

Estimate change 

TP change 

Rating change 

Bloomberg	GAIL IN
Equity Shares (m)	6575
M.Cap.(INRb)/(USD\$b)	1057.1 / 11
52-Week Range (INR)	203 / 134
1, 6, 12 Rel. Per (%)	-1/-3/-13
12M Avg Val (INR M)	2042

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	1,386.0	1,229.3	1,456.9
EBITDA	103.3	113.4	155.2
Adj. PAT	64.4	71.2	103.0
Adj. EPS (INR)	9.8	10.8	15.7
EPS Gr. (%)	-31.9	10.6	44.7
BV/Sh.(INR)	116.6	122.6	132.7
Ratios			
Net D:E	0.2	0.2	0.2
RoE (%)	9.6	9.4	12.7
RoCE (%)	7.7	7.8	10.4
Payout (%)	51.9	44.0	36.0
Valuations			
P/E (x)	16.4	14.9	10.3
P/BV (x)	1.4	1.3	1.2
EV/EBITDA (x)	7.8	7.2	5.4
Div. Yield (%)	3.4	3.0	3.5
FCF Yield (%)	2.6	1.3	7.4

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	51.5	51.5	51.5
DII	27.9	27.2	26.5
FII	13.6	14.7	15.4
Others	6.9	6.6	6.6

FII includes depository receipts

CMP: INR161

TP: INR184 (+14%)

Buy

Weak marketing performance drags 4Q EBITDA

- In 4QFY26, GAIL's standalone EBITDA declined 47% below our estimate to INR11.5b, primarily due to weak performance in the marketing segment. Reported EBIT was broadly in line with estimates, with gas transmission/LPG transmission EBIT beating our estimates by 48%/28%, respectively. However, the marketing segment reported an operating loss of INR1.5b (vs est. EBIT of INR4.4b), impacted by an INR6.7b receivable provision that was not considered as exceptional. The transmission and petchem segment's performance was aided by an INR6.9b depreciation reversal (considered exceptional). Reported PAT came in 21% above our estimate at INR12.6b, driven by significantly higher other income, while adjusted PAT stood 44% below our estimate at INR5.8b.
- **Things we liked about the result:** 1) Natural gas transmission/marketing volumes were strong at 119/102mmscmd in 4QFY26, beating our estimates by 8%/20%, while GAIL clocked ~129mmscmd gas transmission volumes during Jan-Feb'26. 2) Management guided FY27 gas transmission volumes of ~115mmscmd if the West Asia crisis persists through the year, with potential upside to ~119mmscmd if the situation normalizes by mid-Jul'26. 4) GAIL Gas reported PAT of INR4.4b in FY26. The company added 88 CNG stations during the year and plans to add 275 more over the next two years (including JVs). 5) The allocation of ~0.8mmscmd natural gas to the LHC segment from 3rd Apr'26 is expected to improve utilization and profitability, subject to the continuity of gas allocation.
- **Key investor concerns:** 1) The petchem segment remained weak, reporting an EBITDA loss of INR3.9b amid weak realizations and elevated gas costs. We expect 1HFY27 performance to remain weak, given the elevated feedstock costs and feedstock supply-side uncertainties. 2) The marketing segment reported an EBIT loss of INR1.5b in 4QFY26 due to INR6b vessel-related forex liabilities and INR6.7b receivable provisions. Management expects FY27 marketing EBIT of INR40b+ under the current disruption scenario, with an upside to INR45b+ if geopolitical tensions ease by mid-Jul'26.
- **Key monitorables:** 1) Progress on the two proposed fertilizer plants along GAIL's Mumbai-Nagpur-Jharsuguda pipeline corridor, involving capex of INR200b+. 2) Commissioning of the 1,250ktpa PTA plant and the 500ktpa PDH-PP project. 3) Any update on the INR15/mmbtu tariff hike petition, which could act as a key trigger for the stock.
- **Changes in earnings estimates:** We cut our EBITDA/PAT estimates by 18%/18% for FY27 as we lower our FY27 gas transmission volume estimate to 115mmscmd (125mmscmd earlier).
- **Valuation and view:** GAIL's valuations have corrected sharply from their Sep'24 highs, and the stock now trades close to its historical average at ~0.9x one-year forward core P/B (ex-investment value), offering a limited downside, driven by attractive dividend yield and robust FCF outlook. Reiterate BUY with a TP of INR184.

EBITDA miss driven by weak marketing performance; PAT boosted by other income

- In 4QFY26, GAIL's standalone EBITDA came in 47% below our estimate at INR11.5b. The weakness in results was largely attributed to poor performance in the marketing, petchem, and other segments. In addition, GAIL made a provision against a receivable of INR6.7b.
- GAIL's 4QFY26 reported EBIT stood in line with est. Gas transmission/LPG transmission EBIT beat our estimate by 48%/28%, while the Marketing segment witnessed an operating loss of INR1.5b (est. EBIT: INR4.4b). The unallocated segment's EBIT stood at 63% below our est. at INR913m.
- Gas transmission EBIT, if adj. for depreciation reversal of INR5b, would be 9% above our est. at INR13.9b.
- Petchem segment, if adj. for depreciation reversal of INR1.9b, would result in an EBIT loss of INR5.7b (est.: INR4.7b).
- Gas marketing, if adj. for provisioning against receivables of INR6.7b, would result in an EBIT of INR5.2b (est.: EBIT of INR4.4b).
- Reported PAT came in 21% above our estimate at INR12.6b, as other income came significantly above our estimates.
- Adj. PAT stood 44% below our estimate at INR5.8b.
- The Board has declared a final dividend of INR0.5/sh (Face value 10/sh).
- **INR6.7b hit to marketing segment's EBIT:** As of 31st Mar'26, outstanding dues from Nagarjuna Fertilizers and Chemicals Limited (NFCL) towards gas supplies stood at INR8.4b. The amount is expected to be recovered through subsidy releases from the Department of Fertilizers (DoF). According to DoF's communication, the subsidy release is in process. Pending final approval, the company expects recovery of INR1.6b and has **prudently provided for the remaining INR6.7b in 4QFY26**. We have **not** considered this as an exceptional item.
- **Exceptional item:**
- **INR5b/INR1.9b gain for transmission/petchem segment's EBITDA:** The useful life of Natural Gas and LPG pipelines/Polyethylene Plants was revised from 30 to 40 years and 25 to 35 years, respectively. As a result, depreciation expense reduced by INR5b/INR1.9b in 4QFY26.
- During FY26, the company incurred capex of INR96b, largely directed at pipeline infrastructure, petrochemical projects, operational enhancements, and equity stakes in joint ventures and subsidiaries.
- Geopolitical tensions in West Asia and a force majeure declared by Petronet LNG in Mar'26 disrupted LNG supplies, including the suspension of the company's RLNG gas allocation and the impact on four LNG cargoes.
- Consequently, **natural gas sales and transmission volumes declined by ~21mmscmd and ~30mmscmd in Mar'26 vs Feb'26**.
- LPG pipeline transmission volumes also fell by 39tmt.
- **Operational performance:**
- Natural gas transmission volume came 8% above our estimate at 119mmscmd.
- NG marketing volume came in above our estimate at 102mmscmd.
- Petchem sales were 47% above our estimate at 180tmt, while the petchem segment reported an EBIT loss of INR3.8b.

Valuation and view

- **We reiterate our BUY rating on GAIL with our SoTP-based TP of INR184.** Over FY26-28, we estimate a 27% CAGR in PAT, driven by:

- an increase in natural gas transmission volumes to 132mmscmd in FY28 from 122mmscmd in FY26;
- healthy profitability in the trading segment, with guided PBT of at least INR40b in FY26/FY27.
- We expect RoE to stabilize at ~12.7% in FY28, with a healthy FCF generation of INR90b over FY27-28, which we believe can support its valuations.

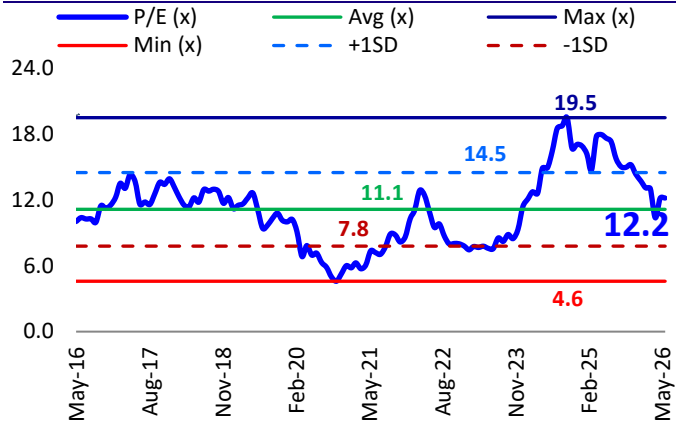
Our SoTP-based valuation for GAIL

Business	EBITDA (INR b)	Target multiple (x)	Value (INR b)
Gas transmission	82	8.0	659
Gas trading	40	5.5	221
LPG transmission	5	7.5	37
Petrochemicals	8	6.5	50
LPG	11	6.5	72
Investments			355
Enterprise value			1,394
Net Debt			183
Implied Equity value			1,211
Value (INR/sh)			184

Standalone quarterly performance

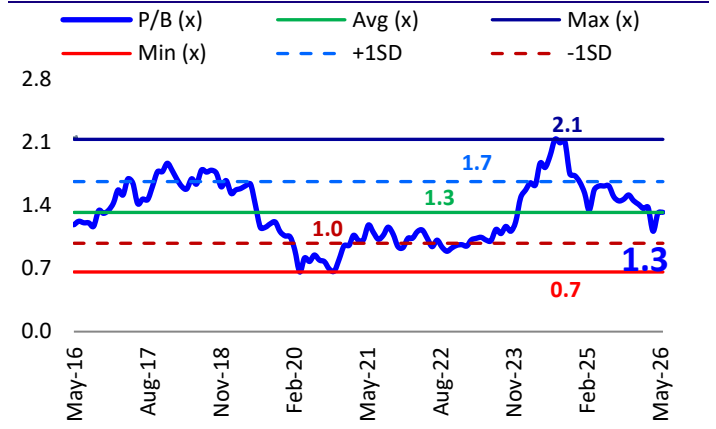
Y/E March	FY25				FY26				FY25	FY26	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Net Sales	336.7	329.1	349.4	356.9	347.7	350.1	340.5	347.7	1,372.1	1,386.0	325.6	7%
Change (%)	3.9	3.4	2.0	10.4	3.3	6.4	-2.5	-2.6	4.9	1.0	-8.8	
EBITDA	45.3	37.4	28.4	32.2	33.3	31.9	26.6	11.5	143.3	103.3	21.9	-47%
% of Net Sales	13.4	11.4	8.1	9.0	9.6	9.1	7.8	3.3	10.4	7.5	6.7	
Depreciation	10.5	8.2	8.3	9.0	8.8	9.3	10.5	10.3	36.0	39.0	11.2	
Interest	2.1	1.9	1.7	1.8	2.1	2.3	2.5	2.5	7.4	9.4	2.7	
Other Income	3.7	7.1	7.5	5.7	2.9	7.9	6.8	10.2	24.0	27.9	5.9	
Extraordinary item	0.0	0.0	24.4	0.0	0.0	0.0	0.0	6.9	24.4	6.9	0.0	
PBT	36.4	34.5	50.3	27.0	25.3	28.2	20.3	15.8	148.2	89.6	14.0	13%
Rate (%)	25.2	22.6	23.1	24.1	25.5	21.5	21.1	20.0	23.7	22.3	25.6	
PAT	27.2	26.7	38.7	20.5	18.9	22.2	16.0	12.6	113.1	69.7	10.4	
Change (%)	71.1	11.1	36.0	-5.9	-30.8	-17.0	-58.6	-38.4	25.5	-38.4	-49.3	
Extraord.: Tax Prov. Write Back	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Adj PAT	27.2	26.7	14.3	20.5	18.9	22.2	16.0	5.8	88.7	80.3	10.4	-44%
Change (%)	71.1	11.1	-49.8	-5.9	-30.8	-17.0	12.3	-71.8	-1.6	-9.4	-49.3	
Key Assumptions												
Gas Trans. volume (mmscmd)	131.8	130.6	125.9	120.8	120.6	123.6	125.5	119.0	127.3	122.2	110.4	8%
Petchem sales ('000MT)	169.0	226.0	221.0	229.0	177.0	209.0	218.0	180.0	211.3	196.0	122.7	47%

Exhibit 1: One-year forward P/E ratio



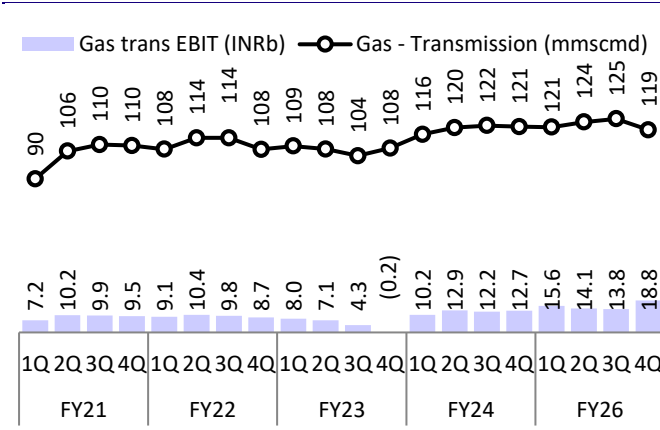
Source: Company, MOFSL

Exhibit 2: One-year forward P/B ratio



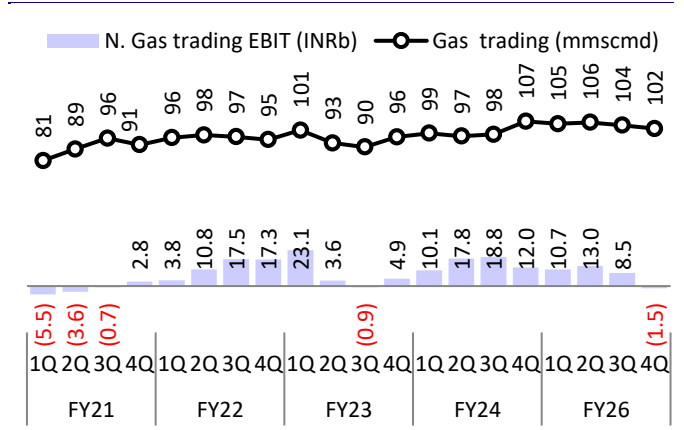
Source: Company, MOFSL

Exhibit 3: Transmission volumes flat YoY



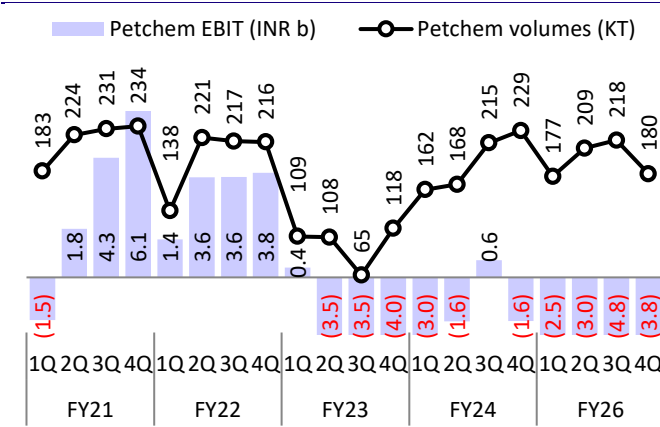
Source: MOFSL, Company

Exhibit 4: Trading volumes down 4% YoY



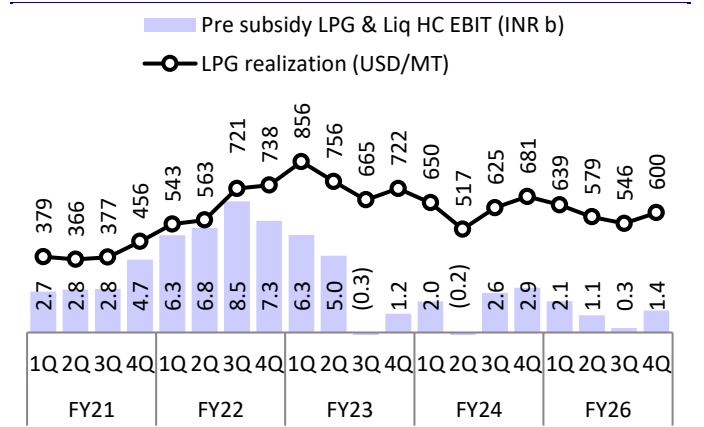
Source: MOFSL, Company

Exhibit 5: Petchem segment performance remains weak



Source: MOFSL, Company

Exhibit 6: Realization from LPG down 12% YoY



Source: MOFSL, Company

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

Particulars	FY24				FY25				FY26				4QFY26 (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
Exchange Rate (INR/USD)	82.2	82.7	83.3	83.2	83.4	83.8	85.6	85.5	87.3	89.1	89.1	91.0	6%	2%
Gas transmission business														
Volumes (mmscmd)	116	120	122	124	132	131	126	121	121	124	125	119	-2%	-5%
Gross Revenues	25,940	26,460	25,657	26,669	28,651	28,459	27,547	26,026	28,054	27,354	27,608	29,044	12%	5%
Opex	12,430	9,960	10,047	10,679	8,991	10,399	9,727	9,266	8,364	9,054	8,388	10,214	10%	22%
EBITDA	13,510	16,500	15,610	15,990	19,660	18,060	17,820	16,760	19,690	18,300	19,220	18,830	12%	-2%
Depreciation	3,264	3,594	3,459	6,192	5,191	4,032	4,117	4,076	4,114	4,161	5,459	14	-100%	-100%
EBIT	10,246	12,907	12,151	9,798	14,469	14,028	13,703	12,684	15,576	14,139	13,761	18,816	48%	37%
Average tariff (INR/mscm)	2,450	2,391	2,295	2,370	2,389	2,368	2,378	2,393	2,556	2,405	2,392	2,712	13%	13%
Opex (INR/mscm)	1,174	900	899	949	750	865	840	852	762	796	727	954	12%	31%
EBITDA (INR/mscm)	1,276	1,491	1,396	1,421	1,639	1,503	1,538	1,541	1,794	1,609	1,665	1,758	14%	6%
Depreciation (INR/mscm)	308	325	309	550	433	335	355	375	375	366	473	1	-100%	-100%
EBIT (INR/mscm)	968	1,166	1,087	871	1,206	1,167	1,183	1,166	1,419	1,243	1,192	1,757	51%	47%
LPG Transmission Business														
Volumes ('000 MT)	1,073	1,114	1,095	1,114	1,065	1,124	1,157	1,132	1,131	1,167	1,188	1,114	-2%	-6%
Gross Revenues	1,776	1,845	1,839	1,859	1,798	1,855	2,459	2,237	2,265	2,317	2,337	2,243	0%	-4%
Opex	816	805	829	869	798	805	879	887	875	827	837	1,413	59%	69%
EBITDA	960	1,040	1,010	990	1,000	1,050	1,580	1,350	1,390	1,490	1,500	830	-39%	-45%
Depreciation	158	221	216	234	193	195	180	198	187	202	196	69	-65%	-65%
EBIT	802	819	794	756	808	855	1,400	1,152	1,203	1,288	1,304	761	-34%	-42%
Average tariff (INR/MT)	1,655	1,656	1,679	1,669	1,688	1,651	2,125	1,976	2,002	1,986	1,967	2,013	2%	2%
Opex	760	723	757	780	749	716	760	783	773	709	705	1,268	62%	80%
EBITDA	895	934	922	889	939	934	1,366	1,193	1,229	1,277	1,263	745	-38%	-41%
Depreciation	147	199	197	210	181	173	156	175	166	173	165	62	-65%	-63%
EBIT	747	735	725	679	758	761	1,210	1,018	1,063	1,103	1,097	683	-33%	-38%
Gas Trading Business														
Volumes (mmscmd)	99	97	98	100	99	97	103	107	105	106	104	102	-4%	-2%
Revenues	2,83,817	2,77,280	3,00,381	2,84,421	2,94,368	2,87,467	3,06,252	3,16,030	3,10,031	3,14,227	3,06,054	3,12,132	-1%	2%
EBIT	10,136	17,846	18,804	13,887	20,328	13,288	4,410	12,037	10,716	13,041	8,532	-1,513	PL	PL
Revenues (INR/mscm)	31,555	31,084	33,269	31,286	32,521	32,346	32,175	32,962	32,447	32,242	31,995	34,041	3%	6%
EBIT (INR/mscm)	1,127	2,001	2,083	1,528	2,246	1,495	463	1,255	1,122	1,338	892	-165	PL	PL
Petrochemicals Business														
Volumes ('000 MT)	162	168	215	242	169	226	221	229	177	209	218	180	-21%	-17%
Gross Revenues	17,036	17,433	20,502	22,563	16,315	21,760	20,705	22,102	16,812	20,016	20,209	18,708	-15%	-7%
Opex	18,766	17,813	18,452	18,303	15,075	18,950	19,415	22,082	18,082	21,466	23,659	22,618	2%	-4%
EBITDA	-1,730	-380	2,050	4,260	1,240	2,810	1,290	20	-1,270	-1,450	-3,450	-3,910	PL	Loss
Depreciation	1,279	1,220	1,431	1,637	1,655	1,235	1,243	1,600	1,216	1,542	1,376	-133	PL	PL
EBIT	-3,009	-1,600	619	2,623	-415	1,575	47	-1,580	-2,486	-2,992	-4,826	-3,777	Loss	Loss
Realization (USD/MT)	1,279	1,255	1,145	1,121	1,157	1,149	1,094	1,129	1,088	1,075	1,040	1,142	1%	10%
Realization (INR/kg)	105	104	95	93	97	96	94	97	95	96	93	104	8%	12%
Opex (INR/kg)	116	106	86	76	89	84	88	96	102	103	109	126	30%	16%
EBITDA (INR/kg)	-11	-2	10	18	7	12	6	0	-7	-7	-16	-22	PL	Loss
Depreciation (INR/kg)	8	7	7	7	10	5	6	7	7	7	6	-1	PL	PL
EBIT (INR/kg)	-19	-10	3	11	-2	7	0	-7	-14	-14	-22	-21	Loss	Loss
LPG & Liquid Hydrocarbons Business														
Volumes ('000 MT)	247	242	249	261	218	253	282	198	198	223	200	195	-2%	-3%
Gross Revenues	13,190	10,345	12,964	14,259	11,706	12,963	15,613	11,520	11,054	11,502	9,734	10,643	-8%	9%
Opex	10,940	10,295	10,164	10,649	9,046	10,193	11,533	8,220	8,714	10,072	9,074	8,953	9%	-1%
EBITDA	2,250	50	2,800	3,610	2,660	2,770	4,080	3,300	2,340	1,430	660	1,690	-49%	156%
Depreciation	229	217	225	344	362	281	295	380	290	312	374	251	-34%	-33%
EBIT	2,021	-167	2,575	3,266	2,299	2,489	3,785	2,920	2,050	1,118	286	1,439	-51%	403%
EBIT (Post-Subsidy)	2,021	-167	2,575	3,266	2,299	2,489	3,785	2,920	2,050	1,118	286	1,439	-51%	403%
Realization (USD/MT)	650	517	625	657	644	612	647	681	639	579	546	600	-12%	10%
Realization (INR/MT)	53,402	42,749	52,063	54,632	53,695	51,236	55,366	58,183	55,828	51,578	48,672	54,579	-6%	12%
Opex (INR/MT)	44,292	42,543	40,818	40,801	41,494	40,287	40,898	41,517	44,010	45,166	45,372	45,912	11%	1%
EBITDA (INR/MT)	9,109	207	11,245	13,831	12,202	10,949	14,468	16,667	11,818	6,413	3,300	8,667	-48%	163%
Depreciation (INR/MT)	927	896	902	1,318	1,658	1,109	1,048	1,921	1,464	1,400	1,869	1,288	-33%	-31%
EBIT (INR/MT)	8,182	-690	10,343	12,513	10,544	9,840	13,421	14,746	10,354	5,013	1,432	7,379	-50%	415%
EBIT post Subsidy (INR/MT)	8,182	-690	10,343	12,513	10,544	9,840	13,421	14,746	10,354	5,013	1,432	7,379	-50%	415%



Key takeaways from the management commentary

■ Gas marketing segment:

- FY27 PBT guidance: INR40b+ if West Asia crisis continues; INR45b+ if crisis comes to an end (**positive**).
- In FY26, exchange rate liability impact on vessels of INR6b and receivable provision impact of INR6.7b dented marketing segment profitability.
- GAIL has a 16.56mtpa of upstream LNG portfolio, and plans to source additional 4-5mtpa LNG by CY30.

➤ Gas transmission segment:

- Mar'26 gas transmission volumes: 99.71mmscmd (125.45mmscmd in 3QFY26).
- **FY27 transmission volume guidance:** 119mmscmd if crisis starts to normalize from mid Jul'26.
- 115mmscmd if crisis continues for entire FY27.

➤ Petrochemical segment:

- Pata petchem complex: GAIL plans to **shift feedstock to Ethane from natural gas**.
- The company currently operates on natural gas, leading to volatility in margins.
- Pata complex was shut down but has been restarted recently at **50% capacity based**. Feedstock is spot natural gas. The plant should break-even at 50% capacity and should be profitable at full capacity (given prices stay at current levels).
- Going forward, GAIL plans to run this plant on both Ethane (sourcing: looking at various options including US) and natural gas.

➤ Liquid Hydrocarbon segment:

- ~0.8mmscmd natural gas was allocated to LHC segment w.e.f. 3 Apr'26. Hence, GAIL expects strong performance from the segment (subject to continued gas allocation).
- Plants are expected to operate at higher capacity YoY in FY27.

➤ LPG transmission:

- Current capacity: 4.5mtpa operating at ~100% utilization.
- **GAIL has received PNGRB's authorization for doubling the capacity of Jamnagar Loni Pipeline (3.25mtpa as of now).**

➤ CGD segment:

- Policy-led tailwinds are expected to drive volume growth for CGDs - CNG and PNG both.

➤ Gail Gas Limited (GGL):

- GGL operates in 16 GAs across India, and also has 9 GAs via JVs.
- FY26 operational performance: GAIL Gas added 0.2m PNG connections and 88 new CNG stations in FY26.
- FY26 financial performance: Revenue - INR122b, PBT - INR6b (down 3% YoY), PAT - INR4.4b (down 2% YoY).
- 4QFY26 financial performance: PBT - INR1.6b, PAT - INR1.2b
- GAIL Gas (+JV) targets to **add 275 CNG stations** and 0.4m D-PNG connections in the **next two years**.

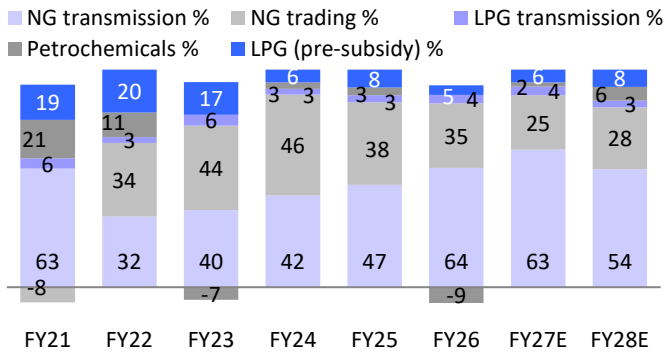
➤ Update on projects:

- **Expected commissioning in FY27**
- Gurdaspur-Jammu Natural gas pipeline.

- C2/C3 Pipeline (Vijaipur to Pata). This should get commissioned in 1HFY27 and will provide feedstock to Pata, which shall lead to an increase in Pata capacity by 80-90ktpa.
- The Ethane pipeline, which GAIL is planning to build, will be connected to this pipeline (Dhabol-Vijaipur Ethane pipeline, which is under consideration, shall have a capex of INR120b).
- 1250ktpa GAIL Mangalore petrochemical plant (currently in advanced stages of completion).
- **Expected commissioning in FY28**
- 500ktpa PDH-PP plant at Usar (mid-FY28) (**delayed**) (Delays in 45km pipeline connectivity to supply Propane to this plant - some issues but now completion expected in 3-4 months).
- Vijaipur-Bina pipeline
- DUPL-DPPL capacity pipeline augmentation
- **FY27 capex guidance: INR116b**
- Operational capex: INR35.3b
- Pipelines: INR24b
- RE: INR19.5b
- Petchem: INR14.9b
- JVs/Subsidiaries: INR7b
- CGDs: INR3.4b
- E&P: INR4.8b
- Others: INR6.9b
- **Capex incurred in FY26: INR96b**
- Operational capex: INR24.4b
- Pipelines: INR29b
- RE: INR0.4b
- Petchem: INR20.6b
- JVs/Subsidiaries: INR15.9b
- CGDs: INR3.1b
- E&P: INR2.4b
- **Capex plans:**
- GAIL plans to spend INR350b on renewable sector in the next 10 years.
- **Coal gasification:**
- One project is 65-70% complete, with full completion expected in Dec'27.
- Coal India and GAIL JV: Project is under consideration (expected capex: INR130b).
- **Fertilizer plants:**
- PGAIL is in discussion for projects with the Maharashtra and Chattisgarh government, and will definitely proceed with these projects (combined project cost: ~INR200b).

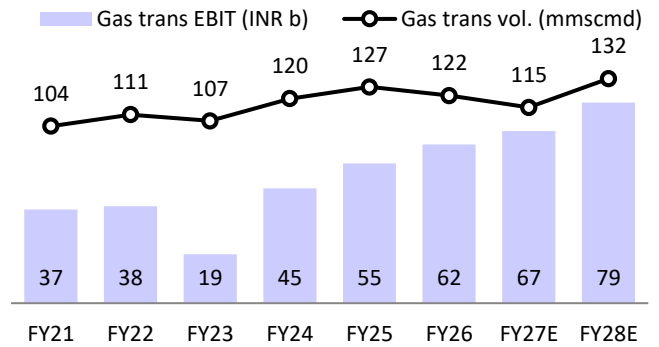
Story in charts

Exhibit 8: Transmission to be the major contributor to EBITDA



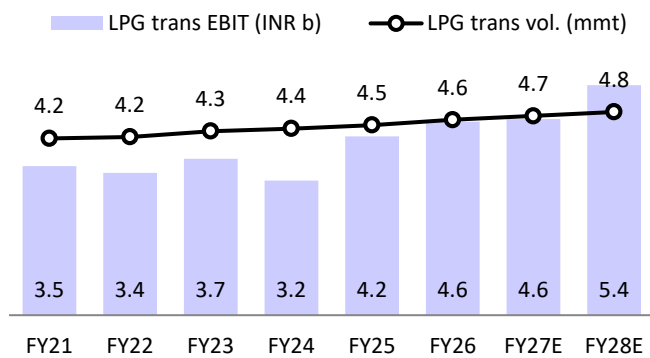
Source: Company, MOFSL

Exhibit 9: Expect gas transmission volumes to grow in FY28



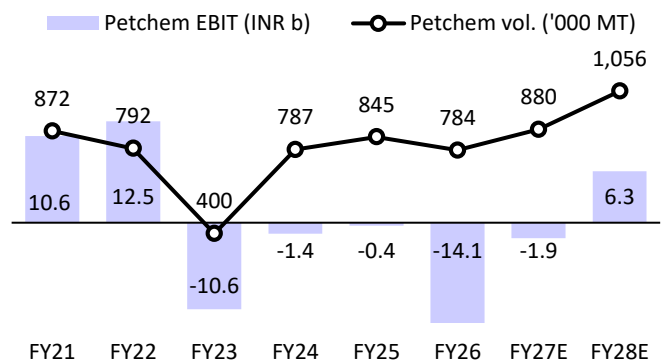
Source: Company, MOFSL

Exhibit 10: LPG transmission segment



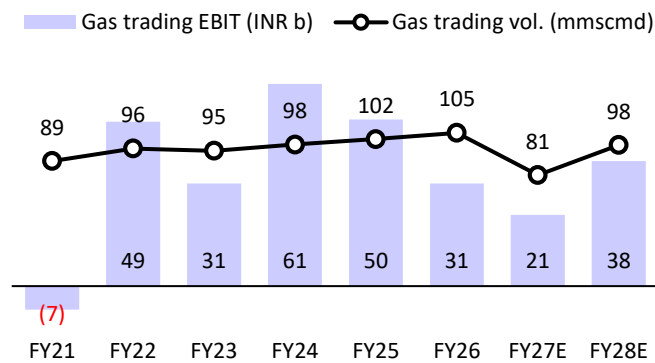
Source: Company, MOFSL

Exhibit 11: Petchem segment



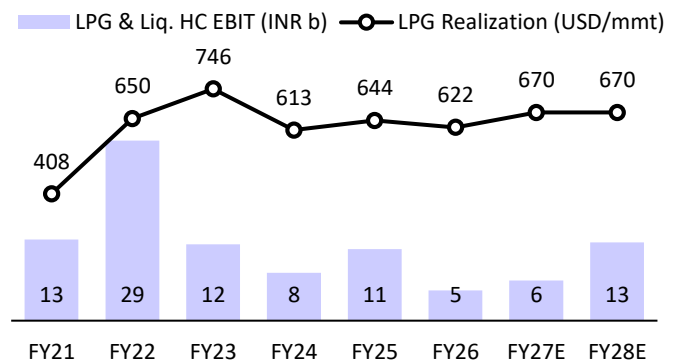
Source: Company, MOFSL

Exhibit 12: Gas trading segment



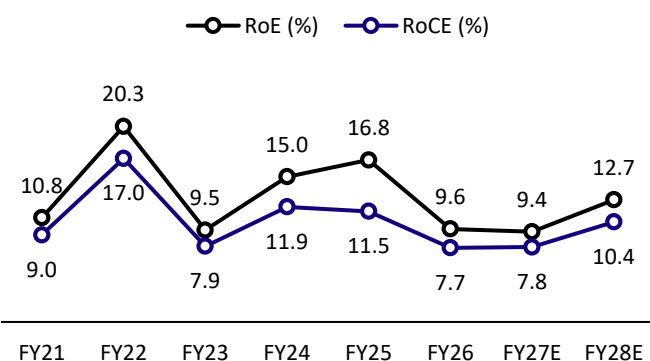
Source: Company, MOFSL

Exhibit 13: EBIT from LPG and Liquid HC



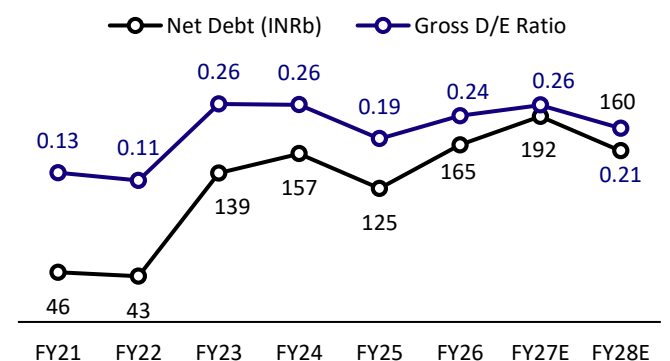
Source: Company, MOFSL

Exhibit 14: Expect return ratios to recover



Source: Company, MOFSL

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



Source: Company, MOFSL

Financials and valuations

Income Statement						(INR b)
Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	1,443.0	1,306.4	1,372.1	1,386.0	1,229.3	1,456.9
Change (%)	57.5	-9.5	5.0	1.0	-11.3	18.5
EBITDA	67.0	134.8	143.3	103.3	113.4	155.2
% of Net Sales	4.6	10.3	10.4	7.5	9.2	10.7
Depreciation	24.9	33.3	36.0	39.0	41.0	43.1
Interest	3.1	7.0	7.4	9.4	9.1	9.3
Other Income	26.8	22.8	24.0	27.9	29.7	31.6
EO Items (net)	0.0	0.0	24.4	6.9	0.0	0.0
PBT	65.8	117.3	148.2	89.6	93.0	134.5
Tax	12.8	27.2	35.1	20.0	21.8	31.5
Rate (%)	19.5	23.2	23.7	22.3	23.4	23.4
Reported PAT	53.0	90.2	113.1	69.7	71.2	103.0
Adjusted PAT	53.0	90.2	94.5	64.4	71.2	103.0
Change (%)	-48.8	70.1	4.8	-31.9	10.6	44.7

Balance Sheet						(INR b)
Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Share Capital	65.8	65.8	65.8	65.8	65.8	65.8
Reserves	490.8	576.0	639.9	675.0	714.9	780.8
Net Worth	556.5	641.8	705.6	740.7	780.6	846.6
Loans	143.1	164.1	135.8	174.1	199.1	179.1
Deferred Tax	46.6	49.6	50.9	59.0	59.0	59.0
Capital Employed	746.3	855.5	892.3	973.9	1,038.8	1,084.7
Net Fixed Assets	422.7	453.8	465.5	551.1	611.7	608.6
Capital WIP	136.6	158.6	188.4	159.0	152.5	207.5
Investments	148.3	210.9	231.0	254.6	254.6	254.6
Current Assets						
Inventory	52.8	52.9	60.1	49.1	43.6	51.6
Debtors	114.1	106.5	102.5	82.8	73.4	87.0
Cash & Bank Balance	4.0	7.0	11.0	8.9	7.2	19.4
Cash	1.7	5.9	8.9	7.3	5.7	17.8
Bank Balance	2.3	1.1	2.2	1.5	1.5	1.5
Loans/Adv. & Other Assets	82.8	105.5	100.4	120.3	120.3	120.3
Current Liab. & Prov.						
Liabilities	198.1	219.8	247.1	242.5	215.1	254.9
Provisions	16.9	20.0	19.6	9.2	9.2	9.2
Net Current Assets	38.7	32.2	7.4	9.2	20.1	14.1
Application of Funds	746.3	855.5	892.3	973.9	1,038.8	1,084.7

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)						
EPS	8.1	13.7	14.4	9.8	10.8	15.7
Cash EPS	11.8	18.8	22.7	16.5	17.1	22.2
Book Value	93.5	101.8	111.5	116.6	122.6	132.7
DPS	4.0	5.5	7.5	5.5	4.8	5.6
Payout (incl. dvd tax)	49.6	40.1	43.6	51.9	44.0	36.0
Valuation (x)						
P/E	20.0	11.7	11.2	16.4	14.9	10.3
Adj. P/E (for investments)	13.3	7.8	7.4	10.9	9.9	6.8
Cash P/E	13.6	8.6	7.1	9.7	9.4	7.2
EV / EBITDA	11.6	6.8	6.2	7.8	7.2	5.4
EV / Sales	0.8	0.8	0.8	0.7	0.8	0.7
Price / Book Value	1.7	1.6	1.4	1.4	1.3	1.2
Dividend Yield (%)	2.5	3.4	4.7	3.4	3.0	3.5
Profitability Ratios (%)						
RoE	9.5	15.0	16.8	9.6	9.4	12.7
RoCE	7.9	11.9	11.5	7.7	7.8	10.4
RoIC	8.1	16.7	17.4	9.9	9.4	14.0
Turnover Ratios						
Debtors (No. of Days)	29	30	27	22	22	22
Fixed Asset Turnover (x)	1.9	1.5	1.5	1.4	1.2	1.3
Leverage Ratio						
Net Debt / Equity (x)	0.2	0.2	0.2	0.2	0.2	0.2

Cash Flow Statement

Y/E March	FY22	FY24	FY25	FY26	FY27E	FY28E
(INR b)						
OP/(Loss) before Tax	65.8	115.5	148.2	89.6	93.0	134.5
Depreciation	24.9	33.3	36.0	32.1	41.0	43.1
Interest charge	3.1	7.0	7.4	9.4	9.1	9.3
Tax paid	-15.2	-27.5	-23.5	-16.9	-21.8	-31.5
(Inc)/Dec in Wkg. Capital	-30.9	5.5	8.5	4.1	-12.5	18.2
CF from Op. Activity	28.1	118.5	155.7	98.8	108.8	173.5
(Inc)/Dec in FA & CWIP	-73.4	-70.4	-69.0	-71.8	-95.0	-95.0
Free Cash Flow	-45.3	48.1	86.7	27.0	13.8	78.5
(Pur)/Sale of Investments	-10.6	-9.9	-6.0	-15.9	0.0	0.0
CF from Inv. Activity	-65.5	-80.0	-60.6	-77.5	-95.0	-95.0
Interest charge	-5.8	-10.9	-10.8	-9.6	-9.1	-9.3
Inc / (Dec) in Debt	79.6	21.0	-28.4	38.4	25.0	-20.0
Dividends Paid	-30.7	-36.2	-42.7	-39.4	-31.3	-37.1
CF from Fin. Activity	25.5	-34.3	-92.1	-22.9	-15.5	-66.4
Inc / (Dec) in Cash	-11.9	4.1	3.0	-1.6	-1.7	12.2
Add: Opening Balance	13.7	1.7	5.9	8.9	7.3	5.7
Closing Balance	1.7	5.9	8.9	7.3	5.7	17.8

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