

## Praj Industries

### Resilient performance amid headwinds

Praj Industries (PRJ) reported Q2FY26 consolidated numbers which were above our tepid expectations. Revenue rose 3.1% YoY to Rs8,416mn, surpassing our estimate of Rs6,894mn as International division reported highest ever quarterly revenue booking. GMs remained robust at 54.4%, expanding sharply by 700bps YoY primarily due to change in revenue mix. However, consolidated EBITDA margin moderated to 6.6% from 10.6% in Q2FY25 primarily due to higher other expenses. Depreciation increased 30% YoY, due to expansion in capacity. On a consolidated basis, PAT declined ~64% YoY to Rs193mn but came in above our expectation of Rs125mn, aided by stronger execution. Order inflows stood at Rs8,130mn (vs Rs7,950mn in Q1FY26 and Rs9,210mn in Q2FY25). The primary drag continues to be the Mangalore facility, which remains a significant cost overhang (Rs~9cr per month) and recovery dates keep pushing ahead now FY28 vs. FY27 earlier. These delays are also a consequence of prevailing US tariffs on Indian exports, which have created uncertainty around project commencement and on the domestic front, order inflow remains sluggish. This is driven by two key factors: 1) Policy uncertainty beyond the current 20% ethanol blending target, which is causing project deferrals and delays in financial closure from lenders; and 2) Margin pressure on ethanol producers, particularly sugar mills, due to the absence of a price revision despite an increase in the cost of production. This has dampened investment appetite among core customers. While the TAM for bioenergy remains structurally large, its monetization has been delayed. Consequently, FY26/FY27 earnings estimates are revised downward to factor in the same. We remain positive on Praj's long-term prospects given its market leadership, tech edge, pure-play bioenergy exposure, and expanding ethanol applications. Near-term headwinds prompt caution. We maintain BUY with a revised TP of Rs398.

#### Operating performance better than expected but overall recovery is elusive

Q2FY26 revenue increased by 3.1% to Rs8.4bn even as order backlog remained strong. Q2FY26 intake was Rs8.13bn and the consolidated order backlog stood at Rs44.19bn (Q2FY25: Rs41.49bn). Therefore, revenue recognition lagged, putting pressure on FY26 growth. Further, operating profitability declined sharply. EBITDA margin slid ~400bps YoY to 6.6% in Q2FY26 (from 10.6% in Q2FY25), driving a 35.2% YoY fall in EBITDA. Margin profile was impacted due to Mangalore facility.

#### Temporary Working Capital Drag Impacts Cash Flows

PRJ witnessed a sharp decline in operating cash flow in 1HFY26—from Rs1.5bn to a negative figure—primarily on account of an increase in contract assets. According to management, this build-up is temporary and expected to reverse over the next few months. Notably, these contract assets are backed by customer advances and therefore do not pose a risk to eventual cash realization.

#### We recommend to keep adding the stock with long term investment horizon

We maintain a constructive long-term view on Praj, driven by its: Market leadership in domestic ethanol plant equipment with strong client relationships which could open up opportunity as ethanol applications go beyond petrol blending into diesel and industrial uses, Technology edge through superior R&D and process expertise, bouquet of offerings in bio-energy space.

#### Financial and valuation summary

YE Mar (Rs mn)	2QFY26A	2QFY25A	YoY (%)	1QFY26A	QoQ (%)	FY26E	FY27E	FY28E
Revenues	8,416	8,162	3.1	6,402	31.5	31,427	35,878	39,530
EBITDA	558	862	(35.2)	314	77.7	2,185	3,566	3,968
EBITDA margin (%)	6.6	10.6	(37.2)	4.9	35.2	7.0	9.9	10.0
Adj. Net profit	193	538	(64.2)	53	261.1	1,002	1,997	2,284
Adj. EPS (Rs)	1.0	2.9	(64.2)	0.3	261.1	5.5	10.9	12.4
EPS growth (%)					(47.5)	99.3	14.4	
PE (x)					61.4	30.8	27.0	
EV/EBITDA (x)					27.2	16.8	14.8	
PBV (x)					4.5	4.2	3.9	
RoE (%)					7.3	14.1	15.0	
RoCE (%)					7.5	13.7	14.6	

Source: Company, Centrum Broking

#### Result Update

#### India I Mid Cap

06 November, 2025

**BUY**

Price: Rs334

Target Price: Rs398

Forecast return: 19%

#### Market Data

Bloomberg:	PRJ IN
52 week H/L:	875/328
Market cap:	Rs61.3bn
Shares Outstanding:	183.8mn
Free float:	65.6%
Avg. daily vol. 3mth:	1021617
Source: Bloomberg	

#### Changes in the report

Rating:	Unchanged
Target price:	Changed from Rs460 to Rs398
EPS:	FY26E:Rs5.5 FY27E: Rs10.9

Source: Centrum Broking

#### Shareholding pattern

	Sep-25	Jun-25	Mar-25	Dec-24
Promoter	32.8	32.8	32.8	32.8
FII	17.5	16.9	17.2	18.6
DII	14.8	17.4	19.5	18.2
Public/other	34.8	32.9	30.5	30.4

Source: BSE

#### Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q2FY26	Actual Q2FY26	Variance (%)
Revenue	6,894	8,416	22.1
EBITDA	366	558	52.5
EBITDA margin %	5.3	6.6	130bps
Adj. PAT	125	193	54.4

Source: Bloomberg, Centrum Broking



Shailesh Kanani

91-22-4215 9001

shailesh.kanani@centrum.co.in



Tanay Jain

91-22-4215 9867

tanay.jain@centrum.co.in

## Thesis Snapshot

### Estimate revision

YE Mar (Rs mn)	FY26E New	FY26E Old	% chg	FY27E New	FY27E Old	% chg
Revenue	31,427	31,427	-17.4%	35,878	39,344	-8.8%
EBITDA	2,185	2,534	-13.8%	3,566	4,303	-17.1%
EBITDA margin	7.0	8.1	(110bps)	9.9	10.9	(100bps)
Adj. PAT	1,002	1,362	-26.4%	1,997	2,645	-24.5%
Diluted EPS (Rs)	5.5	7.4	-25.7%	10.9	14.4	-24.3%

Source: Centrum Broking

### Praj Industries versus NIFTY Mid Cap 100

	1m	6m	1 year
PRJ IN	(3.9)	(26.4)	(54.2)
NIFTY Mid Cap 100	1.0	11.8	(4.2)

Source: Bloomberg, NSE

### Key assumptions

Y/E Mar	FY26E	FY27E
Bio-energy order booking	21,434	18,219
Bio-energy net revenues	19,646	21,343
Engineering order booking	7,630	8,393
Engineering net revenues	7,695	10,460
HPS order booking	3,880	4,269
HPS net revenues	4,087	4,074
Consolidated EBITDAM (%)	7.0	9.9

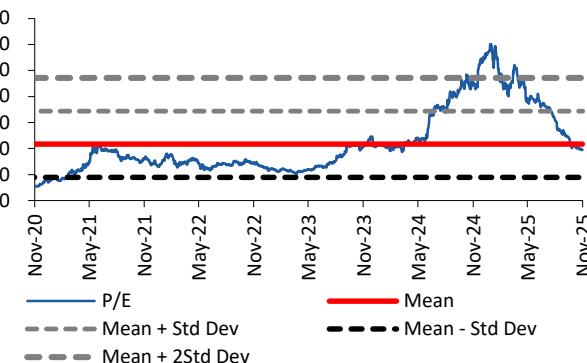
Source: Centrum Broking

### Valuation

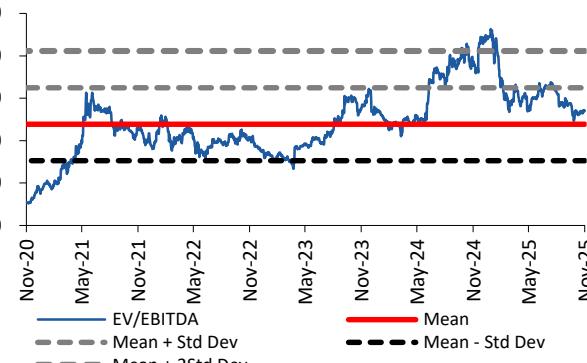
We remain positive on Praj's long-term prospects given its market leadership, tech edge, pure-play bioenergy exposure, and expanding ethanol applications. Near-term headwinds prompt caution. We maintain BUY with a revised TP of Rs398.

Valuation	Rs/share
FY28E EPS	12.4
Target multiple (x)	32
Target Price	398
Upside	19%

### P/E mean and standard deviation



### EV/EBITDA mean and standard deviation



Source: Bloomberg, Centrum Broking

**Exhibit 1: Key conference call takeaways and metrics**

Centrum Quarterly Monitor	Q1FY26	Q2FY26	Our Comments
<b>Order inflow</b>	<ul style="list-style-type: none"> <li>International orders continue to be uncertain under tariff threat.</li> <li>Brazil opportunity is also hinged upon tariffs which indirectly affect the order inflow for Praj.</li> </ul>	<ul style="list-style-type: none"> <li>The domestic bio-energy segment accounted for about Rs3bn of total order inflows.</li> <li>While near-term visibility remains limited, management expressed confidence in sustaining momentum from domestic orders.</li> </ul>	<ul style="list-style-type: none"> <li>We believe domestic order inflow has limited application and incrementally international markets will drive growth.</li> </ul>
<b>Margins and Profitability</b>	<ul style="list-style-type: none"> <li>Margin profile was impacted due to lower revenue and Mangalore facility delay in execution.</li> </ul>	<ul style="list-style-type: none"> <li>Margin recovery remains contingent on better capacity utilization at the Mangalore facility.</li> <li>PRJ is currently incurring fixed overhead losses of roughly Rs9cr per month from this facility.</li> </ul>	<ul style="list-style-type: none"> <li>FY26 margins to remain under pressure.</li> <li>FY27/FY28 would see some revival on back of execution pick up in Mangalore facility.</li> </ul>
<b>Outlook and guidance</b>	<ul style="list-style-type: none"> <li>Expect 2HFY26 – higher single digit EBITDA margins primarily due to enhanced execution.</li> </ul>	<ul style="list-style-type: none"> <li>Expect 2HFY26 – higher single digit EBITDA margins primarily due to enhanced execution.</li> </ul>	<ul style="list-style-type: none"> <li>We anticipate the GoI will outline a roadmap to raise blending levels in the future.</li> </ul>

Source: Centrum Broking

## KTAs of earnings concall

### Opening remarks:

- Good traction for Distillers Corn Oil Modules.
- Received orders for biogenic CO2 Capture solutions from international customers.
- First Napier grass based CBG project under execution.
- ETCA related projects are stalled or on hold – definitive steps to shift focus to traditional markets.
- Brewery segment is witnessing some traction.
- Lower EBIDTA due to under-absorption of Mangalore facility overheads.

### Order book/inflow:

- Order inflow – recovery is expected to be slow.
- Rs813cr – includes domestic orders Rs300cr from Bio-energy segment.
- CBG – pipeline connectivity continues to be challenge for opportunity to fructify.

### International opportunity

- The first low-carbon ethanol project availing IRA 45Z tax credits is currently under execution and scheduled for completion by the end of this fiscal year. The project, valued at around USD 30 million, sees Praj playing a significant role as the provider of core technology and key process equipment.

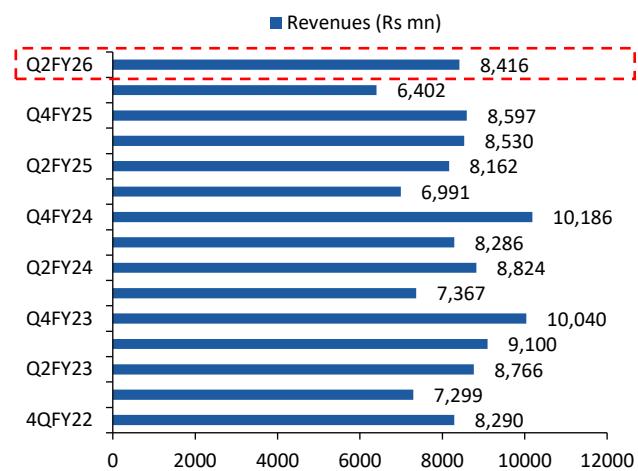
### Margin profile

- Fixed cost in Mangalore facility - Rs8.5cr-9cr per month. During this quarter there were some absorption.
- Optimal capacity utilization would be achieved in FY28.
- Other expenses – site activity /conversion side leads to jump during the quarter vs. material cost.
- Fluctuation of foreign exchange led to increase in profits by Rs3cr.

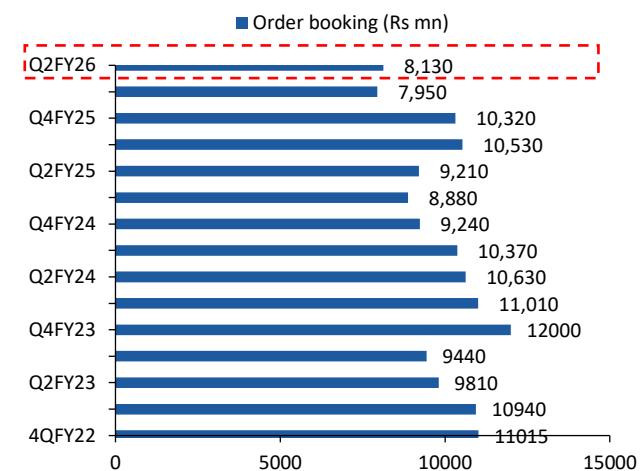
**Exhibit 2: Consolidated financial snapshot for Q2FY26**

YE Mar (Rs mn)	Q2FY26A	Q2FY25A	YoY (%)	Q1FY26	QoQ (%)	FY25	FY24	YoY (%)
<b>Revenues</b>	<b>8,416</b>	<b>8,162</b>	3.1	<b>6,402</b>	31.5	<b>32,280</b>	<b>34,663</b>	-6.9
Raw material	3,838	4,292	-10.6	2,983	28.6	16,546	19,621	-15.7
Gross margins (%)	<b>54.4</b>	47.4	700bps	53.4	100bps	<b>48.7</b>	<b>43.4</b>	<b>530bps</b>
Staff costs	866	847	2.3	819	5.7	3,489	3,187	9.5
Other Mfg. expenses	3,154	2,161	45.9	2,285	38.0	9,049	8,136	11.2
Total expenditure	7,858	7,300	7.6	6,088	29.1	29,084	30,944	-6.0
<b>EBITDA</b>	<b>558</b>	<b>862</b>	<b>-35.2</b>	<b>314</b>	<b>77.7</b>	<b>3,196</b>	<b>3,718</b>	<b>-14.0</b>
<b>EBITDAM (%)</b>	<b>6.6</b>	<b>10.6</b>	(400)bps	<b>4.9</b>	170bps	<b>9.9</b>	<b>10.7</b>	<b>(80bps)</b>
Depreciation	267	206	29.9	252	5.9	864	441	96.2
Interest	50	47	5.3	52	-4.4	188	98	92.4
Other income + Income from Associates	54	135	-59.7	86	-36.7	560	595	-5.8
<b>PBT</b>	<b>296</b>	<b>744</b>	<b>-60.2</b>	<b>96</b>	<b>208.1</b>	<b>2,986</b>	<b>3,775</b>	<b>-20.9</b>
Tax	103	206	-49.9	43	141.9	796	941	-15.4
<b>Reported Net profit</b>	<b>193</b>	<b>538</b>	<b>-64.2</b>	<b>53</b>	<b>261.1</b>	<b>2,189</b>	<b>2,834</b>	<b>-22.7</b>
EPS (Rs.)	1.0	4.6	-77.1	0.3	261.1	11.9	15.4	-22.7

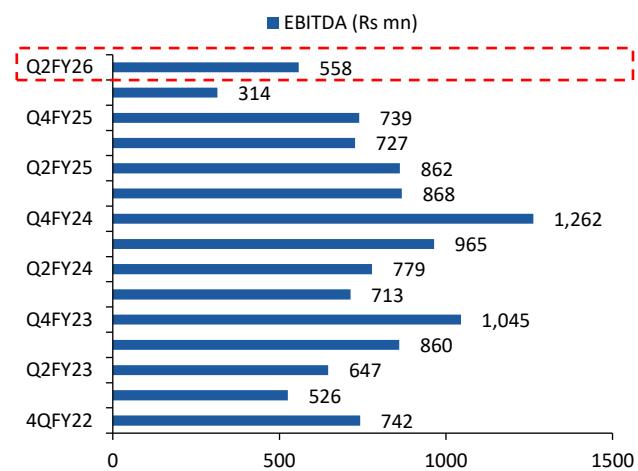
Source: Centrum Broking, Company Data

**Exhibit 3: Consolidated revenue stable improve**

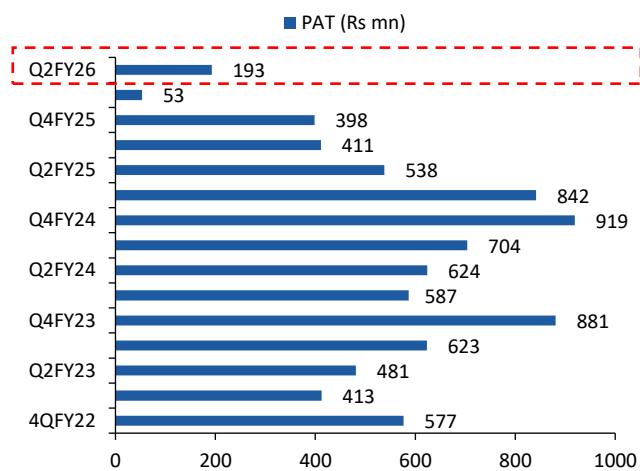
Source: Centrum Broking, Company Data

**Exhibit 4: Order booking remains subdued**

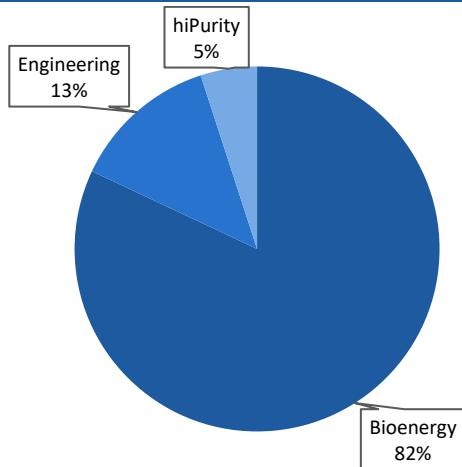
Source: Centrum Broking, Company Data

**Exhibit 5: Margins impacted by underutilization of capacity**

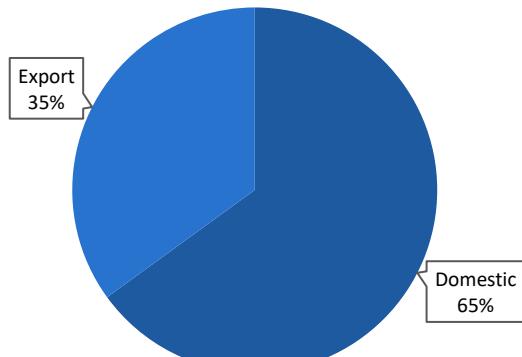
Source: Company Data, Centrum Broking

**Exhibit 6: Resultantly Earnings hit amplified**

Source: Company Data, Centrum Broking

**Exhibit 7: OB – Rs44,190mn fails to deliver revenue growth**

Source: Centrum Broking, Company Data

**Exhibit 8: 2HFY26 management expect better performance**

Source: Centrum Broking, Company Data

P&L					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Revenues</b>	<b>34,663</b>	<b>32,280</b>	<b>31,427</b>	<b>35,878</b>	<b>39,530</b>
Operating Expense	30,945	29,132	29,243	32,312	35,562
Employee cost	3,187	3,489	3,551	3,588	3,953
Others	6,631	7,343	7,684	8,144	8,934
<b>EBITDA</b>	<b>3,718</b>	<b>3,149</b>	<b>2,185</b>	<b>3,566</b>	<b>3,968</b>
Depreciation & Amortisation	441	864	958	1,006	1,024
<b>EBIT</b>	<b>3,277</b>	<b>2,284</b>	<b>1,227</b>	<b>2,559</b>	<b>2,944</b>
Interest expenses	98	188	198	200	200
Other income	595	608	310	310	310
<b>PBT</b>	<b>3,774</b>	<b>2,704</b>	<b>1,340</b>	<b>2,669</b>	<b>3,054</b>
Taxes	941	796	338	673	770
Effective tax rate (%)	24.9	29.4	25.2	25.2	25.2
<b>PAT</b>	<b>2,833</b>	<b>1,908</b>	<b>1,002</b>	<b>1,997</b>	<b>2,284</b>
Minority/Associates	0	0	0	0	0
<b>Recurring PAT</b>	<b>2,833</b>	<b>1,908</b>	<b>1,002</b>	<b>1,997</b>	<b>2,284</b>
Extraordinary items	0	282	0	0	0
<b>Reported PAT</b>	<b>2,833</b>	<b>2,189</b>	<b>1,002</b>	<b>1,997</b>	<b>2,284</b>
Ratios					
YE Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Growth (%)</b>					
Revenue	(1.8)	(6.9)	(2.6)	14.2	10.2
EBITDA	20.8	(15.3)	(30.6)	63.2	11.3
Adj. EPS	18.1	(32.7)	(47.5)	99.3	14.4
<b>Margins (%)</b>					
Gross	43.4	48.7	49.0	49.1	49.1
EBITDA	10.7	9.8	7.0	9.9	10.0
EBIT	9.5	7.1	3.9	7.1	7.4
Adjusted PAT	8.2	6.8	3.2	5.6	5.8
<b>Returns (%)</b>					
ROE	24.0	14.4	7.3	14.1	15.0
ROCE	23.0	13.8	7.5	13.7	14.6
ROIC	19.5	10.9	6.0	12.2	13.2
<b>Turnover (days)</b>					
Gross block turnover ratio (x)	3.8	3.1	2.8	3.1	3.4
Debtors	86	91	95	91	90
Inventory	52	52	64	66	67
Creditors	93	108	105	94	95
Net working capital	10	22	42	49	50
<b>Solvency (x)</b>					
Net debt-equity	(0.5)	(0.4)	(0.1)	(0.1)	(0.2)
Interest coverage ratio	38.0	16.7	11.1	17.8	19.8
Net debt/EBITDA	(1.7)	(1.7)	(0.9)	(0.5)	(0.7)
<b>Per share (Rs)</b>					
Adjusted EPS	15.4	10.4	5.5	10.9	12.4
BVPS	69.3	75.2	74.6	79.5	85.9
CEPS	17.8	15.1	10.7	16.3	18.0
DPS	6.0	6.0	6.0	6.0	6.0
Dividend payout (%)	38.9	50.4	110.1	55.2	48.3
<b>Valuation (x)</b>					
P/E	21.7	32.3	61.4	30.8	27.0
P/BV	4.8	4.5	4.5	4.2	3.9
EV/EBITDA	14.9	17.8	27.2	16.8	14.8
Dividend yield (%)	1.8	1.8	1.8	1.8	1.8

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Equity share capital	368	368	368	368	368
Reserves & surplus	12,377	13,450	13,349	14,243	15,425
Shareholders fund	12,745	13,818	13,717	14,611	15,792
Minority Interest	1	1	1	1	1
Total debt	0	0	0	0	0
Non Current Liabilities	1,424	1,510	1,510	1,510	1,510
Def tax liab. (net)	0	0	0	0	0
<b>Total liabilities</b>	<b>14,169</b>	<b>15,328</b>	<b>15,228</b>	<b>16,121</b>	<b>17,303</b>
Gross block	9,019	10,413	11,113	11,513	11,513
Less: acc. Depreciation	(3,873)	(4,738)	(5,695)	(6,702)	(7,726)
Net block	5,146	5,675	5,418	4,811	3,787
Capital WIP	32	173	173	173	173
Net fixed assets	5,178	5,849	5,591	4,985	3,960
Non Current Assets	171	350	350	350	350
Investments	1,367	1,104	2,604	4,104	4,104
Inventories	2,209	2,533	3,074	3,500	3,856
Sundry debtors	8,360	7,695	8,727	9,220	10,330
Cash & Cash Equivalents	6,148	5,396	2,033	1,723	2,971
Loans & advances	0	0	0	0	0
Other current assets	5,523	8,677	6,109	6,454	7,231
Trade payables	4,968	4,823	4,391	5,000	5,508
Other current liab.	8,836	10,841	8,287	8,632	9,409
Provisions	981	612	582	582	582
Net current assets	7,454	8,026	6,683	6,683	8,889
<b>Total assets</b>	<b>14,169</b>	<b>15,328</b>	<b>15,228</b>	<b>16,121</b>	<b>17,303</b>
Cashflow					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Profit Before Tax	3,774	2,986	1,340	2,669	3,054
Depreciation & Amortisation	441	864	958	1,006	1,024
Net Interest	(59)	15	198	200	200
Net Change – WC	(971)	(2,000)	(1,990)	(310)	(957)
Direct taxes	(1,045)	(1,028)	(338)	(673)	(770)
<b>Net cash from operations</b>	<b>1,993</b>	<b>430</b>	<b>168</b>	<b>2,893</b>	<b>2,551</b>
Capital expenditure	(885)	(435)	(700)	(400)	0
Acquisitions, net	0	0	0	0	0
Investments	784	1,147	292	(1,052)	(336)
Others	0	0	0	0	0
<b>Net cash from investing</b>	<b>(101)</b>	<b>712</b>	<b>(408)</b>	<b>(1,452)</b>	<b>(336)</b>
<b>FCF</b>	<b>1,892</b>	<b>1,142</b>	<b>(240)</b>	<b>1,441</b>	<b>2,215</b>
Issue of share capital	0	0	0	0	0
Increase/(decrease) in debt	0	0	0	0	0
Dividend paid	(827)	(1,102)	(1,103)	(1,103)	(1,103)
Interest paid	(94)	(185)	(198)	(200)	(200)
Others	(318)	(322)	0	0	0
<b>Net cash from financing</b>	<b>(1,239)</b>	<b>(1,608)</b>	<b>(1,301)</b>	<b>(1,303)</b>	<b>(1,303)</b>
Net change in Cash	653	(466)	(1,541)	138	913

Source: Company, Centrum Broking

## Disclaimer

Centrum Broking Limited ("Centrum") is a full-service, Stock Broking Company and a member of The Stock Exchange, Mumbai (BSE) and National Stock Exchange of India Ltd. (NSE). Our holding company, Centrum Capital Ltd, is an investment banker and an underwriter of securities. As a group Centrum has Investment Banking, Advisory and other business relationships with a significant percentage of the companies covered by our Research Group. Our research professionals provide important inputs into the Group's Investment Banking and other business selection processes.

Recipients of this report should assume that our Group is seeking or may seek or will seek Investment Banking, advisory, project finance or other businesses and may receive commission, brokerage, fees or other compensation from the company or companies that are the subject of this material/report. Our Company and Group companies and their officers, directors and employees, including the analysts and others involved in the preparation or issuance of this material and their dependants, may on the date of this report or from, time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. Centrum or its affiliates do not own 1% or more in the equity of this company. Our sales people, dealers, traders and other professionals 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. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We and our Group may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of Centrum. Centrum or its affiliates do not make a market in the security of the company for which this report or any report was written. Further, Centrum or its affiliates did not make a market in the subject company's securities at the time that the research report was published.

This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients of Centrum. Though disseminated to clients simultaneously, not all clients may receive this report at the same time. Centrum will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. Any such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document.

The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by or on behalf of the Company, Centrum, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts.

The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. 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. Centrum does not provide tax advice to its clients, and all investors are strongly advised to consult regarding any potential investment. Centrum and its affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Foreign currencies denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk. Certain transactions including those involving futures, options, and other derivatives as well as non-investment-grade securities give rise to substantial risk and are not suitable for all investors. Please ensure that you have read and understood the current risk disclosure documents before entering into any derivative transactions.

This report/document has been prepared by Centrum, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. Centrum 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. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change.

This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of Centrum. This report or any portion hereof may not be printed, sold or distributed without the written consent of Centrum.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. "Investment in securities market are subject to market risks. Read all the related documents carefully before investing."

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither Centrum nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this report comes should inform themselves about, and observe any such restrictions. By accepting this report, you agree to be bound by the foregoing limitations. No representation is made that this report is accurate or complete.

The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of Centrum Broking and are given as of this date and are subject to change without notice. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection.

This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith.

Centrum and its affiliates have not managed or co-managed a public offering for the subject company in the preceding twelve months. Centrum and affiliates have not received compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for service in respect of public offerings, corporate finance, debt restructuring, investment banking or other advisory services in a merger/acquisition or some other sort of specific transaction.

As per the declarations given by them, Mr. Shailesh Kanani and Mr. Tanay Jain, research analyst and and/or any of their family members do not serve as an officer, director or any way connected to the company/companies mentioned in this report. Further, as declared by them, they are not received any compensation from the above companies in the preceding twelve months. They do not hold any shares by them or through their relatives or in case if holds the shares then will not to do any transactions in the said scrip for 30 days from the date of release such report. Our entire research professionals are our employees and are paid a salary. They do not have any other material conflict of interest of the research analyst or member of which the research analyst knows of has reason to know at the time of publication of the research report or at the time of the public appearance.

While we would endeavour to update the information herein on a reasonable basis, Centrum, its associated companies, their directors and employees are under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Centrum 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 Centrum policies, in circumstances where Centrum is acting in an advisory capacity to this company, or any certain other circumstances.

This report is not directed to, 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 or regulation or which would subject Centrum Broking Limited or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market.

#### Ratings definitions

Our ratings denote the following 12-month forecast returns:

Buy – The stock is expected to return above 10%.

Neutral – The stock is expected to deliver -10% to +10% returns.

Sell – The stock is expected to decline more than 10%.

#### Praj Industries



Source: Bloomberg

**Disclosure of Interest Statement**

1 Business activities of Centrum Broking Centrum Broking Limited (hereinafter referred to as "CBL") is a registered member of NSE (Cash, F&O and Currency Derivatives Segments), MCX-SX (Currency Derivatives Segment) and BSE (Cash segment), Depository Participant of CDSL and a SEBI registered Portfolio Manager.

2 Details of Disciplinary History of CBL CBL has not been debarred/ suspended by SEBI or any other regulatory authority from accessing /dealing in securities market.

3 Registration status of CBL: CBL is registered with SEBI as a Research Analyst (SEBI Registration No. INH000001469)

**Praj Industries**

4 Whether Research analyst's or relatives' have any financial interest in the subject company and nature of such financial interest No

5 Whether Research analyst or relatives have actual / beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the document. No

6 Whether the research analyst or his relatives has any other material conflict of interest No

7 Whether research analyst has received any compensation from the subject company in the past 12 months and nature of products / services for which such compensation is received No

8 Whether the Research Analyst has received any compensation or any other benefits from the subject company or third party in connection with the research report No

9 Whether Research Analysts has served as an officer, director or employee of the subject company No

10 Whether the Research Analyst has been engaged in market making activity of the subject company. No

11 Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months; No

12 Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; No

13 Whether it or its associates 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; No

**Member (NSE and BSE). Member MSEI (Inactive)**

**Single SEBI Regn. No.: INZ000205331**

**Depository Participant (DP)**

CDSL DP ID: 120 – 12200

Single SEBI Regn. No.: IN-DP-537-2020

**PORTFOLIO MANAGER**

SEBI REGN NO.: INP000004383

**Research Analyst**

SEBI Registration No. INH000001469

Mutual Fund Distributor  
AMFI REGN No. ARN- 147569

**Website:** [www.centrumbroking.com](http://www.centrumbroking.com)

**Investor Grievance Email ID:** [investor.grievances@centrum.co.in](mailto:investor.grievances@centrum.co.in)

**Compliance Officer Details:**

Chintan Madiya

(022) 4215 9000/9815; Email ID: [compliance@centrum.co.in](mailto:compliance@centrum.co.in)

**Centrum Broking Ltd. (CIN :U67120MH1994PLC078125)****Registered and Corporate Office:**

Level -9, Centrum House, C.S.T. Road,  
Vidyanagari Marg, Kalina,  
Santacruz (East) Mumbai – 400098  
Tel.: - +91 22 4215 9000