

Miss Estimates On Slower Execution; Retain BUY

Est. Vs. Actual for Q2FY26: Revenue– **MISS**; EBITDA Margin– **INLINE**; PAT– **MISS**
Change in Estimates post Q2FY26 (Abs.)

FY26E/FY27E: Revenue: -6%/-8%; EBITDA: -6%/-8%; PAT: -6%/-11%

Recommendation Rationale

- **Strong Order Book to Drive Revenue Growth:** As of 30th Sep'25, the company's order book stood at Rs 20,160 Cr. It is L1 for a project worth Rs 1,200 Cr related to a convention centre in Lucknow. The strong order book offers healthy revenue visibility for the next 3-4 years. We expect the company to deliver a revenue CAGR of 13% over FY25-27E.
- **Strong Bidding Pipeline to Support Future Growth:** The company has a strong bidding pipeline of Rs 20,000–25,000 Cr for H2FY26, comprising flyovers, elevated corridors, and water projects. With this pipeline, the company aims to secure project wins in the range of Rs 5,000–6,000 Cr in FY26.
- **EBITDA Margin Expansion Expected:** The company expects EBITDA margins to improve in FY26, driven by efficient project execution and incremental order inflows. Management has guided for margins in the range of 14%–15% in FY26 and 15%–16% in FY27.

Sector Outlook: Positive

Company Outlook & Guidance: The company has revised its revenue guidance to the range of Rs 6,200–6,300 Cr, with EBITDA margins expected to remain in the range of 14%–15% in FY26.

Current Valuation: 11.5x FY27 EPS (Earlier Valuation: 12x FY26E EPS)

Current TP: Rs 775 /share (Earlier TP: Rs 905/share)

Recommendation: We maintain our BUY recommendation on the stock

Financial Performance

J Kumar Infraprojects Ltd. (JKIL) reported a steady performance in Q2FY26. The company posted revenue of Rs 1,337 Cr (up 3% YoY), EBITDA of Rs 194 Cr (up 3% YoY), and PAT of Rs 92 Cr (up 2% YoY). EBITDA margins stood at 14.5% in Q2FY26 (vs. the estimate of 14.4%) compared to 14.6% in Q2FY25.

Revenue mix indicates 32% contribution from underground metro, 16% from elevated metro, 10% from elevated corridors/flyovers, 13% from roads and road tunnels, 4% from water, and 25% from civil and other projects. Geographically, 64% of revenue was derived from Maharashtra, 14% from NCR, 3% from UP, 14% from Tamil Nadu, 4% from Gujarat, and 1% from Karnataka.

Outlook: JKIL remains one of the most established EPC contractors, well-positioned to benefit from its strong order book, robust execution capabilities, and sound financial profile. We estimate Revenue/EBITDA/APAT CAGR of 13%/14%/14%, respectively, over FY25–FY27E, driven by its diversified order book, healthy bidding pipeline, emerging opportunities in the infrastructure space, and consistent execution track record. However, the slower pace of new order inflows remains a concern, leading to a downward revision in our estimates.

Valuation & Recommendation

Currently, the stock is trading at 11x and 9x FY26E and FY27E EPS, respectively. We **maintain our BUY rating** on the stock and value the company's business at 11.5x FY27E EPS to arrive at a target price of Rs 775/share, implying an upside potential of 25% from the CMP.

Key Financials (Standalone)

(Rs Cr)	Q2FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	1337	-10%	3%	1,511	-12%
EBITDA	194	-10%	3%	218	-11%
EBITDA Margin	14.5%	-9bps	-5bps	14.4%	12bps
Net Profit	92	-11%	2%	99	-8%
EPS (Rs)	12.1	-11%	1%	13.2	-8%

Source: Company, Axis Securities Research

(CMP as of 7th November 2025)

CMP (Rs)	620
Upside /Downside (%)	25
High/Low (Rs)	828 / 566
Market cap (Cr)	4692
Avg. daily vol. (6m) Shrs.	176325
No. of shares (Cr)	75.7

Shareholding (%)

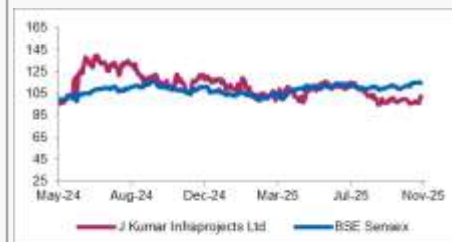
	Mar-25	Jun-25	Sep-25
Promoter	46.7	46.7	46.7
FII's	12.0	12.6	12.9
MFs / UTI	9.5	9.5	9.5
Banks / FIs	0.0	0.0	0.0
Others	31.9	31.3	31.0

Financial & Valuations

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net Sales	5,693	6,329	7,278
EBITDA	827	927	1,077
Net Profit	391	443	509
EPS (Rs)	52	59	67
PER (x)	14	11	9
P/BV (x)	2	1	1
EV/EBITDA (x)	7	5	4
ROE (%)	14%	14%	14%

Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	-6%	-8%
EBITDA	-6%	-8%
PAT	-6%	-11%

Relative Performance


Source: Ace Equity

Results Gallery

[Q1FY26](#)
[Q4FY25](#)
[Q3FY25](#)
[Q2FY25](#)

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Key Concall Highlights

- **Order Book:** As of 30th Sep'25, the company's order book stood at Rs 20,160 Cr, comprising 53% from elevated corridors/flyovers, 17% from roads and road tunnels, 7% from metro elevated, 6% from metro underground, 12% from civil and others, and 5% from water. Geography-wise, 62% of the order book is from Maharashtra, 18% from Tamil Nadu, 15% from NCR, 2% from Gujarat, and 2% from UP. The company targets project wins worth Rs 5,000–6,000 Cr in FY25.
- **Bidding Pipeline:** The company maintains a robust bidding pipeline of Rs 20,000–25,000 Cr for FY26. Management has already bid for projects worth Rs 2,250 Cr, including a BMC flyover and river bridge, and intends to participate in upcoming Delhi Metro projects worth Rs 3,000 Cr.
- **Capex and Working Capital:** In Q2FY26, the company incurred a capex of Rs 398 Cr and has guided for Rs 500 Cr for FY26 and Rs 200 Cr in FY27. Working capital days are expected to remain in the range of 120–130 in FY26.
- **Leverage Levels:** As of 30th Sep'25, short-term borrowings stood at Rs 376 Cr, while gross debt was Rs 775 Cr, translating into a net debt-to-equity ratio of 0.24x. Retention money stood at Rs 695 Cr, unbilled revenue at Rs 389 Cr, and mobilisation advances at Rs 900 Cr.

Key Risks to Our Estimates and TP

- Lower execution than expected may derail the revenue growth guidance.
- Higher input costs may impact the company's EBITDA margins.

Change in Estimates

	New		Old		% Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sales	6329	7278	6723	7933	-6%	-8%
EBITDA	927	1077	983	1174	-6%	-8%
PAT	443	509	471	571	-6%	-11%

Source: Company, Axis Securities Research

Result Review Q2FY26

(Rs Cr)	Quarterly Performance				
	Q2FY26	Q1FY26	Q2FY25	% Change (QoQ)	% Change (YoY)
Sales	1337	1479	1292	-10%	3%
Other Op. Inc	0	0	0		
Total Revenue	1,337	1,479	1,292	-10%	3%
Expenditure					
Cost of material consumed	869	948	847	-8%	3%
Construction expenses	149	187	132	-21%	12%
Employee Cost	101	108	106	-6%	-4%
Other Expenses	24	19	18	26%	31%
Total Expenditure	1143	1262	1104	-9%	4%
EBITDA	194	216	189	-10%	3%
EBITDA margin	14.5%	14.6%	14.6%	-9bps	-5bps
Oth. Inc.	12	11	8	9%	56%
Interest	39	38	33	3%	19%
Depreciation	42	45	41	-7%	2%
PBT	125	144	122	-13%	3%
Tax	34	41	32	-18%	5%
PAT	92	103	90	-11%	2%
EPS (Rs)	12.1	13.6	11.9	-11%	1%

Source: Company, Axis Securities Research

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Net sales	4,879	5,693	6,329	7,278
Other operating income	0	0	0	0
Total income	4,879	5,693	6,329	7,278
Cost of materials consumed	3,170	3,751	4,045	4,738
Civil construction cost	550	608	759	771
Contribution (%)	23.8%	23.4%	24.1%	24.3%
Other Expenses	455	508	597	691
Operating Profit	704	827	927	1,077
Other income	28	33	40	33
PBIDT	732	860	967	1,110
Depreciation	168	168	191	243
Interest & Fin Chg.	124	155	168	175
Pre-tax profit	441	536	607	692
Tax provision	112	145	164	184
PAT	329	391	443	509

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Total assets	4,708	5,611	6,331	6,984
Net Block	971	1049	1308	1465
CWIP	111	98	98	98
Investments	1	2	2	2
Wkg. cap. (excl cash)	1394	1414	1551	1779
Cash / Bank balance	504	839	856	950
Other assets	1726	2209	2516	2691
Capital employed	4,708	5,611	6,331	6,984
Equity capital	38	38	38	38
Reserves	2604	2967	3380	3858
Minority Interests	0	0	0	0
Borrowings	576	666	666	666
Other Liabilities	1490	1940	2247	2422

Source: Company, Axis Securities Research

Cash Flow

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
PBT	441	535	607	692
Depreciation	168	169	191	243
Interest Expense	124	155	168	175
Changes in Working Capital	-250	-343	-137	-228
Others	-26	-28	-40	-33
Tax Paid	-120	-113	-164	-184
Net Cash from Operations	337	375	626	666
Capex	-218	-235	-450	-400
Others	25	30	40	33
Net Cash from Investing	(193)	(205)	(410)	(367)
Interest Expense	-124	-155	-168	-175
Others	19	50	-30	-30
Net Cash from Financing	(105)	(105)	(199)	(205)
Net Change in Cash	38	65	17	94
Opening cash	65	103	68	85
Closing cash	103	169	85	178

Source: Company, Axis Securities Research

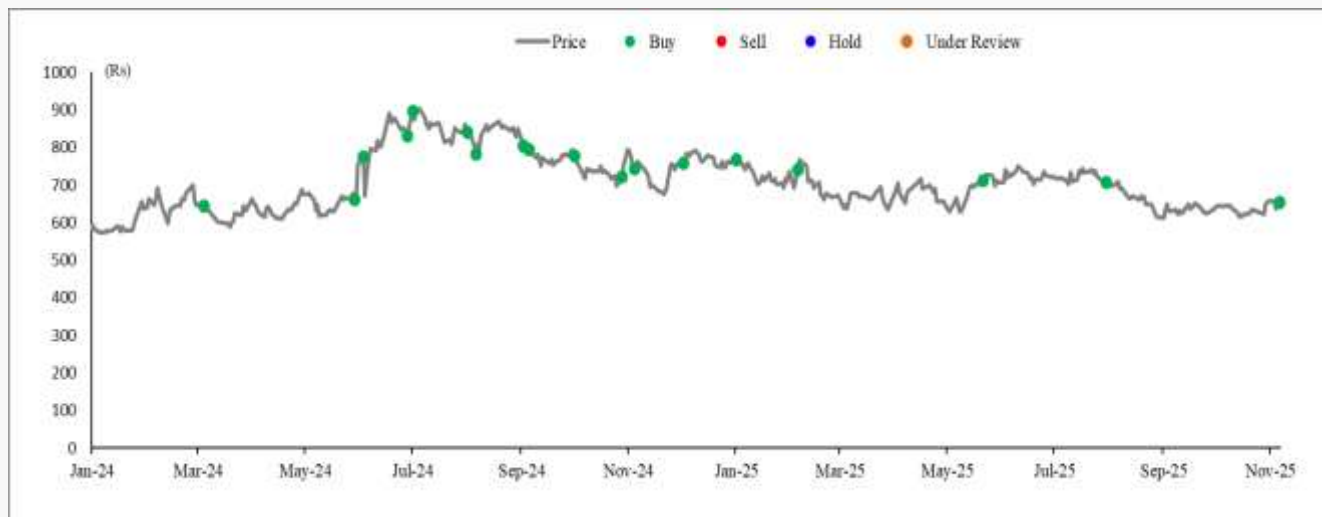
Ratio Analysis

(%)

Y/E March	FY24	FY25	FY26E	FY27E
Growth Indicator				
Sales Growth	16%	17%	11%	15%
EBITDA Growth	18%	17%	12%	16%
PAT Growth	20%	19%	13%	15%
Profitability Ratio				
EBITDA Margin	14.4%	14.5%	14.7%	14.8%
Adjusted Net Margin	6.7%	6.9%	7.0%	7.0%
Efficiency Ratio				
Capital Turnover	1.8	1.9	1.9	1.9
Total Asset Turnover	1.7	1.7	1.7	1.7
Fixed Asset Turnover	4.5	5.0	4.5	4.7
Debtor days	89	89	89	89
Inventory days	42	42	42	42
Creditor days	51	51	51	51
Cash Conversion Cycle (days)	80	80	80	80
Leverage Ratios				
Debt to equity	0.2	0.2	0.2	0.2
Net debt to equity	0.0	-0.1	-0.1	-0.1
Interest coverage	6	5	6	6
Per Share Data				
Diluted EPS (Rs)	43	52	59	67
Book value per share (Rs)	349	397	452	515
DPS (Rs)	3.5	4.0	4.0	4.0
Return Ratios				
Return on equity	13%	14%	14%	14%
Return on capital employed	21%	22%	22%	22%
Valuation Ratio				
P/E	17	14	11	9
P/BV	2.1	1.8	1.4	1.2
EV/EBITDA	7.9	6.7	5.2	4.5

Source: Company, Axis Securities Research

J Kumar Infraprojects Price Chart and Recommendation History



Source: Axis Securities Research

Date	Reco	TP	Research
05-Mar-24	BUY	800	Initiating Coverage
30-May-24	BUY	845	Result Update
03-Jun-24	BUY	845	Top Picks
01-Jul-24	BUY	920	Company Update
01-Jul-24	BUY	920	Top Picks
01-Aug-24	BUY	950	Top Picks
08-Aug-24	BUY	950	Result Update
02-Sep-24	BUY	950	Top Picks
05-Sep-24	BUY	950	AAA
01-Oct-24	BUY	950	Top Picks
29-Oct-24	BUY	950	Result Update
04-Nov-24	BUY	950	Top Picks
02-Dec-24	BUY	950	Top Picks
01-Jan-25	BUY	950	Top Picks
06-Feb-25	BUY	940	Result Update
22-May-25	BUY	905	Result Update
31-Jul-25	BUY	905	Result Update
10-Nov-25	BUY	775	Result Update

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