

Petronet LNG Limited

ACCUMULATE

Sector: Oil, Gas & Consumable Fuels

13th May, 2026

Key Changes	Target ▲	Rating ●	Earnings ▼	Target	Rs. 309
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Mid Cap	PLNG:IN	74,609	PETRONET	532522	12 Months
				CMP	Rs. 272
				Return	+14%

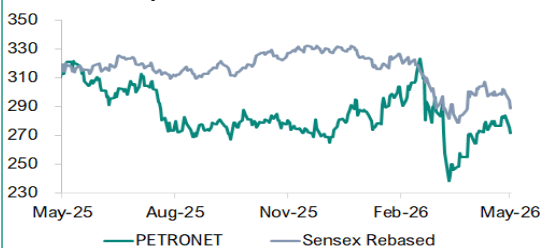
Data as of: 13-May-2026 17:00hrs

Company Data	
Market Cap (Rs.cr)	40,725
52 Week High — Low (Rs.)	327 - 235
Enterprise Value (Rs. cr)	36,890
Outstanding Shares (cr)	150.0
Free Float (%)	49.8
Dividend Yield (%)	3.7
6m average volume (cr)	0.4
Beta	0.8
Face value (Rs.)	10.0

Shareholding (%)	Q2FY26	Q3FY26	Q4FY26
Promoters	50.0	50.0	50.0
FII's	28.0	26.3	27.1
MFs/Institutions	11.7	13.5	12.9
Public	9.6	9.2	9.3
Others	0.7	1.0	0.7
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	-8.6%	-3.2%	-13.6%
Absolute Sensex	-10.9%	-11.7%	-9.5%
Relative Return	2.3%	8.5%	-4.1%

*over or under performance to benchmark index



Y.E March (cr)	FY26A	FY27E	FY28E
Sales	43,495	47,496	59,513
Growth (%)	-14.7	9.2	25.3
EBITDA	5,335	5,153	6,529
EBITDA Margin (%)	12.3	10.9	11.0
PAT Adjusted	3,913	3,556	4,418
Growth (%)	-1.5	-9.1	24.2
Adjusted EPS	26.1	23.7	29.5
Growth (%)	-1.5	-9.1	24.2
P/E	10.4	11.5	9.2
P/B	1.8	1.7	1.5
EV/EBITDA	6.1	7.2	6.3
ROE (%)	17.6	14.6	16.3
D/E	0.1	0.1	0.1

Network expansion to unlock growth potential

Petronet LNG Limited is a government company primarily involved in the import, re-gassification and distribution of liquified natural gas (LNG). It caters to a diverse range of customers, including bulk buyers and small-scale industries.

- The company's consolidated revenue declined 23.3% YoY in Q4FY26 to Rs. 9,442cr due to the disruption in LNG deliveries from Qatar in March, curtailing throughput and terminal utilisation towards the end of the quarter.
- In Q4FY26, the volume of the LNG processed by Petronet rose 6.8% YoY to 219 trillion British thermal units (TBTU) from 205 TBTU. The Dahej terminal's throughput rose 6.3% YoY to 201 TBTU (vs 189 TBTU).
- The average utilisation of the Dahej plant was 90.1% in Q4FY26, vs 85.2% in Q4FY25, though it fell to around 53% in March due to the supply disruption.
- EBITDA rose 23.1% YoY to Rs. 1,861cr, and EBITDA margin expanded 740bps to 19.7%, supported by strong operating performance, the receipt of outstanding user-pay dues and inventory gains during the quarter.
- As a result, profit after tax (PAT) increased 25.2% YoY to Rs. 1,371cr in Q4FY26.

Outlook & Valuation

Petronet LNG is strengthening its integrated LNG infrastructure platform through continued investments in the regasification, storage and petrochemical segments. To support India's long-term gas infrastructure needs, the management has reiterated its focus on enhancing terminal capabilities at Dahej and Kochi, expanding LNG storage (including additional tanks at Gopalpur and a proposed tank at Kochi) and improving the Gopalpur terminal's operational flexibility. The company also continues to diversify LNG sourcing through incremental long-term contracts and spot cargoes from multiple regions, while end-user demand from key sectors such as city gas distribution (CGD), fertilisers, refineries/petrochemicals and power remains supportive of domestic gas consumption. Hence, **we retain our ACCUMULATE rating on the stock, with a rolled forward target price of Rs. 309, based on 10.5x FY28E adj. EPS.**

Quarterly Financials Consolidated

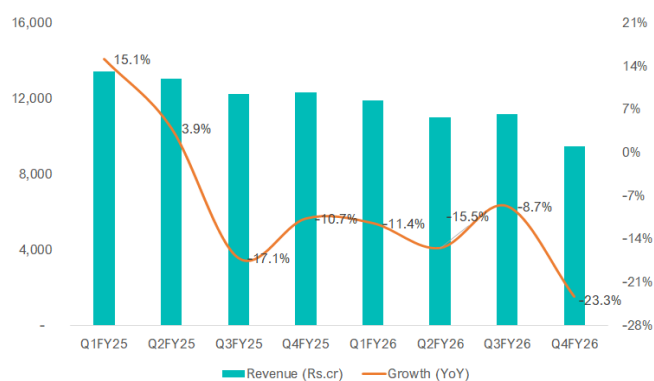
Rs.cr	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY25	YoY (%)
Sales	9,442	12,316	-23.3	11,164	-15.4	43,495	50,982	-14.7
EBITDA	1,861	1,512	23.1	1,198	55.3	5,335	5,524	-3.4
Margin (%)	19.7	12.3	740bps	10.7	900bps	12.3	10.8	150bps
EBIT	1,656	1,307	26.7	983	68.4	4,497	4,718	-4.7
PBT	1,828	1,470	24.3	1,165	56.9	5,227	5,322	-1.8
Rep. PAT	1,371	1,095	25.2	870	57.6	3,913	3,973	-1.5
Adj PAT	1,371	1,095	25.2	870	57.6	3,913	3,973	-1.5
Adj. EPS (Rs)	9.1	7.3	25.2	5.8	57.6	26.1	26.5	-1.5



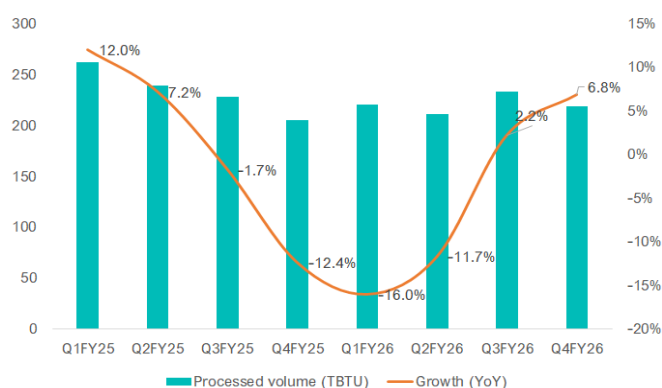
Key concall highlights

- The management said incremental LNG availability was through third-party spot cargoes and diversified sourcing, including Oman, Mozambique, Nigeria, Congo, Mauritania and Senegal. Spot LNG prices have moderated to ~\$15–17 (~\$20 in March) after spiking to ~\$25 since the crisis began in West Asia.
- In Q4FY26, regas revenue was Rs. 879cr, inventory gains were Rs. 95cr and trading gains were Rs. 118cr.
- The management said the development of the petrochemical complex in Dahej is progressing as planned, with key equipment being sourced from Japan, Korea, China, Europe and the US. The Gulf crisis has not disrupted the project.
- It confirmed the Kochi–Mangaluru–Bengaluru pipeline timeline as end H1FY27, which should support higher utilisation at the Kochi unit after it is connected to the national gas grid.
- The management guided FY27 capex at ~Rs. 9,000cr, with ~Rs. 7,500cr (±10%) earmarked for the petrochemical project. The rest is largely planned towards the third jetty (~Rs. 600cr+) in Dahej and the Gopalpur terminal (~Rs. 300–400cr), along with other routine capex.

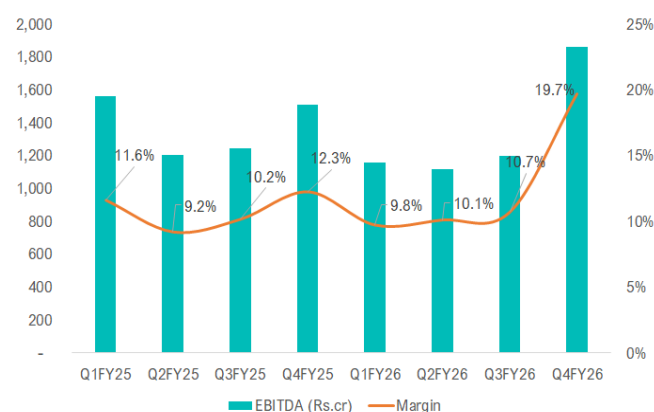
Revenue



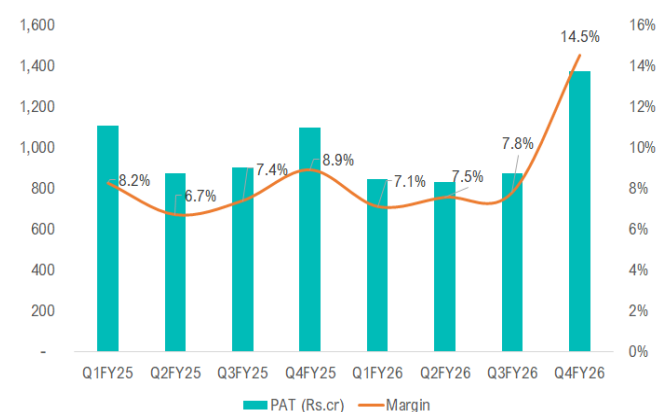
Processed Volume



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	55,305	-	47,496	59,513	-14.12	-
EBITDA	6,681	-	5,153	6,529	-22.87	-
Margins (%)	12.1	-	10.9	11.0	-120bps	-
Adj. PAT	4,446	-	3,556	4,418	-20.02	-
EPS	29.6	-	23.7	29.5	-19.90	-



Consolidated Financials

Profit & Loss

Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Sales	52,729	50,982	43,495	47,496	59,513
% change	-12.0	-3.3	-14.7	9.2	25.3
EBITDA	5,205	5,524	5,335	5,153	6,529
% change	7.2	6.1	-3.4	-3.4	26.7
Depreciation	777	806	838	877	912
EBIT	4,429	4,718	4,497	4,277	5,617
Interest	290	258	237	245	254
Other Income	734	862	967	709	529
PBT	4,873	5,322	5,227	4,741	5,891
% change	10.2	9.2	-1.8	-9.3	24.2
Tax	1,221	1,349	1,314	1,185	1,473
Tax Rate (%)	25.0	25.3	25.1	25.0	25.0
Reported PAT	3,652	3,973	3,913	3,556	4,418
PAT att. to common shareholders	3,652	3,973	3,913	3,556	4,418
Adj.*	-	-	-	-	-
Adj. PAT	3,652	3,973	3,913	3,556	4,418
% change	9.8	8.8	-1.5	-9.1	24.2
No. of shares (cr)	150.0	150.0	150.0	150.0	150.0
Adj EPS (Rs.)	24.4	26.5	26.1	23.7	29.5
% change	9.8	8.8	-1.5	-9.1	24.2
DPS (Rs.)	10.0	10.0	10.0	10.5	11.3

Cashflow

Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Net inc. + Depn.	4,429	4,779	4,751	4,433	5,330
Non-cash adj.	-400	-588	-860	1,010	870
Other adjustments	-	-	-	-	-
Changes in W.C	842	207	859	-78	-253
C.F. Operation	4,871	4,398	4,750	5,364	5,947
Capital exp.	-841	-1,457	-2,519	-8,454	-8,332
Change in inv.	922	-1,002	1,086	-74	-82
Other invest.CF	-1,138	-730	-39	571	409
C.F - Investment	-1,056	-3,189	-1,472	-7,957	-8,004
Issue of equity	-	-	-	-	-
Issue/repay debt	-	-	-	50	120
Dividends paid	-1,500	-1,500	-1,500	-1,575	-1,695
Other finance.CF	-654	-652	-700	-245	-254
C.F - Finance	-2,154	-2,152	-2,200	-1,769	-1,829
Chg. in cash	1,661	-942	1,078	-4,362	-3,887
Closing Cash	7,414	9,104	10,114	5,752	1,865

Balance Sheet

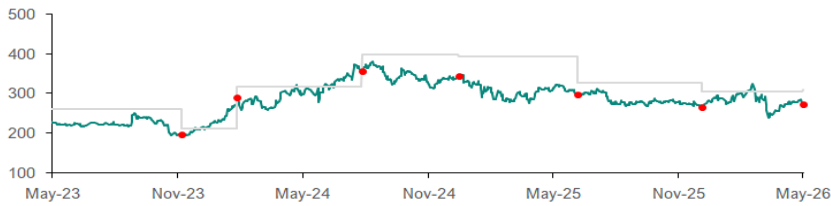
Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Cash	7,414	9,104	10,114	5,752	1,865
Accts. Receivable	3,626	3,267	1,039	1,187	1,518
Inventories	1,465	1,204	907	1,048	1,362
Other Cur. Assets	388	1,627	530	438	595
Investments	617	670	742	816	898
Gross Fixed Assets	10,456	11,913	14,432	22,887	31,218
Net Fixed Assets	5,026	4,348	2,346	7,926	13,748
CWIP	1,126	2,768	5,265	7,263	8,861
Intangible Assets	2	7	12	12	12
Def. Tax -Net	145	114	32	38	46
Other Assets	5,713	4,187	6,453	5,836	5,331
Total Assets	25,523	27,297	27,440	30,316	34,235
Current Liabilities	4,158	4,060	2,220	3,001	3,811
Provisions	97	83	111	114	116
Debt Funds	2,596	2,176	1,863	1,913	2,033
Other Liabilities	1,261	1,099	961	992	1,224
Equity Capital	1,500	1,500	1,500	1,500	1,500
Res. & Surplus	15,910	18,378	20,785	22,797	25,552
Shareholder Funds	17,410	19,878	22,285	24,297	27,052
Minority Interest	-	-	-	-	-
Total Liabilities	25,523	27,297	27,440	30,316	34,235
BVPS	116	133	149	162	180

Ratio

Y.E March	FY24A	FY25A	FY26A	FY27E	FY28E
Profitab. & Return					
EBITDA margin (%)	9.9	10.8	12.3	10.9	11.0
EBIT margin (%)	8.4	9.3	10.3	9.0	9.4
Net profit mgn.(%)	6.9	7.8	9.0	7.5	7.4
ROE (%)	21.0	20.0	17.6	14.6	16.3
ROCE (%)	22.1	21.4	18.6	16.3	19.3
W.C & Liquidity					
Receivables (days)	24.8	23.1	8.6	9.0	9.2
Inventory (days)	11.4	9.8	8.8	9.2	9.5
Payables (days)	22.2	20.8	7.1	8.3	9.4
Current ratio (x)	3.1	3.7	5.7	2.8	1.4
Quick ratio (x)	2.7	3.3	5.0	2.3	0.9
Turnover & Leverage					
Gross asset T.O (x)	5.3	4.6	3.3	2.5	2.2
Total asset T.O (x)	2.2	1.9	1.6	1.6	1.8
Int. covge. ratio (x)	15.3	18.3	18.9	17.5	22.1
Adj. debt/equity (x)	0.1	0.1	0.1	0.1	0.1
Valuation					
EV/Sales (x)	0.7	0.7	0.7	0.8	0.7
EV/EBITDA (x)	6.7	6.7	6.1	7.2	6.3
P/E (x)	10.8	11.1	10.4	11.5	9.2
P/BV (x)	2.3	2.2	1.8	1.7	1.5



Recommendation Summary - (Last 3 years)



Dates	Rating	Target
30-Jan-23	BUY	260
17-Nov-23	HOLD	212
06-Feb-24	HOLD	316
06-Aug-24	ACCUMULATE	397
26-Dec-24	ACCUMULATE	393
17-Jun-25	HOLD	327
16-Dec-25	ACCUMULATE	305
13-May-26	ACCUMULATE	309

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:

▲ Upgrade

● No Change

▼ Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

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