

Coal India | REDUCE

3QFY26: Operational beat masks revenue headwinds

Coal India reported consolidated net revenue of INR 349bn (-5% YoY, 1% JMFe, 3% consensus) due to moderation in offtake to 188MT (194MT in 3QFY25). Post a one-off pay scale revision adjustment of INR 22bn, adjusted EBITDA was INR 115bn (-6% YoY, 15% JMFe, 14% consensus) driven by lower cost of material, which lifted EBITDA/t to 615 (JMFe: 533). Adjusted PAT was INR 88bn (4% YoY, 26% JMFe, 23% Consensus) due to lower depreciation (-12% YoY) and higher other income (12% YoY). E-auction realisation moderated to INR 2,435/t (-9% YoY). We revise our CIL production estimate to 770MT (820MT earlier) versus target of 875MT, given the current pace of production (-4% YoY)/ offtake (-1% YoY). We foresee structural and gradual decline in utilisation of thermal power plants during solar hours, constraining the growth potential for coal ([Once there was a king; Downgrade to HOLD](#)). We maintain REDUCE with a TP of INR 401 implying 4.3x EV/EBITDA FY28.

- **Operational highlights:** Coal production was flat (-1% YoY) at 200MT in 3QFY26 versus target of 229MT. Production at CIL's major subsidiaries BCCL/ SECL/ MCL/ NCL/ CCL grew -11%/ 16%/ -2%/ -6%/ -3% YoY. Coal dispatches were down by 3% YoY to 189MT during 3QFY26 versus target of 235M. Blended realisation was INR 1,642/t (INR 1,664/t in 3QFY25). Average FSA realisation was INR 1,505/t (5% YoY, 2% QoQ) whereas average e-auction realisation moderated to INR 2,435/t (-9% YoY, 6% QoQ). Coal India has an aspiration to reach 1bn tonnes (BT) of production by FY27, which we believe will now happen by FY30.
- **Estimated production during FY26:** Coal India has been given a target of producing 875MT during FY26. So far, it has produced 546MT (-3% YoY). Considering production of 529MT during 9MFY26 (543MT in 9MFY25), we estimate CIL will produce 770MT during FY26 versus our estimate of 820MT at the start of the year. Thermal generation grew 1.5% YoY in Jan'26.
- **Moderation in coal and e-auction prices:** Global coal prices have significantly corrected due to low demand for imported coal in China and India. HBA Index was down 16% YoY at USD 106/t. Indonesian Coal (5,900 GAR) / South African Coal (6000 GAR)/ Australian Coal (6000 GAR) prices stood averaged USD 79.5/t / USD 84.3/t / USD 104.7/t during 3QFY26, down 15%/ 22%/ 24% YoY.
- **Power demand remains subdued:** During the quarter, energy requirement was flat YoY at 392BU, resulting in 1% YoY fall in generation. Due to the extended monsoon and increase in renewable capacity, hydro / RE generation rose by 14%/ 21% YoY, while thermal generation fell by 5% YoY. Subdued thermal generation impacted coal PLF, which was 61% in 3QFY26 versus 64% in 3QFY25, and led to an increase in the company's coal inventory to 90MT as of Dec'25 (70MT as of Dec'24).
- **GST on coal:** Prior to the recent increase in rates, coal attracted 5% GST and a compensation cess of INR 400/t. The cess is now merged with GST, effectively increasing the GST rate to 18%. This change is positive for Coal India, as the company has accumulated ITC of INR 170bn as of Mar'25, largely comprising GST paid on royalty for mining operations under the reverse charge mechanism (RCM) at 18%, against which recovery was earlier capped at 5%. With the rate hike, the inverted tax structure has been addressed, allowing Coal India to utilise this accumulated credit and improve cash flows. Elimination of inverted tax structure led to utilisation of accumulated ITC of INR 26bn in 3QFY26. ([GST rate reduction: Good, but adds one more challenge](#))



Sudhanshu Bansal

sudhanshu.bansal@jmfl.com | Tel: (91 22) 66303128

Krishnakant Phafat

krishnakant.phafat@jmfl.com | Tel: (91 22) 66303563

Recommendation and Price Target

| | |
|----------------------------|--------|
| Current Reco. | REDUCE |
| Previous Reco. | REDUCE |
| Current Price Target (12M) | 401 |
| Upside/(Downside) | -4.3% |
| Previous Price Target | 398 |
| Change | 0.8% |

Key Data – COAL IN

| | |
|--------------------------|---------------------|
| Current Market Price | INR419 |
| Market cap (bn) | INR2,583.1/US\$28.5 |
| Free Float | 25% |
| Shares in issue (mn) | 6,162.7 |
| Diluted share (mn) | 6,162.7 |
| 3-mon avg daily val (mn) | INR3,213.9/US\$35.5 |
| 52-week range | 462/349 |
| Sensex/Nifty | 83,675/25,807 |
| INR/US\$ | 90.6 |

Price Performance

| % | 1M | 6M | 12M |
|-----------|------|-----|------|
| Absolute | -3.0 | 8.8 | 16.3 |
| Relative* | -3.1 | 4.7 | 5.8 |

* To the BSE Sensex

Financial Summary

(INR mn)

| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
|------------------------|-----------|-----------|-----------|-----------|-----------|
| Net Sales | 1,447,624 | 1,433,689 | 1,391,471 | 1,570,693 | 1,660,228 |
| Sales Growth (%) | 4.7 | -1.0 | -2.9 | 12.9 | 5.7 |
| EBITDA | 479,715 | 470,683 | 397,913 | 468,589 | 498,248 |
| EBITDA Margin (%) | 33.1 | 32.8 | 28.6 | 29.8 | 30.0 |
| Adjusted Net Profit | 373,691 | 353,074 | 288,019 | 361,825 | 369,757 |
| Diluted EPS (INR) | 60.6 | 57.3 | 46.7 | 58.7 | 60.0 |
| Diluted EPS Growth (%) | 17.8 | -5.5 | -18.4 | 25.6 | 2.2 |
| ROIC (%) | 89.3 | 48.4 | 29.1 | 28.9 | 24.5 |
| ROE (%) | 52.1 | 38.8 | 26.8 | 28.2 | 24.1 |
| P/E (x) | 6.9 | 7.3 | 9.0 | 7.1 | 7.0 |
| P/B (x) | 3.1 | 2.6 | 2.2 | 1.8 | 1.6 |
| EV/EBITDA (x) | 4.7 | 4.8 | 5.7 | 4.9 | 4.5 |
| Dividend Yield (%) | 4.5 | 6.3 | 4.5 | 4.5 | 4.5 |

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

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

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

■ Other highlights of the quarter

- CIL secured the Kawalapur REE Block in Maharashtra in Jan'26, marking its foray into the critical mineral.
- Trade receivables stood at INR 161bn versus INR 166bn / INR 137bn in Sep'25 / Mar'25.
- The board of directors of CIL declared the 3rd interim dividend for the fiscal of INR 5.5 per share.

Exhibit 1. 3QFY26 results summary

| Particulars | 3QFY26 | 3QFY25 | % YoY | 2QFY26 | % QoQ | JMFe | % Var |
|--------------------|-----------------|-----------------|------------|-----------------|-------------|-----------------|------------|
| MT produced | 200 | 202 | -1% | 146 | 37% | 200 | |
| MT Sold | 188 | 194 | -3% | 166 | 13% | 188 | |
| Net Sales | 3,49,242 | 3,68,586 | -5% | 3,01,867 | 16% | 3,46,425 | 1% |
| Sales/MT | 1,861 | 1,896 | | 1,818 | | 1,846 | |
| Total Op. Exp. | 2,55,929 | 2,45,414 | | 2,34,706 | 9% | 2,46,442 | 4% |
| EBITDA | 93,313 | 1,23,172 | -24% | 67,162 | 39% | 99,983 | -7% |
| Adj. EBITDA | 1,15,323 | 1,23,172 | -6% | 67,162 | 72% | 99,983 | 15% |
| EBITDA/MT | 497 | 634 | | 405 | | 533 | |
| EBITDA (%) | 33.0 | 33.4 | | 22.2 | | 28.9 | |
| Depreciation | 22,183 | 25,135 | -12% | 26,644 | -17% | 26,644 | |
| EBIT | 71,129 | 98,038 | | 40,517 | | 73,338 | |
| Other Income | 23,916 | 21,432 | 12% | 21,405 | 12% | 21,405 | |
| Interest | 3,207 | 2,255 | 42% | 2,869 | 12% | 2,869 | |
| PBT | 94,726 | 1,17,924 | | 61,146 | | 93,967 | |
| Tax Exp. | 23,066 | 33,012 | -30% | 18,519 | 25% | 23,873 | |
| Effective Tax Rate | 24.4% | 28.0% | | 30.3% | | 25.4% | |
| Profit | 71,660 | 84,912 | -16% | 42,626 | 68% | 70,095 | 2% |
| Adj. Profit | 88,167 | 84,912 | 4% | 42,626 | 107% | 70,095 | 26% |

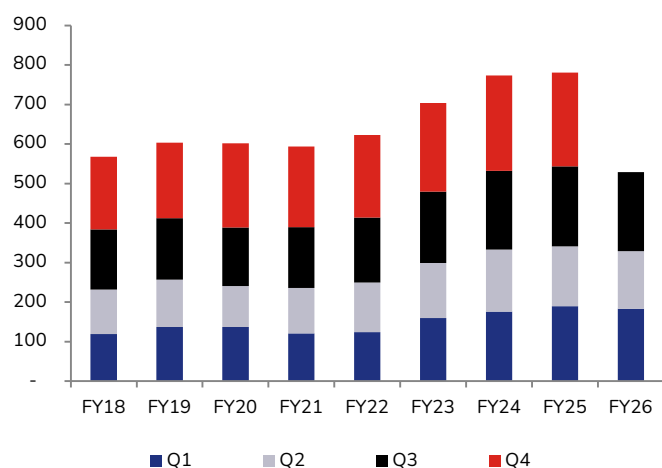
Source: Company, JM Financial

Exhibit 2. Coal India subsidiary-wise mix of production

| Subsidiary | Target 3QFY26 (MT) | Actual 3QFY26 (MT) | Actual 3QFY25 (MT) | YoY (%) |
|----------------|--------------------------|--------------------------|--------------------------|------------|
| ECL | 14 | 13 | 13 | 1% |
| BCCL | 11 | 9 | 10 | -11% |
| CCL | 30 | 21 | 22 | -3% |
| NCL | 39 | 36 | 38 | -6% |
| WCL | 18 | 15 | 18 | -17% |
| SECL | 52 | 46 | 40 | 16% |
| MCL | 64 | 59 | 60 | -2% |
| NEX | 0 | 0 | 0 | -25% |
| Overall | 229 | 200 | 202 | -1% |

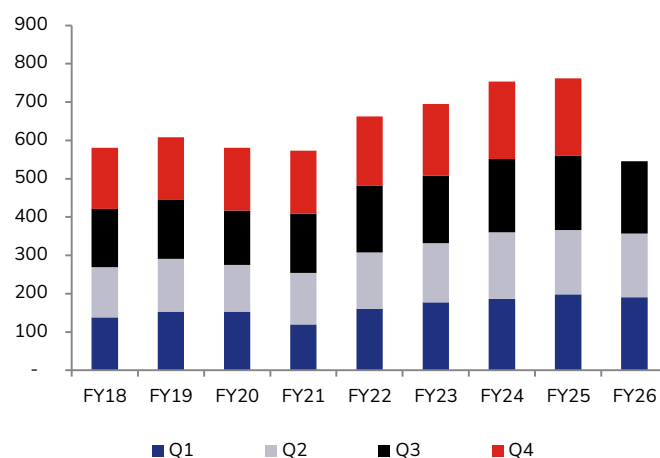
Source: Company, JM Financial

Exhibit 3. Coal production (MT)



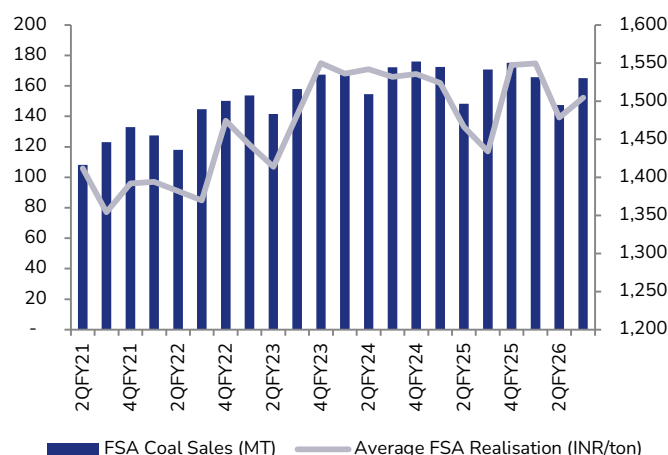
Source: Company, JM Financial

Exhibit 4. Coal dispatch (MT)



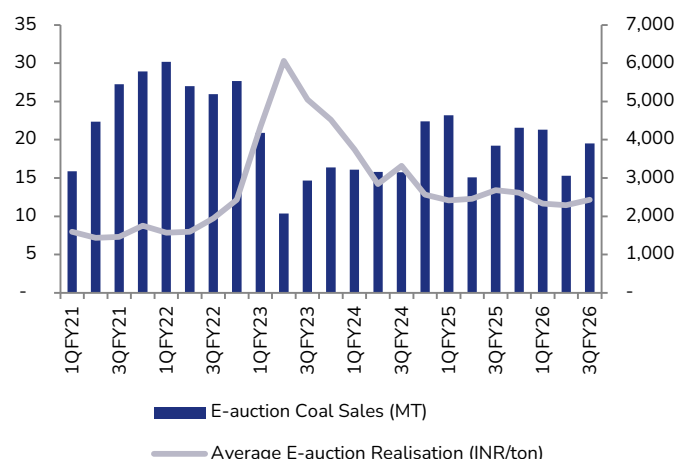
Source: Company, JM Financial

Exhibit 5. FSA sales & realisation trend



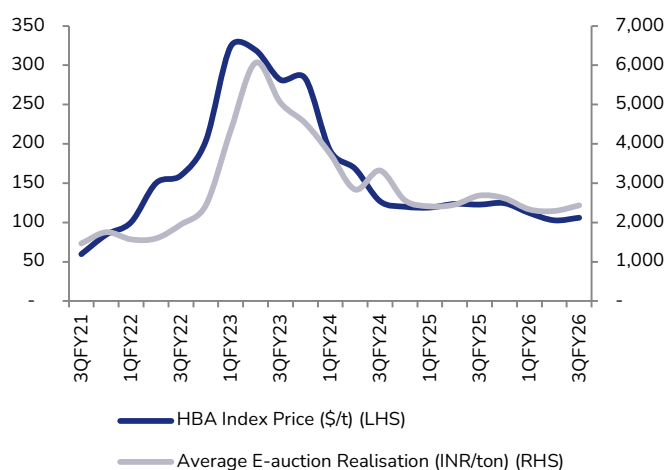
Source: Company, JM Financial

Exhibit 6. E-auction sales & realisation trend



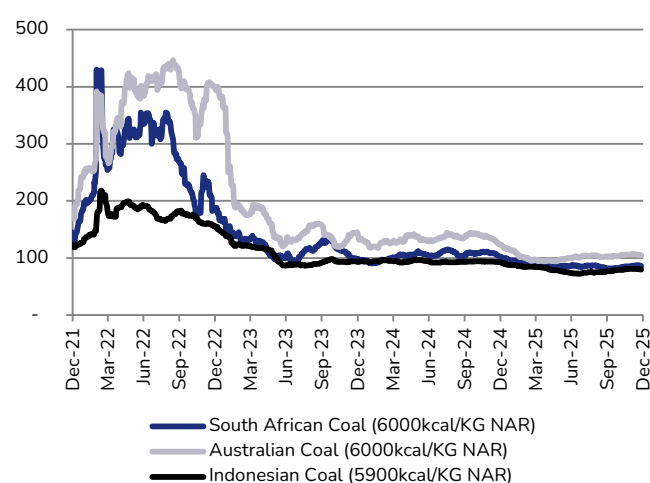
Source: Company, JM Financial

Exhibit 7. HBA index price & e-auction realisation



Source: Bloomberg, Company, JM Financial

Exhibit 8. International coal prices (USD/t)



Source: Elekre, JM Financial

Valuation

Exhibit 9. DCF valuation

| Particulars (INR mn) | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 | FY40 |
|----------------------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| FCFE | 267,819 | 170,107 | 212,949 | 245,010 | 346,022 | 383,891 | 383,891 | 329,485 |
| Disc Factor | | 1.00 | 0.88 | 0.77 | 0.68 | 0.59 | 0.52 | 0.16 |
| PV of FCFE | | 1,63,152 | 1,78,062 | 1,80,440 | 2,26,336 | 2,20,803 | 1,93,856 | 51,570 |

| Particulars | INR mn | Assumptions |
|------------------------------|------------------|---------------------------|
| PV of Cash Flows (FY26-40) | 2,101,662 | Terminal Growth Rate % 0% |
| PV of Terminal Cash Flow | 3,71,005 | Cost of Equity % 14% |
| Total Value of Equity | 2,472,667 | |
| No of Shares | 6,163 | |
| Value per Share | 401 | |

Source: JM Financial

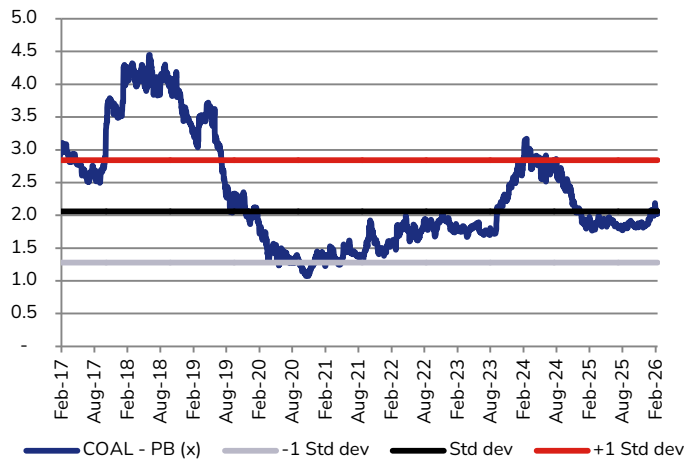
Exhibit 10. Change in estimates

| Year-end Mar31 (INR mn) | FY26E | FY27E | FY28E |
|-------------------------|-----------|-----------|-----------|
| Revenues | | | |
| Old | 14,06,132 | 15,87,735 | 16,78,293 |
| New | 13,91,471 | 15,70,693 | 16,60,228 |
| Chg | -1.04% | -1.07% | -1.08% |
| EBITDA | | | |
| Old | 4,09,495 | 4,82,479 | 5,12,970 |
| New | 3,97,913 | 4,68,589 | 4,98,248 |
| Chg | -2.83% | -2.88% | -2.87% |
| EBITDA Margins | | | |
| Old | 29.12% | 30.39% | 30.57% |
| New | 28.60% | 29.83% | 30.01% |
| bps | -53bps | -55bps | -55bps |
| PAT | | | |
| Old | 2,96,706 | 3,72,242 | 3,80,799 |
| New | 2,88,019 | 3,61,825 | 3,69,757 |
| Chg | -2.93% | -2.80% | -2.90% |
| FD EPS | | | |
| Old | 48.1 | 60.4 | 61.8 |
| New | 46.7 | 58.7 | 60.0 |
| Chg | -2.93% | -2.80% | -2.90% |

Source: JM Financial

Valuation bands

Exhibit 11. P/B



Source: Bloomberg, JM Financial

Exhibit 12. EV/EBITDA



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

| Income Statement (INR mn) | | | | | |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Sales | 1,447,624 | 1,433,689 | 1,391,471 | 1,570,693 | 1,660,228 |
| Sales Growth | 4.7% | -1.0% | -2.9% | 12.9% | 5.7% |
| Other Operating Income | 0 | 0 | 0 | 0 | 0 |
| Total Revenue | 1,447,624 | 1,433,689 | 1,391,471 | 1,570,693 | 1,660,228 |
| Cost of Goods Sold/Op. Exp | 337,987 | 366,443 | 420,662 | 491,916 | 539,815 |
| Personnel Cost | 487,826 | 462,491 | 439,472 | 497,433 | 502,408 |
| Other Expenses | 142,097 | 134,072 | 133,424 | 112,755 | 119,757 |
| EBITDA | 479,715 | 470,683 | 397,913 | 468,589 | 498,248 |
| EBITDA Margin | 33.1% | 32.8% | 28.6% | 29.8% | 30.0% |
| EBITDA Growth | 8.4% | -1.9% | -15.5% | 17.8% | 6.3% |
| Depn. & Amort. | 67,354 | 91,455 | 100,307 | 84,631 | 97,381 |
| EBIT | 412,361 | 379,228 | 297,606 | 383,958 | 400,867 |
| Other Income | 79,691 | 94,701 | 100,000 | 120,000 | 120,000 |
| Finance Cost | 8,194 | 8,837 | 16,134 | 21,402 | 26,452 |
| PBT before Excep. & Forex | 483,858 | 465,092 | 381,472 | 482,556 | 494,415 |
| Excep. & Forex Inc/Loss(-) | 0 | 0 | 0 | 0 | 0 |
| PBT | 483,858 | 465,092 | 381,472 | 482,556 | 494,415 |
| Taxes | 114,435 | 116,641 | 98,075 | 125,354 | 129,280 |
| Extraordinary Inc./Loss(-) | 0 | 0 | 0 | 0 | 0 |
| Assoc. Profit/Min. Int.(-) | 4,268 | 4,623 | 4,623 | 4,623 | 4,623 |
| Reported Net Profit | 373,691 | 353,074 | 288,019 | 361,825 | 369,757 |
| Adjusted Net Profit | 373,691 | 353,074 | 288,019 | 361,825 | 369,757 |
| Net Margin | 25.8% | 24.6% | 20.7% | 23.0% | 22.3% |
| Diluted Share Cap. (mn) | 6,162.7 | 6,162.7 | 6,162.7 | 6,162.7 | 6,162.7 |
| Diluted EPS (INR) | 60.6 | 57.3 | 46.7 | 58.7 | 60.0 |
| Diluted EPS Growth | 17.8% | -5.5% | -18.4% | 25.6% | 2.2% |
| Total Dividend + Tax | 117,092 | 163,312 | 117,092 | 117,092 | 117,092 |
| Dividend Per Share (INR) | 19.0 | 26.5 | 19.0 | 19.0 | 19.0 |

Source: Company, JM Financial

| Cash Flow Statement (INR mn) | | | | | |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Profit before Tax | 488,126 | 469,714 | 386,095 | 487,179 | 499,038 |
| Depn. & Amort. | 67,354 | 91,455 | 100,307 | 84,631 | 97,381 |
| Net Interest Exp. / Inc. (-) | -30,624 | -25,114 | 16,134 | 21,402 | 26,452 |
| Inc (-) / Dec in WCap. | -186,220 | -61,921 | -12,999 | -21,169 | -10,576 |
| Others | -40,339 | -63,283 | -140,472 | -165,694 | -168,436 |
| Taxes Paid | -117,267 | -118,802 | -98,075 | -125,354 | -129,280 |
| Operating Cash Flow | 181,031 | 292,049 | 250,989 | 280,995 | 314,578 |
| Capex | -163,085 | -127,500 | -255,229 | -255,397 | -255,397 |
| Free Cash Flow | 17,946 | 164,549 | -4,240 | 25,597 | 59,181 |
| Inc (-) / Dec in Investments | 0 | 0 | 0 | 0 | 0 |
| Others | 118,227 | 26,737 | 100,000 | 120,000 | 120,000 |
| Investing Cash Flow | -44,858 | -100,764 | -155,229 | -135,397 | -135,397 |
| Inc / Dec (-) in Capital | 0 | 0 | 0 | 0 | 0 |
| Dividend + Tax thereon | -150,979 | -162,385 | -117,092 | -117,092 | -117,092 |
| Inc / Dec (-) in Loans | 15,011 | 17,334 | 47,677 | 37,546 | 37,546 |
| Others | -3,025 | 11,966 | -16,134 | -21,402 | -26,452 |
| Financing Cash Flow | -138,993 | -133,085 | -85,549 | -100,948 | -105,998 |
| Inc / Dec (-) in Cash | -2,820 | 58,201 | 10,211 | 44,649 | 73,184 |
| Opening Cash Balance | 399,222 | 295,724 | 342,153 | 352,364 | 397,014 |
| Closing Cash Balance | 295,724 | 342,153 | 352,364 | 397,014 | 470,197 |

Source: Company, JM Financial

| Balance Sheet (INR mn) | | | | | |
|-----------------------------------|----------------|------------------|------------------|------------------|------------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Shareholders' Fund | 827,298 | 991,049 | 1,161,977 | 1,406,710 | 1,659,376 |
| Share Capital | 61,627 | 61,627 | 61,627 | 61,627 | 61,627 |
| Reserves & Surplus | 765,671 | 929,422 | 1,100,349 | 1,345,083 | 1,597,748 |
| Preference Share Capital | 0 | 0 | 0 | 0 | 0 |
| Minority Interest | 8,521 | 8,458 | 8,458 | 8,458 | 8,458 |
| Total Loans | 56,172 | 73,858 | 121,535 | 159,080 | 196,626 |
| Def. Tax Liab. / Assets (-) | -13,903 | -8,628 | -8,628 | -8,628 | -8,628 |
| Total - Equity & Liab. | 878,088 | 1,064,736 | 1,283,341 | 1,565,620 | 1,855,832 |
| Net Fixed Assets | 946,285 | 1,052,500 | 1,207,422 | 1,378,188 | 1,536,204 |
| Gross Fixed Assets | 1,005,681 | 1,174,679 | 1,429,679 | 1,684,679 | 1,939,679 |
| Intangible Assets | 69,399 | 90,762 | 90,762 | 90,762 | 90,762 |
| Less: Depn. & Amort. | 326,677 | 408,281 | 508,358 | 592,592 | 689,576 |
| Capital WIP | 197,882 | 195,339 | 195,339 | 195,339 | 195,339 |
| Investments | 71,104 | 75,913 | 75,913 | 75,913 | 75,913 |
| Current Assets | 1,327,209 | 1,446,624 | 1,474,521 | 1,554,088 | 1,644,716 |
| Inventories | 101,772 | 126,137 | 122,423 | 138,191 | 146,068 |
| Sundry Debtors | 132,558 | 127,277 | 148,678 | 167,828 | 177,394 |
| Cash & Bank Balances | 302,352 | 342,153 | 352,364 | 397,014 | 470,197 |
| Loans & Advances | 3,803 | 4,088 | 4,088 | 4,088 | 4,088 |
| Other Current Assets | 786,725 | 846,969 | 846,969 | 846,969 | 846,969 |
| Current Liab. & Prov. | 1,466,510 | 1,510,300 | 1,474,515 | 1,442,569 | 1,401,002 |
| Current Liabilities | 202,026 | 235,760 | 240,447 | 254,195 | 261,064 |
| Provisions & Others | 1,264,484 | 1,274,540 | 1,234,068 | 1,188,374 | 1,139,938 |
| Net Current Assets | -139,301 | -63,677 | 6 | 111,519 | 243,714 |
| Total - Assets | 878,088 | 1,064,736 | 1,283,341 | 1,565,620 | 1,855,832 |

Source: Company, JM Financial

| Dupont Analysis | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Margin | 25.8% | 24.6% | 20.7% | 23.0% | 22.3% |
| Asset Turnover (x) | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 |
| Leverage Factor (x) | 3.2 | 2.7 | 2.5 | 2.3 | 2.1 |
| RoE | 52.1% | 38.8% | 26.8% | 28.2% | 24.1% |

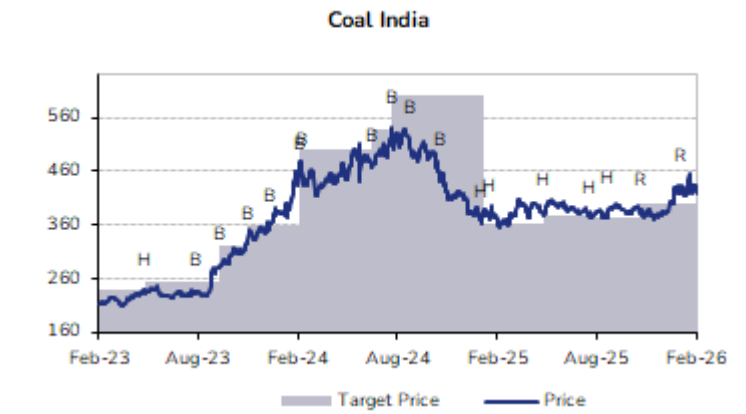
| Key Ratios | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| BV/Share (INR) | 134.2 | 160.8 | 188.5 | 228.3 | 269.3 |
| ROIC | 89.3% | 48.4% | 29.1% | 28.9% | 24.5% |
| ROE | 52.1% | 38.8% | 26.8% | 28.2% | 24.1% |
| Net Debt/Equity (x) | -0.4 | -0.3 | -0.3 | -0.2 | -0.2 |
| P/E (x) | 6.9 | 7.3 | 9.0 | 7.1 | 7.0 |
| P/B (x) | 3.1 | 2.6 | 2.2 | 1.8 | 1.6 |
| EV/EBITDA (x) | 4.7 | 4.8 | 5.7 | 4.9 | 4.5 |
| EV/Sales (x) | 1.6 | 1.6 | 1.6 | 1.4 | 1.3 |
| Debtor days | 33 | 32 | 39 | 39 | 39 |
| Inventory days | 26 | 32 | 32 | 32 | 32 |
| Creditor days | 32 | 39 | 39 | 40 | 40 |

Source: Company, JM Financial

History of Recommendation and Target Price

| Date | Recommendation | Target Price | % Chg. |
|-----------|----------------|--------------|--------|
| 11-Jan-23 | Hold | 240 | |
| 1-Feb-23 | Hold | 240 | -0.2 |
| 7-May-23 | Hold | 255 | 6.4 |
| 9-Aug-23 | Buy | 255 | 0.0 |
| 22-Sep-23 | Buy | 320 | 25.6 |
| 10-Nov-23 | Buy | 360 | 12.5 |
| 21-Dec-23 | Buy | 360 | 0.0 |
| 13-Feb-24 | Buy | 500 | 38.8 |
| 19-Feb-24 | Buy | 500 | -0.1 |
| 25-Jun-24 | Buy | 540 | 7.9 |
| 1-Aug-24 | Buy | 601 | 11.3 |
| 3-Sep-24 | Buy | 601 | 0.0 |
| 27-Oct-24 | Buy | 601 | 0.0 |
| 13-Jan-25 | Hold | 362 | -39.8 |
| 27-Jan-25 | Hold | 362 | 0.2 |
| 8-May-25 | Hold | 376 | 3.8 |
| 1-Aug-25 | Hold | 372 | -0.9 |
| 3-Sep-25 | Hold | 372 | 0.0 |
| 30-Oct-25 | Reduce | 398 | 7.0 |
| 13-Jan-26 | Reduce | 398 | 0.0 |

Recommendation History



APPENDIX I

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

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.

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

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

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. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

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 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (332) 900 4956 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.

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 - INH0000000610

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: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com

Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com
