22 October 2026
3QCY26 Results Update | Sector: Automobile

CIE Automotive India

Estimate change	⇔
TP change	⇔
Rating change	⇔

Bloomberg	CIEINDIA IN
Equity Shares (m)	379
M.Cap.(INRb)/(USDb)	137.7 / 1.5
52-Week Range (INR)	526 / 363
1, 6, 12 Rel. Per (%)	-4/-16/-4
12M Avg Val (INR M)	189

Financials & Valuations (INR b)

INR b	CY25	CY26E	CY27E
Sales	94.1	104.3	110.7
EBITDA (%)	14.5	14.7	15.0
Adj. PAT	8.3	9.4	10.2
EPS (INR)	22.0	25.0	26.9
EPS Growth (%)	1.5	13.4	7.7
BV/Share (INR)	197	214	233
Ratio			
RoE (%)	11.9	12.1	12.0
RoCE (%)	10.8	11.6	11.7
Payout (%)	32.3	31.8	31.9
Valuations			
P/E (x)	16.5	14.5	13.5
P/BV (x)	1.8	1.7	1.6
Div. Yield (%)	1.9	2.2	2.4
FCF Yield (%)	6.4	5.2	5.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	65.7	65.7	65.7
DII	20.8	20.7	21.6
FII	4.7	5.0	4.2
Others	8.8	8.7	8.5

FII includes depository receipts

CMP: INR363 TP: INR440 (+21%) Buy

India to drive growth; EU weakness to persist

- CIE Automotive (CIEINDIA)'s 3QCY26 PAT was 10% above our est. due to higher grant income in the aluminum business. While India revenue jumped 18.1% YoY, broadly in-line with the industry, Europe revenue dipped 2.9% YoY, primarily due to weak demand and rising competition from Chinese imports that has led to wider adoption of EVs.
- The company's India business is likely to be a key growth driver, given the pickup in demand across segments. Further, aided by its new order wins, we expect the India business growth to resume its outperformance vs. the industry growth, which has been lacking in the recent past. In Europe, CIEINDIA will continue to focus on maintaining its margins amid reduced demand. At CMP, the stock trades at 14.5x/13.5x CY26E/CY27E consol. EPS. **Reiterate BUY with a TP of INR440 (based on ~16x Sep'28E consol. EPS).**

Margin in line; PAT beat due to higher other income

- CIEINDIA's 3QCY26 consol. revenue grew 11% YoY to INR26.3b (in line). Revenue growth was led by ~18% rise in the India business. The Europe business saw a ~3% YoY decline in revenue, dragging down overall growth.
- EBITDA stood at ~INR3.7b (in line), up 5.1% YoY. The EBITDA margin stood at 14.2% (in line), down 80bp YoY/70bp QoQ.
- Other income came in ahead of our estimates at INR439m (v/s est. INR300m). The surge in other income was attributed to grant income for the aluminum business being realized this quarter.
- Hence, adj. PAT beat our estimates, having grown 13.8% YoY to INR2.4b.
- **Indian business performance:** Revenue grew 18.1% YoY to INR18.5b (in line). India's EBITDA margin stood at 14% (in line), down 190bp YoY. Margins were affected by energy/gas/material cost inflation due to the conflict in West Asia.
- **EU business performance:** EU business revenue dipped 2.9% YoY to INR7.8b (in line). A stagnant European automotive market led to the decline during the quarter. Margins, however, expanded 140bp YoY to 14.6%, slightly above our estimate of 14.4%. The margin expansion was driven by the restructuring benefits of Legazpi and Metlascastello.

Key highlights from the management commentary

- India operations delivered a strong performance, with 3QCY26 revenue growing 18% YoY, supported by robust demand across most automotive segments. While industry growth is expected to moderate from elevated levels, the ramp-up of delayed projects and a healthy order pipeline should support incremental growth.
- European operations reported a revenue decline of 4% YoY, due to a stagnant automotive market, rising EV penetration and lower volumes in Bill Forge Mexico. Management expects near-term demand to remain subdued but anticipates opportunities for market-share gains through industry consolidation.

Research analyst - Jeemit Shah (Jeemit.Shah@MotilalOswal.com) | **Radha Agarwalla** (Radha.Agarwalla@MotilalOswal.com)
Research analyst - Uday Nair (Uday.Nair@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.

- CIEINDIA secured new orders worth INR9.7b during 9MCY26, across multiple verticals, with aluminum and forgings being key contributors. European operations secured ~INR3b of new orders, of which 10-12% of CY26 order wins were related to EVs. Additionally, the delayed foundry program for a US-based customer commenced supplies in mid-October CY26, with the ramp-up expected to improve capacity utilization and support growth over the coming quarters.
- The company is expanding capacity across forgings, iron castings, gears, composites, stampings and aluminum to capitalize on secured orders and anticipated demand. Key initiatives include two new presses at Chakan, additional forging capacity at Bengaluru, a new gears facility, stamping-line expansion and diversification into four-wheeler HPDC components. The iron foundry is operating close to full capacity, necessitating further expansion planned around CY28. Additionally, a press from Mexico will be transferred to Hosur, with installation expected in 1QCY27.
- CIEINDIA plans to nearly double its growth capex in CY26 compared with CY25, with investment levels likely to remain broadly similar in CY27. Growth capex could increase to ~8% of sales vs. the historical benchmark of around 5%.

Valuation and view

- The company's India business is likely to be a key growth driver, given the pickup in demand across segments. Further, backed by its new order wins, we expect the India business to resume its outperformance relative to industry growth, which had been lacking in recent periods. In Europe, CIEINDIA will continue to focus on maintaining margins amid reduced demand. At CMP, the stock trades at 14.5x/13.5x CY26E/CY27E consolidated EPS. **Reiterate BUY with a TP of INR440 (premised on ~16x Sep'28E consolidated EPS).**

Quarterly performance (Consol.)

(INR m)	CY25				CY26E				CY25	CY26E		Var.
Y/E December	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Net Sales	**22,726**	**23,690**	**23,718**	**23,930**	**26,120**	**26,206**	**26,332**	**25,693**	**94,065**	**104,350**	**26,036**	1.1
YoY Change (%)	-6.4	3.3	11.1	13.4	14.9	10.6	11.0	7.4	4.9	10.9	9.8	
EBITDA	**3,355**	**3,368**	**3,557**	**3,469**	**4,019**	**3,896**	**3,739**	**3,690**	**13,625**	**15,345**	**3,700**	1.1
Margins (%)	14.8	14.2	15.0	14.5	15.4	14.9	14.2	14.4	14.5	14.7	**14.2**	0bp
YoY Change (%)	-7.0	-6.5	7.6	15.9	19.8	15.7	5.1	6.4	0.9	12.6	4.0	
Depreciation	864	871	890	955	943	971	929	975	3,581	3,818	975	-4.7
Interest	126	16	36	87	92	102	40	186	265	419	104	-61.9
Other Income	361	221	192	239	283	286	439	227	1,013	1,235	300	46.3
Share of profit from associates	5	7	2	9	11	10	6	13	23	40	9	
PBT after EO exp	**2,725**	**2,701**	**2,822**	**2,543**	**3,267**	**3,110**	**3,209**	**2,756**	**10,668**	**12,343**	**2,921**	9.9
Tax Rate (%)	24.6	25.1	24.5	21.4	24.4	24.9	24.6	21.1	24.2	23.8	25.0	
Adj. PAT	**2,060**	**2,030**	**2,132**	**2,101**	**2,481**	**2,344**	**2,426**	**2,189**	**8,323**	**9,440**	**2,200**	10.3
YoY Change (%)	-10.5	-6.2	9.5	17.4	20.4	15.5	13.8	4.2	1.5	13.4	3.2	
Revenues												
India	14,658	15,154	15,677	15,935	16,635	17,038	18,519	17,669	61,423	69,861	18,311	1.1
Growth (%)	2.7	6.0	8.0	10.4	13.5	12.4	18.1	10.9	6.7	13.7	16.8	
EU	8,069	8,536	8,043	7,995	9,485	9,167	7,813	8,024	32,643	34,489	7,725	1.1
Growth (%)	(19.3)	(1.2)	17.8	19.9	17.5	7.4	(2.9)	0.4	12.2	5.7	(4.0)	
EBITDA Margins												
India	15.7	15.7	15.9	15.9	16.0	15.0	14.0	14.3	15.6	14.8	14.1	-10bp
EU	13.1	11.7	13.2	11.8	14.3	14.6	14.6	14.6	12.4	14.5	14.4	20bp

E: MOFSL Estimates; AEL merged w.e.f. 2QCY19



Highlights from the management commentary

India performance update

- India operations posted 18% YoY and 9% QoQ growth, aided by robust demand across most automotive segments. While market growth is expected to moderate over the coming quarters as the impact of GST cuts subsides, management remains optimistic about the medium-term growth prospects across segments.
- EBITDA margin dipped this quarter due to higher costs of raw materials, energy and consumables amid geopolitical tensions in West Asia. Raw material costs are indexed, while negotiations with customers for passing on increases in other input costs are ongoing, with management expecting these discussions to be concluded by the end of CY26.
- Management expects the ongoing ramp-up of delayed projects to provide incremental growth beyond underlying industry demand.
- CIEINDIA secured new orders worth ~INR9.7b during 9MCY26, spread across its various business verticals. Aluminum and forgings remain key growth drivers, while gears and composites have secured promising orders in the EV segment.
- The aluminum business continues to undergo portfolio optimization, which is expected to continue until at least mid-CY27. The company is also diversifying its aluminum operations into high-pressure die-casting (HPDC) components for 4Ws.
- The iron castings division is operating close to full capacity, supported by new customer programs, while the stampings division is expanding at multiple locations to cater to requirements from its two major customers.
- The foundry project for a US-based customer commenced supplies in mid-October CY26, following a customer-driven delay of approximately six months. The project is expected to support growth over the coming quarters, with the foundry likely to be fully booked once the program reaches its planned ramp-up by mid-CY27. Management is consequently evaluating further expansion of the casting division.
- Management expects demand across most Indian automotive segments to remain healthy, although growth is likely to moderate from the strong levels witnessed in 3QCY26. The company is prioritizing organic expansion over inorganic acquisitions, given the lack of suitable acquisition opportunities at reasonable valuations.

Europe performance update

- Management indicated that the weakness in Europe was attributable to a roughly 20% decline in the Mexican business following a reduction in customer volumes, alongside a stagnant European automotive market, increasing Chinese imports and the rising penetration of electric vehicles, which is reducing demand for certain internal combustion engine components.
- The company has renegotiated and finalized its contract with GKN, under which contracted volumes have been reduced by ~20% in Mexico, in exchange for an extension in the contract duration. Management expects the Mexican business to sustain its current revenue level over the coming quarters. The reduction in GKN volumes was as a result of strategic decisions undertaken post its acquisition by American Axle, which is consolidating production and utilizing its existing forging capacity.
- To address excess capacity in Mexico, one of the four presses at the Billforge facility is being transferred to India, with installation at the Hosur facility expected in 1QCY27. The equipment will be used for hot-forged components across customers, helping address capacity constraints in India.
- Management expects the European automotive market to remain broadly stagnant in the near term, with no meaningful recovery anticipated over the next

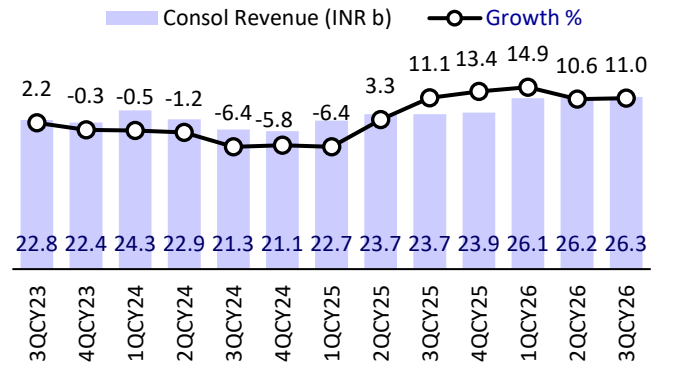
two to three quarters. However, it expects industry consolidation over the longer term to create opportunities to gain market share as financially weaker competitors come under pressure.

- CIEINDIA is expanding its presence in EV components, including aluminum-forged components and gears. EV-related orders accounted for approximately 10-12% of the INR 3b in new orders secured in Europe during CY26. However, revenue contribution remains relatively lower than that of traditional components such as crankshafts due to differences in component size and weight.
- Management highlighted that potential restrictions on Chinese hybrid vehicle imports into Europe could benefit established European automakers and their component suppliers. However, the timing and final implementation of the proposed measures remain subject to developments in European trade policy.

Capex updates

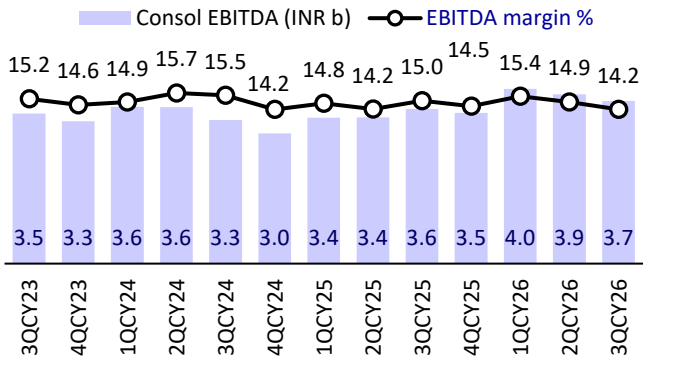
- CIEINDIA plans to nearly double its growth capex in CY26 compared with the previous year, shifting its strategic focus towards organic expansion amid a lack of suitable inorganic acquisition opportunities. Management expects growth capex in CY27 to remain broadly at a similar level to CY26, supported by additional capacity expansion plans.
- **Forgings:** The company has ordered two new presses for its Chakan plant and is planning to expand machining capacity to support newly awarded contracts. It is also adding a press and additional part-forming equipment at its Bengaluru facility. In addition, a press from Mexico is expected to be installed at Hosur in 1QCY27.
- **Iron castings:** With the foundry expected to be fully booked following the ramp-up of the new US customer program, the company is planning further foundry expansion, targeted for around CY28, to cater to already-awarded orders.
- **Gears and composites:** The gears division is expanding its infrastructure through the construction of a new plant. The composites division is also adding capacity through the installation of additional presses to support business growth.
- **Stampings:** The company is adding a stamping line and expanding a building at its Kanhe facility, while also evaluating further greenfield expansion to meet anticipated customer demand.
- **Aluminum:** The division is investing in new production lines to diversify into HPDC components for four-wheelers.

Exhibit 1: Trend in consolidated revenue



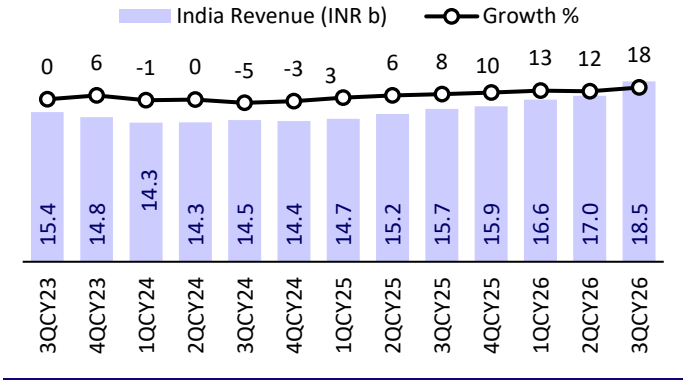
*Excludes MFE Source: Company, MOFSL

Exhibit 2: Trend in consolidated EBITDA



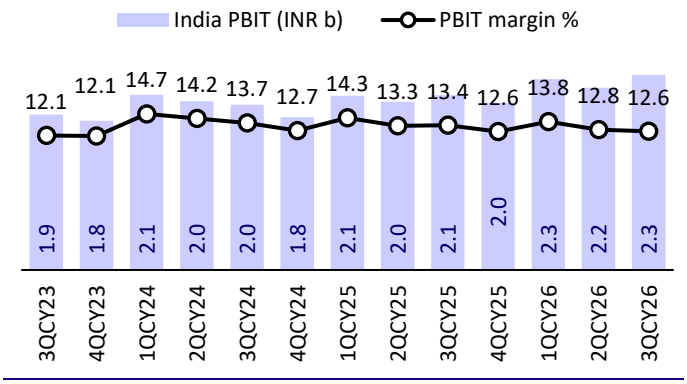
*Excludes MFE Source: Company, MOFSL

Exhibit 3: Trend in India revenue



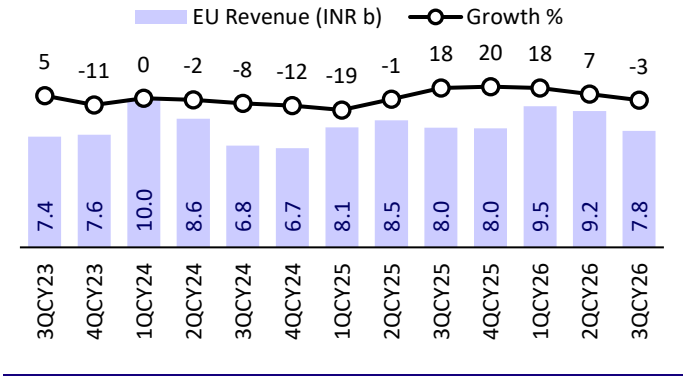
Source: Company, MOFSL

Exhibit 4: Trend in India PBIT margin



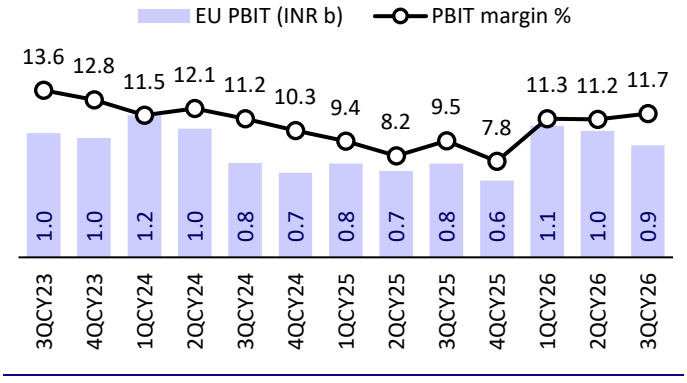
Source: Company, MOFSL

Exhibit 5: Trend in EU revenue



*Excludes MFE Source: Company, MOFSL

Exhibit 6: Trend in EU PBIT margin



*Excludes MFE Source: Company, MOFSL

Valuation and view

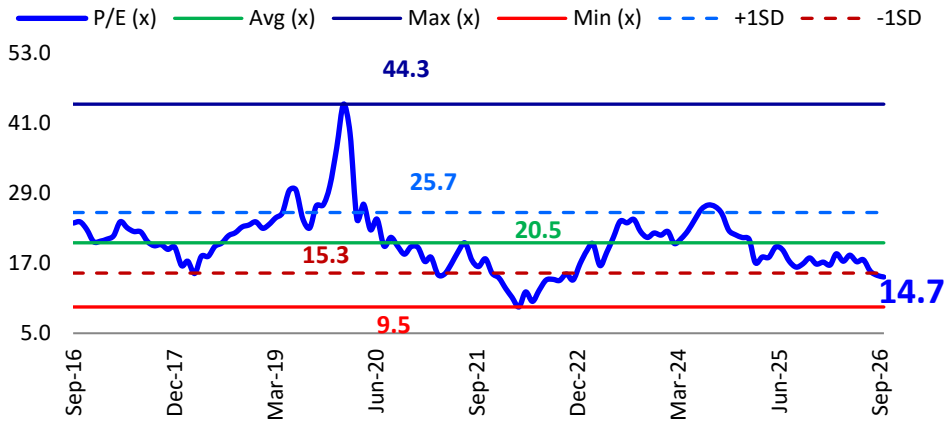
- **Unique business model with multiple technologies under one roof:** CIEINDIA is a unique ancillary company that houses seven key technologies under one roof, each with a strong competitive position. Some of its strong attributes include: 1) the largest supplier of PV crankshafts in India; 2) a dominant player in forged steering parts; 3) one of the two strategic suppliers of aluminum castings to a leading domestic 2W OEM; 4) the second-largest supplier of crankshafts in Europe; 5) a strategic supplier of gears to a leading global supplier of construction and mining equipment; 6) the largest supplier of stampings and gears to one of the leading SUV/tractor OEMs in India; and 7) a supplier with the unique ability to supply crankshafts through both castings and forgings.
- **India business to remain a key growth driver:** CIEINDIA's top three domestic customers are MM, BJAUT, and MSIL. The outlook for all three anchor customers is positive, with each of them expected to outperform their respective industry growth on account of new launches. Apart from this, the company is boosting its presence with several key OEMs, including Hyundai, Toyota, and VW. Further, domestic demand in India is expected to revive across segments following the GST rate cut. Thus, India is likely to be the key growth driver for CIE Automotive. The company continues to expand capacity while enhancing operational efficiency in line with CIE global benchmarks.
- **European demand remains subdued; deceleration has stopped:** While demand in Europe remains weak, the positive is that decline in demand has stabilized, with no further deceleration. Despite the subdued industry growth outlook in Europe, management is optimistic about outperforming the industry, backed by new order wins. Further, ongoing global tariff wars are likely to add to near-term demand uncertainty. Moreover, management has made it clear that in Europe, the focus will remain on margin protection, capacity adjustments, and securing new businesses.
- **Valuation and view**: The company's India business is likely to be a key growth driver, given the pickup in demand across segments. Further, backed by its new order wins, we expect the India business to resume its outperformance relative to industry growth, which had been lacking in recent periods. In Europe, CIEINDIA will continue to focus on maintaining margins amid reduced demand. At CMP, the stock trades at 14.5x/13.5x CY26E/CY27E consolidated EPS. Reiterate BUY with a TP of INR440 (premised on ~16x Sep'28E consolidated EPS).

Exhibit 7: Our revised estimates

(INR M)	CY26E			CY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net sales	1,04,350	1,03,875	0.5	1,10,732	1,09,885	0.8
EBITDA	15,345	15,227	0.8	16,663	16,504	1.0
EBITDA margin %	14.7	14.7	0bp	15.0	15.0	0bp
Adj. PAT	9,440	9,100	3.7	10,164	9,824	3.5
EPS	25.0	24.1	3.7	26.9	26.0	3.5

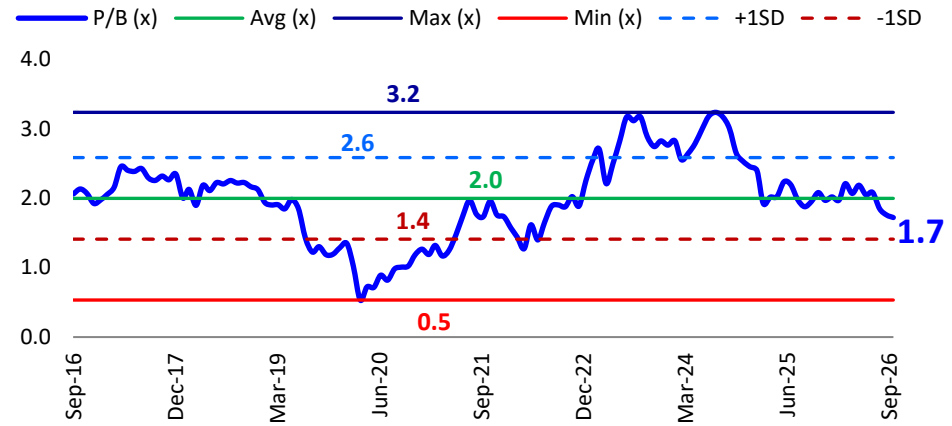
Source: MOFSL

Exhibit 8: P/E ratio charts



Source: Company, MOFSL

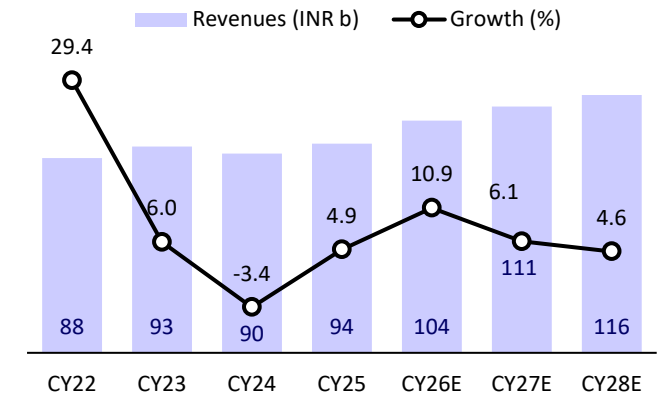
Exhibit 9: P/B ratio charts



Source: Company, MOFSL

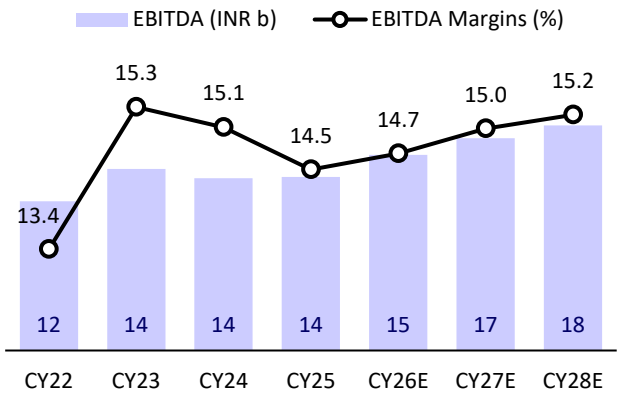
Key operating indicators

Exhibit 10: Consol. revenue to grow 7.2% over CY25-28E



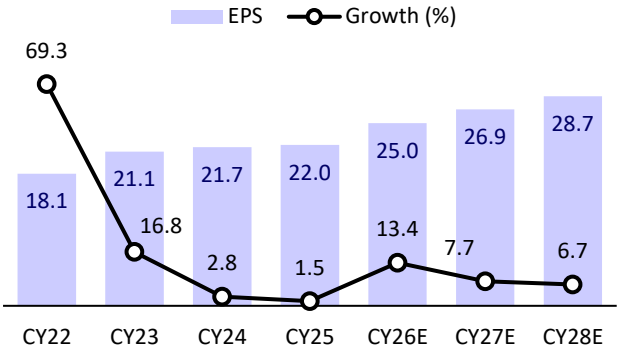
Source: Company, MOFSL

Exhibit 11: Expect EBITDA margin to remain stable



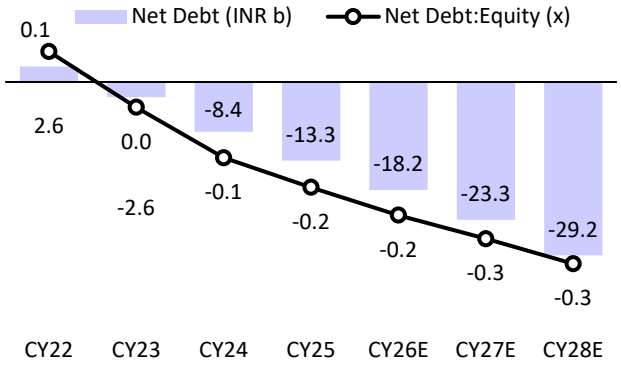
Source: Company, MOFSL

Exhibit 12: EPS and EPS growth trends



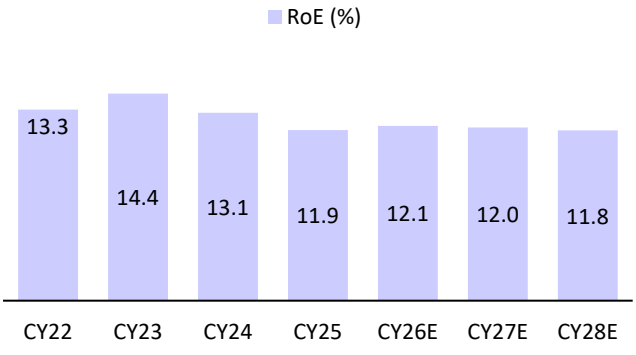
Source: Company, MOFSL

Exhibit 13: Turned net cash positive from CY23



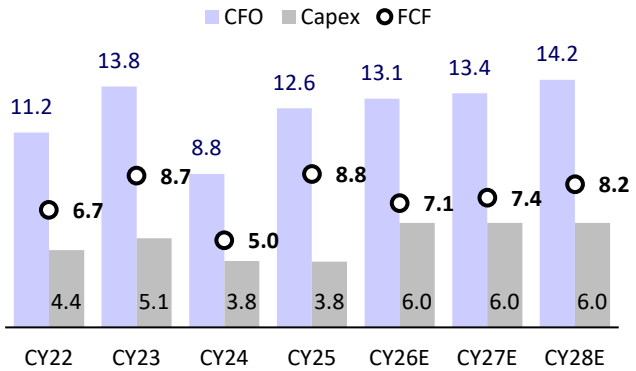
Source: Company, MOFSL

Exhibit 14: Expect RoE to remain under pressure



Source: Company, MOFSL

Exhibit 15: FCF to remain at healthy levels



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement (INR M)

Y/E December	CY21	CY22	CY23	CY24	CY25	CY26E	CY27E	CY28E
Total Income from Operations	**67,652**	**87,530**	**92,803**	**89,641**	**94,065**	**1,04,350**	**1,10,732**	**1,15,873**
Change (%)	11.8	29.4	6.0	-3.4	4.9	10.9	6.1	4.6
Total Expenditure	**58,234**	**75,810**	**78,565**	**76,135**	**80,440**	**89,005**	**94,069**	**98,217**
% of Sales	86.1	86.6	84.7	84.9	85.5	85.3	85.0	84.8
EBITDA	**9,417**	**11,720**	**14,239**	**13,506**	**13,625**	**15,345**	**16,663**	**17,656**
Change (%)	87.7	24.5	21.5	-5.1	0.9	12.6	8.6	6.0
Margin (%)	13.9	13.4	15.3	15.1	14.5	14.7	15.0	15.2
Depreciation	2,733	2,962	3,222	3,306	3,581	3,818	4,193	4,612
EBIT	**6,684**	**8,758**	**11,017**	**10,199**	**10,044**	**11,527**	**12,469**	**13,044**
Int. and Finance Charges	348	227	1,074	776	265	419	439	423
Other Income	468	583	820	1,396	1,013	1,235	1,305	1,620
PBT bef. EO Exp.	**6,805**	**9,114**	**10,763**	**10,820**	**10,791**	**12,343**	**13,335**	**14,242**
EO Items	-128	379	0	0	0	0	0	0
PBT after EO Exp.	**6,677**	**9,492**	**10,763**	**10,820**	**10,791**	**12,343**	**13,335**	**14,242**
Total Tax	2,731	2,401	2,782	2,644	2,585	2,943	3,212	3,443
Tax Rate (%)	40.9	25.3	25.8	24.4	24.0	23.8	24.1	24.2
Share of profit from associate	12	22	-5	27	23	40	41	42
Reported PAT	**3,958**	**7,113**	**7,976**	**8,203**	**8,230**	**9,440**	**10,164**	**10,841**
Adj. PAT	**4,034**	**6,829**	**7,976**	**8,203**	**8,323**	**9,440**	**10,164**	**10,841**
Change (%)	278.3	69.3	16.8	2.8	1.5	13.4	7.7	6.7

Consolidated - Balance Sheet (INR M)

Y/E December	CY21	CY22	CY23	CY24	CY25	CY26E	CY27E	CY28E
Equity Share Capital	3,791	3,793	3,794	3,794	3,794	3,794	3,794	3,794
Total Reserves	48,175	47,192	56,086	61,974	70,798	77,234	84,161	91,549
Net Worth	**51,966**	**50,985**	**59,880**	**65,768**	**74,591**	**81,028**	**87,954**	**95,342**
Total Loans	12,816	9,234	8,033	5,210	3,860	1,860	1,360	1,360
Deferred Tax Liabilities	2,459	3,199	3,238	3,247	3,178	3,178	3,178	3,178
Capital Employed	**67,241**	**63,418**	**71,151**	**74,225**	**81,630**	**86,066**	**92,493**	**99,881**
Gross Block	50,226	48,348	53,792	56,663	64,315	70,289	76,263	82,236
Less: Accum. Deprn.	20,624	20,921	24,228	26,234	32,689	36,507	40,701	45,312
Net Fixed Assets	**29,602**	**27,427**	**29,564**	**30,428**	**31,626**	**33,782**	**35,562**	**36,923**
Goodwill on Consolidation	36,265	28,040	28,540	28,142	30,375	30,375	30,375	30,375
Capital WIP	1,247	1,195	537	663	1,296	1,322	1,348	1,375
Total Investments	**4,380**	**5,756**	**8,206**	**10,617**	**14,826**	**16,826**	**21,826**	**27,326**
Curr. Assets, Loans&Adv.	**26,712**	**36,780**	**30,679**	**27,639**	**29,233**	**31,703**	**32,951**	**34,777**
Inventory	13,486	12,108	11,626	10,911	11,296	12,680	13,402	13,993
Account Receivables	6,687	8,608	6,331	6,271	6,090	7,433	7,888	8,254
Cash and Bank Balance	1,595	859	2,387	3,009	2,305	3,242	2,803	3,261
Loans and Advances	4,943	15,205	10,334	7,447	9,542	8,348	8,859	9,270
Curr. Liability & Prov.	**30,965**	**35,780**	**26,374**	**23,262**	**25,725**	**27,941**	**29,569**	**30,894**
Account Payables	19,385	21,350	19,341	15,809	18,632	19,020	20,102	20,989
Other Current Liabilities	7,605	12,876	5,505	5,976	5,636	7,304	7,751	8,111
Provisions	3,976	1,553	1,528	1,477	1,457	1,616	1,715	1,795
Net Current Assets	**-4,253**	**1,000**	**4,305**	**4,377**	**3,508**	**3,763**	**3,383**	**3,883**
Misc Expenditure	1	0	-1	-1	-1	-1	-1	-1
Appl. of Funds	**67,241**	**63,418**	**71,151**	**74,226**	**81,630**	**86,067**	**92,493**	**99,881**

Financials and valuations

Ratios

Y/E December	CY21	CY22	CY23	CY24	CY25	CY26E	CY27E	CY28E
Basic (INR)								
EPS	**10.7**	**18.1**	**21.1**	**21.7**	**22.0**	**25.0**	**26.9**	**28.7**
Cash EPS	17.9	25.9	29.6	30.4	31.5	35.1	38.0	40.9
BV/Share	137.4	134.8	158.4	173.9	197.3	214.3	232.6	252.2
DPS	2.5	2.5	5.0	7.0	7.0	7.9	8.5	9.1
Payout (%)	23.9	13.3	23.8	32.4	32.3	31.8	31.9	31.9
Valuation (x)								
P/E	34.0	20.1	17.2	16.7	16.5	14.5	13.5	12.7
Cash P/E	20.3	14.0	12.3	11.9	11.5	10.4	9.6	8.9
P/BV	2.6	2.7	2.3	2.1	1.8	1.7	1.6	1.4
EV/Sales	2.2	1.7	1.5	1.6	1.5	1.3	1.2	1.2
EV/EBITDA	15.8	12.5	10.1	10.4	10.2	8.9	8.2	7.7
Dividend Yield (%)	0.7	0.7	1.4	1.9	1.9	2.2	2.4	2.5
FCF per share	15.1	17.8	23.0	13.2	23.2	18.8	19.6	21.6
Return Ratios (%)								
RoE	8.0	13.3	14.4	13.1	11.9	12.1	12.0	11.8
RoCE (Post-tax)	6.3	10.7	13.0	12.1	10.8	11.6	11.7	11.6
RoIC	6.5	11.3	14.1	12.8	12.4	13.7	14.4	14.7
Working Capital Ratios								
Fixed Asset Turnover (x)	1.3	1.8	1.7	1.6	1.5	1.5	1.5	1.4
Asset Turnover (x)	1.0	1.4	1.3	1.2	1.2	1.2	1.2	1.2
Inventory (Days)	73	50	46	44	44	44	44	44
Debtor (Days)	36	36	25	26	24	26	26	26
Creditor (Days)	105	89	76	64	72	67	66	66
Leverage Ratio (x)								
Net Debt/Equity	0.1	0.1	0.0	-0.1	-0.2	-0.2	-0.3	-0.3

Cash Flow Statement (INR M)

Y/E December	CY21	CY22	CY23	CY24	CY25	CY26E	CY27E	CY28E
OP/(Loss) before Tax	6,689	9,514	10,759	10,847	10,814	12,383	13,376	14,284
Depreciation	3,431	3,537	3,222	3,306	3,581	3,818	4,193	4,612
Interest & Finance Charges	533	454	1,074	776	265	-816	-865	-1,197
Direct Taxes Paid	-1,053	-1,981	-3,579	-2,622	-2,625	-2,943	-3,212	-3,443
(Inc)/Dec in WC	1,364	-97	-309	-2,357	1,499	683	-59	-43
CF from Operations	**10,963**	**11,427**	**11,166**	**9,950**	**13,535**	**13,125**	**13,433**	**14,213**
Others	-452	-245	2,667	-1,142	-955	0	0	0
CF from Operating incl EO	**10,511**	**11,182**	**13,833**	**8,808**	**12,580**	**13,125**	**13,433**	**14,213**
(Inc)/Dec in FA	-4,778	-4,434	-5,122	-3,807	-3,774	-6,000	-6,000	-6,000
Free Cash Flow	**5,733**	**6,749**	**8,711**	**5,002**	**8,806**	**7,125**	**7,433**	**8,213**
(Pur)/Sale of Investments	-1,880	-1,273	-2,213	-1,679	-3,668	-2,000	-5,000	-5,500
Others	-967	-661	-1,714	3,118	-582	1,235	1,305	1,620
CF from Investments	**-7,625**	**-6,368**	**-9,049**	**-2,368**	**-8,024**	**-6,765**	**-9,695**	**-9,880**
Issue of Shares	10	36	7	0	0	0	0	0
Inc/(Dec) in Debt	-2,787	-3,936	396	3,265	-2,744	-2,000	-500	0
Interest Paid	-465	-378	-1,035	-739	-255	-419	-439	-423
Dividend Paid	0	-948	-948	-1,889	-2,644	-3,004	-3,237	-3,453
Others	-385	349	-2,691	-6,164	383	0	0	0
CF from Fin. Activity	**-3,627**	**-4,877**	**-4,272**	**-5,527**	**-5,260**	**-5,423**	**-4,176**	**-3,876**
Inc/Dec of Cash	**-740**	**-63**	**512**	**914**	**-704**	**937**	**-439**	**457**
Opening Balance	2,506	1,766	1,703	2,095	3,009	2,305	3,242	2,803
Closing Balance	**1,766**	**1,703**	**2,215**	**3,009**	**2,305**	**3,242**	**2,803**	**3,261**

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 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. 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://onlinereports.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 > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

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

Specific Disclosures

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

The associates of MOFSL may have:

- financial interest in the subject company

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

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions - including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI, 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

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
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@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, 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.