

Jindal Steel & Power | BUY

Beat in results driven by India ops; raw material integration to aid margins

JSP reported 1Q consol. EBITDA of INR30bn, above JMfe of INR24.3bn driven by outperformance in India ops. Consequently, EBITDA/t came in at INR15.0k/t – up ~INR5k/t sequentially driven by higher realisations and lower other costs. Key takeaways from the call – 1) FY26 sales volume guidance maintained at 8.5-9.0mn tons 2) company expects coking coal consumption cost to reduce by USD5/t in 1QFY26 3) company witnessed iron ore prices to be flattish in 2Q while steel prices have been down 5-7% QoQ in 2Q 4) Angul BF-2 commissioning remains on track with first hot metal expected this month; BoF -2 is also expected to be commissioned in 2QFY26 5) Longs / Flats mix for the quarter stood at 56% / 44% respectively 6) capex guidance for FY26 at ~INR75-100bn – incurred ~INR22bn in 1QFY26. JSP's Net debt increased to INR144bn as on 30th Jun'25 vs. INR120bn as on 31st Mar'25 - led by working capital buildup. Net debt to EBITDA stood at 1.49x as on 30th Jun'25 vs 1.26x on 31st Mar'25. Company expects Net debt to EBITDA to remain below 1.5x in the long-term. With a strong balance sheet to support growth capex, increasing raw material security and strong volume growth pipeline, JSP remains well positioned to withstand cyclical challenges – subject to execution risk. We roll-forward our target price to FY28 at an EV/EBITDA multiple of 7.5x. Re-iterate BUY.

- **Margins expand given lower costs:** Consolidated gross revenue for the quarter stood at INR123bn (-7% QoQ) primarily on account of lower volumes (-11% QoQ) partially offset by higher realisations. Adjusted PAT stood at ~INR14.9bn (+68% QoQ). JSP's Net debt increased to INR144bn as on 30th Jun'25 vs. INR120bn as on 31st Mar'25 - led by working capital buildup. Net debt to EBITDA stood at 1.49x as on 30th Jun'25 vs 1.26x on 31st Mar'25. Company expects Net debt to EBITDA to remain below 1.5x in the long-term.
- **Standalone margins improve given higher realisations and lower costs:** Consol. Adjusted EBITDA came in at ~INR30bn (+32% QoQ) adjusted for one-offs of INR210mn during the quarter. The company reported sales volume of 1.9mn tons in 1QFY26, down 11% QoQ. India standalone EBITDA came in at INR28.5bn implying EBITDA/t of INR15.0k/t – up INR5k/t sequentially driven by a) higher realisation given higher share of Value-added products (72% in 1Q vs 64% in 4Q) and b) lower RM costs/t driven by lower coking coal costs (down ~USD11/t) and no impact of one-off items witnessed in 4Q which led to higher RM costs
- **Focus on raw material security and volume growth; FY26 guidance maintained:** Angul BF-2 commissioning remains on track with first hot metal expected this month. BoF -2 is also expected to be commissioned in 2QFY26. Company met 90-95% of its thermal coal requirements through captive sources – expects this to go up and additional coal to be used for power plants. FY26 sales volume guidance maintained at 8.5-9mn tons despite lower volumes in 1Q. Capex guidance for FY26 at ~INR75-100bn – incurred INR22bn in 1QFY26. Company witnessed iron ore prices to be flattish in 2Q while steel prices have been down 5-7% QoQ in 2Q. Longs / Flats mix for the quarter stood at 56% / 44% respectively.

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	500,268	497,650	599,993	711,324	795,167
Sales Growth (%)	-6.0	-0.5	20.6	18.6	11.8
EBITDA	102,008	94,942	123,411	151,868	173,785
EBITDA Margin (%)	20.4	19.1	20.6	21.4	21.9
Adjusted Net Profit	58,944	40,416	65,836	86,486	102,306
Diluted EPS (INR)	57.8	39.6	64.5	84.8	100.3
Diluted EPS Growth (%)	30.4	-31.4	62.9	31.4	18.3
ROIC (%)	13.7	8.5	11.4	13.3	14.2
ROE (%)	14.2	8.8	13.1	15.0	15.3
P/E (x)	17.2	25.1	15.4	11.7	9.9
P/B (x)	2.3	2.1	1.9	1.6	1.4
EV/EBITDA (x)	11.1	12.1	9.3	7.5	6.2
Dividend Yield (%)	0.2	0.2	0.3	0.4	0.4

Source: Company data, JM Financial. Note: Valuations as of 13/Aug/2025



Ashutosh Somani

ashutosh.somani@jmfl.com | Tel: (91 22) 66303083

Anirudh Nagpal

anirudh.Nagpal@jmfl.com | Tel: (91 22) 66303263

Rajvi Panchmatia

rajvi.panchmatia@jmfl.com | Tel: (91 22) 66303018

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,220
Upside/(Downside)	22.4%
Previous Price Target	1,020
Change	19.6%

Key Data – JSP IN

Current Market Price	INR996
Market cap (bn)	INR1,016.4/US\$11.6
Free Float	37%
Shares in issue (mn)	1,011.8
Diluted share (mn)	1,011.8
3-mon avg daily val (mn)	INR1,664.9/US\$19.0
52-week range	1,074/723
Sensex/Nifty	80,540/24,619
INR/US\$	87.4

Price Performance

%	1M	6M	12M
Absolute	6.2	18.5	9.6
Relative*	8.4	11.8	7.7

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

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

Key conference call takeaways:

- FY26 volume guidance maintained at 8.5-9mn tons.
- Coking coal consumption cost is expected to be down USD5/t in 2QFY26 (down by ~USD11/t in 1QFY26).
- Company witnessed iron ore prices to be flattish in 2Q while steel prices have been down 5-7% QoQ in 2Q.
- Capex guidance for FY26 at ~INR75-100bn – incurred ~INR22bn in 1QFY26.
- Company witnessed significantly higher EBITDA/t during 1Q given:
 - Higher realisation given higher share of Value-added products (72% in 1Q vs 64% in 4Q)
 - Lower RM costs/t driven by lower coking coal costs (down ~USD11/t) and no impact of one-off items witnessed in 4Q (~INR1.2k/t) which led to higher RM costs.
- 90-95% of thermal coal requirements were met through captive sources. Utkal B1 remains on track – surplus coal to be utilized for power plants.
- Angul BF-2 commissioning remains on track with first hot metal expected this month. BoF -2 is also expected to be commissioned in 2QFY26.
- Longs / Flats mix for the quarter stood at 56% / 44% respectively.

Exhibit 1. Consolidated – quarterly financial performance							(INR mn)
Y/E March (INR mn)	1QFY26	1QFY26E	%Var	1QFY25	YoY %	4QFY25	QoQ %
Net Sales	1,22,945	1,22,822	0.1	1,36,178	-9.7	1,31,831	-6.7
Expenditure	92,889	98,496		1,07,785		1,09,124	
COGS	51,203	57,875		68,519		64,119	
Staff cost	3,047	2,693		3,022		2,983	
Others	38,639	37,929		36,244		42,021	
EBITDA	30,056	24,325	23.6	28,394	5.9	22,708	32.4
EBITDA (%)	24%	20%		21%		17%	
Other income	304	0		345		718	
Depreciation	7,215	6,950		6,829		6,906	
EBIT	23,145	17,375		21,909		16,520	
Interest	2,966	3,500		3,318		3,416	
PBT	20,179	13,875		18,591		13,104	
XO items	0	0		0		-12,295	
Tax	5,219	4,163		5,211		3,754	
Eff. Tax rate (%)	26%	30%		28%		29%	
Minority	-20	-360		22		(358)	
Assoc.	(0.3)	(91.5)		-		(92)	
Reported PAT	14,940	9,261		13,402		-3,394	
XO items	0	0		0		-12,295	
Adjusted PAT	14,940	9,261	61.3	13,402	11.5	8,901	67.9
EPS (INR)	14.6	9.1		13.1		8.7	
Key monitorables (INR bn)							
Net Debt	144	0		105		120	

Source: Company, JM Financial

Exhibit 2. Target Price				(INR bn)
Companies	FY28 EBITDA (INR bn)	Multiple	EV	
Steel business (Consol)	173.8	7.5	1,303	
Total EV			1,303	
Total Net debt			74	
Target mcap			1,229	
No. of shares			1,012	
Target price (INR/share)			1,220	

Source: JM Financial

Exhibit 3. JSP – standalone quarterly performance (INR mn)

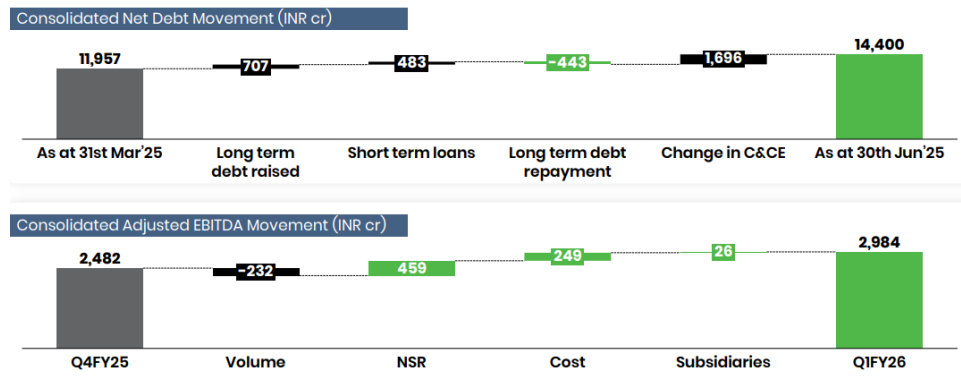
Y/E March (INR mn)	1QFY26	1QFY26E	%Var	1QFY25	YoY %	4QFY25	QoQ %
Net Sales	1,24,204	1,21,345	2.4	1,28,428	(3.3)	1,30,355	-4.7
Steel products (ktons)	1,900	1,917	(0.9)	2,090	(9.1)	2,130	-10.8
Blended realisation (INR/ton)	65,371	63,299	3.3	61,449	6.4	61,199	6.8
Raw material cost	65,480	60,266	8.7	69,373	(5.6)	62,572	4.6
RM costs/ton (INR)	34,463	31,437		33,193		29,377	
Change in stock	-6,268	0		-1,457		5,031	
Change in stock/ton (INR)	-3,299	0		-697		2,362	
Gross profit	64,992	61,080	6.4	60,512	7.4	62,751	3.6
Gross margin (%)	52.3	50.3		47.1		48.1	
Gross margin/t	34,206	31,862		28,953		29,461	
Staff costs	2,593	2,109	23.0	2,496	3.9	2,507	3.4
Staff costs/t (INR)	1,365	1,100		1,194		1,177	
Other costs	33,837	34,966	(3.2)	31,024	9.1	38,858	-12.9
Other costs/t (INR)	17,809	18,240		14,844		18,243	
Total expenditure	95,642	97,340	(1.7)	1,01,437	(5.7)	1,08,968	-12.2
EBITDA	28,562	24,005	19.0	26,992	5.8	21,387	33.5
EBITDA (%)	23%	20%		21%		16%	
Blended EBITDA/ton	15,033	12,522	20.1	12,915	16.4	10,041	49.7
Other income	159	520		226		511	
Depreciation	5,785	5,700		5,638		5,644	
EBIT	22,936	18,825		21,579		16,255	
Interest	970	1,400		1,831		1,371	
PBT	21,966	17,425		19,748		14,884	
XO items	0	0		0		-13,136	
Tax	5,727	4,356		5,183		672	
Eff. Tax rate (%)	26%	25%		26%		5%	
Reported PAT	16,239	13,069		14,565		1,075	
Adjusted PAT	16,239	13,069	24.3	14,565	11.5	14,212	14.3
EPS (INR)	16.0	12.9		14.4		14.0	

Source: Company, JM Financial

Exhibit 4. Quarterly performance of all other subsidiaries (Consol.- standalone) (INR mn)

Y/E March (INR mn)	1QFY26	1QFY25	YoY %	4QFY25	QoQ %
Net Sales	-1,259	7,750	-116%	1,476	-185%
EBITDA	1,494	1,402	7%	1,321	13%
Adj. PAT	-1,299	-1,164	12%	-5,311	-76%

Source: Company, JM Financial

Exhibit 5. Net Debt and EBITDA bridge

Source: Company, JM Financial

Exhibit 6. Project updates (Angul)

Angul Expansion update ... (1/2)



Blast Furnace – 2

- Gas stoves heating completed
- First Hot Metal tapping expected in Q2FY26



Basic Oxygen Furnace – 2

- Furnace is undergoing pre-commissioning tests

Angul Expansion update ... (2/2)



SBPP

1st module of 525MW ready; CTO awaited
2nd module commissioning in progress



Coal pipe conveyor

90% civil work completed
75% structural work completed



CRM complex

CGL – 1 commissioned
Progressive commissioning of various other lines in FY26

Utkal B1 Mining activities to commence in Q2FY26	1,710 TPD Oxygen plant Commissioned	Slurry pipeline 85% pipeline completed Commissioning in H2FY26	RMHS Progressing in parallel with BF commissioning for critical route	BOF3 & PP2 Progressing as per timelines
---	---	--	--	--

Source: Company, JM Financial

Exhibit 7. Key assumptions

	FY25	FY26E	FY27E	FY28E
JSP Consolidated				
Net sales (INR bn)	498	600	711	795
EBITDA (INR bn)	95	123	152	174
EPS (INR)	40	66	86	102
JSP Standalone (incl. BSL)				
Net sales (INR bn)	488	562	672	755
Sales volume (mn ton)	8.0	9.0	10.9	12.0
Blended realisation ('000 INR/ton)	61	63	61	63
EBITDA (INR bn)	89	121	148	170
EBITDA/t ('000 INR)	11.2	13.5	13.6	14.1

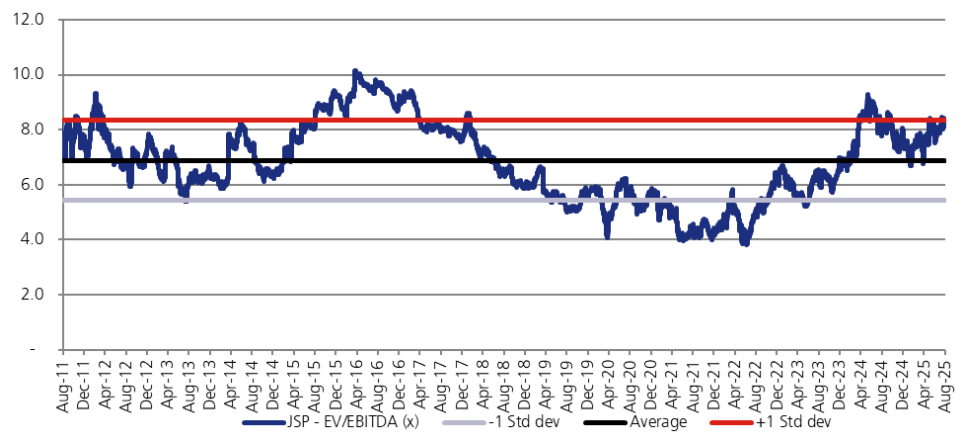
Source: JM Financial

Exhibit 8. Change in estimates

	Unit	OLD			NEW			% Change		
		FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Sales	INR mn	6,05,102	7,16,484	-	5,99,993	7,11,324	7,95,167	-0.8%	-0.7%	-
EBITDA	INR mn	1,25,624	1,53,899	-	1,23,411	1,51,868	1,73,785	-1.8%	-1.3%	-
PAT	INR mn	64,970	85,923	-	65,836	86,486	1,02,306	1.3%	0.7%	-
EPS		63.7	84.2	-	65.1	85.5	101.1	2.1%	1.5%	-
Target Price	INR		1,020				1,220			19.6%
Rating			BUY				BUY			

Source: JM Financial

Exhibit 9. JSP: 1yr forward EV/EBITDA valuation



Source: Bloomberg, JM Financial

Exhibit 10. JSP: 1yr forward P/B valuation



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	500,268	497,650	599,993	711,324	795,167
Sales Growth	-6.0%	-0.5%	20.6%	18.6%	11.8%
Other Operating Income	0	0	0	0	0
Total Revenue	500,268	497,650	599,993	711,324	795,167
Cost of Goods Sold/Op. Exp	175,022	176,977	209,442	245,863	273,077
Personnel Cost	24,334	24,606	29,120	34,183	37,967
Other Expenses	198,903	201,125	238,019	279,409	310,337
EBITDA	102,008	94,942	123,411	151,868	173,785
EBITDA Margin	20.4%	19.1%	20.6%	21.4%	21.9%
EBITDA Growth	2.7%	-6.9%	30.0%	23.1%	14.4%
Depn. & Amort.	28,218	27,676	26,910	28,527	30,145
EBIT	73,790	67,266	96,501	123,342	143,640
Other Income	1,566	1,675	1,901	2,281	2,743
Finance Cost	12,942	13,121	8,257	7,754	7,248
PBT before Excep. & Forex	62,414	55,821	90,145	117,869	139,135
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	62,414	55,821	90,145	117,869	139,135
Taxes	2,980	14,979	23,888	30,961	36,407
Extraordinary Inc./Loss(-)	0	-12,295	0	0	0
Assoc. Profit/Min. Int.(-)	490	245	421	421	421
Reported Net Profit	58,944	28,121	65,836	86,486	102,306
Adjusted Net Profit	58,944	40,416	65,836	86,486	102,306
Net Margin	11.8%	8.1%	11.0%	12.2%	12.9%
Diluted Share Cap. (mn)	1,020.0	1,020.0	1,020.0	1,020.0	1,020.0
Diluted EPS (INR)	57.8	39.6	64.5	84.8	100.3
Diluted EPS Growth	30.4%	-31.4%	62.9%	31.4%	18.3%
Total Dividend + Tax	2,005	2,024	3,035	3,541	3,541
Dividend Per Share (INR)	2.0	2.0	3.0	3.5	3.5

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	62,414	55,730	90,145	117,869	139,135
Depn. & Amort.	28,218	27,676	26,910	28,527	30,145
Net Interest Exp. / Inc. (-)	0	0	0	0	0
Inc (-) / Dec in WCap.	-33,417	47,223	3,001	-19,221	-2,095
Others	-490	-12,630	-421	-421	-421
Taxes Paid	-2,980	-14,979	-23,888	-30,961	-36,407
Operating Cash Flow	53,745	103,020	95,747	95,793	130,356
Capex	-94,054	-104,858	-85,000	-80,000	-80,000
Free Cash Flow	-40,309	-1,838	10,747	15,793	50,356
Inc (-) / Dec in Investments	0	0	0	0	0
Others	1,136	-13,937	-590	-85	421
Investing Cash Flow	-92,918	-118,795	-85,590	-80,085	-79,579
Inc / Dec (-) in Capital	-3	0	0	0	0
Dividend + Tax thereon	-2,010	-2,005	-2,024	-3,035	-3,541
Inc / Dec (-) in Loans	34,258	19,339	-9,202	-9,155	-8,979
Others	0	0	0	0	0
Financing Cash Flow	32,246	17,335	-11,226	-12,190	-12,520
Inc / Dec (-) in Cash	-6,927	1,559	-1,070	3,518	38,257
Opening Cash Balance	47,168	40,241	41,801	40,731	44,248
Closing Cash Balance	40,241	41,801	40,731	44,248	82,506

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	443,160	471,849	534,649	617,594	716,359
Share Capital	1,002	1,012	1,012	1,012	1,012
Reserves & Surplus	442,158	470,837	533,637	616,582	715,347
Preference Share Capital	0	0	0	0	0
Minority Interest	4,346	2,344	2,766	3,187	3,608
Total Loans	164,721	184,061	174,859	165,703	156,725
Def. Tax Liab. / Assets (-)	59,232	58,546	58,546	58,546	58,546
Total - Equity & Liab.	671,460	716,800	770,819	845,030	935,238
Net Fixed Assets	579,400	656,582	714,672	766,145	816,000
Gross Fixed Assets	867,336	905,738	1,009,145	1,049,145	1,089,145
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	376,656	404,331	431,242	459,768	489,914
Capital WIP	88,720	155,175	136,768	176,768	216,768
Investments	8,188	22,009	22,009	22,009	22,009
Current Assets	199,173	179,065	204,223	257,463	320,787
Inventories	70,774	56,102	65,753	97,442	108,927
Sundry Debtors	16,645	13,629	16,432	19,481	21,777
Cash & Bank Balances	40,241	41,801	40,731	44,248	82,506
Loans & Advances	70,958	66,980	80,754	95,739	107,023
Other Current Assets	554	554	554	554	554
Current Liab. & Prov.	115,300	140,857	170,085	200,587	223,558
Current Liabilities	110,276	135,121	164,382	194,883	217,854
Provisions & Others	5,024	5,736	5,704	5,704	5,704
Net Current Assets	83,873	38,209	34,138	56,877	97,229
Total - Assets	671,460	716,800	770,819	845,030	935,238

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	11.8%	8.1%	11.0%	12.2%	12.9%
Asset Turnover (x)	0.8	0.7	0.8	0.9	0.9
Leverage Factor (x)	1.5	1.5	1.5	1.4	1.3
RoE	14.2%	8.8%	13.1%	15.0%	15.3%

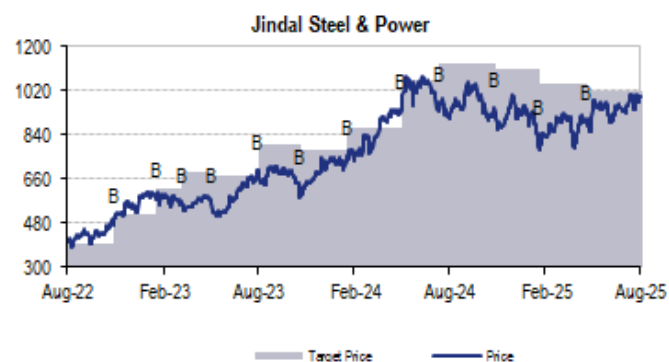
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	441.5	465.8	527.9	609.8	707.5
ROIC	13.7%	8.5%	11.4%	13.3%	14.2%
ROE	14.2%	8.8%	13.1%	15.0%	15.3%
Net Debt/Equity (x)	0.3	0.3	0.3	0.2	0.1
P/E (x)	17.2	25.1	15.4	11.7	9.9
P/B (x)	2.3	2.1	1.9	1.6	1.4
EV/EBITDA (x)	11.1	12.1	9.3	7.5	6.2
EV/Sales (x)	2.3	2.3	1.9	1.6	1.4
Debtor days	12	10	10	10	10
Inventory days	52	41	40	50	50
Creditor days	101	122	126	127	128

Source: Company, JM Financial

History of Earnings Estimate and Target Price

Date	Recommendation	Target Price	% Chg.
22-Jan-21	Buy	350	
8-Apr-21	Buy	500	42.9
13-May-21	Buy	550	10.0
10-Aug-21	Buy	555	0.9
2-Nov-21	Buy	555	0.0
9-Feb-22	Buy	540	-2.7
31-May-22	Buy	490	-9.3
15-Jul-22	Buy	400	-18.4
10-Nov-22	Buy	520	30.0
31-Jan-23	Buy	625	20.2
21-Mar-23	Buy	690	10.5
16-May-23	Buy	675	-2.2
13-Aug-23	Buy	800	18.5
31-Oct-23	Buy	780	-2.4
31-Jan-24	Buy	870	11.5
13-May-24	Buy	1,061	22.0
24-Jul-24	Buy	1,128	6.3
6-Nov-24	Buy	1,110	-1.6
30-Jan-25	Buy	1,050	-5.4
1-May-25	Buy	1,020	-2.8

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1743 | Email: sahil.salastekar@jmfl.com

Grievance officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1743 | Email: instcompliance@jmfl.com

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

Definition of ratings	
Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) 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 company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may 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. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

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 JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1325 Avenue of the Americas, 27th Floor, Office No. 2715, New York, New York 10019. Telephone +1 (332) 900 4958 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.