

NOT RATED**IRM ENERGY**

| Oil & Gas

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Management meet takeaways post Q2FY25 results

- **Q2 EBITDA decline on margin contraction amid continuing high opex; impact of APM deallocation covered with NWG gas and price hikes**
- **FS GA volume slowly returning, NGT heading in mid-Dec is next trigger; NT GA infrastructure and volume developing with innovative promotion**
- **Focus on volume growth to continue with fast-track infrastructure and incentive schemes, which will also aid margin recovery**

Q2 contraction: EBITDA contracted 13% QoQ on 15% reduction in margin, partially offset by 2% sequential growth in volume. Underlying CNG volume growth momentum continued at 15% YoY growth in kg terms.

Recovery in FS GA volume: Industrial volume recovered 19% from lows in Q3FY24 but current volume at 0.25-0.27mmcmd is still below 0.32mmcmd of Sep'22. 12 new and 8 old industrial customers were added in H1. The next trigger is the NGT hearing on 17 Dec as Member Secretary, PPCB, has been asked to attend in view of the slow progress on shifting industrial units to non-polluting fuel.

NT GA progressing: Volume raised to 15.3mcm/d in Q2 vs management's target exit rate of 25mcm/d in FY25, 0.1mmcmd in FY26 and average of 0.3mmcmd over the next four years. Of the FY25 target of 30 CNG stations, 23 are operational and over 1,100 CNG vehicles have been added through innovative promotion schemes.

Margin contraction: EBITDA margin contracted to Rs 5.3/scm impacted by the licence fee charged by promoter (Rs 0.9), incentive schemes (Rs 0.2), lower CNG station throughput in NT GA and 75% of daughter-booster CNG stations in network.

De-allocation of APM Gas: Margins are likely to face further pressure from reduced APM gas allocation of 50% from 16 Oct and 37% from 16 Nov for CNG. IRMENERG has been able to limit the cost impact securing new well/ intervention gas to offset this shortfall till Mar'25. The company has also raised prices of CNG by Rs 1-2/kg.

Management transition complete: Manoj Sharma (ex-Executive Director, Finance, IOCL) has been inducted as CEO. Amitabh Banerjee has taken over as an Executive Director. Addition of K. K. Gupta (ex-BPCL), Dr P. Reddy (Vice Chairman, Apollo Hospital), D. H. Jain (finance veteran) as independent directors and Ravindra Agarwal (ex ED, Gas Business, GSPC) as advisor strengthen governance.

Key drivers: (a) Rationalisation of licence fees by promoters, (b) return of volumes at FS GA, and (c) delivering on high growth potential in NT GA.

Kirtan Mehta, CFA
 research@bobcaps.in

Ticker/Price	IRMENERG IN/Rs 376
Market cap	US\$ 183.0mn
Free float	50%
3M ADV	US\$ 0.9mn
52wk high/low	Rs 641/Rs 363
Promoter/FPI/DII	50%/2%/7%

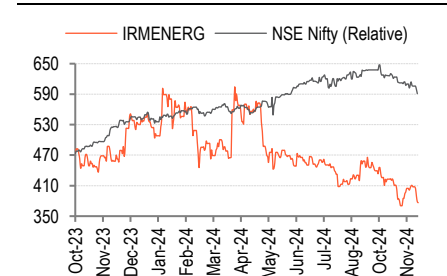
Source: NSE | Price as of 14 Nov 2024

Key financials

Y/E 31 Mar	FY22A	FY23A	FY24A
Total revenue (Rs mn)	5,071	9,801	8,905
EBITDA (Rs mn)	1,864	1,123	1,489
Adj. net profit (Rs mn)	1,136	565	915
Adj. EPS (Rs)	38.9	18.9	30.7
Adj. ROAE (%)	65.4	20.4	14.7
Adj. P/E (x)	9.7	19.9	12.3
EV/EBITDA (x)	9.0	14.8	11.4
Adj. EPS growth (%)	212	(51.3)	62.0

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Q2 review

IRM Energy (IRMENERG, Not Rated) is an early-stage city gas distribution (CGD) player with operations across four geographic areas – Banaskantha (BK), Diu-Gir-Somnath (DGS), Fatehgarh Sahib (FS) and Namakkal and Trichy (NT). We interacted with IRMENERG's CFO Harshal Anjaria. We sum up the key takeaways of the meeting.

The Q2 result demonstrates pullback in profitability with a contraction in margin on higher gas costs. However, volume momentum remains strong.

- **Q2 EBITDA was down 13% sequentially**, mainly impacted by Rs 1/scm or 15% QoQ decrease in margin, partially offset by 2% QoQ volume growth to 0.53mmscmd.
- **Q2 EBITDA remained lower at 37% YoY** with 40% YoY lower margin offset by a modest 10% YoY volume growth.

CNG volume growth momentum continuing

CNG volume was up 15% YoY in kg terms reflecting strong continuing momentum. However, apparent volumes in scm terms show modest 8.5% QoQ growth, which is the result of the use of higher calorific value gas, which translates to a lower volume. However, there was sequential degrowth of 2% in kg terms and 0.7% in scm terms due to the impact of an extended monsoon.

Growth pointers

- **GA-wise growth:** While BK GA volumes grew 12% YoY in kg terms, DGS GA grew 25%. NT GA volumes showed good initial traction with 36% QoQ growth on a lower base. FS is the only GA wherein CNG volumes declined 14.5% YoY on continuing farmer protests.
- **Vehicle tractions:** BK GA continued to see momentum on vehicle additions even after five to six years of operation. During H1, new CNG vehicle additions totaled 3,151 with 1,398 in Q1 and 1,753 in Q2. Retrofitment continues to add vehicles as well.
- **New bike segment seeing good interest:** Start of deliveries by BJAUT in October demonstrates good interest in CNG bikes in rural areas with 200 registrations in BK, more than 150 in DGS and more than 100 in NT.
- **Continuing with Retrofitment incentive in BK GA:** IRMENERG has continued with its selective incentive scheme to target existing vehicles.
- **Infrastructure development:** The company has added nine CNG stations and 25 dispensing points to take the total to 91 stations and 338 dispensing points.

Namakkal and Trichy GA developing initial traction

Volume ramp-up: CNG volumes ramped up from 2,400scm/d to 15,300scm/d (equivalent to 11,300kg/d) in Q2FY25, primarily driven by growth in CNG volumes.

FY25-26 targets: IRMENERG is aiming to triple its volume to 25,000scm/d by the end of FY25 and ramp-up total volume further to 0.1mmscmd by the end of FY26. Management sees potential to ramp-up further to 0.3mmscmd over the next four years.

CNG vehicles traction: The company is slowly developing traction on the back of expansion of CNG station footprint. During H1, the company has seen the addition of 432 3-wheelers, 599 4-wheelers, 93 small commercial vehicles and four buses in new categories. Retrofitment has started contributing to additional vehicles.

CNG marketing schemes

Innovative promotions: IRMENERG is using several innovative incentive schemes to develop CNG traction in new NT GA.

- **Displacing LPG autos:** With initial incentive schemes for conversion by IRMENERG, NT GA is now seeing higher sales of CNG-fitted 3-wheelers against the LPG variants. The company ran two rounds of incentive schemes, in May and August, with an incentive of Rs 20k per autorickshaw in the first round and Rs 16k per autorickshaw in the second round.
- **Promoting exchange of diesel autorickshaw for a new CNG auto:** As retrofitment does not work with diesel vehicles, IRMENERG has worked with BJAUT to launch a campaign "Don't Pay – Just Exchange". The campaign has been designed so that the auto owner does not have to pay upfront and the savings in cost through CNG usage largely pays for the EMIs.
- **Promotion for 4-wheelers:** Focus is on marketing and raising awareness and joint marketing with OEMs and dealers. No direct incentives are being offered but OEM sales executives are being incentivised on CNG care sales. IRMENERG has also assisted in establishing 11 Retrofitment Centres (RFC) at the GA.
- **Pilot for HCV conversion:** IRMENERG is bearing the entire cost for the pilot conversion of two diesel buses to CNG for the State Express Transport Corporation, Tamil Nadu (SETC, TN), which has a fleet of more than 100 buses. IRMENERG is also planning a similar pilot with TNSTC (Tamil Nadu State Transport Corporation). The success could encourage other major transporters to pursue similar conversions.
- **Infrastructure ramp-up:** IRMENERG set up 23 CNG stations by the end of September and is planning to add another seven in H2 to reach 30 stations by the end of FY25. IRMENERG is developing its first COCO (Company-Owned Company-Operated) as well as first DODO (dealer-owned dealer-operated) stations in Trichy, targeting to commission both by Q4FY25.
- **Industrial and commercial volume:** The company has commissioned the first piped natural gas (PNG) commercial connection in Trichy. IRMENERG is engaging with BHEL to develop the first large anchor industrial customer in Trichy.

FS GA starts to see return of industrial volumes

Volume is recovering: The FS GA has seen a modest 19% recovery in industrial volume from the lows in Q3FY24 after the Punjab Pollution Control Board (PPCB)

issued notices to around 24 industrial units. The company added 12 new industrial customers in H1FY25 and has seen eight customers return to the use of natural gas instead of coal.

FS GA volumes picked up from a low of 0.22mmscmd in Q2 to 0.25mmscmd in Q3 and further to 0.25-0.275mmscmd in Nov'24. It is still below the previous peak of 0.32mmscmd in Sep'22.

Next trigger: The company has lowered industrial gas price to Rs 40.9/scm from Rs 43/scm to make it more attractive for industrial users. Responding to industry demand to stabilise prices, the company has offered a fixed price formula for H2CY24 and another formula for H1CY25. IRMENERG needs support from PPCB to realise the full potential of the FS GA.

The National Green Tribunal (NGT) has asked the Member Secretary of PPCB to attend the next hearing on 17 Dec in view of the slower progress in implementing the NGT order. PPCB has been asked to get all 220 industrial units to implement the NGT order.

Potential: If the NGT's ban on polluting fuel is fully implemented, natural gas usage could ramp up to 0.42mmscmd as per the optimistic estimates of the company's management. The plan for a textile and pharma park could increase potential further. The company has previously mentioned that its first textile customer has started constructing its unit in the new textile park.

Margin facing new challenges from deallocation of APM Gas

Underlying EBITDA margin contracted to Rs 6.2/scm, excluding licence fees of Rs 45mn charged by the promoter, translating to Rs 0.9/scm. The management team is in discussions with the promoters about rationalising licence fees.

Reported Q2 EBITDA margin at Rs 5.3/scm after provision for licence fees to the promoter. The margin contracted by Rs 1.0/scm QoQ with Rs 0.3/scm reduction in realisation and Rs 0.7/scm increase in gas purchase cost amid stable opex. Q2 margin compares with Rs 7.6/scm clocked in FY24.

Elevated opex impacting margin. Operating cost (opex) remains elevated at Rs 6.9/scm, driven by the provision for licence fee payments (Rs 0.9/scm), marketing promotion incentive schemes (Rs 0.2/scm) and the start of new CNG stations in the NT GA, having initial low volumes (~500kg/day/station) and high number of daughter booster/ daughter CNG stations (at 75%) in the CNG network.

Lower APM gas allocation also impacting margin: The Administered Pricing Mechanism (APM) gas allocation for the priority sector reduced to 67% in H1FY25. Due to high growth in the CNG segments, its APM gas allocation lags that of the household segment. The company has been largely using high-pressure, high-temperature (HPHT) gas to bridge the shortfall in all areas except the NT GA. Due to the absence of connectivity to the national grid network, the company has been using RLNG (Regasified LNG) to bridge the shortfall.

Further cut in APM gas allocation for CNG segment: Allocation of APM gas has been cut further to 50% from 16 Oct and to 37% from 16 Nov for the CNG segment as the government has allowed incentive pricing to ONGC on gas from new wells and interventions in nomination fields (NWG gas).

However, IRMENERG has been able to secure NWG Gas: IRMENERG has been able to secure NWG gas to meet its incremental shortfall from the de-allocation of APM Gas and will be able to contain the cost increase.

Further price increase to offset part of the impact: IRMENERG has effected a price increase of Rs 1-2/scm across its GAs to partially counter the effect of cost increase.

Management transition

IRMENERG has completed the reconstitution of its Board and appointed a new CEO after Maheshwar Sahu relinquished his role as Chairman and Director of the Board and Karan Kaushal resigned as CEO.

Board reconstituted: The board's strength has now increased to 10 directors with the proportion of independent to non-independent directors at 50:50. Amitabh Banerjee has taken over the Executive Director position, representing the promoters. Promoters are further represented by Dr Rajiv I. Modi, Rajiv R. Modi (son of Dr Modi), Amit Doshi (more than 40 years of experience), whereas Badri Narayan Mahapatra represents Enertech Distribution. Further, Mr Ravindra Agarwal (Ex ED, Gas Business, GSPC) has been inducted as an advisor on gas sourcing and other matters.

Dr Preetha Reddy (Vice Chairman, Apollo Hospitals), K. K. Gupta (ex- Director Marketing BPCL and Ex Director and Chairman of IGL) and D. H. Jain (a finance veteran) have been inducted as independent directors to improve further the company's governance structure.

CEO being inducted: Manoj Sharma (ex-Executive Director, Finance and Business Development, IOCL) is being inducted as CEO from Dec'24.

Rest of management team continues: The rest of the management team, involved in the company's operations from the start, remains. This includes Harshal Anjaria as CFO, Prashant Sagar as COO and Raghuvir Solanki as EVP, Commercial and Sanctioning.

Other updates

Capex: The company spent around Rs 0.5bn on capex in H1FY25 across four GAs and is targeting a spend of Rs 1.5bn in FY25. The FY25 target compares with a spend of Rs 1.8bn in FY24. The company has spent cumulative capex of Rs 7.6bn across four GAs till date.

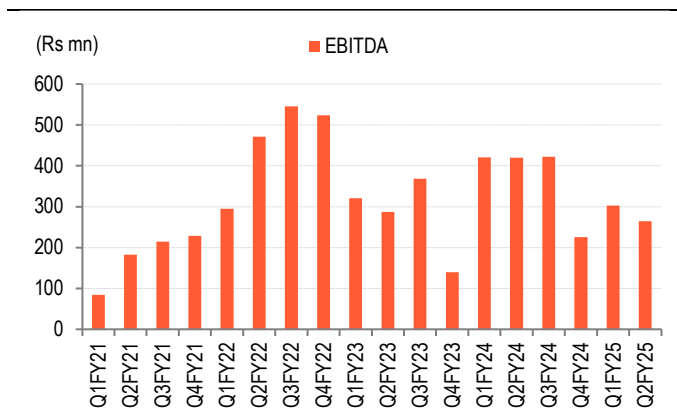
JVs: The collective loss of all four JVs widened to Rs 9.2mn in Q2 from Rs 0.6mn in Q1.

Fig 1 – Quarterly performance

(Rs mn)	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)	H1FY25	H1FY24	YoY (%)
Net sales	2,315	2,201	5.2	2,254	2.7	4,569	4,502	1.5
EBITDA	265	420	(36.9)	303	(12.7)	568	840	(32.4)
EBITDA (Rs/scm)	5.3	8.9	(40.1)	6.3	(15.5)	5.8	9.1	(35.8)
Depreciation and amortisation	86	60	42.7	82	5.5	168	118	42.3
Interest	61	52	18.0	51	19.6	112	112	(0.1)
Other income	91	35	159.7	94	(3.3)	186	69	169.1
Profit before tax	209	342	(39.1)	265	(21.2)	473	679	(30.3)
Provision for tax	79	62	28.8	77	2.9	156	120	30.7
-effective tax rate (%)	38.0	18.0	-	29.1	-	33.0	17.6	-
Minority interest	(9)	(21)	-	(1)	-	(10)	(30)	-
PAT (reported)	120	260	(53.8)	187	(35.8)	307	529	(42.0)
Volumes (mmscm)								
CNG (mn kg)	21.1	18.4	14.7	21.5	(2.0)	42.7	36.5	16.8
CNG (mmscm)	26.6	24.5	8.5	26.7	(0.7)	53.3	47.1	13.2
PNG	23.1	22.7	2.1	21.4	8.4	44.5	45.8	(2.8)
Industrial/Commercial	21.4	19.3	11.0	19.6	9.4	41.0	41.0	(0.0)
Domestic	1.7	1.3	28.6	1.8	(3.4)	3.5	2.7	27.9
Total volume (mmscm)	49.7	47.1	5.4	48.1	3.3	97.8	92.8	5.3
Total volume (mmscmd)	0.54	0.51	5.4	0.53	2.2	0.53	0.51	5.3
Total volume excl trading (mmscm)	49.7	45.1	10.2	48.1	3.3	97.8	90.8	7.7
Total volume excl trading (mmscmd)	0.54	0.49	10.2	0.53	2.2	0.53	0.50	7.7
GA volume (mmscmd)								
Banas Kantha	0.24	0.23	2.7	0.24	(2.0)	0.24	0.22	8.2
Fatehgarh Sahib	0.25	0.23	9.4	0.24	7.3	0.24	0.25	(0.9)
Diu-Gir-Somnath	0.03	0.03	33.9	0.04	(12.3)	0.04	0.03	35.5
Namakkal and Trichy	0.02	0.00	545.5	0.01	36.4	0.01	0.00	969.6
Total excl trading	0.54	0.49	10.1	0.53	2.2	0.53	0.50	7.6
Per unit (Rs/scm)								
Average realisation	46.6	46.7	(0.2)	46.9	(0.6)	46.7	48.5	(3.6)
Gas purchase cost	34.4	33.4	3.0	33.7	2.2	34.0	35.0	(2.8)
Gross Spread	12.2	13.3	(8.4)	13.2	(7.6)	12.7	13.5	(5.9)
Other operating costs	6.9	4.4	55.8	6.9	(0.4)	6.9	4.4	55.5
EBITDA	5.3	8.9	(40.1)	6.3	(15.5)	5.8	9.1	(35.8)

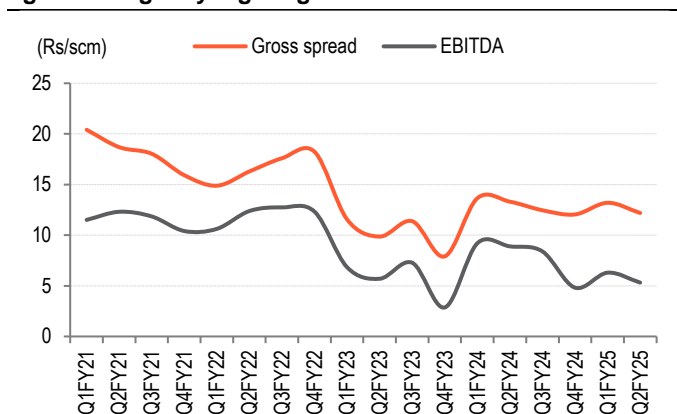
Source: Company, BOBCAPS Research

Fig 2 – EBITDA sequentially down in Q2



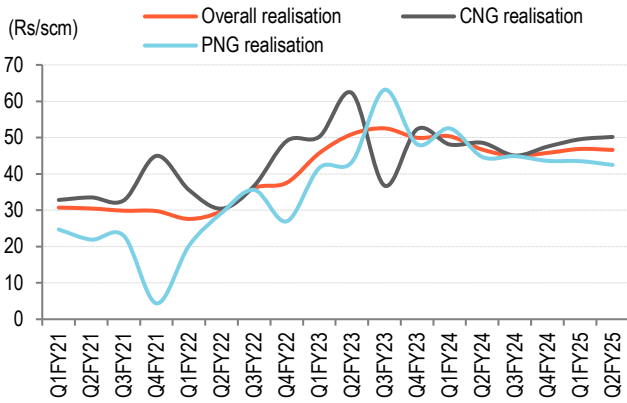
Source: Company, BOBCAPS Research

Fig 3 – EBITDA margin impacted by higher opex and gross margin by higher gas cost



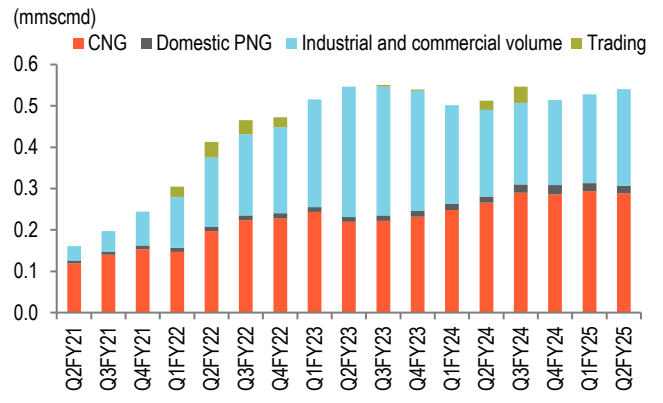
Source: Company, BOBCAPS Research

Fig 4 – Lower PNG realisation offset increase in CNG realisation



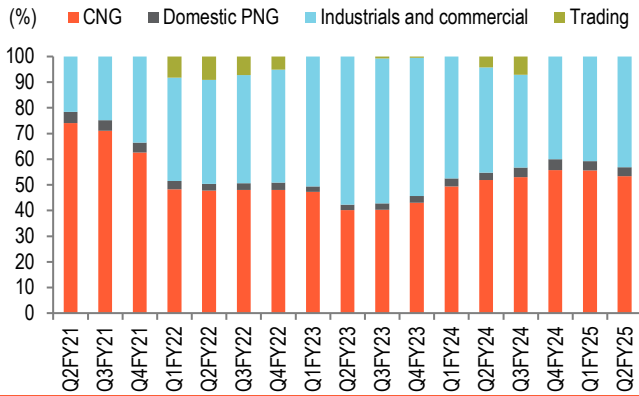
Source: Company, BOBCAPS Research

Fig 5 – Increase in I+C and CNG volume



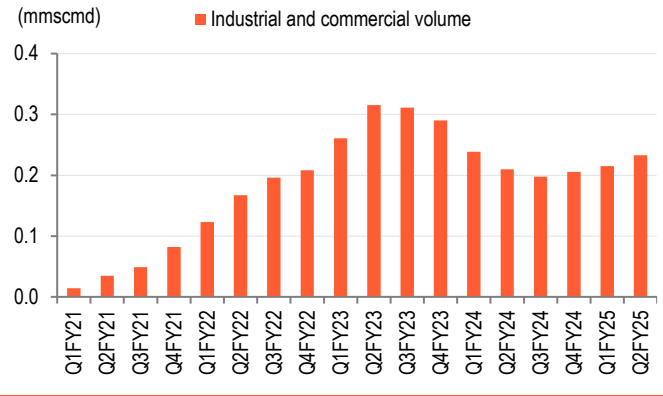
Source: Company, BOBCAPS Research

Fig 6 – Volume mix



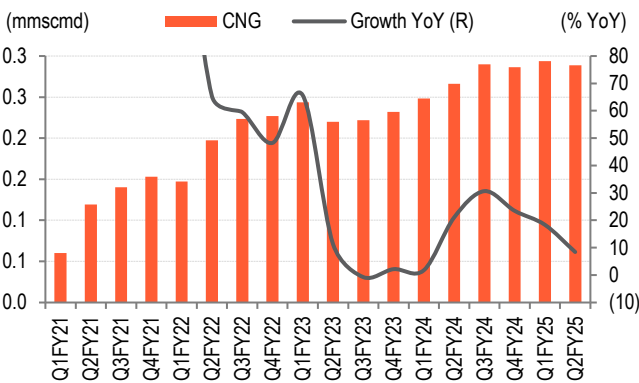
Source: Company, BOBCAPS Research

Fig 7 – Industrial and commercial volume slowly recovering the loss in the FS GA



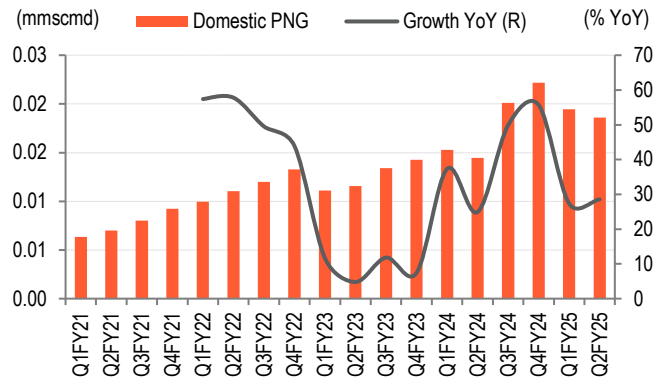
Source: Company, BOBCAPS Research

Fig 8 – CNG volume growth slowed



Source: Company, BOBCAPS Research

Fig 9 – Uptick in domestic PNG volume growth



Source: Company, BOBCAPS Research

Comparison with peers

IRMENERG is an early-stage CGD play delivering high growth in CNG volumes, although its overall volumes are impacted by the switch-out of industrial volumes to alternative fuel coal in violation of the NGT's order.

The company's margins are lower than mature players with a focus on the fast-track development of infrastructure in new GAs and promotion schemes to incentivise volume growth.

Fig 10 – IRMENERG: Comparison with peers

	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	YoY (%)	QoQ (%)
EBITDA (Rs mn)							
IRM Energy	420	422	226	303	265	(36.9)	(12.7)
GUJGA	4,966	4,007	5,911	5,356	5,142	3.5	(4.0)
IGL	6,569	5,582	5,226	5,819	5,359	(18.4)	(7.9)
MAHGL	4,789	4,487	3,938	4,185	3,985	(16.8)	(4.8)
ATGL	2,794	2,880	2,887	2,963	3,072	9.9	3.7
Total volume (mmscmd)							
IRM Energy	0.5	0.5	0.5	0.5	0.5	5.4	2.2
GUJGA	9.3	9.2	9.7	11.0	8.8	(6.1)	(20.3)
IGL	8.3	8.5	8.7	8.6	9.0	8.7	4.5
MAHGL	3.6	3.7	3.8	3.9	4.0	13.1	4.7
ATGL	2.3	2.4	2.5	2.5	2.6	14.7	4.1
CNG volume (mmscmd)							
IRM Energy	0.3	0.3	0.3	0.3	0.3	8.5	(1.8)
GUJGA	2.6	2.8	2.9	3.0	2.9	11.8	(1.7)
IGL	6.2	6.3	6.4	6.5	6.8	8.6	5.1
MAHGL	2.6	2.6	2.7	2.8	2.9	11.7	4.1
ATGL	1.5	1.6	1.6	1.7	1.8	19.1	4.7
PNG volume (mmscmd)							
IRM Energy	0.2	0.2	0.2	0.2	0.3	12.2	7.2
GUJGA	6.7	6.4	6.8	8.0	5.8	(13.1)	(27.3)
IGL	1.6	1.7	1.9	1.7	1.7	11.8	3.5
MAHGL	1.0	1.0	1.1	1.1	1.2	16.6	6.5
ATGL	0.8	0.9	0.9	0.8	0.9	6.7	2.8
Domestic PNG volume (mmscmd)							
IRM Energy	0.01	0.02	0.02	0.02	0.02	28.6	(4.4)
GUJGA	0.7	0.7	0.9	0.6	0.8	8.6	22.6
IGL	0.6	0.6	0.7	0.7	0.6	12.4	(3.2)
MAHGL	0.5	0.5	0.6	0.5	0.5	7.6	(3.5)
Industrial and Commercial PNG volume (mmscmd)							
IRM Energy	0.2	0.2	0.2	0.2	0.2	11.0	8.3
GUJGA	6.0	5.7	6.0	7.4	5.1	(15.7)	(31.4)
IGL	1.0	1.0	1.1	1.0	1.1	11.4	7.9
MAHGL	0.5	0.5	0.6	0.5	0.6	25.4	16.6

	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	YoY (%)	QoQ (%)
Realisation (Rs/scm)							
IRM Energy	46.7	45.0	45.8	46.9	46.6	(0.2)	(0.6)
GUJGA	44.8	46.6	46.9	44.5	47.0	4.8	5.5
IGL	45.3	45.5	45.3	44.8	44.5	(1.7)	(0.6)
MAHGL	47.8	46.5	45.6	45.3	46.0	(3.6)	1.7
ATGL	51.9	51.6	50.3	49.7	50.2	(3.2)	1.0
Gas cost (Rs/scm)							
IRM Energy	33.4	32.5	33.7	33.7	34.4	3.0	2.2
GUJGA	35.6	38.2	36.1	35.9	36.6	2.8	1.9
IGL	31.2	32.6	32.1	31.6	32.6	4.6	3.2
MAHGL	27.3	27.3	27.7	27.3	29.0	6.2	6.3
ATGL	32.8	32.9	30.4	30.9	31.9	(2.7)	3.3
Gross spread (Rs/scm)							
IRM Energy	13.3	12.5	12.0	13.2	12.2	(8.4)	(7.6)
GUJGA	9.2	8.4	10.8	8.6	10.4	12.3	20.2
IGL	14.1	12.9	13.1	13.2	11.9	(15.5)	(9.8)
MAHGL	20.4	19.1	17.9	17.9	17.0	(16.9)	(5.3)
ATGL	19.1	18.7	19.9	18.9	18.4	(3.9)	(2.6)
Opex (Rs/scm)							
IRM Energy	4.4	4.1	7.2	6.9	6.9	55.8	(0.4)
GUJGA	3.4	3.6	4.1	3.3	4.0	15.6	22.1
IGL	5.5	5.7	6.6	5.8	5.5	(0.8)	(5.8)
MAHGL	5.9	5.8	6.4	6.0	6.3	6.9	4.1
ATGL	5.9	5.9	7.4	6.0	5.7	(3.5)	(5.0)
EBITDA (Rs/scm)							
IRM Energy	8.9	8.4	4.8	6.3	5.3	(40.1)	(15.5)
GUJGA	5.8	4.8	6.7	5.4	6.4	10.3	19.1
IGL	8.6	7.2	6.6	7.4	6.5	(25.0)	(12.8)
MAHGL	14.6	13.3	11.5	11.9	10.7	(26.4)	(10.1)
ATGL	13.2	12.9	12.4	12.9	12.7	(4.1)	(1.5)

Source: Company, BOBCAPS Research, GUJGA: Gujarat Gas, IGL: Indraprastha Gas, MAHGL: Mahanagar Gas, ATGL: Adani Total Gas

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22A	FY23A	FY24A
Total revenue	1,476	1,896	5,071	9,801	8,905
EBITDA	497	732	1,864	1,123	1,489
Depreciation	(92)	(120)	(150)	(209)	(265)
EBIT	405	612	1,714	914	1,224
Net interest inc./(exp.)	(97)	(159)	(221)	(229)	(267)
Other inc./(exp.)	5	7	31	60	238
Exceptional items	0	0	0	0	0
EBT	313	461	1,524	744	1,195
Income taxes	(102)	(110)	(388)	(180)	(280)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	211	351	1,136	565	915
Adjustments	0	0	0	0	0
Adjusted net profit	211	351	1,136	565	915

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22A	FY23A	FY24A
Accounts payables	72	101	251	312	293
Other current liabilities	348	370	677	915	1,007
Provisions	4	7	10	14	20
Debt funds	1,449	1,634	2,026	3,038	2,105
Other liabilities	74	94	147	185	224
Equity capital	271	290	294	303	411
Reserves & surplus	476	889	2,001	2,953	8,757
Shareholders' fund	748	1,179	2,295	3,256	9,167
Total liab. and equities	2,695	3,384	5,406	7,720	12,816
Cash and cash eq.	190	414	997	985	4,878
Accounts receivables	42	112	227	386	368
Inventories	7	8	17	19	43
Other current assets	185	167	418	912	797
Investments	2	78	218	658	269
Net fixed assets	1,953	2,379	2,978	3,773	5,542
CWIP	290	197	523	911	868
Intangible assets	26	28	28	34	32
Deferred tax assets, net	0	0	0	42	20
Other assets	0	0	0	0	0
Total assets	2,695	3,384	5,406	7,720	12,816

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22A	FY23A	FY24A
Cash flow from operations	385	481	1,389	391	953
Capital expenditures	(833)	(452)	(1,070)	(1,388)	(1,725)
Change in investments	(2)	(76)	(140)	(441)	390
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(835)	(528)	(1,210)	(1,828)	(1,335)
Equities issued/Others	56	19	4	9	108
Debt raised/repaid	263	184	392	1,012	(933)
Interest expenses	0	0	0	0	0
Dividends paid	(3)	0	0	0	0
Other financing cash flows	162	68	8	404	5,149
Cash flow from financing	478	271	404	1,425	4,324
Chg in cash & cash eq.	28	224	583	(12)	3,942
Closing cash & cash eq.	176	414	997	985	4,927

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22A	FY23A	FY24A
Reported EPS	8.6	12.5	38.9	18.9	30.7
Adjusted EPS	8.6	12.5	38.9	18.9	30.7
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	30.5	41.9	78.7	109.2	307.4

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22A	FY23A	FY24A
EV/Sales	10.5	8.5	3.3	1.7	1.9
EV/EBITDA	31.1	22.0	9.0	14.8	11.4
Adjusted P/E	43.7	30.2	9.7	19.9	12.3
P/BV	12.3	9.0	4.8	3.4	1.2

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22A	FY23A	FY24A
Tax burden (Net profit/PBT)	67.3	76.2	74.5	75.9	76.6
Interest burden (PBT/EBIT)	77.3	75.3	88.9	81.5	97.6
EBIT margin (EBIT/Revenue)	27.5	32.3	33.8	9.3	13.7
Asset turnover (Rev./Avg TA)	65.5	62.4	115.4	149.3	86.7
Leverage (Avg TA/Avg Equity)	4.2	3.2	2.5	2.4	1.7
Adjusted ROAE	38.9	36.5	65.4	20.4	14.7

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22A	FY23A	FY24A
YoY growth (%)					
Revenue	98.7	28.5	167.5	93.3	(9.1)
EBITDA	131.8	47.3	154.7	(39.8)	32.6
Adjusted EPS	63.4	44.8	212.0	(51.3)	62.0
Profitability & Return ratios (%)					
EBITDA margin	33.7	38.6	36.8	11.5	16.7
EBIT margin	27.5	32.3	33.8	9.3	13.7
Adjusted profit margin	14.3	18.5	22.4	5.8	10.3
Adjusted ROAE	38.9	36.5	65.4	20.4	14.7
ROCE	14.7	18.6	35.8	13.1	10.7
Working capital days (days)					
Receivables	9	15	12	11	15
Inventory	2	4	2	1	2
Payables	22	27	20	12	15
Ratios (x)					
Gross asset turnover	0.9	0.8	1.7	2.5	1.7
Current ratio	1.0	1.3	1.5	1.6	2.7
Net interest coverage ratio	4.2	3.9	7.8	4.0	4.6
Adjusted debt/equity	1.7	1.0	0.4	0.6	(0.3)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

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