

BUY
 TP: Rs 368 | ▲ 25%

BHARAT PETROLEUM CORPORATION

| Oil & Gas

| 20 May 2026

Performance above expectations on better Refining margins

- Revenue grew by 6.7%YoY. EBITDA grew by 30.2% driven by higher GRM aided by lower crude cost
- Positive on the volume growth, given the strong demand. However, environment is challenging due to crude supply and elevated prices
- Maintain BUY; however, given the challenging outlook for refining margins, we reduce the TP to Rs368 from Rs448

Sukhwinder Singh
 Research Analyst
 research@bobcaps.in

Results above expectation: Bharat Petroleum Corporation (BPCL)'s standalone revenue came at Rs1,186bn (+6.7%YoY, -0.3%QoQ) in Q4FY26 — 5.4% above our estimates. EBITDA came in at Rs100bn (+29.6%YoY, -13.8%QoQ) and was 3.2% above our estimates. Consolidated revenue came in at Rs1,187bn (+6.7%YoY, -0.3%QoQ). EBITDA came in at Rs100bn (+30.2%YoY, -13.8%QoQ). Numbers came above estimates, due to better-than-expected refining margins.

Refining performance: GRM came at USD18.1/bbl vs USD9.4/bbl in Q4FY25 — a growth of 91.4%YoY due to higher product cracks. Crude brent price for Q4FY26 averaged USD76/bbl, up USD1/bbl YoY. It was USD62/bbl in Q3FY26. Cracks improved YoY; Petrol cracks stood at USD18.0/bbl in Q4FY26 vs USD9.4 in Q4FY25. HSD (Diesel) cracks at USD27.8 in Q4FY26 vs USD14.6 in Q4FY25.

Marketing business: Domestic sales volumes were 13.9mnt (+3.3%YoY, -1.5%QoQ). Exports volumes stood at 0.4mnt (+16.7%YoY, -7.9%QoQ).

Outlook on growth: BPCL has ongoing projects of Bina expansion and Kochi petchem, aimed for commissioning by May'28. The company is putting up a greenfield refinery of 9mnt in Andhra Pradesh (AP), which will benefit over long term. E&P business will likely witness a boost, with the first LNG production expected in mid 2028. We expect volume growth to be maintained. The company has been managing a reduced supply of crude from the Middle East by diversifying sources. Challenges exist in the near term, owing to the crude supply disturbances and prices.

Maintain BUY; reduce TP: We are positive on the business growth being driven by strong demand for petroleum products.. Maintain BUY, however considering the challenging outlook on crude supply, elevated prices and marketing margins — we reduce TP to Rs368 from Rs448, based on 5.5x EV/EBITDA on the core business, on Mar'28E EBITDA, plus the value of investments and Exploration & Production (E&P) business.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	BPCL IN/Rs 294
Market cap	US\$ 13.5bn
Free float	47%
3M ADV	US\$ 44.4mn
52wk high/low	Rs 392/Rs 267
Promoter/FPI/DII	53%/20%/19%

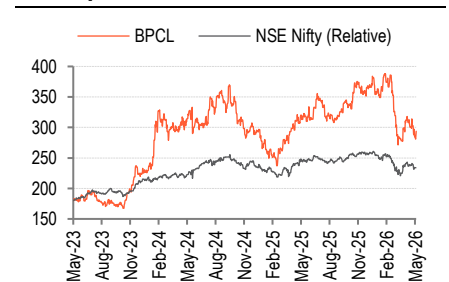
Source: NSE | Price as of 20 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	4,552,280	4,589,762	4,836,827
EBITDA (Rs mn)	412,022	286,621	302,181
Adj. net profit (Rs mn)	262,542	161,434	168,244
Adj. EPS (Rs)	61.4	37.8	39.4
Adj. ROAE (%)	28.9	15.3	14.5
Adj. P/E (x)	4.8	7.8	7.5
EV/EBITDA (x)	3.8	5.4	5.2
Adj. EPS growth (%)	91.4	(38.5)	4.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly performance (Consol.)

(Rs mn)	Q4FY26	Q3FY26	QoQ (%)	Q4FY25	YoY (%)	FY26	FY25	YoY (%)
Revenue	1,187,009	1,190,294	(0.3)	1,112,302	6.7	4,552,280	4,402,763	3.4
EBITDA	100,765	116,866	(13.8)	77,365	30.2	412,022	254,058	62.2
EBITDA margin (%)	8.5	9.8	(133bps)	7.0	153bps	9.1	5.8	328bps
Depreciation	20,307	19,785	2.6	19,821	2.4	78,563	72,567	8.3
Interest	7,051	6,574	7.2	9,185	(23.2)	29,535	35,914	(17.8)
Other income	9,506	6,457	47.2	8,046	18.1	32,988	26,803	23.1
PBT	82,913	96,963	(14.5)	56,405	47.0	336,912	172,380	95.4
Tax	22,132	25,488	(13.2)	15,049	47.1	89,478	48,458	84.7
Reported PAT	56,245	71,885	(21.8)	43,918	28.1	258,436	133,366	93.8
Exceptional item	(108)	(1,667)	93.5	(1,011)	89.3	(4,107)	(3,784)	(8.5)
Adjusted PAT	56,353	73,552	(23.4)	44,930	25.4	262,543	137,150	91.4
Adj. PATM (%)	4.7	6.0	(130bps)	3.9	79bps	5.8	3.1	265bps
Reported EPS (Rs)	13.2	16.8	(21.8)	10.3	28.1	60.5	31.2	93.8
Adjusted EPS (Rs)	13.2	17.2	(23.4)	10.5	25.4	61.4	32.1	91.4

Source: Company

Fig 2 – Quarterly performance (Standalone)

(Rs mn)	Q4FY26	Q3FY26	QoQ (%)	Q4FY25	YOY (%)	FY26	FY25	YOY (%)
Revenue	1,186,494	1,189,994	(0.3)	1,111,790	6.7	4,550,759	4,401,319	3.4
EBITDA	100,608	116,768	(13.8)	77,649	29.6	411,779	254,730	61.7
Reported PAT	31,915	75,453	(57.7)	32,141	(0.7)	233,032	132,753	75.5

Source: Company

Fig 3 – Q4FY26 Actual vs Estimates (Standalone)

Particulars	Q4 Actual	Estimates	VAR (%)
Revenue (Rs mn)	1,186,494	1,126,238	5.4
EBITDA (Rs mn)	100,608	97,515	3.2
EBITDA margin (%)	8.5	8.7	(18bps)
PAT (Rs mn)	31,915	60,987	(47.7)
EPS (Rs)	7.5	14.3	(47.7)

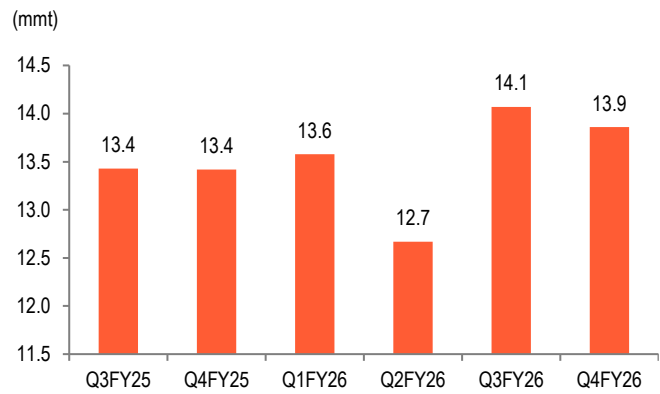
Source: Company, BOBCAPS Research

Fig 4 – Business performance

Particulars	Q4FY26	Q3FY26	QoQ (%)	Q4FY25	YoY (%)	FY26	FY25	YoY (%)
Domestic Sales 9mnt)	13.9	14.1	(1.5)	13.4	3.3	54.2	52.4	3.4
Export sales (mnt)	0.4	0.4	(7.9)	0.3	16.7	1.5	1.2	25.2
Refinery throughput (mnt)	10.4	10.5	(1.0)	10.6	(1.7)	41.2	40.5	1.6
Average gross refining margin (\$/bbl)	18.1	13.3	36.2	9.4	91.4	11.7	6.8	72.2

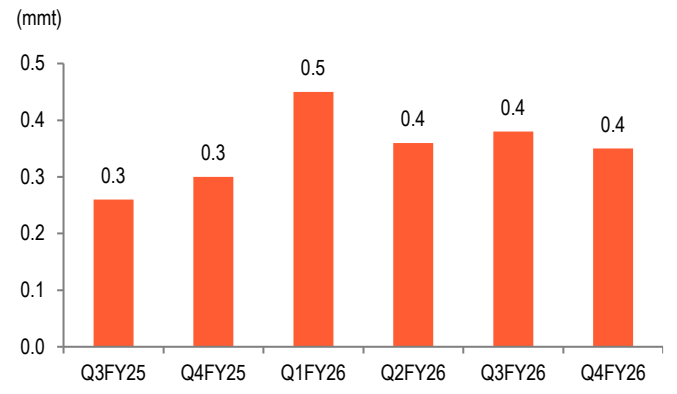
Source: Company

Fig 5 – Domestic sales volumes



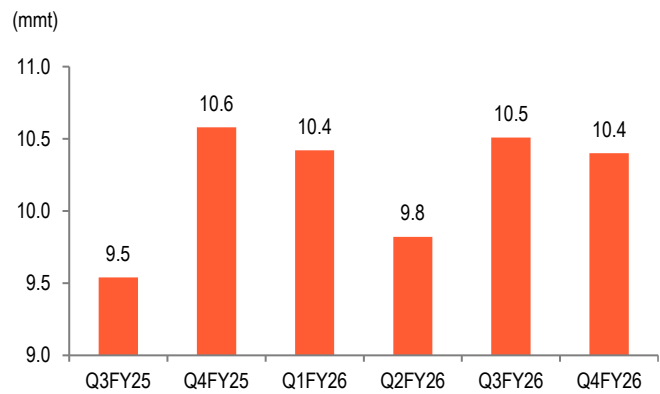
Source: Company

Fig 6 – Export sales volumes



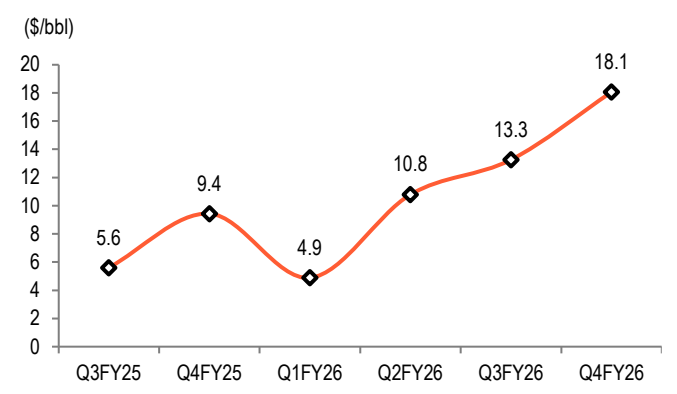
Source: Company

Fig 7 – Refining throughput



Source: Company

Fig 8 – Average gross refining margin



Source: Company

Other Highlights

- **Refining performance:** Refining throughput during FY26 reached a record 41.15mmt with refinery utilisation at 116%. GRM came at USD18.1/bbl in Q4FY26 vs USD9.4/bbl in Q4FY25. GRM was USD13.3 in Q3FY26. Cracks improved YoY; MS petrol cracks stood at USD18.0/bbl vs USD9.4 in Q4FY25. HSD (Diesel) cracks are at USD27.8 in Q4FY26 vs USD14.6 in Q4FY25.
- **Marketing business:** Marketing performance remained healthy with overall domestic sales volume rising 3.5% YoY to 54.2mmt during FY26, export sales volume increase by 25.2% to 1.5mmt. Petrol volumes increased 5.7% YoY; diesel volumes grew 1% YoY while ATF volumes witnessed robust growth of 11.4% YoY.
- **Crude sourcing:** Management highlighted that crude sourcing flexibility has significantly improved during the ongoing geopolitical disruption. Russian crude procurement increased from 25% in Q3FY26 to 31% in Q4FY26 and has further increased to 40-41%.
- The company added 1,692 retail outlets during FY26, taking the total network to 25,323 stations as of Mar'26.
- **Inventory:** BPCL currently maintains crude inventory of ~27-29 days versus normalised 25-27 day levels. Product inventory stands at 22-24 days..
- **Capex:** The company incurred total capex of Rs204,000mn during FY26 and has guided for FY27 capex of Rs250,000mn.
- **Net debt:** Net debt decreased to Rs257bn in Mar'26 from Rs405bn in Mar'25, due to a strong cashflow generation and debt repayments. Net Debt/Equity stood at 0.25x.
- **Project:** BPCL has Bina refinery expansion & Kochi Petchem ongoing, while greenfield refinery project in AP is in initial stages.
 - **Bina refinery expansion:** Capacity to increase from 7.8mmtpa to 11mmtpa with commissioning targeted by May'28. Total project cost stands at Rs498,000mn, with 23% physical progress completed. Around Rs47,000mn has been incurred while Rs254,00mn has already been committed.
 - **Kochi Polypropylene project:** 85-90% of contracts have been awarded, with project execution progressing within approved cost estimate of Rs50,000mn(+/-10%).
 - **Andhra Pradesh greenfield refinery project:** BPCL is developing a 9mmtpa refinery in Andhra Pradesh, with estimated capex of Rs950bn.
 - **Mozambique LNG project:** Construction activity has resumed with ~42% project completion achieved. First LNG gas is expected by mid-2028. Project cost has increased to USD24bn from USD20bn due to inflation. No additional impairment was recorded during FY26.
- **Standalone:** During FY26, BPRL impaired investments in its subsidiary due to changes in block prospects, resulting in an impairment loss of Rs43.5bn recognized by BPCL.

Valuation Methodology

We are positive on the business growth that is driven by a strong demand for petroleum products and improved product cracks. However, the environment is challenging given the limited crude supply, elevated prices as well as marketing margins.

We revise estimates downwards to account for moderation in refining margin

- We estimate GRM of USD7.5 vs the earlier USD8.5 for FY27E and kept unchanged at USD8.0 vs earlier USD8.0 for FY28E. Introduce FY29 GRM of USD8.5/bbl.
- USD/INR assumption revised to Rs95 vs Rs91 for FY27E; FY28E and FY29E.

Fig 9 – Revision in estimates

(Rs mn)	Actual	New			Old			Change (%)		
	FY26A	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	4,552,280	4,589,762	4,836,827	4,828,407	4,417,901	4,704,729	-	3.9	2.8	-
EBITDA	412,022	286,621	302,181	335,677	327,702	315,124	-	(12.5)	(4.1)	-
EBITDA % margin	9.1	6.2	6.2	7.0	7.4	6.7	-	(117bps)	(45bps)	-
PAT	262,542	161,434	168,244	191,231	193,436	185,380	-	(16.5)	(9.2)	-
EPS (Rs)	61.4	37.8	39.4	44.8	45.3	43.4	-	(16.5)	(9.2)	-

Source: Company, BOBCAPS Research

Fig 10 – Key assumptions

	FY25	FY26	FY27E	FY28E	FY29E
Refinery Utilisation (%)					
Mumbai	115	117	95	101	102
Kochi	111	115	97	102	102
Bina	99	107	98	102	103
GRM (USD/bbl)					
Blended GRM	6.8	11.7	7.5	8.0	8.5
Marketing margin (Rs/KL)					
Petrol	9,365	6,500	4,000	3,200	3,500
Diesel	5,000	2,800	2,700	2,650	2,900
Growth in key products (%)					
Petrol	6.3	5.7	5.0	4.5	4.8
Diesel	0.5	1.0	1.0	2.3	2.5
USD-INR rate	87.0	90.0	95.0	95.0	95.0
Brent (US\$/bbl)	80.0	60.0	80.0	80.0	80.0

Source: Company, BOBCAPS Research

EV/EBITDA-based Valuation Rationale

Maintain BUY. Considering the challenging outlook on crude supply, elevated prices and marketing margins — we reduce TP to Rs368 from Rs448, based on 5.5x EV/EBITDA on the core business, on Mar'28E EBITDA, plus the value of investments and Exploration & Production (E&P) business. The revision in TP factors in a subdued outlook, reduction in multiple from 6.5x to 5.5x offset by benefit of reduction in net debt. E&P business is valued at 0.25x capital employed.

Fig 11 – Valuation summary

Particular	Mar'28E EBITDA (Rs mn)	Multiple (x)	EV (Rs cr)	Value (Rs/share)
BPCL (Standalone)	301,936	5.5	1,660,646	389
Valuation of Investments				
Petronet			39,750	9
IGL			39,564	9
Oil India			16,104	4
Investments – Total			95,418	22
E&P business			75,253	18
Net debt			257,214	60
Target price (Rs)			1,574,103	368

Source: Company, BOBCAPS Research

Fig 12 – Value of investments

Particulars	No of shares (mn)	CMP	Full value (Rs mn)	Holding co discount (%)	Fair value (Rs mn)	Value/share (Rs)
Petronet	188	265	49,688	20%	39,750	9
IGL	315	157	49,455	20%	39,564	9
Oil India	40	502	20,130	20%	16,104	4
Total value					95,418	22

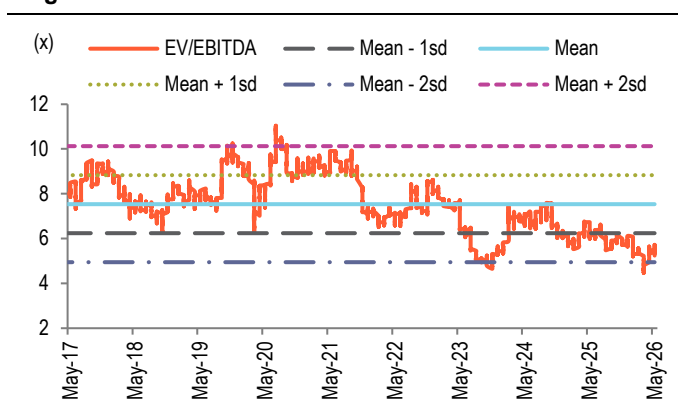
Source: BOBCAPS Research

Key Risks

Key downside risk to our estimates:

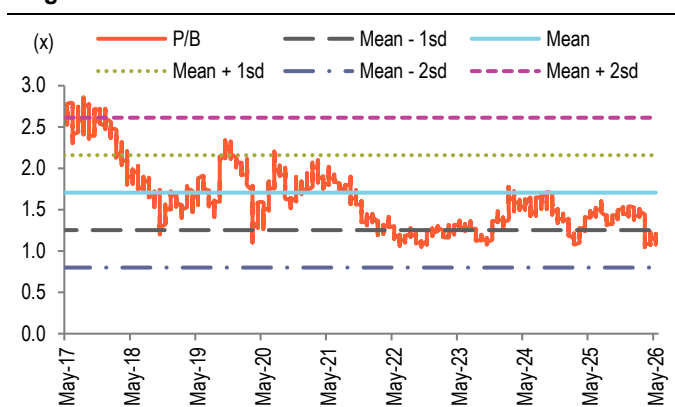
- **Refining business:** Lower-than-estimated GRM in the refining business due to higher crude prices or lower demand, can affect operational performance. Any spike in crude prices or a hit to product demand can impact refining margins.

Fig 13 – EV/EBITDA 1YF



Source: Bloomberg

Fig 14 – P/B 1YF



Source: Bloomberg

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	4,402,719	4,552,280	4,589,762	4,836,827	4,828,407
EBITDA	254,014	412,022	286,621	302,181	335,677
Depreciation	(72,567)	(78,564)	(89,806)	(97,799)	(103,142)
EBIT	208,294	366,446	230,463	238,703	267,542
Net interest inc./(exp.)	(35,914)	(29,535)	(30,431)	(34,438)	(31,789)
Other inc./(exp.)	26,847	32,988	33,647	34,320	35,007
Exceptional items	(3,784)	(4,107)	0	0	0
EBT	168,596	332,804	200,031	204,265	235,753
Income taxes	(48,458)	(89,478)	(54,008)	(55,151)	(63,653)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	13,227	15,109	15,411	19,131	19,131
Reported net profit	133,366	258,435	161,434	168,244	191,231
Adjustments	3,784	4,107	0	0	0
Adjusted net profit	137,150	262,542	161,434	168,244	191,231

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	306,341	426,542	430,054	453,204	452,415
Other current liabilities	331,734	392,729	392,729	392,729	392,729
Provisions	23,315	22,466	22,466	22,466	22,466
Debt funds	510,609	434,819	494,819	529,819	529,819
Other liabilities	197,983	207,902	207,902	207,902	207,902
Equity capital	42,726	42,726	42,726	42,726	42,726
Reserves & surplus	771,115	958,977	1,065,368	1,174,445	1,297,560
Shareholders' fund	813,841	1,001,703	1,108,094	1,217,171	1,340,286
Total liab. and equities	2,183,822	2,486,160	2,656,064	2,823,290	2,945,616
Cash and cash eq.	104,756	177,606	182,516	185,909	212,455
Accounts receivables	93,390	49,805	50,215	52,918	52,826
Inventories	452,652	533,040	537,428	566,358	565,372
Other current assets	39,475	51,231	51,231	51,231	51,231
Investments	17,768	277,276	277,276	277,276	277,276
Net fixed assets	865,938	917,011	1,077,205	1,209,406	1,306,264
CWIP	132,403	163,941	163,941	163,941	163,941
Intangible assets	8,304	7,191	7,191	7,191	7,191
Deferred tax assets, net	0	0	0	0	0
Other assets	448,856	560,829	560,829	560,829	560,829
Total assets	2,183,822	2,486,160	2,656,064	2,823,290	2,945,616

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	229,993	471,776	264,973	272,867	307,320
Capital expenditures	(152,695)	(193,764)	(250,000)	(230,000)	(200,000)
Change in investments	6,293	(246,959)	0	0	0
Other investing cash flows	(3,283)	192,687	0	0	0
Cash flow from investing	(149,684)	(248,035)	(250,000)	(230,000)	(200,000)
Equities issued/Others	21,363	0	0	0	0
Debt raised/repaid	55,760	(75,790)	60,000	35,000	0
Interest expenses	(35,914)	(29,535)	(30,431)	(34,438)	(31,789)
Dividends paid	(42,726)	(74,770)	(55,043)	(59,167)	(68,116)
Other financing cash flows	(36,899)	29,203	15,411	19,131	19,131
Cash flow from financing	(38,417)	(150,892)	(10,063)	(39,474)	(80,774)
Chg in cash & cash eq.	41,892	72,849	4,910	3,393	26,546
Closing cash & cash eq.	104,756	177,605	182,516	185,909	212,455

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	31.2	60.5	37.8	39.4	44.8
Adjusted EPS	32.1	61.4	37.8	39.4	44.8
Dividend per share	10.0	17.5	12.9	13.8	15.9
Book value per share	190.5	234.4	259.4	284.9	313.7

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	0.4	0.3	0.3	0.3	0.3
EV/EBITDA	6.4	3.8	5.4	5.2	4.7
Adjusted P/E	9.2	4.8	7.8	7.5	6.6
P/BV	1.5	1.3	1.1	1.0	0.9

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	73.5	74.3	73.0	73.0	73.0
Interest burden (PBT/EBIT)	0.8	0.9	0.9	0.9	0.9
EBIT margin (EBIT/Revenue)	4.7	8.0	5.0	4.9	5.5
Asset turnover (Rev./Avg TA)	2.1	1.9	1.8	1.8	1.7
Leverage (Avg TA/Avg Equity)	2.7	2.6	2.4	2.4	2.3
Adjusted ROAE	17.5	28.9	15.3	14.5	15.0

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	(1.7)	3.4	0.8	5.4	(0.2)
EBITDA	(42.4)	62.2	(30.4)	5.4	11.1
Adjusted EPS	(74.7)	91.4	(38.5)	4.2	13.7
Profitability & Return ratios (%)					
EBITDA margin	5.8	9.1	6.2	6.2	7.0
EBIT margin	4.7	8.0	5.0	4.9	5.5
Adjusted profit margin	3.1	5.8	3.5	3.5	4.0
Adjusted ROAE	17.5	28.9	15.3	14.5	15.0
ROCE	14.2	23.1	13.3	12.7	13.3
Working capital days (days)					
Receivables	8	4	4	4	4
Inventory	38	43	43	43	43
Payables	27	38	36	36	37
Ratios (x)					
Gross asset turnover	2.1	1.9	1.8	1.8	1.7
Current ratio	0.8	0.8	0.8	0.8	0.8
Net interest coverage ratio	5.8	12.4	7.6	6.9	8.4
Adjusted debt/equity	0.5	0.2	0.3	0.3	0.2

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

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA (“US”) OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

Disclaimer

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 (Perpetual)**
 SEBI Stock Broker Registration No: **INZ000159332**
 SEBI Depository Participant Registration No: **IN-DP-728-2022**
 SEBI Merchant Banker Registration No: **INM000009926**
 Phone: +91-22-61389300
 Name of the Compliance Officer: Mr. Sameer Khobrekar
 Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
 For any queries or grievances, you may contact the Grievance Officer.
 Name of the Grievance Officer: Mr. Manoj Pawar
 Email ID: head-customer@bobcaps.in; Phone no: 0+91-22-69417333

Brand Name: **BOBCAPS**
 Website: <https://www.bobcaps.in/>
 CIN: **U65999MH1996GOI098009**



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.
 Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

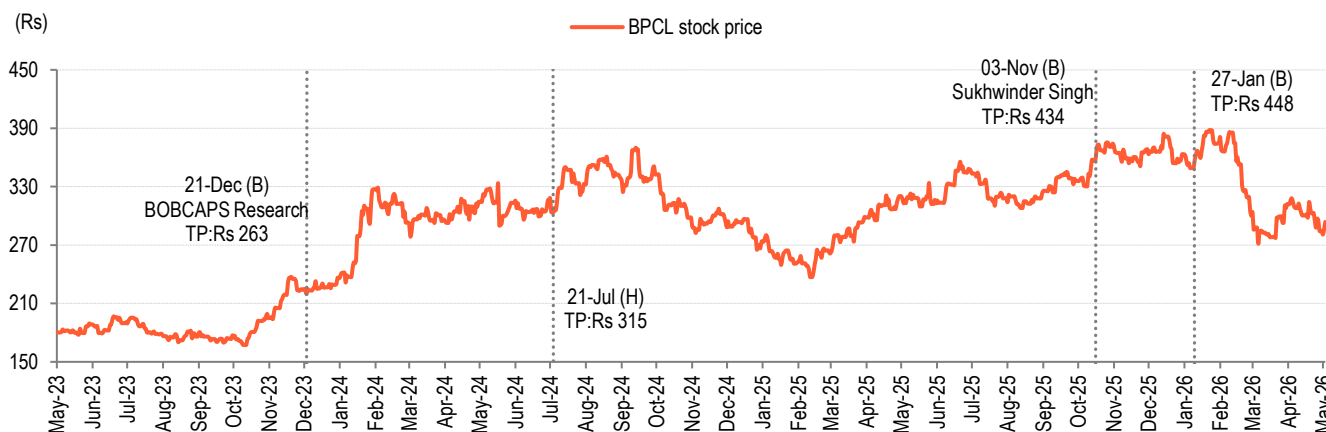
Recommendation scale: Recommendations and Absolute returns (%) over 12 months

- BUY** – Expected return >+15%
- HOLD** – Expected return from -6% to +15%
- SELL** – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): BHARAT PETROLEUM CORP (BPCL IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have “long” or “short” positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

Other disclaimers

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an “as is” basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the “Losses”) which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

Distribution into the United Kingdom (“UK”):

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd (“MSL”) who is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom (MSL and its affiliates are collectively referred to as “MAYBANK”). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the “Order”), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as “relevant persons”).

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

No distribution into the US:

This report will not be distributed in the US and no US person may rely on this communication.

Other jurisdictions:

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.