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India | Equity Research | Sector Update

Oil & Gas

Global LNG update: Supply situation continues to improve

Recent reports from industry/global LNG companies conspicuously point to an imminent expansion in global LNG export capacity over the next decade. That said, the estimates differ in terms of near-term demand-supply balance, with some estimates still pointing to a tight market by winter of this year and the next, while the more optimistic estimates highlighting a surplus within the next 12 months itself, which should last over the next five–seven years. As for India's gas sector, a sustained comfortable supply environment is good news. A moderate LNG cost scenario will likely engender additional demand from multiple sectors, promulgate margins and create additional pricing power for CGDs. We remain positive on selected names – GAIL and MGL being preferred plays in the gas space.

Massive supply additions on the way

The latest outlook on LNG – as per publications released separately by The Institute for Energy Economics and Financial Analysis (IEEFA), global energy conglomerate Shell and Independent Commodity Intelligence Services (ICIS) – points to a substantial addition to global LNG liquefaction capacity over the next three–four years (IEEFA estimates an addition of as much as ~192mtpa by CY28E to reach >666mtpa, a ~40% increment on current capacity; Shell and ICIS forecast between 150-170mt additions over this period). Irrespective of the exact number, the annual addition run rate implied by this figure is >40mt p.a. for the next three–four years, well above its historical run rates over the last decade.

Demand outlook is more mixed

The IEEFA and recent comments by IEA suggest a more bearish demand outlook over the next decade vs the estimates by Shell and ICIS. IEA and IEEFA both see gas demand gradually peaking across multiple geographies in the next five–seven years. In fact, IEEFA sees supply capacity addition outpacing global demand additions by CY28. Global demand additions, as per IEA, shall likely ascend to a mere ~482mtpa, creating a surplus of >180mtpa in five years. Should this scenario play out, global LNG prices are set for a rather long-drawn-out pricing slump in the medium term, which likely open the doors to material opportunities for Indian gas consumers for the next decade.

Other global forecasters, while also building in a supply boom, have chosen to be a bit more cautious with their views on the demand-supply balance prospects over the near term. ICIS' forecast implies that despite all the worries, supply additions of 20mt will only surface by CY24 and demand growth from EU, China and India shall be much stronger vs. CY23 levels (even though demand remains below pre-Ukraine conflict levels over CY24–25), which makes way for an anticipated deficit of 13mt for CY24 and ~7mt for CY25. Global LNG player Shell's forecast is even more aggressive with their estimates suggesting global LNG requirements likely continuing to rise, reaching >750mtpa by CY40. What this plethora of forecasts suggests is what is always true of commodity price forecasts, that it is better to look at near term data and not bother too much about longer term forecasts, given the inherent volatility present in the commodity.

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Our base-case assumptions and implications for India's gas sector

Our experience with bearish demand estimates by the likes of IEA and other associations, with respect to crude oil, provides some read through for how to look at gas demand over the next two–three years. We see demand growth as having been consistently underestimated and the potential of alternate sources of energy being overestimated over the last five–seven years with respect to crude oil.

Applying the same analogy to gas, we would be inclined to believe that demand recovery from EU + China, coupled with continued strength in demand from India will likely keep demand-supply balanced over the near term. While the massive expansion in global supply is a reality and will create a healthy surplus in the demand-supply balance in the medium term, we still see some tightness over the next 18–24 months, making us cautious of extrapolating the last two-month softness to the entirety of FY25E. **We do factor in much lower average spot LNG prices of USD 12–13/MMBtu over FY25E and USD 13–14/MMBtu over FY26E, well below average of USD 31/MMBtu seen in FY23. We note that this price is still ~USD 2–3/MMBtu higher than the average price of USD 10.3/MMBtu seen over 2M Q1FY25.** This marked moderation in LNG prices has several key implications for our gas coverage universe.

Average gas cost for India reduces substantially

Our calculations of Indian gas sourcing mix over the next two years implies that blended gas costs for Indian gas consumption will increase to USD 10.4/MMBtu over FY25E and USD 10.8/MMBtu over FY26E.

Demand to improve

The combination of easier pricing for LNG, coupled with the sharply higher domestic gas supply via RIL and ONGC should propel a material 7–8% improvement in average gas consumption over FY25–26E. We expect overall gas demand at 201/215mmscmd over FY25E/26E.

Pricing power to remain strong, aiding margins for CGDs

The reduction in APM gas to priority sectors has been a worry for the CGDs; the shortfall being met by a combination of term LNG, HPHT gas and spot LNG by the companies. A moderation in LNG prices, while still keeping prices well above APM, does make it easier to absorb the cost increase and passing it on without hampering margins.

GAIL to see input costs moderating for LPG/petchem in addition to demand boost

In addition to boosting prospects for its transmission and trading segments due to the availability of affordable LNG/expansion in LNG regasification infrastructure, margins for the LPG + Liquid Hydrocarbon and Petrochemical (petchem) segments are set to improve over the next two–three years. While net realisations for both LPG and petchem segments are likely to improve only marginally over FY25–26E, the larger improvement shall stem from softer LNG prices and the cap on priority sector prices, which helps reduce input costs for petrochemical and the LPG segments.

We see the developments as materially positive for all the gas companies GAIL, MGL and IGL will likely be the biggest beneficiaries in the current environment. The macro does benefit all the players, but we remain cautious on Gujarat Gas (volume volatility, rich valuations, limited return ratio improvement), Petronet LNG (capital allocation worries, limited earnings growth) and GSPL (tariff hit offsets volume benefit).

Exhibit 1: Global LNG capacity till CY23

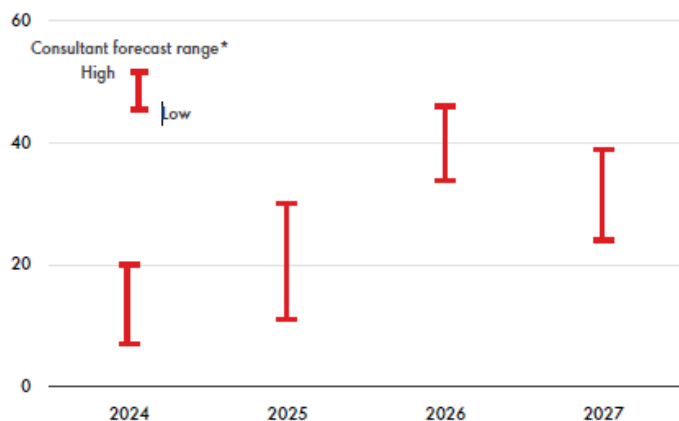
Country	MMT
USA	93.8
Australia	87.9
Qatar	77.1
Malaysia	32
Russia	30.4
Algeria	25.3
Indonesia	25
Nigeria	22.2
Egypt	12.2
Trinidad & Tobago	12
Oman	10.4
Papua New Guinea	8.3
Brunei	7.2
UAE	7
Angola	5.2
Norway	4.5
Peru	4.5
Equatorial Guinea	3.7
Mozambique	3.4
Cameroon	2.4
Total	474.5

Source: IEEFA, I-Sec research

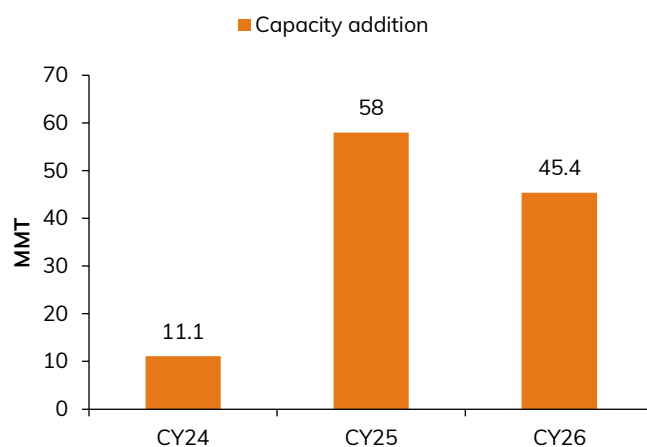
Exhibit 2: IEEFA estimates – global capacity addition over CY24-28; 62% of the additions to come from USA and Qatar

Country wise	MMT	Year-wise	MMT
USA	70.9	CY24	11.5
Qatar	48	CY25	36.6
Russia	26	CY26	57.2
Canada	16.1	CY27	44.1
Nigeria	7.6	CY28	43.3
Mexico	7.2	Total	192.7
Australia	5.4		
US/Louisiana	3.3		
Congo (Republic)	3		
Mauritania - Senegal	2.5		
Malaysia	2		
Gabon	0.7		
Total	192.7		

Source: IEEFA, I-Sec research

Exhibit 3: Global LNG supply growth, as per Shell

Source: Shell LNG outlook 2024, I-Sec research

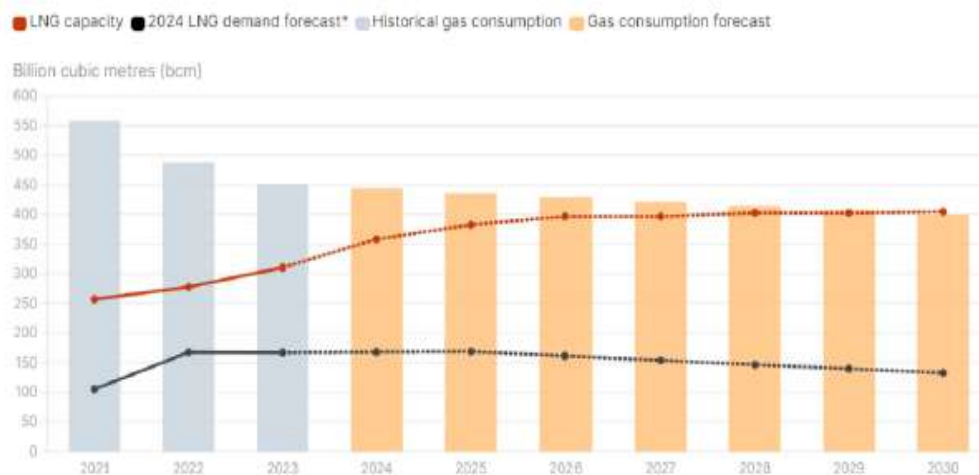
Exhibit 4: LNG capacity addition, as per ICIS

Source: ICIS 2024 LNG outlook, I-Sec research

As per IEEFA, European gas demand is expected to fall by 11% between CY23–30 with LNG imports likely to peak in CY25. Combined LNG demand in the major north-east Asian markets of Japan, South Korea and Taiwan fell 5.4% in CY3, after dropping 1% in CY22. Long-term climate and energy plans in Japan and South Korea could cause LNG demand to decline rapidly in the coming decade, as both countries attempt to increase generation from nuclear, renewables and other energy sources.

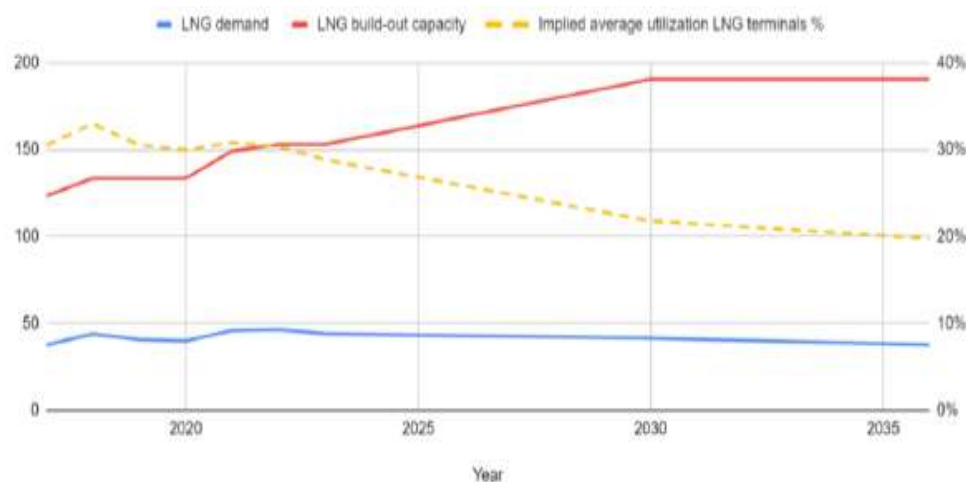
Although gas demand grew at an average annual rate of 8% over the last decade, estimates from PipeChina imply that demand could grow at a slower rate of 4.3% per year, peaking in CY35.

Exhibit 5: IEEFA – European gas demand is expected to fall by 11% over CY23–30

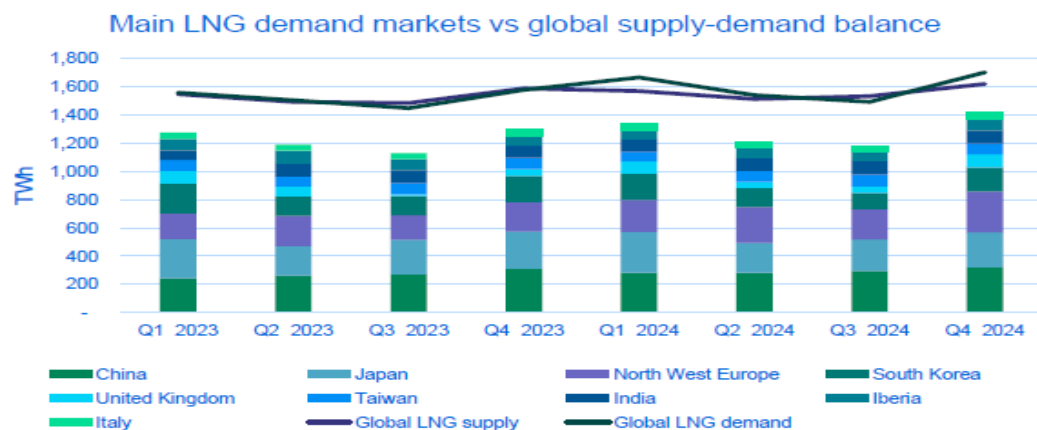


Source: IEEFA, I-Sec research

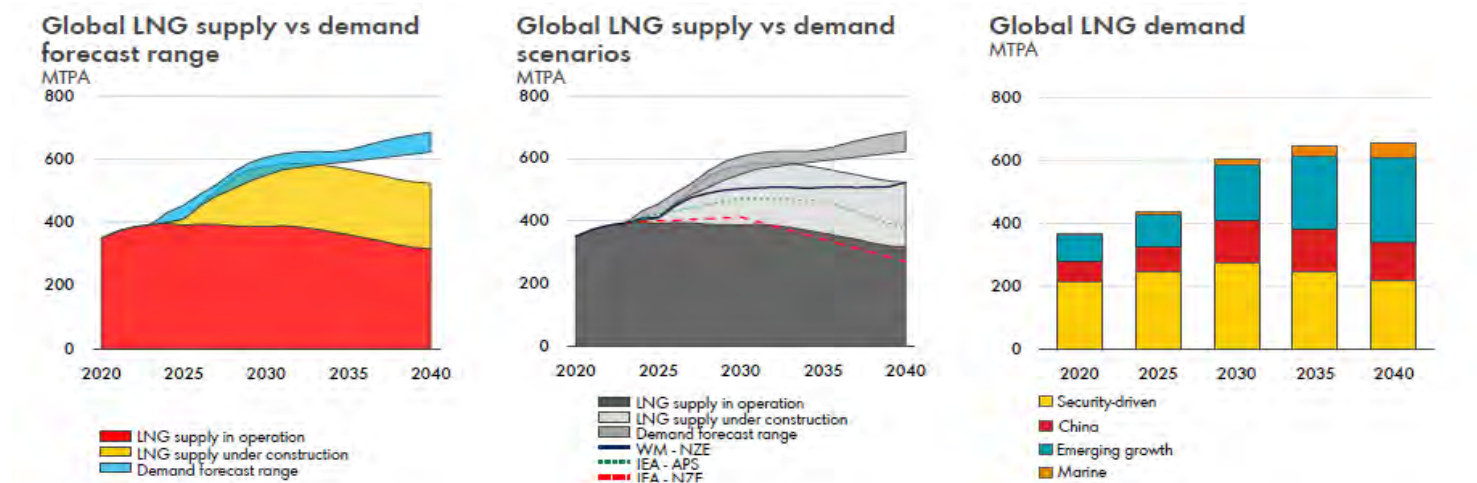
Exhibit 6: IEEFA estimates – South Korea demand for LNG vs. LNG import capacity (MMT)



Source: IEEFA, I-Sec research

Exhibit 7: ICIS estimates – global LNG market to be short in CY24, as demand growth outpaces supply


Source: ICIS, I-Sec research

Exhibit 8: Shell's outlook – LNG liquefaction investment underpinned by demand


Source: Shell LNG outlook 2024, I-Sec research

Exhibit 9: IEA – world natural gas demand outlook for CY24

Demand (bcm/year)	CY20	CY21	CY22	CY23	CY24	CY24/CY23 growth
Africa	161	169	170	176	181	2.8%
Asia Pacific	834	891	877	902	942	4.4%
of which China	325	367	364	391	417	6.6%
Central and South America	142	153	150	149	152	2.0%
Eurasia	585	649	622	631	646	2.4%
of which Russia	461	516	487	495	507	2.4%
Europe	576	609	524	488	497	1.8%
Middle East	546	562	580	592	607	2.5%
North America	1079	1091	1144	1157	1166	0.8%
of which United States	868	874	919	928	935	0.8%
World Demand	3923	4124	4067	4095	4191	2.3%

Source: IEA, I-Sec research

Exhibit 10: IEA – world natural gas production by region and key country

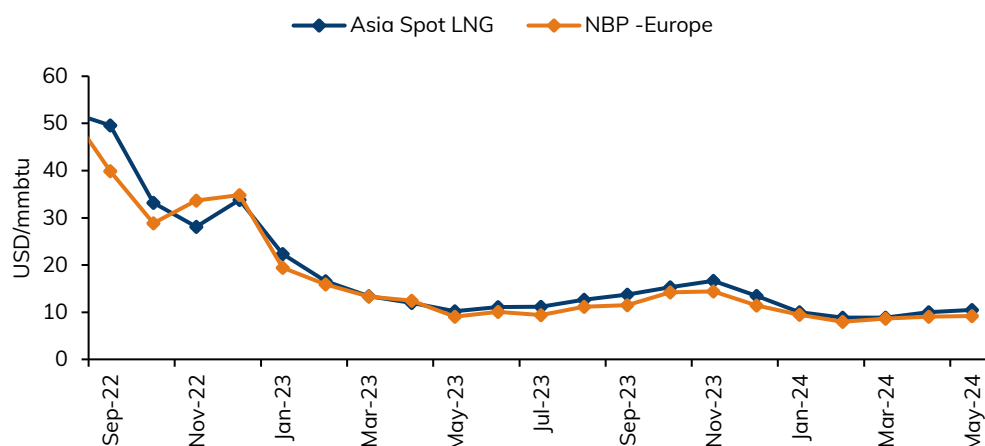
Supply (bcm/year)	CY20	CY21	CY22	CY23	CY24	CY24/CY23 growth
Africa	240	260	251	253	260	2.8%
Asia Pacific	622	648	660	670	685	2.2%
of which China	189	205	216	230	240	4.3%
Central and South America	150	148	151	149	153	2.7%
Eurasia	866	961	865	830	860	3.6%
of which Russia	692	762	672	638	670	5.0%
Europe	230	222	230	215	219	1.9%
Middle East	670	692	715	725	745	2.8%
North America	1145	1172	1240	1285	1270	-1.2%
of which United States	954	984	1021	1061	1055	-0.6%
World Supply	3923	4124	4067	4095	4191	2.3%

Source: IEA, I-Sec research

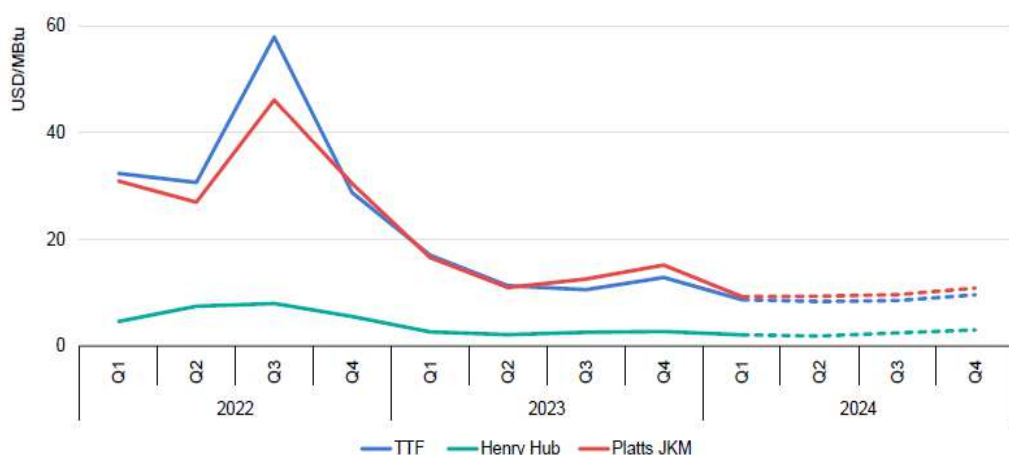
Exhibit 11: India's overall gas cost likely to remain below USD11/MMbtu for FY25/FY26E

mmscmd	Volume				Slope	USD/bbl	95.0	85.0	85.0	85.0
Production / consumption	FY23	FY24	FY25E	FY26E	Slope		FY23	FY24	FY25E	FY26E
ONGC	53.9	53.0	52.5	52.5			7.7	7.3	7.3	7.9
ONGC New (KG)	-	2.0	6.0	10.0		USD/MMbtu		12.4	12.1	11.2
Oil India	8.3	8.4	9.1	9.7		USD/MMbtu	9.5	7.3	7.3	7.9
Other domestic	9.0	9.0	9.1	9.2		USD/MMbtu	7.7	7.3	7.3	7.9
Gazprom	1.8	9.0	9.0	9.0	14%	USD/MMbtu	13.3	11.9	11.9	11.9
Gorgon	5.2	5.2	5.2	5.2	14%	USD/MMbtu	13.3	11.9	11.9	11.9
Rasgas	27.5	30.6	30.6	30.6	13%	USD/MMbtu	12.6	11.3	11.3	11.3
RIL	18.0	27.1	30.0	33.0	14%	USD/MMbtu	14.6	11.9	11.9	11.9
Spot LNG	34.3	43.6	49.6	56.0		USD/MMbtu	31.0	12.0	12.6	13.2
Total Gas consumption	158.0	187.9	201.1	215.1		USD/MMbtu	14.7	10.1	10.4	10.8
YoY % change		19%	7%	7%				-31%	2%	4%

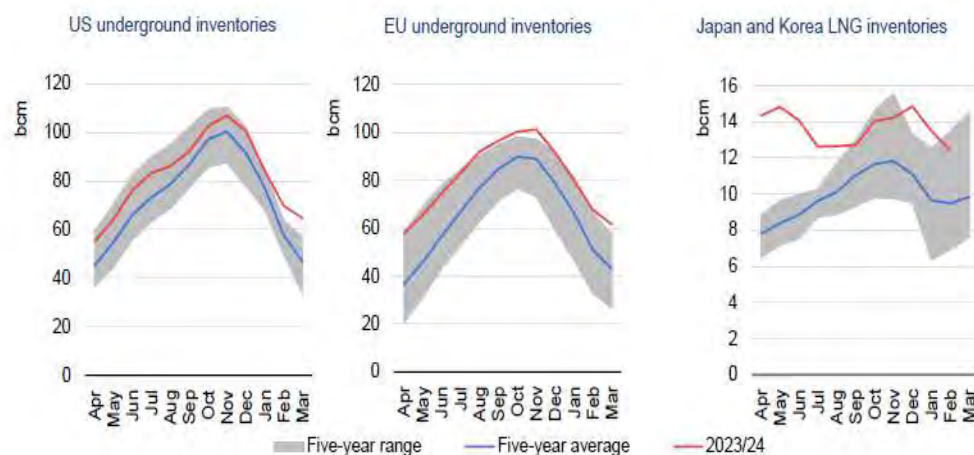
Source: PPAC, Company data, I-Sec research

Exhibit 12: LNG prices have softened over last 18 months

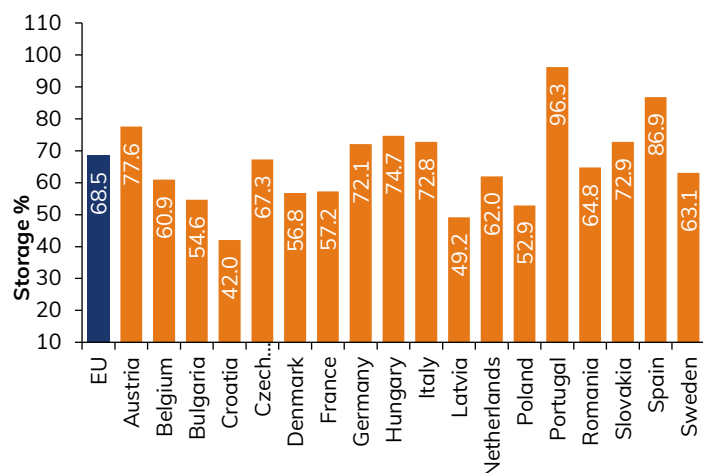
Source: I-Sec research, Company data

Exhibit 13: IEA estimates – future LNG price trend

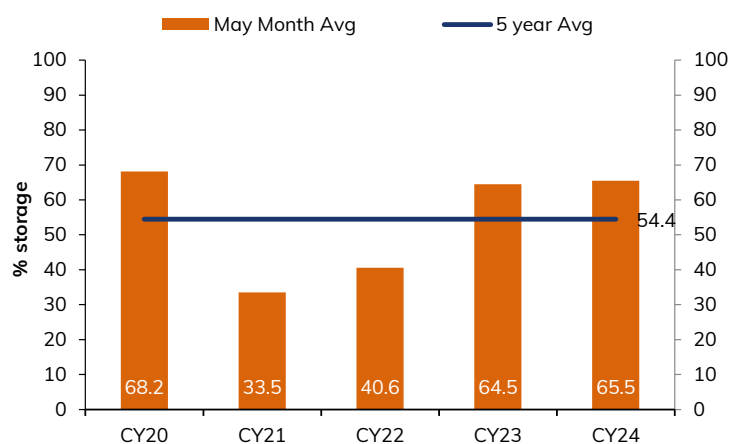
Source: IEA, I-Sec research

Exhibit 14: Storage sites closed the CY23/24 heating season with inventory levels well-above average

Source: IEA, I-Sec research

Exhibit 15: EU inventory, as on 25 May'24

Source: AGSI Inventory, I-Sec research

Exhibit 16: Europe inventory levels above 5-year averages

Source: AGSI Inventory, I-Sec research

Exhibit 17: IGL – sensitivity on margins for every USD 0.5/MMbtu increase in spot prices

		FY25E base-case	Scenario 1	Scenario 2
Spot LNG	USD/mmbtu	12.5	13.00	13.50
CNG Realisation	INR/kg	74.1	74.1	74.1
Net CNG Realisation	INR/scm	45.0	45.0	45.0
Gas Cost	INR/scm	29.0	29.3	29.7
Gross margin	INR/scm	16.1	15.7	15.3
Gross margin	INR mn	40,615.1	39,733.1	38,730.9
PNG Realisation	INR/scm	48.6	48.6	48.6
Gas Cost	INR/scm	29.0	29.3	29.7
Gross margin	INR/scm	19.6	19.3	18.9
Gross margin	INR mn	4,807.7	4,722.3	4,625.1
Total Gross Margin	INR mn	45,998.8	45,031.4	43,932.0
Gross Margin	INR/scm	13.7	13.4	13.0

Source: Company data, I-Sec research

Exhibit 18: MGL – sensitivity on margins for every USD 0.5/MMbtu increase in spot prices

MGL		FY25E base-case	Scenario 1	Scenario 2
Spot LNG /HPHT/Others	USD/mmbtu	16.2	16.7	18.8
CNG Realisation	INR/kg	73.5	73.5	73.5
Net CNG Realisation	INR/scm	47.8	47.8	47.8
Gas Cost	INR/scm	25.1	25.5	25.9
Gross margin	INR/scm	22.6	22.3	21.9
Gross margin	INR mn	22,748.3	22,368.6	21,989.0
Volume	mmscmd	0.6	0.6	0.6
PNG Realisation	INR/scm	47.0	47.0	47.0
Gas Cost	INR/scm	25.1	25.5	25.9
Gross margin	INR/scm	21.9	21.5	21.1
Gross margin	INR mn	4,408.4	4,332.2	4,255.9
Total Gross Margin	INR mn	26,885.6	26,264.4	24,981.6
Gross Margin	INR/scm	19.2	18.7	17.8

Source: Company data, I-Sec research

Exhibit 19: GUJGA – sensitivity on margins for every USD 0.5/MMbtu increase in spot prices

GUJGA		FY25E base-case	Scenario 1	Scenario 2
Spot LNG Price		12.4	13.0	13.5
CNG Realisation	INR/kg	74.3	74.3	74.3
Net CNG Realisation	INR/scm	48.1	48.1	48.1
Gas Cost	INR/scm	29.5	29.7	29.9
Gross margin	INR/scm	18.6	18.5	18.2
Gross Margin	INR mn	20,540	20,393	20,144
Net PNG Realisation	INR/scm	45.6	45.6	45.6
Gas Cost	INR/scm	29.5	29.7	29.9
Gross margin	INR/scm	16.1	16.0	15.7
Gross Margin	INR mn	4,498	4,461	4,398
I/C				
Net Morbi Realisation	INR/scm	45.0	45.0	45.0
Gross Margin	INR/scm	4.3	3.4	2.5
Gross Margin	INR mn	11,437	8,973	6,684
Total Gross Margin	INR mn	36,476	33,827	31,227
Gross Margin	INR/scm	9.0	8.4	7.8

Source: Company data, I-Sec research

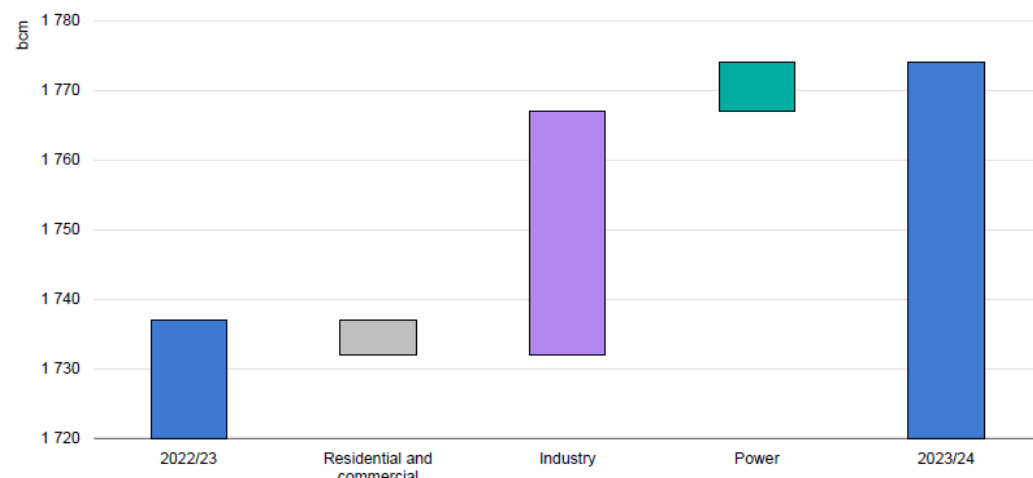
Exhibit 20: Key assumption and matrix for gas companies

	FY24	FY25E	FY26E	FY27E
IGL				
Gross margin INR/scm	13.6	13.7	13.3	13.3
EBITDA INR/scm	7.7	7.7	7.3	7.2
Volumes (mmscmd)				
CNG	6.3	6.9	7.4	7.7
Dom PNG	0.6	0.7	0.7	0.8
Ind/Comm	1.0	1.1	1.2	1.3
Third Party	0.5	0.5	0.6	0.6
Total volumes	8.4	9.2	9.9	10.5
MGL				
Gross margin INR/scm	19.7	19.2	19.1	18.7
EBITDA INR/scm	13.9	13.3	13.2	12.8
Volumes (mmscmd)				
CNG	2.6	2.8	2.9	3.1
PNG-Dom	0.5	0.6	0.6	0.6
PNG- Comm/IND	0.5	0.5	0.6	0.6
Total	3.6	3.8	4.1	4.4
GUJGA				
Gross margin INR/scm	9.2	9.0	9.3	9.2
EBITDA INR/scm	5.5	5.6	5.8	5.7
Volumes (mmscmd)				
CNG	0.7	0.7	0.7	0.8
Residential PNG	2.7	2.9	2.9	3.1
Industrial/Commercial	5.9	7.5	7.2	7.1
Total	9.3	11.1	12.1	13.2
GAIL				
Petchem				
Utilization	97%	99%	99%	99%
EBITDA (INR mn)	4,200	12,478	13,955	15,883
Petchem volume (kt)	787	805	805	805
Trading volume (mmscmd)	98.5	106.9	110.9	117.8
Trading EBITDA (INR mn)	67,560.0	64,575.1	65,273.3	66,437.9
Transmission Volume (mmscmd)	120.4	130.7	135.7	144.1
Tariff (INR/mcm)	2,407.0	2,419.7	2,456.8	2,446.3
NG Transmission EBITDA (INR mn)	61,610.0	74,887.9	79,592.6	83,931.6
LPG biz Volumes (kt)	999.0	1,028.0	1,038.3	1,048.7
LPG EBITDA (INR mn)	8,710.0	17,520.1	19,553.7	25,148.1
LPG Transmission (kt)	4,396	4,616	4,847	5,089
LPG transmission EBITDA (INR mn)	4,000.0	4,615.8	4,846.6	5,088.9
Total EBITDA INR mn (cons.)	1,42,963	1,67,891	1,77,230	1,90,102
Total EBIT INR mn (cons.)	1,06,243	1,35,975	1,41,714	1,51,185
Petronet				
Total Volume tbtu	919	945	1,015	1,033
Dahej Volumes (tbtu)	864	880	935	940
Kotchi Volumes (tbtu)	55	65	80	93
GSPL				
Volumes mmscmd	30.5	33.0	36.0	38.0
Tariff (INR/mcm)	1,776.9	1,021.6	1,021.6	1,021.6

Source: Company data, I-Sec research

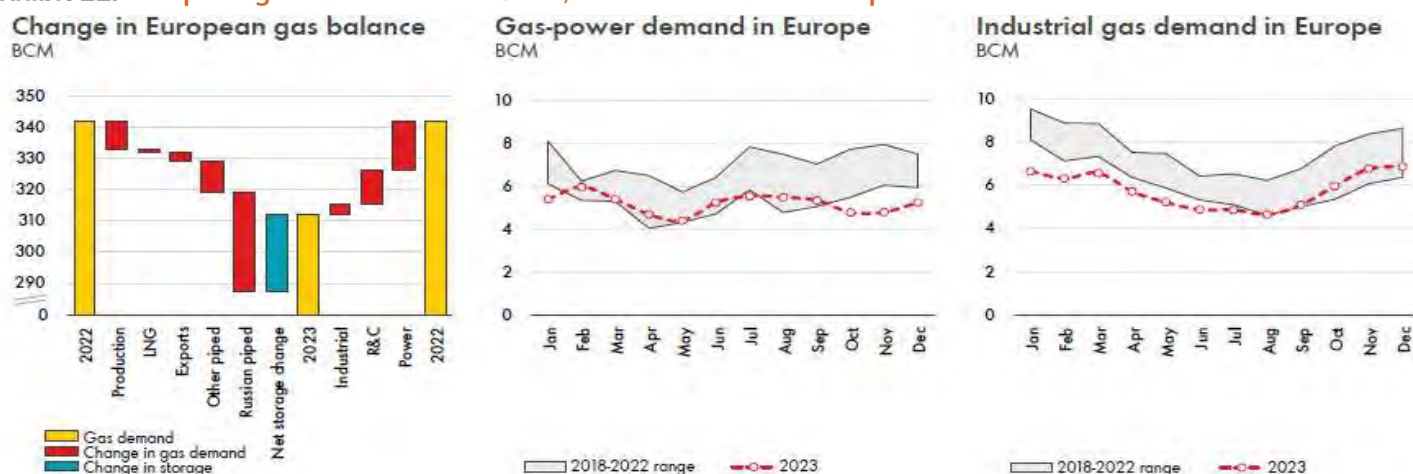
Annexure

Exhibit 21: Gas demand growth remained subdued through CY23/24 heating season amidst mild winter weather conditions



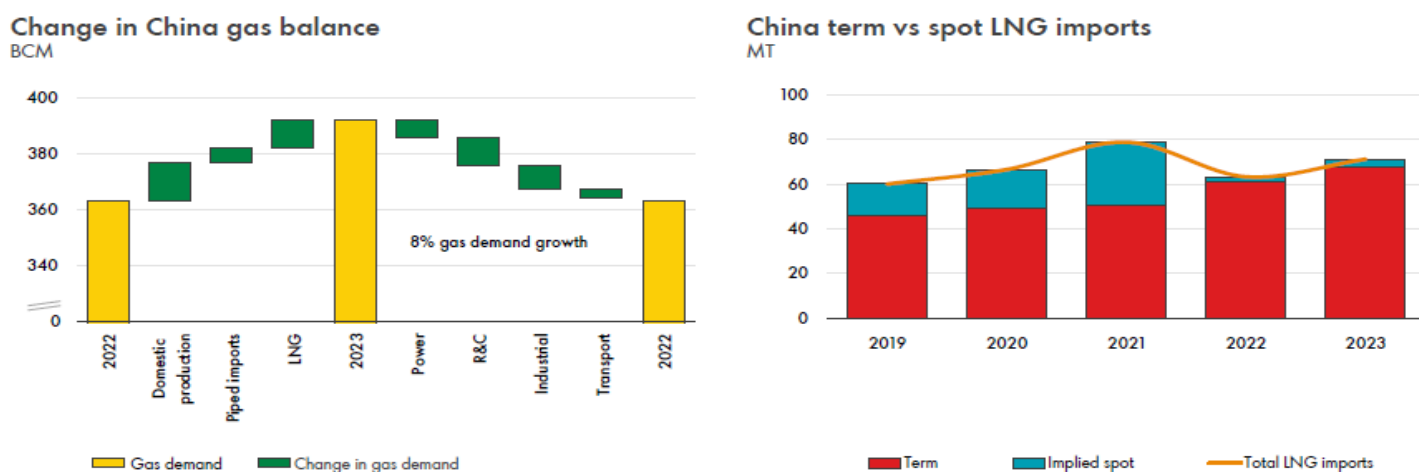
Source: IEA, I-Sec research

Exhibit 22: European gas demand fell in CY23; demand destruction in power and industrial sectors



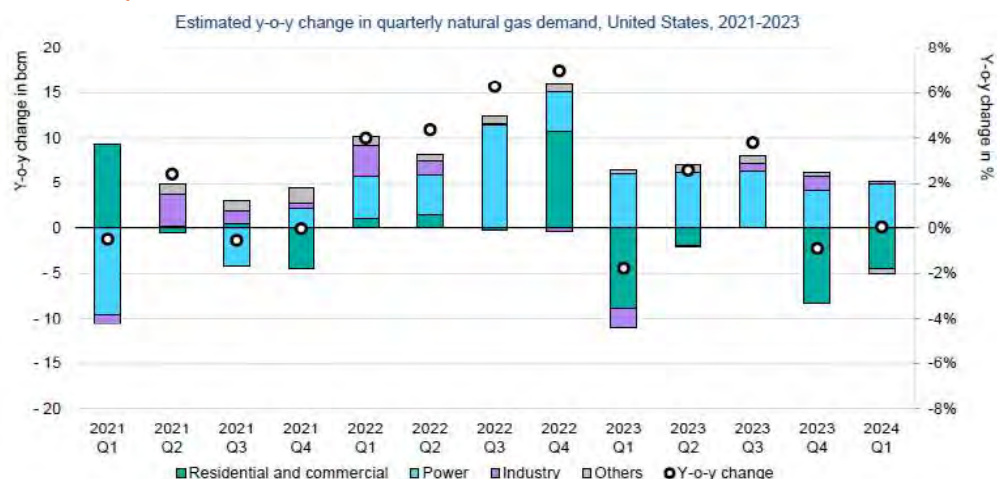
Source: Shell Outlook 2024, I-Sec research

Exhibit 23: China gas demand outpaced moderate economic growth with Strong Term contract



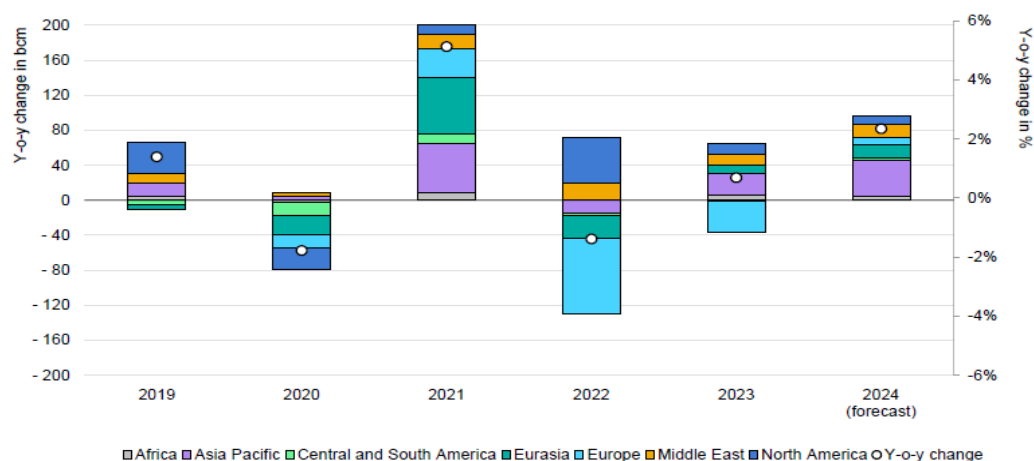
Source: Shell Outlook 2024, I-Sec research

Exhibit 24: Lower space heating demand weighed on gas use in the United States over CY23/24 winter



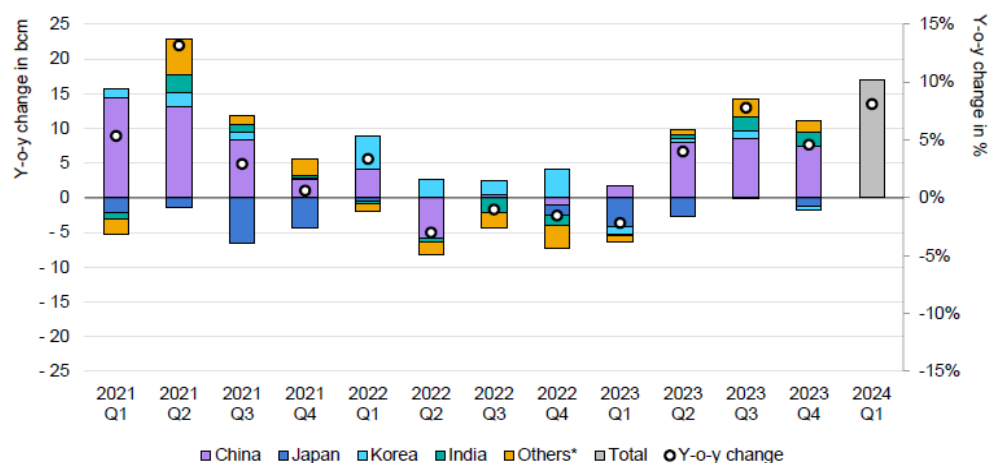
Source: IEA, I-Sec research

Exhibit 25: IEA estimate – Asian markets are expected to drive gas demand growth in CY24

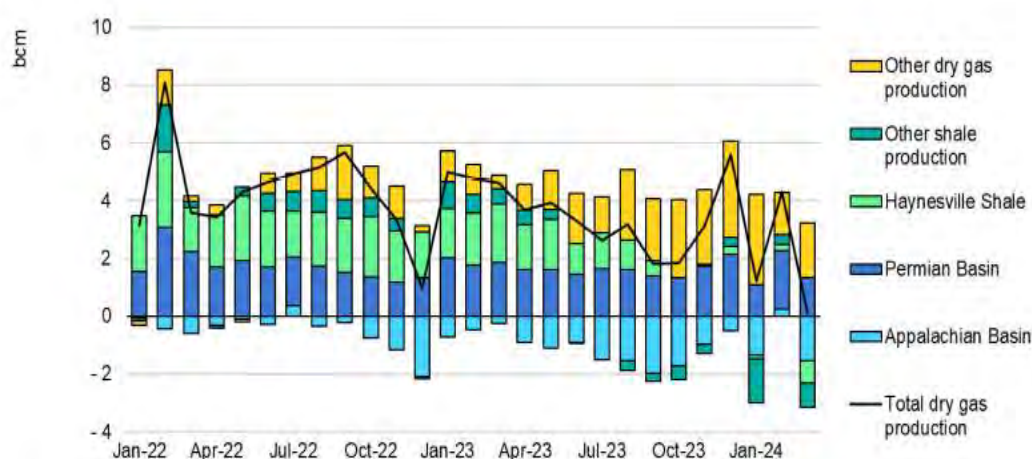


Source: IEA, I-Sec research

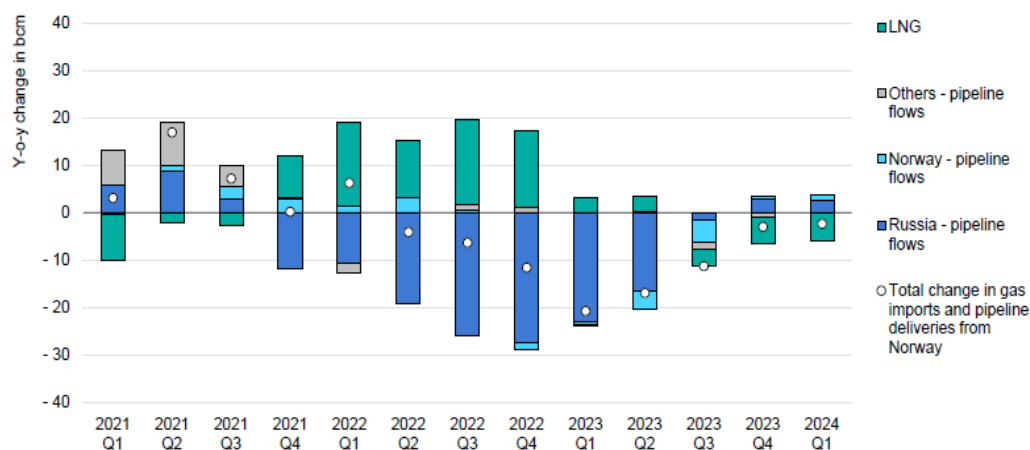
Exhibit 26: China and India continue to drive Asia's natural gas demand growth



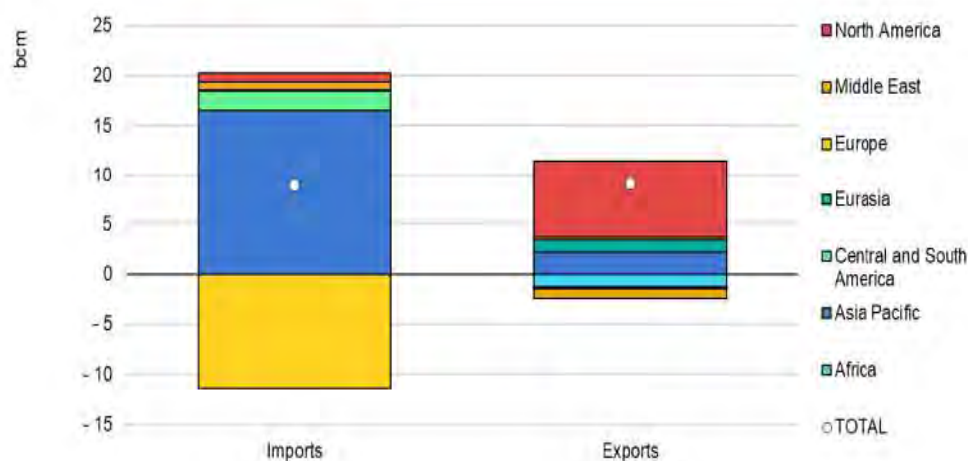
Source: IEA, I-Sec research

Exhibit 27: US dry gas production growth slowed significantly over winter period

Source: IEA, I-Sec research

Exhibit 28: Russia's piped gas deliveries to Europe rose through 2023/24 winter season, albeit staying well-below their historic levels

Source: IEA, I-Sec research

Exhibit 29: Fall in winter European LNG imports helped compensate for strong Asian buying – context of low incremental LNG supply

Source: IEA, I-Sec research

Exhibit 30: Red Sea disruption and Panama bottleneck make LNG flows more regional, but also meant longer voyages

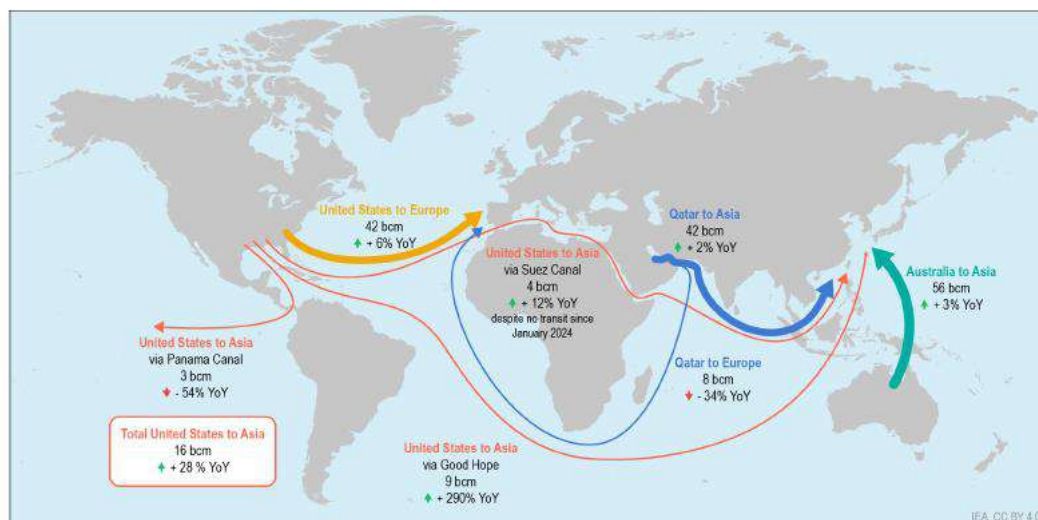


Exhibit 31: Shell outlook – USA became the largest LNG exporter; Panama Canal constraints shifted trade patterns

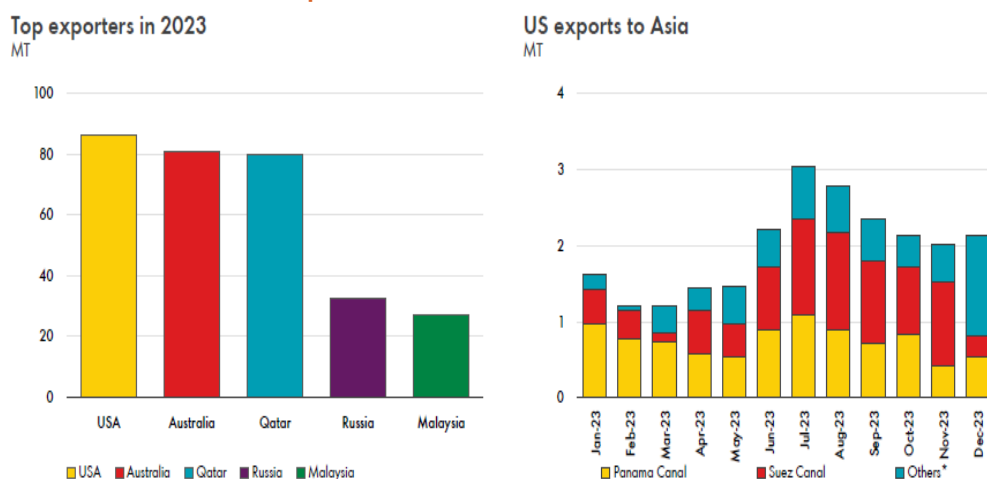


Exhibit 32: Despite structural tightness, prices moderated in CY23; JKM prices fell but remained above historical norms

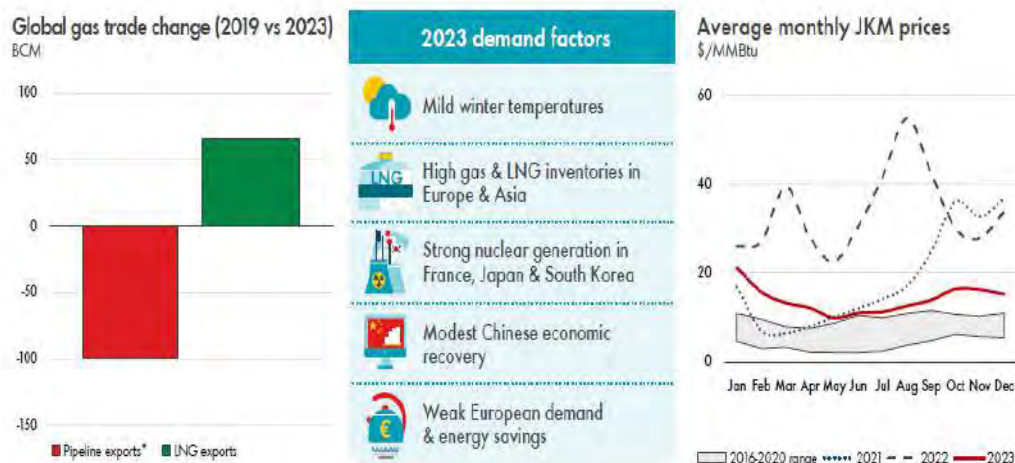
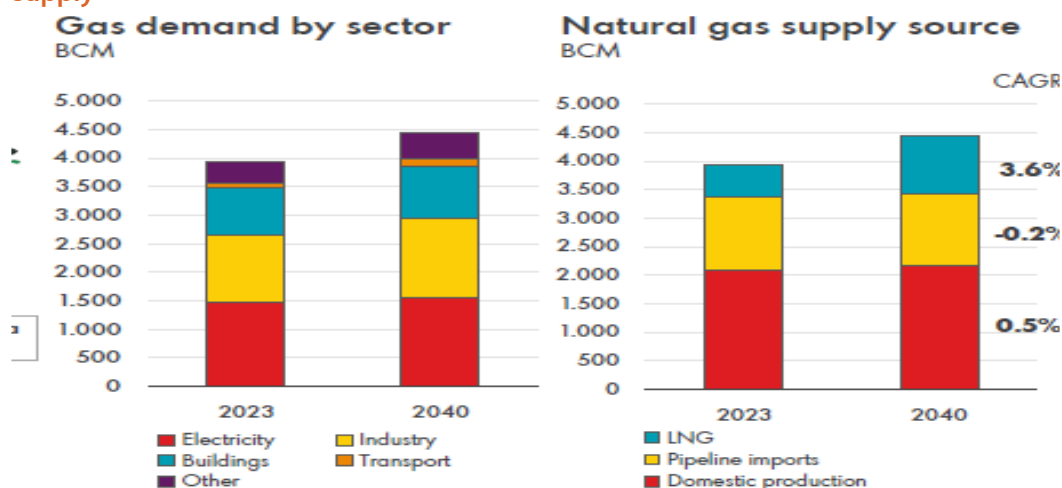
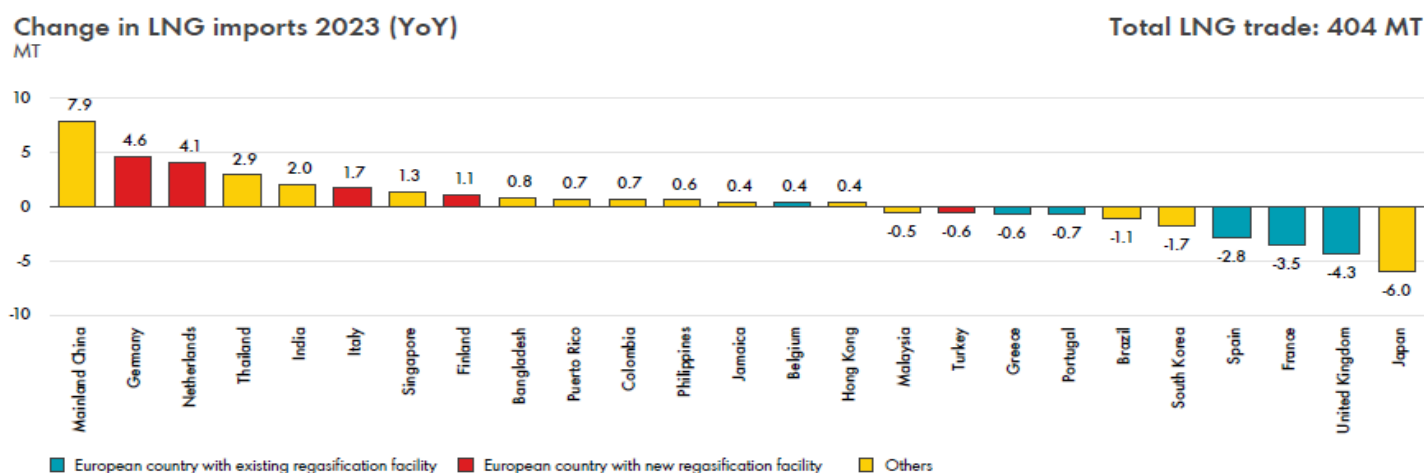


Exhibit 33: Shell outlook – LNG to play increasingly important role in global gas supply



Source: Shell outlook 2024, I-Sec research

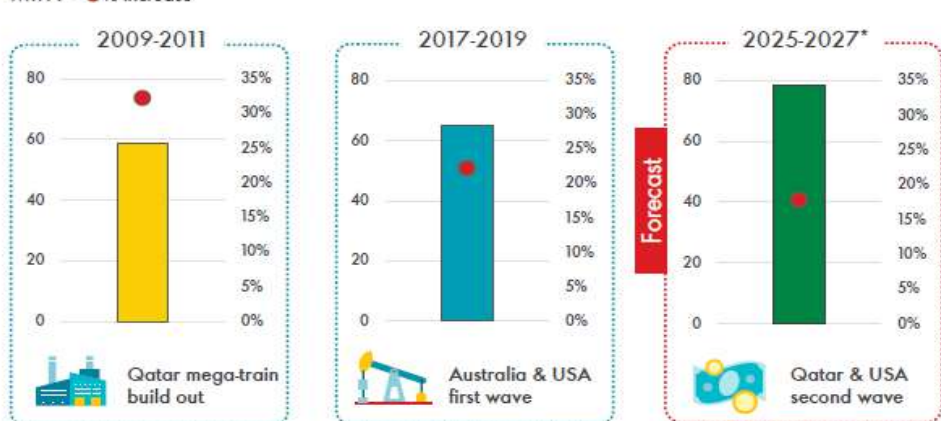
Exhibit 34: New infrastructure helps redistribute European LNG imports; China retook top importer spot; emerging Asia shows growth potential



Source: Shell Outlook 2024, I-Sec research

Exhibit 35: LNG industry has managed large expansions before; diverse demand sectors poised to consume new LNG supply

Three-year historical and forecast global LNG supply increases



Source: I-Sec research 2024, Shell Outlook

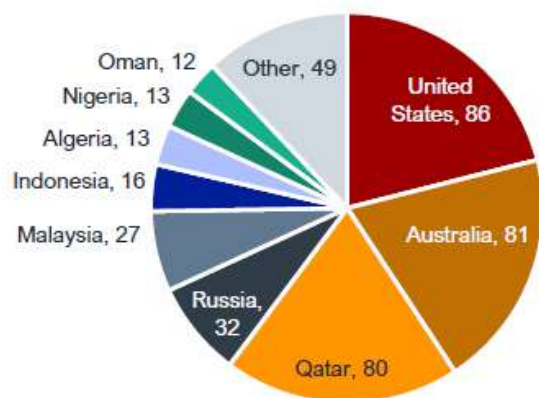
Since the start up of the first US LNG terminal off the Gulf Coast in early 2016, the country has grown to become the world's largest LNG supplier. Today there are seven operating LNG facilities in continental US, with a combined nameplate capacity of 92.3 MTPA of LNG, about one-fifth of the world's total.

Exhibit 36: US LNG terminals and nameplate capacities

Facility	U.S. State	Bcf/d	MTPA	Initial In-Service Date
Sabine Pass LNG	Louisiana	4	30.6	Feb-16
Cove Point LNG	Maryland	0.7	5.3	Mar-18
Corpus Christi LNG	Texas	2	15.4	Dec-18
Elba Island LNG	Georgia	0.3	2.5	Sep-19
Cameron LNG	Louisiana	1.8	13.5	May-19
Freeport LNG	Texas	2	15	Sep-19
Calcasieu Pass LNG	Louisiana	1.3	10	Mar-22
Source: U.S. Energy Information Administration		10.8	92.3	

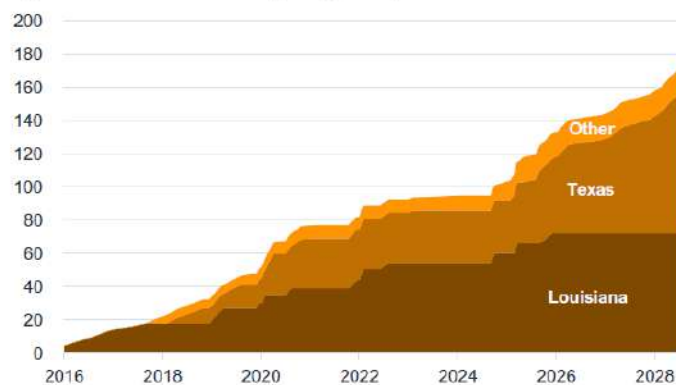
Source: U.S. Energy Information Administration, I-Sec research

Exhibit 37: Global LNG exports, CY23 (MTPA)



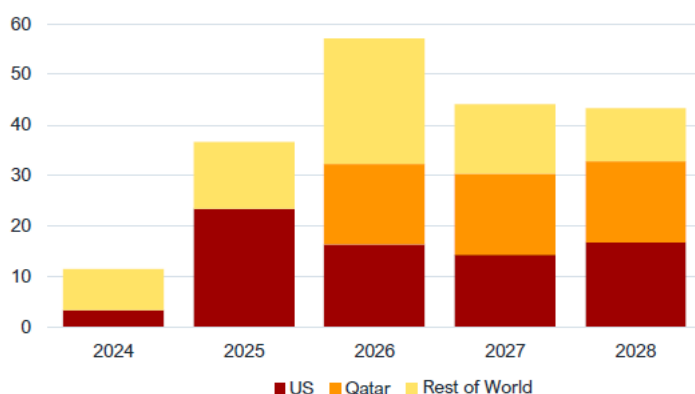
Source: IEEFA estimates, I-Sec research

Exhibit 38: US-sourced LNG Capacity (MTPA)



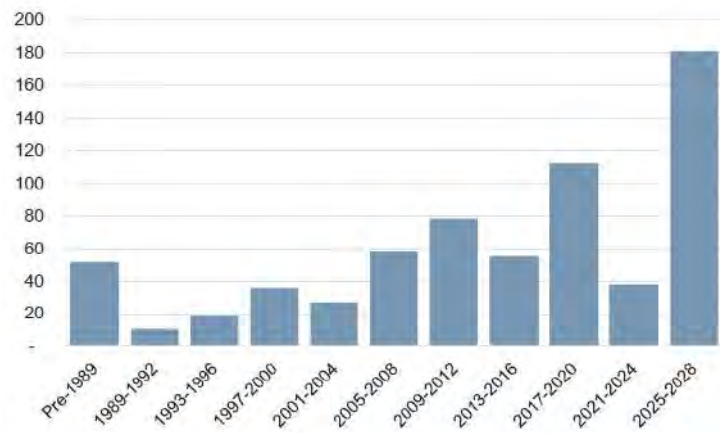
Source: Global LNG outlook, I-Sec research

Exhibit 39: Global LNG supply additions CY4-28 (MTPA)



Source: IEEFA estimates, I-Sec research

Exhibit 40: Net global LNG supply additions (MTPA)



Source: Global LNG outlook, I-Sec research

Financial Summary – Mahanagar Gas

Exhibit 41: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	62,208	67,257	73,337	78,121
EBITDA	18,426	18,646	19,661	20,309
EBITDA Margin (%)	29.6	27.7	26.8	26.0
Depreciation & Amortisation	2,736	3,495	4,005	4,515
EBIT	15,690	15,152	15,657	15,795
Interest expenditure	115	50	50	50
Other Non-operating Income	1,753	2,019	2,513	2,513
PBT	17,327	17,120	18,120	18,258
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	4,437	4,384	4,640	4,675
PAT	12,890	12,736	13,480	13,582
Less: Minority Interest	-	-	-	-
Net Income (Reported)	12,890	12,736	13,480	13,582
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	12,890	12,736	13,480	13,582

Source Company data, I-Sec research

Exhibit 42: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	8,422	10,922	15,309	19,705
of which cash & bank	3,985	7,293	11,452	15,669
Total Current Liabilities & Provisions	16,700	17,561	19,482	21,014
Net Current Assets	(8,277)	(6,640)	(4,173)	(1,309)
Other Non-Current Assets	4,306	4,306	4,306	4,306
Net Fixed Assets	35,430	40,435	44,930	48,916
Other Fixed Assets	-	-	-	-
Capital Work in Progress	7,743	7,743	7,743	7,743
Non-Investment	-	-	-	-
Current Investment	16,360	17,996	19,795	21,775
Deferred Tax Assets	-	-	-	-
Total Assets	55,560	63,839	72,601	81,429
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	2,441	2,441	2,441	2,441
Lease Liability	-	-	-	-
Other Liabilities	1,691	1,691	1,691	1,691
Equity Share Capital	988	988	988	988
Reserves & Surplus*	50,441	58,720	67,481	76,310
Total Net Worth	51,429	59,707	68,469	77,298
Minority Interest	-	-	-	-
Total Liabilities	55,560	63,839	72,601	81,429

Source Company data, I-Sec research

Exhibit 43: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	15,332	15,651	15,632	15,592
% growth (YoY)	-4.4%	2.1%	-0.1%	-0.3%
EBITDA	5,213	4,789	4,487	3,938
Margin %	34.0%	30.6%	28.7%	25.3%
Other Income	390	437	481	446
Extraordinaries	-	-	-	-
Adjusted Net Profit	3,684	3,385	3,172	2,650

Source Company data, I-Sec research

Exhibit 44: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	18,964	18,646	19,661	20,309
Working Capital Changes	907	1,671	1,693	1,353
Tax	(4,240)	(4,384)	(4,640)	(4,675)
Operating Cashflow	15,631	15,933	16,714	16,987
Capital Commitments	(7,698)	(8,500)	(8,500)	(8,500)
Free Cashflow	7,933	7,433	8,214	8,487
Others CFI	(3,111)	383	713	533
Cashflow from Investing Activities	(10,809)	(8,117)	(7,787)	(7,967)
Inc (Dec) in Borrowings	-	-	-	-
Interest Cost	-	(50)	(50)	(50)
Others	(3,116)	(4,458)	(4,718)	(4,754)
Cash flow from Financing Activities	(3,116)	(4,508)	(4,768)	(4,804)
Chg. in Cash & Bank balance	1,706	3,308	4,160	4,216
Closing cash & balance	3,985	7,293	11,452	15,669

Source Company data, I-Sec research

Exhibit 45: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	130.5	128.9	136.5	137.5
Diluted EPS	130.5	128.9	136.5	137.5
Recurring Cash EPS	158.2	164.3	177.0	183.2
Dividend per share (DPS)	42.4	45.1	47.8	48.1
Book Value per share (BV)	520.6	604.4	693.1	782.5
Dividend Payout (%)	32.5	35.0	35.0	35.0
Growth (%)				
Net Sales	(0.9)	8.1	9.0	6.5
EBITDA	55.6	1.2	5.4	3.3
EPS	63.2	(1.2)	5.8	0.8
Valuation Ratios (x)				
P/E	10.0	10.1	9.6	9.5
P/CEPS	8.2	7.9	7.4	7.1
P/BV	2.5	2.2	1.9	1.7
EV / EBITDA	5.9	5.6	5.0	4.5
EV / Operating Income	6.2	6.0	5.4	5.0
Dividend Yield (%)	3.3	3.5	3.7	3.7
Operating Ratios				
EBITDA Margins (%)	29.6	27.7	26.8	26.0
Effective Tax Rate (%)	25.6	25.6	25.6	25.6
Net Profit Margins (%)	20.7	18.9	18.4	17.4
NWC / Total Assets (%)	(14.9)	(10.4)	(5.7)	(1.6)
Fixed Asset Turnover (x)	1.4	1.3	1.2	1.1
Working Capital Days	(5.3)	(11.6)	(11.8)	(19.0)
Net Debt / Equity %	(39.6)	(42.4)	(45.6)	(48.4)
Profitability Ratios				
RoCE (%)	25.2	20.3	18.2	16.1
RoCE (Pre-tax) (%)	33.8	27.3	24.4	21.7
RoE (%)	27.8	22.9	21.0	18.6

Source Company data, I-Sec research

Financial Summary – Indraprastha Gas

Exhibit 46: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	1,40,000	1,61,138	1,73,849	1,85,345
EBITDA	23,669	25,930	26,144	27,479
EBITDA Margin (%)	16.9	16.1	15.0	14.8
Depreciation & Amortisation	4,138	4,884	5,665	6,261
EBIT	19,531	21,046	20,479	21,218
Interest expenditure	92	76	51	51
Other Non-operating Income	3,632	3,259	5,060	6,542
PBT	23,072	24,228	25,488	27,709
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	5,591	5,871	6,176	6,714
PAT	17,481	18,357	19,311	20,994
Less: Minority Interest	-	-	-	-
Net Income (Reported)	17,481	18,357	19,311	20,994
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	17,481	18,357	19,311	20,994

Source Company data, I-Sec research

Exhibit 47: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	34,746	37,016	42,347	54,070
of which cash & bank	21,493	23,059	27,950	39,355
Total Current Liabilities & Provisions	41,083	43,285	44,757	45,749
Net Current Assets	(6,336)	(6,269)	(2,410)	8,321
Other Non-Current Assets	-	-	-	-
Net Fixed Assets	65,989	77,266	85,761	88,460
Other Fixed Assets	-	-	-	-
Capital Work in Progress	13,964	13,964	13,964	13,964
Non-Investment	7,700	7,700	7,700	7,700
Current Investment	8,806	8,806	8,806	8,806
Deferred Tax Assets	(3,695)	(3,695)	(3,695)	(3,695)
Total Assets	86,428	97,771	1,10,126	1,23,556
Liabilities				
Borrowings	812	412	412	412
Deferred Tax Liability	-	-	-	-
Lease Liability	-	-	-	-
Other Liabilities	99	101	104	106
Equity Share Capital	1,400	1,400	1,400	1,400
Reserves & Surplus*	84,117	95,859	1,08,210	1,21,638
Total Net Worth	85,517	97,259	1,09,610	1,23,038
Minority Interest	-	-	-	-
Total Liabilities	86,428	97,771	1,10,126	1,23,556

Source Company data, I-Sec research

Exhibit 48: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	34,070	34,585	35,562	35,968
% growth (YoY)	-7.6%	1.5%	2.8%	1.1%
EBITDA	6,424	6,569	5,641	5,226
Margin %	18.9%	19.0%	15.9%	14.5%
Other Income	457	1,340	550	1,094
Extraordinaries	-	-	-	-
Adjusted Net Profit	4,384	5,348	3,921	3,828

Source Company data, I-Sec research

Exhibit 49: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	24,056	25,930	26,144	27,479
Working Capital Changes	(3,828)	1,501	1,035	676
Tax	(4,871)	(5,871)	(6,176)	(6,714)
Operating Cashflow	15,357	21,560	21,003	21,440
Capital Commitments	(12,021)	(16,160)	(14,160)	(8,960)
Free Cashflow	3,335	5,400	6,843	12,480
Others CFI	(4,838)	3,259	5,060	6,542
Cashflow from Investing Activities	(16,860)	(12,901)	(9,100)	(2,418)
Inc (Dec) in Borrowings	-	-	-	-
Interest Cost	-	(76)	(51)	(51)
Others	(3,337)	(7,016)	(6,960)	(7,566)
Cash flow from Financing Activities	(3,337)	(7,092)	(7,011)	(7,618)
Chg. in Cash & Bank balance	(4,840)	1,566	4,892	11,405
Closing cash & balance	21,493	23,059	27,950	39,355

Source Company data, I-Sec research

Exhibit 50: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	25.0	26.2	27.6	30.0
Diluted EPS	25.0	26.2	27.6	30.0
Recurring Cash EPS	30.9	33.2	35.7	38.9
Dividend per share (DPS)	9.0	9.5	9.9	10.8
Book Value per share (BV)	122.2	138.9	156.6	175.8
Dividend Payout (%)	36.0	36.0	36.0	36.0
Growth (%)				
Net Sales	(1.0)	15.1	7.9	6.6
EBITDA	16.0	9.6	0.8	5.1
EPS	21.0	5.0	5.2	8.7
Valuation Ratios (x)				
P/E	18.5	17.6	16.7	15.4
P/CEPS	14.9	13.9	12.9	11.8
P/BV	3.8	3.3	2.9	2.6
EV / EBITDA	12.4	11.2	11.0	10.0
EV / Operating Income	12.7	12.0	11.2	9.9
Dividend Yield (%)	2.0	2.0	2.2	2.3
Operating Ratios				
EBITDA Margins (%)	16.9	16.1	15.0	14.8
Effective Tax Rate (%)	24.2	24.2	24.2	24.2
Net Profit Margins (%)	12.5	11.4	11.1	11.3
NWC / Total Assets (%)	(7.3)	(6.4)	(2.2)	6.7
Fixed Asset Turnover (x)	1.7	1.7	1.6	1.5
Working Capital Days	(2.2)	(2.8)	(3.1)	(4.7)
Net Debt / Equity %	(34.5)	(32.3)	(33.2)	(38.8)
Profitability Ratios				
RoCE (%)	18.7	17.3	14.9	13.8
RoCE (Pre-tax) (%)	24.7	22.9	19.7	18.2
RoE (%)	22.4	20.1	18.7	18.0

Source Company data, I-Sec research

Financial Summary – Gujarat Gas

Exhibit 51: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	1,56,902	1,91,640	2,21,927	2,46,942
EBITDA	18,764	22,437	25,412	27,571
EBITDA Margin (%)	12.0	11.7	11.5	11.2
Depreciation & Amortisation	4,743	5,247	5,751	6,255
EBIT	14,021	17,190	19,661	21,316
Interest expenditure	293	80	40	0
Other Non-operating Income	1,078	1,034	989	943
PBT	15,362	18,144	20,610	22,258
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	3,934	4,473	5,081	5,488
PAT	11,428	13,670	15,528	16,770
Less: Minority Interest	-	-	-	-
Net Income (Reported)	11,985	13,670	15,528	16,770
Extraordinaries (Net)	557	-	-	-
Recurring Net Income	11,013	13,670	15,528	16,770

Source Company data, I-Sec research

Exhibit 52: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	22,288	24,527	30,363	36,438
of which cash & bank	9,261	10,217	15,320	21,129
Total Current Liabilities & Provisions	27,825	27,539	28,952	29,168
Net Current Assets	(5,536)	(3,012)	1,411	7,270
Other Non-Current Assets	-	-	-	-
Net Fixed Assets	77,615	84,368	90,617	96,362
Other Fixed Assets	-	-	-	-
Capital Work in Progress	9,180	9,180	9,180	9,180
Non-Investment	-	-	-	-
Current Investment	7,501	8,001	8,501	9,001
Deferred Tax Assets	(9,108)	(9,108)	(9,108)	(9,108)
Total Assets	79,652	89,429	1,00,601	1,12,705
Liabilities				
Borrowings	1,503	1,003	503	3
Deferred Tax Liability	-	-	-	-
Lease Liability	-	-	-	-
Other Liabilities	1,256	1,281	1,307	1,333
Equity Share Capital	1,377	1,377	1,377	1,377
Reserves & Surplus*	75,516	85,769	97,415	1,09,993
Total Net Worth	76,893	87,145	98,792	1,11,369
Minority Interest	-	-	-	-
Total Liabilities	79,652	89,429	1,00,601	1,12,705

Source Company data, I-Sec research

Exhibit 53: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	37,815	38,454	39,291	41,342
% growth (YoY)	-26.9%	-3.3%	6.6%	5.2%
EBITDA	3,880	4,966	4,007	5,911
Margin %	10.3%	12.9%	10.2%	14.3%
Other Income	239	298	230	311
Extraordinaries	-	-	-	-
Adjusted Net Profit	2,151	2,978	2,203	3,681

Source Company data, I-Sec research

Exhibit 54: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	19,769	22,437	25,412	27,571
Working Capital Changes	(201)	(1,544)	705	(24)
Tax	(3,227)	(4,473)	(5,081)	(5,488)
Operating Cashflow	16,340	16,419	21,036	22,060
Capital Commitments	(8,371)	(12,000)	(12,000)	(12,000)
Free Cashflow	24,712	28,419	33,036	34,060
Others CFI	(454)	534	489	443
Cashflow from Investing Activities	(8,825)	(11,466)	(11,511)	(11,557)
Inc (Dec) in Borrowings	-	(500)	(500)	(500)
Interest Cost	(273)	(80)	(40)	0
Others	(4,868)	(3,418)	(3,882)	(4,193)
Cash flow from Financing Activities	(5,141)	(3,998)	(4,422)	(4,693)
Chg. in Cash & Bank balance	2,374	956	5,103	5,809
Closing cash & balance	9,184	10,217	15,320	21,129

Source Company data, I-Sec research

Exhibit 55: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	16.0	19.9	22.6	24.4
Diluted EPS	16.0	19.9	22.6	24.4
Recurring Cash EPS	22.9	27.5	30.9	33.4
Dividend per share (DPS)	5.7	5.0	5.6	6.1
Book Value per share (BV)	111.7	126.6	143.5	161.8
Dividend Payout (%)	35.4	25.0	25.0	25.0
Growth (%)				
Net Sales	(6.4)	22.1	15.8	11.3
EBITDA	(21.6)	19.6	13.3	8.5
EPS	(27.8)	24.1	13.6	8.0
Valuation Ratios (x)				
P/E	34.7	27.9	24.6	22.8
P/CEPS	24.2	20.2	17.9	16.6
P/BV	5.0	4.4	3.9	3.4
EV / EBITDA	19.5	16.2	14.1	12.7
EV / Operating Income	24.3	20.0	17.4	15.8
Dividend Yield (%)	1.0	0.9	1.0	1.1
Operating Ratios				
EBITDA Margins (%)	12.0	11.7	11.5	11.2
Effective Tax Rate (%)	25.6	24.7	24.7	24.7
Net Profit Margins (%)	7.0	7.1	7.0	6.8
NWC / Total Assets (%)	(7.0)	(3.4)	1.4	6.5
Fixed Asset Turnover (x)	1.5	1.6	1.7	1.7
Working Capital Days	7.7	21.2	20.7	20.0
Net Debt / Equity %	(19.8)	(19.8)	(23.6)	(27.1)
Profitability Ratios				
RoCE (%)	13.9	15.6	15.8	15.2
RoCE (Pre-tax) (%)	18.7	20.6	21.0	20.2
RoE (%)	15.0	16.7	16.7	16.0

Source Company data, I-Sec research

Financial Summary – GAIL India

Exhibit 56: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	13,32,285	10,47,368	11,39,895	12,28,925
EBITDA	1,42,963	1,67,891	1,77,230	1,90,102
EBITDA Margin (%)	10.7	16.0	15.5	15.5
Depreciation & Amortisation	36,720	31,916	35,516	38,916
EBIT	1,06,243	1,35,975	1,41,714	1,51,185
Interest expenditure	7,192	6,347	3,481	1,371
Other Non-operating Income	10,078	15,686	15,992	17,388
PBT	1,09,129	1,45,314	1,54,224	1,67,202
Profit / (Loss) from Associates	16,821	23,572	24,475	25,469
Less: Taxes	26,922	36,576	38,818	42,085
PAT	82,207	1,08,739	1,15,406	1,25,118
Less: Minority Interest	-	-	-	-
Net Income (Reported)	99,028	1,32,310	1,39,881	1,50,586
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	99,028	1,32,310	1,39,881	1,50,586

Source Company data, I-Sec research

Exhibit 57: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	2,02,718	1,81,707	2,11,313	2,65,984
of which cash & bank	17,121	14,075	29,331	69,934
Total Current Liabilities & Provisions	2,15,920	2,18,272	2,33,506	2,49,701
Net Current Assets	(13,202)	(36,565)	(22,194)	16,283
Other Non-Current Assets	-	-	-	-
Net Fixed Assets	5,51,885	6,09,969	6,64,453	7,05,537
Other Fixed Assets	-	-	-	-
Capital Work in Progress	2,36,268	2,36,268	2,36,268	2,36,268
Non-Investment	2,56,301	2,56,301	2,56,301	2,56,301
Current Investment	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Assets	10,31,253	10,65,973	11,34,828	12,14,389
Liabilities				
Borrowings	2,17,938	1,66,374	1,41,374	1,16,374
Deferred Tax Liability	41,357	41,357	41,357	41,357
Lease Liability	-	-	-	-
Other Liabilities	-	-	-	-
Equity Share Capital	65,751	65,751	65,751	65,751
Reserves & Surplus*	7,04,221	7,90,506	8,84,361	9,88,921
Total Net Worth	7,69,972	8,56,257	9,50,112	10,54,672
Minority Interest	1,986	1,986	1,986	1,986
Total Liabilities	10,31,253	10,65,973	11,34,828	12,14,389

Source Company data, I-Sec research

Exhibit 58: Quarterly trend

(INR mn, year ending March)

	June-23	Sep-23	Dec-23	Mar-24
Net Sales	3,22,121	3,18,068	3,42,365	3,23,177
% growth (YoY)	-1.9%	-1.3%	7.6%	-5.6%
EBITDA	24,327	34,913	38,226	35,578
Margin %	7.6%	11.0%	11.2%	11.0%
Other Income	2,676	5,609	8,121	6,376
Extraordinaries	-	-	-	-
Adjusted Net Profit	14,120	24,049	28,426	21,770

Source Company data, I-Sec research

Exhibit 59: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	1,46,911	1,67,891	1,77,230	1,90,102
Working Capital Changes	11,687	20,317	884	2,127
Tax	(32,741)	(36,576)	(38,818)	(42,085)
Operating Cashflow	1,25,857	1,51,632	1,39,296	1,50,144
Capital Commitments	(1,25,012)	(90,000)	(90,000)	(80,000)
Free Cashflow	846	61,632	49,296	70,144
Others CFI	39,820	39,258	40,467	42,857
Cashflow from Investing Activities	(85,192)	(50,742)	(49,533)	(37,143)
Inc (Dec) in Borrowings	15,449	(51,564)	(25,000)	(25,000)
Interest Cost	(13,982)	(6,347)	(3,481)	(1,371)
Others	(36,042)	(46,026)	(46,026)	(46,026)
Cash flow from Financing Activities	(34,574)	(1,03,937)	(74,507)	(72,397)
Chg. in Cash & Bank balance	6,092	(3,046)	15,256	40,604
Closing cash & balance	17,121	14,075	29,331	69,934

Source Company data, I-Sec research

Exhibit 60: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	15.1	20.1	21.3	22.9
Diluted EPS	15.1	20.1	21.3	22.9
Recurring Cash EPS	20.6	25.0	26.7	28.8
Dividend per share (DPS)	5.0	7.0	7.0	7.0
Book Value per share (BV)	117.1	130.2	144.5	160.4
Dividend Payout (%)	33.2	34.8	32.9	30.6
Growth (%)				
Net Sales	(8.5)	(21.4)	8.8	7.8
EBITDA	86.4	17.4	5.6	7.3
EPS	72.2	33.6	5.7	7.7
Valuation Ratios (x)				
P/E	13.4	10.1	9.5	8.8
P/CEPS	9.8	8.1	7.6	7.0
P/BV	1.7	1.6	1.4	1.3
EV / EBITDA	10.7	8.8	8.1	7.2
EV / Operating Income	13.2	9.8	9.2	8.2
Dividend Yield (%)	2.5	3.5	3.5	3.5
Operating Ratios				
EBITDA Margins (%)	10.7	16.0	15.5	15.5
Effective Tax Rate (%)	24.7	25.2	25.2	25.2
Net Profit Margins (%)	7.4	12.6	12.3	12.3
NWC / Total Assets (%)	(1.3)	(3.4)	(2.0)	1.3
Fixed Asset Turnover (x)	1.9	1.3	1.3	1.3
Working Capital Days	23.2	20.9	24.1	23.8
Net Debt / Equity %	26.1	17.8	11.8	4.4
Profitability Ratios				
RoCE (%)	8.8	10.1	10.0	10.0
RoCE (Pre-tax) (%)	11.7	13.5	13.4	13.3
RoE (%)	14.0	16.3	15.5	15.0

Source Company data, I-Sec research

Financial Summary – Petronet LNG

Exhibit 61: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	5,27,293	5,98,443	7,03,762	7,84,480
EBITDA	52,055	58,494	63,068	64,370
EBITDA Margin (%)	9.9	9.8	9.0	8.2
Depreciation & Amortisation	7,766	8,679	10,129	12,449
EBIT	44,289	49,815	52,939	51,920
Interest expenditure	-	-	-	-
Other Non-operating Income	6,085	6,393	6,655	6,929
PBT	47,477	53,545	57,021	56,367
Profit / (Loss) from Associates	1,254	1,200	1,200	1,200
Less: Taxes	12,207	13,477	14,352	14,188
PAT	35,270	40,068	42,669	42,180
Less: Minority Interest	-	-	-	-
Net Income (Reported)	36,524	41,268	43,869	43,380
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	36,524	41,268	43,869	43,380

Source Company data, I-Sec research

Exhibit 62: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	1,28,941	1,43,605	1,52,467	1,46,774
of which cash & bank	74,142	87,326	92,583	86,154
Total Current Liabilities & Provisions	37,465	38,850	41,684	42,887
Net Current Assets	91,476	1,04,754	1,10,783	1,03,887
Other Non-Current Assets	23,129	23,176	23,224	23,272
Net Fixed Assets	81,470	87,790	1,02,661	1,30,212
Other Fixed Assets	-	-	-	-
Capital Work in Progress	15,524	15,524	15,524	15,524
Non-Investment	6,167	6,228	6,291	6,354
Current Investment	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Assets	2,17,765	2,37,473	2,58,483	2,79,248
Liabilities				
Borrowings	30,081	29,081	28,081	27,081
Deferred Tax Liability	6,165	6,165	6,165	6,165
Lease Liability	30,081	29,081	28,081	27,081
Other Liabilities	7,418	7,492	7,567	7,642
Equity Share Capital	15,000	15,000	15,000	15,000
Reserves & Surplus*	1,59,101	1,79,735	2,01,670	2,23,359
Total Net Worth	1,74,101	1,94,735	2,16,670	2,38,359
Minority Interest	-	-	-	-
Total Liabilities	2,17,765	2,37,473	2,58,483	2,79,248

Source Company data, I-Sec research

Exhibit 63: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	1,16,561	1,25,320	1,42,897	1,37,932
% growth (YoY)	-16.0%	7.5%	14.0%	-3.5%
EBITDA	11,818	12,147	12,485	11,040
Margin %	10.1%	9.7%	8.7%	8.0%
Other Income	1,467	1,567	1,565	1,568
Extraordinaries	-	-	-	-
Adjusted Net Profit	7,899	8,181	7,332	7,376

Source Company data, I-Sec research

Exhibit 64: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	55,179	58,494	63,068	64,370
Working Capital Changes	5,906	(68)	(745)	495
Tax	(12,374)	(13,477)	(14,352)	(14,188)
Operating Cashflow	48,711	44,949	47,971	50,677
Capital Commitments	(8,413)	(15,000)	(25,000)	(40,000)
Free Cashflow	40,298	29,949	22,971	10,677
Others CFI	(1,470)	7,531	7,793	8,067
Cashflow from Investing Activities	(9,883)	(7,469)	(17,207)	(31,933)
Inc (Dec) in Borrowings	(6,429)	(1,000)	(1,000)	(1,000)
Interest Cost	(116)	(2,662)	(2,572)	(2,482)
Others	(15,000)	(20,634)	(21,935)	(21,690)
Cash flow from Financing Activities	(21,545)	(24,296)	(25,507)	(25,172)
Chg. in Cash & Bank balance	17,284	13,184	5,257	(6,429)
Closing cash & balance	74,142	87,326	92,583	86,154

Source Company data, I-Sec research

Exhibit 65: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	24.3	27.5	29.2	28.9
Diluted EPS	24.3	27.5	29.2	28.9
Recurring Cash EPS	29.5	33.3	36.0	37.2
Dividend per share (DPS)	10.0	13.8	14.6	14.5
Book Value per share (BV)	116.1	129.8	144.4	158.9
Dividend Payout (%)	41.1	50.0	50.0	50.0
Growth (%)				
Net Sales	(12.0)	13.5	17.6	11.5
EBITDA	7.2	12.4	7.8	2.1
EPS	9.8	13.0	6.3	(1.1)
Valuation Ratios (x)				
P/E	12.4	11.0	10.3	10.4
P/CEPS	10.2	9.1	8.4	8.1
P/BV	2.6	2.3	2.1	1.9
EV / EBITDA	7.8	6.7	6.2	6.1
EV / Operating Income	8.1	7.0	6.5	6.7
Dividend Yield (%)	3.3	4.6	4.8	4.8
Operating Ratios				
EBITDA Margins (%)	9.9	9.8	9.0	8.2
Effective Tax Rate (%)	25.7	25.2	25.2	25.2
Net Profit Margins (%)	6.9	6.9	6.2	5.5
NWC / Total Assets (%)	42.0	44.1	42.9	37.2
Fixed Asset Turnover (x)	3.9	4.2	4.3	4.0
Working Capital Days	13.5	13.5	12.1	10.4
Net Debt / Equity %	(25.3)	(29.9)	(29.8)	(24.8)
Profitability Ratios				
RoCE (%)	16.9	17.4	16.9	15.2
RoCE (Pre-tax) (%)	22.7	23.3	22.6	20.4
RoE (%)	22.4	22.4	21.3	19.1

Source Company data, I-Sec research

Financial Summary – Gujarat State Petronet

Exhibit 66: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	1,78,976	2,01,525	2,32,661	2,58,242
EBITDA	33,830	26,874	30,308	32,788
EBITDA Margin (%)	18.9	13.3	13.0	12.7
Depreciation & Amortisation	6,638	7,339	8,151	8,764
EBIT	27,192	19,535	22,157	24,023
Interest expenditure	321	104	99	94
Other Non-operating Income	1,865	1,893	1,397	1,499
PBT	16,421	8,002	8,188	8,862
Profit / (Loss) from Associates	55	55	55	55
Less: Taxes	7,510	6,487	7,142	7,718
PAT	21,783	14,837	16,312	17,711
Less: Minority Interest	5,242	6,265	7,117	7,686
Net Income (Reported)	16,595	8,626	9,250	10,080
Extraordinaries (Net)	557	-	-	-
Recurring Net Income	16,181	8,626	9,250	10,080

Source Company data, I-Sec research

Exhibit 67: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	40,108	28,915	31,833	36,019
of which cash & bank	13,996	2,145	1,632	2,628
Total Current Liabilities & Provisions	29,929	31,826	34,385	36,818
Net Current Assets	10,179	(2,910)	(2,552)	(800)
Other Non-Current Assets	6,972	7,670	8,437	9,280
Net Fixed Assets	1,07,775	1,20,189	1,31,538	1,42,274
Other Fixed Assets	-	-	-	-
Capital Work in Progress	16,798	28,944	29,944	30,944
Non-Investment	16,382	18,382	20,382	22,382
Current Investment	2,522	2,522	2,522	2,522
Deferred Tax Assets	-	-	-	-
Total Assets	1,60,629	1,74,797	1,90,271	2,06,603
Liabilities				
Borrowings	1,396	1,587	1,587	1,587
Deferred Tax Liability	13,267	13,267	13,267	13,267
Lease Liability	1,396	1,396	1,396	1,396
Other Liabilities	2,140	2,354	2,589	2,848
Equity Share Capital	5,642	5,642	5,642	5,642
Reserves & Surplus*	1,02,607	1,10,104	1,18,226	1,26,613
Total Net Worth	1,08,249	1,15,746	1,23,868	1,32,255
Minority Interest	35,578	41,843	48,959	56,645
Total Liabilities	1,60,629	1,74,797	1,90,271	2,06,603

Source Company data, I-Sec research

Exhibit 68: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	4,412	5,293	5,542	5,068
% growth (YoY)	-0.4%	20.0%	4.7%	-8.6%
EBITDA	3,364	4,103	3,796	3,780
Margin %	76.3%	77.5%	68.5%	74.6%
Other Income	180	2,663	211	296
Extraordinaries	-	-	-	-
Adjusted Net Profit	2,293	5,320	2,622	2,611

Source Company data, I-Sec research

Exhibit 69: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	34,888	26,874	30,308	32,788
Working Capital Changes	(92)	755	(1,403)	(1,341)
Tax	(6,761)	(6,487)	(7,142)	(7,718)
Operating Cashflow	28,034	21,142	21,763	23,728
Capital Commitments	(12,535)	(31,899)	(20,500)	(20,500)
Free Cashflow	15,499	(10,757)	1,263	3,228
Others CFI	(9,757)	(52)	(549)	(446)
Cashflow from Investing Activities	(22,291)	(31,951)	(21,049)	(20,946)
Inc (Dec) in Borrowings	(384)	191	-	-
Interest Cost	(173)	(104)	(99)	(94)
Others	(4,916)	(1,128)	(1,128)	(1,693)
Cash flow from Financing Activities	(5,473)	(1,041)	(1,227)	(1,786)
Chg. in Cash & Bank balance	269	(11,851)	(513)	996
Closing cash & balance	13,996	2,145	1,632	2,628

Source Company data, I-Sec research

Exhibit 70: Key ratios

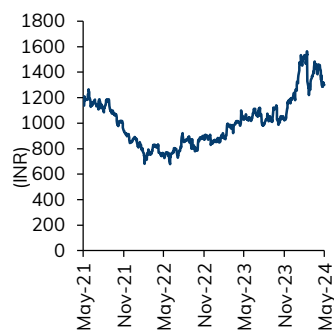
(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	28.7	15.3	16.4	17.9
Diluted EPS	28.7	15.3	16.4	17.9
Recurring Cash EPS	40.4	28.3	30.8	33.4
Dividend per share (DPS)	5.0	2.0	2.0	3.0
Book Value per share (BV)	191.9	205.1	219.5	234.4
Dividend Payout (%)	17.4	13.1	12.2	16.8
Growth (%)				
Net Sales	(4.1)	12.6	15.5	11.0
EBITDA	(8.1)	(20.6)	12.8	8.2
EPS	(1.4)	(46.7)	7.2	9.0
Valuation Ratios (x)				
P/E	10.1	19.0	17.7	16.2
P/CEPS	7.2	10.3	9.4	8.7
P/BV	1.5	1.4	1.3	1.2
EV / EBITDA	4.4	6.0	5.3	4.9
EV / Operating Income	5.1	7.5	6.8	6.3
Dividend Yield (%)	1.7	0.7	0.7	1.0
Operating Ratios				
EBITDA Margins (%)	18.9	13.3	13.0	12.7
Effective Tax Rate (%)	25.6	30.4	30.5	30.4
Net Profit Margins (%)	9.0	4.3	4.0	3.9
NWC / Total Assets (%)	6.3	(1.7)	(1.3)	(0.4)
Fixed Asset Turnover (x)	1.2	1.2	1.2	1.2
Working Capital Days	11.9	9.3	9.8	9.6
Net Debt / Equity %	(14.0)	(2.7)	(2.1)	(2.7)
Profitability Ratios				
RoCE (%)	14.8	8.9	9.2	9.2
RoCE (Pre-tax) (%)	19.9	12.8	13.3	13.2
RoE (%)	16.0	7.7	7.7	7.9

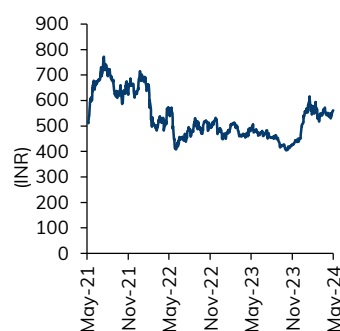
Source Company data, I-Sec research

Price charts

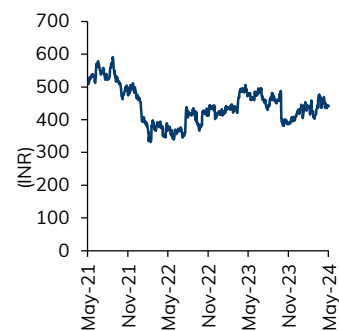
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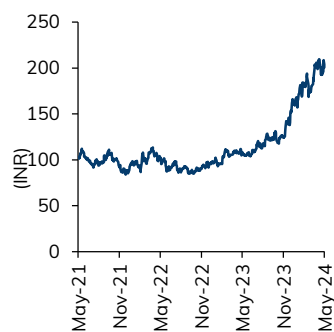
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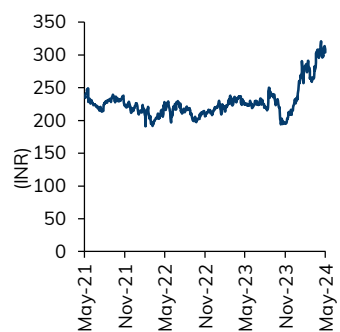
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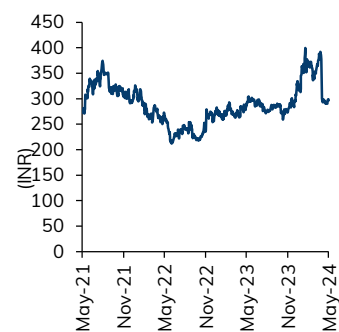
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Petronet LNG



Gujarat State Petronet



Source: Bloomberg

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