Mahanadi Coalfields Ltd.

November 17, 2026

IPO Note

Mahanadi Coalfields Limited (MCL) is India's largest single coal-producing company, with a 21.0% share of domestic production in FY26 (218.31 MT). A wholly owned subsidiary of Coal India Limited, it was incorporated in 1992 and is headquartered at Burla, Sambalpur. MCL produces predominantly thermal-grade non-coking coal from the Talcher and Ib Valley coalfields in Odisha, accounting for 28.4% of CIL's FY26 output. It operates 17 mines across 12 mining areas, with opencast mines contributing 99.85% of production and surface miners 99.37%. Audited JORC reserves of 9,840.31 MT provide about 45 years of life at current output. MCL is supported by 25 railway sidings and a 10 MTPA Ib Valley washery. It sells mainly to power utilities under long-term FSAs, which formed 82.12% of FY26 sale of products. The company has 20,526 permanent employees and a 51-project expansion pipeline with sanctioned capacity of 352.78 MTPA, plus washery expansion to 37 MTPA.

Investment Rationale:

1. Capturing India's structural thermal-coal demand, with the supply gap still open through FY31:

- Non-coking coal demand projected to grow from 1,112 MT in FY25 to 1,394 MT by FY31.
- Power, captive power and cement remain key demand drivers, supported by planned thermal capacity additions of 80 GW by FY32.
- Domestic supply deficit and 243.6 MT of FY25 coal imports provide import-substitution opportunities.
- MCL's 45-year reserve life supports long-term demand visibility.

2. India's largest single coal producer, with a reserve base that is the scarce asset in this industry:

- FY26 production of 218.31 MT, accounting for 21% of India's output and 28.4% of CIL's production.
- Audited reserves of 9,840 MT provide ~45 years of reserve life.
- Only 53.6% of geological resources are projectized, providing significant expansion potential.
  Production grew at 4.7% CAGR over FY16–FY26.

3. Lowest-cost, near-fully mechanised opencast operations that convert geology into margin:

- Opencast mines and surface miners contributed 99.85% and 99.37% of FY26 production, respectively.
- Lowest production cost per tonne among CIL subsidiaries.
- Output per manshift of 30.34 tonnes, 2.4x CIL's consolidated level.
  Flexible MDO and contractual operations support growth with limited fixed-cost additions.

4. A rail-led evacuation network that lowers customer's landed cost and extends MCL's reach into southern and western India:

- Railways accounted for 65.28% of FY26 dispatch, supported by 96 MTY operational capacity.
- Southern India's share of sales increased to 31.99% in FY26 from 28.71% in FY24.
- Additional first-mile connectivity projects of 240.50 MTY planned by FY30.
  ₹41,917 mn of railway augmentation projects underway.

5. Long-term FSA-backed demand from marquee customers, providing visibility in a sector where price is regulated:

- FSAs contributed 82.12% of FY26 sales, supported by 241 active FSAs and MoUs.
- Established relationships with NTPC, APGENCO, MAHAGENCO, Adani Power and Vedanta.
- Regulated notified prices provide revenue visibility, while e-auctions offer premium-led upside.
  Top 10 customers contributed 55.94% of FY26 revenue.

6. Strategic backing of Coal India Limited and the Ministry of Coal:

- Wholly owned CIL subsidiary, benefiting from its technology, procurement and operational ecosystem.
- CMPDIL provides exploration, mine planning and technical support.
- Experienced management with strong CIL sector expertise.
  Negligible borrowings and no historical project time or cost overruns.

7. Growth strategy aligned with core strengths, with a clear runway through FY30:

- **Capacity expansion:** 51 projects with 352.78 MTPA sanctioned capacity.
- **Evacuation:** First-mile connectivity targeted at 336.5 MTY by FY30.
- **Beneficiation:** Two new washeries to increase capacity from 10 MTPA to 37 MTPA.
- **Technology and safety:** AI, automation and digital monitoring to improve productivity and safety.
- **Diversification:** Solar, wind, pumped storage and coal-to-ammonium-nitrate projects.
- **Sustainability:** Mine repurposing and environmental initiatives to support long-term operations.

8. Strong, cash-generative financial profile with an almost debt-free balance sheet, giving headroom to fund the growth plan internally:

- FY26 revenue of ₹305,496 mn, EBITDA of ₹127,352 mn (41.69% margin) and PAT of ₹106,981 mn.
- Strong return ratios with RoACE of 73.26% and RoNW of 53.77%.
- Capex of ₹29,296 mn funded entirely through internal accruals.
- Treasury income of ₹33,497 mn and consistent dividend payouts.
- H1 FY27 EBITDA margin remained healthy at 40.07%, with PAT of ₹48,807 mn.

Valuation and Outlook: Mahanadi Coalfields Limited offers a compelling long-term play on India's largest coal producer, backed by scarce reserves, low-cost operations, and a self-funded growth runway. As India's largest single coal producer with a 21.0% share of domestic output in FY26 (218.31 MT), MCL is positioned within a non-coking coal market projected to grow from 1,112 MT (FY25) to 1,394 MT by FY31, with captive power (6.7% CAGR) and cement (8.4% CAGR) offering the strongest pull. Its near-fully mechanised opencast operations and 9,840.31 MT of audited reserves (about 45 years of life) have driven operating EBITDA of Rs 127,352.40 million in FY26 at a healthy 41.69% margin, while FSAs contributed 82.12% of sale of products. Capacity additions (51 projects, 352.78 MTPA sanctioned), Rs 111,431 million of first-mile connectivity capex and washery expansion from 10 to 37 MTPA extend the growth runway, all funded internally alongside a near debt-free balance sheet, with non-current borrowings of just Rs 19.50 million. We recommend subscribe to the issue as a good long-term investment, with MCL's market leadership, reserve depth, and cost advantage positioning it to consistently capture share in India's structurally growing thermal-coal market.

Key Financial & Operating Metrics (Consolidated)

In INR mn	Revenue	YoY (%)	EBITDA	EBITDA %	PAT	EPS	ROE	ROCE
FY24	316343.50	-	1,46,809.20	46.41	118415.50	17.89	80.97	107.03
FY25	313530.20	-0.89	1,36,554.80	43.55	108251.20	16.35	63.26	83.16
FY26	3,05,495.90	-2.56	1,27,352.40	41.69	1,06,981.20	16.13	54.23	73.25

Issue Snapshot	
Issue Open	19-Nov-26
Issue Close	23-Nov-26
Price Band	INR 129 - 136
Issue Size (Shares)	66,18,36,300
Market Cap (mn)	INR 900097

Particulars	
Fresh issue (mn)	INR 90009.7368
QIB	50%
Non-institutionals	15%
Retail	35%

Capital Structure	
Pre Issue Equity	6618363000
Post Issue Equity	6,61,83,63,000
Bid Lot	110 Shares
Minimum Bid amount @ INR 129	INR 14190
Maximum Bid amount @ INR 136	INR 14960

Share Holding Pattern	Pre Issue	Post Issue
Promoters	100.00%	90.00%
Public	0.00%	10.00%

Particulars	
Face Value	INR 2
Book Value	INR 32.38
EPS, Diluted	INR 16.16

Object of the issue

1. Offer For Sale - ₹ 90,009.74 million

Shreeyut Daga
Research Analyst
Registration Number: NISM-202500205414

SUBSCRIBE

research@smifs.com

Mahanadi Coalfields Ltd.

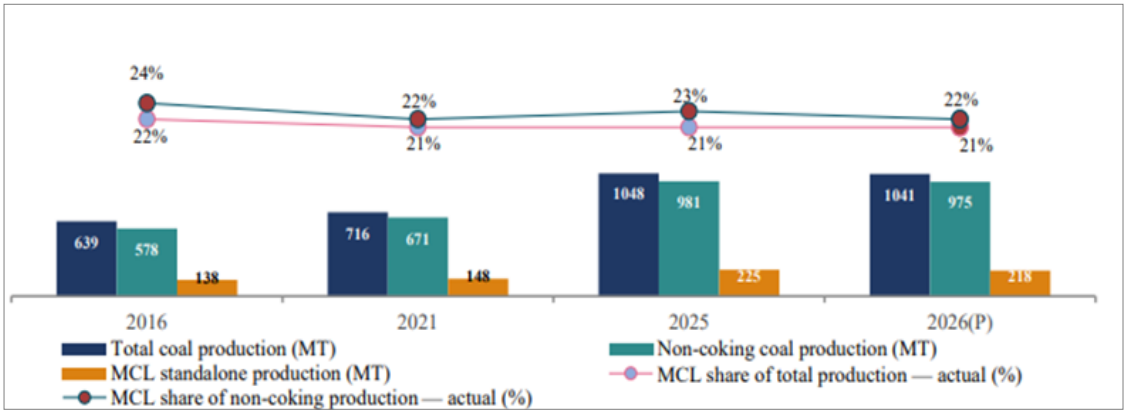
November 17, 2026

IPO Note

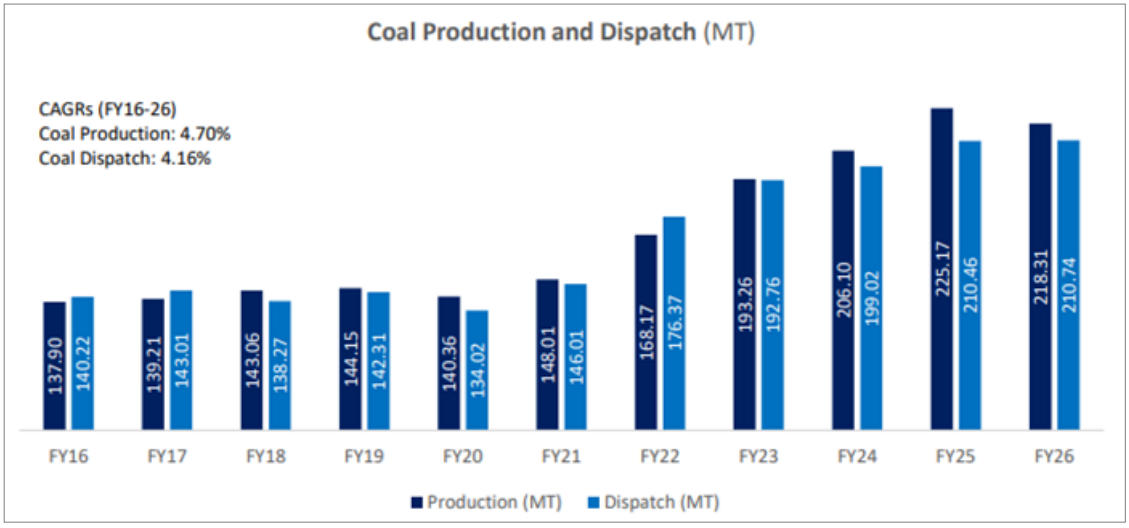
Company Overview:

Mahanadi Coalfields Limited (MCL) is India's largest single coal-producing company, with 21.0% of domestic production in FY26 (218.31 MT). It is a wholly owned subsidiary of Coal India Limited (CIL) and was conferred Minorant Category-I status on December 3, 2019. It produces predominantly thermal-grade non-coking coal from the Talcher and Ib Valley coalfields in Odisha. Around this core, MCL runs an integrated chain covering mine planning, overburden removal, surface-miner-led extraction, crushing, a 10 MTPA washery and rail/silo-based evacuation. It sells mainly to power utilities under long-term Fuel Supply Agreements (FSAs).

MCL Production and Market Share in the Indian Coal Sector



MCL was incorporated on April 3, 1992, carved out of Southeastern Coalfields Limited to raise coal output from the two Odisha coalfields. It converted to a public limited company on August 29, 2026. It is the largest CIL subsidiary, at 28.4% of CIL's FY26 production (768.19 MT; CIL is 73.8% of India's output). Production grew from 206.10 MT in FY24 to 218.31 MT in FY26, with a record 225.17 MT in FY25. Dispatch was a record 210.74 MT in FY26. The production CAGR for FY16–FY26 is 4.70% and the dispatch CAGR is 4.16%.



Resource and reserve base (as of April 1, 2026):

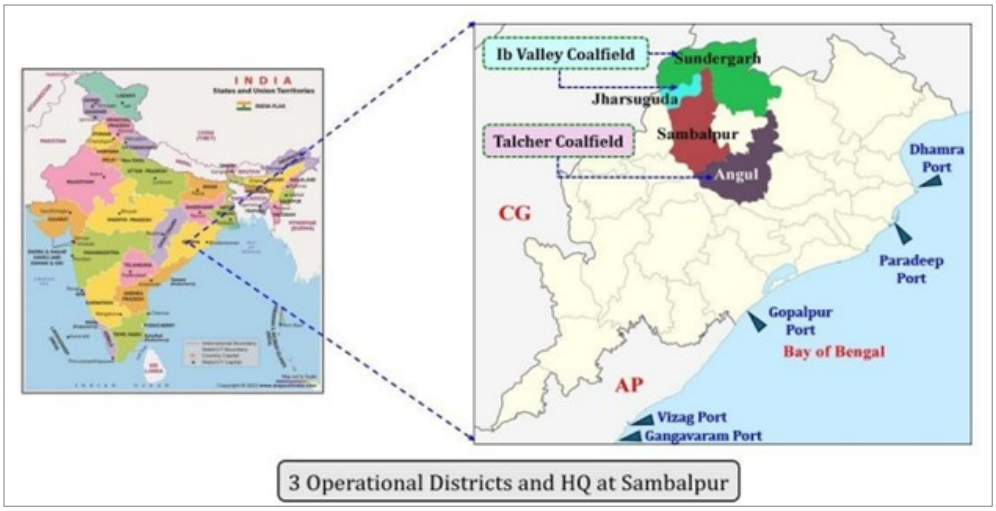
- Audited reserves under the JORC Code are 9,840.31 MT, against audited resources of 10,517.01 MT. At FY26 production this is about 45 years of life, or about 25 years if production grows at the 4.70% CAGR.
- Net geological resources under ISP guidelines are 40.34 billion tonnes (9.80% of India's 411.53 bn tonnes). 79.22% lies within 300 m depth.
- Only 53.6% of the ISP resource (21.63 bn tonnes) has been projectized. Balance inventory is 33.40 bn tonnes.
- DMT estimates resource-to-reserve conversion could add about 100 years at constant production, or about 20 years at 4.70% growth. This is illustrative, not a forecast.
- The two coalfields are spread over 40 blocks covering 489 sq km.

Mahanadi Coalfields Ltd.

November 17, 2026

Mines and mining areas:

- MCL operates 17 mines across 12 operational mining areas: 14 opencast and 3 underground. A further 2 of the 14 mining areas hold no operational mine.
- Opencast mines delivered 99.85% of FY26 output. Surface miners delivered 99.37%, up from 91.14% in FY16. MCL was the first CIL subsidiary to introduce blast-free surface-miner mining.
- 74 surface miners were deployed as at September 30, 2026 (22 owned, 52 contracted). MCL owns 22 of CIL's 47 surface miners, the largest owned fleet in CIL.
- Total HEMM fleet is 563 vehicles (surface miners, shovels, dumpers, dozers, drills) as at March 31, 2026.
- Talcher coalfield (9 areas): Jagannath, Bharatpur, Hingula, Lingaraj, Kaniha, Subhadra, Balbhadra, Talcher (UG) and Bhubaneswari. It contributed 53% of FY26 production.
- Ib Valley coalfield (5 areas): Lakhanpur, Ib Valley, Basundhara, Mahalaxmi and Orient (UG). It contributed 47%.
- Headquarters are at Burla, Sambalpur. There are two central workshops, two central hospitals and two offices in Bhubaneswari.
- Land holding is 33,508.79 ha (335.09 sq km). Mining and surface rights cover 30,192.14 ha under the Coal Bearing Areas (Acquisition and Development) Act, 1957.



Cost and productivity position:

- Lowest production cost per tonne among CIL subsidiaries in FY26, helped by shallow, thick seams and favourable stripping ratios.
- Output per manshift was 30.34 tonnes in FY26 (2.4x CIL consolidated; Southeastern Coalfields 16.47).
- Overburden removal was 327.22 mn cu m in FY26 (record 337.39 in FY25). The stripping ratio rose from 1.17 to 1.50 m^3/t over FY21–FY26 because of advance stripping.

Group structure and workforce:

- MCL has four subsidiaries:
  - I. Mahanadi Coal Railway (71.11%, with Ircon at 28.89%). It builds and operates rail corridors for coal evacuation.
  - II. Mahanadi Basin Power (98.80%). It is the SPV for the proposed 2x800 MW pit-head power plant.
  - III. MNH Shakti (70%, with NLC and Hindalco at 15% each). It is linked to the Talabira mine.
  - IV. MJSJ Coal (60%, with JSW Steel, JSW Energy, JSW Stainless and Shyam Metallics). Striking-off has been initiated.
- MCL has 20,526 permanent employees: 1,774 executives seconded from CIL and 18,752 non-executives. A further 27,113 contract labourers work through contractors.
- The Board has six directors. Uday A. Kaole is CMD and S. K. Jha is Director (Technical). There is one Ministry of Coal nominee and one CIL nominee .

Revenue by sales route (% of sale of products):

Route	H1 FY27	FY26	FY25	FY24
FSA	82.13%	82.12%	80.18%	77.46%
E-auction and others	17.87%	17.88%	19.82%	22.54%

Revenue by customer segment (Rs mn, % of sale of products):

Segment	FY26	%	FY25	%	FY24	%
Power (State/Central GENCO, IPPs)	2,04,854.09	68.62%	2,15,217.91	70.60%	2,16,636.57	69.41%
Captive power plants	49,483.73	16.57%	51,130.81	16.77%	46,829.29	15.01%
Others (sponge iron, aluminium, traders)	44,206.58	14.81%	38,486.88	12.63%	48,639.35	15.58%
Sale of products	**2,98,544.40**	**100%**	**3,04,835.60**	**100%**	**3,12,105.20**	**100%**

Mahanadi Coalfields Ltd.

November 17, 2026

Top customers (% of revenue from operations):			
Customer	**FY26**	**FY25**	**FY24**
NTPC	14.64%	14.63%	12.07%
Vedanta	7.67%	7.96%	7.98%
APGENCO	6.80%	7.16%	5.43%
TNPGCL	6.68%	7.76%	7.79%
MAHAGENCO	5.30%	3.86%	-
Top 10	**55.94%**	**55.71%**	**53.30%**

E-auction	FY24	FY25	FY26
Quantity offered (MT)	28.65	45.47	72.26
Quantity booked (MT)	22.86	22.06	26.49
Average premium (Rs/t)	802.07	405.02	274.9

Product Portfolio:

- MCL is a pure-play non-coking coal producer. Raw coal made up 97.41% of FY26 sale of products.
- Raw (run-of-mine) non-coking coal: grades G8 to G15 across the mines, with G12-G14 dominant. Used mainly in thermal power, captive power, sponge iron/steel, cement, aluminium and paper. Some coal is sized below 100 mm directly by surface miners.
- Washed coal: made at the Ib Valley washery with a target ash of 33.5 ± 0.5%. Used by high-efficiency power stations and boilers that need low-ash coal, including import-substitution blending. It was 2.58% of FY26 sale of products.
- Washery rejects and slurry: by-products sold through e-auction. Used as fuel for fluidised-bed boilers, brick kilns, briquettes and construction/land-reclamation.
- Service income: surface transportation, evacuation facility and loading charges, included in “sale of products ”.

Product	FY26 Rs mn	%	FY25 Rs mn	%	FY24 Rs mn	%
Raw coal	2,90,812.24	97.41%	2,96,006.36	97.10%	3,11,904.14	99.94%
Washed coal	7,702.28	2.58%	8,825.10	2.90%	201.06	0.06%
Washery rejects	29.88	0.01%	4.14	0.00%	-	-
Sale of products	**2,98,544.40**	**100%**	**3,04,835.60**	**100%**	**3,12,105.20**	**100%**

Dispatch (MT):				
Product	**H1 FY27**	**FY26**	**FY25**	**FY24**
Raw coal	109.18	207.31	206.64	198.93
Washed coal	2.01	3.38	3.81	0.09
Washery rejects	0.05	0.05	0.01	-
Total	**111.24**	**210.74**	**210.46**	**199.02**

Dispatch by end-use (MT):						
Segment	**FY26**	**%**	**FY25**	**%**	**FY24**	**%**
Power (State, Central GENCO, IPPs)	155.75	73.91%	158.4	75.27%	149.96	75.35%
Captive power plants	31.62	15.00%	32.38	15.38%	29.6	14.88%
Others	23.37	11.09%	19.68	9.35%	19.46	9.78%

Mahanadi Coalfields Ltd.

November 17, 2026

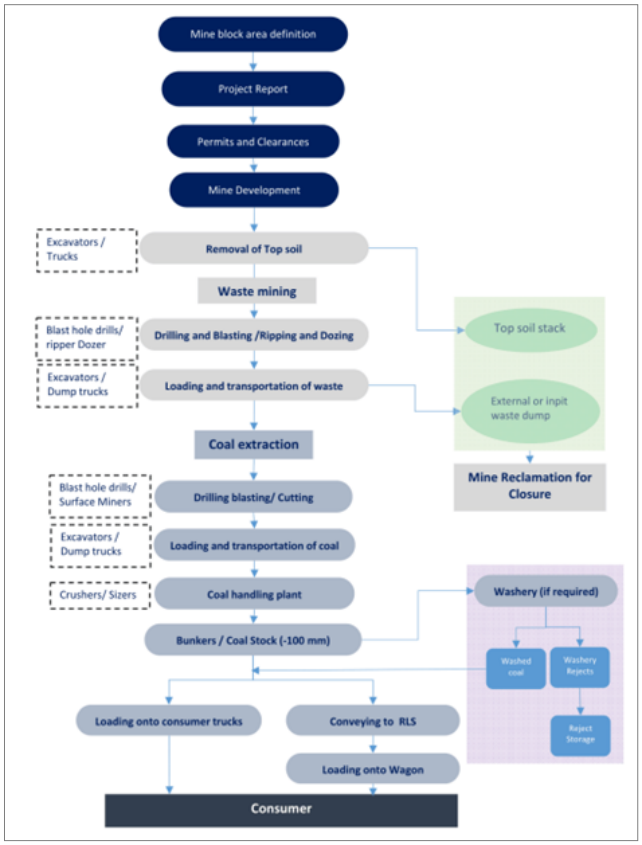
Mine-wise production, FY26:					
Area	**Mine**	**Type**	**Coalfield**	**Grade**	**MT**
Jagannath	Jagannath OCP	OC	Talcher	G-12	5.14
Jagannath	Ananta OCP	OC	Talcher	G-12	24
Bhubaneswari	Bhubaneswari OCP	OC	Talcher	G-12	26.48
Bharatpur	Bharatpur OCP	OC	Talcher	G-12	12.14
Talcher	Nandira	UG	Talcher	G-8	0.01
Lingaraj	Lingaraj OCP	OC	Talcher	G-12/13	19.07
Kaniha	Kaniha OCP	OC	Talcher	G-12/14	10.02
Hingula	Hingula OCP	OC	Talcher	G-13/14	14.87
Hingula	Balaram OCP	OC	Talcher	G-13/14	3.92
Ib Valley	Lajkura OCP	OC	Ib Valley	G-13	4.5
Ib Valley	Samaleswari OCP	OC	Ib Valley	G-14	13.96
Lakhanpur	Integrated LBL OCP	OC	Ib Valley	G-10/12/14/15	28.55
Orient	Mine 1 & 2	UG	Ib Valley	G-13	0.13
Orient	HBM Mine	UG	Ib Valley	G-14	0.17
Mahalaxmi	Siarmal OCP	OC	Ib Valley	G-9/11/13	22.36
Basundhara	Kulda OCP	OC	Ib Valley	G-8/13	14.78
Basundhara	Garjanbahal OCP	OC	Ib Valley	G-14	18.2
	Total				**218.31**

Coal production process:

- **Mine planning:** CMPDIL handles exploration, geological assessment, mining method, coal handling and washing, environment management and economic viability.
- **Approvals:** environmental clearance, forest clearance, mine-regulation permissions, state pollution board consents and Coal Controller approvals.
- **Infrastructure development:**
  I. Land comes mainly under the CBA Act 1957.
  II. R&R follows the Odisha policy, which is more favourable than the 2013 central Act. Families get employment, cash in lieu or annuity, and resettlement plots or cash.
  III. HEMM is procured by competitive tender.
- **Coal extraction:**
  I. In opencast mines, a shovel-dumper combination with drilling and blasting removes overburden. Surface miners cut coal blast-free, and payloader-tipper combinations haul it.
  II. Underground mines (3) use conventional bord-and-pillar.
  III. Vertical rippers are used for blast-free overburden removal.
  IV. Advance overburden removal keeps coal exposed ahead of production.
- **Conveying and processing:** run-of-mine coal is moved by rail wagons, road, covered belt or pipe conveyors, and in-pit conveyors. It is crushed and, for a portion, washed.
- **Dispatch:** coal moves via coal handling plants, silos and rapid loading systems to rail sidings, MGR systems, roads and ports. Automated weighbridges, dust suppression and automatic mechanical samplers support this .

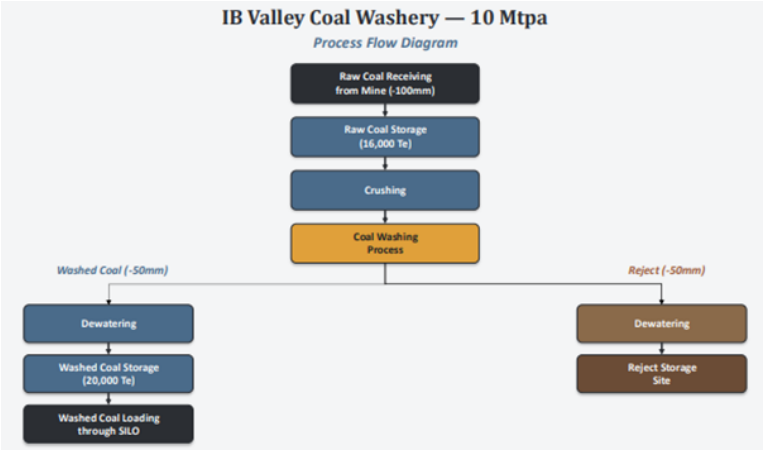
Modes of production:							
Mode	**FY26 MT**	**%**	**FY25 MT**	**%**	**FY24 MT**	**%**	**H1 FY27 %**
Departmental	38.87	17.80%	40.63	18.04%	37.01	17.96%	16.19%
MDO	22.36	10.24%	18.53	8.23%	7.24	3.51%	10.18%
Contractual/outsourced	157.08	71.96%	166.02	73.73%	161.85	78.53%	73.63%
Total	**218.31**		**225.17**		**206.1**		

IPO Note



Ib Valley Washery (Lakhanpur, 10 MTPA):

- Built on a build-operate-maintain basis: MCL owns the plant and the products, and a third party operates it.
- It is the fifth-largest public-sector non-coking coal washery in India.
- Raw coal reaches it via covered belt conveyors and a pipe conveyor, with no transfer points.
- It uses heavy-media cyclones (magnetite suspension) for coarse coal. Fines go through froth flotation.
- Water is recovered by screens, thickeners and filters.
- Yield was about 77.8% in FY26 (4.06 MT fed, 3.16 MT washed coal, 0.90 MT rejects), down from about 80% in FY25.
- Washed coal goes by rail and ship. Rejects and slurry are sold or used per Ministry of Coal policy.



Evacuation infrastructure:

- 25 railway sidings are integrated with the main rail network. Rail connectivity runs through Southeastern, Southeast Central and East Coast Railway.
- 7 operational coal handling plants with rail loading (CHP-RLS) have 96 MTY capacity.
- 12 more plants (240.50 MTY) are planned by FY30, taking first-mile-connectivity capacity to 336.5 MTY. Capex is about Rs 111,431 mn.
- Rail augmentation of about Rs 41,917 mn is under way with Indian Railways. Angul–Balaram (14 km) and Jharsuguda–Barpali–Sardega doubling (50 km) are commissioned. The Jharsuguda flyover (26 km), Barpali loading bulb (47.7 km) and Talcher augmentation (27 km) are due in FY28 .

IPO Note

Dispatch by mode:						
Mode	**FY26 MT**	**%**	**FY25 MT**	**%**	**FY24 MT**	**%**
Rail	137.56	65.28%	134.44	63.88%	116.82	58.70%
MGR	8.4	3.98%	8.84	4.20%	10.53	5.29%
Road	64.78	30.74%	67.18	31.92%	71.67	36.01%

Upcoming first-mile projects:			
Plant	**Linked mine**	**MTY**	**By**
ILBL Ph-I CHP Silo	ILBL OCP	10	FY27
Kaniha Ph-I CHP-RLS	Kaniha OCP	10	FY27
Ananta CHP-RLS	Ananta OCP	20	FY28
Hingula CHP/Silo	Hingula OCP	10	FY28
Siarmal CHP	Siarmal OCP	50	FY28
Kulda-Garjanbahal in-pit conveyor and ATLS	Kulda-Garjanbahal OCP	5	FY28
ILBL Ph-II CHP Silo	ILBL OCP	20	FY29
Subhadra CHP	Subhadra OCP	25	FY30
Balbhadra CHP	Balbhadra OCP	10	FY30
Kulda-Garjanbahal CHP Silo	Kulda-Garjanbahal OCP	43	FY30
Balaram CHP Silo	Balaram OCP	17.5	FY30
Kaniha Ph-II CHP Silo	Kaniha OCP	20	FY30
Total		**240.5**	

Capacity and Utilization:

- Normative capacity is the annual quantity planned under the approved Mining Plan/Project Report, as used by DMT. MCL has no installed -capacity concept for mines. Environmental clearance capacity is a separate, higher figure (340.81 MTPA).

Capacity expansion pipeline:

- 51 coal projects: 40 completed and 11 under implementation. Sanctioned capacity is 352.78 MTPA. Five further projects under preparation would add 37.55 MTPA. Aggregate outlay is about Rs 411.20 bn.
- Washeries: Balaram OCP (15 MTPA) and Integrated Kulda-Garjanbahal OCP (12 MTPA) would lift washery capacity from 10 to 37 MTPA.
- Major projects: Bhubaneswari (50 MTY), Siarmal (50), Integrated Kulda-Garjanbahal (40), Kaniha (30) and Bharatpur (20).

Mine	FY26 Normative (MT)	FY26 Actual (MT)	FY26 Util.	FY25 Util.	FY24 Util.	H1 FY27 Util.
Nandira UG	0.78	0.01	1.87%	6.92%	18.18%	1.08%
Orient 1&2	0.87	0.13	14.95%	23.68%	22.99%	11.86%
Hirakhand Bundia	0.6	0.17	28.44%	36.50%	21.05%	30.03%
Total UG	**2.25**	**0.32**	**14.22%**	**21.33%**	**21.40%**	**13.33%**
Jagannath	6	5.14	85.72%	125.00%	125.00%	22.65%
Ananta	15	24	160.00%	133.33%	133.33%	115.59%
Bhubaneswari	50	26.48	52.95%	35.28%	48.48%	57.74%
Bharatpur	20	12.14	60.70%	65.05%	55.60%	37.76%
Lingaraj	16	19.07	119.19%	113.75%	109.63%	100.35%
Gopalji-Kaniha	30	10.02	33.41%	36.33%	39.37%	27.39%
Hingula	15	14.87	99.17%	94.67%	87.07%	76.51%
Balaram	15	3.92	26.13%	43.37%	51.60%	5.83%
Lajkura	2.5	4.5	180.00%	180.00%	180.00%	139.97%
Samaleswari	12	13.96	116.37%	116.67%	67.17%	109.07%
Integrated LBL	30	28.54	95.12%	133.33%	-	70.44%
Siarmal	50	22.36	44.72%	37.00%	14.48%	35.63%
Kulda-Garjanbahal	40	32.98	82.45%	98.00%	-	68.75%
Total opencast	**301.5**	**217.99**	**72.30%**	**72.83%**	**71.78%**	**57.97%**
Total	**303.75**	**218.31**	**71.87%**	**72.46%**	**71.40%**	**57.64%**

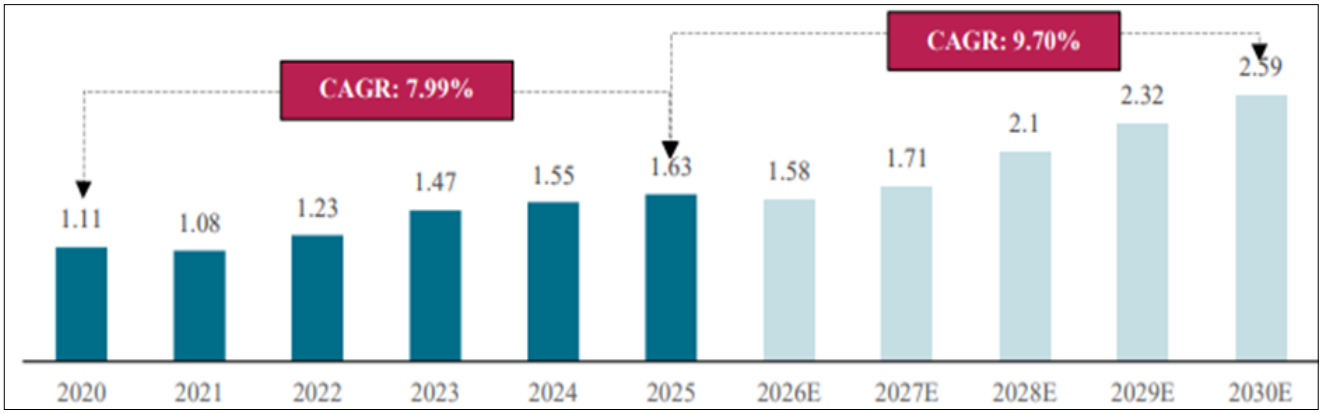
IPO Note

Washery capacity and utilization:					
Ib Valley Washery	**FY26**	**FY25**	**FY24**	**H1 FY27**	**H1 FY26**
Installed capacity (MTPA)	10	10	Not operated	10	10
Operable capacity	10	9.61	-	5.00 (six months)	5
Raw coal feed (MT)	4.06	5.36	-	2.04	2.17
Utilization	40.60%	55.78%	-	40.80%	43.40%

Industry Overview:

India's coal mining industry extracts and supplies thermal (non-coking) and coking coal to power utilities, captive power plants, and the steel, sponge iron, cement and aluminium industries. Non-coking coal is by far the larger category. It is burnt for heat and electricity, whereas coking coal is used in blast-furnace steelmaking. India's coal resource base was about 411.53 billion tonnes as at April 1, 2026. Odisha (106.76 bn tonnes), Jharkhand (93.66 bn tonnes) and Chhattisgarh (86.41 bn tonnes) together hold nearly 70% of it, and the eastern belt holds about 57%. Domestic production rose from about 610 MT in FY15 to about 1,048 MT in FY25. In FY26, coal and lignite output was about 1.08 bn tonnes, down 1% on a high base after unseasonal monsoon disruption. Coal India Limited (CIL) and its subsidiaries still produce nearly three-fourths of the country's coal, but captive and commercial mines have grown from 10.9% of production in FY22 to 20.2% in FY26. This followed auction-led reforms and the opening of commercial mining in 2020, which have auctioned blocks with about 378 MTPA of capacity. Coal is sold through FSA/ SHAKTI linkages at notified prices set by CIL by GCV grade (G1–G17), through linkage auctions for non-regulated sectors, and through e-auctions at market-discovered premiums. Quality differs by region: Indian coal averages about G11, which is low-GCV and high-ash. The sector therefore relies on mechanised opencast mining, rail-led first-mile connectivity (CIL plans 92 projects of 994 MTPA by FY29) and washeries, which are mostly private (48 washeries, about 86% of installed capacity).

Value of coal produced in India and expected future value (Rs trillion)

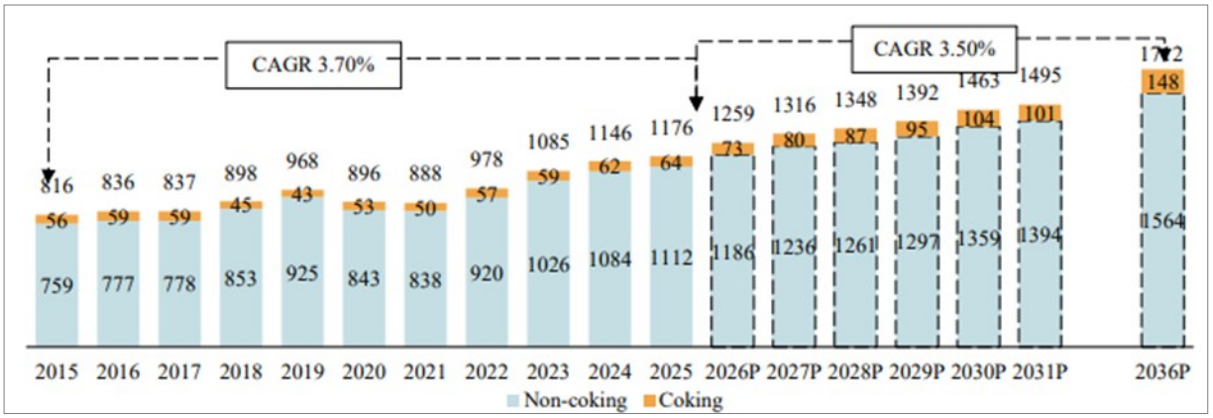


Coal remains the backbone of Indian energy. It supplies about 70% of electricity generation from 43% of installed capacity, because solar and wind run at low capacity factors of 15-22%. The power sector takes about 72% of domestic coal demand (utilities 71%, captive 5%). Non-coking coal demand was 1,112 MT in FY25, and CRISIL projects 1,186 MT in FY26, 1,394 MT in FY31 and 1,564 MT in FY36, all levelized to G10. Total coal demand is expected to grow at 4.1% a year from FY25 to FY31 (1,176 MT to 1,495 MT) and at 3.5% a year to FY36 (1,712 MT). Electricity demand is projected to rise from 1,709 BU in FY26 to 2,473 BU in FY31 (7.67% CAGR), and India plans to add 80 GW of thermal capacity by FY32 for base-load support. Captive power (6.7% CAGR to FY36), cement (8.4%) and sponge iron are the faster-growing consumers. Supply has run behind demand: the gap was 195 MT in FY25 (172 MT for non-coking), and CRISIL expects it to narrow to 62 MT (59 MT for non-coking) by FY31. Supply is expected to overtake demand by FY36. Imports have been falling, from 264.5 MT in FY24 to 243.6 MT in FY25. Thermal-plant imports fell 27.4% to 45.4 MT in FY26. Some import dependence is structural: about 18,000 MW of coastal power capacity is designed for high-GCV imported coal, and cement and aluminium need higher-calorific grades that domestic G11–G17 coal cannot fully supply .

MT (levelised to G10)	FY25	FY26P	FY31P	FY36P
Non-coking coal demand	1,112	1,186	1,394	1,564
Total coal demand	1,176	1,259	1,495	1,712
Total supply	981	971	1,433	1,810
Demand-supply gap	195	288	62	-98

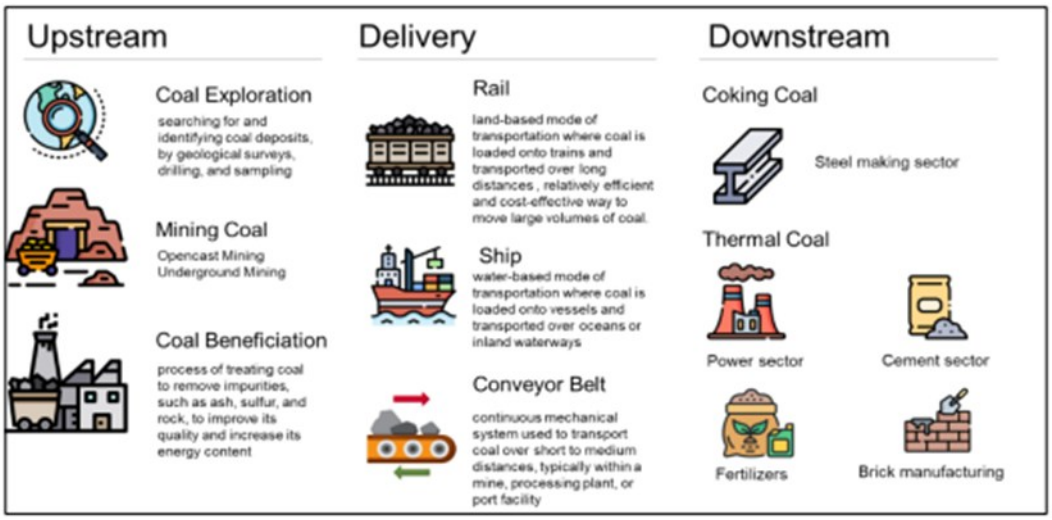
IPO Note

Overall coal demand in India: non-coking coal and coking coal (MT)



The outlook is one of growth for the next decade, followed by a plateau. The Ministry of Coal projects coal demand of about 1.5-1.6 bn tonnes by 2030. The growth drivers are a $6.79 trillion economy by 2031 (10.3% nominal GDP CAGR per IMF), rising power consumption, infrastructure, and steel capacity (300 MTPA by 2030) and cement capacity (850 MTPA by FY30). Supply-side catalysts include new commercial blocks, mine expansions, first-mile connectivity that replaces road haulage with rail and silos, and rising demand for washed coal to substitute imports. The risks are on the demand side. The renewable push (500 GW target by 2030, with solar and wind generation up 20% and 27% in FY26) already cut coal-based generation by 4% in FY26 for the first time. CRISIL expects power-sector non-coking demand to peak at about 934 MT in FY35 and drift lower to 928 MT by FY38, with overall non-coking demand declining after FY36. Pressure on notified prices, environmental clearances in polluted industrial clusters, and land acquisition and R&R delays on greenfield mines could also limit supply. Coal producers are responding by diversifying into coal gasification (a 100 MT target by 2030, backed by ₹85,000 mn of viability-gap funding), renewables (a 15 GW target for coal PSUs by 2030), pumped storage and battery storage. The government's stated view is that the transition will be gradual, with coal and renewables coexisting over the medium term.

Coal's Value chain



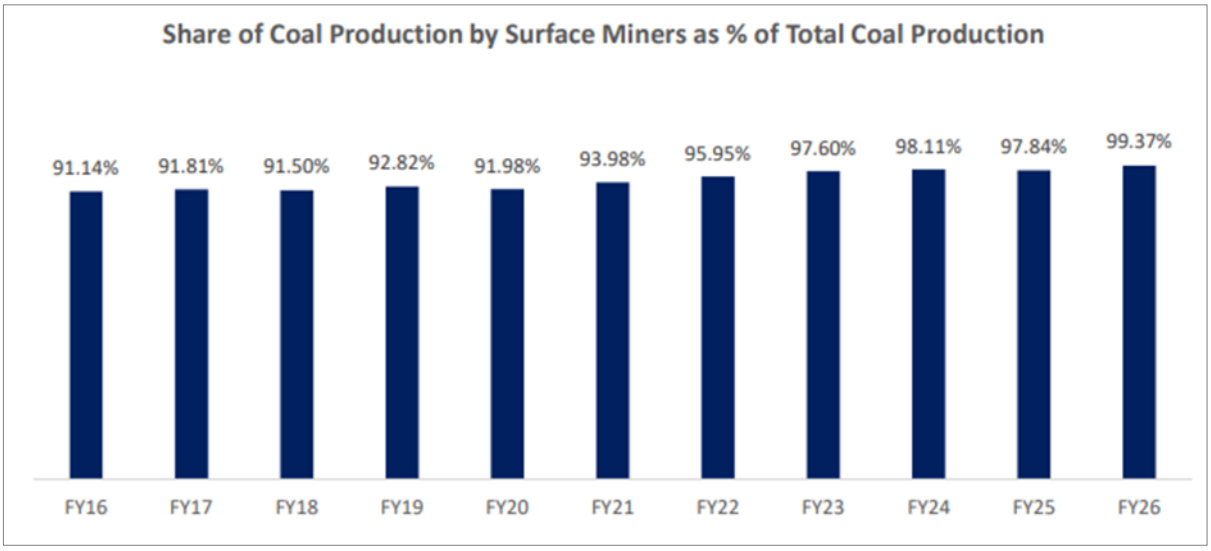
Investment Rationale:

Capturing India's structural thermal-coal demand, with the supply gap still open through FY31: MCL is positioned in India's non-coking coal industry, where CRISIL projects demand to grow from 1,112 MT in FY25 to 1,394 MT by FY31 and 1,564 MT by FY36 (levelized to G10). Total coal demand is projected to grow at 4.1% a year from FY25 to FY31 (1,176 MT to 1,495 MT). The drivers are the same end-uses MCL already serves. Power demand is expected to rise from 1,709 BU in FY26 to 2,473 BU in FY31 (7.67% CAGR). The power sector takes about 72% of domestic coal demand and coal supplies about 70% of generation, and India plans to add 80 GW of thermal capacity by FY32. The faster-growing consumers are captive power (6.7% CAGR to FY36), cement (8.4%) and sponge iron. These are also the customers MCL supplies through captive plants and e-auctions (power 73.91%, captive 15.00%, others 11.09% of FY26 dispatch). Supply has lagged demand, with a total gap of 195 MT in FY25 (172 MT for non-coking), and CRISIL expects it to narrow to 62 MT by FY31 as new capacity arrives. Imports (243.6 MT in FY25) remain a substitution opportunity: about 18,000 MW of coastal capacity and parts of cement and aluminium still import high-GCV coal. A cleaner domestic washed product is the route to replacing it. The RHP flags that power-sector non-coking demand may plateau around FY35 and non-coking demand could decline after FY36 as renewables scale. MCL's 45-year audited reserve life and its expansion plans are therefore aimed at the decade in which demand is still rising.

IPO Note

India's largest single coal producer, with a reserve base that is the scarce asset in this industry: MCL produced 218.31 MT in FY26 (21.0% of India's output and 22.4% of non-coking coal). That is 28.4% of CIL's production and the largest of any CIL subsidiary. Audited JORC reserves of 9,840.31 MT (sufficient for about 45 years at FY26 output, or about 25 years at 4.70% growth) sit within an ISP net geological resource of 40.34 bn tonnes. Only 53.6% of this resource has been projectized, so 18.71 bn tonnes is untapped; DMT estimates conversion could add about 100 years at constant production, or about 20 years if output grows at the historical rate. Resource availability is the limiting factor in coal, and the Talcher and Ib Valley coalfields are the first and third largest in India, within Odisha's 106.76 bn tonnes. The barriers to entry are high. They include mining rights over 30,192.14 ha, 340.81 MTPA of environmental clearances, 5,136.12 ha of forest clearance, and the 25 railway sidings and first-mile infrastructure around the mines. A new entrant cannot replicate these within a normal investment cycle. Production grew at a 4.70% CAGR over FY16–FY26, from 137.90 MT to 218.31 MT, with a record 225.17 MT in FY25.

Lowest-cost, near-fully mechanised opencast operations that convert geology into margin: The seams in Talcher and Ib Valley are thick, continuous, and shallow (79.22% of ISP resource lies within 300 m). Opencast mines gave 99.85% of FY26 production, and surface miners gave 99.37%, up from 91.14% in FY16. Blast-free extraction cuts drilling and blasting, dust and noise, produces coal below 100 mm without crushing, and allows selective mining. MCL owns 22 of CIL's 47 surface miners and was the first CIL subsidiary to adopt the technology. The result is the lowest production cost per tonne among CIL subsidiaries in FY26 and output per manshift of 30.34 tonnes, 2.4x CIL consolidated. A flexible mix of departmental (17.8%), contractual (71.96%) and MDO (10.24%) production lets MCL add volume without proportionate fixed-cost and manpower additions. MDO output tripled from 7.24 MT to 22.36 MT over FY24–FY26. Advance overburden removal (327.22 mn cu m in FY26) keeps coal exposed for future years and supports the planned ramp-up.



A rail-led evacuation network that lowers customer's landed cost and extends MCL's reach into southern and western India: Railways carried 65.28% of FY26 dispatch (58.70% in FY24), and rail was 96.86% of first mile-connectivity dispatch (91.27% in FY24). MCL has 96 MTY of operational CHP-RLS and silo capacity, access to three railway zones, and five ports (Paradip carries about 18% of dispatch). It also loaded a record 46.4 rakes a day in March 2026. This logistics advantage supports the geographic diversification of sales: Andhra Pradesh rose from 15.66% to 19.43% of sale of products, Maharashtra from 3.47% to 9.97%, and southern states from 28.71% to 31.99% over FY24–FY26. These are the regions where CRISIL sees the largest demand-supply gaps, since production is concentrated in the east. A further 12 first mile-connectivity plants (240.50 MTY) are scheduled by FY30, with Rs 41,917 mn of rail augmentation under way with Indian Railways, and the Jharsuguda flyover, Barpali loading bulb and Talcher works due in FY28.

Long-term FSA-backed demand from marquee customers, providing visibility in a sector where price is regulated: FSAs accounted for 82.12% of FY26 sale of products (77.46% in FY24), with 241 active FSAs and MoUs per CRISIL, and about 74% of dispatch going to the power sector. The top customers are NTPC, APGENCO, TNPGCL, MAHAGENCO, Adani Power and Vedanta, with relationships of more than 10 to 15 years. Many are located near the mines (NTPC Kaniha, Vedanta Jharsuguda, GMR Kamalanga, Jindal India at Angul) and are served by MGR rail, rail or road within about 100 km. Notified prices are set centrally by CIL by grade, and MCL's average G13 grade sits comfortably within what power plants built around indigenous coal require. The balance of volume is sold through e-auctions, where premia act as an upside lever when demand is tight. The base is concentrated (top 10 customers were 55.94% of FY26 revenue), but it is dominated by state and central utilities with long track records of offtake.

Strategic backing of Coal India Limited and the Ministry of Coal: MCL is a wholly owned subsidiary of the world's largest coal producer (768.19 MT in FY26, 73.8% of domestic output), with Miniratna Category-I status. This gives it technology access, CIL-run manpower planning and procurement (including explosives contracts), ERP backbone, and customer trust. CMPDIL provides exploration, mine planning, environmental studies and R&D on arm's-length contracts. The Board includes nominees of the Ministry of Coal and CIL, and the executive team (CMD Uday Kaole; Director Technical Sanjay Kumar Jha, 35+ years in coal mining) has held senior roles across the CIL system. MCL has no time or cost overruns on projects to date and no defaults on borrowings, with only Rs 19.50 mn of non-current borrowings.

IPO Note

Growth strategy aligned with core strengths, with a clear runway through FY30: MCL's seven strategies each build on an existing advantage rather than a new capability.

- Capacity expansion on a large reserve base: 51 coal projects (40 completed, 11 under implementation) with sanctioned capacity of 352.78 MTPA, plus 5 projects of 37.55 MTPA under preparation. Against normative capacity of 303.75 MT in FY26, the Bhubaneswari and Siarmal 50 MTY mines ran at only 53% and 45%, and environmental clearances are in progress for Balabhadra, Balaram and Bharatpur expansions. Ramping these is the clearest route to volume growth.
- Evacuation to match output: first-mile connectivity of 336.5 MTY by FY30 (Rs 111,431 mn outlay), which cuts road dependence and customer logistics cost.
- Beneficiation: two new washeries, Balaram (15 MTPA) and Integrated Kulda-Garjanbahal (12 MTPA), lifting capacity from 10 to 37 MTPA. This lets MCL serve import-dependent and low-ash boilers in a washery sector that is 86% private (148.3 MTPA) and where the Ib Valley washery was at 40.6% utilization in FY26.
- Technology and safety: a command and control centre (1,100+ CCTV feeds, 232 AI cameras), GPS and RFID tracking, slope radar, real-time surface-miner health monitoring, EV tippers and payloaders in new contracts, and AI-based tender evaluation. These aim at productivity, safety, and a 9.25% cut in specific diesel consumption already achieved in FY26.
- Diversification into energy transition and adjacent businesses: 57.21 MW solar in operation plus 10.5 MW under execution; MoUs for 2,000 MW solar (Rs 120,000 mn), 100 MW wind and 500 MW pumped storage; an 80 MW/320 MWh BESS; and the CIL–BHEL coal-to-ammonium-nitrate plant at Lakhanpur (0.66 MTPA, Rs 250,160 mn) using MCL coal and 350 acres of its land. These align with the National Coal Gasification Mission (100 MT by 2030) and the 15 GW renewable target for coal PSUs, and partly hedge the post-FY36 demand risk.
- Community and sustainability: CSR spend of Rs 3,236.90 mn in FY26, mine repurposing (eco-parks, fly-ash void filling, Coal Neer plant), and R&D with CMPDIL, supporting the licence to operate and faster clearances.

Strong, cash-generative financial profile with an almost debt-free balance sheet, giving headroom to fund the growth plan internally: MCL reported revenue from operations of Rs 305,495.90 mn in FY26 (Rs 316,343.50 mn in FY24), operating EBITDA of Rs 127,352.40 mn (41.69% margin) and PAT of Rs 106,981.20 mn (31.56% of total income). It reported the highest PAT among CIL's listed subsidiaries and the highest EBITDA, operating EBITDA and PAT margins among listed industry peers in FY26, along with RoACE of 73.26% and RoNW of 53.77%. Revenue is regulated-price and was broadly flat to slightly lower over FY24–FY26 (CAGR −1.73%). It reflects a rising FSA share, falling e-auction premia (Rs 802/t in FY24 to Rs 275/t in FY26) and a higher cost per tonne; the planned volume, washed-coal and first-mile-connectivity additions are the offset. Capex was Rs 29,296.10 mn in FY26 (Rs 38,398.00 mn in FY24), funded entirely from internal accruals, with a current ratio of 2.11x and receivable days of 41. Treasury income was Rs 33,496.90 mn in FY26 (31.3% of PBT), providing a cushion. Dividends of Rs 90,000 mn, Rs 86,000 mn and Rs 76,500 mn were paid in FY24, FY25 and FY26 respectively (about 76%, 79% and 72% of PAT, computed), a consistent payout record. In H1 FY27, revenue from operations was Rs 160,930.40 mn, operating EBITDA Rs 64,491.90 mn (40.07% margin) and PAT Rs 48,806.60 mn, even as production was 87.54 MT (H1 FY26: 96.53 MT) and dispatch rose to 111.24 MT.

Valuation and Outlook: Mahanadi Coalfields Limited offers a compelling long-term play on India's largest coal producer, backed by scarce reserves, low-cost operations, and a self-funded growth runway. As India's largest single coal producer with a 21.0% share of domestic output in FY26 (218.31 MT), MCL is positioned within a non-coking coal market projected to grow from 1,112 MT (FY25) to 1,394 MT by FY31, with captive power (6.7% CAGR) and cement (8.4% CAGR) offering the strongest pull. Its near-fully mechanised opencast operations and 9,840.31 MT of audited reserves (about 45 years of life) have driven operating EBITDA of Rs 127,352.40 million in FY26 at a healthy 41.69% margin, while FSAs contributed 82.12% of sale of products. Capacity additions (51 projects, 352.78 MTPA sanctioned), Rs 111,431 million of first-mile connectivity capex and washery expansion from 10 to 37 MTPA extend the growth runway, all funded internally alongside a near debt-free balance sheet, with non-current borrowings of just Rs 19.50 million. We recommend subscribe to the issue as a good long-term investment, with MCL's market leadership, reserve depth, and cost advantage positioning it to consistently capture share in India's structurally growing thermal-coal market.

IPO Note

Peer Comparison

Name of the company	Diluted EPS 2026 (₹)	Price as on Nov 17, 2026	P/E (x)
Maha-di Coalfields Limited	16.13	136.00	8.43
Coal India Limited	50.46	391.40	7.76
Bharat Coking Coal Limited	0.28	30.90	110.36
-tio-l Mineral Development Corporation Limited	8.47	69.50	8.21

Particulars FY26	Maha-di Coalfields	Coal India	Bharat Coking Coal	NMDC
Revenue from operations	3,05,495.90	16,84,002.90	1,36,447.80	3,20,708.90
Revenue CAGR (FY24-26)	-1.73%	7.86%	-8.55%	22.68%
EBITDA	1,60,849.70	5,32,760.20	7,853.80	1,07,479.00
EBITDA margin (% of total income)	47.45%	29.65%	5.26%	32.03%
Operating EBITDA	1,27,352.40	4,20,003.40	-4,941.00	92,595.20
Operating EBITDA margin (% of revenue)	41.69%	24.94%	-3.62%	28.87%
Operating EBITDA CAGR	-6.86%	-6.84%	-	14.92%
PAT	1,06,981.20	3,10,705.80	1,282.80	74,146.90
PAT CAGR	-4.95%	-8.82%	-71.36%	15.36%
PAT margin (% of total income)	31.56%	17.29%	0.86%	22.09%
RoACE	73.26%	36.34%	5.03%	32.22%
RoNW	53.77%	27.80%	2.07%	23.40%
Capex	29,296.10	1,96,072.40	16,077.50	33,840.00
Trade receivable days	41	25	67	105
Current ratio (x)	2.11	1.86	0.93	2.43
NAV per share (₹)	32.29	195.22	12.53	38.7
EPS, basic and diluted (₹)	16.13	50.46	0.28	8.47
Operational indicators				
Coal production (MT)	218.31	768.19	35.52	-
Opencast share of production	99.85%	96.67%	97.73%	-
Coal dispatch (MT)	210.74	743.49	32.35	-
Stripping ratio (m^3/tonne)	1.5	2.58	4.53	-
Output per manshift (tonnes)	30.34	12.65	4.52	-
Year-end manpower	20,602	2,12,066	30,361	5,730

Mahanadi Coalfields Ltd.

November 17, 2026

IPO Note

Income Statement

Y/E (INR mn)	FY24	FY25	FY26
Revenue	3,16,343.50	3,13,530.20	3,05,495.90
Expenses:			
Cost of Material Consumed	10,826.80	11,012.10	10,703.50
Changes in inventories of finished goods, stock-in-trade and work-in-progress	-2,638.50	-6,045.30	-3,856.20
Employee Cost	43,797.60	43,270.20	47,191.70
Stripping activity adjustment	-4,195.40	-5,878.20	-5,470.20
Contractual expense	58,617.10	71,416.70	68,236.20
Total Expenses	1,69,534.30	1,76,975.40	1,78,143.50
EBITDA	1,46,809.20	1,36,554.80	1,27,352.40
EBITDA Margin %	46.41	43.55	41.69
Interest	680.00	712.20	912.50
Depreciation	9,789.90	10,983.30	16,322.70
Other Income	19,559.90	16,756.30	33,496.90
PBT	1,55,899.20	1,41,615.60	1,43,614.10
PAT	1,18,415.50	1,08,251.20	1,06,981.20
EPS	17.89	16.35	16.13

Balance Sheet

Y/E (INR mn)	FY24	FY25	FY26
Source of funds			
Equity Share Capital	13,236.73	13,236.73	13,236.73
Reserves	1,47,009.10	1,68,735.10	1,99,323.10
Total Share holders funds	1,61,778.83	1,83,520.23	2,14,312.03
Total Borrowings	39.50	33.50	31.60
Lease Liabilities	24.70	25.30	25.40
Curent Liabilities	1,32,374.87	1,41,049.57	1,32,502.17
Trade Payables	15,713.20	18,525.40	20,021.00
Total Non-Current Liabilities	2,12,724.20	2,11,335.50	2,06,768.50
Total Liabilities	5,06,877.90	5,35,905.30	5,53,582.70
Application of funds			
Fixed Assets	1,37,792.90	1,63,637.10	1,85,195.20
Capital Work in Progress	48,422.20	49,245.10	37,124.80
Cash and Bank	1,29,013.80	1,17,706.10	1,51,282.10
Current Assets	2,69,543.90	2,77,074.70	2,79,678.20
Trade Receivables	21,602.90	26,760.50	37,436.80
Other current assets	44,156.30	49,954.40	37,399.30
Total Assets	5,06,877.90	5,35,905.30	5,53,582.70

Cash Flow

Y/E (INR mn)	FY24	FY25	FY26
Profit Before Tax	1,55,899.20	1,41,615.60	1,43,614.10
Operating Profit before Working Capital Changes	1,41,756.40	1,27,825.50	1,32,554.70
Adjustment	-14,142.80	-13,790.10	-11,059.40
Changes In working Capital	-39,031.80	-10,561.80	-11,784.90
Cash Flow after changes in Working Capital	1,02,724.60	1,17,263.70	1,20,769.80
Tax Paid	-39,468.80	-40,214.10	4,005.50
Cash From Operating Activities	63,255.80	77,049.60	1,24,775.30
Cash Flow from Investing Activities	34,365.40	21,171.70	-50,679.90
Cash from Financing Activities	-90,020.20	-86,008.40	-76,512.10
Net Cash Inflow / Outflow	7,601.00	12,212.90	-2,416.70
Opening Cash & Cash Equivalents	1,071.00	8,672.00	20,884.90
Closing Cash & Cash Equivalent	8,672.00	20,884.90	18,468.20

Key Ratios

Y/E (INR mln)	FY24	FY25	FY26
Growth Ratio			
Net Sales Growth(%)	-	-0.89	-2.56
EBITDA Growth(%)	-	-6.98	-6.74
PAT Growth(%)	-	-8.58	-1.17
Margin Ratios			
EBITDA	46.41	43.55	41.69
PBT	49.28	45.17	47.01
PAT	37.43	34.53	35.02
Return Ratios			
ROA	23.54	20.76	19.64
ROE	80.97	63.26	54.23
ROCE	107.03	83.16	73.25
Turnover Ratios			
Asset Turnover(x)	0.63	0.6	0.56
Inventory Turnover(x)	27.94	19.85	14.83
Fixed Asset Turnover (x)	1.80	1.52	1.26
Solvency Ratios			
Debt/Equity(x)	-	-	-
Current Ratio(x)	2.04	1.96	2.11
Quick Ratio(x)	1.94	1.83	1.94
Interest Cover(x)	230.26	199.84	158.39
Valuation Ratios			
P/E	-	-	8.43
P/B	-	-	4.20
EV/EBITDA	-	-	5.88
EV/Sales	-	-	2.45

Disclaimer

Analyst Certification:

I, **Shreeyut Daga,** Research Analyst of SMIFS Limited (in short "SMIFS / the Company"), authors and the names subscribed to this Research Report, hereby certify that all of the views expressed in this Research Report accurately reflect our views about the subject issuer(s) or securities and distributed as per SEBI (Research Analysts) Regulations 2014. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this Research Report. It is also confirmed that I, the above-mentioned Research Analyst(s) of this Research Report have not received any compensation from the subject companies mentioned in the Research Report in the preceding twelve months and do not serve as an officer, director or employee of the subject companies mentioned in the Research Report.

Terms & Conditions and Other Disclosures:

SMIFS Limited is regulated by the Securities and Exchange Board of India ("SEBI") and is engaged in the business of Stock Broking, Depository Services, Portfolio Management, Research Services and Distribution of Financial Products and related allied activities for which SMIFS is registered with various regulators. SMIFS Limited includes Subsidiaries, Group and Associate Companies, Promoter, Directors, Employees and affiliates.

Research Services

SMIFS is registered as a Research Analyst Entity. The Research Reports are prepared and distributed by SMIFS in the capacity of a Research Analyst as per Regulation 19 & 22(1) of SEBI (Research Analysts) Regulations 2014, having SEBI Registration Number – INH300001474.

Stock Broking

SMIFS is a Trading Member of National Stock Exchange of India Limited (NSE); BSE Limited (BSE), Metropolitan Stock Exchange of India Limited (MSEI) and Multi Commodity of Exchange of India Limited (MCX); National Commodity and Derivatives Exchange Limited (NCDEX) with SEBI Registration Number: INZ000220635.

Depository Services

SMIFS is a Depository Participant of National Securities Depository Limited (NSDL) bearing DP ID – IN301629 and Central Depository Services (India) Limited (CDSL) bearing DP ID – 12016000 with SEBI Registration Number IN-DP-414-2019.

Portfolio Management

SMIFS is also registered as a Portfolio Manager with SEBI Registration Number INP000004623 and Research Analyst with SEBI Registration Number INH300001474.

Distribution

SMIFS is also registered with Association of Mutual Funds of India (AMFI) with ARN Code 3080 for the distribution of Mutual Fund Units of various reputed Asset Management Companies.

Subsidiaries

Stewart & Mackertich Commodities Limited is a subsidiary of SMIFS Limited and a Trading Member of National Commodity and Derivatives Exchange Limited (NCDEX) with SEBI Registration Number INZ000064332.

SMIFS Wealth Management Limited is also a subsidiary of SMIFS Limited, registered with Association of Portfolio Managers in India (APMI), having APRN - APRN00855.

SMIFS and its associates might have investment banking and other business relationship with a significant percentage of companies covered by our Research Analysts. SMIFS generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

The information and opinions in this Research Report have been prepared by SMIFS and are subject to change without any notice. The Research Report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of SMIFS Limited. While we would endeavour to update the information herein on a reasonable basis, SMIFS is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent SMIFS from doing so. Non-rated securities indicate that the rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or policies of SMIFS, in circumstances where SMIFS might be acting in an advisory capacity to this company, or in certain other circumstances.

This Research Report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This Research Report and information herein is solely for informational purposes and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Securities as defined in clause (h) of section 2 of the Securities Contract Act, 1956, includes Financial Instruments, Currency and Commodity Derivatives. Though disseminated to all the customers simultaneously, not all customers may receive this Research Report at the same time. SMIFS will not treat recipients as customers by virtue of their receiving this Research Report. Nothing in this Research Report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this Research Report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. SMIFS accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this Research Report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. The information given in this report is as of date of this report and there can be no assurance that future results or events will be consistent with this information. The information provided in this report remains, unless otherwise stated, the copyright of SMIFS. All layout, design, original artwork, concepts and intellectual Properties remain the property and copyright of SMIFS and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the SMIFS.

SMIFS shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason, including network (Internet) reasons or snags in the system, breakdown of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of SMIFS to present the data. In no event shall SMIFS be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the SMIFS through this report.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (a) Exchange Rates can be volatile and are subject to large fluctuations; (b) the value of currencies may be affected by numerous market factors, including world and notional economic, political and regulatory events, events in Equity & Debt Markets and changes in interest rates; and (c) Currencies may be subject to devaluation or government imposed Exchange Controls which could affect the value of the Currency. Investors in securities such as Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Since associates are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this Research Report.

SMIFS and its Associates, Officers, Directors, Employees, Research Analysts including their relatives worldwide may: (i) from time to may have long or short positions in, and buy or sell the Securities, mentioned herein or (ii) be engaged in any other transaction involving such Securities and earn brokerage or other compensation of the Subject Company/ companies mentioned herein or act as an Advisor or Lender/Borrower to such Companies or have other potential/material Conflict of Interest with respect to any recommendation and related information and opinions at the time of the publication of the Research Report or at the time of Public Appearance.

SMIFS does not have proprietary trades but may at a future date, opt for the same with prior intimation to Clients/ Investors and extant Authorities where it may have proprietary long/short position in the above Scrip(s) and therefore should be considered as interested.

Disclaimer

The views provided herein are general in nature and do not consider Risk Appetite or Investment Objective of any particular Investor; Clients/ Readers/ Subscribers of this Research Report are requested to take independent professional advice before investing, however the same shall have no bearing whatsoever on the specific recommendations made by the analysts, as the recommendations made by the analysts are completely independent views of the Associates of SMIFS even though there might exist an inherent conflict of interest in some of the stocks mentioned in the Research Report.

The information provided herein should not be construed as invitation or solicitation to do business with SMIFS.

SMIFS or its subsidiaries collectively or Research Analysts or their relatives, do not own 1% or more of the equity securities of the Company mentioned in the Research Report as of the last day of the month preceding the publication of the Research Report.

SMIFS encourages independence in Research Report preparation and strives to minimize conflict in the preparation of Research Report. Accordingly, neither SMIFS and their Associates nor the Research Analysts and their relatives have any material conflict of interest at the time of publication of this Research Report or at the time of the Public Appearance, if any.

SMIFS or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

SMIFS or its associates might have received any compensation from the companies mentioned in the Research Report during the period preceding twelve months from the date of this Research Report for services in respect of managing or co-managing public offerings, corporate finance, investment banking, brokerage services or other advisory services in a merger or specific transaction from the subject company.

SMIFS or its associates might have received any compensation for products or services other than investment banking or brokerage services from the subject companies mentioned in the Research Report in the past twelve months.

SMIFS or its associates or its Research Analysts did not receive any compensation or other benefits whatsoever from the subject companies mentioned in the Research Report or third party in connection with preparation of the Research Report.

Compensation of Research Analysts is not based on any specific Investment Banking or Brokerage Service Transactions.

The Research Analysts might have served as an officer, director or employee of the subject company.

SMIFS and its Associates, Directors, Officers, Employees, Research Analysts, including their relatives worldwide, may have been engaged in market making activity for the companies mentioned in the Research Report.

SMIFS may have issued other Research Reports that are inconsistent with and reach different conclusion from the information presented in this Research Report.

A graph of daily closing prices of the securities/commodities is also available at www.nseindia.com and/or www.bseindia.com, www.mcxindia.com and/or https://www.msei.in.

SMIFS submits' s that no material disciplinary action has been taken on the Company by any Regulatory Authority impacting Equity Research Analysis activities in last 3 years.

This Research 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 SMIFS and affiliates 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 certain categories of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

Specific Disclosures

- SMIFS, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- SMIFS, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company.
- SMIFS, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months.
- SMIFS, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as director/officer/employee in the subject company
- SMIFS has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- SMIFS has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- SMIFS has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months.
- SMIFS has not received any compensation or other benefits from third party in connection with the research report.
- SMIFS has not engaged in market making activity for the subject company
- Investment in securities market are subject to market risks. Read all the related documents carefully before investing.
- Registration granted by SEBI, enlisted with BSE and certification from NISM is no way guarantee performance of SMIFS or provides any assurance of returns to investors.
- Performance related information is not verified by SEBI.
- The Security/Securities quoted are for illustration only and are not recommendatory.

Analyst holding in stock: **NO**

Key to SMIFS Investment Rankings / Ratings

Buy: Return >15%, Accumulate: Return between 5% to 15%, Reduce: Return between -5% to +5%, Sell: Return < -5%

Contact us:

SMIFS Limited. (https://www.smifs.com/)

Compliance Officer:

Tamari Chatterjee,

5F Vaibhav, 4 Lee Road, Kolkata 700020, West Bengal, India.

Contact No.: +91 33 4011 5414 / +91 33 6634 5414

Email Id.: compliance@smifs.com

Kolkata Office:

Vaibhav, 4 Lee Road, Kolkata 700020, West Bengal, India.

Contact No.: (D) +91 33 6634 5466, (B) +91 33 4011 5466

Email Id: smifs.institutional@smifs.com