

# Petronet LNG (PLNG)

Oil & Gas | 4QFY25 Result Update

**BUY**

CMP: Rs314 | Target Price (TP): Rs365 | Upside: 16.1%

May 20, 2025

## One-off gains offset hit on LNG volume

### Key Points

- Revenue came in at Rs123.16bn, a 7.4% beat vs. our estimate and a 1.2% miss against Bloomberg estimates (street). EBITDA margin beat of 252bps at 12.3%, resulted in reported EBITDA at Rs15.12bn, a 35.1% beat vs our estimate; **this includes the positive impact of reversal of excess impairment provision (pertaining to 'Use or Pay' (UOP) accounting) of Rs2.34bn in 4QFY25. There is a provision of impairment loss in 4QFY24, 3QFY25, and in FY24 and FY25 (net of above reversal); this has resulted in the restatement of other expenses after excluding the above provision of impairment in the said periods – 4QFY24, 3QFY25, and FY24.**
- *The reported Consolidated PAT of Rs10.94bn includes the positive impact of impairment reversal. EBITDA reported was a 9.8% beat against street estimates.* Consolidated Adjusted PAT, excluding the above impairment reversal in 4QFY25 (adjusted for tax), came in at Rs9.21bn – a 19.6% beat vs. NBIE estimates and 3.6% miss on Bloomberg estimates.
- **4QFY25 Volume:** 4QFY25 Dahej throughput during the quarter was down 13.7% YoY to 189TBTU, a 16.3% miss on our estimate – due to switching from gas to cheaper liquid fuels and shutdowns in the fertilizer sector; Kochi throughput came in at 16TBTU, 6.7% up YoY and a 3.6% beat. Total volume declined 12.4% YoY to 205TBTU, a ~15% miss on our estimate.
- We are raising FY26E/FY27E by 4.6%/6.7% based on tempered fixed costs in FY25 results (net of impairment) – implies FY25-FY27E Vol/EPS CAGR of 5.6%/12.3.
- **We maintain BUY** post the 8.5% YTD decline in the stock. This is on account of our raised DCF-based TP (up 6.3%), which is arrived at after applying a reduced policy discount of 5% (vs. 10% earlier on easing policy worries) on the core DCF value. This Implies FY27E P/E of 10.9x vs. median P/E of 10.1x. Key catalysts are long-term CAGR of 6-7% in Indian gas demand; this will support growth in LNG imports once the ramp-up in KG D6 and KG 98/2 gas production is absorbed. The revival in production from nomination oil blocks of PSUs, and likely softness in LNG prices due to massive increase in global LNG production capacity are key drivers for future gas demand/LNG import growth. The low cost Dahej expansion, likely Kochi ramp up, the added tankages, and a third jetty could enhance flexibility to increase spot volumes and also import other feedstock like ethane and propane.

Est Change	Upward
TP Change	Upward
Rating Change	Maintain

### Company Data and Valuation Summary

Reuters	PLNG.BO
Bloomberg	PLNG IN Equity
Mkt Cap (Rsbn/US\$bn)	475.2 / 5.5
52 Wk H / L (Rs)	384 / 253
ADTV-3M (mn) (Rs/US\$)	690.7 / 8.0
Stock performance (%) 1M/6M/1yr	4.2 / 0.9 / 1.1
Nifty 50 performance (%) 1M/6M/1yr	5.8 / 7.2 / 9.2

Shareholding	1QFY25	2QFY25	3QFY25
Promoters	50.0	50.0	50.0
DILs	12.9	11.8	11.1
FILs	25.6	27.3	28.6
Others	11.6	10.9	10.3
Pro pledge	0.0	0.0	0.0

### Financial and Valuation Summary

Particulars (Rsmn)	FY24	FY25	FY26E	FY27E
Net Sales	5,27,293	5,09,820	3,69,958	4,00,501
Growth YoY %	-12.0	-3.3	-27.4	8.3
Gross margin %	11.9	13.1	17.8	20.2
EBITDA	52,054	55,242	56,246	69,961
EBITDA margin %	9.9	10.8	15.2	17.5
Adj PAT	36,524	39,727	38,393	50,098
Growth YoY %	9.8	8.8	-3.4	30.5
Adj EPS (Rs)	24.35	26.48	25.60	33.40
RoCE	16.0	15.7	12.9	12.5
RoE	22.4	21.3	17.8	19.6
RoIC	36.7	36.4	32.9	30.6
P/E	12.9	11.9	12.3	9.4
EV/EBITDA	7.6	7.2	7.1	5.7
P/BV	2.7	2.4	2.0	1.7

Source: Company, Nirmal Bang Institutional Equities Research

Consensu Est	FY26E	FY27E
EPS Rs	27.19	30.42

Source: Bloomberg

Please refer to the disclaimer towards the end of the document.

**PLNG expects gradual ramp up in added capacity (5mn TPA) at Dahej**, which is likely to be completed in 1HFY26. This is a long-term catalyst for growth based on healthy gas demand and low capex on the expansion at just Rs5.7bn. PLNG is also expecting to ramp up Kochi utilization to 50% over the next 3-4 years, once the gas pipeline connectivity to the national gas grid is ready by around Dec-25. PLNG expects this connectivity to boost imports of LNG through Kochi to meet the demand across sectors including new CGD networks.

This includes the potential for swapping LNG by any off taker in lieu of domestic gas to CGD entities in nearby markets. It will also be more competitive compared to far away terminals, due to the low gas transmission tariff within tariff zone 1, close to the Kochi terminal. The PLNG FY24 Annual report had shared plans to set up 15 LNG retail stations; although, this was not mentioned in the capex plan during the FY25 earnings call.

**Risks:** Concern about capital allocation, uncertainty over Kochi ramp-up/ambivalence on Kochi tariff, and competition from new LNG regas terminals – the company is banking on the back-to-back offtake contracts to pre-empt any such threats. The large capex on Petchem could dampen ROCE during the next 3-4 years before it is completed. And, it could hit the market when there is excess supply although demand growth for Propylene and PP may not be a problem.

**As per a recent notification, PNGRB approval is required for new and expansion projects in LNG import terminals. The silver lining here is that the regulator has not proposed third-party access to LNG regas terminal capacities or regulations on regas tariff.** PLNG does not expect this to hamper its future growth.

#### Exhibit 1: Variance analysis

Y/E March (Rsmn)	4QFY24	4QFY25	Ch YoY (%)	3QFY25	Ch QoQ (%)	4QFY25E	Var. (%)
<b>Net sales</b>	1,37,932	1,23,158	-10.7	1,22,269	0.7	1,14,710	7.4
Cost of goods	1,24,385	1,08,316	-12.9	1,05,626	2.5	99,479	8.9
<b>Contribution</b>	<b>13,547</b>	<b>14,841</b>	<b>9.6</b>	<b>16,643</b>	<b>-10.8</b>	<b>15,231</b>	<b>-2.6</b>
<b>Contribution margin (%)</b>	<b>9.8</b>	<b>12.1</b>	<b>222.9</b>	<b>13.6</b>	<b>-156.1</b>	<b>13.3</b>	<b>-122.7</b>
Employee benefits expenses	474	472	-0.4	635	-25.6	498	-5.2
Other expenses	1,675	1,583	-5.5	2,013	-21.4	3,538	-55.3
Impairment loss /(reversal)	362	-2,337	-	1,525	-	-	-
<b>EBITDA</b>	<b>11,036</b>	<b>15,123</b>	<b>37.0</b>	<b>12,470</b>	<b>21.3</b>	<b>11,195</b>	<b>35.1</b>
<b>EBITDAM (%)</b>	<b>8.0</b>	<b>12.3</b>	<b>427.9</b>	<b>10.2</b>	<b>208.0</b>	<b>9.8</b>	<b>252.0</b>
Depreciation	1,944	2,058	5.8	2,096	-1.8	2,094	-1.7
Other income	1,536	1,974	28.5	1,962	0.6	1,556	26.8
Interest expenses	708	609	-14.0	651	-6.5	728	-16.4
Exceptional inc/(exp)- impairment (loss)/reversal	-362	2,337	-	-1,525	-	-	-
<b>PBT reported</b>	<b>9,920</b>	<b>14,431</b>	<b>45.5</b>	<b>11,686</b>	<b>23.5</b>	<b>9,930</b>	<b>45.3</b>
<b>PBT adj</b>	<b>10,282</b>	<b>12,094</b>	<b>17.6</b>	<b>13,211</b>	<b>-8.5</b>	<b>9,930</b>	<b>21.8</b>
Tax excl. prior period adj.	2,580	3,755	45.6	3,020	24.4	2,532	48.3
JV/ Associates PAT/loss (+/-)	304	273	-10.0	351	-22.2	304	-10.0
<b>Consolidated PAT reported</b>	<b>7,644</b>	<b>10,949</b>	<b>43.2</b>	<b>9,017</b>	<b>21.4</b>	<b>7,701</b>	<b>42.2</b>
<b>Consolidated PAT adjusted</b>	<b>7,914</b>	<b>9,208</b>	<b>16.3</b>	<b>10,153</b>	<b>-9.3</b>	<b>7,701</b>	<b>19.6</b>
<b>NPM (%)</b>	<b>5.7</b>	<b>7.5</b>	<b>173.9</b>	<b>8.3</b>	<b>-82.7</b>	<b>6.7</b>	<b>76.3</b>

Source: Company, Nirmal Bang Institutional Equities Research; Note: Margin changes are in bps

**Exhibit 2: PLNG consolidated performance analysis**

Particulars (Rsmn)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25
<b>Net Sales</b>	<b>1,16,564</b>	<b>1,25,320</b>	<b>1,47,472</b>	<b>1,37,932</b>	<b>1,34,151</b>	<b>1,30,243</b>	<b>1,22,269</b>	<b>1,23,158</b>	<b>5,27,288</b>	<b>5,09,820</b>
YoY Ch (%)	-18.3	-21.6	-6.5	-0.6	15.1	3.9	-17.1	-10.7	-12.0	-3.3
<b>Gross Profit</b>	<b>13,555</b>	<b>14,251</b>	<b>21,293</b>	<b>13,547</b>	<b>19,485</b>	<b>15,872</b>	<b>16,643</b>	<b>14,841</b>	<b>62,647</b>	<b>66,842</b>
Margin (%)	11.6	11.4	14.4	9.8	14.5	12.2	13.6	12.1	11.9	13.1
<b>EBITDA</b>	<b>11,818</b>	<b>12,147</b>	<b>17,050</b>	<b>11,036</b>	<b>16,905</b>	<b>12,023</b>	<b>12,470</b>	<b>15,123</b>	<b>52,060</b>	<b>55,242</b>
YoY Ch (%)	11.1	3.6	1.8	17.1	43.1	-1.0	-26.9	37.0	7.2	6.1
Margin (%)	10.1	9.7	11.6	8.0	12.6	9.2	10.2	12.3	9.9	10.8
Depreciation	1,919	1,948	1,955	1,944	1,946	1,963	2,096	2,058	7,766	8,062
Interest	746	747	697	708	667	654	651	609	2,897	2,580
Other income	1,447	1,536	1,565	1,536	1,777	2,017	1,962	1,974	6,084	7,730
Extraord. Items	-	-	-	-	-1,280	-1,130	-1,036	-	-	-
<b>PBT (bei)</b>	<b>10,600</b>	<b>10,988</b>	<b>15,963</b>	<b>9,920</b>	<b>14,790</b>	<b>11,422</b>	<b>11,686</b>	<b>14,431</b>	<b>47,472</b>	<b>52,329</b>
<b>PBT reported</b>	<b>10,600</b>	<b>10,988</b>	<b>15,963</b>	<b>9,920</b>	<b>16,070</b>	<b>12,552</b>	<b>11,686</b>	<b>14,431</b>	<b>47,472</b>	<b>52,329</b>
Tax	2,723	2,839	4,066	2,580	3,782	2,933	3,020	3,755	12,207	13,490
Rate (%)	25.7	25.8	25.5	26.0	25.6	25.7	25.8	26.0	25.7	25.8
Reported PAT	8,193	8,558	12,124	7,644	11,055	8,706	9,017	10,949	36,524	39,727
<b>Adj. PAT</b>	<b>8,193</b>	<b>8,558</b>	<b>12,124</b>	<b>7,644</b>	<b>12,007</b>	<b>9,546</b>	<b>9,017</b>	<b>10,949</b>	<b>36,524</b>	<b>39,727</b>
YoY Ch (%)	13.0	8.9	8.5	23.5	46.6	11.5	-25.6	43.2	9.7	8.8
<b>Adj. EPS (Rs)</b>	<b>5.5</b>	<b>5.7</b>	<b>8.1</b>	<b>5.1</b>	<b>8.0</b>	<b>6.4</b>	<b>6.0</b>	<b>7.3</b>	<b>24.3</b>	<b>26.5</b>

Source: Company, Nirmal Bang Institutional Equities Research; Note: Margin changes are in bps

## Earnings call KTA

- Demand:** Indian gas demand is expected to grow at 6%-7% annually.
- A normal 5% to 6% incremental demand is expected every year with the implementation of CGD rounds.
- There was a decline in crude oil prices in Q4, which made liquid fuel prices cheaper.
- Ind AS impact in 4QFY25:** Gross margin (+Rs1.65bn), Forex gain (+Rs10mn), positive impact on other expenses (+Rs70mn); less: Depreciation (Rs800mn), Finance charges (Rs580mn); net positive impact is Rs360mn.
- Overall net Ind AS impact in FY25 was positive Rs130mn, gross margin Rs6.19bn, forex impact of minus Rs620mn, positive impact on other expenses of Rs320mn; less Depreciation of Rs3.28bn, Interest of Rs2.48bn.**
- Regasification revenue is Rs5.89bn in 4QFY25, trading gain is Rs520mn, and Inventory gain is Rs550mn in 4QFY25. There was also reversal of Rs2.34bn towards prior period impairment provision against UOP claims.
- Lower utilization at Dahej plant in 4QFY25:** The lower utilization was due to: (i) liquid fuel prices being cheaper as a result of the decline in crude oil prices, and (ii) major shutdown in some fertilizer plants during February and March in 4QFY25.
- The management expects growth in Indian gas demand to absorb the additional LNG import volume at Dahej once the expanded capacity of 5mn TPA is commissioned.

### Additional cargoes brought against UOP claims

- On additional cargoes brought by customers against UOP claims raised by PLNG, the tariff is charged as applicable for a particular year, and the income from these cargoes is treated as normal revenue.

**PNGRB regulations for registration of LNG terminal:**

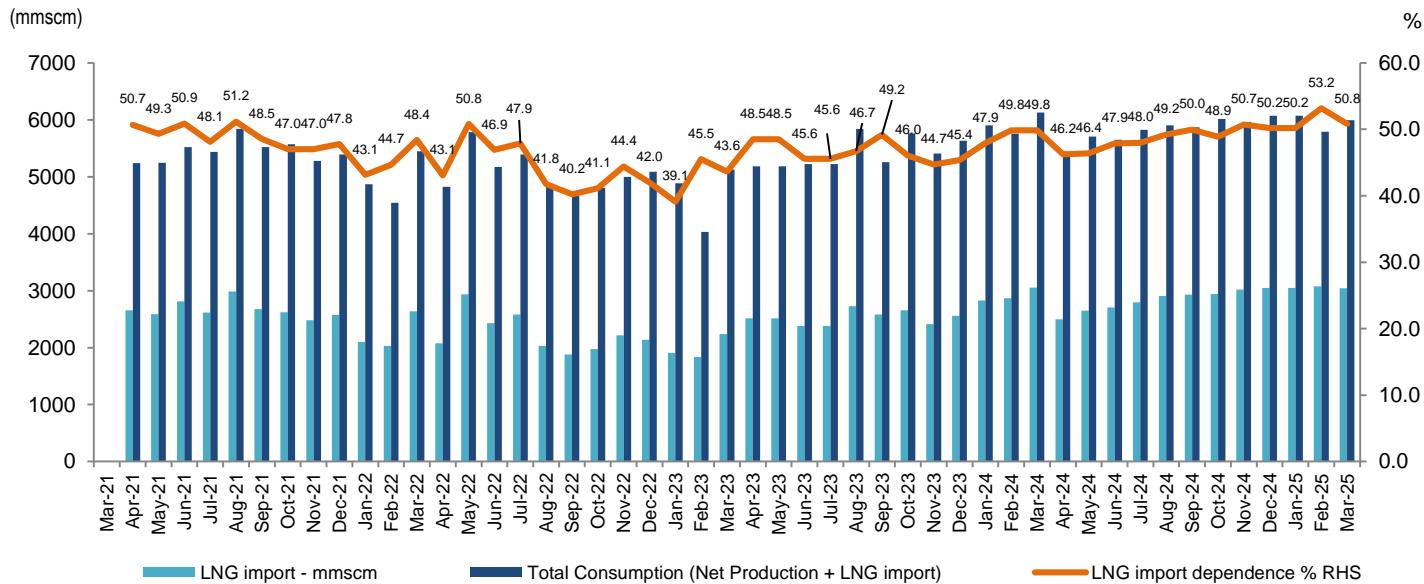
- A notification related to regulation was received on 8-May-25.
- The company does not foresee any major challenge from the notification based on the initial reading.
- A detailed analysis of the notification is being conducted by the company's team to determine the full impact.
- The company is setting up ethane handling facilities and is in advanced discussions with 2 potential customers to provide tolling services for ethane or import ethane and supply it to them.

**Capex**

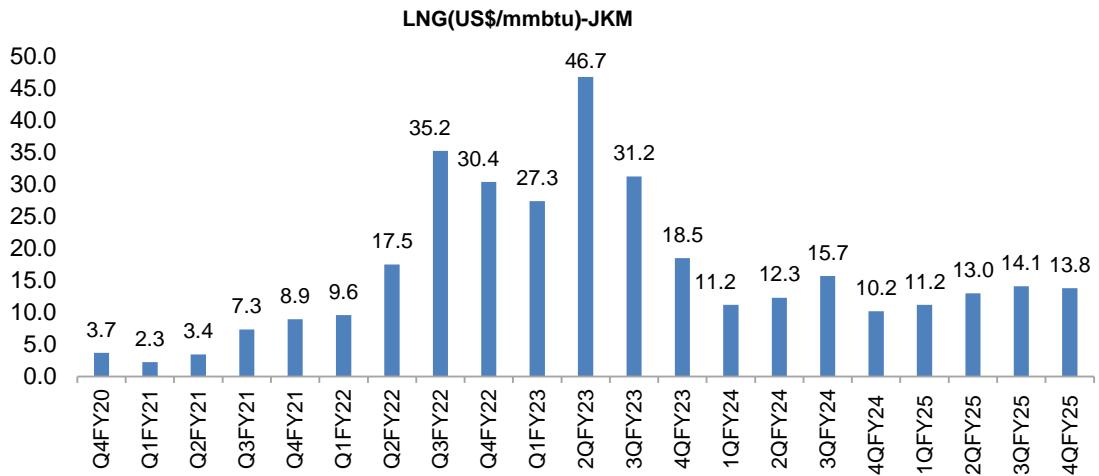
- The company estimates capex of Rs45bn-Rs50bn for FY26.

This includes:

- Rs25bn on Dahej Petrochemical project for Propane to PP (PDHPP), which will be completed by 4QFY28.
- Rs800mn-Rs1bn on routine capex for the Kochi terminal.
- Rs750mn-Rs800mn on additional truck loading facilities in Dahej and Kochi.
- Rs900mn-Rs1bn on its new corporate office building in Delhi.
- Rs3bn on Gopalpur LNG terminal project – The Board approved estimated capex of ~Rs23bn.
- Rs1bn on biogas projects.

**Exhibit 3: India LNG import trend**


Source: PPAC, Nirmal Bang Institutional Equities Research

**Exhibit 4: LNG price**


Source: Bloomberg, Nirmal Bang Institutional Equities Research

**Earnings and TP revision**
**Exhibit 5: Change in TP and estimates**

(Rsmn)	Revised estimate		Earlier estimate		% Revision	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
<b>Total LNG volume TBTU</b>	<b>923.7</b>	<b>1,041.4</b>	<b>989.2</b>	<b>1,140.5</b>	<b>-6.6</b>	<b>-8.7</b>
Revenue	<b>3,69,958</b>	<b>4,00,501</b>	<b>3,66,631</b>	<b>3,94,675</b>	<b>0.9</b>	<b>1.5</b>
EBITDA	56,246	69,961	52,885	64,877	6.4	7.8
PAT	38,393	50,098	36,718	46,943	4.6	6.7
<b>EPS (Rs)</b>	<b>25.60</b>	<b>33.40</b>	<b>24.48</b>	<b>31.30</b>	<b>4.6</b>	<b>6.7</b>
<b>TP (Rs)</b>	<b>365</b>		<b>343</b>		<b>6.7</b>	

Source: Nirmal Bang Institutional Equities Research

**Changes in TP assumptions:**

**We have raised our DCF-based TP by 6.3% to Rs365.** This is based on our revised earnings assumptions and FCFF starting from FY27E. Our DCF value based on 10-year DCF model also includes the net impact of execution/policy risk of 5% (risk factor) deducted from the core value to derive the TP. This is lower than the earlier risk factor of 10% as market risk has abated under benign LNG price expectation and policy risk also appears to have abated. **The new TP implies 10.9x P/E on FY27E vs. the median P/E of 10.1x. At nil risk discount the PLNG stock is worth Rs384.**

**We have not added the capex or cashflows from the Dahej petchem capex, pending progress on this project, and clarity on how the petchem margins will fare, once the project starts by FY29E.**

**Exhibit 6: DCF valuation summary**

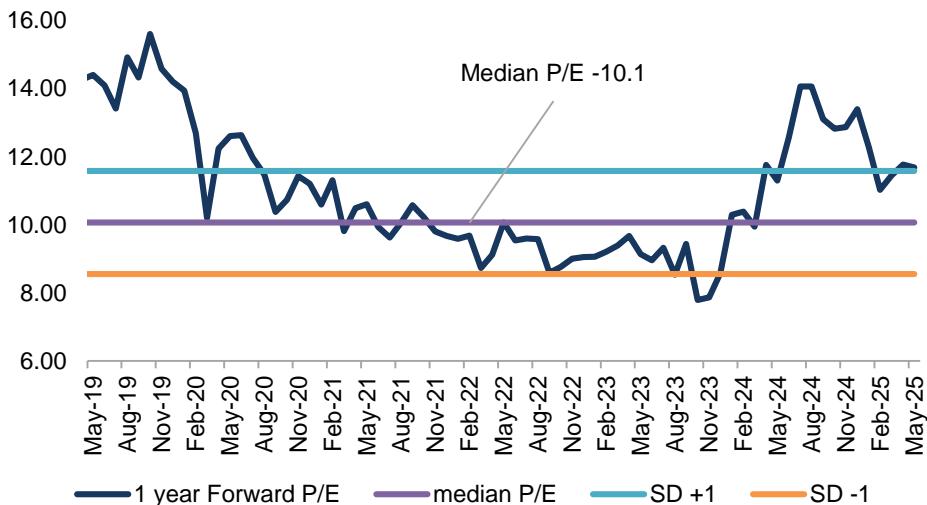
	Revised Valuation	Old Valuation
Risk free rate (%)	6.75	6.75
Market return (%)	12.3	12.3
Beta of the Stock	0.80	0.80
<b>WACC =Cost of equity (%)</b>	<b>11.5</b>	<b>11.2</b>
Terminal Year growth (%)	1.5	1.5
Terminal value (Rsmn)	5,41,837	5,76,299
PV of terminal value (Rsmn)	1,81,668	2,00,038
<b>PV of FCFF (Rsmn)</b>	<b>2,96,708</b>	<b>2,95,505</b>
Enterprise Value (Rsmn)	4,78,376	4,95,543
Net Debt (cash; Rsmn)	(97,550)	(75,463)
Equity Value (Rsmn)	5,75,926	5,71,007
Shares outstanding (mn)	1,500	1,500
<b>Equity value per share (Rs)</b>	<b>384</b>	<b>381</b>
<b>Less execution risk (%)</b>	<b>5</b>	<b>10</b>
<b>TP (Rs)</b>	<b>365</b>	<b>343</b>

Source: Nirmal Bang Institutional Equities Research

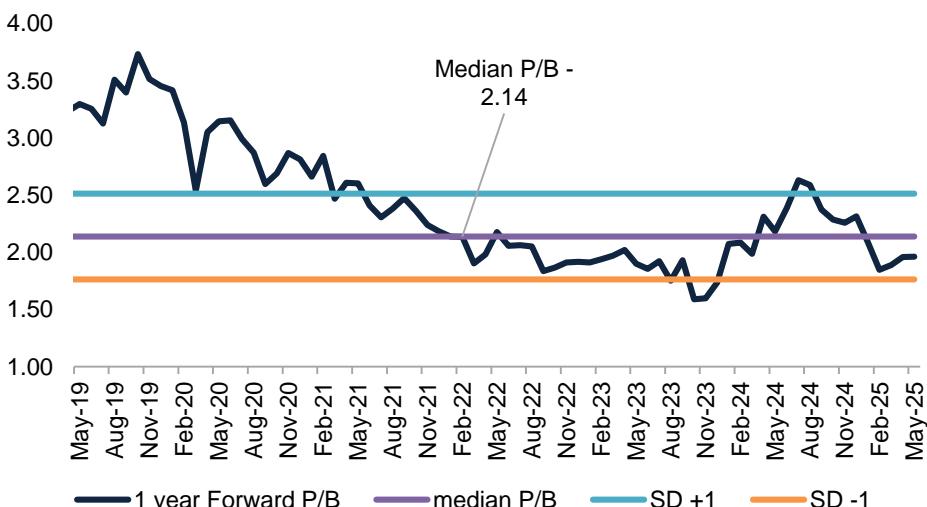
**Exhibit 7: PLNG operating assumptions**

	FY22	FY23	FY24	FY25	FY26E	FY27E
<b>DAHEJ LNG TERMINAL</b>						
Dahej terminal Regasification Capacity MnTonne	17.5	17.5	17.5	17.5	17.5	22.5
Additional Capacity MnTonne	0.0	0.0	0.0	0.0	5.0	0.0
Dahej Capacity Post expansion MnTonne	17.5	17.5	17.5	17.5	22.5	22.5
Dahej - LNG imports/throughput MnTonne	15.3	13.6	16.7	16.9	16.7	18.8
<b>Dahej Capacity Utilized</b>	<b>87%</b>	<b>78%</b>	<b>95%</b>	<b>97%</b>	<b>74%</b>	<b>83%</b>
<b>Dahej - RLNG supplied - throughput TBTU -D</b>	<b>793.0</b>	<b>703.0</b>	<b>864.0</b>	<b>875.0</b>	<b>864.7</b>	<b>969.4</b>
<b>KOCHI LNG TERMINAL</b>						
Kochi Nameplate Capacity MnTonne	5.0	5.0	5.0	5.0	5.0	5.0
Additional Capacity MnTonne	0.0	0.0	0.0	0.0	0.0	0.0
Kochi Capacity Post expansion MnTonne	5.0	5.0	5.0	5.0	5.0	5.0
Kochi - LNG imports/throughput MnTonne	1.04	0.93	1.04	1.13	1.13	1.38
<b>Kochi Capacity Utilized</b>	<b>21%</b>	<b>19%</b>	<b>21%</b>	<b>23%</b>	<b>23%</b>	<b>28%</b>
<b>Kochi -RLNG throughput TBTU - K</b>	<b>53.3</b>	<b>48.3</b>	<b>54.1</b>	<b>59.0</b>	<b>59.0</b>	<b>72.0</b>
<b>PLNG aggregate RLNG throughput TBTU – D+K</b>	<b>846.3</b>	<b>751.3</b>	<b>918.1</b>	<b>934.0</b>	<b>923.7</b>	<b>1041.4</b>
<b>PLNG volume growth</b>	<b>-5.65%</b>	<b>-11.2%</b>	<b>22.2%</b>	<b>1.7%</b>	<b>-1.1%</b>	<b>12.7%</b>
<b>Financials/unit volume</b>						
<b>Revenue Rs/MMBTU</b>	<b>511.1</b>	<b>797.3</b>	<b>574.4</b>	<b>545.8</b>	<b>400.5</b>	<b>384.6</b>
COST OF GAS Rs/MMBTU	438.1	718.2	506.1	474.3	329.1	306.8
COST OF GAS US\$/MMBTU	5.84	8.92	6.11	5.60	3.74	3.43
<b>Blended Gross Margin Rs/MMBTU</b>	<b>72.56</b>	<b>79.16</b>	<b>68.24</b>	<b>71.56</b>	<b>71.45</b>	<b>77.77</b>
<b>EBITDA Rs/MMBTU</b>	<b>62.02</b>	<b>64.61</b>	<b>56.70</b>	<b>59.15</b>	<b>60.89</b>	<b>67.18</b>

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 8: Long term 1-year forward P/E band**


Source: Nirmal Bang Institutional Equities Research

**Exhibit 9: Long term 1-year forward P/B band**


Source: Nirmal Bang Institutional Equities Research

**PLNG results in pictures**
**Exhibit 10: Result analysis**

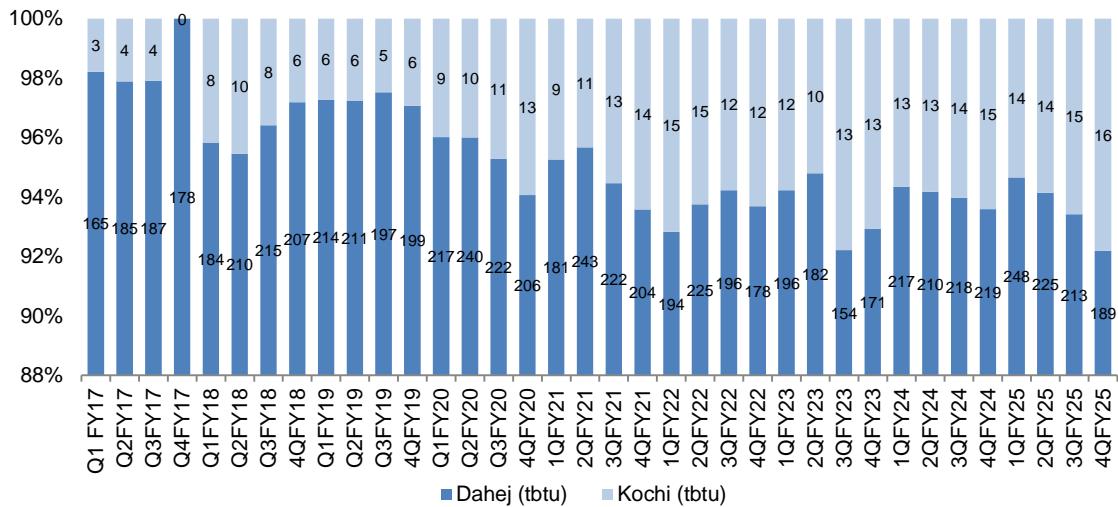
Margins %	4QFY24	4QFY25	Ch YoY (bps)	3QFY25	Ch QoQ (bps)
Contribution Margin	9.8	12.1	223	13.6	-156
Reported EBITDA	8.0	12.3	428	10.2	208
Adjusted PAT	5.5	6.7	118	8.0	-128
Current Tax rate	26.0	20.8	-519	25.8	-503

Source: Company, Nirmal Bang Institutional Equities Research;

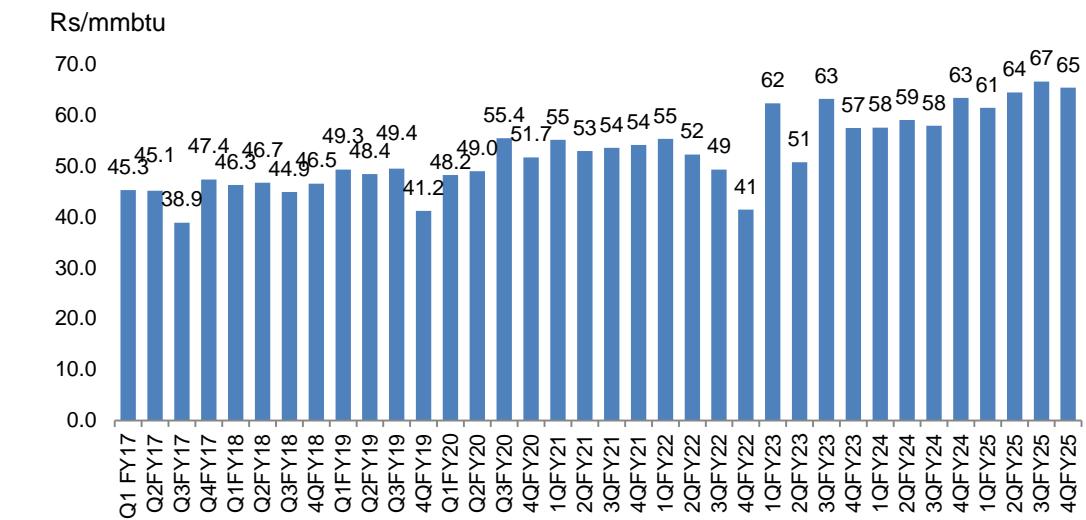
**Exhibit 11: Volume analysis**

	4QFY24	4QFY25	Ch YoY (%)	3QFY25	Ch QoQ (%)
Dahej – throughput TBTU	219.0	189.0	-13.7	213.0	-11.3
Kochi – throughput TBTU	15.0	16.0	6.7	15.0	6.7
PLNG Throughput TBTU	234.0	205.0	-12.4	228.0	-10.1

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 12: PLNG quarterly throughput mix**


Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 13: Blended gross margin quarterly trend**


Source: Company, Nirmal Bang Institutional Equities Research; Note: 3QFY23 margin includes the entire use or pay income

**Consolidated Financials: PLNG**
**Exhibit 14: Income statement**

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
<b>Net Sales</b>	<b>5,98,994</b>	<b>5,27,293</b>	<b>5,09,820</b>	<b>3,69,958</b>	<b>4,00,501</b>
Growth YoY %	38.8	-12.0	-3.3	-27.4	8.3
<b>Gross profit</b>	<b>59,470</b>	<b>62,652</b>	<b>66,842</b>	<b>65,996</b>	<b>80,986</b>
<b>Gross margin %</b>	<b>9.9</b>	<b>11.9</b>	<b>13.1</b>	<b>17.8</b>	<b>20.2</b>
Staff costs	1,691	1,935	2,215	2,348	2,512
% of sales	0.3	0.4	0.4	0.6	0.6
Other expenses	9,239	8,663	9,385	7,403	8,514
% of sales	1.5	1.6	1.8	2.0	2.1
<b>EBITDA</b>	<b>48,540</b>	<b>52,054</b>	<b>55,242</b>	<b>56,246</b>	<b>69,961</b>
Growth YoY %	(7.5)	7.2	6.1	1.8	24.4
<b>EBITDA margin %</b>	<b>8.1</b>	<b>9.9</b>	<b>10.8</b>	<b>15.2</b>	<b>17.5</b>
Depreciation	7,644	7,766	8,062	8,673	9,123
<b>EBIT</b>	<b>40,897</b>	<b>44,289</b>	<b>47,179</b>	<b>47,573</b>	<b>60,838</b>
Interest	3,306	2,896	2,580	2,114	1,913
Other income	5,231	6,085	7,730	5,073	7,377
<b>PBT</b>	<b>42,821</b>	<b>47,478</b>	<b>52,329</b>	<b>50,532</b>	<b>66,302</b>
Effective tax	10,944	12,207	13,490	13,026	17,092
Associates Inc/loss	1,380	1,254	888	888	888
<b>Consolidated PAT</b>	<b>33,258</b>	<b>36,524</b>	<b>39,727</b>	<b>38,393</b>	<b>50,098</b>
Growth YoY %	-3.3	9.8	8.8	-3.4	30.5

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 16: Balance sheet**

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
Share capital	15,000	15,000	15,000	15,000	15,000
Reserves	1,37,646	1,59,101	1,83,775	2,17,669	2,63,267
<b>Net worth</b>	<b>1,52,646</b>	<b>1,74,101</b>	<b>1,98,775</b>	<b>2,32,669</b>	<b>2,78,267</b>
Long term debt	-	-	-	50,000	1,00,000
Short term debt	-	-	-	-	-
<b>Total debt</b>	-	-	-	<b>50,000</b>	<b>1,00,000</b>
<b>Net debt</b>	-65,555	-74,142	-1,01,463	-97,550	-55,102
Other non-current liabilities	45,875	39,547	33,591	33,093	31,073
<b>Total Equity &amp; Liabilities</b>	<b>1,98,521</b>	<b>2,13,649</b>	<b>2,32,366</b>	<b>3,15,762</b>	<b>4,09,340</b>
Gross block	96302	96911	111943	117643	127643
Accumulated depreciation	31761	36023	40715	46009	51753
<b>Net Block</b>	<b>64541</b>	<b>60888</b>	<b>71228</b>	<b>71634</b>	<b>75890</b>
CWIP	11,259	15,524	16,418	62,518	1,47,433
Other non-current assets	28,269	43,711	26,596	23,217	19,838
Non-Current Investments	4,986	6,167	6,700	6,700	6,700
Current Investments	8,697	-	10,419	10,419	10,419
Trade receivables	38,397	36,261	32,669	15,204	16,459
Inventories	11,531	14,654	12,044	7,033	8,457
<b>Cash &amp; Cash Equivalents</b>	<b>627</b>	<b>17,234</b>	<b>7,811</b>	<b>1,03,898</b>	<b>1,11,450</b>
Other bank balance	56,231	56,908	83,233	33,233	33,233
Other current assets	2,987	3,884	5,850	5,850	5,850
<b>Total current assets</b>	<b>1,18,470</b>	<b>1,28,941</b>	<b>1,52,026</b>	<b>1,75,636</b>	<b>1,85,867</b>
Trade payables	16,444	28,650	25,630	14,072	16,070
Other current liabilities	12,560	12,932	14,971	9,871	10,318
<b>Total current liabilities</b>	<b>29,004</b>	<b>41,582</b>	<b>40,601</b>	<b>23,942</b>	<b>26,388</b>
<b>Total Assets</b>	<b>1,98,521</b>	<b>2,13,649</b>	<b>2,32,366</b>	<b>3,15,762</b>	<b>4,09,340</b>

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 15: Cash flow**

Y/E March (Rsmn)	FY23	FY24	FY25	FY26E	FY27E
<b>PBT</b>	<b>42,822</b>	<b>47,478</b>	<b>52,329</b>	<b>50,532</b>	<b>66,302</b>
Depreciation	7,644	7,766	8,062	8,673	9,123
Interest	-52	-2,335	-4,443	-2,959	-5,465
Other adjustments	3,100	2,526	3,143	-	-
Change in Working capital	15,943	-5,651	1,734	-5,818	234
Tax paid	12,385	12,374	13,378	13,026	17,092
<b>Operating cash flow</b>	<b>25,185</b>	<b>48,711</b>	<b>43,979</b>	<b>49,037</b>	<b>52,635</b>
Capex	-10,577	-8,408	-14,568	-51,800	-94,915
<b>Free cash flow</b>	<b>14,608</b>	<b>40,304</b>	<b>29,412</b>	<b>-2,763</b>	<b>-42,280</b>
Other investing activities	-840	-2,152	-17,318	5,961	8,265
<b>Investing cash flow</b>	<b>-11,417</b>	<b>-10,560</b>	<b>-31,885</b>	<b>-45,839</b>	<b>-86,650</b>
Issuance of share capital	-	-	-	-	-
Movement of Debt	-6,177	-6,429	-6,421	99,502	97,980
Dividend paid (incl DDT)	-17,250	-15,000	-15,000	-4,500	-4,500
Other financing activities	-253	-116	-96	-2,114	-1,913
<b>Financing cash flow</b>	<b>-23,681</b>	<b>-21,545</b>	<b>-21,517</b>	<b>92,888</b>	<b>91,567</b>
<b>Net change in cash flow</b>	<b>-9,912</b>	<b>16,607</b>	<b>-9,423</b>	<b>96,086</b>	<b>57,552</b>
Opening C&CE	10,538	627	17,234	7,811	1,03,898
<b>Closing C&amp;CE</b>	<b>627</b>	<b>17,234</b>	<b>7,811</b>	<b>1,03,898</b>	<b>1,11,450</b>

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 17: Key ratios**

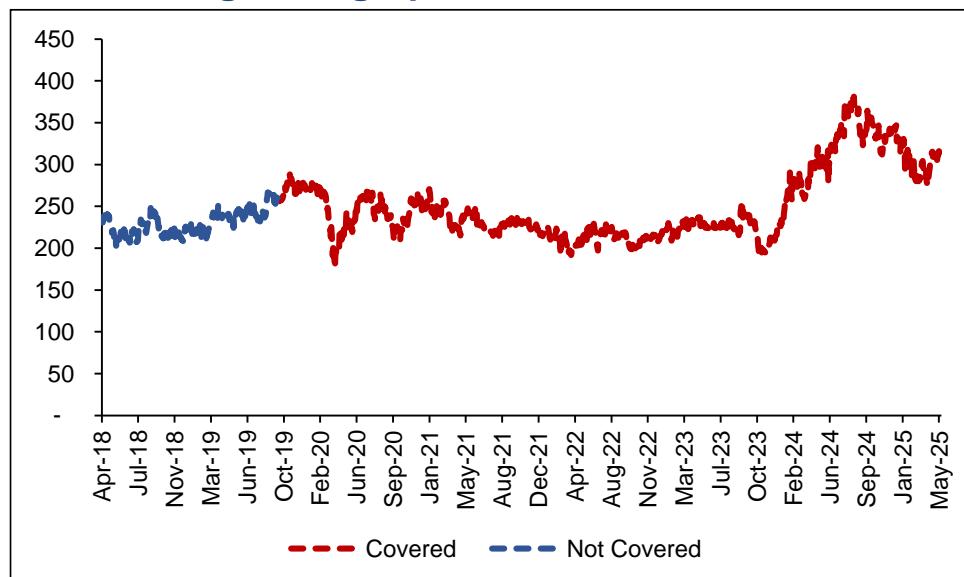
Y/E March	FY23	FY24	FY25	FY26E	FY27E
<b>Per share (Rs)</b>					
Adj EPS	22.17	24.35	26.48	25.60	33.40
Book value	101.76	116.07	132.52	155.11	185.51
DPS	11.50	10.00	3.00	3.00	3.00
<b>Valuation (x)</b>					
P/Sales	0.79	0.89	0.92	1.27	1.18
EV/EBITDA	8.2	7.6	7.2	7.1	5.7
P/E	14.2	12.9	11.9	12.3	9.4
P/BV	3.1	2.7	2.4	2.0	1.7
<b>Return ratios (%)</b>					
RoCE	15.8	16.0	15.7	12.9	12.5
RoCE (pre-tax)	21.2	21.5	21.2	17.4	16.8
RoE	23.0	22.4	21.3	17.8	19.6
RoIC	38.3	36.7	36.4	32.9	30.6
<b>Profitability ratios (%)</b>					
Gross margin	9.9	11.9	13.1	17.8	20.2
EBITDA margin	8.1	9.9	10.8	15.2	17.5
PAT margin	5.6	6.9	7.8	10.4	12.5
<b>Liquidity ratios (%)</b>					
Current ratio	4.1	3.1	3.7	7.3	7.0
Quick ratio	3.7	2.7	3.4	7.0	6.7
<b>Solvency ratio (%)</b>					
Net Debt to Equity ratio	-0.43	-0.43	-0.51	-0.42	-0.20
<b>Turnover ratios</b>					
Fixed asset turnover ratio (x)	6.2	5.4	4.6	3.1	3.1
Debtor days	20	26	25	15	15
Inventory days	5	9	10	7	8
Creditor days	10	16	19	14	15
Net Working capital days	15	19	15	8	8

Source: Company, Nirmal Bang Institutional Equities Research

## PLNG rating track

Date	Rating	Market price (Rs)	Target price (Rs)
1 <sup>st</sup> October 2019	Buy	258	312
31 <sup>st</sup> October 2019	Buy	286	336
12 February 2020	Buy	263	334
27 March 2020	Buy	193	319
1 July 2020	Buy	258	312
19 August 2020	Buy	258	316
23 September 2020	Buy	220	325
13 November 2020	Buy	244	325
9 January 2021	Buy	268	336
12 February 2021	Buy	242	336
10 June 2021	Buy	228	339
18 August 2021	Buy	224	339
22 September 2021	Buy	232	292
11 November 2021	Buy	235	283
11 February 2022	Buy	220	256
13 May 2022	Buy	210	248
17 August 2022	Hold	218	237
15 September 2022	Buy	215	254
11 November 2022	Buy	213	271
21 January 2023	Buy	223	267
21 March 2023	Buy	235	312
6 April 2023	Buy	236	311
4 May 2023	Buy	237	325
1 August 2023	Buy	234	286
16 October 2023	Buy	231	288
31 October 2023	Buy	200	281
31 January 2024	Hold	268	297
24 May 2024	Hold	308	294
7 June 2024	Hold	302	294
25 July 2024	Hold	351	359
17 Oct 2024	Hold	355	365
25 Oct 2024	Hold	339	368
28 January 2025	Buy	291	343
20 May 2025	Buy	314	365

## PLNG Rating track graph



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BUY > 15%

HOLD -5% to 14%

SELL < -5%

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