

# Granules India

Estimate change



TP change

Rating change



Bloomberg	GRAN IN
Equity Shares (m)	243
M.Cap.(INRb)/(USDb)	135 / 1.5
52-Week Range (INR)	628 / 412
1, 6, 12 Rel. Per (%)	-4/11/-5
12M Avg Val (INR M)	833

## Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	51.6	60.3	70.1
EBITDA	11.2	13.8	16.2
Adj. PAT	5.7	7.6	9.2
EBIT Margin (%)	16.1	17.7	18.2
Cons. Adj. EPS (INR)	23.5	31.2	38.1
EPS Gr. (%)	19.2	32.7	22.2
BV/Sh. (INR)	174.7	204.7	241.6

## Ratios

Net D:E	0.3	0.3	0.2
RoE (%)	14.3	16.4	17.1
RoCE (%)	12.4	14.0	14.9
Payout (%)	5.1	3.8	3.1

## Valuations

P/E (x)	23.7	17.8	14.6
EV/EBITDA (x)	15.9	12.7	10.7
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	-1.2	1.6	2.4
EV/Sales (x)	3.4	2.9	2.5

## Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	38.8	38.8	38.9
DII	17.9	23.5	14.9
FII	14.1	13.2	19.5
Others	29.2	24.4	26.8

FII includes depository receipts

**CMP: INR556**

**TP: INR650 (+17%)**

**Buy**

## FD remains on a robust footing

### Gearing up for USFDA inspection at its Gagillapur site

- Granules India (GRAN) delivered better-than-expected operational performance (9.5%/8.3% beat on revenue/EBITDA). However, earnings were in line with estimates due to higher depreciation and tax rate for the quarter.
- GRAN showed improved performance in the Finished Dosage (FD), Intermediates (PFI), and API segments for the quarter. The addition of CDMO revenue further boosted YoY growth.
- With strong traction in FD and the addition of the CDMO business, gross margin continued its upward trend, reaching a five-year quarterly high of 65.7%.
- Geography-wise, North America/EU led YoY growth in 2QFY26, with revenue from the ROW market providing additional support.
- Notably, the cash conversion cycle was further reduced to 204 days in 2QFY26.
- That said, net debt continues to rise for the second consecutive quarter.
- We have trimmed our FY26 estimates by 3%, factoring in the delay in the USFDA inspection at the Gagillapur site. We have largely maintained our estimate for FY27/FY28. We value GRAN at 19x 12M forward earnings to arrive at a TP of INR650.
- We expect 16%/20%/25% revenue/EBITDA/PAT CAGR over FY25-28, on the back of 15%/12%/13% CAGR in FD/PFI/API revenue and a 150bp margin expansion. With a) remediation measures largely done, b) scale-up in CDMO activities, and c) the addition of capacities, we expect GRAN's earnings trajectory to remain on an uptrend. Reiterate BUY.

### Segmental mix offset by higher opex

- GRAN's 2QFY26 sales grew 34.2% YoY to INR12.9b (our est. of INR11.8b), driven by the formulations business in North America and Europe.
- FDF sales grew 29% YoY to INR9.6b (74% of sales).
- Intermediate (PFI) sales grew 76% YoY to INR1.3b (10% of sales).
- API sales grew 20% YoY to INR1.7b (13% of sales).
- Gross margin expanded 370bp to 65.7%, driven by a better product mix and improvement in operational efficiency.
- However, EBITDA margin expanded 40bp YoY to 21.5% (our est. of 21.7%), supported by higher employee costs/other expenses (up 40bp/280bp as a % of sales).
- EBITDA grew 36.8% YoY to INR2.8b (our est. of INR2.6b) for the quarter.
- Adjusted PAT grew 34.3% YoY to INR1.31b (our estimate: INR1.32b).

**Tushar Manudhane - Research Analyst** (Tushar.Manudhane@MotilalOswal.com)

**Eshita Jain - Research Analyst** (Eshita Jain @MotilalOswal.com) | **Vipul Mehta** (vipul.mehta@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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

### Highlights from the management commentary

- After providing adequate information about the remediation measures implemented at Gagillapur, the USFDA will be meeting with GRAN's management in Jan'26.
- USFDA has issued the EIR for the Chantilly, US site following the inspection for the first-to-file controlled substance product.
- The successful USFDA inspection at the greenfield formulation facility in Genome Valley has increased capacity by 40%, enabling higher supply to the US market.
- EBITDA improved on operational efficiencies and a better mix but was partly offset by an INR200m loss from the peptides business.
- GRAN has expanded capacity, diversified its portfolio, and strengthened compliance to support growth going forward.

### Quarterly Performance

(INR m)

Y/E March (Consolidated)	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
<b>Net Sales</b>	<b>11,799</b>	<b>9,666</b>	<b>11,377</b>	<b>11,974</b>	<b>12,101</b>	<b>12,970</b>	<b>12,611</b>	<b>13,920</b>	<b>44,816</b>	<b>51,602</b>	<b>11,843</b>	9.5
YoY Change (%)	19.7	-18.7	-1.5	1.8	2.6	34.2	10.9	16.2	-0.5	15.1	22.5	
Total Expenditure	9,206	7,633	9,074	9,451	9,634	10,188	9,837	10,788	35,364	40,446	9,273	
<b>EBITDA</b>	<b>2,593</b>	<b>2,033</b>	<b>2,303</b>	<b>2,524</b>	<b>2,467</b>	<b>2,782</b>	<b>2,775</b>	<b>3,132</b>	<b>9,452</b>	<b>11,156</b>	<b>2,570</b>	8.3
YoY Change (%)	64.2	-4.5	-8.1	-1.3	-4.8	36.8	20.5	24.1	7.8	18.0	26.4	
Margins (%)	22.0	21.0	20.2	21.1	20.4	21.5	22.0	22.5	21.1	21.6	21.7	
Depreciation	529	525	566	635	688	720	715	737	2,255	2,861	618	
<b>EBIT</b>	<b>2,064</b>	<b>1,508</b>	<b>1,737</b>	<b>1,889</b>	<b>1,779</b>	<b>2,062</b>	<b>2,060</b>	<b>2,395</b>	<b>7,197</b>	<b>8,295</b>	<b>1,952</b>	5.6
YoY Change (%)	90.0	-6.0	-12.3	-6.7	-13.8	36.7	18.6	26.8	7.5	15.3	29.4	
Margins (%)	17.5	15.6	15.3	15.8	14.7	15.9	16.3	17.2	16.1	16.1	16.5	
Interest	270	257	266	240	238	292	283	283	1,032	1,096	283	
Other Income	21	32	57	19	163	-11	32	35	129	218	30	
<b>PBT before EO expense</b>	<b>1,814</b>	<b>1,284</b>	<b>1,528</b>	<b>1,668</b>	<b>1,704</b>	<b>1,759</b>	<b>1,808</b>	<b>2,147</b>	<b>6,294</b>	<b>7,418</b>	<b>1,699</b>	3.5
Extra-Ord expense	0	0	0	-308	259	0	0	0	-308	259	0	
<b>PBT</b>	<b>1,814</b>	<b>1,284</b>	<b>1,528</b>	<b>1,976</b>	<b>1,445</b>	<b>1,759</b>	<b>1,808</b>	<b>2,147</b>	<b>6,601</b>	<b>7,159</b>	<b>1,699</b>	3.5
Tax	468	311	352	455	319	453	405	487	1,587	1,664	377	
Rate (%)	25.8	24.3	23.0	23.0	22.1	25.7	22.4	22.7	24.0	23.2	22.2	
(Profit)/Loss of JV/Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>1,346</b>	<b>972</b>	<b>1,176</b>	<b>1,520</b>	<b>1,126</b>	<b>1,306</b>	<b>1,403</b>	<b>1,659</b>	<b>5,015</b>	<b>5,495</b>	<b>1,322</b>	-1.2
<b>Adjusted PAT</b>	<b>1,346</b>	<b>972</b>	<b>1,176</b>	<b>1,284</b>	<b>1,328</b>	<b>1,306</b>	<b>1,403</b>	<b>1,659</b>	<b>4,778</b>	<b>5,697</b>	<b>1,322</b>	-1.2
YoY Change (%)	112.7	-4.8	-6.4	-1.0	-1.4	34.3	19.3	29.3	13.6	19.2	35.9	
Margins (%)	11.4	10.1	10.3	10.7	11.0	10.1	11.1	11.9	10.7	11.0	11.2	

E: MOFSL Estimates

### Key performance Indicators (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
<b>FD</b>	<b>8,912</b>	<b>7,490</b>	<b>8,674</b>	<b>9,259</b>	<b>8,989</b>	<b>9,657</b>	<b>9,541</b>	<b>10,648</b>	<b>34,335</b>	<b>38,835</b>	<b>9,213</b>	4.8
YoY Change (%)	64.4	1.6	13.7	7.1	0.9	28.9	10.0	15.0	18.0	13.1	23.0	
<b>PFI</b>	<b>997</b>	<b>756</b>	<b>1,309</b>	<b>1,232</b>	<b>1,194</b>	<b>1,331</b>	<b>1,178</b>	<b>1,232</b>	<b>4,294</b>	<b>4,935</b>	<b>1,096</b>	21.4
YoY Change (%)	-32.6	-47.0	-24.5	-16.9	19.8	76.1	-10.0	0.0	-29.7	14.9	45.0	
<b>API</b>	<b>1,890</b>	<b>1,420</b>	<b>1,393</b>	<b>1,483</b>	<b>1,627</b>	<b>1,705</b>	<b>1,602</b>	<b>1,750</b>	<b>6,186</b>	<b>6,684</b>	<b>1,534</b>	11.2
YoY Change (%)	-36.1	-52.2	-36.6	-9.2	-13.9	20.1	15.0	18.0	-37.0	8.0	8.0	
<b>Cost Break-up</b>												
RM Cost (% of Sales)	41.1	38.0	38.3	36.6	35.1	34.3	34.5	35.5	61.5	65.1	36.7	
Staff Cost (% of Sales)	13.9	16.5	14.7	14.1	16.8	16.9	16.2	15.5	14.7	16.3	14.6	
Other Cost (% of Sales)	23.1	24.5	26.7	28.2	27.7	27.3	27.3	26.5	25.7	27.2	27.0	
Gross Margins (%)	58.9	62.0	61.7	63.4	64.9	65.7	65.5	64.5	38.5	34.9	63.3	
EBITDA Margins (%)	22.0	21.0	20.2	21.1	20.4	21.5	22.0	22.5	21.1	21.6	21.7	
EBIT Margins (%)	17.5	15.6	15.3	15.8	14.7	15.9	16.3	17.2	16.1	16.1	16.5	

E: MOFSL Estimates

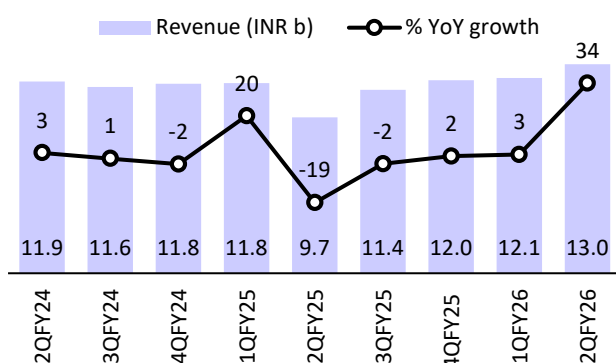


## Conference call highlights

- GRAN is on track to scale the foundation of its CDMO business, with the R&D platform for the peptides business at Senn Chemicals, Switzerland, integrated with scalable manufacturing capacity in India.
- Revenue growth in 2QFY25 was primarily driven by the formulation business in NA and Europe.
- Net debt at the end of 2QFY26 was INR10.2b vs INR9.5b at the end of 1QFY26.
- Capex in 2QFY26 was INR2b.
- Steady traction from approved products led to revenue growth in the NA and EU markets.
- GRAN expects to turn the peptides business profitable from 4QFY26 onwards.
- Consultancy expenses of USD4m in 1HFY26 will reduce sharply in 2H/negligible by FY27.
- Capital employed in the Peptide and Senn Chemicals business stands at INR5.5b.

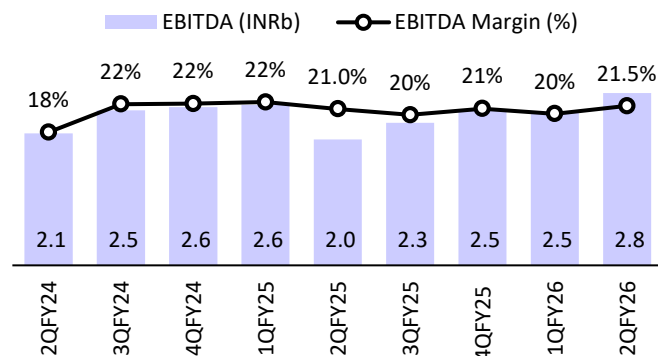
## Key exhibits

**Exhibit 1: Revenue grew 34% YoY in 2QFY26**



Source: MOFSL, Company

**Exhibit 2: EBITDA margin expanded 40bp YoY in 2QFY26**



Source: MOFSL, Company

## Growth revival underway through the CDMO scale-up/compliance initiatives

### Driving revival: Peptide push/expansion into high-value segments

- GRAN has delivered FDF sales of 14% YoY in 1HFY26 vs 18% YoY in FY25.
- Notably, the FDF share in 1HFY26 revenue was 74%, driven by the addition of large-volume products in CNS/ADHD therapies.
- The controlled substances segment was stable in 1HFY26 with tentative approvals due next quarter.
- Expansion into high-value segments such as peptides/chemicals/oncology/ new dosage forms will enhance competitiveness in the US/Europe market over the medium to long term.
- The ramp-up of supplies from the Genome Valley facility will further strengthen the US business.
- The CDMO platform built on Swiss R&D expertise is now fully operational, with IIT Hyderabad's R&D center supporting integration. With global customer traction, the platform targets profitability in 4QFY26 and anticipates being fully synergized from FY27 onwards.

- FDF sales were driven by productivity gains/Genome Valley supply/site remediation/market share gains in older launches /strong performance in the controlled substances portfolio. We expect a 15% sales CAGR in the FDF segment over FY25-28 to reach INR52.8b

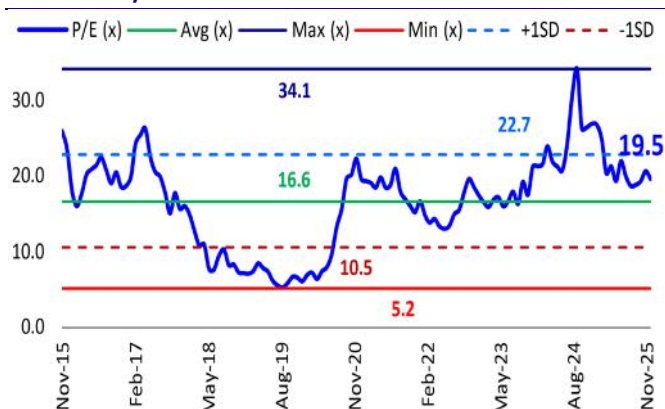
#### Gagallipur remediation/Genome valley ramp up to drive growth

- GRAN has largely completed remediation measures at the Gagillapur facility following the Aug'24 USFDA inspection, with all corrective actions on track. Cross-contamination testing on 3,000+ samples showed no failures, and customer audits have been completed with no critical observations. A meeting with the USFDA is scheduled for 4QFY26 to review progress.
- The Greenfield Genome Valley facility in Hyderabad received its first USFDA approval, adding 10b doses/boosting FDF capacity by 40%. The site establishes a second source of US supplies with monograph products already shipped/prescription products set to ramp up. A European authority inspection is also scheduled for the facility.
- These developments will lift delivery constraints in the US/EU, enabling the company to fully capitalize on its Indian formulation operations.

#### Reiterate BUY

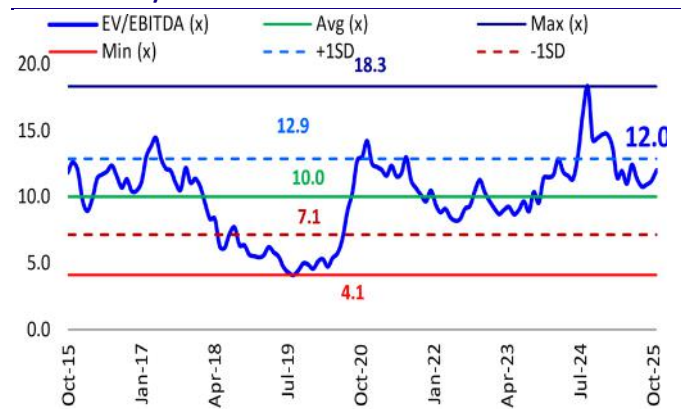
- We have trimmed our FY26 estimates by 3%, factoring in the delay in the USFDA inspection at the Gagillapur site. We have largely maintained our estimate for FY27/FY28. We value GRAN at 19x 12M forward earnings to arrive at a TP of INR650.
- We expect 16%/20%/25% revenue/EBITDA/PAT CAGR over FY25-28, supported by a 15%/12%/13% CAGR in FD/PFI/API revenue and a 150b margin expansion. With a) remediation measures largely done, b) scale-up in CDMO activities, and c) the addition of capacities, we expect GRAN's earnings trajectory to remain on an upward trend. Reiterate BUY.

**Exhibit 3: P/E chart**



Source: MOFSL, Company, Bloomberg

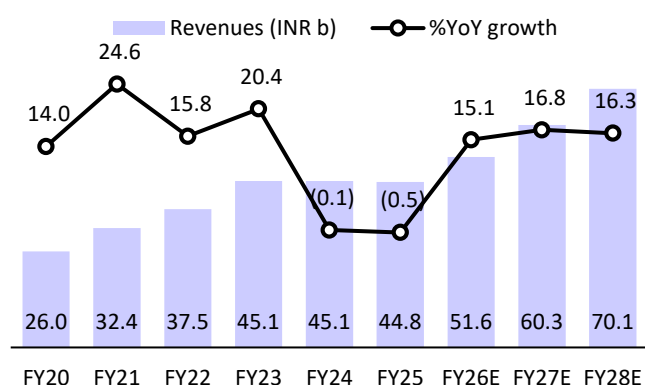
**Exhibit 4: EV/EBITDA chart**



Source: MOFSL, Company, Bloomberg

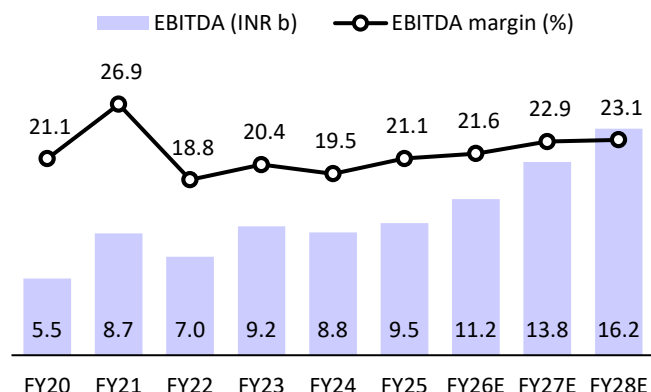
## Story in charts

**Exhibit 5: Expect a revenue CAGR of ~16% over FY25-28**



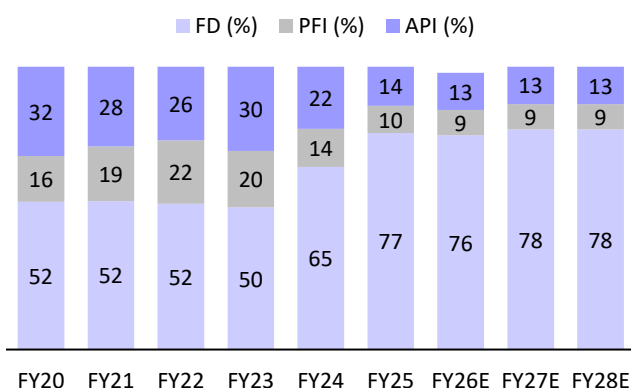
Source: MOFSL, Company

**Exhibit 6: EBITDA margin to expand 200bp over FY25-28**



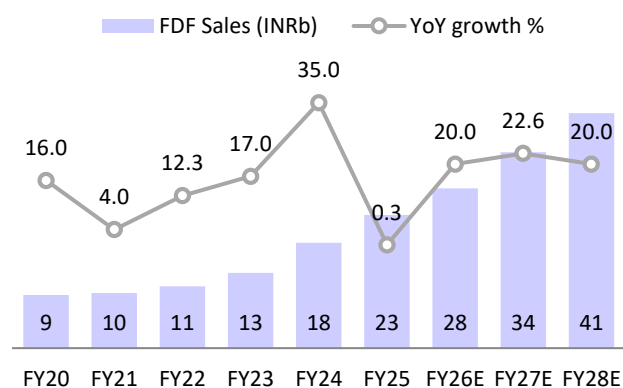
Source: MOFSL, Company

**Exhibit 7: Expect FD to further increase to 78% in FY28E**



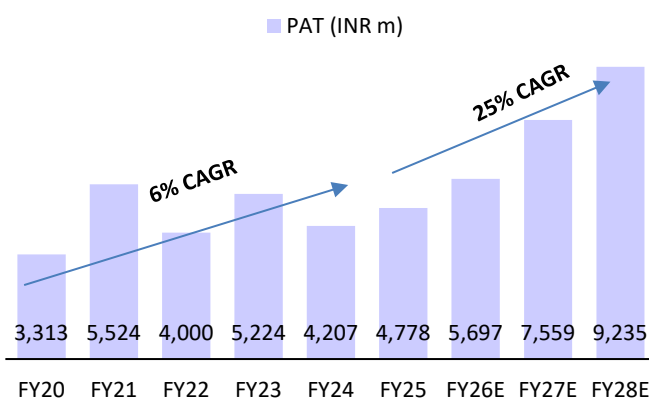
Source: MOFSL, Company

**Exhibit 8: FDF sales to clock 21% CAGR over FY25-28E**



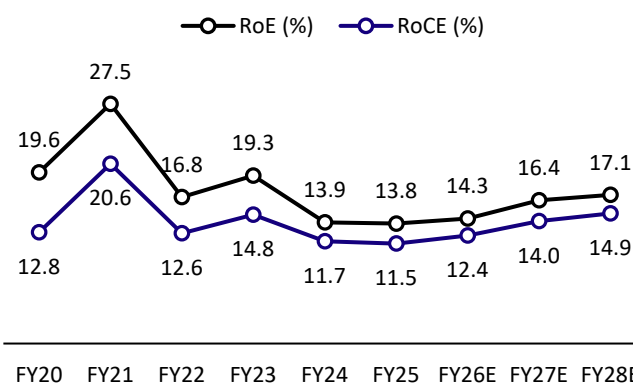
Source: MOFSL, Company

**Exhibit 9: PAT to exhibit a 25% CAGR over FY25-28**



Source: MOFSL, Company

**Exhibit 10: Return ratios in an uptrend over FY25-28**



Source: MOFSL, Company

## Financials and valuations

### Consolidated - Income Statement

INRm

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>37,477</b>	<b>45,119</b>	<b>45,063</b>	<b>44,816</b>	<b>51,602</b>	<b>60,281</b>	<b>70,078</b>
Change (%)	15.8	20.4	-0.1	-0.5	15.1	16.8	16.3
<b>Total Expenditure</b>	<b>30,427</b>	<b>35,901</b>	<b>36,293</b>	<b>35,364</b>	<b>40,446</b>	<b>46,477</b>	<b>53,890</b>
% of Sales	81.2	79.6	80.5	78.9	78.4	77.1	76.9
<b>EBITDA</b>	<b>7,050</b>	<b>9,218</b>	<b>8,770</b>	<b>9,452</b>	<b>11,156</b>	<b>13,804</b>	<b>16,188</b>
Margin (%)	18.8	20.4	19.5	21.1	21.6	22.9	23.1
Depreciation	1,586	1,845	2,073	2,255	2,861	3,112	3,400
<b>EBIT</b>	<b>5,464</b>	<b>7,373</b>	<b>6,697</b>	<b>7,197</b>	<b>8,295</b>	<b>10,692</b>	<b>12,788</b>
Int. and Finance Charges	232	559	1,058	1,032	1,096	1,000	938
Other Income	176	138	44	129	218	151	175
<b>PBT bef. EO Exp.</b>	<b>5,407</b>	<b>6,952</b>	<b>5,683</b>	<b>6,294</b>	<b>7,418</b>	<b>9,842</b>	<b>12,025</b>
EO Items	173	-80	-211	308	-259	0	0
<b>PBT after EO Exp.</b>	<b>5,580</b>	<b>6,872</b>	<b>5,472</b>	<b>6,601</b>	<b>7,159</b>	<b>9,842</b>	<b>12,025</b>
Current Tax	1,382	1,772	1,652	1,828	1,661	2,283	2,790
Deferred Tax	70	-66	-233	-242	-118	0	0
Tax Rate (%)	26.0	24.8	25.9	24.0	21.5	23.2	23.2
Add: Associate income	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>4,128</b>	<b>5,166</b>	<b>4,052</b>	<b>5,015</b>	<b>5,616</b>	<b>7,559</b>	<b>9,235</b>
<b>Adjusted PAT</b>	<b>4,000</b>	<b>5,224</b>	<b>4,207</b>	<b>4,778</b>	<b>5,697</b>	<b>7,559</b>	<b>9,235</b>
Change (%)	-27.6	30.6	-19.5	13.6	19.2	32.7	22.2
Margin (%)	10.6	11.5	9.3	10.6	11.0	12.5	13.1

### Consolidated - Balance Sheet

INRm

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	248	242	242	243	243	243	243
Total Reserves	25,617	28,107	32,013	36,913	42,127	49,403	58,354
<b>Net Worth</b>	<b>25,865</b>	<b>28,349</b>	<b>32,255</b>	<b>37,156</b>	<b>42,370</b>	<b>49,645</b>	<b>58,597</b>
Minority Interest	6	0	0	0	0	0	0
Deferred Liabilities	139	77	231	314	314	314	314
Total Loans	10,928	11,362	13,151	14,548	13,752	12,922	12,092
<b>Capital Employed</b>	<b>36,938</b>	<b>39,788</b>	<b>45,637</b>	<b>52,017</b>	<b>56,435</b>	<b>62,880</b>	<b>71,002</b>
Gross Block	25,355	30,897	34,817	40,381	46,381	50,881	55,381
Less: Accum. Deprn.	9,943	11,788	13,861	16,116	18,977	22,089	25,490
<b>Net Fixed Assets</b>	<b>15,412</b>	<b>19,109</b>	<b>20,956</b>	<b>24,265</b>	<b>27,404</b>	<b>28,792</b>	<b>29,891</b>
Capital WIP	3,562	2,394	2,717	4,402	5,160	4,822	5,606
<b>Total Investments</b>	<b>197</b>	<b>361</b>	<b>382</b>	<b>426</b>	<b>426</b>	<b>426</b>	<b>426</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>25,945</b>	<b>27,168</b>	<b>30,783</b>	<b>32,755</b>	<b>34,695</b>	<b>40,309</b>	<b>48,450</b>
Inventory	9,786	11,494	13,005	13,428	15,181	17,190	19,932
Account Receivables	9,250	9,485	9,858	9,422	13,007	14,368	16,704
Cash and Bank Balance	4,095	3,128	3,864	5,964	1,969	2,723	4,807
Loans and Advances	2,815	3,060	4,056	3,941	4,538	6,028	7,008
<b>Curr. Liability &amp; Prov.</b>	<b>8,191</b>	<b>9,258</b>	<b>9,573</b>	<b>10,509</b>	<b>11,928</b>	<b>12,147</b>	<b>14,049</b>
Account Payables	6,386	7,821	7,495	7,261	8,533	9,932	11,516
Other Current Liabilities	1,294	998	1,580	2,614	3,009	1,808	2,102
Provisions	511	439	497	634	386	406	431
<b>Net Current Assets</b>	<b>17,753</b>	<b>17,910</b>	<b>21,211</b>	<b>22,247</b>	<b>22,767</b>	<b>28,162</b>	<b>34,400</b>
<b>Appl. of Funds</b>	<b>36,938</b>	<b>39,788</b>	<b>45,637</b>	<b>52,017</b>	<b>56,435</b>	<b>62,880</b>	<b>71,002</b>



## Financials and valuations

### Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>EPS</b>	<b>16.5</b>	<b>21.5</b>	<b>17.3</b>	<b>19.7</b>	<b>23.5</b>	<b>31.2</b>	<b>38.1</b>
Cash EPS	22.5	29.2	25.9	29.0	35.3	44.0	52.1
BV/Share	104.3	117.1	133.1	153.2	174.7	204.7	241.6
DPS	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Payout (%)	7.0	5.5	7.0	5.7	5.1	3.8	3.1
<b>Valuation (x)</b>							
P/E	33.7	25.8	32.1	28.2	23.7	17.8	14.6
Cash P/E	24.7	19.0	21.5	19.2	15.8	12.6	10.7
P/BV	5.3	4.7	4.2	3.6	3.2	2.7	2.3
EV/Sales	4.6	3.9	3.9	3.9	3.4	2.9	2.5
EV/EBITDA	24.5	18.9	20.0	18.4	15.9	12.7	10.7
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Return Ratios (%)</b>							
RoE	16.8	19.3	13.9	13.8	14.3	16.4	17.1
RoCE	12.6	14.8	11.7	11.5	12.4	14.0	14.9
RoIC	15.1	17.6	13.7	13.7	14.4	15.8	17.1
<b>Working Capital Ratios</b>							
Asset Turnover (x)	1.0	1.1	1.0	0.9	0.9	1.0	1.0
Inventory (Days)	86	86	99	108	101	98	97
Debtor (Days)	82	76	78	79	79	83	81
Creditor (Days)	71	72	77	76	71	73	73
<b>Leverage Ratio (x)</b>							
Current Ratio	3.2	2.9	3.2	3.1	2.9	3.3	3.4
Interest Cover Ratio	24	13	6	7	8	11	14
Debt/Equity	0.4	0.4	0.4	0.4	0.3	0.3	0.2

### Consolidated - Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	5,580	6,952	5,472	6,294	7,418	9,842	12,025
Depreciation	1,586	1,845	2,073	2,255	2,861	3,112	3,400
Interest & Finance Charges	232	559	1,058	903	877	850	763
Direct Taxes Paid	-1,450	-1,758	-1,903	-1,587	-1,661	-2,283	-2,790
(Inc)/Dec in WC	-2,572	-103	-2,463	1,064	-4,515	-4,642	-4,154
<b>CF from Operations</b>	<b>3,376</b>	<b>7,495</b>	<b>4,238</b>	<b>8,930</b>	<b>4,980</b>	<b>6,879</b>	<b>9,244</b>
Others	-56	-27	156	0	-259	0	0
<b>CF from Operating incl EO</b>	<b>3,321</b>	<b>7,467</b>	<b>4,394</b>	<b>8,930</b>	<b>4,721</b>	<b>6,879</b>	<b>9,244</b>
(inc)/dec in FA	-3,967	-4,107	-3,788	-7,248	-6,758	-4,162	-5,284
(Pur)/Sale of Investments	0	2,035	159	-43	0	0	0
Others	166	158	28	129	218	151	175
<b>CF from Investments</b>	<b>-3,801</b>	<b>-1,914</b>	<b>-3,602</b>	<b>-7,163</b>	<b>-6,540</b>	<b>-4,012</b>	<b>-5,109</b>
Issue of Shares	37	-3,084	32	169	0	0	0
(Inc)/Dec in Debt	2,530	-600	1,435	1,397	-796	-830	-830
Interest Paid	-242	-533	-1,027	-1,032	-1,096	-1,000	-938
Dividend Paid	-372	-186	-363	-284	-284	-284	-284
<b>CF from Fin. Activity</b>	<b>1,900</b>	<b>-4,403</b>	<b>77</b>	<b>333</b>	<b>-2,175</b>	<b>-2,114</b>	<b>-2,052</b>
<b>Inc/Dec of Cash</b>	<b>1,419</b>	<b>1,151</b>	<b>869</b>	<b>2,100</b>	<b>-3,995</b>	<b>754</b>	<b>2,084</b>
Opening Balance	2,711	4,095	3,128	3,863	5,964	1,969	2,723
FX	-35	-2,118	-134	0	0	0	0
<b>Closing Balance</b>	<b>4,095</b>	<b>3,128</b>	<b>3,863</b>	<b>5,964</b>	<b>1,969</b>	<b>2,723</b>	<b>4,807</b>

E: MOFSL Estimates

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

## 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](http://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](http://www.nseindia.com), [www.bseindia.com](http://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](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- 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
- 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
- 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.
- 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.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- 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/NCDX); 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.