

Logo

An Oil & Gas Company

Sample Report for Turtle's Investors Only | Not an Investment Recommendation

HUMAN FRIENDLY | SUSTAINABLE

PRIVATE USE ONLY | FOR PMS & PMS ADVISORY CLIENTS

BASIC INFORMATION

ENTRY DATE	18 th July'24
ENTRY PRICE	331.05
SECTOR	Oil, Gas & Consumable Fuel
FUND NAME	Wealth Mantra
MARKET CAP	4,16,460.9
D/E	0.45
P/E	8.46
ALLOCATION	N/A
EXIT POINT*	230

KEY HIGHLIGHTS

The company holds the largest share of hydrocarbon acreages in India.

The company possesses about 15% of the total Indian refining capacity.

The company ranked 4th in India and 158th globally in the Fortune Global 500 List 2023.

The company is unique for having all 555 of its operational offshore and onshore installations accredited with globally recognized certifications.

The company The Only Indian Public Sector Company to feature in Fortune's 'Most Admired Energy Companies' List.

PRICE



- Stocks at **ATH Price**
- **Outperformance Of Stock** to BSE 500
- Deciding **EXIT** before **ENTRY**

PROFITS



- Profits at **ATH**
- **Value > Price**
- **Turnaround Businesses**

PEOPLE



- **Meeting Management**
- **Scuttlebutt** Research
- Due **Diligence**

01



All-Time **High Stock price** After a long Consolidation

02



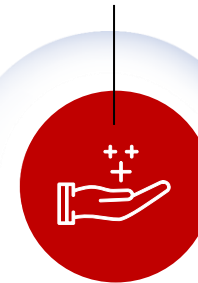
ALL Time **High Profits**

03



Outperformance of Stock to BSE 500

04



Value > Price

05



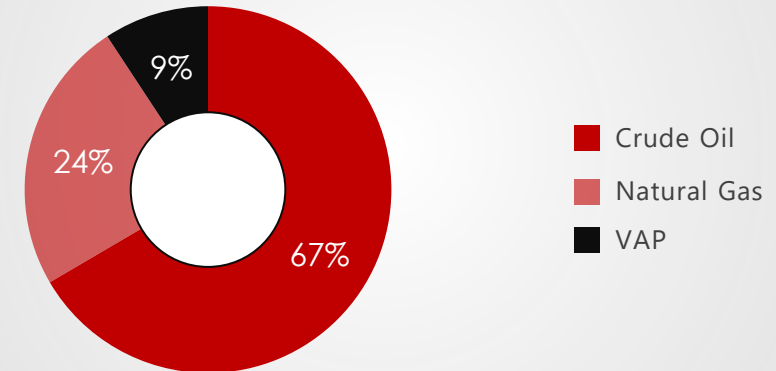
Turnaround Story

BUSINESS MODEL

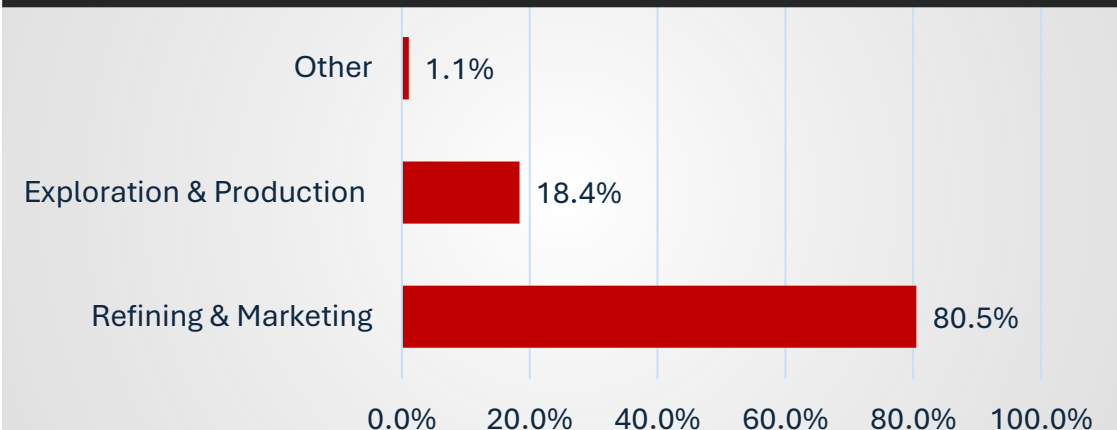
- This Oil & Gas Company is the largest crude oil and natural gas company in India, engaged in the exploration, development, and production of crude oil, natural gas, and value-added products.
- The company produces over **1.26 million barrels of oil equivalent per day, contributing around 71% of India's domestic production, with over 76% of the crude oil produced being Light & Sweet.**
- **This company group has 4 subsidiaries and 6 joint ventures, along with 3 associates involved in various operations.**
- Its wholly owned overseas arm is India's largest international oil and gas E&P company, managing 35 projects across 15 countries.
- **The company has discovered 7 out of the 8 oil and gas producing basins in India.**
- **It has established 8.98 billion tonnes of in-place hydrocarbon reserves and has over 570 discoveries of oil and gas, with ultimate reserves of 3.13 billion metric tonnes (BMT) of oil and oil-equivalent gas from domestic acreages.**
- **The company has maintained a dominant position, accounting for approximately 67% of the country's crude oil production and 24% of its natural gas production in FY24.**

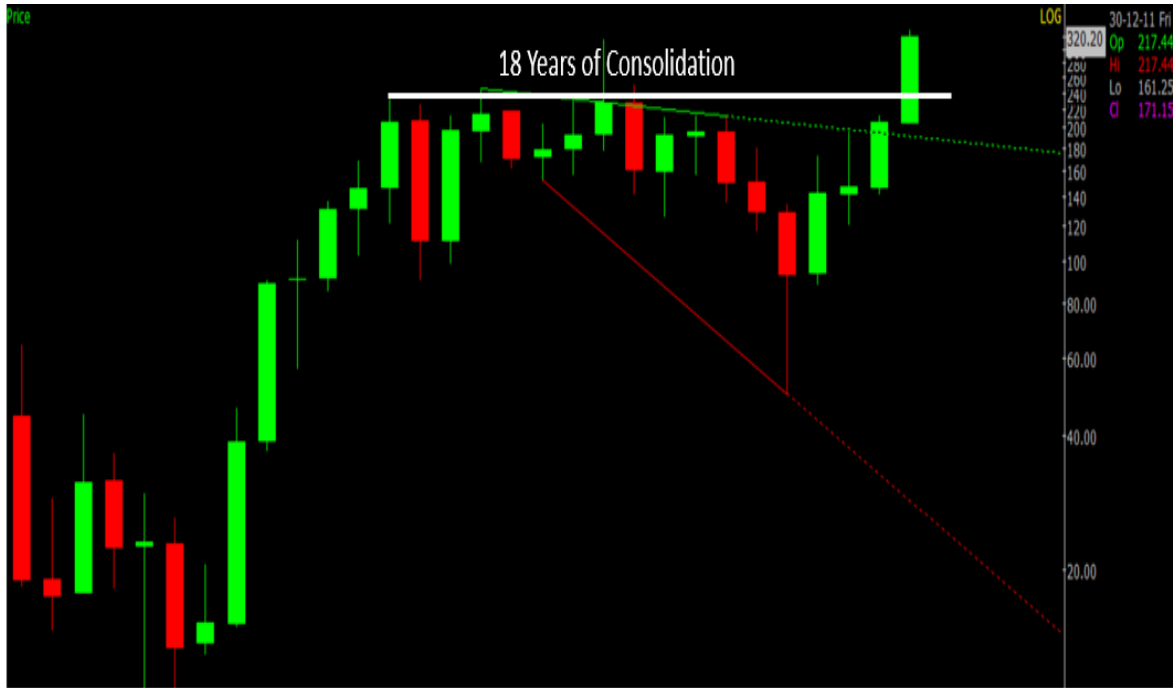
Source: A.R, Website & publicly available data & TWM research team

REVENUE BIFURCATION



SEGEMENT BREAK-UP





*An Oil & Gas Company is in the Structural **Breakout of 18 Years**, with the company currently **outperforming BSE 500** with its Long-term Support at **230**, it is our **Exit Point**.*

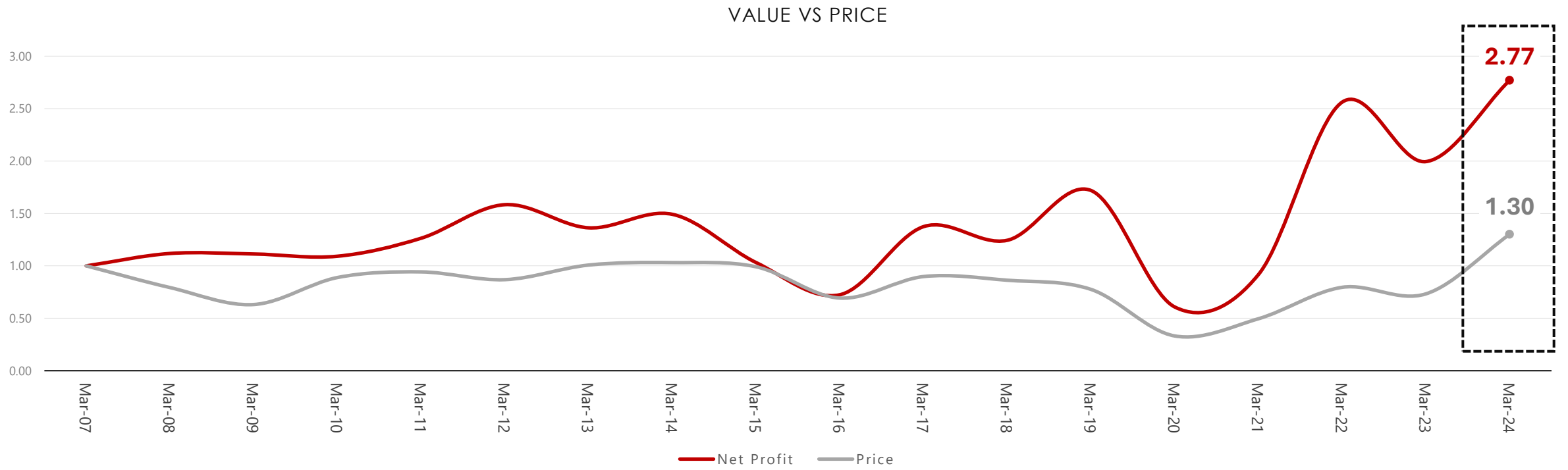


<i>The Company (Values in Cr.)</i>	MAR-15	MAR-16	MAR-17	MAR-18	MAR-19	MAR-20	MAR-21	MAR-22	MAR-23	MAR-24
SALES	160,922.64	124,035.71	282,506.11	322,705.76	421,623.93	396,727.91	303,848.91	491,246.24	632,291.18	643,037.01
SALES GROWTH	-	-23%	128%	14%	31%	-6%	-23%	62%	29%	2%
EXPENSES	118,610.32	84,901.08	229,702.44	265,816.70	346,804.94	344,622.93	254,375.47	411,372.65	556,764.19	540,201.56
OPERATING PROFIT	42312.32	39134.63	52803.67	56889.06	74,818.99	52,104.98	49473.44	79,873.59	75,526.99	102,835.45
OTHER INCOME	5954.76	1067.26	12724.18	10429.39	9567.1	981.69	11270.51	6796.72	-29.82	12981.53
DEPRECIATION	18032.97	16384.06	20219.2	23111.91	23703.7	26634.88	25538.47	26883.16	24557.06	28762.74
INTEREST	2863.75	3765.58	3591.11	4999.04	5836.73	7489.34	5079.03	5696.04	7889.36	10194.17
PROFIT BEFORE TAX	27370.36	20052.25	41717.54	39207.5	54845.66	18962.45	30126.45	54091.11	43050.75	76,860.07
TAX	9697.41	6950.7	12548.42	13139.52	20907.65	7506.19	8766.2	4797.04	10273.15	19759.23
NET PROFIT	18333.52	12875.21	24419.25	22105.93	30546.04	10803.6	16304.4	45522.11	35440.48	49221.38
NET PROFIT GROWTH	-	-30%	90%	-9%	38%	-65%	51%	179%	-22%	39%
NET PROFIT AFTER OTHER INCOME	12378.76	11807.95	11695.07	11676.54	20978.94	9821.91	5033.89	38725.39	35470.3	36239.85
EPS	14.29	10.03	19.03	17.23	24.28	8.59	12.96	36.19	28.17	39.13
RATIOS										
OPM	26.29%	31.55%	18.69%	17.63%	17.75%	13.13%	16.28%	16.26%	11.94%	15.99%
NPM	11.39%	10.38%	8.64%	6.85%	7.24%	2.72%	5.37%	9.27%	5.61%	7.65%

Source : Screener Premium
 Figures in ₹ Crores
 YoY : Year on Year
 OPM : Operating Profit Margin
 NPM : Net Profit Margin
 EPS : Earning Per Share



An Oil & Gas Company



Company's net profit has surged by 2.77 times since 2007, while its share price has increased by only 1.3 times over the same period, indicating that its value is higher than its price. This showcases the company's strong investment potential for our fund.



INVESTMENT RATIONALE & TURNAROUND STORIES

- India's sedimentary basins currently hold about 651.8 million tonnes of crude oil and 1,138.6 billion cubic meters of natural gas. India imports 85% of its crude oil requirements. Despite significant progress, only 10% of the 26 sedimentary basins have been explored. **The government aims to increase this to 16% by the end of 2024** through upcoming rounds of bids under the Open Acreage Licensing Program.
- India offers a **\$100 billion investment opportunity in energy exploration and production by 2030.**
- A dedicated trust known as the "Energy Centre Trust" created by An Oil & Gas Company **focuses on research in non-conventional energy sources with projects on a thermo-chemical reactor for hydrogen, geo-bio reactors, and fuel cells.** The company has commissioned a 50 MW wind farm in Gujarat and plans to establish a 100 MW wind farm in Rajasthan.
- The company has also **set up 3 Solar Thermal Engines at the Solar Energy Centre**, Ministry of New and Renewable Energy (MNRE) campus at Gurgaon.
- The company will **invest ₹2 lakh crore to achieve net-zero emissions by 2038.** This includes ₹97,000 crore by 2030 for 5 GW of renewable energy capacity, green hydrogen, biogas, and offshore wind projects. Capex for FY24 was ₹37,000 crore, and for FY25 it is expected to be ₹33,000-35,000 crore.
- The company's overseas arm **has signed a \$60 million deal with Equinor to boost its stake in the Azeri Chirag Gunashil oil field by 0.615%** and the Baku-Tbilisi-Ceyhan pipeline by 0.737%. This acquisition supports its strategy to enhance international assets and national energy security.
- The company **achieved its highest-ever standalone PAT of ₹405.3 billion and consolidated PAT of ₹571 billion in FY24.** The company remains financially strong with an operating profit margin of 11.03% in FY2023 and interest coverage of over 9 times.



An Oil & Gas Company aims to expand its global footprint in the energy sector, with a strong financial foundation and strategic initiatives aimed at growth and sustainability. The company's strategic move is to create a diverse portfolio, ensuring a robust revenue stream.

Given these factors and ongoing expansion plans, the company's value far exceeds its current prices, justifying its inclusion in our fund due to its potential for high growth, steady cash flow & its Leadership position.

ROHAN MEHTA
CEO & FUND MANAGER



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For more details, please visit <https://turtlewealth.in/>

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