

# Indraprastha Gas | REDUCE

## Volume growth and margin remain subdued

IGL's 3QFY26 standalone reported EBITDA was INR 4.7bn, slightly lower than JMFe/consensus of INR 4.8bn/INR 4.9bn, as overall sales volume was 1% below JMFe at 9.4mmscmd (up 1.2% QoQ and up only 3.5% YoY). However, EBITDA margin was in line with JMFe at INR 5.4/scm, with higher opex being offset by lower gas cost. Employee cost was slightly higher at INR 0.8bn in 3QFY26 (INR 0.5bn in 2QFY26) due to impact of INR 0.3bn on account of the new labour code. Reported PAT was largely in line with JMFe at INR 3.6bn (a little below consensus of INR 3.7bn) aided by slightly lower taxes. Further, IGL's share of PAT of CUGL and MNGL was INR 776mn in 3QFY26 (INR 827mn in 2QFY26). The board approved an interim dividend of INR 3.25/share (or 42% payout of 9MFY26 standalone EPS of INR 7.8/share). We maintain REDUCE (revised TP of INR 170) as the ongoing structural reduction in APM gas allocation is likely to continue to pose a risk to IGL's pricing power in CNG (which constitutes ~70% of its total volume) and, hence, to its volume growth and margin assumption. At CMP, IGL trades at consolidated FY28P/E of 10.8x and consolidated FY28 P/B of 1.7x.

- **Overall sales volume was 1% below JMFe at 9.4mmscmd (up 1.2% QoQ and up only 3.5% YoY):** Sales volume was 1% below JMFe at 867mmscmd or 9.4mmscmd (up 1.2% QoQ and up only 3.5% YoY) as CNG volume was 1% below JMFe at 6.9mmscmd (down 0.5% QoQ and up only 3.4% YoY). Further PNG sales volume was also 1.1% below JMFe at 230mmscmd (up 6.5% QoQ and up 3.8% YoY) with industrial/commercial PNG sales volume at 112mmscmd (up 5.3% QoQ and up 2.3% YoY) and domestic PNG sales volume at 71mmscmd (up 13.5% QoQ and up 7.8% YoY).
- **EBITDA margin in line at INR 5.4/scm – higher opex was offset by lower gas cost:** Gross margin was higher at INR 11.1/scm in 3QFY26 versus JMFe at INR 10.5/scm (INR 10.3/scm in 2QFY26) led by lower average cost of gas at USD 11.2/mmbtu or INR 35.8/scm versus JMFe of INR 36.3/scm (USD 11.7/mmbtu or INR 36.7/scm in 2QFY26) – this could be partly due to some fall in APM gas cost due to fall in Brent price as highlighted by MGL management. Net sales realisation was largely in line with JMFe at INR 46.9/scm (INR 47/scm in 2QFY26). However, opex was higher at INR 5.6/scm versus JMFe of INR 5.1/scm (INR 5.1/scm in 2QFY26). Hence EBITDA margin was in line with JMFe at INR 5.4/scm (and versus INR 5.2/scm in 2QFY26).
- **Maintain REDUCE due to structural risk to pricing power in CNG:** We cut FY26-27 EBITDA by 4-5% factoring in slightly lower volume growth and margin, hence TP has been cut to INR 170 (INR 180). We maintain REDUCE as we believe the structural reduction in APM gas allocation by 7-10% p.a. for the CNG business is likely to continue as: **a)** entire incremental growth of 5-6% p.a. in CNG volume needs to be met via non-APM gas sources including high-cost LNG given the gradual decline in APM gas output; and **b)** low-cost APM gas is likely to be gradually replaced by higher cost NWG gas at a rate of ~7.5% p.a. This is likely to continue to pose a risk to the company's pricing power in CNG (which constitutes ~70% of its total volume) and, hence, its volume growth and margin assumption. At CMP, IGL is trading at consolidated FY28P/E of 10.8x and consolidated FY28 P/B of 1.7x.



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### Recommendation and Price Target

|                            |        |
|----------------------------|--------|
| Current Reco.              | REDUCE |
| Previous Reco.             | REDUCE |
| Current Price Target (12M) | 170    |
| Upside/(Downside)          | 0.5%   |
| Previous Price Target      | 180    |
| Change                     | -5.2%  |

### Key Data – IGL IN

|                          |                  |
|--------------------------|------------------|
| Current Market Price     | INR170           |
| Market cap (bn)          | INR237.5/US\$2.6 |
| Free Float               | 41%              |
| Shares in issue (mn)     | 1,400.0          |
| Diluted share (mn)       | 1,400.0          |
| 3-mon avg daily val (mn) | INR530.1/US\$5.9 |
| 52-week range            | 229/169          |
| Sensex/Nifty             | 83,675/25,807    |
| INR/US\$                 | 90.6             |

### Price Performance

| %         | 1M   | 6M    | 12M   |
|-----------|------|-------|-------|
| Absolute  | -7.8 | -17.7 | -11.0 |
| Relative* | -7.9 | -20.8 | -19.0 |

\* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

### Financial Summary

(INR mn)

| Y/E March              | FY24A    | FY25A    | FY26E    | FY27E    | FY28E    |
|------------------------|----------|----------|----------|----------|----------|
| Net Sales              | 1,40,000 | 1,49,275 | 1,58,656 | 1,69,627 | 1,87,426 |
| Sales Growth (%)       | -1.0     | 6.6      | 6.3      | 6.9      | 10.5     |
| EBITDA                 | 23,669   | 19,786   | 19,178   | 22,753   | 25,342   |
| EBITDA Margin (%)      | 16.9     | 13.3     | 12.1     | 13.4     | 13.5     |
| Adjusted Net Profit    | 17,481   | 14,676   | 14,401   | 17,024   | 18,929   |
| Diluted EPS (INR)      | 12.5     | 10.5     | 10.3     | 12.2     | 13.5     |
| Diluted EPS Growth (%) | 21.0     | -16.0    | -1.9     | 18.2     | 11.2     |
| ROIC (%)               | 21.9     | 15.5     | 13.5     | 15.2     | 16.0     |
| ROE (%)                | 22.4     | 16.5     | 14.8     | 15.8     | 15.9     |
| P/E (x)                | 13.6     | 16.2     | 16.5     | 14.0     | 12.6     |
| P/B (x)                | 2.8      | 2.6      | 2.3      | 2.1      | 1.9      |
| EV/EBITDA (x)          | 9.5      | 11.1     | 11.4     | 9.3      | 8.1      |
| Dividend Yield (%)     | 2.6      | 2.5      | 2.1      | 2.5      | 2.8      |

Source: Company data, JM Financial. Note: Valuations as of 12/Feb/2026

## 3QFY26 result review

### Exhibit 1. Quarterly snapshot

| INR Mn                            | 1QFY25       | 2QFY25       | 3QFY25       | 4QFY25       | 1QFY26       | 2QFY26       | 3QFY26       | % YoY       | % QoQ        |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|
| Net Sales                         | 35,206       | 36,973       | 37,591       | 39,474       | 39,139       | 40,233       | 40,672       | 8.2         | 1.1          |
| Operating expenditure             | 29,388       | 31,614       | 33,954       | 34,533       | 34,021       | 35,805       | 35,947       | 5.9         | 0.4          |
| <b>EBITDA</b>                     | <b>5,819</b> | <b>5,359</b> | <b>3,636</b> | <b>4,940</b> | <b>5,118</b> | <b>4,428</b> | <b>4,725</b> | <b>29.9</b> | <b>6.7</b>   |
| EBITDA Margin %                   | 16.5%        | 14.5%        | 9.7%         | 12.5%        | 13.1%        | 11.0%        | 11.6%        | 194 bps     | 61 bps       |
| Depreciation                      | 1,143        | 1,184        | 1,216        | 1,198        | 1,238        | 1,279        | 1,311        | 7.8         | 2.5          |
| Other Income                      | 727          | 1,493        | 1,288        | 940          | 901          | 1,626        | 1,301        | 1.0         | (20.0)       |
| Exceptional income/(expense)      |              |              |              |              |              |              |              |             |              |
| PBT                               | 5,380        | 5,645        | 3,687        | 4,656        | 4,758        | 4,754        | 4,695        | 27.3        | (1.2)        |
| Tax                               | 1,366        | 1,334        | 829          | 1,164        | 1,199        | 1,029        | 1,109        | 33.7        | 7.8          |
| <b>PAT</b>                        | <b>4,015</b> | <b>4,311</b> | <b>2,858</b> | <b>3,492</b> | <b>3,559</b> | <b>3,725</b> | <b>3,586</b> | <b>25.5</b> | <b>(3.7)</b> |
| EPS (INR)                         | 2.9          | 3.1          | 2.0          | 2.5          | 2.5          | 2.7          | 2.6          | 25.5        | (3.7)        |
| Tax rate                          | 25.4%        | 23.6%        | 22.5%        | 25.0%        | 25.2%        | 21.6%        | 23.6%        |             |              |
| IGL's share of CUGL & MNGL profit | 808          | 905          | 819          | 1,081        | 748          | 827          | 776          | (5.3)       | (6.2)        |
| <b>Consolidated EPS (INR)</b>     | <b>3.4</b>   | <b>3.2</b>   | <b>2.3</b>   | <b>3.3</b>   | <b>3.1</b>   | <b>2.8</b>   | <b>2.8</b>   | <b>20.6</b> | <b>1.9</b>   |

Source: Company, JM Financial Note: Net Sales include one-off income of INR 1.15bn in 4QFY25 on account of reversal of provision for trade margin paid to OMCs after negotiation with OMCs got concluded

### Exhibit 2. Operational details

|  | 1QFY25       | 2QFY25       | 3QFY25     | 4QFY25     | 1QFY26     | 2QFY26     | 3QFY26     | % YoY | % QoQ |
|--|--------------|--------------|------------|------------|------------|------------|------------|-------|-------|
| <b>Gas Volume</b>                      |              |              |            |            |            |            |            |       |       |
| CNG Sales Volume (mmscm)               | 587          | 624          | 617        | 604        | 618        | 641        | 637        | 3.4   | (0.5) |
| PNG Sales Volume-(mmscm)               | 199          | 207          | 221        | 223        | 213        | 216        | 230        | 3.8   | 6.5   |
| Industrial/commercial Volume           | 92           | 100          | 109        | 109        | 100        | 107        | 112        | 2.9   | 5.3   |
| Domestic Volume                        | 61           | 60           | 66         | 68         | 67         | 63         | 71         | 7.8   | 13.5  |
| Natural Gas volume                     | 46           | 47           | 46         | 45         | 46         | 46         | 46         | 0.0   | (0.4) |
| Overall Sales Volume-(mmscm)           | 786          | 830          | 838        | 826        | 831        | 857        | 867        | 3.5   | 1.2   |
| Overall sales volume (mmscmd)          | 8.6          | 9.0          | 9.1        | 9.2        | 9.1        | 9.3        | 9.4        | 3.5   | 1.2   |
| CNG Sales Volume (mmscmd)              | 6.5          | 6.8          | 6.7        | 6.7        | 6.8        | 7.0        | 6.9        | 3.4   | (0.5) |
| <b>Gas Volume growth (% YoY)</b>       | <b>67.6%</b> | <b>66.2%</b> |            |            |            |            |            |       |       |
| CNG Sales Volume (in KGs)              | 4.6%         | 8.5%         | 5.9%       | 4.1%       | 5.2%       | 2.7%       | 3.4%       |       |       |
| CNG Sales Volume (in scm)              | 4.6%         | 8.5%         | 5.9%       | 4.1%       | 5.2%       | 2.7%       | 3.4%       |       |       |
| PNG Sales Volume (mmscm)               | 7.6%         | 9.3%         | 11.8%      | 3.9%       | 7.2%       | 4.4%       | 3.8%       |       |       |
| Industrial/commercial Volume           | 5.6%         | 11.4%        | 14.4%      | 5.4%       | 8.9%       | 6.3%       | 2.9%       |       |       |
| Domestic Volume                        | 16.0%        | 12.4%        | 16.8%      | 4.7%       | 10.6%      | 5.7%       | 7.8%       |       |       |
| Natural Gas volume                     | 1.9%         | 1.7%         | 0.3%       | -0.4%      | -0.5%      | -1.2%      | 0.0%       |       |       |
| Overall Sales Volume (mmscm)           | 5.3%         | 8.7%         | 7.4%       | 4.1%       | 5.7%       | 3.2%       | 3.5%       |       |       |
| <b>Gas Volume growth (% QoQ)</b>       |              |              |            |            |            |            |            |       |       |
| CNG Sales Volume (in KGs)              | 1.2%         | 6.2%         | -1.1%      | -2.1%      | 2.3%       | 3.8%       | -0.5%      |       |       |
| CNG Sales Volume (in scm)              | 1.2%         | 6.2%         | -1.1%      | -2.1%      | 2.3%       | 3.8%       | -0.5%      |       |       |
| PNG Sales Volume                       | -7.2%        | 4.0%         | 7.1%       | 0.6%       | -4.3%      | 1.2%       | 6.5%       |       |       |
| Industrial/commercial Volume           | -11.2%       | 9.0%         | 8.8%       | 0.1%       | -8.2%      | 6.5%       | 5.3%       |       |       |
| Domestic Volume                        | -6.8%        | -2.2%        | 11.3%      | 3.1%       | -1.5%      | -6.5%      | 13.5%      |       |       |
| Natural Gas volume                     | 1.3%         | 1.9%         | -1.6%      | -1.8%      | 1.1%       | 1.2%       | -0.4%      |       |       |
| Overall Sales Volume                   | -1.0%        | 5.7%         | 0.9%       | -1.4%      | 0.5%       | 3.1%       | 1.2%       |       |       |
| <b>IGL per unit break-up (INR/scm)</b> |              |              |            |            |            |            |            |       |       |
| Realisation                            | 44.8         | 44.5         | 44.9       | 46.4       | 47.1       | 47.0       | 46.9       |       |       |
| Average cost of gas                    | 31.6         | 32.6         | 35.1       | 35.6       | 35.2       | 36.7       | 35.8       |       |       |
| Blended gross spread                   | 13.2         | 11.9         | 9.7        | 10.8       | 11.9       | 10.3       | 11.1       |       |       |
| Other expense                          | 5.8          | 5.5          | 5.4        | 6.2        | 5.7        | 5.1        | 5.6        |       |       |
| <b>EBITDA</b>                          | <b>7.4</b>   | <b>6.5</b>   | <b>4.3</b> | <b>4.6</b> | <b>6.2</b> | <b>5.2</b> | <b>5.4</b> |       |       |
| Depreciation                           | 1.5          | 1.4          | 1.5        | 1.4        | 1.5        | 1.5        | 1.5        |       |       |
| Interest exp net of other income       | -0.9         | -1.8         | -1.5       | -1.1       | -1.1       | -1.9       | -1.5       |       |       |
| PBT                                    | 6.8          | 6.8          | 4.4        | 4.3        | 5.7        | 5.5        | 5.4        |       |       |
| Tax                                    | 1.7          | 1.6          | 1.0        | 1.4        | 1.4        | 1.2        | 1.3        |       |       |
| <b>PAT</b>                             | <b>5.1</b>   | <b>5.2</b>   | <b>3.4</b> | <b>2.8</b> | <b>4.3</b> | <b>4.3</b> | <b>4.1</b> |       |       |

Source: Company, JM Financial Note: Net Realisation is adjusted for one-off income of INR 1.15bn in 4QFY25 on account of reversal of provision for trade margin paid to OMCs after negotiation with OMCs got concluded

## Assumptions and estimates

### Exhibit 3. Key assumptions

|   | FY22         | FY23         | FY24         | FY25         | FY26E        | FY27E        | FY28E        | Comments  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---|
| <b>GAS VOLUME BREAK-UP (mmscm)</b>                  |              |              |              |              |              |              |              |   |
| CNG   | 1,847        | 2,209        | 2,298        | 2,431        | 2,540        | 2,692        | 2,854        |   |
| PNG- Domestic                                       | 182          | 197          | 227          | 255          | 273          | 300          | 330          |   |
| PNG-Industrial/Commercial                           | 352          | 364          | 376          | 411          | 436          | 462          | 489          |   |
| PNG-Sale to other CGD cos                           | 170          | 182          | 182          | 184          | 186          | 197          | 209          |   |
| <b>Total sales volume</b>                           | <b>2,551</b> | <b>2,952</b> | <b>3,084</b> | <b>3,281</b> | <b>3,435</b> | <b>3,652</b> | <b>3,883</b> |   |
| Internal consumption and normal loss                | 65           | 76           | 79           | 84           | 88           | 93           | 99           | Normal loss is 1.4% and internal consumption is 1.2% of sales   |
| Total quantity of gas purchased                     | 2,616        | 3,028        | 3,163        | 3,365        | 3,523        | 3,745        | 3,982        |   |
| <b>Total gas sold (mmscmd)</b>                      | <b>7.0</b>   | <b>8.1</b>   | <b>8.5</b>   | <b>9.0</b>   | <b>9.4</b>   | <b>10.0</b>  | <b>10.6</b>  |   |
| <b>Total gas purchased (mmscmd)</b>                 | <b>7.2</b>   | <b>8.3</b>   | <b>8.7</b>   | <b>9.2</b>   | <b>9.7</b>   | <b>10.3</b>  | <b>10.9</b>  |   |
| <b>Gas sales volume change Y-o-Y</b>                |              |              |              |              |              |              |              |   |
| CNG   | 36%          | 20%          | 4%           | 6%           | 5%           | 6%           | 6%           | Factoring 6% growth from FY26 onwards   |
| PNG- Domestic                                       | 8%           | 8%           | 15%          | 12%          | 7%           | 10%          | 10%          | Expect 10-12% volume growth to continue   |
| PNG-Industrial/Commercial                           | 23%          | 3%           | 3%           | 9%           | 6%           | 6%           | 6%           | Factoring 6% growth from FY25 onwards   |
| PNG-Sale to other CGD cos                           | 29%          | 7%           | 0%           | 1%           | 1%           | 6%           | 6%           |   |
| Overall   | 31%          | 16%          | 4%           | 6%           | 5%           | 6%           | 6%           |   |
| <b>Gas sales volume composition</b>                 |              |              |              |              |              |              |              |   |
| CNG   | 72%          | 75%          | 75%          | 74%          | 74%          | 74%          | 74%          | CNG to continue to dominate gas mix with ~75% volume  |
| PNG- Domestic                                       | 7%           | 7%           | 7%           | 8%           | 8%           | 8%           | 9%           | Domestic PNG segment share to be 8-10%  |
| PNG-Industrial/Commercial                           | 7%           | 6%           | 6%           | 6%           | 5%           | 5%           | 5%           | Industrial segment share to be ~6%  |
| PNG-Sale to other CGD cos                           | 14%          | 12%          | 12%          | 13%          | 13%          | 13%          | 13%          |   |
| <b>GAS SOURCING &amp; COST BREAK-UP</b>             |              |              |              |              |              |              |              |   |
| <b>Gas sourcing mix (mmscmd)</b>                    |              |              |              |              |              |              |              |   |
| APM gas   | 5.0          | 5.5          | 5.6          | 4.8          | 3.2          | 2.9          | 2.5          |   |
| Non-APM/RIL/Vedanta/Cairn HPHT gas                  | 0.6          | 0.8          | 1.0          | 1.4          | 2.4          | 2.7          | 3.2          |   |
| Long term RasGas LNG                                | 0.5          | 1.0          | 1.9          | 2.5          | 3.5          | 3.5          | 3.5          | Long-term contract that is valid till CY28 at 12.67% linkage to JCC crude price   |
| Spot LNG/mid-term LNG                               | 1.1          | 1.0          | 0.1          | 0.6          | 0.5          | 1.1          | 1.7          | Assumed 100% industrial and commercial segment demand to be met via LNG imports; hence, excess demand is met via spot LNG |
| Total gas purchased                                 | 7.2          | 8.3          | 8.7          | 9.2          | 9.7          | 10.3         | 10.9         |   |
| <b>Gas cost (USD/mmmbtu)</b>                        |              |              |              |              |              |              |              |   |
| APM gas/Uniform price gas from GAIL for CNG/dom PNG | 4.2          | 8.0          | 8.0          | 8.0          | 8.3          | 8.0          | 8.0          | Based on domestic gas price formula   |
| Non-APM/RIL/Vedanta/Cairn HPHT gas                  | 5.5          | 11.2         | 12.0         | 11.5         | 10.9         | 10.2         | 10.2         |   |
| Long term RasGas LNG                                | 11.5         | 15.1         | 15.7         | 13.7         | 12.5         | 11.5         | 11.5         |   |
| Spot LNG/mid-term LNG                               | 14.0         | 32.0         | 22.0         | 19.7         | 14.5         | 13.5         | 13.5         |   |
| Weighted average gas cost                           | 6.3          | 11.9         | 10.4         | 10.8         | 10.8         | 10.3         | 10.6         |   |
| <b>OVERALL MARGINS (INR/scm)</b>                    |              |              |              |              |              |              |              |   |
| <b>Overall</b>                                      |              |              |              |              |              |              |              |   |
| Net realisation                                     | 30.2         | 47.9         | 45.4         | 45.5         | 46.2         | 46.5         | 48.3         |   |
| Average cost of gas                                 | 17.2         | 35.4         | 31.8         | 33.8         | 35.0         | 34.6         | 36.1         |   |
| Blended gross margin                                | 13.0         | 12.6         | 13.6         | 11.7         | 11.2         | 11.9         | 12.2         |   |
| Other expense                                       | 5.6          | 5.7          | 5.9          | 5.7          | 5.7          | 5.6          | 5.6          |   |
| <b>EBITDA</b>                                       | <b>7.4</b>   | <b>6.9</b>   | <b>7.7</b>   | <b>6.0</b>   | <b>5.6</b>   | <b>6.2</b>   | <b>6.5</b>   | Expect EBITDA ~ INR 6.5-7.5/SCM   |
| Depreciation  | 1.2          | 1.2          | 1.3          | 1.4          | 1.5          | 1.6          | 1.7          |   |
| Interest exp net of other income                    | -0.8         | -0.9         | -1.1         | -1.3         | -1.5         | -1.5         | -1.6         |   |
| PBT   | 6.9          | 6.5          | 7.5          | 5.9          | 5.5          | 6.2          | 6.4          |   |
| Tax   | 1.8          | 1.6          | 1.8          | 1.4          | 1.3          | 1.5          | 1.6          |   |
| <b>PAT</b>  | <b>5.1</b>   | <b>4.9</b>   | <b>5.7</b>   | <b>4.5</b>   | <b>4.2</b>   | <b>4.7</b>   | <b>4.9</b>   | Hence, expect PAT/scm at ~INR 4.5-5.5/scm   |

Source: JM Financial, Company Note: Net Realisation is adjusted for one-off income of INR 1.15bn in FY25 on account of reversal of provision for trade margin paid to OMCs after negotiation with OMCs got concluded

**Exhibit 4. Changes in estimates and TP**

|                         | <b>New</b> | <b>Old</b> | <b>Divergence</b> |
|-------------------------|------------|------------|-------------------|
| <b>TP (INR)</b>         | 170        | 180        | -5%               |
| <b>Rating</b>           | REDUCE     | REDUCE     |                   |
| <b>Revenue (INR Mn)</b> |            |            |                   |
| FY26                    | 158,656    | 159,781    | -0.7%             |
| FY27                    | 169,627    | 171,104    | -0.9%             |
| FY28                    | 187,426    | 189,069    | -0.9%             |
| <b>EBITDA (INR Mn)</b>  |            |            |                   |
| FY26                    | 19,178     | 20,092     | -4.6%             |
| FY27                    | 22,753     | 23,840     | -4.6%             |
| FY28                    | 25,342     | 26,550     | -4.6%             |
| <b>PAT (INR Mn)</b>     |            |            |                   |
| FY26                    | 14,401     | 14,508     | -0.7%             |
| FY27                    | 17,024     | 17,222     | -1.2%             |
| FY28                    | 18,929     | 19,176     | -1.3%             |
| <b>EPS (INR)</b>        |            |            |                   |
| FY26                    | 10.3       | 10.4       | -0.7%             |
| FY27                    | 12.2       | 12.3       | -1.2%             |
| FY28                    | 13.5       | 13.7       | -1.3%             |

Source: JM Financial

## Valuation

### Exhibit 5. Valuation

|   |            |
|---|------------|
| Terminal FCF (INR Mn)   | 17,435     |
| Terminal Growth Rate  | 3%         |
| WACC  | 10.8%      |
| Terminal Value (INR Mn)                                       | 229,428    |
| PV of Terminal Value (INR Mn)                                 | 100,801    |
| PV of Cash Flow (INR Mn)                                      | 59,831     |
| Enterprise Value  | 160,632    |
| Net Debt /(Net cash)  | (23,741)   |
| Equity Value excluding unlisted equity investments (INR Mn)   | 184,373    |
| Add: Unlisted equity investments (15x CUGL and MNGL FY25 PAT) | 54,192     |
| Total Equity value (INR Mn)                                   | 238,565    |
| No of shares (Mn)   | 1,400      |
| <b>Valuation (INR)</b>  | <b>170</b> |

Source: JM Financial

If FY27 EBITDA changes by +/- INR0.2/scm, our valuation will change by +/- INR5/share (or +/- 3.2%). Similarly, if FY27 volume growth changes by +/- 2%, our valuation will change by +/- INR 3/share (or +/- 1.5%).

### Exhibit 6. Valuation sensitivity to volume growth and EBITDA margin

|                          |     | FY27 volume growth |     |     |     |     |     |     |
|--------------------------|-----|--------------------|-----|-----|-----|-----|-----|-----|
| FY27 EBITDA<br>(INR/scm) |     | 0%                 | 2%  | 4%  | 6%  | 8%  | 10% | 12% |
|                          | 5.6 | 148                | 150 | 152 | 154 | 156 | 159 | 161 |
|                          | 5.8 | 153                | 155 | 157 | 159 | 162 | 164 | 167 |
|                          | 6.0 | 158                | 160 | 163 | 165 | 167 | 170 | 173 |
|                          | 6.2 | 164                | 166 | 168 | 170 | 173 | 176 | 178 |
|                          | 6.4 | 169                | 171 | 173 | 176 | 178 | 181 | 184 |
|                          | 6.6 | 174                | 176 | 179 | 181 | 184 | 187 | 190 |
|                          | 6.8 | 179                | 182 | 184 | 187 | 190 | 192 | 196 |

Source: Company, JM Financial

If FY27 EBITDA changes by +/- INR0.2/scm, our EPS will change by +/-3.0%. Similarly, if FY27 volume growth changes by +/- 2%, our EPS will change by +/- 0.5%.

### Exhibit 7. FY27 EPS sensitivity to volume growth and EBITDA margin

|                          |     | FY27 volume growth |      |      |      |      |      |      |
|--------------------------|-----|--------------------|------|------|------|------|------|------|
| FY27 EBITDA<br>(INR/scm) |     | 0%                 | 2%   | 4%   | 6%   | 8%   | 10%  | 12%  |
|                          | 5.6 | 12.6               | 12.7 | 12.8 | 12.9 | 12.9 | 13.0 | 13.1 |
|                          | 5.8 | 13.1               | 13.1 | 13.2 | 13.3 | 13.3 | 13.4 | 13.5 |
|                          | 6.0 | 13.5               | 13.5 | 13.6 | 13.7 | 13.8 | 13.8 | 13.9 |
|                          | 6.2 | 13.9               | 14.0 | 14.0 | 14.1 | 14.2 | 14.3 | 14.3 |
|                          | 6.4 | 14.3               | 14.4 | 14.4 | 14.5 | 14.6 | 14.7 | 14.8 |
|                          | 6.6 | 14.7               | 14.8 | 14.9 | 14.9 | 15.0 | 15.1 | 15.2 |
|                          | 6.8 | 15.1               | 15.2 | 15.3 | 15.4 | 15.4 | 15.5 | 15.6 |

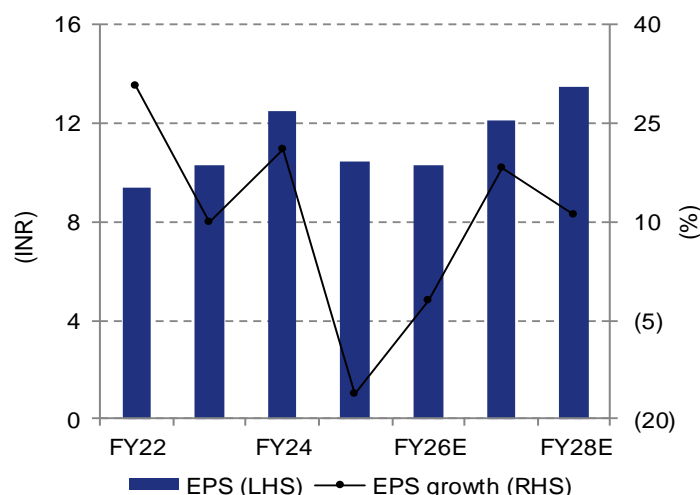
Source: Company, JM Financial

Exhibit 8. 1-year forward PE chart



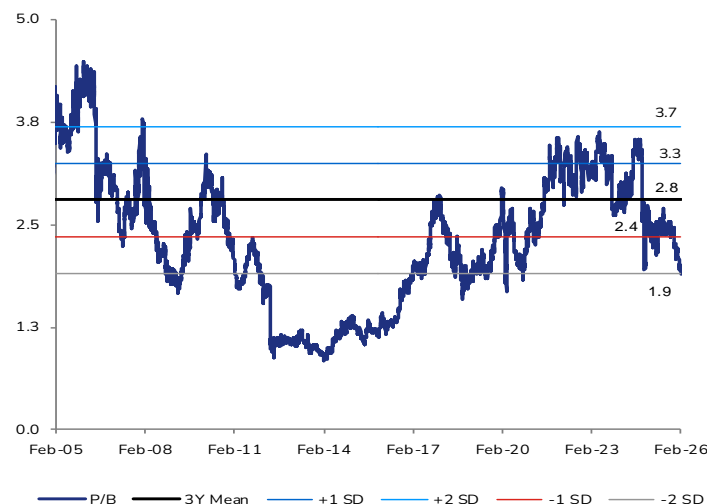
Source: JM Financial, Company

Exhibit 9. EPS versus EPS growth



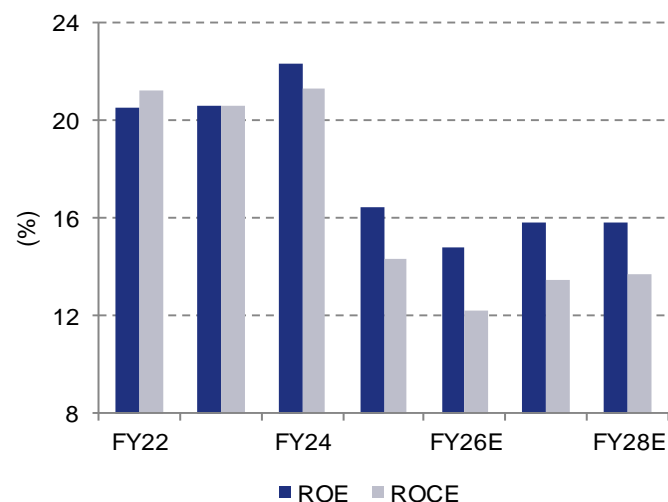
Source: JM Financial, Bloomberg

Exhibit 10. 1-year forward PB chart



Source: JM Financial, Company

Exhibit 11. RoE versus RoCE



Source: JM Financial, Company

Exhibit 12. Global gas companies' valuation snapshot

| Company                       | EV/EBITDA (x) |             |             | P/E (x)     |             |             | P/B (x)    |            |            | EBITDA Margins (%) |             |             | ROE (%)     |             |             | FY26-FY28 CAGR (%) |             |
|-------------------------------|---------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|--------------------|-------------|-------------|-------------|-------------|-------------|--------------------|-------------|
|                               | FY26/CY25     | FY27/CY26   | FY28/CY27   | FY26/CY25   | FY27/CY26   | FY28/CY27   | FY26/CY25  | FY27/CY26  | FY28/CY27  | FY26/CY25          | FY27/CY26   | FY28/CY27   | FY26/CY25   | FY27/CY26   | FY28/CY27   | EBITDA CAGR        | PAT CAGR    |
| <b>US Peers</b>               |               |             |             |             |             |             |            |            |            |                    |             |             |             |             |             |                    |             |
| Sempra Energy                 | 17.2          | 15.8        | 15.9        | 19.8        | 17.8        | 16.5        | 1.6        | 1.5        | 1.5        | 41.7               | 43.4        | 44.2        | 8.4         | 9.2         | 9.4         | 3.8                | 10.2        |
| Nisource                      | 13.6          | 12.1        | 11.0        | 23.7        | 21.8        | 20.1        | 2.1        | 2.0        | 1.8        | 47.7               | 50.0        | 52.7        | 9.4         | 9.7         | 9.8         | 11.3               | 11.3        |
| Atmos Energy                  | 14.5          | 12.8        | 11.4        | 21.2        | 19.8        | 18.2        | 2.0        | 1.9        | 1.8        | 50.8               | 52.3        | 55.5        | 9.3         | 9.2         | 9.2         | 12.9               | 11.7        |
| <b>US peers average</b>       | <b>15.1</b>   | <b>13.6</b> | <b>12.8</b> | <b>21.6</b> | <b>19.8</b> | <b>18.3</b> | <b>1.9</b> | <b>1.8</b> | <b>1.7</b> | <b>46.8</b>        | <b>48.6</b> | <b>50.8</b> | <b>9.0</b>  | <b>9.4</b>  | <b>9.5</b>  | <b>9.4</b>         | <b>11.1</b> |
| <b>European Peers</b>         |               |             |             |             |             |             |            |            |            |                    |             |             |             |             |             |                    |             |
| Enagas                        | 9.6           | 10.4        | 9.9         | 13.4        | 16.4        | 15.3        | 1.6        | 1.6        | 1.6        | 75.3               | 77.6        | 78.8        | 11.8        | 9.8         | 10.3        | -1.4               | NM          |
| <b>European peers average</b> | <b>9.6</b>    | <b>10.4</b> | <b>9.9</b>  | <b>13.4</b> | <b>16.4</b> | <b>15.3</b> | <b>1.6</b> | <b>1.6</b> | <b>1.6</b> | <b>75.3</b>        | <b>77.6</b> | <b>78.8</b> | <b>11.8</b> | <b>9.8</b>  | <b>10.3</b> | <b>-1.4</b>        | <b>NM</b>   |
| <b>Asian peers</b>            |               |             |             |             |             |             |            |            |            |                    |             |             |             |             |             |                    |             |
| ENN Energy                    | 7.2           | 6.8         | 6.3         | 10.3        | 9.6         | 8.9         | 1.4        | 1.3        | 1.2        | 10.7               | 11.0        | 11.4        | 13.9        | 14.0        | 14.0        | 6.7                | 8.2         |
| Towngas China                 | 9.5           | 8.9         | 7.2         | 8.2         | 7.9         | 7.5         | 0.5        | 0.5        | 0.5        | 15.4               | 15.9        | 19.4        | 6.7         | 6.8         | 6.9         | 14.6               | 5.0         |
| Hong Kong & China Gas         | 16.6          | 15.8        | 14.8        | 24.1        | 22.8        | 21.3        | 2.5        | 2.5        | 2.5        | 22.1               | 22.5        | 23.2        | 10.3        | 10.9        | 11.7        | 5.7                | 6.2         |
| China Resources Gas           | 8.1           | 7.8         | 7.4         | 12.8        | 11.9        | 10.9        | 1.2        | 1.1        | 1.1        | 10.8               | 10.9        | 11.3        | 9.0         | 9.4         | 9.7         | 4.4                | 8.2         |
| China Gas Holdings            | 10.8          | 10.4        | 10.1        | 13.6        | 12.8        | 11.9        | 0.8        | 0.8        | 0.8        | 12.0               | 12.3        | 12.5        | 5.6         | 6.0         | 6.3         | 3.3                | 8.0         |
| Beijing Enterprises           | 8.5           | 9.4         | 10.0        | 8.1         | 7.7         | 7.5         | 0.5        | 0.5        | 0.4        | 15.2               | 13.3        | 11.8        | 6.2         | 6.2         | 6.3         | -8.1               | 3.3         |
| Korea Gas                     | 9.1           | 9.2         | 9.3         | 4.9         | 4.5         | 4.2         | 0.3        | 0.3        | 0.3        | 12.2               | 12.7        | 12.5        | 7.2         | 7.4         | 7.4         | -0.9               | 7.4         |
| Petronas Gas BHD              | 10.7          | 10.3        | 10.1        | 20.1        | 19.2        | 18.7        | 2.6        | 2.5        | 2.4        | 53.2               | 54.7        | 54.9        | 12.8        | 13.1        | 13.0        | 2.8                | 3.6         |
| <b>Asian peers average</b>    | <b>9.4</b>    | <b>8.0</b>  | <b>7.3</b>  | <b>15.7</b> | <b>13.3</b> | <b>12.0</b> | <b>2.3</b> | <b>2.1</b> | <b>1.9</b> | <b>12.7</b>        | <b>13.6</b> | <b>13.9</b> | <b>15.7</b> | <b>16.5</b> | <b>16.5</b> | <b>13.3</b>        | <b>13.1</b> |
| IGL                           | 6.9           | 6.4         | 6.0         | 12.1        | 11.5        | 10.9        | 1.7        | 1.6        | 1.4        | 18.7               | 18.0        | 17.5        | 15.4        | 14.6        | 14.1        | 6.8                | 5.0         |
| Gujarat Gas                   | 15.5          | 13.9        | 12.3        | 25.6        | 22.7        | 20.0        | 3.2        | 2.9        | 2.7        | 12.3               | 12.3        | 12.6        | 12.9        | 13.4        | 13.9        | 12.3               | 12.9        |
| Petronet LNG                  | 6.7           | 5.8         | 5.2         | 12.0        | 10.6        | 10.2        | 2.1        | 1.8        | 1.6        | 11.0               | 11.5        | 11.6        | 18.0        | 18.2        | 17.2        | 13.3               | 9.0         |
| GAIL                          | 10.3          | 8.3         | 7.6         | 13.9        | 11.7        | 10.7        | 1.4        | 1.3        | 1.2        | 8.8                | 10.3        | 10.6        | 10.5        | 11.7        | 12.0        | 16.4               | 14.4        |
| GSPL                          | 21.2          | 18.8        | 17.3        | 23.4        | 21.9        | 20.4        | 1.6        | 1.5        | 1.4        | 66.9               | 69.8        | 70.0        | 6.6         | 6.9         | 7.1         | 10.5               | 7.5         |
| <b>Asian peers average</b>    | <b>10.7</b>   | <b>10.0</b> | <b>9.4</b>  | <b>14.6</b> | <b>13.4</b> | <b>12.5</b> | <b>1.6</b> | <b>1.5</b> | <b>1.4</b> | <b>20.1</b>        | <b>20.6</b> | <b>20.9</b> | <b>10.8</b> | <b>11.1</b> | <b>11.1</b> | <b>7.2</b>         | <b>8.0</b>  |
| <b>Global peers average</b>   | <b>11.4</b>   | <b>10.6</b> | <b>10.0</b> | <b>15.7</b> | <b>14.6</b> | <b>13.6</b> | <b>1.6</b> | <b>1.5</b> | <b>1.5</b> | <b>27.6</b>        | <b>28.5</b> | <b>29.1</b> | <b>10.5</b> | <b>10.7</b> | <b>10.8</b> | <b>7.1</b>         | <b>8.5</b>  |
| <b>Global peers median</b>    | <b>9.9</b>    | <b>9.8</b>  | <b>9.9</b>  | <b>13.7</b> | <b>13.0</b> | <b>12.0</b> | <b>1.6</b> | <b>1.6</b> | <b>1.5</b> | <b>15.3</b>        | <b>14.8</b> | <b>15.7</b> | <b>9.9</b>  | <b>9.7</b>  | <b>10.1</b> | <b>6.7</b>         | <b>8.2</b>  |

Source: Bloomberg, JM Financial

## Financial Tables (Standalone)

| Income Statement (INR mn)  |                 |                 |                 |                 |                 |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Y/E March                  | FY24A           | FY25A           | FY26E           | FY27E           | FY28E           |
| Net Sales                  | 1,40,000        | 1,49,275        | 1,58,656        | 1,69,627        | 1,87,426        |
| Sales Growth               | -1.0%           | 6.6%            | 6.3%            | 6.9%            | 10.5%           |
| Other Operating Income     | 0               | 0               | 0               | 0               | 0               |
| <b>Total Revenue</b>       | <b>1,40,000</b> | <b>1,49,275</b> | <b>1,58,656</b> | <b>1,69,627</b> | <b>1,87,426</b> |
| Cost of Goods Sold/Op. Exp | 98,131          | 1,10,732        | 1,20,059        | 1,26,246        | 1,40,218        |
| Personnel Cost             | 2,266           | 2,003           | 2,163           | 2,336           | 2,476           |
| Other Expenses             | 15,935          | 16,754          | 17,257          | 18,292          | 19,390          |
| <b>EBITDA</b>              | <b>23,669</b>   | <b>19,786</b>   | <b>19,178</b>   | <b>22,753</b>   | <b>25,342</b>   |
| EBITDA Margin              | 16.9%           | 13.3%           | 12.1%           | 13.4%           | 13.5%           |
| EBITDA Growth              | 16.0%           | -16.4%          | -3.1%           | 18.6%           | 11.4%           |
| Depn. & Amort.             | 4,138           | 4,741           | 5,158           | 5,779           | 6,412           |
| EBIT                       | 19,531          | 15,046          | 14,020          | 16,974          | 18,930          |
| Other Income               | 3,632           | 4,416           | 5,078           | 5,586           | 6,144           |
| Finance Cost               | 92              | 92              | 92              | 92              | 92              |
| PBT before Excep. & Forex  | 23,072          | 19,369          | 19,006          | 22,468          | 24,982          |
| Excep. & Forex Inc/Loss(-) | 0               | 0               | 0               | 0               | 0               |
| PBT                        | 23,072          | 19,369          | 19,006          | 22,468          | 24,982          |
| Taxes                      | 5,591           | 4,693           | 4,605           | 5,444           | 6,053           |
| Extraordinary Inc./Loss(-) | 0               | 0               | 0               | 0               | 0               |
| Assoc. Profit/Min. Int.(-) | 0               | 0               | 0               | 0               | 0               |
| Reported Net Profit        | 17,481          | 14,676          | 14,401          | 17,024          | 18,929          |
| <b>Adjusted Net Profit</b> | <b>17,481</b>   | <b>14,676</b>   | <b>14,401</b>   | <b>17,024</b>   | <b>18,929</b>   |
| Net Margin                 | 12.5%           | 9.8%            | 9.1%            | 10.0%           | 10.1%           |
| Diluted Share Cap. (mn)    | 1,400.0         | 1,400.0         | 1,400.0         | 1,400.0         | 1,400.0         |
| <b>Diluted EPS (INR)</b>   | <b>12.5</b>     | <b>10.5</b>     | <b>10.3</b>     | <b>12.2</b>     | <b>13.5</b>     |
| Diluted EPS Growth         | 21.0%           | -16.0%          | -1.9%           | 18.2%           | 11.2%           |
| Total Dividend + Tax       | 6,300           | 5,950           | 5,040           | 5,958           | 6,625           |
| Dividend Per Share (INR)   | 4.5             | 4.3             | 3.6             | 4.3             | 4.7             |

Source: Company, JM Financial

| Cash Flow Statement (INR mn) |                |                |               |               |               |
|------------------------------|----------------|----------------|---------------|---------------|---------------|
| Y/E March                    | FY24A          | FY25A          | FY26E         | FY27E         | FY28E         |
| Profit before Tax            | 23,072         | 19,369         | 19,006        | 22,468        | 24,982        |
| Depn. & Amort.               | 4,138          | 4,741          | 5,158         | 5,779         | 6,412         |
| Net Interest Exp. / Inc. (-) | -2,468         | -2,904         | -4,986        | -5,494        | -6,052        |
| Inc (-) / Dec in WCap.       | -3,828         | 5,518          | 1,497         | 1,677         | 1,937         |
| Others                       | -685           | -720           | 0             | 0             | 0             |
| Taxes Paid                   | -4,871         | -3,951         | -4,605        | -5,444        | -6,053        |
| <b>Operating Cash Flow</b>   | <b>15,357</b>  | <b>22,053</b>  | <b>16,069</b> | <b>18,986</b> | <b>21,225</b> |
| Capex                        | -12,021        | -11,216        | -14,258       | -13,803       | -14,079       |
| Free Cash Flow               | 3,335          | 10,837         | 1,812         | 5,182         | 7,146         |
| Inc (-) / Dec in Investments | -1,022         | -6,722         | 3,243         | -1,297        | -1,427        |
| Others                       | 2,096          | 2,864          | 5,078         | 5,586         | 6,144         |
| <b>Investing Cash Flow</b>   | <b>-10,948</b> | <b>-15,074</b> | <b>-5,936</b> | <b>-9,515</b> | <b>-9,362</b> |
| Inc / Dec (-) in Capital     | 0              | 0              | 0             | 0             | 0             |
| Dividend + Tax thereon       | -3,337         | -7,747         | -5,132        | -6,050        | -6,717        |
| Inc / Dec (-) in Loans       | 0              | 0              | 840           | 882           | 926           |
| Others                       | 0              | 0              | 0             | 0             | 0             |
| <b>Financing Cash Flow</b>   | <b>-3,337</b>  | <b>-7,747</b>  | <b>-4,292</b> | <b>-5,168</b> | <b>-5,791</b> |
| <b>Inc / Dec (-) in Cash</b> | <b>1,072</b>   | <b>-767</b>    | <b>5,841</b>  | <b>4,302</b>  | <b>6,072</b>  |
| Opening Cash Balance         | 1,056          | 2,128          | 1,361         | 7,201         | 11,504        |
| Closing Cash Balance         | 2,128          | 1,361          | 7,201         | 11,504        | 17,576        |

Source: Company, JM Financial

| Balance Sheet (INR mn)            |               |               |                 |                 |                 |
|-----------------------------------|---------------|---------------|-----------------|-----------------|-----------------|
| Y/E March                         | FY24A         | FY25A         | FY26E           | FY27E           | FY28E           |
| Shareholders' Fund                | 85,517        | 92,840        | 1,02,201        | 1,13,266        | 1,25,570        |
| Share Capital                     | 1,400         | 2,800         | 2,800           | 2,800           | 2,800           |
| Reserves & Surplus                | 84,117        | 90,040        | 99,401          | 1,10,466        | 1,22,770        |
| Preference Share Capital          | 0             | 0             | 0               | 0               | 0               |
| Minority Interest                 | 0             | 0             | 0               | 0               | 0               |
| Total Loans                       | 0             | 0             | 0               | 0               | 0               |
| Def. Tax Liab. / Assets (-)       | 3,695         | 4,563         | 4,563           | 4,563           | 4,563           |
| <b>Total - Equity &amp; Liab.</b> | <b>89,213</b> | <b>97,403</b> | <b>1,06,763</b> | <b>1,17,829</b> | <b>1,30,132</b> |
| Net Fixed Assets                  | 79,954        | 86,565        | 95,665          | 1,03,690        | 1,11,357        |
| Gross Fixed Assets                | 87,699        | 98,160        | 1,12,120        | 1,25,620        | 1,39,390        |
| Intangible Assets                 | 0             | 0             | 0               | 0               | 0               |
| Less: Depn. & Amort.              | 21,710        | 26,451        | 31,608          | 37,387          | 43,799          |
| Capital WIP                       | 13,964        | 14,857        | 15,154          | 15,457          | 15,766          |
| Investments                       | 11,576        | 16,217        | 12,973          | 14,271          | 15,698          |
| Current Assets                    | 39,676        | 39,105        | 45,870          | 51,199          | 58,668          |
| Inventories                       | 522           | 488           | 518             | 554             | 612             |
| Sundry Debtors                    | 10,185        | 7,078         | 7,523           | 8,043           | 8,887           |
| Cash & Bank Balances              | 2,128         | 1,361         | 7,201           | 11,504          | 17,576          |
| Loans & Advances                  | 3,127         | 4,277         | 4,490           | 4,715           | 4,951           |
| Other Current Assets              | 23,714        | 25,902        | 26,137          | 26,384          | 26,642          |
| Current Liab. & Prov.             | 41,993        | 44,484        | 47,745          | 51,331          | 55,590          |
| Current Liabilities               | 24,672        | 26,148        | 27,576          | 29,145          | 31,185          |
| Provisions & Others               | 17,321        | 18,336        | 20,169          | 22,186          | 24,405          |
| Net Current Assets                | -2,317        | -5,379        | -1,875          | -132            | 3,078           |
| <b>Total - Assets</b>             | <b>89,213</b> | <b>97,403</b> | <b>1,06,763</b> | <b>1,17,829</b> | <b>1,30,132</b> |

Source: Company, JM Financial

| Dupont Analysis     |       |       |       |       |       |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March           | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Margin          | 12.5% | 9.8%  | 9.1%  | 10.0% | 10.1% |
| Asset Turnover (x)  | 1.5   | 1.4   | 1.3   | 1.3   | 1.3   |
| Leverage Factor (x) | 1.2   | 1.2   | 1.2   | 1.2   | 1.2   |
| RoE                 | 22.4% | 16.5% | 14.8% | 15.8% | 15.9% |

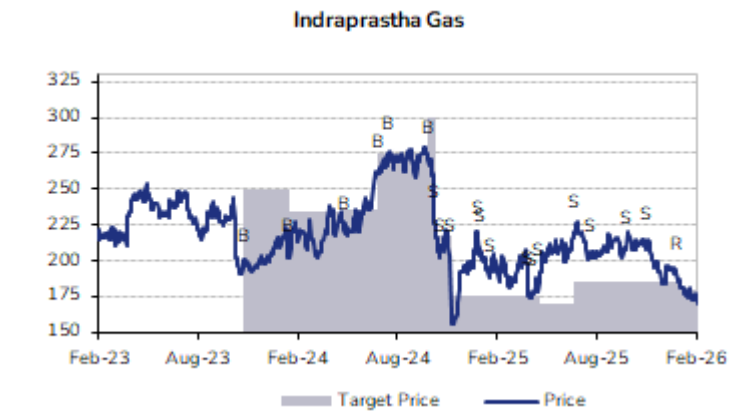
| Key Ratios          |       |       |       |       |       |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March           | FY24A | FY25A | FY26E | FY27E | FY28E |
| BV/Share (INR)      | 61.1  | 66.3  | 73.0  | 80.9  | 89.7  |
| ROIC                | 21.9% | 15.5% | 13.5% | 15.2% | 16.0% |
| ROE                 | 22.4% | 16.5% | 14.8% | 15.8% | 15.9% |
| Net Debt/Equity (x) | -0.2  | -0.2  | -0.2  | -0.2  | -0.3  |
| P/E (x)             | 13.6  | 16.2  | 16.5  | 14.0  | 12.6  |
| P/B (x)             | 2.8   | 2.6   | 2.3   | 2.1   | 1.9   |
| EV/EBITDA (x)       | 9.5   | 11.1  | 11.4  | 9.3   | 8.1   |
| EV/Sales (x)        | 1.6   | 1.5   | 1.4   | 1.3   | 1.1   |
| Debtor days         | 27    | 17    | 17    | 17    | 17    |
| Inventory days      | 1     | 1     | 1     | 1     | 1     |
| Creditor days       | 31    | 26    | 26    | 26    | 26    |

Source: Company, JM Financial

## History of Recommendation and Target Price

| Date      | Recommendation | Target Price | % Chg. |
|-----------|----------------|--------------|--------|
| 2-Nov-23  | Buy            | 250          |        |
| 25-Jan-24 | Buy            | 235          | -6.1   |
| 7-May-24  | Buy            | 235          | 0.2    |
| 7-Jul-24  | Buy            | 275          | 17.0   |
| 24-Jul-24 | Buy            | 275          | 0.0    |
| 7-Oct-24  | Buy            | 300          | 9.0    |
| 18-Oct-24 | Sell           | 218          | -27.4  |
| 28-Oct-24 | Sell           | 218          | 0.0    |
| 17-Nov-24 | Sell           | 175          | -19.5  |
| 7-Jan-25  | Sell           | 175          | -0.1   |
| 9-Jan-25  | Sell           | 175          | 0.0    |
| 27-Jan-25 | Sell           | 175          | 0.0    |
| 8-Apr-25  | Sell           | 175          | 0.1    |
| 15-Apr-25 | Sell           | 175          | 0.0    |
| 28-Apr-25 | Sell           | 170          | -2.9   |
| 3-Jul-25  | Sell           | 185          | 9.0    |
| 30-Jul-25 | Sell           | 185          | 0.0    |
| 6-Oct-25  | Sell           | 185          | -0.2   |
| 12-Nov-25 | Sell           | 185          | 0.0    |
| 6-Jan-26  | REDUCE         | 180          | -2.9   |

## Recommendation History





## APPENDIX I

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

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| Rating System: Definition of ratings |   |
|--------------------------------------|---|
| Rating                               | Meaning   |
| BUY                                  | Expected return $\geq$ 15% over the next twelve months.             |
| ADD                                  | Expected return $\geq$ 5% and $<$ 15% over the next twelve months.  |
| REDUCE                               | Expected return $\geq$ -10% and $<$ 5% over the next twelve months. |
| SELL                                 | Expected return $<$ -10% over the next twelve months.               |

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

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