



# Research Report

## Mangalore Refinery And Petrochemicals Limited



Prepared By-

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# About

Mangalore Refinery & Petrochemicals Limited (MRPL) was set up as a joint venture (JV) between the AV Birla Group and Hindustan Petroleum Corporation Limited (HPCL). It is now a subsidiary of Oil & Natural Gas Corporation(ONGC). The company is mainly engaged in the business of refining crude oil, petrochemical business, trading of aviation fuels and distribution of petroleum products through retail outlets and transport terminals.

## Business Segments

- **Retail:** The company entered the Retail fuel service stations business under the brand 'HiQ'. As of FY24, it has a network of 101 retail outlets across Karnataka and Kerala.
- **Consumer Sale:** The company sells value-added products like Bitumen, Furnace Oil, High-Speed diesel, Xylol, Naphtha, Pet coke, Sulphur, etc.
- **Petrochemical Sale:** It manufactures and sales polypropylene with the brand name 'Mangpol'.

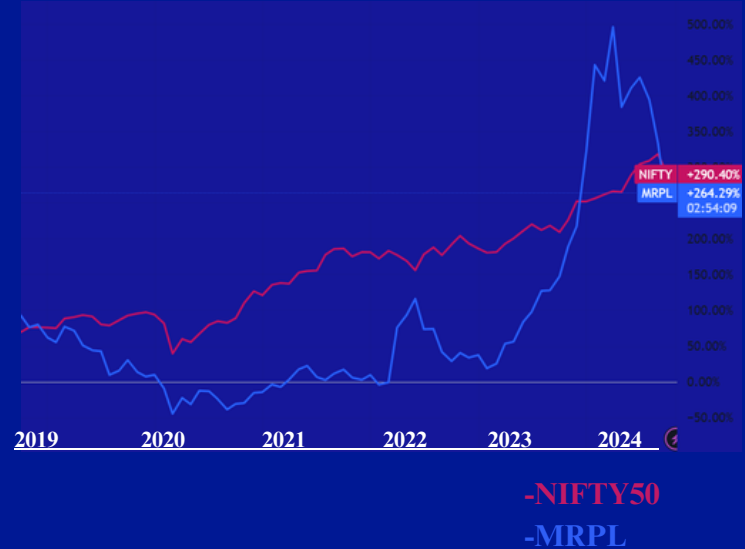
## Synopsis of Financials

The company's revenues fell by ~17% YoY in FY24 due to lower capacity utilization. It reported a throughput of 16.59 MMT (111% utilization) in FY24 down from 17.14 MMT (114% utilization) in FY23, due to maintenance shutdown activity undertaken in Q2 FY24.

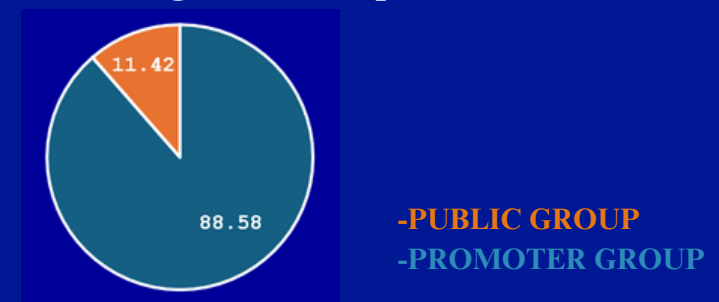
## Stock data (as 29th November 2024)

Nifty Price	: 24,194
52 week High (in Rs.)	: 289
52 week Low (in Rs.)	: 118
Market Cap. (in Crore)	: 27,086
NSE Code	: <u>MRPL</u>

## Stock data



## Shareholding Pattern (September 2024)



## Financial Summary

Particulars	March 2022	March 2023	March 2024
Sales	69,758	1,09,026	90,407
Sales Growth %	118.27%	56.29%	-17.08%
Expenses	64,814	1,02,498	82,562
Operating Profit	4,944	6,528	7,845
OPM %	7%	6%	9%
Net Profit	2,958	2,655	3,597
EPS in Rs	16.88	15.15	20.52

# Quarterly Results

Particular	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Sales	25,365	21,058	19,353	24,667	25,329	23,247	24,968
Expenses	21,875	18,989	17,215	23,508	22,999	22,641	25,442
Operating Profit	3,490	2,068	2,138	1,159	2,330	606	-474
OPM %	14%	10%	11%	5%	9%	3%	-2%
Other Income	91	54	67	45	33	52	45
Interest	330	267	311	274	262	214	285
Depreciation	296	294	296	334	333	335	342
Profit before tax	2,955	1,561	1,598	596	1,768	108	-1,056
Tax %	35%	35%	34%	34%	36%	32%	-34%
Net Profit	1,913	1,015	1,052	392	1,138	73	-697

Source: Screener

## Key Ratios

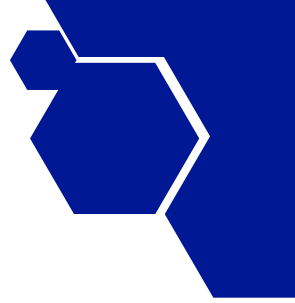
Ratio	Numerator	Denominator	For the period ended March 31, 2024	For the period ended March 31, 2023	% Variance	Reason for Variance
Current Ratio (Times)	Current Assets	Current Liabilities	1.03	0.99	4.08%	Not Applicable.
Debt-Equity Ratio (Times)	Total Debt	Shareholder's Equity	0.94	1.70	44.69%	Mainly due to reduction in debt during current financial year and increase in profit resulting increase in share holder's equity.
Debt service Coverage Ratio (Times)	Earnings available for debt service	Debt Service	1.31	0.92	42.74%	Mainly on account of reduction in Debt along with increase in Earnings available for Debt Service during current financial year, as compared to previous financial year.
Return on equity ratio (%)	Net Profit after Taxes - Preference Dividend (if any)	Average Shareholder's Equity	31.15	30.98	0.55%	Not Applicable.
Inventory turnover ratio (Times)	Sales	Average Inventory	13.95	14.45	(3.44%)	Not Applicable.
Trade receivables turnover ratio (Times)	Sales	Average Trade Receivable	25.26	28.35	(10.90%)	Not Applicable.
Trade payables turnover ratio (Times)	Total Purchases	Average Trade Payables	12.24	12.36	(0.94%)	Not Applicable.
Net capital turnover ratio (Times)	Sales net of Excise Duty on Sale of Goods	Average Working Capital	793.72	(81.47)	1074.22%	Mainly due to increase in Average Working Capital during current financial year as compared to previous financial year.
Net profit ratio (%)	Net Profit after Taxes	Revenue from Operations net of Excise Duty on Sale of Goods	3.98	2.42	64.22%	Mainly due to increase in Net Profit after Tax on account of lower Exchange Rate Variation loss during current financial year as compared to previous financial year.
Return on capital employed (%)	Earnings before Interest and Taxes	Capital Employed	26.23	21.12	24.19%	Not Applicable.
Return on Investment (Joint Venture) (%)	Dividend	Average Investments	90.00	145.00	(37.93%)	On account of lower dividend received from Joint Venture during the current financial year.

Source: Annual Report

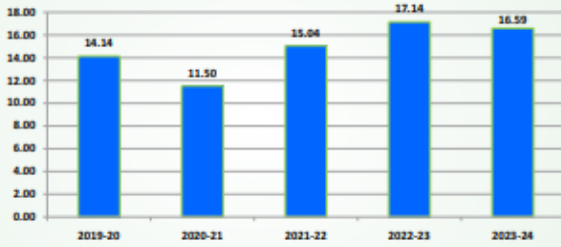
# Yearly Results

Particulars	March 2022	March 2023	March2024
Equity Capital	1,753	1,753	1,753
Reserves	5,457	8,112	11,530
Borrowings	21,310	16,939	12,687
Other Liabilities	11,561	8,410	9,467
Total Liabilities	40,081	35,214	35,437
Fixed Assets	21,384	20,396	20,410
CWIP	170	475	744
Investments	29	46	48
Other Assets	18,499	14,297	14,234
Total Assets	40,081	35,214	35,437

# Revenue Highlights

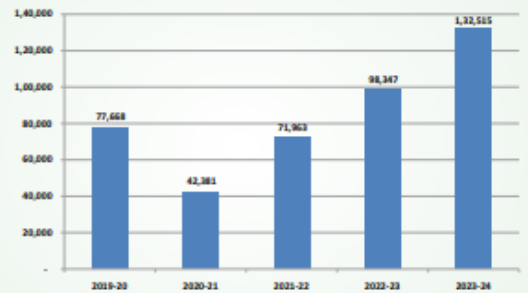


## THRUPUT (MILLION TONNES)



Figures from FY 2021-22 is after the amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL)

## NETWORTH /TOTAL EQUITY (₹ (IN MILLION))



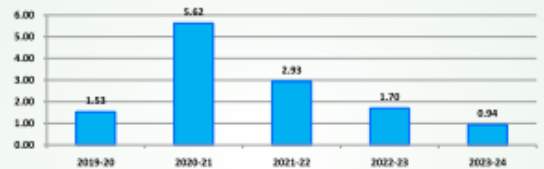
Figures from FY 2020-21 are after the amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL)

## TURNOVER (₹ IN MILLION)



Figures from FY 2020-21 are after the amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL)

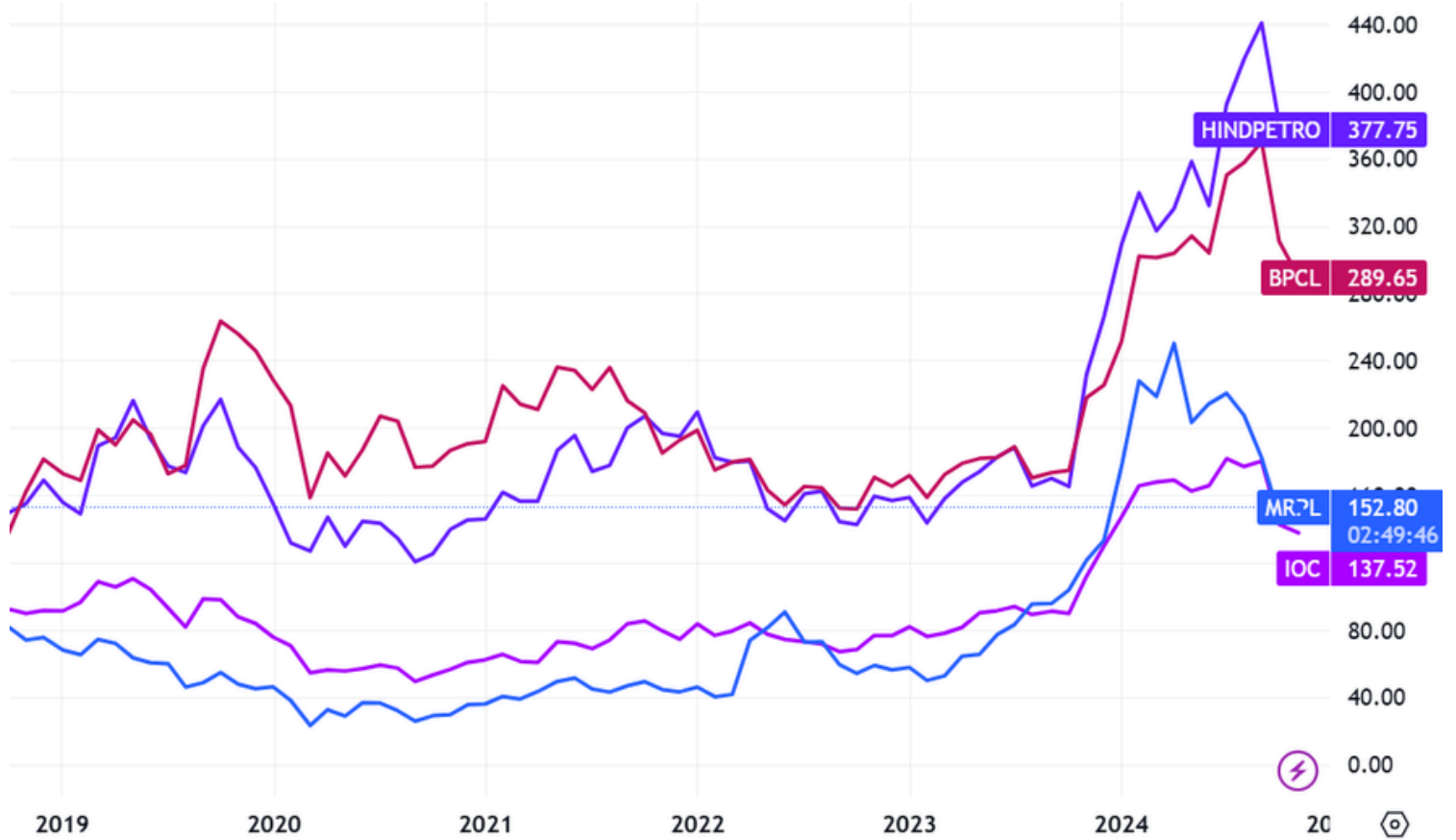
## DEBT EQUITY RATIO



Figures from FY 2020-21 are after the amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL)

# Peer Comparison

## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
1.	Reliance Industr	1286.35	25.59	1740736.39	0.38	19323.00	-4.78	231535.00	-0.15	9.61
2.	IOCL	139.10	11.53	196426.38	8.57	-448.78	-104.63	174976.12	-2.38	21.14
3.	BPCL	293.05	9.56	127139.91	7.15	2297.23	-71.62	102785.27	-0.25	32.09
4.	HPCL	381.65	19.35	81208.38	5.52	142.67	-97.55	99977.12	4.41	21.26
5.	MRPL	154.55	29.70	27086.41	1.93	-696.94	-166.27	24967.87	29.01	25.75

Source: Screener

# Final Outlook

**MRPL: Avoid | LTP: 155**

MRPL is a subsidiary of ONGC . Company is showing YoY quarterly profit growth is - 166.27% , profit growth is -75.9%, and net profit last quarter is -696.9. Company also reported YoY quarterly sales growth 29.01% and sales growth is 6.36% which is the highest among their peers. Compounded profit growth of 3 years is 90% which is also the highest no. among their peers. Company reported 35.34% increase in its total comprehensive income in FY24 then FY23. Company is showing growth and show good figure then their peers but it have low marketcap and there is more volatility then their peers.

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