

02 June 2026

India | Equity Research | Results Update

Gujarat Gas

Oil & Gas

Gujarat Gas (Gujarat Energy Limited) – FY26 ends with transition to bigger things

Gujarat Gas announced its first quarter of results post the merger of GSPC and GSPL. The merged entity is renamed as Gujarat Energy Limited (GEL) while the gas transmission entity has been demerged into GTL (to be listed separately). Q4FY26 EBITDA/PAT of the new entity (GEL) of INR 7.8bn/INR 5.65bn include material contribution from the trading segment (INR 4bn EBITDA in Q4), while CGD volumes of 8.9mmscmd beat our estimates. Ahead, scope and scale will likely swell, with a surge in Morbi industrial volumes to ~8mmscmd by end-May'26 (vs. 2.2mmscmd in Q4), continued growth in domestic/CNG segments (new areas) and steady performance of the gas trading segment. Valuation of 9x FY28E EPS, however, captures the upside and underplays the risks of execution/volatility in volumes. Reiterate **ADD**.

CGD volumes grow QoQ; Morbi to grow strongly in H1

The CGD segment's volumes of 8.9mmscmd recovered 6% QoQ, even as the YoY dip was at 5%. Strong CNG growth (up 11% YoY) has only partially offset the continuation of a subdued ceramic export market and tight propane to gas economics, which continued to drag Industrial/Commercial (I/C) volumes to 4.4mmscmd (-16 YoY/+6% QoQ). However, the Gulf conflict and resultant LPG supply tightness have transformed the Morbi market (~45–60% of I/C volumes; 25–35% of total). Resultantly, Morbi units have almost entirely shifted to gas (vs. 70% reliance on propane pre-conflict) and volumes from the region have now touched ~8mmscmd (from <1mmscmd pre-conflict). While the situation in the Gulf remains volatile and subject to sudden reversals, the current situation is quite favourable for stronger volumes over H1FY27E.

Gas trading segment – steady performance

The gas trading segment, part of erstwhile GSPC, procures all of GEL's LNG requirements and also sells 4–5mmscmd of gas to external customers (fertiliser/power/other industrial), with Q4 also seeing ~4.6mmscmd of external sales, with a segment EBITDA of INR 4bn (>50% of reported standalone EBITDA). The stronger volume growth prospects for GEL for FY27 imply that the trading segment's performance may also remain steady, with our estimates factoring in segment EBITDA potentially aggregating ~INR 13–14bn over FY26–28.

Financial Summary

Y/E March (INR mn)	FY25A	FY26A	FY27E	FY28E
Net Revenue	2,70,196	2,33,877	3,58,350	3,41,788
EBITDA	30,773	31,512	38,314	41,639
EBITDA %	11.4	13.5	10.7	12.2
Net Profit	48,271	23,478	38,020	40,970
EPS (INR)	51.5	25.0	40.5	43.7
EPS % Chg YoY	338.3	(51.4)	61.9	7.8
P/E (x)	7.7	15.9	9.8	9.1
EV/EBITDA (x)	11.1	11.4	8.7	7.7
RoCE (Pre-tax) (%)	16.3	12.3	16.2	15.5
RoE (%)	31.2	11.2	19.2	18.1

Probal Sen

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

Hardik Solanki

solanki.hardik@icicisecurities.com

Market Data

Market Cap (INR)	273bn
Market Cap (USD)	2,878mn
Bloomberg Code	GUJGA IN
Reuters Code	GGAS.BO
52-week Range (INR)	509 /302
Free Float (%)	35.0
ADTV-3M (mn) (USD)	7.8

Price Performance (%)	3m	6m	12m
Absolute	(2.6)	0.1	(13.7)
Relative to Sensex	6.0	13.3	(4.9)

ESG Score	2024	2025	Change
ESG score	71.8	71.7	(0.1)
Environment	57.8	54.9	(2.9)
Social	69.7	71.6	1.9
Governance	81.9	82.4	0.5

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

22-01-2026: [Q3FY26 results review](#)

13-11-2025: [Q2FY26 results review](#)

Overall volume environment: Strong growth seen in domestic/CNG; industrial volumes hinge on Morbi momentum sustaining

GUJGA has seen strong growth in CNG and domestic segments, with CNG growing at 12% YoY in FY26, after growing 12.5% in FY25. GEL has 27 Geographic Area (GA) authorisations, covering 44 districts and 6+ states, with 839 CNG stations, 2.42mn household connections, 16k commercial customers and >4.4k industrial customers as on date, providing a material base to build on for sustained volume growth. This may further enhance the CNG volume momentum, especially in non-Gujarat areas (~15% of CNG volumes as of now), which are growing at >15% consistently.

Having said that, the I/C segment, by far, remains the dominant segment for volumes (>60% of overall volume). Overall growth could come only with a sustained recovery in Morbi volumes over FY26-28E, which remains dependent to a large part on the continued absence of Propane supply in the market. We believe that while H1 volume growth may be very strong, a resolution of the Gulf conflict by H2 may normalise LPG supplies; therefore, a moderation in Morbi volumes is probable for the second half of FY27E. Hence, our estimates remain cautious post Q2FY27E for overall volumes from CGD segment.

Entry into propane/LPG distribution – returns unpredictable for now

The share of propane as a gas equivalent in Morbi's overall demand is growing (pre-conflict, out of 7.55 gas equivalent demand ~5.9mmcmd was fulfilled using propane). Separately, there exists the volatile propane to gas economics. Given these, GUJGA has decided to enter the business of propane/LPG distribution directly and is: 1) in the process of seeking sourcing arrangements; and 2) scouting for locations to set up port infra for storage and receipt of LPG. We remain cautious, as there are already multiple players in this market and margin prospects from this venture are unclear, as of now.

Merger process complete in Q4; synergies to play out over FY27–28E

The decision to consolidate and streamline operations of its EnP/gas trading/holding company with gas transmission and city gas distribution (CGD) entities reflects strategic imperatives of: 1) cleaning up the corporate structure; 2) creating synergies among related businesses; and 3) setting up companies for inorganic growth via greater scale and strength of its balance sheet.

Further, the cumulative tax-related losses of INR 72bn (INR 52bn used up in FY25 and FY26, no tax payout likely for FY27/28E either) provide a strong cushion to earnings.

Valuations unchallenging, given the merger; upside triggers limited

Based on our revised estimates of group earnings post-merger and factoring in a NIL tax scenario for FY27–28E, valuations are unchallenging at ~9x FY28E EPS and 7.7x EV/EBITDA. Having said that, as mentioned earlier, prospects for volumes remain vulnerable to the shortage in propane at Morbi sustaining over 12–18 months, which we believe is pessimistic. Our conviction in the synergies in gas sourcing/tax benefits and efficiencies post the GSPC merger remains, but we believe that the stock is largely factoring in the next 6 months' momentum at current levels. Maintain **ADD** with a revised TP of INR 430 (earlier INR 350), implying an 8% upside from CMP.

Key upside risks: 1) Sharper recovery in LPG (propane) prices; 2) faster execution of expansion plans in new areas; and 3) sharp drop in LNG prices.

Key downside risks: 1) Longer sustained weakness in propane prices; 2) slower ramp-up of volumes from new areas; and 3) sharper spike in spot LNG prices.

Q4FY26 conference call: Takeaways

Corporate structure and scheme of arrangement

- GSPC, GSPL, and GSPC Energy have been merged into GUJGA, which has now been renamed Gujarat Energy Ltd (GEL).
- The scheme of arrangement received its final order from MCA on 17 Apr'26, with the scheme becoming effective from 1 May'26.
- The gas transmission business has been demerged into a separate entity called GTL (formerly GSPL), effective 1 Apr'25.
- Record date for share issuance was 12 May'26, with allotment on 16 May'26
- GTL share issuance is underway and listing is expected by end of Jul'26.
- Shareholders of both GSPC and GSPL will receive GEL shares, and GEL shareholders will also receive GTL shares once the record date is fixed.

Gas trading business

- Gas trading is a value accretive segment, with aggregate revenue of approximately INR 1trn and EBITDA of INR 90bn over the last five years (FY21–FY26).
- FY26 trading volume was 10.2 mmscmd; of which, 5.3mmscmd was intersegment and net external trading volume was 4.9mmscmd; PBT stood at INR 13bn.
- Current trading run rate has improved to 5.5mmscmd, with a total business volume of ~14mmscmd including CGD.
- GEL holds long-term LNG sourcing contracts totalling ~2.6mtpa (~10mmscmd), with two new contracts of 1.36mtpa signed in FY26 with Qatar Energy already started and Uniper, commencing from CY28.
- Suppliers include Qatar Energy, Shell (~15 cargoes/year, contract expiring 2030), Total Energy (~6 cargoes/year, period 2026–35), and Uniper (6 cargoes/year, period 2028–37).
- The Qatar contract expiring in CY28 has already been replaced with a higher volume contract.
- Key long-term customers include fertiliser companies (contract valid till 2028, extension under discussion), CGD companies, JSW, Deepak Fertiliser, IOCL, IGL etc. among others.
- Recurring trading EBITDA guidance is INR 100–INR 110bn; FY26 includes a one-off take-or-pay settlement of INR 2bn from GSPC LNG and a customs duty refund of INR 0.5bn gas trading margins guidance is in the range of 4–6%.
- Medium-term volume growth guidance of 25–30% by FY29–30.

CGD business

- Domestic gas sourcing includes APM gas (~2 mmscmd) and new well gas (~0.4–0.5 mmscmd). Long-term LNG contracts account for ~3.5 mmscmd and short-term LNG is at ~3.5 mmscmd. Majority of long-term LNG contracts are Brent-linked.
- CNG volumes reached an all-time-high of 3.6mmscmd in Q4 FY26, reflecting 12% YoY growth — 11% in Gujarat and 18% outside Gujarat.

- The CNG network now comprises 839 stations, with a vehicle base of 17.7 lakh versus 15.7 lakh in FY25, representing 15% growth in GEL geographical areas.
- CNG remains 47% cheaper than petrol and 15% cheaper than diesel, supporting strong demand.
- Domestic PNG connections: 43,000 new households signed and 35,400 commissioned in Q4, with cumulative connections reaching 24.18 lakh.
- Between Mar'26 and May'26, 86 residential societies (~13,000 households) in Gujarat became fully PNG-connected and LPG-free, contributing to a cumulative total of 2,835 societies (about 4.86 lakh households) as of May'26.
- Industrial volumes were 4.19mmscmd in Q4FY26 vs 5.03mmscmd in Q4FY25, with sequential improvement of 7% QoQ.
- The company also accelerated commercial expansion, with new units rising from 152 in Mar'26 to 527 by late May'26.
- CGD EBITDA/scm stood at INR 6.16 for FY26, with margin guidance of INR 5.5–INR6/scm going forward.
- The merger is expected to provide sourcing advantages to CGD, even as trading will likely continue to be conducted on an arm's length basis.
- 24 new tripartite agreements with CBG producers have been signed (35 total), with a potential volume of 0.16mmscmd.
- Annual capex guidance of INR 10bn for the segment.

Morbi industrial cluster

- Morbi ceramic cluster volumes recovered sharply, from 0.36mmscmd across 83 units in Mar'26 to 8mmscmd across 710 units by the last week of May'26, with the absence of propane supplies (>70% of total demand pre-conflict) driving a large-scale migration to natural gas starting Apr'26.
- Average Q4 volume at Morbi was 2.02mmscmd; non-Morbi industrial volumes averaged 2.17mmscmd but declined 3% QoQ.
- Morbi gas pricing is INR 75/scm and non-Morbi industrial pricing is INR 68/scm; Jun'26 prices are fixed at ~INR 77/scm.
- Propane supply disruptions (linked to Middle East tensions) have driven customers toward gas; management does not expect propane to return to normal in the short to medium term, which should sustain gas volumes at Morbi.
- At current spot LNG prices, Morbi remains viable and is EBITDA accretive for GEL.
- GEL is also continuing work on entering propane trading, evaluating setting up propane import infrastructure including a jetty and storage tanks, and is in discussions with port authorities in Gujarat.

E&P business

- Estimated reserves stand at ~6.7 MT.
- Capex allocation for E&P in FY27 is ~INR1bn.

Power business

- The 700MW combined cycle gas turbine plant operates under a PPA with GUNL, which pays a fixed cost covering maintenance and insurance, but excluding return on equity. The PPA expires in 2036.
- Load factor at 1% in GSPC Pipavav Power and at 6% in Gujarat State Energy Generation Limited — resulting in reported losses.
- Management views the 1,000MW capacity as a long-term opportunity.
- A spot LNG price of INR6–INR7/MMBtu is the threshold for GEL's power plants to turn profitable.

Financial highlights

- FY26 dividend declared at INR 8.9 per share.
- Total shares outstanding: ~938 mn.
- Segment EBITDA for FY26: CGD INR19bn; gas trading INR13bn; E&P INR 0.3bn; and renewable energy INR 0.5bn.
- Segmental EBITDA FY25: Gas trading INR 12bn; CGD INR 20bn; E&P INR 90mn; and renewables INR 0.4bn.
- Tax loss carry-forward was INR 72bn at the time of merger; INR 28bn used in FY25, INR 2,500bn in FY26, leaving INR 19bn; INR 9bn refund is due for the last two years, with no near-term tax outflow expected.
- INR 2bn – take-or-pay charges from GSPC Mundra LNG is reflected as an unallocated item.

GSPC Mundra LNG terminal

- GEL's stake in GSPC Mundra LNG is 36.8%. Total investment in the terminal to date is ~INR 17bn.
- Terminal utilisation was 17% in FY26; it has improved to 35–38% from May'26 and is expected to remain in that range through Jun-Jul'26.

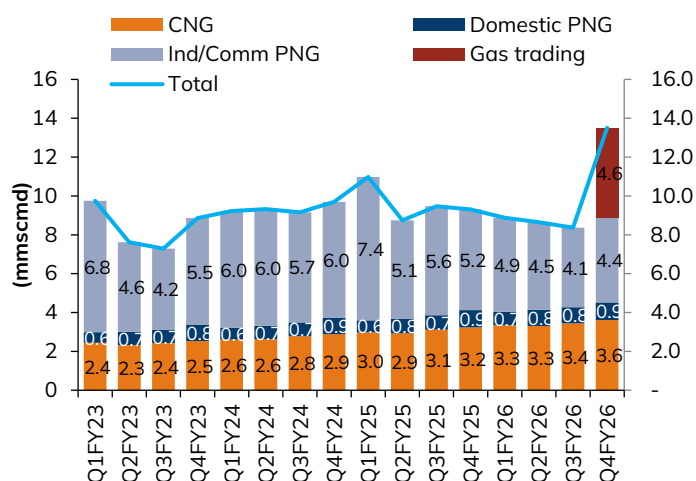
Strategic initiatives

- McKinsey has been engaged to advise on an expansion strategy and operational efficiency improvements.
- ERP expansion, AI-enabled monitoring systems, and metering infrastructure upgrades are underway to enhance decision making and efficiency.
- Management is actively evaluating options to deploy the significant cash balance, including potential infra investments and business expansion.
- Sabarmati Gas profitability is reflected under unallocated items.

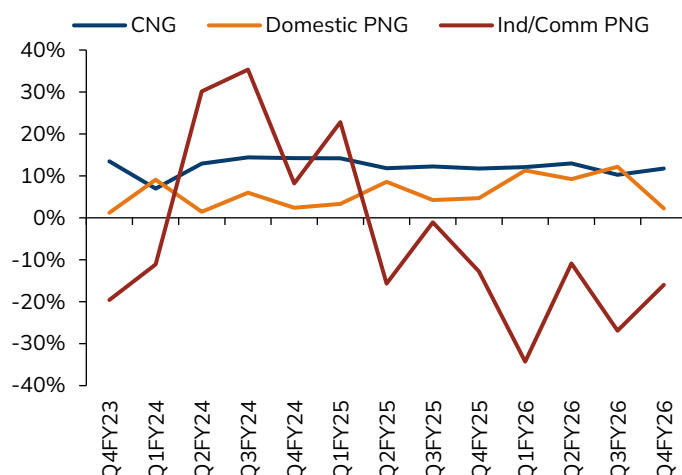
Exhibit 1: Result snapshot of merged entity – includes CGD and gas trading segment

INR mn	Q4FY26	Q4FY25	YoY	Q3FY26	QoQ	FY26	FY25	YOY
Net Sales	57,651	63,733	-10%	59,265	-3%	2,33,877	2,70,196	-13%
EBITDA	7,825	5,859	34%	9,555	-18%	31,512	30,773	2%
EBIT	6,381	4,622	38%	8,080	-21%	25,722	25,328	2%
Adj PAT	5,657	3,040	86%	6,946	-19%	23,478	48,271	-51%
Reported PAT from Continuing and Discontinued Operations	5,206	1,481	251%	6,922	-25%	22,986	42,040	-45%
Adj EPS	6.0	3.2	86%	7.4	-19%	25.0	51.5	-51%
<hr/>								
CGD volume	8.9	9.3	-5%	8.4	6%	8.7	9.6	-10%
Gas trading	4.6					4.9	2.9	
Total	13.5					13.6	12.5	
<hr/>								
EBIT								
E&P	(142)	(5,539)		(114)		(313)	(8,803)	
Gas Trading	4,088	1,800	127%	5,153	-21%	13,346	12,221	9%
Power	68	38		(29)		348	315	
Gas Transmission		901					6,596	
City Gas Distribution	3,257	4,033	-19%	3,340	-2%	13,983	15,226	-8%
Total	7,270	1,234	489%	8,350	-13%	27,363	25,555	7%

Source: I-Sec research, Company data

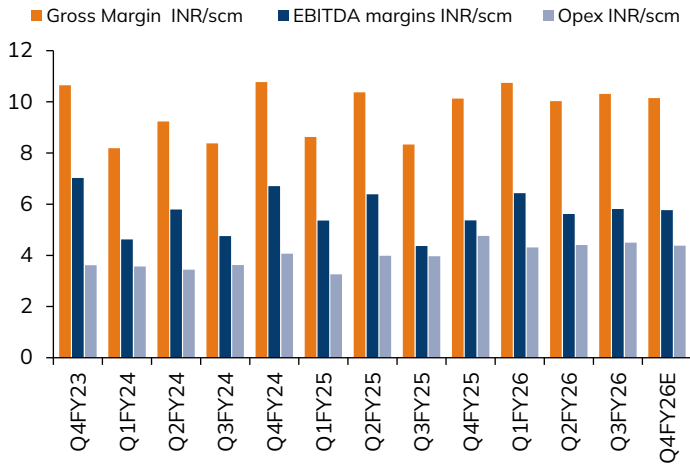
Exhibit 2: Volumes trend including Gas trading


Source: Company data, I-Sec research

Exhibit 3: Strong YoY growth in CNG and domestic PNG segments


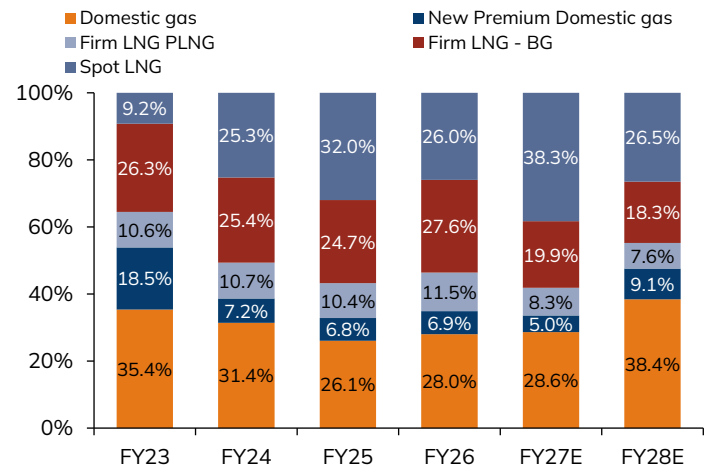
Source: Company data, I-Sec research

Exhibit 4: Margin trend of CGD segment – Q4FY26 is I-Sec est



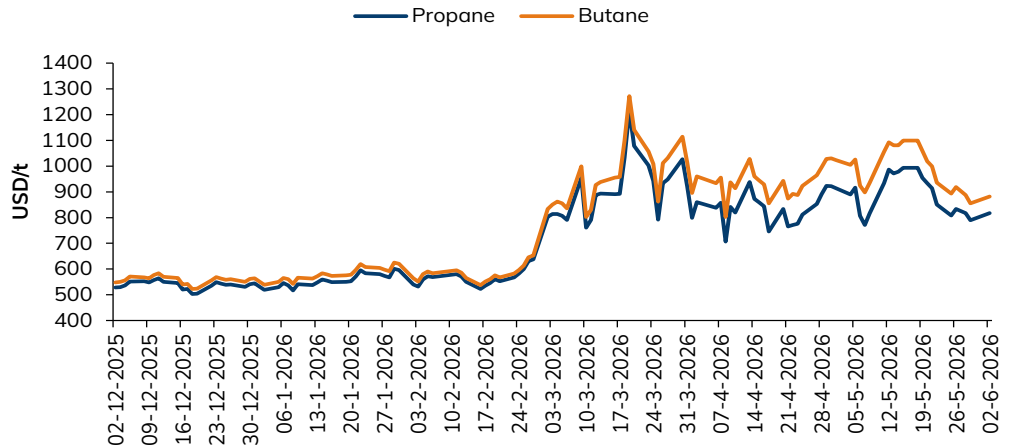
Source: Company data, I-Sec research

Exhibit 5: Sourcing mix – of CGD segment



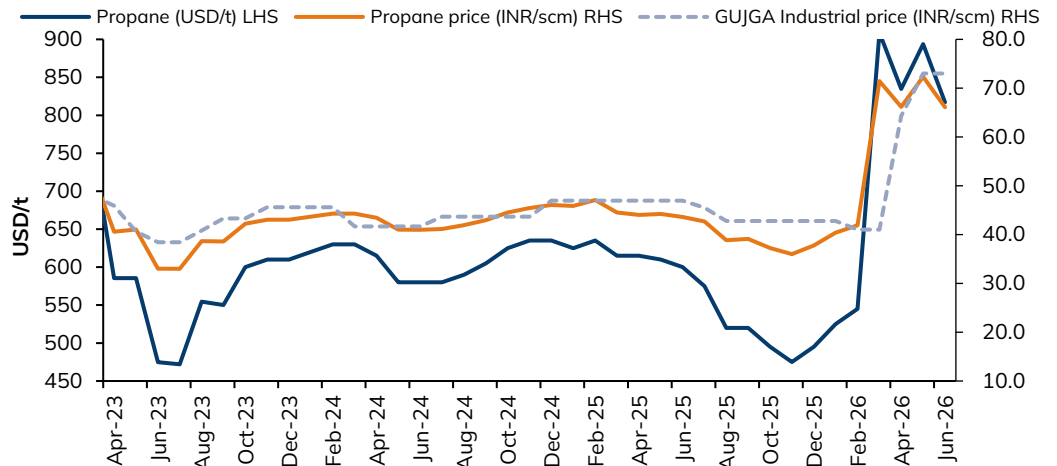
Source: Company data, I-Sec research

Exhibit 6: Japan- Propane /Butane prices have moved sharply from Mar'26- due to ongoing Middle east crises



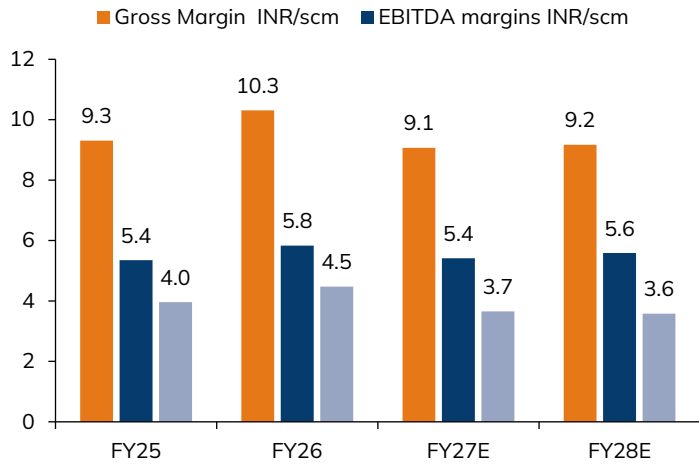
Source: I-Sec research, Company data

Exhibit 7: GUJGA industrial prices are higher vs propane as -propane availability is a challenge as of now



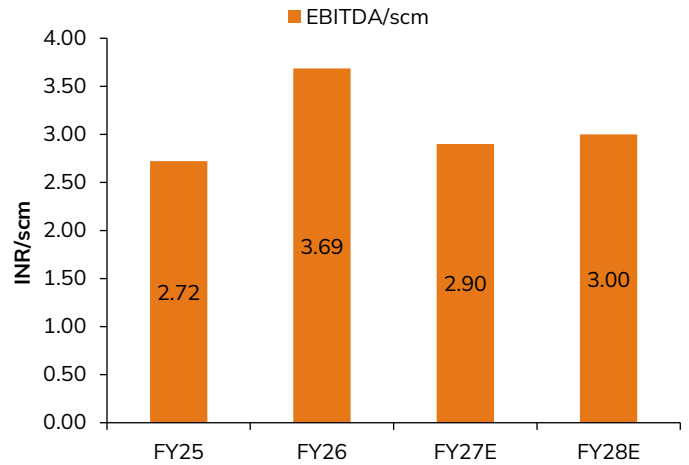
Source: I-Sec research, Company data; Propane prices (USD/t) – Japan prices from Mar'26

Exhibit 8: CGD margin to remain muted over FY26-28E



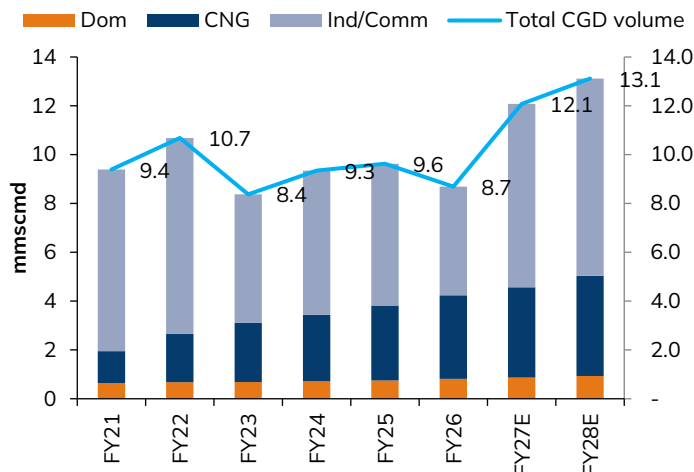
Source: I-Sec research, Company data

Exhibit 9: Gas trading EBITDA trend



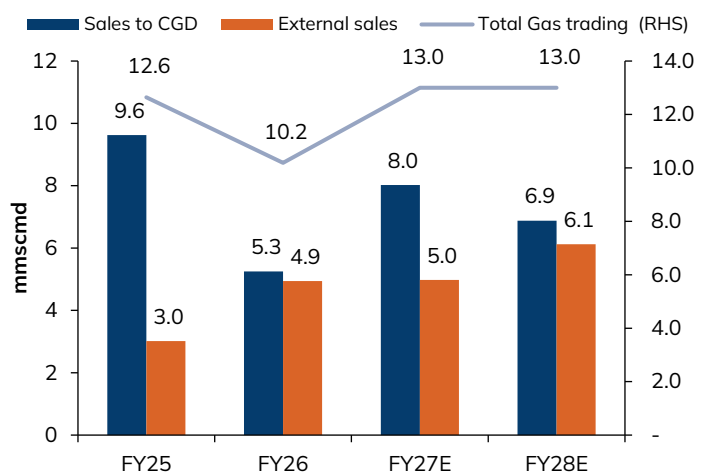
Source: I-Sec research, Company data;

Exhibit 10: CGD to grow by 23% CAGR over FY26-28E driven by Morbi region



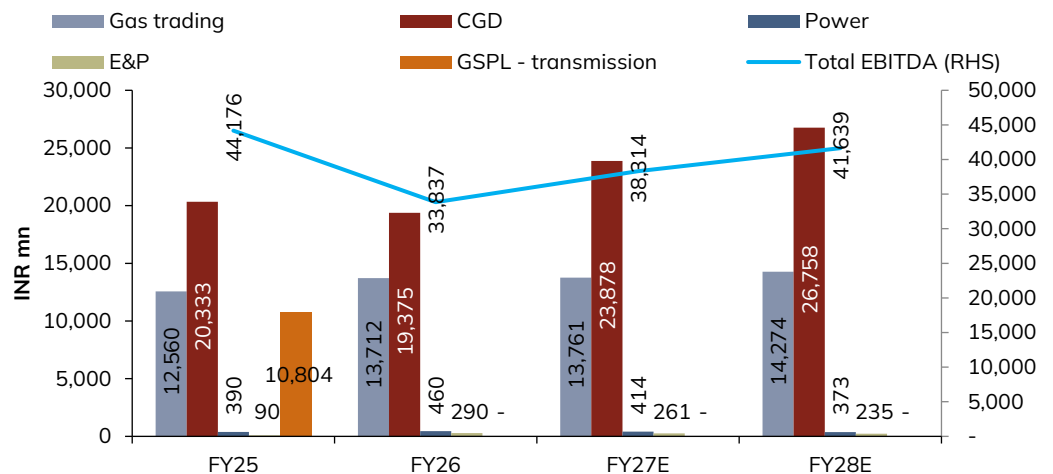
Source: Company data, I-Sec research

Exhibit 11: Gas trading volumes also to grow over FY26-28E



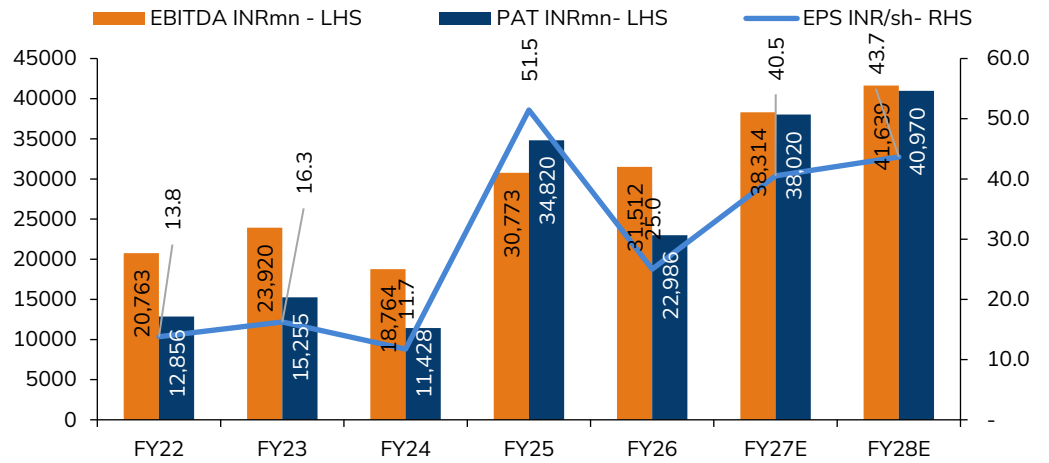
Source: Company data, I-Sec research

Exhibit 12: Segmental EBITDA– improve over FY26-28E driven by CGD and gas trading segment



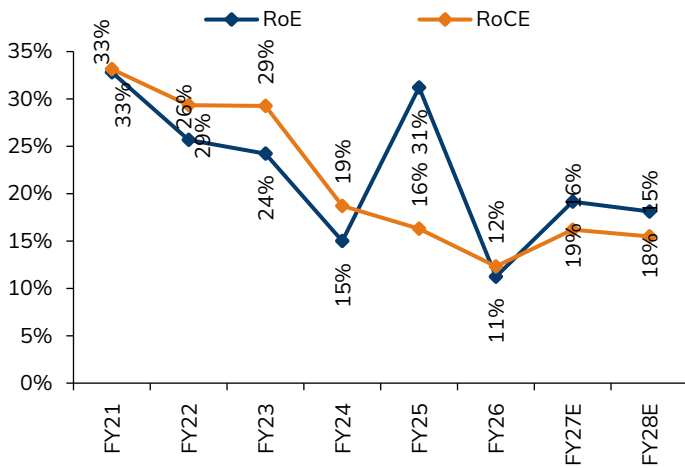
Source: I-Sec research, Company data;

Exhibit 13: EBITDA/EPS to grow at a CAGR of 15%/32% over FY26–28E



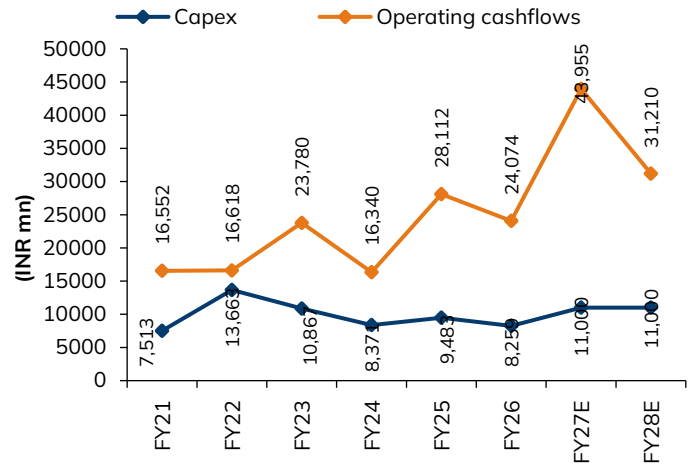
Source: I-Sec research, Company data

Exhibit 14: Return ratios decreasing



Source: Company data, I-Sec research

Exhibit 15: Capex of INR 22bn over FY27–28E



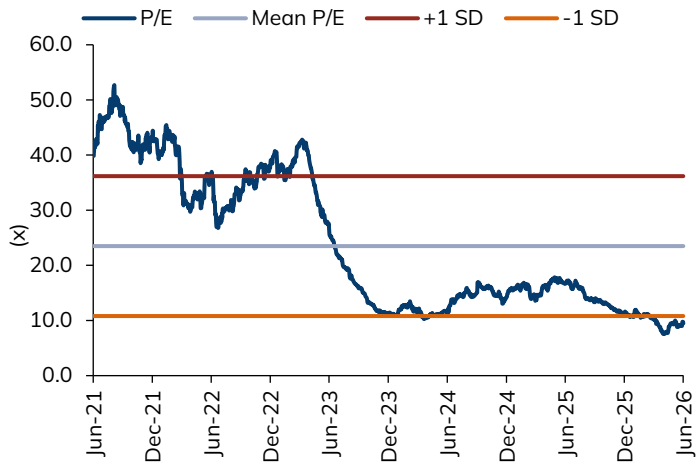
Source: Company data, I-Sec research

Exhibit 16: Valuation summary

INR mn	Valuation methology	Valuation	Valuation per share
Trading segment	5.5x of FY28 EBITDA	78,222	83
CGD segment	NPV - DCF	2,81,162	300
Sabarmati gas -49.94% stake	12x of FY26E PAT	15,581	17
GSPC Pipavav Power - 97.47% stake	Book value	8,400	9
GSPC LNG (LNG Terminal — Mundra)- 36.8% stake	Book value	17,000	18
Guj info petronet limited (IT services)-100% stake	Book value	0	0
Target price			430
CMP			397
Upside			8%

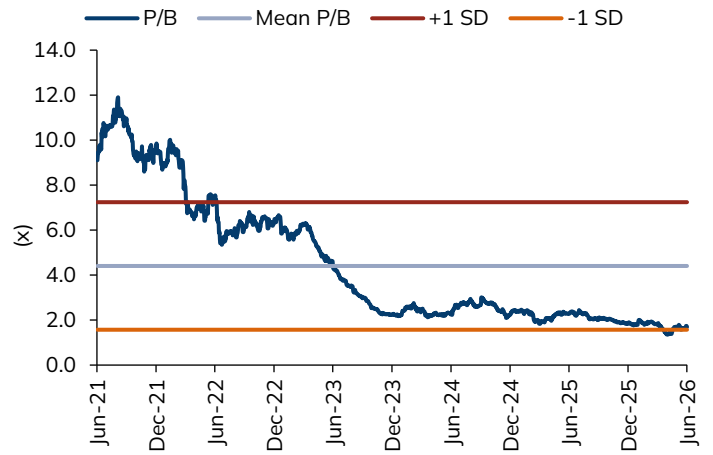
Source: I-Sec research, Company data

Exhibit 17: GUJGA's P/E is trading below 5-year average band



Source: Company data, I-Sec research

Exhibit 18: GUJGA's P/B is trading below 5-year average band



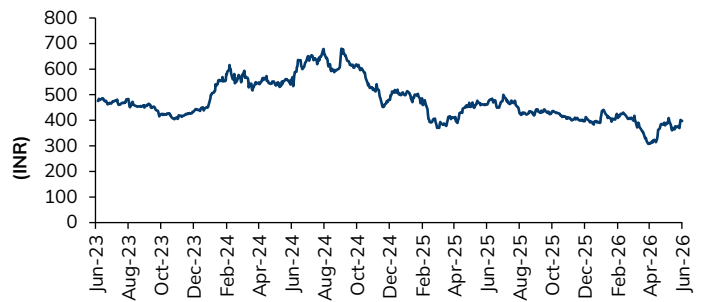
Source: Company data, I-Sec research

Exhibit 19: Shareholding pattern

%	Sep'25	Dec'25	Mar'26
Promoters	60.9	60.9	60.9
Institutional investors	18.7	18.9	18.7
MFs and others	7.6	8.1	7.9
FIs/Banks	0.2	0.0	0.0
Insurance	7.1	7.0	6.9
FIIIs	3.7	3.8	4.0
Others	20.4	20.2	20.4

Source: Bloomberg

Exhibit 20: Price chart



Source: Bloomberg

Financial Summary

Exhibit 21: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Net Sales	2,70,196	2,33,877	3,58,350	3,41,788
EBITDA	30,773	31,512	38,314	41,639
EBITDA Margin (%)	11.4	13.5	10.7	12.2
Depreciation & Amortization	5,445	5,790	6,179	6,613
EBIT	25,328	25,722	32,135	35,026
Interest expenditure	377	382	386	390
Other Non-operating Income	5,994	6,209	6,271	6,334
PBT	15,466	14,436	19,308	21,659
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	(12,497)	7,901	-	-
PAT	34,820	22,986	38,020	40,970
Less: Minority Interest	-	-	-	-
Net Income (Reported)	34,820	22,986	38,020	40,970
Extraordinaries (Net)	(8,623)	(662)	-	-
Recurring Net Income	48,271	23,478	38,020	40,970

Source Company data, I-Sec research

Exhibit 22: Balance sheet

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Total Current Assets	1,13,319	1,13,095	1,55,510	1,68,903
of which cash & bank	28,056	10,697	37,631	50,993
Total Current Liabilities & Provisions	48,261	45,450	66,505	56,038
Net Current Assets	65,058	67,645	89,005	1,12,865
Other Non Current Assets	-	-	-	-
Net Fixed Assets	1,21,626	87,917	92,738	97,125
Other Fixed Assets	-	-	-	-
Capital Work in Progress	12,009	8,434	8,434	8,434
Non Investment	29,206	21,706	22,206	22,706
Current Investment	3,405	1,171	1,171	1,171
Deferred Tax Assets	5,047	1,643	1,643	1,643
Total Assets	2,36,350	1,88,515	2,15,196	2,43,943
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	-	-	-	-
Lease Liability	-	-	-	-
Other Liabilities	3,953	3,344	3,411	3,479
Equity Share Capital	1,876	1,876	1,876	1,876
Reserves & Surplus*	2,30,520	1,83,295	2,09,909	2,38,588
Total Net Worth	2,32,396	1,85,171	2,11,785	2,40,464
Minority Interest	-	-	-	-
Total Liabilities	2,36,350	1,88,515	2,15,196	2,43,943

Source Company data, I-Sec research

Exhibit 23: Quarterly trend

(INR mn, year ending March)

	Jun-25	Sep-25	Dec-25*	Mar-26*
Net Sales	38,709	37,804	59,265	57,651
% growth (YOY)	-13.0%	0.0%		
EBITDA	5,199	4,473	9,555	7,825
Margin %	13.4%	11.8%	16.1%	13.6%
Other Income	594	731	1,249	1,605
Extraordinaries			-32.4	-629.8
Adjusted Net Profit	3,268	2,810	6,946	5,657

Source Company data, I-Sec research; * are GUJGA and GSPC are merged numbers so quarterly trends are not comparables

Exhibit 24: Cashflow statement

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Cash Flow from operation before working Capital	40,449	31,887	38,314	41,639
Working Capital Changes	(7,845)	(4,421)	5,641	(10,429)
Tax	(4,492)	(3,392)	-	-
Operating Cashflow	28,112	24,074	43,955	31,210
Capital Commitments	(9,375)	(8,255)	(11,000)	(11,000)
Free Cashflow	37,487	32,330	54,955	42,210
Others CFI	(28,413)	(11,290)	5,771	5,834
Cashflow from Investing Activities	(37,788)	(19,545)	(5,229)	(5,166)
Inc (Dec) in Borrowings	(541)	(441)	-	-
Interest Cost	(450)	(404)	(386)	(390)
Others	(3,545)	(1,836)	(11,406)	(12,291)
Cash flow from Financing Activities	(4,537)	(2,681)	(11,792)	(12,681)
Chg. in Cash & Bank balance	(14,213)	1,848	26,933	13,362
Closing cash & balance	(4,952)	29,904	37,631	50,993

Source Company data, I-Sec research

Exhibit 25: Key ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
Per Share Data (INR)				
Recurring EPS	51.5	25.0	40.5	43.7
Diluted EPS	51.5	25.0	40.5	43.7
Recurring Cash EPS	57.3	31.2	47.1	50.7
Dividend per share (DPS)	4.3	8.9	12.2	13.1
Book Value per share (BV)	247.7	197.4	225.7	256.3
Dividend Payout (%)	8.3	35.6	30.0	30.0
Growth (%)				
Net Sales	72.2	(13.4)	53.2	(4.6)
EBITDA	64.0	2.4	21.6	8.7
EPS	338.3	(51.4)	61.9	7.8
Valuation Ratios (x)				
P/E	7.7	15.9	9.8	9.1
P/CEPS	6.9	12.7	8.4	7.8
P/BV	1.6	2.0	1.8	1.5
EV / EBITDA	11.1	11.4	8.7	7.7
EV / Operating Income	10.9	11.3	8.7	7.7
Dividend Yield (%)	1.1	2.2	3.1	3.3
Operating Ratios				
EBITDA Margins (%)	11.4	13.5	10.7	12.2
Effective Tax Rate (%)	(56.0)	25.6	-	-
Net Profit Margins (%)	17.9	10.0	10.6	12.0
NWC / Total Assets (%)	27.5	35.9	41.4	46.3
Fixed Asset Turnover (x)	2.0	1.6	2.6	2.3
Working Capital Days	23.0	13.6	26.7	18.1
Net Debt / Equity %	(13.5)	(6.4)	(18.3)	(21.7)
Profitability Ratios				
RoCE (%)	25.4	9.2	16.2	15.5
RoCE (Pre-tax) (%)	16.3	12.3	16.2	15.5
RoE (%)	31.2	11.2	19.2	18.1

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION

I/We, Probal Sen, CA, MBA; Hardik Solanki, CA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock broking and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions. ([Link](#))

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. Jeetu Jawrani](#) Email address: headservicequality@icidirect.com Contact Number: 18601231122
