

BSE SENSEX

36,719

S&P CNX

11,085

CMP: INR6,434 TP: INR7,300(+15%)
Buy

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Stock Info

Bloomberg	BRIT IN
Equity Shares (m)	120
M.Cap.(INRb)/(USDb)	772.5 / 11.2
52-Week Range (INR)	6566 / 3749
1, 6, 12 Rel. Per (%)	5/35/53
12M Avg Val (INR M)	743
Free float (%)	49.3

Financials Snapshot (INR b)

Y/E Dec	2018	2019E	2020E
Net Sales	99.1	118.4	140.6
EBITDA	15.0	19.2	23.8
PAT	10.0	12.9	16.0
EPS (INR)	83.6	107.4	133.2
Gr. (%)	13.5	28.4	24.0
BV/Sh (INR)	283.7	323.8	348.7
RoE (%)	32.9	35.3	39.6
RoCE (%)	27.9	30.1	34.6
P/E (x)	76.0	59.2	47.7
P/BV (x)	22.4	19.6	18.2

Shareholding pattern (%)

As On	Mar-18	Dec-17	Mar-17
Promoter	50.7	50.7	50.7
DII	12.6	11.8	11.7
FII	17.1	17.7	16.0
Others	19.6	19.8	21.6

FII Includes depository receipts

Expanding distribution reach, a key entry barrier

'Audacious, ambitious and consistent' pipeline to boost growth

We went through BRIT's FY18 annual report. Our key takeaways:

- BRIT ended FY18 with 9.5% sales growth, 17.5% EBITDA growth, and 13.6% adjusted PAT growth. Gross margin expanded 10bp to 38.4% and EBITDA margin expanded 100bp to 15.1%.
- Consolidated ad spends (not disclosed on quarterly basis) grew 6.8% to INR4.1b; however, as a percentage of sales, ad spends declined 10bp to 4.1%.
- BRIT's distribution expansion has resulted in a reach of 5.2m outlets across the country, with direct reach of 1.84m outlets. This should fuel strong growth.
- The INR320b biscuit market in India is projected to grow at a CAGR of 11.3% in value terms during 2018-2022.
- BRIT reaches 180m households in India. 70% of Indian households (80% in urban India and 90% in the metros) consume BRIT's products. The potential for premiumization is huge.
- Success of innovation has fueled an appetite to develop – in the management's own words – “an audacious, ambitious and consistent pipeline.”
- The marginal negatives were weak near-term prospects for the international business, ad spend growing in absolute terms but declining marginally as a percentage of sales, and reduced but still significant inter-corporate deposits with group companies.
- On completing a century, BRIT has given a good perspective of (a) how things have changed over the years, (b) its brand journey, and (c) improving R&D capability, and resultant change in innovation, capacity, and distribution.

Our view

We are enthused by the management's positive commentary on new launches. Ongoing revival in demand for biscuits is reducing the hurdle rate for BRIT. Rapidly expanding distribution, continuing R&D investments, significant expansion of its own manufacturing also indicate the immense confidence that the management has on growth prospects. Opportunity beyond biscuits is also substantial. Continuing premiumization, significant incremental cost savings, and favorable commodity cost outlook mean further EBITDA margin expansion prospects are bright, as well. We retain **Buy** with a target price of INR7,300 (51x June 2020E EPS; 20% premium to three-year average due to improving visibility on both volume recovery and margin growth).

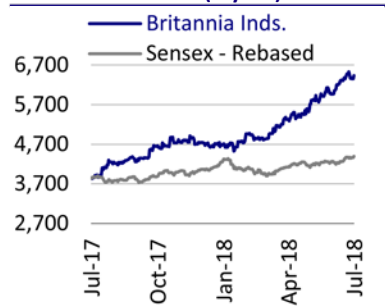
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Investors are advised to refer through important disclosures made at the last page of the Research Report.

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

Stock Performance (1-year)



Premiumization - Addressing Portfolio Gaps - Innovation - Democratization

- BRIT delivered another year of solid performance in FY18, supported by robust volume growth in 2HFY18. The performance was commendable in an environment where the industry struggled. BRIT consolidated its market leadership by widening the gap vis-à-vis its nearest competitor. This was driven by its strategy to drive penetration and consumption of categories where it is relatively strong, premiumization, plugging portfolio gaps, and launching innovative products. The INR320b biscuit market in India is projected to grow at a CAGR of 11.3% in value terms over 2018-2022. Given that its strategy is in place, BRIT is expected to grow even faster. Industry recovery towards the end of the year augurs well for growth prospects, as hurdle rate has reduced.
- BRIT reaches 180m households in India. 70% of Indian households (80% in urban India and over 90% in the metros) consume BRIT's products. The potential for **premiumization** is huge. In FY18, *Good Day* and *Marie Gold* democratized their offerings and successfully upgraded consumers by breaking the price point and pack barriers. *Good Day* also drove the agenda of premiumization by adding new, more indulgent variants such as *Good Day Chocolate* at the top end.
- **Expanding reach and lower unit packs (LUPs)** have helped BRIT to drive penetration and consumption of its core categories. LUPs have not only helped BRIT to democratize in the rural market but also strengthen its position in the urban market by catering to the on-the-go convenience-seeking consumer. LUPs form a fairly large part of the business at ~50% for BRIT, and have played an important role in driving growth in FY18.
- In categories where BRIT was weak compared to its key competitors, it **plugged gaps in the existing portfolio** by introducing competitive mixes. While there were a number of innovations that continued in FY18, *Good Day Wonderfulls* and *Treat* did pretty well in addressing portfolio gaps.
- The other leg of **innovation** for BRIT was introducing new-to-market and disruptive products. FY18 saw one such innovation in *Pure Magic Deuce*, which the company believes was the first disruptive innovation in biscuits in over eight years. It is a bridge product, which combines a slab of chocolate with crispy biscuits. BRIT expects FY19 to be a benchmark year for innovation and premiumization with the widest ever pipeline.

Exhibit 1: New launches in FY18



Source: Company, MOSL

Distribution continues to expand at a healthy pace

- Distribution expansion for BRIT has been substantial. Direct reach grew 18% to 1.84m outlets from 1.56m in FY17 (overall reach stood at 5.2m outlets at end-FY18, with addition of 0.5m outlets over the year). These 5.2m outlets are catered to by 30,000 salesmen and 4,000 distributors. Interestingly, 100% orders are through handheld devices.
- Over 45,000 villages are now serviced by the company.

International business promising, but likely to be subdued in the near term

- BRIT is now present in 79 countries, with the addition of 13 new markets in 2017-18. It ranks number-2 or number-3 in almost all lower gulf countries and is a key challenger in the Kingdom of Saudi Arabia (KSA). In Nepal, BRIT has achieved leadership position.
- Prospects for the international business continue to be weak in the near term, as the economic environment in GCC continues to be volatile, resulting in sluggish market demand. Various inflationary interventions like the introduction of VAT, job layoffs, and migration of Indian diaspora in markets like KSA have further accentuated the decline in consumer demand in these markets.
- Yemen and Libya, other key markets for BRIT, continue to decline due to ongoing political instability.
- Growth in the international business is there for likely to come from market share gain rather than market growth.

Infrastructure

- Capex for FY18 was INR3.75b, including INR1.7b in Ranjangaon. As at the end of FY18, BRIT owns nine plants in India excluding the Ranjangaon plant. Its owned plants are located at Kolkata (West Bengal), Rudrapur (Uttarakhand), Hajipur (Bihar), Khurda (Orissa), Jhagadia (Gujarat), Perundurai (Tamilnadu), Bidadi (Karnataka), Guwahati (Assam) and Mundra (Gujarat).
- During the year, it increased capacity at its Perundurai, Bidadi, and Jhagadia plants, and commissioned lines at the greenfield facility in Guwahati.
- The rusk lines at Mundra SEZ facility were commissioned in April 2018 and are a dedicated export unit.
- BRIT also set up a wholly-owned subsidiary in FY18 under the name of Britannia Nepal Private Limited to enhance its international presence.

R&D

- BRIT had commissioned a new R&D center in FY17. The investment in R&D is paying off handsomely both in terms of new product launches in the last two years and potential entry into adjacencies.
- R&D costs stood at INR285.4m in FY18, of which INR18.6m were incurred on capital R&D and INR266.8m on recurring R&D. Put together, R&D formed 0.31% of sales. In FY17, total R&D spend was INR478.4m.

Exhibit 2: Expenditure on R&D in FY18

Particulars	(INR m)
Capital	18.6
Recurring	266.8
Total	285.4
Total R&D expenditure as a % of turnover	0.31%

Source: Company, MOSL

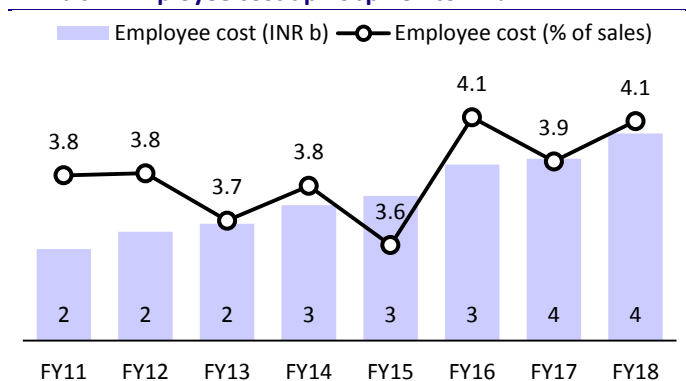
Exhibit 3: Some key numbers from BRIT's FY18 annual report

Key numbers	FY18
Employee on rolls	3,794
Temporary employees	7,460
Women employees	196
Retail outlets (m)	5.2
Direct reach (m)	1.84
Households reached (m)	180
Salesman	30,000
Distributors	4,000
Villages serviced	45,000
Orders through hand held device	100%
Vendors	900
Contract Packers	50

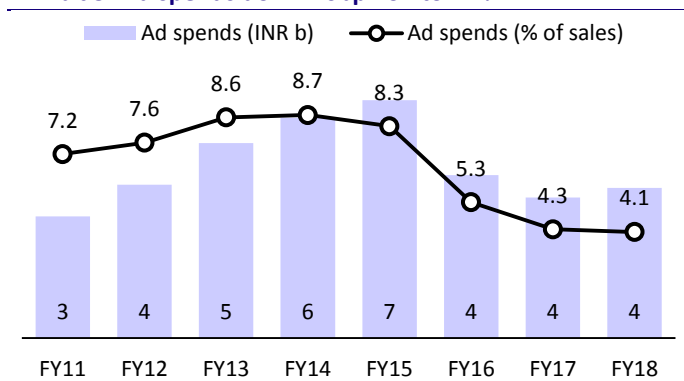
Source: Company, MOSL

Financials

- Consolidated ad spends (not disclosed on quarterly basis) grew 6.8% to INR4.1b but declined 10bp to 4.1% as a percentage of sales.

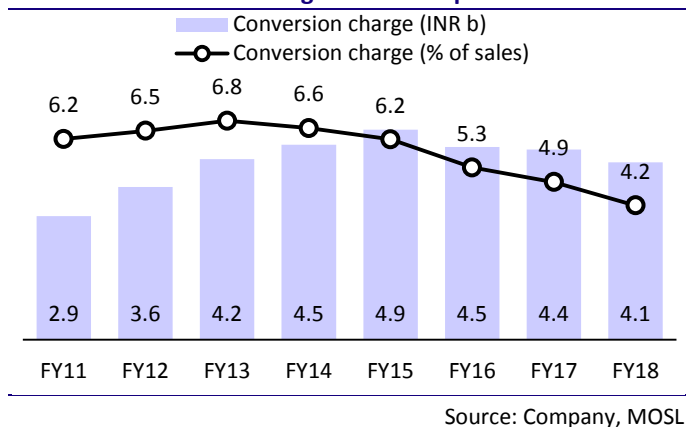
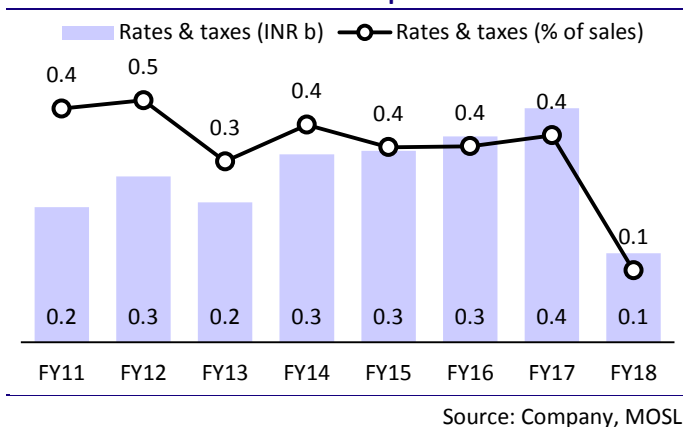
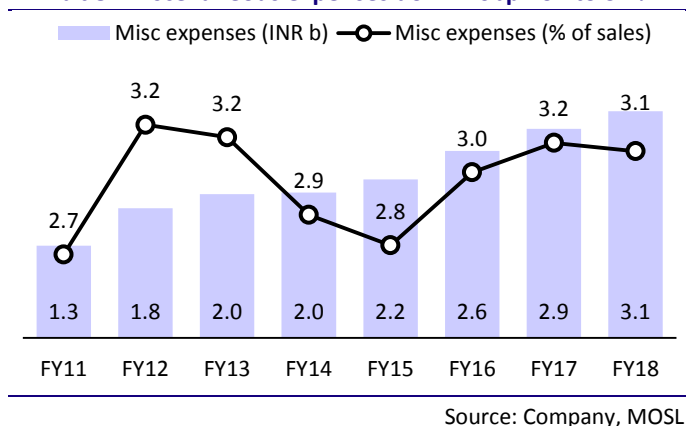
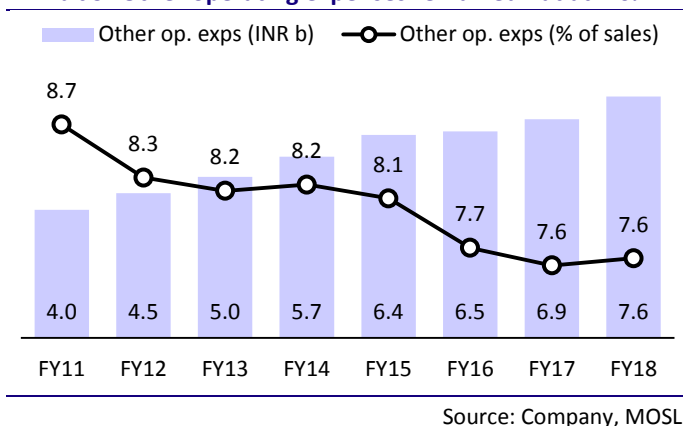
Exhibit 4: Employee cost up 20bp YoY to 4.1%

Source: Company, MOSL

Exhibit 5: Ad spends down 20bp YoY to 4.1%

Source: Company, MOSL

- Major cost savings were seen in conversion charges, which declined 6.7% to INR4.1b (or 70bp to 4.2% of sales).

Exhibit 6: Conversion charges down 70bp YoY to 4.2%**Exhibit 7: Rates & taxes down 30bp YoY to 0.1%****Exhibit 8: Miscellaneous expenses down 10bp YoY to 3.1%****Exhibit 9: Other operating expenses remained flat at 7.6%****Exhibit 10: WC days increased by 3 days in FY18, led by increase in inventory days and debtor days**

Cash conversion cycle	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Days												
Inventory days	33	29	26	26	24	21	19	18	22	24	23	23
Debtor days	8	7	6	6	7	6	6	7	7	9	10	10
Creditor days	14	14	17	22	23	25	29	32	31	32	33	33
Cash conversion cycle	27	22	15	11	8	2	-4	-7	-2	1	-1	0

Source: Company, MOSL

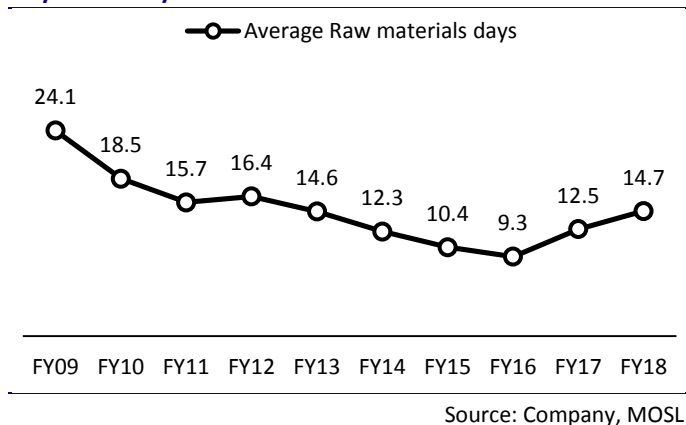
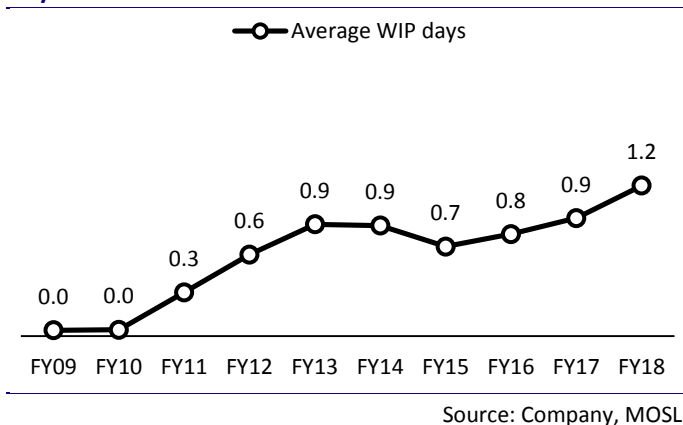
Exhibit 11: Average raw material days increased from 13 days to 15 days in FY18**Exhibit 12: Average WIP days increased from 0.9 days to 1.2 days**

Exhibit 13: Average finished goods days declined from 8.7 days to 8.3 days in FY18

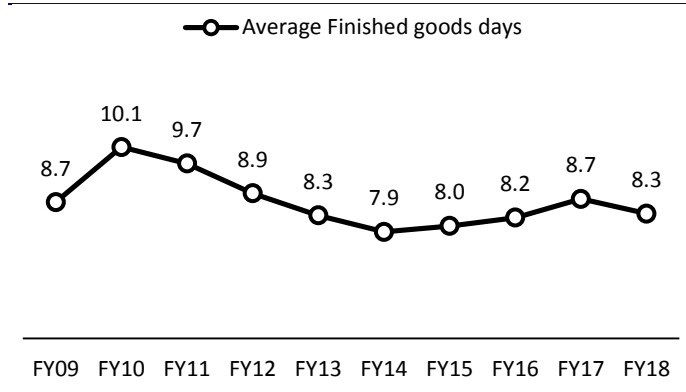
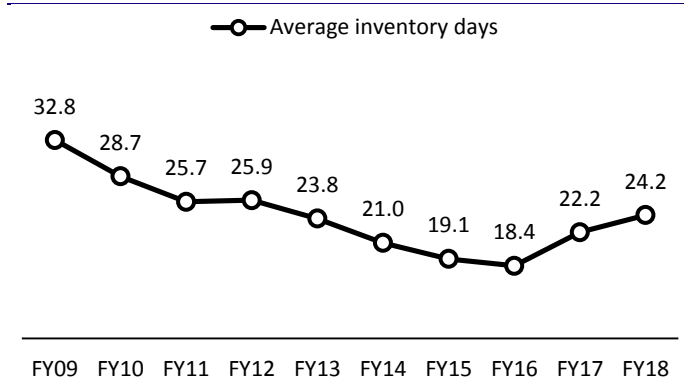
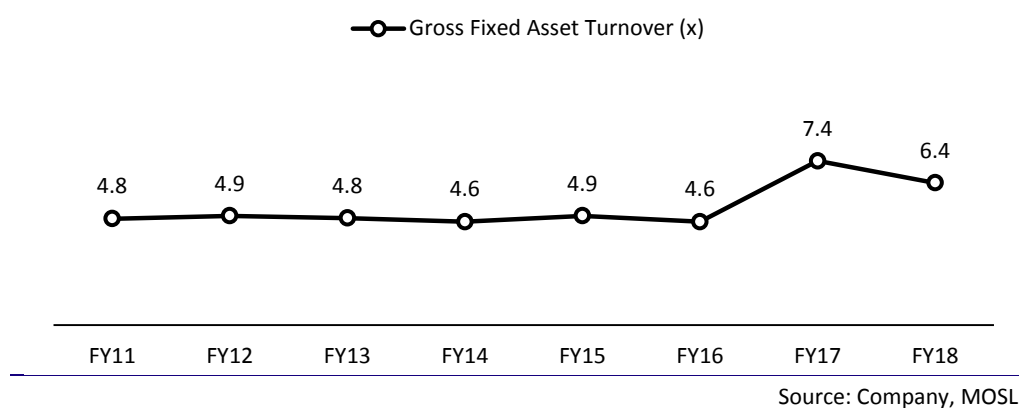


Exhibit 14: Average inventory days increased from 22 days to 24 days in FY18



- Gross fixed asset turnover declined in FY18, led by initial investment in Ranjangaon facility. Gross fixed assets grew to INR15.5b from INR12.3b in FY17.

Exhibit 15: Gross fixed asset turnover declined in FY18, led by investment in Ranjangaon facility

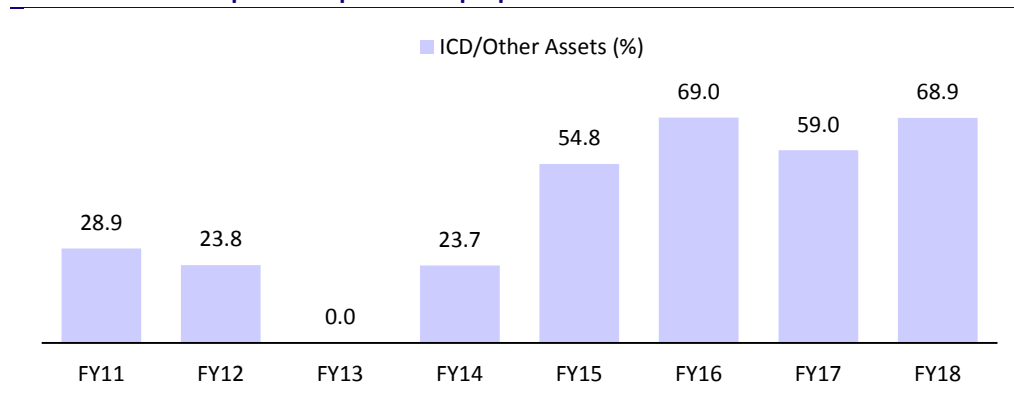


- **Inter-corporate deposits (ICDs):** ICDs increased from INR8.5b to INR9.6b in FY18, mainly on account of deposits to 'Others'. ICDs to group companies reduced from INR3.8b to INR3.5b. While BRIT earns a healthy 12% of these ICDs, investors and analysts are usually uncomfortable with lending to group entities.

Exhibit 16: Other assets and loans and advances

Particulars (INR m)	FY15	FY16	FY17	FY18
Loans				
Inter corporate deposits	3,250	6,358	8,535	9,603
Security Deposits	140	150	191	169
Other loans	34	38	24	13
Total loans granted	3,425	6,545	8,750	9,786
Other current and non-current assets				
Capital advances	220	200	1,178	395
Advances to statutory authorities	116	245	168	179
Prepaid rent	7	5	155	194
Other receivables	96	113	109	98
Advances for supply of goods	12	15	1,880	1,137
Advances for contract packers	384	269	210	242
Prepayments	69	85	97	112
Balance with Government Authorities	266	338	341	210
Other advances	340	302	401	356
Total Other assets	1,509	1,571	4,539	2,922
Other financial assets				
Other deposits	372	378	121	0
Interest accrued but not due	124	190	339	288
Incentives recoverable	178	304	472	720
Total Other financial assets	674	872	932	1,007
Other Assets	5,608	8,987	14,221	13,715

Source: Company, MOSL

Exhibit 17: Inter-corporate deposits as a proportion of other assets stood at ~69%

Source: Company, MOSL

- CSR spend at INR221m (INR158m in FY17) was up to the extent (prescribed CSR for the year was INR201m) required under the provision, which is 2% of average net salaries in the past three years.
- Foreign exchange earned was INR2b in FY18 (INR1.85b in FY17), higher than foreign exchange used of INR1.7b (INR1.54b in FY17).
- Median remuneration for the year was 12.4% lower than FY17. There were 3,794 permanent employees on rolls in FY18 and 7,460 temporary employees.
- Mr Varun Berry's remuneration grew 17% in FY18. Mr Berry was granted 125,000 options in May 2017 at an exercise price of INR3,533.3. The weighted average value of expected option life is three years and the weighted average risk-free rate assumed is 6.66%.

Exhibit 18: Remuneration of Directors and Key Management Personnel

Name of Director / KMP	Remuneration of Director/KMP for FY18 (INR m)	% increase in Remuneration in FY18	Ratio of Remuneration of each Director to median remuneration of employees
Promoter and Non-Executive Directors:			
Mr. Nusli N Wadia, Chairman	60.9	21	191.1
Mr. A K Hirjee	5.2	8	16.3
Mr. Jeh N Wadia	1.1	-27	3.5
Mr. Ness N Wadia	3.8	-24	11.9
Independent Directors			
Mr. Avijit Deb	2.4	-4	7.5
Mr. S S Kelkar	2.8	27	8.8
Mr. Nimesh N Kampani	3.7	23	11.6
Mr. Keki Dadiseth	4.5	400	14.1
Dr. Ajai Puri	5.5	20	17.3
Mr. Nasser Munjee	0.1	-	-
Mrs. Ranjana Kumar	2.1	110	6.6
Dr. Ajay Shah	1.7	-	-
Dr. Y.S.P Thorat	4.1	-	-
Mr. Keki Elavia	3.2	-	-
Key Managerial Personnel			
Mr. Varun Berry, Managing Director	86.4	17	271.1
Mr. N Venkataraman, Chief Financial Officer (w.e.f 1 December 2016)	18.3	-	-
Mr. Rajesh Arora, Company Secretary (upto 30 June 2017)	1.3	-	-

Source: Company, MOSL

Exhibit 19: Details of remuneration of Key Management Personnel

Remuneration (INR m)	Varun Berry (MD)	N Venkataraman (CFO) (w.e.f 1 Dec'16)	Rajesh Arora (CS) (upto 30 June 2017)	Total
Gross salary				
a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45.4	12.8	1.0	59.2
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.1	0.0	0.0	0.2
c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0.0	0.0	0.0	0.0
Stock Options*	0.0	0.0	0.0	0.0
Sweat Equity	0.0	0.0	0.0	0.0
Commission				
as % of profit	0.0	0.0	0.0	0.0
others	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0
Bonus / Performance linked incentive	38.6	5.2		43.8
Leave Encashment Paid	0.0	0.0	0.2	0.2
Contribution to Provident Fund, Meal Voucher and Medical Insurance premium	2.2	0.3	0.0	2.6
Total	86.4	18.3	1.3	106.0

Source: Company, MOSL

Exhibit 20: Contingent liabilities are as under

Contingent liabilities (INR m)	FY16	FY17	FY18
Excise duty and service tax related issues	532	560	498
Sales tax and other issues	870	905	922
Trade and other issues	208	208	210

Source: Company, MOSL

What has changed in BRIT's existence over the century?

- On completing a century of its existence, BRIT has given a good view of how things have changed over the years, how things were back then and how they are now on **brand journey**, and **change in R&D capability and resultant change in innovations, manufacturing capacity and distribution.**

Exhibit 21: Brand journey

Source: Company, MOSL

Exhibit 22: Change in R&D capability and innovations

Source: Company, MOSL

Exhibit 23: From a modest bakehouse in Kolkata to...



Source: Company, MOSL

Exhibit 24: ...an integrated food park in Ranjangaon, Maharashtra



Source: Company, MOSL

Exhibit 25: Face of distribution has completely changed over the years



Source: Company, MOSL

Other business developments

- **Update on JV (Chipita):** The management is excited about the croissants business. Young customers on the go are an attractive growth proposition. Anything that is center-filled does well in India. Also, it is not an easy product to make; so, entry barriers are high. BRIT intends to launch its first product through this JV in the coming year and also enter adjacent spaces in the future.
- **Dairy business:** BRIT has commenced milk procurement on a pilot basis in Maharashtra and is looking to scale up the pilot. Apart from setting up an efficient backend, it is also investing in people capability to expand the frontend.

Excerpts on 'Conservation of Energy', 'Sustainability Investments'

A) Some of the energy conservation measures undertaken during 2017-18 are:

- The program for deploying air preheaters for energy recovery in ovens has been completed and is now being extended to third-party manufacturing units as well.
- BRIT has started sourcing solar power from a third-party supplier in Karnataka. It has also finalized sourcing arrangements for wind power in Tamil Nadu, which is expected to operationalize shortly.

The company has a structured energy reduction program. As part of the program, factories with high energy consumption benchmark themselves against the factory with the lowest consumption. A cross-functional team then studies the best practices that can be replicated and implements them through a time-bound plan.

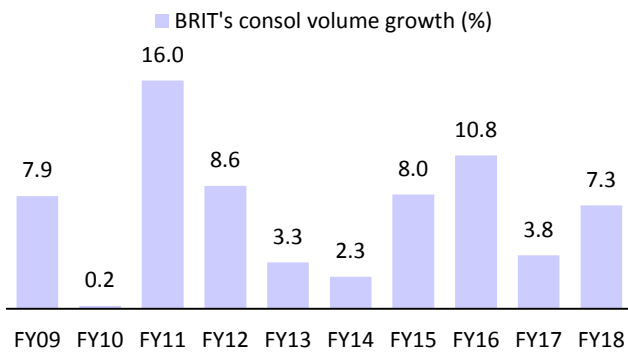
B) BRIT invested about INR3.8m in capital expenditure at its various units towards the energy reduction program in FY18.

C) Impact of measures (A) and (B) above:

- Overall specific heat energy consumption (energy consumed per ton of product), has reduced by about 8% and specific power consumption has reduced by about 4%.
- BRIT expects to save ~INR12.8m in power sourcing costs in FY19.

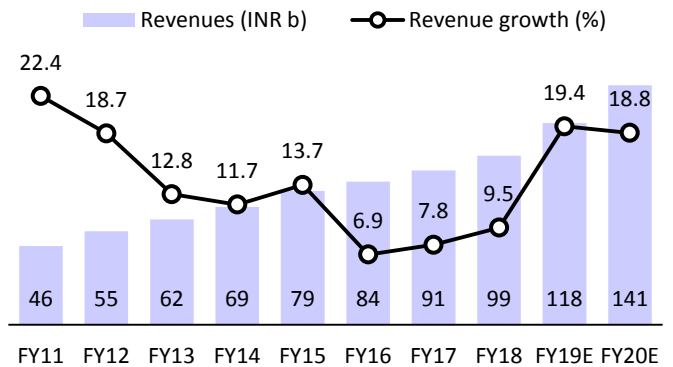
Story in Charts

Exhibit 26: Consolidated volumes grew by 7.3% in FY18



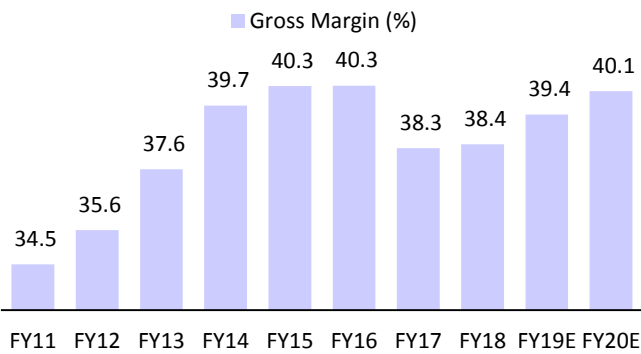
Source: Company, MOSL

Exhibit 27: Expect 19.1% revenue CAGR over FY18-20



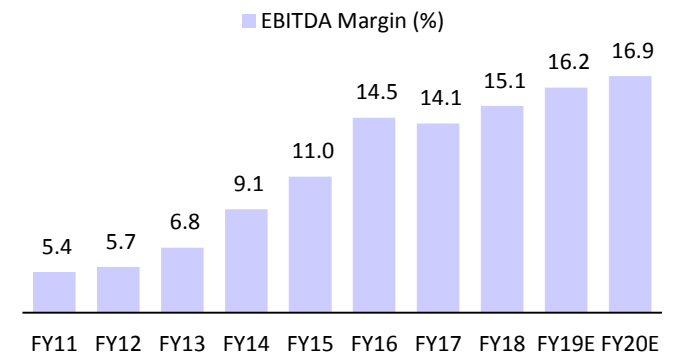
Source: Company, MOSL

Exhibit 28: Gross margin to expand 170bp over FY18-20



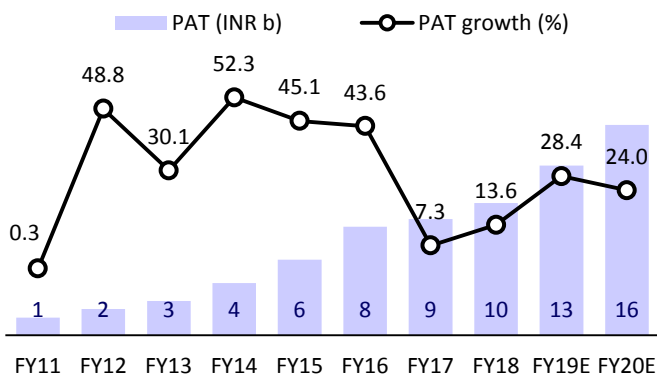
Source: Company, MOSL

Exhibit 29: EBITDA margin to expand 180bp over FY18-20



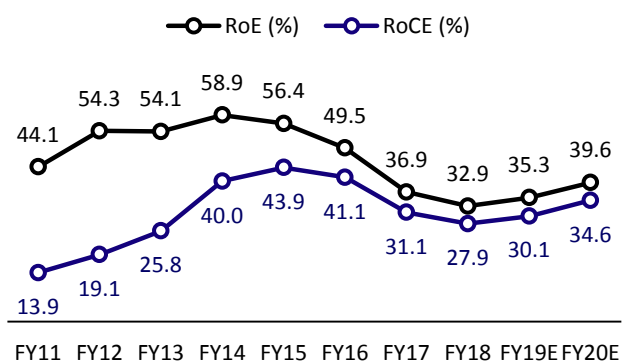
Source: Company, MOSL

Exhibit 30: Adj PAT to grow at 26.2% CAGR over FY18-20



Source: Company, MOSL

Exhibit 31: Return ratios continue to be impressive



Source: Company, MOSL

Financials and Valuations

Income Statement							(INR m)
Y/E March	2014	2015	2016	2017	2018	2019E	2020E
Net Revenues	69,127	78,584	83,972	90,541	99,140	118,387	140,602
Change (%)	11.7	13.7	6.9	7.8	9.5	19.4	18.8
Raw Material Cost	41,710	46,918	50,127	55,888	61,071	71,776	84,187
Gross Profit	27,417	31,666	33,845	34,653	38,069	46,611	56,416
Margin (%)	39.7	40.3	40.3	38.3	38.4	39.4	40.1
Advertising	6,037	6,517	4,461	3,850	4,113	5,634	6,969
% of Sales	8.7	8.3	5.3	4.3	4.1	4.8	5.0
Other Expenditure	15,108	16,510	17,240	18,022	18,940	21,771	25,674
EBITDA	6,272	8,639	12,144	12,781	15,017	19,206	23,772
Change (%)	48.8	37.7	40.6	5.2	17.5	27.9	23.8
Margin (%)	9.1	11.0	14.5	14.1	15.1	16.2	16.9
Depreciation	832	1,445	1,134	1,193	1,421	1,726	1,764
Int. and Fin. Charges	83	39	49	55	76	93	83
Financial Other Income	336	880	1,244	1,505	1,664	2,142	2,301
PBT	5,693	8,035	12,205	13,039	15,184	19,530	24,226
Tax	1,775	2,553	3,967	4,019	5,137	6,640	8,237
Tax Rate (%)	30.5	28.5	32.5	32.2	33.9	34.0	34.0
PAT	3,957	5,743	8,244	8,842	10,041	12,890	15,989
Change (%)	52.3	45.1	43.6	7.3	13.6	28.4	24.0
Margin (%)	5.7	7.3	9.8	9.8	10.1	10.9	11.4
Reported PAT	3,953	6,886	8,246	8,845	10,040	12,890	15,989
Balance Sheet							(INR m)
Y/E March	2014	2015	2016	2017	2018	2019E	2020E
Share Capital	240	240	240	240	240	240	240
Reserves	7,698	12,176	20,677	26,724	33,822	38,633	41,617
Networth	7,938	12,415	20,917	26,964	34,062	38,873	41,857
Minority Interest	24	24	25	26	131	0	0
Loans	1,498	1,451	1,311	1,246	2,007	1,699	1,615
Capital Employed	9,503	13,926	22,252	28,236	36,201	40,572	43,472
Gross Block	14,930	16,065	18,142	12,309	15,554	19,554	24,554
Less: Accum. Depn.	-7,524	-8,731	-9,799	-1,988	-3,380	-5,105	-6,869
Net Fixed Assets	7,406	7,334	8,343	10,322	12,174	14,448	17,684
Goodwill on consolidation	1,070	1,107	1,159	1,278	1,282	1,282	1,282
Capital WIP	1,071	484	901	301	2,028	2,028	2,028
Investments	1,979	5,179	7,884	4,869	10,793	11,793	11,793
Deferred Liability	89	-234	-444	-231	-226	-226	-226
Currents Assets	9,543	13,596	16,208	24,088	25,377	28,656	30,895
Inventory	4,203	4,040	4,407	6,615	6,528	8,334	9,339
Account Receivables	1,087	1,358	1,706	1,792	3,046	3,190	4,314
Cash and Bank Balance	1,091	2,263	877	1,208	1,864	3,526	3,347
Others	3,163	5,934	9,219	14,474	13,938	13,607	13,895
Curr. Liab. & Prov.	11,477	14,007	12,687	12,852	15,678	17,861	20,436
Account Payables	5,567	7,034	7,691	7,573	9,941	11,609	13,617
Other Liabilities	3,799	4,273	4,996	5,279	5,738	6,252	6,819
Net Current Assets	-1,934	-411	3,521	11,236	9,698	10,795	10,459
Net Assets	9,503	13,926	22,252	28,236	36,201	40,572	43,472

E: MOSL Estimates

Financials and Valuations

Ratios

Y/E March	2014	2015	2016	2017	2018	2019E	2020E
Basic (INR)							
EPS	33.0	47.9	68.7	73.7	83.6	107.4	133.2
BV/Share	66.2	103.5	174.3	224.7	283.7	323.8	348.7
DPS	12.0	16.0	20.0	22.0	25.0	53.7	93.2
Payout (%)	36.4	33.4	29.1	29.9	29.9	50.0	70.0
Valuation (x)							
P/E	192.6	132.7	92.5	86.2	76.0	59.2	47.7
EV/Sales	11.0	9.6	9.0	8.4	7.6	6.3	5.3
EV/EBITDA	121.3	87.5	62.2	59.3	50.1	39.0	31.5
P/BV	96.0	61.4	36.5	28.3	22.4	19.6	18.2
Dividend Yield	0.2	0.3	0.3	0.3	0.4	0.8	1.5
Return Ratios (%)							
RoE	58.9	56.4	49.5	36.9	32.9	35.3	39.6
RoCE	40.0	43.9	41.1	31.1	27.9	30.1	34.6
RoIC	67.7	90.5	80.0	45.6	41.5	51.6	58.7
Working Capital Ratios							
Debtor (Days)	6	6	7	7	11	10	11
Asset Turnover (x)	7.3	5.6	3.8	3.2	2.7	2.9	3.2
Leverage Ratio							
Debt/Equity (x)	0.2	0.1	0.1	0.0	0.1	0.0	0.0

Cash Flow Statement

Y/E March	2014	2015	2016	2017	2018	2019E	2020E
(INR m)							
OP Profit	5,693	8,035	12,205	13,039	15,184	19,530	24,226
Dep	832	1,445	1,134	1,193	1,421	1,726	1,764
Financial Other Income	-336	-880	-1,244	-1,505	-1,664	-2,142	-2,301
Interest Paid	-83	-39	-49	-55	-76	-93	-83
Direct Taxes Paid	1,775	2,553	3,967	4,019	5,137	6,640	8,237
Inc in WC	-1,602	350	5,319	7,384	-2,194	-565	-157
CF from Operations	6,099	5,736	2,858	1,379	12,074	13,131	15,692
(Inc)/Dec in FA	-1,634	-548	-2,494	6,433	-4,972	-4,000	-5,000
(Pur.)/Sale of Investments	-897	-3,201	-2,704	3,015	-5,924	-1,000	0
Other Non Rec Exp	0	-1,142	0	0	0	0	0
CF from Investments	-2,531	-4,891	-5,199	9,448	-10,896	-5,000	-5,000
Inc in Debt	-2,302	-47	-140	-65	761	-308	-84
Dividend Paid	1,189	1,684	2,309	3,179	3,618	7,489	13,006
Other Item	15	-2,058	-3,403	7,252	-2,336	-1,328	-2,219
CF from Fin. Activity	-3,506	327	954	-10,496	-521	-6,469	-10,871
Inc/Dec of Cash	62	1,172	-1,387	331	657	1,662	-179
Add: Beginning Balance	1,029	1,091	2,263	877	1,208	1,864	3,526
Closing Balance	1,091	2,263	876	1,207	1,864	3,526	3,347

E: MOSL Estimates

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

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