

Robust & Higher Executable Orderbook to Drive Growth

Est. Vs. Actual for Q1FY26: Revenue – **MISS**; EBITDA Margin – **MISS**; PAT – **MISS**

Change in Estimates post Q1FY26 (Abs)

FY26E/FY27E: Revenue: -3%/-3%; EBITDA: -5%/-3% PAT: 1%/-3%

Recommendation Rationale

- Strong and well-diversified order book ensuring revenue visibility:** The company's order book position, including L1 projects, stands at Rs 23,706 Cr, comprising roads, railways, transmission, telecom/optical fibre and tunnel works, providing revenue visibility for the next 24-36 months. For FY26, it anticipates an order inflow of Rs 22,000 Cr, out of which Rs 14,000-15,000 Cr will be from highways, railways, and metros, Rs 4,000-4,500 Cr from power transmission and ropeway, Rs 2,000-2,500 Cr from tunnel and hydro, and Rs 500-1,000 Cr from telecom and other projects.
- Robust tender pipeline supported by balanced segment exposure:** The bidding pipeline for FY26 remains strong at Rs 2 Lc Cr (out of Rs 3.4 Lc Cr) in NHAI projects, Rs 40,000 Cr from hydro, Rs 54,000 Cr from power transmission, and Rs 96,000 Cr from railways and metro projects. In addition to road projects, the company has successfully diversified into other segments such as railways, ropeways, optical fibre, multi-modal logistic parks (MMLPs), and power transmission, to reduce its dependence on road projects.
- Revenue growth to pick up:** In Q1FY26, the company's revenue was lower due to projects being in the initial stage of execution. However, most of the projects have received AD, making the executable order book of Rs 15,000 Cr, which is expected to be completed in the next 2 years. This will support a revenue growth of 13% CAGR over FY25-27E.

Sector Outlook: Positive

Company Outlook & Guidance: The company expects a double-digit revenue growth of 10%-15% in FY26, driven by a large executable order book and new order intake. However, margins are expected to be around 12-13% due to increased competition.

Current Valuation: 11.5x FY27E EPS (vs. earlier valuation of 11.5x FY27E EPS) and HAM, BOT, and transmission assets at 1x book value.

Current TP: Rs 1,540/Share (Earlier TP: Rs 1,580/share)

Recommendation: We maintain our **BUY** rating on the company.

Financial Performance

GR Infraprojects Ltd. (GRIL) reported Q1FY26 revenue of Rs 1,826 Cr, down 4% YoY, due to projects being in the initial stage of execution. EBITDA stood at Rs 230 Cr, down 5% YoY, while PAT amounted to Rs 215 Cr, up 45% YoY. EBITDA margins for Q1FY26 were reported at 12.6%, compared to our estimate of 13.4% and 12.8% in Q1FY25.

Outlook: GRIL anticipates strong order intake, supported by a robust bidding pipeline across multiple sectors, particularly in EPC and HAM projects led by NHAI. Beyond roads, the company is also exploring opportunities in the railways, ropeways, transmission and distribution (T&D), and telecom sectors, which offer substantial growth potential. These diverse prospects position GRIL to leverage its expertise across various infrastructure domains and capitalise on the sector's anticipated expansion.

Valuation & Recommendation

The stock is currently trading at an implied PE of 10x/8x FY26E/FY27E EPS. **We maintain our BUY rating on the stock with a target price of Rs 1,540/share, implying an upside of 26% from the CMP.**

Key Financials (Standalone)

(Rs Cr)	Q1FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	1,826	-8%	-4%	2,080	-12%
EBITDA	230	-34%	-5%	278	18%
EBITDA Margin	12.6%	-490bps	-21bps	13.4%	-74bps
Net Profit	215	-42%	45%	236	-9%
EPS (Rs)	22	-42%	45%	24	-9%

Source: Company, Axis Securities Research

(CMP as of 04th August, 2025)

CMP (Rs)	1,221
Upside /Downside (%)	26%
High/Low (Rs)	1775 / 901
Market cap (Cr)	11812
Avg. daily vol. (6m) Shrs	94393
No. of shares (Cr)	9.7

Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter	74.7	74.7	74.7
FII's	2.5	2.8	2.9
MFs / UTI	19.7	19.1	19.2
Banks / FI's	0.0	0.0	0.0
Others	3.0	3.4	3.2

Financial & Valuations

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net Sales	6,516	7,174	8,250
EBITDA	905	939	1,122
Net Profit	807	851	949
EPS (Rs)	83	88	98
PER (x)	15	14	12
P/BV (x)	1.5	1.4	1.3
EV/EBITDA (x)	13	13	11
ROE (%)	10%	10%	10%

Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	-3%	-3%
EBITDA	-5%	-3%
PAT	1%	-3%

Relative Performance



Source: Ace Equity

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Key Concall Highlights

- **Order Book:** As of 30th June, 2025, the order book stands at Rs 19,410 Cr (excluding L1), with an executable order book of Rs 15,000 Cr and a DBFOT project worth Rs 3,700 Cr awaiting AD. The order book comprises 69% Roads, 4% MMLP, 6% Transmission, 1% Tunnelling, 6% Railways and Metro, and 14% OFC and other sectors.
- **Order Inflow:** For FY26, the company targets an order inflow of Rs 22,000 Cr, out of which Rs 2,500 Cr was received in Q1FY26.
- **Bid pipeline:** Till date, bids of Rs 7,300 Cr are yet to be opened. This includes 2 railway, 2 highway projects, and 1 power transmission project.
- **HAM Projects:** The company has 30 HAM projects, of which 7 are operational, 22 under construction, and 1 awaiting AD.
- **Equity Investments in Subsidiaries:** As of 30th June, 2025, the company's total equity investment in HAM projects is Rs 2,400 Cr. The remaining equity investment required in HAM projects is Rs 2,637 Cr, with the management planning to invest Rs 1,000 Cr in FY26 and in FY27.
- **Dividend from InvIT:** In Q1FY26, the company received Rs 40 Cr as dividend and interest income from Bharat Highways InvIT. For FY26, it expects to receive Rs 230-240 Cr of income, supporting its profitability moving forward.
- **Working Capital Days:** The company's net working capital days stood at 121 days in Q1FY26, compared to 117 days in Q4FY25. This increase is primarily due to a rise in inventory days for power transmission and road projects.
- **Capex:** In Q1FY26, Rs 33 Cr was incurred on capex. For FY26, capex is projected at Rs 100 Cr.
- **Balance Sheet:** As of 30th June, 2025, total debt stood at Rs 364 Cr, trade receivables at Rs 1,745 Cr (including HAM debtors of Rs 1,583 Cr), inventories at Rs 660 Cr, retention money Rs 450 Cr and unbilled revenue at Rs 842 Cr.

Key Risks to Our Estimates and TP

- Lower project awarding and delays in getting AD may impact revenue growth.
- Higher input costs may impact the margin.

Change in Estimates

	New		Old		% Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sales	7174	8250	7428	8542	-3%	-3%
EBITDA	939	1,122	988	1,162	-5%	-3%
PAT	851	949	846	983	1%	-3%

Source: Company, Axis Securities Research

Result Review Q1FY26

(Rs Cr)	Quarterly Performance				
	Q1FY26	Q4FY25	Q1FY25	% Change (QoQ)	% Change (YoY)
Sales	1,826	1,990	1,897	-8%	-4%
Other Op. Inc	0	0	0		
Total Revenue	1,826	1,990	1,897	-8%	-4%
Expenditure					
Cost of material consumed	103	104	58	-1%	78%
Change in Inventory	1314	1327	1384	-1%	-5%
Employee Cost	149	148	172	1%	-13%
Other Expenses	32	62	36	-48%	-10%
Total Expenditure	1596	1642	1653	-3%	-3%
EBITDA	230	349	243	-34%	-5%
	12.6%	17.5%	12.8%	-490bps	-21bps
Other Income	116	139	108	-16%	7%
Interest	12	15	28	-23%	-58%
Depreciation	52	57	63	-8%	-17%
Exceptional Item	0	38	-49	-100%	0%
PBT	282	452	211	-38%	34%
Tax	67	81	62	-17%	8%
PAT	215	372	149	-42%	45%
EPS (Rs)	22.2	38.3	15.3	-42%	45%

Source: Company, Axis Securities Research

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Net sales	7,788	6,516	7,174	8,250
Other operating income	0	0	0	0
Total income	7,788	6,516	7,174	8,250
Cost of materials consumed	286	303	373	363
Civil construction cost	5,547	4,555	5,114	5,858
Changes in inventory	1	2	-3	0
Contribution (%)	25.1%	25.4%	23.5%	24.6%
Other Expenses	820	751	750	908
Operating Profit	1,135	905	939	1,122
Other income	225	500	472	495
PBIDT	1,361	1,405	1,412	1,617
Depreciation	244	245	221	272
Interest & Fin Chg.	104	86	61	79
Extraordinary Inc./ (Exp.)	1,380	24	0	0
Pre-tax profit	2,393	1,098	1,130	1,266
Tax provision	416	291	279	316
PAT	1,977	807	851	949

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Total assets	9,395	9,809	10,717	11,825
Net Block	1297	1070	999	877
CWIP	74	137	137	137
Investments	2587	2680	3280	3780
Wkg. cap. (excl cash)	1698	1536	1685	1940
Cash / Bank balance	411	595	372	255
Other assets	3327	3792	4244	4836
Capital employed	9,395	9,809	10,717	11,825
Equity capital	48	48	48	48
Reserves	7147	7839	8569	9398
Minority Interests	0	0	0	0
Borrowings	739	512	562	662
Other Liabilities	1460	1409	1537	1716

Source: Company, Axis Securities Research

Cash Flow

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
PBT	2393	1098	1130	1266
Depreciation	244	245	221	272
Interest Expense	104	86	61	79
Changes in Working Capital	-91	110	-224	-318
Others	-1523	-413	-472	-495
Tax Paid	-280	-256	-279	-316
Net Cash from Operations	848	868	436	488
Capex	-118	-133	-150	-150
Investment	-385	-168	-600	-500
Others	238	-77	222	145
Net Cash from Investing	(265)	(378)	(528)	(505)
Borrowings	-138	-50	0	0
Interest Expense	-83	-77	-61	-79
Others	-203	-195	-71	-21
Net Cash from Financing	(424)	(322)	(132)	(100)
Net Change in Cash	158	169	(223)	(118)
Opening cash	101	259	434	211
Closing cash	259	428	211	93

Source: Company, Axis Securities Research

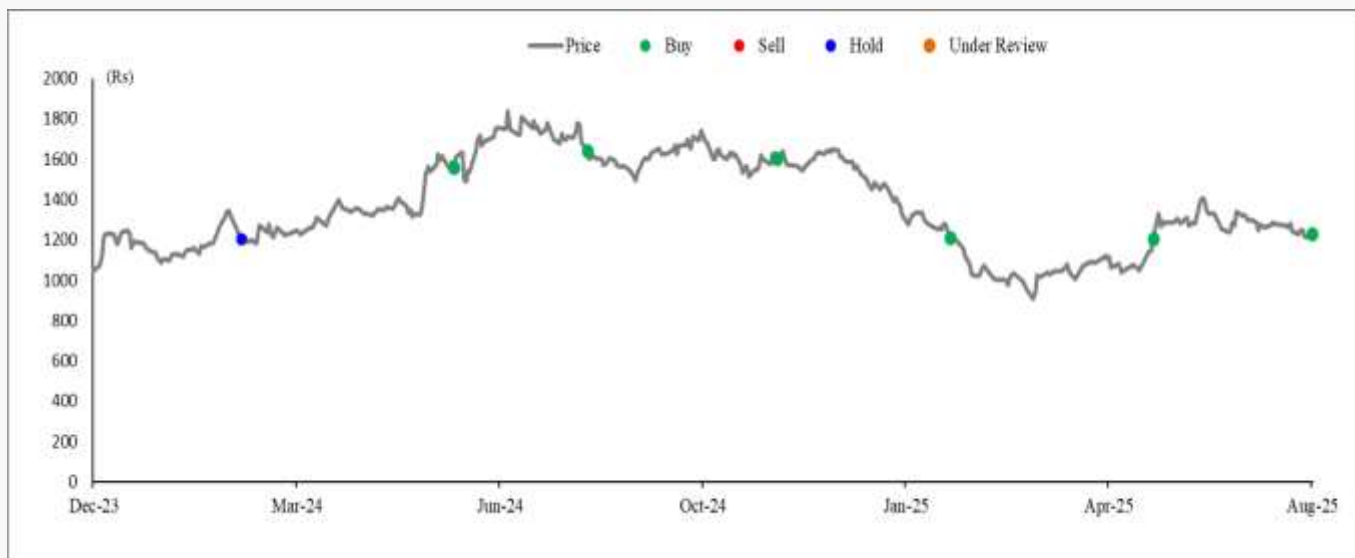
Ratio Analysis

(%)

Y/E March	FY24	FY25	FY26E	FY27E
Growth Indicator				
Sales Growth	-4%	-16%	7,174	8,250
EBITDA Growth	-14%	-20%	0	0
PAT Growth	132%	-59%	7,174	8,250
Profitability Ratio			373	363
EBITDA Margin	14.6%	13.9%	5,114	5,858
Adjusted net margin	25.4%	12.4%	-3	0
Efficiency Ratio			23.5%	24.6%
Capital Turnover (x)	1.1	0.8	750	908
Total Asset Turnover (x)	1.0	0.8	939	1,122
Fixed Asset Turnover (x)	5.7	5.4	472	495
Debtor days	81	103	1,412	1,617
Inventory days	42	35	221	272
Payable days	43	55	61	79
Cash Conversion Cycle (days)	79	83	0	0
Leverage Ratios (x)			1,130	1,266
Debt/ equity	0.10	0.06	279	316
Net debt/ equity	0.05	-0.05	851	949
Net debt/EBITDA	0.29	-0.44	7,174	8,250
Interest coverage	11	11	0	0
Per Share Data			7,174	8,250
Diluted EPS (Rs)	204	83	373	363
Book value per share (Rs)	742	813	5,114	5,858
DPS (Rs)	0.0	12.5	-3	0
Return Ratios			23.5%	24.6%
Return on equity	27%	10%	750	908
Return on capital employed	16%	14%	939	1,122
Valuation Ratio(x)			472	495
P/E	6	15	1,412	1,617
P/BV	1.8	1.5	221	272
EV/EBITDA	11	13	61	79
Cash Flow Ratio			0	0
OCF/EBITDA	75%	96%	1,130	1,266
OCF/Sales	11%	13%	279	316
FCF/Sales	9%	11%	851	949

Source: Company, Axis Securities Research

GR Infra Project Price Chart & Recommendation History



Source: Axis Securities Research

Date	Reco	TP	Research
14-Feb-24	HOLD	1,255	Result Update
31-May-24	BUY	1,720	Result Update
06-Aug-24	BUY	1,820	Result Update
11-Nov-24	BUY	1,760	Result Update
04-Feb-25	BUY	1,430	Result Update
19-May-25	BUY	1,580	Result Update
05-Aug-25	BUY	1,540	Result Update

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