

Oil India | BUY



Earnings miss on higher opex; despite better crude volume and realisation

Oil India's 4QFY25 standalone EBITDA at INR 21.3bn was lower than JMFe/consensus of INR 24.8bn/ INR 22.7bn due to: a) higher other expense at INR 8.4bn (vs JMFe and historical average run-rate of ~INR 5bn); b) higher contract cost at INR 6.1bn (vs JMFe of INR 4.8bn and INR 5.1bn in 3QFY25). This is despite crude sales volume was 4% above JMFe (though production in-line) and crude realisation also tad higher. NRL's 4QFY25 GRM was strong at USD 9.3/bbl (before excise duty benefit), resulted in significantly higher EBITDA at INR 10bn. Consolidated EBITDA was also lower at INR 28.6bn in 4QFY25 (vs INR 28.1bn in 3QFY25) despite higher EBITDA from NRL. Consolidated FY25 EPS is INR 40.3/share. We maintain BUY (unchanged TP of INR 500) based on our Brent crude price assumption of USD 70/bbl (while CMP is discounting ~USD 60/bbl of net crude realisation). Further, Oil India's earnings is likely to grow at a robust ~16% CAGR over the next 3-5 years driven by: a) sharp 20-30% output growth in next 2-3 years aided by commissioning of Indradhanush gas pipeline; and b) expansion of NRL refinery from 3mmtpa to 9mmtpa. At CMP, Oil India trades at 6.3x FY27E EPS and 1.1x FY27E BV.

■ **Standalone EBITDA lower than JMFe/consensus due to higher other expense and contract cost, despite crude sales volume 4% above JMFe & tad higher realisation:** Oil India's 4QFY25 standalone EBITDA at INR 21.3bn was lower than JMFe/consensus of INR 24.8bn/ INR 22.7bn due to: **a)** higher other expense at INR 8.4bn (vs JMFe and historical average run-rate of ~INR 5bn); **b)** higher contract cost at INR 6.1bn (vs JMFe of INR 4.8bn and INR 5.1bn in 3QFY25). This is despite crude sales volume was 4% above JMFe (though production in-line) and crude realisation also tad higher. Hence, PAT at INR 15.9bn, was also lower than JMFe/consensus of INR 17.1bn/INR 16.4bn) aided by lower other income (at INR 6.6bn vs JMFe of INR 8bn). Standalone 4QFY25 EPS is INR 9.8/share; while FY25 EPS is INR 37.6/share. Consolidated EBITDA was also lower QoQ at INR 28.6bn in 4QFY25 (vs INR 28.1bn in 3QFY25) despite higher EBITDA from NRL. Consolidated PAT was also lower at INR 13.1bn. Consolidated FY25 EPS is INR 40.3/share. The board approved final dividend of INR 1.5/share; this takes total FY25 dividend to INR 11.5/share (or ~31% payout on FY25 standalone EPS of ~INR 37.6/share) vs dividend of INR 10.5/share paid in FY24 (31% payout of FY24 standalone EPS).

■ **Crude sales volume 4% above JMFe (though production in-line) while crude realisation also tad higher; gas sales volume and realisation in-line:** In 4QFY25, crude sales volume was 4% above JMFe (at 0.85mmt, up 2.8% QoQ and up 1% YoY) though crude production was largely in-line with JMFe (at 0.844mmt, down 2.8% QoQ and down 0.5% YoY) as sales as % of production rose to 100.5% vs historical 97-99%. Further, computed net crude realisation was slightly higher at USD 72.0/bbl vs JMFe of USD 71.8/bbl. However, gas sales volume was largely in-line with JMFe (at 0.67bcm, down 2.5% QoQ but up 2.3% YoY) as gas production was also in-line with JMFe (at 0.84bcm, down 2.8% QoQ and down 0.5% YoY). Domestic gas realisation was also in-line at USD 6.7/mmbtu.

■ **NRL's 4QFY25 GRM strong at USD 9.3/bbl (before excise duty benefit), resulted in**

Financial Summary (Consolidated)					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	3,49,856	3,47,581	3,07,915	5,20,039	6,46,191
Sales Growth (%)	-11.4	-0.7	-11.4	68.9	24.3
EBITDA	1,25,042	1,12,163	1,29,438	1,76,420	1,98,848
EBITDA Margin (%)	34.4	31.0	40.0	32.8	29.9
Adjusted Net Profit	87,007	65,509	77,676	1,10,203	1,27,431
Diluted EPS (INR)	53.5	40.3	47.8	67.8	78.3
Diluted EPS Growth (%)	-0.3	-24.7	18.6	41.9	15.6
ROIC (%)	24.4	16.0	15.8	19.0	18.4
ROE (%)	20.0	13.4	14.7	18.1	17.8
P/E (x)	8.0	10.6	8.9	6.3	5.5
P/B (x)	1.4	1.4	1.2	1.1	0.9
EV/EBITDA (x)	7.3	8.7	7.5	5.5	4.7
Dividend Yield (%)	2.5	2.7	3.0	3.4	3.9

Source: Company data, JM Financial. Note: Valuations as of 21/May/2025

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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	500
Upside/(Downside)	17.1%
Previous Price Target	500
Change	-0.1%

Key Data – OINL IN

Current Market Price	INR427
Market cap (bn)	INR693.7/US\$8.1
Free Float	27%
Shares in issue (mn)	1,626.6
Diluted share (mn)	1,626.6
3-mon avg daily val (mn)	INR1,147.0/US\$13.4
52-week range	768/322
Sensex/Nifty	81,597/24,813
INR/US\$	85.6

Price Performance

%	1M	6M	12M
Absolute	7.7	-12.3	-3.7
Relative*	5.1	-14.9	-12.4

* To the BSE Sensex

JM Financial Research is also available on:
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significantly higher EBITDA at INR 10bn: NRL's GRM (before excise duty benefit) was significantly above JMFe at USD 9.3/bbl in 4QFY25 (vs. USD 2.1/bbl in 3QFY25); crude throughput was in-line at 810tmt or 108% utilisation (and vs. 808tmt in 3QFY25). Hence, NRL's EBITDA was significantly higher at INR 10bn in 4QFY25 vs JMFe of INR 6.3bn (and vs. INR 6.6bn in 3QFY25); hence, PAT was also significantly higher at INR 6.2bn vs JMFe of INR 3.7bn (and vs. INR 3.9bn in 3QFY25).

- **Maintain BUY on expectation of crude stabilising ~USD 70/bbl and CMP discounting ~USD60/bbl:** We have cut our FY26 and FY27 EBITDA by 1-2%, accounting for 4QFY25 results; however, our TP remains unchanged at INR 500, aided by an increase in the value of listed investments (which is valued at CMP less 20% holding discount). We reiterate BUY (unchanged TP of INR 500) based on our Brent crude price assumption of USD 70/bbl (while CMP is discounting ~USD 60/bbl of net crude realisation). Further, Oil India's earnings is likely to grow at a robust ~13% CAGR over the next 3-5 years driven by: **a)** sharp 20-30% output growth in next 2-3 years aided by commissioning of Indradhanush gas pipeline; and **b)** expansion of NRL refinery from 3mmtpa to 9mmtpa (given the management guidance of excise duty benefits continuing for the expanded capacity as well). Every USD 7/bbl rise/fall in net crude realisation results in increase/decrease in our EPS and valuation by ~8-9% — **Exhibit 8-9**. Further, Oil India is also a robust dividend play (4-5%). At CMP, Oil India trades at 6.3x FY27E EPS and 1.1x FY27E BV.

4QFY25 Result Review

Exhibit 1. Oil India standalone quarterly snapshot

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	% YoY	% QoQ
Sales (INRm)	46,447	59,133	58,150	57,567	58,397	55,190	52,397	55,189	(4.1)	5.3
EBITDA (INR mn)	23,808	24,906	23,642	25,442	25,422	24,756	22,621	21,324	(16.2)	(5.7)
EBITDA margin (%)	51%	42%	41%	44%	44%	45%	43%	39%	-556bps	-453bps
Interest (INRm)	1,659	2,235	1,814	1,893	1,970	2,299	2,442	1,952	3.1	(20.1)
Depreciation (INRm)	3,974	4,234	4,992	4,551	4,558	5,036	5,268	4,325	(5.0)	(17.9)
Dry well write off (INRm)	518	21	2,585	2,086	762	2,924	1,293	1,482	(28.9)	14.6
Other income(INRm)	3,341	7,092	5,080	8,332	1,617	8,556	1,886	6,639	(20.3)	251.9
Extra-ordinary items	0	-23,627	0	0	0	0	0	0		
PBT (INRm)	20,997	1,882	19,331	25,244	19,750	23,054	15,503	20,203	(20.0)	30.3
Tax (INRm)	4,863	-1,372	3,489	4,956	5,082	4,713	3,285	4,288	(13.5)	30.5
Reported PAT (INR mn)	16,134	3,253	15,843	20,288	14,668	18,341	12,218	15,915	(21.6)	30.3
PAT Margin(%)	35%	6%	27%	35%	25%	33%	23%	29%		
EPS (INR)	9.9	2.0	9.7	12.5	9.0	11.3	7.5	9.8		

Source: Company, JM Financial

Exhibit 2. Oil India consolidated quarterly snapshot

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	% YoY	% QoQ
Sales (INRm)	64,088	88,165	109,126	101,658	93,509	81,359	90,891	95,878	(5.7)	5.5
EBITDA (INR mn)	23,284	35,253	37,017	34,698	32,182	28,283	28,075	30,086	(13.3)	7.2
EBITDA margin (%)	36%	40%	34%	34%	34%	35%	31%	31%	-275bps	49bps
Interest (INRm)	2,142	2,789	2,362	2,344	2,417	2,795	3,037	2,443	4.2	(19.6)
Depreciation (INRm)	4,776	4,990	5,761	5,763	5,535	6,075	6,239	5,334	(7.4)	(14.5)
Dry well write off (INRm)	518	21	2,585	2,086	762	2,924	1,293	1,482		
Other income(INRm)	1,694	3,836	5,805	2,093	2,309	7,510	3,021	3,823	82.6	26.5
Extra-ordinary items	66	23,668	14	-93	0	0	0	0		
PBT (INRm)	17,607	54,957	32,129	26,506	25,777	23,998	20,526	24,651		
Tax (INRm)	4,439	676	6,586	6,954	6,852	5,566	4,594	6,957		
Reported PAT before Minority interest	14,126	53,740	26,105	23,144	20,163	20,692	14,572	14,970		
Reported PAT after Minority interest	14,266	4,207	23,471	21,407	18,858	20,162	13,389	13,101	(38.8)	(2.1)
PAT Margin(%)	22%	5%	22%	21%	20%	25%	15%	14%		
Reported EPS after Minority interest (INR)	8.8	2.6	14.4	13.2	11.6	12.4	8.2	8.1		

Source: Company, JM Financial

Exhibit 3. Realisation and volume details

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	% YoY	% QoQ
Revenue break-up (INR mn)										
CRUDE										
Total (inc.JV)	33,607	43,625	42,032	41,630	41,979	39,730	36,503	38,893	(6.6)	6.5
GAS										
Total (inc.JV)	11,131	13,330	14,100	13,338	14,220	13,274	13,821	13,826	3.7	0.0
Others										
LPG	401	376	411	517	482	433	341	528	2.2	55.0
Condensate	125	125	125	125	125	125	125	125	0.0	0.0
Transportation income	922	1,376	1,360	1,678	1,253	1,361	1,465	1,643	(2.1)	12.2
TOTAL	46,186	58,832	58,028	57,288	58,059	54,923	52,254	55,015	(4.0)	5.3
Realisation break -up:										
CRUDE (USD/ bbl)										
Gross computed crude realisation (inc.JV)	74.5	84.1	81.1	81.2	82.1	76.9	71.3	72.0	(11.3)	1.1
Less: Windfall tax on domestic crude	2.5	11.0	9.5	4.5	9.9	5.3	0.0	0.0		
Net computed crude realisation (incl JV)	71.9	73.1	71.6	76.7	72.2	71.6	71.3	72.0	(6.1)	1.1
Brent	78.0	86.7	84.3	83.1	84.9	80.3	74.7	75.7	(8.8)	1.4
GAS (USD/mmbtu)										
Total (inc.JV)	6.9	6.9	7.0	6.9	7.0	6.8	6.7	6.7	(2.9)	0.0
Production volume break-up										
CRUDE (mmt)										
Total (inc.JV)	0.820	0.835	0.856	0.848	0.871	0.875	0.868	0.844	(0.5)	(2.8)
GAS (bcm)										
Total (inc.JV)	0.745	0.810	0.822	0.805	0.818	0.799	0.829	0.806	0.1	(2.8)
Sales volume break-up										
CRUDE (mmt)										
Total (inc.JV)	0.75	0.85	0.85	0.84	0.83	0.84	0.83	0.85	1.0	2.8
GAS (bcm)										
Total (inc.JV)	0.54	0.65	0.68	0.65	0.68	0.65	0.68	0.67	2.3	(2.5)

Source: Company, JM Financial

Exhibit 4. NRL financial and operational details

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	% YoY	% QoQ
Physical Operational Details										
Crude Throughput (TMT)	70	778	853	809	764	683	808	810	0.1	0.1
Utilisation (%)	9%	104%	114%	108%	102%	91%	108%	108%		
Distillate Yield (%)	47%	85%	89%	89%	87%	84%	87%	88%	(1.3)	0.8
GRM before excise duty benefit (USD/bbl)	(15.6)	16.0	12.7	13.3	6.4	2.3	2.1	9.3	(30.1)	341.9
Financial Performance (INRmn)										
Operating Income	22,357	58,928	81,359	74,663	64,658	51,974	65,548	69,269	(7.2)	5.7
EBITDA	(52)	10,846	12,182	10,989	7,337	3,989	6,567	10,022	(8.8)	52.6
PBT	(988)	9,896	11,275	8,941	5,958	2,517	5,074	8,604	(3.8)	69.6
PAT	(776)	7,355	8,587	6,435	4,305	1,751	3,854	6,168	(4.1)	60.1

Source: Company, JM Financial

Key Assumptions and Estimates

Exhibit 5. Key assumptions

	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E	Comments
Macro assumptions								
Brent (USD/bbl)	80.0	95.4	83.1	78.9	70.0	70.0	70.0	
Exchange rate (INR/USD)	74.5	80.4	82.8	84.6	87.1	88.8	90.6	
Oil India domestic business								
Production								
Crude production (kbpd)	61	64	68	70	73	79	80	Based on historical trend and new growth
Gas production (bcm)	3.0	3.2	3.2	3.3	3.3	3.7	4.2	Based on historical trend and new growth
Crude and gas production (kboepd)	113	119	122	126	131	142	153	
Crude production (%)	54%	54%	55%	55%	56%	55%	52%	
Gas production (%)	46%	46%	45%	45%	44%	45%	48%	
Realisation								
Gross crude realisation (USD/bbl)	79.0	81.6	75.8	78.9	70.0	70.0	70.0	Based on crude price assumption
Less: Windfall tax (USD/bbl)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net realisation (USD/bbl)	79.0	81.6	75.8	78.9	70.0	70.0	70.0	
Gas realisation (USD/mmbtu)	2.8	8.8	8.0	7.8	8.5	8.9	9.2	Based on domestic gas price formula

Source: Company, JM Financial

Exhibit 6. Change in estimates

	New	Old	Divergence
TP (INR)	500	500	0.0%
Rating	BUY	BUY	
Revenue (INR Mn)			
FY26	323,336	329,154	-1.8%
FY27	537,157	537,399	0.0%
EBITDA (INR Mn)			
FY26	129,438	132,533	-2.3%
FY27	176,420	178,070	-0.9%
PAT (INR Mn)			
FY26	77,676	80,474	-3.5%
FY27	110,203	108,958	1.1%
EPS (INR)			
FY26	47.8	49.5	-3.5%
FY27	67.8	67.0	1.1%

Source: JM Financial

Valuation

Exhibit 7. Valuation

	INR/share	Comment
Standalone business		
FY27 standalone EPS (INR)	46.8	Adjusting for NRL EPS
P/E multiple used (x)	7.0	
Equity value of standalone business (INR/share)	328	
NRL		
FY28E EPS from NRL adjusted for Oil India's 69.6% stake	19.0	Assumed 9mmtpa throughput in FY28 and USD 25.6/bbl GRM
P/E multiple used (x)	7.0	
Oil India's Equity Value in NRL (INR/share)	118	After discounting by 1 year to FY27
Other investments		
Value on IOCL's stake (5.0% stake)	54	At 20% discount to CMP
Total equity value (INR/share)	500	

Source: JM Financial

If FY26 net crude realisation changes by USD7.0/bbl, our FY26 consolidated EPS will change by +/-9.4%. Similarly if gas realisation changes by +/- 0.85 USD/mmbtu, our FY26 consolidated EPS will change by +/-4.4%.

Exhibit 8. Oil India consolidated FY26 EPS sensitivity to net crude realisation and gas price (INR/share)

		FY26 Gas Price (USD/mmbtu)						
		6.0	6.8	7.7	8.5	9.4	10.2	11.1
Net crude realisation (USD/bbl)	49	28.0	30.1	32.2	34.4	36.5	38.6	40.7
	56	32.5	34.6	36.7	38.8	40.9	43.0	45.2
	63	36.9	39.1	41.2	43.3	45.4	47.5	49.6
	70	41.4	43.5	45.6	47.8	49.9	52.0	54.1
	77	44.8	46.9	49.0	51.1	53.2	55.4	57.5
	84	45.5	47.6	49.7	51.8	53.9	56.0	58.1
	91	46.1	48.2	50.3	52.5	54.6	56.7	58.8

Source: Company, JM Financial

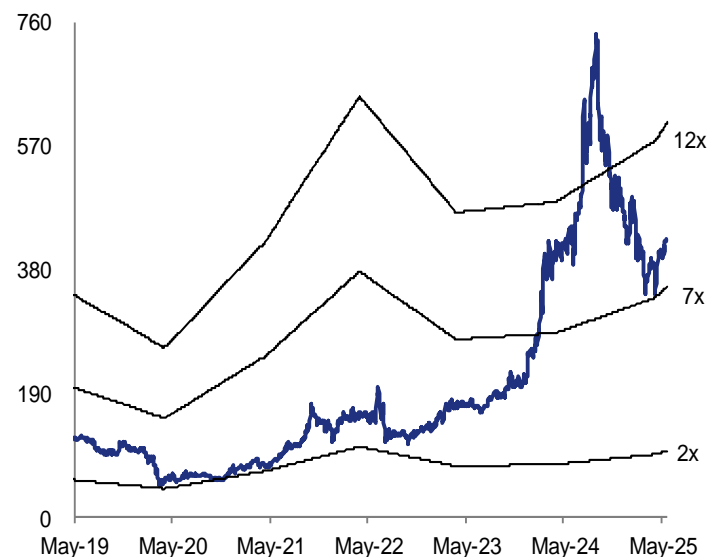
If FY26 net crude realisation changes by USD7.0/bbl, our valuation will change by +/- INR 37/share (or +/-7.5%). Similarly if gas realisation changes by +/- 0.85 USD/mmbtu, our valuation will change by INR +/- 14/share (or +/-2.8%).

Exhibit 9. Oil India valuation sensitivity to FY26 net crude realisation and gas price (INR/share)

		FY26 Gas Price (USD/mmbtu)						
		6.0	6.8	7.7	8.5	9.4	10.2	11.1
Net crude realisation (USD/bbl)	49	345	359	373	387	401	415	430
	56	382	396	411	425	439	453	467
	63	420	434	448	462	476	490	505
	70	457	471	485	500	514	528	542
	77	486	500	514	529	543	557	571
	84	494	508	523	537	551	565	579
	91	503	517	531	545	559	573	587

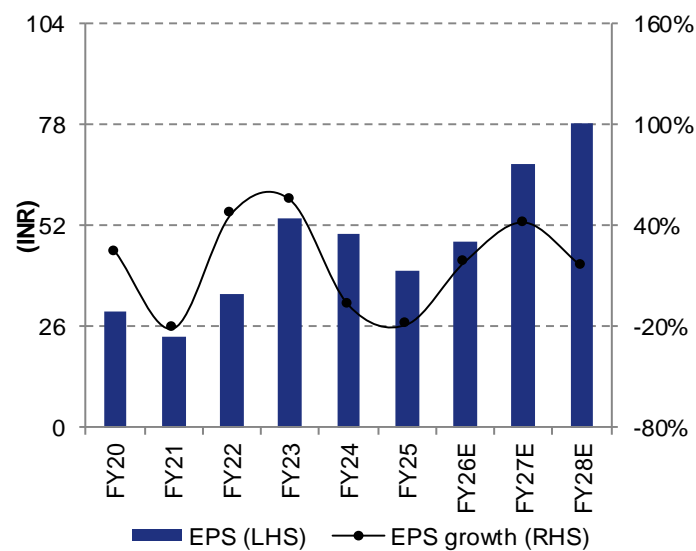
Source: Company, JM Financial

Exhibit 10. 1-year forward PE Chart



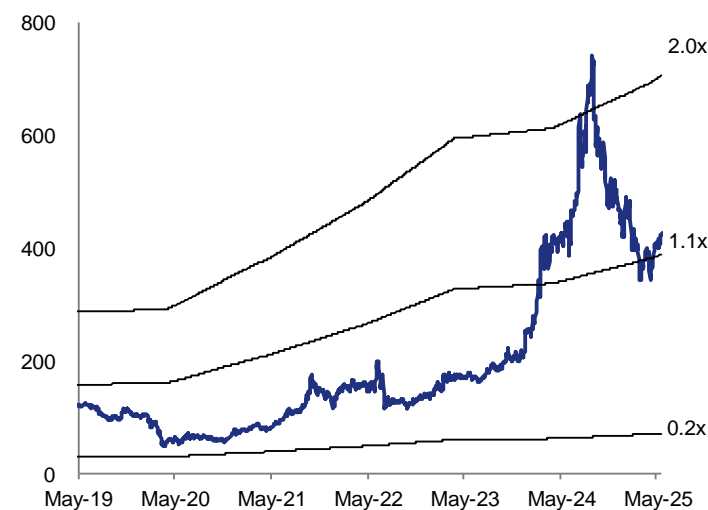
Source: JM Financial, Company

Exhibit 11. EPS vs. EPS growth



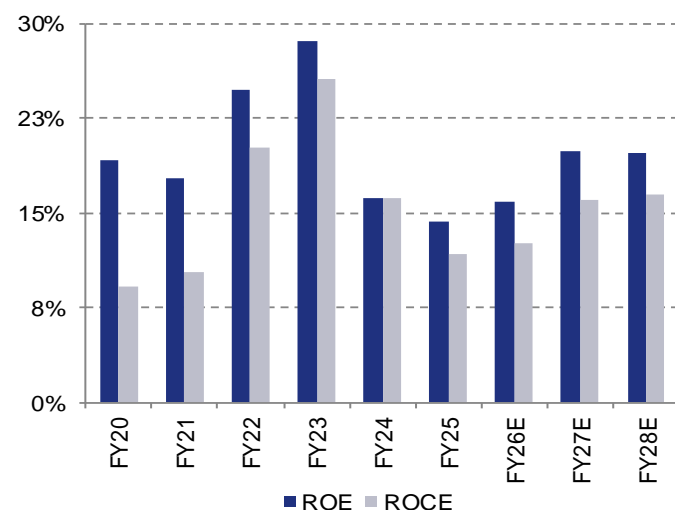
Source: JM Financial, Company,

Exhibit 12. 1-year forward PB Chart



Source: JM Financial, Company

Exhibit 13. RoE vs. RoCE



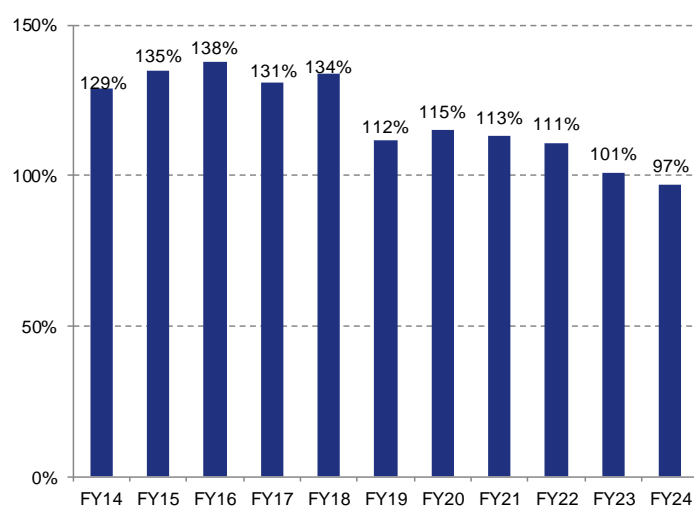
Source: JM Financial, Company

Exhibit 14. 1-year forward EV/2P reserves



Source: JM Financial, Company

Exhibit 15. Reserve replacement ratio



Source: JM Financial, Company

Exhibit 16. Global E&P companies' valuation snapshot

Company	EV/EBITDA (x)			EBITDA Margins (%)			P/E (x)			P/B (x)			ROE (%)		
	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25
US peers															
EOG Resources	4.7	4.7	5.3	55.5	53.9	55.1	9.5	9.9	12.0	2.3	2.2	2.0	26.3	22.4	16.6
Murphy Oil	2.1	2.6	3.1	59.8	52.9	51.7	4.7	7.2	12.7	0.6	0.6	0.6	14.2	8.8	4.4
Canadian Natural Res	6.4	6.6	6.2	48.5	46.8	48.6	11.4	12.0	11.7	2.3	2.2	2.2	21.2	18.8	18.9
US peers average	4.4	4.6	4.9	54.6	51.2	51.8	8.5	9.7	12.2	1.8	1.7	1.6	20.6	16.7	13.3
European peers															
PTT Exploration & Production	1.9	1.7	1.8	72.8	74.3	71.1	5.7	5.4	6.3	0.8	0.8	0.7	15.1	15.1	11.7
Santos	4.3	4.9	5.1	70.1	67.5	68.6	9.0	10.0	11.7	0.9	0.8	0.8	10.3	8.6	7.2
INPEX	2.7	2.4	2.8	60.0	65.6	64.9	7.0	6.1	7.5	0.6	0.5	0.4	9.1	8.8	6.1
European peers average	3.0	3.0	3.2	67.6	69.1	68.2	7.2	7.2	8.5	0.8	0.7	0.7	11.5	10.8	8.3
Asian peers															
JX Holdings	5.5	6.8	5.9	5.2	4.5	5.8	8.3	11.8	7.0	0.7	0.6	0.6	8.2	4.4	6.9
ONGC	4.8	5.4	4.9	16.0	14.2	15.4	6.7	7.1	6.5	1.0	0.9	0.8	16.5	12.4	12.7
Oil India	7.5	7.3	6.5	38.2	34.7	35.7	9.9	9.4	8.0	1.6	1.3	1.2	18.7	14.6	14.9
CNOOC	2.7	2.4	2.6	60.4	60.6	61.3	5.9	5.3	5.7	1.1	1.0	0.9	20.5	20.2	16.7
Asian peers average	5.1	5.5	5.0	30.0	28.5	29.6	7.7	8.4	6.8	1.1	0.9	0.9	16.0	12.9	12.8
Global peers average	4.3	4.5	4.4	48.7	47.5	47.8	7.8	8.4	8.9	1.2	1.1	1.0	16.0	13.4	11.6
Global peers median	4.5	4.8	5.0	57.6	53.4	53.4	7.7	8.3	7.7	0.9	0.8	0.8	15.8	13.5	12.2

Source: JM Financial, Bloomberg

Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	3,49,856	3,47,581	3,07,915	5,20,039	6,46,191
Sales Growth	-11.4%	-0.7%	-11.4%	68.9%	24.3%
Other Operating Income	13,181	14,056	15,421	17,118	19,585
Total Revenue	3,63,036	3,61,638	3,23,336	5,37,157	6,65,776
Cost of Goods Sold/Op. Exp	2,37,994	2,49,475	1,93,898	3,60,737	4,66,927
Personnel Cost	0	0	0	0	0
Other Expenses	0	0	0	0	0
EBITDA	1,25,042	1,12,163	1,29,438	1,76,420	1,98,848
EBITDA Margin	34.4%	31.0%	40.0%	32.8%	29.9%
EBITDA Growth	-18.1%	-10.3%	15.4%	36.3%	12.7%
Depn. & Amort.	21,290	23,182	23,646	24,828	26,070
EBIT	1,03,752	88,981	1,05,792	1,51,592	1,72,778
Other Income	13,429	16,663	18,798	22,958	27,745
Finance Cost	9,637	10,693	11,469	11,741	11,878
PBT before Excep. & Forex	1,07,544	94,951	1,13,121	1,62,809	1,88,646
Excep. & Forex Inc./Loss(-)	-23,656	0	0	0	0
PBT	83,888	94,951	1,13,121	1,62,809	1,88,646
Taxes	18,655	23,968	28,280	40,702	47,161
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	11,024	4,301	5,992	10,730	12,880
Reported Net Profit	63,351	65,509	77,676	1,10,203	1,27,431
Adjusted Net Profit	87,007	65,509	77,676	1,10,203	1,27,431
Net Margin	24.0%	18.1%	24.0%	20.5%	19.1%
Diluted Share Cap. (mn)	1,626.6	1,626.6	1,626.6	1,626.6	1,626.6
Diluted EPS (INR)	53.5	40.3	47.8	67.8	78.3
Diluted EPS Growth	-0.3%	-24.7%	18.6%	41.9%	15.6%
Total Dividend + Tax	17,079	18,706	20,662	23,293	26,988
Dividend Per Share (INR)	10.5	11.5	12.7	14.3	16.6

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	88,459	94,364	1,12,535	1,62,222	1,88,059
Depn. & Amort.	21,290	23,182	23,646	24,828	26,070
Net Interest Exp. / Inc. (-)	-2,495	-3,214	-346	-2,139	-4,066
Inc (-) / Dec in WCap.	-6,778	-2,563	6,833	-36,543	-21,732
Others	35,646	22,443	0	0	0
Taxes Paid	-26,791	-20,892	-28,280	-40,702	-47,161
Operating Cash Flow	1,09,331	1,13,320	1,14,388	1,07,667	1,41,169
Capex	-1,20,628	-1,29,690	-1,07,483	-1,02,731	-1,03,004
Free Cash Flow	-11,297	-16,370	6,905	4,936	38,165
Inc (-) / Dec in Investments	-16,579	-16,952	14,560	13,765	13,009
Others	11,195	11,499	11,816	13,880	15,944
Investing Cash Flow	-1,26,012	-1,35,142	-81,107	-75,086	-74,052
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	48,446	57,322	23,660	27,257	-19,424
Others	-32,011	-32,528	-32,131	-35,034	-38,865
Financing Cash Flow	16,434	24,794	-8,472	-7,777	-58,289
Inc / Dec (-) in Cash	-246	2,972	24,809	24,804	8,829
Opening Cash Balance	3,406	3,160	6,132	30,941	55,745
Closing Cash Balance	3,160	6,132	30,941	55,745	64,573

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	4,83,390	4,97,677	5,61,270	6,59,497	7,73,406
Share Capital	10,844	16,266	16,266	16,266	16,266
Reserves & Surplus	4,72,546	4,81,411	5,45,003	6,43,230	7,57,140
Preference Share Capital	0	0	0	0	0
Minority Interest	42,867	49,381	49,381	49,381	49,381
Total Loans	2,36,403	2,98,156	3,21,816	3,49,073	3,29,649
Def. Tax Liab. / Assets (-)	32,000	31,674	31,674	31,674	31,674
Total - Equity & Liab.	7,94,659	8,76,888	9,64,140	10,89,624	11,84,110
Net Fixed Assets	4,04,851	5,31,139	6,14,976	6,92,879	7,69,813
Gross Fixed Assets	2,04,574	2,35,871	2,59,708	6,37,611	7,14,545
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	0	0	0	0	0
Capital WIP	2,00,277	2,95,268	3,55,268	55,268	55,268
Investments	3,91,619	3,76,151	3,60,636	3,45,896	3,31,893
Current Assets	1,25,059	1,37,156	1,53,419	2,30,008	2,70,049
Inventories	0	0	0	0	0
Sundry Debtors	0	0	0	0	0
Cash & Bank Balances	3,160	6,132	30,941	55,745	64,573
Loans & Advances	0	0	0	0	0
Other Current Assets	1,21,899	1,31,025	1,22,478	1,74,264	2,05,476
Current Liab. & Prov.	1,26,870	1,67,559	1,64,891	1,79,159	1,87,644
Current Liabilities	0	0	0	0	0
Provisions & Others	1,26,870	1,67,559	1,64,891	1,79,159	1,87,644
Net Current Assets	-1,811	-30,402	-11,471	50,850	82,404
Total - Assets	7,94,659	8,76,888	9,64,140	10,89,624	11,84,110

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	24.0%	18.1%	24.0%	20.5%	19.1%
Asset Turnover (x)	0.5	0.4	0.4	0.5	0.6
Leverage Factor (x)	1.6	1.7	1.7	1.7	1.6
RoE	20.0%	13.4%	14.7%	18.1%	17.8%

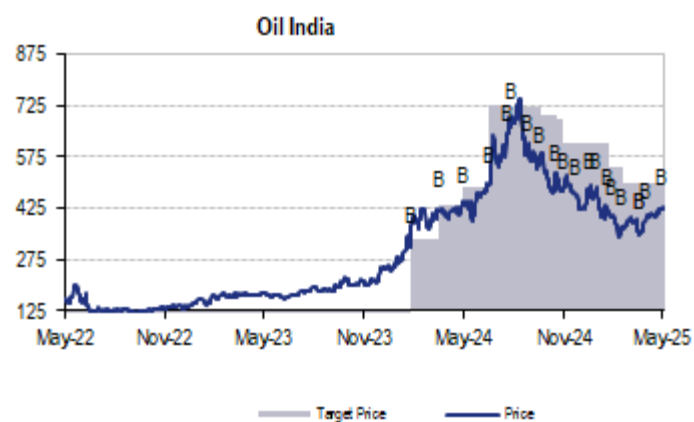
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	297.2	306.0	345.1	405.4	475.5
ROIC	24.4%	16.0%	15.8%	19.0%	18.4%
ROE	20.0%	13.4%	14.7%	18.1%	17.8%
Net Debt/Equity (x)	0.4	0.5	0.4	0.3	0.3
P/E (x)	8.0	10.6	8.9	6.3	5.5
P/B (x)	1.4	1.4	1.2	1.1	0.9
EV/EBITDA (x)	7.3	8.7	7.5	5.5	4.7
EV/Sales (x)	2.5	2.7	3.0	1.8	1.4
Debtor days	0	0	0	0	0
Inventory days	0	0	0	0	0
Creditor days	0	0	0	0	0

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
13-Feb-24	Buy	334	
5-Apr-24	Buy	433	29.9
20-May-24	Buy	484	11.7
7-Jul-24	Buy	725	49.9
8-Aug-24	Buy	700	-3.5
16-Aug-24	Buy	720	2.8
13-Sep-24	Buy	720	0.0
7-Oct-24	Buy	695	-3.5
5-Nov-24	Buy	685	-1.5
18-Nov-24	Buy	615	-10.2
13-Dec-24	Buy	615	0.0
7-Jan-25	Buy	615	0.0
17-Jan-25	Buy	615	0.0
8-Feb-25	Buy	545	-11.4
14-Feb-25	Buy	545	0.0
5-Mar-25	Buy	500	-8.3
6-Apr-25	Buy	500	0.0
8-Apr-25	Buy	500	0.0
17-Apr-25	Buy	500	0.0
18-May-25	Buy	500	0.0

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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* REITs refers to Real Estate Investment Trusts.

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