RATING BUY | CMP INR 260 | TP INR 321

Power Grid Corporation of India (PWGR IN)

Q2FY27 Result Update

November 03, 2026

■ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		BUY	
Target Price	321		317	
Sales (INR mn)	574,235	636,904	574,235	636,904
% Chng.	-	-		
EBITDA (INR mn)	473,300	524,390	473,300	524,390
% Chng.	-	-		
EPS (INR)	18.5	20.2	18.5	20.2
% Chng.	-	-		

Key Data	PGRD.BO | PWGR IN
BSE Code	532898
NSE Code	POWERGRID
52-W High / Low	INR 324 / INR 242
Face Value	10
Sensex / Nifty	76,918 / 23,811
Market Cap	INR 2,414 bn / $ 25,478 mn
Shares Outstanding	9300.6 mn
3M Avg. Daily Value	INR 2,635.84 mn

Shareholding Pattern (%)

Promoters	51.34
FIIs	24.03
Mutual Funds	12.79
Domestic Institutions	8.04
Public & Others	3.79
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	2.0	(9.6)	(18.5)	(9.9)
Relative	(4.7)	(7.5)	(18.5)	(1.6)

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	467,329	516,612	574,235	636,904
EBITDA (INR mn)	379,791	431,381	473,300	524,390
Margin (%)	*81.3*	*83.5*	*82.4*	*82.3*
PAT (INR mn)	152,279	160,690	172,430	187,492
EV (INR mn)	3,804,857	3,999,910	4,219,485	4,415,337
Total Debt (INR mn)	1,480,090	1,661,762	1,883,391	2,078,982
C&C Eq. (INR mn)	89,204	75,823	77,877	77,616
EPS (INR)	16.4	17.3	18.5	20.2
Gr. (%)	*0.1*	*5.5*	*7.3*	*8.7*
DPS (INR)	10.3	9.9	11.3	12.8
Yield (%)	*4.0*	*3.8*	*4.4*	*4.9*
RoE (%)	*15.8*	*15.5*	*15.6*	*16.0*
RoCE (%)	*10.6*	*11.7*	*11.7*	*11.9*
EV/Sales (x)	8.1	7.7	7.3	6.9
EV/EBITDA (x)	10.0	9.3	8.9	8.4
PE (x)	15.9	15.0	14.0	12.9
P/BV (x)	2.4	2.2	2.1	2.0

Capex guidance raised, capitalisation trimmed

Quick Pointers

- Order inflow of ~INR525bn in Q2FY27 (led by Barmer HVDC); works in hand at INR2.2trn vs INR1.8trn QoQ
- FY27 capex guidance raised to INR370–400bn; capitalisation guidance revised to INR250–300bn

PGCIL reported Q2FY27 consolidated adjusted PAT (excluding prior-period income) of INR 38.6bn, up 11% YoY and 9%/8% above our/Street estimates. Underlying PAT growth was ~9% YoY before regulatory and one-off items, as per management's earnings bridge. Capitalisation stood at INR 40bn in Q2FY27 and INR 93bn in H1FY27, against the revised FY27 guidance of INR 250–300bn (earlier INR 300bn). While this is below our/Street estimates, capex guidance was raised to INR 370–400bn, with H1 execution at INR 169bn. Management expects annual capex of ~INR 400bn in FY28/29, with potential upside. Order inflows (including CWIP) stood at ~INR 525bn in Q2FY27, led by the Barmer HVDC win, taking works in hand to INR 2.2trn from INR 1.8trn QoQ, alongside a bidding pipeline of INR 672bn. The resumption of quarterly YoY PAT growth, strong capex visibility and sustained T&D bidding opportunities remain key positives. We retain BUY with an unchanged TP of INR 321, valuing the stock at 2.5x 1HFY29 BV, stock offers a dividend yield of ~4%

PAT beat: Consolidated revenue was INR118bn (+3% YoY), 4%/3% below our/Street estimates; EBITDA of INR97.2bn (+7% YoY) was 2% below our estimate and in line with Street. Margin expanded to 82.3% (vs. 79.4% in Q2FY26) on lower other expenses (12% of revenue vs. 15%). Reported PAT was INR37.7bn (+24% YoY), aided by a lower tax rate (17.4% vs. 21.4%) and a smaller JV loss; adjusted PAT rose 11% YoY to INR38.6bn, 9%/8% above estimates. Per management's bridge, higher transmission income added ~INR9.9bn to operating income, partly offset by a ~INR3.5bn regulatory impact and ~INR1.9bn of non-recurring items. Availability held at 99.81% in H1, and receivable days improved to 10.5 (from 15.2 in Q2FY26).

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	*% Var.*	Q2'26A	*YoY gr. (%)*
Net Sales (INR mn)	1,23,477	1,18,162	*(4.3)*	1,14,760	*3.0*
EBITDA (INR mn)	99,146	97,200	*(2.0)*	91,137	*6.7*
Margin (%)	*80.3*	*82.3*	*200 bps*	*79.4*	*290 bps*
PAT (INR mn)	35,359	38,607	*9.2*	34,733	*11.2*

Source: Company, PL

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Capex steps up: Q2 capex was INR91bn (+8% YoY) and capitalisation rose 82% YoY to INR40bn (INR53bn in Q1). FY27 capex guidance was raised to INR370–400bn, while capitalisation guidance is now INR250–300bn (INR300bn earlier). Management expects capex of ~INR400bn a year in FY28/29 with upside, and called the capitalisation outlook for those years encouraging given the HVDC and SynCon projects in hand. It said equipment supply is not a constraint, helped by bulk ordering. Right-of-way remains an industry-wide issue: central guidelines on market-rate land compensation need to be adopted by each state, and this will also raise project costs. Management said no project has stalled and a delay of a few weeks only shifts capitalisation into the next quarter.

Record order win; pipeline to be refilled by intra-state: PWGR won 11 TBCB projects in H1FY27 (till 31-Oct) with INR81bn of annual tariff, including Barmer HVDC, Lakadia REZ-II, Jam Khambhaliya + Jamnagar, the Kakinada green hydrogen hub and the Fatehgarh-II SynCon. Works in hand rose to INR2.2trn (89% TBCB), from INR1.75trn in Q1. The TBCB bidding pipeline fell to INR672bn (INR631bn under bidding across 28 projects, 72% inter-state), from INR1.19trn, as the large HVDC was awarded. Management expects it to be refilled by new HVDCs (~22 planned, with 1–2 possible awards by FY28) and ~INR1.36trn of intra-state projects under GEC-III.

TBCB scale-up; new avenues in storage and data centres: Equity in operating TBCB projects rose 2.2x YoY to INR107bn (+INR46bn under construction). Management did not share project cost or IRRs on the new wins, citing competition, and said new entrants such as road EPC companies do not set its returns. Bids carry price-variation clauses and cushions for commodity moves. PWGR has filed petitions to build regulated battery storage under section 62 after CERC's amendment, and its pilot 14 MW Manesar data centre is ready for launch, with a second planned in southern India.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27E	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	118,162	*2.97*	118,162	*3%*	136,346	*10%*	147,136	*26%*
EBITDA	97,200	*6.65*	97,200	*7%*	114,531	*8%*	124,286	*37%*
Margin (%)	*82.3%*	*56bps*	*82%*	*284bps*	*84%*	*-195bps*	*84%*	*676bps*
Adj. PAT	38,607	*-0.1%*	38,607	*11%*	38,685	*5%*	47,520	*7%*

Source: Company, PL

Exhibit 2: Q2FY27 Result Overview

In INR mn	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Net Sales	**1,18,162**	**1,14,760**	***3.0***	**1,23,477**	***(4.3)***	**1,14,967**	***2.8***	**2,33,129**	**2,26,722**	***10.5***
EBIDTA	97,200	91,137	*6.7*	99,146	*(2.0)*	95,365	*1.9*	1,92,565	1,82,605	*13.6*
Other income	2,389	1,943	*23.0*	1,943	*23.0*	2,000	*19.4*	4,389	4,425	*14.0*
PBIDT	**99,589**	**93,080**	***7.0***	**1,01,089**	***(1.5)***	**97,365**	***2.3***	**1,96,954**	**1,87,030**	***13.6***
Depreciation	(31,955)	(32,231)	*(0.9)*	(32,554)	*(1.8)*	-31,285	*2.1*	(63,240)	(63,536)	*(2.4)*
Interest	(21,913)	(21,481)	*2.0*	(21,051)	*4.1*	-20,229	*8.3*	(42,143)	(40,824)	*29.5*
Profit/loss from JV	(36)	(587)	*(93.9)*	23	*NA*	23	*NM*	(13)	(1,031)	*0.0*
PBT	**45,684**	**38,782**	***17.8***	**47,462**	***(3.7)***	**45,873**	***(0.4)***	**91,558**	**81,639**	***18.0***
Tax	(7,964)	(8,294)	*(4.0)*	(12,103)	*(34.2)*	-8,827	*(9.8)*	(16,792)	(16,974)	*(414.1)*
Reported PAT	**37,720**	**30,488**	***23.7***	**35,359**	***6.7***	**37,046**	***1.8***	**74,766**	**64,666**	***1.1***
Adjusted PAT	**38,607**	**34,733**	***11.2***	**35,359**	***9.2***	**36,200**	***6.7***	**74,807**	**70,961**	***5.4***
No. of shares (mn)	9,301	9,301		9,301		9,301		9,301	9,301	
EBIDTA margin (%)	82.3	79.4	*2.8*	80.3	*2.0*	82.9	*-0.7*	82.6	80.5	*-80.5*
PBIDT margin (%)	84.3	81.1	*3.2*	81.9	*2.4*	84.7	*-0.4*	84.5	82.5	*-82.5*
EPS - annualized (INR)	**16.6**	**14.9**	***11.2***	**15.2**	***9.2***	**15.6**	***6.7***	**32.2**	**30.5**	***5.4***

Source: Company, PL

Q2FY27 Analyst Meet Highlights

Overall PAT and drivers: Consolidated PAT was INR 38.7bn (+8% YoY) on total income of INR 120.6bn (+3%), with transmission charges up 4% to INR 111.9bn; standalone PAT was INR 38.2bn (+7%). Per management's bridge, higher transmission income added ~INR 9.9bn to operating income, partly offset by regulatory (INR 3.5bn) and non-recurring items (INR 1.9bn), for a net rise of INR 3.4bn (+2.9%). Underlying PAT growth was 9%, before regulatory (+INR 0.6bn) and non-recurring (-INR 0.8bn) items.

Capitalisation guidance revised; no equipment constraint: FY27 capitalisation guidance is now INR 250–300bn (INR 300bn earlier). Management said equipment supply, including transformers, is not a constraint thanks to bulk ordering. Market-rate land compensation under the new right-of-way (RoW) guidelines will push up project costs.

Capex stepping up: Q2 capex was INR 91.0bn (+8% YoY) and H1 INR 168.6bn (+10%); FY27 capex guidance was raised to INR 370–400bn. Capitalisation was INR 40.2bn in Q2 (+82% YoY) and INR 93.0bn in H1 (2.4x). Management expects ~INR 400bn of capex a year in FY28–29 with potential upside, and called the capitalisation outlook encouraging given the HVDC and synchronous condenser (SynCon) projects in hand, without giving a number.

RoW – no single fix: Compensation, earlier limited to crop and structure damage, now also covers the fall in land value under towers and along the corridor, so actual landowners must be identified. Central guidelines are notified but each state must adopt them; a few have, others are in process. Management said all developers face this, no project has stopped, and a delay of a few weeks only shifts capitalisation to the next quarter; regulators recognise such delays. The festive season also slows site work. PWGR completed Koppal, Gadag, Kurnool and Anantapuram despite these issues.

Execution: Q2 commissioning was 981 ckm and 14,600 MVA (H1: 2,616 ckm, 25,100 MVA), including the 765kV Koppal-II–Raichur, Bidar–Maheshwaram and Sikar-II–Khetri lines, the 400kV Bikaner-II–III line, and 765kV Koppal-II and Bidar substations. Ramgarh-II and Bidar TBCB projects are fully commissioned; after September, the Koppal Gadag TBCB project was completed. Management said its 765kV substations (4,500–8,000 MVA) are commissioned in one go, one was built in nine months, and 18-month line timelines are hard given multiple clearances. The Khavda HVDC project is on track, with converter transformers being supplied.

Operations and collections: H1 availability was 99.81% (99.83% in H1FY26), above the 99.75% full-incentive level; tripping per line was 0.17. H1 billing was INR 223.3bn against realisation of INR 228.1bn (102.1%). Receivable days fell to 10.54 (12.11 in Q1, 15.16 in Q2FY26); outstanding dues were INR 24.3bn, INR 12.9bn of it over 45 days.

TBCB wins: In H1FY27 (till 31-Oct), PWGR won 11 projects with INR 81.1bn of annual tariff. Nine inter-state (INR 76.6bn): Barmer HVDC, Lakadia REZ-II, Jam Khambhaliya Ph-II + Jamnagar, Kurnool-V REZ, WR–ER expansion, Lakadia/JKZ/Jamnagar common system, Kakinada green hydrogen hub, Fatehgarh-II SynCon and Bhadla-III/Ramgarh/Kanpur augmentation. Two intra-state (INR 4.4bn): Humnabad and 765kV GIS Pune West. Project cost and IRRs were not disclosed, citing competition.

Works in hand: ~INR 2.20trn (TBCB INR 1.95trn/89%, RTM INR 0.25trn/11%), including CWIP of INR 554.2bn. This excludes the Pang evacuation scheme (INR 0.31trn, being changed to a 3.75 GW EHVAC scheme per the 29-Oct NCT meeting) and other businesses of INR 42.6bn (smart metering INR 28.0bn, data centres INR 7.1bn).

Bidding pipeline: The TBCB pipeline is INR 672.3bn: INR 630.9bn under bidding across 28 projects (10 inter-state, INR 456.2bn/72%; 18 intra-state, INR 174.7bn) and INR 41.5bn (3 projects) yet to be floated. It fell from INR 1.19trn in Q1 as the large HVDC was awarded; each new HVDC will add a big chunk. About INR 1.36trn of intra-state work is coming under Green Energy Corridor-III (GEC-III: INR 1.86trn incl. INR 500bn for storage; 135 GW RE, 50 GWh storage by FY33). Intra-state tenders are picking up; PWGR is selective.

HVDC: About 22 HVDC projects (domestic and international) are planned, including in the Brahmaputra basin; one or two could be awarded by FY28.

Competition and commodities: Management welcomed new entrants such as road EPC companies in intra-state bids and said they do not set PWGR's returns. Supply contracts are partly fixed-price and partly linked to published indices; bids carry a cushion for price moves, and PWGR shares part of the benefit when prices fall.

Battery storage and data centres: After CERC's amendment, transmission companies can build storage under section 62 (regulated tariff) for grid stability; PWGR has northern and western regional committee clearances, has filed petitions and says its solution is ready, seeing it as an entry that could later move to competitive bids. The Manesar pilot data centre (1,000 racks, 14 MW, Tier-III, MeitY-empanelled sovereign cloud) is ready for launch; a second is planned in southern India, with land being secured.

Balance sheet and other financials: At Sep-26, consolidated gross fixed assets were INR 3,298.5bn, debt INR 1,512.1bn and net worth INR 1,067.5bn (D:E 59:41, BVPS INR 114.78, H1 EPS INR 8.03). Standalone other income rose 37% to INR 18.5bn, with interest from subsidiaries and JVs at INR 12.0bn (INR 7.9bn) and dividends of INR 3.45bn from subsidiaries and INR 0.60bn from JVs. TBCB equity was INR 106.8bn operational (2.2x YoY) and INR 46.4bn under construction. H1 funding: JPY 80bn JBIC green loan, INR 100bn SBI, INR 50bn UBI and INR 20bn bonds. Interim dividend INR 3/share; Board approved sale of the entire CTUIL stake; 28 subsidiaries to merge into two.

Telecom, consultancy and technology: PowerTel revenue was INR 2.83bn (INR 2.91bn), with ~INR 1.32bn of orders and 13 new customers, including >6.4 Tbps links for a hyperscaler. Consultancy revenue was INR 3.96bn (INR 4.92bn), incl. INR 2.02bn from smart meters at PESL; Saudi Arabia added (26 countries). PWGR will develop silicon carbide HVDC power modules with MoP and MeitY, piloting a Pusauli back-to-back upgrade.

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
H1FY27	99.8

Source: Company, PL

Exhibit 4: Annual line tripping flattish YoY

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
H1FY27	0.17

Source: Company, PL

Exhibit 5: Order book in hand gives revenue visibility

Category	Works in Hand (INR Bn)
Tariff Based Competitive Bidding (TBCB)	1,950
New Regulated Tariff Mechanism (RTM)	250
Others	43
Total Works in Hand (incl CWIP)	**2,243**

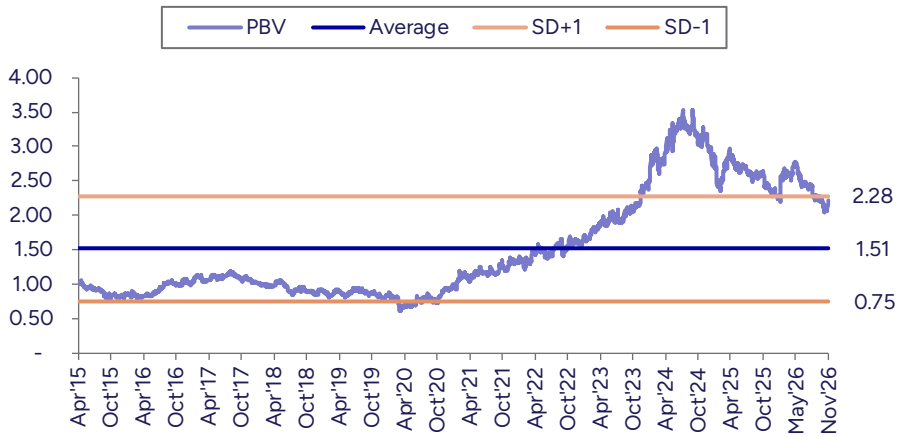
Source: Company, PL

Exhibit 6: Key operational metrics

INR bn	FY24	FY25	FY26	FY27E	FY28E	FY29E
Capex	92	246	400	370	450	450
- RTM, RoE fixed	38	96	68	70	70	70
- TBCB	54	150	331	300	380	380
Capitalisation	59	90	282	300	350	450
- RTM, RoE fixed	30	35	106	80	70	60
- TBCB	29	55	176	220	280	390
Capitalisation / Capex	0.6	0.4	0.7	0.8	0.8	1.0
DER	1.4	1.4	1.5	1.5	1.7	1.7
Debt / EBITDA	3.1	3.4	3.9	3.9	4.0	4.0
CWIP / Capital Employeed	6%	14%	16%	17%	18%	17%
Regulated Equity/Equity	856	878	945	1013	1090	1186
- RTM	810	820	852	876	897	915
- TBCB	47	58	93	137	193	271
Change yoy, %		3%	8%	7%	8%	9%

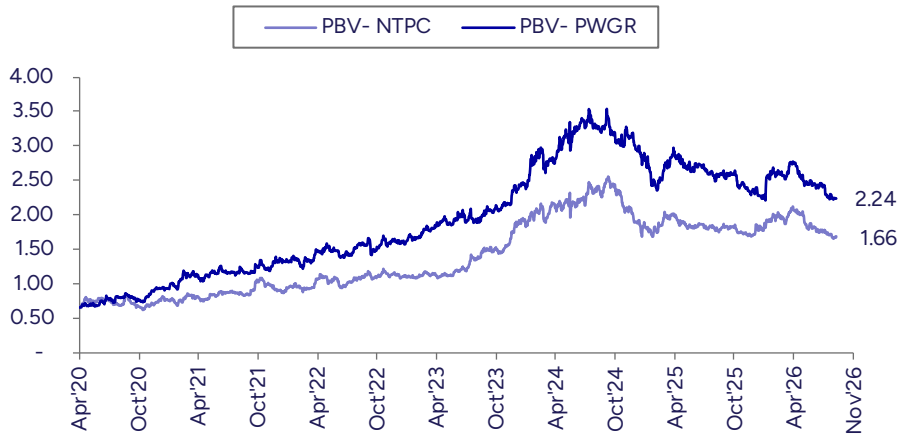
Source: Company, PL

Exhibit 7: PWGR PBV band at +1STD



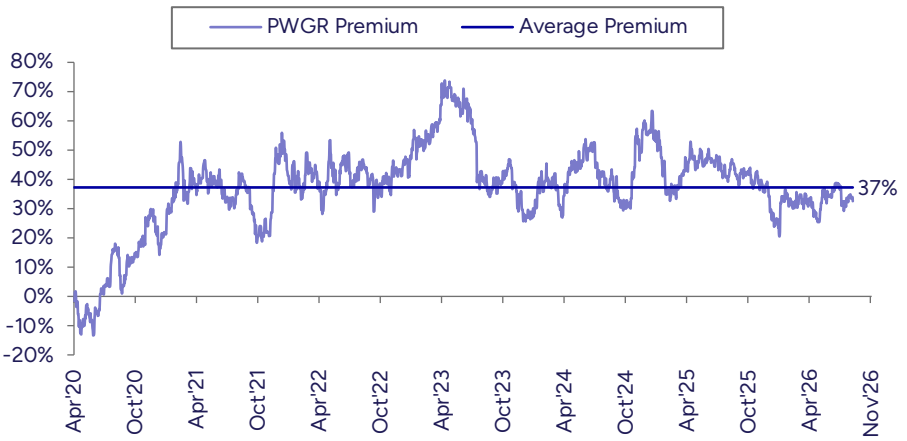
Source: Company, PL

Exhibit 8: PWGR vs. NTPC P/BV over the last 6 financial years



Source: Company, PL

Exhibit 9: PWGR's premium to NTPC's P/BV is below last 6 years' average



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**467,329**	**516,612**	**574,235**	**636,904**
YoY gr. (%)	*2.1*	*10.5*	*11.2*	*10.9*
Cost of Goods Sold	-	-	-	-
Gross Profit	467,329	516,612	574,235	636,904
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	26,689	32,216	35,114	38,783
Other Expenses	60,849	53,015	65,821	73,732
EBITDA	**379,791**	**431,381**	**473,300**	**524,390**
YoY gr. (%)	*(2.8)*	*13.6*	*9.7*	*10.8*
Margin (%)	*81.3*	*83.5*	*82.4*	*82.3*
Depreciation and Amortization	130,297	127,155	137,030	148,843
EBIT	**249,494**	**304,226**	**336,270**	**375,547**
Margin (%)	*53.4*	*58.9*	*58.6*	*59.0*
Net Interest	84,476	109,390	123,432	137,959
Other Income	37,260	10,970	12,727	11,840
Profit Before Tax	**202,278**	**205,805**	**225,565**	**249,428**
Margin (%)	*43.3*	*39.8*	*39.3*	*39.2*
Total Tax	(13,813)	43,390	51,811	60,613
Effective Tax Rate (%)	*(6.8)*	*21.1*	*23.0*	*24.3*
Profit After Tax	**216,091**	**162,415**	**173,754**	**188,816**
Minority Interest	-	-	-	-
Share Profit from Associate	(1,323)	(1,323)	(1,323)	(1,323)
Adjusted PAT	**152,279**	**160,690**	**172,430**	**187,492**
YoY gr. (%)	*0.1*	*5.5*	*7.3*	*8.7*
Margin (%)	*32.6*	*31.1*	*30.0*	*29.4*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**152,279**	**160,690**	**172,430**	**187,492**
YoY gr. (%)	*0.1*	*5.5*	*7.3*	*8.7*
Margin (%)	*32.6*	*31.1*	*30.0*	*29.4*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	152,279	160,690	172,430	187,492
Equity Shares O/s (mn)	**9,301**	**9,301**	**9,301**	**9,301**
EPS (INR)	**16.4**	**17.3**	**18.5**	**20.2**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**3,007,873**	**3,453,461**	**3,811,511**	**4,261,511**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Acc: Dep / Amortization	**1,241,643**	**1,399,724**	**1,559,512**	**1,731,633**
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net Fixed Assets	**1,766,230**	**2,053,737**	**2,251,998**	**2,529,878**
Tangibles	1,766,230	2,053,737	2,251,998	2,529,878
Intangibles	-	-	-	-
Capital Work In Progress	436,543	490,739	590,739	590,739
Goodwill	-	-	-	-
Non-Current Investments	27,439	27,439	27,439	27,439
Net Deferred Tax Assets	(61,547)	(61,547)	(61,547)	(61,547)
Other Non-Current Assets	380,919	380,919	380,919	380,919
Current Assets				
Investments	-	-	-	-
Inventories	21,264	22,385	24,817	27,553
Trade Receivables	116,726	122,881	136,232	151,255
Cash & Bank Balance	89,204	75,823	77,877	77,616
Other Current Assets	107,556	113,228	125,530	139,373
Total Assets	**2,947,273**	**3,288,615**	**3,617,177**	**3,926,576**
Equity				
Equity Share Capital	93,006	93,006	93,006	93,006
Other Equity	911,934	980,245	1,047,146	1,115,985
Total Networth	**1,004,940**	**1,073,251**	**1,140,152**	**1,208,991**
Non-Current Liabilities				
Long Term Borrowings	1,480,090	1,661,762	1,883,391	2,078,982
Provisions	-	-	-	-
Other Non Current Liabilities	124,086	124,086	124,086	124,086
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	-	-	-	-
Other Current Liabilities	276,609	367,970	408,001	452,971
Total Equity & Liabilities	**2,947,273**	**3,288,616**	**3,617,177**	**3,926,577**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	145,466	204,241	224,242	248,105
Add. Depreciation	130,297	127,155	137,030	148,843
Add. Interest	84,476	109,390	123,432	137,959
Less Financial Other Income	37,260	10,970	12,727	11,840
Add. Other	(7,000)	(161)	-	-
Op. Profit before WC Changes	353,239	440,625	484,704	534,906
Net Changes-WC	25,244	78,340	11,786	13,188
Direct Tax	13,813	(43,390)	(51,811)	(60,613)
Net Cash from Op. Activities	**392,296**	**475,575**	**444,679**	**487,482**
Capital Expenditures	(298,833)	(468,858)	(435,292)	(426,722)
Interest / Dividend Income	-	-	-	-
Others	3,728	-	-	-
Net Cash from Invt. Activities	**(295,105)**	**(468,858)**	**(435,292)**	**(426,722)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	170,441	181,672	221,629	195,591
Dividend Paid	(95,353)	(92,380)	(105,529)	(118,654)
Interest Paid	(84,476)	(109,390)	(123,432)	(137,959)
Others	(99,371)	-	-	-
Net Cash from Fin. Activities	**(108,759)**	**(20,098)**	**(7,332)**	**(61,021)**
Net Change in Cash	**(11,568)**	**(13,381)**	**2,055**	**(261)**
Free Cash Flow	93,463	6,717	9,387	60,760

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**123,951**	**116,656**	**114,967**	**118,162**
YoY gr. (%)	*10.3*	*(5.0)*	*2.7*	*3.0*
Raw Material Expenses	-	-	-	-
Gross Profit	123,951	116,656	114,967	118,162
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
EBITDA	**106,530**	**90,656**	**95,365**	**97,200**
YoY gr. (%)	*11.7*	*(11.3)*	*4.3*	*6.7*
Margin (%)	*85.9*	*77.7*	*82.9*	*82.3*
Depreciation / Depletion	33,815	32,946	31,285	31,955
EBIT	**72,715**	**57,710**	**64,080**	**65,245**
Margin (%)	*58.7*	*49.5*	*55.7*	*55.2*
Net Interest	21,905	21,747	20,229	21,913
Other Income	2,040	3,051	2,000	2,389
Profit before Tax	**52,850**	**39,013**	**45,851**	**45,720**
Margin (%)	*42.6*	*33.4*	*39.9*	*38.7*
Total Tax	13,125	(43,911)	8,827	7,964
Effective Tax Rate (%)	*24.8*	*(112.6)*	*19.3*	*17.4*
Profit After Tax	**39,726**	**82,924**	**37,023**	**37,756**
Minority Interest	-	-	-	-
Share Profit from Associate	(462)	170	23	(36)
Adjusted PAT	**36,763**	**44,556**	**36,200**	**38,607**
YoY gr. (%)	*(3.2)*	*6.1*	*-*	*11.2*
Margin (%)	*29.7*	*38.2*	*31.5*	*32.7*
Extra Ord. Income / (Exp)	2,586	(37,631)	(1,062)	941
Reported PAT	**39,263**	**83,094**	**37,046**	**37,720**
YoY gr. (%)	*2.8*	*103.0*	*8.4*	*23.7*
Margin (%)	*31.7*	*71.2*	*32.2*	*31.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**39,263**	**83,094**	**37,046**	**37,720**
Avg. Shares O/s (mn)	-	-	-	-
EPS (INR)	**-**	**-**	**-**	**-**

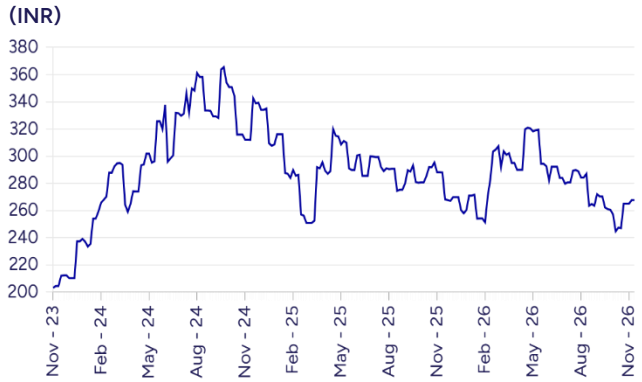
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	16.4	17.3	18.5	20.2
CEPS	30.4	30.9	33.3	36.2
BVPS	108.1	115.4	122.6	130.0
FCF	10.0	0.7	1.0	6.5
DPS	10.3	9.9	11.3	12.8
Return Ratio (%)				
RoCE	10.6	11.7	11.7	11.9
ROIC	11.7	9.5	9.2	9.2
RoE	15.8	15.5	15.6	16.0
Balance Sheet				
Net Debt : Equity (x)	1.4	1.5	1.6	1.7
Net Working Capital (Days)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Valuation (x)				
PER	15.9	15.0	14.0	12.9
P/B	2.4	2.2	2.1	2.0
P/CEPS	8.5	8.4	7.8	7.2
EV/EBITDA	10.0	9.3	8.9	8.4
EV/Sales	8.1	7.7	7.3	6.9
Dividend Yield (%)	4.0	3.8	4.4	4.9
FCFF Yield (%)	3.9	0.3	0.4	2.5
PEG Ratio	162.0	2.7	1.9	1.5

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Oct-26	BUY	253	317
2	08-Aug-26	BUY	331	272
3	08-Jul-26	BUY	346	284
4	18-May-26	BUY	346	297
5	08-Apr-26	BUY	348	295
6	24-Mar-26	BUY	348	302
7	03-Feb-26	BUY	324	270
8	08-Jul-20	BUY	205	170
9	22-Jun-20	BUY	205	179
10	16-Apr-20	BUY	205	160

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	465	389
7	Dilip Buildcon	Accumulate	507	401
8	H.G. Infra Engineering	Accumulate	622	417
9	Indian Energy Exchange	HOLD	112	101
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	421	316
15	PNC Infratech	BUY	234	134
16	Power Grid Corporation of India	BUY	253	317
17	PSP Projects	BUY	1061	742
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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