

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	INMART IN
Equity Shares (m)	60
M.Cap.(INRb)/(USDb)	128.7 / 1.4
52-Week Range (INR)	2799 / 1835
1, 6, 12 Rel. Per (%)	-1/-20/-14
12M Avg Val (INR M)	374

## Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	15.7	17.7	20.0
EBITDA	5.3	5.8	6.7
Adj. PAT	5.2	5.7	6.8
Adj. EPS (INR)	85.9	94.8	112.1
Adj. EPS Gr. (%)	-6%	10%	18%
BV/Sh. (INR)	434.5	497.7	539.7

## Ratios

RoE (%)	21.6	20.3	21.6
RoCE (%)	23.9	22.5	23.5
Payout (%)	14.4	32.8	62.5

## Valuations

P/E (x)	25.4	22.6	19.1
P/BV (x)	4.9	4.3	4.0

## Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	49.2	49.2	49.2
DII	13.0	15.3	12.1
FII	21.6	19.3	23.9
Others	16.3	16.3	14.8

FII Includes depository receipts

**CMP: INR2,142 TP: INR2,750 (+28%) Buy**

## Holding the course

### Churns remain at the status quo

- IndiaMART (INMART) reported 3QFY26 revenue growth of 13% YoY vs. our estimate of 11% YoY growth. Deferred revenue rose 17% YoY to INR17.5b. EBITDA margin expanded ~30bp QoQ to 33.5%, above our estimate of 31.1%. Adj. PAT was INR1,887m, up 56% YoY, and above our estimate of INR1,241m due to higher other income. This excludes the one-time impact of labor codes amounting to INR85m.
- For 9MFY26, revenue/EBITDA/adj. PAT grew 12.7%/1.4%/14.8% YoY. We expect revenue/EBITDA to grow 14.1%/2.2%, while adj. PAT is expected to decline 39% YoY (as other income normalizes) in 4QFY26. **We reiterate our BUY rating on the stock, citing undemanding valuations, with a TP of INR2,750.**

### Our view: Paying suppliers to normalize in 4Q

- **Paying suppliers moderate post price hike; 4Q to see flat additions:** INMART reported a decline of ~1k paying suppliers in 3Q, driven by lower gross additions following the price increase in the Silver tier and fewer working days due to festive holidays.
- Given the steeper price hikes (33%/25% for monthly/annual plans), we expect gross additions in paying suppliers to remain subdued in the coming quarter, resulting in flat-to-marginal net additions. As the price hike applies only to new subscriptions and not renewals, the full impact on paying suppliers and churn rates is likely to play out over the next 6–9 months, in our view.
- **Collections show mid-teen growth; Gold and Platinum accounts anchor the performance:** ARPU grew 6% YoY, now tracking in line with its long-term trend of 6-8% over the past couple of quarters. Notably, standalone collections increased 14% YoY, outperforming the sub-10% growth seen in recent periods, driven by a strong upsell in Gold and Platinum accounts. However, we believe incremental supplier additions are required to sustain this momentum, which may not be immediate. Accordingly, we continue to model collections growth of ~10% over the next few quarters.
- **Stable margin performance; advertisement expenses yet to pick up:** EBITDA margin stood at 33.5%, expanding 30bp QoQ. Performance marketing spends were lower due to holidays and fewer working days in 3Q, and have yet to reach the INR100m quarterly run rate that the company had planned a few quarters ago. We expect these spends to see some uptick next quarter and increase gradually over the following quarters. We expect EBITDA margins of 33.8% and 32.7% for FY26 and FY27E, respectively.

### Valuation and changes to our estimates

- We continue to view INMART as a key beneficiary of the growing technology adoption by India's MSME universe. We keep our estimates largely unchanged. We expect INMART to deliver a 13% revenue CAGR over FY25-28. We estimate the EBITDA margin at 33.8%/32.7% for FY26/FY27.

**Abhishek Pathak - Research analyst** (Abhishek.Pathak@MotilalOswal.com)

**Research analyst: Keval Bhagat** (Keval.Bhagat@MotilalOswal.com) | **Tushar Dhonde** (Tushar.Dhonde@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.

- Currently, INMART is trading at an undemanding valuation, in our view, as the valuations reflect uncertainties surrounding the churn rate, product-market fit, and subscriber growth. We value INMART on a DCF basis to arrive at our TP of INR2,750, assuming 11.5% WACC and 5.5% terminal growth. **Reiterate BUY.**

### Beat on revenue and margins; ARPU rises 6% YoY

- INMART reported 3QFY26 revenue of INR4.0b, marking a growth of 13% YoY vs. our estimate of 11%.
- Collections stood at INR4.2b (+15% YoY). Deferred revenue rose 17% YoY to INR17.7b.
- Paying subscribers declined by 1k QoQ. ARPU grew 6% YoY to INR67k.
- EBITDA margin was 33.5%, up 30bp QoQ and above our estimate of 31.1%, driven by lower-than-expected outsourced sales costs and other expenses.
- Adj. PAT was INR1,887m, up 56% YoY, and above our estimate of INR1,241m due to higher other income.
- Total suppliers on the platform stood at 8.7m, up 6% YoY.
- Total cash and investments stood at INR30.5b

### Highlights from the management commentary

- Paying subscribers declined by ~1k in 3Q. The decline was attributed to lower gross additions following the price increase in the Silver tier. Fewer working days due to the festival season also contributed to the decline.
- Silver pricing was revised from INR 3,000 per month/INR 28,000 per annum to INR4,000 per month/INR35,000 per annum (plus taxes on an annual basis). Renewals continue at previous rates, and revised pricing will apply only at the next renewal cycle. The full impact is expected to be visible over the next 6-9 months.
- Collections grew 15% YoY. After several quarters of sub-10% collection growth, growth improved to ~13-14% in the current quarter, indicating early positive momentum.
- Until churn parameters improve, the company remains cautious about significantly increasing investments toward driving gross additions.
- Performance marketing costs were lower due to the holiday period. Quarterly spending has not yet reached INR100m and is expected to see some uptick in the next quarter.
- A one-time gain arising from the revaluation of INR820m contributed to higher other income.

### Valuation and view

- We are confident of strong fundamental growth in operations, propelled by: 1) higher growth in digitization among SMEs, 2) the need for out-of-the-circle buyers, 3) a strong network effect, 4) over 70% market share in the underlying industry, 5) the ability to improve ARPU on low price sensitivity, and 6) higher operating leverage.
- We value INMART on a DCF basis to arrive at our TP of INR2,750, assuming 11.5% WACC and 5.5% terminal growth. **Reiterate BUY.**

## Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFY26	(% / bp)
<b>Gross Sales</b>	<b>3,313</b>	<b>3,477</b>	<b>3,543</b>	<b>3,551</b>	<b>3,721</b>	<b>3,910</b>	<b>4,016</b>	<b>4,078</b>	<b>13,884</b>	<b>15,725</b>	<b>3,935</b>	<b>2.1</b>
YoY Change (%)	17.4	18.0	16.0	12.8	12.3	12.5	13.4	14.8	16.0	13.3	11.1	230bp
Total Expenditure	2,120	2,130	2,160	2,248	2,390	2,610	2,670	2,746	8,658	10,416	2,709	-1.5
<b>EBITDA</b>	<b>1,193</b>	<b>1,347</b>	<b>1,383</b>	<b>1,303</b>	<b>1,331</b>	<b>1,300</b>	<b>1,346</b>	<b>1,332</b>	<b>5,226</b>	<b>5,309</b>	<b>1,226</b>	<b>9.8</b>
Margins (%)	36.0	38.7	39.0	36.7	35.8	33.2	33.5	32.7	37.6	33.8	31.1	240bp
Depreciation	81	82	83	83	69	72	73	86	329	300	84	-13
Interest	20	19	18	17	10	7	7	7	74	31	7	0
Other Income	532	655	449	1,090	924	102	1,354	153	2,726	2,533	651	108
<b>PBT before EO expense</b>	<b>1,624</b>	<b>1,901</b>	<b>1,731</b>	<b>2,293</b>	<b>2,176</b>	<b>1,323</b>	<b>2,620</b>	<b>1,391</b>	<b>7,549</b>	<b>7,510</b>	<b>1,786</b>	<b>46.7</b>
Extra-Ord expense	0	0	0	0	0	0	85	0	0	85	0	
<b>PBT</b>	<b>1,624</b>	<b>1,901</b>	<b>1,731</b>	<b>2,293</b>	<b>2,176</b>	<b>1,323</b>	<b>2,535</b>	<b>1,391</b>	<b>7,549</b>	<b>7,425</b>	<b>1,786</b>	<b>41.9</b>
Tax	374	422	380	380	504	359	587	313	1,556	1,763	411	43
Rate (%)	23.0	22.2	22.0	16.6	23.2	27.1	23.2	22.5	20.6	23.7	23.0	20bp
Minority Interest & Profit/Loss of Asso. Cos.	112	127	141	111	141	134	146	146	491	567	134	
<b>Reported PAT</b>	<b>1,138</b>	<b>1,352</b>	<b>1,210</b>	<b>1,802</b>	<b>1,531</b>	<b>830</b>	<b>1,802</b>	<b>932</b>	<b>5,502</b>	<b>5,095</b>	<b>1,241</b>	<b>45.2</b>
<b>Adj PAT</b>	<b>1,138</b>	<b>1,352</b>	<b>1,210</b>	<b>1,802</b>	<b>1,531</b>	<b>830</b>	<b>1,887</b>	<b>932</b>	<b>5,502</b>	<b>5,180</b>	<b>1,241</b>	<b>52.0</b>
YoY Change (%)	34.0	95.7	48.5	80.4	34.5	-38.6	56.0	-48.3	64.0	-5.8	2.6	5340bp
Margins (%)	34.3	38.9	34.2	50.7	41.1	21.2	47.0	22.9	39.6	32.9	31.5	1540bp

## Key Perfor. Indicators

Y/E March	FY25				FY26			FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
<b>Revenue Indicators</b>									
Paid Suppliers ('000)	216.0	218.0	214.0	217.0	218.0	222.0	221.0	214.0	217.0
ARPU ('000)	58.4	60.8	62.9	62.0	64.0	65.0	67.0	53.4	61.0
<b>Cost Indicators</b>									
Employees	5,729	5,923	5,973	6,102	6,315	6,477	6,353	5,384	6,102
Other Expenses ( INR M)	460	440	470	498	590	900	850	1,899	1,868



## Highlights from the management commentary

### Collections, paying suppliers, and customer additions

- Paying subscribers declined by ~1k in 3Q. The decline was attributed to lower gross additions following the price increase in the silver tier. Fewer working days due to the festival season also contributed to the decline.
- Silver pricing was revised from INR3,000 per month/INR28,000 per annum to INR4,000 per month/INR35,000 per annum (plus taxes on an annual basis). Renewals continue at previous rates, and revised pricing will apply only at the next renewal cycle. The full impact is expected to be visible over the next 6-9 months.
- Gross additions are expected to normalize around April-June, implying one more quarter of roughly flat-to-marginal customer additions.
- Gold and Platinum customers constitute ~50% of the customer base and contribute over 75% of revenue. These segments continue to see a healthy upsell activity, leading to improved collections per customer.
- Churn levels remain largely unchanged. Monthly churn has not yet improved, while annual churn rates are typically ~0.5% lower than monthly levels. Management expects churn to improve over time.
- Collections grew 15% YoY. After several quarters of sub-10% collection growth, it improved to ~13-14% in the current quarter, indicating early positive momentum.

- Until churn parameters improve, the company remains cautious about significantly increasing investments toward driving gross additions.
- Historically, 15–16% of Silver customers upgraded to Gold and ~10% to Platinum. However, renewals have declined, resulting in a ~10% drop in renewal-led upsell. Current upsell rates stand at 5–10% vs 15–16% earlier.
- The market is not saturated and continues to exhibit unlimited demand for leads. The company intends to remain a software and technology platform rather than moving into a sourcing or delivery model to attract customers.
- The company continues to refine product–market fit for buyers to maximize buyer generation.
- Unique Business Queries (UBQ) reached 28m, growing 4% YoY, with continued improvement in the quality of enquiries. Seasonal factors, including one to two fewer working days, impacted enquiry volumes.
- Repeat traffic remains strong at 58–59%.

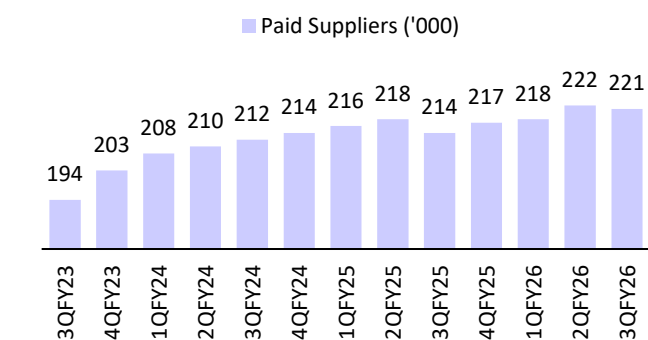
#### **Cost and margin**

- EBITDA margin stood at 33.5%, supported by lower-than-expected outsourced sales costs and other expenses.
- Performance marketing costs were lower due to the holiday period. Quarterly spending has not yet reached INR100m and is expected to see some uptick in the next quarter.
- A one-time gain arising from the revaluation of INR820m contributed to higher other income.
- The new labor code resulted in a one-time impact of INR85m.

#### **Other highlights**

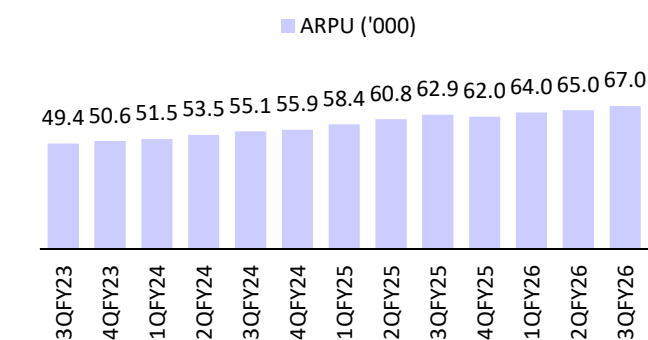
- Approximately 10,000 licenses were sold during the quarter. The company continues to invest in product experience and expansion of its sales channel.
- Normalized YoY growth, after adjusting for changes in the partner payout structure, stood at 28%.
- Revenue from operations stood at INR320m, while deferred revenue was INR1.12b at the end of 3Q. This represents normalized growth of 50% and 56%, respectively.
- Busy continues to perform well in the small and medium business segment, particularly among businesses requiring inventory management in addition to sales and GST filing.
- Vyapar focuses on micro-sized businesses, where billing remains the primary requirement.
- LiveKeeping focuses exclusively on existing Tally customers seeking browser-based and app-based access to their data.

### Exhibit 1: Paying suppliers declined after the price hike



Source: Company, MOFSL

### Exhibit 2: Healthy ARPU growth of 6% YoY in 3QFY26



Source: Company, MOFSL

### Exhibit 3: Changes to our estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (INR m)	15,725	17,731	19,985	15,672	17,809	20,035	0.3	-0.4	-0.2
YoY (%)	13.3	12.8	12.7	12.9	13.6	12.5	40bp	-90bp	20bp
EBITDA (%)	33.8	32.7	33.7	33.0	32.7	33.2	80bp	0bp	50bp
EBIT (%)	31.9	30.6	31.6	31.0	30.6	31.0	90bp	0bp	60bp
EPS (INR)	84.5	94.8	112.1	81.7	94.5	109.9	3.3	0.3	2.0

Source: MOFSL, Company

## Financials and valuations

Consolidated - Income Statement								(INR M)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>6,696</b>	<b>7,535</b>	<b>9,854</b>	<b>11,968</b>	<b>13,884</b>	<b>15,725</b>	<b>17,731</b>	<b>19,985</b>
Change (%)	4.9	12.5	30.8	21.5	16.0	13.3	12.8	12.7
Employees Cost	2,052	2,676	3,975	5,369	6,000	7,011	8,047	9,053
Outsourced sales cost	534	728	1,310	1,390	790	190	0	0
Other Expenses	828	1,053	1,892	1,899	1,868	3,216	3,894	4,188
<b>Total Expenditure</b>	<b>3,414</b>	<b>4,457</b>	<b>7,177</b>	<b>8,658</b>	<b>8,658</b>	<b>10,416</b>	<b>11,941</b>	<b>13,241</b>
% of Sales	51.0	59.2	72.8	72.3	62.4	66.2	67.3	66.3
<b>EBITDA</b>	<b>3,282</b>	<b>3,078</b>	<b>2,677</b>	<b>3,310</b>	<b>5,226</b>	<b>5,309</b>	<b>5,790</b>	<b>6,743</b>
Margin (%)	49.0	40.8	27.2	27.7	37.6	33.8	32.7	33.7
Depreciation	161	119	311	365	329	300	369	437
<b>EBIT</b>	<b>3,121</b>	<b>2,959</b>	<b>2,366</b>	<b>2,945</b>	<b>4,897</b>	<b>5,009</b>	<b>5,421</b>	<b>6,306</b>
Int. and Finance Charges	67	54	81	89	74	31	28	28
Other Income	866	1,122	1,135	2,106	2,726	2,533	2,695	3,153
<b>PBT bef. EO Exp.</b>	<b>3,920</b>	<b>4,027</b>	<b>3,420</b>	<b>4,962</b>	<b>7,549</b>	<b>7,510</b>	<b>8,087</b>	<b>9,431</b>
EO Items	-109	0	516	-18	0	-85	0	0
<b>PBT after EO Exp.</b>	<b>3,811</b>	<b>4,027</b>	<b>3,936</b>	<b>4,944</b>	<b>7,549</b>	<b>7,425</b>	<b>8,087</b>	<b>9,431</b>
Total Tax	986	928	721	1,204	1,556	1,763	1,779	2,075
Tax Rate (%)	25.9	23.0	18.3	24.4	20.6	23.7	22.0	22.0
Minority Interest	27.0	122.0	378.0	404.0	491.0	567.0	584.0	584.0
<b>Reported PAT</b>	<b>2,798</b>	<b>2,977</b>	<b>2,837</b>	<b>3,336</b>	<b>5,502</b>	<b>5,095</b>	<b>5,724</b>	<b>6,772</b>
<b>Adjusted PAT</b>	<b>2,907</b>	<b>2,977</b>	<b>2,321</b>	<b>3,354</b>	<b>5,502</b>	<b>5,180</b>	<b>5,724</b>	<b>6,772</b>
Change (%)	133.9	2.4	-22.0	44.5	64.0	-5.8	10.5	18.3
Margin (%)	43.4	39.5	23.6	28.0	39.6	32.9	32.3	33.9

### Consolidated - Balance Sheet

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	303	306	306	599	600	600	600	600
Total Reserves	15,806	18,616	20,279	16,762	21,253	25,616	29,461	31,999
<b>Net Worth</b>	<b>16,109</b>	<b>18,922</b>	<b>20,585</b>	<b>17,361</b>	<b>21,853</b>	<b>26,216</b>	<b>30,061</b>	<b>32,599</b>
Other Liabilities	3,318	3,933	5,105	6,181	6,876	6,909	7,216	7,497
Total Loans	0	0	0	0	0	0	0	0
Deferred Tax Liabilities	-244	-232	-106	-60	-71	-71	-71	-71
<b>Capital Employed</b>	<b>19,183</b>	<b>22,623</b>	<b>25,584</b>	<b>23,482</b>	<b>28,658</b>	<b>33,054</b>	<b>37,206</b>	<b>40,025</b>
<b>Net Fixed Assets</b>	<b>22</b>	<b>30</b>	<b>541</b>	<b>482</b>	<b>332</b>	<b>332</b>	<b>332</b>	<b>332</b>
Goodwill on Consolidation	3	2	4,990	4,878	4,819	4,819	4,819	4,819
Capital WIP	2	2	2	5	0	0	0	0
Other Assets	1,054	5,053	5,173	5,360	6,758	6,758	6,758	6,758
<b>Total Investments</b>	<b>22,174</b>	<b>22,994</b>	<b>22,718</b>	<b>22,222</b>	<b>27,882</b>	<b>30,882</b>	<b>33,882</b>	<b>36,882</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>1,616</b>	<b>1,337</b>	<b>916</b>	<b>1,479</b>	<b>1,475</b>	<b>4,545</b>	<b>6,786</b>	<b>7,757</b>
Inventory	0	0	0	0	0	0	0	0
Account Receivables	13	13	71	48	40	43	49	55
Cash and Bank Balance	401	453	581	848	735	3,802	6,038	7,002
Loans and Advances	1,202	871	264	583	700	700	700	700
<b>Curr. Liability &amp; Prov.</b>	<b>5,688</b>	<b>6,795</b>	<b>8,756</b>	<b>10,944</b>	<b>12,608</b>	<b>14,246</b>	<b>15,367</b>	<b>16,551</b>
Account Payables	154	183	272	344	270	566	649	730
Other Current Liabilities	5,210	6,335	8,212	10,234	11,841	13,184	14,221	15,324
Provisions	324	277	272	366	497	497	497	497
<b>Net Current Assets</b>	<b>-4,072</b>	<b>-5,458</b>	<b>-7,840</b>	<b>-9,465</b>	<b>-11,133</b>	<b>-9,701</b>	<b>-8,581</b>	<b>-8,794</b>
Misc Expenditure	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>19,183</b>	<b>22,623</b>	<b>25,584</b>	<b>23,482</b>	<b>28,658</b>	<b>33,090</b>	<b>37,210</b>	<b>39,997</b>

## Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>48.3</b>	<b>48.6</b>	<b>46.4</b>	<b>55.2</b>	<b>91.7</b>	<b>84.5</b>	<b>94.8</b>	<b>112.1</b>
Cash EPS	48.3	48.6	46.4	55.2	91.7	84.5	94.8	112.1
BV/Share	278.1	308.7	336.5	287.3	364.2	434.5	497.7	539.7
DPS	7.7	1.0	2.0	20.0	50.0	12.1	31.1	70.1
Payout (%)	16.0	2.1	4.3	36.2	54.5	14.4	32.8	62.5
<b>Valuation (x)</b>								
P/E	44.3	44.1	46.2	38.8	23.4	25.4	22.6	19.1
Cash P/E	44.3	44.1	46.2	38.8	23.4	25.4	22.6	19.1
P/BV	7.7	6.9	6.4	7.5	5.9	4.9	4.3	4.0
EV/Sales	18.5	17.4	13.2	10.7	9.2	8.0	7.0	6.1
EV/EBITDA	37.7	42.5	48.7	38.9	24.5	23.6	21.3	18.1
Dividend Yield (%)	0.4	0.0	0.1	0.9	2.3	0.6	1.5	3.3
FCF per share	55.7	65.7	75.2	90.1	102.5	73.6	74.6	85.0
<b>Return Ratios (%)</b>								
RoE	30.8	17.0	11.8	17.7	28.1	21.6	20.3	21.6
RoCE	31.3	17.9	14.5	20.1	30.9	23.9	22.5	23.5
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	304.4	251.2	18.2	24.8	41.8	47.4	53.4	60.2
Asset Turnover (x)	0.3	0.3	0.4	0.5	0.5	0.5	0.5	0.5
Debtor (Days)	1	1	3	1	1	1	1	1
Creditor (Days)	8	9	10	10	7	13	13	13
<b>Leverage Ratio (x)</b>								
Current Ratio	0.3	0.2	0.1	0.1	0.1	0.3	0.4	0.5
Interest Cover Ratio	46.6	54.8	29.2	33.1	66.2	161.6	193.6	225.2
Net Debt/Equity	-1.4	-1.2	-1.1	-1.3	-1.3	-1.3	-1.3	-1.3

### Consolidated - Cash Flow Statement

(InR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	3,893	4,026	3,713	4,544	7,058	7,510	8,087	9,431
Depreciation	161	119	311	365	329	300	369	437
Interest & Finance Charges	67	54	-32	-29	-27	31	28	28
Direct Taxes Paid	-588	-971	-754	-915	-1,548	-1,763	-1,779	-2,075
(Inc)/Dec in WC	471	1,803	2,552	2,937	2,338	1,256	1,010	1,047
<b>CF from Operations</b>	<b>4,004</b>	<b>5,031</b>	<b>5,790</b>	<b>6,902</b>	<b>8,150</b>	<b>7,334</b>	<b>7,716</b>	<b>8,868</b>
Others	-779	-963	-1,031	-1,310	-1,918	-2,592	-2,839	-3,297
<b>CF from Operating incl EO</b>	<b>3,225</b>	<b>4,068</b>	<b>4,759</b>	<b>5,592</b>	<b>6,232</b>	<b>4,743</b>	<b>4,877</b>	<b>5,571</b>
(Inc)/Dec in FA	2	-42	-160	-144	-78	-300	-369	-437
<b>Free Cash Flow</b>	<b>3,227</b>	<b>4,026</b>	<b>4,599</b>	<b>5,448</b>	<b>6,154</b>	<b>4,443</b>	<b>4,508</b>	<b>5,134</b>
(Pur)/Sale of Investments	-13,379	-356	866	1,861	-4,286	-3,000	-3,000	-3,000
Others	1	-2,992	-3,946	-93	-499	2,388	2,635	3,093
<b>CF from Investments</b>	<b>-13,376</b>	<b>-3,390</b>	<b>-3,240</b>	<b>1,624</b>	<b>-4,863</b>	<b>-912</b>	<b>-735</b>	<b>-344</b>
Issue of Shares	10,520	5	0	0	0	0	0	0
Interest Paid	-122	-125	-128	-139	-149	-31	-28	-28
Dividend Paid	-15	-455	-1,305	-6,810	-1,333	-732	-1,879	-4,234
<b>CF from Fin. Activity</b>	<b>10,383</b>	<b>-575</b>	<b>-1,433</b>	<b>-6,949</b>	<b>-1,482</b>	<b>-763</b>	<b>-1,907</b>	<b>-4,262</b>
<b>Inc/Dec of Cash</b>	<b>232</b>	<b>103</b>	<b>86</b>	<b>267</b>	<b>-113</b>	<b>3,067</b>	<b>2,235</b>	<b>965</b>
Opening Balance	169	350	495	581	848	735	3,802	6,038
<b>Closing Balance</b>	<b>401</b>	<b>453</b>	<b>581</b>	<b>848</b>	<b>735</b>	<b>3,802</b>	<b>6,038</b>	<b>7,002</b>

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 and BSE enlistment no. 5028. 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 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 and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.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>. As per Regulatory requirements, Research Audit Report is uploaded on [www.motilaloswal.com](http://www.motilaloswal.com) > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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.

Exhibit 1: Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Exhibit 2: 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.

Exhibit 3: 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
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Exhibit 4: 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, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. 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.