

Vinati Organics

BSE SENSEX
81,501

S&P CNX
24,971

CMP: INR2,005

TP: INR2,500 (+25%)

BUY



Vinati Organics Limited

Stock Info

Bloomberg	VO IN
Equity Shares (m)	104
M.Cap.(INRb)/(USD\$b)	207.8 / 2.5
52-Week Range (INR)	2331 / 1462
1, 6, 12 Rel. Per (%)	5/16/-15
12M Avg Val (INR M)	159
Free Float (%)	25.7

Financials Snapshot (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	25.2	29.2	33.7
EBITDA	6.3	7.5	8.8
PAT	4.4	5.3	6.2
EPS (INR)	42.7	50.9	60.2
EPS Gr. (%)	36.8	19.2	18.4
BV/Sh.(INR)	270.8	310.3	357.0

Ratios

Net D:E	0.1	0.1	0.0
RoE (%)	16.8	17.5	18.1
RoCE (%)	15.0	15.2	16.5
Payout (%)	22.4	22.4	22.4

Valuations

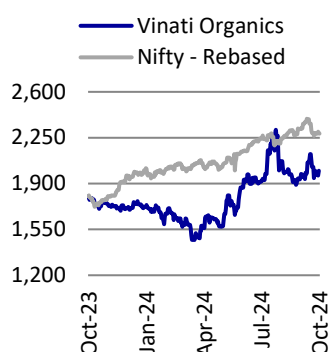
P/E (x)	46.6	39.1	33.0
P/BV (x)	7.3	6.4	5.6
EV/EBITDA (x)	33.2	27.9	23.5
Div. Yield (%)	0.5	0.6	0.7
FCF Yield (%)	-0.9	1.5	2.0

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	74.3	74.3	74.1
DII	7.3	6.8	8.2
FII	5.5	5.3	4.6
Others	13.0	13.6	13.1

FII includes depository receipts

Stock performance (one-year)



Operational synergies to further solidify leadership position

- Vinati Organics (VO) has strengthened its operations through backward integration, which is expected to expand its margins. Additionally, its vertical integration, along with the Veeral Additives (VAPL) merger, is likely to enhance economies of scale and help VO maintain/expand its market share in ATBS and antioxidants (AOs). Further, the commissioning of OSBP and DSBP plants positions VO as the sole domestic producer, reducing India's import reliance.
- With a 65% global market share in ATBS and IBB, VO aims to expand its ATBS capacity by 2HFY25. The company is also diversifying its portfolio through niche products and specialized polymers from Veeral Organics (VOPL) while advancing its sustainability strategy. In FY24, the company added 11.5MW of solar power and is targeting an additional 6.5MW in FY25, further reducing its carbon footprint.
- We continue to believe that VO's overall long-term growth outlook is healthy. The stock is trading at ~39x FY26E EPS of INR54 and ~28x FY26E EV/EBITDA. It had a fixed asset turnover of 1.5x as of FY24. We value the company at 45x Sep'26E EPS to arrive at a TP of INR2,500. We reiterate our BUY rating on the stock.

Integrated operations to offer cost efficiency and economies of scale

- VO's investment in Butyl Phenol (BP) and Isobutylene (IB) production has strengthened its backward integration strategy. The in-house production is expected to cut raw material costs for the company. This move is likely to expand its margins and ensure supply chain reliability, keeping VO competitive in AOs and specialty chemicals.
- As such, VO, through its vertical integration, is expected to enhance economies of scale by expanding into related product lines, cutting costs, and strengthening its market share in ATBS and antioxidants. The VAPL merger brings operational synergies, which enhances VO's competitiveness and profitability in the antioxidants segment.
- VO also commissioned Ortho Secondary Butyl Phenol (OSBP) and Di-Secondary Butyl Phenol (DSBP) plants in FY24, serving the agrochemicals, polystyrene, and perfumery industries. As the only player in India, VO has strengthened its domestic market position while reducing import reliance (both products are currently 100% imported into India).

Opportune expansions as demand outlook remains steady

- VO holds a 65% global market share in ATBS and IBB, primarily serving export markets. To meet the growing demand, the company is expanding its ATBS capacity, which is expected to come online in 2HFY25. Despite a temporary sales slowdown due to global destocking, VO expects long-term growth in ATBS usage for water treatment, oil recovery, and adhesives. This capex is expected to solidify the company's leadership in the specialty monomer segment.

Aman Chowdhary - Research Analyst (Aman.Chowdhary@MotilalOswal.com)

Sumant Kumar - Research Analyst (Sumant.Kumar@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

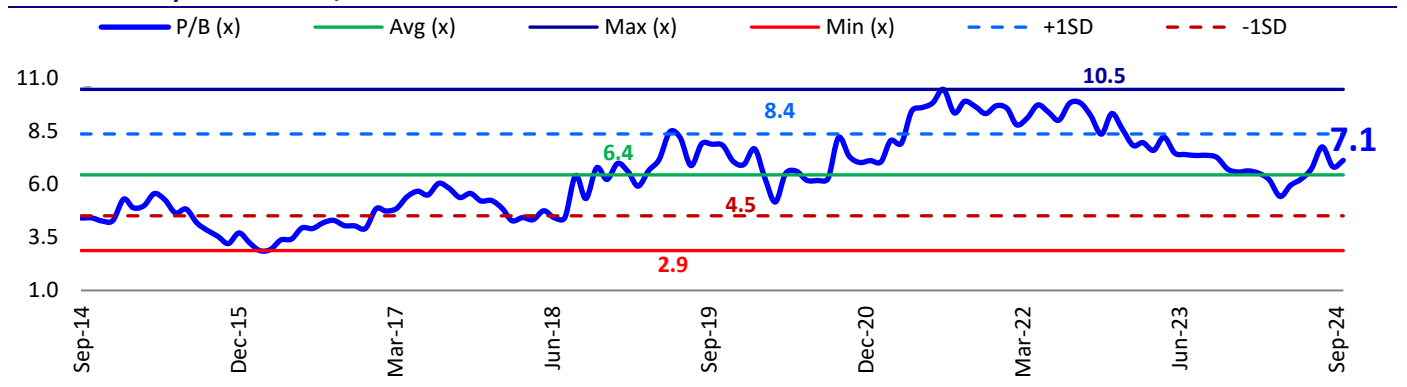
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- VOL aims to reduce reliance on a few key products (refer to Exhibit 5) by diversifying its portfolio and customer base. VOPL, its subsidiary, has launched two new products with more set to roll out in FY25. VOPL is also developing specialized polymers with high-temperature resistance and chemical stability for the electronics, automotive, and aerospace industries.
- Sustainability is also key to VO’s long-term strategy, with a keen focus on renewable energy. The company added 11.5MW of solar power in FY24 and plans to increase its renewable energy capacity to 33 MW by FY25 with an additional 6.5MW. These initiatives align with VO's strategy to reduce carbon footprint.

Valuation and view

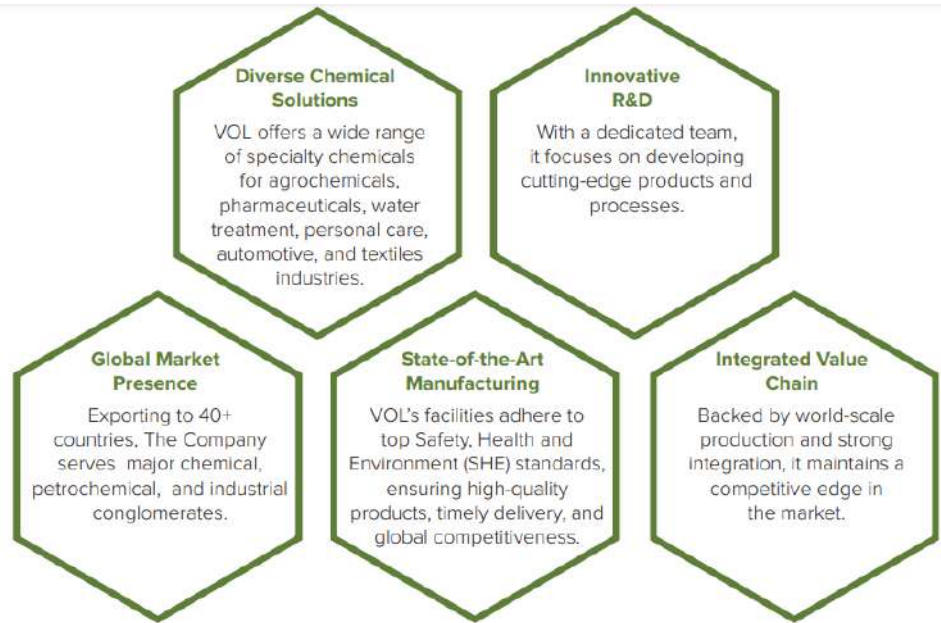
- VOPL has commissioned a plant for MEHQ and Guaiacol with other products (Anisole, 4-MAP, Iso Amylene, etc.), which will come online in FY25. VO has 3ktpa capacity (combined) for MEHQ and Guaiacol, 5ktpa for Anisole, 30ktpa Iso Amylene, and 1ktpa for 4-MAP. These products will be the key growth drivers for VO going forward.
- The supply of AOs started in FY24, which earned a revenue of INR1.5b during that year. The amalgamation of VO with VAPL has already been approved by the NCLT. VO is now the largest and the only double-integrated manufacturer of AOs in India. Our long-term view remains positive for the segment, although there is a threat of Chinese supplies.
- We continue to believe that VO’s overall long-term growth outlook is healthy. The stock is trading at ~39x FY26E EPS of INR54 and ~28x FY26E EV/EBITDA. It had a fixed asset turnover of 1.5x as of FY24. We value the company at 45x Sep’26E EPS to arrive at a TP of INR2,500. **We reiterate our BUY rating on the stock.**

Exhibit 1: One year forward P/B



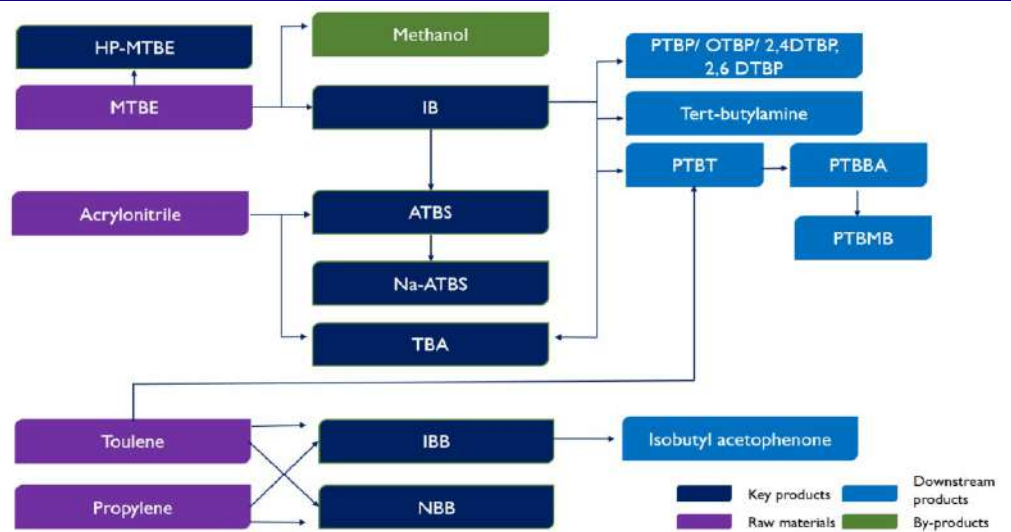
Source: MOFSL

Exhibit 2: Key strengths of VO



Source: Company, MOFSL

Exhibit 3: Integrated operations to provide economies of scale and cost efficiency



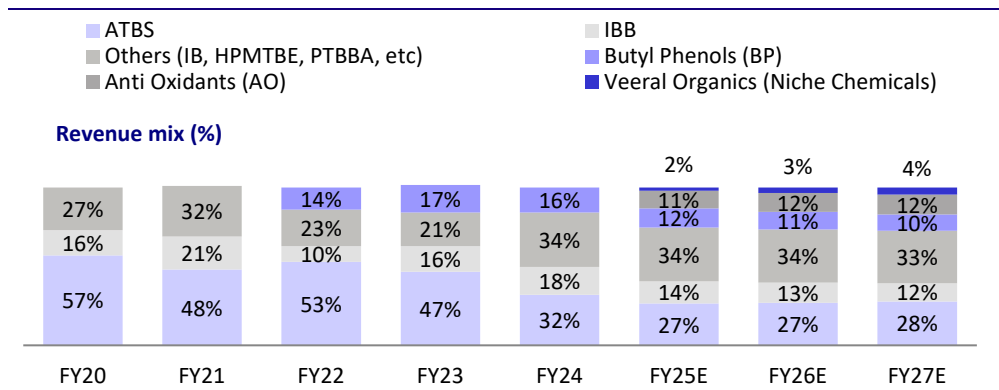
Source: Company, MOFSL

Exhibit 4: Diverse end use product of AOs offered by VO

End usage product	VEENOX 1010	VEENOX 1076	VEENOX 1098	VEENOX 1135	VEENOX 168
PP	★				★
PE	★	★			★
PS		★			★
ABS		★			○
PC		★			★
PC + ABS		○			○
PA	★		★		★
Polyester		○			★
PVC	○	○			
Acrylics		★			★
PU		★		★	
Elastomers		★			
Polyacetals					★
TPU					★

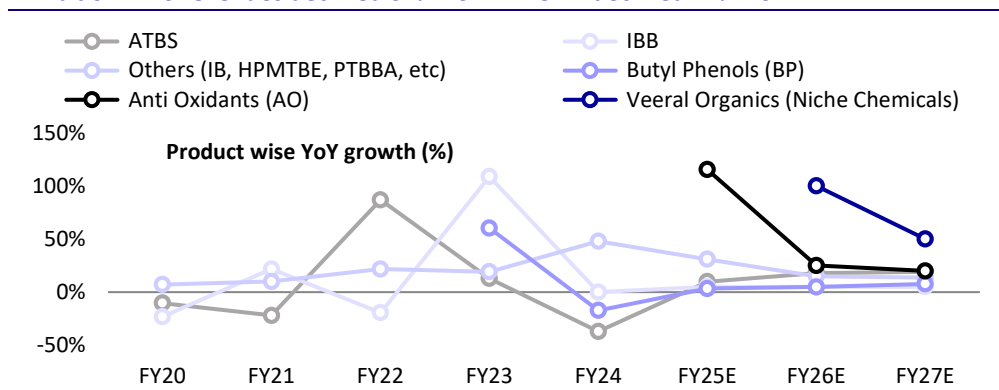
Star signifies recommended usage, circle signifies suitability; Source: Company, MOFSL

Exhibit 5: ATBS continues to contribute the highest to total revenues as a single product basket



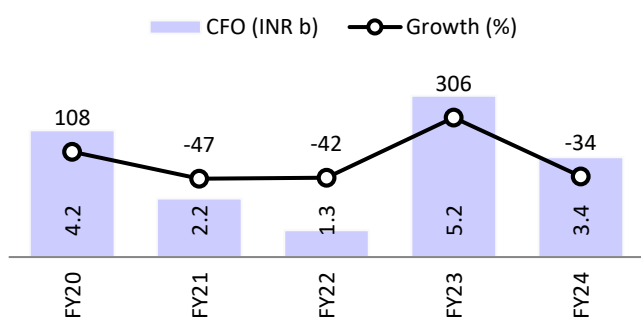
Source: Company, MOFSL

Exhibit 6: ATBS revenues declined 37% YoY while BP declined 17% YoY in FY24



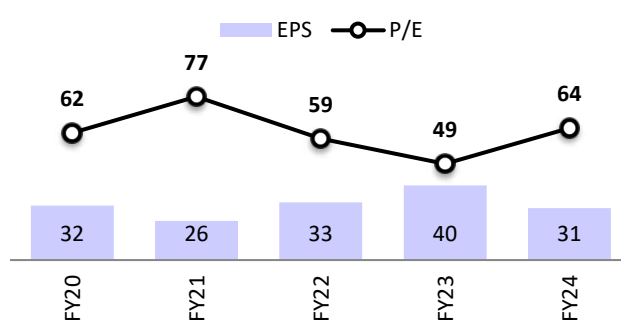
Source: Company, MOFSL

Exhibit 7: Strong cash flow generation from operations



Source: Company, MOFSL

Exhibit 8: High valuation despite declining EPS in FY24



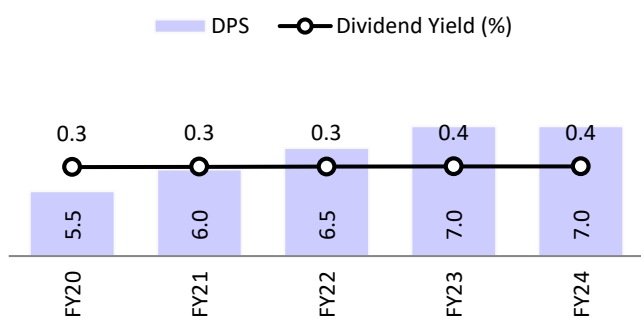
Source: Company, MOFSL

Exhibit 9: R&D expenses and capex in specific technologies to total R&D and capex

% R&D and capex investments to total R&D and capex investments	FY23	FY24	Improvements in environmental and social impacts
R&D	100%	100%	The company emphasizes the development of products, processes, and technologies that benefit both the environment and society.
Capex	100%	100%	

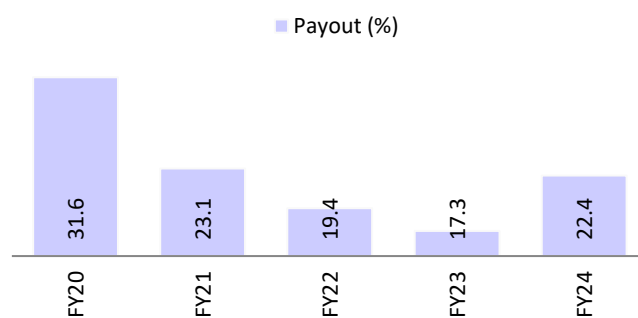
Source: Company, MOFSL

Exhibit 10: Dividend/share declared in FY24



Source: Company, MOFSL

Exhibit 11: Higher payout ratio in FY24 compared to FY23



Source: Company, MOFSL

Exhibit 12: Cash conversion cycle at 121 days in FY24

Cash conversion cycle (year-end basis)	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Days										
Inventory	26	26	35	40	30	33	47	40	41	38
Debtor	61	66	75	87	79	72	106	104	82	102
Creditor	10	13	18	31	17	20	25	26	21	19
Cash conversion cycle	77	79	93	96	92	85	127	117	101	121

Source: Company, MOFSL

Exhibit 13: Peer comparison for our coverage universe

Company	Reco	TP (INR)	EPS (INR)			P/E (x)			P/BV (x)			EV/EBITDA (x)			ROE (%)		
			FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
Alkyl Amines	Neutral	2,305	29.1	41.5	56.9	78.3	54.9	40.0	9.2	8.3	7.3	46.7	33.4	25.5	12.2	15.9	19.4
Atul	Buy	9,955	103.4	172.6	222.4	76.3	45.7	35.5	4.5	4.2	3.8	37.4	24.9	20.7	6.2	9.5	11.3
Clean Science	Neutral	1,580	23.0	26.6	36.0	68.3	59.0	43.6	13.8	11.5	9.4	49.7	41.5	32.7	22.1	21.3	23.7
Deepak Nitrite	Neutral	3,005	55.1	73.8	80.6	51.3	38.3	35.1	8.0	6.8	5.8	33.4	25.3	22.3	16.9	19.2	17.9
Fine Organic	Sell	4,250	120.0	118.8	119.0	42.3	42.8	42.7	8.4	7.1	6.2	30.8	30.4	29.7	21.8	18.0	15.4
Galaxy Surfact.	Buy	3,750	85.0	97.7	115.0	34.5	30.1	25.5	4.8	4.3	3.8	22.6	18.9	16.2	14.8	15.0	15.8
Navin Fluorine	Neutral	3,355	46.1	60.4	85.3	73.4	56.0	39.7	7.0	6.5	5.8	45.5	34.3	25.9	10.0	12.0	15.4
NOCIL	Neutral	315	7.9	9.4	11.7	36.8	30.9	24.8	2.9	2.7	2.5	24.9	21.0	17.1	8.1	9.0	10.6
P I Industries	Buy	5,470	110.6	112.5	136.9	40.9	40.2	33.1	7.9	6.7	5.6	32.5	27.9	22.8	21.1	18.0	18.5
SRF	Neutral	2,240	47.5	51.1	73.8	49.4	45.9	31.8	6.1	5.6	4.9	27.7	24.3	18.6	13.0	12.7	16.4
Tata Chemicals	Neutral	1,070	36.1	30.2	49.2	32.8	39.2	24.1	1.4	1.3	1.3	11.8	12.8	10.1	4.4	3.4	5.4
Vinati Organics	Buy	2,500	31.2	42.7	50.9	63.7	46.6	39.1	8.4	7.3	6.4	43.8	33.2	27.9	13.8	16.8	17.5

Source: Company, MOFSL

Story in charts

Exhibit 14: Expect 21% revenue CAGR over FY24-FY27

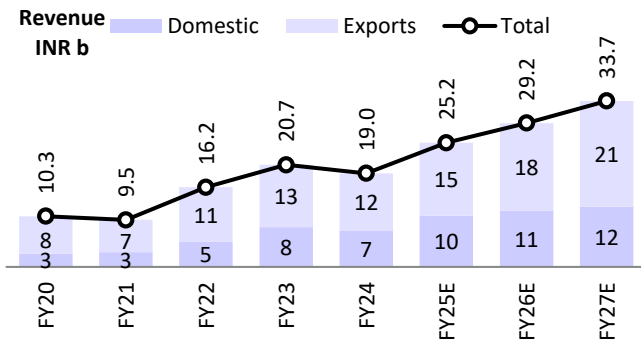


Exhibit 15: Exports likely to continue dominating going forward

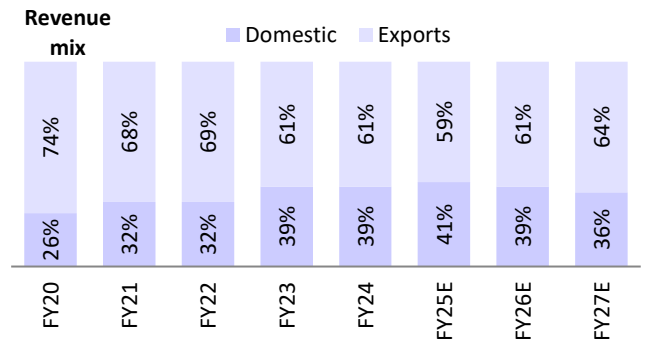


Exhibit 16: EBITDAM to gradually improve by FY27...

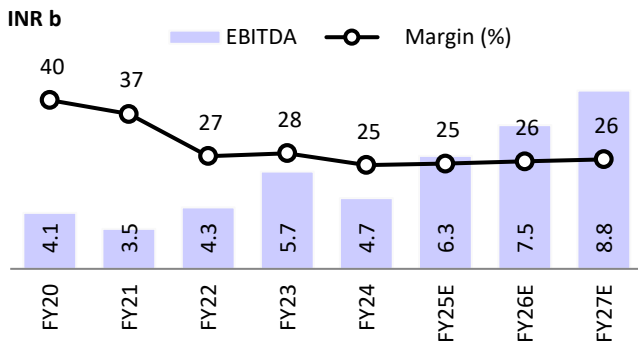


Exhibit 17: ...with PAT also improving

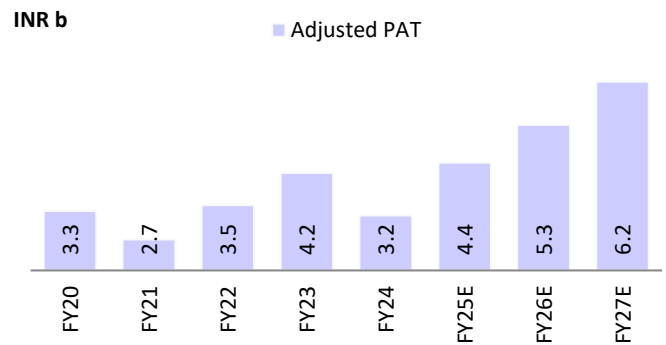


Exhibit 18: Expect INR9.5b capex during FY25-FY27

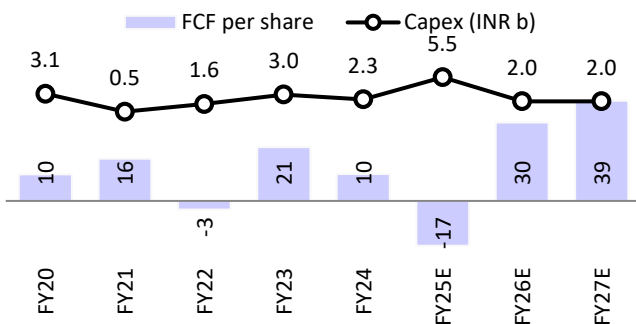


Exhibit 19: Return ratios at 17-18% in FY27E

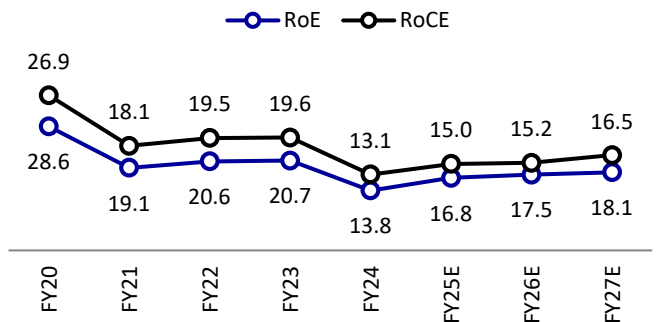


Exhibit 20: One year forward P/E

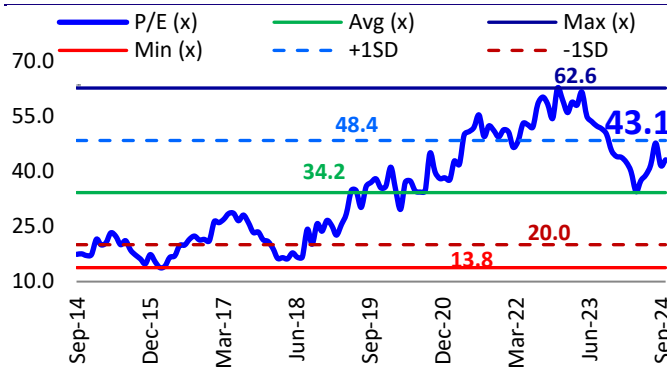
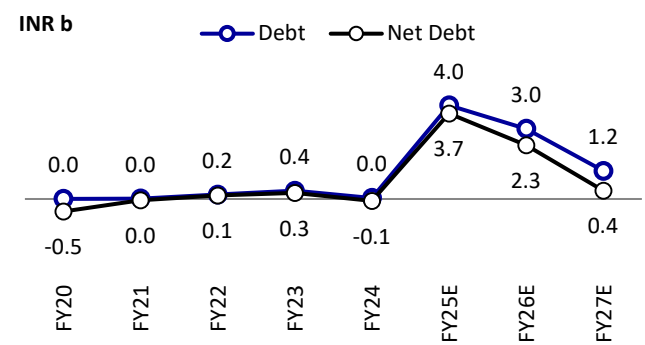


Exhibit 21: Debt profile of VO



Financials and valuations

Standalone- Income Statement								(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	10,289	9,543	16,155	20,727	19,000	25,193	29,197	33,668
Change (%)	-8.8	-7.3	69.3	28.3	-8.3	32.6	15.9	15.3
Gross Margin (%)	58.3	59.4	46.7	48.2	46.8	47.5	48.0	48.5
EBITDA	4,139	3,525	4,341	5,712	4,701	6,317	7,479	8,797
Margin (%)	40.2	36.9	26.9	27.6	24.7	25.1	25.6	26.1
Depreciation	332	429	455	590	728	869	899	927
EBIT	3,808	3,096	3,886	5,122	3,973	5,448	6,579	7,870
Int. and Finance Charges	11	2	3	14	36	40	45	48
Other Income	450	259	610	524	388	504	511	522
PBT bef. EO Exp.	4,247	3,353	4,493	5,632	4,325	5,912	7,045	8,344
PBT after EO Exp.	4,247	3,353	4,493	5,632	4,325	5,912	7,045	8,344
Total Tax	908	659	1,026	1,440	1,091	1,488	1,773	2,100
Tax Rate (%)	21.4	19.7	22.8	25.6	25.2	25.2	25.2	25.2
Reported PAT	3,338	2,693	3,467	4,192	3,234	4,424	5,272	6,244
Adjusted PAT	3,338	2,693	3,467	4,192	3,234	4,424	5,272	6,244
Change (%)	18.2	-19.3	28.7	20.9	-22.8	36.8	19.2	18.4
Margin (%)	32.4	28.2	21.5	20.2	17.0	17.6	18.1	18.5

Standalone - Balance Sheet								(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	103	103	103	103	104	104	104	104
Total Reserves	12,691	15,331	18,179	22,032	24,540	27,971	32,060	36,903
Net Worth	12,794	15,434	18,281	22,135	24,644	28,075	32,164	37,007
Total Loans	3	20	189	352	46	4,000	3,000	1,200
Deferred Tax Liabilities	705	779	900	1,099	1,335	1,335	1,335	1,335
Capital Employed	13,502	16,234	19,370	23,586	26,025	33,410	36,499	39,542
Gross Block	8,551	9,045	10,675	14,122	16,558	22,058	24,058	26,058
Less: Accum. Deprn.	1,060	1,489	1,944	2,534	3,262	4,131	5,030	5,957
Net Fixed Assets	7,491	7,557	8,732	11,588	13,296	17,927	19,028	20,101
Capital WIP	310	547	473	2,290	2,461	2,461	2,461	2,461
Total Investments	2,274	2,887	979	2,555	2,373	2,373	2,373	2,373
Curr. Assets, Loans, and Adv.	4,355	6,345	10,714	9,404	10,137	13,620	16,081	18,579
Inventory	932	1,219	1,762	2,330	1,984	2,631	3,049	3,516
Account Receivables	2,018	2,772	4,584	4,638	5,296	7,023	8,139	9,385
Cash and Bank Balance	537	68	43	97	127	348	699	841
Cash and liquid investments	1,586	1,762	13	1,219	3	224	575	717
Bank Balance	0	52	33	73	124	124	124	124
Loans and Advances	869	2,285	4,326	2,338	2,729	3,619	4,194	4,836
Curr. Liability and Prov.	927	1,102	1,527	2,250	2,242	2,972	3,445	3,972
Account Payables	557	664	1,146	1,214	1,007	1,335	1,547	1,784
Other Current Liabilities	213	391	328	976	1,158	1,535	1,779	2,051
Provisions	157	47	54	60	77	103	119	137
Net Current Assets	3,428	5,243	9,187	7,154	7,895	10,648	12,637	14,606
Appl. of Funds	13,502	16,234	19,371	23,587	26,026	33,410	36,499	39,542

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)								
EPS	32.2	26.0	33.4	40.4	31.2	42.7	50.9	60.2
EPS Growth (%)	18.2	-19.3	28.7	20.9	-22.8	36.8	19.2	18.4
Cash EPS	35.4	30.1	37.8	46.1	38.2	51.1	59.5	69.2
BV/Share	123.4	148.9	176.3	213.5	237.7	270.8	310.3	357.0
DPS	5.5	6.0	6.5	7.0	7.0	9.6	11.4	13.5
Payout (%)	31.6	23.1	19.4	17.3	22.4	22.4	22.4	22.4
Valuation (x)								
P/E	61.7	76.5	59.5	49.2	63.7	46.6	39.1	33.0
Cash P/E	56.2	66.0	52.6	43.1	52.0	38.9	33.4	28.7
P/BV	16.1	13.4	11.3	9.3	8.4	7.3	6.4	5.6
EV/Sales	20.0	21.6	12.8	10.0	10.8	8.3	7.1	6.1
EV/EBITDA	49.7	58.5	47.5	36.1	43.8	33.2	27.9	23.5
Dividend Yield (%)	0.3	0.3	0.3	0.4	0.4	0.5	0.6	0.7
FCF per share	10.3	16.4	-3.4	20.9	10.5	-17.5	30.4	38.9
Return Ratios (%)								
RoE	28.6	19.1	20.6	20.7	13.8	16.8	17.5	18.1
RoCE	26.9	18.1	19.5	19.6	13.1	15.0	15.2	16.5
RoIC	31.7	21.5	19.6	20.9	15.0	16.5	16.6	18.2
Working Capital Ratios								
Fixed Asset Turnover (x)	1.7	1.3	2.0	2.0	1.5	1.6	1.6	1.7
Asset Turnover (x)	0.8	0.6	0.8	0.9	0.7	0.8	0.8	0.9
Inventory (Days)	33	47	40	41	38	38	38	38
Debtor (Days)	72	106	104	82	102	102	102	102
Creditor (Days)	20	25	26	21	19	19	19	19
Leverage Ratio (x)								
Current Ratio	4.7	5.8	7.0	4.2	4.5	4.6	4.7	4.7
Net Debt/Equity ratio	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	4,247	3,353	4,493	5,632	4,325	5,912	7,045	8,344
Depreciation	332	429	455	590	728	869	899	927
Direct Taxes Paid	-1,005	-607	-1,081	-1,310	-871	-1,488	-1,773	-2,100
(Inc.)/Dec. in WC	811	-874	-2,257	244	-684	-1,643	-1,062	-1,186
CF from Operations	4,159	2,190	1,271	5,155	3,382	3,690	5,154	6,033
(Inc.)/Dec. in FA	-3,094	-490	-1,618	-2,991	-2,294	-5,500	-2,000	-2,000
Free Cash Flow	1,065	1,700	-347	2,163	1,087	-1,810	3,154	4,033
Change in Investments	-674	127	267	-366	-1,277	0	0	0
Others	1,793	-1,619	-1,206	22	38	-890	-575	-642
CF from Investments	-1,975	-1,982	-2,558	-3,335	-3,534	-6,390	-2,575	-2,642
Issue of Shares	0	0	0	0	0	0	0	0
Inc./(Dec.) in Debt	0	17	164	4	-104	3,954	-1,000	-1,800
Interest Paid	-11	-2	-3	-14	-36	-40	-45	-48
Dividend Paid	-1,046	-55	-618	-670	-723	-993	-1,183	-1,401
CF from Fin. Activity	-1,090	-31	-462	-613	-1,065	2,921	-2,228	-3,249
Inc./Dec. in Cash	1,094	176	-1,749	1,207	-1,216	221	351	142
Opening Balance	492	1,586	1,762	13	1,219	3	224	575
Closing Balance	1,585	1,762	13	1,219	3	224	575	717

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

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 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 Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have 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. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, 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.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- 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.

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. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the 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.

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.

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.

Disclosure of Interest Statement

Vinati Organics

Analyst ownership of the stock

No

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 Financial Services Limited (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") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL.

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, nor 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.