Praj Industries (PRJ IN)

Q2FY27 Result Update

October 31, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Buy		Buy	
Target Price	353		390	
Sales (INR mn)	40,905	48,710	42,262	49,217
% Chng.	*(3.2)*	*(1.0)*		
EBITDA (INR mn)	3,702	4,652	4,163	4,897
% Chng.	*(11.1)*	*(5.0)*		
EPS (INR)	12.8	16.6	15.0	18.0
% Chng.	*(14.7)*	*(7.8)*		

Key Data	PRAJ.BO | PRJ IN
BSE Code	522205
NSE Code	PRAJIND
52-W High / Low	INR 427 / INR 239
Face Value	2
Sensex / Nifty	74,460 / 23,053
Market Cap	INR 44 bn / $ 468 mn
Shares Outstanding	183.81 mn
3M Avg. Daily Value	INR 263.86 mn

Shareholding Pattern (%)

Promoters	32.81
FIIs	16.75
Mutual Funds	15.05
Domestic Institutions	0.62
Public and Others	34.77
Promter's pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(21.0)	(21.8)	(40.8)	(29.7)
Relative	(23.1)	(18.1)	(38.9)	(20.3)

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	31,679	34,879	40,905	48,710
EBITDA (INR mn)	1,518	2,337	3,702	4,652
Margin (%)	*4.8*	*6.7*	*9.1*	*9.6*
PAT (INR mn)	364	1,271	2,359	3,052
EV (INR mn)	40,052	40,561	39,845	38,868
Total Debt (INR mn)	1,730	1,730	1,730	1,730
C&C Eq. (INR mn)	2,037	2,111	2,224	2,420
EPS (INR)	2.0	6.9	12.8	16.6
Gr. (%)	*(81.6)*	*248.8*	*85.6*	*29.4*
DPS (INR)	0.8	3.3	6.2	8.0
Yield (%)	*0.3*	*1.4*	*2.5*	*3.3*
RoE (%)	*2.7*	*9.3*	*15.6*	*18.0*
RoCE (%)	*3.0*	*8.2*	*15.2*	*18.3*
EV/Sales (x)	1.3	1.2	1.0	0.8
EV/EBITDA (x)	26.4	17.4	10.8	8.4
PE (x)	122.0	35.0	18.8	14.6
P/BV (x)	3.4	3.1	2.8	2.5

Dismal Q2; GenX ramp-up key to recovery

Quick Pointers

- Order inflows stood at ~Rs7bn (-12.1% YoY) while the order book increased ~0.8% YoY to ~Rs44.6bn.
- GenX orders to ramp up in H2 FY27, management expects Rs 5-6 bn revenue and break even in the next 12 months

We revise our FY28E/FY29E EPS estimates by -14.7%/-7.8% as domestic ethanol execution, elongated project cycles and continued GenX and R&D investments weigh on revenue conversion and profitability. Praj Industries (PRAJ) reported a weak Q2FY27 performance with revenue increasing ~0.9% YoY and EBITDA margin contracting 47bps YoY on lower gross margins and an unfavourable mix. Domestic 1G ethanol execution remains subdued amid customer funding constraints and the ethanol supply-demand imbalance, particularly in sugar-based projects. However, international markets have opportunities across the US, Brazil, Argentina, Southeast Asia and Africa building into a pipeline of ~INR10bn over the next few quarters. CBG also offers growth visibility, with the proposed JV with BPCL, backed by an identified pipeline of 8–10 projects worth INR8–10bn. GenX is gaining traction, with approvals from 18 international customers and four operational framework agreements across oil & gas, fertilisers and LNG, although revenue contribution is expected to build gradually. Data-centre opportunities across geographies provide revenue visibility of INR5–6bn over the next 12 months, with breakeven expected within the same period. SAF and Bio-IBA offer longer-term growth potential, with construction of the first Bio-IBA plant expected to be completed by year-end and an international ethanol-to-SAF project progressing towards FID in Q1FY28. While the timing of conversion across these opportunities remains uncertain, a gradually broadening opportunity base across international projects, newer biofuel technologies, data centres and emerging industrial end-markets provides some support to the medium-term growth outlook. The stock is currently trading at a P/E of 18.8x/14.6x on FY28/29E. We maintain our 'Buy' rating given the recent correction in the stock price as we roll forward to Sep'28E, valuing the stock at a PE of 24x Sep'28E (26x Mar'28E earlier) arriving at a TP of INR353 (TP of INR390 earlier).

While we remain watchful on order inflows, the management expects margins to have bottomed out and order booking to improve in H2, supported by international ethanol, CBG and GenX opportunities, with GenX revenue contribution expected to ramp-up in Q3–Q4. While recovery may remain gradual, the medium-to-long-term growth opportunity is supported by higher ethanol blending mandates, CBG adoption, SAF, Bio-IBA and data-centre investments.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	*% Var.*	Q2'26A	*YoY gr. (%)*
Net Sales (INR mn)	8,958	8,490	*(5.2)*	8,416	*0.9*
EBITDA (INR mn)	529	524	*(0.9)*	558	*(6.1)*
Margin (%)	*5.9*	*6.2*	*30 bps*	*6.6*	*(40) bps*
PAT (INR mn)	299	232	*(22.4)*	193	*20.2*

Source: Company, PL

Amit Anwani
amitanwani@plindia.com | +91-22-66322250

Devansh Dedhia
devanshdedhia@plindia.com | +91-22-66322324

Hitesh Agarwal
hiteshagarwal@plindia.com | +91-22-66322535

Other income lifts profitability despite lower gross margin: Consolidated revenue increased by 0.9% YoY to INR8.5bn (PLe: INR8.9bn). Export sales decreased by 18.2% YoY to INR3.2bn while domestic sales was up by 16.8% to INR5.3bn. Domestic/Export mix in Revenue mix shifted to 62%/38% in Q2 FY27 (vs 53%/47% in Q2FY26). Gross margin contracted by 1,112bps YoY to 43.3% (PLe: 45.5%) largely due to an unfavourable mix. EBITDA declined 6.2% YoY to INR524mn (Ple: INR529mn) while EBITDA margin contracted by 47bps YoY to 6.2% (PLe: 5.9%) primarily due to gross margin contraction, offset largely by operating leverage from decrease in other expenses (-28.4% YoY to INR2.3bn). Adj. PBT increased by 22.0% YoY to INR361mn (PLe: INR404mn) driven by higher other income (INR122mn vs. INR54mn in Q2FY26) and lower interest cost (-31.5% YoY to INR34mn). Adj. PAT increased by 20.1% YoY to INR232mn (PLe: INR299mn) as effective tax rate increased by 99bps to 35.9%.

Muted order intake however order book remains strong (INR44.6bn – 1.4x TTM revenue): Q2 order inflow decreased ~12% YoY to INR7.1bn driven by Engineering (+42.9% YoY to INR1.9bn) and Hi-Purity (+15.0% YoY to INR1.2bn, while Bio-Energy inflows decreased by 29.4% YoY to INR4.1bn). Domestic/export inflow mix stood at 67%/33% (vs 73%/27% in Q2FY26). Order book stands at INR44.6bn (1.4x TTM revenue) – 75%/6%/19% in Bio-Energy/Hi-Purity/Engineering and 63%/37% in domestic/exports.

Exhibit 1: **Quarterly Estimates**

(INR mn)	Q1FY27	*YoY gr.*	Q2FY27	*YoY gr.*	Q3FY27E	*YoY gr.*	Q4FY27E	*YoY gr.*
Sales	7,158	*11.8%*	8,490	*0.9%*	9,200	*9.3%*	10,031	*18.8%*
EBITDA	300	*-15.7%*	524	*-6.2%*	607	*47.0%*	905	*288.8%*
Margin (%)	*4.2*	*(136.7)*	*6.2*	*(46.5)*	*6.6*	*169.1*	*9.0*	*626.7*
Adj. PAT	67	*26%*	232	*20%*	351	*68%*	621	*713%*

Source: Company, PL

Exhibit 2: EBITDA margin contracted by 47bps YoY to 6.2% due to gross margin contraction, offset largely by operating leverage

Y/e March (INR mn)	Q2FY27	Q2FY26	YoY.gr.	Q2FY27E	Var.	Q1FY27	QoQ gr.	H1FY27	H1FY26	YoY.gr.
Revenue	**8,490**	**8,416**	***0.9%***	**8,958**	***-5.2%***	**7,158**	***18.6%***	**15,648**	**14,818**	***5.6%***
Gross Profit	3,674	4,578	*-19.8%*	4,076	*-9.9%*	3,248	*13.1%*	6,922	7,997	*-13.4%*
Margin (%)	*43.3*	*54.4*	*(1,112)*	*45.5*	*(222.5)*	*45.4*	*(210)*	*44.2*	*54.0*	*(973)*
Employee Cost	892	866	*3.0%*	878	*1.6%*	824	*8.2%*	1,716	1,685	*1.8%*
as % of sales	*10.5*	*10.3*	*21*	*9.8*	*70.3*	*11.5*	*(101)*	*11.0*	*11.4*	*(41)*
Other expenditure	2,259	3,154	*-28.4%*	2,669	*-15.4%*	2,123	*6.4%*	4,382	5,397	*-18.8%*
as % of sales	*26.6*	*37.5*	*(1,087)*	*29.8*	*(319.8)*	*29.7*	*(306)*	*28.0*	*36.4*	*(842)*
EBITDA	**524**	**558**	***-6.2%***	**529**	***-0.9%***	**300**	***74.3%***	**824**	**915**	***-9.9%***
Margin (%)	*6.2*	*6.6*	*(47)*	*5.9*	*26.9*	*4.2*	*197*	*5.3*	*6.2*	*(90)*
Depreciation	250	267	*-6.3%*	265	*-5.6%*	253	*-0.9%*	503	519	*-3.2%*
EBIT	**274**	**291**	***-6.1%***	**264**	***3.8%***	**48**	***470.2%***	**321**	**395**	***-18.7%***
Margin (%)	*3.2*	*3.5*	*(24)*	*2.9*	*28.0*	*0.7*	*255*	*2.1*	*2.7*	*(61)*
Other Income	122	54	*123.7%*	170	*-28.4%*	111	*9.8%*	233	98	*136.5%*
Interest	34	50	*-31.5%*	30	*13.3%*	37	*-8.9%*	71	102	*-29.8%*
PBT (ex. Extra-ordinaries)	**361**	**296**	***22.0%***	**404**	***-10.5%***	**122**	***197.3%***	**483**	**392**	***23.1%***
Margin (%)	*4.3*	*3.5*	*74*	*4.5*	*(25.0)*	*1.7*	*256*	*3.1*	*2.6*	*44*
Extraordinary Items	-	-		-	-	89	-	89	-	-
PBT	**361**	**296**	***22.0%***	**404**	***-10.5%***	**210**	***71.6%***	**572**	**392**	***45.8%***
Total Tax	130	103	*25.5%*	105	*23.5%*	94	*37.2%*	224	146	*53.5%*
Effective Tax Rate (%)	*35.9*	*34.9*	*99*	*26.0*	*986.8*	*44.9*	*(899)*	*39.2*	*37.2*	*196*
Reported PAT	**232**	**193**	***20.1%***	**299**	***-22.4%***	**116**	***99.6%***	**348**	**246**	***41.2%***
Adj. PAT	**232**	**193**	***20.1%***	**299**	***-22.4%***	**67**	***245.8%***	**299**	**246**	***21.3%***
Margin (%)	2.7	2.3	*44*	3.3	*(60.4)*	0.9	*179*	1.9	1.7	*25*
Adj. EPS	**1.3**	**1.0**	***20.1%***	**1.6**	***-22.4%***	**0.4**	***245.8%***	**1.6**	**1.3**	***21.3%***

Source: Company, PL

Exhibit 3: Steady growth in Bio energy (+8.3% to INR5.9bn) offset by decrease in Engineering (-18.5% to INR1.8bn) leading to flat revenue growth

Segment Revenue (INR mn)	Q2FY27	Q2FY26	YoY.gr.	Q2FY27E	Var.	Q1FY27	QoQ gr.	H1FY27	H1FY26	YoY.gr.
Bio Energy	5,860	5,410	*8.3%*	5,689	*3.0%*	4,740	*23.6%*	10,600	9,236	*14.8*
HiPurity	870	850	*2.4%*	989	*-12.0%*	850	*2.4%*	1,720	1,592	*8.0*
Engineering	1,760	2,160	*-18.5%*	2,280	*-22.8%*	1,570	*12.1%*	3,330	3,993	*(16.6)*
Total	**8,490**	**8,420**	***0.8%***	**8,958**	***-5.2%***	**7,160**	***18.6%***	**15,650**	**14,821**	***5.6***
Mix (%)										
Bio Energy	69.0	64.3	*7.4*	63.5	*551.4*	66.2	*281*	67.7	62.3	*8.7*
HiPurity	10.2	10.1	*1.5*	11.0	*(79.3)*	11.9	*(163)*	11.0	10.7	*2.3*
Engineering	20.7	25.7	*(19.2)*	25.5	*(472.0)*	21.9	*(120)*	21.3	26.9	*(21.0)*
Geographic Revenue (INR mn)										
Domestic	5,252	4,458	*17.8%*	5,464	*-3.9%*	5,386	*-2.5%*	10,638	8,363	*27.2*
Export	3,238	3,958	*-18.2%*	3,494	*-7.3%*	1,772	*82.7%*	5,010	6,455	*(22.4)*
Total	**8,490**	**8,416**	***0.9%***	**8,958**	***-5.2%***	**7,158**	***18.6%***	**15,648**	**14,818**	***5.6***
Mix (%)										
Domestic	61.9	53.0	*16.8*	61.0	*86.2*	75.2	*(1,338)*	68.0	56.4	*20.5*
Export	38.1	47.0	*(18.9)*	39.0	*(86.2)*	24.8	*1,338*	32.0	43.6	*(26.5)*

Source: Company, PL

Conference Call Highlights:

Financial performance: EBITDA margins are expected to benefit from higher business volumes and incremental GenX revenue, although continued investments in GenX will remain a near-term drag. Management indicated that margins are unlikely to fall below the current quarter's level.

Order intake outlook: Management expects order booking to improve in H2, supported by opportunities across CBG, international ethanol markets and GenX equipment and modular projects. International opportunities are developing in markets introducing ethanol blending mandates, while the GenX business is building its pipeline for equipment and modules.

Ethanol: Domestic greenfield ethanol execution remains constrained by customer funding challenges and supply-demand imbalance, particularly for sugar-based projects, following OMCs' exclusion of sugarcane juice, syrup and B-heavy molasses from recent tenders, leaving C-heavy molasses and approved grains as permitted feedstocks. This has delayed backlog conversion and revenue recognition, although international opportunities across the US, Brazil, Argentina, Southeast Asia and Africa are improving, supporting an opportunity pipeline of ~INR 10bn over the next few quarters. E100 has also been recognised as a certified fuel for flex-fuel vehicles.

Proposed BPCL JV: The board has approved an investment of up to INR 1bn in the proposed JV with BPCL, which is expected to be established over the next 2–3 months, with an equal investment from BPCL. The JV has identified 8–10 projects worth INR 8–10bn, to be developed over the next 2–3 years, with the first plant expected within 12 months of operationalisation. The arrangement provides Praj with two revenue streams through project execution and its share of profits from JV from CBG sales, leveraging an established relationship with BPCL through earlier execution of its 1G and 2G ethanol biofuel complex.

Bio-IBA and SAF: Construction of the first Bio-IBA plant is expected to be completed by the end of the calendar year, with testing activities underway. Separately, engineering of the detailed package for an ethanol-to-SAF plant for an international customer is progressing well, with the final investment decision expected in Q1FY28. A favourable FID could create opportunities for Praj to supply equipment and modules for the plant's construction.

GenX order pipeline: The Mangalore facility has received approvals from 18 international customers, with four framework agreements signed and operationalised. These agreements provide access to large equipment and modular projects across O&G, fertilisers and LNG. Opportunities for precision fabrication with existing customers remain significant, while the company is also engaging with additional customers for similar requirements.

Data centres and execution: Precision fabrication for data centres is emerging as an opportunity across domestic and international markets. The company will undertake equipment manufacturing, fabrication and modular solutions through GenX, with management indicating revenue potential of INR 5–6bn over the next 12 months. Order inflows are expected to start improving from the next quarter, although these are long-cycle projects. Revenue contribution has started to materialise and is expected to increase in Q3 and Q4. Management remains on track to achieve its envisaged order-booking targets, while revenue delivery is expected to be broadly in line with earlier indications.

Capacity: The Mangalore facility has seven sheds, of which two are fully equipped, with the remaining available for modular manufacturing. Having completed three years of the 10-year lease tenure, GenX has an operating cost base of INR 250–300mn and total costs of INR 440–450mn, including interest and depreciation. Higher H2 execution may entail additional variable costs and utilisation of another shed, while management expects the business to approach breakeven within the next 12 months, supported by order inflow visibility.

ZLD & PHS: The conventional business continues to remain challenging, although conditions are gradually improving, with new opportunities emerging across battery manufacturing, semiconductors and solar cell manufacturing. Praj's portfolio spans ultra-high-purity water solutions as well as wastewater treatment and ZLD facilities, positioning it to address the requirements of emerging industrial manufacturing capacities.

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**31,679**	**34,879**	**40,905**	**48,710**
YoY gr. (%)	*(1.9)*	*10.1*	*17.3*	*19.1*
Cost of Goods Sold	16,200	18,974	21,966	25,914
Gross Profit	15,478	15,905	18,939	22,796
Margin (%)	*48.9*	*45.6*	*46.3*	*46.8*
Employee Cost	3,458	3,749	4,172	5,017
Other Expenses	2,455	3,244	3,477	4,092
EBITDA	**1,518**	**2,337**	**3,702**	**4,652**
YoY gr. (%)	*(51.7)*	*54.0*	*58.4*	*25.7*
Margin (%)	*4.8*	*6.7*	*9.1*	*9.6*
Depreciation and Amortization	1,056	1,071	1,147	1,234
EBIT	**462**	**1,266**	**2,555**	**3,418**
Margin (%)	*1.5*	*3.6*	*6.2*	*7.0*
Net Interest	203	122	143	146
Other Income	504	698	798	852
Profit Before Tax	**499**	**1,841**	**3,209**	**4,124**
Margin (%)	*1.6*	*5.3*	*7.8*	*8.5*
Total Tax	261	571	850	1,072
Effective Tax Rate (%)	*52.2*	*31.0*	*26.5*	*26.0*
Profit After Tax	**238**	**1,271**	**2,359**	**3,052**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**364**	**1,271**	**2,359**	**3,052**
YoY gr. (%)	*(81.6)*	*248.8*	*85.6*	*29.4*
Margin (%)	*1.1*	*3.6*	*5.8*	*6.3*
Extra Ord. Income / (Exp)	(126)	-	-	-
Reported PAT	**238**	**1,271**	**2,359**	**3,052**
YoY gr. (%)	*(89.1)*	*433.3*	*85.6*	*29.4*
Margin (%)	*0.8*	*3.6*	*5.8*	*6.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	238	1,271	2,359	3,052
Equity Shares O/s (mn)	**184**	**184**	**184**	**184**
EPS (INR)	**2.0**	**6.9**	**12.8**	**16.6**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**8,878**	**9,478**	**10,078**	**10,728**
Tangibles	8,878	9,478	10,078	10,728
Intangibles	-	-	-	-
Acc: Dep / Amortization	**4,394**	**5,465**	**6,613**	**7,846**
Tangibles	4,394	5,465	6,613	7,846
Intangibles	-	-	-	-
Net Fixed Assets	**4,483**	**4,012**	**3,465**	**2,882**
Tangibles	4,483	4,012	3,465	2,882
Intangibles	-	-	-	-
Capital Work In Progress	1,178	1,178	1,178	1,178
Goodwill	-	-	-	-
Non-Current Investments	534	551	627	725
Net Deferred Tax Assets	-	-	-	-
Other Non-Current Assets	142	174	205	219
Current Assets				
Investments	4,069	3,488	4,090	4,871
Inventories	2,661	2,771	3,250	3,737
Trade Receivables	5,587	5,829	6,612	7,740
Cash & Bank Balance	2,037	2,111	2,224	2,420
Other Current Assets	9,717	11,510	13,090	15,587
Total Assets	**30,559**	**31,799**	**34,945**	**39,603**
Equity				
Equity Share Capital	368	368	368	368
Other Equity	12,724	13,848	15,597	17,517
Total Networth	**13,091**	**14,216**	**15,965**	**17,885**
Non-Current Liabilities				
Long Term Borrowings	1,161	1,161	1,161	1,161
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	570	570	570	570
Trade Payables	5,861	5,829	6,276	7,340
Other Current Liabilities	9,875	10,022	10,973	12,647
Total Equity & Liabilities	**30,559**	**31,799**	**34,945**	**39,603**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	499	1,841	3,209	4,124
Add. Depreciation	1,056	1,071	1,147	1,234
Add. Interest	7	122	-	-
Less Financial Other Income	504	698	798	852
Add. Other	(35)	-	143	146
Op. Profit before WC Changes	1,527	3,034	4,500	5,504
Net Changes-WC	1,178	(2,104)	(1,580)	(1,527)
Direct Tax	(704)	(571)	(850)	(1,072)
Net Cash from Op. Activities	**2,001**	**359**	**2,069**	**2,905**
Capital Expenditures	(434)	(600)	(600)	(650)
Interest / Dividend Income	164	-	-	-
Others	206	582	(603)	(781)
Net Cash from Invt. Activities	**(64)**	**(18)**	**(1,203)**	**(1,431)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	-	-	-	-
Dividend Paid	(1,105)	(146)	(610)	(1,132)
Interest Paid	(185)	(122)	(143)	(146)
Others	(583)	-	-	-
Net Cash from Fin. Activities	**(1,873)**	**(268)**	**(753)**	**(1,278)**
Net Change in Cash	**64**	**73**	**113**	**196**
Free Cash Flow	1,557	(241)	1,469	2,255

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**8,415**	**8,446**	**7,158**	**8,490**
YoY gr. (%)	*(1.4)*	*(1.8)*	*11.8*	*0.9*
Raw Material Expenses	4,545	4,834	3,910	4,816
Gross Profit	3,870	3,611	3,248	3,674
Margin (%)	*46.0*	*42.8*	*45.4*	*43.3*
EBITDA	**413**	**233**	**300**	**524**
YoY gr. (%)	*(29.5)*	*(69.1)*	*(15.7)*	*(6.2)*
Margin (%)	*4.9*	*2.8*	*4.2*	*6.2*
Depreciation / Depletion	266	271	253	250
EBIT	**147**	**(38)**	**48**	**274**
Margin (%)	*1.8*	*-*	*0.7*	*3.2*
Net Interest	50	52	37	34
Other Income	119	245	111	122
Profit before Tax	**(128)**	**235**	**210**	**361**
Margin (%)	*(1.5)*	*2.8*	*2.9*	*4.3*
Total Tax	(4)	119	94	130
Effective Tax Rate (%)	*3.5*	*50.7*	*44.9*	*35.9*
Profit After Tax	**(124)**	**116**	**116**	**232**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**209**	**76**	**67**	**232**
YoY gr. (%)	*(49.3)*	*(80.8)*	*25.5*	*20.1*
Margin (%)	*2.5*	*0.9*	*0.9*	*2.7*
Extra Ord. Income / (Exp)	(332)	40	49	-
Reported PAT	**(124)**	**116**	**116**	**232**
YoY gr. (%)	*(130.1)*	*(70.8)*	*117.4*	*20.1*
Margin (%)	*(1.5)*	*1.4*	*1.6*	*2.7*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**(124)**	**116**	**116**	**232**
Avg. Shares O/s (mn)	184	184	184	184
EPS (INR)	**1.1**	**0.4**	**0.4**	**1.3**

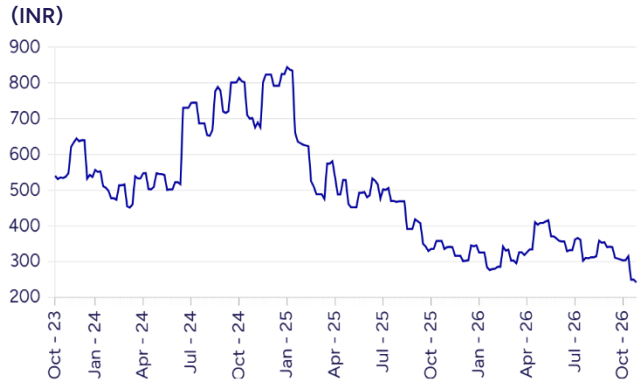
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	2.0	6.9	12.8	16.6
CEPS	7.7	12.7	19.1	23.3
BVPS	71.2	77.3	86.9	97.3
FCF	8.5	(1.3)	8.0	12.3
DPS	0.8	3.3	6.2	8.0
Return Ratio (%)				
RoCE	3.0	8.2	15.2	18.3
ROIC	2.4	8.9	17.9	22.3
RoE	2.7	9.3	15.6	18.0
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	27	29	32	31
Valuation (x)				
PER	122.0	35.0	18.8	14.6
P/B	3.4	3.1	2.8	2.5
P/CEPS	31.3	19.0	12.7	10.4
EV/EBITDA	26.4	17.4	10.8	8.4
EV/Sales	1.3	1.2	1.0	0.8
Dividend Yield (%)	0.3	1.4	2.5	3.3
FCFF Yield (%)	3.5	-	3.3	5.1
PEG Ratio	(1.5)	0.1	0.2	0.5

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	BUY	300	390
2	15-Aug-26	Buy	390	335
3	08-Jul-26	Accumulate	389	355
4	01-Jun-26	Accumulate	389	352
5	09-Apr-26	Accumulate	340	337
6	24-Mar-26	Accumulate	340	312
7	13-Feb-26	Accumulate	340	308
8	07-Jan-26	Hold	353	322
9	06-Nov-25	Hold	353	335
10	07-Oct-25	Hold	393	353

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	ABB India	HOLD	7005	6944
2	Apar Industries	Accumulate	16674	15846
3	BEML	Accumulate	2007	2011
4	Bharat Electronics	Accumulate	378	452
5	BHEL	REDUCE	426	464
6	Carborundum Universal	HOLD	1257	1072
7	Cummins India	BUY	5414	4386
8	Elgi Equipments	Accumulate	602	638
9	Engineers India	BUY	308	297
10	GE Vernova T&D India	BUY	4316	5928
11	Grindwell Norton	Accumulate	2245	1955
12	Harsha Engineers International	Accumulate	462	462
13	Hindustan Aeronautics	BUY	4746	5795
14	Hitachi Energy India	HOLD	31610	34026
15	Ingersoll-Rand (India)	Accumulate	4089	5029
16	Kalpataru Projects International	Accumulate	1454	1472
17	KEC International	BUY	363	451
18	Kirloskar Pneumatic Company	BUY	790	536
19	Larsen & Toubro	BUY	4437	3665
20	Praj Industries	BUY	300	390
21	Siemens	HOLD	3793	3831
22	Siemens Energy India	BUY	3344	3655
23	Solar Industries India	BUY	20050	23124
24	Thermax	REDUCE	3230	3952
25	Triveni Turbine	HOLD	529	615
26	Voltamp Transformers	BUY	11524	9811

PL's Recommendation Nomenclature (Absolute Performance)

BUY	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

ANALYST CERTIFICATION

Indian Clients

We/I Mr. Amit Anwani MBA (Finance), Mr. Devansh Dedhia BCom, Mr. Hitesh Agarwal MBA Finance Research Analysts, 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.

US Clients

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

Prabhudas Lilladher Pvt. Ltd.

Corporate Office: 6th Floor, Tower 2B South Annex, One World Centre, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Registered Office: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018

Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

AMNISH AGGARWAL

Digitally signed by AMNISH AGGARWAL
DN: c=IN, o=Personal, title=1443, 2.5.4.20=21151ea12dd366d1ac370cb42343ee44b6e851c37bdbac5f86aa4ff3e6948487, postalCode=400015, st=Maharashtra, serialNumber=7a6f13691881d5a8af6353865a61b48b7040e72f4a1bf53182e368b3ca14a5e4, cn=AMNISH AGGARWAL
Date: 2026.10.31 10:28:39 +05'30'

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipients particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report.

PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report.

PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Amit Anwani MBA (Finance), Mr. Devansh Dedhia BCom, Mr. Hitesh Agarwal MBA Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company 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 or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.