

BPCL

Refer to important disclosures at the end of this report

Healthy core earnings; play on disinvestment

- Q4FY21 standalone adj. EBITDA/PAT rose 17%/28% qoq to Rs51.3bn/Rs39.8bn, above our estimates due to the margin beat. Exceptional items of Rs69.9bn included Rs94.2bn from NRL sale, Rs20.3bn of BPRL impairment and Rs4.0bn of ESPS expenses.
- BPCL's reported GRM stood at USD6.6/bbl in Q4 (USD4.0 est.), with inventory gains of Rs18.1bn. Core GRM came in at USD2.5/bbl, (USD1.5 est.). Marketing inventory gain of Rs18.3bn implied blended margin down 24% qoq to Rs5.1/kg (5% beat).
- Gross debt rose 11% qoq to Rs342bn. Core EPS was healthy at Rs5.9 (Rs2.1 est). A final dividend of Rs58/sh was recommended with Rs35/sh as a special dividend due to NRL. Dataroom is currently accessible to bidders and Q&A with management will soon start.
- We cut FY22E/23E EPS by 7%/2% as we assume lower marketing margin, partially offset by higher Kochi GRMs due to PDPP-led ramp-up in propylene output. We, however, raise the TP by 6% to Rs525 on lower debt and higher investment value. Retain Buy/OW stance.

Q4FY21 highlights: Other Expenditure jumped 7% yoy/23% qoq to Rs48.5bn (14% above est). Interest rose 90% qoq to Rs4.8bn, while Other Income was also up 41% yoy/14% qoq at Rs16.3bn. There was forex gain of Rs292mn. BPCL moved to the new low tax regime from FY21 with Q4 ETR at 2.4%. Domestic sales volume grew 4% yoy, (vs. 2-6% for peers), while total volumes rose 5% to 11.8mmt. Petrol/diesel volume grew 10%/5% yoy. Kochi/Mumbai core GRM was USD1.1/USD4.0. Refinery utilization was strong at 124% or 8.4mmt. Profits from assoc./JV were Rs4.4bn vs. Rs7.3bn loss in Q3. Shares O/S rose to 2.09bn from the treasury sales. BPCL's FY21 EBITDA/APAT rose 116%/251% to Rs179.7bn/Rs119.2bn, driven by 49%/24% jump in reported GRMs/marketing margins. Marketing/refining volumes declined 11/17%. Interest costs fell 39%. Core EPS was Rs35.1.

Guidance: BPCL does not intend to sell IGL and PLNG stakes. As per SEBI regulations, an open offer is required but it is working with the govt to avoid it. BPCL has signed a 15-year product supply agreement with NRL. It expects the BORL deal to conclude by 15 June (awaiting tax certificate). BORL continues to get tax benefits, and VAT deferment of Rs13-14bn is still pending. PAT/GRM was Rs1.44bn/USD8.3 in Q4. Two PDPP units, acrylic acid and oxo-alcohol, were commissioned, while acrylate is under commissioning. It would add USD1/bbl GRM to Kochi refinery along with petchem deltas. Current refinery utilization is 86% due to low demand. FY21 capex was Rs110.6bn (Rs30bn/Rs50bn/Rs10bn/Rs11.6bn on refining/ marketing/petchem/E&P), while the FY22 target is Rs120bn. BPCL has not taken any impairment in Mozambique; it expects violence in the country to delay it by 6-12 months.

Valuation: We value BPCL on a SOTP basis at 6.5x blended Mar'23E EV/EBITDA, BORL at 5x and investments-upstream at a 25% hodco discount. Key risks are adverse petroleum prices/margins/currency, project delays and disinvestment uncertainties.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Oil & Gas \(Page 9\)](#)

Financial Snapshot (Standalone)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	2,843,830	2,325,451	2,792,004	2,952,535	3,062,910
EBITDA	83,017	179,095	140,282	162,255	170,763
EBITDA Margin (%)	2.9	7.7	5.0	5.5	5.6
APAT	37,689	126,767	81,367	96,185	100,658
EPS (Rs)	19.2	60.6	38.9	46.0	48.1
EPS (% chg)	(47.2)	216.1	(35.8)	18.2	4.7
ROE (%)	18.6	15.5	14.3	15.4	14.8
P/E (x)	24.4	7.7	12.0	10.2	9.7
EV/EBITDA (x)	16.2	6.6	8.1	6.8	6.2
P/BV (x)	2.8	1.8	1.6	1.5	1.4

Source: Company, Emkay Research

CMP	Target Price
Rs 468 as of (May 27, 2021)	Rs 525 (▲) 12 months
Rating	Upside
BUY (■)	12.2 %

Change in Estimates

EPS Chg FY22E/FY23E (%)	(7)/(2)
Target Price change (%)	6.1
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	38.9	46.0
Consensus	42.7	47.8
Mean Consensus TP (12M)	Rs 514	

Stock Details

Bloomberg Code	BPCL IN
Face Value (Rs)	10
Shares outstanding (mn)	2,169
52 Week H/L	488 / 313
M Cap (Rs bn/USD bn)	1,015 / 13.98
Daily Avg Volume (nos.)	13,762,290
Daily Avg Turnover (US\$ mn)	83.8

Shareholding Pattern Mar '21

Promoters	53.0%
FIIIs	12.4%
DIIIs	23.3%
Public and Others	11.3%

Price Performance

(%)	1M	3M	6M	12M
Absolute	11	4	25	42
Rel. to Nifty	6	(1)	6	(14)

Relative price chart



Source: Bloomberg

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Exhibit 1: Actual vs. Estimates (Q4FY21)

Rs bn	Actual	Estimates (Emkay)	Consensus Estimate (Bloomberg)	Variation		Comments
				Emkay	Consensus	
Total Revenue	768.8	876.3	790.8	-12%	-3%	
Adjusted EBITDA	51.3	36.7	33.8	40%	52%	Due to better GRMs and marketing margins
EBITDA Margin (%)	7%	4%	4%	248bps	240bps	
Adjusted Net Profit	39.8	20.8	19.8	91%	101%	Due to higher other income

Source: Company, Emkay Research

Exhibit 2: Quarterly summary

Rs mn	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	yoy	qoq	FY20	FY21	yoy
Revenue	689,914	387,851	501,464	667,314	768,823	11%	15%	2,843,830	2,325,451	-18%
COGS	629,243	306,223	412,369	576,248	658,369	5%	14%	2,559,369	1,953,209	-24%
Gross Profit	60,672	81,628	89,095	91,066	110,454	82%	21%	284,460	372,243	31%
Opex	54,841	41,904	44,243	47,284	59,152	8%	25%	201,129	192,582	-4%
Total Expenditure	684,083	348,126	456,611	623,532	717,521	5%	15%	2,760,498	2,145,791	-22%
EBITDA	5,831	39,724	44,852	43,782	51,302	780%	17%	83,331	179,660	116%
Depreciation	9,382	9,959	9,888	9,936	9,998	7%	1%	37,869	39,781	5%
Interest	5,786	5,871	126	2,510	4,776	-17%	90%	21,819	13,284	-39%
Other Income	11,568	5,933	4,211	14,389	16,348	41%	14%	30,499	40,881	34%
Exceptional Items	(10,808)	-	(7,586)	(4,919)	69,206			(10,808)	56,701	
Forex Gain/(Losses)	(12,111)	(566)	1,515	756	292		-61%	(16,623)	1,998	
PBT	(20,689)	29,262	32,978	41,562	122,374	194%	26%	26,710	226,176	747%
Tax	(7,079)	8,500	10,500	13,786	2,973		-78%	(122)	35,759	
PAT	(13,610)	20,762	22,478	27,776	119,401		330%	26,832	190,417	610%
Adjusted PAT	(6,500)	20,762	27,648	31,064	39,770	28%	33%	33,942	119,244	251%
Adjusted EPS (Rs)	(3.3)	10.6	14.1	15.8	19.0	20%	17%	17.3	59.4	244%
Tax Rate	34%	29%	32%	33%	2%			0%	16%	
Core EBITDA	44,043	34,074	20,322	36,072	14,882	-66%	-59%	120,953	105,350	-13%
Core PAT	27,096	18,085	10,860	28,435	12,309	-55%	-57%	61,482	69,689	13%
Core EPS (Rs)	13.8	9.2	5.5	14.5	5.9	-57%	-59%	31.3	35.1	12%
Refining Volumes (mmt)	8.4	5.1	5.6	7.2	8.4	0%	16%	31.9	26.4	-17%
Reported GRM (USD/bbl)	1.7	0.4	5.8	2.5	6.6	302%	169%	2.8	4.1	49%
Core GRM (USD/bbl)	7.4	1.9	1.5	1.2	2.6	-65%	118%	4.3	1.8	-57%
Adjusted Refining EBITDA	(1,425)	(6,890)	9,478	1,130	20,847			10,374	24,565	137%
Marketing Volumes (mmt)	11.2	8.3	9.2	11.4	11.8	5%	4%	45.7	40.7	-11%
Diesel	4.8	3.5	3.9	5.1	5.0	5%	-2%	19.9	17.5	-12%
Petrol	1.9	1.3	1.8	2.1	2.1	10%	-2%	7.8	7.2	-8%
Marketing Margin (Rs/mt)	5,662	8,304	6,318	6,753	5,129	-9%	-24%	5,282	6,501	23%
Adjusted Marketing EBITDA	5,219	45,356	33,922	40,766	28,662	449%	-30%	64,808	148,705	129%
Marketing Inventory Gain/(Losses)	(12,562)	10,030	11,500	2,690	18,290		580%	(11,522)	42,510	
Estimated Pipeline Volumes (mmt)	4.2	2.5	3.0	3.7	3.7	-11%	1%	17.0	13.0	-23%
Implied Pipeline EBITDA	2,037	1,258	1,453	1,886	1,793	-12%	-5%	8,149	6,390	-22%
Gross Debt	478,187	405,460	339,458	309,020	341,600	-29%	11%	478,187	341,600	-29%
Implied Net Debt	426,524	350,245	280,476	219,116	220,775	-48%	1%	426,524	220,775	-48%
Net Under-recovery	-	-	-	-	-	-	-	-	-	-

Source: Company, Emkay Research

*Note: Adjusted PAT may not match with annual tables fully due to different adjustment method in Emkay detailed annual model

Concall highlights

Disinvestment

- BPCL does not intend to sell IGL and PLNG stakes. As per current SEBI regulations, an open offer is required. Management believes that paring down stake would be value destructive. It is working with the govt to avoid an open offer and get exemption so that BPCL's value is protected. It will try to solve this. The CCEA order was only for NRL divestment and not for any other entity. There is no correspondence-indication from Govt as regards to upstream disinvestment and it is unlikely to happen at this juncture anyways.
- Financial due diligence is going on with virtual data-room opened on 10 April. Qualified IPs are accessing and queries are coming in. The next step in the strategic disinvestment process is discussion and Q&A with management. This was stuck due to results and Covid but should start from 28 May. This will then be followed by physical inspection, though it is challenged by Covid-led international flight restrictions now. Then financial bids will come followed by the selection of bidder-winner. Draft SPA has already been shared with IPs.
Bidders adding members to their consortiums would be based on DIPAM's PIM guidelines. BPCL would take a call on residual treasury shares and is waiting for opportunities. It expects disinvestment to complete by FY22 but it's a company view.

Refining & Petchem

- NRL net of tax (of Rs20bn) proceeds were Rs79.86bn. Gain on the sale was less initial investment of Rs4-5bn. BPCL has signed a 15-year product supply agreement with NRL, hence sourcing will not be an issue. NRL sale concluded on 25 March 2021. Q4FY21 pro-rata PAT was Rs9bn with USD45.12/bbl of GRM incl. excise benefits. FY21 PAT was Rs30.48bn with USD37.23/bbl reported GRM.
- BORL will become a 100% subsidiary with Oman Oil's exit and acquisition of MP govt warrants amounting to 0.63% stake. BPCL expects the deal to conclude by 15 June 2021 as it is awaiting tax certificate from authorities. BORL merger should improve the bottom-line. Outstanding warrants are included in Rs24bn transaction value calculation.
- BORL continues to get tax benefits with CST benefits being availed, and VAT deferment benefit of Rs13-14bn out of Rs37.5bn is still pending. Netback adjustment and opex burden would get streamlined post the merger with BPCL. BORL's opex in Q4 was Rs1.74bn. PAT was Rs1.44bn with USD8.3/bbl GRM. For FY21 BORL reported Rs760mn in net loss with USD6.2/bbl of GRM.
- Product cracks, including non-transport fuels, have gone up qoq in Q4. Q1FY22 saw cracks improve further. The second wave lockdown has led to 86-87% refining capacity utilization currently for BPCL, aligning it to lower demand.
- In Kochi, two PDPP units, acrylic acid and oxo-alcohol were commissioned, while third one, acrylate, is under commissioning, with Japanese licensors using the virtual mode. Kochi refinery MS block has also been commissioned.
- PDPP should start properly from Q2FY22 with output growing. This would lead to additional GRM of USD1/bbl for Kochi refinery at the RTP level and add extra petchem deltas also.
- In order to have higher Kochi GRMs, BPCL needs USD2/bbl+ of L-H/sweet-sour (Brent-Dubai etc) differential vs. USD1 now. Kochi capacity has also been moderated due to Covid-19. But it should ultimately deliver GRMs more than Mumbai (being more complex with units like DCU).

Marketing

- BPCL recorded 9.89%/5.9% yoy growth in retail petrol/diesel sales in Q4FY21. BPCL's overall/autofuel market share was 24.5%/29% in Q4. Economic growth of 10% is expected in India in FY22 due to the base effect. However, Q1FY22 transport fuel demand would be affected by the second wave. ATF sales were impacted by international flight restrictions.
- The subsidy for LPG is almost nil (from May'20) as the Govt has been serious to increase domestic prices, hence that should not be an issue for potential bidders also. With BPCL going private and targeting a 31% market share in autofuels in 2 years, the overall private sector market share would cross 40%, hence BPCL believes that the Govt may not signal price interventions by then and deregulation would deepen.

- OMCs, in general, have a sense of duty to protect consumer interest in high price and Covid-19 type scenarios. OMCs tend to take pulse of consumers but also make money. In FY21, they made good margins.
- BPCL is adopting emerging technologies and trends. Against 629 CNG stations (in ROs) now, targeting 800 more (in CGD GAs though). Capex won't be significant in these additions as they will be added to existing ROs also. In CGD, Rupnagar GA is getting commissioned.

Capex & Debt

- Capex in FY21 was Rs110.64bn of which Rs30bn was on refining, Rs10bn petchem, Rs50bn marketing, Rs11.56bn BPRL equity and remaining on pipelines-others.
- BPCL added 752 fuel pumps (ROs) in Q4 and 2,444 in FY21, taking the total to 18,637. It has the highest unit throughput in the industry (PSUs). However, future FY22 RO addition would be lesser than the FY20-21 run rate of 2,000+.
- FY22 capex target is Rs120bn with Rs30bn on refining, Rs10bn petchem, Rs40bn marketing, Rs13bn BPRL equity, Rs5.5bn gas and remaining others. Projects for this include Mumbai refinery kerosene treatment unit and revamp unit for Rs12.2bn, balance of Kochi MS Block (Rs32.89bn was total), some on Kochi polyol and 2G bio ethanol plant in Odisha.
- Subsidy outstanding is less than Rs3bn now. LPG subsidy is minimal now and there is no kerosene under recoveries any more. Consolidated debt as on FY21-end was Rs420bn.

Others

- BPRL impairment was based on relinquished blocks and some existing assets based on prices, which may get reversed also going ahead. Globally projects are unaffected.
- Activities in Mozambique, however, stopped due to violence but BPCL sees 6-12 months delay and no permanent impact. No impairment has been taken in Mozambique.
- It has spent USD1.2bn in Mozambique so far, including the exploration phase. Out of USD20bn, gross development capex for two trains, BPCL's share would be additional USD2.4bn. Subsequent trains would need more capex, but that will come from internal cash flows.
- BPCL has 40 EV charging and 7 battery swapping stations in different cities. It is a learning exercise and EVs will take time. EV investment is very less now.
- It cannot assure future dividends, which is a function of profits. The special dividend of Rs35/sh was from the NRL sale, while Rs44/sh was on adjusted PAT of Rs110bn+ in FY21. If this level of profits remain, BPCL could pay such dividends.
- Staff cost was up due to VRS component, provisions, etc. NRL ceased to exist as a subsidiary from 25 March, hence the minority interest of it was not included in the consolidated balance sheet for FY21, but it was in P&L till that date.
- BPCL is supplying 15ton/d of LMO in Mumbai-MCGM from the Mumbai refinery and 3.5ton/d in Kochi. It is providing power, water etc in Kochi along with a 500 bed hospital in a partnership. BORL is also supplying LMO, water etc and constructing a 1,000 bed hospital in Bina. BPCL is providing vaccines, equipment, medicines in UP and other states with LMO to various hospitals across the country. It has procured 3,000 oxygen cylinders, 1,000 concentrators and supporting local administration and communities.

Exhibit 3: Changes in assumptions

	FY22E			FY23E			FY24E
	Old	New	% Chg.	Old	New	% Chg.	Introduced
GRM (USD/bbl)	4.5	4.7	6%	4.6	5.0	9%	5.3
Marketing Margin (Rs/mt)	5,626	5,057	-10%	5,972	5,560	-7%	5,676
<i>Growth</i>	-8%	-18%	-1,006bps	6%	10%	379bps	2%
Marketing Sales (mmt)	45	44	-3%	46	46	-2%	47
<i>Growth</i>	12%	7%	-472bps	4%	5%	129bps	3%

Source: Emkay Research

Exhibit 4: Changes in estimates

Rs bn	FY22E			FY23E			FY24E
	Old	New	% Chg.	Old	New	% Chg.	Introduced
Revenue	3,200	2,792	-13%	3,462	2,953	-15%	3,063
EBITDA	147	140	-4%	164	162	-1%	171
<i>EBITDA Margins</i>	5%	5%	44bps	5%	5%	77bps	6%
PAT	88	81	-7%	98	96	-2%	101
EPS (Rs)	43.7	38.9	-11%	48.7	46.0	-6%	48.1

Source: Emkay Research

Exhibit 5: Value of investments

Rs/sh/mn	Shares (mn)	Price	Value
IGL	158	610	96,075
Petronet LNG	188	340	63,750
Oil India	27	130	3,478
Total			163,303
Investment value at 25% holdco discount			122,477
Upstream value at 25% discount to latest transaction value			49,915
BORL at 5x EV/EBITDA			2,662
Total Investment Value (Rs/sh)			84

Source: Company, Emkay Research

Exhibit 6: Core business valuation

Mar'23E (Rs.bn)	EBITDA	Multiple (x)	EV	EV/Share
Refining	59	6.0	354	169
Pipelines	9	6.5	56	27
Petrochemicals	8	4.0	33	16
Marketing	86	7.0	604	289
Total EV	162	6.5	1,048	501
Less: Adj. Net Debt (Mar'22 End)			124	59
Fair Value/M-Cap			924	441
No. Of Shares O/S (bn)			2.1	

Source: Company, Emkay Research

Exhibit 7: SOTP valuation

Rs/sh	Value
EV/EBITDA	441
Investments	84
Target Price	525

Source: Company, Emkay Research

Key Financials (Standalone)**Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	2,843,830	2,325,451	2,792,004	2,952,535	3,062,910
Expenditure	2,760,813	2,146,357	2,651,721	2,790,280	2,892,147
EBITDA	83,017	179,095	140,282	162,255	170,763
Depreciation	37,869	39,781	45,842	51,915	57,316
EBIT	45,148	139,314	94,441	110,340	113,447
Other Income	30,813	41,447	31,478	33,880	36,219
Interest expenses	21,819	13,284	17,139	15,631	15,096
PBT	54,142	167,478	108,780	128,589	134,570
Tax	(10,979)	99,408	27,412	32,404	33,912
Extraordinary Items	(27,432)	58,698	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	26,832	190,417	81,367	96,185	100,658
Adjusted PAT	37,689	126,767	81,367	96,185	100,658

Balance Sheet

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	19,669	20,929	20,929	20,929	20,929
Reserves & surplus	312,475	524,516	573,337	631,047	691,442
Net worth	332,144	545,446	594,266	651,977	712,372
Minority Interest	0	0	0	0	0
Loan Funds	478,187	341,600	366,600	346,600	266,600
Net deferred tax liability	59,673	44,716	46,716	48,736	50,776
Total Liabilities	870,004	931,761	1,007,581	1,047,312	1,029,747
Net block	569,511	639,363	708,426	752,473	781,254
Investment	173,343	189,622	192,198	194,813	197,468
Current Assets	426,789	502,537	587,488	614,505	602,476
Cash & bank balance	1,158	70,535	140,820	145,074	117,196
Other Current Assets	0	0	0	0	0
Current liabilities & Provision	394,686	474,284	540,149	568,135	589,010
Net current assets	32,103	28,253	47,339	46,370	13,465
Misc. exp	0	0	0	0	0
Total Assets	870,004	931,761	1,007,581	1,047,312	1,029,747

Cash Flow

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
PBT (Ex-Other income) (NI+Dep)	23,329	126,031	77,302	94,709	98,351
Other Non-Cash items	1,742	14,812	0	0	0
Chg in working cap	(24,865)	58,270	53,199	7,244	7,066
Operating Cashflow	62,653	201,284	166,068	137,094	143,918
Capital expenditure	(166,889)	(89,109)	(100,000)	(90,000)	(70,000)
Free Cash Flow	(104,236)	112,176	66,068	47,094	73,918
Investments	2,127	(16,279)	(2,576)	(2,615)	(2,655)
Other Investing Cash Flow	42,097	88,256	0	0	0
Investing Cashflow	(91,851)	24,315	(71,098)	(58,735)	(36,436)
Equity Capital Raised	0	1,260	0	0	0
Loans Taken / (Repaid)	187,194	(136,587)	25,000	(20,000)	(80,000)
Dividend paid (incl tax)	(57,378)	(42,613)	(32,547)	(38,474)	(40,263)
Other Financing Cash Flow	(78,595)	35,001	0	0	0
Financing Cashflow	29,402	(156,223)	(24,686)	(74,104)	(135,359)
Net chg in cash	204	69,377	70,285	4,254	(27,878)
Opening cash position	954	1,158	70,535	140,820	145,074
Closing cash position	1,158	70,535	140,820	145,074	117,196

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY20	FY21	FY22E	FY23E	FY24E
EBITDA Margin	2.9	7.7	5.0	5.5	5.6
EBIT Margin	1.6	6.0	3.4	3.7	3.7
Effective Tax Rate	(20.3)	59.4	25.2	25.2	25.2
Net Margin	2.3	2.9	2.9	3.3	3.3
ROCE	9.6	20.1	13.0	14.0	14.4
ROE	18.6	15.5	14.3	15.4	14.8
RoIC	8.4	23.3	15.6	17.4	17.0

Per Share Data (Rs)	FY20	FY21	FY22E	FY23E	FY24E
EPS	19.2	60.6	38.9	46.0	48.1
CEPS	52.4	51.5	60.8	70.8	75.5
BVPS	168.9	260.6	283.9	311.5	340.4
DPS	16.5	79.0	15.6	18.4	19.2

Valuations (x)	FY20	FY21	FY22E	FY23E	FY24E
PER	24.4	7.7	12.0	10.2	9.7
P/CEPS	8.9	9.1	7.7	6.6	6.2
P/BV	2.8	1.8	1.6	1.5	1.4
EV / Sales	0.5	0.5	0.4	0.4	0.3
EV / EBITDA	16.2	6.6	8.1	6.8	6.2
Dividend Yield (%)	3.5	16.9	3.3	3.9	4.1

Gearing Ratio (x)	FY20	FY21	FY22E	FY23E	FY24E
Net Debt/ Equity	1.3	0.4	0.3	0.2	0.1
Net Debt/EBIDTA	5.1	1.1	1.1	0.8	0.5
Working Cap Cycle (days)	16.3	26.7	19.9	19.9	19.9

Growth (%)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	(4.3)	(18.2)	20.1	5.7	3.7
EBITDA	(34.5)	115.7	(21.7)	15.7	5.2
EBIT	(52.4)	208.6	(32.2)	16.8	2.8
PAT	(62.4)	609.7	(57.3)	18.2	4.7

Quarterly (Rs mn)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21
Revenue	689,914	387,851	501,464	667,314	768,823
EBITDA	5,831	39,724	44,852	43,782	51,302
EBITDA Margin (%)	0.8	10.2	8.9	6.6	6.7
PAT	(13,610)	20,762	22,478	27,776	119,401
EPS (Rs)	(6.9)	10.6	11.4	14.1	60.7

Source: Company, Emkay Research

Shareholding Pattern (%)	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Promoters	53.0	53.0	53.0	53.0	53.0
FIIIs	12.3	12.0	12.0	11.6	12.4
DIIIs	19.6	20.5	20.6	20.1	23.3
Public and Others	15.1	14.6	14.5	15.4	11.3

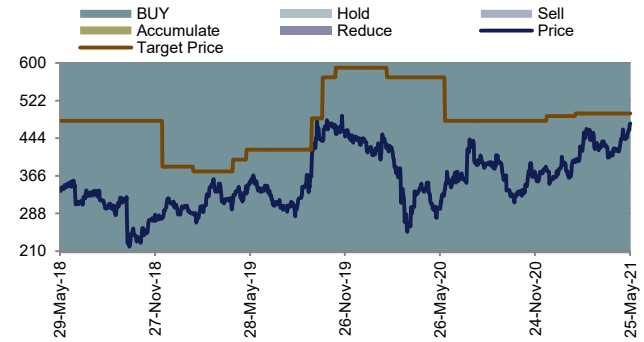
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
23-Apr-21	423	495	12m	Buy	Sabri Hazarika
22-Mar-21	434	495	12m	Buy	Sabri Hazarika
18-Mar-21	422	495	12m	Buy	Sabri Hazarika
2-Mar-21	464	495	12m	Buy	Sabri Hazarika
9-Feb-21	399	495	12m	Buy	Sabri Hazarika
16-Dec-20	380	490	12m	Buy	Sabri Hazarika
26-Nov-20	359	480	12m	Buy	Sabri Hazarika
30-Oct-20	337	480	12m	Buy	Sabri Hazarika
28-Sep-20	366	480	12m	Buy	Sabri Hazarika
23-Sep-20	368	480	12m	Buy	Sabri Hazarika
6-Sep-20	383	480	12m	Buy	Sabri Hazarika
15-Aug-20	393	480	12m	Buy	Sabri Hazarika
17-Jul-20	422	480	12m	Buy	Sabri Hazarika
4-Jun-20	340	480	12m	Buy	Sabri Hazarika
3-Jun-20	332	570	12m	Buy	Sabri Hazarika
6-May-20	327	570	12m	Buy	Sabri Hazarika
11-Mar-20	364	570	12m	Buy	Sabri Hazarika
14-Feb-20	429	570	12m	Buy	Sabri Hazarika
24-Jan-20	420	590	12m	Buy	Sabri Hazarika
4-Dec-19	452	590	12m	Buy	Sabri Hazarika
8-Nov-19	453	590	12m	Buy	Sabri Hazarika
25-Oct-19	472	570	12m	Buy	Sabri Hazarika
14-Oct-19	438	570	12m	Buy	Sabri Hazarika
23-Sep-19	406	485	12m	Buy	Sabri Hazarika
13-Aug-19	302	420	12m	Buy	Sabri Hazarika
10-Jun-19	343	420	12m	Buy	Sabri Hazarika
21-May-19	330	420	12m	Buy	Sabri Hazarika
25-Apr-19	315	400	12m	Buy	Sabri Hazarika
8-Feb-19	287	375	12m	Buy	Sabri Hazarika
28-Jan-19	297	385	12m	Buy	Sabri Hazarika
31-Dec-18	309	385	12m	Buy	Sabri Hazarika
11-Dec-18	278	385	12m	Buy	Sabri Hazarika
4-Sep-18	299	480	12m	Buy	Sabri Hazarika
13-Jul-18	323	480	12m	Buy	Sabri Hazarika
8-Jun-18	342	480	12m	Buy	Sabri Hazarika
31-May-18	337	480	12m	Buy	Sabri Hazarika

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Oil & Gas



Analyst: Sabri Hazarika

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Sector

Oil & Gas

Analyst bio

Sabri Hazarika holds an MBA and comes with 11 years of research experience. His team currently covers 12 stocks in the Indian Oil & Gas space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Oil & Gas	9.77	9.76	0%	0	100.00
BPCL	0.43	0.48	10%	4	4.90
GAIL	0.32	0.35	10%	3	3.55
Gujarat Gas	0.10	0.00	-100%	-10	0.00
Gujarat State Petronet	0.09	0.00	-100%	-9	0.00
Gulf Oil Lubricants	0.00	0.00	NA	0	0.00
HPCL	0.24	0.23	-2%	0	2.40
Indian Oil	0.33	0.36	10%	3	3.70
Indraprastha Gas	0.20	0.22	10%	2	2.30
Petronet LNG	0.20	0.22	7%	1	2.21
Oil India	0.06	0.05	-3%	0	0.55
ONGC	0.47	0.53	11%	5	5.39
Reliance Industries	7.32	7.32	0%	0	74.95
Cash	0.00	0.00	NA	0	0.05

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	29-May-20	25-Nov-20	24-Feb-21	26-Apr-21	26-May-21
EAP - Oil & Gas	100.0	94.0	119.6	130.7	122.5	127.5
BSE200 Neutral Weighted Portfolio (ETF)	100.0	94.1	118.7	129.8	121.8	126.8

*Performance measurement base date 1st April 2019

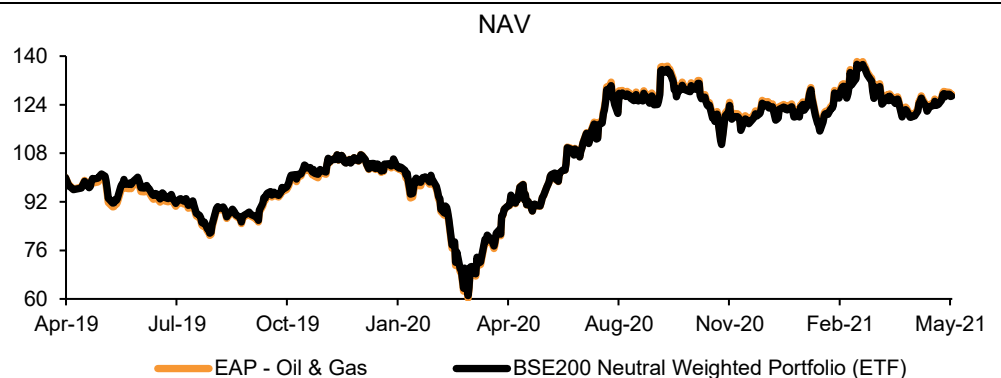
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Oil & Gas	4.0%	-2.5%	6.5%	35.6%
BSE200 Neutral Weighted Portfolio (ETF)	4.1%	-2.3%	6.8%	34.7%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 28 May 2021 05:23:37 (SGT)

Dissemination Date: 28 May 2021 05:24:37 (SGT)

Sources for all charts and tables are Emkay Research unless otherwise specified.

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