Quant-Funda

BEML Ltd.

GEOJIT
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07th September 2026

Sector: Construction Vehicles

Security Not Under ASM: ✓

LTP	Recommendation	Target	Stop Loss	Return
Rs. 2,056	Buy between Rs.2,040-2,090	Rs. 2,700	Rs. 1,740	+31%
SENSEX	**Market Cap**	**NSE Code**	**BSE Code**	**Time Frame**
76,515	Rs.17,353cr	BEML	500048	3-6 Months

Data as of: 04-09-2026

52W H/L	Group	F&O Listed	Div. Yield	D/E
Rs.2,277/ Rs.1,361	A	No	0.8%	0.11

Consolidated (Rs.cr)	FY26A	FY27E	FY28E
Revenue	4,351	5,192	6,281
Growth (%)	*8*	*19*	*21*
EBITDA	299	697	915
EBITDA Margin(%)	6.9	13.4	14.6
PAT	141	443	605
Growth (%)	*-52*	*214*	*37*
EPS	17.0	53.2	72.7
Growth (%)	*-52*	*214*	*37*
RoE (%)	4.9	14.8	18.5
Valuation	**FY26A**	**FY27E**	**FY28E**
P/E (x)	120.9	38.6	28.3
Price/Book Value	5.9	5.5	4.8
EV/EBITDA	39.1	25.2	19.2
Price Performance	**3 Month**	**6 Month**	**1 Year**
Absolute Return (%)	18.0	30.3	0.7
Absolute Sensex (%)	3.1	-1.4	-5.2
Shareholding (%)	**Q3FY26**	**Q4FY26**	**Q1FY27**
Promoters	54.0	54.0	54.0
FII's	5.5	5.6	5.5
MFs/Institutions	18.4	18.7	19.4
Public	22.1	21.7	21.1
Others	-	-	-
Total	100.0	100.0	100.0
Promoter pledge	Nil	Nil	Nil

Fundamental View

BEML Ltd. is a leading Indian defence PSU engaged in manufacturing rail & metro rolling stock, defence equipment, and mining & construction machinery for core infrastructure and strategic sectors.

- Revenue increased 29% YoY to ₹820cr in Q1FY27, driven by strong execution in the Rail & Metro (+178% YoY) and Defence & Aerospace (+25% YoY) segments, supported by the ramp-up of LHB coaches, metro projects, Vande Sleeper and high-speed rail programs.
- EBITDA turned positive at ~₹2cr in Q1FY27 versus a loss of ~₹49cr in Q1FY26, driven by higher volumes, improved Rail & Metro execution, and operational efficiency initiatives.
- Net loss reduced to ₹27cr from ₹64cr in Q1FY26, supported by strong revenue growth, positive EBITDA generation, and better fixed-cost absorption, indicating a gradual improvement in profitability.
- With a robust order book of ~₹16,000cr (~3.7x FY26 revenue), of which 90% is concentrated in Rail & Metro (65%) and Defence (25%), BEML is increasingly positioned in high-growth, higher-margin segments, providing strong multi-year revenue visibility and supporting long-term profitability improvement through sustained execution.
- BEML is currently trading at a 1-year forward P/E of 40x (vs. 3-year average forward P/E of 42x), supported by its strong order book, improving execution momentum, and increasing exposure to high-growth Rail & Metro and Defence segments that enhance earnings visibility and margin potential.

Technical View

- BEML has decisively broken above the upper trendline of the multi-year symmetrical triangle pattern, indicating a potential continuation of the current uptrend.
- The stock is trading well above its 50, 100 and 200-week EMAs, reinforcing a strong bullish trend across all timeframes.
- Momentum indicators remain supportive, with week's RSI at ~65 and MACD in positive territory, signalling strengthening buying interest.
- The stock remains well- positioned for a potential move towards ₹2,700 over the medium term. A stop-loss at ₹1,740, may be maintained to manage downside risk while preserving the positive technical bias.

Price Chart

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