

12 September 2024

India | Equity Research | Company Update

Gulf Oil Lubricants India

Oil & Gas

Weaker Q2 in prospect, but softer input prices + growing premiumisation drive optimism

Gulf Oil (GOLI) delivered a stellar performance in the preceding 5–6 quarters – consistent YoY revenue/EBITDA/PAT growth driven by industry leading volume growth in lubricants and sharply higher growth for the Adblue segment. However, the momentum in volumes may ease for Q2, owing to a slowing in the CV space for GOLI, impacting the factory fill segment (~8–10% of overall business in FY24). Resultant, sequential growth may wane for Q2, even as YoY growth remains in mid-teens. Nonetheless, our optimism on future growth is strong with lower oil (and hence LOBS) prices, continued premiumisation of product portfolio (driving margins higher) and potential of the EV charger business to become an INR 7bn revenue segment in the next few years. We raise our FY26E/FY27E EPS by 1.9%/3.3%, baking in higher margins, TP to INR 1,650. Retain **BUY**.

Volume may see slight weakness in Q2, but prospects remain solid

Volume growth for GOLI may dip QoQ, predominantly due to an inventory build-up at the distributor-level for Adblue and a slower uptick in the core lubricant business at the factory fill segment. The softer volume could also be exacerbated by Q1's strong base and a temporary weakness in consuming segments. Yet, GOLI remains on track to meet its guidance of 2–2.5x industry growth in the next couple of years. With an aggressive build-out of distribution infrastructure, brand spends, new product launches and new segment entries, GOLI is on track for mid-teen earnings growth over FY25–27E.

Margin expansion on track

Moderate crude prices and aggressive premiumisation of product portfolio have aided GOLI's superior pricing power over the last several quarters. This has seen EBITDA margin expand steadily since Q4FY23 (13.1% in Q1FY25 vs. 11.1% in Q3FY23). H1FY25 margins are likely to stay at ~13% levels with IPL related expenses and Q2 volume weakness capping margin growth. We do see scope for further strength as input prices stay benign (in-line with moderate crude prices), and growing premiumisation of vehicles, better pricing and launch of new product lines help drive margins to >13.4% over FY26–27E. We factor in margins of 13.2%/13.5%/13.5% (vs. earlier estimate of ~13.1%) over FY25–27E, but believe upside risks exist to these estimates.

Financial Summary

Y/E March (INR mn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	32,756	36,446	40,126	44,152
EBITDA	4,194	4,831	5,419	5,963
EBITDA %	12.8	13.3	13.5	13.5
Net Profit	3,081	3,579	4,096	4,604
EPS (INR)	62.7	72.8	83.3	93.6
EPS % Chg YoY	32.2	16.2	14.5	12.4
P/E (x)	21.7	18.7	16.3	14.5
EV/EBITDA (x)	14.9	12.7	11.0	9.6
RoCE (Pre-tax) (%)	23.3	25.6	26.5	26.8
RoE (%)	24.9	25.9	26.0	25.7

Probal Sen

probal.sen@icicisecurities.com
+91 22 6807 7274

Hardik Solanki

solanki.hardik@icicisecurities.com

Market Data

Market Cap (INR)	67bn
Market Cap (USD)	797mn
Bloomberg Code	GOLI IN Equity
Reuters Code	GOLU.BO
52-week Range (INR)	1,514 /521
Free Float (%)	27.0
ADTV-3M (mn) (USD)	5.8

Price Performance (%)	3m	6m	12m
Absolute	42.5	45.3	149.3
Relative to Sensex	34.2	32.7	125.9

Earnings Revisions (%)

	FY25E	FY26E	FY27E
Revenue	0.0	0.0	0.0
EBITDA	0.0	1.4	2.8
EPS	0.0	1.9	3.3

Previous Reports

08-08-2024: [Q1FY25 results review](#)

24-06-2024: [Company Update](#)

Growth prospects remain robust, despite EV penetration

A research study by Kline Research notes ~3% YoY volume growth and 6% YoY value growth in the Indian lubricant industry through to CY32, from its current levels. With GOL I likely to continue growing at higher-than-industry growth, we believe I-Sec's estimates of 6–7% YoY growth in volumes for core lubricants over FY25–27E do not look unreasonable. Also, its growing brand strength has enabled GOL I to cut pricing deficit vs. the #1 private player to ~10% (across similar product lines), from >20% a decade ago, with potential to further reduce this to enhance margins.

EV investments – an opportunity to diversify and offset the threat to ICE (Internal Combustion Engine) business

GOL I is relatively cushioned from the EV threat in three ways: 1) Overall vehicle growth over the next decade implies that, even with material EV penetration, size of addressable ICE vehicles remains material enough to support growth. 2) Launch of an extensive EV fluid range to support the oil requirements of EV vehicles. 3) Strategic investments in the EV ecosystem to create additional revenue opportunity in the long term. Acquisitions in EV portfolios are a part of GOL I's global ambition towards being a leader in the EV charging ecosystem, a market that is already valued at USD 20bn currently, and may surpass USD 200bn by CY30 ([link](#)). **In the near term, management believes that the EV charger industry in India can easily reach INR 100bn in the next few years; and with GOL I-owned entities' market share at 7–8%, this can imply INR 7–8bn revenue accruing to GOL I (FY24 reported revenue at INR 32.8bn).**

Valuation: Multiples at attractive levels; reiterate BUY

GOL I has seen its stock price rise an impressive 42% over the last three months, as the market has taken cognisance of above industry volume growth, superior margin profile and sticky brand loyalty shown by customers towards GOL I's brands. We raise our FY26E/FY27E earnings estimates by 1.9%/3.3% to factor in higher margin improvement shaping up over FY25–27E. Valuations of 16.3x FY26E PER, 11.0x EV/EBITDA and 4.0x P/BV on FY26E EPS are attractive vs. peers (Castrol) – **(Exhibit 22)**

The company has made material progress in growing its brand presence along with OEM relationships over the last several years, ensuring both B2B/B2C portions of its lubricant business continues to grow steadily over the next decade. Additionally, acquisitions made in EV charging/EV software solutions and initiatives in battery swapping and EV fluids may add to revenue over the longer term.

Our valuation, averaging two-year forward PER, EV/EBITDA and target PEG multiples implies a target price of INR 1,650 (earlier INR 1,375), 21% upside from CMP. We note that despite the run up in the last one year by 149%, the stock still trades at a discount to global players and Indian consumer companies. Even our target multiples are at a steep discount to the nearest comparable peer Castrol **(Exhibit 22)**.

Key upside risks

- Overall industry growth expanding sharper-than-anticipated and GOL I grabbing higher market share.
- Margin expansion ahead of our estimates.
- More aggressive rollout of EV charging and battery business.

Key downside risks

- Sharp downtick in traditional lubricant demand due to higher EV transition.
- Execution delays in an attempt to expand distribution presence/product range.
- Stronger competitive pressures.

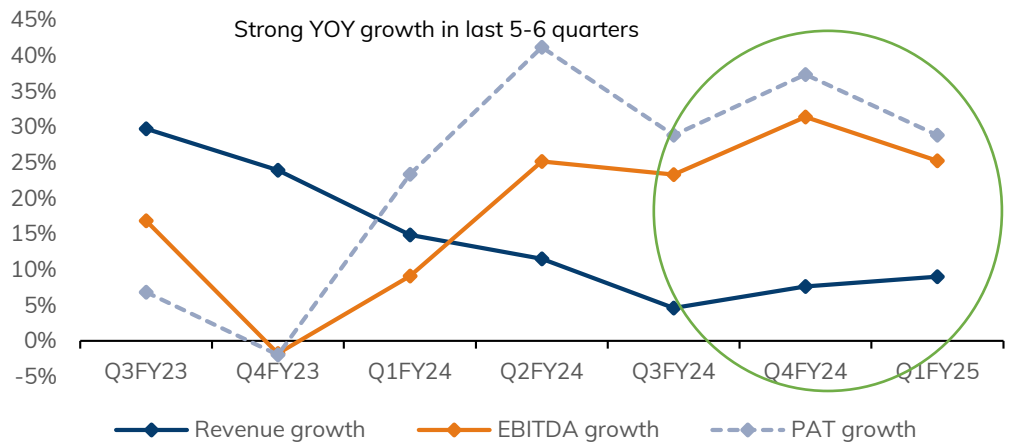
Aggressive strategy to sustain growth over the next decade

Exhibit 1: Articulation of long-term strategy



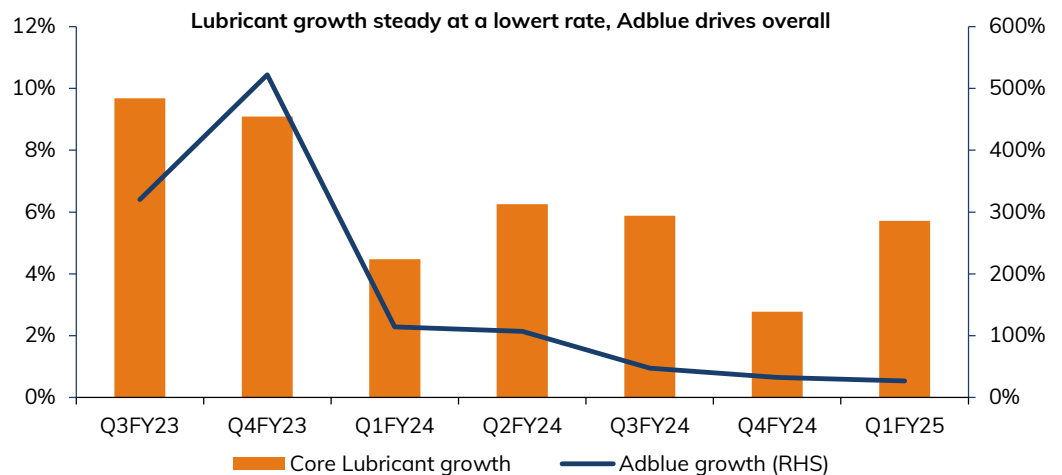
Source: Company data, I-Sec research

Exhibit 2: Strong YoY growth in earnings...



Source: Company data, I-Sec research

Exhibit 3: ...driven by above industry volume growth



Source: Company data, I-Sec research

Exhibit 4: Quarterly snapshot

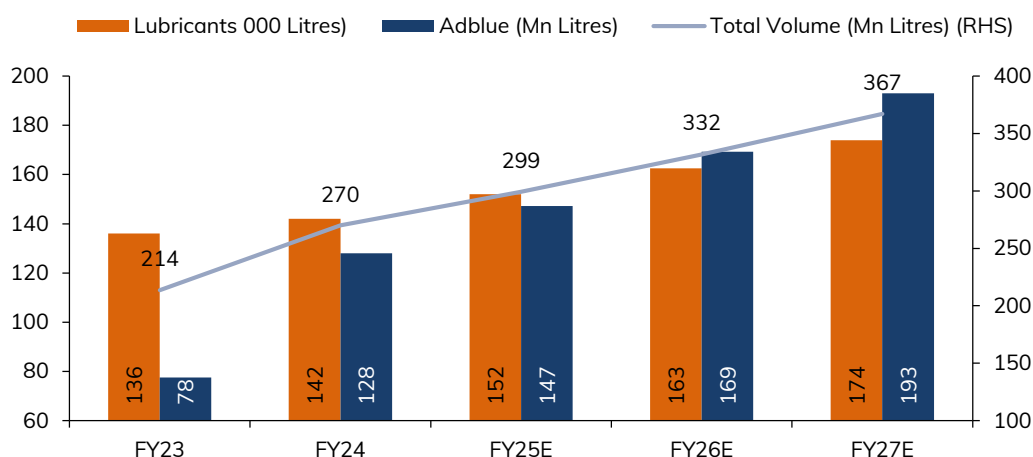
INR mn	Q1FY25	Q4FY24	QoQ	Q1FY24	YoY
Revenue	8,851	8,528	4%	8,117	9%
EBITDA	1,162	1,150	1%	928	25%
PAT	880	854	3%	683	29%
EBITDA margin%	13.1%	13.5%		11.4%	
PAT margin %	9.9%	10.0%		8.4%	
EPS	17.95	17.43	3%	13.93	29%
Total Volume	75.00	74.00	1%	65.00	15%
Core	37.00	37.00	0%	35.00	6%
Non-Core	38.00	37.00	3%	30.00	27%
Blended Margin INR/ltr	15.50	15.55	0%	14.27	9%
Blended Realisation INR/ltr	118.0	115.2	2%	124.9	-6%

Source: Company data, I-Sec research

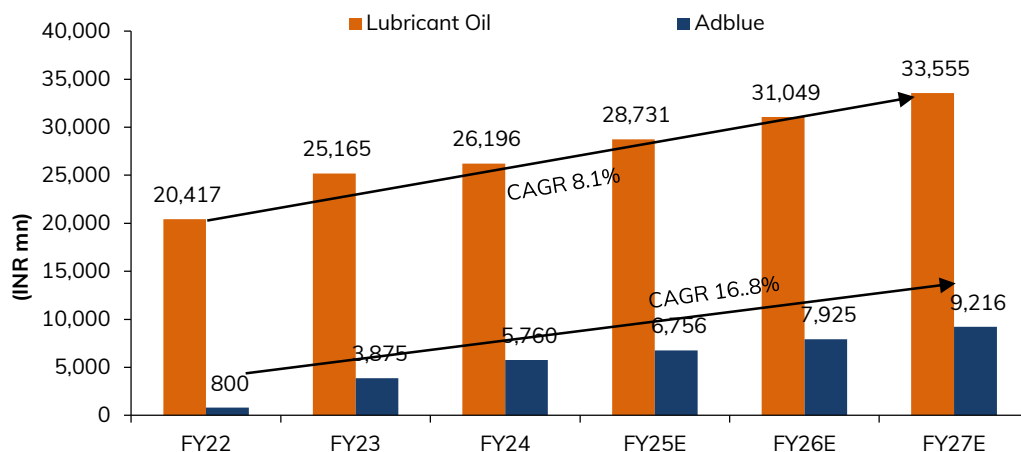
Exhibit 5: Key metrics quarterly trend

Quarterly	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
EBITDA (INR mn)	891	850	802	900	875	928	1,005	1,111	1,150	1,162
Total Volumes (mn Litres)	38	48	47	55	64	65	64	67	74	75
Lubricants (mn Litres)	33	34	32	34	36	35	34	36	37	37
AdBlue (mn Litres)	5	14	15	21	28	30	30	31	37	38
*Blended EBITDA (INR/ltr)	23.8	16.7	16.2	15.5	12.9	13.7	15.1	16.0	15.0	14.9

Source: Company data, I-Sec research* excluding Other operating income and battery revenue

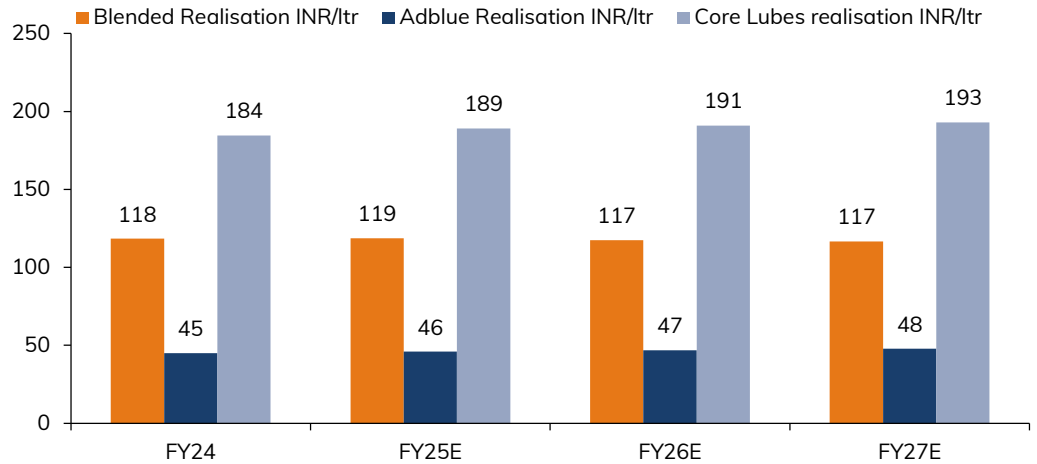
Exhibit 6: We expect volume CAGR at 10.8% over FY25–27E

Source: Company data, I-Sec research

Exhibit 7: Lubricant oil/AdBlue revenue to grow at 8.1%/16.8% CAGR over FY25–27E

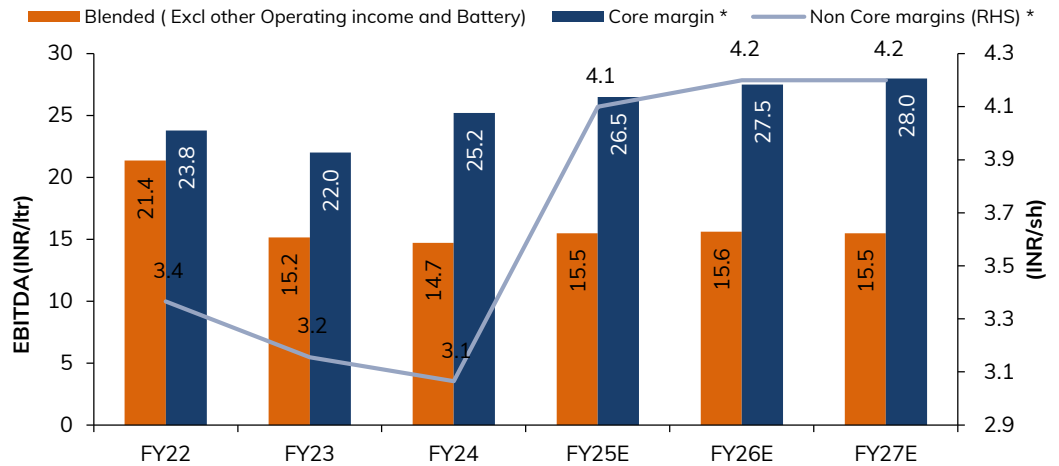
Source: Company data, I-Sec research; Note these are derived nos. on basis of our assumption

Exhibit 8: Blended realisation to grow only slightly due to faster growing AdBlue segment (low realisation product) in overall mix



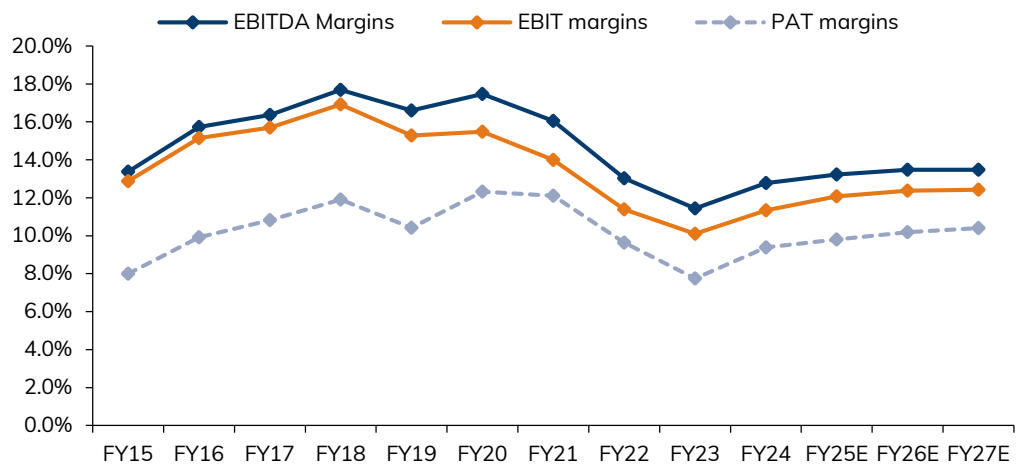
Source: Company data, I-Sec research; Core and Adblue realisation is our assumption

Exhibit 9: Blended margin to grow steadily



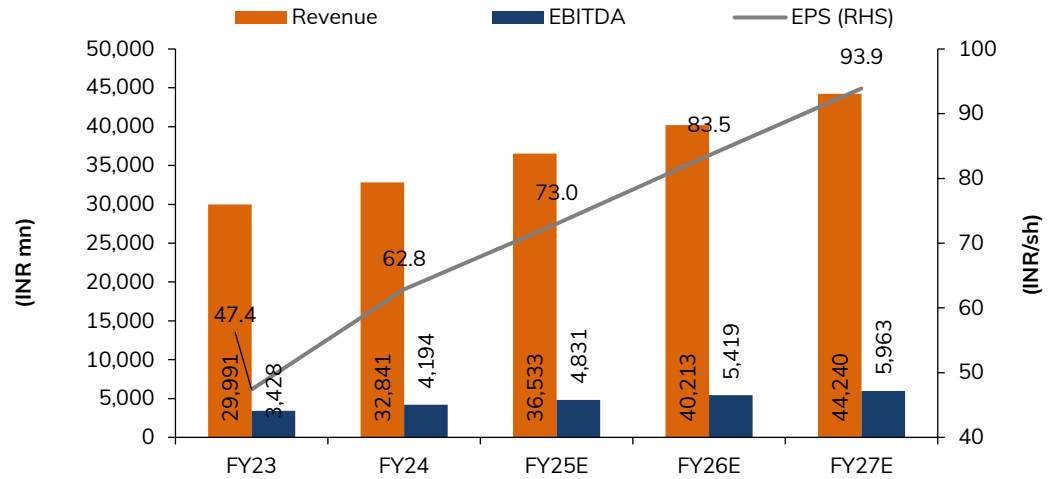
Source: I-Sec research, Company data, * I-Sec assumption

Exhibit 10: We factor in steady growth in profitability margins



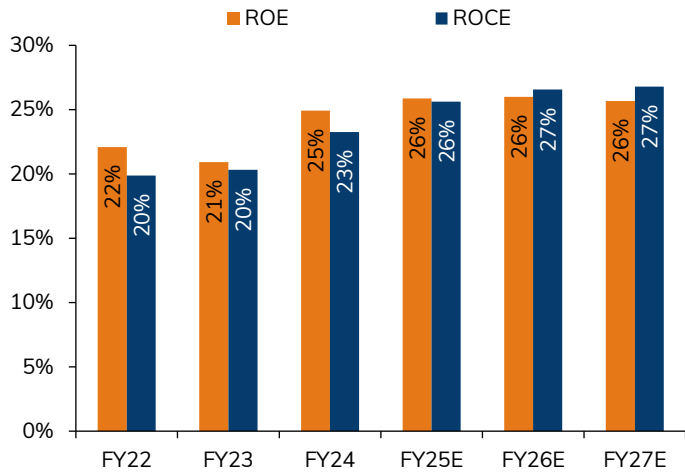
Source: I-Sec research, Company data

Exhibit 11: Revenue/EBITDA to grow at 10%/11% CAGR over FY25–27E



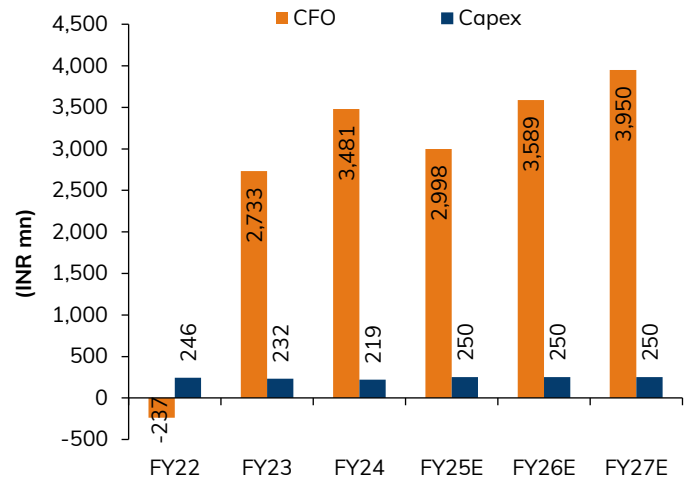
Source: Company data, I-Sec research

Exhibit 12: Return ratios remains healthy



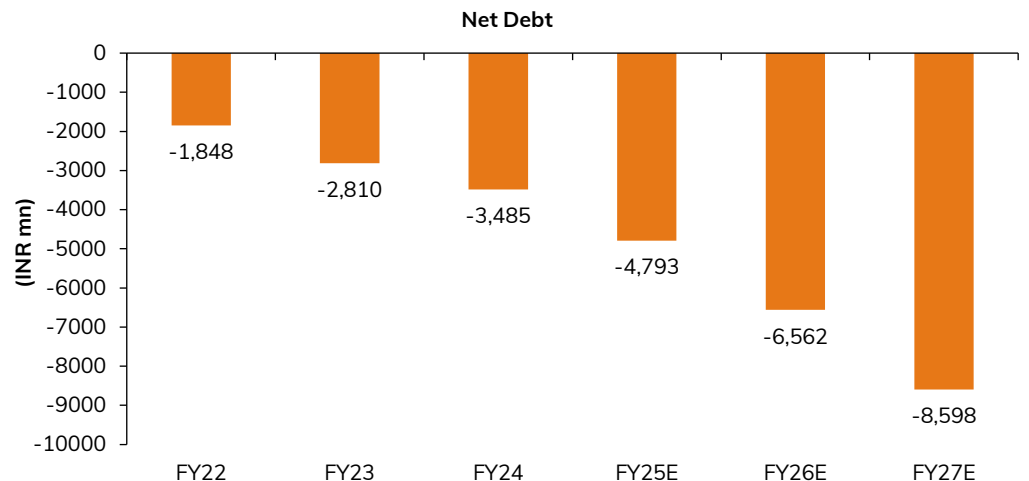
Source: Company data, I-Sec research

Exhibit 13: Strong cashflow with minimal capex outlay

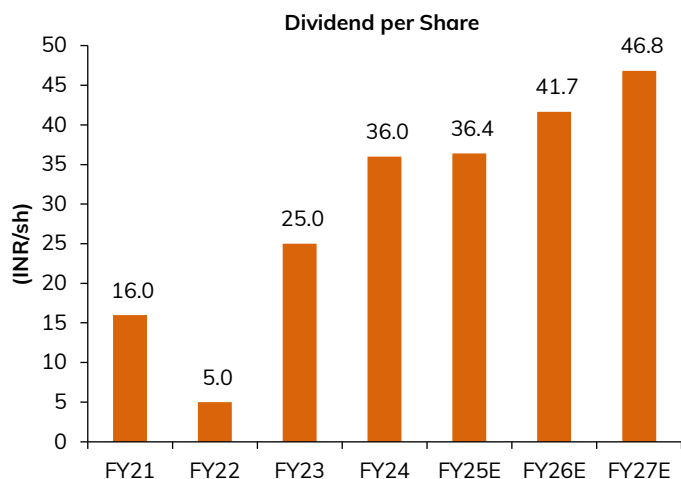


Source: Company data, I-Sec research

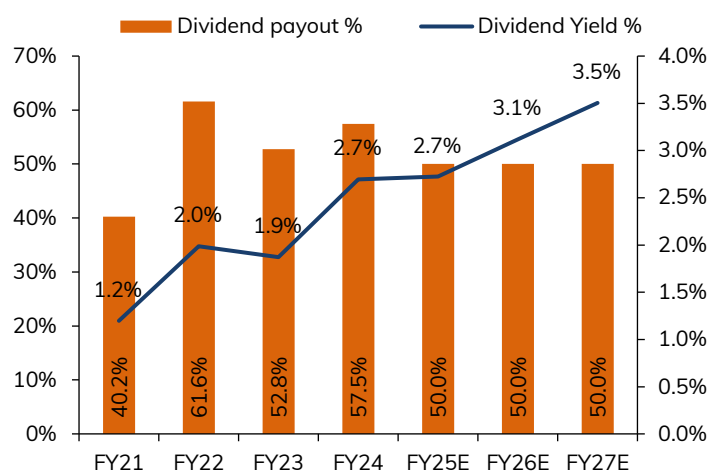
Exhibit 14: Net cash to continue to grow materially



Source: Company data, I-Sec research

Exhibit 15: Dividend trend remains healthy...

Source: Company data, I-Sec research

Exhibit 16: ...so does dividend pay-out and yield

Source: Company data, I-Sec research Note FY22 payout includes buyback

Valuation: We employ an average of methods to arrive at fair value; maintain BUY

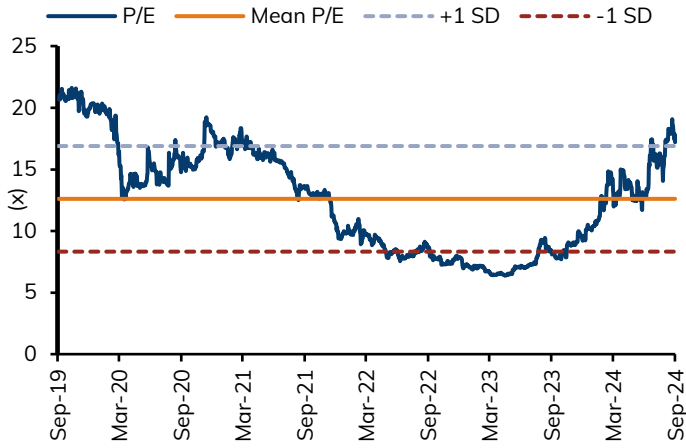
We use an average of PER, PEG and EV/EBITDA methods to arrive at a fair value for GOLI. The stock is currently trading at higher band but at steep discount to peer Castrol and we see sufficient scope for its multiple to rise over the next three years, as the company continues to beat industry growth rates and remains a consistent performer, as our estimates indicate.

Exhibit 17: Valuation summary

(INR mn)		INR/share	
EV/EBITDA		PER	
Mcap	65,500	EPS FY24E	62.8
Debt	2,778	PER	21.3
Cash & Cash Eq	9,340	EPS growth for FY24	32.6
EBITDA	5,963	PEG	0.7
EV/EBITDA multiple	10.5	Target PEG	1.4
EV	62,608	Growth next 3 years	14%
Less net debt	-6,562	Target PER	19.7
Equity value	69,170	EPS for FY27E	93.9
TP INR/share	1,411	TP	1,850
P/E (INR/share)		Average TP	1,650
EPS FY27E	94	CMP	1359
PE multiple	18	Upside	21%
TP	1,690		

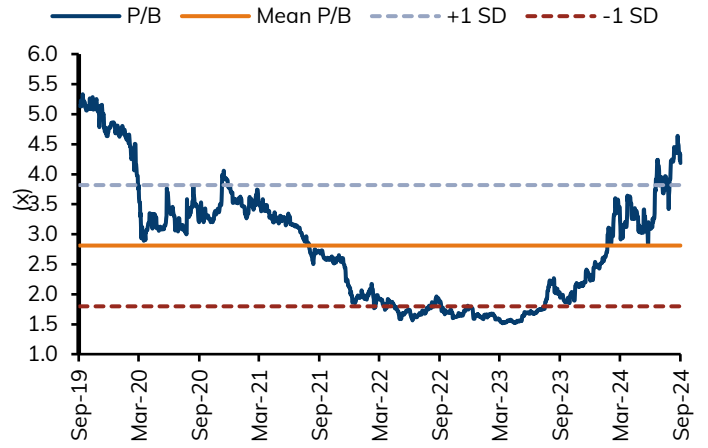
Source: Company data, I-Sec research

Exhibit 18: P/E band trading above higher band



Source: Bloomberg, Company data, I-Sec research

Exhibit 19: P/B band trading above higher band



Source: Bloomberg, Company data, I-Sec research

Annexure – Castro India Ltd (Castrol) – Financial Snapshot

Exhibit 20: Castrol's historical performance

INR mn	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23
Volume	191	199	205	214	204	166	207	211	220
Volume growth	-2%	4%	3%	4%	-5%	-19%	25%	2%	4%
Revenue	32,980	33,704	35,843	39,046	38,768	29,969	41,921	47,745	50,746
EBITDA	8,948	10,049	10,330	10,708	11,531	8,141	10,660	11,111	11,979
EBITDA Margin %	27.1%	29.8%	28.8%	27.4%	29.7%	27.2%	25.4%	23.3%	23.6%
EBITDA INR /ltr	46.8	50.4	50.5	50.1	56.5	49.2	51.5	52.7	54.5
Recurring PAT	6,152	6,749	6,917	7,083	8,274	5,829	7,581	8,152	8,641
PAT margin %	18.7%	20.0%	19.3%	18.1%	21.3%	19.5%	18.1%	17.1%	17.0%
Recurring EPS INR/share	6.2	6.8	7.0	7.2	8.4	5.9	7.7	8.2	8.7
DPS INR/share	4.5	5.5	4.8	5.0	5.5	5.5	5.5	6.5	7.5
Dividend Payout	72.4%	80.6%	68.6%	69.8%	65.8%	93.3%	71.8%	78.9%	85.8%
Net Debt/Equity	-1.2	-0.8	-0.8	-0.6	-0.7	-0.9	-0.8	-0.6	-0.5
Net Debt	-6,965	-8,219	-7,842	-7,439	-9,460	-12,604	-12,945	-11,726	-11,404
P/E	31.8	29.0	28.3	27.7	23.7	33.6	25.8	24.0	22.7
EV/EBITDA	21.1	18.7	18.2	17.6	16.2	22.5	17.2	16.6	15.4
P/BV	34.0	20.0	19.2	16.8	14.3	13.8	11.9	10.4	9.2
Cash flow from operation	7,400	6,641	6,083	5,495	8,795	8,928	6,302	9,159	8,530
Capex	-379	-358	-563	-783	-1,007	-238	-832	-1,097	-955

Source: Company data, I-Sec research

Exhibit 21: Castrol – Bloomberg consensus

Bloomberg Consensus	CY23	CY24E	CY25E	CY26E
Financials INR mn				
Revenue	50746.1	54032	56709	59000
Growth YoY		6.5%	5.0%	4.0%
EBITDA	11979.1	12784	13931	14000
Growth YoY		6.7%	9.0%	0.5%
EBITDA Margin %	24%	24%	25%	24%
Recurring PAT	8641.3	9429	10034	10000
Growth YoY		9.1%	6.4%	-0.3%
PAT margin %	17%	17%	18%	17%
EPS INR/share	8.7	9.3	10.2	10.5
DPS INR/share	7.5	8.3	9.0	9.4
Valuation				
P/E	29.2	27.3	24.9	24.3
EV/EBITDA	20.1	19.7	18.1	18.0
P/BV	11.9	11.2	10.3	10.3

Source: Company data, Bloomberg, I-Sec research

Exhibit 22: Comparison – GOLI vs. Castrol

INR mn	CY18/FY19	CY19/FY20	CY20/FY21	CY21/FY22	CY22/FY23	CY23/FY24	CY24/FY25	CY25/FY26	Past 5-year CAGR
Volume Kilo liter									
Castrol	214	204	166	207	211	220			0.6%
Growth YoY	4.4%	-4.5%	-18.8%	25.0%	1.9%	4.3%			
GOLI	119	111	115	134	214	270	299	332	17.8%
Growth YoY	25.3%	-6.7%	3.6%	16.5%	59.3%	26.5%	10.8%	10.9%	
Revenue									
Castrol	39,046	38,768	29,969	41,921	47,745	50,746	54,032	56,709	5.4%
Growth YoY	8.9%	-0.7%	-22.7%	39.9%	13.9%	6.3%	6.5%	5.0%	
GOLI	17,058	16,442	16,522	21,916	29,991	32,841	36,533	40,213	14.0%
Growth YoY	28.0%	-3.6%	0.5%	32.6%	36.8%	9.5%	11.2%	10.1%	
EBITDA									
Castrol	10,708	11,531	8,141	10,660	11,111	11,979	12,784	13,931	2.3%
Growth YoY	3.7%	7.7%	-29.4%	30.9%	4.2%	7.8%	6.7%	9.0%	
EBITDA Margin %	27.4%	29.7%	27.2%	25.4%	23.3%	23.6%	23.7%	24.6%	
EBITDA INR /ltr	50.1	56.5	49.2	51.5	52.7	54.5			
GOLI	2,831	2,872	2,652	2,855	3,428	4,194	4,831	5,419	8.2%
Growth YoY	20.1%	1.5%	-7.7%	7.7%	20.1%	22.3%	15.2%	12.2%	
EBITDA Margin %	16.6%	17.5%	16.1%	13.0%	11.4%	12.8%	13.2%	13.5%	
EBITDA INR /ltr (Core)	25.7	24.9	21.2	23.8	22.0	25.2	26.5	27.5	
PAT									
Castrol	7,083	8,274	5,829	7,581	8,152	8,641	9,429	10,034	4.1%
Growth YoY	2.4%	16.8%	-29.5%	30.0%	7.5%	6.0%	9.1%	6.4%	
PAT Margin %	18.1%	21.3%	19.5%	18.1%	17.1%	17.0%	17.5%	17.7%	
GOLI	1,778	2,025	2,001	2,111	2,323	3,081	3,579	4,096	11.6%
Growth YoY	12.1%	13.9%	-1.2%	5.5%	10.1%	32.6%	16.2%	14.5%	
PAT Margin %	10.4%	12.3%	12.1%	9.6%	7.7%	9.4%	9.8%	10.2%	
EPS									
Castrol	7.2	8.4	5.9	7.7	8.2	8.7	9.3	10.2	
GOLI	36.3	41.3	40.8	43.1	47.4	62.8	73.0	83.5	
DPS									
Castrol	5.0	5.5	5.5	5.5	6.5	7.5	8.3	9.0	
GOLI	11.5	14.0	16.0	5.0	25.0	36.0	36.4	41.7	
Dividend Payout									
Castrol	69.8%	65.8%	93.3%	71.8%	78.9%	85.8%	88.5%	87.6%	
GOLI	34.6%	34.7%	40.2%	61.6%	52.8%	57.5%	50.0%	50.0%	
RoCE									
Castrol	92.9%	85.6%	52.1%	63.9%	57.5%	53.8%			
GOLI	32.9%	25.4%	20.9%	19.9%	20.3%	23.3%	25.6%	26.5%	
RoE									
Castrol	64.8%	65.3%	41.9%	49.6%	46.2%	43.1%			
GOLI	33.7%	30.0%	24.5%	22.1%	20.9%	24.9%	25.9%	26.0%	
Cash from Operation									
Castrol	5,495	8,795	8,928	6,302	9,159	8,530			9.2%
GOLI	170	2,368	1,935	-237	2,733	3,481	2,998	3,589	82.8%
Capex									
Castrol	783	1,007	238	832	1,097	955			
GOLI	493	183	86	246	232	219	250	250	
Valuation									
Castrol									
P/E	35.6	30.5	43.3	33.3	30.9	29.2	27.3	24.9	
EV/EBITDA	22.9	21.1	29.4	22.4	21.6	20.1	19.7	18.1	
P/B	21.6	18.5	17.8	15.3	13.4	11.9	11.2	10.3	
GOLI									
P/E	36.8	32.3	32.7	31.0	28.2	21.3	18.7	16.3	
EV/EBITDA	23.1	22.2	23.6	22.3	18.3	14.8	12.7	11.0	
P/B	11.2	8.6	7.5	6.3	5.6	5.1	4.5	4.0	

Source: Company data, I-Sec research; CY for Castrol and FY for GOLI, Castrol estimates are from Bloomberg

Exhibit 23: Shareholding pattern

%	Dec'23	Mar'24	Jun'24
Promoters	71.9	71.8	71.8
Institutional investors	9.0	12.1	11.5
MFs and others	2.9	3.9	4.8
FIs/Banks	0.0	0.0	0.0
Insurance	0.9	1.0	1.0
FIIIs	5.2	7.2	5.7
Others	19.1	16.1	16.7

Source: Bloomberg

Exhibit 24: Price chart



Source: Bloomberg

Financial Summary

Exhibit 25: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	32,756	36,446	40,126	44,152
EBITDA	4,194	4,831	5,419	5,963
EBITDA Margin (%)	12.8	13.3	13.5	13.5
Depreciation & Amortization	468	419	444	469
EBIT	3,726	4,412	4,975	5,494
Interest expenditure	256	270	238	206
Other Non-operating Income	665	639	736	863
PBT	4,135	4,781	5,472	6,151
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	1,054	1,202	1,376	1,547
PAT	3,081	3,579	4,096	4,604
Less: Minority Interest	-	-	-	-
Net Income (Reported)	3,081	3,579	4,096	4,604
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	3,081	3,579	4,096	4,604

Source Company data, I-Sec research

Exhibit 26: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	18,260	20,272	22,779	25,619
of which cash & bank	7,063	7,971	9,340	10,975
Total Current Liabilities & Provisions	6,287	6,760	7,446	8,184
Net Current Assets	11,973	13,512	15,334	17,435
Other Non Current Assets	-	-	-	-
Net Fixed Assets	2,504	2,335	2,141	1,922
Other Fixed Assets	-	-	-	-
Capital Work in Progress	92	92	92	92
Non Investment	2,189	2,211	2,233	2,256
Current Investment	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Assets	16,758	18,150	19,800	21,704
Liabilities				
Borrowings	3,578	3,178	2,778	2,378
Deferred Tax Liability	160	161	163	165
Lease Liability	-	-	-	-
Other Liabilities	73	74	74	75
Equity Share Capital	98	98	98	98
Reserves & Surplus*	12,849	14,639	16,687	18,989
Total Net Worth	12,948	14,737	16,785	19,087
Minority Interest	-	-	-	-
Total Liabilities	16,758	18,150	19,800	21,704

Source Company data, I-Sec research

Exhibit 27: Quarterly trend

(INR mn, year ending March)

	Sep-23	Dec-23	Mar-24	Jun-24
Net Sales	8,023	8,173	8,528	8,851
% growth (YOY)	-1.2%	1.9%	4.4%	3.8%
EBITDA	1,005	1,111	1,150	1,162
Margin %	12.5%	13.6%	13.5%	13.1%
Other Income	171	166	185	173
Extraordinaries	-	-	-	-
Adjusted Net Profit	736	807	854	880

Source Company data, I-Sec research

Exhibit 28: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Cash Flow from operation before working Capital	4,266	4,831	5,419	5,963
Working Capital Changes	237	(631)	(453)	(466)
Tax	(1,022)	(1,202)	(1,376)	(1,547)
Operating Cashflow	3,481	2,998	3,589	3,950
Capital Commitments	(210)	(250)	(250)	(250)
Free Cashflow	3,691	3,248	3,839	4,200
Others CFI	(368)	620	716	844
Cashflow from Investing Activities	(578)	370	466	594
Inc (Dec) in Borrowings	(2)	(400)	(400)	(400)
Interest Cost	(264)	(270)	(238)	(206)
Others	(2,119)	(1,789)	(2,048)	(2,302)
Cash flow from Financing Activities	(2,384)	(2,460)	(2,686)	(2,908)
Chg. in Cash & Bank balance	519	908	1,369	1,636
Closing cash & balance	7,022	7,930	9,299	10,935

Source Company data, I-Sec research

Exhibit 29: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Recurring EPS	62.7	72.8	83.3	93.6
Diluted EPS	62.7	72.8	83.3	93.6
Recurring Cash EPS	72.2	81.3	92.3	103.2
Dividend per share (DPS)	36.0	36.4	41.7	46.8
Book Value per share (BV)	263.3	299.7	341.4	388.2
Dividend Payout (%)	57.5	50.0	50.0	50.0
Growth (%)				
Net Sales	9.5	11.3	10.1	10.0
EBITDA	22.3	15.2	12.2	10.0
EPS	32.6	16.2	14.5	12.4
Valuation Ratios (x)				
P/E	21.7	18.7	16.3	14.5
P/CEPS	18.8	16.7	14.7	13.2
P/BV	5.2	4.5	4.0	3.5
EV / EBITDA	14.9	12.7	11.0	9.6
EV / Operating Income	14.3	12.1	10.4	9.1
Dividend Yield (%)	2.6	2.7	3.1	3.4
Operating Ratios				
EBITDA Margins (%)	12.8	13.3	13.5	13.5
Effective Tax Rate (%)	25.5	25.1	25.1	25.1
Net Profit Margins (%)	9.4	9.8	10.2	10.4
NWC / Total Assets (%)	71.4	74.4	77.4	80.3
Fixed Asset Turnover (x)	8.0	8.7	9.1	9.4
Working Capital Days	55.2	58.1	58.1	58.1
Net Debt / Equity %	(26.9)	(32.5)	(39.1)	(45.0)
Profitability Ratios				
RoCE (%)	17.3	19.2	19.9	20.0
RoCE (Pre-tax) (%)	23.3	25.6	26.5	26.8
RoE (%)	24.9	25.9	26.0	25.7

Source Company data, I-Sec research

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, E-mail Address : complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Bhavesh Soni Email address: headservicequality@icicidirect.com Contact Number: 18601231122
