17 October 2025
2QFY26 Results Update | Sector: Chemicals

# Atul

| | |
|---|---|
| Estimate change | ↓ |
| TP change | ↔ |
| Rating change | ↔ |

| | |
|---|---|
| Bloomberg | ATLP IN |
| Equity Shares (m) | 29 |
| M.Cap.(INRb)/(USDb) | 175.2 / 2 |
| 52-Week Range (INR) | 8099 / 4752 |
| 1, 6, 12 Rel. Per (%) | -11/-3/-27 |
| 12M Avg Val (INR m) | 418 |
| Free float (%) | 54.8 |

**Financials and Valuations (INR b)**

| Y/E March | FY26E | FY27E | FY28E |
|---|---|---|---|
| Sales | 63.2 | 70.7 | 78.6 |
| EBITDA | 10.6 | 12.1 | 13.5 |
| PAT | 6.4 | 7.4 | 8.0 |
| EPS (INR) | 216.8 | 250.5 | 270.7 |
| EPS Gr. (%) | 28.1 | 15.5 | 8.1 |
| BV/Sh.(INR) | 2,085 | 2,299 | 2,529 |
| **Ratios** | | | |
| Net D:E | -0.0 | -0.0 | -0.1 |
| RoE (%) | 10.9 | 11.4 | 11.2 |
| RoCE (%) | 10.2 | 10.9 | 10.8 |
| Payout (%) | 14.8 | 14.8 | 14.8 |
| **Valuations** | | | |
| P/E (x) | 27.5 | 23.8 | 22.0 |
| P/BV (x) | 2.9 | 2.6 | 2.4 |
| EV/EBITDA (x) | 16.4 | 14.3 | 12.7 |
| Div. Yield (%) | 0.5 | 0.6 | 0.7 |
| FCF Yield (%) | 1.8 | 1.6 | 1.8 |

**Shareholding pattern (%)**

| As On | Jun-25 | Mar-25 | Jun-24 |
|---|---|---|---|
| Promoter | 45.2 | 45.2 | 45.2 |
| DII | 25.0 | 23.6 | 25.8 |
| FII | 8.8 | 9.8 | 8.6 |
| Others | 21.1 | 21.4 | 20.4 |

FII Includes depository receipts

**CMP: INR5,952 TP: INR7,520 (+26% ) Buy**

## Performance segment continues to drive growth

- Atul (ATLP) reported in-line revenue of INR15.5b (+11% YoY) in 2QFY26. Revenue from the Performance & Other Chemicals segment increased 12% YoY, while the Life Science Chemical segment's revenue rose 8% YoY. EBITDA grew 10% YoY to INR2.7b and PAT increased 31% YoY to INR1.8b.
- We broadly retain our estimates for FY26/FY27/FY28. We estimate a CAGR of 12%/14%/17% in revenue/EBITDA/PAT during FY25-28E. The stock is trading at ~23.8x FY27E EPS of INR250.5 and ~14.3x FY27E EV/EBITDA. We value the stock at 30x FY27E EPS to arrive at our TP of INR7,520. **Reiterate BUY.**

## EBITDA miss; PAT in line due to higher-than-expected other income

- ATLP's revenue was INR15.51b (+11% YoY). Life Science Chemicals' revenue stood at INR4.4b (+8% YoY), while Performance Chemicals' revenue was INR11.45b (+12% YoY) during the quarter.
- Gross margin stood at 46.6% (vs. 53.1% in 2QFY25) and EBITDA margin contracted 20bp YoY to 17.2%. EBIT margin contracted for Performance and Other Chemicals but expanded for Life Science Chemicals on a YoY basis. Life Science Chemicals EBIT margin stood at 22.9% (+240bp YoY), while EBIT stood at INR1b. Performance Chemicals' EBIT margin was 9.1% (-60bp YoY) and EBIT came in at INR1b.
- The company's consolidated EBITDA grew 10% YoY to INR2.7b (est. of INR2.9b) and adj. PAT grew ~31% YoY to INR1.8b (est. in line).
- In 1HFY26, consolidated revenue/EBITDA/adj. PAT grew ~12%/8%/25% to INR30.3b/INR5b/INR3.1b.
- The Life Science segment recorded revenue/EBIT growth of ~7%/10% YoY to INR8.9b/INR1.7b and EBIT margin expansion of 50bp YoY to 19% in 1HFY26. The Performance segment recorded revenue/EBIT growth of ~13%/11% YoY to INR22.1b/INR2b and EBIT margin contraction of 20bp YoY in 1H.

## Valuation and view

- The company is undertaking various projects and initiatives aimed at improving plant efficiencies, expanding its capacities for key products, debottlenecking its existing capacities, capturing a higher market share, and expanding its international presence.
- The stock is trading at ~23.8x FY27E EPS of INR250.5 and ~14.3x FY27E EV/EBITDA. We largely maintain our earnings and reiterate our BUY rating on the stock. We value the stock at ~30x FY27E EPS to arrive at our TP of INR7,520. The upside risk could be a faster-than-expected ramp-up of new projects and products. Downside risks include weaker-than-expected revenue growth and margin compression amid teething issues in new projects.

**Research Analyst: Sumant Kumar** (sumant.kumar@MotilalOswal.com)

**Consolidated - Quarterly Snapshot** **(INR m)**

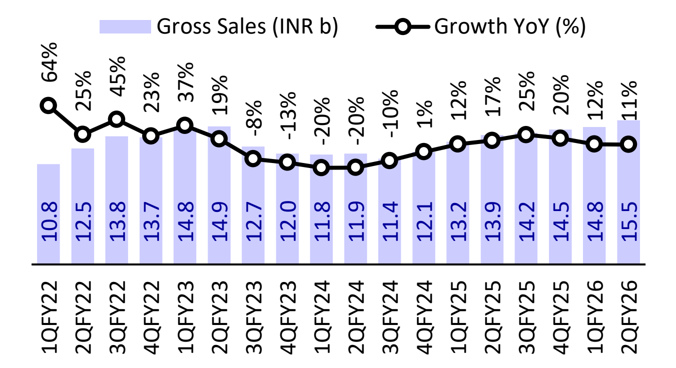
| Y/E March | FY25 | | | | FY26 | | | | FY25 | FY26E | FY26E | Var. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | | 2QE | (%) |
| **Gross Sales** | **13,221** | **13,928** | **14,168** | **14,516** | **14,780** | **15,519** | **16,194** | **16,720** | **55,834** | **63,212** | **15,792** | **-2%** |
| YoY Change (%) | 11.8 | 16.7 | 24.5 | 19.8 | 11.8 | 11.4 | 14.3 | 15.2 | 18.1 | 13.2 | 13.4 | |
| Total Expenditure | 10,988 | 11,501 | 11,928 | 12,287 | 12,425 | 12,844 | 13,447 | 13,853 | 46,704 | 52,568 | 12,511 | |
| Gross Margin (%) | 50.0% | 53.1% | 50.5% | 49.7% | 48.7% | 46.6% | 49.0% | 50.0% | 50.8% | 48.6% | 52.7% | -6.1% |
| **EBITDA** | **2,232** | **2,427** | **2,241** | **2,229** | **2,355** | **2,675** | **2,748** | **2,866** | **9,130** | **10,644** | **2,890** | **-7%** |
| Margin (%) | 16.9 | 17.4 | 15.8 | 15.4 | 15.9 | 17.2 | 17.0 | 17.1 | 16.4 | 16.8 | 18.3 | -1.1 |
| Depreciation | 766 | 775 | 810 | 817 | 820 | 810 | 830 | 850 | 3,168 | 3,310 | 830 | |
| Interest | 54 | 89 | 43 | 54 | 45 | 49 | 48 | 47 | 240 | 189 | 58 | |
| Other Income | 130 | 315 | 158 | 487 | 262 | 485 | 243 | 251 | 1,090 | 1,241 | 355 | |
| **PBT before EO expense** | **1,543** | **1,878** | **1,546** | **1,845** | **1,752** | **2,301** | **2,112** | **2,220** | **6,812** | **8,385** | **2,356** | **-2%** |
| **PBT** | **1,543** | **1,878** | **1,546** | **1,845** | **1,752** | **2,301** | **2,112** | **2,220** | **6,812** | **8,385** | **2,356** | **-2%** |
| Tax | 455 | 514 | 407 | 560 | 447 | 489 | 532 | 643 | 1,937 | 2,111 | 595 | |
| Rate (%) | 29.5 | 27.4 | 26.4 | 30.3 | 25.5 | 21.3 | 25.2 | 29.0 | 28.4 | 25.2 | 25.2 | |
| Minority Interest and Profit/Loss of Asso. Cos. | 33 | 31 | 33 | 16 | 19 | 12 | 28 | 54 | 113 | 113 | 28 | |
| **Reported PAT** | **1,121** | **1,395** | **1,171** | **1,301** | **1,324** | **1,824** | **1,609** | **1,631** | **4,988** | **6,388** | **1,790** | **2%** |
| **Adj PAT** | **1,121** | **1,395** | **1,171** | **1,301** | **1,324** | **1,824** | **1,609** | **1,631** | **4,988** | **6,388** | **1,790** | **2%** |
| YoY change (%) | 9.8 | 52.9 | 62.5 | 121.3 | 18.1 | 30.7 | 37.4 | 25.4 | 53.9 | 28.1 | 28.3 | |
| Margin (%) | 8.5 | 10.0 | 8.3 | 9.0 | 9.0 | 11.8 | 9.9 | 9.8 | 8.9 | 10.1 | 11.3 | 0.4 |
| **Segmental Revenue (INR mn)** | | | | | | | | | | | | |
| Life Science Chemicals | 4,236 | 4,078 | 4,164 | 4,439 | 4,492 | 4,400 | 4,789 | 5,238 | 16,917 | 12,680 | 4,908 | -10% |
| Performance & Other chemicals | 9,386 | 10,237 | 10,412 | 10,547 | 10,669 | 11,451 | 11,870 | 12,024 | 40,582 | 31,196 | 11,363 | 1% |
| Others | 194 | 186 | 187 | 171 | 164 | 263 | 201 | 223 | 739 | 545 | 189 | 39% |
| **Segmental EBIT (INR mn)** | | | | | | | | | | | | |
| Life Science Chemicals | 710 | 836 | 956 | 966 | 684 | 1,009 | - | - | 3,468 | 2,758 | - | |
| Performance & Other chemicals | 852 | 990 | 752 | 855 | 1,000 | 1,038 | - | - | 3,449 | 2,597 | - | |
| Others | 50 | 27 | 34 | 12 | 23 | 65 | 0 | 0 | 123 | 73 | - | |
| **Segmental EBIT Margin (%)** | | | | | | | | | | | | |
| Life Science Chemicals | 16.8% | 20.5% | 23.0% | 21.8% | 15.2% | 22.9% | 0.0% | 0.0% | 20.5% | 21.7% | | |
| Performance & Other chemicals | 9.1% | 9.7% | 7.2% | 8.1% | 9.4% | 9.1% | 0.0% | 0.0% | 8.5% | 8.3% | | |
| Others | 25.9% | 14.3% | 18.1% | 7.1% | 14.3% | 24.6% | 0.0% | 0.0% | 16.6% | 13.3% | | |

**Exhibit 1: Revised estimates**

| Earnings change | New | | | Old | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|
| (INR m) | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Revenue | 63,212 | 70,748 | 78,634 | 64,371 | 72,131 | 80,168 | -2% | -2% | -2% |
| EBITDA | 10,644 | 12,084 | 13,450 | 10,993 | 12,452 | 13,688 | -3% | -3% | -2% |
| Adj. PAT | 6,388 | 7,380 | 7,975 | 6,629 | 7,676 | 8,170 | -4% | -4% | -2% |
| Adj. EPS (INR) | 216.8 | 250.5 | 270.7 | 225.0 | 260.6 | 277.3 | -4% | -4% | -2% |

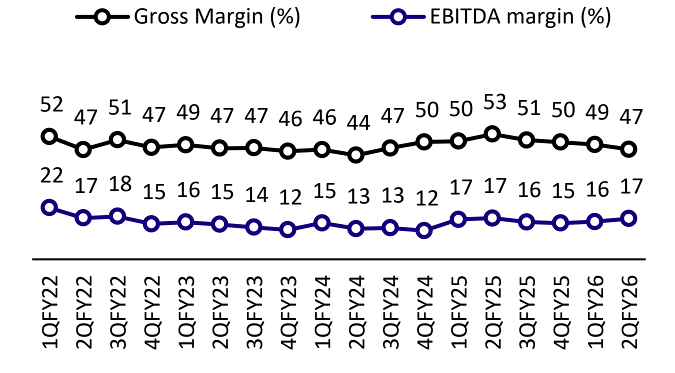
## ATLP's 2QFY26 in charts

**Exhibit 1: Sales increased 11% YoY**



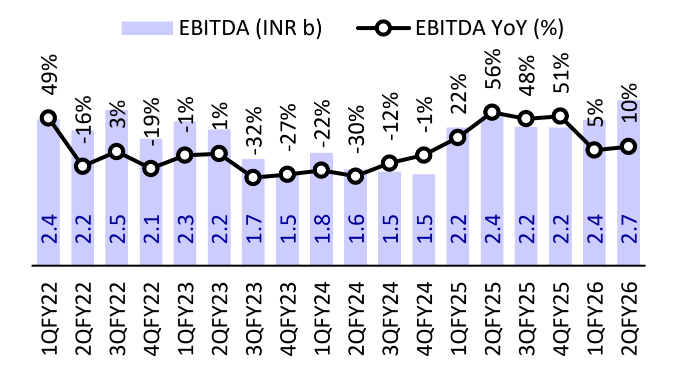

Source: Company, MOFSL

**Exhibit 2: Margins contracted YoY**



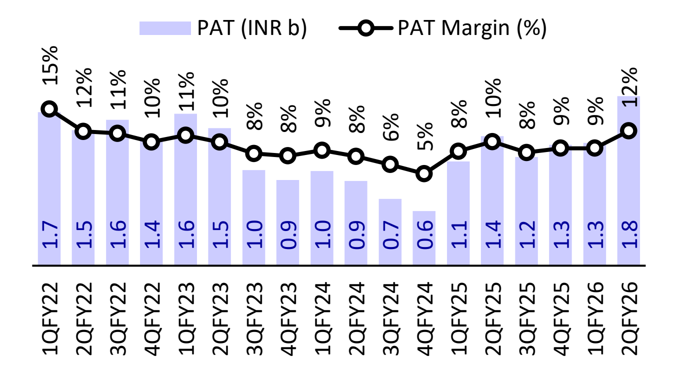

Source: Company, MOFSL

**Exhibit 3: EBITDA increased 10% YoY**



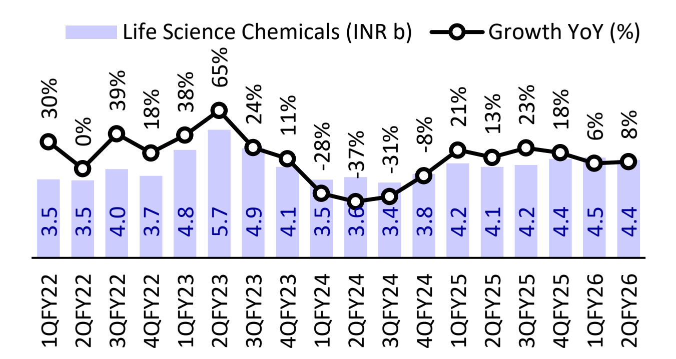

Source: Company, MOFSL

**Exhibit 4: PAT was up 31% YoY**



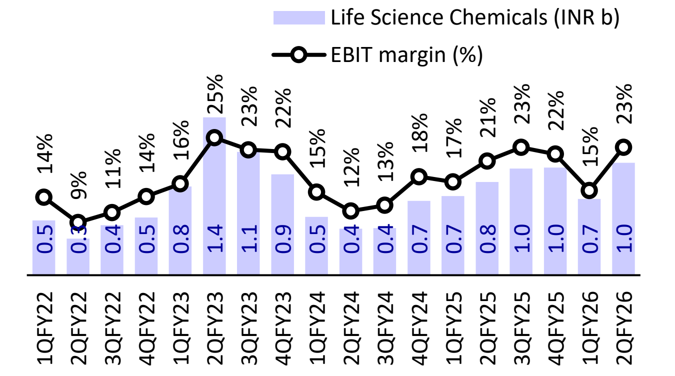

Source: Company, MOFSL

**Exhibit 5: Life Science's revenue increased 8% YoY…**



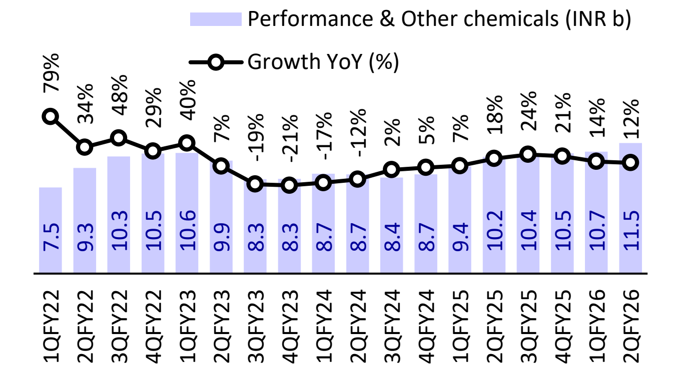

Source: Company, MOFSL

**Exhibit 6: …while EBIT margin expanded 240bp YoY**



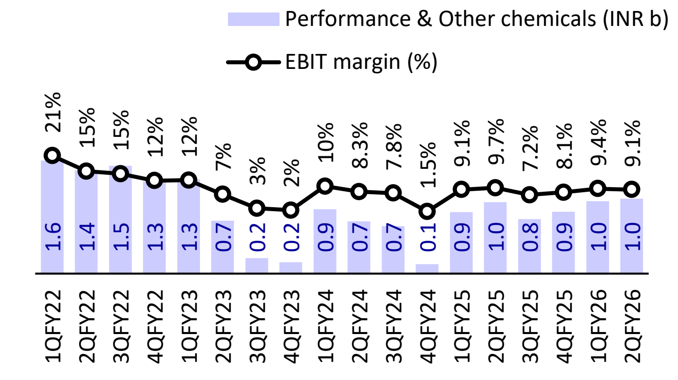

Source: Company, MOFSL

**Exhibit 7: Performance segment's revenue rose 12% YoY…**



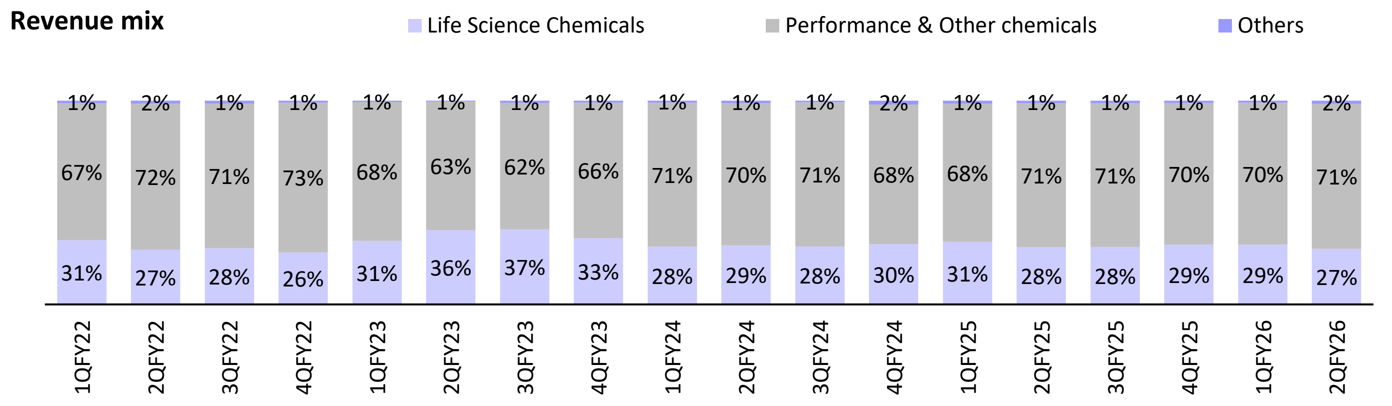

Source: Company, MOFSL

**Exhibit 8: …and EBIT margin contracted 60bp YoY**



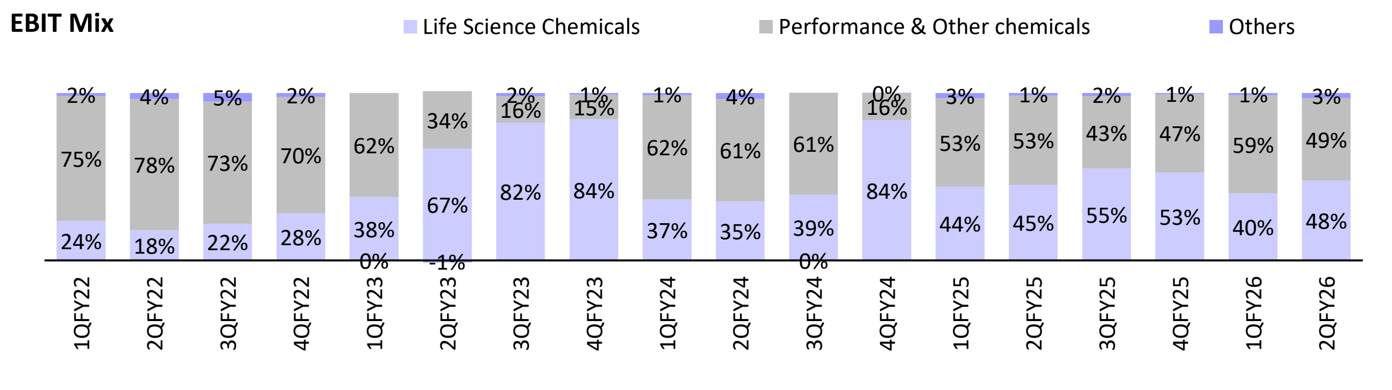

Source: Company, MOFSL

**Exhibit 9: Performance and Other Chemicals' contribution to the overall revenue mix stood at 71%, while it was 27% for the Life Science Chemicals segment**




Source: Company, MOFSL

**Exhibit 10: EBIT mix for the Performance & Other Chemicals segment stood at 49%, while the same stood at 48% for the Life Science Chemicals segment**




Source: Company, MOFSL

## Financial story in charts

**Exhibit 11: Expect ~12% revenue CAGR over FY25-28...**

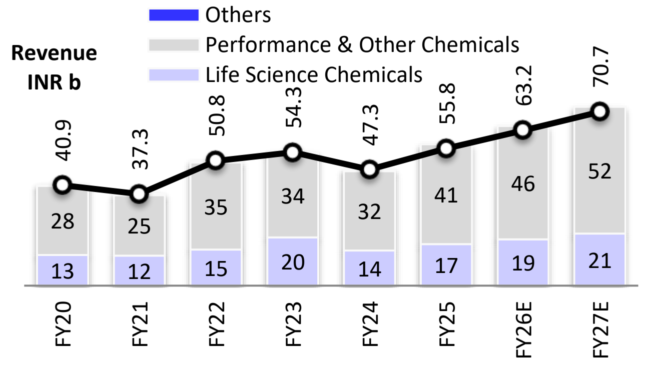



**Exhibit 12: ...with exports increasing to ~48%**

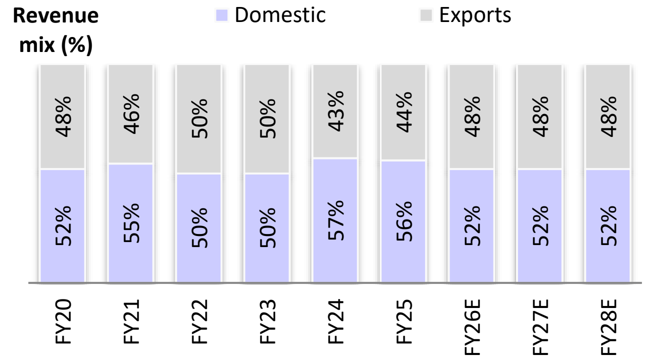



**Exhibit 13: Expect EBITDAM to recover to 17.1% in FY27...**

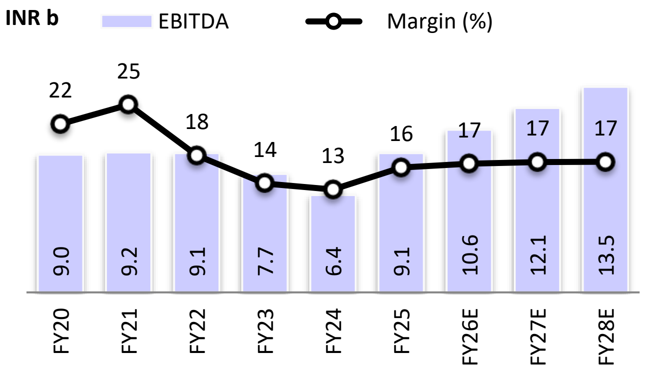



**Exhibit 14: ...with PAT margin improving to 10.1%**

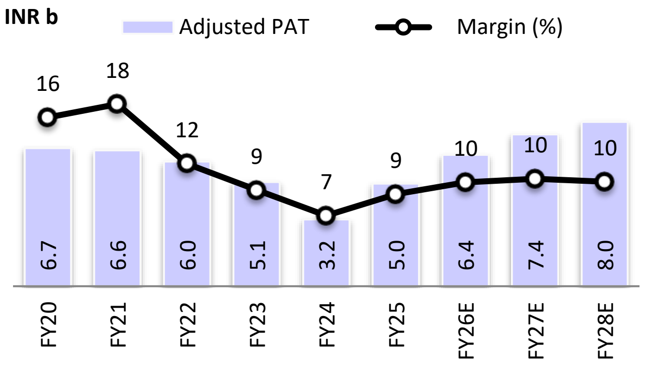



**Exhibit 15: One-year forward P/E trades at 24.7x...**

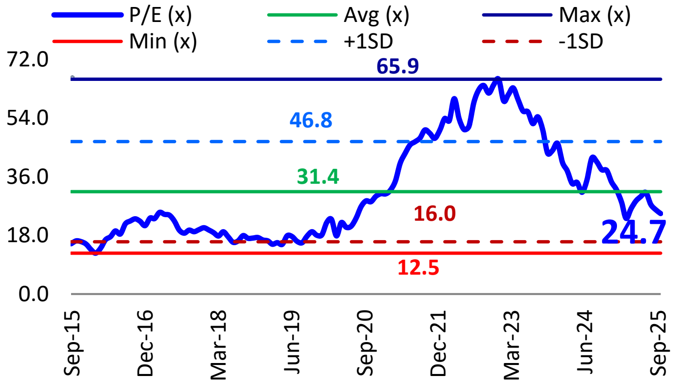



**Exhibit 16: ...with return ratios at 11%**

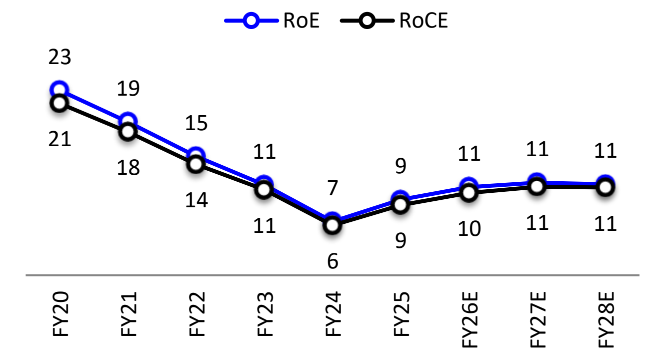
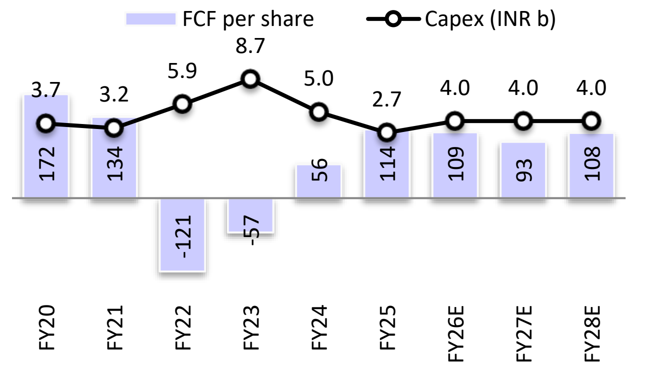
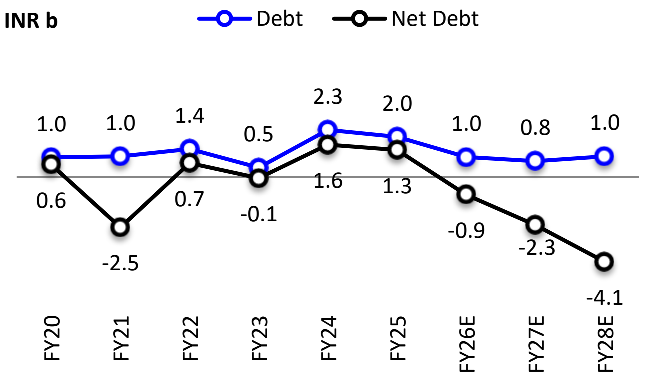



**Exhibit 17: Capex trend**




Source: Company, MOFSL

**Exhibit 18: Debt profile of ATLP**




Source: Company, MOFSL

# Financials and valuations

## Consolidated - Income Statement

(INR m)

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| **Total Income from Operations** | **37,315** | **50,809** | **54,275** | **47,257** | **55,834** | **63,212** | **70,748** | **78,634** |
| *Change (%)* | *-8.8* | *36.2* | *6.8* | *-12.9* | *18.1* | *13.2* | *11.9* | *11.1* |
| Raw Materials | 16,952 | 25,886 | 28,640 | 25,105 | 27,456 | 32,488 | 36,223 | 40,103 |
| Employees Cost | 3,104 | 3,425 | 3,702 | 3,980 | 4,546 | 4,861 | 5,396 | 5,990 |
| Other Expenses | 8,088 | 12,383 | 14,185 | 11,804 | 14,702 | 15,219 | 17,045 | 19,090 |
| **Total Expenditure** | **28,144** | **41,695** | **46,527** | **40,890** | **46,704** | **52,568** | **58,664** | **65,183** |
| *Gross Margin (%)* | *54.6* | *49.1* | *47.2* | *46.9* | *50.8* | *48.6* | *48.8* | *49.0* |
| **EBITDA** | **9,171** | **9,114** | **7,749** | **6,367** | **9,130** | **10,644** | **12,084** | **13,450** |
| *Margin (%)* | *24.6* | *17.9* | *14.3* | *13.5* | *16.4* | *16.8* | *17.1* | *17.1* |
| Depreciation | 1,363 | 1,767 | 1,978 | 2,429 | 3,168 | 3,310 | 3,521 | 3,805 |
| **EBIT** | **7,808** | **7,348** | **5,770** | **3,938** | **5,961** | **7,333** | **8,563** | **9,646** |
| Int. and Finance Charges | 94 | 92 | 79 | 111 | 240 | 189 | 267 | 318 |
| Other Income | 1,030 | 760 | 1,149 | 582 | 1,090 | 1,241 | 1,415 | 1,180 |
| **PBT bef. EO Exp.** | **8,744** | **8,016** | **6,840** | **4,409** | **6,812** | **8,385** | **9,711** | **10,507** |
| **PBT after EO Exp.** | **8,744** | **8,016** | **6,840** | **4,409** | **6,812** | **8,385** | **9,711** | **10,507** |
| Total Tax | 2,217 | 2,050 | 1,812 | 1,265 | 1,937 | 2,111 | 2,444 | 2,645 |
| *Tax Rate (%)* | *25.3* | *25.6* | *26.5* | *28.7* | *28.4* | *25.2* | *25.2* | *25.2* |
| Minority Interest | 73 | 82 | 38 | 97 | 113 | 113 | 113 | 113 |
| **Reported PAT** | **6,600** | **6,047** | **5,066** | **3,241** | **4,988** | **6,388** | **7,380** | **7,975** |
| **Adjusted PAT** | **6,600** | **6,047** | **5,066** | **3,241** | **4,988** | **6,388** | **7,380** | **7,975** |
| *Change (%)* | *-1.6* | *-8.4* | *-16.2* | *-36.0* | *53.9* | *28.1* | *15.5* | *8.1* |
| *Margin (%)* | *17.7* | *11.9* | *9.3* | *6.9* | *8.9* | *10.1* | *10.4* | *10.1* |

## Consolidated - Balance Sheet

(INR m)

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| Equity Share Capital | 296 | 296 | 295 | 295 | 295 | 295 | 295 | 295 |
| Total Reserves | 37,969 | 43,994 | 46,419 | 50,849 | 55,691 | 61,135 | 67,426 | 74,223 |
| **Net Worth** | **38,265** | **44,290** | **46,714** | **51,143** | **55,986** | **61,430** | **67,720** | **74,518** |
| Total Loans | 1,017 | 1,384 | 470 | 2,319 | 1,977 | 988 | 791 | 1,028 |
| Deferred Tax Liabilities | 1,351 | 1,436 | 1,338 | 1,742 | 2,253 | 2,253 | 2,253 | 2,253 |
| **Capital Employed** | **40,940** | **47,418** | **49,002** | **55,694** | **60,854** | **65,310** | **71,402** | **78,438** |
| Gross Block | 19,874 | 23,835 | 27,228 | 39,871 | 43,587 | 47,587 | 51,587 | 55,587 |
| Less: Accum. Deprn. | 6,309 | 8,076 | 10,054 | 12,483 | 15,651 | 18,961 | 22,482 | 26,286 |
| **Net Fixed Assets** | **13,566** | **15,760** | **17,174** | **27,388** | **27,936** | **28,625** | **29,105** | **29,300** |
| Goodwill on Consolidation | 291 | 291 | 291 | 291 | 291 | 291 | 291 | 291 |
| Capital WIP | 2,497 | 4,205 | 10,329 | 2,808 | 1,243 | 1,243 | 1,243 | 1,243 |
| **Total Investments** | **13,643** | **13,419** | **8,842** | **13,953** | **17,692** | **17,692** | **17,692** | **17,692** |
| **Curr. Assets, Loans, and Adv.** | **19,375** | **23,389** | **21,045** | **20,322** | **22,848** | **27,619** | **34,444** | **42,551** |
| Inventory | 5,941 | 8,641 | 7,894 | 6,183 | 7,293 | 8,659 | 9,691 | 12,495 |
| Account Receivables | 7,332 | 9,890 | 8,446 | 9,270 | 11,263 | 12,989 | 14,537 | 17,019 |
| Cash and Bank Balance | 3,482 | 689 | 520 | 723 | 647 | 1,843 | 3,140 | 5,173 |
| Cash | 469 | 577 | 381 | 603 | 514 | 1,710 | 3,007 | 5,040 |
| Bank Balance | 3,013 | 112 | 140 | 120 | 133 | 133 | 133 | 133 |
| Loans and Advances | 2,619 | 4,169 | 4,185 | 4,146 | 3,646 | 4,128 | 7,075 | 7,863 |
| **Curr. Liability and Prov.** | **8,432** | **9,645** | **8,678** | **9,069** | **9,156** | **10,161** | **11,372** | **12,640** |
| Account Payables | 5,631 | 6,347 | 5,385 | 5,793 | 6,147 | 6,754 | 7,559 | 8,402 |
| Other Current Liabilities | 2,170 | 2,538 | 2,760 | 2,754 | 2,431 | 2,752 | 3,080 | 3,424 |
| Provisions | 631 | 760 | 533 | 522 | 578 | 655 | 733 | 814 |
| **Net Current Assets** | **10,943** | **13,744** | **12,367** | **11,254** | **13,692** | **17,458** | **23,071** | **29,911** |
| **Appl. of Funds** | **40,939** | **47,419** | **49,002** | **55,694** | **60,854** | **65,310** | **71,402** | **78,438** |

# Financials and valuations

### Ratios

| Y/E March | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|---|
| **Basic (INR)** | | | | | | | | |
| **EPS** | **222.9** | **204.2** | **171.6** | **110.0** | **169.3** | **216.8** | **250.5** | **270.7** |
| **EPS Growth (%)** | **-1.6** | **-8.4** | **-16.0** | **-35.9** | **53.9** | **28.1** | **15.5** | **8.1** |
| Cash EPS | 268.9 | 263.9 | 238.6 | 192.5 | 276.9 | 329.2 | 370.0 | 399.9 |
| BV/Share | 1,292 | 1,496 | 1,582 | 1,736 | 1,900 | 2,085 | 2,299 | 2,529 |
| DPS | 19.9 | 24.9 | 24.9 | 20.0 | 25.0 | 32.0 | 37.0 | 40.0 |
| Payout (%) | 8.9 | 12.2 | 14.5 | 18.2 | 14.8 | 14.8 | 14.8 | 14.8 |
| **Valuation (x)** | | | | | | | | |
| P/E | 26.7 | 29.1 | 34.7 | 54.1 | 35.2 | 27.5 | 23.8 | 22.0 |
| Cash P/E | 22.1 | 22.6 | 25.0 | 30.9 | 21.5 | 18.1 | 16.1 | 14.9 |
| P/BV | 4.6 | 4.0 | 3.8 | 3.4 | 3.1 | 2.9 | 2.6 | 2.4 |
| EV/Sales | 4.7 | 3.5 | 3.2 | 3.7 | 3.2 | 2.8 | 2.4 | 2.2 |
| EV/EBITDA | 18.9 | 19.4 | 22.7 | 27.8 | 19.4 | 16.4 | 14.3 | 12.7 |
| Dividend Yield (%) | 0.3 | 0.4 | 0.4 | 0.3 | 0.4 | 0.5 | 0.6 | 0.7 |
| FCF per share | 133.9 | -121.3 | -56.6 | 55.7 | 113.5 | 108.8 | 92.9 | 107.9 |
| **Return Ratios (%)** | | | | | | | | |
| RoE | 18.9 | 14.7 | 11.1 | 6.6 | 9.3 | 10.9 | 11.4 | 11.2 |
| RoCE | 17.7 | 13.7 | 10.5 | 6.2 | 8.7 | 10.2 | 10.9 | 10.8 |
| RoIC | 29.5 | 21.7 | 14.5 | 8.3 | 10.7 | 12.8 | 13.7 | 13.9 |
| **Working Capital Ratios** | | | | | | | | |
| Fixed Asset Turnover (x) | 2.8 | 3.5 | 3.3 | 2.1 | 2.0 | 2.2 | 2.5 | 2.7 |
| Asset Turnover (x) | 0.9 | 1.1 | 1.1 | 0.8 | 0.9 | 1.0 | 1.0 | 1.0 |
| Inventory (Days) | 58 | 62 | 53 | 48 | 48 | 50 | 50 | 58 |
| Debtor (Days) | 72 | 71 | 57 | 72 | 74 | 75 | 75 | 79 |
| Creditor (Days) | 55 | 46 | 36 | 45 | 40 | 39 | 39 | 39 |
| **Leverage Ratio (x)** | | | | | | | | |
| Current Ratio | 2.3 | 2.4 | 2.4 | 2.2 | 2.5 | 2.7 | 3.0 | 3.4 |
| Net Debt/Equity ratio | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 |

### Consolidated - Cash Flow Statement

| | | | | | | | (INR m) | (INR m) |
|---|---|---|---|---|---|---|---|---|
| **Y/E March** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26E** | **FY27E** | **FY28E** |
| OP/(Loss) before Tax | 8,817 | 8,097 | 6,878 | 4,506 | 6,925 | 8,385 | 9,711 | 10,507 |
| Depreciation | 1,363 | 1,767 | 1,978 | 2,429 | 3,168 | 3,310 | 3,521 | 3,805 |
| Interest Expenses | 94 | 92 | 79 | 111 | 240 | 189 | 267 | 318 |
| Others | -826 | -580 | -206 | -408 | -705 | 0 | 0 | 0 |
| Direct Taxes Paid | -2,023 | -2,017 | -1,934 | -1,073 | -1,506 | -2,111 | -2,444 | -2,645 |
| (Inc.)/Dec. in WC | -245 | -5,046 | 271 | 1,110 | -2,090 | -2,569 | -4,316 | -4,807 |
| **CF from Operations** | **7,180** | **2,314** | **7,067** | **6,675** | **6,031** | **7,205** | **6,738** | **7,178** |
| (Inc.)/Dec. in FA | -3,215 | -5,905 | -8,739 | -5,035 | -2,687 | -4,000 | -4,000 | -4,000 |
| **Free Cash Flow** | **3,964** | **-3,591** | **-1,672** | **1,640** | **3,344** | **3,205** | **2,738** | **3,178** |
| Change in Investments | -3,899 | 4,136 | 3,572 | -2,000 | -2,677 | 0 | 0 | 0 |
| Others | 651 | 93 | 474 | 203 | 413 | 0 | 0 | 0 |
| **CF from Investments** | **-6,464** | **-1,676** | **-4,694** | **-6,832** | **-4,951** | **-4,000** | **-4,000** | **-4,000** |
| Inc./(Dec.) in Debt | 182 | 117 | -914 | 1,849 | -342 | -988 | -198 | 237 |
| Interest Paid | -87 | -99 | -79 | -116 | -237 | -189 | -267 | -318 |
| Dividend Paid | -617 | -590 | -1,828 | -1,356 | -589 | -943 | -1,090 | -1,178 |
| Others | 0 | -3 | 246 | -1 | -11 | 113 | 113 | 113 |
| **CF from Fin. Activity** | **-522** | **-575** | **-2,575** | **375** | **-1,178** | **-2,008** | **-1,441** | **-1,146** |
| **Inc./Dec. in Cash** | **194** | **63** | **-202** | **219** | **-98** | **1,197** | **1,297** | **2,033** |
| Opening Balance | 261 | 469 | 577 | 380 | 603 | 513 | 1,710 | 3,007 |
| **Closing Balance** | **469** | **577** | **380** | **603** | **513** | **1,710** | **3,007** | **5,040** |



NOTES

| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

**Disclosures**

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

**Regional Disclosures (outside India)**

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

**For Hong Kong:**

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

**For U.S.**

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

**For Singapore**

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

**Specific Disclosures**

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.

8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:
- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

**Analyst Certification**

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

**Terms & Conditions:**

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

**Disclaimer:**

The 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. This report and information herein is solely for informational purpose and may 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. Nothing in this 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 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. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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 category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
This report is meant for the clients of Motilal Oswal only.
Investment in securities market are subject to market risks. Read all the related documents carefully before investing.
Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.
Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.
Grievance Redressal Cell:

| Contact Person | Contact No. | Email ID |
|---|---|---|
| Ms. Hemangi Date | 022 40548000 / 022 67490600 | query@motilaloswal.com |
| Ms. Kumud Upadhyay | 022 40548082 | servicehead@motilaloswal.com |
| Mr. Ajay Menon | 022 40548083 | am@motilaloswal.com |

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.
Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.