

Praj Industries (PRJ)

Capital Goods

REDUCE

CMP(₹): 335

Fair Value(₹): 360

Sector View: **Cautious**

NIFTY-50: 24,366

August 16, 2026

Margin weakness continues

Standalone margin weakened yoy, despite double-digit revenue growth, reflecting trends that are structural (declining 1G ethanol margin post-EBP20) and transient (low export mix for 1Q). The strong order inflow follows a weak 4Q and reflects the net impact of lower 1G ethanol ordering and the start of an uptick of new businesses. We remain constructive on revenue growth, more so after the recent policy support for bio-CNG jobs. We would still wait for further margin improvement before upgrading our unchanged REDUCE rating. We presently factor in the PBT breakeven of subsidiaries in FY2029 (lowered 1Q consolidated PAT margin by 2%), yielding an 8% margin and retain a DCF-based FV of Rs360.

In-line print on execution, while margins are still under pressure on adverse mix

Praj reported an in-line revenue print (up 12% yoy), with subdued EBITDA margin at 4.2% (down 137 bps yoy, 70 bps ahead of KIE). Bio-energy/Hi-Purity revenues grew 24%/16% yoy, even as Engineering fell 14% yoy. Execution in the key Bio-energy segment remains gated by slow conversion of the 1G ethanol backlog, held back by customer funding issues and an ethanol supply-demand imbalance. The standalone EBITDA margin declined meaningfully yoy and qoq, reflecting a weaker export mix (exports at 25% of sales, skewed to lower-margin Africa orders). Subsidiaries (including GenX) continued to report losses, though the same reduced qoq. Loss margin of subsidiaries, at 1.9% of consolidated sales, did not materially improve yoy (from 2.3%), despite a sharp 36% yoy growth in revenues of subsidiaries.

Order intake rebounds after very weak 1Q, led by GenX data center entry

Order inflows rebounded to Rs10 bn (up 26% yoy, ~1.4X of revenues), lifting the backlog to Rs45.9 bn. The swing was led by Engineering, where inflows jumped to Rs2.8 bn (from Rs0.1 bn in 4Q) on the back of a partial booking (full-scale delivery expected over 24-30 months) of the ~US\$50 mn global supply agreement in Praj GenX to build modular infrastructure for hyperscale data centers. Praj also won its first combined ultra-pure water and ZLD contract for a domestic semiconductor client. Separately, it received the order for the country's first commercial-scale Bio-isobutanol demo plant targeted for completion by December 2026.

Multiple growth vectors visible, factored well in our revenue estimates

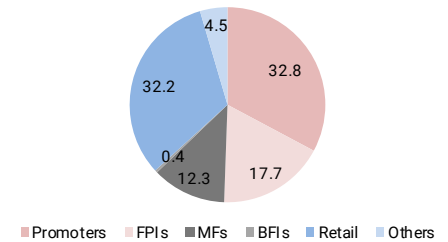
Domestically, the CBG push is gathering pace with the Union Cabinet's GOBARdhan Scheme (Rs230 bn outlay over FY2027-36, aiming to scale CBG capacity nearly ten-fold), supported by state policies and potential partnerships (JV with BPCL). While 1G ethanol ordering is unlikely to increase meaningfully beyond current blending mandates with greenfield inquiries largely limited to deficit states (Tamil Nadu and Assam), brownfield ordering has been rising. From an overseas perspective, positives are starting to emerge such as the 800 KLPD corn-to-ethanol greenfield order won by Praj in Brazil, the US moving to E15 for gasoline/petrol and improving customer engagement in new markets such as Indonesia, Vietnam and Bolivia.

Company data and valuation summary

Stock data

CMP(Rs)/FV(Rs)/Rating	335/360/REDUCE
52-week range (Rs) (high-low)	433-273
Mcap (bn) (Rs/US\$)	62/0.6
ADTV-3M (mn) (Rs/US\$)	356/3.7

Shareholding pattern (%)



Price performance (%)	1M	3M	12M
Absolute	(5)	(10)	(18)
Rel. to Nifty	(6)	(13)	(17)
Rel. to MSCI India	(7)	(14)	(22)

Forecasts/Valuations	2026	2027E	2028E
EPS (Rs)	2.7	4.9	11.8
EPS growth (%)	(72.2)	79.5	140.0
P/E (X)	122.6	68.3	28.5
P/B (X)	4.7	4.4	3.8
EV/EBITDA (X)	40.6	30.6	16.7
RoE (%)	1.8	6.7	14.4
Div. yield (%)	0.0	0.0	0.0
Sales (Rs bn)	32	34	46
EBITDA (Rs bn)	1.5	2.0	3.7
Net profits (Rs bn)	0.5	0.9	2.2

Source: Bloomberg, Company data, Kotak Institutional Equities estimates

Prices in this report are based on the market close of August 14, 2026

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Refer to the disclosures at the end of the report.

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Prospects of diesel blending—the key imponderable; retain FV at Rs360, maintain REDUCE

We make modest revisions of (-)2/(-)4% to our FY2028/29 EPS net of slower revenue growth (blending beyond CNG/PNG applications) and higher margin (based on AR disclosures to the extent of the fixed cost increase in FY2026 and 1Q improved print). We presently do not build in the opportunity of diesel blending, given the nascent stage of progress. We note that a 20% blending of diesel over time and a 50% market share of Praj at a 5% PAT margin would yield a Rs7 bn value over time for Praj or a 10% upside to our FV of Rs360.

Praj reported an in-line revenue print (up 12% yoy) with subdued EBITDA margin at 4.2% (down 137 bps yoy, 70 bps ahead of KIE)

Exhibit 1: Praj Industries (Praj)—1QFY27 consolidated financials—key numbers, 2026-27E, March fiscal year-ends (Rs mn)

	1QFY27	1QFY27E	1QFY26	4QFY26	(% chg.)			FY2027E	FY2026	yoy
					1QFY27E	yoy	qoq			
Total Income	7,158	7,045	6,402	8,446	1.6	11.8	(15.2)	33,619	31,679	6.1
Total expenditure	(6,858)	(6,798)	(6,046)	(8,213)	0.9	13.4	(16.5)	(31,605)	(30,161)	4.8
Raw materials	(3,981)	(3,743)	(2,965)	(4,825)		34	(17.5)	(18,201)	(16,154)	12.7
Employee expense	(824)	(868)	(819)	(957)	(5.1)	0.6	(14)	(3,698)	(3,458)	7.0
Other expenditure	(2,123)	(2,187)	(2,243)	(2,421)	(3)	(5.4)	(12.3)	(9,706)	(10,503)	(7.6)
EBITDA	300	246	356	233	22	(16)	29	2,014	1,518	33
Other income	111	146	86	245	(24)	29	(55)	597	504	19
Depreciation	(253)	(287)	(252)	(271)	(11.9)	0	(6.8)	(1,147)	(1,056)	9
Interest	(37)	(53)	(52)	(52)	(29.9)	(28.2)	(28.1)	(213)	(203)	
PBT (excl. other income)	11	(94)	52	(90)				655	259	152
PBT (%)	0.1	(1.3)	0.8	(1.1)				1.9	0.8	
PBT	122	53	138	155	131	(12)	(21)	1,252	763	64
Tax expense	(94)	(15)	(43)	(119)				(351)	(261)	34
PAT	27	38	95	35	(29)	(72)	(24)	901	502	79
Less: Minority interest	—	—	—	—				—	—	
Exceptional items	89	—	(42)	81				—	(264)	
Reported PAT	116	38	53	116	206	117	(0)	901	238	278
Adjusted PAT	27	38	95	35	(29)	(72)	(24)	901	502	79
Order inflow	10,000	—	7,950	6,579		26	52		31,799	
Order backlog	45,890	—	44,480	43,050		3.2	6.6		43,050	
Margin (%)										
RM/Sales	55.6	53.1	46.3	57.1	247 bps	929 bps	-152 bps	54.1	51.0	315 bps
Gross margin	44.4	46.9	53.7	42.9	-247 bps	-929 bps	152 bps	45.9	49.0	-315 bps
Employee cost/Sales	11.5	12.3	12.8	11.3	-81 bps	-128 bps	18 bps	11.0	10.9	9 bps
Other expenses/Sales	29.7	31.0	35.0	28.7	-138 bps	-538 bps	100 bps	28.9	33.2	-429 bps
EBITDA margin	4.2	3.5	5.6	2.8	70 bps	-137 bps	144 bps	6.0	4.8	120 bps
Tax rate	77.7	28.0	30.9	77.1				28.0	34.2	

Source: Company, Kotak Institutional Equities estimates

The swing in order inflows was led by Engineering on the back of partial booking of US\$50 mn GenX data center order

Exhibit 2: Praj Industries (Consolidated) segmental financials, March fiscal year-ends, 2026-27 (Rs mn)

	1QFY27	1QFY26	4QFY26	Change (%)		FY2026	FY2025	Change (%)	FY2027E	FY2026	Change (%)
				yoy	qoq						
Revenue											
Bio energy	4,724	3,826	6,230	23.5	(24.2)	21,426	22,790	(6.0)	21,617	21,426	0.9
Engineering	1,575	1,833	1,380	(14.1)	14.1	6,933	6,370	8.8	8,181	6,933	18.0
Hi Purity	859	742	840	16	2.3	3,322	3,110	6.8	3,820	3,322	15.0
Total	7,158	6,401	8,450	11.8	(15.3)	31,681	32,270	(1.8)	33,619	31,681	6.1
Order inflow											
Bio energy	6,200	6,360	5,659	(3)	10	21,904	28,579	(23)		21,904	
Engineering	2,800	954	131	194	2,044	6,224	6,937	(10.3)		6,224	
Hi Purity	1,000	636	790	57.2	27	3,671	3,425	7.2		3,671	
Total	10,000	7,950	6,579	26	52	31,799	38,940	(18)		31,799	

Source: Company, Kotak Institutional Equities estimates

Despite 36% yoy increase in subsidiary revenues, the negative PAT drag of ~2% did not see material difference yoy

Exhibit 3: Praj Industries—standalone and implied subsidiary financials, March fiscal year-ends, 2026-27 (Rs mn)

	Standalone results					Implied Subsidiaries				
	(% chg.)					(% chg.)				
	1QFY27	1QFY26	4QFY26	yoy	qoq	1QFY27	1QFY26	4QFY26	yoy	qoq
Total Income	5,392	5,103	6,928	5.7	(22)	1,766	1,299	1,517	36	16
Total expenditure	(5,189)	(4,823)	(6,584)	7.6	(21)	(1,669)	(1,223)	(1,628)	36	2.5
Raw materials	(3,182)	(2,426)	(4,215)	31	(25)	(798)	(540)	(610)	48	31
Employee expense	(641)	(638)	(758)	0.4	(15)	(184)	(181)	(200)	1.6	(8.1)
Other expenditure	(1,432)	(1,725)	(1,591)	(17)	(10.0)	(691)	(518)	(829)	33	(17)
EBITDA	204	280	344	(27)	(41)	97	76	(111)	27	(187)
Other income	203	132	315	54	(35)	(92)	(46)	(70)	101	31
Depreciation	(121)	(131)	(141)	(7.8)	(13.9)	(131)	(121)	(130)	8.8	0.9
Interest	(8)	(15)	(19)	(46)	(57)	(29)	(37)	(33)	(21)	(11.7)
PBT (excl. other income)	75	134	185	(44)	(59)	(64)	(82)	(274)		(77)
PBT (%)	1.4	2.6	2.7	(125)	(128)	(1.2)	(1.8)	(3.7)		(67)
PBT	278	266	499	4.4	(44)	(156)	(128)	(345)	22	(55)
Tax expense	(112)	(67)	(148)			18	24	29		(37)
PAT	165	200	352	(17)	(53)	(138)	(104)	(316)	33	(56)
Less: Minority interest	—	—	—			—	—	—		
Exceptional items	89	—	71			—	(42)	10		
Reported PAT	254	200	422	27	(40)	(138)	(146)	(306)	(5.3)	(55)
Adjusted PAT	165	200	352	(17)	(53)	(138)	(188)	(296)	(26)	(53)
Margin (%)										
RM/Sales	59.0	47.5	60.8	1,148 bps	-183 bps	45.2	41.6	40.2	366 bps	502 bps
Gross margin	41.0	52.5	39.2	-1,148 bps	183 bps	54.8	58.4	59.8	-366 bps	-502 bps
Employee cost/Sales	11.9	12.5	10.9	-63 bps	95 bps	10.4	13.9	13.2	-351 bps	-276 bps
Other expenses/Sales	26.6	33.8	23.0	-726 bps	358 bps	39.2	39.9	54.7	-73 bps	-1,550 bps
EBITDA margin	3.8	5.5	5.0	-171 bps	-118 bps	5.5	3.5	(7.3)	199 bps	1,278 bps
Tax rate	40.5	25.1	29.6			11.5	28.0	8.3		

Source: Company, Kotak Institutional Equities

Bio-energy, the biggest business segment, has seen weak execution in 1QFY27

Exhibit 4: Billing-to-overbook ratios for Praj's line of business, March fiscal year-ends, 2026-27 (%)

	1QFY27	1QFY26	4QFY26
Geography-wise			
Domestic	67	57	75
Overseas	48	62	77
Segment-wise			
Bio-energy	56	46	72
Engineering	89	95	68
High-purity solutions	151	138	150

Source: Company, Kotak Institutional Equities estimates

We raise FY2027 estimates sharply after building in the 1Q execution and margin beat, while making modest cuts to FY2028/29 estimates based on the slower revenue growth (limited blending opportunities beyond CNG/PNG)

Exhibit 5: Change in estimates for Praj Industries, March fiscal year-ends, FY2027-29E

	New estimates			Old estimates			Change in estimates (%)		
	2027E	2028E	2029E	2027E	2028E	2029E	2027E	2028E	2029E
Net revenue	33,619	46,097	53,494	30,562	48,537	59,548	10.0	(5.0)	(10.2)
EBITDA	2,014	3,684	4,542	1,770	3,782	4,639	13.8	(2.6)	(2.1)
EBITDA margin (%)	6.0	8.0	8.5	5.8	7.8	7.8	20 bps	20 bps	70 bps
Other income	597	693	803	586	716	822	2.0	(3.2)	(2.3)
PBT	1,252	2,904	3,724	996	3,025	3,779	25.7	(4.0)	(1.5)
Adjusted PAT	901	2,164	2,775	717	2,254	2,816	25.7	(4.0)	(1.5)
PAT margin	2.7	4.7	5.2	2.3	4.6	4.7	33 bps	5 bps	46 bps
Recurring EPS	4.9	11.8	15.1	3.9	12.3	15.3	25.7	(4.0)	(1.5)
Growth (%)									
Revenue	6	37	16	(4)	59	23			
EBITDA	33	83	23	17	114	23			
PAT	79	140	28	43	214	25			

Source: Company, Kotak Institutional Equities estimates

We reduce our revenue estimates for Bio-energy

Exhibit 6: Segmental assumptions for Praj Industries (consolidated), March fiscal year-ends, 2027-29E (Rs mn)

	New estimates			Old estimates			Change in estimates (%)		
	2027E	2028E	2029E	2027E	2028E	2029E	2027E	2028E	2029E
Bio energy									
Revenue	21,617	31,259	35,045	18,935	34,551	42,668	14.2	(9.5)	(17.9)
Growth (%)	1	45	12	(12)	82	23			
Engineering									
Revenue	8,181	10,635	13,826	7,973	9,966	12,458	2.6	6.7	11.0
Growth (%)	18	30	30	15	25	25			
Hi-Purity									
Revenue	3,820	4,202	4,623	3,654	4,020	4,422	4.5	4.5	4.5
Growth (%)	15	10	10	10	10	10			

Source: Company, Kotak Institutional Equities estimates

We retain our FV of Rs360

Exhibit 7: DCF valuation of Praj Industries, March fiscal year-ends, 2024-49E (Rs bn)

	2024	2025	2026	2027E	2028E	2029E	2036E	2046E	2047E	2048E	2049E	2026-36	2036-46
Free cash flow calculation													
Revenue	34.7	32.3	31.7	33.6	46.1	53.5	134.4	347.5	364.8	383.1	402	15.5	10.0
yoy growth (%)	(1.8)	(6.9)	(1.9)	6.1	37.1	16.0	12.0	5.0	5.0	5.0	5.0		
EBIT (excl. other income)	3.3	2.3	0.5	0.9	2.4	3.2	8.5	20.5	21.2	21.9	23	33.8	9.2
EBIT margin (%)	9.5	7.1	1.5	2.6	5.3	5.9	6.3	5.9	5.8	5.7	5.6		
Effective tax rate (%)	25.4	36.2	34.2	28.0	25.5	25.5	25.5	25.5	25.5	25.5	26		
NOPAT	2.4	1.5	0.3	0.6	1.8	2.4	6.3	15.3	15.8	16.3	17		
Change in working capital (excl. cash)	(1.0)	(2.0)	1.2	(0.5)	(0.8)	(0.9)	(0.6)	(0.7)	(0.7)	(0.7)	(1)		
Depreciation	0.4	0.9	1.1	1.1	1.2	1.4	2.2	4.3	4.1	4.1	4		
Capex	(0.9)	(0.9)	(0.4)	(0.5)	(1.0)	(1.2)	(3.1)	(3.5)	(3.7)	(3.9)	(4)		
OCF	1.9	0.3	2.5	1.3	2.3	2.8	7.9	18.9	19.2	19.6	20		
FCFF	1.0	(0.5)	2.1	0.8	1.3	1.6	4.8	15.3	15.5	15.7	16		
WACC (%)													
WACC (%)	12.5												
Terminal growth rate (%)													
Terminal growth rate (%)	5.0												
DCF valuation													
PV of cash flows		22	27	29	34	38							
PV of Terminal value		20	20	21	21	21							
EV		43	47	50	54	59							
Less: Net debt		(2)	(2)	(3)	(5)	(7)							
Equity value		44	49	53	59	67							
Implied target price (Rs/share)		243	269	290	323	365							
One-year forward DCF-based Fair value (Rs/share)													
One-year forward DCF-based Fair value (Rs/share)	360												
Implied two-year forward earnings multiple (X)													
Implied two-year forward earnings multiple (X)	27												

Source: Company, Kotak Institutional Equities estimates

We forecast a ~US\$76 bn TAM for Praj in the next decadal period in its bio-energy offerings

Exhibit 8: Total addressable market for Praj Industries (US\$ bn)

TAM	CY2024-34	
	in US\$ bn	Key assumptions
Business prospects where Praj has either won or expects to win orders in the near term		
1G Ethanol- domestic	9	25% ethanol blending, 4% fuel requirement growth
CBG- domestic	12	10% natural gas blending, 5% natural gas requirement growth
SAF ethanol- domestic	3	10% SAF blending, 10% ATF requirement growth
1G ethanol- GBA	36	GBA countries to require ~55 bn lit ethanol capacity for 10-12% ethanol blending
SAF ethanol- EU	4	15% SAF blending, 1% ATF requirement growth
SAF ethanol- US	6	15% SAF blending, 3% ATF requirement growth
CBG- Brazil	7	6% natural gas blending, 5% natural gas requirement growth
Total	76	
Optionalities		
2G ethanol- EU	9	5.5% 2G ethanol blending requiring 6 bn lit capacity
Bio-diesel-India	10	5% diesel blending using ethanol
Total	19	

Source: Kotak Institutional Equities estimates

We envisage that CBG plants under the GOBARDhan Scheme benefit from 6-7% better RoIC, aided by better margins and capex support

Exhibit 9: Unit economics of CBG plants based out of different feedstocks in India

Unit economics	Units	Old	Under GOBARDHAN
		Press Mud	Press Mud
Plant capacity, 10TPD*	Ton	3,650	3,650
Capacity utilization	%	85	85
Plant production	Ton	3,103	3,103
CBG price	Rs/kg	77	99
Operating revenue	Rs mn	240	307
Fermented organic manure per ton of feedstock	Ton	5	5
FOM off take price	Rs/kg	6	6
Other operating income	Rs mn	79	79
Revenue from operations	Rs mn	319	386
Raw material cost	Rs/kg	0.5	0.5
Input requirement for 1 ton CBG prod.	ton	29	29
Cost of raw material	Rs mn	40	40
Gross profit	Rs mn	279	346
Gross profit margin	in %	87.3	89.5
Electricity requirement	kwh/ton	1,368	1,368
Electricity cost	Rs/Kwh	7	7
Electricity cost	Rs mn	30	30
Employee expenses	Rs mn	30	30
Transportation cost CBG off take	Rs mn	9.3	9.3
Chemicals, processed water, baging for manure, discharging liquid manure (diesel)		28.0	28.0
Overheads	Rs mn	18.5	17.5
EBITDA	Rs mn	163	231
EBITDA margin		51.1	59.9
Capex	Rs/ton	70	50
Capex	Rs mn	700	500
Depreciation	Rs mn	35	25
EBIT	Rs mn	128	206
EBIT margin	in %	40	53
Taxes	Rs mn	31.4	50.5
PAT	Rs mn	97	156
RoIC	in %	13.2	20.6

Notes:-

- (a) We assume net working capital to be 60 days
 - (b) We assume price for CBG produced as per the guidelines of SATAT scheme
 - (c) We do not factor in any incentives for carbon credits that can be generated from emission reduction through CBG
 - (d) We assume GST taxes - input credit
 - (e) We do not include land cost
 - (f) We do not consider debt in our capital structure and thus capital incentives that can lower cost of capital & taxes
 - (g) We factor in 10% subsidy for the capex incurred
- All the above numbers are indicative and may differ in actual on case to case basis

Source: Kotak Institutional Equities estimates

We forecast a US\$5.2 bn business visibility for Praj in its bio-energy offering

Exhibit 10: Bio-energy segmental estimates of Praj Industries (US\$ bn)

Praj Industries	FY2024-34 in US\$ bn	Key assumptions
1G Ethanol- domestic	1.8	62% market share, 35% value addition of total plant capex
CBG- domestic	1.7	20% market share, 50% value addition of total plant capex
SAF ethanol- domestic	0.2	20% market share, 50% value addition of total plant capex
1G ethanol- GFA	0.9	7% market share, 50% value addition of total plant capex
SAF ethanol- EU	0.2	15% market share, 50% value addition of total plant capex
SAF ethanol- US	0.5	15% market share, 50% value addition of total plant capex
CBG- Brazil	0.2	10% market share, 50% value addition of total plant capex
Total	5.2	

Source: Kotak Institutional Equities estimates

We envisage a 9%/4% CAGR for Praj's revenue/EBITDA over FY2024-29E (given FY2025/26 are low base years)
Exhibit 11: Summary financials of Praj (consolidated), March fiscal year-ends, 2020-29E (Rs mn)

	2020	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Income statement										
Net revenues	11,024	13,047	23,433	35,280	34,663	32,280	31,679	33,619	46,097	53,494
Total operating expenses	(10,243)	(11,923)	(21,495)	(32,202)	(30,944)	(29,131)	(30,161)	(31,605)	(42,413)	(48,952)
EBITDA	780	1,123	1,938	3,078	3,719	3,149	1,518	2,014	3,684	4,542
Depreciation & Amortization	(219)	(221)	(226)	(303)	(441)	(864)	(1,056)	(1,147)	(1,249)	(1,375)
EBIT	562	902	1,712	2,776	3,278	2,285	462	867	2,435	3,168
Other income	300	257	362	458	435	508	504	597	693	803
Interest expense	(31)	(29)	(25)	(46)	(98)	(188)	(203)	(213)	(223)	(246)
PBT	789	1,129	2,005	3,151	3,455	2,324	1,027	1,252	2,904	3,724
Tax expense	(127)	(320)	(546)	(789)	(941)	(796)	(261)	(351)	(741)	(950)
Adjusted PAT	662	808	1,459	2,362	2,515	1,527	766	901	2,164	2,775
Reported PAT	704	810	1,502	2,398	2,674	1,809	502	901	2,164	2,775
Recurring EPS	3.8	4.4	8.2	13.0	14.5	9.8	2.7	4.9	11.8	15.1
Balance sheet										
Shareholders' funds										
Share capital	366	367	367	367	367	367	368	368	368	368
Reserves & surplus	6,826	7,652	8,790	10,413	12,377	13,450	12,724	13,625	15,789	18,563
Debt	—	—	—	—	—	—	—	—	—	—
Total sources of funds	7,199	8,025	9,158	10,781	12,758	13,848	13,093	13,994	16,158	18,932
Net fixed assets	2,333	2,216	2,265	2,612	4,551	5,222	5,035	4,388	4,140	3,998
Net working capital (ex-cash)	1,672	187	(398)	194	(258)	999	(47)	413	1,209	2,141
Non-current investments	525	483	791	968	1,367	1,104	534	534	534	534
Cash and bank balances and current investments	1,770	4,320	5,824	6,220	6,301	5,547	6,256	7,345	4,742	6,727
Total application of funds	7,199	8,025	9,157	10,781	12,759	13,848	13,092	13,994	16,158	18,932
Free cash flow										
Operating profit before wcap. changes	1,088	1,240	2,104	3,468	4,009	3,458	1,527	2,014	3,684	4,542
Change in working capital / other adjustments	(763)	1,159	223	(1,222)	(971)	(2,000)	1,178	(460)	(796)	(932)
Direct tax paid	(178)	(149)	(450)	(625)	(1,045)	(1,028)	(704)	(351)	(741)	(950)
Net cashflow from operating activities	147	2,251	1,877	1,621	1,994	430	2,001	1,204	2,147	2,661
Capex	(71)	(87)	(185)	(353)	(893)	(870)	(444)	(500)	(1,000)	(1,233)
Free cash flow (CFO + net capex)	75	2,164	1,692	1,268	1,101	(440)	1,557	704	1,147	1,428
Growth (%)										
Revenue growth	(3)	18	80	51	(2)	(7)	(2)	6	37	16
EBITDA growth	(2)	44	72	59	21	(15)	(52)	33	83	23
Recurring PAT growth	3	15	85	60	12	(32)	(72)	79	140	28
Key ratios										
EBITDA margin (%)	7.1	8.6	8.3	8.7	10.7	9.8	4.8	6.0	8.0	8.5
Net debt/equity (X)	(0.1)	(0.2)	(0.2)	(0.1)	(0.2)	(0.1)	(0.2)	(0.2)	(0.3)	(0.4)
Net debt/EBITDA (X)	(0.6)	(1.2)	(0.8)	(0.5)	(0.6)	(0.6)	(1.3)	(1.6)	(1.3)	(1.5)
Book value per share (Rs)	39	44	50	59	69	75	71	76	88	103
RoAE (%)	10.2	10.7	18.0	24.4	24.1	15.7	1.8	6.7	14.4	15.8
RoACE (%)	10.0	10.9	17.7	24.4	23.5	13.4	4.7	7.8	15.5	16.9
RoAIC (%)	11.1	16.9	45.7	71.6	62.3	26.1	5.0	11.4	32.2	37.4

Source: Company, Kotak Institutional Equities estimates

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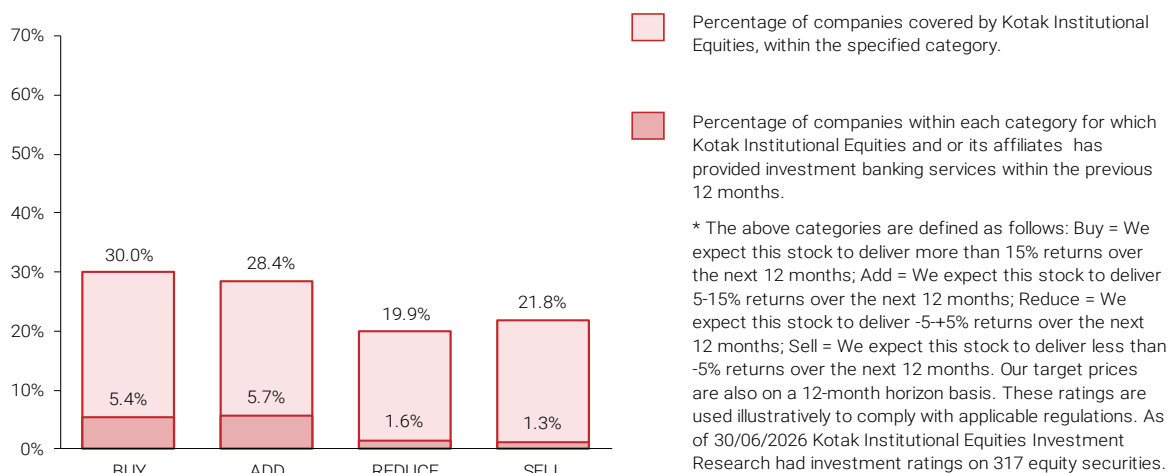
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