Reliance Industries | BUY

Beat led by robust growth in Retail business; digital business traction continues

Dayanand Mittal
dayanand.mittal@jmfl.com | Tel: (91 22) 66303063
Shivam Gupta
shivam.gupta@jmfl.com | Tel: (91 22) 66303082
Anupam Jakhotia
aupam.jakhotia@jmfl.com | Tel: (91 22) 69703686

RIL's consolidated 2QFY26 EBITDA was 3.2%/1.8% above JMFe/consensus at INR 459bn (up 6.9% QoQ and up 17.5% YoY) due to Retail EBITDA being 3.2% above JMFe at INR 68.2bn, up 16.3% YoY led by 22-23% YoY growth in revenue in Grocery and F&L segment. Further, Digital EBITDA was up 3.1% QoQ at INR 188.8bn, 0.6% above JMFe on robust subs addition (of 8.3mn vs. JMFe of 7mn) while ARPU was also higher (at INR 211.4 vs. JMFe of 211). O2C business EBITDA was in line with JMFe at INR 150bn; E&P segment EBITDA was slightly higher at INR 50bn. However, consolidated capex jumped QoQ to INR 400bn in 2QFY26, while reported net debt was slightly higher by INR 9.6bn QoQ at INR 1,186bn. We reiterate BUY (unchanged TP of INR 1,700) due to comfortable valuations after the recent weakness, and as RIL's industry leading capabilities across businesses is likely to drive robust 15-20% EPS CAGR over the next 3-5 years, particularly driven by both consumer businesses.

- **Retail operating EBITDA 3.2% above JMFe at INR 68.2bn, up 16.3% YoY led by 18.6% YoY growth in gross revenue driven by 22-23% YoY growth in revenue in Grocery and F&L:** Retail gross revenue was at INR 905bn (up 18.6% YoY, and up 7.6% QoQ); hence, Retail operating EBITDA was 3.2% above JMFe at INR 68.2bn (up 16.3% YoY and up 6.8% QoQ). Grocery and Fashion & Lifestyle businesses revenue grew 23% and 22% YoY respectively led by festive buying; Consumer Electronics revenue was up 18% YoY aided by GST rate reduction and new launches. EBITDA margin rose 18bps QoQ at 7.36% in 2QFY26. A total of 19,821 physical stores are operational (229 net stores added in 2QFY26, while total area up only 0.2mn sqft to 77.8mn sqft, probably as a few larger stores got replaced by smaller stores). JioMart Quick hyper-local daily orders increased 200% YoY and 42% QOQ. Further, Consumer brands' revenue doubled YoY to INR 53bn in 2QFY26.
- **Digital EBITDA was up 3.1% QoQ at INR 188.8bn, 0.6% above JMFe on robust subs addition (of 8.3mn vs. JMFe of 7mn) while ARPU was also higher (at INR211.4 vs. JMFe of 211):** Digital segment EBITDA, at INR 188.8bn (up 3.1% QoQ and up 17% YoY), was 0.6% above JMFe, due to robust net subs addition at 8.3mn (vs. JMFe of 7mn) with monthly churn stable at 1.9% while ARPU was also slightly higher at INR211.4 (vs. JMFe of 211) aided by upgrades and 1 more day QoQ in 2QFY26. Jio's standalone 2QFY26 Revenue was 0.6% above JMFe at INR 325bn (up 3.1% QoQ and up 13.8% YoY). However, opex was also 0.4% above JMFe; hence, Jio standalone 2QFY26 EBITDA was 0.8% above JMFe at INR 178.7bn (up 3.3% QoQ and up 17.4% YoY); EBITDA margin was 55.1% in 2QFY26 (vs 54.9% in 1QFY26). Network costs, licence fees & spectrum usage charges, SG&A and other costs were lower than expected while access charges were significantly higher than expected. Over 234mn subs migrated to Jio's 5G network (vs. 213mn at end-1QFY26) with Jio's 5G network now carrying ~50% of Jio's wireless data traffic. JioAirFiber continues to see strong uptake and there were ~9.5mn JioAirFiber connections at end-2QFY26 (vs. over 7.4mn at end-1QFY26), taking total home connections to ~23mn at end-2QFY26. The company aims to further increase this home additions run-rate, even as it reiterated its 100mn home subs target. Data usage per subs jumped 4.6% QoQ to 38.7GB/month driven by higher mix of 5G and home users.
- **O2C business EBITDA in line with JMFe at INR 150bn; E&P segment EBITDA slightly higher at INR 5bn:** O2C EBITDA was in line with JMFe at INR 150bn (down % QoQ but up % YoY) – implied GRM was in line with JMFe at USD 9.5/bbl (vs. Spore GRM of USD 4/bbl and vs. ~USD 9.4/bbl implied in 1QFY26); implied petchem margin continues to be weak. Hence, RIL's overall

Recommendation and Price Target	
Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,700
Upside/(Downside)	20.0%
Previous Price Target	1,700
Change	0.0%

Key Data – RELIANCE IN	
Current Market Price	INR1,417
Market cap (bn)	INR19,173.4/US$217.9
Free Float	44%
Shares in issue (mn)	13,532.0
Diluted share (mn)	13,532.0
3-mon avg daily val (mn)	INR15,473.5/US$175.9
52-week range	1,551/1,115
Sensex/Nifty	83,952/25,710
INR/US$	88.0

Price Performance

%	1M	6M	12M
Absolute	0.2	11.2	4.5
Relative*	-1.4	4.0	1.1

** To the BSE Sensex*

Financial Summary (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	9,010,640	9,646,930	9,565,454	10,670,609	12,183,694
Sales Growth (%)	2.6	7.1	-0.8	11.6	14.2
EBITDA	1,622,330	1,654,440	1,866,245	2,141,193	2,492,351
EBITDA Margin (%)	18.0	17.1	19.5	20.1	20.5
Adjusted Net Profit	696,210	696,480	832,711	972,184	1,169,435
Diluted EPS (INR)	51.4	51.5	61.5	71.8	86.4
Diluted EPS Growth (%)	5.0	0.0	19.6	16.7	20.3
ROIC (%)	9.5	8.8	9.8	10.7	12.0
ROE (%)	9.2	8.5	9.5	10.4	11.5
P/E (x)	27.5	27.5	23.0	19.7	16.4
P/B (x)	2.4	2.3	2.1	2.0	1.8
EV/EBITDA (x)	13.4	13.3	12.0	10.4	8.9
Dividend Yield (%)	0.4	0.4	0.4	0.5	0.6

Source: Company data, JM Financial. Note: Valuations as of 17/Oct/2025

O2C EBITDA margin was in-line with JMFe at USD 95/tn (vs. USD 98/tn in 1QFY26). However, E&P segment EBITDA was flat QoQ at INR 50bn and slightly higher than JMFe. Average KGD6 production for the 2QFY26 is 26.1mmscmd and 18.4kboepd of oil and condensate.

- **Consolidated capex jumped QoQ to INR 400bn in 2QFY26; reported net debt slightly higher by INR 9.6bn QoQ at INR 1,186bn:** RIL's cons 2QFY26 capex jumped QoQ at INR 400bn towards O2C capacity expansion and also for Digital/Retail/New Energy business (vs. capex of INR 299bn in 1QFY26; INR 1,311bn in FY25 and INR 1,318bn in FY24). Reported net debt was up slightly by INR 9.6bn QoQ at INR 1,186bn at end-2QFY26 (vs. reported net debt of INR 1,176bn at end-1QFY26). Consolidated gross debt at end-2QFY26 was INR 3,482bn (vs. INR 3,384bn at end-1QFY26); while cash and cash equivalents at end 2QFY26 was INR 2,297bn (vs. INR 2,209bn at end-1QFY26).

- **Reiterate BUY on comfortable valuations and as we expect strong 15-20% EPS CAGR over the next 3-5 years driven by both consumer businesses:** We have marginally tweaked our estimates; hence, our TP is unchanged at INR 1,700. We reiterate BUY on comfortable valuations after the recent weakness in stock price, and as we expect its net debt to decline gradually because capex will not only moderate (INR 1.2trln-1.4trln p.a. vs. INR 2.3trln in FY23 and INR 1.3trln in FY24 and FY25) but, importantly, also be fully funded by a gradual increase in internal cash generation. RIL's guidance on keeping reported net debt to EBITDA below 1x (0.6x at end-2QFY26) also gives comfort. Moreover, we believe RIL has industry leading capabilities across businesses to drive robust 15-20% EPS CAGR over the next 3-5 years, particularly driven by both consumer businesses with Jio's ARPU expected to rise at ~13% CAGR over FY25-28 with ARPU being on a structural uptrend given the industry structure, future investment needs, and the need to avoid a duopoly market. At CMP, the stock is trading at FY27E P/E of 19.7x (3-yr avg: 24x) and FY27E EV/EBITDA of 10.1x (3-yr avg: 11.8x). Key risks: **a)** sharp jump in capex in New Energy business, resulting in rising net debt with limited earnings visibility from new projects; **b)** weak subs addition and limited ARPU hike; **c)** muted growth in the retail business; and **d)** subdued O2C margins due to macro concerns.

2QFY26 Result Review

Key takeaways from post-earnings analyst meet:

1) Net debt and capex: Cons capex jumped QoQ to INR 400bn in 2QFY26 (from INR 299bn in 1QFY26); reported net debt slightly higher by INR 9.6bn QoQ at INR 1,186bn

- **RIL's consolidated 2QFY26 capex jumped QoQ to INR 400bn vs. capex of INR 299bn in 1QFY26,** due to O2C capacity expansion and also for Digital/Retail/New Energy business (FY25 capex was INR 1,311bn vs. FY24 capex of INR 1,318bn; FY23 capex was INR 1,418bn ex-spectrum and INR 2,355bn including spectrum).
- **Reported net debt was up slightly by INR 9.6bn QoQ at INR 1,186bn** at end-2QFY26 (vs. reported net debt of INR 1,176bn at end-1QFY26). Consolidated gross debt at end-2QFY26 was INR 3,482bn (vs. INR 3,384bn at end 1QFY26); while cash and cash equivalents at end 2QFY26 was INR 2,297bn (vs. INR 2,209bn at end 1QFY26).

Exhibit 1. RIL consolidated quarterly debt and capex details

INR Mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Reported Gross debt	3,049,370	3,363,370	3,504,530	3,475,300	3,384,320	3,482,300	2.9%	3.5%
Less: Cash & cash equivalent	1,925,960	2,198,990	2,349,880	2,304,470	2,208,510	2,296,850	4.0%	4.5%
Reported Net debt	**1,123,410**	**1,164,380**	**1,154,650**	**1,170,830**	**1,175,810**	**1,185,450**	**0.8%**	**1.8%**
Add: Spectrum Liability	1,082,720	1,067,350	1,067,350	1,044,100	1,044,100	1,019,320	-2.4%	-4.5%
Net debt including Spectrum Liability	**2,206,130**	**2,231,730**	**2,222,000**	**2,214,930**	**2,219,910**	**2,204,770**	**-0.7%**	**-1.2%**
Reported Net debt to EBITDA	0.7	0.7	0.7	0.7	0.7	0.6	-5.7%	-13.3%
Net debt (including Spectrum Liability) to EBITDA	1.4	1.4	1.3	1.3	1.3	1.2	-7.1%	-15.9%
Consoildated Capex	**287,850**	**340,220**	**322,590**	**360,410**	**298,750**	**400,100**	**33.9%**	**17.6%**
Increase/(decrease) in w orking capital (as per cash flow statement on half yearly basis)		178,290		237,240		94,140		

Source: Company, JM Financial

2) Retail business: Strong 18% YoY growth in gross revenue despite demand deferment pre-GST rate cut led by 22-23% YoY growth in Grocery and F&L; consumer brands revenue doubled YoY to INR 53bn in 2QFY26; JioMart Quick hyper-local daily orders increased +200% YoY and 42% QOQ

- Benefit of new GST rates passed on to customers across categories is driving consumption.
- Grocery and Fashion & Lifestyle revenue grew 23% and 22% YoY respectively, led by festive buying. Witnessed double-digit growth YoY in core categories: Packaged Food (+20%), Staples (+18%), HPC (+13%); F&V volume up 62% YoY.
- Consumer Electronics delivered 18% YoY growth aided by GST rate reduction and new launches. Added that its demand impacted between announcement & implementation of lower GST rates on Sep 22nd with strong pickup post that.
- JioMart Quick hyper-local daily orders increased +200% YoY and 42% QoQ; quick commerce can help to increase share of Digital contribution to Retail revenue to 20% (from 18%). Express deliveries now available on JioMart across 5000 pin codes by 3000+ stores across 1000+ cities at end-2QFY26 (vs ~4,300 pin codes by 2200+ stores across 1000+ cities at end-1QFY26). Also extended Quick Hyper-Local deliveries to electronics and accessories categories with 30-minute delivery promise across 10 cities.
- Consumer brands revenue doubled YoY to INR 53bn in 2QFY26 with General Trade accounting for 75% of total consumer brands revenue.

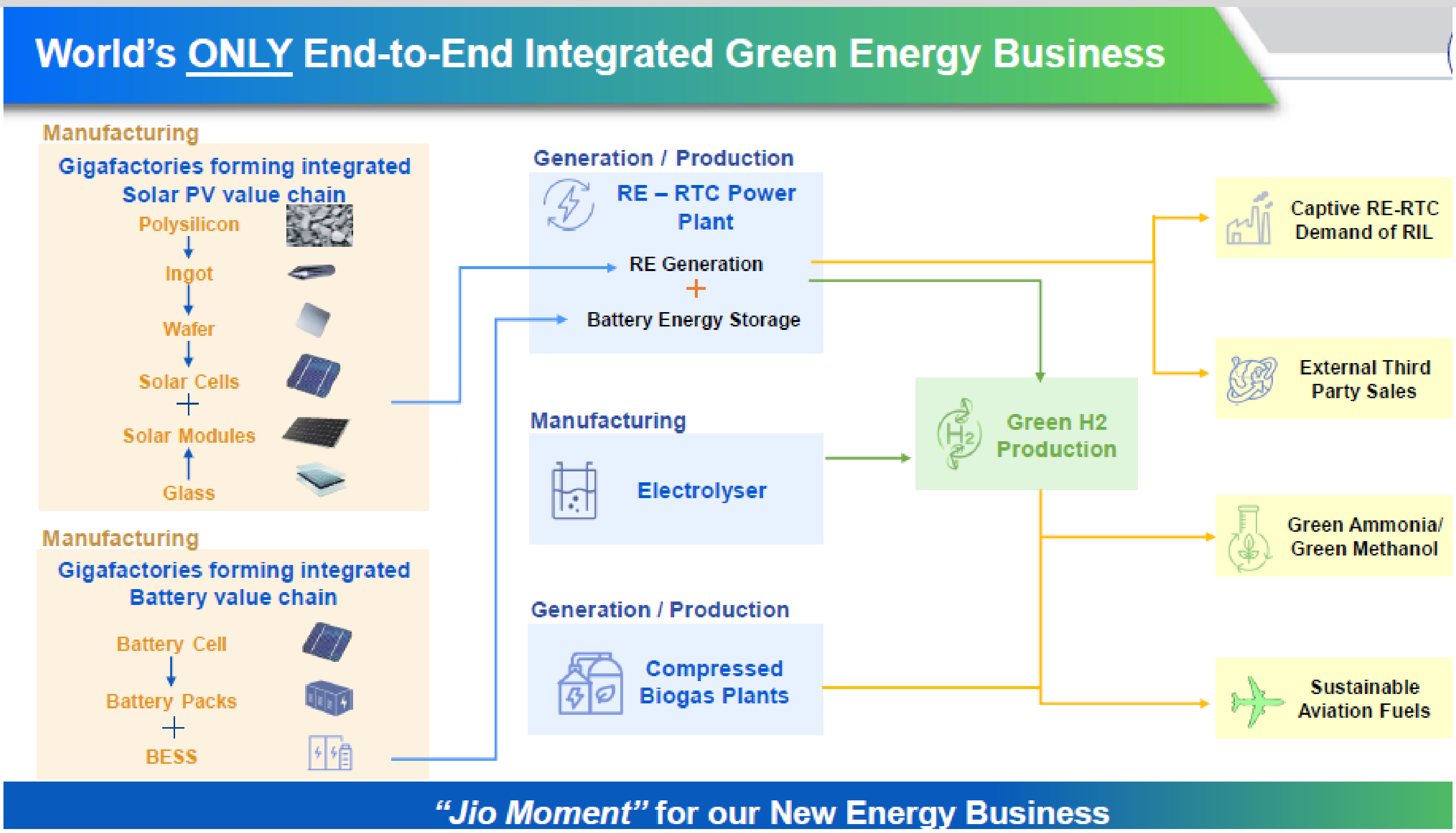
3) O2C business: Reiterated stable outlook for Refining margin and weak outlook for Petchem margin

- Reiterated stable outlook for refining margin given healthy global oil demand growth of 0.7mmbpd in CY25 and limited net capacity addition (and supply disruptions) with significant refining capacity closures expected in Europe and North America in CY25 and CY26.
- Reiterated petchem margin likely to remain constrained by higher supplies and volatility in feedstock prices.
- Aims to increase oil and gas reserves and commenced second phase of 40 CBM wells campaign: 7 wells completed and 6 put to production.

4) New Energy business:

- On track to setup 20GWp of solar PV manufacturing capacity and 100GWh of battery giga-factory.
- Commissioned 4 PV module lines; and 1st cell line is expected to be commissioned in Oct'25.
- The execution of battery giga-factory and renewable energy development in Kutch is progressing rapidly; solar generation is expected to start commissioning during 1HFY27 for captive requirements and green fuels production.

Exhibit 2. RIL's New Energy project details



Source: Company, JM Financial.

5) Digital business: No comment on timeline for tariff hike or any further update on Jio IPO; continues to add strong 1mn home broadband subs

- No comment on timeline for tariff hike or any further update on Jio IPO (earlier, in the AGM the company had said that Jio IPO was planned for 1HCY26).
- JioAirFiber continues to see strong uptake and engagement pan-India and now has ~9.5mn JioAirFiber connections at end-2QFY26 (vs. over 7.4mn at end-1QFY26, over 5.6mn at end-4QFY25, over 4.5mn at end-3QFY25, over 2.8mn at end-2QFY25), making Jio the largest FWA service provider globally (holds ~82% market share in India). Further, including FWA subs, its home broadband subs now stands ~23mn at end-2QFY26 (vs. over 20mn at end-1QFY26) and

is adding at ~1mn subs per month and is looking to further increase this run-rate and reiterated its 100mn home subs target (vs ~23mn at end-2QFY26).

- Over 234mn subs migrated to Jio's 5G network (vs. 213mn at end-1QFY26); Jio's 5G network is now carrying ~50% of Jio's wireless data traffic, driven by accelerating 5G adoption in rural areas. The management also highlighted that 85-87% of new smartphones sold are 5G smartphones.
- Working in partnership with leading OEMs to co-create entry-level products optimised for 4G and 5G segments, to migrate 215mn 2G subs to 4G/5G network.
- JPL is not investing in Data centre and AI infrastructure as it will be capex intensive; hence, Reliance intelligence will do.

Exhibit 3. Jio standalone quarterly financials

INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Revenue	**265,800**	**285,270**	**296,270**	**303,540**	**314,930**	**324,560**	**3.1%**	**13.8%**
Operating costs	125,580	133,020	138,290	141,660	141,920	145,820	2.7%	9.6%
-Network costs	**79,230**	**82,440**	**83,590**	**84,060**	**84,520**	**84,430**	**-0.1%**	**2.4%**
-License fees, SUC and oher revenue share	24,330	25,960	26,810	27,840	28,200	29,160	3.4%	12.3%
-Access Charges	2,620	3,650	5,640	4,940	3,850	6,520	69.4%	78.6%
- Employee Costs	4,850	4,960	5,020	5,040	4,970	4,750	-4.4%	-4.2%
-SG&A and other costs	14,550	16,010	17,230	19,780	20,380	20,960	2.8%	30.9%
EBITDA	**140,220**	**152,250**	**157,980**	**161,880**	**173,010**	**178,740**	**3.3%**	**17.4%**
Depreciation & Amortization	56,070	57,340	58,320	59,250	62,040	63,910	3.0%	11.5%
EBIT	84,150	94,910	99,660	102,630	110,970	114,830	3.5%	21.0%
Interest cost	11,010	11,220	12,680	13,460	20,810	21,180	1.8%	88.8%
Reported PBT	73,140	83,690	86,980	89,170	90,160	93,650	3.9%	11.9%
Tax	18,690	21,380	22,210	22,750	23,050	23,930	3.8%	11.9%
Reported PAT	**54,450**	**62,310**	**64,770**	**66,420**	**67,110**	**69,720**	**3.9%**	**11.9%**
Tax/PBT (%)	25.6%	25.5%	25.5%	25.5%	25.6%	25.6%		
EBITDA margin (%)	**52.8%**	**53.4%**	**53.3%**	**53.3%**	**54.9%**	**55.1%**		
Incremental EBITDA margin (%)	**57.7%**	**61.8%**	**52.1%**	**53.6%**	**97.7%**	**59.5%**		

Source: Company, JM Financial.

Exhibit 4. Jio segmental break-up - computation of ARPU of wireless business (ex- FTTH)

Particulars	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Jio reported revenue (INR mn)	264,780	283,380	293,070	300,180	308,820	318,570	3.2%	12.4%
Jio reported EBITDA (INR mn)	140,220	152,250	157,980	161,880	173,010	178,740	3.3%	17.4%
Jio reported EBITDA margin (%)	53.0%	53.7%	53.9%	53.9%	56.0%	56.1%	0.2%	4.4%
Incremental EBITDA margin (%)	55.5%	64.7%	59.1%	54.9%	128.8%	58.8%	-54.4%	-9.1%
Jio reported ARPU (INR)	182	195	203	206	209	211	1.2%	8.4%
Jio reported subscriber base (mn)	490	479	482	488	498	506	1.7%	5.8%
FTTH/FWA								
Subscriber base (mn) (as per TRAI data)	12.4	14.2	16.6	18.1	20.7	23.3	12.6%	64.3%
ARPU (INR) (assumed)	486	481	471	462	456	452	-1.0%	-6.1%
Revenue (INR mn)	17,270	19,174	21,699	23,968	26,511	29,770	12.3%	55.3%
EBITDA Margin (%) (assumed)	53.7%	53.6%	53.5%	53.4%	53.4%	53.4%	0.0%	-0.4%
EBITDA (INR mn)	9,269	10,275	11,609	12,799	14,157	15,897	12.3%	54.7%
Incremental EBITDA Margin (%)	55.8%	52.9%	52.8%	52.4%	53.4%	53.4%	0.0%	1.0%
Wireless								
Revenue (INR mn)	247,510	264,206	271,371	276,212	282,309	288,800	2.3%	9.3%
EBITDA (INR mn)	130,951	141,975	146,371	149,081	158,853	162,843	2.5%	14.7%
EBITDA Margin (%)	52.9%	53.7%	53.9%	54.0%	56.3%	56.4%	0.2%	4.9%
Incremental EBITDA Margin (%)	55.4%	66.0%	61.4%	56.0%	160.3%	61.5%	-61.6%	-6.9%
Subscriber base (mn)	477	465	466	470	477	483	1.2%	4.0%
ARPU (INR)	**174**	**187**	**194**	**197**	**199**	**200**	**0.9%**	**7.2%**

Source: Company, JM Financial.

Exhibit 5. Jio standalone debt details

INR Bn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Gross debt (excluding deferred payment liability)		709		705		715
Deferred payment liability		1,067		1,044		1,019
Other Financial liability (primarily capex creditors)		429		388		351
Total Gross debt		**2,205**		**2,137**		**2,086**
Less: Cash and Cash Equivalents		5		63		83
Net Debt		2,200		2,074		2,003
Net Debt to EBITDA (x)		3.4		3.0		2.7

Source: Company, JM Financial.

Exhibit 6. Jio Platforms Ltd consolidated quarterly financials

INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Revenue	**294,490**	**317,090**	**330,740**	**339,860**	**350,320**	**363,320**	**3.7%**	**14.6%**
Operating costs	148,110	157,780	164,890	169,700	168,970	175,320	3.8%	11.1%
EBITDA	**146,380**	**159,310**	**165,850**	**170,160**	**181,350**	**188,000**	**3.7%**	**18.0%**
Depreciation & Amortization	58,510	59,890	60,920	62,060	64,790	66,750	3.0%	11.5%
EBIT	87,870	99,420	104,930	108,100	116,560	121,250	4.0%	22.0%
Interest cost	11,150	11,440	12,840	13,620	21,050	21,450	1.9%	87.5%
Reported PBT	76,670	87,950	92,050	94,490	95,510	99,760	4.4%	13.4%
Tax	19,740	22,590	23,480	24,260	24,410	25,580	4.8%	13.2%
Reported PAT	**56,930**	**65,360**	**68,570**	**70,230**	**71,100**	**74,180**	**4.3%**	**13.5%**
Tax/PBT (%)	25.7%	25.7%	25.5%	25.7%	25.6%	25.6%		
EBITDA margin (%)	**49.7%**	**50.2%**	**50.1%**	**50.1%**	**51.8%**	**51.7%**		

Source: Company, JM Financial.

Total digital EBITDA came in at INR 189bn in 2QFY26, of which JPL's EBITDA was INR 188bn (including Jio business EBITDA of INR 179bn). Other digital EBITDA (ex-Jio) was flattish QoQ at INR 10.1bn in 2QFY26 with that of digital entities outside JPL being lower QoQ and that of digital entities inside JPL being higher QoQ.

a) Entities inside JPL: JPL's EBITDA ex-Jio business was higher QoQ at INR 9.3bn in 2QFY26 vs. INR 8.3bn in 1QFY26.

b) Entities outside JPL: Digital EBITDA ex-JPL was lower QoQ at INR 0.8bn in 2QFY26 vs. INR 1.8bn in 1QFY26.

Exhibit 7. Digital business break-up into Telecom and ex-Telecom Digital assets

INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Revenue break-up								
Digital	354,700	380,550	397,330	408,610	419,490	436,170	4.0%	14.6%
JPL consolidated	294,490	317,090	330,740	339,860	350,320	363,320	3.7%	14.6%
Jio standalone (Telecom)	265,800	285,270	296,270	303,540	314,930	324,560	3.1%	13.8%
Digital revenue ex-Telecom	88,900	95,280	101,060	105,070	104,560	111,610	6.7%	17.1%
-Entities inside JPL	28,690	31,820	34,470	36,320	35,390	38,760	9.5%	21.8%
-Entities outside JPL	60,210	63,460	66,590	68,750	69,170	72,850	5.3%	14.8%
Digital revenue ex-Telecom (% of total Digital revenue	25.1%	25.0%	25.4%	25.7%	24.9%	25.6%		
EBITDA break-up								
Digital	149,440	161,390	166,400	172,780	183,120	188,820	3.1%	17.0%
JPL consolidated	146,380	159,310	165,850	170,160	181,350	188,000	3.7%	18.0%
Jio standalone (Telecom)	140,220	152,250	157,980	161,880	173,010	178,740	3.3%	17.4%
Digital EBITDA ex-Telecom	9,220	9,140	8,420	10,900	10,110	10,080	-0.3%	10.3%
-Entities inside JPL	6,160	7,060	7,870	8,280	8,340	9,260	11.0%	31.2%
-Entities outside JPL	3,060	2,080	550	2,620	1,770	820	-53.7%	-60.6%
Digital EBITDA ex-Telecom (% of total Digital EBITDA)	6.2%	5.7%	5.1%	6.3%	5.5%	5.3%		
EBIT break-up								
Digital	88,060	98,580	102,520	108,010	114,160	120,650	5.7%	22.4%
JPL consolidated	87,870	99,420	104,930	108,100	116,560	121,250	4.0%	22.0%
Jio standalone (Telecom)	84,150	94,910	99,660	102,630	110,970	114,830	3.5%	21.0%
Digital EBIT ex-Telecom	3,910	3,670	2,860	5,380	3,190	5,820	82.4%	58.6%
-Entities inside JPL	3,720	4,510	5,270	5,470	5,590	6,420	14.8%	42.4%
-Entities outside JPL	190	(840)	(2,410)	(90)	(2,400)	(600)	-75.0%	-28.6%
Digital EBIT ex-Telecom (% of total Digital EBIT)	4.4%	3.7%	2.8%	5.0%	2.8%	4.8%		
EBITDA margin (%)								
Digital	42.1%	42.4%	41.9%	42.3%	43.7%	43.3%	-0.8%	2.1%
JPL consolidated	49.7%	50.2%	50.1%	50.1%	51.8%	51.7%	0.0%	3.0%
Jio standalone (Telecom)	52.8%	53.4%	53.3%	53.3%	54.9%	55.1%	0.2%	3.2%
Digital EBITDA ex-Telecom	10.4%	9.6%	8.3%	10.4%	9.7%	9.0%	-6.6%	-5.9%
-Entities inside JPL	21.5%	22.2%	22.8%	22.8%	23.6%	23.9%	1.4%	7.7%
-Entities outside JPL	5.1%	3.3%	0.8%	3.8%	2.6%	1.1%	-56.0%	-65.7%

Source: Company, JM Financial. Please note JPL, apart from the telecom assets (i.e. Jio), contains tech investments like Embibe (Ed- tech), OTT platforms, Haptik (AI based messaging app) to name a few. As per our understanding digital assets outside JPL consists of logistic, tech start-ups like Grab-a-Grub etc. which work with the retail side of the business

6) Artificial Intelligence:

- Reliance Intelligence will deliver affordable AI services for consumers, SMBs, and enterprises. Jio will be go-to-market and connectivity service partner and RIL will be infra and energy partner.
- Reiterated that it will leverage partnership with Meta to develop AI solutions on open-source Lhama models.

- Reiterated that its announced GW-scale Data centre would be powered by 100% RIL green energy.

7) Media business: EBITDA up 71% QoQ at INR 17bn in 2QFY26

- Average Platform MAU sustained at 400mn, reflecting strong user stickiness post-IPL
- Strong performance in subscription revenue across both Digital and TV
- Digital Ads (ex-Sports) on a strong growth trajectory driven by better monetisation

Exhibit 8. RIL consolidated quarterly snapshot

INR Mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
Revenue (net of GST and excise)	2,317,840	2,315,350	2,399,860	2,613,880	2,436,320	2,546,230	4.5%	10.0%
Operating costs	1,930,190	1,924,770	1,961,970	2,175,560	2,007,270	2,087,380	4.0%	8.4%
EBITDA	**387,650**	**390,580**	**437,890**	**438,320**	**429,050**	**458,850**	**6.9%**	**17.5%**
EBITDA Margin %	16.7%	16.9%	18.2%	16.8%	17.6%	18.0%	41bps	115bps
Depreciation	135,960	128,800	131,810	134,790	138,420	144,160	4.1%	11.9%
EBIT	251,690	261,780	306,080	303,530	290,630	314,690	8.3%	20.2%
Interest	59,180	60,170	61,790	61,550	70,360	68,270	-3.0%	13.5%
Other income	39,830	48,760	42,140	49,050	151,190	44,820	-70.4%	-8.1%
PBT	232,310	252,590	287,690	292,800	372,480	290,700	-22.0%	15.1%
Tax	57,860	59,360	68,390	66,690	64,650	69,780	7.9%	17.6%
Reported PAT before Minority interest	174,450	193,230	219,300	226,110	307,830	220,920	-28.2%	14.3%
Reported PAT after Minority interest	**151,380**	**165,630**	**185,400**	**194,070**	**269,940**	**181,650**	**-32.7%**	**9.7%**
Reported EPS after Minority interest (INR)	11.2	12.2	13.7	14.3	19.9	13.4	-0.3	0.1
Tax/PBT (%)	24.9%	23.5%	23.8%	22.8%	17.4%	24.0%		
Segment EBITDA break-up								
O2C	130,930	124,130	144,020	150,800	145,110	150,080	3.4%	20.9%
E&P	52,100	52,900	55,650	51,230	49,960	50,020	0.1%	-5.4%
Organised retail	56,720	58,610	68,400	67,210	63,810	68,170	6.8%	16.3%
Digital service	149,440	161,390	166,400	172,780	183,120	188,820	3.1%	17.0%
Others	20,030	21,060	21,480	22,690	25,890	27,710	7.0%	31.6%
Total	**409,220**	**418,090**	**455,950**	**464,710**	**467,890**	**484,800**	**3.6%**	**16.0%**

Source: Company, JM Financial

Exhibit 9. RIL segment-wise breakdown

INR Mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	QoQ (%)	YoY (%)
O2C segment								
Production meant for sale (mmt)	17.7	17.7	17.9	17.9	17.3	18.1	4.6%	2.3%
Overall O2C EBITDA/tn (USD/ton)	89	84	95	97	98	95		
S'pore Dubai GRM (USD/bbl)	3.5	3.6	5.0	3.1	5.6	4.0		
Implied RIL GRM (USD/bbl)	7.7	7.1	9.4	9.6	9.4	9.5		
E&P business								
Gas production (mmscmd) (RIL's share)	22.3	22.1	21.9	20.9	20.8	20.4	-1.8%	-7.9%
KG D6 gas realisation (USD/mmbtu)	9.3	9.6	9.7	10.1	10.0	10.0	0.0%	4.4%
CBM gas realisation (USD/mmbtu)	11.6	11.4	10.6	10.4	9.9	9.5	-3.7%	-16.4%
Jio (standalone)								
No of subs (Mn)	490	479	482	488	498	506	1.7%	5.8%
QoQ increase in no of subs (Mn)	7.9	-10.9	3.3	6.1	9.9	8.3		
ARPU (INR/month)	182	195	203	206	209	211	1.2%	8.4%
Data usage (GB/month)	30.3	31.0	32.3	33.6	37.0	38.7	4.6%	24.8%
Retail segment								
EoP Total stores (#)	18,918	18,946	19,102	19,340	19,592	19,821	1.2%	4.6%
Net stores addition in quarter (#)	82	28	156	238	252	229		
Gross stores addition in quarter (#)	331	464	779	1,085	388	412		
Store closures in quarter (#)	249	436	623	847	136	183		
Area (mn sq ft)	81.3	79.4	77.4	77.4	77.6	77.8	0.3%	-2.0%
Net area addition in quarter (mn sq ft)	2.2	-1.9	-2.0	0.0	0.2	0.2		
Registered Customer Base (mn)	316	327	338	349	358	369	3.1%	12.8%
No of Transactions (mn)	334	343	355	361	389	434	11.6%	26.5%
Digital & New Commerce - sales contribution (%)	18%	17%	18%	18%	18%	18%		
Gross revenue (INR mn)	756,150	763,020	903,330	886,200	841,710	900,180	6.9%	18.0%
Operating EBITDA (INR mn)	54,480	56,750	66,320	65,100	60,440	66,240	9.6%	16.7%
Operating EBITDA margin* (%)	7.2%	7.4%	7.3%	7.35%	7.18%	7.36%	18bps	-8bps

Source: Company, JM Financial, * on gross revenue basis

Key Assumptions and Estimates

Exhibit 10. Key assumptions

	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Brent crude price (USD/bbl)	80.0	95.4	83.1	78.9	70.0	70.0	70.0
Exchange rate (INR/USD)	74.5	80.4	82.8	84.6	87.1	88.8	90.6
Refining							
EBITDA (INR Bn)	279	412	379	283	353	360	367
Crude throughput	67.8	67.1	67.8	70.0	68.9	68.9	68.9
Margins (USD/bbl)							
S'pore Dubai GRM	5.0	10.7	6.6	3.8	5.5	5.5	5.5
RIL's total GRM premium	4.5	2.0	4.6	4.7	4.5	4.5	4.5
a) RIL normal GRM premium	4.0	1.3	3.6	3.7	3.5	3.5	3.5
b) Petcoke gasification addition to GRM	0.5	0.8	1.0	1.0	1.0	1.0	1.0
RIL's total GRM	9.5	12.7	11.2	8.5	10.0	10.0	10.0
Refining cash opex	2.0	2.3	2.0	2.0	2.0	2.0	2.0
Refining EBITDA	7.5	10.4	9.2	6.5	8.0	8.0	8.0
Petrochemicals							
EBITDA (INR Bn)	249	208	245	267	276	325	446
EBITDA/ton (USD/ton)	206	175	205	206	204	220	231
Sales volumes (mmtpa)							
Polymers	5.8	5.7	5.6	6.0	6.1	6.5	7.8
Polyesters	3.2	3.2	3.2	3.7	3.7	4.0	4.8
Fiber intermediaries	6.3	5.1	4.7	4.7	4.7	5.3	7.8
Sales volumes (mmtpa)	16.2	14.8	14.4	15.3	15.5	16.7	21.3
E&P							
EBITDA (INR Bn)	55	136	202	212	197	189	182
Gas and condensate production (mmscmd)	18	20	31	32	29	27	26
Gas realisation (USD/mmbtu)	6.3	11.0	10.2	9.7	9.5	9.5	9.5
Digital							
EBITDA (INR Bn)	403	503	567	650	762	945	1,132
EBITDA margin (%)	47.6%	49.5%	49.9%	50.0%	50.7%	48.9%	48.3%
Wireless segment							
Subscribers (mn - EoP)	410	439	482	490	520	548	557
ARPU (INR)	153	178	181	196	222	248	279
FTTH segment							
Subscribers (mn - EoP)	5	8	11	18	31	48	61
ARPU (INR)	529	528	498	483	489	495	495
Retail							
Revenue (INR Bn)	1,993	2,603	3,068	3,308	3,781	4,341	5,001
EBITDA (INR Bn)	124	180	231	251	287	330	373
EBITDA margin (%)	6.2%	6.9%	7.5%	7.6%	7.6%	7.6%	7.5%
Total stores	15,196	18,040	18,836	19,340			
Net Store additions (#)	2,485	2,844	796	504	568	579	591
Gross revenue per average store (INR Mn)	120	141	161	169	187	209	234
- YoY growth (%)	8%	18%	14%	5%	11%	12%	12%
EBITDA break-up (INR Bn)							
O2C	527	621	624	550	629	685	813
E&P	55	136	202	212	197	189	182
Digital	403	503	567	650	762	945	1,132
Retail	124	180	231	251	287	330	373
Financial Services & Others	19	-6	64	63	-8	-8	-8
Total	**1,128**	**1,433**	**1,687**	**1,725**	**1,866**	**2,141**	**2,492**
Energy business	582	757	826	762	826	874	995
Non-energy business (incl others)	546	677	861	964	1,040	1,267	1,497
EBITDA proportion							
O2C	47%	43%	37%	32%	34%	32%	33%
E&P	5%	9%	12%	12%	11%	9%	7%
Digital	36%	35%	34%	38%	41%	44%	45%
Retail	11%	13%	14%	15%	15%	15%	15%
Financial Services & Others	2%	0%	4%	4%	0%	0%	0%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Energy business	52%	53%	49%	44%	44%	41%	40%
Non-energy business (incl others)	48%	47%	51%	56%	56%	59%	60%
EBITDA growth (%)							
O2C	38%	18%	1%	-12%	14%	9%	19%
E&P	2015%	149%	49%	5%	-7%	-4%	-4%
Digital	18%	25%	13%	15%	17%	24%	20%
Retail	26%	45%	29%	9%	14%	15%	13%
Financial Services & Others	-66%	-131%	-1157%	-2%	-113%	0%	0%
Total	28%	27%	18%	2%	8%	15%	16%

Source: Company, JM Financial

Exhibit 11. Change in estimates and TP

	New	Old	Change
TP (INR)	1,700	1,700	0.0%
Rating	BUY	BUY	
Revenue (INR Mn)			
FY26	9,565,454	9,589,984	-0.3%
FY27	10,670,609	10,670,609	0.0%
FY28	12,183,694	12,183,694	0.0%
EBITDA (INR Mn)			
FY26	1,866,245	1,865,957	0.0%
FY27	2,141,193	2,141,193	0.0%
FY28	2,492,351	2,492,351	0.0%
PAT after minority interest (INR Mn)			
FY26	832,711	832,569	0.0%
FY27	972,184	971,971	0.0%
FY28	1,169,435	1,169,237	0.0%
EPS (INR)			
FY26	61.5	61.5	0.0%
FY27	71.8	71.8	0.0%
FY28	86.4	86.4	0.0%

Source: JM Financial

Valuation

Our 1 year **target Price for RIL of INR 1,700/share (and 3 year TP of INR 2,020) is computed on a sum-of-the-parts (SOTP)** valuation method:

a) Petchem segment at an EV of INR 214/share based on 7.5x Sep'27EV/EBITDA;

b) Refining segment at an EV of INR 201/share based on 7.5x Sep'27 EV/EBITDA;

c) E&P segment at an EV of INR 69/share based on 5.0x Sep'27 EV/EBITDA;

d) Digital segment (RIL's 67.05% stake in JPL) at an EV of INR 645/share comprising: **i)** Telecom business at INR 588/share based on DCF valuation; implied valuation of ~11x Sep'27 EV/EBITDA; and **ii)** Digital opportunities at INR 57/share based on potential monetisation of Video OTT apps, audio OTT and Consumer IoT business.

e) Retail business (RIL's 83.0% stake) at an EV of INR 543/share based on 25x Sep'27 EBITDA.

f) New Energy business at an EV of INR 83/share (based on 1.5x announced capex of INR 750bn) and **other investments at INR 37/share** (listed investment, Disney Viacom JV and Real estate investment).

We reiterate BUY as we expect net debt to decline gradually, and also because RIL has industry leading capabilities across businesses to drive robust 15-20% EPS CAGR over the next 3-5 years, particularly driven by both consumer businesses. At CMP, the stock is trading at FY27E P/E of 19.7x (3-yr avg: 24x) and FY27E EV/EBITDA of 10.1x (3-yr avg: 11.8x).

Exhibit 12. RIL Sum-of-the-parts valuation - our 1-year target price for RIL is INR 1,700/share

Business segment	Valuation methodology	Sep'27 EBITDA (INR Bn)	Valuation multiple	Valuation (INR bn)	Valuation (USD bn)	Valuation (INR/share)	Comments
Energy business				**6,546**	**77**	**484**	
Petchem	EV/ EBITDA	386	7.5	2,892	34	214	Valued at 7.5x Sep'27 EV/EBITDA
Refining	EV/ EBITDA	363	7.5	2,726	32	201	Valued at 7.5x Sep'27 EV/EBITDA
E&P	EV/ EBITDA	186	5.0	928	11	69	Valued at 5x Sep'27 EV/EBITDA
Digital business (for RIL's 66.43% stake)				**8,730**	**103**	**645**	
a) Telecom business	DCF			7,962	94	588	Based on DCF valuation;COE 13.5% and WACC of 11%; implied valuation of ~11x Sep'27 EV/EBITDA
b) Digital opportunities				768	9	57	JPL investments at book value - Monetization of Video OTT apps, JioSaavn and Consumer IoT business etc
Retail business (for RIL's 83.56% stake)	EV/ EBITDA			**7,342**	**87**	**543**	Valued at 25x Sep'27 EV/EBITDA, based on peers valuation range; D-Mart trades at +35x
New Energy business				**1,125**	**13**	**83**	At 1.5x announced capex of INR 750bn
Other investments				**500**	**6**	**37**	Listed equity / Disney Viacom JV / Real estate investment
Total Enterprise Value				**24,244**	**287**	**1,792**	
Less: Net Debt				1,235	15	91	
Total Equity Value				**23,009**	**272**	**1,700**	

Source: JM Financial

Exhibit 13. RIL Sum-of-the-parts valuation – our 3-year target price for RIL is INR 2,020/share

Business segment	Valuation methodology	EBITDA (INR Bn)	Valuation multiple	Valuation (INR bn)	Valuation (USD bn)	Valuation (INR/share)	Comments
Energy business				**7,389**	**87**	**544**	
Petchem	EV/ EBITDA	493	7.5	3,695	44	273	Valued at 7.5x Sep'27 EV/EBITDA
Refining	EV/ EBITDA	378	7.5	2,836	34	210	Valued at 7.5x Sep'27 EV/EBITDA
E&P	EV/ EBITDA	172	5.0	858	10	62	Valued at 5x Sep'27 EV/EBITDA
Digital business (for RIL's 67.05% stake)				**10,206**	**121**	**754**	
a) Telecom business	DCF			9,255	109	684	Based on DCF valuation;COE 13.5% and WACC of 11%; implied valuation of 9.1x Sep'29 EV/EBITDA
b) Digital opportunities				951	11	70	JPL investments at book value - Monetization of Video OTT apps, JioSaavn and Consumer IoT business etc
Retail business (for RIL's ~83% stake)	EV/ EBITDA			**8,581**	**101**	**634**	Valued at 25x Sep'29 EV/EBITDA, based on peers valuation range; D-Mart trades at +30x
New Energy business				**1,500**	**18**	**111**	At 2x announced capex of INR 750bn
Other investments				**500**	**6**	**37**	Listed equity / Disney Viacom JV / Real estate investment
Total Enterprise Value				**28,176**	**333**	**2,080**	
Less: Net Debt				806	10	60	
Total Equity Value				**27,370**	**324**	**2,020**	

Source: JM Financial

Risks along with EPS and valuation sensitivity

a) Refining margin sensitivity: Every USD 1/bbl increase/decrease in GRM has a positive/negative impact of 1.7% of our valuation, 3.5% of our FY27E EPS, and 2.1% of our FY27E EBITDA. An unexpected decline in refining margin could have a negative impact on RIL's earnings and valuation.

b) Petchem margin sensitivity: Every USD 20/tonne increase/decrease in EBITDA margin has a positive/negative impact of 1.3% of our valuation, 2.2% of our FY27E EPS, and 1.4% of our FY27E EBITDA. An unexpected slide in petchem EBITDA margin could hurt RIL's earnings and valuation.

c) Retail margin sensitivity: Every 50bps increase/decrease in retail EBITDA margin has a positive/negative impact of 2.1% of our valuation, 1.7% of our FY27E EPS, and 1% of our FY27E EBITDA. Any downside to retail profitability could have a negative impact on RIL's earnings and valuation.

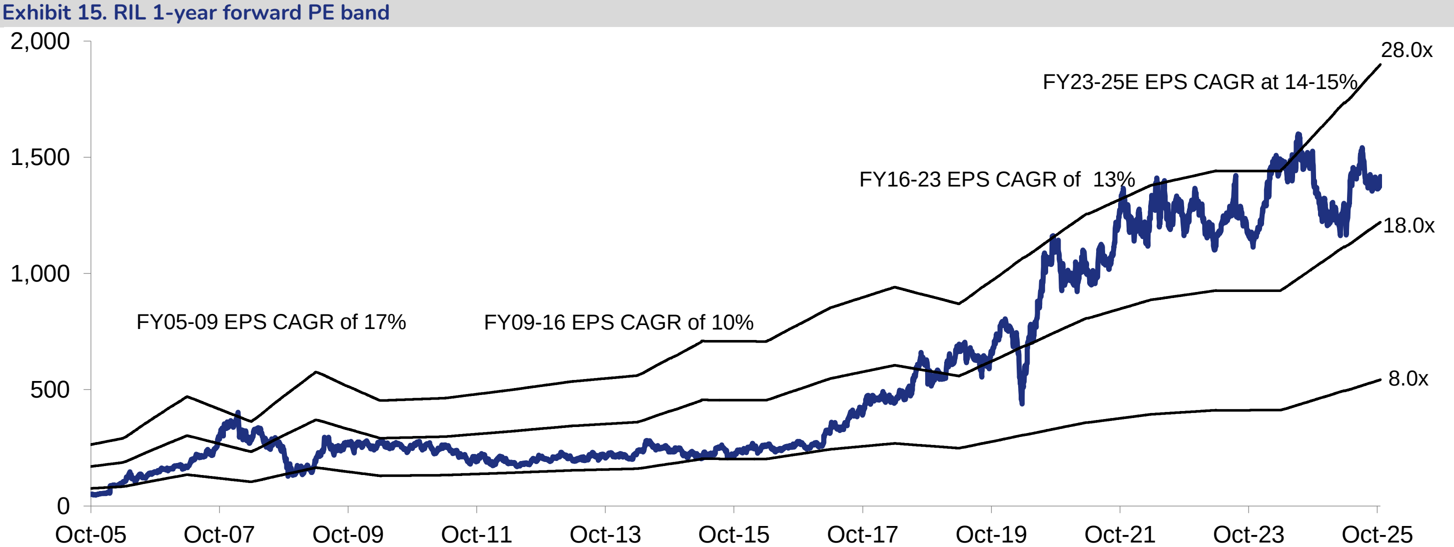
d) ARPU and subscriber sensitivity: Every INR 10 increase/decrease in ARPU has a positive/negative impact of 0.8% of our valuation and 1.8% of our FY27E EPS and 1.7% of our FY27E EBITDA. Every 20mn increase/decrease in subscribers has a positive/negative impact of 1.1% of our valuation, 1.7% of our FY27E EPS and 1.5% of our FY27E EBITDA. Lower-than-expected ARPU and subscriber growth could have a negative impact on RIL's earnings and valuation.

Exhibit 14. RIL Earnings and valuation sensitivity

	FY27E Base case assumption	Change	Impact on FY27 EBITDA		Impact on FY27 EPS		Impact on TP	
			INR bn	% change	INR	% change	INR	% change
GRM (USD/bbl)	10	+/- USD 1/bbl	45	2.1%	2.5	3.5%	29	1.7%
Petchem EBITDA margins (USD/ton)	220	+/- USD 20/tn	30	1.4%	1.6	2.2%	22	1.3%
Retail EBITDA margins (%)	7.60%	+/- 0.5%	22	1.0%	1.2	1.7%	35	2.1%
Jio wireless ARPU	248	+/- INR 10	36	1.7%	1.3	1.8%	13	0.8%
Jio wireless subscriber (mn)	548	+/-20mn	33	1.5%	1.2	1.7%	18	1.1%
Base case			**2,141**		**72**		**1,700**	

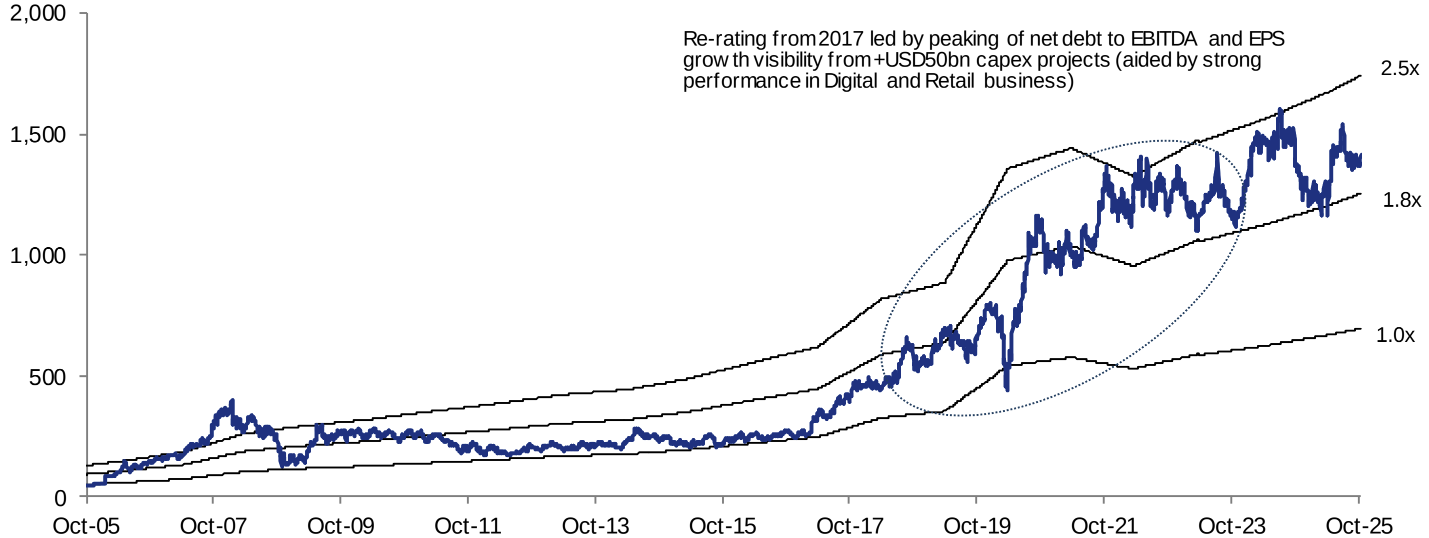
Source: JM Financial

Exhibit 15. RIL 1-year forward PE band



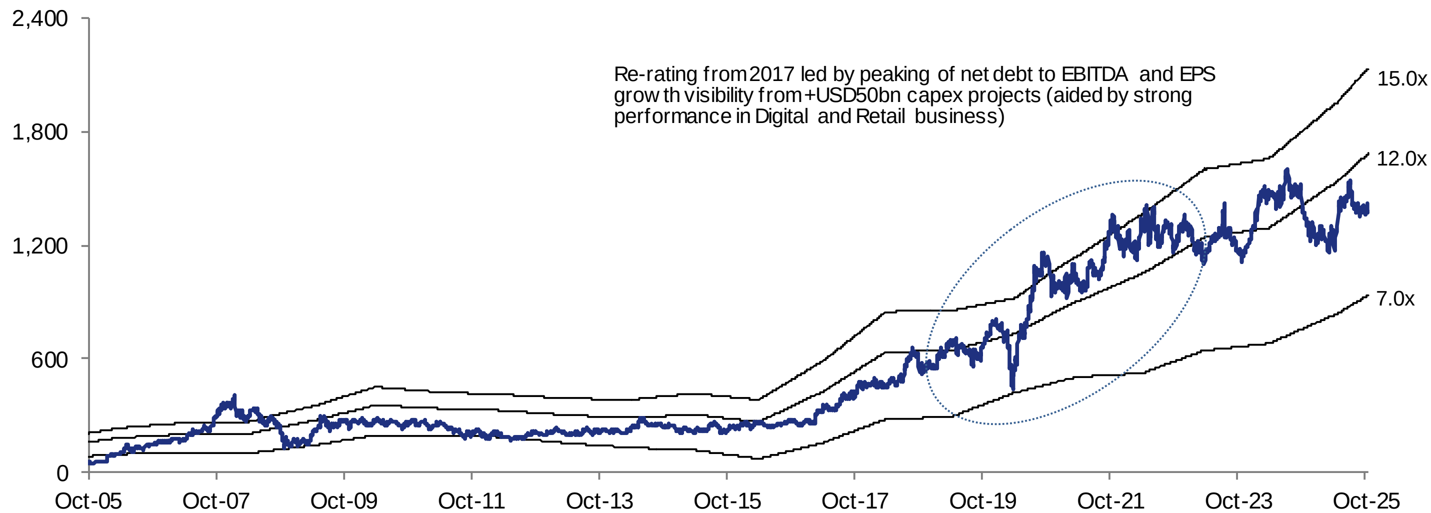
Source: JM Financial, Bloomberg

Exhibit 16. RIL 1-year forward PB band



Source: JM Financial, Bloomberg

Exhibit 17. RIL 1-year forward EV-EBITDA band



Source: JM Financial, Bloomberg

Exhibit 18. Global refiners' valuation snapshot

	EV/EBITDA (x)			EBITDA Margins (%)			P/E (x)			P/B (x)			ROE (%)		
Company	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26
US peers															
Valero Energy	9.0	8.8	7.5	5.0	5.5	6.9	20.0	18.5	13.5	1.9	2.0	1.9	9.7	9.6	12.6
Marathon Petroleum	8.5	8.0	7.3	7.7	9.1	9.7	21.0	18.3	13.8	3.5	3.3	3.3	14.7	16.0	21.2
US peers average	**8.8**	**8.4**	**7.4**	**6.3**	**7.3**	**8.3**	**20.5**	**18.4**	**13.6**	**2.7**	**2.7**	**2.6**	**12.2**	**12.8**	**16.9**
European peers															
Galp Energia	4.4	5.0	4.8	15.8	15.1	14.9	11.5	11.9	12.0	2.6	2.5	2.3	23.3	19.9	19.3
Motor Oil Hellas	4.7	5.0	5.7	8.4	8.7	7.7	6.8	5.1	6.0	0.9	0.9	0.8	11.3	17.4	15.3
PKN Orlen	3.8	2.9	3.0	9.7	14.0	14.7	11.1	7.3	7.6	0.7	0.7	0.6	5.5	9.1	8.4
MOL Hungarian oil & gas plc	2.9	3.1	3.0	12.7	12.4	13.0	4.7	6.2	5.4	0.5	NM	NM	10.0	8.4	8.4
OMV Ag	3.4	3.9	4.1	21.5	21.7	21.7	6.9	8.4	7.8	0.8	0.9	0.9	11.1	8.4	10.3
European peers average	**3.8**	**4.0**	**4.1**	**12.1**	**12.5**	**12.4**	**8.2**	**7.8**	**7.8**	**1.1**	**1.2**	**1.2**	**12.3**	**11.9**	**10.8**
Asian peers															
SK Innovation	23.0	19.0	11.7	3.9	4.4	7.1	NM	NM	83.0	0.7	0.7	0.7	-5.6	-4.2	0.6
GS Holdings	5.2	5.4	4.6	13.3	12.8	14.5	3.9	7.0	6.3	0.3	0.3	0.3	7.5	4.1	4.8
SK Energy Co Ltd	23.0	19.0	11.7	3.9	4.4	7.1	NM	NM	83.0	0.7	0.7	0.7	-5.6	-4.2	0.6
MRPL	15.9	8.4	6.9	2.4	4.9	5.8	NM	NM	13.1	1.9	1.8	1.6	-0.2	9.3	12.8
CPCL	14.9	5.2	4.9	1.6	4.7	4.9	130.6	8.1	7.6	1.3	1.2	1.1	1.0	15.8	15.6
BPCL	8.1	6.3	6.6	5.4	7.2	6.5	10.8	7.7	8.8	1.7	1.5	1.3	15.8	20.5	15.8
HPCL	10.7	6.4	6.9	3.5	6.4	5.6	13.9	6.9	8.0	1.8	1.5	1.3	14.1	24.6	18.8
IOCL	10.6	6.7	6.6	4.5	7.4	7.2	21.3	8.8	9.4	1.1	1.0	1.0	6.4	12.9	11.1
RIL	13.4	11.9	10.5	17.3	18.7	19.4	27.0	23.4	21.2	2.2	2.0	1.9	8.6	9.1	9.3
Asian peers average ex- RIL	**13.9**	**9.6**	**7.5**	**4.8**	**6.5**	**7.3**	**36.1**	**7.7**	**27.4**	**1.2**	**1.1**	**1.0**	**4.2**	**9.8**	**10.0**
Global peers average ex- RIL	**9.9**	**7.5**	**6.4**	**7.7**	**8.9**	**9.4**	**21.9**	**9.5**	**19.0**	**1.4**	**1.4**	**1.3**	**8.2**	**11.0**	**11.2**
Global peers median ex- RIL	**8.5**	**6.3**	**6.6**	**5.2**	**7.3**	**7.1**	**11.3**	**7.9**	**8.8**	**1.1**	**1.1**	**1.1**	**9.9**	**9.4**	**11.8**

Source: JM Financial, Bloomberg

Exhibit 19. Global telecom companies' valuation snapshot

Company	EV/EBITDA (x)			P/E (x)			P/B (x)			EBITDA Margins (%)			ROE (%)		
	CY24/FY25	CY25/FY26	CY26/FY27	CY24/FY25	CY25/FY26	CY26/FY27	CY24/FY25	CY25/FY26	CY26/FY27	CY24/FY25	CY25/FY26	CY26/FY27	CY24/FY25	CY25/FY26	CY26/FY27
Bharti Airtel	14.0	12.5	10.9	29.9	42.6	29.9	9.3	8.9	7.4	53.9	56.3	57.2	34.3	22.5	27.5
Bharti Hexacom	19.2	19.1	15.8	49.0	47.4	33.0	12.3	12.9	10.5	49.1	52.7	54.7	28.3	29.2	34.9
Jio (JMFe)	19.6	15.7	12.7	41.9	33.2	23.0	4.3	3.8	3.3	53.2	54.6	55.3	10.4	12.1	15.3
Vodafone Idea	15.0	15.9	13.1	NM	NM	NM	NM	NM	NM	41.7	43.3	46.5	NM	NM	NM
Indian telcos average	**16.9**	**15.8**	**13.1**	**40.3**	**41.1**	**28.6**	**8.6**	**8.6**	**7.1**	**49.5**	**51.8**	**53.4**	**24.3**	**21.3**	**25.9**
AT&T	7.1	7.1	6.9	10.2	12.7	11.8	1.6	1.6	1.5	37.1	36.9	37.7	10.3	13.5	13.4
T-Mobile	10.1	9.8	9.0	22.3	21.9	18.5	4.1	4.3	4.4	43.9	38.6	39.7	17.9	19.2	23.3
Verizon	6.4	7.1	6.1	8.4	12.7	8.4	1.7	1.6	1.5	38.6	36.4	36.6	18.3	13.5	17.7
US telcos average	**7.9**	**8.0**	**7.3**	**13.6**	**15.8**	**12.9**	**2.5**	**2.5**	**2.5**	**39.8**	**37.3**	**38.0**	**15.5**	**15.4**	**18.1**
Deutsche Telekom	6.2	6.7	6.3	12.7	14.8	13.2	2.2	2.3	2.2	43.3	37.9	39.6	18.5	14.6	15.4
Orange	4.7	6.1	5.7	13.0	18.9	11.6	1.0	1.2	1.2	33.7	30.9	32.5	8.1	6.4	9.6
Telefonica	6.2	5.8	5.9	NM	15.8	12.2	1.9	1.3	1.3	27.1	33.1	32.5	(2.4)	6.4	10.1
Telenor	7.5	9.0	8.8	9.4	18.3	16.5	2.3	3.3	3.3	44.5	44.7	45.3	26.1	16.8	19.6
Vodafone Plc	5.6	5.2	5.1	11.7	11.0	9.8	0.4	0.4	0.5	27.8	28.5	28.9	(7.4)	3.6	4.1
BT Group	4.2	4.7	4.7	12.6	9.5	9.8	0.9	1.4	1.4	36.6	40.4	41.1	6.3	13.2	13.0
Europe telcos average	**5.7**	**6.3**	**6.1**	**11.9**	**14.7**	**12.2**	**1.4**	**1.7**	**1.6**	**35.5**	**35.9**	**36.7**	**8.2**	**10.2**	**12.0**
China Mobile	3.7	6.2	4.2	11.2	8.6	11.1	1.1	1.6	1.1	32.1	32.7	32.6	10.1	18.8	10.4
China Telecom	2.7	3.8	3.7	12.7	13.8	12.9	0.9	1.0	1.0	26.6	27.3	27.4	7.4	7.6	7.9
China Unicom	1.9	2.3	2.3	10.4	11.8	11.0	0.6	0.7	0.7	25.5	25.1	24.9	5.8	5.9	6.1
China telcos average	**2.8**	**4.1**	**3.4**	**11.4**	**11.4**	**11.6**	**0.9**	**1.1**	**0.9**	**28.1**	**28.3**	**28.3**	**7.8**	**10.8**	**8.1**
KT Corp	4.1	2.3	3.5	23.0	11.8	8.0	0.7	0.7	0.7	17.7	22.9	21.6	2.8	5.9	8.5
LG Uplus	3.1	3.3	3.1	11.9	6.9	8.5	0.5	0.7	0.7	24.1	24.1	23.7	4.4	10.6	8.1
SK Telecom	3.7	4.1	3.7	9.6	18.1	9.9	1.0	1.0	1.0	30.8	28.0	29.8	10.7	5.5	9.8
Korea telcos average	**3.6**	**3.3**	**3.5**	**14.8**	**12.3**	**8.8**	**0.7**	**0.8**	**0.8**	**24.2**	**25.0**	**25.1**	**6.0**	**7.3**	**8.8**
Celcom Digi	9.9	9.5	9.2	30.9	25.2	22.3	2.6	2.7	2.7	44.0	45.9	46.6	8.5	11.0	12.4
Telekom Malaysia	6.2	6.5	6.3	12.6	16.1	15.5	2.5	2.5	2.4	38.1	38.6	38.5	20.9	16.1	15.7
Malaysia telcos average	**8.1**	**8.0**	**7.8**	**21.8**	**20.7**	**18.9**	**2.6**	**2.6**	**2.5**	**41.0**	**42.3**	**42.5**	**14.7**	**13.5**	**14.0**
Advanced Info	9.4	8.9	8.6	24.3	20.7	19.0	8.8	8.6	8.3	52.3	53.1	53.8	37.4	42.9	44.0
Chungwa Telecom	11.1	11.5	11.2	25.7	27.0	26.1	2.5	2.7	2.7	37.6	37.7	37.8	9.7	10.0	10.3
Converge ICT	6.4	3.9	3.6	10.8	7.4	6.6	2.3	1.4	1.2	57.9	58.9	59.1	20.9	20.2	19.4
Globe Telecom	7.5	6.5	6.3	13.8	10.0	9.0	1.9	1.2	1.2	49.1	48.2	48.1	14.1	13.3	14.3
Indosat	5.1	4.1	3.9	16.3	11.3	9.9	2.4	1.6	1.5	47.3	47.7	48.1	15.3	13.4	14.4
MTN Group	5.1	4.4	3.8	93.9	12.1	9.9	1.3	1.9	1.6	31.3	44.9	46.2	NM	NM	NM
Singtel	14.0	20.0	18.7	14.1	23.7	20.7	2.3	2.6	2.5	33.7	27.5	28.3	16.5	13.0	12.1
Taiwan Mobile	10.4	11.4	11.1	24.8	23.3	22.3	4.0	3.9	3.9	21.3	21.2	21.0	16.2	17.2	17.9
Telecom Indonesia	4.4	4.7	4.6	11.4	12.5	12.0	1.9	2.0	1.9	50.3	50.0	50.3	17.0	15.2	15.5
XL Axiata	4.1	5.5	4.7	16.2	NM	27.4	1.1	1.2	1.1	53.0	45.7	48.4	6.9	(2.1)	3.8
Other regional telcos average	**7.7**	**8.1**	**7.7**	**25.1**	**16.4**	**16.3**	**2.9**	**2.7**	**2.6**	**43.4**	**43.5**	**44.1**	**17.1**	**15.9**	**16.9**
Global telcos average	**7.8**	**8.0**	**7.3**	**20.8**	**18.2**	**15.5**	**2.7**	**2.7**	**2.5**	**38.9**	**39.1**	**39.8**	**13.8**	**13.7**	**15.1**

Source: Bloomberg, JM Financial.

Exhibit 20. Global petchem companies' valuation snapshot

Company	EV/EBITDA (x)			EBITDA Margins (%)			P/E (x)			P/B (x)			ROE (%)		
	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26	FY25/CY24	FY26/CY25	FY27/CY26
Global (ex Asia) peers															
DoW	5.7	10.2	8.3	12.7	7.5	9.0	11.1	NM	NM	0.9	0.9	0.9	7.3	-5.2	-1.6
Du Pont	12.3	11.5	11.5	25.3	26.1	25.9	20.0	17.9	16.9	1.3	1.4	1.3	6.8	7.5	7.3
Wacker Chemie	6.1	7.8	6.5	13.0	10.6	12.1	14.4	222.3	31.5	0.7	0.7	0.7	4.9	0.3	1.8
Johnson Matthey	7.5	7.7	8.0	16.4	17.5	18.8	14.6	13.1	14.5	1.6	1.4	1.6	14.1	13.5	16.0
BASF	7.7	8.2	7.5	12.1	11.6	12.4	14.6	16.5	15.1	1.1	1.1	1.1	6.4	5.6	6.9
Indorama ventures	9.6	8.6	7.5	7.1	8.5	9.6	NM	NM	11.7	0.8	0.8	0.8	-12.0	2.8	6.2
SABIC	9.8	10.4	9.3	15.2	14.5	15.9	38.8	753.0	38.6	1.1	1.2	1.2	2.9	0.4	3.4
Eastman Chemical Co	6.6	7.8	7.1	18.9	16.8	18.0	7.9	10.4	8.9	1.2	1.2	1.1	15.2	10.9	13.0
Olin Corp	6.5	7.8	6.4	13.3	10.4	12.5	25.9	197.7	20.7	1.3	1.4	1.4	5.1	0.5	6.5
AKZO Nobel	10.0	10.1	9.5	13.9	14.2	15.1	14.8	14.8	13.3	2.3	2.2	2.1	14.5	13.0	16.3
Global (ex Asia) peers average	**8.2**	**9.0**	**8.1**	**14.8**	**13.8**	**14.9**	**18.0**	**155.7**	**19.0**	**1.2**	**1.2**	**1.2**	**6.5**	**4.9**	**7.6**
Asian peers															
Mitsubishi Gas Chem	8.4	8.7	7.5	11.7	11.8	13.1	11.7	18.6	12.4	0.8	0.8	0.8	7.2	3.7	6.4
Sinopec Shanghai Petrochemical	7.7	7.3	4.9	2.3	2.7	4.4	48.0	89.1	15.6	0.4	0.5	0.5	0.7	0.6	3.4
LG Chem	10.1	8.2	6.0	12.1	15.8	19.3	63.7	130.8	18.1	0.8	0.7	0.7	1.1	0.2	3.5
Formosa Chemicals & Fibre Corp	16.5	20.5	13.0	4.8	4.4	7.0	57.9	NM	58.6	0.5	0.7	0.7	1.0	-1.4	1.5
Nan Ya Plastics	16.0	16.5	13.7	11.1	10.3	12.0	52.6	100.6	28.1	0.9	1.0	0.9	1.1	1.1	3.5
Formosa Plastics	38.9	41.1	33.2	4.1	4.4	5.5	1178.8	NM	69.0	0.7	0.9	0.8	0.3	-0.9	2.3
Hanwha	49.6	16.4	9.6	3.3	7.8	12.3	NM	NM	13.2	0.7	0.6	0.6	-17.6	-3.9	3.8
Asahi Kasei Corp	6.9	6.3	5.8	11.9	13.0	13.6	14.1	12.3	10.0	0.9	0.8	0.8	6.2	7.0	8.3
Toray Industries	8.3	8.2	7.5	10.6	10.6	11.2	16.1	16.2	13.1	0.8	0.8	0.8	5.1	5.0	6.0
Kuraray Co	4.0	4.5	4.1	21.1	18.7	19.8	9.7	16.2	9.9	0.7	0.7	0.6	7.7	4.3	6.5
Teijin Ltd	NM	NM	5.7	-0.5	10.2	11.2	10.1	18.5	15.3	0.5	0.6	0.6	5.6	2.6	4.2
Mitsui Chemicals	7.3	7.0	6.1	10.8	11.8	12.9	12.6	13.0	10.2	0.8	0.8	0.7	6.2	6.3	7.7
RIL	13.4	11.8	10.5	17.3	18.7	19.4	27.0	23.4	21.2	2.2	2.0	1.9	8.6	9.1	9.3
Asian peers average	**15.6**	**13.0**	**9.8**	**9.3**	**10.8**	**12.4**	**125.2**	**43.9**	**22.7**	**0.8**	**0.8**	**0.8**	**2.6**	**2.6**	**5.1**
Global peers average	**12.2**	**11.2**	**9.1**	**14.8**	**13.8**	**14.9**	**79.3**	**93.6**	**21.2**	**1.0**	**1.0**	**1.0**	**4.3**	**3.6**	**6.2**
Global peers median	**8.3**	**8.4**	**7.5**	**12.1**	**11.6**	**12.5**	**14.8**	**18.2**	**15.2**	**0.8**	**0.8**	**0.8**	**5.6**	**2.8**	**6.2**

Source: JM Financial, Bloomberg

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	9,010,640	9,646,930	9,565,454	10,670,609	12,183,694
Sales Growth	*2.6%*	*7.1%*	*-0.8%*	*11.6%*	*14.2%*
Other Operating Income	0	0	0	0	0
Total Revenue	**9,010,640**	**9,646,930**	**9,565,454**	**10,670,609**	**12,183,694**
Cost of Goods Sold/Op. Exp	5,853,430	6,296,890	6,243,708	6,965,081	7,952,725
Personnel Cost	256,790	285,590	299,870	314,863	330,606
Other Expenses	1,278,090	1,410,010	1,155,632	1,249,472	1,408,012
EBITDA	**1,622,330**	**1,654,440**	**1,866,245**	**2,141,193**	**2,492,351**
EBITDA Margin	*18.0%*	*17.1%*	*19.5%*	*20.1%*	*20.5%*
EBITDA Growth	*14.1%*	*2.0%*	*12.8%*	*14.7%*	*16.4%*
Depn. & Amort.	508,320	531,360	538,533	570,213	600,770
EBIT	1,114,010	1,123,080	1,327,712	1,570,979	1,891,581
Other Income	160,570	179,780	153,727	153,669	153,427
Finance Cost	231,180	242,690	253,359	242,207	228,711
PBT before Excep. & Forex	1,043,400	1,060,170	1,228,080	1,482,441	1,816,297
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	1,043,400	1,060,170	1,228,080	1,482,441	1,816,297
Taxes	257,070	252,300	277,460	342,670	428,535
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	90,120	111,390	117,910	167,588	218,327
Reported Net Profit	696,210	696,480	832,711	972,184	1,169,435
Adjusted Net Profit	**696,210**	**696,480**	**832,711**	**972,184**	**1,169,435**
Net Margin	*7.7%*	*7.2%*	*8.7%*	*9.1%*	*9.6%*
Diluted Share Cap. (mn)	13,532.0	13,532.0	13,532.0	13,532.0	13,532.0
Diluted EPS (INR)	**51.4**	**51.5**	**61.5**	**71.8**	**86.4**
Diluted EPS Growth	*5.0%*	*0.0%*	*19.6%*	*16.7%*	*20.3%*
Total Dividend + Tax	67,660	74,426	81,192	94,724	108,256
Dividend Per Share (INR)	5.0	5.5	6.0	7.0	8.0

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	1,043,400	1,060,170	1,228,080	1,482,442	1,816,297
Depn. & Amort.	508,320	531,360	538,533	570,213	600,770
Net Interest Exp. / Inc. (-)	122,840	123,630	99,632	88,538	75,285
Inc (-) / Dec in WCap.	63,660	237,240	-23,485	-6,097	1,331
Others	-30,730	-46,120	0	0	0
Taxes Paid	-119,610	-119,250	-257,559	-321,227	-402,506
Operating Cash Flow	**1,587,880**	**1,787,030**	**1,585,201**	**1,813,869**	**2,091,176**
Capex	-1,528,830	-1,399,670	-1,310,090	-1,289,102	-1,301,895
Free Cash Flow	*59,050*	*387,360*	*275,111*	*524,767*	*789,281*
Inc (-) / Dec in Investments	176,950	-117,820	-126	-12,600	-15,457
Others	216,070	142,140	153,727	153,669	153,427
Investing Cash Flow	**-1,135,810**	**-1,375,350**	**-1,156,489**	**-1,148,033**	**-1,163,925**
Inc / Dec (-) in Capital	198,370	220	-172,800	-172,800	-172,800
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	92,620	192,470	-108,247	-130,884	-71,976
Others	-457,450	-511,600	-334,551	-336,931	-336,967
Financing Cash Flow	**-166,460**	**-318,910**	**-615,599**	**-640,615**	**-581,743**
Inc / Dec (-) in Cash	**285,610**	**92,770**	**-186,887**	**25,220**	**345,508**
Opening Cash Balance	686,640	972,250	1,065,020	878,133	903,354
Closing Cash Balance	972,250	1,065,020	878,133	903,354	1,248,862

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	7,934,810	8,432,000	9,023,615	9,744,196	10,652,055
Share Capital	67,660	135,320	135,320	135,320	135,320
Reserves & Surplus	7,867,150	8,296,680	8,888,295	9,608,876	10,516,735
Preference Share Capital	0	0	0	0	0
Minority Interest	1,323,070	1,664,260	1,769,273	1,920,940	2,119,786
Total Loans	3,246,220	3,475,300	3,426,053	3,351,215	3,332,476
Def. Tax Liab. / Assets (-)	713,030	830,450	850,350	871,793	897,822
Total - Equity & Liab.	**13,217,130**	**14,402,010**	**15,069,292**	**15,888,144**	**17,002,140**
Net Fixed Assets	11,188,400	12,617,510	13,389,067	14,107,956	14,809,082
Gross Fixed Assets	11,330,210	13,960,240	15,286,814	16,592,069	17,909,795
Intangible Assets	149,890	245,300	245,300	245,300	245,300
Less: Depn. & Amort.	3,680,250	4,211,610	4,750,143	5,320,356	5,921,126
Capital WIP	3,388,550	2,623,580	2,607,097	2,590,943	2,575,112
Investments	2,256,720	2,423,810	2,423,810	2,423,810	2,423,810
Current Assets	4,105,360	4,455,810	4,114,396	4,262,910	4,811,017
Inventories	1,527,700	1,460,620	1,320,366	1,403,823	1,550,994
Sundry Debtors	316,280	421,210	406,811	434,047	474,018
Cash & Bank Balances	972,250	1,065,020	878,133	903,354	1,248,862
Loans & Advances	60,380	120,120	127,211	135,611	145,524
Other Current Assets	1,228,750	1,388,840	1,381,875	1,386,076	1,391,619
Current Liab. & Prov.	4,333,350	5,095,120	4,857,982	4,906,533	5,041,769
Current Liabilities	1,783,770	1,867,890	1,689,752	1,794,349	1,982,822
Provisions & Others	2,549,580	3,227,230	3,168,230	3,112,184	3,058,947
Net Current Assets	-227,990	-639,310	-743,586	-643,623	-230,752
Total – Assets	**13,217,130**	**14,402,010**	**15,069,292**	**15,888,144**	**17,002,140**

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	7.7%	7.2%	8.7%	9.1%	9.6%
Asset Turnover (x)	0.7	0.6	0.6	0.6	0.7
Leverage Factor (x)	1.8	1.8	1.8	1.8	1.7
RoE	9.2%	8.5%	9.5%	10.4%	11.5%

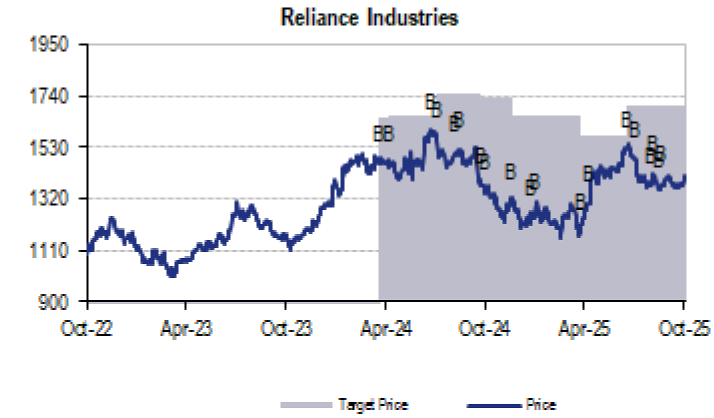
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	586.4	623.1	666.8	720.1	787.2
ROIC	9.5%	8.8%	9.8%	10.7%	12.0%
ROE	9.2%	8.5%	9.5%	10.4%	11.5%
Net Debt/Equity (x)	0.2	0.1	0.2	0.1	0.1
P/E (x)	27.5	27.5	23.0	19.7	16.4
P/B (x)	2.4	2.3	2.1	2.0	1.8
EV/EBITDA (x)	13.4	13.3	12.0	10.4	8.9
EV/Sales (x)	2.4	2.3	2.3	2.1	1.8
Debtor days	13	16	16	15	14
Inventory days	62	55	50	48	46
Creditor days	88	85	80	77	75

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
5-Apr-24	Buy	1,650	
23-Apr-24	Buy	1,660	0.6
7-Jul-24	Buy	1,660	0.0
20-Jul-24	Buy	1,750	5.4
22-Aug-24	Buy	1,750	0.0
29-Aug-24	Buy	1,750	0.0
7-Oct-24	Buy	1,735	-0.8
15-Oct-24	Buy	1,735	0.0
2-Dec-24	Buy	1,660	-4.3
7-Jan-25	Buy	1,660	0.0
16-Jan-25	Buy	1,660	0.0
8-Apr-25	Buy	1,580	-4.8
26-Apr-25	Buy	1,580	0.0
3-Jul-25	Buy	1,701	7.7
19-Jul-25	Buy	1,700	0.0
17-Aug-25	Buy	1,700	0.0
19-Aug-25	Buy	1,700	0.0
30-Aug-25	Buy	1,700	0.0
5-Sep-25	Buy	1,700	0.0
18-Oct-25	Buy	1,700	0.0

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081
Member of BSE Ltd. and National Stock Exchange of India Ltd.
SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com
Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com
Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com

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

New Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

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

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

* REITs refers to Real Estate Investment Trusts.

Research Analyst(s) Certification

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

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

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

Important Disclosures

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

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

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

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

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

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

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

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

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

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

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click here to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

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

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

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

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

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

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