GAIL

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	GAIL IN
Equity Shares (m)	6575
M.Cap.(INRb)/(USDb)	1201.7 / 13.5
52-Week Range (INR)	217 / 151
1, 6, 12 Rel. Per (%)	-1/-9/-15
12M Avg Val (INR M)	2333

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	1,299.3	1,360.9	1,436.4
EBITDA	137.4	145.8	152.8
Adj. PAT	91.1	97.9	105.1
Adj. EPS (INR)	13.9	14.9	16.0
EPS Gr. (%)	-3.6	7.5	7.3
BV/Sh.(INR)	122.9	133.0	143.9
Ratios			
Net D:E	0.2	0.1	0.1
RoE (%)	12.4	12.2	12.1
RoCE (%)	10.5	10.5	10.6
Payout (%)	32.0	32.0	32.0
Valuations			
P/E (x)	13.2	12.3	11.5
P/BV (x)	1.5	1.4	1.3
EV/EBITDA (x)	7.0	6.5	6.0
Div. Yield (%)	2.4	2.6	2.8
FCF Yield (%)	2.6	4.8	5.4

Shareholding pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	51.5	51.5	51.5
DII	27.3	26.4	24.3
FII	14.3	15.5	17.4
Others	6.9	6.6	6.7

FII includes depository receipts

CMP: INR183 TP: INR205 (+12%) Buy

Tariff hikes & volume uplift key catalysts in 2HFY26-27

- **GAIL's standalone EBITDA came in 5% above our estimate at INR31.9b. While gas transmission EBIT missed our estimate by 6%, the marketing segment posted a strong performance, and 1HFY26 EBIT now forms ~50% of the guidance of INR45b. Petchem sales were above our estimate at 209tmt, while the petchem segment reported an EBIT loss of INR3b.**
- **While management cut its FY26 transmission guidance to 123-124mmscmd, this reduction is largely known and in the price now. Transmission volumes are near-bottom and should see a sharp rebound in FY27 as 1) power demand normalizes, 2) the impact of one-off flood-related disruptions to specific pipelines wanes, and 3) there is a steady demand growth from the city gas distribution sector. While the tariff hikes (not built into our numbers yet) have been much delayed, we remain hopeful of a favorable outcome in 3QFY26.**
- **GAIL's valuations have corrected sharply from their Sep'24 highs, and the stock now trades close to its historical averages at ~1.1x one-year forward core P/B (ex-investment value), offering limited downside driven by attractive dividend yield and robust FCF outlook. Further, the anticipated transmission tariff revision effective from Jan'26 is likely to raise the FY27E PAT by ~11% (revised TP: INR228), serving as a key near-term catalyst. Reiterate BUY with a TP of INR205.**

Key highlights from the management commentary

- While the tariff outcome has seen a significant delay, management remains confident of an announcement in the coming months.
- Transmission volumes are guided to improve from 123–124 mmscmd in FY26 to 132–133 mmscmd in FY27, supported by higher offtake from CGD, power, and new pipeline connections, as well as upcoming refinery and fertilizer plant linkages.
- The Dabhol terminal is now fully all-weather capable, though utilization remains constrained pending heating system commissioning by FY27.
- Petchem margins remain under pressure amid high HH-linked gas prices.
- Capex stood at INR16.6b in 2QFY26, with major spending toward pipelines and petchem projects.
- The CGD business continues to expand its footprint with 213 CNG stations and 4.5 lakh DPNG connections, targeting further additions ahead.

Results in line amid a strong marketing performance

- In 2QFY26, GAIL's standalone EBITDA was 5% above our estimate at INR31.9b. While gas transmission EBIT missed our estimate by 6%, the marketing segment posted a strong performance, and 1HFY26 EBIT now forms ~50% of the guidance of INR45b.
- Operating loss at the petchem segment widened QoQ despite a strong 18% pick-up in volumes amid elevated Henry Hub prices.
- LPG segment's profitability also remained weak, with EBIT declining 55% despite 2% higher volumes YoY.

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- Reported PAT came in 5% above our estimate at INR22.2b, as other income and sales were above our estimates.
- **Operational performance:**
  - Natural gas transmission volume came in line with our estimate at 123.6mmscmd.
  - NG marketing volume came in above our estimate at 105.9mmscmd (our estimate 93.5mmscmd).
  - Petchem sales were below our estimate at 209tmt, while the petchem segment reported an EBIT loss of INR3b.

Valuation and view

- **We reiterate our BUY rating on GAIL with our SoTP-based TP of INR205**. Over FY26-28, we estimate a 7% CAGR in PAT, driven by:
  - an increase in natural gas transmission volumes to 132mmscmd in FY28 from 123mmscmd in FY26;
  - substantial improvement in the petchem segment's performance over FY27-28, as the new petchem capacity will be operational and spreads are bottoming out;
  - healthy profitability in the trading segment, with guided EBIT of at least INR40b in FY26/FY27.
- We expect RoE to stabilize at ~12% in FY27/28, with a healthy FCF generation of INR153b over FY26-28, which we believe can support its valuations.

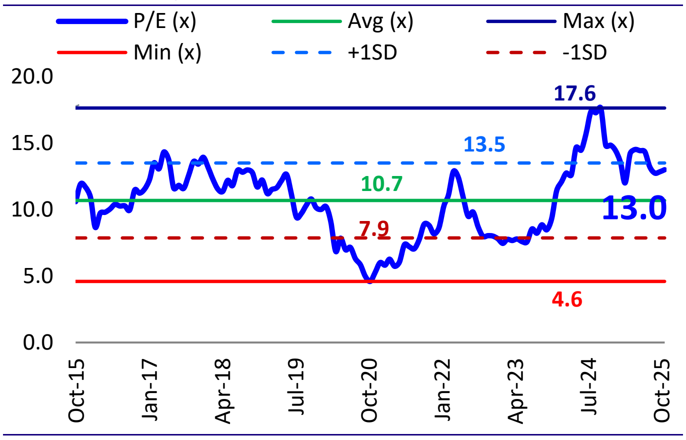
Our SoTP-based valuation for GAIL

Business	EBITDA (INR b)	Target multiple (x)	Value (INR b)
Gas transmission	73	9.0	659
Gas trading	46	6.0	274
LPG transmission	5	7.5	35
Petrochemicals	10	7.0	73
LPG	18	6.5	120
Investments			294
Enterprise value			**1,457**
Net Debt			106
Implied Equity value			**1,350**
Value (INR/sh)			**205**

Standalone quarterly performance (INR b)

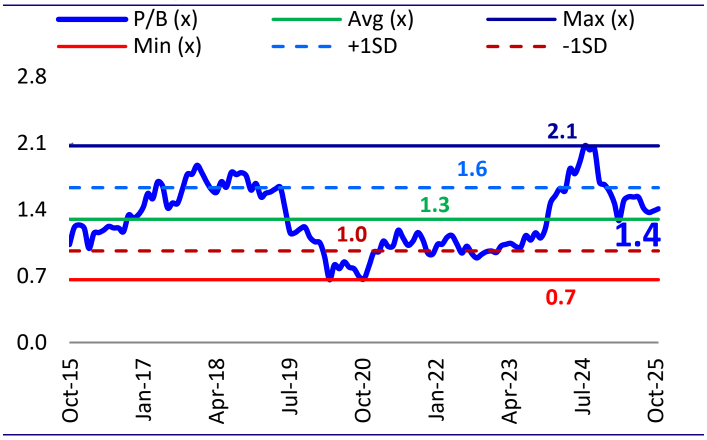
Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			1QE	(%)
Net Sales	**336.7**	**329.1**	**349.4**	**356.9**	**347.7**	**350.1**	**319.9**	**281.6**	**1,372.1**	**1,299.3**	**342.0**	**8%**
Change (%)	3.9	3.4	2.0	10.4	3.3	6.4	-8.4	-21.1	4.9	-5.3	1.6	
EBITDA	**45.3**	**37.4**	**28.4**	**32.2**	**33.3**	**31.9**	**33.4**	**38.8**	**143.3**	**137.4**	**35.9**	**5%**
% of Net Sales	13.4	11.4	8.1	9.0	9.6	9.1	10.4	13.8	10.4	10.6	10.5	
Depreciation	10.5	8.2	8.3	9.0	8.8	9.3	8.8	10.1	36.0	37.0	11.1	
Interest	2.1	1.9	1.7	1.8	2.1	2.3	1.6	1.3	7.4	7.3	1.9	
Other Income	3.7	7.1	7.5	5.7	2.9	7.9	8.0	6.7	24.0	25.6	4.0	
Extraordinary item	0.0	0.0	24.4	0.0	0.0	0.0	0.0	0.0	24.4	0.0	0.0	
PBT	**36.4**	**34.5**	**50.3**	**27.0**	**25.3**	**28.2**	**30.9**	**34.1**	**148.2**	**118.6**	**26.8**	**2%**
Rate (%)	25.2	22.6	23.1	24.1	25.5	21.5	23.2	22.9	23.7	23.2	23.2	
PAT	**27.2**	**26.7**	**38.7**	**20.5**	**18.9**	**22.2**	**23.8**	**26.3**	**113.1**	**91.1**	**20.6**	
Change (%)	71.1	11.1	36.0	-5.9	-30.8	-17.0	-38.6	28.5	25.5	-19.4	-24.3	
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**	**23.8**	**26.3**	**88.7**	**80.3**	**20.6**	**5%**
Change (%)	71.1	11.1	-49.8	-5.9	-30.8	-17.0	66.5	28.5	-1.6	-9.4	-24.3	
Key Assumptions												
Gas Trans. volume (mmscmd)	131.8	130.6	125.9	120.8	120.6	123.6	123.8	123.3	127.3	122.8	124.2	1%
Petchem sales ('000MT)	169.0	226.0	221.0	229.0	177.0	209.0	218.0	195.3	211.3	199.8	145.3	-4%

Exhibit 1: One-year forward P/E ratio



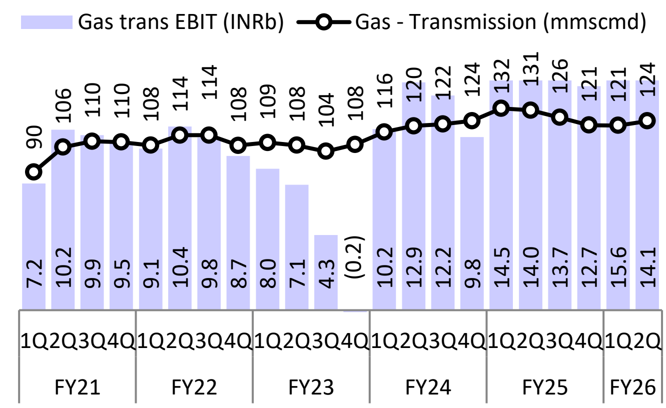
Source: Company, MOFSL

Exhibit 2: One-year forward P/B ratio



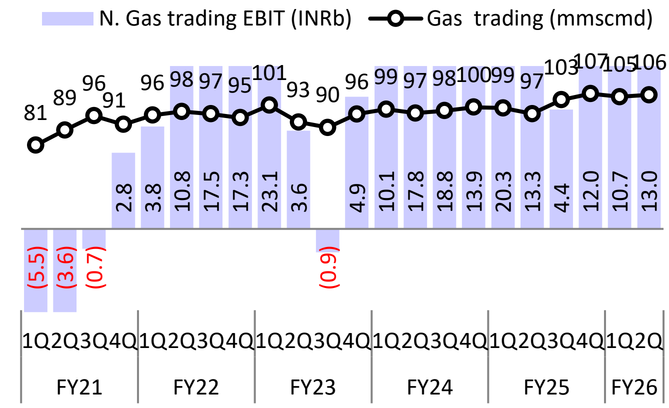
Source: Company, MOFSL

Exhibit 3: Transmission volumes down 5% YoY



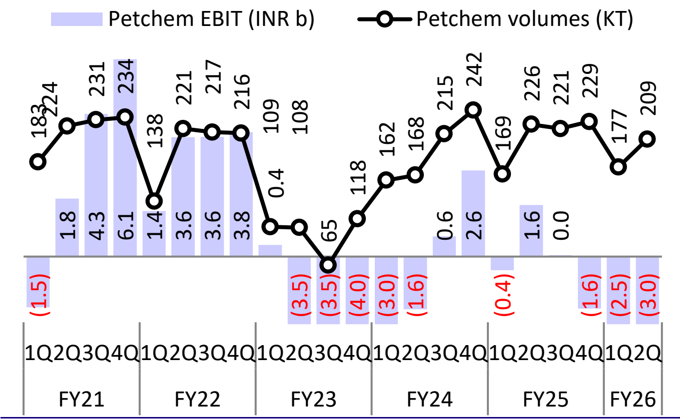
Source: MOFSL, Company

Exhibit 4: Trading volumes up 10% YoY



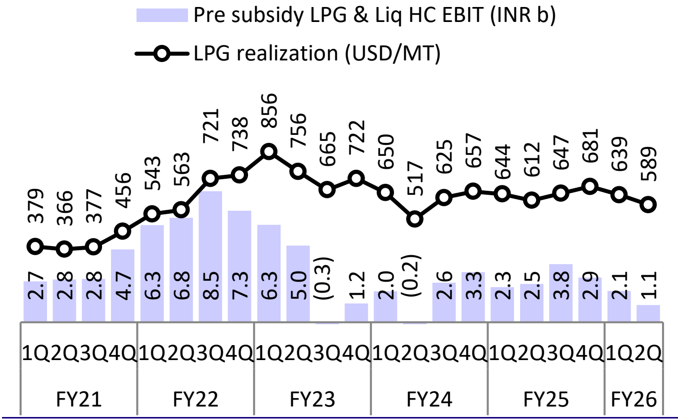
Source: MOFSL, Company

Exhibit 5: Petchem segment volumes down 8% YoY



Source: MOFSL, Company

Exhibit 6: Realization from LPG down 4% YoY



Source: MOFSL, Company

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

Particulars	FY24				FY25				FY26		2QFY26 (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	YoY	QoQ
Exchange Rate (INR/USD)	**82.2**	**82.7**	**83.3**	**83.2**	**83.4**	**83.8**	**85.6**	**85.5**	**87.3**	**87.5**	**4%**	**0%**
Gas transmission business												
Volumes (mmscmd)	116	120	122	124	132	131	126	121	121	124	-5%	2%
Gross Revenues	25,940	26,460	25,657	26,669	28,651	28,459	27,547	26,026	28,054	27,354	-4%	-2%
Opex	12,430	9,960	10,047	10,679	8,991	10,399	9,727	9,266	8,364	9,054	-13%	8%
EBITDA	**13,510**	**16,500**	**15,610**	**15,990**	**19,660**	**18,060**	**17,820**	**16,760**	**19,690**	**18,300**	**1%**	**-7%**
Depreciation	3,264	3,594	3,459	6,192	5,191	4,032	4,117	4,076	4,114	4,161	3%	1%
EBIT	**10,246**	**12,907**	**12,151**	**9,798**	**14,469**	**14,028**	**13,703**	**12,684**	**15,576**	**14,139**	**1%**	**-9%**
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%	-6%
Opex (INR/mscm)	1,174	900	899	949	750	865	840	852	762	796	-8%	4%
EBITDA (INR/mscm)	**1,276**	**1,491**	**1,396**	**1,421**	**1,639**	**1,503**	**1,538**	**1,541**	**1,794**	**1,609**	**7%**	**-10%**
Depreciation (INR/mscm)	308	325	309	550	433	335	355	375	375	366	9%	-2%
EBIT (INR/mscm)	**968**	**1,166**	**1,087**	**871**	**1,206**	**1,167**	**1,183**	**1,166**	**1,419**	**1,243**	**7%**	**-12%**
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	4%	3%
Gross Revenues	1,776	1,845	1,839	1,859	1,798	1,855	2,459	2,237	2,265	2,317	25%	2%
Opex	816	805	829	869	798	805	879	887	875	827	3%	-5%
EBITDA	**960**	**1,040**	**1,010**	**990**	**1,000**	**1,050**	**1,580**	**1,350**	**1,390**	**1,490**	**42%**	**7%**
Depreciation	158	221	216	234	193	195	180	198	187	202	4%	8%
EBIT	**802**	**819**	**794**	**756**	**808**	**855**	**1,400**	**1,152**	**1,203**	**1,288**	**51%**	**7%**
Average tariff (INR/MT)	1,655	1,656	1,679	1,669	1,688	1,651	2,125	1,976	2,002	1,986	20%	-1%
Opex	760	723	757	780	749	716	760	783	773	709	-1%	-8%
EBITDA	**895**	**934**	**922**	**889**	**939**	**934**	**1,366**	**1,193**	**1,229**	**1,277**	**37%**	**4%**
Depreciation	147	199	197	210	181	173	156	175	166	173	0%	5%
EBIT	**747**	**735**	**725**	**679**	**758**	**761**	**1,210**	**1,018**	**1,063**	**1,103**	**45%**	**4%**
Gas Trading Business												
Volumes (mmscmd)	99	97	98	100	99	97	103	107	105	106	10%	1%
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	9%	1%
EBIT	**10,136**	**17,846**	**18,804**	**13,887**	**20,328**	**13,288**	**4,410**	**12,037**	**10,716**	**13,041**	**-2%**	**22%**
Revenues (INR/mscm)	31,555	31,084	33,269	31,286	32,521	32,346	32,175	32,962	32,447	32,242	0%	-1%
EBIT (INR/mscm)	**1,127**	**2,001**	**2,083**	**1,528**	**2,246**	**1,495**	**463**	**1,255**	**1,122**	**1,338**	**-11%**	**19%**
Petrochemicals Business												
Volumes ('000 MT)	162	168	215	242	169	226	221	229	177	209	-8%	18%
Gross Revenues	17,036	17,433	20,502	22,563	16,315	21,760	20,705	22,102	16,812	20,016	-8%	19%
Opex	18,766	17,813	18,452	18,303	15,075	18,950	19,415	22,082	18,082	21,466	13%	19%
EBITDA	**-1,730**	**-380**	**2,050**	**4,260**	**1,240**	**2,810**	**1,290**	**20**	**-1,270**	**-1,450**	**PL**	**Loss**
Depreciation	1,279	1,220	1,431	1,637	1,655	1,235	1,243	1,600	1,216	1,542	25%	27%
EBIT	**-3,009**	**-1,600**	**619**	**2,623**	**-415**	**1,575**	**47**	**-1,580**	**-2,486**	**-2,992**	**PL**	**Loss**
Realization (USD/MT)	1,279	1,255	1,145	1,121	1,157	1,149	1,094	1,129	1,088	1,094	-5%	1%
Realization (INR/kg)	105	104	95	93	97	96	94	97	95	96	-1%	1%
Opex (INR/kg)	116	106	86	76	89	84	88	96	102	103	22%	1%
EBITDA (INR/kg)	**-11**	**-2**	**10**	**18**	**7**	**12**	**6**	**0**	**-7**	**-7**	**PL**	**Loss**
Depreciation (INR/kg)	8	7	7	7	10	5	6	7	7	7	35%	7%
EBIT (INR/kg)	**-19**	**-10**	**3**	**11**	**-2**	**7**	**0**	**-7**	**-14**	**-14**	**PL**	**Loss**
LPG & Liquid Hydrocarbons Business												
Volumes ('000 MT)	247	242	249	261	218	253	282	198	198	223	-12%	13%
Gross Revenues	13,190	10,345	12,964	14,259	11,706	12,963	15,613	11,520	11,054	11,502	-11%	4%
Opex	10,940	10,295	10,164	10,649	9,046	10,193	11,533	8,220	8,714	10,072	-1%	16%
EBITDA	**2,250**	**50**	**2,800**	**3,610**	**2,660**	**2,770**	**4,080**	**3,300**	**2,340**	**1,430**	**-48%**	**-39%**
Depreciation	229	217	225	344	362	281	295	380	290	312	11%	8%
EBIT	2,021	-167	2,575	3,266	2,299	2,489	3,785	2,920	2,050	1,118	-55%	-45%
EBIT (Post-Subsidy)	**2,021**	**-167**	**2,575**	**3,266**	**2,299**	**2,489**	**3,785**	**2,920**	**2,050**	**1,118**	**-55%**	**-45%**
Realization (USD/MT)	650	517	625	657	644	612	647	681	639	589	-4%	-8%
Realization (INR/MT)	53,402	42,749	52,063	54,632	53,695	51,236	55,366	58,183	55,828	51,578	1%	-8%
Opex (INR/MT)	44,292	42,543	40,818	40,801	41,494	40,287	40,898	41,517	44,010	45,166	12%	3%
EBITDA (INR/MT)	**9,109**	**207**	**11,245**	**13,831**	**12,202**	**10,949**	**14,468**	**16,667**	**11,818**	**6,413**	**-41%**	**-46%**
Depreciation (INR/MT)	927	896	902	1,318	1,658	1,109	1,048	1,921	1,464	1,400	26%	-4%
EBIT (INR/MT)	8,182	-690	10,343	12,513	10,544	9,840	13,421	14,746	10,354	5,013	-49%	-52%
EBIT post Subsidy (INR/MT)	**8,182**	**-690**	**10,343**	**12,513**	**10,544**	**9,840**	**13,421**	**14,746**	**10,354**	**5,013**	**-49%**	**-52%**

CONFERENCE CALL

Key takeaways from the management commentary

- **Tariff update**
  - The tariff determination process has been completed, with the company seeking approval for a tariff of INR78/unit. The delay in approval has led to an accrual of INR0.20/month in tariff, and the final order is expected anytime, likely by Nov’25.

- **Dabhol terminal**
  - Operations at the Dabhol terminal have now transitioned to an all-weather facility with a total capacity of 5 MMTPA. However, utilization remains around 50% in the absence of a heating system, which is expected to be commissioned by FY27.

- **Segmental performance and guidance:**
  - **Gas marketing PAT (is this PAT or EBIT?) is expected at around ~INR4.5b in FY26.**
  - **Gas transmission** volumes stood at ~122mmscmd in 1HFY26.
  - Overall gas demand is expected to average **~125 mmscmd in 2HFY26** with **revised guidance of 123-124mmscmd for FY26 and 132-133mmscmd for FY27.**
  - The downward revision reflects weak power demand, elevated gas prices, and delays in refinery linkages.
  - **Volume growth drivers in FY27:**
  - The company expects overall transmission volumes to increase by **7-8 mmscmd, led by 3-4mmscmd/2mmscmd/2mmscmd growth** from the CGD segment/power sector/new pipeline connections. Refinery offtake was lower this year, while flood-related disruptions also impacted volumes by around **2mmscmd**.
  - New refinery connections: New connections are expected from the Haldia, Bongaigaon, and Guwahati refineries, which should support volume growth over the medium term.
  - Fertilizer plants: Several fertilizer plants are undertaking capacity expansions, which are likely to further boost gas demand once completed.
  - In the **petchem segment**, margins remain under pressure due to high HH-linked gas prices, while LHC production remains stable.

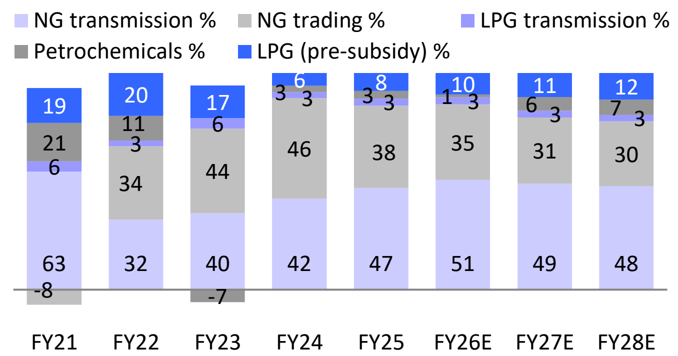
- **Capex**
  - Capex during **2QFY26 stood at INR16.6b**, including INR7.8b/5.1b/2.3b/balance toward pipelines/petchem/operational capex/CGD and E&P activities.

- **CGD business**
  - Across six GAs, the company currently operates 213 CNG stations and 4.5 lakh DPNG connections, handling physical volumes of **0.46mmscmd**.
  - It plans to add **85 new CNG stations** and 1.5 lakh additional DPNG connections in the coming quarters.

- **Petchem projects**
  - The company is executing multiple projects, including a 60ktpa expansion at Pata, a 1,250kta project under development, and the 500kta Usar facility, which is expected to be commissioned by FY27.

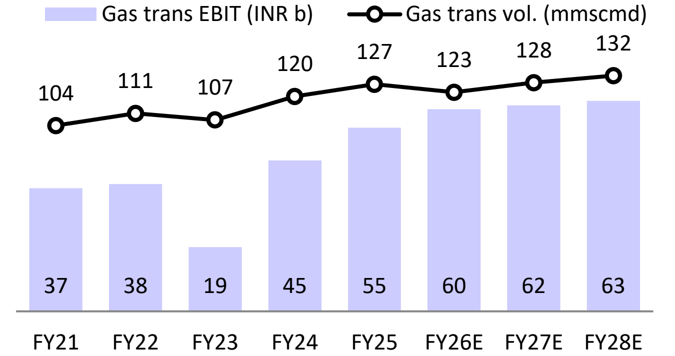
Story in charts

Exhibit 8: Transmission to be the major contributor to EBITDA



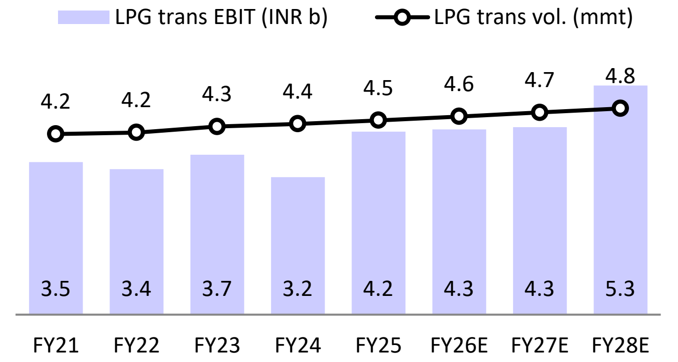
Source: Company, MOFSL

Exhibit 9: Expect gas transmission volumes to grow in FY27-28



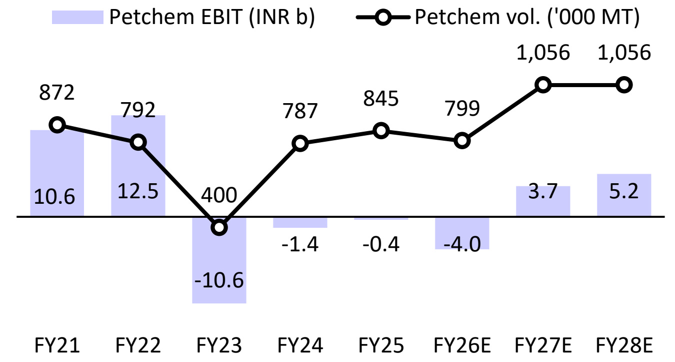
Source: Company, MOFSL

Exhibit 10: LPG transmission segment



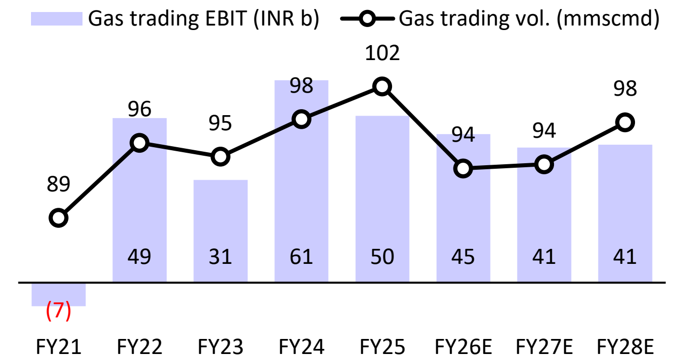
Source: Company, MOFSL

Exhibit 11: Petchem segment



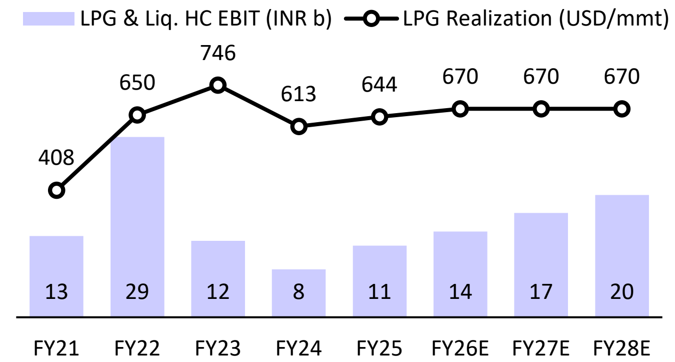
Source: Company, MOFSL

Exhibit 12: Gas trading segment



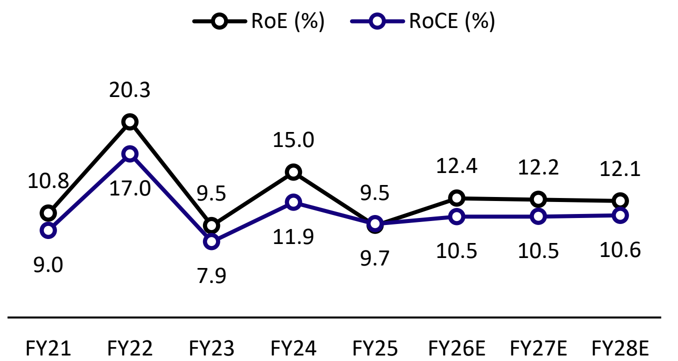
Source: Company, MOFSL

Exhibit 13: EBIT from LPG and Liquid HC



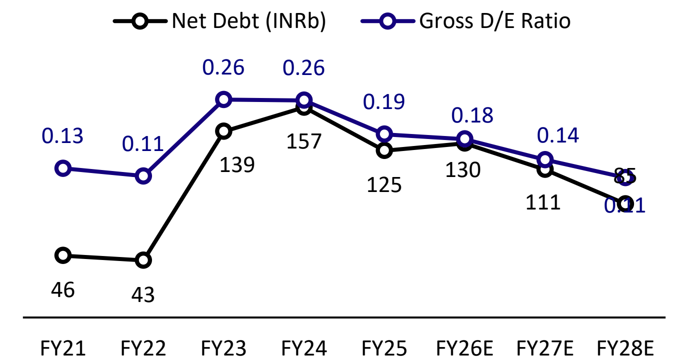
Source: Company, MOFSL

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**	**FY26E**	**FY27E**	**FY28E**
Net Sales	**1,443.0**	**1,306.4**	**1,372.1**	**1,299.3**	**1,360.9**	**1,436.4**
Change (%)	*57.5*	*-9.5*	*5.0*	*-5.3*	*4.7*	*5.5*
EBITDA	**67.0**	**134.8**	**143.3**	**137.4**	**145.8**	**152.8**
% of Net Sales	*4.6*	*10.3*	*10.4*	*10.6*	*10.7*	*10.6*
Depreciation	24.9	33.3	36.0	37.0	39.1	39.6
Interest	3.1	7.0	7.4	7.3	6.4	5.4
Other Income	26.8	22.8	24.0	25.6	27.2	29.0
EO Items (net)	0.0	0.0	24.4	0.0	0.0	0.0
PBT	**65.8**	**117.3**	**148.2**	**118.6**	**127.5**	**136.8**
Tax	12.8	27.2	35.1	27.5	29.6	31.7
Rate (%)	19.5	23.2	23.7	23.2	23.2	23.2
Reported PAT	**53.0**	**90.2**	**113.1**	**91.1**	**97.9**	**105.1**
Adjusted PAT	**53.0**	**90.2**	**94.5**	**91.1**	**97.9**	**105.1**
Change (%)	-48.8	70.1	4.8	-3.6	7.5	7.3

Balance Sheet						(INR b)
Y/E March	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Share Capital	65.8	65.8	65.8	65.8	65.8	65.8
Reserves	490.8	576.0	639.9	701.9	768.5	840.0
Net Worth	**556.5**	**641.8**	**705.6**	**767.6**	**834.2**	**905.7**
Loans	143.1	164.1	135.8	140.8	120.8	100.8
Deferred Tax	46.6	49.6	50.9	50.9	50.9	50.9
Capital Employed	**746.3**	**855.5**	**892.3**	**959.3**	**1,005.9**	**1,057.4**
Gross Fixed Assets	703.4	767.8	815.4	1,081.6	1,181.6	1,281.6
Less: Depreciation	280.7	314.0	350.0	387.0	426.1	465.7
Net Fixed Assets	**422.7**	**453.8**	**465.5**	**694.6**	**755.4**	**815.9**
Capital WIP	136.6	158.6	188.4	22.3	12.3	2.3
Investments	148.3	210.9	231.0	231.0	231.0	231.0
Current Assets						
Inventory	52.8	52.9	60.1	56.9	59.6	62.9
Debtors	114.1	106.5	102.5	97.1	101.7	107.3
Cash & Bank Balance	4.0	7.0	11.0	10.6	10.1	15.8
Cash	1.7	5.9	8.9	8.4	8.0	13.7
Bank Balance	2.3	1.1	2.2	2.2	2.2	2.2
Loans/Adv. & Other Assets	82.8	105.5	100.4	100.4	100.4	100.4
Current Liab. & Prov.						
Liabilities	198.1	219.8	247.1	234.0	245.1	258.7
Provisions	16.9	20.0	19.6	19.6	19.6	19.6
Net Current Assets	**38.7**	**32.2**	**7.4**	**11.4**	**7.2**	**8.2**
Application of Funds	**746.3**	**855.5**	**892.3**	**959.3**	**1,005.9**	**1,057.4**

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)						
EPS	**8.1**	**13.7**	**14.4**	**13.9**	**14.9**	**16.0**
Cash EPS	11.8	18.8	22.7	19.5	20.8	22.0
Book Value	93.5	101.8	113.5	122.9	133.0	143.9
DPS	4.0	5.5	5.5	4.4	4.8	5.1
Payout (incl. dvd tax)	49.6	40.1	32.0	32.0	32.0	32.0
Valuation (x)						
P/E	22.7	13.3	12.7	13.2	12.3	11.5
Adj. P/E (for investments)	17.1	10.1	9.6	10.0	9.3	8.6
Cash P/E	15.4	9.7	8.1	9.4	8.8	8.3
EV / EBITDA	13.1	7.7	7.0	7.0	6.5	6.0
EV / Sales	0.9	0.9	0.9	0.9	0.8	0.8
Price / Book Value	2.0	1.8	1.6	1.5	1.4	1.3
Dividend Yield (%)	2.2	3.0	3.0	2.4	2.6	2.8
Profitability Ratios (%)						
RoE	9.5	15.0	16.8	12.4	12.2	12.1
RoCE	7.9	11.9	11.5	10.5	10.5	10.6
RoIC	8.1	16.7	17.4	13.3	11.3	11.1
Turnover Ratios						
Debtors (No. of Days)	29	30	27	27	27	27
Fixed Asset Turnover (x)	1.9	1.5	1.5	1.4	1.4	1.4
Leverage Ratio						
Net Debt / Equity (x)	0.2	0.2	0.2	0.2	0.1	0.1

Cash Flow Statement (INR b)

Y/E March	FY22	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	65.8	115.5	148.2	118.6	127.5	136.8
Depreciation	24.9	33.3	36.0	37.0	39.1	39.6
Interest charge	3.1	7.0	7.4	7.3	6.4	5.4
Tax paid	-15.2	-27.5	-23.5	-27.5	-29.6	-31.7
(Inc)/Dec in Wkg. Capital	-30.9	5.5	8.5	-4.5	3.8	4.7
CF from Op. Activity	**28.1**	**118.5**	**155.7**	**131.0**	**147.3**	**154.7**
(Inc)/Dec in FA & CWIP	-73.4	-70.4	-69.0	-100.0	-90.0	-90.0
Free Cash Flow	**-45.3**	**48.1**	**86.7**	**31.0**	**57.3**	**64.7**
(Pur)/Sale of Investments	-10.6	-9.9	-6.0	0.0	0.0	0.0
CF from Inv. Activity	**-65.5**	**-80.0**	**-60.6**	**-100.0**	**-90.0**	**-90.0**
Interest charge	-5.8	-10.9	-10.8	-7.3	-6.4	-5.4
Inc / (Dec) in Debt	79.6	21.0	-28.4	5.0	-20.0	-20.0
Dividends Paid	-30.7	-36.2	-42.7	-29.1	-31.3	-33.6
CF from Fin. Activity	**25.5**	**-34.3**	**-92.1**	**-31.5**	**-57.7**	**-59.0**
Inc / (Dec) in Cash	**-11.9**	**4.1**	**3.0**	**-0.5**	**-0.4**	**5.7**
Add: Opening Balance	13.7	1.7	5.9	8.9	8.4	8.0
Closing Balance	**1.7**	**5.9**	**8.9**	**8.4**	**8.0**	**13.7**

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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