

DISINVESTMENTS

Notable pickup – Annual target likely to be met



Renewed enthusiasm in
disinvestment programme in FY27

70% of annual target
already achieved

Momentum likely to
sustain over coming years

Disinvestments

Notable pickup; annual target likely to be met



The government's disinvestment programme has picked up meaningfully and is likely to achieve the annual budgeted target for FY27. Disinvestments in the first five months of FY27 (Apr-Aug'26) are already ~70% of FY27BE (INR 800bn) versus 33% of BE during FY20–26. The process has been aided by easing of regulatory requirements on MPS and MPO for large companies. The fast-track disinvestment in case of LIC – nine months ahead of schedule – reflects the government's intent. As per our assessment, the proposed strategic sale of IDBI Bank – with a potential of INR 289bn (36% of FY27BE) – could help achieve the disinvestment target for FY27. Potential receipts from companies with government shareholding exceeding 75% is ~INR 1.4tn. However, regardless of whether the disinvestment target is met or not, disinvestment proceeds on its own are insignificant in the government's overall finances (1.5% of revenue, 4.5% of capital receipts). On the other hand, RBI's dividend (5.4% of revenue) has acted as a cushion and capex as the shock absorber in the government's finances in the past and that is likely to continue in FY27 as well. We expect the renewed enthusiasm in the government's disinvestment programme to be maintained in future too.

- **Notable pickup in disinvestments in FY27:** The government's disinvestment programme has picked up pace in FY27 after missing the budgeted target seven years in a row (FY20–26). In the first five months in FY27 (Apr-Aug'26), disinvestments already form 70% (INR 557bn) of the annual target versus 33% on average in FY20–26. Amendments to the minimum shareholding regulations have also played a role. The fast-track disinvestment in the case of LIC – forming 39% of the annual target – nine months ahead of schedule signals the government's intent to mobilise resources at a faster pace. Our assessment of the government shareholding exceeding 75% in 17 companies reveals that the overall potential is to the tune of INR 1.4tn; this amount would be substantially higher if companies (61) with lower government shareholding are considered (exhibit 8). It is highly likely that the government's FY27 disinvestment target will be met with a single transaction if the strategic sale of IDBI Bank (jointly held by government and LIC) goes through in this fiscal.
- **How important is it fiscally?:** On its own, disinvestment proceeds are insignificant to meaningfully impact the government's finances. The share of disinvestments of INR 800bn in FY27BE, is as low as 1.5% of total revenue and 4.4% of capital receipts; hence, regardless of whether the annual target is met or not, it will not impact the fiscal deficit target meaningfully. However it will be sentimentally positive if the traction in disinvestment activity sustains going forward as well, and support valuation of PSUs provided the supply is well calibrated.
- **Role of RBI dividend:** Unlike disinvestment proceeds, the share of RBI's dividend in the government's finances has been meaningful in recent years. RBI's dividend forms 78% of total dividend receipts (balance from PSUs). Its share in total revenue is also meaningful at 5.4% and there has been a significant increase over the years after the implementation of the recommendations of the Bimal Jalan Committee in FY19. RBI's dividend averaged INR 2.55tn per annum during FY24–26 versus INR 74.8bn annually during FY16–22. Moreover, considering the active interventions in the forex market last year, RBI's surplus is expected to be healthy and eventually reflect in the form of an equally sizeable dividend in FY27.
- **Liquidity tightening on the cards; rate hike unlikely:** Overall, we believe that the RBI's dividend acts as a cushion and capex as a shock absorber in the government's finances. Fertiliser subsidy will likely deteriorate the fiscal condition in FY27. The proceeds from disinvestments are insignificant to meaningfully impact the government's fiscal, but the pickup in disinvestment activity in FY27 will be sentimentally positive. Capex intensity has been the strongest in the last five years, but it needs close monitoring, especially in Q4FY27. Factoring in the fiscal risk and inflationary trend, benchmark yields hardened 20bps to 6.96% in a short span of 15 days. Robust GDP growth and better-than-expected FCNR flows (USD 127.2bn) helped the INR strengthen (94.5/USD) despite elevated crude oil prices (USD 99/bbl), but we expect a shallow depreciating bias in INR in the near term. The better-than-expected FCNR flows pumped up domestic liquidity to ~INR 10.4tn. In response, the RBI pivoted towards long-term (30-day) VRRRs to absorb the excess liquidity. We expect more such liquidity absorption measures in future, but a rate hike is not the appropriate tool to address this issue and is, hence, not in our base case.

Hitesh Suvarna

hitesh.suvarna@jmfll.com | Tel: (91 22) 66303351

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.

Table of Contents

Disinvestments: Notable pickup	4
RBI dividend: Cushion to India's finances	5
Government holding >75%; disinvestment potential of INR 1.4tn	7
Simplified regulation on shareholding to aid disinvestment	8
Strategic sale: One transaction away from meeting disinvestment target	8
Fiscal situation comfortable; capex intensity key to watch out for	10
Elevated fertiliser prices push up subsidy outgo; fiscal consolidation on track	12

RECENT REPORTS



El Niño
Global weather shock; local impact



Macro economy
Navigating global turmoil; gold shines



GDP | Strength in quarter
despite global supply disruption

Disinvestments: Notable pickup

The renewed enthusiasm in the government's disinvestment programme in FY27 is noticeable. The numbers so far in FY27 suggest that it is determined to monetise assets this fiscal, unlike in the past many years when there was no evident fervour on it, right from the process of setting annual targets to achieving them (exhibit 2). Moreover, since FY24 the government stopped disclosing "disinvestment proceeds" as a separate line item in the Union Budget and clubbed it under "other receipts", signalling a lack of focus on disinvestment. As the saying goes, "*what is not measured, cannot be improved.*" Even before that, actual receipts from disinvestments were as low as ~33% of the budgeted estimates during FY20–25. However after a gap of nine years, actual disinvestments (INR 557bn) already form 70% of the budgeted estimates in the first five months of FY27; the change in shareholding regulations may have also played a role. As per our assessment, the annual target (INR 800bn) is highly likely to be met if not breached by the end of FY27.

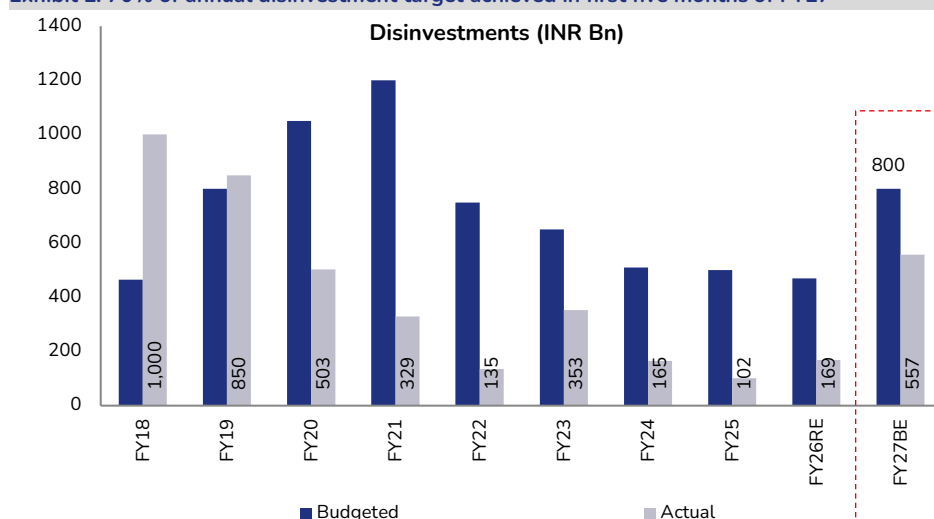
Fast-track disinvestment in LIC: Proceeds from the sale of 6.5% shares in LIC (INR 315bn) forms a large chunk (39% of the budgeted target) of the disinvestment in the current fiscal. SEBI had granted LIC a three-year extension back in May'24 (to May'27) to achieve the 10% free float target. By launching the Offer for Sale (OFS) in Aug'26, the government met the mandated threshold nine months ahead of the extended deadline.

Exhibit 1: Government met 70% of disinvestment target in first five months of FY27

Name of CPSEs	% of Gov's Shares Disinvested	Method of Disinvestment	Receipts (INR bn)	Gov's Shareholding Post Disinvestment
Central Bank of India	8.1	OFS	23	81.19
Coal India	2.0	OFS	55	61.13
NHPC Ltd	6.0	OFS	44	61.39
NLC India Ltd	2.7	OFS	12	69.47
General Insurance Corporation of India	5.0	OFS	31	77.4
Indian Railway Finance Corporation Ltd	1.8	OFS	21	82.9
Cochin Shipyard Ltd	4.6	OFS	17	63.33
Indian Medicines Pharmaceuticals Corporation Ltd	98.1	SD	1	0
Others (Remittance from SUUTI)	0.0	OTHER	8	0
Life Insurance Corporation of India	6.5	OFS	315	90
Hindustan Copper	6.0	OFS	30.4	60
Total			557.6	

Source: DIPAM, JM Financial | SD = Strategic Disinvestment

Exhibit 2: 70% of annual disinvestment target achieved in first five months of FY27



Source: India Budget, DIPAM, JM Financial

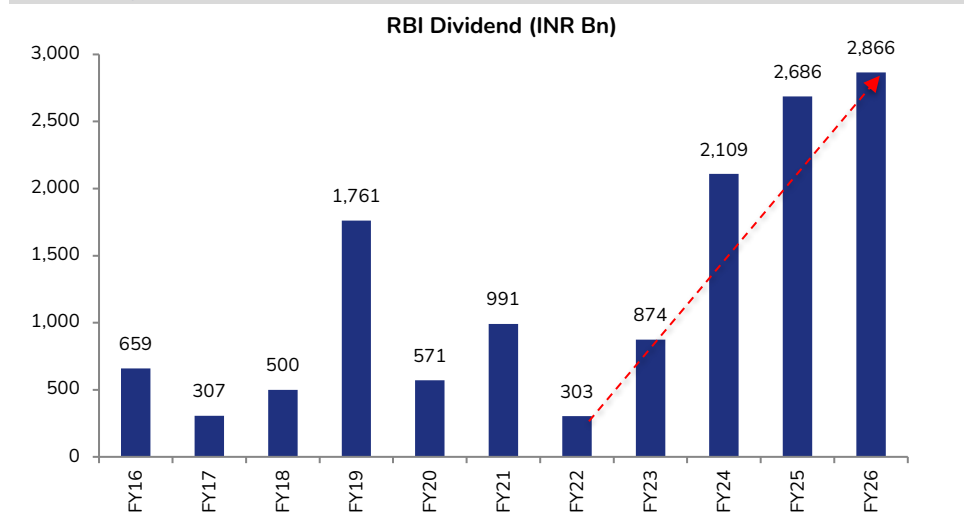
RBI dividend: Cushion to India's finances

Forming ~5.4% of total revenue, RBI's dividend has played a pivotal role in meeting the Centre's fiscal consolidation targets over the years. The regulation pertaining to the computation of the dividend had already been revised based on the recommendation of Bimal Jalan committee in Aug'19. However, the sharp increase in RBI's dividend has been notable since FY24, when it averaged INR 2.55tn per annum (FY24–26) versus INR 74.8bn annually during FY16–22. During FY24–26, the share of RBI's dividend in government's total dividend receipts increased significantly to 78% versus 57% during FY20–23. The impact was clearly evident as the receipts from "dividend and profits" exceeded the budgeted estimates in each of the three years (FY24–26), mainly on the back of RBI's dividend.

For the current year, we expect RBI's dividend to be equally sizeable considering its increased intervention in the Fx market to defend the INR. RBI's forward book of net short position on the US dollar has swelled to over USD 135bn in Jul'26; a majority of the positions (USD 67bn) will mature after one year.

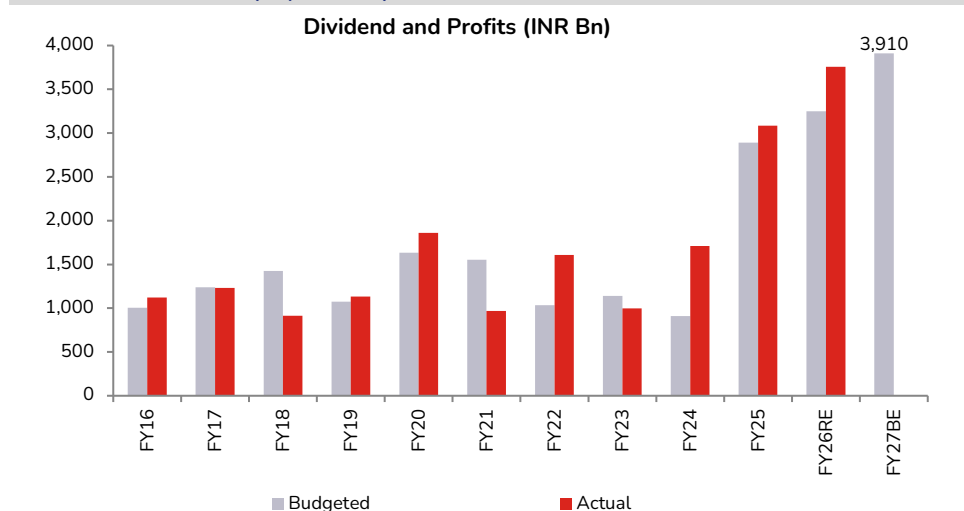
Overall, RBI's dividend acted as a cushion and aided in the government's fiscal consolidation efforts.

Exhibit 3: Significant increase in RBI's dividend since FY22

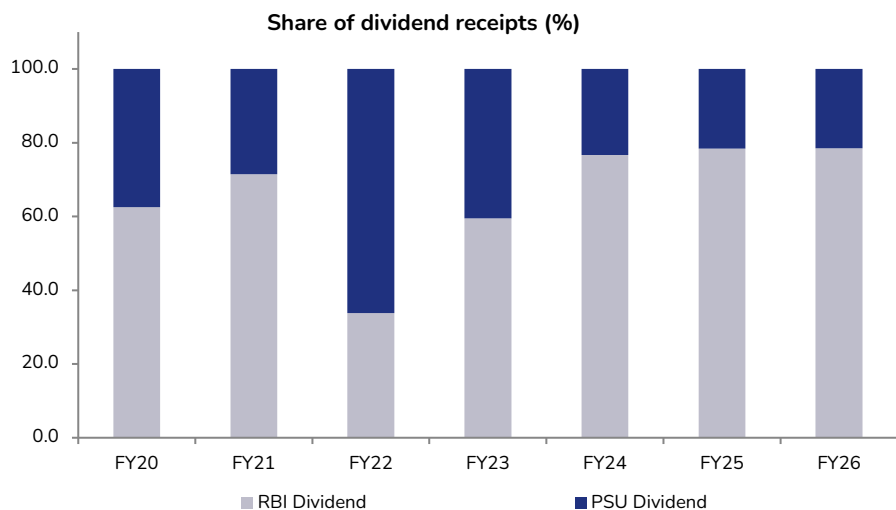


Source: RBI, JM Financial

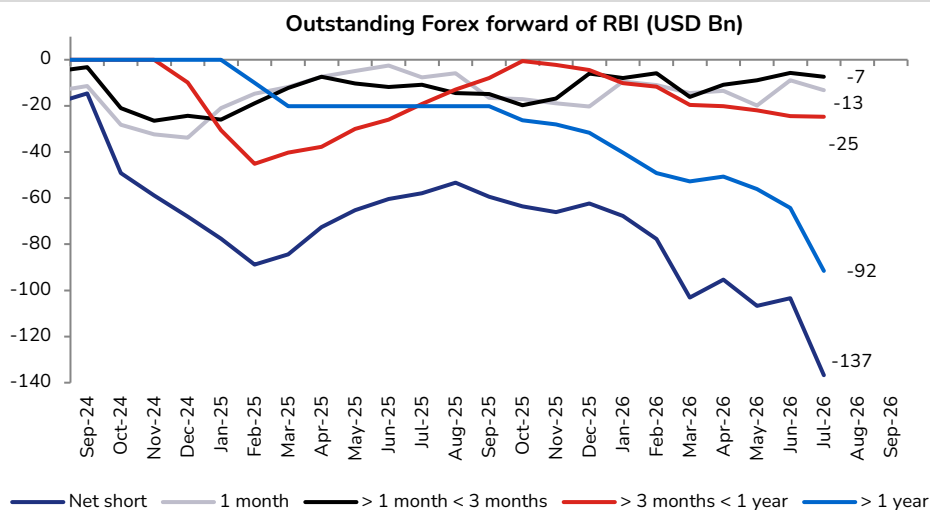
Exhibit 4: RBI's dividend played an important role in Centre's fiscal consolidation



Source: CMIE, India Budget, JM Financial

Exhibit 5: Significant increase in share of RBI dividend

Source: DIPAM, JM Financial

Exhibit 6: RBI's net short position in forex market exceeds USD 135bn

Source: CEIC, JM Financial

Government holding >75%; disinvestment potential of INR 1.4tn

Based on our assessment, the government's equity holding exceeds 75% of total in 17 companies. Although it is not certain whether the next disinvestment would be carried out in these companies, this list will be the primary target for monetisation. Moreover, government's shareholding in five companies exceeds 90%.

Purely from an academic perspective, the potential disinvestment receipts from these 17 companies would be ~INR 1.4tn. Of this, the potential of LIC is the highest at INR 800bn (57% of total). However it is highly unlikely that the government would further reduce its holding in LIC in the upcoming months, after offloading 6.5% last month.

Four banks are part of this list, representing a combined potential of INR 212bn. Similar to the strategy with LIC, we expect the government to offload minority, non-controlling stakes in these banks through open-market routes rather than carry out large strategic sales.

Exhibit 7: Government shareholding exceeding 75% of total

Name	Mcap (INR bn)	Shareholding (%)	Potential (INR bn)
KIOCL	231	99.0	55.5
Pun. & Sind Bank	166	93.9	31.2
HMT	23	93.7	4.3
IOB	636	92.4	111.0
UCO Bank	327	91.0	52.1
Life Insurance Corporation	5,340	90.0	800.9
FACT	567	90.0	85.0
STC	7	90.0	1.1
ITI	268	90.0	40.1
MMTC	96	89.9	14.3
Andrew Yule & Co	13	89.3	1.9
ITDC	58	87.0	7.0
New India Assura	308	85.4	32.2
IRFC	1,115	82.9	88.1
Mazagaon Dock	1,050	81.2	65.3
Central Bank	278	81.2	17.2
General Insurance Corp.	617	77.4	14.8
Total			1,422.0

Source: Cline, JM Financial

Simplified regulation on shareholding to aid disinvestment

The earlier framework for meeting the minimum public shareholding can be categorised as rigid and non-pragmatic. But the Securities Contract (Regulation) Amendment Rules (SCRR), 2026 significantly streamlines disinvestment by reforming Minimum Public Offer (MPO) and Minimum Public Shareholding (MPS) frameworks (exhibit 16). The Ministry of Finance introduced a six-tiered calibrated structure linked to a company's post-issue capital. This provides crucial flexibility for mega Public Sector Undertakings (PSUs) with valuations exceeding INR 500bn, ensuring they **are no longer forced to dilute massive equity chunks at once**. Instead, the government can execute disinvestments via Initial Public Offerings (IPOs) with an initial public offer requirement as low as 10% or value-based caps. The relaxed norms mitigate market absorption pressures by avoiding the sudden flooding of stock liquidity. Furthermore, **extended compliance timelines** will enable the government to reach the final 25% public float in a phased manner. Ultimately, these revisions aid in **optimising valuation and prevent stretching the market's capacity to absorb large chunks** of supply in case of a mega stake sale by the government.

Strategic sale: One transaction away from meeting disinvestment target

During FY27, the government successfully raised INR 1.18bn through strategic disinvestment of Indian Medicine Pharmaceutical Corporation Limited (IMPCL). In addition, another proposal for strategic disinvestment in IDBI Bank has long been pending since 2021. The government currently own 45.48% in IDBI Bank while LIC holds 49.24%, and under the proposed transaction the government may divest 30.48% while LIC may sell 30.24%.

As per the above arrangement, if the proposal goes through the sale proceeds can be meaningful at INR 289bn, which is 36% of the budgeted disinvestment target for FY27, higher than the required balance to meet the annual target of INR 800bn. Hence, this one transaction alone can aid in exceeding the annual disinvestment target.

If we expand our criteria and include companies with government shareholding below the 75% mark, the potential is substantially higher compared to the companies with >75% shareholding. As per this assessment, there are 61 companies in which the government shareholding is below the 75% mark (exhibit 8). However, we believe that the government's disinvestment programme will be a multi-year project and every transaction will be carried out at an opportune time and at a favourable valuation. Moreover, it is highly likely that the improved zeal shown by the government in FY27 on its disinvestment programme will be maintained in future as well.

Exhibit 8: List of PSUs where there is a possibility of disinvestment

Name	Mcap (INR bn)	Shareholding (%)	Name	Mcap (INR bn)	Shareholding (%)
RCF	69	75.0	Hindustan Copper	516	60
Bharat Dynamics	498	74.9	Balmer Lawrie Inv.	16	59.7
Union Bank	1,424	74.8	Madras Fertilizer	11	59.5
National Fertilizer	36	74.7	ONGC	2,950	58.9
Garden Reach Shipbuilding	299	74.5	Hindustan Organic Chemicals	2	58.8
Mishra Dhatu Nigam	78	74.0	BHEL	1,449	58.2
Indian Bank	1,183	73.8	Oil India	763	56.7
Bank of Maha	628	73.6	MTNL	17	56.3
Bank of India	655	73.4	Power Finance Corporation	1,209	56.0
Rail Vikas	455	72.8	SBI	9,664	55.5
Railtel Corporation	90	72.8	SJVN	259	55.0
IFCI	224	72.6	Container Corporation.	391	54.8
BITES	105	72.2	HUDCO	373	54.3
Indian Renewable	337	71.8	BEML Land Assets	7	54.0
Hindustan Aeronautics	3,270	71.6	BEML Ltd	160	54.0
Punjab National Bank	1,335	70.1	MOIL	52	53.4
NLC India	376	69.5	BPCL	1,380	53.0
Ircon International	116	65.2	GAIL (India)	1,146	51.8
SAIL	761	65.0	IOCL	1,959	51.5
MSTC	51	64.8	Power Grid Corporation	2,511	51.3
Bank of Baroda	1,251	64.0	Engineers India	141	51.3
SCI	134	63.8	National Aluminium	727	51.3
Shipping Land	19	63.8	Bharat Electronics	3,005	51.1
Cochin Shipyard	399	63.33	Hemisphere Properties	37	51.1
Canara Bank	1,163	62.9	NTPC	3,296	51.1
IRCTC	386	62.4	IDBI Bank	948	45.5
NBCC	241	61.8	Hindustan Zinc	2,501	27.9
NHPC Ltd	769	61.4	Indraprastha Medical	34	26.0
Coal India	2,486	61.1	HUDCO	373	20.7
NMDC	753	60.8	IDFC First Bank	733	7.7
NMDC Steel	117	60.8			

Source: Cline, JM Financial

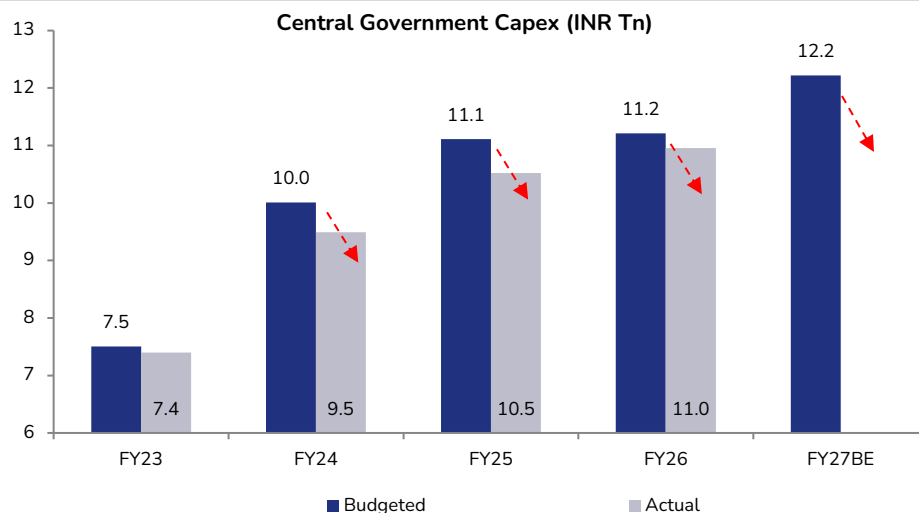
Fiscal situation comfortable; capex intensity key to watch out for

It is worth highlighting that disinvestment (INR 800bn FY27BE) forms just 1.5% of the total revenue budgeted for FY27. Hence, regardless of whether the disinvestment target is met or not, it would not disturb the Centre's fiscal consolidation path. On a broader level, we believe that the RBI's dividend plays a critical role in cushioning the government's topline while it is the capex that acts as a shock absorber. This holds true for the current fiscal as well.

The fiscal situation improved during Apr-Jul'26, as is evident from the gross tax revenue of INR 12.2tn, forming 28.5% of FY27BE versus 26.8% of FY26BE. Within this, corporate tax collections improved to INR 2.4tn during FYTD27 versus INR 1.99tn in FYTD26. However income tax collection (excluding corporate tax) is significantly higher in FYTD27 at INR 4.4tn versus INR 3.6tn in Apr-Jul'25 Improved tax collection cushioned the fiscal deficit to 26.8% of FY27BE versus 29.9% last year.

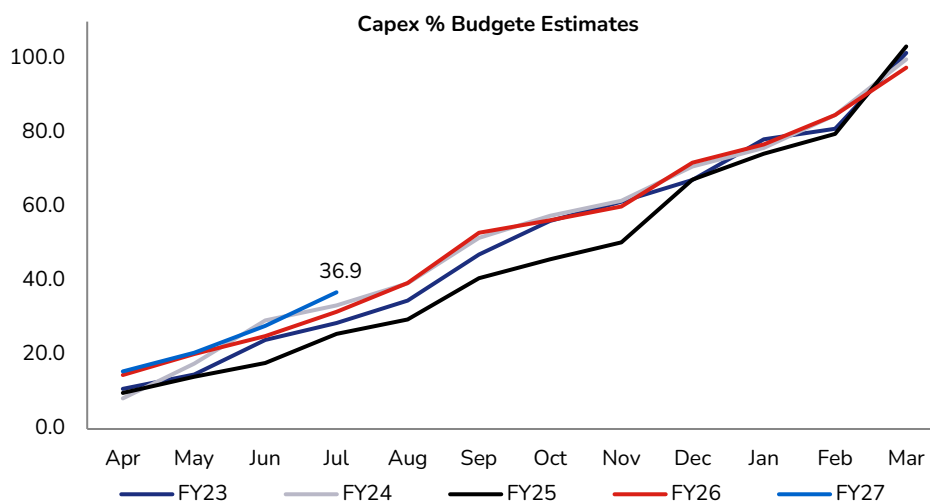
An improved fiscal situation allowed the government to increase its **capex intensity** (36.9% of FY27BE), the **strongest in the last five years**. It is worth highlighting that 60% of the total capex allocation for FY27BE (INR 12.2tn) is shared among three ministries – Roads and Highways, Railways and Defence. Ministry wise, capex intensity in Roads and Highways picked up significantly in Jul'26 as allocation increased by 16pps to 37.6% of FY27BE in Jul'26 itself. Moreover, uptick in Railways, Defence and Power ministry was notable as well; however, capex in MSME, and Housing and Urban Affairs stagnated in Jul'26. (exhibit 11). Any fiscal risk would be absorbed through lower capex as has been the case in the past (exhibit 9), wherein the actual capex has been lower than the budgeted estimates. Will this payout in this fiscal as well? That will be clear in Q4FY27. Until then, monthly capex intensity needs close monitoring.

Exhibit 9: Actual capex has been lower than BE in the past



Source: India Budget, JM Financial | BE = Budgeted Estimates

Exhibit 10: Capex intensity strongest in last five years



Source: CGA, JM Financial

Exhibit 11: Ministry-wise capex shows significant pickup in Roads and Railways and lag in Defence

INR Bn	FY26		FY27BE	
	INR Bn	% of FY26RE	% of FY27BE	YoY%
Total Capex	10,691	97.6	36.9	11.5
Ministry of agriculture	1	86.7	6.1	26.6
Department of atomic energy	121	100.0	29.0	-17.4
Ministry of communications	247	98.9	35.6	94.4
Ministry of electronics and information technology	4	97.3	33.4	3.2
Ministry of defence	1,973	100.0	25.8	17.0
Ministry of development of north eastern region	27	88.4	30.8	48.8
Ministry of Finance	2,116	84.1	28.9	-0.6
Transfers to state and UT governments	1,693	96.8	31.2	29.4
Direct taxes	17	84.5	1.1	141.4
Indirect taxes	24	93.5	17.6	-38.0
Ministry of Jal shakti	4	95.6	43.9	2.0
Ministry of micro, small and medium enterprises	9	100.0	19.9	109.6
Ministry of new and renewable energy	0	203.6	9.9	60.5
Ministry of petroleum and natural gas	5	37.5	1.3	-83.1
Ministry of power	6	99.9	43.8	-38.1
Ministry of road transport and highways	2,905	106.8	37.6	8.1
Department of space	50	93.2	22.9	20.1
Ministry of housing and urban affairs	330	100.0	15.9	5.5
Ministry of railways	2,520	100.0	42.9	10.3

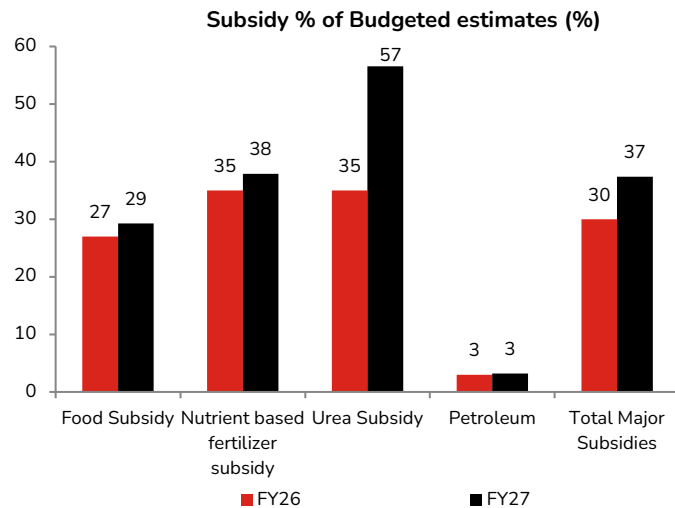
Source: CMIE, JM Financial

Elevated fertiliser prices push up subsidy outgo; fiscal consolidation on track

The on-and-off nature of the conflict in West Asia and the renewed spikes in crude oil prices (USD 98/bl) due to the restricted access to the Strait of Hormuz (SoH) adds upside risk to the emerging market economies, including India. Its impact would be evident through the deterioration in the external account mainly through the trade route, with widening trade deficit. The **trajectory of crude oil price will be a key variable to monitor** while assessing inflation and fiscal concerns. On the fiscal front, elevated fertiliser prices adds to the subsidy burden, although fertiliser prices have normalised after the war-led spike during Feb-Jun'26. Media reports indicate that ~58% of the budgeted allocation for fertiliser subsidy (INR 1.71tn) has already been utilised during Apr-Aug'26, with expectations of the budgeted estimates being exceeded by INR 500–700bn.

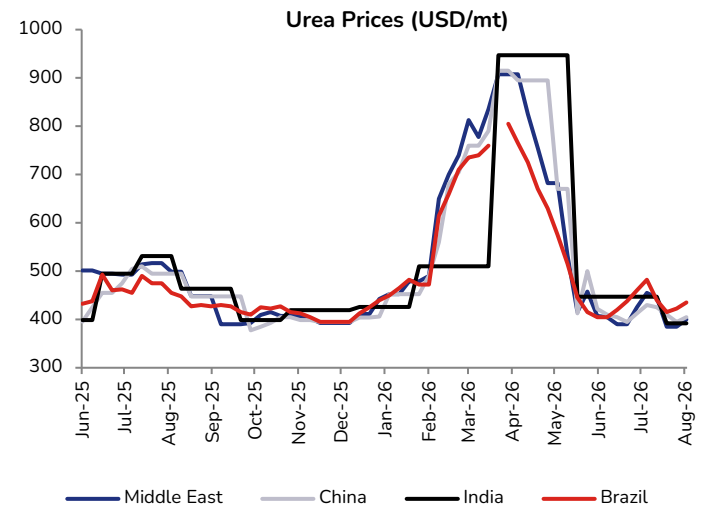
On the positive side, considering the inflation trajectory and the robust GDP print in Q1FY27 we **expect nominal GDP growth of 12% for FY27** versus the government's budgeted estimates of 10.5%. A higher denominator (nominal GDP) would aid in meeting the fiscal deficit target of 4.3% set for FY27.

Exhibit 12: Fertiliser subsidy elevated due to high prices



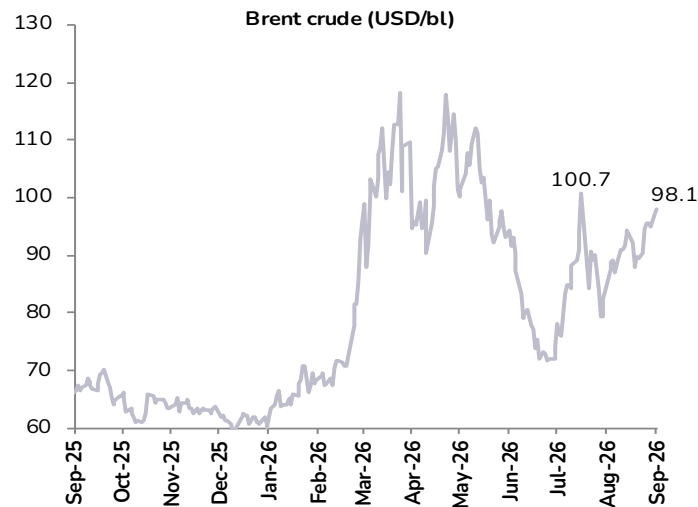
Source: CGA, JM Financial | Apr-Jul

Exhibit 13: Fertiliser prices normalised after war-led spike



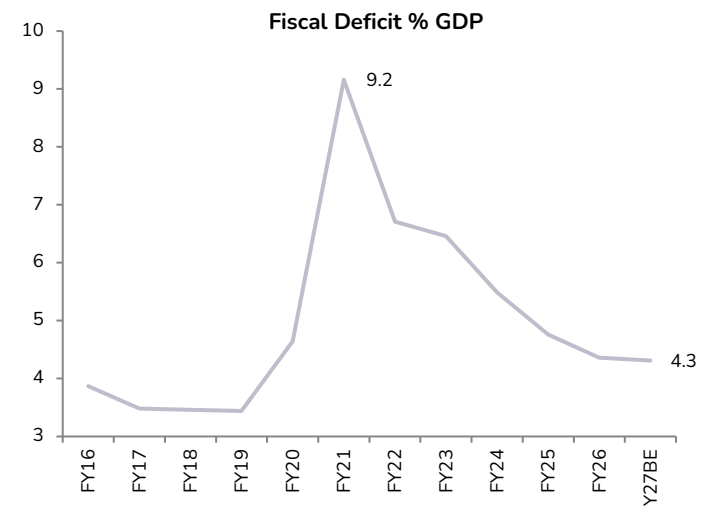
Source: Bloomberg, JM Financial

Exhibit 14: Elevated crude oil price exerts pressure on EM economies



Source: Bloomberg, JM Financial

Exhibit 15: India's fiscal consolidation at its best



Source: Union Budget, JM Financial

Exhibit 16: Summary of shareholding requirements as per the amendment in Securities Contract Act

Post-issue market cap (MCap)	Pre-amendment	Post-amendment	Key changes
MCap ≤ INR 16bn	Minimum public offer of 25%	No change	No impact, small issuers remain subject to the earlier norms.
			Note: For companies listing on recognised stock exchanges in an International Financial Services Centre (IFSC), the MPS requirement has been reduced from 25% to 10%.
INR 16bn < MCap ≤ INR 40bn	Minimum public offer of INR 4bn;	No change	Continuity for mid-sized issuers.
	MPS of 25% to be achieved within three years from date of listing.		
INR 40bn < MCap ≤ INR 500bn	MPO of 10%;	Same as existing provision.	No relaxation.
INR 500bn < MCap ≤ INR 1tn	MPS of 25% to be achieved within three years from date of listing.	MPO of INR 10bn and at least 8% of the post-issue market cap.	Introduction of hybrid value + percentage model.
		MPS of 25% to be achieved within five years from date of listing.	
INR 1tn < MCap ≤ INR 5tn	MPO of INR 50bn and at least 5% of the post-issue market cap;	MPO of INR 62.5bn and at least 2.75% of the post-issue market cap.	Lower upfront dilution with extended timelines.
	MPS of 10% to be achieved within two years and 25% within five years from date of listing.	In case public shareholding is less than 15% as on the date of listing, MPS of 15% to be achieved within five years and 25% within 10 years from date of listing.	
		In case public shareholding is 15% or above as on the date of listing, MPS of 25% to be achieved within five years from date of listing.	
MCap > INR 5tn		Minimum public offer of INR 150bn and at least 1% of the post-issue market cap.	Significant relaxation for large issuers.
		Notwithstanding this, at least 2.5% of the post-issue capital must be offered to public.	
		In case public shareholding is less than 15% as on the date of listing, MPS of 15% to be achieved within five years and 25% within 10 years from date of listing.	
		In case public shareholding is 15% or above as on the date of listing, MPS of 25% to be achieved within five years from date of listing.	

Source: [SEBI notification](#), Trilegal, JM Financial

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, 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 (646) 452 7004 / +1 (646) 452 7005 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 - 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: 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
