

Rating: HOLD | CMP: Rs366 | TP: Rs359

February 6, 2026

Q3FY26 Result Update

■ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current FY27E	Previous FY28E	Previous FY17E	Previous FY18E
Rating	HOLD		Accumulate	
Target Price	359		x,xxx	
Sales (Rs. m)	7,24,284	7,67,871	x,xxx	x,xxx
% Chng.	x.xx	x.xx		
EBITDA (Rs. m)	1,68,049	1,83,901	x,xxx	x,xxx
% Chng.	x.xx	x.xx		
EPS (Rs.)	23.9	24.5	x.xx	x.xx
% Chng.	x.xx	x.xx		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	6,54,782	6,54,610	7,24,284	7,67,871
EBITDA (Rs. m)	1,39,299	1,34,639	1,68,049	1,83,901
Margin (%)	21.3	20.6	23.2	23.9
PAT (Rs. m)	64,417	57,194	76,270	78,285
EPS (Rs.)	20.2	17.9	23.9	24.5
Gr. (%)	18.0	(11.2)	33.4	2.6
DPS (Rs.)	(3.0)	(3.0)	(3.6)	(3.7)
Yield (%)	(0.8)	(0.8)	(1.0)	(1.0)
RoE (%)	18.9	15.1	18.2	16.8
RoCE (%)	13.1	9.9	10.7	9.9
EV/Sales (x)	2.3	2.5	2.4	2.4
EV/EBITDA (x)	10.7	12.1	10.4	10.1
PE (x)	18.2	20.4	15.3	14.9
P/BV (x)	3.3	2.9	2.6	2.4

Key Data

TPPW.BO | TPWR IN

52-W High / Low	Rs.417 / Rs.326
Sensex / Nifty	81,666 / 25,088
Market Cap	Rs.1,169bn/ \$ 12,778m
Shares Outstanding	3,195m
3M Avg. Daily Value	Rs.1790.44m

Shareholding Pattern (%)

Promoter's	46.86
Foreign	10.00
Domestic Institution	17.52
Public & Others	25.61
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.3)	(5.1)	0.2
Relative	(3.6)	(8.5)	(6.5)

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Tata Power Company (TPWR IN)

Rating: HOLD | CMP: Rs366 | TP: Rs359

Mundra losses weigh on FY26E

Tata Power (TPWR) reported weaker operating performance in Q3FY26/9MFY26, with EBITDA declining 9%/2% YoY, driven by continued losses at the 4GW Mundra coal-based plant. After delivering a strong EBITDA CAGR of ~35% over FY23–25, earnings momentum has moderated in FY26E due to sustained losses at Mundra, with cumulative 9MFY26 loss after tax amounting to ~Rs8bn. Other business segments—namely Odisha and Delhi discoms, TP Solar, and the renewable asset portfolio—have delivered satisfactory performance, partially offsetting the drag from Mundra. Going forward, the earnings trajectory remains contingent on the signing of a supplementary PPA for Mundra, which was earlier expected by Q3FY26, but is pending approval from the Gujarat SEB. TPWR has an operational capacity of 16.3GW, currently skewed toward thermal generation (~55%); however, this mix is expected to improve materially with the phased commissioning of ~10GW of renewable capacity under construction. At the current price, the stock trades at ~2.5x FY28E P/B, a premium to its historical +1SD valuation band. We have 'HOLD' rating with an SoTP-based TP of Rs359/share. Key catalysts include accelerated renewable capacity additions (FY27E target: ~2.5GW), resolution of Mundra-related issues, and potential upside from opportunities in power distribution privatization.

- **Subdued quarter for P/L:** Q3FY26 consolidated revenue declined 10% YoY to Rs139bn, due to lower generation at the Mundra UMPP, reflecting continued operational challenges. Reported PAT (pre-minority) remained largely flat at Rs12bn, despite losses at Mundra. Profitability was supported by the Delhi distribution business, which benefited from the recognition of past income pertaining to FY23. Excluding this one-off benefit, underlying earnings would have been weaker, highlighting the drag from the thermal generation segment. The quarter underscores the earnings volatility at Mundra, while the regulated distribution business continues to provide stability to consolidated profitability.
- **Status of Mundra plant / PAT impact:** The Mundra coal plant remained non-operational for ~6 months, leading to a PAT loss of ~Rs8bn in 9MFY26 due to loss of capacity charges, while fixed costs continued. The management has largely concluded the supplemental PPA (SPPA) with Gujarat, with one clarification pending from the government. Once finalized, the SPPA will be circulated to other procuring states; scheduling is expected to commence based on in-principle acceptance. Timeline: The management expects clarity and potential restart within a few weeks, targeting readiness ahead of peak summer demand.
- **Renewable capacity addition target:** FY26 target is 2.6–2.7GW (including third-party and own projects); ~2.3GW has already been commissioned in 9MFY26. Additional 400–500MW is expected in Q4FY26, implying achievement of the annual target. FY27 onward: TPWR targets ~2.5GW of own capacity additions, with execution capability of up to 3GW per annum. Renewable pipeline remains strong at ~5.2GW, with a 50:50 mix of solar and wind expected in upcoming additions.

- **Opportunity in distribution:** The management highlighted distribution as a key long-term growth lever, especially via PPP-led privatization opportunities. The central government is considering zero-interest long-term funding for loss-making state DISCOMs, conditional on adopting PPP models. Timeline: New distribution opportunities expected to emerge over the next 6–9 months.
- **Rooftop solar – Performance & outlook:** Rooftop business crossed ~1GW execution in 9MFY26, with 372MW installed in Q3FY26 (vs. 173MW YoY). PAT surged to Rs3bn in 9MFY26 (vs. Rs1.1bn YoY), indicating sharp operating leverage. Order momentum remains strong, supported by the PM Surya Ghar Yojana and rising residential adoption. The management termed rooftop as the ‘tip of the iceberg’, with sustained multi-year growth expected and increasing scope for upsizing and storage-led solutions.
- **Solar module manufacturing – Margins & DCR share:** Solar module manufacturing delivered industry-leading ~48% EBITDA margins in Q3 and 9MFY26, driven by a favorable mix skewed toward high-margin DCR volumes. ~962MW modules were produced in Q3FY26, with ~80% (~795MW) from DCR modules and only ~168MW non-DCR, supporting superior realizations. Margins were supported by DCR pricing premium, >95% plant yields and high internal consumption; the management is confident of margin sustainability and further improvement as scale and operational efficiency increase.

Exhibit 1: Quarterly snapshot

In Rs mn	Q3FY26	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	1,39,484	1,53,911	(9.4)	1,55,449	(10.3)	4,75,284	4,83,824	(1.8)
EBIDTA	30,549	33,526	(8.9)	33,020	(7.5)	1,04,959	1,06,843	(1.8)
Other income	3,207	4,024	(20.3)	5,054	(36.6)	11,878	11,629	2.1
PBDT	33,756	37,550	(10.1)	38,074	(11.3)	1,16,837	1,18,471	(1.4)
Depreciation	-12,079	-10,410	16.0	-11,621	3.9	(35,309)	(30,006)	17.7
Interest	-13,637	-11,699	16.6	-13,187	3.4	(39,615)	(34,892)	13.5
Others	7,356	-874	(941.8)	3,532	108.2	6,477	(6,374)	(201.6)
PBT	15,396	14,567	5.7	16,799	(8.3)	48,390	47,199	2.5
Tax	-3,453	-2,692	28.3	-4,345	(20.5)	(11,370)	(12,507)	(9.1)
Reported PAT (before minority)	11,943	11,875	0.6	12,454	(4.1)	37,020	34,693	6.7

Source: Company, PL

Exhibit 2: PAT – Cluster-wise breakup (Rs mn)

Particulars	PAT		PAT contribution		PAT		PAT contribution	
	Q3 FY26	Q3 FY25	Q3 FY26	Q3 FY25	9M FY26	9M FY25	Q3 FY26	Q3 FY25
Thermal Generation, Coal and Hydro	11,944	11,876	100%	100%	37,020	39,090	100%	113%
Maithon Power Limited (MPL) *	(1,744)	7,644	-15%	64%	3,284	19,570	9%	56%
Traditional Generation (incl. Mumbai and Hydro)	1,075	730			3,010	2,470		
IEL *	1,218	1,278			4,735	5,440		
PPGCL ***	169	211			579	669		
Others (Incl. eliminations#)	329	209			628	643		
Mundra, Coal and Shipping	251	418			1,266	1,272		
Renewables "	(4,786)	4,797			(6,933)	9,076		
RE Gencos (Incl. CSL)	5,468	2,137	46%	18%	15,884	7,866	43%	23%
Solar EPC	521	282			3,654	4,401		
TP Solar (4.3GW Cell & module Manufacturing Plant)	1,832	1,814			5,906	3,450		
Others (Incl. eliminations#)	2,513	1,121			5,915	2,326		
T&D	603	(1,081)			408	(2,310)		
Transmission	9,122	3,705	76%	31%	20,295	13,835	55%	40%
Mumbai	-	-			-	-		
Powerlinks **	1,307	713			3,167	2,200		
Distribution and Services	98	100			294	303		
Odisha **	-	-			-	-		
Delhi **	509	415			1,576	1,500		
Others (T&D incl, TPADL**, TPTCL and eliminations#)	2,259	857			5,049	1,643		
Others (Incl. Tata Projects, Nelco and inter cluster eliminations#)	4,518	1,200			8,997	7,042		
Others (T&D incl, TPADL**, TPTCL and eliminations#)	431	420			1,211	1,148		
Others (Incl. Tata Projects, Nelco and inter cluster eliminations#)	(902)	(1,610)	-8%	-14%	(2,443)	(2,183)	-7%	-6%
Consolidated before exceptional items	11,943	11,875	100%	100%	37,020	39,088	100%	113%
Exceptional items	-	-			-	(4,396)		
Consolidated after exceptional items	11,943	11,875	100%	100%	37,020	34,691	100%	100%

Source: Company, PL

Previous year numbers are restated

*TPCL stake - 74%; **TPCL stake - 51%; ***TPWR owns 88.57% stake in Renewables (TPREL). #Eliminations include inter-company transactions; ^Including other income

Exhibit 3: Debt profile (Rs mn)

	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Long-term debt	3,84,240	3,92,322	4,08,798	4,41,297	4,87,301	5,23,601	5,49,446
Short-term debt	65,290	56,748	42,864	44,962	26,020	59,085	61,794
Current Maturity	74,440	90,847	96,695	95,196	88,160	68,753	73,789
Total debt	5,23,970	5,39,917	5,48,357	5,81,456	6,01,481	6,51,439	6,85,028
Less: cash	92,400	96,559	96,254	1,30,534	1,23,671	1,11,427	1,24,292
Less: debt against JVs	6,900	7,562	5,042	4,200	2,027	-	-
Net debt	4,24,670	4,35,796	4,47,062	4,46,722	4,75,782	5,40,013	5,60,736
Equity	3,94,550	3,97,208	4,10,097	4,26,050	4,40,362	4,47,431	4,56,477
Net DER (x)	1.08	1.10	1.09	1.05	1.08	1.21	1.23
Net debt / TTM EBITDA (x)	3.7	3.6	3.4	3.2	3.3	3.8	4.1

Source: Company, PL

Outlook & Valuations

TPWR is India's largest private integrated utility company and is present across the value chain, from generation to coal mining to power distribution and power equipment. To achieve 15% EBITDA CAGR over FY25-30E, it envisages Rs240-250bn p.a. capex over FY26-30E with a mix of renewables at 60%, transmission at ~20%, power distribution at 7%, and pumped hydro storage at 10%. TPWR is expected to report an annual OCF of Rs150bn, balance sheet NDER of 1.2x and net debt / EBITDA of 4x. Thus, it has the balance sheet strength to undertake capex.

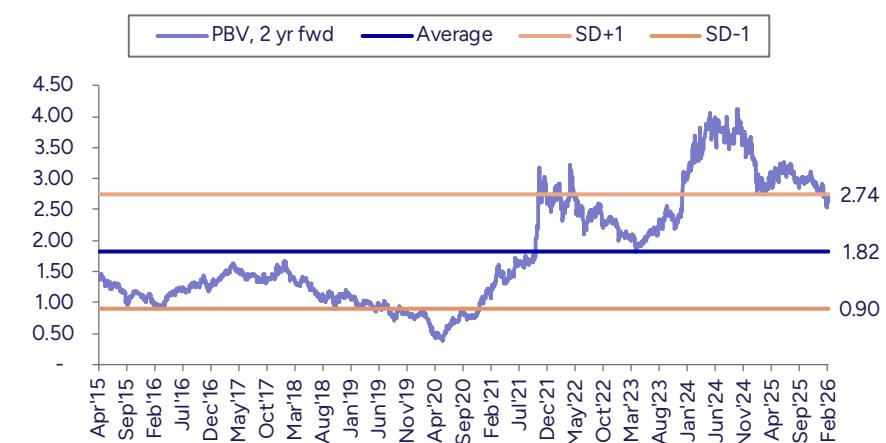
Our SoTP-based TP for TPWR stands at Rs359/share, reflecting the diversified nature of its business mix. Regulated equity contributes the largest share in SOTP based TP at Rs86/share (24%), valued at 2x P/B, providing stability and downside protection. The CGPL business is valued at Rs74/share (21%), factoring in 1x valuation for loans to the SPV and equity. Consolidated renewable energy assets contribute Rs101/share (28%), valued at 14x EV/EBITDA on FY28E, supported by ~11GW of capacity including solar cell and module manufacturing. Other investments add Rs58/share (16%), encompassing Tata Projects, Resurgent, global assets, BSSR, AGM, and the trading arm. Overall, the SoTP highlights TPWR's balanced exposure across regulated, renewable, and emerging growth segments, with renewables driving incremental valuation upside.

Exhibit 4: TP of TPWR on SoTP basis at Rs359/sh

Rs/share	Base-case (Rs/sh)	As %	Remarks
Regulated equity	86	24%	Using 2x PB multiple for regulated equity
CGPL	74	21%	1x for loans to SPV and equity
Consolidated RE	101	28%	For 11GW capacity, Solar Cell/module mfg, at EV/EBITDA 14x for FY28E EBITDA
Other investments	58	16%	Tata Projects, Resurgent, global assets, BSSR, AGM, trading arm & others
PSP hydro plant	40	11%	Assuming 2.8GW at Rs8bn/GW at 14x EV/EBITDA
SoTP	359	100%	

Source: Company, PL

Exhibit 5: TPWR's PB valuation band at +1STD



Source: Company, PL

Key risks

- **Mundra resolution risk:** Delays or partial resolution of the supplemental PPAs for the Mundra imported coal plant could continue to weigh on EPS, as the asset has already incurred ~Rs8bn of PAT-level losses in 9MFY26 due to prolonged shutdown and absence of capacity charges. Any adverse regulatory or contractual outcome could prolong earnings volatility.
- **Renewable execution and commissioning risk:** TPWR has a large pipeline of renewable projects scheduled for commissioning from FY27. Delays in land acquisition, transmission connectivity or grid readiness could defer revenue and EBITDA recognition, impacting near-term EPS accretion.
- **Regulatory dependency in distribution:** A meaningful portion of recent earnings uplift, particularly in the Delhi DISCOM, has been driven by regulatory true-ups and tariff orders. Any delay, disallowance or unfavorable outcome in future regulatory approvals could lead to normalization of earnings and impact EPS visibility.
- **Transmission commissioning risk:** Earnings growth in the transmission segment is contingent on timely commissioning of tariff-based competitive bidding (TBCB) projects. Any slippage in project execution or delays in capitalization could defer regulated returns and negatively impact EPS in the intervening period.
- **Solar manufacturing margin normalization:** Current EPS is supported by elevated margins in cell and module manufacturing driven by high plant yields and favorable demand-supply dynamics. A decline in module prices, changes in ALMM/DCR policy, or intensifying competition could compress margins and reduce incremental EPS contribution.
- **Rooftop solar profitability risk:** The rooftop solar business has delivered strong earnings growth aided by scale-up and policy support. Any moderation in government incentives, pricing pressure in residential or C&I segments, or execution bottlenecks could temper earnings momentum.
- **Coal price and mining earnings risk:** Profitability of Indonesian coal mining subsidiaries is sensitive to global coal price movements and regulatory changes. A sharp correction in coal prices or adverse policy developments could reduce contribution to consolidated EPS.
- **Leverage and interest cost sensitivity:** While balance sheet metrics are comfortable (net debt/EBITDA: ~3.4x), sustained high capex could increase debt levels. Rising interest rates or slower-than-expected cash flow ramp-up could impact EPS through higher finance costs.

Annexure

TPWR – An integrated utility

Generation: TPWR's generation portfolio stands at ~26.3GW, including projects under construction, with ~16.3GW currently operational. The operational mix is dominated by thermal capacity of ~8.9GW (~55%), followed by solar at ~4.9GW (~30%), wind at ~1.2GW (~7%), hydro at ~0.9GW (~6%) and waste heat recovery/BFG at ~0.4GW (~2%), resulting in a clean & green share of ~46%. Importantly, the entire ~10.0GW capacity under construction is renewable, largely comprising solar, wind, hybrid and FDRE/RTC projects, with phased commissioning expected from FY27. Post commissioning, total capacity will rise to ~26.3GW, with clean & green capacity increasing to ~17.4GW (~66%), while thermal capacity remains stable at ~8.9GW (~34%). Within the expanded renewable portfolio, solar and hybrid/FDRE assets are expected to form the bulk, materially improving the fuel mix, reducing earnings volatility and structurally enhancing sustainability and visibility of generation cash flows.

Transmission: TPWR has an operational transmission network of ~4,738 circuit km (ckm), supported by a robust under-construction pipeline of ~2,573 ckm, largely under TBCB projects. Key projects such as NRSS and multiple interstate transmission schemes are scheduled for commissioning between FY26 and FY28. This positions the transmission portfolio for strong growth in regulated asset base and ckm over the next 2–3 years, benefiting from rising national transmission capex driven by renewable integration and inter-regional power flows. The management expects steady additions to operational ckm annually as projects under execution achieve commissioning.

Distribution: TPWR serves ~13mn customers across its distribution businesses in Delhi, Mumbai and Odisha. The Odisha DISCOMs continue to show operational and financial improvement, with AT&C losses reducing by ~1.9% YTD in 9MFY26 and PAT rising sharply YoY. Smart meter rollout has crossed ~7 lakh installations. The distribution segment remains a stable cash flow generator, aided by tariff revisions, efficiency improvements and regulatory support, while offering long-term value creation through loss reduction and demand growth.

Coal business: TPWR holds strategic stakes in Indonesian coal mines with a combined capacity of ~78MT, including Kaltim Prima Coal (30% stake), Baramulti Suksessarana (26%) and Antang Gunung Meratus (26%). These assets primarily support fuel security for thermal operations and provide earnings diversification. Coal production and sales remained stable in Q3FY26, though profitability is inherently linked to global coal price movements.

Solar rooftop: The business delivered record execution, with ~1GWp installed in 9MFY26. The third-party rooftop order book stood at ~Rs11.7bn as of Q3FY26, with strong traction in both residential and C&I segments. Residential rooftop share has increased meaningfully YoY, supported by government schemes and TPWR's expanding channel partner network, positioning the segment for sustained volume-led growth.

Debt & leverage: As of 9MFY26, TPWR's net debt stood at ~Rs560bn, reflecting ongoing capex in renewables, transmission and manufacturing. Despite the increase, leverage metrics remain comfortable, with net debt to equity at ~1.23x and net debt to TTM EBITDA at ~4.1x (TTM). The management reiterated its commitment to maintaining a strong balance sheet, supported by improving cash flows, regulated earnings and recent credit rating upgrades.

EBITDA break-up (9MFY26): TPWR's EBITDA is now largely skewed toward structurally stable segments, with renewables (~40%) and regulated T&D (~43%) together contributing to ~83% of EBITDA, while conventional generation has moderated to sub-15% (impacted by Mundra UMPP loss of Rs4bn per quarter), underscoring the ongoing transition to a cleaner and more predictable earnings profile.

- **Renewables:** Include RE gencos of 5.5GW, solar EPC order book of Rs120bn and 5GW cell & module manufacturing; this is now the single largest contributor
- **T&D:** Driven by regulated transmission assets and improving profitability across Delhi, Mumbai and Odisha DISCOMs
- **Conventional generation:** Includes thermal generation, hydro and coal-linked businesses
- **Balance / Others & eliminations:** Primarily inter-segment eliminations, corporate costs, trading and other businesses

Shareholding

- As of Dec'25, promoters' holding stood at 46.86% (with Tata Sons Pvt Ltd holding 45.21%).
- DIIs owns 17.20% (within which LIC owns 5.18% and Nippon Life India owns 2.25%); FIIs hold 10%; retail investors have 25.60%; and government bodies have 0.32%.

Management team

- **Mr. Natarajan Chandrasekaran – Chairman (Non-Executive), Non-Independent Director:** He is the former CEO & MD of Tata Consultancy Services and now the Chairman of Tata Sons. He is widely regarded as one of India's most influential corporate leaders. He brings deep strategic, digital, and governance experience to TPWR's board and is seen as a key architect of the group's long-term energy-transition vision.
- **Dr. Praveer Sinha, Managing Director & CEO:** He is a power-sector veteran with over 3 decades of experience, including prior roles as the CEO of TPWR's international operations and leadership positions in generation and overseas projects. He is credited with driving TPWR's shift toward renewables, improving plant-efficiency, and strengthening financial discipline across the group.
- **Mr. Sanjeev Churiwala – Chief Financial Officer:** He leads group finance, treasury, investor relations, and capital-structure planning. He has played a

central role in funding TPWR's aggressive renewable-capex program, managing debt-to-equity ratio, and maintaining credit-metric discipline amid a high-investment phase.

- **Mr. Vispi S Patel – Company Secretary & Compliance Officer:** He oversees corporate governance, regulatory compliance, and board-secretarial functions, ensuring alignment with SEBI, stock-exchange regulations, and Tata Group governance standards. He acts as the key interface between the board, regulators, and stakeholders on compliance and disclosure matters.

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	6,54,782	6,54,610	7,24,284	7,67,871
YoY gr. (%)	6.6	0.0	10.6	6.0
Cost of Goods Sold	-	-	-	-
Gross Profit	7,12,686	6,54,610	7,24,284	7,67,871
Margin (%)	108.8	100.0	100.0	100.0
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
EBITDA	1,39,299	1,34,639	1,68,049	1,83,901
YoY gr. (%)	29.2	(3.3)	24.8	9.4
Margin (%)	21.3	20.6	23.2	23.9
Depreciation and Amortization	(41,169)	(47,283)	(55,073)	(63,053)
EBIT	98,130	87,357	1,12,976	1,20,848
Margin (%)	15.0	13.3	15.6	15.7
Net Interest	(47,024)	(51,423)	(58,613)	(65,591)
Other Income	15,139	14,518	14,489	14,868
Profit Before Tax	56,483	50,451	68,852	70,126
Margin (%)	8.6	7.7	9.5	9.1
Total Tax	-	-	-	-
Effective tax rate (%)	-	-	-	-
Profit after tax	56,483	50,451	68,852	70,126
Minority interest	-	-	-	-
Share Profit from Associate	7,933	6,743	7,417	8,159
Adjusted PAT	64,417	57,194	76,270	78,285
YoY gr. (%)	18.0	(11.2)	33.4	2.6
Margin (%)	9.8	8.7	10.5	10.2
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	64,417	57,194	76,270	78,285
YoY gr. (%)	18.0	(11.2)	33.4	2.6
Margin (%)	9.8	8.7	10.5	10.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	64,417	57,194	76,270	78,285
Equity Shares O/s (m)	3,196	3,196	3,196	3,196
EPS (Rs)	20.2	17.9	23.9	24.5

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	11,44,281	13,44,281	15,54,281	17,64,281
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Acc: Dep / Amortization	(3,60,537)	(4,07,819)	(4,62,892)	(5,25,945)
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net fixed assets	7,83,744	9,36,462	10,91,389	12,38,336
Tangibles	7,83,744	9,36,462	10,91,389	12,38,336
Intangibles	-	-	-	-
Capital Work In Progress	1,26,789	1,76,789	2,26,789	2,76,789
Goodwill	-	-	-	-
Non-Current Investments	1,50,140	1,50,140	1,50,140	1,50,140
Net Deferred tax assets	5,180	5,180	5,180	5,180
Other Non-Current Assets	2,13,694	2,13,694	2,13,694	2,13,694
Current Assets				
Investments	-	-	-	-
Inventories	45,718	45,706	50,571	53,614
Trade receivables	57,098	57,083	63,158	66,959
Cash & Bank Balance	1,17,510	1,16,912	1,21,118	1,27,559
Other Current Assets	32,437	32,429	35,880	38,039
Total Assets	15,67,113	17,69,187	19,96,416	22,11,125
Equity				
Equity Share Capital	3,196	3,196	3,196	3,196
Other Equity	3,55,211	3,93,442	4,38,789	4,85,334
Total Networth	3,58,407	3,96,638	4,41,984	4,88,529
Non-Current Liabilities				
Long Term borrowings	4,41,297	5,76,884	6,95,040	8,07,288
Provisions	-	-	-	-
Other non current liabilities	2,47,060	2,46,995	2,73,284	2,89,730
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	88,546	88,522	97,944	1,03,838
Other current liabilities	3,64,150	3,84,048	4,03,196	4,27,460
Total Equity & Liabilities	15,67,113	17,69,187	19,96,416	22,11,125

Source: Company Data, PL Research

Cash Flow (Rs m)				
Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	63,196	50,451	68,852	70,126
Add. Depreciation	41,169	47,283	55,073	63,053
Add. Interest	-	-	-	-
Less Financial Other Income	15,139	14,518	14,489	14,868
Add. Other	27,588	36,906	44,124	50,722
Op. profit before WC changes	1,31,953	1,34,639	1,68,049	1,83,901
Net Changes-WC	718	19,920	10,474	18,838
Direct tax	(5,869)	(13,512)	(19,449)	(19,963)
Net cash from Op. activities	1,26,802	1,41,048	1,59,075	1,82,776
Capital expenditures	(1,72,728)	(2,50,000)	(2,60,000)	(2,60,000)
Interest / Dividend Income	-	-	-	-
Others	18,240	25,418	48,195	39,473
Net Cash from Invt. activities	(1,54,489)	(2,24,582)	(2,11,805)	(2,20,527)
Issue of share cap. / premium	3,194	-	-	-
Debt changes	85,702	1,35,587	1,18,156	1,12,248
Dividend paid	(6,391)	(9,674)	(11,474)	(11,777)
Interest paid	-	-	-	-
Others	(39,581)	(42,977)	(49,745)	(56,279)
Net cash from Fin. activities	42,924	82,936	56,937	44,192
Net change in cash	15,237	(599)	4,206	6,441
Free Cash Flow	(45,927)	(1,08,952)	(1,00,925)	(77,224)

Key Financial Metrics				
Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	20.2	17.9	23.9	24.5
CEPS	7.3	3.1	6.6	4.8
BVPS	112.2	124.1	138.3	152.9
FCF	(14.4)	(34.1)	(31.6)	(24.2)
DPS	(3.0)	(3.0)	(3.6)	(3.7)
Return Ratio(%)				
RoCE	13.1	9.9	10.7	9.9
ROIC	15.5	11.3	12.1	11.1
RoE	18.9	15.1	18.2	16.8
Balance Sheet				
Net Debt : Equity (x)	0.9	1.2	1.3	1.4
Net Working Capital (Days)	8	8	8	8
Valuation(x)				
PER	18.2	20.4	15.3	14.9
P/B	3.3	2.9	2.6	2.4
P/CEPS	50.3	118.0	55.2	76.8
EV/EBITDA	10.7	12.1	10.4	10.1
EV/Sales	2.3	2.5	2.4	2.4
Dividend Yield (%)	(0.8)	(0.8)	(1.0)	(1.0)

Source: Company Data, PL Research

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	1,70,959	1,80,351	1,55,449	1,39,484
YoY gr. (%)	7.9	4.3	(1.0)	(9.4)
Raw Material Expenses	22,621	23,029	23,445	25,561
Gross Profit	1,48,338	1,57,321	1,32,004	1,13,923
Margin (%)	86.8	87.2	84.9	81.7
EBITDA	32,456	41,390	33,020	30,549
YoY gr. (%)	39.2	15.4	(11.8)	(8.9)
Margin (%)	19.0	22.9	21.2	21.9
Depreciation / Depletion	11,163	11,609	11,621	12,079
EBIT	21,293	29,781	21,399	18,470
Margin (%)	12.5	16.5	13.8	13.2
Net Interest	12,132	12,792	13,187	13,637
Other Income	3,511	3,617	5,054	3,207
Profit before Tax	14,991	14,898	15,508	13,409
Margin (%)	8.8	8.3	10.0	9.6
Total Tax	2,936	3,571	4,345	3,453
Effective tax rate (%)	19.6	24.0	28.0	25.8
Profit after Tax	12,055	11,327	11,163	9,956
Minority interest	2,562	2,025	3,260	4,224
Share Profit from Associates	1,006	1,296	1,291	1,987
Adjusted PAT	10,499	10,599	9,194	7,720
YoY gr. (%)	17.3	9.2	(0.8)	(25.1)
Margin (%)	6.1	5.9	5.9	5.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	10,499	10,599	9,194	7,720
YoY gr. (%)	17.3	9.2	(0.8)	(25.1)
Margin (%)	6.1	5.9	5.9	5.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	10,499	10,599	9,194	7,720
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	-	-	-	-

Source: Company Data, PL Research

Price Chart

Recommendation History



Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Ashoka Buildcon	BUY	183	153
2	Indian Energy Exchange	Hold	135	127
3	NTPC	BUY	423	356
4	Power Grid Corporation of India	BUY	324	270
5	PSP Projects	BUY	1,028	750

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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