

14 November 2025

India | Equity Research | Results Update

PNC Infratech

Infrastructure

Weakness continues; execution remains a key monitorable

PNC Infratech (PNC) reported a weak Q2FY26, with revenue at INR 9.8bn as execution was impacted by a prolonged monsoon season and delayed start across HAM projects. EBITDA stood at INR 1.4bn. APAT stood at INR 0.8bn – below our estimate. INR 30bn of the INR 200bn order book (OB) is pending appointed dates (AD), constraining near-term execution visibility. As a result, management has sharply cut its guidance. Further, the OB now includes renewable (solar+BESS) and mining contracts (~INR 50bn), segments outside PNC's core road EPC domain, adding incremental execution risk. Balance sheet strength remains a key comfort, with INR 56bn net worth, 0.14x net D/E, and ~INR 22bn monetisation inflows adequately covering equity commitments. Maintain **HOLD** with a revised TP of INR 287.

Weak quarter; guidance cut sharply as execution lags

PNC reported a subdued Q2FY26, with revenue at INR 9.8bn (-3.5% YoY) as execution remained hampered by a prolonged monsoon season and delayed appointed dates for four large HAM projects awarded in mid-2023. EBITDA came in at INR 1.36bn, aided by a one-time gain of INR 320mn; core EBITDA stood at INR 1.04bn, reflecting margin softness. APAT stood at INR 0.86bn (-2.7% QoQ). Management cut its FY26 revenue guidance to ~5% YoY (vs. 15–20% earlier), factoring in delayed project starts and slower-than-expected award conversions.

Lower executable OB; diversification adds risk

Order inflow (OI) remained steady at INR 60bn in H1FY26. The unexecuted OB stood at INR 200bn, of which ADs for ~INR 30bn remain pending and continue to drag overall execution. Note, PNC has ventured into RE assets and mining orders worth INR 50bn – segments outside its core expertise, making execution a key monitorable.

De-risked balance sheet via asset monetisation

Standalone net worth stands at INR 56bn, with net D/E at just 0.14x, as of Sep'25. The company has realised ~INR 22bn from monetising 11 HAM assets. Equity infused into HAM projects totals INR 10.8bn, with INR 6.6bn to be deployed across FY26–28. Monetisation proceeds, largely retained in the holding company, will fully fund remaining equity commitments.

Maintain HOLD with revised TP of INR 287

Maintain **HOLD** with revised TP of INR 287.

Financial Summary

Y/E Mar-31 (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	74,022	55,131	56,268	63,557
EBITDA	9,804	10,489	6,321	7,270
EBITDA Margin (%)	13.2	19.0	11.2	11.4
Net Profit	6,085	7,056	4,025	4,323
EPS (INR)	23.7	27.5	15.7	16.9
EPS % Chg YoY	5.9	16.0	(43.0)	7.4
P/E (x)	11.7	10.1	17.7	16.5
EV/EBITDA (x)	4.4	3.7	6.0	5.2
RoCE (%)	14.9	14.8	7.7	7.4
RoE (%)	14.0	13.8	7.1	7.2

Mohit Kumar

kumar.mohit@icicisecurities.com
+91 22 6807 7419

Mahesh Patil

mahesh.patil@icicisecurities.com

Abhinav Nalawade

abhinav.nalawade@icicisecurities.com

Nidhi Shah

nidhi.shah@icicisecurities.com

Market Data

Market Cap (INR)	71bn
Market Cap (USD)	805mn
Bloomberg Code	PNCL IN
Reuters Code	PNCI BO
52-week Range (INR)	357 /236
Free Float (%)	44.0
ADTV-3M (mn) (USD)	1.2

Price Performance (%)	3m	6m	12m
Absolute	(10.1)	6.9	(10.0)
Relative to Sensex	(14.9)	2.8	(18.8)

ESG Score	2023	2024	Change
ESG score	67.0	66.0	(1.0)
Environment	50.7	52.6	1.9
Social	67.1	68.0	0.9
Governance	77.1	75.1	(2.0)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E
Revenue	(7)	(9)
EBITDA	(19)	(20)
EPS	(22)	(24)

Previous Reports

16-08-2025: [Q1FY26 results review](#)

05-06-2025: [Q4FY25 results review](#)

Exhibit 1: Quarterly standalone highlights

INR mn	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	% ch qoq	% ch yoy
Net Sales	11,491	12,051	14,146	11,365	9,830	(13.5)	(14.5)
EBITDA	1,336	1,460	1,758	1,405	1,362	(3.1)	2.0
OPM(%)	11.6	12.1	12.4	12.4	13.9	(149 bps)	(223 bps)
Other Income	129	159	289	101	191	88.6	47.7
Interest	152	217	266	211	221	4.6	45.7
Depreciation	226	226	223	195	207	6.5	(8.1)
PBT	1,088	1,176	1,558	1,100	1,125	2.2	3.4
Taxes	279	349	348	293	315	7.6	12.9
PAT	809	826	1,210	808	810	0.3	0.1
Reported PAT	809	826	1,210	808	810	0.3	0.1
EPS	3.2	3.2	4.7	3.1	3.2	0.3	0.1
Order book details							
Order Book (INR mn)	1,99,000	1,89,620	1,77,920	1,70,960	2,01,040	17.6	1.0
Calculated Order inflow	19,511	2,671	2,446	18,325	39,910	117.8	104.6
Book to Bill Ratio	3.0	3.1	3.2	3.5	4.2		
Balance sheet details							
Net Worth	52,693	-	54,750	-	56,284		6.8
Debt	4,101	-	3,998	-	7,964		94.2
Cash	6,307	-	6,822	-	3,729		(40.9)

Source: I-Sec research, Company data

Valuation and outlook

PNC offers a demonstrated track record of good execution and project management with 5-year revenue/EBITDA/PAT CAGRs of 19%/16%/19%. In recent times, revenues have been impacted by delays in ADs and a slower pace of project awards. Given the subdued bidding activity during the last couple of years, PNC has tried to venture into new segments like RE and mining – segments outside its core expertise, making execution a key monitorable.

We have cut our estimates. Execution was a key monitorable when we had downgraded the stock, last quarter, to **HOLD**. The company reported weak numbers this quarter, as a result, management has also cut its guidance sharply.

On the back of a weaker executable OB and execution risk in its non-core segments, we maintain **HOLD**, with a revised target price of INR 287 (earlier 310), based on a valuation of 7x FY27E EPS and 1.2x equity invested for BOT and HAM assets.

Upside risk: 1) improved execution; 2) meeting or exceeding the OI guidance with new wins.

Downside risk: 1) lower ordering in the roads segment; 2) lower-than-expected margin in the solar and mining project.

Exhibit 2: Valuation (INR mn)

Particulars	PAT/Value/ Equity Value	Multiple	Valuation	Per Share
EPC	4,248	7	29,736	116
Cash Value: Tranche I			18,270	71
Deal Valuation: Tranche II*			6,240	24
HAM asset	13,604	1.2	16,325	64
BOT asset	2,529	1.2	3,035	12
Total			73,606	287

Source: I-Sec research, Company data

*PNC Bareilly Nainital has been sold for INR 1535 mn; 1 asset is remaining. Total equity consideration for both is INR 6240 mn (Tranche II)

Exhibit 3: Earnings revision (INR mn)

	FY26			FY27		
	Earlier	Current	% change	Earlier	Current	% change
Revenue	60,636	56,268	-7%	69,694	63,557	-9%
EBITDA	7,760	6,321	-19%	9,136	7,270	-20%
PAT	5,139	4,025	-22%	5,661	4,323	-24%

Source: I-Sec research

Exhibit 4: Shareholding pattern

%	Mar'25	Jun'25	Sep'25
Promoters	56.1	56.1	56.1
Institutional investors	33.4	33.0	33.5
MFs and others	25.6	25.4	26.0
FIs/Banks	0.0	0.4	0.4
Insurance	0.3	0.1	0.1
FIIIs	7.5	7.1	7.0
Others	10.5	10.9	10.4

Source: Bloomberg, I-Sec research

Exhibit 5: Price chart

Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 6: Profit & Loss

(INR mn, year ending Mar-31)

	FY24A	FY25A	FY26E	FY27E
Net Sales	74,022	55,131	56,268	63,557
Operating Expenses	3,556	3,495	4,398	4,837
EBITDA	9,804	10,489	6,321	7,270
EBITDA Margin (%)	13.2	19.0	11.2	11.4
Depreciation & Amortization	1,033	900	730	835
EBIT	8,771	9,589	5,591	6,435
Interest expenditure	(658)	(763)	(695)	(695)
Other Non-operating Income	278	663	734	480
Recurring PBT	8,391	9,489	5,630	6,221
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	2,306	2,433	1,605	1,897
PAT	6,085	7,056	4,025	4,323
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	2,228	-	-	-
Net Income (Reported)	8,312	7,056	4,025	4,323
Net Income (Adjusted)	6,085	7,056	4,025	4,323

Source Company data, I-Sec research

Exhibit 7: Balance sheet

(INR mn, year ending Mar-31)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	46,707	51,648	57,749	56,416
of which cash & cash eqv.	7,126	6,822	25,757	20,339
Total Current Liabilities & Provisions	17,657	18,648	11,183	12,605
Net Current Assets	29,050	33,000	46,566	43,810
Investments	21,048	25,310	12,356	18,356
Net Fixed Assets	4,712	4,054	4,119	5,283
ROU Assets	-	-	-	-
Capital Work-in-Progress	-	3	62	62
Total Intangible Assets	-	-	-	-
Other assets	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Assets	54,810	62,368	63,102	67,512
Liabilities				
Borrowings	234	72	4,647	5,147
Deferred Tax Liability	-	-	28	59
provisions	53	17	41	46
other Liabilities	6,710	7,529	-	-
Equity Share Capital	513	513	513	513
Reserves & Surplus	47,300	54,237	57,872	61,745
Total Net Worth	47,813	54,750	58,385	62,259
Minority Interest	-	-	-	-
Total Liabilities	54,810	62,368	63,102	67,512

Source Company data, I-Sec research

Exhibit 8: Cashflow statement

(INR mn, year ending Mar-31)

	FY24A	FY25A	FY26E	FY27E
Operating Cashflow	19,024	17,163	2,543	11,580
Working Capital Changes	5,018	4,290	(5,394)	2,658
Capital Commitments	526	244	854	2,000
Free Cashflow	18,497	16,919	1,689	9,580
Other investing cashflow	-	-	-	-
Cashflow from Investing Activities	526	244	854	2,000
Issue of Share Capital	-	-	-	-
Interest Cost	(658)	(763)	(695)	(695)
Inc (Dec) in Borrowings	-	-	-	-
Dividend paid	(270)	(330)	(390)	(450)
Others	(11,135)	(9,414)	24,133	9,737
Cash flow from Financing Activities	(12,063)	(10,507)	23,048	8,592
Chg. in Cash & Bank balance	6,960	6,656	25,591	20,173
Closing cash & balance	7,126	6,822	25,757	20,339

Source Company data, I-Sec research

Exhibit 9: Key ratios

(Year ending Mar-31)

	FY24A	FY25A	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	23.7	27.5	15.7	16.9
Adjusted EPS (Diluted)	23.7	27.5	15.7	16.9
Cash EPS	27.7	31.0	18.5	20.1
Dividend per share (DPS)	(0.9)	(1.1)	(1.3)	(1.5)
Book Value per share (BV)	186.4	213.4	227.6	242.7
Dividend Payout (%)	(3.8)	(4.0)	(8.3)	(8.9)
Growth (%)				
Net Sales	5.4	(25.5)	2.1	13.0
EBITDA	6.9	7.0	(39.7)	15.0
EPS (INR)	5.9	16.0	(43.0)	7.4
Valuation Ratios (x)				
P/E	11.7	10.1	17.7	16.5
P/CEPS	10.0	9.0	15.0	13.8
P/BV	1.5	1.3	1.2	1.1
EV / EBITDA	4.4	3.7	6.0	5.2
P / Sales	1.0	1.3	1.3	1.1
Dividend Yield (%)	0.0	0.0	0.0	0.0
Operating Ratios				
Gross Profit Margins (%)	18.0	25.4	19.0	19.0
EBITDA Margins (%)	13.2	19.0	11.2	11.4
Effective Tax Rate (%)	27.5	25.6	28.5	30.5
Net Profit Margins (%)	8.2	12.8	7.2	6.8
NWC / Total Assets (%)	40.0	42.0	33.0	34.8
Net Debt / Equity (x)	(0.6)	(0.6)	(0.6)	(0.5)
Net Debt / EBITDA (x)	(2.8)	(3.1)	(5.3)	(4.6)
Profitability Ratios				
RoCE (%)	14.9	14.8	7.7	7.4
RoE (%)	14.0	13.8	7.1	7.2
RoIC (%)	14.9	14.8	7.7	7.4
Fixed Asset Turnover (x)	14.9	12.6	13.8	13.5
Inventory Turnover Days	39	49	39	41
Receivables Days	99	98	81	85
Payables Days	47	51	34	35

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION

I/We, Mohit Kumar, MBA; Mahesh Patil, MBA; Abhinav Nalawade, MBA; Nidhi Shah, MBA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is 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 ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances. This report is based on information obtained 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 is solely for informational purpose 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. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and 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 needs of 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. ICICI 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 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.

ICICI Securities or its associates might have managed or co-managed 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.

ICICI 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 service in a merger or specific transaction.

ICICI 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.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

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

ICICI Securities or its subsidiaries collectively 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 ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

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

Registration granted by SEBI 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.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions. ([Link](#))

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, E-mail Address : complianceofficer@icicisecurities.com

For any queries or grievances: [Mr. Jeetu Jawrani](#) Email address: headservicequality@icicidirect.com Contact Number: 18601231122
