IOCL

RESULT UPDATE

KEY DATA

Rating	REDUCE
Sector relative	Underperformer
Price (INR)	140
12 month price target (INR)	130
52 Week High/Low	184/111
Market cap (INR bn/USD bn)	1,981/22.6
Free float (%)	0.0
Avg. daily value traded (INR mn)	1,798.8

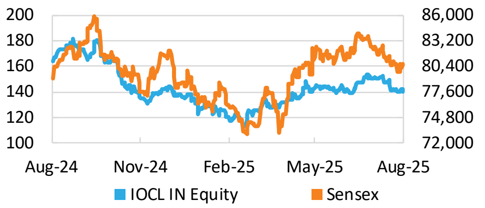
SHAREHOLDING PATTERN

	Jun-25	Mar-25	Dec-24
Promoter	51.5%	51.5%	51.5%
FII	7.5%	7.4%	7.4%
DII	29.9%	29.5%	29.7%
Pledge	0%	0%	0%

FINANCIALS (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	7,764	7,581	7,419	7,555
EBITDA	759	360	481	596
Adjusted profit	415	154	198	274
Diluted EPS (INR)	29.4	10.9	14.0	19.4
EPS growth (%)	340.2	(62.8)	28.5	38.2
RoAE (%)	25.7	8.3	10.3	13.1
P/E (x)	5.8	15.5	12.0	8.7
EV/EBITDA (x)	5.0	10.5	7.9	6.4
Dividend yield (%)	1.8	1.8	2.5	3.4

PRICE PERFORMANCE



Earnings miss on weak GRMs and petchem

IOCL's Q1FY26 EBITDA/PAT at INR126bn/INR57bn (+46%/+2x YoY) missed our/consensus estimates on the back of weak refining, petchem and inventory losses part offset by strong marketing margins.

Highlights: i) Q1 GRM plunged 66% YoY to USD2.15/bbl (lagged BPCL/HPCL's USD4.9/3.1/) owing to inventory loss of USD4.8/bbl despite a rise in Russian crude share to 24% in Q1 from 14% in Q4. ii) IOCL gained market share in Q1 versus BPCL/HPCL. iii) LPG under-recoveries rose to INR236bn (INR37bn in Q1); details awaited on LPG compensation. iv) FY26 capex guidance of INR335bn; capex to stay high on refining, petchem expansion and NE projects; shall weigh on RoCE and may lift debt; retain 'REDUCE' with a TP of INR130.

Refining and petchem weak; marketing supports earnings

Refining: GRMs were USD2.15/bbl (-66% YoY/-73% QoQ), below estimate, largely hurt by inventory loss of USD4.8/bbl despite rise in Russian crude share to 24% in Q1 (14% in Q4); current discount for Russian crude oil is USD1.5/bbl. Crude throughput of 18.7mmt (+3% YoY/+1% QoQ) in-line. *Chemical:* EBIT loss of INR10mn (EBIT loss of INR2bn QoQ); weak margins offset 11% YoY volume rise to 832TMT. *Marketing:* strong petrol/diesel margin of INR13/litre (+2x YoY)/INR7/litre (+72% YoY) backed earnings. Domestic retail volume rose 4% YoY to 22.4MMT, implying MS gain for IOCL versus BPCL/HPCL (+3%/2% YoY). Q1 LPG under-recoveries were INR37bn; LPG compensation of INR300bn announced for OMCs, but share/timelines stay unclear.

Capex to stay high on refining, petchem expansion and NE projects

IOCL guided FY26 capex of INR335bn—refining (INR140–150bn), pipeline, marketing and petchem (INR180–190bn) and CGD (INR10bn). IOCL's refining capacity to rise from 80.8MTPA to 98MTPA by FY27 with major projects being completed over the next 12 months. Panipat and Koyali refinery expansion will be commissioned by Q1FY27 while Barauni refinery expansion shall be completed by Aug-26; utilisation ramp-up to 100% in 24 months post-expansion. IOCL is also setting up PX, PTA capacity at Paradip (INR140bn) by Apr-26; petchem complex at Paradip by FY30 (INR610bn). IOCL's 10ktpa green hydrogen (GH2) facility at Panipat is likely to be commissioned in two years; current cost of green hydrogen is USD3.5–4/kg.

Risk-reward unfavourable; retain 'REDUCE'

IOCL's peak earnings are behind owing to weak near-term refining margin, LPG under-recoveries and weak petchem segment. Moreover, a high capex cycle shall keep return ratios muted too, rendering risk-reward unfavourable. We are raising FY26E/27E EPS by 9%/6% to factor in higher marketing margins; maintain '**REDUCE**'.

Financials

Year to March	Q1FY26	Q1FY25	% Change	Q4FY25	% Change
Net Revenue	19,29,706	19,32,355	(0.1)	19,49,670	(1.0)
EBITDA	1,26,072	86,347	46.0	1,35,725	(7.1)
Adjusted Profit	56,886	26,432	115.2	72,638	(21.7)
Diluted EPS (INR)	4.0	1.9	115.2	5.1	(21.7)

Jal Irani
Jal.Irani@nuvama.com

Akshay Mane
akshay.mane@nuvama.com

Tanay Kotecha
tanay.kotecha@nuvama.com

Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Total operating income	77,63,519	75,81,058	74,18,537	75,54,568
Gross profit	13,75,527	10,13,203	10,86,274	12,02,073
Employee costs	1,16,709	1,08,799	1,11,832	1,15,014
Other expenses	5,00,165	5,44,515	4,93,285	4,90,860
EBITDA	7,58,652	3,59,890	4,81,156	5,96,198
Depreciation	1,58,661	1,67,773	1,70,566	1,82,865
Less: Interest expense	78,257	92,619	87,808	93,406
Add: Other income	38,429	35,153	38,381	40,654
Profit before tax	5,72,878	1,70,635	2,88,795	3,90,281
Prov for tax	1,41,266	32,746	88,559	1,14,423
Less: Other adj	15,459	17,604	27,633	29,700
Reported profit	4,17,297	1,35,978	1,98,340	2,74,068
Less: Excp.item (net)	2,745	(18,380)	0	0
Adjusted profit	4,14,552	1,54,359	1,98,340	2,74,068
Diluted shares o/s	14,121	14,121	14,121	14,121
Adjusted diluted EPS	29.4	10.9	14.0	19.4
DPS (INR)	3.0	3.0	4.2	5.8
Tax rate (%)	24.7	19.2	30.7	29.3

Balance Sheet (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Share capital	1,37,716	1,37,716	1,37,716	1,37,716
Reserves	16,96,447	17,27,158	18,65,996	20,57,843
Shareholders funds	18,34,163	18,64,873	20,03,711	21,95,559
Minority interest	47,467	45,373	47,269	49,060
Borrowings	13,26,276	15,22,706	16,46,170	17,71,642
Trade payables	5,94,541	6,05,349	5,86,055	5,89,517
Other liabs & prov	9,64,079	9,68,083	10,29,122	10,52,013
Total liabilities	48,23,620	50,68,671	53,74,613	57,20,077
Net block	19,21,595	19,71,620	20,20,304	20,65,444
Intangible assets	38,383	39,801	39,801	39,801
Capital WIP	6,10,324	7,79,213	8,89,213	9,99,213
Total fixed assets	25,70,302	27,90,635	29,49,319	31,04,458
Non current inv	5,51,620	5,68,496	5,96,129	6,25,829
Cash/cash equivalent	1,35,387	1,36,739	86,449	2,35,359
Sundry debtors	1,38,315	1,85,510	1,94,515	1,98,802
Loans & advances	30,799	38,522	39,036	39,761
Other assets	13,97,197	13,48,770	15,09,165	15,15,869
Total assets	48,23,620	50,68,671	53,74,613	57,20,077

Important Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Brent price ($/bbl)	82.1	78.2	70.0	70.0
Ref throughput (mmt)	73.3	71.7	68.8	76.9
Opex ($/bbl)	5.0	2.0	2.0	2.1
EBITDA margin (%)	9.8	4.7	6.5	7.9
Net profit margin (%)	5.3	2.0	2.7	3.6
Revenue growth (% YoY)	(7.8)	(2.4)	(2.1)	1.8
EBITDA growth (% YoY)	144.1	(52.6)	33.7	23.9
Adj. profit growth (%)	340.2	(62.8)	28.5	38.2

Free Cash Flow (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Reported profit	4,17,297	1,35,978	1,98,340	2,74,068
Add: Depreciation	1,58,661	1,67,773	1,70,566	1,82,865
Interest (net of tax)	58,959	74,845	60,882	66,021
Others	1,38,154	(35,133)	6,802	5,374
Less: Changes in WC	62,085	(3,530)	1,44,530	2,215
Operating cash flow	7,10,986	3,46,993	2,92,060	5,26,114
Less: Capex	(3,71,754)	(3,48,499)	(3,29,250)	(3,38,004)
Free cash flow	3,39,233	(1,507)	(37,191)	1,88,109

Assumptions (%)

Year to March	FY24A	FY25A	FY26E	FY27E
GDP (YoY %)	6.7	7.2	7.0	6.8
Repo rate (%)	6.5	6.0	5.0	4.5
USD/INR (average)	82.8	84.4	86.5	85.0
GRM (USD/bbl)	12.1	4.8	5.3	6.3
Total dom. sales (mmt)	83.3	85.0	89.7	92.8
Retail margins (INR/ltr)	5.9	5.8	6.0	6.2
Retail outlets	38,559.0	40,221.0	43,221.0	46,221.0
Pip throughput (BTKM)	52.7	52.7	51.6	51.6
Petchem. Prod. (MMT)	7.5	7.5	7.5	7.5

Key Ratios

Year to March	FY24A	FY25A	FY26E	FY27E
RoE (%)	25.7	8.3	10.3	13.1
RoCE (%)	21.3	7.4	10.6	12.5
Inventory days	64	66	69	74
Receivable days	7	8	9	10
Payable days	30	34	34	34
Working cap (% sales)	2.5	2.7	4.7	4.7
Gross debt/equity (x)	1.2	1.3	1.3	1.4
Net debt/equity (x)	0.6	0.7	0.8	0.7
Interest coverage (x)	7.7	2.1	3.5	4.4

Valuation Metrics

Year to March	FY24A	FY25A	FY26E	FY27E
Diluted P/E (x)	5.8	15.5	12.0	8.7
Price/BV (x)	1.3	1.3	1.2	1.1
EV/EBITDA (x)	5.0	10.5	7.9	6.4
Dividend yield (%)	1.8	1.8	2.5	3.4

Valuation Drivers

Year to March	FY24A	FY25A	FY26E	FY27E
EPS growth (%)	340.2	(62.8)	28.5	38.2
RoE (%)	25.7	8.3	10.3	13.1
EBITDA growth (%)	144.1	(52.6)	33.7	23.9
Payout ratio (%)	10.2	31.2	30.0	30.0

Source: Company and Nuvama estimates

Q1FY26 management commentary

Financial and operational showing—Throughput: 18.7MMT; > 20,000km pipeline network

Q1 reported PAT came in at INR57bn, down from INR73bn in Q4FY25 (-22% QoQ), but surging 2.15x YoY from INR26bn in Q1FY25 with the improvement led by marketing and pipeline segments, partially offset by petchem segment and LPG under-recoveries. The company's Q1 throughput was 18.7mt, registering capacity utilisation of 106.7%, higher than 18.6mt (107.1% utilisation) in Q4FY25. GRMs came in at USD2.2/bbl versus USD6.4/bbl, down 66% YoY primarily led by inventory losses.

Inventory losses were INR65bn in Q1 with about half each in the refining and marketing segments.

IOCL's pipeline capacity utilisation was 73.5% in Q1FY26 versus 73% in Q4FY25. During Q1FY26, the pipeline throughput was 26.3mt.

In marketing segment, IOCL's petroleum product sales were 26.3mt in Q1FY26. IOCL's market share in ATF sales is currently 60%, up from 55% earlier.

Capex guidance of INR335bn for FY26E

During Q1FY26, the company incurred a total capex of INR64.7bn. For FY26, the budgeted capex is INR335bn. Outlay by segment: Refining INR140–150bn; pipeline, petchem, marketing INR180–190bn and CGD ~INR10bn.

IOCL is planning a cumulative capex of INR220bn for the CGD segment, of which INR40bn has already been incurred. It plans to sustain a run-rate of INR10bn/year in the coming years.

Major refinery expansion nearing completion in next 12 months, to raise capacity to ~98mtpa

In Panipat, the company is adding 10mtpa capacity, rising from 15mtpa to 25mtpa, Gujarat refinery is rising from 13.7mtpa to 18mtpa, Barauni refinery is expanding from 6mtpa to 9mtpa with total refining capacity additions amounting to ~18mmtpa. Both Panipat and Gujarat are likely be commissioned by Q1FY27. Barauni refinery is likely to come up by Aug-26 and shall take ~24 months to achieve 100% utilisation rate. Related petchem expansion shall be commissioned one–two months after refinery expansion.

Management is confident the higher capacities would help improve refining margins.

Apart from refinery expansion, the company is also targeting petchem expansion. In the petchem segment, the projects include the PX, PTA project at Paradip, which is likely to come up in Apr-26 at a capex of INR140bn along with other projects such as polypropylene plant in Barauni and various units in Panipat. A new petchem complex at Paradip is likely to come up by FY30 at a capex of INR610bn. IOCL is targeting a petrochemical integration of 15% by 2030, from 6% currently.

LPG under-recoveries compensation announced

The government has announced a cumulative compensation for LPG under-recoveries of INR300bn for OMCs. Details on IOCL's share in the INR300bn figure are still awaited.

IOCL's LPG under-recoveries came in at INR160–165/cylinder in Q1FY26 and have come down to INR100–105/cylinder in the current quarter.

Russian crude sourcing increases to 24% in Q1

The company had sourced 24% Russian crude in Q1FY26 versus 22% in FY25 and 14% in Q4FY25. Current discount of Russian crude versus others is USD1.5/bbl.

Debt-to-equity ratio at 0.66x; gross debt decreases by INR129bn QoQ

IOCL's debt-to-equity ratio was 0.66x as on June 30, 2025. Going forward, the company is inclined to maintain debt-to-equity levels below 1x.

Gross debt came down by INR129bn to INR1.21tn as on June 30, 2025, primarily led by year-end excise duty payment.

Marketing infrastructure expansion—expects to add > 4,000 ROs in FY26E

The company intends to add more than 4,000 retail outlets in FY26E. Management expects the company's total retail outlet figure to cross 48,000 mark by FY27-end.

New energy project underway

The company is making efforts to scale up electric mobility infrastructure including EV battery charging stations, harnessing natural gas, CBG, biofuels and green hydrogen including hydrogen mobility pathways. The upcoming 10ktpa green hydrogen facility at Panipat is likely to be commissioned in two years. Current cost of green hydrogen is USD3.5–4/kg. IOCL also plans to set up India's first commercial scale sustainable aviation fuel plant at its Panipat refinery complex.

Exhibit 1: Lower-than-expected GRMs led by inventory losses; LPG under-recoveries hurt earnings

IOCL	Q1FY26	Q1FY25	YoY (%)	Q4FY25	QoQ %	Nuvama Est	versus est %	Consensus	Beat/Miss %
Net sales (INR mn)	19,29,706	19,32,355	-0.1	19,49,670	-1.0	16,31,698	18.3	17,94,000	7.6
EBITDA (INR mn)	1,26,072	86,347	46.0	1,35,725	-7.1	1,38,228	-8.8	1,55,588	-19.0
Adjusted PAT (INR mn)	56,886	26,432	115.2	72,638	-21.7	62,434	-8.9	86,349	-34.1
Refining Throughput (TMT)	18,683	18,168	2.8	18,548	0.7	18,682	0.0		
Reported GRM (USD/bbl)	2.2	6.4	-66.4	7.9	-72.6	8.0	-73.1		
Pipeline throughput (TMT)	26,256	25,811	1.7	25,777	1.9	26,069	0.7		

Source: Company, Nuvama Research, Bloomberg

Exhibit 2: Key operational highlights

Key Operational metrics	Q1FY26	Q1FY25	Q4FY25	% YoY	% QoQ
Refining					
Reported GRM (USD/bbl)	2.2	6.4	7.9	(66.4)	(72.6)
Throughput (TMT)	18,683	18,168	18,548	2.8	0.7
Distillate yield (%)	80.1	78.5	79.7	2.0	0.4
Refinery utilization (%)	106.7	103.7	107.1	300bps	-40bps
Marketing					
Retail sales volumes (TMT)					
MS	4,186	3,962	3,869	5.7	8.2
HSD	10,095	9,752	9,320	3.5	8.3
LPG	3,664	3,329	3,881	10.1	(5.6)
SKO	64	55	55	16.4	16.4
Others	4,388	4,431	4,742	(1.0)	(7.5)
Domestic Sales Volume	**22,397**	**21,529**	**21,867**	**4.0**	**2.4**
Exports Sales Volume	1,323	1,171	1,326	13.0	(0.2)
Total Sales Volume	**23,720**	**22,700**	**23,193**	**4.5**	**2.3**
Pipelines					
Throughput (TMT)	26.3	25.8	25.8	1.7	1.9
Chemicals					
Total Sales (TMT)	832	747	829	11.4	0.4

Source: Company, Nuvama Research

Exhibit 3: Q1FY26: IOCL versus peers

Q1FY26	IOCL	HPCL	BPCL
EBITDA margin (%)	6.5	6.9	8.6
GRM (USD/bbl)	2.2	3.1	4.9
YoY (%) change in Refining throughput	2.8	14.6	3.1
QoQ (%) change in Refining throughput	0.7	(2.1)	(1.5)
YoY (%) change in Domestic Sales Volume	4.0	1.6	3.2
QoQ (%) change in Domestic Sales Volume	2.4	1.2	1.2
Refinery Utilisation (%)	106.7	109.0	118.1
YoY (%) change in Pipeline throughput	1.7	(1.9)	NA
QoQ (%) change in Pipeline throughput	1.9	1.4	NA

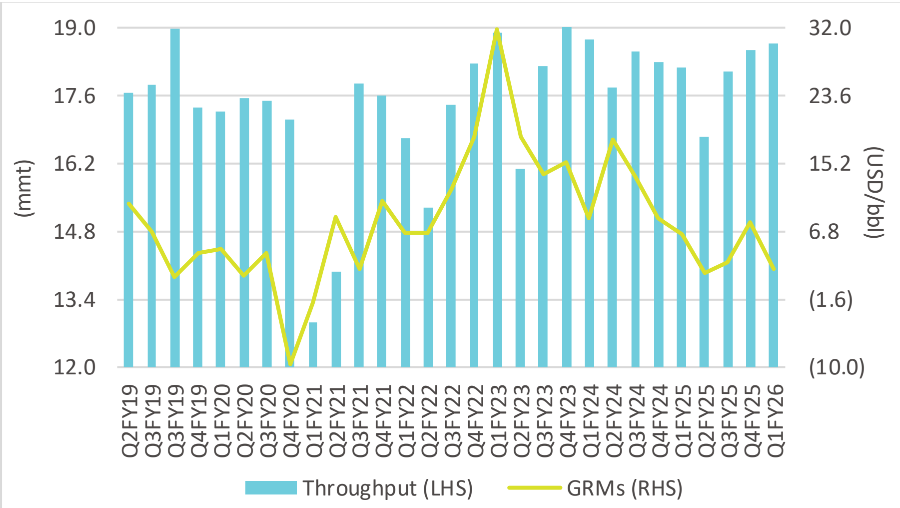
Source: Company, Nuvama Research

Exhibit 4: Quarterly comparison with peers

Particulars	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY (%)
Refining Througput (MMT)																	
IOCL	15.3	17.4	18.3	18.9	16.1	18.2	19.2	18.8	17.8	18.5	18.3	18.2	16.7	18.1	18.5	18.7	3%
BPCL	9.0	9.9	10.2	9.7	8.8	9.4	10.6	10.4	9.4	9.9	10.4	10.1	10.3	9.5	10.6	10.4	3%
HPCL	2.5	4.2	4.7	4.8	4.5	4.8	5.0	5.4	5.8	5.3	5.8	5.8	6.3	6.5	6.7	6.6	15%
Throughput Growth (YoY %)																	
IOCL	9.5	(2.6)	3.8	13.0	5.2	4.6	5.0	(0.8)	10.4	1.7	(4.7)	(3.1)	(5.8)	(2.1)	1.5	2.8	
BPCL	59.3	37.3	(0.4)	14.9	(1.7)	(5.5)	4.7	6.9	6.0	5.0	(2.5)	(2.4)	9.9	(3.2)	2.1	3.1	
HPCL	(37.7)	5.9	6.8	91.6	77.5	14.0	5.8	12.3	28.1	10.6	17.7	6.7	9.6	21.2	15.5	14.6	
GRM ($/bbl)																	
IOCL	6.6	12.0	18.5	31.8	18.5	13.9	15.3	8.3	18.1	13.5	8.4	6.4	1.6	3.0	7.9	2.2	-66%
BPCL	6.0	9.7	16.4	27.5	16.8	16.0	20.6	12.6	18.5	13.4	12.5	7.9	4.4	5.6	9.2	4.9	-38%
HPCL	2.4	6.4	12.4	16.7	8.4	9.1	14.0	7.4	13.3	8.5	7.0	5.0	3.1	6.0	8.4	3.1	-39%
Domestic retail sales volume (MMT)																	
IOCL	18.1	21.0	20.9	22.2	22.6	21.6	21.1	21.3	19.7	21.0	21.3	21.5	19.5	22.0	21.9	22.4	4%
BPCL	9.9	11.2	11.8	11.8	11.4	12.8	12.9	12.8	12.2	12.9	13.2	13.2	12.4	13.4	13.4	13.6	3%
HPCL	8.8	10.0	10.3	10.5	9.9	11.0	10.9	11.4	10.1	11.4	11.8	12.1	10.8	12.3	12.1	12.3	2%
Domestic volumes growth YoY (%)																	
IOCL	7.0	2.2	2.8	23.5	24.8	2.9	0.9	(4.0)	(13.0)	(2.8)	0.6	0.9	(0.7)	4.8	2.8	4.0	
BPCL	10.9	0.5	5.8	22.1	15.4	14.9	9.2	8.4	6.6	0.9	2.1	3.2	1.6	3.9	1.8	3.2	
HPCL	8.5	(0.8)	4.4	23.7	12.3	10.1	6.4	9.4	2.1	3.7	8.1	5.6	7.0	8.5	2.6	1.6	

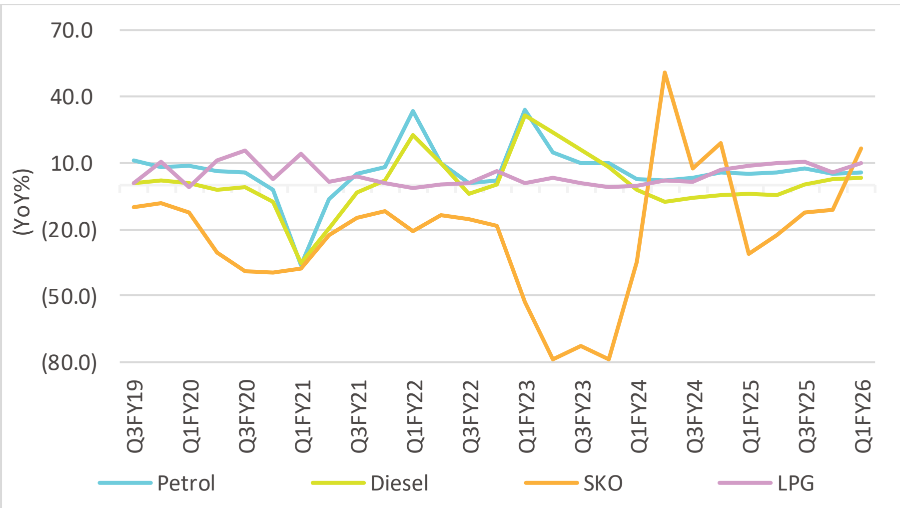
Source: Company, Nuvama Research

Exhibit 5: GRM falls 66% YoY; throughput up 3% YoY



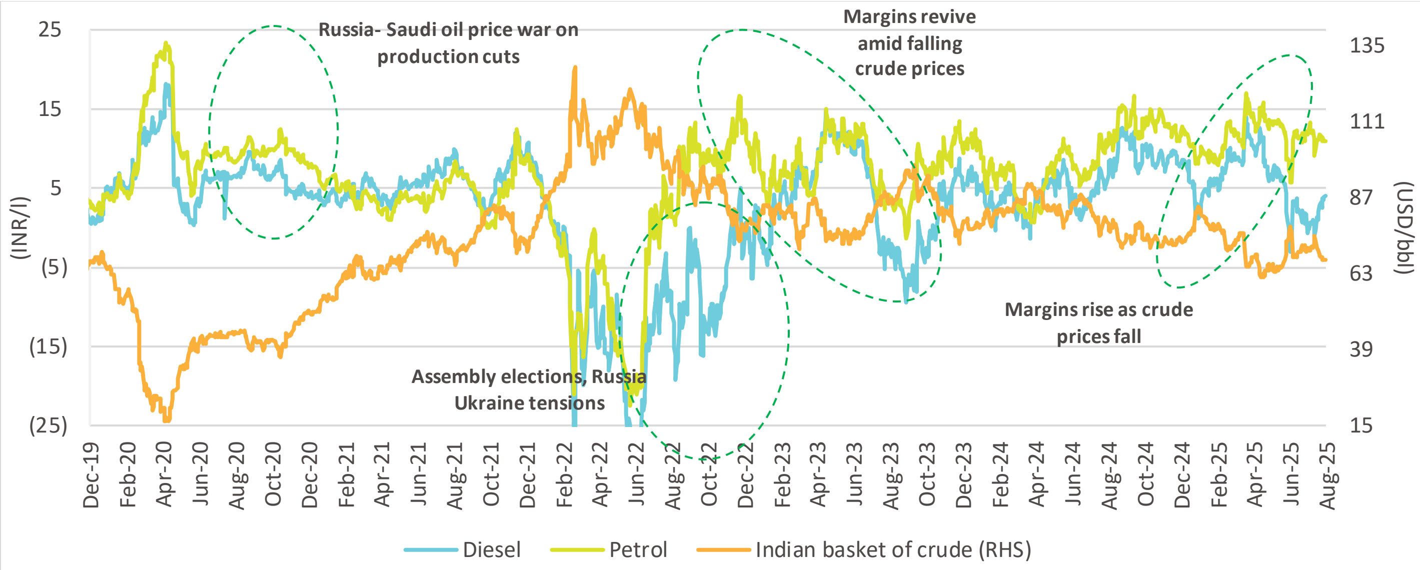
Source: Company, Nuvama Research

Exhibit 6: While HSD sales rise 4% YoY, MS/LPG sales up 6%/10% YoY



Source: Company, Nuvama Research

Exhibit 7: Retail margins increase in Q1FY26 amid falling crude prices



Source: Bloomberg, Nuvama Research

Exhibit 8: Standalone financial summary (INR mn)

Year to March	Q1FY26	Q1FY25	YoY %	Q4FY25	QoQ %
Net revenue	**19,29,706**	**19,32,355**	**(0.1)**	**19,49,670**	**(1.0)**
Raw material costs	16,50,911	16,99,720	(2.9)	16,62,084	(0.7)
Gross profit	2,78,795	2,32,635	19.8	2,87,586	(3.1)
Employee expenses	29,237	26,995	8.3	27,788	5.2
Other expenses	1,23,486	1,19,293	3.5	1,24,073	(0.5)
EBITDA	**1,26,072**	**86,347**	**46.0**	**1,35,725**	**(7.1)**
Depreciation & Amortisation	38,428	37,557	2.3	39,144	(1.8)
EBIT	**87,644**	**48,791**	**79.6**	**96,580**	**(9.3)**
Less: Interest Expense	19,727	19,603	0.6	20,458	(3.6)
Add: Other income	6,132	5,339	14.8	11,734	(47.7)
Add: Exceptional items	0	0	NA	11	NA
Profit Before Tax	**74,049**	**34,527**	**114.5**	**87,867**	**(15.7)**
Less: Provision for Tax	17,163	8,095	112.0	15,219	12.8
Reported Profit	**56,886**	**26,432**	**115.2**	**72,648**	**(21.7)**
Adjusted Profit	**56,886**	**26,432**	**115.2**	**72,638**	**(21.7)**
No. of Diluted shares outstanding (mn)	14,121	14,121	-	14,121	-
Adjusted Diluted EPS	**4.0**	**1.9**	**115.2**	**5.1**	**(21.7)**
As % of net revenues					
Gross profit	14.4	12.0		14.8	
EBIDTA	6.5	4.5		7.0	
Profit before tax	3.8	1.8		4.5	
Net profit	2.9	1.4		3.7	

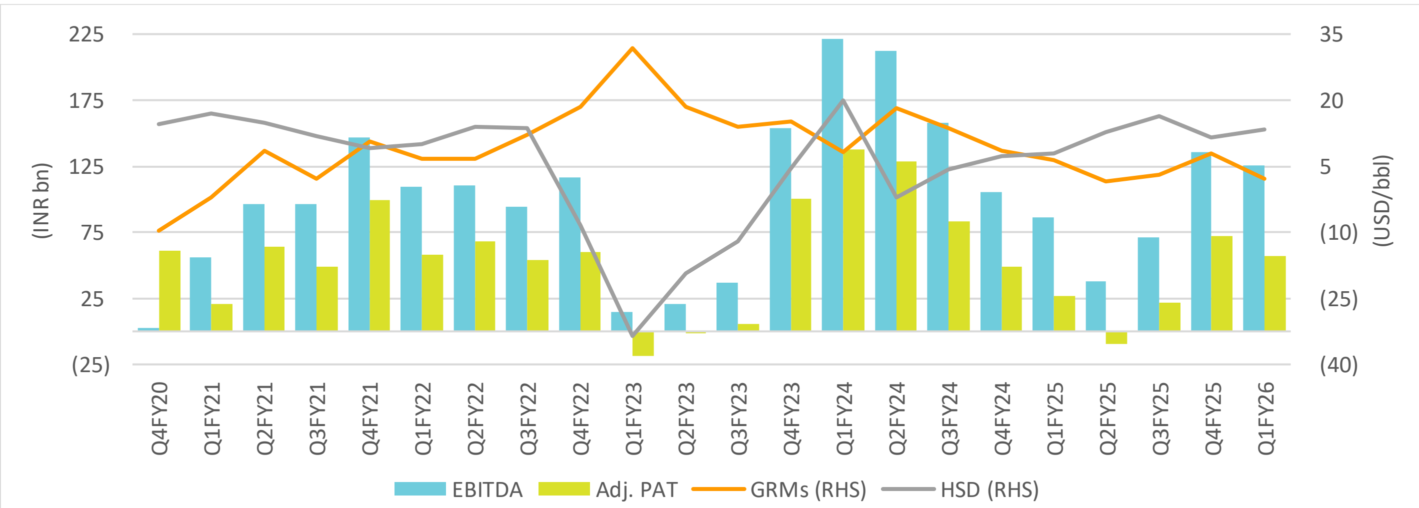
Source: Company, Nuvama Research

Exhibit 9: Consolidated financial summary (INR mn)

Year to March	Q1FY26	Q1FY25	YoY %	Q4FY25	QoQ %	FY24	FY25	FY26E	FY27E
Net revenue	**19,23,407**	**19,38,449**	**(0.8)**	**19,52,703**	**(1.5)**	**77,63,519**	**75,81,058**	**74,18,537**	**75,54,568**
Raw material costs	16,29,729	16,82,427	(3.1)	16,44,047	(0.9)	63,87,992	65,67,855	63,32,263	63,52,495
Gross profit	**2,93,677**	**2,56,023**	**14.7**	**3,08,656**	**(4.9)**	**13,75,527**	**10,13,203**	**10,86,274**	**12,02,073**
Employee expenses	30,681	28,170	8.9	29,157	5.2	1,16,709	1,08,799	1,11,832	1,15,014
Other expenses	1,30,322	1,28,654	1.3	1,29,206	0.9	5,00,165	5,44,515	4,93,285	4,90,860
EBITDA	**1,32,675**	**99,199**	**33.7**	**1,50,293**	**(11.7)**	**7,58,652**	**3,59,890**	**4,81,156**	**5,96,198**
Depreciation & Amortisation	41,786	41,028	1.8	43,254	(3.4)	1,58,661	1,67,773	1,70,566	1,82,865
EBIT	**90,888**	**58,170**	**56.2**	**1,07,040**	**(15.1)**	**5,99,991**	**1,92,116**	**3,10,589**	**4,13,333**
Less: Interest Expense	20,701	20,798	(0.5)	21,778	(4.9)	78,257	92,619	87,808	93,406
Add: Other income	5,833	5,327	9.5	12,378	(52.9)	38,429	35,153	38,381	40,654
Add: Share of profit from associates	11,485	5,712	101.1	2,796	310.7	15,459	17,604	27,633	29,700
Add: Exceptional items	0	0	NA	11	NA	-2,745	18,380	0	0
Profit Before Tax	**87,505**	**48,410**	**80.8**	**1,00,447**	**(12.9)**	**5,72,878**	**1,70,635**	**2,88,795**	**3,90,281**
Less: Provision for Tax	19,424	11,184	73.7	16,770	15.8	1,41,266	32,746	88,559	1,14,423
Less: Minority Interest	-56	1,941	NA	2,440	NA	14,315	1,910	1,895	1,791
Reported Profit	**68,081**	**37,226**	**82.9**	**83,676**	**(18.6)**	**4,17,297**	**1,35,978**	**1,98,340**	**2,74,068**
Adjusted Profit	**68,137**	**35,285**	**93.1**	**81,226**	**(16.1)**	**4,14,552**	**1,54,359**	**1,98,340**	**2,74,068**
No. of Diluted shares outstanding (mn)	14,121	14,121	-	14,121	-	14,121	14,121	14,121	14,121
Adjusted Diluted EPS	**4.8**	**2.5**	**93.1**	**5.8**	**(16.1)**	**29.4**	**10.9**	**14.0**	**19.4**
As % of net revenues									
Gross profit	15.3	13.2		15.8		17.7	13.4	14.6	15.9
EBIDTA	6.9	5.1		7.7		9.8	4.7	6.5	7.9
Profit before tax	4.5	2.5		5.1		7.4	2.3	3.9	5.2
Net profit	3.5	1.9		4.3		5.4	1.8	2.7	3.6

Source: Company, Nuvama Research

Exhibit 10: We believe strong earnings growth over past few quarters has peaked



Source: Company, Bloomberg, Nuvama Research

Exhibit 11: SotP valuation of INR130/share

	Base value (USD bn)	Base value (INR bn)	Base value (INR/share)
IOCL refining (@ EV/EBITDA 6x)	16.1	1,211	86
IOCL marketing (@ EV/EBITDA 5x)	16.8	1,261	89
IOCL pipelines (@ EV/EBITDA 6x)	5.3	396	28
IOCL chemicals (@ EV/EBITDA 6x)	0.8	62	4
Enterprise value of operating assets	**39.1**	**2,930**	**207**
Value of CPCL	1.2	93	7
Investments at 30% discount	4.3	323	23
Cash & cash equivalents	1.8	137	10
Gross debt	21.9	1,646	117
CWIP, discounted at 70%	0.0	0	0
Net debt	15.8	1,187	84
Equity value	**24.5**	**1,836**	**130**
CMP (INR)			**140**
Upside (%)			**-7%**

Source: Company, Nuvama Research

Exhibit 12: Annual comparison with peers

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E	FY25E-30E CAGR (%)
Refining Throughput (MMT)													
IOCL	71.8	69.4	62.4	67.7	72.4	73.3	71.7	68.8	76.9	85.5	85.5	85.5	3.6
BPCL	36.7	39.3	33.8	37.5	38.2	40.2	40.5	39.9	39.9	39.9	43.1	43.1	1.2
HPCL	18.5	17.2	16.4	14.0	19.1	22.3	25.3	25.7	27.0	27.0	27.0	27.0	1.3
Throughput Growth (YoY%)													
IOCL	4.1	(3.3)	(10.2)	8.5	7.0	1.2	(2.2)	(4.1)	11.8	11.2	0.0	0.0	
BPCL	28.7	7.1	(14.0)	10.9	1.9	5.1	0.9	(1.6)	0.0	0.0	8.0	0.0	
HPCL	1.6	(7.1)	(4.4)	(14.9)	36.7	17.0	13.2	1.8	4.8	0.0	0.0	0.0	
GRM ($/bbl)													
IOCL	5.4	0.1	5.6	11.3	19.5	12.1	4.8	5.5	6.5	7.5	8.5	8.5	12.1
BPCL	4.6	2.5	4.1	9.7	20.2	14.1	6.8	6.0	7.0	7.0	7.0	7.0	0.5
HPCL	5.0	1.0	3.9	7.2	12.1	9.1	5.7	6.8	8.0	8.0	8.0	8.0	7.0
Marketing sales volume (MMT)													
IOCL	85.1	84.4	77.9	83.9	92.6	88.5	89.8	94.8	98.1	100.6	103.1	105.6	3.3
BPCL	45.0	45.7	40.7	44.6	50.2	52.2	53.6	56.5	58.4	60.5	62.7	65.0	3.9
HPCL	38.7	39.6	36.6	39.1	43.5	46.8	49.8	52.1	54.6	57.2	60.1	63.0	4.8
Volume Growth (%)													
IOCL	0.9	(0.9)	(7.6)	7.7	10.4	(4.5)	1.5	5.6	3.5	2.5	2.5	2.5	
BPCL	4.1	1.7	(11.0)	9.7	12.5	3.9	2.7	5.3	3.4	3.5	3.6	3.7	
HPCL	4.8	2.4	(7.7)	7.0	11.0	7.8	6.4	4.6	4.7	4.8	4.9	5.0	
Core Marketing margin (INR/ltr)													
IOCL	4.6	5.6	5.0	2.9	(1.8)	5.9	5.8	5.9	6.0	6.1	6.2	6.4	2.0
BPCL	4.6	4.8	5.6	4.3	0.5	7.0	6.4	5.9	5.9	5.8	5.8	5.7	(2.1)
HPCL	4.4	4.6	6.5	4.5	0.9	7.4	6.3	6.6	6.4	6.5	6.6	6.7	1.4
Number of Retail outlets (No.)													
IOCL	27,702	29,085	32,062	34,559	36,559	38,559	40,221	43,221	46,221	48,221	50,221	52,221	5.4
BPCL	14,802	16,234	18,637	19,887	21,387	22,887	24,387	25,887	27,387	28,887	30,387	31,887	5.5
HPCL	15,440	16,476	17,226	18,476	21,186	22,022	23,747	25,247	26,747	28,247	29,747	31,247	5.6

Source: Company, Nuvama Research

Exhibit 13: Global refining peer comps

Company	Mcap	Adjusted EPS (LC)			EV/EBITDA(x)			ROE (%)			P/B (x)	P/E (x)	Div yield (%)	EPS CAGR (%)
	(USD mn)	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY27E	FY27E	FY26E	FY25-27E
India OMC														
Indian Oil Corporation Limited	22,760	10.9	13.2	18.2	10.5	8.0	6.5	8.3	9.7	12.3	1.1	7.7	2.8	29.1
Bharat Petroleum Corporation Limited	15,864	34.9	32.1	38.4	7.4	6.9	5.5	17.5	14.6	15.1	1.1	8.3	3.0	5.0
Hindustan Petroleum Corporation Limited	9,961	31.6	54.1	59.9	6.5	5.0	4.5	13.7	20.9	20.2	1.3	6.8	4.4	37.6
India OMC-Mean					**8.2**	**6.6**	**5.5**	**13.2**	**15.1**	**15.9**	**1.2**	**7.6**	**3.4**	**23.9**
India Refining														
Reliance Industries Limited	2,14,220	51.5	64.0	68.4	13.1	11.7	9.9	8.5	9.9	9.8	1.9	20.3	0.5	15.2
Chennai Petroleum Corp Ltd	1,076	5.6	89.3	95.8	13.9	4.4	3.9	1.0	15.8	15.6	1.0	6.6	6.3	NM
Mangalore Refinery & Petrochemicals Ltd	2,467	(0.2)	7.8	11.5	15.3	7.9	6.1	(0.2)	10.1	13.4	1.4	10.8	1.2	NM
India Refining-Mean					**14.1**	**8.0**	**6.7**	**3.1**	**11.9**	**12.9**	**1.4**	**12.5**	**2.7**	**15.2**
US Refining														
Marathon Petroleum Corp	49,169	8.6	8.4	11.6	7.8	8.2	7.4	14.7	13.6	21.0	2.8	14.0	2.3	15.7
Phillips 66	49,538	6.0	5.1	10.4	10.3	9.5	7.7	9.8	7.7	14.9	1.7	11.7	3.9	31.5
Valero Energy Corp	42,295	7.8	7.4	10.3	8.0	8.2	7.0	9.7	8.6	13.0	1.7	13.2	3.3	14.8
US Refining-Mean					**8.7**	**8.6**	**7.3**	**11.4**	**10.0**	**16.3**	**2.1**	**13.0**	**3.2**	**20.7**
Europe Refining														
Rubis	3,471	3.4	3.1	3.2	6.6	6.3	6.2	11.8	10.7	10.8	1.0	8.9	7.2	(2.2)
Neste OYJ	13,152	0.4	0.3	0.8	11.4	11.4	8.6	3.0	3.3	8.1	1.4	18.1	1.5	51.5
Dcc Plc	6,192	4.8	4.5	5.1	5.9	6.3	5.9	13.5	14.0	15.0	1.5	9.2	4.4	3.1
Europe Refining-Mean					**8.0**	**8.0**	**6.9**	**9.4**	**9.3**	**11.3**	**1.3**	**12.1**	**4.4**	**17.5**
South Korea Refining														
SK Innovation Co Ltd	11,880	(12,410)	(8,410)	1,556	19.1	17.3	11.3	(5.6)	(4.7)	0.7	0.7	70.1	2.0	NM
S-Oil Corp	4,968	37	660	4,865	11.0	13.6	8.0	0.0	0.6	5.7	0.8	12.6	0.8	NM
South Korea Refining-Mean					**15.0**	**15.5**	**9.7**	**(2.8)**	**(2.0)**	**3.2**	**0.7**	**41.3**	**1.4**	
APAC Refining														
Vietnam National Petroleum	1,833	2,325	1,780	2,501	9.6	9.2	6.6	11.3	8.6	11.9	1.8	15.2	3.7	3.7
Binh Son Refining	2,685	402	760	1,077	14.8	15.9	13.4	2.3	3.2	4.3	1.2	21.1	NA	63.7
Petrochina	2,16,030	0.9	0.9	0.9	4.0	4.4	4.3	11.1	10.3	10.1	0.8	7.9	6.4	(1.3)
Sinopec	90,858	0.5	0.4	0.4	4.7	5.2	4.8	6.8	5.7	6.3	0.6	9.3	6.2	(2.3)
APAC Refining-Mean					**8.3**	**8.7**	**7.3**	**7.9**	**7.0**	**8.1**	**1.1**	**13.4**	**5.4**	**15.9**
Global Refining - Mean					**10.4**	**9.2**	**7.2**	**7.0**	**8.5**	**11.3**	**1.3**	**16.4**	**3.4**	**18.7**

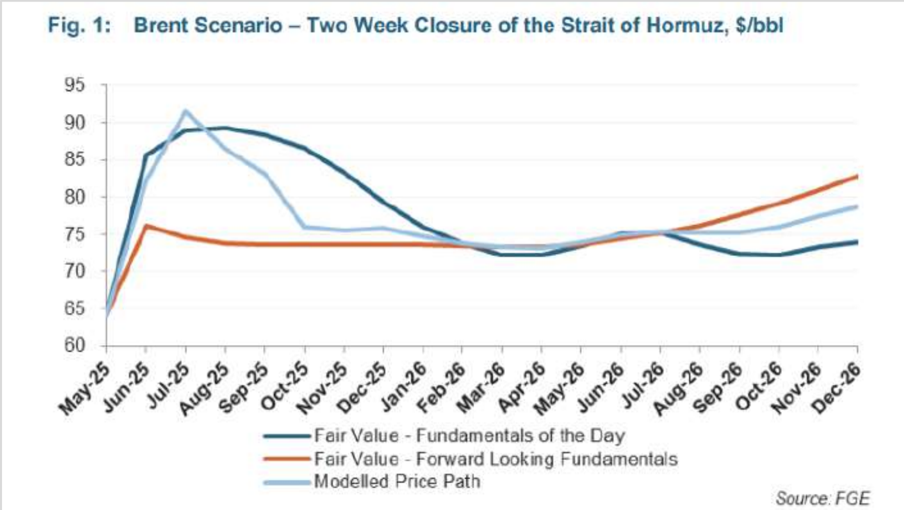
Source: Company, Nuvama Research, Bloomberg

Oil: Geopolitics driving near-term strength

War premium pushing up near-term oil prices

Oil prices veered towards USD80/bbl before retracing as a upshot of Israel's attack on Iran, factoring in a war premium and a risk of closure of 20mbpd of supply in the near term on potential closure of the Strait of Hormuz. In the unlikely event of a temporary closure, oil prices could spike to USD100/bbl. However, mitigating measures such as accelerated unwinding of OPEC+ production cuts and use of strategic reserves could cushion the impact to USD92/bbl on a monthly average basis. Even if the market sees only a 30% risk of closure, that can still be enough to fuel prices towards USD85/bbl for the rest of June.

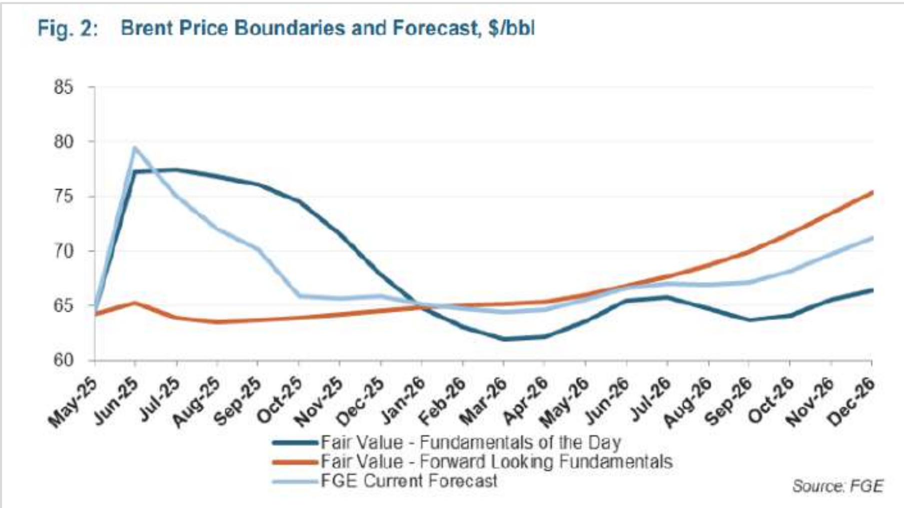
Exhibit 14: A two-week closure of the Strait could see prices averaging USD92/bbl



Source: FGE

FGE has increased its floor price for the rest of 2025 by USD10/bbl to USD65–70/bbl on discounting of war premium, risk of closure of the Strait of Hormuz and greater potential for loss of Iranian supply due to a potential snapback of sanctions on Iran.

Exhibit 15: Floor price increased by USD10/bbl to USD65–70/bbl for rest of 2025

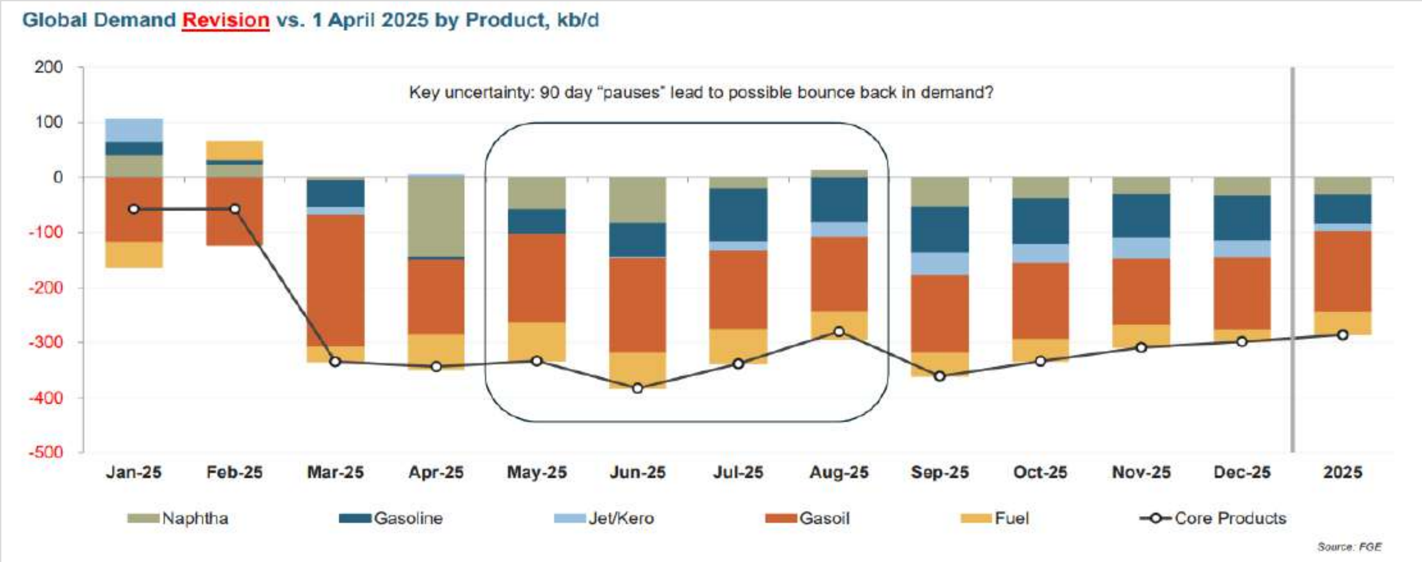


Source: FGE

Elevated OPEC+ spare capacity; tariff shocks suppressing oil prices

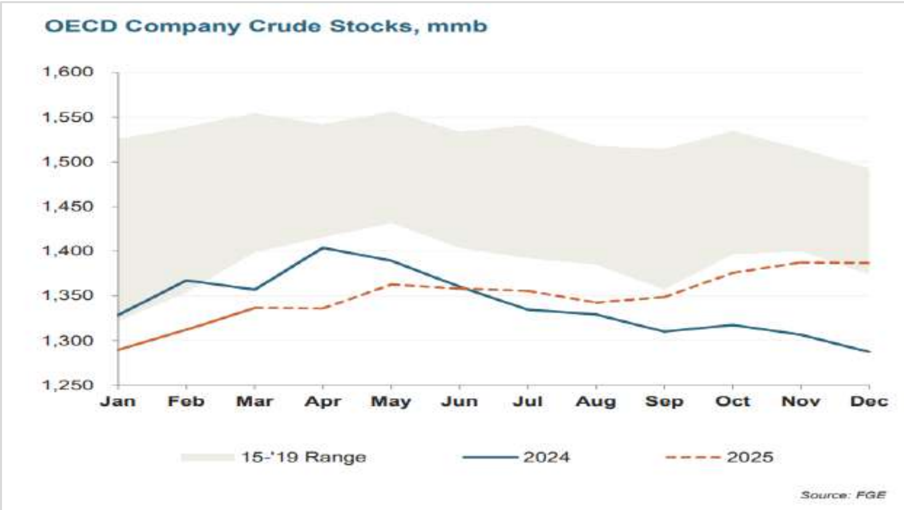
Crude oil prices have been subdued largely on elevated OPEC+ spare capacity and Liberation Day tariff shocks from the Trump administration sparking concerns over economic growth, which prompted cuts in oil demand forecast. However, tight crude inventories in OECD countries and geopolitical tensions have supported oil prices.

Exhibit 16: Oil demand revised lower following announcement of Liberation Day tariffs; growth seen at ~700kbpd in Q2–Q4CY25



Source: FGE

Exhibit 17: Tightness in crude inventory supports crude oil prices



Source: FGE

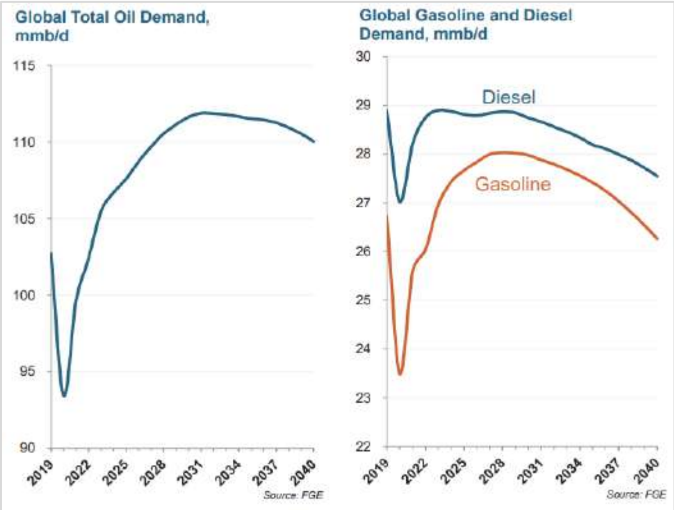
Oil demand to peak in 2030s; current cost of alternatives excessive

FGE expects oil demand to peak in the 2030s with about 4mbpd of growth yet to crystallise before growth plateaus and then reduces after reaching 110mbpd in 2040. Chinese oil demand is expected to peak in 2028/29E, primarily due to rapid adoption of EVs, and pan-Asia oil demand is set to peak in the 2040s.

Importantly, the current cost of alternatives is excessive and unfeasible for rapid adoption without sustained major government support. Only electricity use in road transport can compete with conventional gasoline and diesel after considering taxes on oil products.

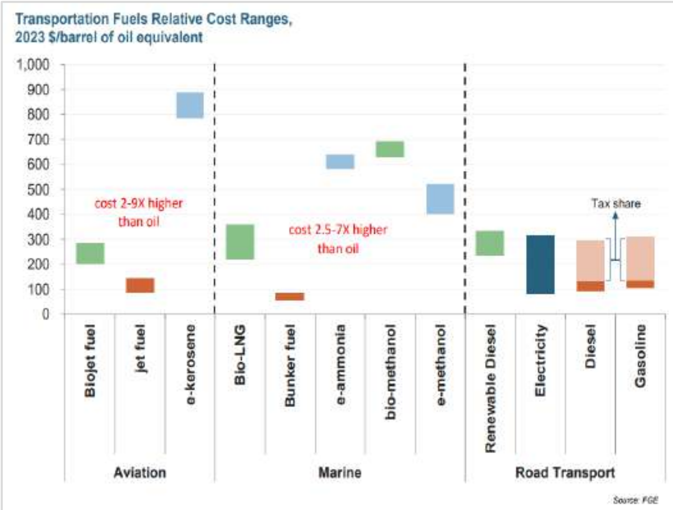
- Renewable diesel (RD) is expensive, but can compete with conventional diesel (CD), particularly if RD is subsidised and CD taxed.
- SAF is up to three times more expensive than conventional jet fuel.
- Bio-LNG is up to four times more expensive than conventional bunker fuel while hydrogen-based synthetic fuels are generally prohibitively expensive.

Exhibit 18: Oil demand peak in 2030s; ~4mbpd growth to unfold



Source: FGE

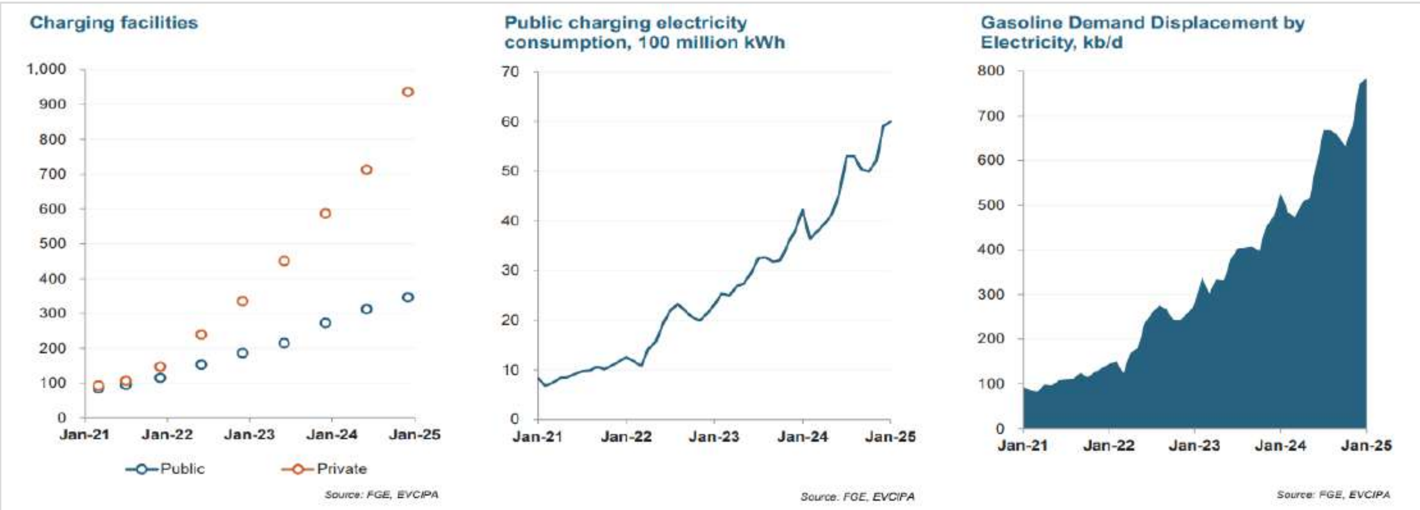
Exhibit 19: Cost of alternatives to oil too high, except for EVs



Source: FGE

**led by robust EV adoption*

Exhibit 20: Chinese gasoline demand replacement owing to rapid EV adoption has been on the rise for years



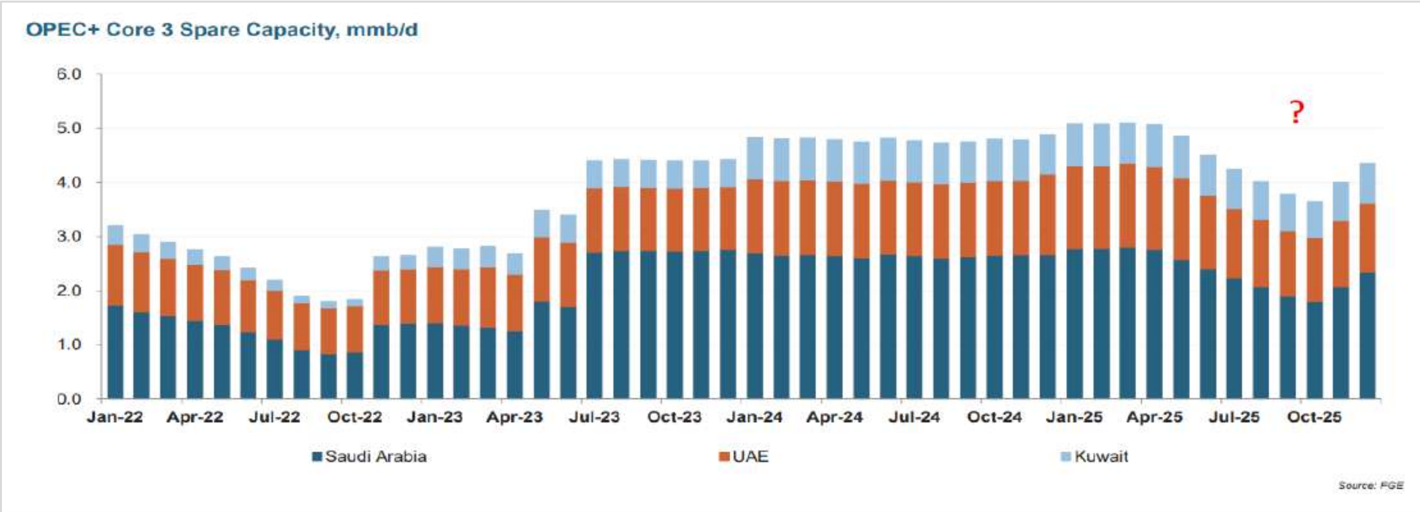
Source: FGE

Managing its spare capacity a continuing challenge for OPEC+

OPEC+'s spare capacities remain high. It has been cutting production since 2022 to keep the market in balance, which has increased OPEC+'s core spare capacity to as high as ~5mbpd. At high oil prices, the spare capacity has declined to as low as ~2mbpd. However, in the current scenario, despite all the ongoing geopolitical concerns, there is cushion from high spare capacity, which has restricted any material spike in crude oil prices.

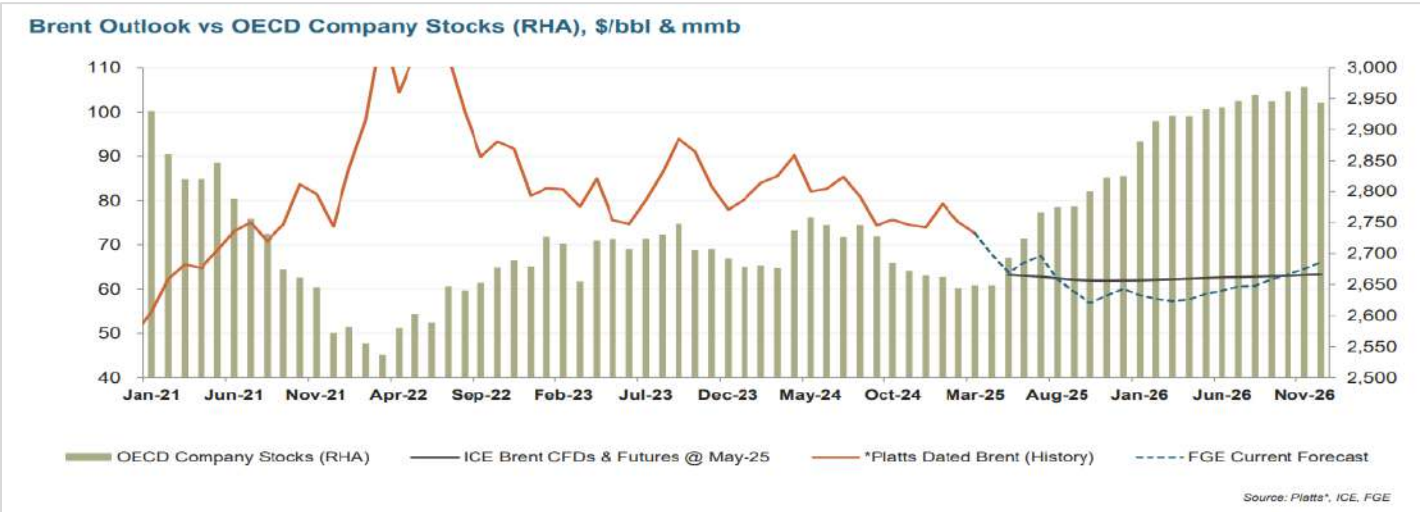
FGE believes crude oil prices could drop down to USD60/bbl levels as the impact of production hikes is felt a few months from now once seasonal demand from the North America driving season tails off.

Exhibit 21: OPEC's core spare capacity above 4mbpd



Source: FGE

Exhibit 22: OPEC strategy seems to be shifting as OECD inventories are allowed to build up



Source: FGE

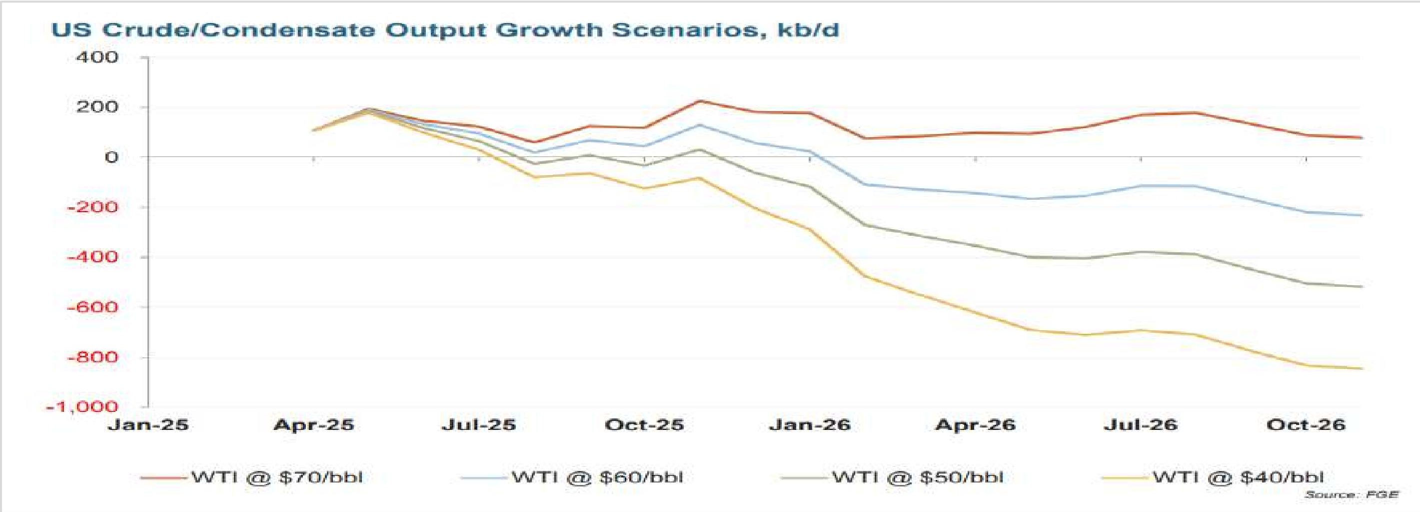
Price more important for US energy supplies than policy

Trump 2.0 aims to alleviate inflationary pressures in energy prices by increasing US output and reducing prices. The administration has planned to:

1. open new areas to drilling—but most shale areas are not on federal land;
2. reduce regulatory burdens in areas such as methane emissions, which seems to be a mixed blessing as it can damage the US oil/LNG "brand"; and
3. speed up regulatory process for new pipelines and infrastructure, but benefits are expected over the medium to long term.

However, history shows that price is the most important driver of growth in US energy production. WTI above USD70/bbl sees growth, whereas oil below USD60/bbl results in flattening/declines. Large producers can maintain output and even grow marginally at USD50–60/bbl, while hedging can limit production losses in the short term.

Exhibit 23: Price is more important for US energy producers with growth in supply seen only when WTI is beyond USD70/bbl

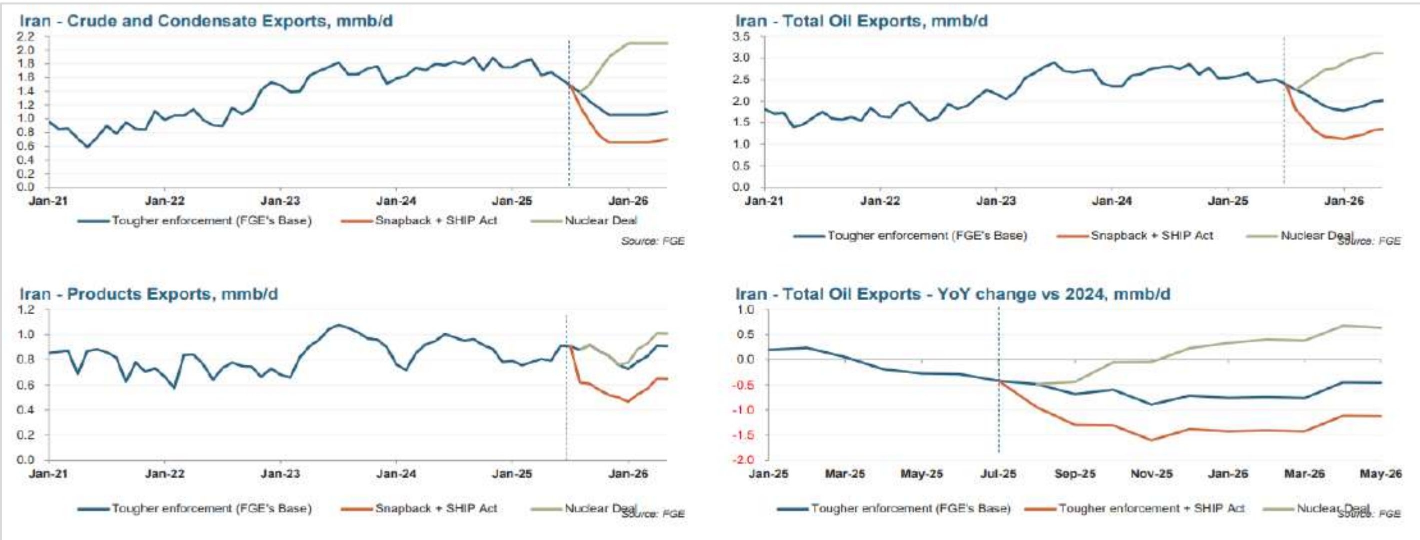


Source: FGE

Iranian crude supply under threat of disruption

Iran's oil production has hit a 40-year high of late led by elevated Chinese buying. The Trump administration might target (shipping) ports by imposing sanctions pertaining to trading in Iranian oil, thereby creating widespread friction and a potential spike in oil prices. Furthermore, the likelihood of a snapback of full sanctions is increasing due to the ongoing geopolitical tensions, reducing FGE's Iranian supply estimates by 300kbpd for Q4CY25 and 2026.

Exhibit 24: Iran crude and product exports scenario analysis



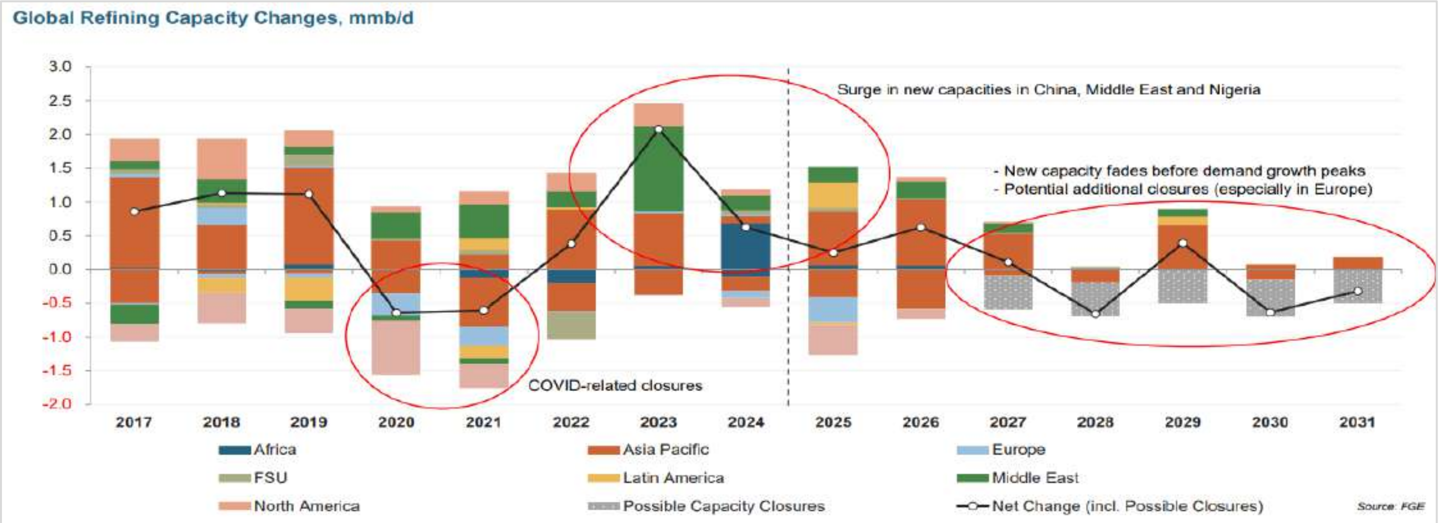
Source: FGE

Refining: Bright long-term prospects

Negative capacity-adds beyond CY27E

Global refinery capacity surged in CY23 led by lucrative margins in the wake of the post-covid supply deficit and the Russia-Ukraine conflict. These capacity additions, particularly in the Middle East, have led to the current subdued margin environment. However, post-CY27E, net global additions are expected to turn negative as new capacity-adds would fade before demand growth peaks out.

Exhibit 25: Refinery capacity changes (mbpd)

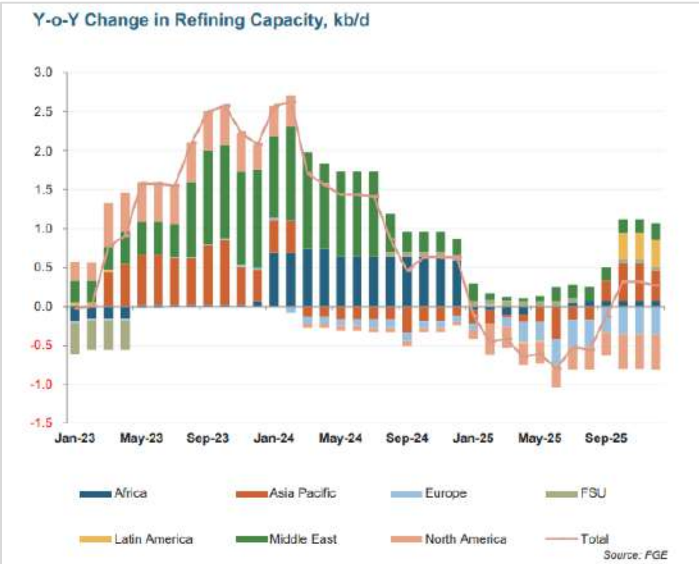


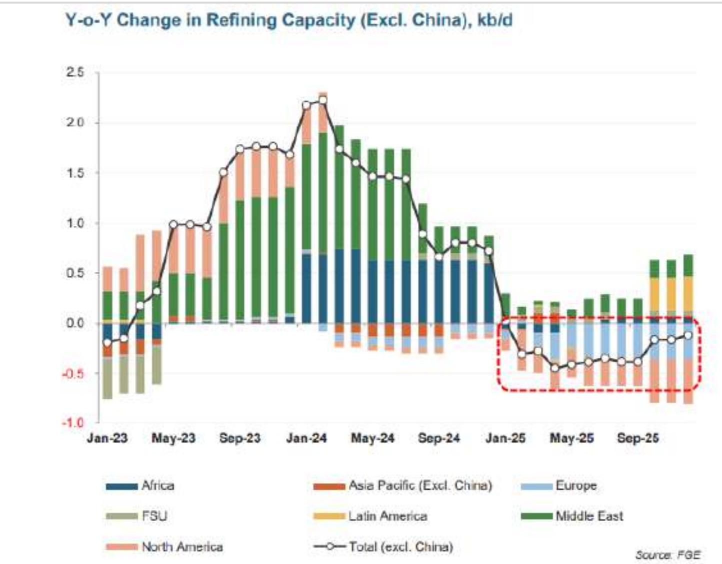
Source: FGE

Current GRMs elevated; near-term challenges persist

Current Singapore GRM of USD6–7/bbl is driven by seasonal demand on account of the driving season in North America. That is however expected to weaken during the course of the year as seasonal demand wanes and product inventory loosens—on lower demand and increased run rates from ramp-up of recent refineries.

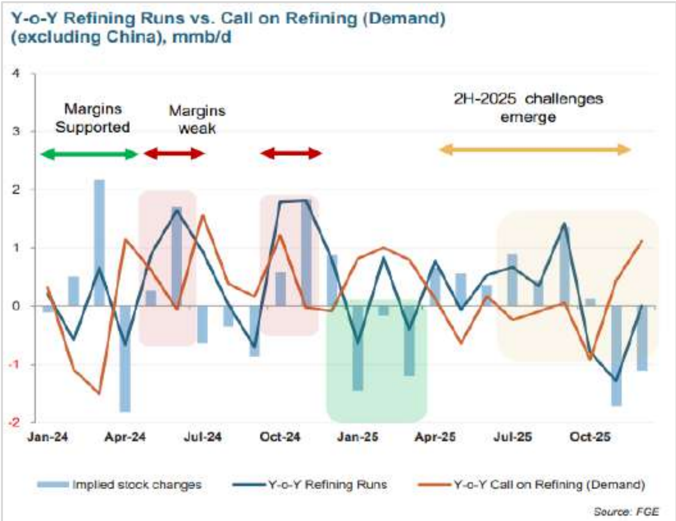
Exhibit 26: CY25 may see net closures of refining capacity (ex-China) primarily in North America and Europe





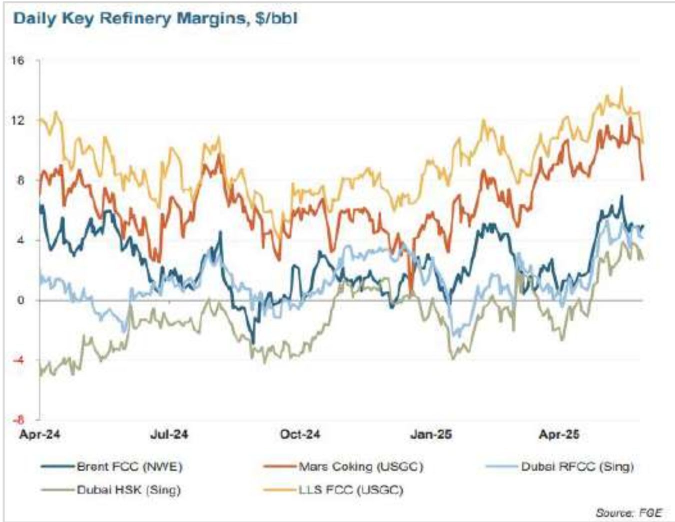
Source: FGE

Exhibit 27: YoY refining runs versus call on refining



Source: FGE

Exhibit 28: Daily refinery margins over last few months



Source: FGE

Company Description

Indian Oil Corporation (IOCL) is the largest oil marketing company (OMC) in India with a market share of ~47%. It also has the largest network of retail outlets (more than 35,000) and largest refining capacity at 80.7mtpa in the country. IOC has commissioned a 15mtpa refinery at Paradip, which is the most complex PSU refinery. The company also has a large presence in pipelines and chemicals.

Investment Theme

Among OMCs, IOCL's refineries are better in terms of complexity and, on average, have generated higher refining margins. The Paradip refinery, on full capacity utilisation, will consistently generate GRMs at a premium to Singapore benchmarks given its high complexity, adding to the company's overall refining margins.

IOCL enjoys the first-mover advantage and has a strong presence in the high entry barrier rural areas (~26%). This would enable it to ride robust rural demand growth.

We anticipate the golden era of refining to kick off CY24 onwards, enabling GRMs of >USD10/bbl. This shall improve earnings visibility in the long run.

With refining environment remaining subdued in the near term and the impact of LPG under recoveries, the peak earnings seen in FY24 are likely to deteriorate further. Thus, our downgrade to a REDUCE is panning out as highlighted previously Irrationality prompt downgrade

Key Risks

- Volatility in crude oil price due to geopolitical concerns remains a key risk
- Although we expect the deregulation regime to continue, a spate of state elections could herald a return of regulation of auto fuel prices, especially in the face of high oil prices.
- Investment in capital-intensive projects could result in lower returns.

Additional Data

Management

Chairman	Shri A S Sahney
Director (Pipelines)	Shri Nachimuthu Senthil Kumar
Director (Marketing)	Shri Satish Kumar Vaduguri
Director (Finance)	Shri Anuj Jain
Auditor	KHANDELWAL JAIN & CO, KG SOMANI & CO LLP, M K P S & ASSOCIATES, KOMANDOOR & CO LLP

Holdings – Top 10*

	% Holding		% Holding
Republic of Ind	51.50	Vanguard Group	1.18
Oil & Natural G	14.20	SBI Funds Manag	1.01
Life Insurance	6.46	BlackRock Inc	0.77
Oil India Ltd	5.16	ICICI Prudentia	0.54
IOC SHARES TRUS	2.48	Jupiter Fund Ma	0.46

Latest public data

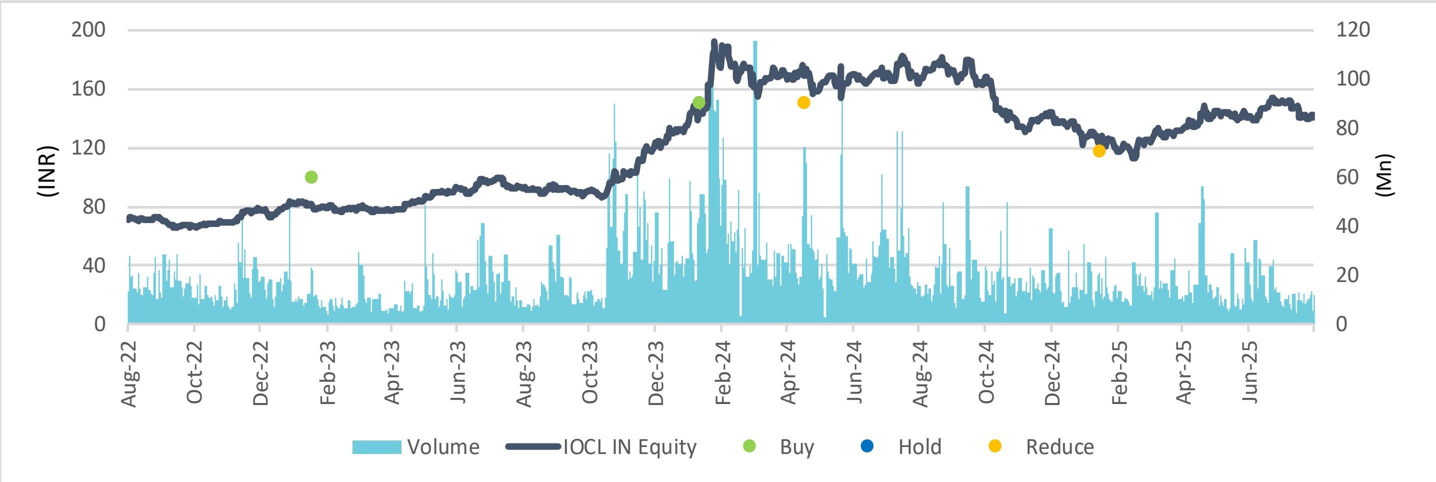
Recent Company Research

Date	Title	Price	Reco
02-May-25	Refining segment outperforms; *Result Update*	143	Reduce
28-Jan-25	Earnings deteriorate further; *Result Update*	127	Reduce
28-Oct-24	Washout quarter; peak earnings behind ; *Result Update*	147	Reduce

Recent Sector Research

Date	Name of Co./Sector	Title
14-Aug-25	BPCL	Marketing segment offsets weak refining; *Result Update*
13-Aug-25	ONGC	Beats Q1; guidance cut déjà vu; *Result Update*
12-Aug-25	GSPL	Margin-driven beat; volumes suffer; *Result Update*

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	198
Hold	<15% and >-5%	70
Reduce	<-5%	36

DISCLAIMER

Nuvama Wealth Management Limited (defined as "NWML" or "Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No L67110MH1993PLC344634) having its Registered office situated at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, Investment Adviser, Research Analyst and other related activities. Name of Compliance/Grievance officer: Mr. Atul Bapna, E-mail address: complianceofficer.nwm@nuvama.com Contact details +91 (22) 6623 3478 Investor Grievance e-mail address- grievance.nwm@nuvama.com

This Report has been prepared by NWML in the capacity of a Research Analyst having SEBI Registration No.INH000011316 and Enlistment no. 5723 with BSE and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 includes Financial Instruments and Currency Derivatives. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in Securities referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NWML and associates, subsidiaries / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWML reserves the right to make modifications and alterations to this statement as may be required from time to time. NWML or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NWML is committed to providing independent and transparent recommendation to its clients. Neither NWML nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance .The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWML. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWML and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWML shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWML to present the data. In no event shall NWML be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWML through this report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

NWML and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the Securities, mentioned herein or (b) be engaged in any other transaction involving such Securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWML may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d) The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWML (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWML or provide any assurance of returns to investors and clients.

NWML or its associates may have received compensation from the subject company in the past 12 months. NWML or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWML or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWML's associates may have financial interest in the subject company. NWML and/or its Group Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise in the Securities/Currencies and other investment products mentioned in this report. NWML, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company: No

NWML has financial interest in the subject companies: No

NWML's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

NWML has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWML on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years.
A graph of daily closing prices of the securities is also available at www.nseindia.com

Analyst Certification:
The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Additional Disclaimers

Disclaimer for U.S. Persons
This research report is a product of NWML, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by NWML only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, NWML has entered into an agreement with a U.S. registered broker-dealer, Nuvama Financial Services Inc. (formerly Edelweiss Financial Services Inc.) ("NFSI"). Transactions in securities discussed in this research report should be effected through NFSI.

Disclaimer for U.K. Persons
The contents of this research report have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA").

In the United Kingdom, this research report is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons").

This research report must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this research report relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this research report or any of its contents. This research report must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Disclaimer for Canadian Persons
This research report is a product of NWML, which is the employer of the research analysts who have prepared the research report. The research analysts preparing the research report are resident outside the Canada and are not associated persons of any Canadian registered adviser and/or dealer and, therefore, the analysts are not subject to supervision by a Canadian registered adviser and/or dealer, and are not required to satisfy the regulatory licensing requirements of the Ontario Securities Commission, other Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and are not required to otherwise comply with Canadian rules or regulations regarding, among other things, the research analysts' business or relationship with a subject company or trading of securities by a research analyst.

This report is intended for distribution by NWML only to "Permitted Clients" (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). If the recipient of this report is not an Ontario Permitted Client, as specified above, then the recipient should not act upon this report and should return the report to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any Canadian person.

NWML is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) NWML is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) NWML's head office or principal place of business is located in India; (iii) all or substantially all of NWML's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against NWML because of the above; and (v) the name and address of the NWML's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada.

Disclaimer for Singapore Persons
In Singapore, this report is being distributed by Nuvama Investment Advisors Private Limited (NIAPL) (Previously Edelweiss Investment Advisors Private Limited ("EIAPL")) (Co. Reg. No. 201016306H) which is a holder of a capital markets services license and an exempt financial adviser in Singapore and (ii) solely to persons who qualify as "institutional investors" or "accredited investors" as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Pursuant to regulations 33, 34, 35 and 36 of the Financial Advisers Regulations ("FAR"), sections 25, 27 and 36 of the Financial Advisers Act, Chapter 110 of Singapore shall not apply to NIAPL when providing any financial advisory services to an accredited investor (as defined in regulation 36 of the FAR. Persons in Singapore should contact NIAPL in respect of any matter arising from, or in connection with this publication/communication. This report is not suitable for private investors.

Disclaimer for Hong Kong persons
This report is distributed in Hong Kong by Nuvama Investment Advisors (Hong Kong) Private Limited (NIAHK) (Previously Edelweiss Securities (Hong Kong) Private Limited (ESHK)), a licensed corporation (BOM -874) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to Section 116(1) of the Securities and Futures Ordinance "SFO". This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of any individual recipients. The Indian Analyst(s) who compile this report is/are not located in Hong Kong and is/are not licensed to carry on regulated activities in Hong Kong and does not / do not hold themselves out as being able to do so.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.

Abneesh Roy
Head of Research Committee
Abneesh.Roy@nuvama.com

ABNEESH KUMAR ROY

Digitally signed by ABNEESH KUMAR ROY
DN: c=IN, o=Personal, pseudonym=MH0z6uWRNZkczK6PleN50FvOvOyHy7Ay, 2.5.4.20=e648fc28137c6fa4c0e6296c524ee518d54fd4f7ba4be4d07cb750c531c68e2c, postalCode=400098, st=Maharashtra, serialNumber=7370c9de10fb28bbf7cbc6f71afe3cfe848fa7245a8d681629dc3093fb2a8ea9, cn=ABNEESH KUMAR ROY
Date: 2025.08.18 21:04:34 +05'30'
Adobe Acrobat version: 2024.005.20320