

KEC International | BUY

Weak quarter; on a strong growth trajectory

KEC International (KEC) reported weak earnings in 2Q26 as PAT at INR 1.6bn was below JMFe/consensus of INR 1.8bn due to higher interest and depreciation. While execution was strong in 2Q led by T&D, debt rose to record highs of INR 65bn amid rise in NWC levels. NWC rose QoQ to 138 days in Sept-25 due to delay in JJM payments, back ended payments in metro projects and payment spillover in Afghanistan projects. KEC expects NWC to normalize by Mar-26. Factoring in 1H26, we have lowered other income and increased interest cost estimates leading to EPS cuts of 8%/2% in FY26/27E. Backed by recovery in margins from a cyclical bottom, we expect robust 42% EPS CAGR over FY25-28E. Further, after the recent correction in stock, KEC is currently trading attractively at 15x/12x FY27/28E EPS. Hence, we upgrade the stock from HOLD to BUY with a revised price target of INR 915 (17x Sept-27 EPS).

- **Earnings below JMFe due to higher interest and depreciation expenses:** Consolidated revenue grew by 19% YoY to INR 61bn (JMFe: INR 59bn) led by 44% growth in T&D revenue to INR 40.8bn while non-T&D revenue declined by 12% YoY. EBITDA grew by INR 34% YoY to INR 4.3bn (in-line) while EBITDA margin expanded by 80bps YoY to 7.1% (JMFe: 7.3%). Standalone EBITDA margin at 6.2% (+110bps YoY) was below consolidated margins of 7.1% due to margin erosion in legacy ME projects and profit capture in Dubai/ME fabrication business in subsidiary. Other income declined sharply by 30% YoY to INR 46mn (JMFe: INR 100mn). Interest costs grew by 2% YoY/14% QoQ to INR 1.72bn (2.8% of sales) due to higher debt levels. PAT at INR 1.6bn was below JMFe of INR 1.8bn due to higher interest and depreciation expenses.
- **NWC and debt levels rise in 2Q:** KEC's NWC increased QoQ from 128 days in Jun-25 to 138 days in Sept-25 due to delay in JJM payments, spillover in Afghanistan projects and back ended payments in the metro projects. KEC expects NWC to normalize by Mar-26 led by improved recoveries from JJM projects, Afghanistan payments (c.INR 2.7bn) and release of payments from completed metro projects. Net debt + acceptances rose sharply by INR 11bn QoQ/INR 12bn YoY to record highs of INR 64.8bn due to increased execution and rise in NWC. KEC's JJM order backlog stood at INR 16bn as of Sept-25 dominated by Orissa (INR 10bn) and MP (INR 6bn). Outstanding debtors in the water vertical stand at c.INR 8.75bn.
- **Maintains FY26 revenue and order inflow guidance; bid pipeline robust at INR 1.8tn:** With strong order inflows of INR 161bn in YTD, KEC's order backlog stood at INR 393bn (1.7x TTM revenues) as of Sept-25. Additionally, KEC is also L1 in orders of INR 50bn+ (largely T&D). With a robust bid pipeline of INR 1.8tn dominated by T&D (c.INR 650bn) & Civil (c.INR 600bn), KEC is confident of achieving inflows of INR 300bn for FY26E. KEC has maintained its FY26 revenue growth guidance of 15% with EBITDA margins of 8% (earlier: 8-8.5%).
- **Upgrade to BUY:** We like KEC given its diversified capabilities, huge opportunity potential, industry leading return ratios and strong parentage. EBITDA margins have been impacted due to few legacy projects and losses in Railways vertical. Factoring in 1H26 performance, we have lowered other income and increased interest cost estimates leading to EPS cuts of 8%/2% in FY26/27E. Backed by recovery in margins from a cyclical bottom, we expect robust 42% EPS CAGR over FY25-28E. Further, after the recent correction in the stock, KEC is currently trading attractively at 15x/12x FY27/28E EPS. Hence, we upgrade the stock from HOLD to BUY with a revised price target of INR 915 (17x Sept-27 EPS).



Vaibhav Shah

vaibhav.shah@jmfl.com | Tel: (91 22) 66303068

Priyanka Biswas

priyanka.biswas@jmfl.com | Tel: (91 22) 69703622

Parth Thakkar

parth.thakkar@jmfl.com | Tel: (91 22) 61781879

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	HOLD
Current Price Target (12M)	915
Upside/(Downside)	26.7%
Previous Price Target	900
Change	1.7%

Key Data – KECI IN

Current Market Price	INR722
Market cap (bn)	INR192.3/US\$2.2
Free Float	50%
Shares in issue (mn)	266.2
Diluted share (mn)	266.2
3-mon avg daily val (mn)	INR836.5/US\$9.4
52-week range	1,313/605
Sensex/Nifty	83,535/25,574
INR/US\$	88.7

Price Performance

%	1M	6M	12M
Absolute	-15.4	3.9	-29.2
Relative*	-16.5	-1.1	-32.7

* To the BSE Sensex

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	1,99,142	2,18,467	2,52,209	2,90,303	3,28,471
Sales Growth (%)	15.2	9.7	15.4	15.1	13.1
EBITDA	12,146	15,039	19,879	25,421	29,553
EBITDA Margin (%)	6.1	6.9	7.9	8.8	9.0
Adjusted Net Profit	3,468	5,468	9,281	13,016	15,639
Diluted EPS (INR)	13.5	20.5	34.9	48.9	58.7
Diluted EPS Growth (%)	97.0	52.3	69.7	40.3	20.2
ROIC (%)	8.7	9.9	11.8	13.1	13.9
ROE (%)	8.8	11.6	16.2	19.5	19.8
P/E (x)	45.1	43.6	20.7	14.8	12.3
P/B (x)	3.8	4.5	3.1	2.7	2.2
EV/EBITDA (x)	15.8	17.9	11.5	8.9	7.6
Dividend Yield (%)	0.7	0.6	0.7	1.0	1.2

Source: Company data, JM Financial. Note: Valuations as of 10/Nov/2025

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.

Exhibit 1. Quarterly consolidated financials

INR mn	2QFY25	3QFY25	4QFY25	FY25	1QFY26	2QFY26	2QFY26E	Variance (%)	FY26E	FY27E	FY28E
Net Sales	51,133	53,494	68,721	2,18,467	50,229	60,916	58,803	3.6%	2,52,209	2,90,303	3,28,471
EBIDTA	3,202	3,745	5,388	15,039	3,501	4,304	4,316	-0.3%	19,879	25,421	29,553
EBIDTA margin (%)	6.3%	7.0%	7.8%	6.9%	7.0%	7.1%	7.3%		7.9%	8.8%	9.0%
Other income	66	9	202	469	54	46	100	-53.7%	338	359	362
Depreciation	453	453	465	1,837	459	506	470	7.6%	2,008	2,258	2,508
Interest	1,681	1,702	1,703	6,636	1,511	1,715	1,600	7.2%	6,379	6,618	7,096
PBT	1,135	1,598	3,422	7,035	1,585	2,130	2,346	-9.2%	11,830	16,904	20,311
Tax	281	303	740	1,568	339	522	540		2,549	3,888	4,671
Effective tax rate (%)	24.7%	18.9%	21.6%	22.3%	21.4%	24.5%	23.0%		21.6%	23.0%	23.0%
PAT	854	1,296	2,682	5,468	1,246	1,608	1,806	-11.0%	9,281	13,016	15,639
Exceptional items	-	-	-	-240	-	-	-		-	-	-
Reported PAT	854	1,296	2,682	5,708	1,246	1,608	1,806	-11.0%	9,281	13,016	15,639
YoY Growth (%)											
Net sales	13.7%	6.8%	11.5%	9.7%	11.3%	19.1%			15.4%	15.1%	13.1%
EBITDA	16.7%	21.6%	38.9%	23.8%	29.5%	34.4%			32.2%	27.9%	16.3%
Other income	-58.1%	-96.5%	159.3%	-10.6%	-71.8%	-30.2%			-27.9%	6.2%	0.9%
Depreciation	-2.6%	-7.1%	-3.6%	-0.9%	-1.4%	11.6%			9.3%	12.5%	11.1%
Interest	-5.5%	3.6%	10.4%	1.3%	-2.5%	2.0%			-3.9%	3.7%	7.2%
PBT	72.5%	32.4%	77.0%	65.0%	80.0%	87.7%			68.2%	42.9%	20.2%
Adjusted PAT	53.0%	33.7%	76.7%	57.7%	96.0%	88.2%			69.7%	40.3%	20.2%
Reported PAT	53.0%	33.7%	76.7%	64.6%	42.3%	88.2%			62.6%	40.3%	20.2%

Source: Company, JM Financial

Exhibit 2. Standalone quarterly results

INR mn	2QFY25	3QFY25	4QFY25	FY25	1QFY26	2QFY26
Net Sales	44,838	47,576	60,480	1,91,778	40,299	49,485
EBIDTA	2,302	2,809	3,524	10,372	1,970	3,075
EBIDTA margin (%)	5.1%	5.9%	5.8%	5.4%	4.9%	6.2%
Other income	327	38	276	838	85	95
Depreciation	370	373	338	1,458	323	359
Interest	1,520	1,541	1,385	5,812	1,234	1,459
PBT	739	933	2,077	3,940	498	1,352
Tax	158	204	470	941	129	295
Effective tax rate (%)	21.3%	21.9%	22.6%	23.9%	26.0%	21.8%
PAT	581	729	1,607	2,999	368	1,057
Exceptional items	-	-	-	-240	-	-
Reported PAT	581	729	1,607	3,239	368	1,057
YoY Growth (%)						
Net sales	12.6%	8.2%	14.1%	10.3%	3.6%	10.4%
EBITDA	25.2%	33.4%	24.1%	22.3%	13.4%	33.6%
Interest	-1.9%	5.4%	1.6%	1.5%	-9.6%	-4.1%
PBT	689.5%	66.9%	71.8%	105.6%	160.9%	83.0%
Adjusted PAT	758.9%	65.5%	72.9%	103.3%	351.9%	81.8%
Reported PAT	758.9%	65.5%	72.9%	119.5%	14.6%	81.8%

Source: Company, JM Financial

Exhibit 3. Change in estimates

INR mn	FY26E			FY27E			FY28E		
	New	Old	Chg (%)	New	Old	Chg (%)	New	Old	Chg (%)
Revenue	2,52,209	2,50,182	0.8%	2,90,303	2,88,185	0.7%	3,28,471	3,25,952	0.8%
EBITDA	19,879	20,523	-3.1%	25,421	25,494	-0.3%	29,553	29,192	1.2%
EBITDA Margin (%)	7.9%	8.2%		8.8%	8.8%		9.0%	9.0%	
PAT	9,281	10,081	-7.9%	13,016	13,304	-2.2%	15,639	15,430	1.4%
Adjusted EPS	34.9	37.9	-7.9%	48.9	50.0	-2.2%	58.7	58.0	1.4%

Source: Company, JM Financial

Exhibit 4. Key assumptions

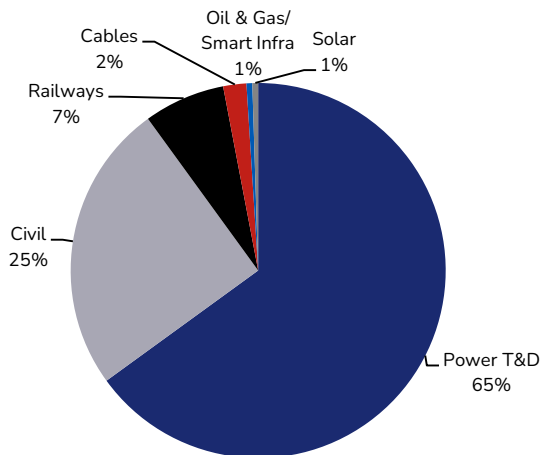
INR mn	FY24	FY25	FY26E	FY27E	FY28E
Order inflows	1,81,020	2,46,890	3,01,121	3,46,863	4,01,104
EBITDA Margins	6.1%	6.9%	7.9%	8.8%	9.0%
Gross Debt	38,292	37,011	41,261	38,261	37,261
Net WC days*	105	106	110	105	105
Capex	2,074	2,108	3,750	4,250	4,500

Source: Company, JM Financial; *: ex free cash

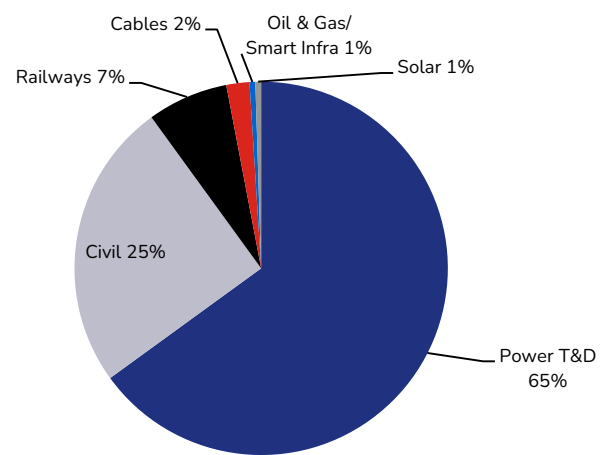
Exhibit 5. Net debt and acceptances increased by INR 11bn QoQ in 2Q26

INR mn	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Net debt	35,660	40,640	30,510	36,600	46,150
Acceptances	16,990	15,100	15,070	16,890	18,650
Total	52,650	55,740	45,580	53,490	64,800

Source: Company, JM Financial

Exhibit 6. Consolidated order backlog of INR 393bn* as on Sept-25

Source: Company, JM Financial; *: Additionally L1 in orders worth INR 50bn

Exhibit 7. YTD order inflows at INR 161bn

Source: Company, JM Financial

Exhibit 8. Price target of INR 915

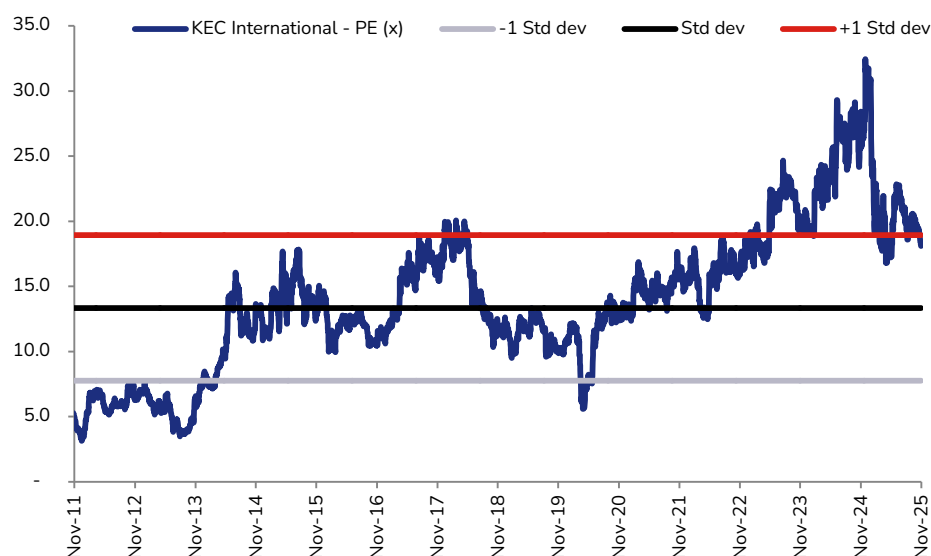
Particulars	Rationale	PAT	Multiple (x)	Value (INR mn)	Value per share
EPC business	PEX Sept-27E PAT	14,328	17	2,43,570	915
Price target					915

Source: Company, JM Financial

Key conference call takeaways

- **FY26E Guidance:** Revenue: 15% YoY growth; EBITDA margins: 8% (earlier: 8-8.5%); Order inflows: INR 300bn (FY25: INR 247bn); Capex: c.INR 4bn.
- **Strong tender pipeline** of INR 1.8tn driven by T&D (c.INR 650bn) and Civil (c.INR 600bn). Rest is spread across renewables, Railways, solar etc.
- **NWC stretched to 138 days in Sept-25** due to delayed payments in JJM, spill over of Afghanistan receivables and back ended payments in Metro projects. KEC expects improvement in 2H26 led by receipt of money from Afghanistan projects in 4Q, completion of Metro projects and improved JJM receivables.
- **Civil execution muted in 1H26** due to heavy monsoon, labour shortage and delayed JJM payments. Low margin legacy projects have been largely completed. KEC recently won high margins contracts where execution will start in 2H26. Hence, KEC expects margins to improve to high double digit over the medium term.
- **Water:** Outstanding JJM order backlog stands at INR 16bn (Orissa: INR 10bn; MP: INR 6bn). Outstanding receivables at c.INR 8.75bn as of Sept-25. KEC expects improved recoveries in 2H26.

Exhibit 9. 1 year forward P/E chart



Source: Company, JM Financial, Bloomberg

Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	1,99,142	2,18,467	2,52,209	2,90,303	3,28,471
Sales Growth	15.2%	9.7%	15.4%	15.1%	13.1%
Other Operating Income	0	0	0	0	0
Total Revenue	1,99,142	2,18,467	2,52,209	2,90,303	3,28,471
Cost of Goods Sold/Op. Exp	1,55,848	1,69,103	1,93,465	2,21,016	2,49,874
Personnel Cost	14,406	15,402	17,019	18,721	20,593
Other Expenses	16,742	18,923	21,846	25,145	28,451
EBITDA	12,146	15,039	19,879	25,421	29,553
EBITDA Margin	6.1%	6.9%	7.9%	8.8%	9.0%
EBITDA Growth	46.4%	23.8%	32.2%	27.9%	16.3%
Depn. & Amort.	1,854	1,837	2,008	2,258	2,508
EBIT	10,292	13,202	17,871	23,163	27,044
Other Income	524	469	338	359	362
Finance Cost	6,551	6,636	6,379	6,618	7,096
PBT before Excep. & Forex	4,265	7,035	11,830	16,904	20,311
Excep. & Forex Inc/Loss(-)	0	240	0	0	0
PBT	4,265	7,275	11,830	16,904	20,311
Taxes	797	1,568	2,549	3,888	4,671
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	3,468	5,708	9,281	13,016	15,639
Adjusted Net Profit	3,468	5,468	9,281	13,016	15,639
Net Margin	1.7%	2.5%	3.7%	4.5%	4.8%
Diluted Share Cap. (mn)	257.1	266.2	266.2	266.2	266.2
Diluted EPS (INR)	13.5	20.5	34.9	48.9	58.7
Diluted EPS Growth	97.0%	52.3%	69.7%	40.3%	20.2%
Total Dividend + Tax	1,028	1,464	1,392	1,952	2,346
Dividend Per Share (INR)	4.0	5.5	5.2	7.3	8.8

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	4,265	7,275	11,830	16,904	20,311
Depn. & Amort.	1,854	1,837	2,008	2,258	2,508
Net Interest Exp. / Inc. (-)	6,551	6,636	6,379	6,618	7,096
Inc (-) / Dec in WCap.	-9,267	-6,146	-12,638	-6,765	-10,894
Others	0	0	0	0	0
Taxes Paid	-1,141	-2,700	-2,549	-3,888	-4,671
Operating Cash Flow	2,262	6,902	5,030	15,127	14,350
Capex	-2,336	-1,695	-4,321	-3,500	-3,750
Free Cash Flow	-74	5,207	708	11,627	10,600
Inc (-) / Dec in Investments	0	0	0	0	0
Others	865	-701	571	0	0
Investing Cash Flow	-1,471	-2,396	-3,750	-3,500	-3,750
Inc / Dec (-) in Capital	0	8,702	0	0	0
Dividend + Tax thereon	-1,028	-1,464	-1,392	-1,952	-2,346
Inc / Dec (-) in Loans	6,080	-1,281	4,250	-3,000	-1,000
Others	-6,551	-6,636	-6,379	-6,618	-7,096
Financing Cash Flow	-1,500	-679	-3,521	-11,570	-10,442
Inc / Dec (-) in Cash	-709	3,827	-2,241	57	158
Opening Cash Balance	3,442	2,733	6,559	4,318	4,374
Closing Cash Balance	2,733	6,559	4,318	4,374	4,532

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	40,957	53,475	61,363	72,427	85,720
Share Capital	514	532	532	532	532
Reserves & Surplus	40,443	52,942	60,831	71,894	85,188
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	38,292	37,011	41,261	38,261	37,261
Def. Tax Liab. / Assets (-)	-3,537	-4,372	-4,372	-4,372	-4,372
Total - Equity & Liab.	75,712	86,114	98,252	1,06,316	1,18,609
Net Fixed Assets	16,422	16,851	18,593	19,835	21,077
Gross Fixed Assets	25,120	26,657	30,978	34,478	38,228
Intangible Assets	2,918	2,831	2,831	2,831	2,831
Less: Depn. & Amort.	11,756	13,021	15,600	17,859	20,367
Capital WIP	139	385	385	385	385
Investments	0	0	0	0	0
Current Assets	1,70,356	2,00,421	2,20,235	2,46,983	2,79,025
Inventories	12,133	11,405	14,841	15,138	17,115
Sundry Debtors	44,250	52,660	55,279	63,628	71,994
Cash & Bank Balances	2,733	6,559	4,318	4,374	4,532
Loans & Advances	0	0	0	0	0
Other Current Assets	1,11,241	1,29,797	1,45,798	1,63,842	1,85,384
Current Liab. & Prov.	1,11,066	1,31,158	1,40,576	1,60,502	1,81,492
Current Liabilities	92,070	1,05,035	1,09,719	1,33,820	1,51,294
Provisions & Others	18,996	26,123	30,857	26,681	30,198
Net Current Assets	59,290	69,263	79,659	86,481	97,533
Total - Assets	75,712	86,114	98,252	1,06,316	1,18,609

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	1.7%	2.5%	3.7%	4.5%	4.8%
Asset Turnover (x)	2.8	2.7	2.7	2.8	2.9
Leverage Factor (x)	1.8	1.7	1.6	1.5	1.4
RoE	8.8%	11.6%	16.2%	19.5%	19.8%

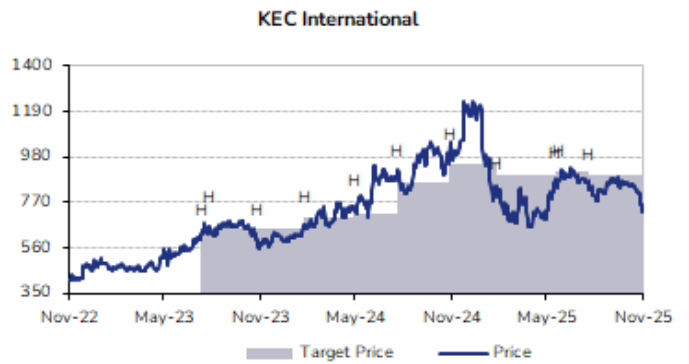
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	159.3	200.9	230.5	272.1	322.0
ROIC	8.7%	9.9%	11.8%	13.1%	13.9%
ROE	8.8%	11.6%	16.2%	19.5%	19.8%
Net Debt/Equity (x)	0.9	0.6	0.6	0.5	0.4
P/E (x)	45.1	43.6	20.7	14.8	12.3
P/B (x)	3.8	4.5	3.1	2.7	2.2
EV/EBITDA (x)	15.8	17.9	11.5	8.9	7.6
EV/Sales (x)	1.0	1.2	0.9	0.8	0.7
Debtor days	81	88	80	80	80
Inventory days	22	19	21	19	19
Creditor days	180	188	172	184	185

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
20-Jul-23	Hold	650	
4-Aug-23	Hold	650	0.0
3-Nov-23	Hold	650	-0.1
1-Feb-24	Hold	700	7.8
8-May-24	Hold	720	2.8
29-Jul-24	Hold	860	19.4
5-Nov-24	Hold	950	10.4
4-Feb-25	Hold	895	-5.7
27-May-25	Hold	915	2.2
3-Jun-25	Hold	915	0.0
29-Jul-25	Hold	900	-1.7

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: jmfirancial.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

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

New 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)

Previous Rating System: 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. 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 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.