

Estimate change



TP change



Rating change



CMP: INR167

TP: INR255 (+53%)

Buy

Weak trading mars 3Q

Bloomberg	GAIL IN
Equity Shares (m)	6575
M.Cap.(INRb)/(USD\$b)	1098.8 / 12.7
52-Week Range (INR)	246 / 163
1, 6, 12 Rel. Per (%)	-10/-22/-11
12M Avg Val (INR M)	4159

Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	1,337.4	1,488.3	1,599.4
EBITDA	141.5	169.8	184.3
Adj. PAT	89.1	119.2	129.7
Adj. EPS (INR)	13.6	18.1	19.7
EPS Gr. (%)	-1.2	33.8	8.8
BV/Sh.(INR)	113.6	124.4	136.3

Ratios

Net D:E	0.2	0.1	0.1
RoE (%)	9.5	15.8	15.6
RoCE (%)	9.4	12.3	12.2
Payout (%)	31.5	40.1	40.1

Valuations

P/E (x)	12.3	9.2	8.5
P/BV (x)	1.5	1.3	1.2
EV/EBITDA (x)	6.4	5.2	4.6
Div. Yield (%)	3.2	4.4	4.7
FCF Yield (%)	5.3	7.3	8.4

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	51.5	51.5	51.5
DII	25.0	24.3	27.1
FII	16.7	17.4	14.9
Others	6.8	6.7	6.5

FII Includes depository receipts

GAIL's 3QFY25 performance was significantly below our estimates, primarily due to weak gas marketing segment performance. While APAT came in 43% below our estimate, reported PAT was lifted by an exceptional income of INR24.4b booked during the quarter relating to the arbitration settlement with SEFE. Transmission volumes were weaker QoQ due to a decline in power sector demand in 3Q, while adverse spread movement on some of the gas contracts led to lower profitability on some of the marketing contracts. Overall, management expects transmission volumes to grow by ~10mmscmd in FY26 and remains hopeful of tariff hike approval for the transmission business in 1QFY26.

Key takeaways from the earnings call:

- In 3Q, marketing margin declined by INR8-9b due to the following factors:
 - Amid falling crude prices in early 3Q, a loss of INR2b was booked on a few contracts as per pricing terms. As per management, this loss will naturally reverse over a period of one year.
 - Higher Henry Hub (HH) prices led to margin contractions, resulting in a loss of INR1.5b.
 - GAIL had marketed ~2mmscmd of volumes in excess of volumes actually sourced, which were then covered via sourcing costly Spot LNG. This led to losses of INR4.5b.
 - Transmission volumes are expected to be in the range of 129-130mmscmd in FY25 and grow by 10mmscmd p.a. going forward.
 - 4QFY25 LPG production could drop by 75tmt due to APM de-allocation.
 - A tariff hike is expected by Jun'25 (Mar'25 guided earlier).

We reiterate BUY on GAIL with our SoTP-based TP of INR255, valuing:

- gas transmission business at 9x FY27E EBITDA of INR95b,
- LPG transmission business at 8x FY27E EBITDA of INR5b,
- gas trading business at 6x FY27E EBITDA of INR55b,
- petrochemical business at 7x FY27E EBITDA of INR28b, and
- LPG business at 6x FY27E EBITDA of INR19b.
- Adding the value of listed and unlisted investments of INR267b and adjusting FY27E ND of INR132b, we arrive at our revised TP of INR255.

Miss on estimates due to weak NG marketing performance

- In 3Q, EBITDA came in 25% below our est. at INR28.4b (down 26% YoY).
- The EBITDA miss was due to weak marketing margins in 3Q, as:
 - Amid falling crude prices in early 3Q, a loss of INR2b was booked on a few contracts as per pricing terms. As per management, this loss will naturally reverse over a period of one year.
 - Higher Henry Hub (HH) prices led to margin contractions, resulting in a loss of INR1.5b.
 - GAIL had marketed ~2mmscmd of volumes in excess of volumes actually sourced, which were then covered via sourcing costly Spot LNG. This led to losses of INR4.5b.

- While reported PAT came in at INR38.7b, an exceptional income of INR24.4b was booked in 3Q related to a settlement amount received for a pending arbitration proceeding against SEFE Marketing & Trading Singapore Pte Ltd. While other income also came in significantly above our estimate, the tax rate was lower than our estimate.
- Hence, adjusted PAT was down 50% YoY at INR14.3b (43% below our est.).
- Natural gas transmission volume was in line with our est. at 125.9mmcmd (up 4% QoQ).
- Petchem sales were also in line with our est. at 221tmt (flat YoY), while petchem segment reported EBIT of INR47m.
- While EBIT of the LPG transmission, LPG and LHC segments beat our estimates, EBIT of the gas transmission, adjusted NG marketing and petrochemical segments came in below our estimates.
- In 9MFY25, net sales/EBITDA grew 3%/12% to INR1015b/INR111b, whereas APAT was flat at INR68b.
- The board has declared an interim dividend of INR6.5/share (FV: INR10/share).

Valuation and view

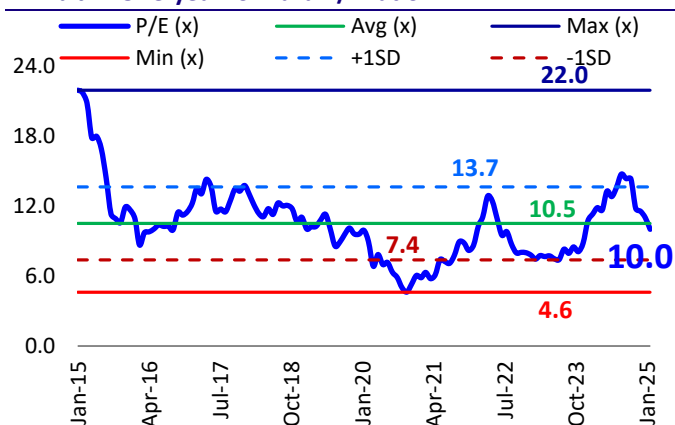
- We **reiterate our BUY rating** on GAIL with a TP of INR255. During FY24-27, we estimate a 15% CAGR in PAT driven by:
 - an increase in natural gas transmission volumes to 154mmcmd in FY27 from 120mmcmd in FY24;
 - substantial improvement in petchem segment's profitability over 2HFY25- FY27 as the new petchem capacity will be operational and spreads are bottoming out;
 - healthy trading segment profitability with guided EBIT of at least INR45b.
- We expect RoE to improve to ~16% in FY26 from 9.5% in FY23, with a healthy FCF generation of INR81b in FY26 (vs. -INR45.3b in FY23), which we believe can support its valuations.
- Our SoTP-based TP includes:
 - gas transmission business at 9x FY27E EBITDA of INR95b,
 - LPG transmission business at 8x FY27E EBITDA of INR5b,
 - gas trading business at 6x FY27E EBITDA of INR55b,
 - petrochemical business at 7x FY27E EBITDA of INR28b, and
 - LPG business at 6x FY27E EBITDA of INR19b.
- Adding the value of listed and unlisted investments of INR267b and adjusting FY27E ND of INR132b, we arrive at our revised TP of INR255.

Standalone quarterly performance

(INR b)

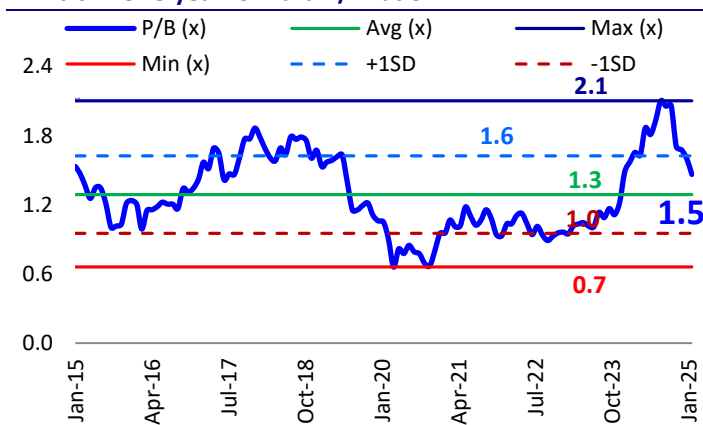
Y/E March	FY24				FY25				FY24	FY25	FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE		
Net Sales	324.1	318	343	323.3	336.7	329	349	322.2	1,308.2	1,337.4	342.4	7%
Change (%)	-13.7	-17.3	-3.2	-1.6	3.9	3.4	2.0	-0.4	-9.3	2.2	0.0	
EBITDA	26.1	35	38	35.6	45.3	37	28	30.4	134.8	141.5	38.8	-25%
% of Net Sales	8.1	11.0	11.2	11.0	13.4	11.4	8.1	9.4	10.3	10.6	11.3	
Depreciation	6.4	8	8	11.6	10.5	8	8	9.0	33.3	36.0	8.2	
Interest	1.8	2	2	1.9	2.1	2	2	2.0	7.0	7.7	1.4	
Other Income	2.7	6	8	6.4	3.7	7	7	7.9	22.8	26.2	5.5	
Extraordinary item	0.0	0	0	0.0	0.0	0	24	0.0	0.0	24.4	0.0	
PBT	20.7	31	37	28.4	36.4	35	50	27.2	117.3	148.4	34.7	48%
Rate (%)	23.0	23.2	23.0	23.4	25.2	22.6	23.1	23.1	23.2	23.5	25.6	
PAT	15.9	24	28	21.8	27.2	27	39	20.9	90.2	113.5	25.8	
Change (%)	-45.4	56.5	1,056.8	260.7	71.1	11.1	36.0	-4.0	70.1	25.9	-9.2	
Extraord.: Tax Prov. Write Back	0.0	0	0	0.0	0.0	0	0	0.0	0.0	0.0	0.0	
Adj PAT	15.9	24	28	21.8	27.2	27	14	20.9	90.2	89.1	25.8	-43%
Change (%)	-45.4	56.5	1,056.8	260.7	71.1	11.1	-49.8	-4.0	70.1	-1.2	-9.2	
Key Assumptions												
Gas Trans. volume (mmscmd)	116.3	120.3	121.5	123.7	131.8	130.6	125.9	127.7	120.5	129.0	129.7	-3%
Petchem sales ('000MT)	162.0	168.0	215.0	242.0	169.0	226.0	221.0	222.4	787.0	209.6	212.6	4%

Exhibit 1: One-year forward P/E ratio



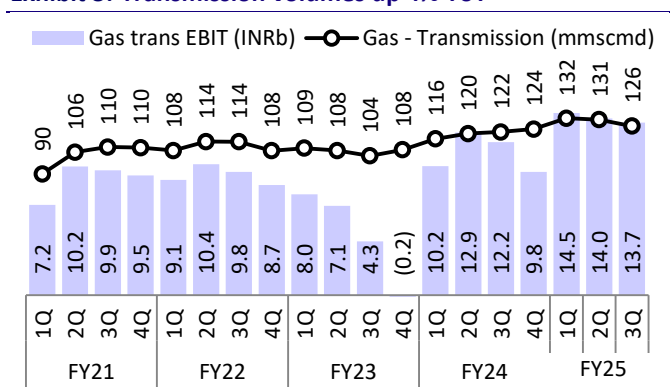
Source: Company, MOFSL

Exhibit 2: One-year forward P/B ratio



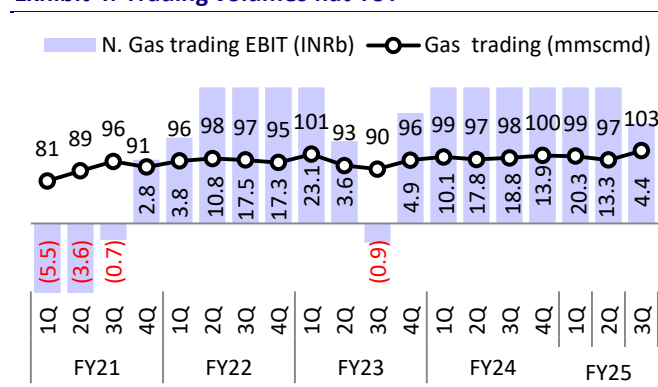
Source: Company, MOFSL

Exhibit 3: Transmission volumes up 4% YoY



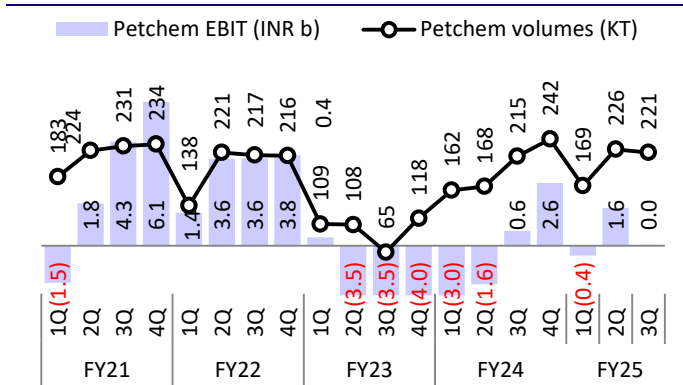
Source: MOFSL, Company

Exhibit 4: Trading volumes flat YoY



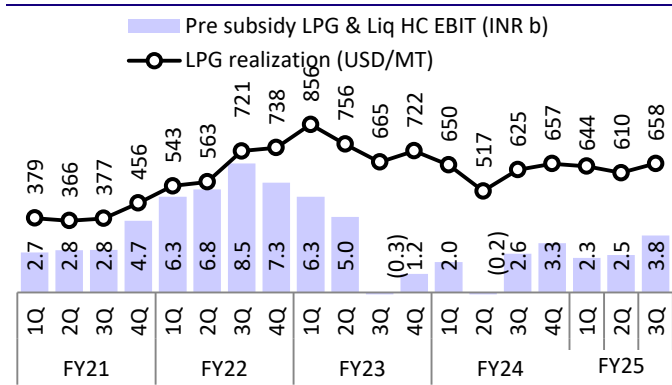
Source: MOFSL, Company

Exhibit 5: Petchem segment volumes up 3% YoY



Source: MOFSL, Company

Exhibit 6: Realization from LPG up 5% YoY



Source: MOFSL, Company

Exhibit 7: Segment-wise performance details (INR m)

Particulars	FY23				FY24				FY25			3QFY25 (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
Exchange Rate (INR/USD)	77.3	79.8	82.2	82.3	82.2	82.7	83.3	83.2	83.4	84.0	84.2	1%	0%
Gas transmission business													
Volumes (mmscmd)	109	108	104	108	116	120	122	124	132	131	126	4%	-4%
Gross Revenues	16,584	16,944	16,587	16,495	25,940	26,460	25,657	26,669	28,651	28,459	27,547	7%	-3%
Opex	5,684	6,844	9,357	13,525	12,430	9,960	10,047	10,679	8,991	10,399	9,727	-3%	-6%
EBITDA	10,900	10,100	7,230	2,970	13,510	16,500	15,610	15,990	19,660	18,060	17,820	14%	-1%
Depreciation	2,895	3,004	2,970	3,134	3,264	3,594	3,459	6,192	5,191	4,032	4,117	19%	2%
EBIT	8,005	7,096	4,260	-164	10,246	12,907	12,151	9,798	14,469	14,028	13,703	13%	-2%
Average tariff (INR/mscm)	1,665	1,710	1,738	1,693	2,450	2,391	2,295	2,370	2,389	2,368	2,378	4%	0%
Opex (INR/mscm)	571	691	980	1,388	1,174	900	899	949	750	865	840	-7%	-3%
EBITDA (INR/mscm)	1,094	1,019	758	305	1,276	1,491	1,396	1,421	1,639	1,503	1,538	10%	2%
Depreciation (INR/mscm)	291	303	311	322	308	325	309	550	433	335	355	15%	6%
EBIT (INR/mscm)	804	716	446	-17	968	1,166	1,087	871	1,206	1,167	1,183	9%	1%
LPG Transmission Business													
Volumes ('000 MT)	1,055	1,100	1,101	1,079	1,073	1,114	1,095	1,114	1,065	1,124	1,157	6%	3%
Gross Revenues	1,695	1,973	1,801	1,748	1,776	1,845	1,839	1,859	1,798	1,855	2,459	34%	33%
Opex	695	673	721	778	816	805	829	869	798	805	879	6%	9%
EBITDA	1,000	1,300	1,080	970	960	1,040	1,010	990	1,000	1,050	1,580	56%	50%
Depreciation	163	160	163	178	158	221	216	234	193	195	180	-16%	-7%
EBIT	837	1,140	917	792	802	819	794	756	808	855	1,400	76%	64%
Average tariff (INR/MT)	1,606	1,794	1,635	1,620	1,655	1,656	1,679	1,669	1,688	1,651	2,125	27%	29%
Opex	658	612	654	721	760	723	757	780	749	716	760	0%	6%
EBITDA	948	1,182	981	899	895	934	922	889	939	934	1,366	48%	46%
Depreciation	154	145	148	165	147	199	197	210	181	173	156	-21%	-10%
EBIT	794	1,037	833	734	747	735	725	679	758	761	1,210	67%	59%
Gas Trading Business													
Volumes (mmscmd)	101	93	90	96	99	97	98	100	99	97	103	5%	7%
Revenues	346,047	354,654	336,600	315,604	283,817	277,280	300,381	284,421	294,368	287,467	306,252	2%	7%
EBIT	23,145	3,629	-860	4,874	10,136	17,846	18,804	13,887	20,328	13,288	4,410	-77%	-67%
Revenues (INR/mscm)	37,710	41,657	40,702	36,354	31,555	31,084	33,269	31,286	32,521	32,346	32,175	-3%	-1%
EBIT (INR/mscm)	2,522	426	-104	561	1,127	2,001	2,083	1,528	2,246	1,495	463	-78%	-69%
Petrochemicals Business													
Volumes ('000 MT)	109	108	65	118	162	168	215	242	169	226	221	3%	-2%
Gross Revenues	14,558	13,515	7,505	13,595	17,036	17,433	20,502	22,563	16,315	21,760	20,705	1%	-5%
Opex	12,868	15,615	9,605	16,165	18,766	17,813	18,452	18,303	15,075	18,950	19,415	5%	2%
EBITDA	1,690	-2,100	-2,100	-2,570	-1,730	-380	2,050	4,260	1,240	2,810	1,290	-37%	-54%
Depreciation	1,338	1,362	1,389	1,439	1,279	1,220	1,431	1,637	1,655	1,235	1,243	-13%	1%
EBIT	352	-3,462	-3,489	-4,009	-3,009	-1,600	619	2,623	-415	1,575	47	-92%	-97%
Realization (USD/MT)	1,728	1,568	1,405	1,400	1,279	1,255	1,145	1,121	1,157	1,146	1,113	-3%	-3%
Realization (INR/kg)	134	125	115	115	105	104	95	93	97	96	94	-2%	-3%
Opex (INR/kg)	118	145	148	137	116	106	86	76	89	84	88	2%	5%
EBITDA (INR/kg)	16	-19	-32	-22	-11	-2	10	18	7	12	6	-39%	-53%
Depreciation (INR/kg)	12	13	21	12	8	7	7	7	10	5	6	-15%	3%
EBIT (INR/kg)	3	-32	-54	-34	-19	-10	3	11	-2	7	0	-93%	-97%

Particulars	FY23				FY24				FY25			3QFY25 (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
LPG & Liquid Hydrocarbons Business													
Volumes ('000 MT)	220	231	248	230	247	242	249	261	218	253	282	13%	11%
Gross Revenues	14,554	13,939	13,549	13,658	13,190	10,345	12,964	14,259	11,706	12,963	15,613	20%	20%
Opex	7,924	8,699	13,609	12,198	10,940	10,295	10,164	10,649	9,046	10,193	11,533	13%	13%
EBITDA	6,630	5,240	-60	1,460	2,250	50	2,800	3,610	2,660	2,770	4,080	46%	47%
Depreciation	282	238	232	235	229	217	225	344	362	281	295	31%	5%
EBIT	6,349	5,002	-292	1,225	2,021	-167	2,575	3,266	2,299	2,489	3,785	47%	52%
EBIT (Post-Subsidy)	6,349	5,002	-292	1,225	2,021	-167	2,575	3,266	2,299	2,489	3,785	47%	52%
Realization (USD/MT)	856	756	665	722	650	517	625	657	644	610	658	5%	8%
Realization (INR/MT)	66,155	60,340	54,635	59,380	53,402	42,749	52,063	54,632	53,695	51,236	55,366	6%	8%
Opex (INR/MT)	36,019	37,656	54,877	53,033	44,292	42,543	40,818	40,801	41,494	40,287	40,898	0%	2%
EBITDA (INR/MT)	30,136	22,684	-242	6,348	9,109	207	11,245	13,831	12,202	10,949	14,468	29%	32%
Depreciation (INR/MT)	1,280	1,029	934	1,020	927	896	902	1,318	1,658	1,109	1,048	16%	-6%
EBIT (INR/MT)	28,857	21,655	-1,176	5,327	8,182	-690	10,343	12,513	10,544	9,840	13,421	30%	36%
EBIT post Subsidy (INR/MT)	28,857	21,655	-1,176	5,327	8,182	-690	10,343	12,513	10,544	9,840	13,421	30%	36%

Key takeaways from the management commentary

3Q performance highlights:

- GAIL registered its highest-ever quarterly and nine-month PBT and PAT.
- Gross turnover stood at INR349b in 3Q (+6% QoQ).
- Gas marketing volume stood at 103.46mmscmd. 37 LNG cargoes were imported in 3Q, taking the total count to 107 in 9MFY25.
- Natural gas volume decreased to 125.9mmscmd due to reduced offtake by the power segment. Capacity utilization stood at ~60%.
- Polymer production stood at 216tmt. Capacity utilization stood at ~106%.
- LHC production came in at 283tmt. Capacity utilization stood at 79%.
- LPG transmission throughput stood at 1157tmt, running at 100% capacity.

Marketing segment

- NG marketing EBIT guidance of INR45b maintained for the year, excluding exceptional gains. The same shall be maintained in coming years.
- In 3Q, marketing margin declined by INR8-9b due to the following factors:
 - Amid falling crude prices in early 3Q, a loss of INR2b was booked on a few contracts as per pricing terms. As per management, this loss will naturally reverse over a period of one year.
 - Higher Henry Hub (HH) prices led to margin contractions, resulting in a loss of INR1.5b.
 - GAIL had marketed ~2mmscmd of volumes in excess of volumes actually sourced, which were then covered via sourcing costly Spot LNG. This led to losses of INR4.5b.
- In 3Q, volumes increased on account of 9mmscmd international sales.

Gas transmission:

- FY25 volume guidance: Volumes to be in the range of 129-130mmscmd.
- FY26-27 volume guidance: Expected to increase yearly by 10mmscmd (2-3-4mmscmd CGD, 1mmscmd NRL, other refinery expansions and pipeline expansions).
- The drop in transmission volume to 125.9mmscmd was due to lower offtake (3mmscmd) by the power segment and the rest 1.5mmscmd because of a pipeline operated by GIGL and authorized by PNGRB has begun supplying to IOCL, resulting in a reduction of GAIL's gas volume.
- GAIL will challenge the same.

- The company has signed a contract for 0.75mmtpa, for which the supply will begin in Apr'25 and another contract for 1.53mmtpa is signed, for which the supply will begin in FY26 to meet the future demand.
- Transmission volume split: 41% fertilizers, 25% CGDs, 7% Power, 9% oil and refinery, 2% steel 6% internal and rest for others.

APM gas cut:

- GAIL used to get 1.75mmscmd volume, which is cut down to 1.13mmscmd.
- MOPNG's cut in APM gas allocation to GAIL for LPG production is expected to reduce its 4Q output by ~75 TMT.

Update on price hike:

- The anticipated transmission tariff increase is now expected in 1QFY26 (previous guidance Mar'25).
- The current tariff stands at INR58.6/mmbtu.

Gail Gas:

- 3Q turnover was down 3% QoQ, PBT down 7% QoQ at INR1.6b, PAT down 8% at INR1.1b.
- 25k DPNG connections and 5 CNG stations were established during the quarter.
- Target: 170 new CNG stations and 0.5m new DPNG connections in the next two years.

Update on the ongoing projects

- Dhabol terminal to be completed by Mar'25.
- **FY26**
 - Mumbai-Nagpur-Jharsuguda Pipeline.
 - Jagdishpur-Haldia-Bokaro-Dharma Pipeline.
 - Kochi-Mangalore-Bangalore Pipeline.
 - Srikakulam-Angul main pipeline.
 - 500ktpa PDH-PP plant at Usar
 - 1250ktpa GAIL Mangalore petrochemical plant
 - 60ktpa Polypropylene plant at Pata
 - Phase I - Indradhanush Gas Grid Ltd.
- **FY 27**
 - Gurdaspur-Jammu Natural gas pipeline.
 - Phase II and III - Indradhanush Gas Grid Ltd. Phase II and III

Capex:

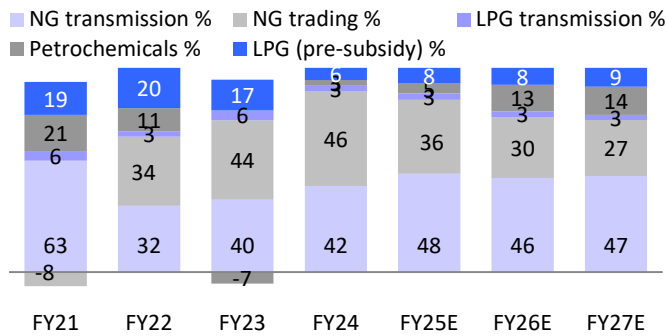
- INR21.2b was done in 3QFY25.
- INR4b on pipelines, INR7.5b on petrochemicals, INR400m on CGDs, INR1.3b in equity contribution and rest INR8b on various other projects

Petchem segment:

- Gas sourcing costs stand at USD10 per mmbtu.
- At Pata, INR88k per mt prices are at the bottom already. The cheaper the gas is for the Pata plant, the higher the profit is (better than FY25).
- PDH-PP is a propane-based plant, for which contracts have been tied up for 15 years.

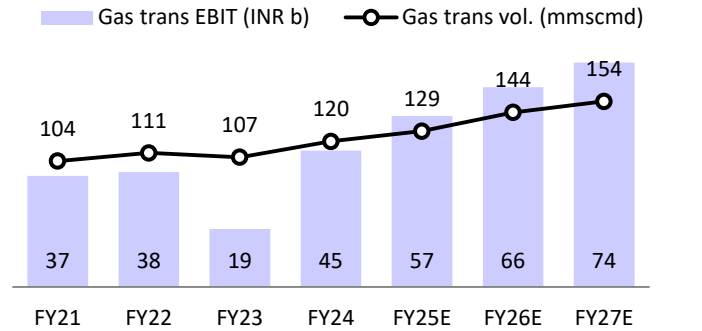
Story in charts

Exhibit 8: Transmission to be the major contributor to EBITDA



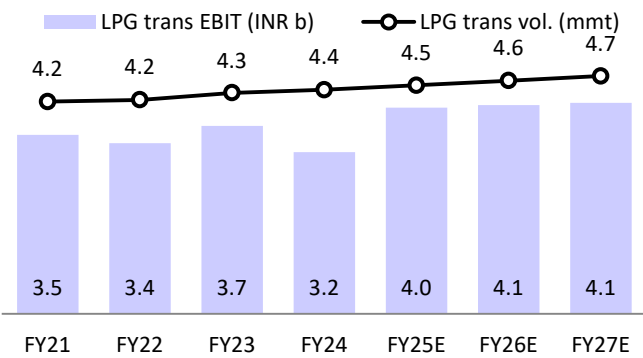
Source: Company, MOFSL

Exhibit 9: Expect gas transmission volumes to grow over FY25-26



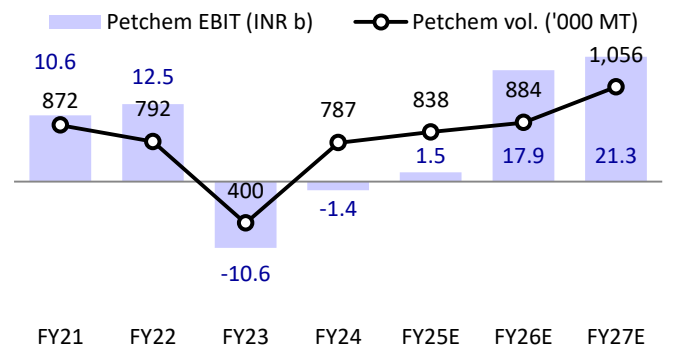
Source: Company, MOFSL

Exhibit 10: LPG transmission segment



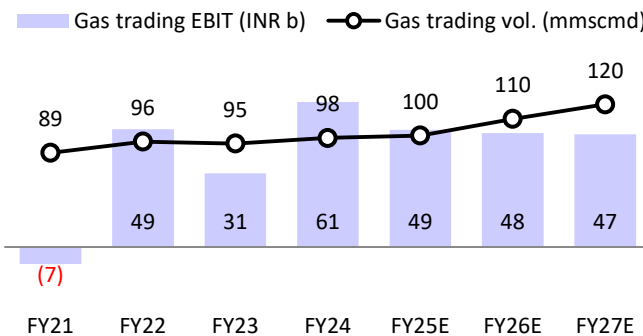
Source: Company, MOFSL

Exhibit 11: Petchem segment



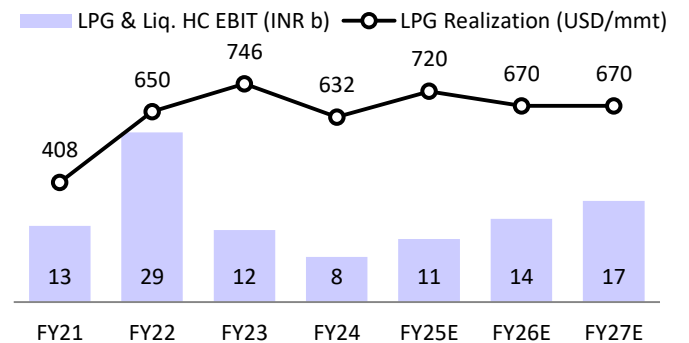
Source: Company, MOFSL

Exhibit 12: Gas trading segment



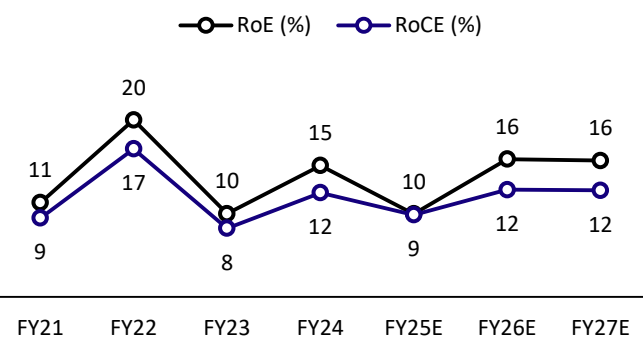
Source: Company, MOFSL

Exhibit 13: EBIT from LPG and Liquid HC



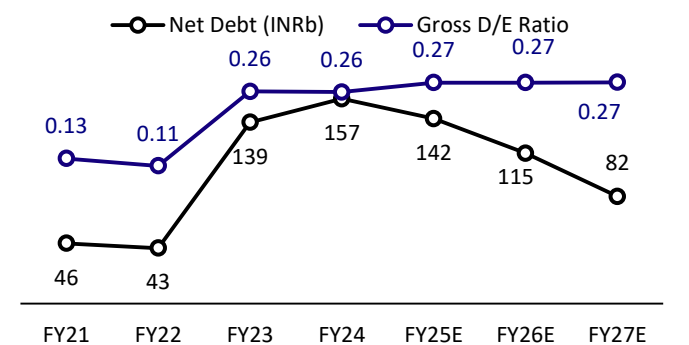
Source: Company, MOFSL

Exhibit 14: Expect return ratios to recover



Source: Company, MOFSL

Exhibit 15: Expect D/E ratio to remain below 0.3x



Source: Company, MOFSL

Financials and valuations

Income Statement					(INR b)
Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	1,443.0	1,306.4	1,337.4	1,488.3	1,599.4
Change (%)	57.5	-9.5	2.4	11.3	7.5
EBITDA	67.0	134.8	141.5	169.8	184.3
% of Net Sales	4.6	10.3	10.6	11.4	11.5
Depreciation	24.9	33.3	36.0	38.1	40.3
Interest	3.1	7.0	7.7	6.4	7.1
Other Income	26.8	22.8	26.2	27.9	29.7
EO Items (net)	0.0	0.0	24.4	0.0	0.0
PBT	65.8	117.3	148.4	153.3	166.7
Tax	12.8	27.2	34.9	34.0	37.0
Rate (%)	19.5	23.2	23.5	22.2	22.2
Reported PAT	53.0	90.2	113.5	119.2	129.7
Adjusted PAT	53.0	90.2	89.1	119.2	129.7
Change (%)	-48.8	70.1	25.9	5.0	8.8

Balance Sheet					(INR b)
Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Share Capital	65.8	65.8	65.8	65.8	65.8
Reserves	490.8	576.0	653.8	725.2	802.9
Net Worth	556.5	641.8	719.6	791.0	868.7
Loans	143.1	164.1	197.0	216.7	238.3
Deferred Tax	46.6	49.6	49.6	49.6	49.6
Capital Employed	746.3	855.5	966.1	1,057.2	1,156.6
Gross Fixed Assets	703.4	767.8	981.6	1,071.6	1,161.6
Less: Depreciation	280.7	314.0	350.0	388.1	428.3
Net Fixed Assets	422.7	453.8	631.6	683.5	733.3
Capital WIP	136.6	158.6	44.8	44.8	44.8
Investments	148.3	210.9	210.9	210.9	210.9
Current Assets					
Inventory	52.8	52.9	54.2	60.3	64.8
Debtors	114.1	106.5	109.1	121.4	130.4
Cash & Bank Balance	4.0	7.0	55.1	101.2	156.0
Cash	1.7	5.9	53.9	100.1	154.8
Bank Balance	2.3	1.1	1.1	1.1	1.1
Loans/Adv. & Other Assets	82.8	105.5	105.5	105.5	105.5
Current Liab. & Prov.					
Liabilities	198.1	219.8	225.0	250.4	269.1
Provisions	16.9	20.0	20.0	20.0	20.0
Net Current Assets	38.7	32.2	78.8	118.0	167.6
Application of Funds	746.3	855.5	966.1	1,057.2	1,156.6

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)					
EPS	8.1	13.7	13.6	18.1	19.7
Cash EPS	11.8	18.8	22.7	23.9	25.8
Book Value	93.5	101.8	113.6	124.4	136.3
DPS	4.0	5.5	5.4	7.3	7.9
Payout (incl. dvd tax)	49.6	40.1	31.5	40.1	40.1
Valuation (x)					
P/E	20.7	12.2	12.3	9.2	8.5
Adj. P/E (for investments)	15.7	9.2	9.3	7.0	6.4
Cash P/E	14.1	8.9	7.3	7.0	6.5
EV / EBITDA	12.0	7.1	6.4	5.2	4.6
EV / Sales	0.8	0.9	0.8	0.7	0.6
Price / Book Value	1.8	1.6	1.5	1.3	1.2
Dividend Yield (%)	2.4	3.3	3.2	4.4	4.7
Profitability Ratios (%)					
RoE	9.5	15.0	16.7	15.8	15.6
RoCE	7.9	11.9	11.1	12.3	12.2
RoIC	8.1	16.7	14.2	15.1	15.5
Turnover Ratios					
Debtors (No. of Days)	29	30	30	30	30
Fixed Asset Turnover (x)	1.9	1.5	1.4	1.4	1.4
Leverage Ratio					
Net Debt / Equity (x)	0.2	0.2	0.2	0.1	0.1

Cash Flow Statement

Y/E March	FY22	FY24	FY25E	FY26E	FY27E
(INR b)					
OP/(Loss) before Tax	65.8	115.5	148.4	153.3	166.7
Depreciation	24.9	33.3	36.0	38.1	40.3
Interest charge	3.1	7.0	7.7	6.4	7.1
Tax paid	-15.2	-27.5	-34.9	-34.0	-37.0
(Inc)/Dec in Wkg. Capital	-30.9	5.5	1.4	7.0	5.1
CF from Op. Activity	28.1	118.5	158.6	170.7	182.1
(Inc)/Dec in FA & CWIP	-73.4	-70.4	-100.0	-90.0	-90.0
Free Cash Flow	-45.3	48.1	58.6	80.7	92.1
(Pur)/Sale of Investments	-10.6	-9.9	0.0	0.0	0.0
CF from Inv. Activity	-65.5	-80.0	-100.0	-90.0	-90.0
Interest charge	-5.8	-10.9	-7.7	-6.4	-7.1
Inc / (Dec) in Debt	79.6	21.0	32.8	19.7	21.7
Dividends Paid	-30.7	-36.2	-35.7	-47.8	-52.0
CF from Fin. Activity	25.5	-34.3	-10.6	-34.5	-37.4
Inc / (Dec) in Cash	-11.9	4.1	48.0	46.2	54.7
Add: Opening Balance	13.7	1.7	5.9	53.9	100.1
Closing Balance	1.7	5.9	53.9	100.1	154.8

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