Motilal Oswal Financial Services

14 February 2026
3QFY26 Results Update | Sector: Oil & Gas

# ONGC

| | |
|---|---|
| Estimate change | ⟷ |
| TP change | ⟷ |
| Rating change | ⟷ |

| | |
|---|---|
| Bloomberg | ONGC IN |
| Equity Shares (m) | 12580 |
| M.Cap.(INRb)/(USDb) | 3364 / 37.1 |
| 52-Week Range (INR) | 280 / 205 |
| 1, 6, 12 Rel. Per (%) | 11/9/3 |
| 12M Avg Val (INR M) | 2888 |

**Financials & Valuations (consol.) (INR b)**

| Y/E March | FY26E | FY27E | FY28E |
|---|---|---|---|
| Sales | 6,101 | 5,316 | 5,467 |
| EBITDAX | 1,094 | 1,019 | 1,015 |
| Adj. PAT | 421 | 371 | 378 |
| Adj. EPS (INR) | 33.5 | 29.5 | 30.1 |
| EPS Gr. (%) | 9.5 | (11.9) | 2.1 |
| BV/Sh. (INR) | 285.3 | 301.8 | 317.7 |
| **Ratios** | | | |
| Net D:E | 0.2 | 0.1 | 0.0 |
| RoE (%) | 11.9 | 9.8 | 9.5 |
| RoCE (%) | 15.1 | 13.6 | 13.3 |
| Payout (%) | 40.2 | 36.1 | 39.8 |
| **Valuations** | | | |
| P/E (x) | 7.2 | 8.2 | 8.0 |
| P/BV (x) | 0.8 | 0.8 | 0.8 |
| EV/EBITDA (x) | 3.6 | 3.5 | 3.1 |
| Div. Yield (%) | 6.4 | 5.2 | 5.7 |
| FCF Yield (%) | 19.3 | 15.5 | 14.1 |

**Shareholding pattern (%)**

| As On | Dec-25 | Sep-25 | Dec-24 |
|---|---|---|---|
| Promoter | 58.9 | 58.9 | 58.9 |
| DII | 30.0 | 30.3 | 29.7 |
| FII | 7.4 | 7.0 | 7.5 |
| Others | 3.7 | 3.9 | 3.9 |

FII includes depository receipts

**CMP: INR267** **TP: IN245 (-8%)** **Neutral**

## Production growth remains soft

- **ONGC's 3QFY26 revenue came in line at INR315.5b. Crude oil/gas sales were in line at 4.7mmt/3.9bcm. Crude oil production declined marginally QoQ/YoY, while natural gas production remained flat QoQ/YoY. Standalone EBITDAX came in line at INR173b. However, PAT came in 21% above our estimate, as other income stood significantly above the estimate, and the tax rate stood below.**
- **Key things we liked about the result: 1) ONGCs management has maintained its FY27 SA total production guidance of 42.5mmtoe, which implies a robust 7.7% YoY growth on our SA FY26 estimate. 2) Gas production is expected to increase by 9-10mmscmd by the end of FY27, as production ramps up from KG-D6, the Daman upside project, and DSF. 3) NWG contribution is expected to increase from currently 18% to 23-24% of total gas revenue in FY27.**
- **Key investor concerns: 1) Production volumes remained soft in 3Q as crude oil production declined marginally QoQ/YoY, while natural gas production remained flat QoQ/YoY. Total oil and gas production declined ~1% YoY in 9mFY26. 2) OPaL's weak performance continues as it reported a loss of INR5.4b in 3QFY26 (vs. a loss of INR4.6b/INR7.7b in 2QFY26/ 3QFY25). However, profitability should improve as petchem prices have risen. 3) OVL has also reported weak performance in 9mFY26 as its EBIT is down 40% YoY. 4) Exploratory well write-offs are likely to be higher QoQ in 4QFY26, which could dent ONGC's earnings.**
- **Valuation and view: We reiterate our Neutral rating on the stock and arrive at our SoTP-based TP of INR245 as we model a CAGR of 1.8%/2.5% in oil/gas production volume over FY25-28.**

## Key takeaways from the management commentary

- The 9MFY26 NW gas revenue is 18% of total gas revenue. This should ramp up to 23-24%.
- The **KG 98/2** project is advancing well with all 26 wells drilled, subsea infrastructure nearing completion, and the processing platform with living quarters and utility platform fully installed.
- **Daman Upside Development project** (~4-5mmscmd peak gas output) is expected to be operational by 4QFY26'end, while DSF is under development and targeted for commissioning by 4QFY27.
- **Capex:** Capex incurred during 9MFY6 is INR244b. FY27 standalone capex guidance: INR320-330b. 20 major development, redevelopment, and infrastructure revamp projects are under execution with a total combined capex of about INR770b.
- OPAL is operating at more than 90% capacity utilization with the average 9MFY26 capacity utilization of 92%.

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## In-line core performance; beat driven by higher other income

- Standalone 3Q revenue came in line with our estimate at INR315.5b.
  - Crude oil/gas sales were in line with our estimate at 4.7mmt/3.9bcm. VAP sales stood at 662tmt (est. 635tmt).
  - Reported oil realization was USD61.6/bbl, a USD1.5/bb discount to Brent during the quarter.
  - Crude oil production declined marginally QoQ/ YoY, while natural gas production remained flat QoQ/YoY.
- Standalone EBITDAX came in line with our estimate at INR173b. However, PAT came in 21% above our estimate.
  - DDA, dry well write-offs, and survey costs stood above estimate at INR86.6b.
  - Other income stood significantly above our estimate at INR31b, and the tax rate stood below.
- ONGC Videsh:
  - OVL's oil and gas production was down YoY at 1.7mmt/0.69bcm.
  - Crude oil sales stood at 1.19mmt, while gas sales came in at 0.3bcm.
  - OVL's revenue (incl. other income) was INR18b and PBDT stood at INR3.9b.
- ONGC Petro additions Limited (OPaL):
  - OPaL's average capacity utilization for 3QFY26 stood at 85% (vs 78%/93% in 2QFY26/3QFY25).
  - OPaL reported a Loss of INR5.4b in 3QFY26 (vs. INR4.6b/INR7.7b in 2QFY26/3QFY25).
- The board has declared an interim dividend of INR6.25/sh (FV: INR5/sh; interim dividend in 2Q: INR6/sh).

## Valuation and view

- In the past few quarters, ONGC has struggled to raise production/sales, with no meaningful production/sales growth YoY of 9mFY26. Further, we like the increased exploration intensity (which is key to building a robust development pipeline), though we believe it will likely be accompanied by higher dry well write-offs, which will weigh on earnings. Also, the benefits of increased new well gas proportion for ONGC will be mostly offset by subdued gas realization amid a weaker crude oil price outlook.
- We arrive at our SoTP-based TP of INR245 as we model a CAGR of 1.8%/2.5% in oil/gas production volume growth over FY25-28.

## Standalone - Quarterly Earnings Model

(INR b)

| Y/E March | FY25 | | | | FY26E | | | | FY25 | FY26 | FY26 | Var. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4QE | | | 3QE | (%) |
| **Net Sales** | **352.7** | **338.8** | **337.2** | **349.8** | **320.0** | **330.3** | **315.5** | **314.9** | **1,378.5** | **1,280.7** | **307.5** | **3%** |
| *YoY Change (%)* | *4.3* | *0.2* | *-4.1* | *0.6* | *-7.6* | *-6.3* | *-6.9* | *-6.6* | *-0.4* | *-7.1* | *-9.3* | |
| Total Expenditure | 165.2 | 156.4 | 146.6 | 159.7 | 133.5 | 153.3 | 142.2 | 157.2 | 628.0 | 586.3 | 140.5 | 1% |
| **EBITDAX** | **187.5** | **182.4** | **190.6** | **190.1** | **186.6** | **177.0** | **173.2** | **157.7** | **750.5** | **694.5** | **166.9** | **4%** |
| *Margin (%)* | *53.2* | *53.8* | *56.5* | *54.3* | *58.3* | *53.6* | *54.9* | *50.1* | *54.4* | *54.2* | *54.3* | |
| Depreciation | 59.0 | 56.0 | 67.8 | 60.8 | 65.3 | 63.7 | 66.1 | 66.9 | 243.5 | 262.0 | 82.6 | |
| Exploration cost written off | 16.4 | 12.1 | 19.3 | 50.5 | 14.7 | 11.0 | 20.5 | 42.1 | 98.3 | 88.3 | | |
| Interest | 11.8 | 11.6 | 10.7 | 11.9 | 11.2 | 11.1 | 11.5 | 10.8 | 46.0 | 44.7 | 11.1 | |
| Other Income | 19.3 | 47.7 | 17.2 | 20.7 | 12.1 | 34.2 | 30.9 | 24.8 | 105.0 | 102.1 | 19.4 | |
| **PBT** | **119.6** | **150.4** | **110.0** | **87.7** | **107.4** | **125.4** | **106.0** | **62.7** | **467.6** | **401.7** | **92.6** | **15%** |
| Tax | 30.2 | 30.5 | 27.6 | 23.2 | 27.2 | 27.0 | 22.3 | 14.7 | 111.5 | 91.2 | 23.3 | |
| *Rate (%)* | *25.2* | *20.3* | *25.1* | *26.5* | *25.3* | *21.5* | *21.0* | *23.5* | *23.8* | *22.7* | *25.2* | |
| **Reported PAT** | **89.4** | **119.8** | **82.4** | **64.5** | **80.2** | **98.5** | **83.7** | **48.0** | **356.1** | **310.4** | **69.3** | **21%** |
| *YoY Change (%)* | *-10.8* | *17.3* | *-16.7* | *-34.7* | *-10.2* | *-17.8* | *1.6* | *-25.6* | *-11.0* | *-12.8* | *-15.9* | |
| *Margin (%)* | *25.3* | *35.4* | *24.4* | *18.4* | *25.1* | *29.8* | *26.5* | *15.2* | *25.8* | *24.2* | *22.5* | |
| **Key Assumptions (USD/bbl)** | | | | | | | | | | | | |
| Oil Realization (pre windfall tax) | 83.1 | 78.3 | 72.6 | 73.7 | 66.1 | 67.3 | 61.6 | 65.0 | 76.9 | 65.0 | 62.5 | -1% |
| Crude Oil Sold (mmt) | 4.6 | 4.6 | 4.7 | 4.8 | 4.7 | 4.8 | 4.7 | 4.8 | 18.7 | 19.0 | 4.8 | -1% |
| Gas Sold (bcm) | 3.8 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 15.5 | 15.7 | 3.8 | 3% |
| VAP Sold (tmt) | 629 | 608 | 649 | 645 | 616 | 592 | 662 | 599 | 2,531 | 2,469 | 635 | 4% |

## Major Assumptions

| Particulars | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|---|---|
| Exchange Rate (INR/USD) | 70.0 | 70.9 | 74.3 | 74.5 | 80.4 | 82.8 | 84.6 | 87.5 | 88.2 | 90.0 |
| Net gas price realised (USD/mmBtu) | 3.5 | 3.8 | 2.3 | 2.6 | 7.3 | 6.6 | 6.5 | 6.6 | 6.5 | 6.3 |
| Brent crude price (USD/bbl) | 70.1 | 61.2 | 44.4 | 80.5 | 96.1 | 83.0 | 78.6 | 66.1 | 60.0 | 60.0 |
| **Production Details (mmtoe)** | | | | | | | | | | |
| Domestic Oil Production (mmt) | 24.2 | 23.4 | 22.5 | 21.7 | 21.5 | 21.2 | 20.9 | 20.9 | 21.5 | 22.0 |
| Domestic Gas Production (bcm) | 25.8 | 24.9 | 22.8 | 21.7 | 21.4 | 20.6 | 20.2 | 20.2 | 21.0 | 21.7 |
| **Domestic Production (mmtoe)** | **50.0** | **48.3** | **45.3** | **43.4** | **42.8** | **41.8** | **41.1** | **41.1** | **42.5** | **43.7** |
| **OVL Production (mmtoe)** | **14.8** | **14.7** | **13.0** | **12.3** | **9.8** | **10.5** | **10.3** | **9.7** | **10.2** | **10.2** |
| **Group Production (mmtoe)** | **64.9** | **62.9** | **58.4** | **55.7** | **52.6** | **52.3** | **51.4** | **50.8** | **52.7** | **53.9** |
| **Oil Price Realization (USD/bbl)** | | | | | | | | | | |
| Gross | 68.9 | 58.8 | 42.8 | 76.4 | 92.1 | 80.8 | 76.9 | 65.0 | 60.0 | 60.0 |
| Windfall tax | 0.0 | 0.0 | 0.0 | 0.0 | 13.0 | 10.4 | 5.4 | 0.0 | 0.0 | 0.0 |
| **Net (post windfall)** | **68.9** | **58.8** | **42.8** | **76.4** | **79.0** | **70.4** | **71.5** | **65.0** | **60.0** | **60.0** |
| **Consolidated EPS** | **27.7** | **13.3** | **16.5** | **32.9** | **32.0** | **44.9** | **30.6** | **33.5** | **29.5** | **30.1** |

CONFERENCE CALL

## Highlights from the management commentary

- **Production growth:**
  - 3QFY26 crude oil production was 4.592mmt (13.907mmt 9MFY26). FY27 SA production guidance: 21mmt/21.5bcm for oil/gas (**maintained**).
  - ONGC is witnessing higher production from the MH field with technical support from BP. The number of wells to be drilled has been identified. Production uptick has started, and further improvement is expected in the coming quarters.
  - Daman Upside Development project (~4-5mmscmd peak gas output) is expected to be operational by 4QFY26'end, while DSF is under development and targeted for commissioning by 4QFY27.

- **KG-98/2:**
  - The KG 98/2 project is advancing well with all 26 wells drilled, subsea infrastructure nearing completion, and the processing platform with living quarters and utility platform fully installed.
  - The gas flow shall start from 1QFY27.
  - The gas production shall reach upto 5-6mmscmd by FY27'end (peak output will be 7-8mmscmd).
  - Oil production is around 25,000-30,000 barrels (peak production – 35,000-40,000 barrels).

- **NW gas**
  - In 9MFY26, revenue from NW gas crossed INR50b (**additional INR9.4b revenue over APM gas price**).
  - The NWG contribution in total gas revenue was 21% in 1HFY26 and 18% in 9MFY26.
  - NWG contribution is expected to increase from 18% to 23-24% of total gas revenue.

- **Capex:**
  - Capex incurred during 9MFY6 is INR244b.
  - FY27 standalone capex guidance: INR320-330b.
  - 20 major development, redevelopment, and infrastructure revamp projects are under execution with a total combined capex of about INR770b. These projects are designed to augment production and improve operational efficiency for sustained growth. 4 key infrastructure and revamp projects will be completed in the near term.

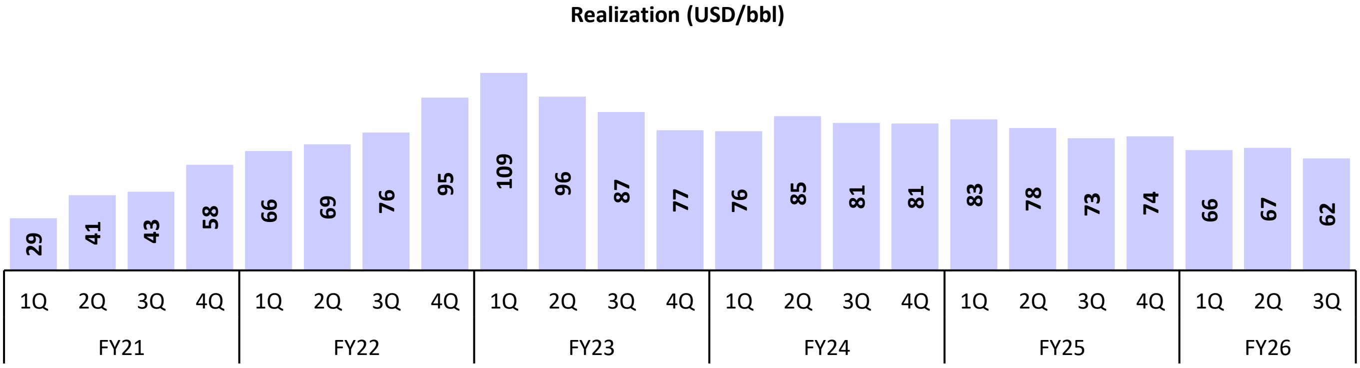
- **OPAL:**
  - It is operating at more than 90% capacity utilization, with the average 9MFY26 capacity utilization of 92%.
  - 9MFY26 revenue was INR98b with EBITDA of INR3.5b.
  - Net debt stands at INR230-240b.
  - Profitability should improve as petchem prices have risen.
- Renewables:
  - Ayana Renewables continues to be on track to produce electricity from solar and wind projects.
  - The 2030 RE target is maintained at 10GW.
  - A 300MW solar greenfield project will be set up.
  - The company may make acquisitions in case of opportunities.

- **OVL:**
  - **Mozambique** is on track for production from FY28 following the lifting of force majeure.
  - ONGC's share of equity in **Sakhalin** is secured.
  - The dividend from **Vankor** has been used internally.
  - **Venezuela:** The US Government is lifting sanctions progressively. The Company is hopeful that it will receive its share of the dividend of USD550m in FY27.

- **Other KTAs:**
  - The Company targets INR10b in cost reduction through initiatives including inventory rationalization, fuel efficiency, and renewable energy integration.
  - LNG consumption grew significantly to 11.331mmbtu in 3QFY26 (vs 7.68mmbtu in 3QFY25) at Dahej.
  - The Company is evaluating a petrochemical complex in Prayagraj. It is in talks with BPCL, which has the land available at Prayagraj and the UP Government. Feasibility studies are being performed with no decision yet.

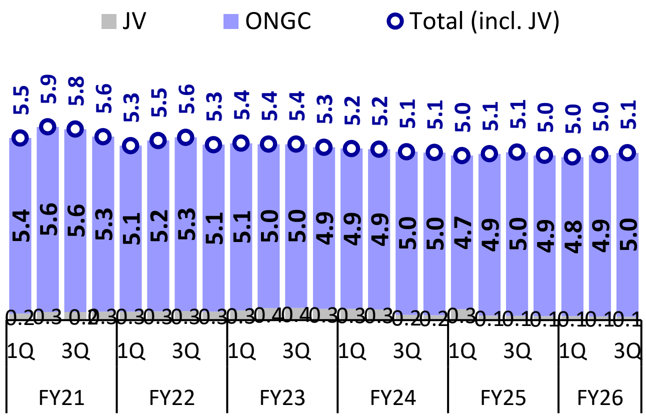
# Story in charts

### Exhibit 1: Oil price realization (USD/bbl)



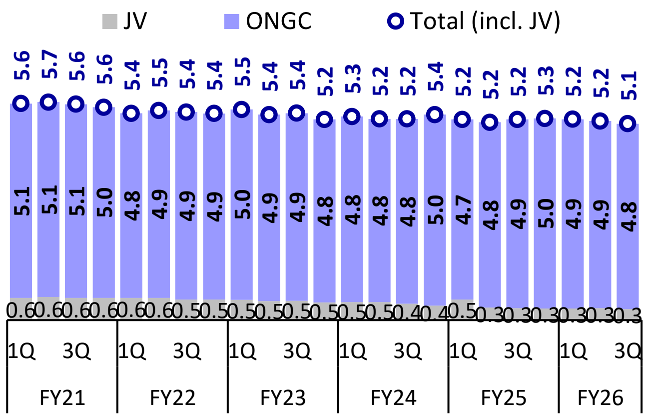

Source: Company, MOFSL

### Exhibit 2: Oil production (mmt)



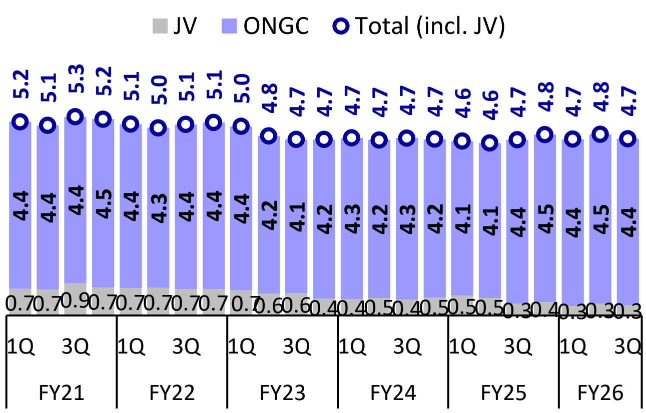

Source: Company, MOFSL

### Exhibit 3: Gas production (bcm)



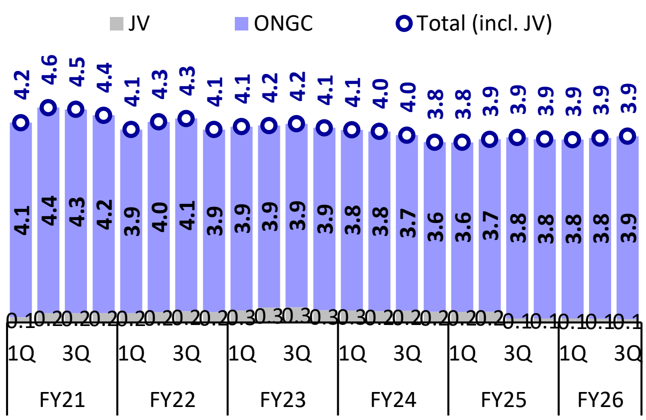

Source: Company, MOFSL

### Exhibit 4: Oil sales (mmt)



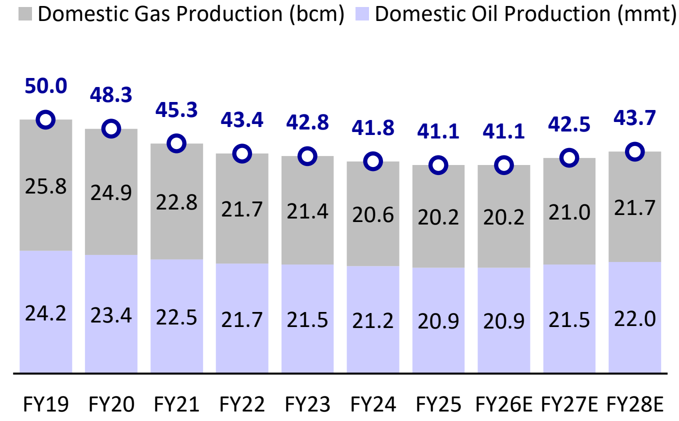

Source: Company, MOFSL

### Exhibit 5: Gas sales (bcm)



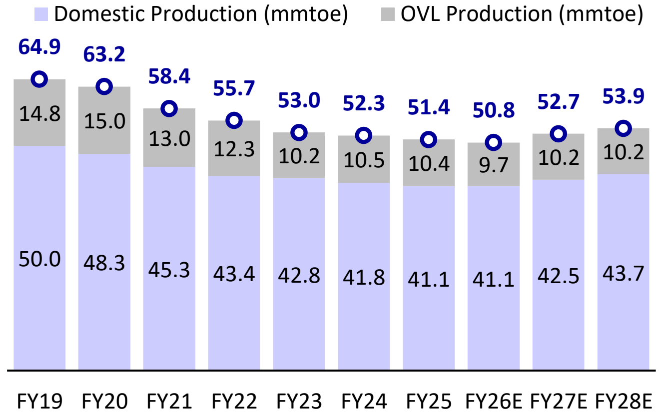

Source: Company, MOFSL

**Exhibit 6: Oil/Gas production to increase**



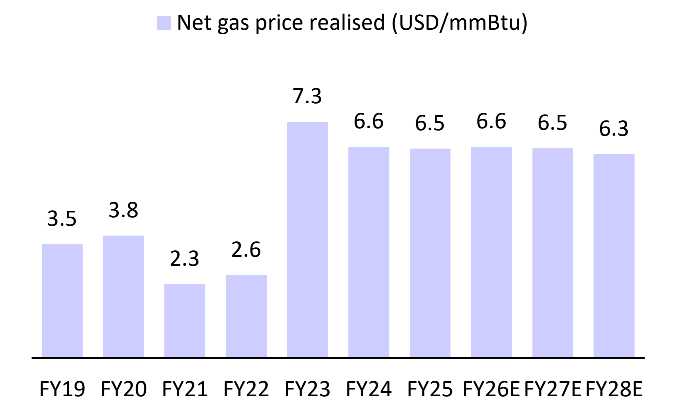

Source: Company, MOFSL

**Exhibit 7: OVL production to increase**



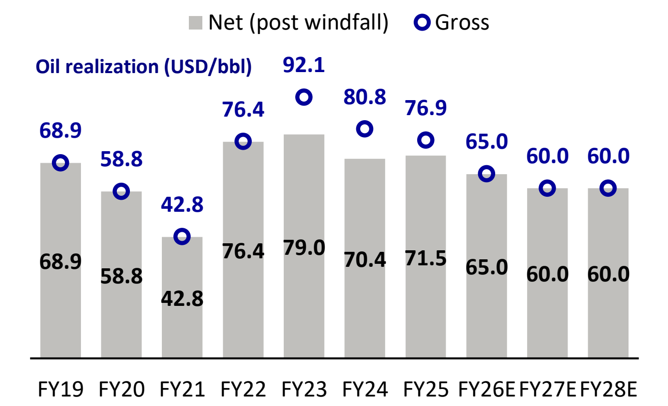

Source: Company, MOFSL

**Exhibit 8: Net gas price realization to decline (USD/mmBtu)**




Source: Company, MOFSL

**Exhibit 9: Realization of ONGC (USD/bbl)**




Source: Company, MOFSL

# Financials and Valuations (consolidated)

## Consolidated - Income Statement

(INR b)

| Y/E March | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|
| **Total Income from Operations** | **6,848** | **6,532** | **6,633** | **6,101** | **5,316** | **5,467** |
| *Change (%)* | *28.78%* | *-4.62%* | *1.55%* | *-8.02%* | *-12.87%* | *2.84%* |
| **EBITDAX** | **857** | **1,082** | **989** | **1,094** | **1,019** | **1,015** |
| *Margin (%)* | *12.52%* | *16.56%* | *14.90%* | *17.94%* | *19.18%* | *18.56%* |
| Depreciation & exploratory well write-offs | 330 | 363 | 452 | 477 | 483 | 499 |
| **EBIT** | **527** | **719** | **537** | **618** | **536** | **515** |
| Int. and Finance Charges | 79 | 130 | 145 | 98 | 79 | 70 |
| Other Income | 81 | 120 | 124 | 129 | 128 | 133 |
| **PBT bef. EO Exp.** | **528** | **709** | **515** | **649** | **586** | **579** |
| EO Items | -81 | -16 | -2 | 0 | 0 | 0 |
| **PBT after EO Exp.** | **447** | **693** | **514** | **649** | **586** | **579** |
| Total Tax | 107 | 184 | 141 | 161 | 154 | 151 |
| *Tax Rate (%)* | *23.93%* | *26.48%* | *27.39%* | *24.75%* | *26.20%* | *26.08%* |
| Share of associates/JVs/Minority int | 0 | -43 | -10 | 67 | 62 | 50 |
| **Reported PAT** | **340** | **553** | **383** | **421** | **371** | **378** |
| **Adjusted PAT** | **402** | **565** | **384** | **421** | **371** | **378** |
| *Change (%)* | *-2.71%* | *40.36%* | *-31.94%* | *9.55%* | *-11.94%* | *2.06%* |
| *Margin (%)* | *5.88%* | *8.65%* | *5.80%* | *6.90%* | *6.98%* | *6.92%* |

## Consolidated - Balance Sheet

| Y/E March | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|
| Equity Share Capital | 63 | 63 | 63 | 63 | 63 | 63 |
| Total Reserves | 2,783 | 3,328 | 3,372 | 3,599 | 3,810 | 4,015 |
| **Net Worth** | **2,845** | **3,391** | **3,434** | **3,661** | **3,873** | **4,078** |
| Minority Interest | 150 | 206 | 308 | 386 | 458 | 518 |
| Total Loans | 1,636 | 1,577 | 1,536 | 1,228 | 983 | 786 |
| Deferred Tax Liabilities | 271 | 318 | 317 | 317 | 317 | 317 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 |
| **Capital Employed** | **4,903** | **5,492** | **5,595** | **5,592** | **5,631** | **5,698** |
| Gross Block | 5,476 | 6,235 | 6,779 | 7,442 | 7,916 | 8,316 |
| Less: Accum. Deprn. | 2,863 | 3,167 | 3,519 | 3,996 | 4,479 | 4,978 |
| **Net Fixed Assets** | **2,613** | **3,068** | **3,260** | **3,445** | **3,437** | **3,338** |
| Goodwill on Consolidation | 120 | 121 | 128 | 128 | 128 | 128 |
| Capital WIP | 957 | 917 | 870 | 558 | 433 | 383 |
| Pre & Producing Properties | 0 | 0 | 0 | 0 | 0 | 0 |
| Exploratory wells under progress | 205 | 240 | 253 | 253 | 253 | 253 |
| **Total Investments** | **766** | **1,022** | **970** | **970** | **970** | **970** |
| **Curr. Assets, Loans&Adv.** | **1,708** | **1,988** | **2,035** | **2,045** | **2,063** | **2,309** |
| Others | 710 | 771 | 857 | 880 | 903 | 925 |
| Inventory | 460 | 538 | 590 | 518 | 444 | 461 |
| Account Receivables | 213 | 222 | 236 | 211 | 184 | 189 |
| Cash and Bank Balance | 291 | 418 | 272 | 356 | 451 | 654 |
| Cash | 26 | 41 | 46 | 35 | 25 | 14 |
| Bank Balance | 265 | 377 | 226 | 321 | 427 | 639 |
| Loans and Advances | 34 | 39 | 80 | 80 | 80 | 80 |
| **Curr. Liability & Prov.** | **1,467** | **1,865** | **1,922** | **1,808** | **1,654** | **1,684** |
| Account Payables | 1,009 | 1,288 | 1,308 | 1,194 | 1,040 | 1,070 |
| Provisions | 457 | 576 | 614 | 614 | 614 | 614 |
| **Net Current Assets** | **242** | **124** | **113** | **237** | **409** | **625** |
| Misc expenditure | 0 | 0 | 0 | 0 | 0 | 0 |
| **Appl. of Funds** | **4,903** | **5,492** | **5,595** | **5,592** | **5,631** | **5,698** |

# Financials and Valuations (consolidated)

## Ratios

| Y/E March | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | |
| **EPS** | **32.0** | **44.9** | **30.6** | **33.5** | **29.5** | **30.1** |
| Cash EPS | 57.1 | 72.3 | 65.2 | 70.0 | 66.5 | 68.4 |
| BV/Share | 221.7 | 264.2 | 267.6 | 285.3 | 301.8 | 317.7 |
| DPS | 11.3 | 12.3 | 12.3 | 15.4 | 12.6 | 13.8 |
| Payout (%) | 41.6 | 27.9 | 40.2 | 46.1 | 42.9 | 46.0 |
| **Valuation (x)** | | | | | | |
| P/E | 7.6 | 5.4 | 7.9 | 7.2 | 8.2 | 8.0 |
| Cash P/E | 4.2 | 3.3 | 3.7 | 3.5 | 3.6 | 3.5 |
| P/BV | 1.1 | 0.9 | 0.9 | 0.8 | 0.8 | 0.8 |
| EV/Sales | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.6 |
| EV/EBITDA | 5.1 | 3.9 | 4.4 | 3.6 | 3.5 | 3.1 |
| Dividend Yield (%) | 4.6 | 5.1 | 5.1 | 6.4 | 5.2 | 5.7 |
| FCF per share | 37.9 | 48.5 | 39.9 | 46.8 | 37.6 | 34.2 |
| **Return Ratios (%)** | | | | | | |
| RoE | 14.8 | 18.1 | 11.3 | 11.9 | 9.8 | 9.5 |
| RoCE | 14.9 | 17.7 | 13.3 | 15.1 | 13.6 | 13.3 |
| RoIC | 18.5 | 23.8 | 16.2 | 17.1 | 14.3 | 13.8 |
| **Working Capital Ratios** | | | | | | |
| Fixed Asset Turnover (x) | 1.3 | 1.0 | 1.0 | 0.8 | 0.7 | 0.7 |
| Asset Turnover (x) | 1.4 | 1.2 | 1.2 | 1.1 | 0.9 | 1.0 |
| Inventory (Days) | 24 | 30 | 32 | 31 | 31 | 31 |
| Debtor (Days) | 11 | 12 | 13 | 13 | 13 | 13 |
| Creditor (Days) | 54 | 72 | 72 | 71 | 71 | 71 |
| **Leverage Ratio (x)** | | | | | | |
| Current Ratio | 1.2 | 1.1 | 1.1 | 1.1 | 1.2 | 1.4 |
| Interest Cover Ratio | 6.7 | 5.5 | 3.7 | 6.3 | 6.8 | 7.4 |
| Net Debt/Equity | 0.5 | 0.3 | 0.4 | 0.2 | 0.1 | 0.0 |

## Consolidated - Cash Flow Statement

| Y/E March | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|
| OP/(Loss) before Tax | 447 | 736 | 524 | 649 | 586 | 579 |
| Depreciation | 246 | 304 | 352 | 477 | 483 | 499 |
| Interest expense | 79 | 130 | 145 | 98 | 79 | 70 |
| Direct Taxes Paid | -156 | -146 | -140 | -161 | -154 | -151 |
| (Inc)/Dec in WC | 87 | 2 | 14 | -124 | -171 | -217 |
| Others | 157 | -39 | 14 | 0 | 0 | 0 |
| **CF from Operating incl EO** | **861** | **988** | **909** | **939** | **823** | **780** |
| (Inc)/Dec in FA | -384 | -379 | -407 | -350 | -350 | -350 |
| **Free Cash Flow** | **477** | **610** | **502** | **589** | **473** | **430** |
| (Pur)/Sale of Investments | -28 | -22 | 8 | 0 | 0 | 0 |
| Others | -339 | -174 | -31 | 0 | 0 | 0 |
| **CF from Investments** | **-751** | **-575** | **-430** | **-350** | **-350** | **-350** |
| Issue of Shares | 0 | 0 | 0 | 0 | 0 | 0 |
| Inc/(Dec) in Debt | 174 | -112 | -74 | -307 | -246 | -197 |
| Dividend Paid | -176 | -129 | -170 | -194 | -159 | -174 |
| Others | -136 | -158 | -231 | -98 | -79 | -70 |
| CF from Fin. Activity | -138 | -399 | -474 | -599 | -483 | -441 |
| **Inc/Dec of Cash** | **-28** | **15** | **4** | **-10** | **-10** | **-10** |
| Opening Balance | 54 | 26 | 41 | 46 | 35 | 25 |
| **Closing Balance** | **26** | **41** | **46** | **35** | **25** | **14** |

# NOTES

| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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