

# Reliance Industries | BUY



## AGM takeaways: Reiterates huge growth potential across businesses

At RIL's annual general meeting today (AGM [statement](#) and [PPT](#) link), the company highlighted its target to double Jio and Retail business revenue & EBITDA in the next 3-4 years; this is largely in line with JMFe as we expect Retail business EBITDA to double in 3.5 years and Digital business EBITDA to double in 4 years. Further, the company guided for the New Energy business to become as profitable in the next 5-7 years as the O2C business (O2C business FY24 EBITDA was INR 624bn) – this provides earnings visibility for the New Energy business and could potentially be significantly value accretive. On the Digital business, the company expects 5G penetration to improve and reiterated its ambition to upgrade ~200mn 2G subs and connect 100mn homes & 20mn MSMEs via its FTTH/AirFiber services. Further, it emphasised on RIL Retail's robust growth outlook driven by its strong omni-channel capabilities and strengthening consumer brand business. The company reiterated its O2C expansion plans for investing in various existing and new petchem chains (at earlier guided capex of INR 750bn). Also, it restated its INR 750bn New Energy capex commitment and project timeline. However, no timeline was shared on potential listing of the Digital and Retail businesses. We maintain BUY (unchanged TP of INR 3,500/share) on RIL as we believe peak capex/net-debt is behind it, and also because the company has industry leading capabilities across businesses to drive robust 16-17% EPS CAGR over the next 3-5 years.

- Targets to double Jio revenue/EBITDA in 3-4 years; reiterates ambition to upgrade ~200mn 2G subs and connect 100mn homes via FTTH/AirFiber services:** The management is targeting to double Jio revenue and EBITDA in next 3-4 years; this is largely in line with JMFe as we expect Digital business EBITDA to grow by 67% in 3 years and by 100% in 4 years (to INR 948bn by FY27 and INR 1,127bn by FY28 vs. INR 567bn in FY24). Jio is currently serving +130mn 5G subscribers (subs) and expects 5G penetration to further improve as nearly all smartphones sold in India over INR 8,000 are 5G ready. As 4G subs continue to switch to the 5G network, the management expects this to free up its existing 4G capacity, which can be utilised to accommodate the existing ~200mn 2G subs in India who are expected to upgrade to 4G in future; the management said half of the 2G subs upgrading to 4G are choosing JioBharat phone. Further, it reiterated its target to connect 100mn homes via FTTH and AirFiber. It highlighted that Jio AirFiber added first 1mn homes in 6 months, next 1mn homes in next 100 days and aims to add 1mn homes every month going forward. The company shared that it is the trusted partner for over 80% of 5,000 large enterprises in India; it also serves over 1mn MSMEs and further aims to serve 20mn MSMEs via JioAirFibre with potential to connect 1.5mn schools & colleges, over 70k hospitals, and 1.2mn doctors. Separately, it is developing JioBrain, a comprehensive suite of tools and platforms that span the entire AI lifecycle; also driving its adoption across Jio and its various subsidiaries and aims to create the world's lowest AI inferencing cost for other corporates in India. It has also announced Jio AI-Cloud welcome offer, under which Jio users will get 100GB of free cloud storage, starting this Diwali.

- Targets Reliance Retail revenue/EBITDA to also double in next 3-4 years on the back of strong omni-channel retail capabilities and strengthening consumer brand business:** RIL aims to double its retail segment revenue and EBITDA over the next 3-4 years; this is also largely in line with JMFe as we expect Retail business EBITDA to grow by 85% in 3 years and by 130% in 4 years (to INR 427bn by FY27 and INR 533bn by FY28 vs. INR 231bn in FY24). It emphasised on its omni-channel model to serve customers via a common inventory model across channels that provides hyper local delivery leveraging its widest 19,000 store network with 80mn sqft; it has also built an extensive and efficient

Recommendation and Price Target	
Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	3,500
Upside/(Downside)	15.0%
Previous Price Target	3,500
Change	0.0%

Key Data – RELIANCE IN	
Current Market Price	INR3,042
Market cap (bn)	INR20,581.8/US\$245.4
Free Float	44%
Shares in issue (mn)	6,765.0
Diluted share (mn)	6,766.0
3-mon avg daily val (mn)	INR19,273.3/US\$229.8
52-week range	3,218/2,220
Sensex/Nifty	82,135/25,152
INR/US\$	83.9

Price Performance			
%	1M	6M	12M
Absolute	0.1	4.1	25.7
Relative*	-0.8	-8.1	-0.4

\* To the BSE Sensex

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Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary					(INR mn)
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	8,778,350	9,010,640	9,695,199	10,982,544	12,739,022
Sales Growth (%)	26.1	2.6	7.6	13.3	16.0
EBITDA	1,421,620	1,622,330	1,729,131	2,032,893	2,371,162
EBITDA Margin (%)	16.2	18.0	17.8	18.5	18.6
Adjusted Net Profit	662,840	696,210	790,687	928,891	1,113,948
Diluted EPS (INR)	98.0	102.9	116.9	137.3	164.6
Diluted EPS Growth (%)	17.9	5.0	13.6	17.5	19.9
ROIC (%)	10.2	9.5	9.6	10.7	11.9
ROE (%)	8.9	9.2	9.6	10.4	11.3
P/E (x)	31.1	29.6	26.0	22.2	18.5
P/B (x)	2.9	2.6	2.4	2.2	2.0
EV/EBITDA (x)	16.2	14.2	13.4	11.4	9.7
Dividend Yield (%)	0.3	0.3	0.4	0.4	0.5

Source: Company data, JM Financial. Note: Valuations as of 29/Aug/2024

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supply chain of 32mn sqft. Further, the acquisition of Metro India Cash & Carry has also strengthened its omni-channel capabilities. It now has over 4mn registered kirana partners in new commerce business, supported by a footprint of over 220 Metro stores across 200 cities. Further, it reiterated its focus towards creating high quality products at most affordable price in consumer brand business and building robust pan-India supply chain to provide this products pan-India.

- **Reiterates O2C expansion plans in various existing and new petchem chains:** The company reiterated its plans to expand capacity of its existing and new petchem chains (earlier announced capex of INR 750bn for the same): **a)** 1mmtpa specialty polyester capacity by 2026-27, will further integrate backwards with a 3mmtpa PTA capacity by 2027 (vs. earlier announced completion by FY26); **b)** 1.5mmtpa of PVC and CPVC integrated facilities in the Vinyl value chain at Dahej and Nagothane by FY27 (vs. earlier announced completion by FY26); **c)** Integrated 20ktpa Carbon Fibre plant at Hazira; RIL is also expanding carbon fibre composites portfolio for use in the infrastructure sector; and **d)** PET recycling capacity of 5bn PET bottles p.a. by next year (vs. existing annual capacity of +2 bn PET bottles). It is also expanding its virtual ethane pipeline from North America by ~50%, by adding three Very Large Ethane Carriers (VLECs) to its existing fleet of six ethane carriers used for sourcing ethane from North America. Separately, the company again highlighted that petchem margin was weak on account of huge capacity addition globally, particularly in China; however, robust domestic demand supported in product placement. Further, gasification unit is also contributing significantly via higher utilisation and stable operations.
- **Expects New Energy business to be as big and profitable as O2C in next 5-7 years; reiterates its INR 750bn New Energy capex commitment and project timeline:** The company reiterated its INR 750bn capex commitment to build an integrated manufacturing ecosystem for solar value chain, BESS and electrolyzers extensively enabled by all emerging technologies. Further, it guided for the New Energy business to become as big and profitable in the next 5-7 years as the O2C business (O2C business FY24 EBITDA was INR 624bn) – this provides strong earnings visibility for the New Energy business and could potentially be significantly value accretive given we currently value New Energy business at an Enterprise value of only INR 1,125bn (i.e. 1.5x capex of INR 750bn). Moreover, it reiterated plans to commence the production of solar PV modules by end of CY24 with an initial annual production capacity of 10GW. Further, it has started construction of an advanced chemistry-based battery manufacturing facility with 30GWh annual capacity (set to begin production in 2H CY25) and aims to complete a multi-GW electrolyser manufacturing facility by 2026. Moreover, the company has leased arid wasteland in Kutch with the potential to generate 150bn units of electricity in the next 10 years (using solar energy), covering nearly 10% of India's energy needs. Separately, it plans to have 55 operating CBG Plants by 2025.
- **Peak capex and net-debt behind; we reiterate BUY on robust 16-17% EPS CAGR over the next 3-5 years:** We reiterate BUY (unchanged TP of INR 3,500/share; and 3-year TP of INR 4,600) as we think [concerns on debt are overdone](#) as we believe that RIL's capex and net debt peaked in FY24 and is likely to decline gradually with moderation in capex (to INR 1.2trln-1.3trln p.a. vs. INR 1.3 trn in FY24 and INR 2.3trln in FY23); but, importantly, capex will also be fully funded by a gradual increase in internal cash generation. Further, the company highlighted in its FY24 annual report that it will continue to monitor financial markets to seize suitable opportunities for capital-raising to support its growth plans. Be that as it may, we believe RIL could still drive a robust 16-17% EPS CAGR over the next 3-5 years with Jio's ARPU expected to rise at ~11% CAGR over FY24-28; ARPU is on a structural uptrend given the consolidated industry structure, higher ARPU requirement to recover significant 5G capex and the need to avoid a duopoly market — [A Giant Digital Leap](#). Moreover, Retail EBITDA is expected to grow at 20-25% on continued strong growth momentum as RIL is driving omni-channel capabilities across segments. Further, listing of Jio and Retail business over the next few years could lead to a potential re-rating. At CMP, the stock is trading at 22.2x (3 yr avg: 24.4x) and EV/EBITDA of 11.4x (3 yr avg: 12.8x). Key risks: **a)** high capex in New Energy business, resulting in rising net debt with limited earnings visibility from new projects; **b)** weak subscriber addition and limited wireless tariff hike; and **c)** weak downstream margins due to macro concerns.

## Key Assumptions and Estimates

## Exhibit 1. Key Assumptions

	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Brent crude price (USD/bbl)	44.7	80.0	95.4	83.1	75.0	75.0	75.0	75.0
Exchange rate (INR/USD)	71.9	74.5	80.4	82.8	84.4	86.1	87.9	89.6
<b>Refining</b>								
EBITDA (INR Bn)	139	279	412	379	360	389	396	404
Crude throughput	65.7	67.8	67.1	67.8	68.2	68.2	68.2	68.2
<b>Margins (USD/bbl)</b>								
Spore Dubai GRM	0.5	5.0	10.7	6.6	6.0	6.0	6.0	6.0
RIL's total GRM premium	5.5	4.5	2.0	4.6	4.5	5.0	5.0	5.0
a) RIL normal GRM premium	5.5	4.0	1.3	3.6	3.5	4.0	4.0	4.0
b) Petcoke gasification addition to GRM	0.0	0.5	0.8	1.0	1.0	1.0	1.0	1.0
RIL's total GRM	6.0	9.5	12.7	11.2	10.5	11.0	11.0	11.0
Refining cash opex	2.0	2.0	2.3	2.0	2.0	2.0	2.0	2.0
Refining EBITDA	4.0	7.5	10.4	9.2	8.5	9.0	9.0	9.0
<b>Petrochemicals</b>								
EBITDA (INR Bn)	243	249	208	245	266	303	388	483
EBITDA/ton (USD/ton)	209	206	175	206	216	237	249	262
<b>Sales volumes (mmtpa)</b>								
Polymers	5.9	5.8	5.7	5.6	5.7	5.8	6.7	7.5
Polyesters	2.8	3.2	3.2	3.2	3.2	3.3	3.8	4.3
Fiber intermediaries	6.7	6.3	5.1	4.7	4.7	4.8	6.3	7.8
Total	16.2	16.2	14.8	14.4	14.6	14.8	17.7	20.6
<b>E&amp;P</b>								
EBITDA (INR Bn)	3	55	136	202	201	207	213	219
Gas production (mmscmd)	3	18	269	31	33	33	33	33
Gas realisation (USD/mmbtu)	3.6	6.3	0.8	10.2	10.0	9.5	9.5	9.5
<b>Digital</b>								
EBITDA (INR Bn)	340	403	503	567	632	794	948	1,127
EBITDA margin (%)	44.4%	47.9%	49.8%	50.2%	50.4%	53.7%	54.3%	54.7%
<b>Wireless segment</b>								
Subscribers (mn - EoP)	426	410	439	482	499	510	518	526
ARPU (INR)	143	153	178	181	201	222	248	279
<b>FTTH segment</b>								
Subscribers (mn - EoP)		5	8	11	15	19	24	29
ARPU (INR)		444	444	444	444	466	490	514
<b>Retail</b>								
Revenue (INR Bn)	1,549	1,993	2,683	3,226	3,875	4,766	5,845	7,148
EBITDA (INR Bn)	98	124	180	231	271	341	427	533
EBITDA margin (%)	6.3%	6.2%	6.6%	6.8%	7.0%	7.2%	7.3%	7.5%
Total stores	12,711	15,196	18,040	18,836				
Net Store additions (#)	404	2,485	2,844	796	1,128	1,151	1,174	1,197
Gross revenue per average store (INR)	111	120	146	166	189	220	255	297
- YoY growth (%)	-15%	8%	21%	14%	13%	16%	16%	16%
Area (mn sq ft)	33.8	41.6	65.6	79.1				
Net area addition (mn sq ft)	5.1	7.8	24.0	13.5				
Store Footfalls (mn)			775	1,063				
Registered Customer Base (mn)	156	193	249	304				
No of Transactions (mn)			1,031	1,260				
Digital & New Commerce - sales contribution (%)	10%	17%	18%	19%				
<b>EBITDA break-up (INR Bn)</b>								
O2C	382	527	621	624	626	691	784	887
E&P	3	55	136	202	201	207	213	219
Digital	340	403	503	567	632	794	948	1,127
Retail	98	124	180	231	271	341	427	533
Financial Services & Others	56	19	-6	67	-1	-1	-1	-1
<b>Total</b>	<b>879</b>	<b>1,128</b>	<b>1,433</b>	<b>1,691</b>	<b>1,729</b>	<b>2,033</b>	<b>2,371</b>	<b>2,764</b>
Energy business	384	582	757	826	827	899	997	1,106
Non-energy business (incl others)	495	546	677	865	902	1,134	1,374	1,658
<b>EBITDA proportion</b>								
O2C	43%	47%	43%	37%	36%	34%	33%	32%
E&P	0%	5%	9%	12%	12%	10%	9%	8%
Digital	39%	36%	35%	34%	37%	39%	40%	41%
Retail	11%	11%	13%	14%	16%	17%	18%	19%
Financial Services & Others	6%	2%	0%	4%	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Energy business	44%	52%	53%	49%	48%	44%	42%	40%
Non-energy business (incl others)	56%	48%	47%	51%	52%	56%	58%	60%

Source: Company, JM Financial

## Valuation

Our Target Price for RIL of INR 3,500/share (and 3 year TP of INR 4,600) is computed on a sum-of-the-parts (SOTP) valuation method:

- a) Petchem segment at an EV of INR 383/share based on 7.5x Sep'26EV/EBITDA;
- b) Refining segment at an EV of INR 435/share based on 7.5x Sep'26EV/EBITDA;
- c) E&P segment at an EV of INR 186/share based on 6.0x Sep'26EV/EBITDA;
- d) Digital segment (RIL's 67.05% stake in JPL) at an EV of INR1,094/share comprising: i) Telecom business at INR 970/share based on DCF valuation; implied valuation of ~11.2x Sep'26 EV/EBITDA; and ii) Digital opportunities at INR 124/share based on potential monetisation of Video OTT apps, audio OTT and Consumer IoT business.
- e) Retail business (RIL's 83.0% stake) at an EV of INR 1,179/share based on 25x Sep'26 EBITDA. Further, we value Jio Mart at an EV of INR 149/share, factoring in the opportunity of digitisation of kirana stores.

We reiterate BUY given its industry leading capabilities across businesses and expectation of robust 16-17% EPS CAGR over the next 3-5 years. At CMP, the stock is trading at FY26E P/E of 22.2x (3 yr avg: 24.4x) and FY26E EV/EBITDA of 11.4x (3 yr avg: 12.8)

### Exhibit 2. RIL Sum-of-the-parts valuation - our Target Price for RIL is INR 3,500/share

Business segment	Valuation methodology	Sep'26 EBITDA (INR Bn)	Valuation multiple	Valuation (INR bn)	Valuation (USD bn)	Valuation (INR/share)	Equity Valuation (INR bn)	Equity Valuation (USD bn)	Equity Valuation (INR/share)	Comments
<b>Energy business</b>				6,793	80	1,004	6,444	76	952	
Petchem	EV/ EBITDA	345	7.5	2,589	31	383				Valued at 7.5x Sep'26 EV/EBITDA
Refining	EV/ EBITDA	392	7.5	2,944	35	435				Valued at 7.5x Sep'26 EV/EBITDA
E&P	EV/ EBITDA	210	6.0	1,260	15	186				Valued at 6x Sep'26 EV/EBITDA
<b>Digital business (for RIL's 67.05% stake)</b>				7,399	88	1,094	6,490	77	959	
a) Telecom business	DCF			6,560	78	970				Based on DCF valuation; COE 13.5% and WACC of 11%; implied valuation of 11.2x Sep'26 EV/EBITDA
b) Digital opportunities				838	10	124				JPL investments at book value - Monetization of Video OTT apps, JioSaavn and Consumer IoT business etc
<b>Retail business (for RIL's ~83% stake)</b>	EV/ EBITDA			8,982	106	1,327	8,736	103	1,291	
a) Retail business				7,974	94	1,179				Valued at 25x Sep'26 EV/EBITDA, based on peers valuation range; D-Mart trades at +40x
b) JioMart New commerce business				1,008	12	149				Valuing kirana digitisation opportunity assuming Jio Mart gets ~10% market share in General Trade ecommerce market by FY30
<b>New Energy business</b>				1,125	13	166	1,125	13	166	At 1.5x announced capex of INR 750bn
<b>Other investments</b>				850	10	126	850	10	126	Listed equity / Disney Viacom JV / Real estate investment
<b>Total Enterprise Value</b>				25,148	298	3,717				
Less: Net Debt				1,504	18	222				
<b>Total Equity Value</b>				23,644	280	3,500	23,644	280	3,500	

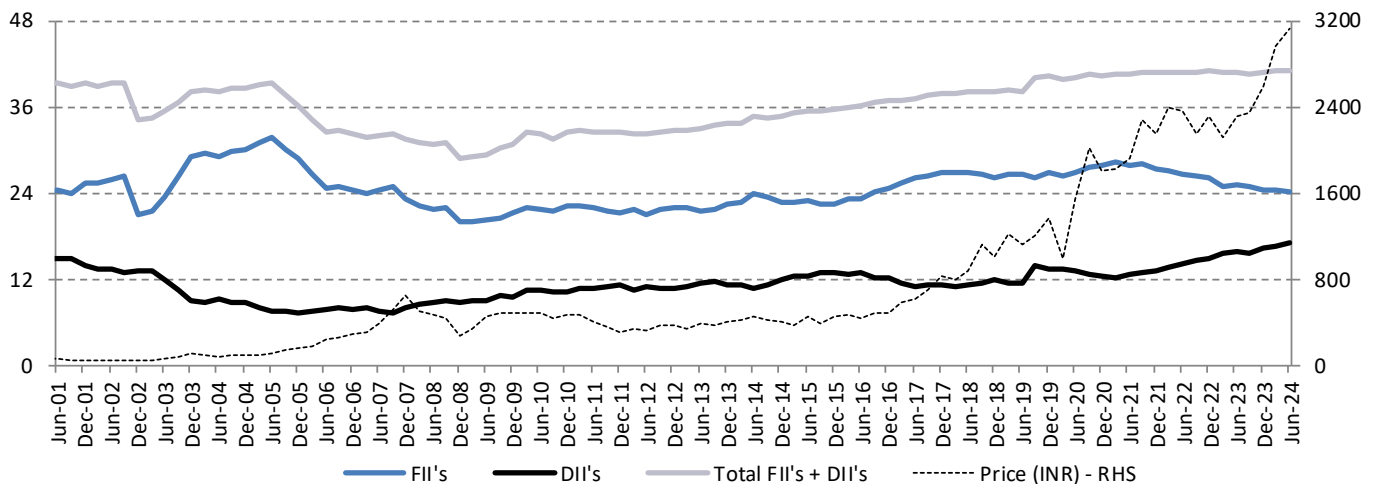
Source: JM Financial

### Exhibit 3. RIL Sum-of-the-parts valuation - our 3 year Target Price for RIL is INR 4,600/share

Business segment	Valuation methodology	EBITDA (INR Bn)	Valuation multiple	Valuation (INR bn)	Valuation (USD bn)	Valuation (INR/share)	Comments
<b>Energy business</b>				8,184	97	1,208	
Petchem	EV/ EBITDA	500	7.5	3,749	44	554	Valued at 7.5x EV/EBITDA
Refining	EV/ EBITDA	412	7.5	3,093	37	457	Valued at 7.5x EV/EBITDA
E&P	EV/ EBITDA	224	6.0	1,342	16	197	Valued at 6x EV/EBITDA
<b>Digital business (for RIL's 67.05% stake)</b>				8,449	100	1,249	
a) Telecom business	DCF			7,490	89	1,107	Based on DCF valuation; COE 13.5% and WACC of 11%; implied valuation of 9.9x Sep'28 EV/EBITDA
b) Digital opportunities				959	11	142	JPL investments at book value - Monetization of Video OTT apps, JioSaavn and Consumer IoT business etc
<b>Retail business (for RIL's ~83% stake)</b>	EV/ EBITDA			13,252	157	1,959	
a) Retail business				12,010	142	1,775	Valued at 25x Sep'28 EV/EBITDA, based on peers valuation range; D-Mart trades at +40x
b) JioMart New commerce business				1,242	15	184	Valuing kirana digitisation opportunity assuming Jio Mart gets ~10% market share in General Trade ecommerce market by FY30
<b>New Energy business</b>				1,500	18	222	At 2x announced capex of INR 750bn
<b>Other investments</b>				850	10	126	Listed equity / Disney Viacom JV / Real estate investment
<b>Total Enterprise Value</b>				32,235	382	4,762	
Less: Net Debt				1,095	13	162	Net debt at end FY28
<b>Total Equity Value</b>				31,140	369	4,600	

Source: JM Financial

**Exhibit 4. RIL's FII and DII shareholding trend: FII shareholding at end-Jun'24 has declined by 389bps while DII shareholding has risen by 417bps since Sep'21**



Source: Capitaline

### Risks along with EPS and valuation sensitivity

**a) Refining margin sensitivity:** Every USD 1/bbl increase/decrease in GRM has a positive/negative impact of 2% of our valuation, 3% of our FY26E EPS, and 2% of our FY26E EBITDA. An unexpected decline in refining margin could have a negative impact on RIL's earnings and valuation.

**b) Petchem margin sensitivity:** Every USD 20/tonne increase/decrease in EBITDA margin has a positive/negative impact of 1% of our valuation, 2% of our FY26E EPS, and 1% of our FY26E EBITDA. An unexpected slide in petchem EBITDA margin could hurt RIL's earnings and valuation.

**c) Retail margin sensitivity:** Every 50bps increase/decrease in retail EBITDA margin has a positive/negative impact of 2% of our valuation, 2% of our FY26E EPS, and 1% of our FY26E EBITDA. Any downside to retail profitability could have a negative impact on RIL's earnings and valuation.

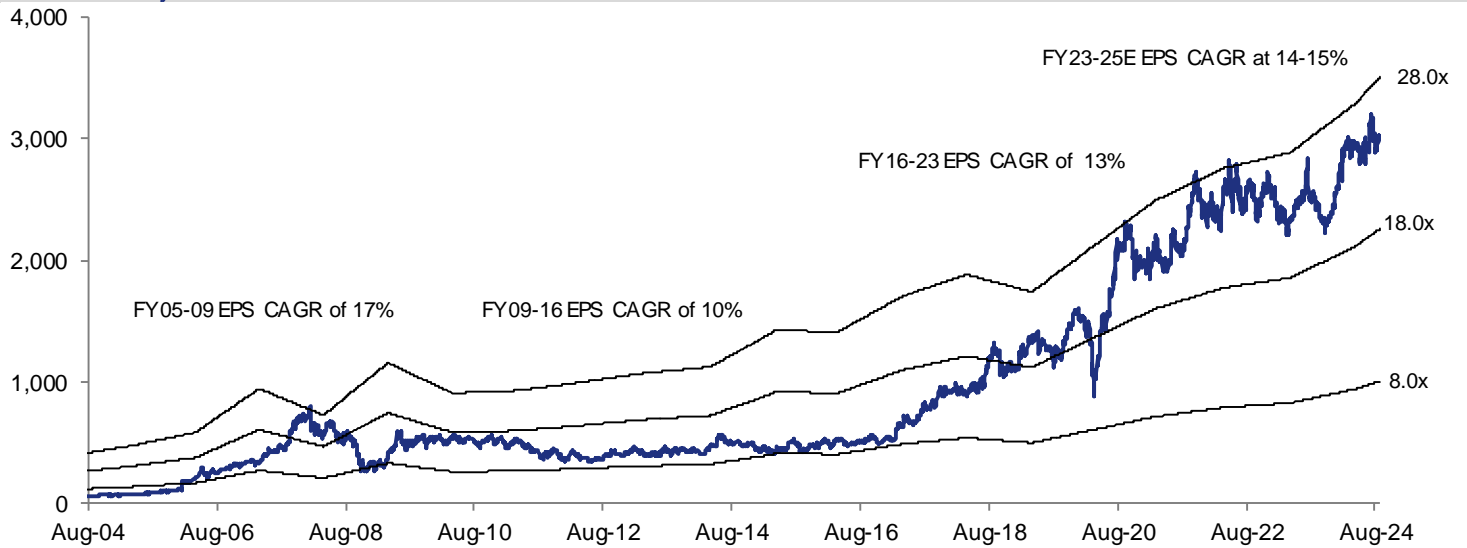
**d) ARPU and subscriber sensitivity:** Every INR 10 increase/decrease in ARPU has a positive/negative impact of 1% of our valuation and 2% our FY26E EPS and FY26E EBITDA. Every 20mn increase/decrease in subscribers has a positive/negative impact of 1% of our valuation, FY26E EPS and FY26E EBITDA. Lower-than-expected ARPU and subscriber growth could have a negative impact on RIL's earnings and valuation.

### Exhibit 5. RIL Earnings and valuation sensitivity

	FY26E Base case assumption	Change	Impact on FY26 EBITDA		Impact on FY26 EPS		Impact on TP	
			INR bn	% change	INR	% change	INR	% change
GRM (USD/bbl)	11.0	+/- USD 1/bbl	43	2%	4.8	3%	55	2%
Petchem EBITDA margins (USD/ton)	237	+/- USD 20/tn	26	1%	2.9	2%	36	1%
Retail EBITDA margins (%)	7.2%	+/- 0.5%	24	1%	2.6	2%	86	2%
Jio wireless ARPU	222	+/- INR 10	33	2%	2.5	2%	24	1%
Jio wireless subscriber (mn)	510	+/-20mn	15	1%	1.1	1%	29	1%
<b>Base case</b>			<b>2,033</b>		<b>137</b>		<b>3,500</b>	

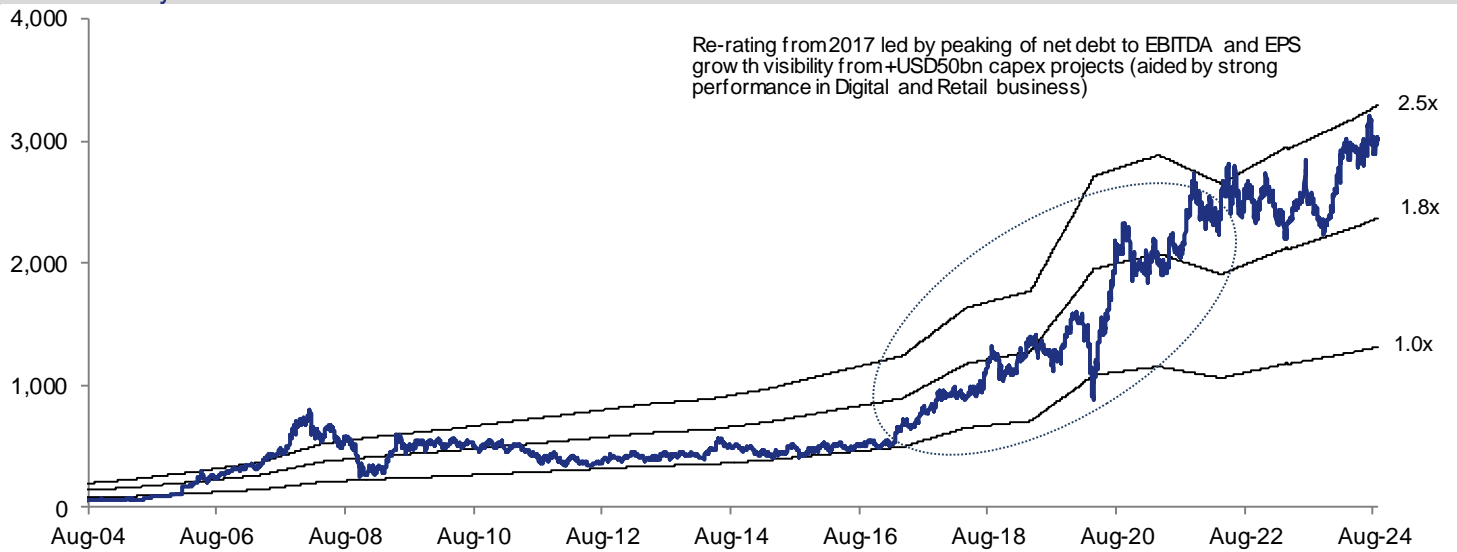
Source: JM Financial

Exhibit 6. RIL 1-year forward PE band



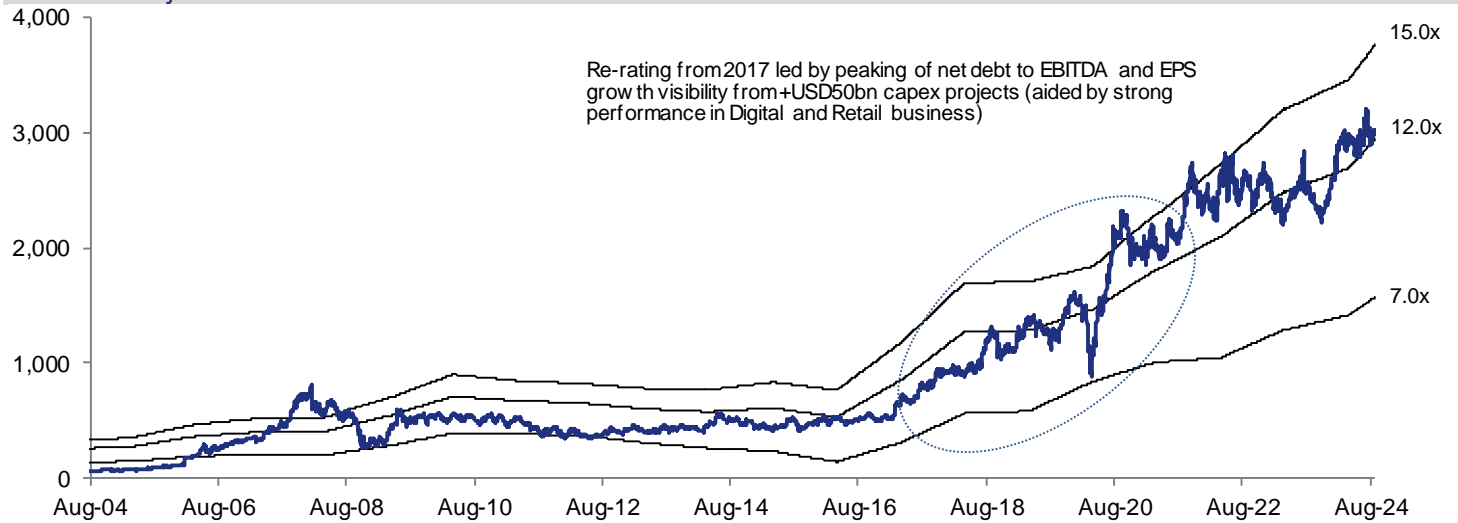
Source: JM Financial, Bloomberg

Exhibit 7. RIL 1-year forward PB band



Source: JM Financial, Bloomberg

Exhibit 8. RIL 1-year forward EV-EBITDA band



Source: JM Financial, Bloomberg

Exhibit 9. Global telecom and digital companies valuations

Company	EV/EBITDA (x)			P/E (x)			P/B (x)			EBITDA Margins (%)			ROE (%)		
	CY23/FY24	CY24/FY25	CY25/FY26	CY23/FY24	CY24/FY25	CY25/FY26	CY23/FY24	CY24/FY25	CY25/FY26	CY23/FY24	CY24/FY25	CY25/FY26	CY23/FY24	CY24/FY25	CY25/FY26
Bharti Airtel	12.9	11.0	9.8	46.2	31.2	24.2	8.8	7.2	6.1	53.3	54.7	55.2	21.2	24.9	27.4
Bharti Hexacom	15.6	13.0	11.0	39.6	32.5	23.3	10.6	8.4	6.6	49.9	52.2	54.2	25.3	31.6	34.8
Jio (JMFc)	18.5	15.5	12.3	40.2	31.4	22.4	3.5	3.1	2.7	52.6	53.2	53.5	9.0	10.5	13.0
Vodafone Idea	17.0	13.9	11.3	NM	NM	NM	NM	NM	NM	42.8	45.5	48.2	NM	NM	NM
<b>Indian telcos average</b>	<b>16.0</b>	<b>13.3</b>	<b>11.1</b>	<b>42.0</b>	<b>31.7</b>	<b>23.3</b>	<b>7.6</b>	<b>6.2</b>	<b>5.1</b>	<b>49.7</b>	<b>51.4</b>	<b>52.8</b>	<b>18.5</b>	<b>22.3</b>	<b>25.1</b>
AT&T	6.4	6.2	6.1	9.0	8.7	8.4	1.3	1.2	1.1	36.5	36.8	37.0	13.8	13.5	13.3
T-Mobile	9.9	9.3	8.7	21.8	18.1	15.2	3.8	3.9	3.9	39.1	39.9	40.8	17.4	21.7	26.5
Verizon	6.4	6.5	6.4	9.0	8.9	8.5	1.3	1.7	1.5	36.2	36.2	36.4	13.8	18.4	17.7
<b>US telcos average</b>	<b>7.5</b>	<b>7.3</b>	<b>7.1</b>	<b>13.3</b>	<b>11.9</b>	<b>10.7</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>	<b>37.2</b>	<b>37.6</b>	<b>38.1</b>	<b>15.0</b>	<b>17.9</b>	<b>19.2</b>
Deutsche Telekom	6.9	6.3	6.1	14.3	12.8	11.4	2.2	2.1	1.9	37.5	39.9	40.2	14.7	15.5	15.8
Orange	5.3	5.0	4.9	10.0	9.0	8.3	0.8	0.8	0.8	30.3	31.6	31.7	8.4	9.0	9.5
Telefonica	5.4	5.5	5.5	12.2	11.7	11.2	1.1	1.0	1.0	32.2	31.9	31.5	8.2	8.2	8.3
Telenor	7.6	7.5	7.2	12.2	15.3	13.7	2.8	2.9	2.9	44.1	44.0	44.5	23.9	18.6	21.3
Vodafone Plc	6.2	6.0	5.9	10.2	8.6	7.3	0.4	0.4	0.3	30.2	30.5	30.5	3.3	3.8	4.1
BT Group	4.2	4.2	4.1	7.2	7.5	7.3	0.9	1.0	1.0	39.0	39.4	39.9	12.5	12.4	12.4
<b>Europe telcos average</b>	<b>5.9</b>	<b>5.7</b>	<b>5.6</b>	<b>11.0</b>	<b>10.8</b>	<b>9.9</b>	<b>1.4</b>	<b>1.4</b>	<b>1.3</b>	<b>35.5</b>	<b>36.2</b>	<b>36.4</b>	<b>11.8</b>	<b>11.2</b>	<b>11.9</b>
China Mobile	6.6	3.6	3.5	9.1	10.1	9.7	1.8	1.0	1.0	32.8	32.4	32.4	19.7	11.1	11.1
China Telecom	3.7	3.5	3.4	11.8	10.9	10.1	0.9	0.8	0.8	26.6	26.6	26.4	7.3	7.7	8.1
China Unicom	1.5	1.4	1.4	9.1	8.5	7.8	0.5	0.5	0.5	26.4	26.1	25.9	5.8	6.1	6.4
<b>China telcos average</b>	<b>3.9</b>	<b>2.9</b>	<b>2.8</b>	<b>10.0</b>	<b>9.8</b>	<b>9.2</b>	<b>1.0</b>	<b>0.8</b>	<b>0.8</b>	<b>28.6</b>	<b>28.4</b>	<b>28.2</b>	<b>10.9</b>	<b>8.3</b>	<b>8.5</b>
KT Corp	1.5	3.1	3.0	9.1	7.3	7.0	0.5	0.5	0.5	21.1	21.0	21.2	5.8	7.3	7.4
LG Uplus	3.2	2.7	2.7	8.0	7.0	6.6	0.6	0.5	0.5	24.9	24.8	24.7	7.1	6.9	7.0
SK Telecom	3.8	3.8	3.8	10.0	9.6	9.1	1.0	0.9	0.9	30.9	30.5	30.1	10.1	10.0	10.3
<b>Korea telcos average</b>	<b>2.8</b>	<b>3.2</b>	<b>3.2</b>	<b>9.0</b>	<b>8.0</b>	<b>7.6</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>25.6</b>	<b>25.4</b>	<b>25.3</b>	<b>7.7</b>	<b>8.1</b>	<b>8.2</b>
Axiata	5.9	5.6	5.3	32.8	23.9	18.8	1.1	1.1	1.1	45.3	45.7	46.5	3.0	4.0	5.4
Maxis	9.5	9.3	9.2	21.8	20.8	19.6	5.2	5.1	5.0	39.6	39.2	39.1	23.7	25.0	25.9
<b>Malaysia telcos average</b>	<b>7.7</b>	<b>7.5</b>	<b>7.3</b>	<b>27.3</b>	<b>22.3</b>	<b>19.2</b>	<b>3.1</b>	<b>3.1</b>	<b>3.0</b>	<b>42.4</b>	<b>42.5</b>	<b>42.8</b>	<b>13.4</b>	<b>14.5</b>	<b>15.7</b>
Advanced Info	8.9	8.6	8.3	22.7	20.5	19.1	7.8	7.5	7.1	50.7	51.0	51.8	35.2	36.7	37.9
Chungwa Telecom	11.1	10.9	10.8	25.3	24.4	23.8	2.4	2.5	2.4	38.6	38.9	38.3	9.9	10.1	10.2
Converge ICT	5.3	4.9	4.5	10.7	9.5	8.5	2.0	1.7	1.4	59.7	60.2	59.8	20.1	18.8	17.6
Globe Telecom	7.7	7.3	7.0	14.8	14.1	12.3	1.9	1.9	1.8	46.5	46.8	46.9	16.3	15.4	16.1
Indosat	5.1	4.7	4.4	15.7	12.9	10.9	2.5	2.2	2.0	48.4	49.1	49.5	15.7	17.4	18.4
MTN Group	4.3	3.6	3.3	15.4	10.4	8.1	1.2	1.1	1.0	37.2	39.6	40.0	NM	NM	NM
Singtel	15.0	14.2	13.7	19.0	16.4	14.6	2.0	1.9	1.9	26.4	27.1	27.5	10.6	11.7	13.0
Taiwan Mobile	12.0	11.6	11.2	26.9	24.5	21.6	4.0	3.9	3.8	20.3	19.6	18.7	15.5	17.5	18.8
Telecom Indonesia	4.7	4.5	4.3	12.2	11.4	10.8	2.1	2.0	2.0	51.2	51.7	51.8	17.5	18.0	17.3
XL Axiata	4.2	3.9	3.7	15.8	13.1	11.7	1.1	1.0	0.9	50.4	50.4	50.1	6.9	7.7	8.0
<b>Other regional telcos average</b>	<b>7.8</b>	<b>7.4</b>	<b>7.1</b>	<b>17.8</b>	<b>15.7</b>	<b>14.1</b>	<b>2.7</b>	<b>2.6</b>	<b>2.4</b>	<b>42.9</b>	<b>43.4</b>	<b>43.4</b>	<b>16.4</b>	<b>17.0</b>	<b>17.5</b>
<b>Global telcos average</b>	<b>7.7</b>	<b>7.1</b>	<b>6.6</b>	<b>17.8</b>	<b>15.3</b>	<b>13.2</b>	<b>2.6</b>	<b>2.4</b>	<b>2.2</b>	<b>38.7</b>	<b>39.2</b>	<b>39.5</b>	<b>13.9</b>	<b>14.5</b>	<b>15.4</b>

Source: Bloomberg, JM Financial, Company.



## Exhibit 10. Global petchem companies valuation snapshot

Company	EV/EBITDA (x)			EBITDA Margins (%)			P/E (x)			P/B (x)			ROE (%)		
	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25
<b>Global (ex Asia) peers</b>															
DoW	9.5	8.6	7.3	12.2	13.6	15.3	24.8	20.6	14.2	1.9	2.0	2.0	7.2	9.6	14.0
Du Pont	13.7	13.1	12.0	24.4	24.9	25.7	23.8	21.9	19.0	1.5	1.5	1.4	6.2	6.6	7.6
Wacker Chemie	6.4	6.9	5.3	12.9	12.7	15.4	13.4	20.0	11.8	0.9	1.0	0.9	6.8	4.7	7.2
Johnson Matthey	6.3	6.1	5.6	14.6	16.4	17.9	10.9	10.2	8.6	1.1	1.2	1.1	10.1	10.9	12.2
BASF	8.4	7.8	6.8	10.8	12.2	13.3	14.5	13.2	11.0	1.1	1.2	1.1	5.2	7.4	9.5
Indorama ventures	8.9	7.7	6.9	7.7	8.8	9.6	31.8	NM	10.5	0.5	0.7	0.7	1.6	-5.5	6.3
SABIC	11.9	11.7	8.1	14.6	15.4	20.8	156.8	40.8	18.6	1.3	1.4	1.4	1.2	3.0	6.9
Eastman Chemical Co	10.1	9.1	8.3	17.4	19.3	20.1	15.7	13.0	11.2	2.2	2.1	1.9	13.9	15.9	17.2
Olin Corp	6.0	8.1	6.2	19.4	14.8	17.8	11.8	25.5	11.5	2.5	2.6	1.9	21.8	11.6	19.7
AKZO Nobel	9.8	9.5	8.8	13.5	13.8	14.5	16.2	14.2	12.7	2.1	2.1	1.9	13.1	14.7	15.8
<b>Global (ex Asia) peers average</b>	<b>9.1</b>	<b>8.9</b>	<b>7.5</b>	<b>14.7</b>	<b>15.2</b>	<b>17.0</b>	<b>32.0</b>	<b>19.9</b>	<b>12.9</b>	<b>1.5</b>	<b>1.5</b>	<b>1.4</b>	<b>8.7</b>	<b>7.9</b>	<b>11.6</b>
<b>Asian peers</b>															
Mitsubishi Gas Chem	8.5	8.0	6.7	10.4	11.3	13.0	11.4	11.7	10.2	0.8	0.8	0.7	7.2	6.6	7.5
Sinopec Shanghai Petrochemical	16.2	9.5	7.5	1.6	2.8	3.5	237.1	27.9	11.3	0.3	0.4	0.4	-0.3	1.8	4.0
LG Chem	8.1	7.4	5.0	11.6	13.6	16.7	16.0	26.9	10.0	0.7	0.7	0.7	4.5	2.9	7.2
Formosa Chemicals & Fibre Corp	19.3	17.0	14.7	5.7	5.8	6.5	27.2	29.1	18.8	0.8	0.8	0.8	3.1	2.5	3.5
Nan Ya Plastics	18.6	16.4	12.7	8.6	10.6	12.4	41.0	33.6	20.1	1.0	1.0	0.9	2.8	3.3	4.9
Formosa Plastics	28.6	32.8	23.9	6.4	5.5	7.2	27.3	34.0	20.5	0.9	0.9	0.9	3.7	2.6	3.6
Hanwha	11.3	22.2	8.9	11.1	6.2	13.9	20.3	NM	12.1	0.5	0.6	0.6	2.4	-9.9	4.5
Asahi Kasei Corp	7.2	6.1	5.6	10.5	11.7	12.2	17.6	12.8	10.9	0.8	0.8	0.7	4.8	6.0	6.9
Toray Industries	8.6	7.7	6.9	9.6	10.0	10.7	20.3	13.8	11.3	0.8	0.6	0.6	3.7	4.8	5.7
Kuraray Co	5.4	4.7	4.5	19.5	20.5	21.1	14.0	11.7	10.2	0.9	0.8	0.8	6.9	7.1	7.8
Teijin Ltd	7.6	7.0	6.4	9.5	10.0	10.7	36.2	12.3	14.4	0.6	0.6	0.6	1.7	4.5	4.1
Mitsui Chemicals	8.4	6.8	6.1	9.9	11.5	12.3	15.2	10.1	8.3	0.9	0.8	0.8	6.4	8.4	9.6
<b>RIL</b>	<b>14.3</b>	<b>12.8</b>	<b>11.3</b>	<b>17.3</b>	<b>17.7</b>	<b>18.7</b>	<b>29.1</b>	<b>26.3</b>	<b>22.5</b>	<b>2.4</b>	<b>2.3</b>	<b>2.1</b>	<b>8.8</b>	<b>9.5</b>	<b>10.0</b>
<b>Asian peers average</b>	<b>12.5</b>	<b>12.2</b>	<b>9.2</b>	<b>10.1</b>	<b>10.6</b>	<b>12.2</b>	<b>39.4</b>	<b>20.8</b>	<b>13.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>4.3</b>	<b>3.9</b>	<b>6.1</b>
<b>Global peers average</b>	<b>11.0</b>	<b>10.7</b>	<b>8.5</b>	<b>14.7</b>	<b>15.2</b>	<b>17.0</b>	<b>36.2</b>	<b>20.4</b>	<b>13.5</b>	<b>1.2</b>	<b>1.2</b>	<b>1.1</b>	<b>6.2</b>	<b>5.6</b>	<b>8.5</b>
<b>Global peers median</b>	<b>8.9</b>	<b>8.1</b>	<b>6.9</b>	<b>11.1</b>	<b>12.2</b>	<b>13.9</b>	<b>20.3</b>	<b>20.0</b>	<b>11.5</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>5.2</b>	<b>6.0</b>	<b>7.2</b>

Source: JM Financial, Bloomberg

## Exhibit 11. Global refiner's valuation snapshot

Company	EV/EBITDA (x)			EBITDA Margins (%)			P/E (x)			P/B (x)			ROE (%)		
	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25	FY24/CY23	FY25/CY24	FY26/CY25
<b>US peers</b>															
Valero Energy	3.7	6.5	6.2	9.9	6.2	6.8	5.8	11.7	10.4	1.9	1.8	1.7	34.6	15.0	16.3
Marathon Petroleum	4.9	7.1	6.8	11.6	8.9	9.1	7.8	13.8	11.4	2.9	3.0	3.1	34.0	18.8	24.7
<b>US peers average</b>	<b>4.3</b>	<b>6.8</b>	<b>6.5</b>	<b>10.7</b>	<b>7.5</b>	<b>8.0</b>	<b>6.8</b>	<b>12.7</b>	<b>10.9</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>34.3</b>	<b>16.9</b>	<b>20.5</b>
<b>European peers</b>															
Galp Energia	5.0	5.3	5.4	16.7	16.1	15.9	16.3	13.9	15.4	3.5	3.1	3.0	23.4	23.2	19.3
Motor Oil Hellas	3.0	4.1	5.1	10.5	8.9	7.4	2.6	5.5	6.0	0.9	0.9	0.8	34.6	11.4	11.6
PKN Orlen	2.1	2.6	2.3	12.5	10.5	12.8	3.3	6.6	5.5	0.5	0.5	0.4	17.7	8.1	8.6
Saras	2.3	3.2	4.3	6.1	4.4	3.4	4.9	8.4	15.4	1.1	1.1	1.1	24.5	13.1	6.9
MOL Hungarian oil & gas plc	3.4	3.2	3.3	12.3	12.7	12.5	3.9	4.6	4.9	0.5	0.5	0.5	14.0	12.3	9.9
OMV Ag	3.1	3.3	3.4	19.6	21.7	22.1	5.2	5.7	6.1	0.7	0.7	0.7	12.0	12.3	11.1
<b>European peers average</b>	<b>3.1</b>	<b>3.6</b>	<b>4.0</b>	<b>13.0</b>	<b>12.4</b>	<b>12.4</b>	<b>6.0</b>	<b>7.5</b>	<b>8.9</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>21.0</b>	<b>13.4</b>	<b>11.2</b>
<b>Asian peers</b>															
SK Innovation	9.6	9.3	6.5	5.5	5.8	8.1	17.6	68.6	8.1	0.5	0.5	0.4	2.8	0.2	5.5
GS Holdings	4.4	4.3	4.1	15.0	15.4	15.6	2.6	3.3	3.0	0.3	0.3	0.3	12.0	9.8	9.8
SK Energy Co Ltd	9.6	9.3	6.5	5.5	5.8	8.1	17.6	68.6	8.1	0.5	0.5	0.4	2.8	0.2	5.5
MRPL	7.0	10.1	8.4	8.0	5.3	6.6	10.3	17.9	13.5	3.0	2.5	2.2	28.4	13.6	15.1
CPCL	3.9	5.1	5.7	6.7	5.1	5.0	5.2	6.3	7.5	1.6	1.5	1.3	32.5	21.3	14.7
BPCL	4.8	8.0	7.7	8.7	5.2	5.6	5.6	9.8	9.5	2.0	1.7	1.5	44.0	17.2	15.6
HPCL	5.6	8.6	7.3	6.4	4.0	4.7	5.1	10.5	8.2	2.0	1.6	1.4	43.9	17.9	18.9
IOCL	4.8	7.3	6.5	9.8	6.6	7.2	5.6	10.3	9.1	1.5	1.3	1.2	29.5	12.5	13.0
<b>RIL</b>	<b>14.3</b>	<b>12.8</b>	<b>11.3</b>	<b>17.3</b>	<b>17.7</b>	<b>18.7</b>	<b>29.1</b>	<b>26.3</b>	<b>22.5</b>	<b>2.4</b>	<b>2.3</b>	<b>2.1</b>	<b>8.8</b>	<b>9.5</b>	<b>10.0</b>
<b>Asian peers average ex- RIL</b>	<b>6.2</b>	<b>7.8</b>	<b>6.6</b>	<b>8.2</b>	<b>6.7</b>	<b>7.6</b>	<b>8.7</b>	<b>24.4</b>	<b>8.4</b>	<b>1.4</b>	<b>1.2</b>	<b>1.1</b>	<b>24.5</b>	<b>11.6</b>	<b>12.3</b>
<b>Global peers average ex- RIL</b>	<b>4.8</b>	<b>6.1</b>	<b>5.6</b>	<b>10.3</b>	<b>8.9</b>	<b>9.4</b>	<b>7.4</b>	<b>16.6</b>	<b>8.9</b>	<b>1.5</b>	<b>1.3</b>	<b>1.3</b>	<b>24.4</b>	<b>12.9</b>	<b>12.9</b>
<b>Global peers median ex- RIL</b>	<b>4.6</b>	<b>5.9</b>	<b>5.9</b>	<b>9.9</b>	<b>6.4</b>	<b>7.8</b>	<b>5.4</b>	<b>10.0</b>	<b>8.2</b>	<b>1.3</b>	<b>1.2</b>	<b>1.1</b>	<b>26.4</b>	<b>12.8</b>	<b>12.3</b>

Source: JM Financial, Bloomberg



## Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Sales	8,778,350	9,010,640	9,695,199	10,982,544	12,739,022	
Sales Growth	26.1%	2.6%	7.6%	13.3%	16.0%	
Other Operating Income	0	0	0	0	0	
<b>Total Revenue</b>	<b>8,778,350</b>	<b>9,010,640</b>	<b>9,695,199</b>	<b>10,982,544</b>	<b>12,739,022</b>	
Cost of Goods Sold/Op. Exp	5,884,830	5,853,430	6,298,128	7,134,404	8,275,436	
Personnel Cost	248,720	256,790	269,630	283,111	297,267	
Other Expenses	1,223,180	1,278,090	1,398,310	1,532,136	1,795,157	
<b>EBITDA</b>	<b>1,421,620</b>	<b>1,622,330</b>	<b>1,729,131</b>	<b>2,032,893</b>	<b>2,371,162</b>	
EBITDA Margin	16.2%	18.0%	17.8%	18.5%	18.6%	
EBITDA Growth	31.1%	14.1%	6.6%	17.6%	16.6%	
Depn. & Amort.	403,030	508,320	521,097	576,350	627,313	
EBIT	1,018,590	1,114,010	1,208,034	1,456,542	1,743,849	
Other Income	117,340	160,570	142,195	135,907	135,548	
Finance Cost	195,710	231,180	189,135	194,556	174,717	
PBT before Excep. & Forex	940,220	1,043,400	1,161,094	1,397,893	1,704,681	
Excep. & Forex Inc./Loss(-)	4,180	0	0	0	0	
PBT	944,400	1,043,400	1,161,094	1,397,893	1,704,681	
Taxes	203,760	257,070	272,968	332,884	410,140	
Extraordinary Inc./Loss(-)	0	0	0	0	0	
Assoc. Profit/Min. Int.(-)	73,620	90,120	97,439	136,118	180,593	
Reported Net Profit	667,020	696,210	790,687	928,891	1,113,948	
<b>Adjusted Net Profit</b>	<b>662,840</b>	<b>696,210</b>	<b>790,687</b>	<b>928,891</b>	<b>1,113,948</b>	
Net Margin	7.6%	7.7%	8.2%	8.5%	8.7%	
Diluted Share Cap. (mn)	6,766.0	6,766.0	6,766.0	6,766.0	6,766.0	
<b>Diluted EPS (INR)</b>	<b>98.0</b>	<b>102.9</b>	<b>116.9</b>	<b>137.3</b>	<b>164.6</b>	
Diluted EPS Growth	17.9%	5.0%	13.6%	17.5%	19.9%	
Total Dividend + Tax	60,894	67,660	74,426	87,958	108,256	
Dividend Per Share (INR)	9.0	10.0	11.0	13.0	16.0	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Shareholders' Fund	7,158,720	7,934,810	8,580,484	9,354,892	10,300,264	
Share Capital	67,660	67,660	67,660	67,660	67,660	
Reserves & Surplus	7,091,060	7,867,150	8,512,824	9,287,232	10,232,604	
Preference Share Capital	0	0	0	0	0	
Minority Interest	1,130,090	1,323,070	1,409,205	1,529,959	1,688,982	
Total Loans	3,139,660	3,246,220	3,172,530	3,180,155	3,136,955	
Def. Tax Liab. / Assets (-)	587,750	713,030	738,068	765,051	795,709	
<b>Total - Equity &amp; Liab.</b>	<b>12,016,220</b>	<b>13,217,130</b>	<b>13,900,288</b>	<b>14,830,057</b>	<b>15,921,910</b>	
Net Fixed Assets	10,185,570	11,188,400	11,860,890	12,489,868	13,159,120	
Gross Fixed Assets	10,267,280	11,330,210	12,536,123	13,753,532	15,061,935	
Intangible Assets	152,700	149,890	149,890	149,890	149,890	
Less: Depn. & Amort.	3,171,930	3,680,250	4,201,347	4,777,698	5,405,011	
Capital WIP	2,937,520	3,388,550	3,376,224	3,364,144	3,352,305	
Investments	2,355,600	2,256,720	2,256,720	2,256,720	2,256,720	
Current Assets	3,517,650	4,105,360	3,923,100	4,282,734	4,847,742	
Inventories	1,400,080	1,527,700	1,439,970	1,543,215	1,706,204	
Sundry Debtors	284,480	316,280	319,978	358,165	409,585	
Cash & Bank Balances	686,640	972,250	859,086	1,055,529	1,379,093	
Loans & Advances	42,240	60,380	70,110	83,479	99,657	
Other Current Assets	1,104,210	1,228,750	1,233,955	1,242,346	1,253,203	
Current Liab. & Prov.	4,042,600	4,333,350	4,140,422	4,199,264	4,341,672	
Current Liabilities	1,471,720	1,783,770	1,645,595	1,756,448	1,948,259	
Provisions & Others	2,570,880	2,549,580	2,494,827	2,442,817	2,393,412	
Net Current Assets	-524,950	-227,990	-217,322	83,469	506,070	
<b>Total - Assets</b>	<b>12,016,220</b>	<b>13,217,130</b>	<b>13,900,288</b>	<b>14,830,057</b>	<b>15,921,910</b>	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Profit before Tax	944,400	1,043,400	1,161,094	1,397,893	1,704,681	
Depn. & Amort.	403,030	508,320	521,097	576,350	627,313	
Net Interest Exp. / Inc. (-)	82,930	122,840	46,940	58,649	39,168	
Inc (-) / Dec in WCAP.	-196,340	63,660	-54,144	-30,579	-22,597	
Others	-20,730	-30,730	0	0	0	
Taxes Paid	-62,970	-119,610	-247,931	-305,900	-379,482	
<b>Operating Cash Flow</b>	<b>1,150,320</b>	<b>1,587,880</b>	<b>1,427,057</b>	<b>1,696,413</b>	<b>1,969,084</b>	
Capex	-1,409,880	-1,528,830	-1,193,587	-1,205,329	-1,296,565	
Free Cash Flow	-259,560	59,050	233,470	491,085	672,519	
Inc (-) / Dec in Investments	294,440	169,750	-14,935	-21,759	-27,036	
Others	185,430	223,270	142,195	135,907	135,548	
<b>Investing Cash Flow</b>	<b>-930,010</b>	<b>-1,135,810</b>	<b>-1,066,327</b>	<b>-1,091,181</b>	<b>-1,188,052</b>	
Inc / Dec (-) in Capital	4,790	198,370	-81,890	-81,890	-81,890	
Dividend + Tax thereon	0	0	0	0	0	
Inc / Dec (-) in Loans	380,750	92,620	-128,442	-44,385	-92,605	
Others	-280,990	-457,450	-263,561	-282,514	-282,973	
<b>Financing Cash Flow</b>	<b>104,550</b>	<b>-166,460</b>	<b>-473,894</b>	<b>-408,789</b>	<b>-457,468</b>	
<b>Inc / Dec (-) in Cash</b>	<b>324,860</b>	<b>285,610</b>	<b>-113,164</b>	<b>196,443</b>	<b>323,564</b>	
Opening Cash Balance	361,780	686,640	972,250	859,086	1,055,529	
Closing Cash Balance	686,640	972,250	859,086	1,055,529	1,379,093	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Margin	7.6%	7.7%	8.2%	8.5%	8.7%	
Asset Turnover (x)	0.7	0.7	0.7	0.7	0.8	
Leverage Factor (x)	1.7	1.8	1.8	1.7	1.7	
RoE	8.9%	9.2%	9.6%	10.4%	11.3%	

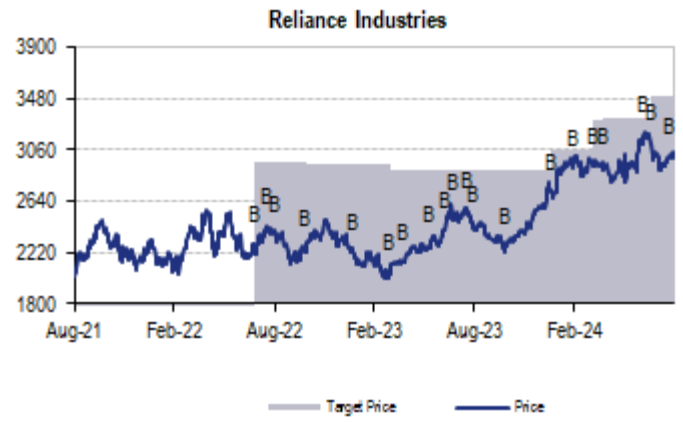
Key Ratios						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
BV/Share (INR)	1,058.0	1,172.7	1,268.2	1,382.6	1,522.4	
ROIC	10.2%	9.5%	9.6%	10.7%	11.9%	
ROE	8.9%	9.2%	9.6%	10.4%	11.3%	
Net Debt/Equity (x)	0.2	0.2	0.1	0.1	0.1	
P/E (x)	31.1	29.6	26.0	22.2	18.5	
P/B (x)	2.9	2.6	2.4	2.2	2.0	
EV/EBITDA (x)	16.2	14.2	13.4	11.4	9.7	
EV/Sales (x)	2.6	2.6	2.4	2.1	1.8	
Debtor days	12	13	12	12	12	
Inventory days	58	62	54	51	49	
Creditor days	73	88	75	72	69	

Source: Company, JM Financial

History of Earnings Estimate and Target Price

Date	Recommendation	Target Price	% Chg.
23-Jul-22	Buy	2,950	
17-Aug-22	Buy	2,950	0.0
29-Aug-22	Buy	2,950	0.0
24-Oct-22	Buy	2,950	0.0
22-Jan-23	Buy	2,950	0.0
28-Mar-23	Buy	2,900	-1.7
22-Apr-23	Buy	2,900	0.0
8-Jun-23	Buy	2,900	0.0
9-Jul-23	Buy	2,900	0.0
22-Jul-23	Buy	2,900	0.0
18-Aug-23	Buy	2,900	0.0
28-Aug-23	Buy	2,900	0.0
28-Oct-23	Buy	2,900	0.0
20-Jan-24	Buy	3,050	5.2
28-Feb-24	Buy	3,050	0.0
5-Apr-24	Buy	3,300	8.2
23-Apr-24	Buy	3,320	0.6
7-Jul-24	Buy	3,320	0.0
20-Jul-24	Buy	3,500	5.4
22-Aug-24	Buy	3,500	0.0

Recommendation History



## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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\* REITs refers to Real Estate Investment Trusts.

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