



Pickup in Execution to Drive Revenue Growth

Est. Vs. Actual for Q4FY26: Revenue – **INLINE**; EBITDA Margin – **BEAT**; PAT – **BEAT**

Revision in Estimates post Q4FY26

FY27E: Revenue: -6%; EBITDA: -6%; PAT: 1%

Recommendation Rationale

- **Robust & Diversified Order Book:** As of 31st Mar'26, PNCIL's order book stood at Rs 18,094 Cr, over 3.9x FY26 revenue, ensuring visibility for the next 2–2.5 years. In line with its diversification strategy, the company is broadening its bidding focus beyond roads into sectors such as renewables and mining, aimed at reducing sectoral dependence and building a more resilient revenue base. We expect PNCIL to deliver a revenue CAGR of 19% over FY26–FY28E.
- **Uptick in Order Inflow:** YTD order inflow stood at Rs 5,975 Cr. Management is aggressively bidding for opportunities and anticipates inflows of Rs 15,000 Cr in FY27. The company has bid for 15 EPC and one HAM project worth Rs 14,000 Cr in the road sector.
- **Pick-Up in Execution:** Management highlighted that past execution hurdles, such as persistent land acquisition delays, environmental issues, and extreme monsoons that hampered growth in FY26, are largely behind it. A pickup in the execution of road projects is expected to drive revenue growth going forward. Additionally, due to segment diversification, the company expects revenue contribution of Rs 600 Cr from solar projects and Rs 400 Cr from mining projects in FY27.

Sector Outlook: Cautiously Optimistic

Company Outlook & Guidance: For FY27, the management expects revenue growth of 30% and 25% in FY28. Margins are expected to be around 12%.

Current Valuation: 8x FY28 EPS (Earlier Valuation: 8.5 FY27 EPS) and HAM assets 1.3x book value

Current TP: Rs 245/share (Earlier TP: Rs 240/share)

Recommendation: We roll over our estimates to FY28 and **upgrade our rating on the stock from HOLD to BUY.**

Financial Performance

The company reported revenue of Rs 1,458 Cr (up 3% YoY), due to slow project execution caused by delays in receiving AD. It recorded an EBITDA of Rs 175 Cr (flat YoY) and a PAT of Rs 101 Cr (down 17% YoY). The company posted an EBITDA margin of 12% in Q4FY26 (vs. an estimate of 10%), compared to 12.4% in Q4FY25.

Outlook: The National Highways Authority of India plans to award more projects under the HAM, EPC, and BOT models, while also revising project execution norms and streamlining the land acquisition process to accelerate overall execution. However, the lower pace of awarding remains a major concern for the sector. Given the strong financial position and diversification strategy, we expect the company to deliver Revenue/EBITDA/PAT growth of 19%/18%/22% CAGR over FY26-28E.

Valuation & Recommendation

The stock is currently trading at an implied PE of 8x/6x FY27E/FY28E EPS. We change our HOLD recommendation on the stock to BUY with a TP of Rs 245/share, implying a 17% upside from the CMP. The recent stock correction presents an attractive entry opportunity, offering a compelling risk–reward profile for medium-to long-term investors.

Key Financials (Standalone)

(Rs Cr)	Q4FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	1458	38%	3%	1429	2%
EBITDA	175	34%	0%	143	23%
EBITDA Margin	12.0%	-37bps	-41bps	10.0%	203bps
Net Profit	101	30%	-17%	89	14%
EPS (Rs)	3.9	30%	-17%	3.4	15%

Source: Company, Axis Securities Research

(CMP as of 20th May 2026)

CMP (Rs)	209
Upside /Downside (%)	17%
High/Low (Rs)	332/158
Market cap (Cr)	5351
Avg. daily vol. (6m) Shrs.	574415
No. of shares (Cr)	25.6

Shareholding (%)

	Sep-25	Dec-25	Mar-26
Promoter	56.1	56.1	56.1
FIIs	7.0	7.0	7.2
MFs / UTI	26.0	25.7	24.0
Banks / FIIs	0.0	0.0	0.0
Others	10.9	11.3	12.8

Financial & Valuations

Y/E Mar (Rs)	FY26	FY27E	FY28E
Net Sales	4,633	5,676	6,527
EBITDA	583	709	816
Net Profit	344	433	509
EPS (Rs)	13	17	20
PER (x)	16	12	11
P/BV (x)	1	1	1
EV/EBITDA (x)	10	8	7
ROE (%)	6%	7%	8%

Change in Estimates (%)

Y/E Mar	FY27E
Sales	-6%
EBITDA	-6%
PAT	1%

Relative Performance



Source: Ace Equity

Results Gallery

[Q3FY26](#)
[Q2FY26](#)
[Q1FY26](#)
[Q4FY25](#)

Uttam K Simal

Sr Research Analyst
 uttamkumar.simal@axissecurities.in

Shikha Doshi

Research Associate
 shikha.doshi@axissecurities.in

Key Concall Highlights

- **Order Book:** The current order book stands at Rs 18,094 Cr (including Rs 1091 Cr awaiting AD), with 63% attributed to Highway & Expressway projects, 2% from Railway, 2% from Airport Runway, 18% from Canal and Water projects, and 16% from Mining projects. The company has strategically expanded into two new business segments – renewable energy and coal mining.
- **HAM Portfolio:** The company holds a portfolio of 14 HAM projects totalling approximately Rs 17,200 Cr. Currently, five projects have received PCOD, six are under construction, one has achieved financial closure, and two are in the L1 position.
- **Equity Investments in Subsidiaries:** The total equity requirement stands at Rs 1,623 Cr (excluding L1 projects), of which Rs 1,081 Cr has been invested to date. The balance equity required for HAM projects is Rs 542 Cr, out of which Rs 350 Cr is to be in FY27 and the balance in FY28. The total equity requirement for Solar projects is Rs 400 cr, out of which approximately Rs 120 cr will be infused in FY27. This equity investment will be funded through internal accruals.
- **Water Projects:** The outstanding receivable from water and irrigation projects stands at Rs 868 Cr as on 31st Mar'26. Management expects revenue of around Rs 200 Cr from JJM and irrigation projects in FY27.
- **Capex:** For FY26, capex incurred stood at Rs 250 Cr. Management has guided for around Rs 350 Cr, including coal mining capex for FY27.
- **As of 31st Mar'26,** Retention money stood at Rs 264 Cr, Mobilisation advance at Rs 155 Cr, and Unbilled revenue at Rs 475 Cr.

Key Risks to Our Estimates and TP

- Lower order inflow and slower execution may hamper revenue growth
- Higher input prices may impact margins

Change in Estimates

	New		Old		% Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	5,676	6,527	6,056	0	-6%	NA
EBITDA	709	816	757	0	-6%	NA
PAT	433	509	428	0	1%	NA

Source: Company, Axis Securities Research

Result Review Q4FY26

(Rs Cr)	Quarterly Performance				
	Q4FY26	Q3FY26	Q4FY25	% Change (QoQ)	% Change (YoY)
Sales	1,458	1,056	1,415	38%	3%
Other Op. Inc	0	0	0		
Total Revenue	1,458	1,056	1,415	38%	3%
Expenditure					
Cost of material consumed	1062	757	1071	40%	-1%
Change in Inventory	0	0	0	0%	0%
Employee Cost	82	77	91	7%	-10%
Other Expenses	138	92	76	50%	81%
Total Expenditure	1282	925	1239	39%	4%
EBITDA	175	131	176	34%	0%
	12.0%	12.4%	12.4%	-37bps	-41bps
Oth. Inc.	22	22	29	1%	-22%
Interest	30.4	21.6	26.5	41%	15%
Depreciation	29	26	22	12%	30%
Exceptional Item	0	-1	0	-100%	#DIV/0!
PBT	138	106	156	31%	-11%
Tax	38	28	35	34%	8%
PAT	101	77	121	30%	-17%
EPS (Rs.)	3.9	3.0	4.7	30%	-17%

Source: Company, Axis Securities Research

Financials (Standalone)
Profit & Loss

(Rs Cr)

Y/E March	FY25	FY26	FY27E	FY28E
Net sales	5,513	4,633	5,676	6,527
Other operating income	0	0	0	0
Total income	5,513	4,633	5,676	6,527
Cost of materials consumed	3,792	3,319	4,115	4,706
Contribution (%)	31.2%	28.4%	27.5%	27.9%
Other Expenses	672	732	851	1,005
Operating Profit	1,049	583	709	816
Other income	66	74	75	75
PBIDT	1,115	657	784	891
Depreciation	90	95	108	119
Interest & Fin Chg.	76	95	91	85
Exceptional Item		-5		
Pre-tax profit	949	471	586	687
Tax provision	243	127	152	179
PAT	706	344	433	509

Source: Company, Axis Securities Research

Balance Sheet

(Rs. Cr)

Y/E March	FY25	FY26	FY27E	FY28E
Total assets	7,347	8,195	8,893	9,583
Net Block	389	611	803	934
Right to use assets	19	16	16	16
CWIP	0	4	4	4
Investments	2017	2229	2229	2229
Wkg. cap. (excl cash)	1682	1637	1830	2104
Cash / Bank balance	682	610	465	336
Other assets	2558	3089	3546	3960
Capital employed	7,347	8,195	8,893	9,583
Equity capital	51	51	51	51
Reserves	5424	5760	6178	6671
Minority Interests	0	0	0	0
Borrowings	416	760	760	760
Other Liabilities	1456	1625	1904	2101

Source: Company, Axis Securities Research

Cash Flow
(Rs Cr)

Y/E March	FY25	FY26	FY27E	FY28E
PBT	949	466	586	687
Depreciation	90	95	108	119
Interest Expense	76	95	91	85
Changes in Working Capital	-285	-677	-373	-492
Others	-30	-43	-75	-75
Tax Paid	-248	-116	-152	-179
Net Cash from Operations	551	(179)	184	146
Capex	-30	-325	-300	-250
Investment	0	-2044	0	0
Others	-512	2219	75	75
Net Cash from Investing	(542)	(150)	(225)	(175)
Borrowings	0	261	0	0
Interest Expense	-76	-95	-91	-85
Dividend paid	-15	-15	-15	-15
Others	13	75	0	0
Net Cash from Financing	(79)	225	(106)	(100)
Net Change in Cash	(69)	(105)	(147)	(130)
Opening cash	617	548	443	296
Closing cash	548	443	296	167

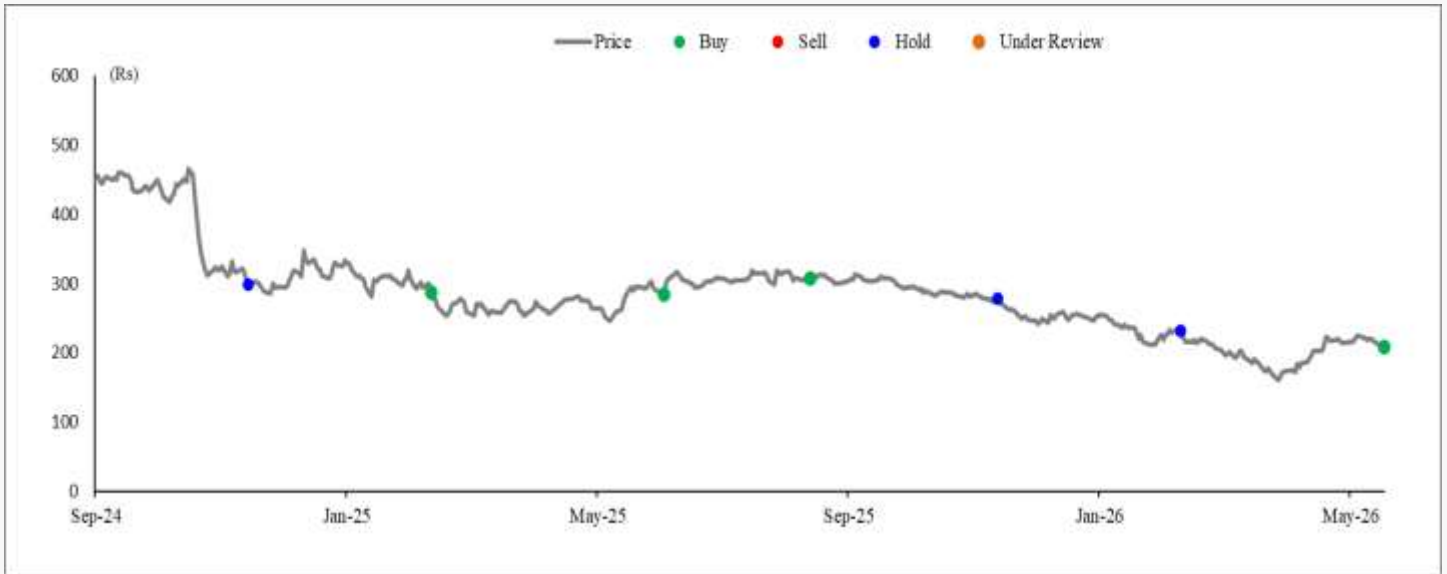
Source: Company, Axis Securities Research

Ratio Analysis
(%)

Y/E March	FY25	FY26	FY27E	FY28E
Growth Indicator				
Sales Growth	-28%	-16%	22%	15%
EBITDA Growth	-18%	-44%	22%	15%
PAT Growth	-17%	-51%	26%	17%
PROFITABILITY RATIOS				
EBITDA Margin	19.0%	12.6%	12.5%	12.5%
Adjusted net margin	12.8%	7.4%	7.6%	7.8%
EFFICIENCY RATIOS (x)				
Capital Turnover	1.01	0.80	0.91	0.97
Total Asset Turnover	0.88	0.72	0.82	0.88
Fixed Asset Turnover	14.2	7.5	7.0	7.0
Debtor days	114	131	131	131
Inventory days	70	69	60	60
Payable days	74	71	75	75
Cash Conversion Cycle (days)	111	129	116	116
Leverage ratios				
Debt to equity	0.07	0.05	0.05	0.05
Net debt to equity	-0.05	0.03	0.05	0.06
Interest coverage	14	6	8	10
PER SHARE DATA				
Diluted EPS (Rs)	27.5	13.4	16.9	19.8
Book value per share (Rs)	213	227	243	262
DPS (Rs)	0.5	0.5	0.5	0.5
Return Ratios				
Return on equity	14%	6%	7%	8%
Return on capital employed	18%	9%	10%	11%
VALUATION RATIOS				
P/E	11	16	12	11
P/BV	1.4	0.9	0.9	0.8
EV/EBITDA	7.5	9.5	7.8	6.8

Source: Company, Axis Securities Research

PNC Infratech Price Chart and Recommendation History



Date	Reco	TP	Research
18-Nov-24	HOLD	300	Result Update
12-Feb-25	BUY	300	Result Update
05-Jun-25	BUY	340	Result Update
18-Aug-25	HOLD	310	Result Update
14-Nov-25	HOLD	290	Result Update
11-Feb-26	HOLD	240	Result Update
21-May-26	BUY	245	Result Update

Source: Axis Securities Research

Disclaimer

Axis Direct is the brand under Axis Securities Limited, which is a 100% subsidiary of Axis Bank Limited. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks, and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with the Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parc, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances, please call us at 022-40508080 or write to us at helpdesk@axisdirect.in.

We hereby declare that our activities have neither been suspended nor have we defaulted with any stock exchange authority with whom we are registered in the last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories, etc. have conducted the routine inspection and based on their observations have issued advice/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in the normal course of business, as a Stock Broker/Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange/SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point in time.

Investments in the securities market are subject to market risks. Read all the related documents carefully before investing.

By referring to any particular sector, Axis Securities does not provide any promise or assurance of a favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and/or the USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been clients during the twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without notice. The report and information contained herein are strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Axis Securities. The report must not be used as a singular basis for any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors, including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that the rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made, nor is its accuracy or completeness guaranteed. This report and information herein are solely for informational purposes and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and/or tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and the needs of the specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see the Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its

associates might have managed or co-managed a public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking, or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimise conflict in the preparation of research reports. Axis Securities or its associates, or its analysts, did not receive any compensation or other benefits from the companies mentioned in the report or a third party in connection with the preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and/or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance from the Research team, and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of the subject company(ies). Axis Securities or Research Analysts, or their relatives, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one per cent or more or other material conflicts of interest in various companies, including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report. Certain transactions-including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centre on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein 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/company (ies) discussed herein or act as advisor or lender/borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short positions in the above-mentioned scrip(s) and therefore may be considered as interested. This should not be construed as an invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independently of the PCG research, and accordingly, PMS may have positions contrary to the PCG research recommendation.

This research report is issued in India by Axis Securities Limited in accordance with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014. It is intended solely for persons residing in India. The report is not directed at or intended for distribution to, or use by, any person or entity resident in the United States of America, Canada, or in any jurisdiction where such distribution, publication, availability, or use would be contrary to applicable securities laws, including the U.S. Securities Exchange Act of 1934, regulations of the U.S. Securities and Exchange Commission (SEC), and regulations of the Canadian Securities Administrators (CSA).

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward-looking estimates for the stock, but we refrain from assigning a valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events.
NO STANCE	We do not have any forward-looking estimates, valuations or recommendations for the stock.

Note: Returns stated in the rating scale are our internal benchmark.