32.2*	*20.5*	*(1.4)*	*7.6*
Margin (%)	*19.9*	*18.9*	*18.1*	*18.4*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,091**	**1,151**	**1,394**	**978**
YoY gr. (%)	*32.2*	*20.5*	*(1.4)*	*7.6*
Margin (%)	*19.9*	*18.9*	*18.1*	*18.4*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,091**	**1,151**	**1,394**	**978**
Avg. Shares O/s (mn)	481	481	481	481
EPS (INR)	**2.3**	**2.4**	**2.9**	**2.0**

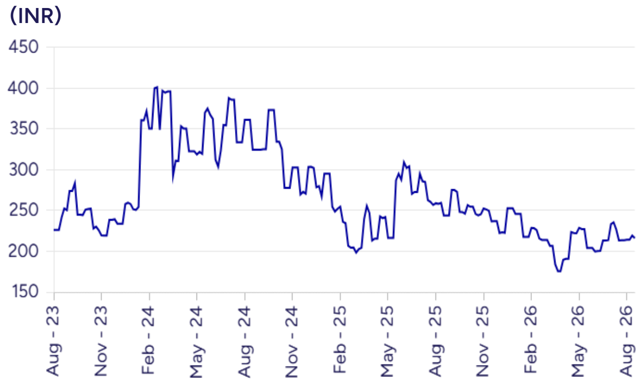
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	8.0	8.6	9.3	10.7
CEPS	9.3	10.0	10.8	12.2
BVPS	54.9	55.8	56.5	57.4
FCF	10.5	5.5	3.0	12.6
DPS	7.6	8.0	8.6	9.8
Return Ratio (%)				
RoCE	17.3	18.3	20.0	22.8
ROIC	(43.7)	(126.8)	(515.1)	(171.2)
RoE	14.7	15.6	16.6	18.8
Balance Sheet				
Net Debt : Equity (x)	(1.3)	(1.1)	(1.0)	(1.1)
Net Working Capital (Days)	75	98	92	92
Valuation (x)				
PER	26.9	24.9	23.1	20.2
P/B	3.9	3.8	3.8	3.7
P/CEPS	23.2	21.5	20.0	17.6
EV/EBITDA	13.7	13.6	12.7	10.8
EV/Sales	3.2	3.1	2.8	2.3
Dividend Yield (%)	3.4	3.6	3.9	4.5
FCFF Yield (%)	4.8	2.5	1.3	5.8
PEG Ratio	-	3.1	2.9	1.4

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Jul-26	BUY	275	216
2	01-Jul-26	BUY	275	205
3	20-May-26	BUY	275	204
4	08-Apr-26	BUY	276	192
5	05-Feb-26	BUY	276	223

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	275	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

Indian Clients

We/I Mr. Vishal Periwal MBA Finance, Mr. Shubham Shelar MBA Finance, Ms. Disha Mudda CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

US Clients

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

Prabhudas Lilladher Pvt. Ltd.

Corporate Office: 6th Floor, Tower 2B South Annex, One World Centre, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Registered Office: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018

Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipients particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report.

PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report.

PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Vishal Periwal MBA Finance, Mr. Shubham Shelar MBA Finance, Ms. Disha Mudda CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.