

# Petronet LNG

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
34,616	10,517
<b>Bloomberg</b>	<b>PLNG IN</b>
Equity Shares (m)	1500
M.Cap.(INRb)/(USDb)	373.0 / 5.5
52-Week Range (INR)	275 / 198
1, 6, 12 Rel. Per (%)	-12/-20/-20
Avg Val, INRm	1237.0
Free float (%)	50.0

**CMP: INR211**
**TP: INR320 (+52%)**
**Buy**
**Financials & Valuations (INR b)**

Y/E Mar	2018	2019E	2020E
Sales	306.0	289.5	332.9
EBITDA	33.1	36.1	43.1
Adj. PAT	20.8	25.3	29.5
Adj. EPS (INR)	13.9	16.8	19.7
EPS Gr. (%)	21.8	21.6	16.8
BV/Sh.(INR)	64.8	76.9	91.1
RoE (%)	23.3	23.8	23.4
RoCE (%)	21.9	23.1	23.4
P/E (x)	15.2	12.5	10.7
P/BV (x)	3.3	2.7	2.3
EV/EBITDA (x)	9.5	8.1	6.3
Div. Yield (%)	2.1	1.9	2.2

**Estimate change**

**TP change**

**Rating change**

**In-line EBITDA; Dahej utilization at 109%**

- EBITDA grew 33% YoY (-3% QoQ) to INR8.2b, in-line with our estimate. PAT grew 11% YoY (declined 1 QoQ) to INR5.2b, below our estimate of INR5.4b, due to higher tax rate of 34% in 4QFY18 v/s 29% in 3QFY18 and 24% in 4QFY17.
- Dahej throughput grew 17% YoY (-4% QoQ) to 207tbtu (est. of 199tbtu), implying 109% utilization of the 15mmt capacity. This throughput includes (in tbtu) long term: 115 (+7% YoY, -3% QoQ), third-party: 85 (+22% YoY, -8% QoQ), and short term: 7 (+78% QoQ). Marketing margin stood at INR613/mmBtu in 4QFY18 v/s INR200/mmBtu in 3QFY18.
- Kochi throughput grew 310% YoY (-26% QoQ) to 5.9tbtu (est. of 8.8tbtu), implying 9% utilization of the 5mmt capacity. This includes 6tbtu long-term (flat QoQ) and 0.1tbtu pure short-term.
- For FY18, EBITDA grew 28% YoY to INR33b and PAT grew 22% YoY to INR21b. While utilization for Dahej stood at 108%, utilization for Kochi stood at 12% in FY18.
- Management has recommended dividend of INR4.5/share for FY18.

**Valuation and view**

- We see immediate trigger for volume offtake from (a) Dahej further expansion to 17.5mmtpa in early 2019, (b) higher offtake from BPCL's refinery as it stabilizes and (c) completion of Kochi-Mangalore pipeline.
- Net cash stands at INR1.3b. Lack of immediate capital expenditure outlay amid high free cash flow generation has been a concern for investors. However, so far, the company has not announced any unrelated expansion.
- With increased capacity at Dahej and Kochi ramp-up, we assume FY19/20 total volumes at 17.2/18.8mmt. We assume terminal growth of 3% beyond FY22. The stock trades at 10.7x FY20E EPS of INR19.7. We value PLNG on DCF (WACC: 11.7%, TGR: 3%) to arrive at a fair value of INR320. Reiterate **Buy**.

**Standalone - Quarterly Earning Model**

Y/E March	(INR Million)											
	FY17				FY18				FY17	FY18	FY18	Var. vs est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Net Sales</b>	<b>53,373</b>	<b>66,144</b>	<b>62,993</b>	<b>63,651</b>	<b>64,351</b>	<b>77,702</b>	<b>77,571</b>	<b>86,362</b>	<b>246,160</b>	<b>305,986</b>	<b>66,349</b>	<b>30%</b>
YoY Change (%)	-36.3	-12.3	22.4	4.9	20.6	17.5	23.1	35.7	-9.3	24.3	4.2	
<b>EBITDA</b>	<b>6,425</b>	<b>7,264</b>	<b>6,071</b>	<b>6,163</b>	<b>7,442</b>	<b>8,987</b>	<b>8,474</b>	<b>8,221</b>	<b>25,923</b>	<b>33,124</b>	<b>8,236</b>	<b>0%</b>
Margins (%)	12.0	11.0	9.6	9.7	11.6	11.6	10.9	9.5	10.5	10.8	12.4	
Depreciation	806	860	1,009	1,016	1,027	1,039	1,039	1,013	3,691	4,117	1,118	-9%
Interest	556	554	517	469	465	465	367	335	2,097	1,630	306	9%
Other Income	494	915	550	1,508	707	1,019	414	1,034	3,466	3,174	944	10%
<b>PBT</b>	<b>5,556</b>	<b>6,765</b>	<b>5,095</b>	<b>6,186</b>	<b>6,658</b>	<b>8,504</b>	<b>7,482</b>	<b>7,908</b>	<b>23,602</b>	<b>30,551</b>	<b>7,757</b>	<b>2%</b>
Tax	1,777	2,170	1,121	1,478	2,282	2,616	2,194	2,681	6,545	9,773	2,327	15%
Rate (%)	32	32	22	24	34	31	29	34	28	32	30	
<b>PAT</b>	<b>3,779</b>	<b>4,596</b>	<b>3,975</b>	<b>4,708</b>	<b>4,376</b>	<b>5,888</b>	<b>5,288</b>	<b>5,227</b>	<b>17,057</b>	<b>20,778</b>	<b>5,430</b>	<b>-4%</b>
YoY Change (%)	115.8	84.7	122.8	96.8	15.8	28.1	33.0	11.0	102.7	21.8	15.3	
Margins (%)	7.1	6.9	6.3	7.4	6.8	7.6	6.8	6.1	6.9	6.8	8.2	
<b>Key Assumptions</b>												
Regas volume (tbtu)	50.1	60.7	75.3	71.1	80.5	79.0	92.0	84.7	257.1	336.2	94.3	-10%
Sales volume (tbtu)	118.1	128.2	116.1	108.9	111.1	141.0	131.0	128.0	471.2	511.1	113.6	13%

E: MOSL Estimates

**Swarnendu Bhushan – Research Analyst** (Swarnendu.Bhushan@MotilalOswal.com); +91 22 6129 1529

**Abhinil Dahiwal** – Research Analyst (Abhinil.Dahiwal@motilalosal.com); +91 22 3980 4309

**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

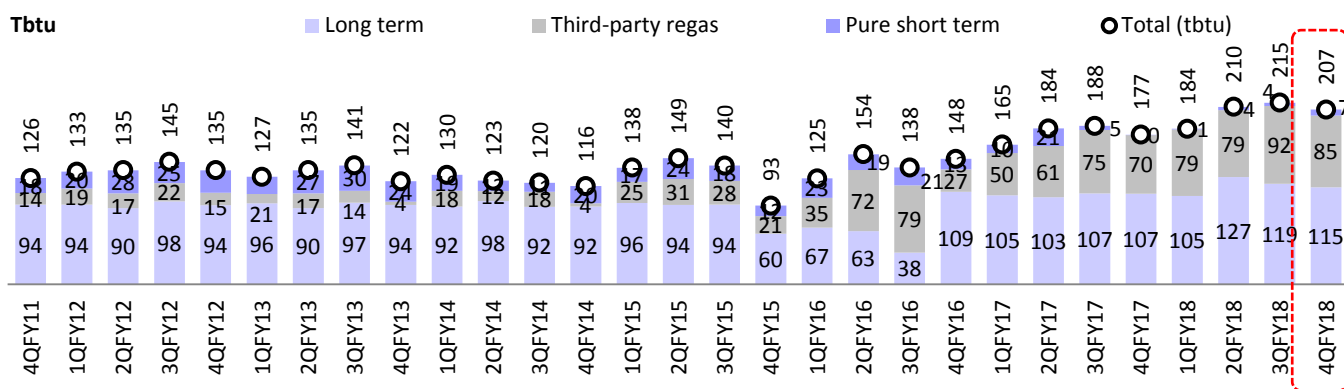
 Motilal Oswal research is available on [www.motilalosal.com/Institutional-Equities](http://www.motilalosal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

Exhibit 1: Petronet LNG: Key financial and operating performance metrics

	FY16				FY17				FY18				4QFY18	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	% YoY	% QoQ
<b>Dahej Sales Volume (tbtu)</b>														
Long term	67.1	63.0	37.7	109.4	105.3	103.0	107.5	107.1	104.8	127.0	119.0	115.0	7%	-3%
Third-party regas	35.3	72.1	79.5	26.5	50.1	60.7	75.3	69.6	78.6	79.0	92.0	84.7	22%	-8%
Pure short term	23.1	18.8	21.1	12.5	9.9	20.7	4.8	0.4	0.8	4.0	4.0	7.1	1721%	78%
<b>Sub-total (Tbtu)</b>	<b>125.4</b>	<b>153.9</b>	<b>138.2</b>	<b>148.5</b>	<b>165.2</b>	<b>184.4</b>	<b>187.6</b>	<b>177.1</b>	<b>184.1</b>	<b>210.0</b>	<b>215.0</b>	<b>206.8</b>	<b>17%</b>	<b>-4%</b>
<b>Kochi Sales Volume (tbtu)</b>														
Long term	-	-	-	-	-	-	-	-	0.8	7.0	6.0	5.8	na	na
Third-party regas	-	-	-	-	-	-	-	1.5	1.9	-	-	-	na	na
Pure short term	2.5	2.7	4.2	5.1	2.9	4.5	3.8	1.4	4.8	3.0	2.0	0.1	-93%	-95%
<b>Sub-total (Tbtu)</b>	<b>2.5</b>	<b>2.7</b>	<b>4.2</b>	<b>5.1</b>	<b>2.9</b>	<b>4.5</b>	<b>3.8</b>	<b>2.9</b>	<b>7.5</b>	<b>10.0</b>	<b>8.0</b>	<b>5.9</b>	<b>104%</b>	<b>-26%</b>
<b>Total (tbtu)</b>	<b>127.9</b>	<b>156.6</b>	<b>142.4</b>	<b>153.6</b>	<b>168.1</b>	<b>188.9</b>	<b>191.4</b>	<b>180.0</b>	<b>191.7</b>	<b>220.0</b>	<b>223.0</b>	<b>212.7</b>	<b>18%</b>	<b>-5%</b>

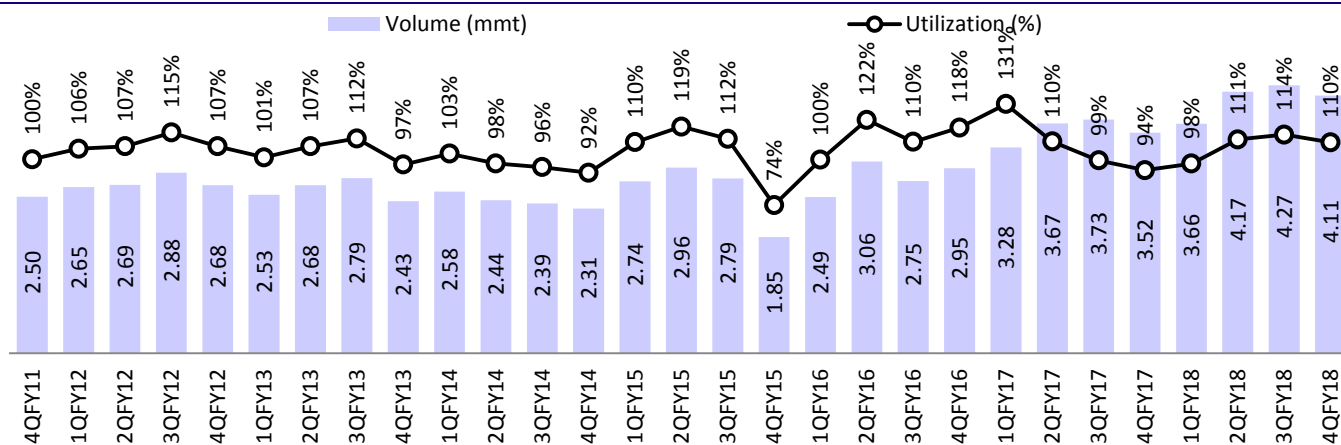
Source: Company, MOSL

Exhibit 2: Dahej volumes up +17% YoY (-4% QoQ) to 207tbtu



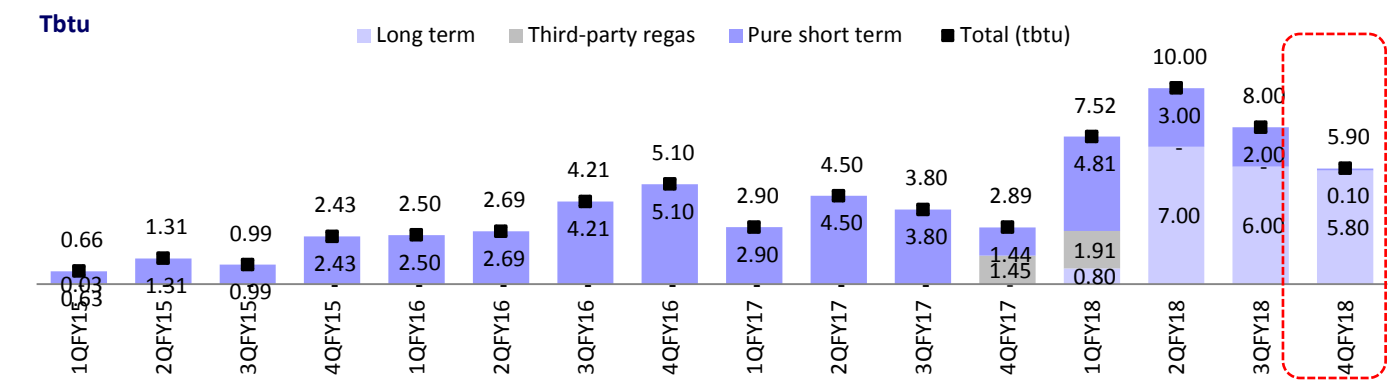
Source: Company, MOSL

Exhibit 3: Dahej terminal utilization at 110% in 4QFY18



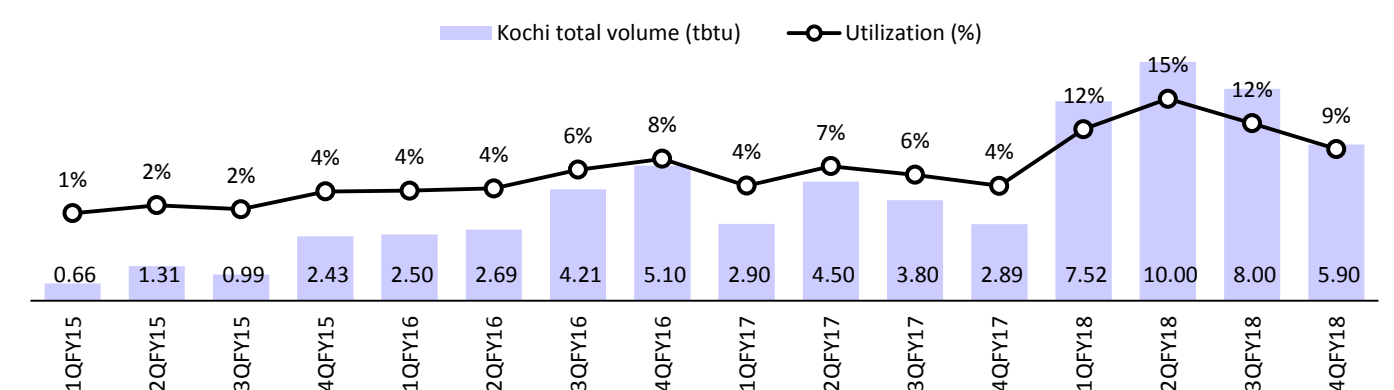
Source: Company, MOSL

Exhibit 4: Kochi volumes up +104% YoY and -26% QoQ



Source: Company, MOSL

Exhibit 5: Kochi terminal utilization at ~9% in 4QFY18



Source: Company, MOSL

**Valuation and view**

- Petronet LNG is a direct play on India’s natural gas deficit situation. While incremental gas demand will be a function of liquid v/s gas economics, take-or-pay contracts offer earnings certainty for PLNG.
- **Dahej continues to lead:** As against 15mmt capacity, PLNG has ~16mmt (RasGas: 8.5, new contracts: 7.5) long-term take-or-pay contracts. We do not see much of a problem in utilization of the Dahej facility. Dahej terminal is expected to expand from 15mmt to 17.5mmt by early 2019.
- Construction work of the Kochi-Mangalore pipeline is in full swing. While PNGRB’s deadline for the completion of work is Dec’18, it could be completed earlier. In our view, completion of the ~400km pipeline would provide the company access to anchor consumers like MCF, OMPL and MRPL refinery, all of which are ready to consume gas. It will also help in Kochi LNG terminal ramp-up.
- With increased capacity at Dahej and Kochi ramp-up, we assume FY19/20 total volumes at 17.2/18.8mmt. We assume terminal growth of 3% beyond FY22. The stock trades at 10.7x FY20E EPS of INR19.7. We value PLNG on DCF (WACC: 11.7%, TGR: 3%) to arrive at a fair value of INR320. Reiterate **Buy**.

**Exhibit 6: Petronet LNG - Key earnings model assumptions**

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
<b>Capacity (mmt)</b>	<b>10.0</b>	<b>10.0</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>	<b>16.3</b>	<b>20.0</b>	<b>20.6</b>	<b>22.5</b>
Dahej	10.0	10.0	10.0	10.0	10.0	11.3	15.0	15.6	17.5
Kochi	0.0	0.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
<b>Throughput (mmt)</b>	<b>10.9</b>	<b>10.4</b>	<b>9.7</b>	<b>10.5</b>	<b>11.2</b>	<b>14.4</b>	<b>16.4</b>	<b>17.2</b>	<b>18.8</b>
<b>Dahej</b>	<b>10.9</b>	<b>10.4</b>	<b>9.7</b>	<b>10.4</b>	<b>10.9</b>	<b>14.1</b>	<b>16.0</b>	<b>16.0</b>	<b>16.8</b>
<b>Kochi</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>0.1</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>	<b>1.3</b>	<b>2.0</b>
<b>Utilization rate (%)</b>	<b>109%</b>	<b>104%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>88%</b>	<b>82%</b>	<b>83%</b>	<b>84%</b>
Dahej	109%	104%	97%	104%	109%	126%	107%	102%	96%
Kochi	0%	0%	1%	2%	6%	5%	7%	25%	40%

Source: Company, MOSL

**Exhibit 7: DCF fair value of INR320 (WACC: 11.7%, TGR: 3%)**

	FY16	FY17	FY18	FY19	FY20	FY21	FY22
<b>PAT incld div/FBT</b>	<b>9,133</b>	<b>17,057</b>	<b>20,779</b>	<b>25,262</b>	<b>29,518</b>	<b>35,022</b>	<b>38,261</b>
Depr	3,216	3,691	4,117	5,866	5,885	6,010	6,135
Change in net working capital	17086.89	-25979	-10738	7690.5	580.52	775.21	700.85
Capex	-9,931	-4,796	-10,000	-10,000	-5,000	-5,000	-5,000
<b>FCFF (INR m)</b>	<b>19,504</b>	<b>-10,028</b>	<b>4,157</b>	<b>28818</b>	<b>30,983</b>	<b>36,807</b>	<b>40,096</b>
				<b>28,818</b>	<b>27744</b>	<b>29,513</b>	<b>28,789</b>

**One year valuation**

NPV (INR m)	114,864
Terminal growth rate	3.0%
TV (INR m)	341,776
Enterprise value (INR m)	456,640
Net debt (INR m)	-23,015
Equity value (INR m)	479,655
<b>Target price (INR)</b>	<b>320</b>

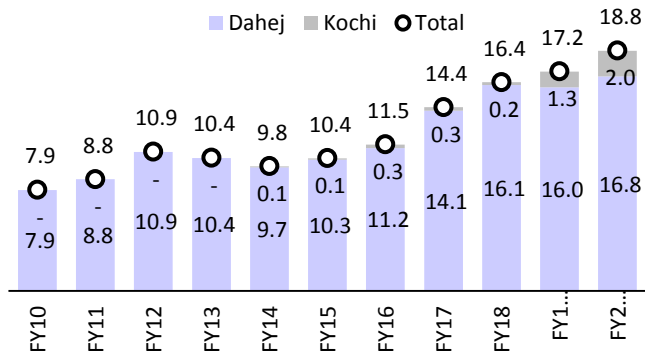
**WACC Calculation**

Risk free rate	7.8%
Beta	0.84
Rm	14.0%
Re	13.0%
D/E	25.0%
Rd	7.7%
<b>WACC</b>	<b>11.7%</b>

Source: Company, MOSL

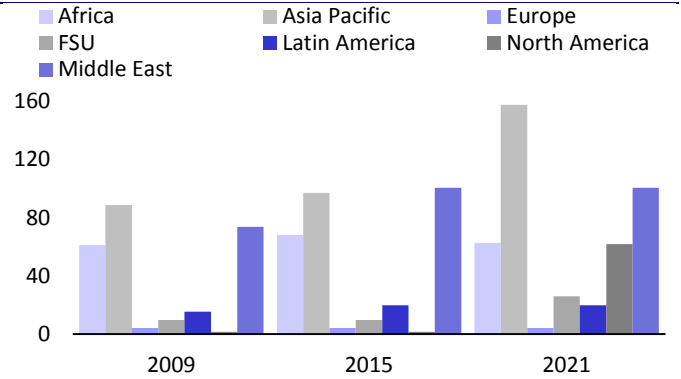
## Story in charts

**Exhibit 8: Volume growth led by capacity ramp-up**



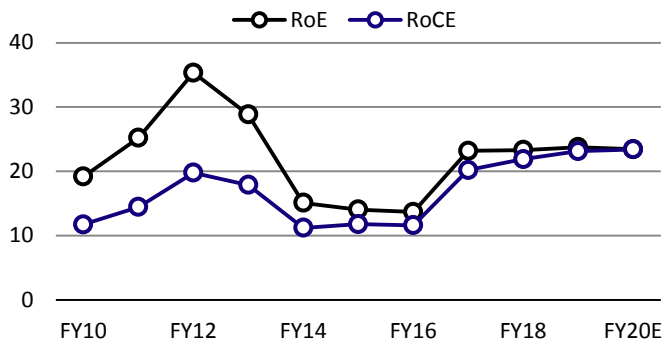
Source: Company, MOSL

**Exhibit 9: 142mtpa of liquefaction capacity under construction**



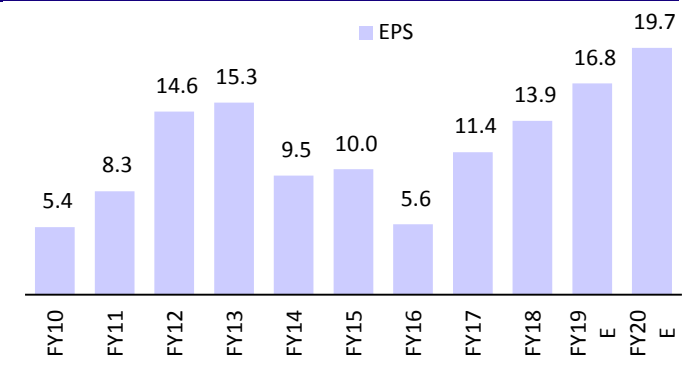
Source: IGU, MOSL

**Exhibit 1: Stable return ratios**



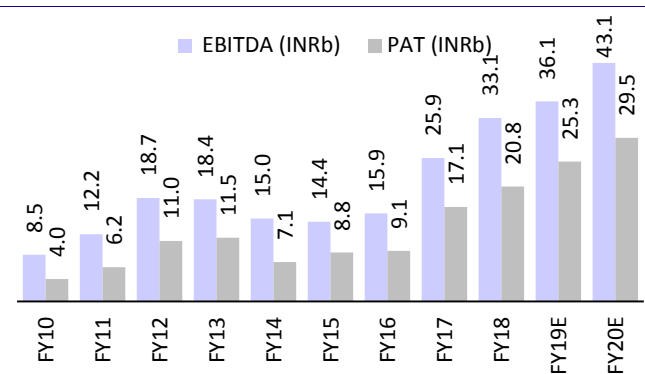
Source: Company, MOSL

**Exhibit 2: Expect PLNG to report ~19% EPS CAGR over FY18-20E**



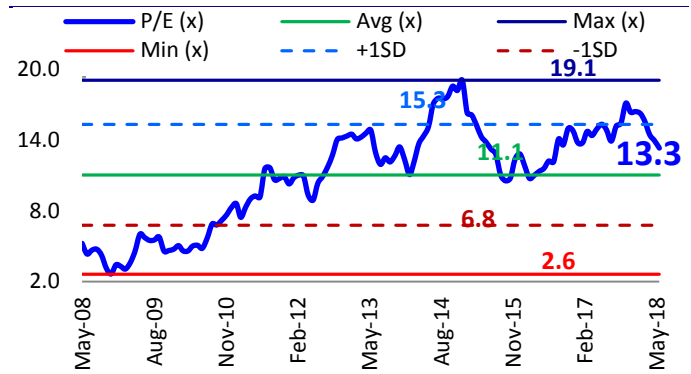
Source: Company, MOSL

**Exhibit 3: EBITDA/PAT growing at 14/19% CAGR during FY18-20E**



Source: Company, MOSL

**Exhibit 4: 1Y Forward Petronet LNG P/E**



Source: Company, MOSL

## Financials and Valuations

Standalone - Income Statement								(INR Million)
Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
<b>Total Income from Operations</b>	<b>314,672</b>	<b>377,476</b>	<b>395,010</b>	<b>271,334</b>	<b>246,160</b>	<b>305,986</b>	<b>289,511</b>	<b>332,912</b>
Change (%)	38.6	20.0	4.6	-31.3	-9.3	24.3	-5.4	15.0
Raw Materials	293,050	358,424	376,109	250,757	214,169	266,902	246,879	282,121
Employees Cost	370	466	571	717	739	912	1,051	1,405
Other Expenses	2,819	3,601	3,940	3,958	5,330	5,049	5,445	6,309
<b>Total Expenditure</b>	<b>296,239</b>	<b>362,491</b>	<b>380,620</b>	<b>255,431</b>	<b>220,238</b>	<b>272,863</b>	<b>253,375</b>	<b>289,835</b>
% of Sales	94.1	96.0	96.4	94.1	89.5	89.2	87.5	87.1
<b>EBITDA</b>	<b>18,433</b>	<b>14,984</b>	<b>14,390</b>	<b>15,903</b>	<b>25,923</b>	<b>33,124</b>	<b>36,136</b>	<b>43,077</b>
Margin (%)	5.9	4.0	3.6	5.9	10.5	10.8	12.5	12.9
Depreciation	1,866	3,081	3,154	3,216	3,691	4,117	5,866	5,885
<b>EBIT</b>	<b>16,567</b>	<b>11,903</b>	<b>11,236</b>	<b>12,687</b>	<b>22,232</b>	<b>29,007</b>	<b>30,270</b>	<b>37,192</b>
Int. and Finance Charges	1,184	2,196	2,935	2,387	2,097	1,630	260	7
Other Income	1,817	838	1,548	1,704	3,466	3,174	6,078	7,532
<b>PBT bef. EO Exp.</b>	<b>17,200</b>	<b>10,545</b>	<b>9,849</b>	<b>12,004</b>	<b>23,602</b>	<b>30,551</b>	<b>36,088</b>	<b>44,717</b>
EO Items	0	0	1,323	724	0	0	0	0
<b>PBT after EO Exp.</b>	<b>17,200</b>	<b>10,545</b>	<b>11,172</b>	<b>12,728</b>	<b>23,602</b>	<b>30,551</b>	<b>36,088</b>	<b>44,717</b>
Total Tax	5,710	3,426	2,347	3,588	6,545	9,773	10,826	15,199
Tax Rate (%)	33.2	32.5	21.0	28.2	27.7	32.0	30.0	34.0
<b>Reported PAT</b>	<b>11,490</b>	<b>7,119</b>	<b>8,825</b>	<b>9,140</b>	<b>17,057</b>	<b>20,779</b>	<b>25,262</b>	<b>29,518</b>
<b>Adjusted PAT</b>	<b>11,490</b>	<b>7,119</b>	<b>7,502</b>	<b>8,416</b>	<b>17,057</b>	<b>20,779</b>	<b>25,262</b>	<b>29,518</b>
Change (%)	4.9	-38.0	5.4	12.2	102.7	21.8	21.6	16.8
Margin (%)	3.7	1.9	1.9	3.1	6.9	6.8	8.7	8.9

Standalone - Balance Sheet								(INR Million)
Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Equity Share Capital	7,500	7,500	7,500	7,500	7,500	15,000	15,000	15,000
Total Reserves	36,997	42,361	49,386	58,640	73,439	82,205	100,373	121,603
<b>Net Worth</b>	<b>44,497</b>	<b>49,861</b>	<b>56,886</b>	<b>66,140</b>	<b>80,939</b>	<b>97,205</b>	<b>115,373</b>	<b>136,603</b>
Total Loans	27,182	31,965	32,738	22,329	14,500	7,334	100	100
Deferred Tax Liabilities	3,910	5,530	7,270	5,886	7,302	10,482	10,482	10,482
<b>Capital Employed</b>	<b>75,589</b>	<b>87,356</b>	<b>96,894</b>	<b>94,355</b>	<b>102,741</b>	<b>115,021</b>	<b>125,955</b>	<b>147,185</b>
Gross Block	35,796	77,946	87,869	90,214	110,507	110,689	116,446	118,946
Less: Accum. Deprn.	12,217	15,295	18,443	22,109	26,277	30,393	36,259	42,143
<b>Net Fixed Assets</b>	<b>23,579</b>	<b>62,650</b>	<b>69,426</b>	<b>68,105</b>	<b>84,230</b>	<b>80,296</b>	<b>80,187</b>	<b>76,802</b>
Capital WIP	43,305	8,799	7,469	15,505	486	2,202	6,445	8,945
<b>Total Investments</b>	<b>1,399</b>	<b>1,399</b>	<b>900</b>	<b>4,606</b>	<b>4,322</b>	<b>1,645</b>	<b>1,645</b>	<b>1,645</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>42,546</b>	<b>46,278</b>	<b>33,392</b>	<b>36,046</b>	<b>49,253</b>	<b>72,394</b>	<b>74,221</b>	<b>99,918</b>
Inventory	10,366	9,557	8,826	2,461	5,405	4,911	6,942	7,941
Account Receivables	16,898	20,156	13,428	9,885	12,108	16,505	12,691	14,593
Cash and Bank Balance	12,685	12,327	3,641	21,767	3,210	8,625	23,115	45,810
Loans and Advances	2,596	4,237	7,497	1,932	28,530	42,353	31,473	31,574
<b>Curr. Liability &amp; Prov.</b>	<b>35,239</b>	<b>31,771</b>	<b>14,292</b>	<b>29,907</b>	<b>35,550</b>	<b>41,517</b>	<b>36,543</b>	<b>40,126</b>
Account Payables	32,940	29,042	12,356	29,752	35,390	41,318	30,480	33,042
Provisions	2,299	2,729	1,936	155	160	199	6,063	7,084
<b>Net Current Assets</b>	<b>7,306</b>	<b>14,507</b>	<b>19,100</b>	<b>6,139</b>	<b>13,703</b>	<b>30,878</b>	<b>37,677</b>	<b>59,792</b>
<b>Appl. of Funds</b>	<b>75,589</b>	<b>87,355</b>	<b>96,894</b>	<b>94,354</b>	<b>102,741</b>	<b>115,021</b>	<b>125,955</b>	<b>147,185</b>

E: MOSL Estimates

## Financials and Valuations

### Ratios

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
<b>Basic (INR)</b>								
EPS	7.7	4.7	5.0	5.6	11.4	13.9	16.8	19.7
Cash EPS	8.9	6.8	7.1	7.8	13.8	16.6	20.8	23.6
BV/Share	29.7	33.2	37.9	44.1	54.0	64.8	76.9	91.1
DPS	2.5	1.0	2.0	2.5	2.5	4.5	4.0	4.7
Payout (%)	38.2	24.7	39.8	48.0	25.7	38.1	28.1	28.1
<b>Valuation (x)</b>								
P/E			42.2	37.6	18.5	15.2	12.5	10.7
Cash P/E			29.7	27.2	15.2	12.7	10.2	8.9
P/BV			5.6	4.8	3.9	3.3	2.7	2.3
EV/Sales			0.9	1.2	1.3	1.0	1.0	0.8
EV/EBITDA			24.0	19.9	12.6	9.5	8.1	6.3
Dividend Yield (%)	1.2	0.5	0.9	1.2	1.2	2.1	1.9	2.2
FCF per share	5.5	-0.3	-1.4	15.4	-5.8	4.2	19.2	20.7
<b>Return Ratios (%)</b>								
RoE	28.8	15.1	14.1	13.7	23.2	23.3	23.8	23.4
RoCE	17.9	11.2	11.8	11.6	20.2	21.9	23.1	23.4
RoIC	51.2	19.4	11.9	13.3	21.8	20.0	21.5	26.5
<b>Working Capital Ratios</b>								
Asset Turnover (x)	4.2	4.3	4.1	2.9	2.4	2.7	2.3	2.3
Inventory (Days)	12	9	8	3	8	6	9	9
Debtor (Days)	20	19	12	13	18	20	16	16
<b>Leverage Ratio (x)</b>								
Net Debt/Equity	0.3	0.4	0.5	-0.1	0.1	0.0	-0.2	-0.3

### Standalone - Cash Flow Statement

(INR Million)

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
OP/(Loss) before Tax	17,203	10,545	9,849	11,992	23,602	30,551	36,088	44,717
Depreciation	1,866	3,081	3,154	3,216	3,691	4,117	5,866	5,885
Direct Taxes Paid	-5,710	-3,426	-1,024	-2,860	-6,545	-9,773	-10,826	-15,199
(Inc)/Dec in WC	5,194	-7,559	-13,279	17,087	-25,979	-10,738	7,690	581
<b>CF from Operations</b>	<b>18,552</b>	<b>2,641</b>	<b>-1,300</b>	<b>29,435</b>	<b>-5,232</b>	<b>14,157</b>	<b>38,818</b>	<b>35,983</b>
Others	280	4,620	7,740	3,616	1,274	2,159	0	0
<b>CF from Operating incl EO</b>	<b>18,832</b>	<b>7,261</b>	<b>6,440</b>	<b>33,051</b>	<b>-3,958</b>	<b>16,316</b>	<b>38,818</b>	<b>35,983</b>
(Inc)/Dec in FA	-10,635	-7,647	-8,599	-9,931	-4,796	-10,000	-10,000	-5,000
<b>Free Cash Flow</b>	<b>8,197</b>	<b>-386</b>	<b>-2,159</b>	<b>23,120</b>	<b>-8,754</b>	<b>6,316</b>	<b>28,818</b>	<b>30,983</b>
(Pur)/Sale of Investments	0	0	499	-3,706	283	10,778	0	0
Others	0	0	0	0	0	0	0	0
<b>CF from Investments</b>	<b>-10,635</b>	<b>-7,647</b>	<b>-8,100</b>	<b>-13,637</b>	<b>-4,513</b>	<b>778</b>	<b>-10,000</b>	<b>-5,000</b>
Issue of Shares	2,194	0	1,710	4,508	2,130	3,412	0	0
Inc/(Dec) in Debt	-3,158	1,782	-5,227	-1,409	-7,829	-7,166	-7,234	0
Dividend Paid	-4,387	-1,755	-3,510	-4,387	-4,387	-7,925	-7,093	-8,288
Others	0	0	0	0	0	0	0	0
CF from Fin. Activity	-5,351	28	-7,027	-1,288	-10,086	-11,679	-14,327	-8,288
<b>Inc/Dec of Cash</b>	<b>2,846</b>	<b>-358</b>	<b>-8,686</b>	<b>18,126</b>	<b>-18,557</b>	<b>5,415</b>	<b>14,490</b>	<b>22,695</b>
Opening Balance	9,839	12,685	12,327	3,641	21,767	3,210	8,625	23,115
<b>Closing Balance</b>	<b>12,685</b>	<b>12,327</b>	<b>3,641</b>	<b>21,767</b>	<b>3,210</b>	<b>8,625</b>	<b>23,115</b>	<b>45,810</b>

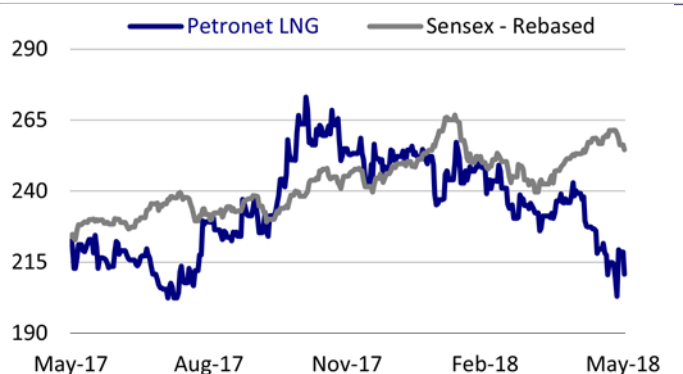


## Corporate profile

### Company description

Petronet LNG (PLNG) was formed as a joint venture by the government of India to import LNG and set up LNG terminals in India. Each promoter - GAIL, ONGC, IOCL and BPCL, holds 12.5% stake in PLNG. The company owns India's first LNG receiving and regasification terminal of 10mmtpa at Dahej and 5mmtpa terminal at Kochi commissioned in 2QFY14. It has a tied up long-term off-take contracts of 14.75mmtpa effective from its capacity expansion to 15mmtpa at Dahej in 2016.

### Exhibit 1: Sensex rebased



Source: MOSL/Bloomberg

### Exhibit 2: Shareholding pattern (%)

	Mar-18	Dec-17	Mar-17
Promoter	50.0	50.0	50.0
DII	9.8	9.7	17.7
FII	25.1	25.6	19.4
Others	15.1	14.7	12.9

Note: FII Includes depository receipts Source: Capitaline

### Exhibit 3: Top holders

Holder Name	% Holding
SOCIETE GENERALE	1.7
SMALLCAP WORLD FUND, INC	1.5
STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL	1.2
MOTILAL OSWAL MOST FOCUSED MULTICAP 35 FUND	1.2
FRANKLIN INDIA PENSION PLAN	1.1

Source: Capitaline

### Exhibit 4: Top management

Name	Designation
Kapil Dev Tripathi	Chairman
Prabhat Singh	Managing Director & CEO
R K Garg	Director (Finance)
K C Sharma	Company Secretary

Source: Capitaline

### Exhibit 5: Directors

Name	Name
Rajender Singh	Arun Kumar Misra
Jyoti Kiran Shukla	Sushil Kumar Gupta
G K Satish	Philip Olivier
T Natarajan	D Rajkumar
Subir Purkayastha	D K Sarraf
Eric Ebelin	

\*Independent

### Exhibit 6: Auditors

Name	Type
A N Kukreja & Co	Secretarial Audit
K L Jaisingh & Co	Cost Auditor
T R Chadha & Co	Statutory
T R Chadha & Co LLP	Statutory

Source: Capitaline

### Exhibit 7: MOSL forecast v/s consensus

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY19	16.8	17.9	-6.3
FY20	19.7	19.8	-0.5

Source: Bloomberg



## NOTES

Explanation of Investment Rating	Expected return (over 12-month)
Investment Rating	
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst becomes inconsistent with the investment rating legend, the Research Analyst shall within 28 days of the inconsistency, take appropriate measures to make the recommendation consistent with the investment rating legend.

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No

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