**BUY**
**TP: Rs 178 | ⮝ 17%**

**INDRAPRASTHA GAS** | Oil & Gas | 14 August 2026

# Operational performance miss expectations on higher gas costs

- **Revenue grew by 17%YoY on the back of volume growth of 6%YoY & realization gr. of 11%YoY. However, higher gas costs impacted EBITDA**
- **Outlook remains positive on volumes, with growth driven by the areas outside of the Delhi region, and supported by PNG growth**
- **Maintain BUY; however, considering subdued EBITDA performance, revise TP downwards to Rs178 from Rs184**

Sukhwinder Singh
Research Analyst
research@bobcaps.in

**Operational performance lower than expectations:** Indraprastha Gas (IGL) reported revenue at Rs45bn (+17.1%YoY, +10.1%QoQ) in Q1FY27 – 2.6% above our estimates. EBITDA came at Rs3bn (-42.3%YoY, -30.1%QoQ) and was 31.5% below our estimates. EBITDA spread was Rs3.4/scm for the quarter; lower by 45.4%YoY. Operational performance was lower than expected on account of higher gas costs.

**Volumes:** Volumes came at 879mnscm — higher by 5.8%YoY and 0.7%QoQ. It is 9.7mmscmd on daily basis. CNG volumes growth was at 6.3%YoY, while PNG domestic (D-PNG) volume growth was 5.2%YoY. Management is positive on CNG growth; it will likely come on the back of volumes from the new areas outside of Delhi region which are growing at +27%YoY

**Operational performance and outlook:** EBITDA was lower by 42.3%YoY due to higher gas costs. Gas costs, as % of sales, stood at 83% vs 75% in Q1FY26. Gas cost % was 77% in Q4FY26. EBITDA spread was Rs3.4/scm vs Rs6.2 in Q1FY26. 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/scm over long term.

**Capex intensity:** IGL incurred a capex of Rs3bn Q1FY27. 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. We maintain BUY. However, considering the subdued operational performance & rollover to June'28E EPS, we revise TP down to Rs178 from Rs184, based on 13.5x P/E on June'28E EPS.

## Key changes

| Target | Rating |
|---|---|
| ▼ | ◀ ▶ |

| | |
|---|---|
| Ticker/Price | IGL IN/Rs 152 |
| Market cap | US$ 2.2bn |
| Free float | 55% |
| 3M ADV | US$ 4.9mn |
| 52wk high/low | Rs 224/Rs 142 |
| Promoter/FPI/DII | 45%/17%/23% |

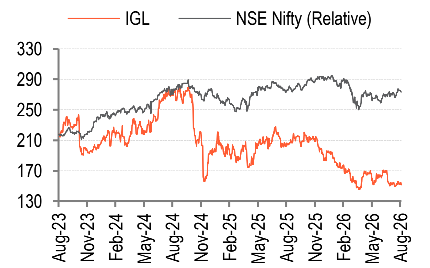
Source: NSE | Price as of 14 Aug 2026

## Key financials

| Y/E 31 Mar | FY26A | FY27E | FY28E |
|---|---|---|---|
| Total revenue (Rs mn) | 161,670 | 186,006 | 196,730 |
| EBITDA (Rs mn) | 18,500 | 19,278 | 23,066 |
| Adj. net profit (Rs mn) | 13,641 | 13,797 | 16,292 |
| Adj. EPS (Rs) | 9.7 | 9.9 | 11.6 |
| Adj. ROAE (%) | 9.2 | 8.7 | 9.8 |
| Adj. P/E (x) | 15.6 | 15.4 | 13.0 |
| EV/EBITDA (x) | 9.3 | 8.8 | 7.4 |
| Adj. EPS growth (%) | (7.1) | 1.1 | 18.1 |

Source: Company, Bloomberg, BOBCAPS Research

## Stock performance




Source: NSE

### Fig 1 – Quarterly performance

| Rs mn | Q1FY27 | Q4FY26 | QoQ (%) | Q1FY26 | YoY (%) |
|---|---|---|---|---|---|
| **Revenue** | **45,834** | **41,626** | **10.1** | **39,138** | **17.1** |
| **EBITDA** | **2,955** | **4,229** | **(30.1)** | **5,117** | **(42.3)** |
| EBITDA margin (%) | 6.45 | 10.16 | (371bps) | 13.07 | (663bps) |
| Depreciation | 1,364 | 1,319 | 3.4 | 1,238 | 10.2 |
| Interest | 24 | 74 | (67.8) | 22 | 5.8 |
| Other income | 1,031 | 1,012 | 1.9 | 901 | 14.5 |
| PBT | 2,599 | 3,849 | (32.5) | 4,758 | (45.4) |
| Tax | 737 | 1,078 | (31.6) | 1,199 | (38.5) |
| **Reported PAT** | **1,862** | **2,771** | **(32.8)** | **3,559** | **(47.7)** |
| PATM (%) | 4.06 | 6.66 | (259bps) | 9.09 | (503bps) |
| **EPS (Rs)** | **1.33** | **1.98** | **(32.8)** | **2.54** | **(47.7)** |

Source: Company

### Fig 2 – Q1 Actual vs Estimates

| Particulars | Q1 Actual | Estimates | VAR(%) |
|---|---|---|---|
| Revenue (Rs mn) | 45,834 | 44,653 | 2.6 |
| EBITDA (Rs mn) | 2,955 | 4,312 | (31.5) |
| EBITDA margin (%) | 6.4 | 9.7 | (321bps) |
| PAT (Rs mn) | 1,862 | 2,878 | (35.3) |
| EPS (Rs) | 1.3 | 2.1 | (35.3) |

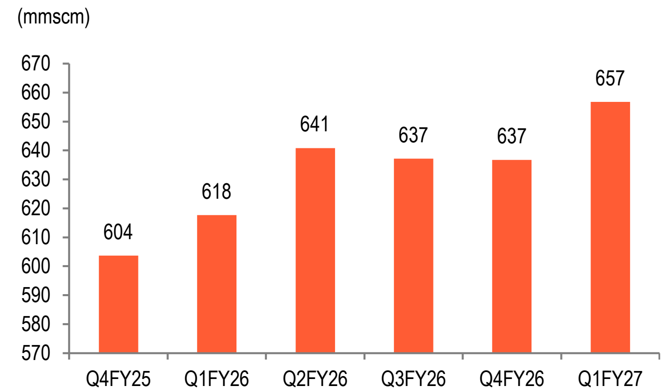
Source: Company, BOBCAPS Research

### Fig 3 – Business parameters

| Particulars | Q1FY27 | Q4FY26 | QoQ (%) | Q1FY26 | YoY (%) |
|---|---|---|---|---|---|
| CNG Volumes (mnscm) | 657 | 637 | 3.2 | 618 | 6.3 |
| PNG Volumes (mnscm) | 176 | 191 | (7.5) | 168 | 5.2 |
| LNG Volumes (mnscm) | 0 | 0 | 138.5 | 0 | 82.4 |
| Natural Gas (mnscm) | 46 | 45 | 1.3 | 46 | 0.0 |
| **Total Volumes (mnscm)** | **879** | **872** | **0.7** | **831** | **5.8** |
| **Realisation/scm (Rs.)** | **52.1** | **47.7** | **9.3** | **47.1** | **10.7** |
| **EBITDA/scm (Rs.)** | **3.4** | **4.8** | **(30.7)** | **6.2** | **(45.4)** |

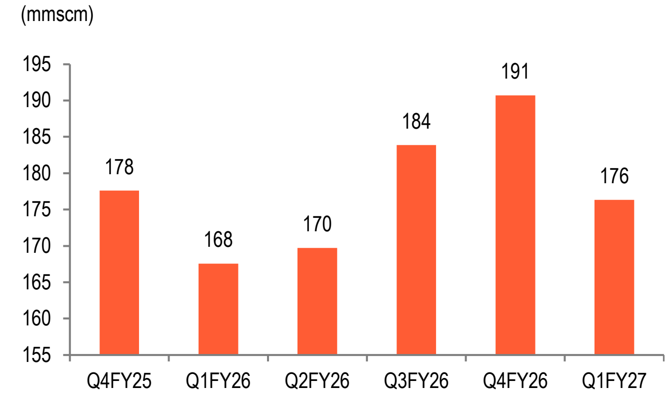
Source: Company

**Fig 4 – CNG volumes**



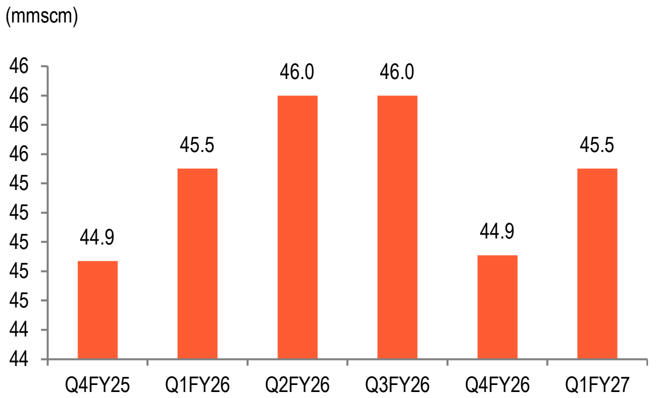

Source: Company

**Fig 5 – PNG volumes**



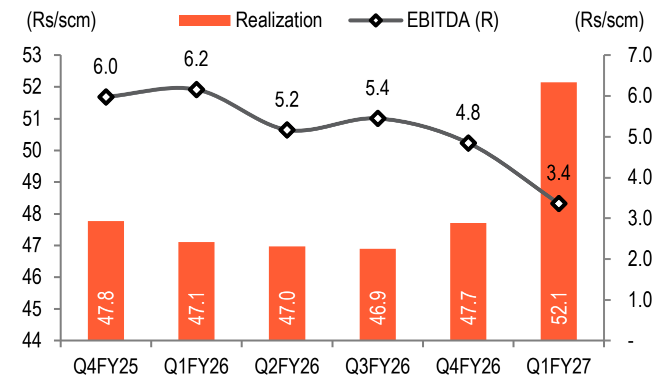

Source: Company

**Fig 6 – Natural gas volumes**




Source: Company

**Fig 7 – Realisation & EBITDA trend**




Source: Company

## Call Highlights

- **Volumes performance:** Overall volume growth was 5.8%YoY following 5.6%YoY growth in Q4FY26; CNG growth of 6.3%YoY and PNG growth of 5.2%YoY. CNG volumes improved by 3.2%QoQ. Now, majority of CNG buses have moved to EV buses. CNG growth in Delhi is 9% while in new areas outside Delhi is +27%YoY. CNG vehicles additions were 27,300 per month in Q1FY27 vs 18,000 in Q1FY26. Delhi contributes about 40%, with 60% coming from Noida, Ghaziabad, and other GAs.
- **Outlook:** Management expects volume growth of 9-10% in the Delhi region while newer geographic areas outside Delhi are likely to witness stronger growth of +27%.
- **Operational performance:** EBITDA declined by 42.3%YoY, due to higher gas cost — given the hike in imported gas prices and INR depreciation against USD. . Gas costs, as % of sales, stood at 83% vs 75% in Q1FY26. Gas cost % was 77% in Q4FY26. EBITDA spread was Rs3.4/scm vs Rs6.2 in Q1FY26. Domestic gas allocation (APM+ New well) was 48%. Management guided an EBITDA spread of Rs7/scm over long term.
- **Gas sourcing:** Domestic gas source is 48% and Imported (long term + spot) is 52%. APM is 27% of total volumes.
- Management commented that Delhi EV policy 2.0 is likely to impact of less than 3% on volumes by 2030
- **Capex:** Capex is guided at Rs15bn for FY27E. This will be incurred on CNG infra-expansion and PNG pipelines.

## Valuation Methodology

We are positive on the business growth that is driven by CNG infra expansion as well as volume growth.

We revise the numbers downwards, based on a subdued operational performance.

- **CNG growth:** We estimate CNG growth to 6.0% vs earlier 4.5% for FY27E; estimate at 5.5% vs earlier 4.5% for FY28E; estimate growth of 5.0%YoY vs earlier 5.0%YoY for FY29E. Growth stood at 6.3%YoY in Q1FY27
- **PNG growth:** No changes in PNG volume growth
- **EBITDA spread:** Estimate moderation based on Q1FY27 performance. Estimate spread of Rs5.3 vs earlier Rs6.1 for FY27E; est spread of Rs6.0 vs earlier Rs6.5 for FY28E and estimate spread of Rs6.3 vs earlier Rs6.8 for FY29E
- USD/INR assumption revised to Rs97 vs Rs95 for FY27E; FY28E and FY29E

### Fig 8 – Revision in Estimates

| (Rs mn) | Actual | New | | | Old | | | Change (%) | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FY26A | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E |
| Revenue | 161,670 | 186,006 | 196,730 | 208,199 | 184,294 | 193,730 | 205,049 | 0.9 | 1.5 | 1.5 |
| EBITDA | 18,500 | 19,278 | 23,066 | 25,376 | 21,793 | 24,336 | 26,991 | (11.5) | (5.2) | (6.0) |
| EBITDA % margin | 11.4 | 10.4 | 11.7 | 12.2 | 11.8 | 12.6 | 13 | (146bps) | (84bps) | (97bps) |
| PAT | 13,641 | 13,797 | 16,292 | 17,679 | 15,328 | 16,715 | 18,284 | (10.0) | (2.5) | (3.3) |
| EPS (Rs) | 9.7 | 9.9 | 11.6 | 12.6 | 10.9 | 11.9 | 13.1 | (10.0) | (2.5) | (3.3) |

Source: Company, BOBCAPS Research

### Fig 9 – Key assumptions

| Particular | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| USD – INR | 87.0 | 90.0 | 97.0 | 97.0 | 97.0 |
| CNG Volumes (mnscm) | 2,431 | 2,532 | 2,684 | 2,832 | 2,973 |
| PNG volumes (mnscm) | 850 | 895 | 944 | 1,001 | 1,061 |
| **Total volumes (mnscm)** | **3,281** | **3,427** | **3,628** | **3,833** | **4,034** |
| **Volumes (mmscmd)** | | | | | |
| CNG | 6.7 | 6.9 | 7.4 | 7.8 | 8.1 |
| YoY% | 5.8 | 4.2 | 6.0 | 5.5 | 5.0 |
| PNG | 2.3 | 2.5 | 2.6 | 2.7 | 2.9 |
| YoY% | 8.1 | 5.3 | 5.5 | 6.0 | 6.0 |
| Total volumes (mmscmd) | 9.0 | 9.4 | 9.9 | 10.5 | 11.1 |
| YoY% | 6.4 | 4.5 | 5.9 | 5.6 | 5.3 |
| **Margins** | | | | | |
| **EBITDA spread (Rs/scm)** | **6.0** | **5.4** | **5.3** | **6.0** | **6.3** |

Source: Company, BOBCAPS Research

## P/E-based Valuation Rationale

We maintain BUY. However, considering the subdued operational performance & rollover to June'28E EPS, we revise up TP to Rs178 from Rs184, based on 13.5x P/E on June'28E EPS.

**Fig 10 – Valuation summary**

| Particulars | June'28 EPS (Rs) | Multiple | Value (Rs/share) |
|---|---|---|---|
| IGL (Standalone) | 11.9 | 13.5 | 160 |
| Value of 50% stake in CUGL and MNGL | | | 18 |
| **Target price (Rs)** | | | **178** |

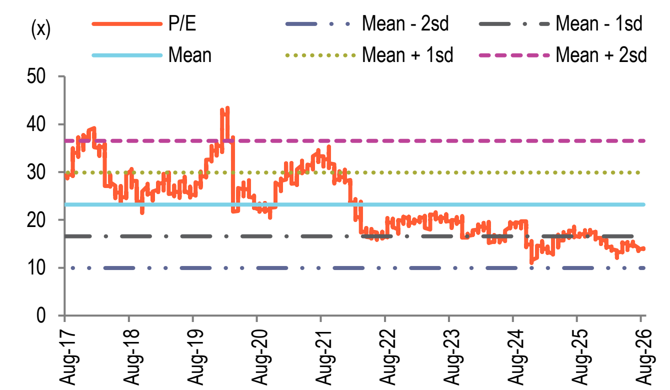
Source: BOBCAPS Research

## Key Risks

Key downside risks to our estimates:

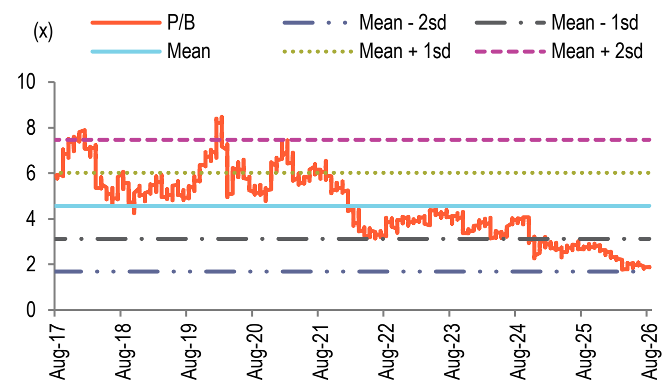
- **APM-allocation reduction can raise gas cost**: Over the last 1 year, APM gas allocation to CGD companies has been reduced, given the production constraints from ONGC. This resulted in IGL procuring the imported gas at market prices. Any further reduction in APM can raise the cost for the company as also reduce EBITDA spread.
- **Faster adoption of EV in NCR region:** EV mobility in DTC buses has impacted IGL volumes. The adoption of EV in 3Ws and private CAB cars can further impact volume performance to some extent.

**Fig 11 – P/E 1YF**




Source: Bloomberg

**Fig 12 – P/B 1YF**




Source: Bloomberg

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

# Financials

### Income Statement

| Y/E 31 Mar (Rs mn) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| **Total revenue** | **149,276** | **161,670** | **186,006** | **196,730** | **208,199** |
| EBITDA | 19,787 | 18,500 | 19,278 | 23,066 | 25,376 |
| Depreciation | (4,741) | (5,146) | (5,679) | (6,237) | (6,795) |
| EBIT | 19,462 | 18,194 | 18,536 | 21,864 | 23,717 |
| Net interest inc./(exp.) | (92) | (139) | (140) | (142) | (145) |
| Other inc./(exp.) | 4,416 | 4,840 | 4,936 | 5,035 | 5,136 |
| Exceptional items | 0 | 0 | 0 | 0 | 0 |
| EBT | 19,370 | 18,056 | 18,396 | 21,722 | 23,572 |
| Income taxes | (4,693) | (4,415) | (4,599) | (5,431) | (5,893) |
| Extraordinary items | 0 | 0 | 0 | 0 | 0 |
| Min. int./Inc. from assoc. | 0 | 0 | 0 | 0 | 0 |
| **Reported net profit** | **14,677** | **13,641** | **13,797** | **16,292** | **17,679** |
| Adjustments | 0 | 0 | 0 | 0 | 0 |
| **Adjusted net profit** | **14,677** | **13,641** | **13,797** | **16,292** | **17,679** |

### Balance Sheet

| Y/E 31 Mar (Rs mn) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Accounts payables | 9,346 | 10,716 | 11,645 | 12,317 | 13,035 |
| Other current liabilities | 26,183 | 28,333 | 28,333 | 28,333 | 28,333 |
| Provisions | 7,509 | 9,036 | 9,036 | 9,036 | 9,036 |
| Debt funds | 0 | 0 | 0 | 0 | 0 |
| Other liabilities | 6,009 | 6,375 | 6,375 | 6,375 | 6,375 |
| Equity capital | 2,800 | 2,800 | 2,800 | 2,800 | 2,800 |
| Reserves & surplus | 90,040 | 97,067 | 103,514 | 111,756 | 120,685 |
| Shareholders' fund | 92,840 | 99,867 | 106,314 | 114,556 | 123,485 |
| **Total liab. and equities** | **141,887** | **154,327** | **161,703** | **170,616** | **180,264** |
| Cash and cash eq. | 22,568 | 29,256 | 27,662 | 30,268 | 34,129 |
| Accounts receivables | 7,078 | 9,214 | 8,819 | 9,328 | 9,872 |
| Inventories | 488 | 564 | 608 | 643 | 680 |
| Other current assets | 2,825 | 2,675 | 2,675 | 2,675 | 2,675 |
| Investments | 2,926 | 2,926 | 2,926 | 2,926 | 2,926 |
| Net fixed assets | 69,518 | 77,913 | 87,234 | 92,997 | 98,203 |
| CWIP | 14,857 | 14,805 | 14,805 | 14,805 | 14,805 |
| Intangible assets | 2,191 | 2,134 | 2,134 | 2,134 | 2,134 |
| Deferred tax assets, net | 0 | 0 | 0 | 0 | 0 |
| Other assets | 9,072 | 3,651 | 3,651 | 3,651 | 3,651 |
| **Total assets** | **141,887** | **154,327** | **161,703** | **170,616** | **180,264** |

### Cash Flows

| Y/E 31 Mar (Rs mn) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **25,384** | **22,515** | **20,896** | **22,798** | **24,756** |
| Capital expenditures | (11,353) | (13,432) | (15,000) | (12,000) | (12,000) |
| Change in investments | (4,640) | (545) | 0 | 0 | 0 |
| Other investing cash flows | (1,063) | 5,268 | 0 | 0 | 0 |
| **Cash flow from investing** | **(17,056)** | **(8,709)** | **(15,000)** | **(12,000)** | **(12,000)** |
| Equities issued/Others | 1,400 | 0 | 0 | 0 | 0 |
| Debt raised/repaid | 0 | 0 | 0 | 0 | 0 |
| Interest expenses | (92) | (139) | (140) | (142) | (145) |
| Dividends paid | (5,950) | (6,650) | (7,350) | (8,050) | (8,750) |
| Other financing cash flows | (2,611) | (329) | 0 | 0 | 0 |
| **Cash flow from financing** | **(7,253)** | **(7,118)** | **(7,490)** | **(8,192)** | **(8,895)** |
| **Chg in cash & cash eq.** | **1,075** | **6,688** | **(1,594)** | **2,606** | **3,861** |
| **Closing cash & cash eq.** | **22,568** | **29,256** | **27,662** | **30,268** | **34,129** |

### Per Share

| Y/E 31 Mar (Rs) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Reported EPS | 10.5 | 9.7 | 9.9 | 11.6 | 12.6 |
| Adjusted EPS | 10.5 | 9.7 | 9.9 | 11.6 | 12.6 |
| Dividend per share | 4.3 | 4.8 | 5.3 | 5.8 | 6.3 |
| Book value per share | 66.3 | 71.3 | 75.9 | 81.8 | 88.2 |

### Valuations Ratios

| Y/E 31 Mar (x) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| EV/Sales | 1.2 | 1.1 | 0.9 | 0.9 | 0.8 |
| EV/EBITDA | 9.1 | 9.3 | 8.8 | 7.4 | 6.6 |
| Adjusted P/E | 14.5 | 15.6 | 15.4 | 13.0 | 12.0 |
| P/BV | 2.3 | 2.1 | 2.0 | 1.9 | 1.7 |

### DuPont Analysis

| Y/E 31 Mar (%) | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Tax burden (Net profit/PBT) | 75.8 | 75.6 | 75.0 | 75.0 | 75.0 |
| Interest burden (PBT/EBIT) | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| EBIT margin (EBIT/Revenue) | 13.0 | 11.3 | 10.0 | 11.1 | 11.4 |
| Asset turnover (Rev./Avg TA) | 1.1 | 1.1 | 1.2 | 1.2 | 1.2 |
| Leverage (Avg TA/Avg Equity) | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Adjusted ROAE | 10.7 | 9.2 | 8.7 | 9.8 | 10.1 |

### Ratio Analysis

| Y/E 31 Mar | FY25A | FY26A | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| **YoY growth (%)** | | | | | |
| Revenue | 6.6 | 8.3 | 15.1 | 5.8 | 5.8 |
| EBITDA | (16.4) | (6.5) | 4.2 | 19.6 | 10.0 |
| Adjusted EPS | (58.0) | (7.1) | 1.1 | 18.1 | 8.5 |
| **Profitability & Return ratios (%)** | | | | | |
| EBITDA margin | 13.3 | 11.4 | 10.4 | 11.7 | 12.2 |
| EBIT margin | 13.0 | 11.3 | 10.0 | 11.1 | 11.4 |
| Adjusted profit margin | 9.8 | 8.4 | 7.4 | 8.3 | 8.5 |
| Adjusted ROAE | 10.7 | 9.2 | 8.7 | 9.8 | 10.1 |
| ROCE | 20.6 | 17.7 | 16.9 | 18.7 | 18.9 |
| **Working capital days (days)** | | | | | |
| Receivables | 17 | 21 | 17 | 17 | 17 |
| Inventory | 1 | 1 | 1 | 1 | 1 |
| Payables | 26 | 27 | 25 | 26 | 26 |
| **Ratios (x)** | | | | | |
| Gross asset turnover | 1.1 | 1.1 | 1.2 | 1.2 | 1.2 |
| Current ratio | 1.1 | 1.2 | 1.1 | 1.1 | 1.2 |
| Net interest coverage ratio | 211.3 | 131.4 | 132.4 | 154.0 | 163.6 |
| Adjusted debt/equity | (0.4) | (0.4) | (0.4) | (0.4) | (0.4) |

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. Nilesh Mehta
Email ID: head-customercare@bobcaps.in; Phone no: 92288 60945

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

Logo:

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%

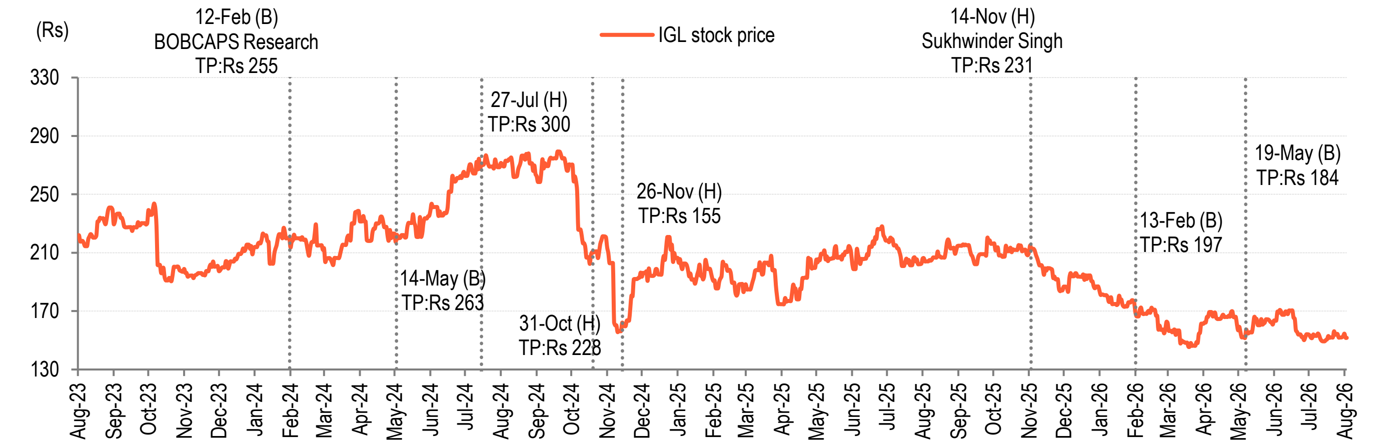
**HOLD** – Expected return from -6% to +15%

**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): INDRAPRASTHA GAS (IGL 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.