

## Indraprastha Gas

Refer to important disclosures at the end of this report

## Covid-19 hits volumes and margins but worst is over; upgrade to Hold

CMP: Rs 413  
as of (August 26, 2020)TP: Rs 430 (▲)  
12 months

Rating: HOLD (▲)

Upside: 3.9 %

- IGL's Q1FY21 standalone EBITDA/PAT fell 77%/85% yoy to Rs834/318mn, missing our estimates by 44%/64%, due to a 9% volume miss and a sharp decline in EBITDA/scm (39% miss) on higher-than-expected opex.
- Gas sales volume fell 57% yoy/56% qoq to 2.71mmscmd, with CNG/PNG down 66%/30% yoy. Industrial-Commercial PNG volume fell 40% yoy/45% qoq. Third-party trading was down 62% yoy/60% qoq. Domestic PNG however, rose 39% yoy/5% qoq.
- Gross margin expanded by 7% qoq to Rs13.7/scm (2% miss) but opex/scm jumped 99% yoy/68% qoq to Rs10.4, 22% above our estimate. Hence, EBITDA/scm stood at Rs3.4, down 46%/yoy/49% qoq. Net realization/gas cost fell 6%/17% qoq.
- We cut FY21E EPS by 4% due to weak Q1 but keep FY22/23E EPS mostly unchanged as some volume cut is offset by high margins. We roll over valuations to Sep'22E and raise our DCF-based TP by 5% to Rs430. We upgrade IGL from Sell to Hold with an EW stance.

**Key highlights:** IGL's CNG realization was down 5% qoq, while PNG fell 6%. Employee cost fell 14% yoy/10% qoq and Other Expenditure was down 13% yoy/29% qoq to Rs2.2bn. IGL said it kept compressor-equipment mostly running to quickly scale back and maintained payments and other overheads. Depreciation was up 4% qoq, while other income fell 13% yoy/2% qoq (19% below estimate) to Rs306mn. The tax rate was also high at ~27%. CUGL/MNGL gross PAT fell sharply by 82% yoy/88% qoq to Rs118mn due to low volumes and margins. IGL's CNG/industrial PNG demand has been gradually increasing from June onwards. It does not estimate Covid-19's impact on carrying amounts of assets.

**Management guidance:** Volumes fell up to 90% in April, but by June, they were down 35%. July volumes were ~80% of normal, with CNG/industrial/domestic PNG at 75%/105%/130%. Trading is also picking up, but commercial is weak. IGL expects volumes to see growth by mid-Q3FY21 and is trying to achieve FY19 volumes in FY21 as a whole. CNG conversions should increase due to personal mobility demand, while school buses are yet to come. All outlets are operational now. IGL will try to maintain healthy EBITDA margins, supported by a drop in gas cost in H2 and diesel being pricier now. Against Rs12bn planned FY21 capex, it now aims Rs10bn+. No additional update is there on the HCG court case. IGL believes that an open access will eventually come but the Indian market is immature now and many issues need to be cleared. Incumbents have reinvested earnings into hitherto new undeveloped areas and serving less lucrative segments. Such aspects also have to be considered.

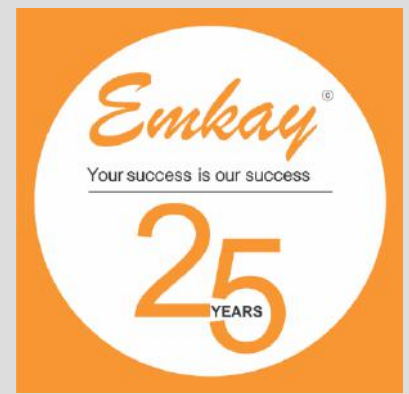
**Valuation:** We value IGL on a DCF-SoTP basis and upgrade to Hold with an EW stance in EAP. Quick volume recovery is the key trigger. Key risks are adverse pricing/margin/currency, high gas prices (incl. reforms), Covid-19 relapse, open access-competition and project delays.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Oil & Gas \(Page 7\)](#)

## Financial Snapshot (Standalone)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	57,648	64,853	51,570	68,362	80,632
EBITDA	12,570	15,196	13,924	17,565	20,489
EBITDA Margin (%)	21.8	23.4	27.0	25.7	25.4
APAT	7,867	10,589	9,483	12,184	14,249
EPS (Rs)	11.2	15.1	13.5	17.4	20.4
EPS (% chg)	19.1	34.6	(10.4)	28.5	16.9
ROE (%)	20.6	23.0	17.4	19.4	19.6
P/E (x)	36.8	27.3	30.5	23.8	20.3
EV/EBITDA (x)	21.5	17.7	19.1	15.1	12.9
P/BV (x)	7.0	5.7	5.0	4.3	3.7

Source: Company, Emkay Research



## Change in Estimates

EPS Chg FY21E/FY22E (%)	(4.2)/(0.8)
Target Price change (%)	4.7
Target Period (Months)	12
Previous Reco	SELL

## Emkay vs Consensus

EPS Estimates		
	FY21E	FY22E
Emkay	13.5	17.4
Consensus	14.6	19.5
Mean Consensus TP (12M)	Rs 477	

## Stock Details

Bloomberg Code	IGL IN
Face Value (Rs)	2
Shares outstanding (mn)	700
52 Week H/L	534 / 284
M Cap (Rs bn/USD bn)	289 / 3.90
Daily Avg Volume (nos.)	4,750,479
Daily Avg Turnover (US\$ mn)	27.9

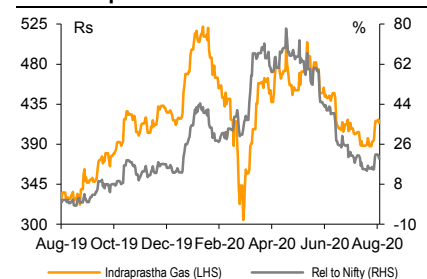
## Shareholding Pattern Jun '20

Promoters	45.0%
FIIs	22.3%
DIIIs	17.2%
Public and Others	15.5%

## Price Performance

(%)	1M	3M	6M	12M
Absolute	1	(12)	(9)	26
Rel. to Nifty	(2)	(31)	(8)	20

## Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

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## Exhibit 1: Actual vs. Estimates (Q1FY21)

Rs mn	Actual	Estimate (Emkay)	Consensus Estimate (Bloomberg)	Variation		Comments
				Emkay	Consensus	
Revenue	6,386	7,075	7,039	-10%	-9%	
EBITDA	834	1,490	1,316	-44%	-37%	Higher-than-expected opex and volume miss
Margin	13%	21%	19%	-799bps	-562bps	
PAT	318	884	692	-64%	-54%	Lower Other Income and higher tax rate of 27%

Source: Company, Emkay Research

## Exhibit 2: Detailed quarterly highlights

Rs mn	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	yoy	qoq	FY19	FY20	yoy
CNG Sales	13,470	14,380	13,819	12,820	4,340	-68%	-66%	47,677	54,489	14%
Less Excise	1,679	1,736	1,670	1,595	534	-68%	-66%	5,801	6,679	15%
PNG Sales	3,970	4,280	4,492	4,300	2,580	-35%	-40%	15,759	17,042	8%
Net Revenues	15,761	16,925	16,642	15,525	6,386	-59%	-59%	57,634	64,853	13%
Dec./(Inc.) in Stock In Trade	(2)	1	3	5	5		-2%	(6)	6	
Raw Material Cost	9,219	9,905	9,407	8,257	2,986	-68%	-64%	33,979	36,788	8%
Total COGS	9,217	9,905	9,410	8,262	2,991	-68%	-64%	33,973	36,794	8%
Gross Profit	6,544	7,020	7,232	7,263	3,395	-48%	-53%	23,661	28,059	19%
Employee Cost	367	364	437	350	314	-14%	-10%	1,470	1,517	3%
Other Expenses	2,593	2,730	2,878	3,146	2,246	-13%	-29%	9,635	11,346	18%
Total OPEX	2,960	3,093	3,314	3,496	2,560	-13%	-27%	11,105	12,863	16%
Total Expenditure	12,177	12,998	12,724	11,758	5,551	-54%	-53%	45,079	49,656	10%
EBITDA	3,585	3,926	3,918	3,767	834	-77%	-78%	12,556	15,196	21%
Depreciation	605	621	641	655	682	13%	4%	2,011	2,523	25%
EBIT	2,980	3,305	3,277	3,112	153	-95%	-95%	10,545	12,674	20%
Interest	16	18	20	27	24	45%	-11%	21	81	296%
Other Income	354	390	508	313	306	-13%	-2%	1,476	1,564	6%
PBT before exceptional	3,318	3,677	3,764	3,398	435	-87%	-87%	12,000	14,157	18%
Exceptional items	-	-	-	-	-			-	-	
PBT	3,318	3,677	3,764	3,398	435	-87%	-87%	12,000	14,157	18%
Current tax	1,069	562	850	865	62	-94%	-93%	3,703	3,345	-10%
Deferred tax	65	(695)	76	(0)	55	-16%		430	(554)	
Total tax	1,134	(133)	926	865	117	-90%	-86%	4,134	2,791	-32%
Reported PAT	2,184	3,810	2,839	2,534	318	-85%	-87%	7,867	11,365	44%
Rep. EPS (Rs.)	3.1	5.4	4.1	3.6	0.5	-85%	-87%	11.2	16.2	44%
Adjusted PAT	2,184	3,810	2,839	2,534	318	-85%	-87%	7,867	10,589	35%
Adj. EPS (Rs.)	3.1	5.4	4.1	3.6	0.5	-85%	-87%	11.2	15.1	35%
CUGL/MNGL Gross PAT	672	849	589	972	118	-82%	-88%	1,740	3,081	77%
CUGL/MNGL EPS Contri (Rs)	0.5	0.6	0.4	0.7	0.1	-82%	-88%	1.2	2.2	77%
Consol. Adj. EPS (Rs.) ex Div. Adj.	3.6	6.0	4.5	4.3	0.5	-85%	-87%	12.5	17.3	39%
Shares O/S (mn)	700	700	700	700	700			700	700	
EBITDA margin	23%	23%	24%	24%	13%			22%	23%	
NPM	14%	23%	17%	16%	5%			14%	18%	
Effective tax rate	34%	-4%	25%	25%	27%			34%	20%	
Total Sales (mmscmd)	6.3	6.6	6.7	6.2	2.7	-57%	-56%	5.9	6.4	9%
CNG Volumes (mn kg)	305	320	317	291	105	-66%	-64%	1,148	1,233	7%
PNG Volumes (mmscm)	144	152	164	158	101	-30%	-36%	552	618	12%
Domestic	31	33	36	41	43	39%	5%	120	141	17%
Industrial+Commercial	68	73	82	75	41	-40%	-45%	252	298	18%
3rd party Trading	45	46	46	42	17	-62%	-60%	180	179	-1%
Gross Margin (Rs./scm)	11.5	11.6	11.7	12.8	13.7	20%	7%	11.0	11.9	8%
Adj. EBITDA/scm (Rs.)	6.3	6.5	6.4	6.6	3.4	-46%	-49%	5.8	6.4	11%
CNG Real (Rs./kg)	44.2	44.9	43.6	44.1	41.3	-6%	-6%	41.5	44.2	6%
PNG Real (Rs./scm)	27.6	28.2	27.4	27.2	25.5	-7%	-6%	28.5	27.6	-3%
Average Real (Rs./scm)	27.7	28.0	27.0	27.4	25.9	-7%	-6%	26.8	27.5	3%
YTD Capex	2,600	4,461	7,500	10,500	-			7,380	10,500	42%

Source: Company, Emkay Research

\*Note: Adjusted PAT may not match with annual tables fully due to different adjustment method in Emkay detailed annual model

**Exhibit 3: Changes in assumptions**

	FY21E			FY22E			FY23E		
	Previous	Revised	Variance	Previous	Revised	Variance	Previous	Revised	Variance
EBITDA/scm (Rs.)	7.0	7.2	3%	7.0	7.1	2%	8.0	7.3	2%
Sales Volume (mmscmd)	5.7	5.3	-7%	7.0	6.7	-4%	8.0	7.7	-4%
Growth	-11%	-17%	-600bps	23%	27%	391bps	14%	14%	17bps

Source: Company, Emkay Research

**Exhibit 4: Changes in estimates**

Rs mn	FY21E			FY22E			FY23E		
	Previous	Revised	Variance	Previous	Revised	Variance	Previous	Revised	Variance
Revenue	55,309	51,570	-7%	71,062	68,362	-4%	83,686	80,632	-4%
EBITDA	14,510	13,924	-4%	17,837	17,565	-2%	20,769	20,489	-1%
EBITDA Margins	26%	27%	77bps	25%	26%	59bps	25%	25%	59bps
PAT	9,896	9,483	-4%	12,279	12,184	-1%	14,355	14,249	-1%
EPS (Rs)	14.1	13.5	-4%	17.5	17.4	-1%	20.5	20.4	-1%

Source: Company, Emkay Research

**Exhibit 5: DCF Valuation**

Assumptions		Sep'22E (Rs.mn)	Core IGL	CUGL 50%	MNGL 50%	Consol
Risk Free Rate	8.0%	NPV Of FCF	91,111	3,221	15,285	
Risk Premium	5.5%	Terminal Value	395,504	6,834	47,728	
Beta	0.8	PV Of TV	145,213	2,410	16,829	
Cost Of Equity	12.5%	Total Value	236,323	5,631	32,114	
Cost Of Debt	8.0%	Less: Net Debt (Y/E)	(24,713)	(853)	(1,075)	
Post Tax Cost Of Debt	6.0%	<b>Equity Value</b>	<b>261,036</b>	<b>6,483</b>	<b>33,189</b>	<b>300,709</b>
Average Debt:Equity Ratio	43%	No. Of Shares O/S (mn)	700	700	700	700
<b>WACC</b>	<b>10.5%</b>	<b>Target Price (Rs.)</b>	<b>373</b>	<b>9</b>	<b>47</b>	<b>430</b>
<b>Terminal Growth Rate</b>						
IGL	3.0%					
CUGL	0.0%					
MNGL	2.0%					

Source: Company, Emkay Research

**Exhibit 6: PE-based valuation**

Rs./sh	FY18	FY19	FY20	FY21E	FY22E	FY23E
IGL's Core EPS	9.4	11.2	15.1	13.5	17.4	20.4
Less: CU/MNGL Div. Inc.	0.2	0.1	0.3	0.2	0.3	0.4
<b>IGL Adjusted EPS</b>	<b>9.3</b>	<b>11.1</b>	<b>14.8</b>	<b>13.3</b>	<b>17.1</b>	<b>19.9</b>
CUGL/MNGL EPS Contri.	1.1	1.4	2.1	1.6	2.3	2.8
<b>Consol. EPS</b>	<b>10.4</b>	<b>12.5</b>	<b>16.9</b>	<b>14.9</b>	<b>19.4</b>	<b>22.7</b>
Target Multiple (x)					20.4	
<b>DCF Target Price</b>					<b>430</b>	

Source: Company, Emkay Research

**Key Financials (Standalone)****Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
<b>Revenue</b>	<b>57,648</b>	<b>64,853</b>	<b>51,570</b>	<b>68,362</b>	<b>80,632</b>
<b>Expenditure</b>	<b>45,079</b>	<b>49,656</b>	<b>37,646</b>	<b>50,797</b>	<b>60,143</b>
<b>EBITDA</b>	<b>12,570</b>	<b>15,196</b>	<b>13,924</b>	<b>17,565</b>	<b>20,489</b>
Depreciation	2,011	2,523	2,729	3,028	3,505
<b>EBIT</b>	<b>10,559</b>	<b>12,674</b>	<b>11,195</b>	<b>14,537</b>	<b>16,983</b>
Other Income	1,462	1,564	1,579	1,850	2,165
Interest expenses	21	81	97	98	99
<b>PBT</b>	<b>12,000</b>	<b>14,157</b>	<b>12,677</b>	<b>16,289</b>	<b>19,049</b>
Tax	4,133	3,567	3,195	4,105	4,800
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
<b>Reported Net Income</b>	<b>7,867</b>	<b>11,365</b>	<b>9,483</b>	<b>12,184</b>	<b>14,249</b>
<b>Adjusted PAT</b>	<b>7,867</b>	<b>10,589</b>	<b>9,483</b>	<b>12,184</b>	<b>14,249</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	1,400	1,400	1,400	1,400	1,400
Reserves & surplus	39,899	49,224	56,810	65,948	76,349
<b>Net worth</b>	<b>41,299</b>	<b>50,624</b>	<b>58,210</b>	<b>67,348</b>	<b>77,749</b>
<b>Minority Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Loan Funds</b>	<b>0</b>	<b>962</b>	<b>972</b>	<b>981</b>	<b>991</b>
Net deferred tax liability	2,678	2,119	2,119	2,119	2,119
<b>Total Liabilities</b>	<b>43,977</b>	<b>53,705</b>	<b>61,300</b>	<b>70,448</b>	<b>80,860</b>
<b>Net block</b>	<b>28,769</b>	<b>35,569</b>	<b>41,029</b>	<b>51,213</b>	<b>60,699</b>
<b>Investment</b>	<b>15,708</b>	<b>2,945</b>	<b>2,945</b>	<b>2,945</b>	<b>2,945</b>
<b>Current Assets</b>	<b>10,236</b>	<b>25,442</b>	<b>27,829</b>	<b>28,600</b>	<b>30,865</b>
Cash & bank balance	6,071	21,799	24,624	24,801	26,626
Other Current Assets	732	942	952	961	971
<b>Current liabilities &amp; Provision</b>	<b>15,517</b>	<b>18,018</b>	<b>17,493</b>	<b>18,601</b>	<b>19,311</b>
<b>Net current assets</b>	<b>(5,281)</b>	<b>7,424</b>	<b>10,336</b>	<b>9,999</b>	<b>11,554</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>43,977</b>	<b>53,705</b>	<b>61,300</b>	<b>70,448</b>	<b>80,860</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>10,539</b>	<b>12,593</b>	<b>11,098</b>	<b>14,439</b>	<b>16,884</b>
Other Non-Cash items	48	133	0	0	0
Chg in working cap	3,684	2,465	(88)	514	270
<b>Operating Cashflow</b>	<b>11,572</b>	<b>13,608</b>	<b>10,651</b>	<b>13,984</b>	<b>15,969</b>
Capital expenditure	(7,380)	(12,309)	(7,412)	(12,512)	(12,362)
<b>Free Cash Flow</b>	<b>4,192</b>	<b>1,298</b>	<b>3,239</b>	<b>1,472</b>	<b>3,606</b>
Investments	(3,994)	12,763	0	0	0
Other Investing Cash Flow	520	2,538	0	0	0
<b>Investing Cashflow</b>	<b>(9,392)</b>	<b>4,556</b>	<b>(5,833)</b>	<b>(10,662)</b>	<b>(10,198)</b>
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	0	962	10	10	10
Dividend paid (incl tax)	(1,685)	(2,025)	(1,897)	(3,046)	(3,847)
Other Financing Cash Flow	17	(1,290)	(10)	(10)	(10)
<b>Financing Cashflow</b>	<b>(1,688)</b>	<b>(2,435)</b>	<b>(1,994)</b>	<b>(3,144)</b>	<b>(3,946)</b>
<b>Net chg in cash</b>	<b>491</b>	<b>15,729</b>	<b>2,824</b>	<b>177</b>	<b>1,825</b>
Opening cash position	5,580	6,071	21,799	24,624	24,801
<b>Closing cash position</b>	<b>6,071</b>	<b>21,799</b>	<b>24,624</b>	<b>24,801</b>	<b>26,626</b>

Source: Company, Emkay Research

**Key Ratios**

<b>Profitability (%)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
EBITDA Margin	21.8	23.4	27.0	25.7	25.4
EBIT Margin	18.3	19.5	21.7	21.3	21.1
Effective Tax Rate	34.4	25.2	25.2	25.2	25.2
Net Margin	13.6	16.3	18.4	17.8	17.7
ROCE	29.5	29.2	22.2	24.9	25.3
ROE	20.6	23.0	17.4	19.4	19.6
RoIC	62.8	65.7	46.7	46.0	41.4

<b>Per Share Data (Rs)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
EPS	11.2	15.1	13.5	17.4	20.4
CEPS	14.1	18.7	17.4	21.7	25.4
BVPS	59.0	72.3	83.2	96.2	111.1
DPS	2.4	2.8	2.7	4.4	5.5

<b>Valuations (x)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
PER	36.8	27.3	30.5	23.8	20.3
P/CEPS	29.3	22.1	23.7	19.0	16.3
P/BV	7.0	5.7	5.0	4.3	3.7
EV / Sales	4.7	4.2	5.2	3.9	3.3
EV / EBITDA	21.5	17.7	19.1	15.1	12.9
Dividend Yield (%)	0.6	0.7	0.7	1.1	1.3

<b>Gearing Ratio (x)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
Net Debt/ Equity	(0.5)	(0.4)	(0.4)	(0.4)	(0.3)
Net Debt/EBIDTA	(1.5)	(1.4)	(1.7)	(1.4)	(1.3)
Working Cap Cycle (days)	(9.2)	(4.1)	(1.3)	(3.5)	(3.5)

<b>Growth (%)</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
Revenue	27.6	12.5	(20.5)	32.6	17.9
EBITDA	14.3	20.9	(8.4)	26.1	16.6
EBIT	15.0	20.0	(11.7)	29.9	16.8
PAT	17.3	44.5	(16.6)	28.5	16.9

<b>Quarterly (Rs mn)</b>	<b>Q1FY20</b>	<b>Q2FY20</b>	<b>Q3FY20</b>	<b>Q4FY20</b>	<b>Q1FY21</b>
Revenue	15,761	16,925	16,642	15,525	6,386
EBITDA	3,585	3,926	3,918	3,767	834
<b>EBITDA Margin (%)</b>	<b>22.7</b>	<b>23.2</b>	<b>23.5</b>	<b>24.3</b>	<b>13.1</b>
PAT	2,184	3,810	2,839	2,534	318
<b>EPS (Rs)</b>	<b>3.1</b>	<b>5.4</b>	<b>4.1</b>	<b>3.6</b>	<b>0.5</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Jun-19</b>	<b>Sep-19</b>	<b>Dec-19</b>	<b>Mar-20</b>	<b>Jun-20</b>
Promoters	45.0	45.0	45.0	45.0	45.0
FIs	22.8	23.8	24.5	22.8	22.3
DIs	16.7	15.9	15.7	16.8	17.2
Public and Others	15.5	15.3	14.8	15.5	15.5

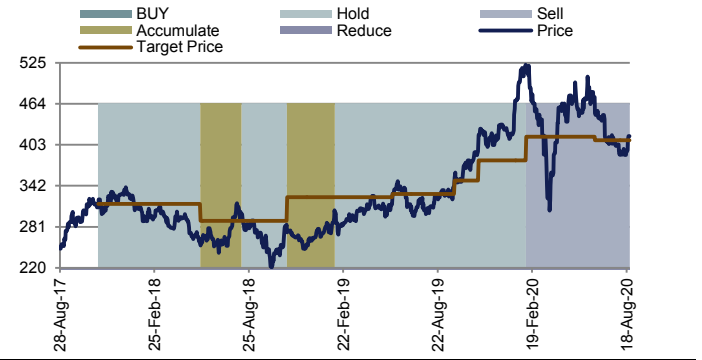
Source: Capitaline

## RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
18-Jun-20	450	410	12m	Sell	Sabri Hazarika
6-May-20	468	415	12m	Sell	Sabri Hazarika
7-Feb-20	511	415	12m	Sell	Sabri Hazarika
24-Jan-20	496	380	12m	Hold	Sabri Hazarika
4-Dec-19	413	380	12m	Hold	Sabri Hazarika
8-Nov-19	418	380	12m	Hold	Sabri Hazarika
25-Oct-19	377	350	12m	Hold	Sabri Hazarika
23-Sep-19	355	350	12m	Hold	Sabri Hazarika
16-Sep-19	334	330	12m	Hold	Sabri Hazarika
1-Jul-19	305	330	12m	Hold	Sabri Hazarika
10-Jun-19	340	330	12m	Hold	Sabri Hazarika
27-May-19	330	330	12m	Hold	Sabri Hazarika
1-Apr-19	307	325	12m	Hold	Sabri Hazarika
6-Feb-19	300	325	12m	Hold	Sabri Hazarika
28-Jan-19	273	325	12m	Accumulate	Sabri Hazarika
31-Dec-18	267	325	12m	Accumulate	Sabri Hazarika
11-Dec-18	249	325	12m	Accumulate	Sabri Hazarika
6-Nov-18	273	325	12m	Accumulate	Sabri Hazarika
4-Sep-18	283	290	12m	Hold	Sabri Hazarika
11-Aug-18	300	290	12m	Hold	Sabri Hazarika
13-Jul-18	253	290	12m	Accumulate	Sabri Hazarika
8-Jun-18	279	290	12m	Accumulate	Sabri Hazarika
24-May-18	253	290	12m	Accumulate	Sabri Hazarika
9-Nov-17	310	315	12m	Hold	Dhaval Joshi

Source: Company, Emkay Research

## RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

## Emkay Alpha Portfolio – Oil & Gas



### Analyst: Sabri Hazarika

#### Contact Details

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#### Sector

Oil & Gas

#### Analyst bio

Sabri Hazarika holds an MBA and comes with 11 years of research experience. His team currently covers 12 stocks in the Indian Oil & Gas space.

### EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
<b>Oil &amp; Gas</b>	<b>13.09</b>	<b>13.08</b>	<b>0%</b>	<b>-1</b>	<b>100.00</b>
BPCL	0.53	0.55	5%	2	4.22
GAIL	0.29	0.28	-3%	-1	2.12
Gujarat Gas	0.09	0.09	5%	0	0.72
Gujarat State Petronet	0.10	0.10	8%	1	0.80
Gulf Oil Lubricants	0.00	0.00	NA	0	0.00
HPCL	0.25	0.28	12%	3	2.15
Indian Oil	0.34	0.33	-4%	-1	2.53
Indraprastha Gas	0.23	0.23	-2%	-1	1.72
Petronet LNG	0.30	0.30	0%	0	2.30
Oil India	0.05	0.01	-73%	-4	0.10
ONGC	0.40	0.36	-11%	-4	2.74
Reliance Industries	10.50	10.54	0%	3	80.54
<b>Cash</b>	<b>0.00</b>	<b>0.01</b>	<b>NA</b>	<b>1</b>	<b>0.06</b>

Source: Emkay Research

\* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

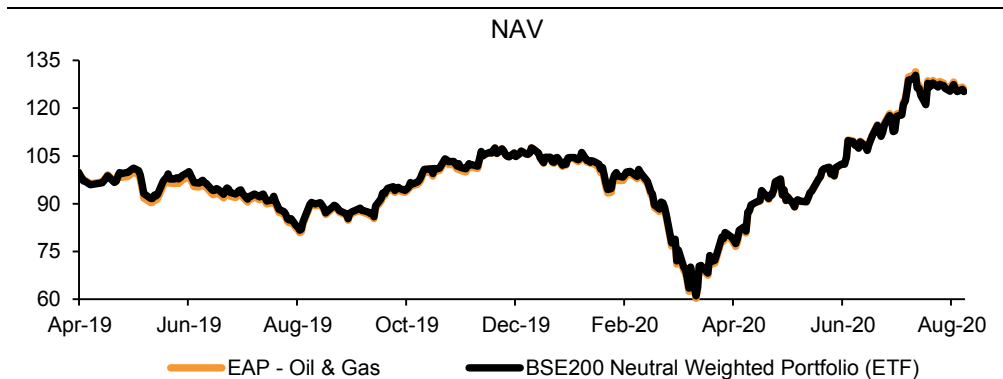
### Sector portfolio NAV

	Base					Latest
	01-Apr-19	22-Nov-19	25-Feb-20	27-May-20	24-Jul-20	25-Aug-20
EAP - Oil & Gas	100.0	105.5	94.6	92.0	129.8	126.0
BSE200 Neutral Weighted Portfolio (ETF)	100.0	105.5	95.4	92.0	128.9	125.2

\*Performance measurement base date 1<sup>st</sup> April 2019

Source: Emkay Research

### NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

## Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 27 Aug 2020 02:22:28 (SGT)

Dissemination Date: 27 Aug 2020 02:23:28 (SGT)

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