

RESEARCH

INDIAN OIL CORP | TARGET: Rs 173 | +28% | BUY

Results above expectation on higher volumes and lower cost

COHANCE LIFESCIENCES | TARGET: Rs 341 | -20% | SELL

Growth deferred; margins to recover for non CDMO players

INDRAPRASTHA GAS | TARGET: Rs 184 | +17% | BUY

Operational performance miss expectations on higher costs

SUMMARY

INDIAN OIL CORP

- Revenue grew by 6.7%YoY on the back of volume growth of 6.0%; while EBITDA grew by 65.0%YoY
- Positive on volume growth, given the demand for petroleum products However environment is challenging on crude supply & elevated prices
- Raise to BUY from HOLD. However, considering challenging environment – reduce TP to Rs173 from Rs181

[Click here](#) for the full report.

COHANCE LIFESCIENCES

- Sales/EBITDA/PAT reported 12.6% above our estimates, while EBITDA missed by 7.9 %. EBITDA margin reported 15.9% vs the estimated 19%
- For Specialty Chemicals segment, FY27E to likely be a year of qualification and growth in the segment to witness from FY28E
- Reduce EPS by 12% for FY27E & /7% for FY28E. We reduce ascribed PE to 40x (earlier 44x), on Mar'28 EPS for TP of Rs 341; downgrade to SELL

[Click here](#) for the full report.



INDRAPRASTHA GAS

- Revenue grew by 5.5%YoY on the back of volume growth of 5.6%YoY. However, the higher costs led to decline in EBITDA
- Outlook remains positive on volumes, with growth driven by the areas outside of the Delhi region, and supported by PNG growth
- Maintains BUY; however, considering the subdued operational performance & rollover to Mar'28E EPS, revise TP to Rs184 from Rs197

[Click here](#) for the full report.

BUY
 TP: Rs 173 | ▲ 28%

INDIAN OIL CORP

| Oil & Gas

| 19 May 2026

Results above expectation on higher volumes and lower cost

- Revenue grew by 6.7%YoY on the back of volume growth of 6.0%; while EBITDA grew by 65.0%YoY
- Positive on volume growth, given the demand for petroleum products However environment is challenging on crude supply & elevated prices
- Raise to BUY from HOLD. However, considering challenging environment – reduce TP to Rs173 from Rs181

Sukhwinder Singh
 Research Analyst
 research@bobcaps.in

Results above expectations: Indian Oil Corporation (IOCL)’s standalone revenue came at Rs2,078bn (+6.6%YoY,+1.7%QoQ) in Q4FY26 — 3.3% above our estimates. EBITDA came in at Rs207bn (+52.6%YoY, -0.5%QoQ) and was 13.8% above our estimates. Consolidated revenue came in at Rs2,082bn (+6.7%YoY, +1.5%QoQ). EBITDA came in at Rs248bn (+65.0%YoY, +9.0%QoQ). The above-expectation performance is due to IOCL’s lower-than-expected cost and higher product spreads in its refining segment.

Refining segment performance: IOC has not disclosed GRM in Q4FY26. Crude Brent price for Q4FY26 averaged USD76/bbl; up by USD1/bbl YoY. It was USD62/bbl in Q3FY26. Cracks improved YoY; Petrol cracks stood at USD18.0/bbl vs USD9.4 in Q3FY25. HSD (Diesel) cracks at USD27.8 vs USD14.7 in Q4FY25.

Marketing business: Domestic sales volumes increased to 26.0mnt (+6.0%YoY; +0.2%QoQ). Exports volumes rose to 1.3mnt (-4.9%YoY, +9.3%QoQ).

Outlook and capex programme: Retail volume growth will likely be maintained for the medium term. In terms of cost, Venezuela crude oil should result in a low-cost input opportunity, given its heavy, sour nature; and thus, available at a discount to Brent. IOCL has an ongoing capex programme of Rs1.6-1.8trn, targeted at refining expansion and petchem projects. We estimate the major benefit to kick in post FY29 only. IOCL Incurred a capex of Rs243bn in FY26. Net Debt/Equity is ~0.5x.

Revise to BUY from HOLD: We are positive on the business growth that is being driven by a strong demand for petroleum products. However, the environment is challenging, given the limited crude supply and elevated prices. We revise the rating to BUY from HOLD. However, considering the challenging outlook, we reduce TP to Rs173 from Rs181; based on 5.5x EV/EBITDA on Mar.28E EBITDA.

Key changes

Target	Rating
▼	▲

Ticker/Price	IOCL IN/Rs 135
Market cap	US\$ 19.7bn
Free float	49%
3M ADV	US\$ 31.6mn
52wk high/low	Rs 189/Rs 130
Promoter/FPI/DII	52%/10%/9%

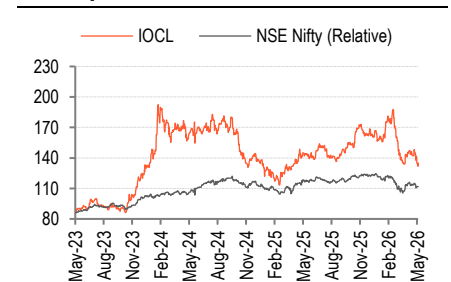
Source: NSE | Price as of 19 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	7,844,154	8,724,915	8,955,181
EBITDA (Rs mn)	770,616	561,638	589,085
Adj. net profit (Rs mn)	420,963	250,092	245,559
Adj. EPS (Rs)	30.6	18.2	17.8
Adj. ROAE (%)	20.7	11.1	10.3
Adj. P/E (x)	4.4	7.4	7.6
EV/EBITDA (x)	4.0	5.5	5.4
Adj. EPS growth (%)	258.0	(40.6)	(1.8)

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



SELL
 TP: Rs 341 | ▼ 20%

COHANCE LIFESCIENCES

| Pharmaceuticals

| 19 May 2026

Growth deferred; margins to recover for non CDMO players

- Sales/EBITDA/PAT reported 12.6% above our estimates, while EBITDA missed by 7.9 %. EBITDA margin reported 15.9% vs the estimated 19%
- For Specialty Chemicals segment, FY27E to likely be a year of qualification and growth in the segment to witness from FY28E
- Reduce EPS by 12% for FY27E & 17% for FY28E. We reduce ascribed PE to 40x (earlier 44x), on Mar’28 EPS for TP of Rs 341; downgrade to SELL

Foram Parekh
 Research Analyst
 research@bobcaps.in

Weak set of earnings- Cohance Lifesciences reported a 26% YoY decline in sales to Rs 6.19bn in Q4FY26 — primarily owing to a 19% YoY decline in Pharma CDMO, 63% YoY decline in Specialty CDMO and 18% YoY decline in API business. Lower product mix was offset by RM cost rationalisation that led to a 106 bps YoY increase in the gross margin to 65.4%. There was an operational deleverage, where Personnel expense contribution rose to 20.8% in Q4FY26 vs 16.5% in Q4FY25 and Other Expenses contribution was at 28.6% in Q4FY26 vs 20.5% in Q4FY25. This resulted in a 57% YoY decline in EBITDA to Rs 987 mn and 15.9% EBITDA margin vs 27.3% in Q4FY26. Lower operations and 115% YoY fall in Other Expenses led to a 79% YoY decline in PBT. Also, there was exceptional cost of Rs 165 mn in Q4FY26 attributed towards the provision of labour code and settlement agreement; leading to 92.9% YoY decline in PAT to Rs 83mn.

Pharma CDMO sales - Sales were lower by 19% YoY to Rs 2.79bn, due to the Rs 2.61 bn impact from destocking in 2 large molecules in the small molecule business, as well as a slower reload. The company has filed 3 DMFs and additional payload linker filings in the ADC segment. Going forward, the company is witnessing higher RFP, customer engagement and one program is awaiting clinical data read-out. Thus, we expect the segment to grow at a CAGR of 15% from FY27E to FY29E.

Valuation - At CMP, the stock trades at 71.5x on FY27E EPS of Rs 6 per share and 50x on FY28 EPS of Rs 8.5 per share. We have also reduced our ascribed PE of a high-growth company to mid-growth company, given that the API++ business forms 48% of sales — which would also lead to a medium-range margin vs the earlier, factoring in 30%+ margins. Thus, we ascribe a PE of 40x (earlier 44x) and roll forward to Mar’28 EPS, to arrive at TP of Rs 341 per share. Thus, we double downgrade to SELL.

Key changes

Target	Rating
▼	▼

Ticker/Price	COHANCE IN/Rs 428
Market cap	US\$ 1.7bn
Free float	50%
3M ADV	US\$ 18.3mn
52wk high/low	Rs 1,121/Rs 267
Promoter/FPI/DII	50%/11%/17%

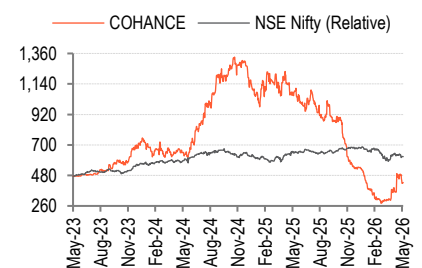
Source: NSE | Price as of 19 May 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	26,085	22,686	24,511
EBITDA (Rs mn)	7,971	4,270	5,025
Adj. net profit (Rs mn)	4,873	1,792	2,301
Adj. EPS (Rs)	11.5	4.7	6.0
Consensus EPS (Rs)	11.5	4.7	9.4
Adj. ROAE (%)	13.4	4.6	5.6
Adj. P/E (x)	37.1	91.4	71.2
EV/EBITDA (x)	20.6	38.4	32.6
Adj. EPS growth (%)	(23.3)	(59.4)	28.4

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



BUY
 TP: Rs 184 | ▲ 17%

INDRAPRASTHA GAS

| Oil & Gas

| 19 May 2026

Operational performance miss expectations on higher costs

- Revenue grew by 5.5%YoY on the back of volume growth of 5.6%YoY. However, the higher costs led to decline in EBITDA
- Outlook remains positive on volumes, with growth driven by the areas outside of the Delhi region, and supported by PNG growth
- Maintains BUY; however, considering the subdued operational performance & rollover to Mar'28E EPS, revise TP to Rs184 from Rs197

Sukhwinder Singh
 Research Analyst
 research@bobcaps.in

Revenue beats expectations: Indraprastha Gas (IGL) reported revenue at Rs41bn (+5.5%YoY, +2.3%QoQ) in Q4FY26 - 1% above our estimates. EBITDA came at Rs4bn (-14.4%YoY, -10.5%QoQ) and was 7% below our estimates. EBITDA spread was Rs4.8/scm for the quarter; lower by 18.9%YoY.

Volumes: Volumes came at 873mnscm — higher by 5.6%YoY and 0.6%QoQ. CNG volumes growth was at 5.5%YoY, while PNG domestic (D-PNG) volume growth was 7.4%YoY. We are positive on CNG growth; however, it will likely come on the back of volumes from the areas outside of Delhi region.

Operational performance and outlook: EBITDA was lower due to higher gas costs. Gas costs, as % of sales, stood at 77% vs 75% in Q4FY25. EBITDA spread was Rs4.8/scm. Given the gas production constraints for ONGC, we expect the allocation to gradually reduce for CGD companies over long term. IGL had guided for an EBITDA spread of Rs7-8/scm over the medium term.

Capex intensity: IGL incurred a capex of Rs13.7bn in FY26 vs Rs11.6bn in FY25. Guided a capex of Rs15bn for FY27E.

Maintain BUY; revise TP downwards: We remain positive on the volume growth that is driven by the areas outside of Delhi region. IGL's foray into the Saudi Arabia market will be a positive, over the medium term. We maintain BUY. However, considering the subdued operational performance, continuing higher input gas cost and rollover to Mar'28E EPS, we revise down the TP to Rs184 from Rs197, based on 13.5x P/E on Mar'28E EPS.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	IGL IN/Rs 157
Market cap	US\$ 2.3bn
Free float	55%
3M ADV	US\$ 6.6mn
52wk high/low	Rs 229/Rs 142
Promoter/FPI/DII	45%/17%/23%

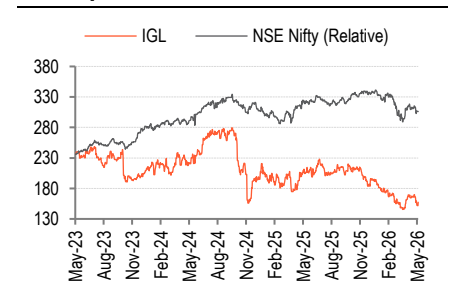
Source: NSE | Price as of 19 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	161,670	184,294	193,730
EBITDA (Rs mn)	18,500	21,793	24,336
Adj. net profit (Rs mn)	13,641	15,328	16,715
Adj. EPS (Rs)	9.7	10.9	11.9
Adj. ROAE (%)	9.2	9.7	10.0
Adj. P/E (x)	16.1	14.4	13.2
EV/EBITDA (x)	9.8	8.1	7.3
Adj. EPS growth (%)	(7.1)	12.4	9.1

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



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**

Logo:  **BOBCAPS**
 TRUST | INNOVATION | EXCELLENCE

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.

Analyst certification

Each of the analysts mentioned in this research report certify, with respect to the sections of the report for which they are responsible, that (1) all of the views expressed in this 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).

Important disclosures

This product is a compilation of previously published research notes. To view the complete report along with the associated Analyst certifications and Company-specific disclosures, please click on the hyperlink accompanying each excerpt.

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.