

## BHARAT COKING COAL LTD

09-01-2026 TO 13-01-2026

**Recommendation: Subscribe For Listing Gain**  
**Industry: Coking Coal Producer**

**Price Band: ₹ 21 - 23**  
**Post Implied Market Cap: ₹ 9,779.70 - 10,711.10 Cr**

### Key Data

Issue Size (₹ Cr)	975.64 - 1,068.78
Fresh (₹)	0
OFS (₹)	975.64 - 1,068.78
No. of shares offered	0
Face Value (₹ /share)	10
Bid Lot	600

### About the Company

Bharat Coking Coal Ltd (BCCL) is India's largest producer of coking coal, accounting for 58.5% of domestic coking coal production in FY2025. Company is a wholly owned subsidiary of Coal India Ltd, Company holds one of the country's largest coking coal reserves at around 7,910 MT as of April 1, 2024. The company produces coking coal, non-coking coal and washed coal, primarily serving the steel and power sectors. BCCL operates mines in the Jharia and Raniganj coalfields across Jharkhand and West Bengal and was awarded Mini Ratna status in 2014.

### Investment Rationales

**1) Largest coking coal producer in India with access to large reserves:** The company is India's largest coking coal producer, contributing 58.5% of domestic output in FY2025. India's total coking coal resources stand at 36.8 Bn ton, of which the company holds 7.91 Bn ton, making it the country's only source of prime coking coal. With mining rights over ~28,831 hectares secured under long-term nationalization and coal-bearing laws, the company benefits from large, long-life reserves that provide strong economies of scale and cost efficiency through high-volume extraction and processing.

**2) Strategically located mines with large washeries:** BCCL's mines are strategically located in the Jharia and Raniganj coalfields, supported by strong rail and road connectivity, which lowers logistics costs and improves operational efficiency. It is India's market leader in coking coal washery capacity with 13.65 MTPA of owned operational capacity, operating five washeries at Moonidih, Madhuband, Dahibari, Patherdih-I and Madhuband NLW, and additionally utilizing spare capacity at Tata Steel's Jamadoba and Bhelatand washeries. Equipped with advanced beneficiation technologies, these washeries enhance coal quality, enable production of customized grades, and significantly improve the marketability and value of its coking coal.

**3) Well-positioned to capitalize on the demand for coking coal in India:** India's coking coal demand is expected to rise sharply from 67 MMT in FY2025 to 138 MMT by FY2035, driven by growth in the steel and power sectors. The company is well placed to benefit from this trend due to its large and long-life resource base and strategic presence in the Jharia coalfields, which are rich in prime coking coal. Its integrated mining infrastructure, along with efficient transport and evacuation facilities, supports reliable supply and positions the company as a key beneficiary of India's growing coking coal demand.

**4) Strong parentage of Coal India Ltd:** The company benefits from strong strategic, technical, and financial support from its parent, Coal India Limited, including access to advanced mining technologies, skilled manpower, and industry expertise. Support from CMPDIL enhances exploration, R&D and resource management capabilities, while regular executive exchanges across Coal India subsidiaries promote knowledge sharing and operational best practices. This strong parentage strengthens the company's operational efficiency, innovation capability, and leadership position in the coal industry.

**5) Monetize, modernize, and renovate the washeries:** India's steel expansion targets are expected to drive a sharp rise in coking coal demand, with crude steel production aimed at 300 MTPA by FY2031 and coking coal demand projected at ~161 MMT. Under Mission Coking Coal, domestic washed coking coal demand is estimated at 40 MMT by FY2030, which could increase to ~56 MMT with higher blending enabled by stamp charging technology, creating a large opportunity for domestic producers and washeries. To capitalise on this, the company plans to expand and modernise its washery infrastructure, commission three new washeries with 7MTPA capacity, and monetise non-performing mines and inefficient washeries through the WDO model and private partnerships to improve asset utilisation and generate long-term revenues without additional operating costs.

### Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	14/1/2026
Refunds/Unblocking ASBA Fund	15/1/2026
Credit of equity shares to DP A/c	15/1/2026
Trading commences	16/1/2026

### Shareholding (No. of shares)

Pre-Issue	4,65,70,00,000
Post Issue (Lower price band)	4,65,70,00,000
Post Issue (Higher price band)	4,65,70,00,000

### Shareholding Pattern

#### Promoter & Promoter Group:

Pre Issue	100.00%
Post Issue	90.00%

#### Public - Others:

Pre Issue	0.00%
Post Issue	10.00%

### Issue Breakup

QIB	50%
NIB	15%
Retail	35%

### Other Details

**BRLMs:** IDBI Capital Markets & Securities Ltd, ICICI Securities Ltd  
**Registrar:** KFin Technologies. Ltd.  
**Listing:** BSE & NSE

### Research Analyst

**Rajan Shinde**

[rajan.shinde@mehtagroup.in](mailto:rajan.shinde@mehtagroup.in)

022-61507142

### Risk

- 1) Fluctuations of prices of raw materials.
- 2) Geographical concentrations.

### MView

We believe the proposed Bharat Coking Coal Ltd (BCCL) IPO offers investors exposure to a strategically critical asset with a dominant position in India's coking coal value chain. Its large reserve base in the Jharia coalfields, leadership in coking coal washery capacity, and strong logistics infrastructure create durable cost advantages and high entry barriers. Supported by Coal India's technical and financial backing, BCCL is well placed to benefit from structural demand tailwinds and India's import substitution agenda. While FY2025 and 6MFY2026 performance was impacted by temporary operational disruptions and adverse weather, we view these headwinds as transitory. With washery expansion, asset monetisation initiatives, and normalization of mining activity, we expect a recovery in volumes and earnings from FY2027, providing long-term visibility and value creation for investors. On valuation parse at the upper price band of ₹ 23/-, the issue is asking for a market cap of ₹ 10711.1 cr. Considering the FY2025-26 performance and assuming normalization of earnings going forward, the company's valuation appears reasonable and attractive. Based on FY2025 earnings and fully diluted post-IPO paid-up capital, the issue is valued at approximately 8.5x P/E and 1.5x P/B. We believe this valuation adequately reflects the company's dominant market position, strong reserve base, and long-term growth visibility, offering a favourable risk-reward profile for investors. Investors should also look at IPO offers, which come with 100% OFS i.e ₹ 1068.78 cr issue that is an area of concern for new investors. Given the company's irreplaceable position in India's coking coal supply chain, long-life reserves, strong parentage and alignment with India's steel growth and energy security objectives. Hence, we recommend investors to "SUBSCRIBE BCCL FOR LISTING GAIN".

## CONSOLIDATED FINANCIAL TABLES

### BASIC FINANCIAL DETAILS

	6 months ended Sep' 30		As at Mar' 31		
Particulars ₹ (in Cr)	2025	2024	2025	2024	2023
Equity Share Capital	4657	4657	4657	4657	4657
Net Worth	5830.89	6059.74	6551.23	5355.47	3791.01
Total Borrowings	1559.13	Nil	Nil	Nil	Nil
Revenue from Operations	5659.02	6846.19	13802.55	14245.86	12624.06
Revenue Growth (%)	-17.34%		-3.11%	12.85%	
EBITDA	459.93	1373.47	2356.06	2493.89	891.31
EBITDA Margins (%)	7.29	19.37	16.36	17.02	6.85
Profit After Tax	123.88	748.7	1240.19	1564.46	664.78
PAT Margins (%)	1.96	10.56	8.61	10.68	5.11
ROCE (%)	4.28	20.72	30.13	47.2	16.56
RONW (%)	2	13.12	20.83	34.21	19.22
EPS - Basic & Diluted(₹)	0.27	1.61	2.66	3.36	1.43
NAV (₹)	12.52	13.01	14.07	11.5	8.14
Net cash generated from Op. activities	-334.93	1014.81	796.49	1299.14	1698.78
Net cash used in investing activities	-65.16	-788.13	-782.31	-1484.42	-1705.83
Net cash used in financing activities	380.44	-89.11	-132.46	-73.84	-42.97

Source: Company RHP

### COMPARISON WITH INDUSTRY LISTED PEERS RS. (IN CR)

Companies	Revenue from Operations (₹ in Cr)	Mcap (₹ in Cr)	FV	EPS	NAV (₹ Per Share)	P/E	P/B	RoNW
Bharat Coking Coal	13,802.55	10711	10	0.53	13.56	43.2	1.7	20.83%
Alpha Metallurgical Resources, Inc	25,320.27	25688	1	1222.65	11182.1	14.9	1.8	11.48%
Warrior Met Coal, Inc.	13,058.93	38628	1	410.12	3423.71	19.4	2.28	12.82%

Date as on 31 March 2026, Cline Mcap, PE, PB calculated as on 08-01-2026

Bharat Coking coal producer LtdEPS/PE, P/B, NAV calculated on FY 2026 annualised basis post money.



# MSEARCH

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### **Msearch's Recommendation (Absolute Performance)**

**Buy: > 20% within the next 12 Months**

**Accumulate: 5% to 20% within the next 12 Months**

**Sell : < -20% within the next 12 Months**

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Mehta Equities Limited, 903, 9th Floor, Lodha Supremus, Dr.E.Moses Road, Worli Naka, Worli, Mumbai 400 018, India

Tel: +91 22 6150 7101, Fax: +91 22 6150 7102

Email: [info@mehtagroup.in](mailto:info@mehtagroup.in), Website: [www.mehtagroup.in](http://www.mehtagroup.in)

Compliance Officer: Prakash Joshi

Email Id: [compliance@mehtagroup.in](mailto:compliance@mehtagroup.in)

Phone No +91 22 61507180

For grievance redressal contact Customer Care Team Email: [help.kyc@mehtagroup.in](mailto:help.kyc@mehtagroup.in) Phone: + 91 22 61507154