MOTILAL OSWAL

25 June 2020

4QFY20 Results Update | Sector: Oil & Gas

IOCL

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	IOCL IN
Equity Shares (m)	9,181
M.Cap.(INRb)/(USDb)	800.7 / 10.8
52-Week Range (INR)	158 / 71
1, 6, 12 Rel. Per (%)	-1/-17/-33
12M Avg Val (INR M)	1873

Financials & Valuations (INR b)

Y/E March	2020	2021E	2022E
Sales	4,844	3,721	4,476
EBITDA	168.2	335.5	404.3
Adj. PAT	94.3	138.6	187.2
Adj. EPS (INR)	10.3	15.1	20.4
EPS Gr. (%)	(45.4)	47.0	35.0
BV/Sh.(INR)	103.9	111.1	121.2
Ratios			
Net D:E	0.9	0.9	0.8
RoE (%)	9.1	14.0	17.5
RoCE (%)	1.7	8.5	10.1
Payout (%)	NM	52.1	50.7
Valuations			
P/E (x)	8.3	5.6	4.2
P/BV (x)	0.8	0.8	0.7
EV/EBITDA (x)	12.0	6.2	5.1
Div. Yield (%)	5.0	7.9	10.4
FCF Yield (%)	(31.1)	1.2	14.8

Shareholding pattern (%)

As On	Mar-20	Dec-19	Mar-19
Promoter	51.5	51.5	52.2
DII	13.5	13.9	13.8
FII	7.2	7.6	7.0
Others	27.8	27.0	27.0

FII Includes depository receipts

CMP: INR85 TP: INR145 (+70%) Buy

Best placed among OMCs – value discount to peers would shrink

- **IOCL reported higher-than-expected core GRMs, primarily due to discounts received on crude during the quarter, in line with the GRMs of other Indian refiners.**
- **After the plunge witnessed in crude prices for the quarter, prices recovered to ~USD40/bbl. We believe this would offer the company some relief in terms of inventory gains going forward; however, the entire loss booked in 4QFY20 may not be recovered. IOCL revalued inventory at ~USD36/bbl, which currently stands ~USD43/bbl.**
- **For IOCL, the share of marketing in the total EBITDA increased to 32–40% over FY19–20, from ~20% in FY17, offering a more diversified earnings mix. While refining margins are dependent entirely on global macros, marketing margins are more under the control of OMCs.**
- **We continue to prefer IOCL despite the company having annual capex of ~INR260b (the highest among OMCs); it is expected to report ~16% cumulative FCF yield in FY21/FY22. Additionally, dividend yield appears attractive at 8–10%.**
- **IOCL trades at 5.6x consol. FY21E EPS of INR15.1 (~42% discount to FY15–18) and 0.8x FY21E PBV (~11% discount to FY15–18). Reiterate Buy.**

High inventory loss recorded…

- The company posted huge inventory loss of INR185b (refining at INR162b and marketing at INR23b) during the quarter. Adjusted EBITDA for inventory stood at INR214.1b (v/s INR74.0b in 4QFY19 and INR50.3b in 3QFY20).
- Reported EBITDA came in at INR29.3b and forex loss for the quarter was at INR27.2b. Higher interest cost was offset by higher other income.
- The company revalued its inventory at the end of the quarter and recorded an exceptional item of INR113b (of which INR80b was refining and INR33b was marketing); thus, PBT came in at loss of INR136.1b. IOCL stated that total inventory loss of INR185b also includes revaluation loss.
- IOCL has moved to a lower tax rate and re-measured its DTL. Reported PAT stood at loss of INR51.9b.
- Adj. PAT (for the exceptional item) came in at INR61.2b (v/s est. loss of INR30.3b; gain of INR61b in 4QFY19 and INR23.4b in 3QFY20).

…thus, core GRM stands at USD8.2/bbl

- **Refining:** IOCL reported GRM at -USD9.6/bbl (below our est. of -USD5.5/bbl). However, refining inventory loss translates to loss of ~USD17.8/bbl. Thus, core GRM stood at USD8.2/bbl (v/s est. of USD2; USD1.4 in 4QFY19 and USD2 in 3QFY20). Refining throughput for the quarter was in line with est. at 17.1mmt (-1% YoY, -2% QoQ). Refining EBITDA stood at a loss of INR124.5b (v/s gains of INR12.1b in 4QFY19).
- **Marketing:** Marketing sales were 5% below est. at 19.2mmt (-7% YoY, -6% QoQ), while the marketing margin came in at INR9.4/lit (+41% YoY, 2x QoQ). Marketing EBITDA stood at gain of INR23.3b (v/s INR68.5b in 4QFY19).
- **Petchem:** Sales were flat YoY at 0.66mmt, while EBITDA/mt declined 54% YoY to USD99/mt (-40% QoQ). This was weighed by margin contraction due to demand destruction in an already oversupplied market. Petchem EBITDA came in at INR4.8b (v/s INR10.1b in 4QFY19).

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- **Pipeline** EBITDA was at INR15.4b (v/s INR15.9b in 4QFY19), with the total capacity utilization of the pipeline at 88.0% (v/s 95% in 3QFY20).

FY20 – throughput and sales flattish YoY

- For FY20, reported EBITDA was lower by 36% YoY at INR227.3b, while adjusted EBITDA was up 24% at INR387.2b. Reported PAT came in at INR13.1b, and adj. PAT stood at INR126.2b (-25% YoY).
- Refining throughput was down 3% YoY to 69.4mmt, whereas marketing sales came in flat YoY at 79mmt.
- The company has not declared final dividend; however, interim dividend of INR4.25/share was announced in FY20.

Demand and throughput outlook

- Refinery throughput stands at ~90% in June (up from ~55% at the start of May), and IOCL expects to achieve full utilization by July.
- MS and HSD demand in June has improved to 85–90% of normal demand (up from ~70% in May). On the other hand, ATF demand has been heavily impacted for May/June and stands at ~17%/31% of normal levels. LPG saw robust demand, led by various schemes announced by the government.
- The company declared force majeure on various Middle Eastern crude suppliers. IOCL also cancelled/diverted various crude parcels on mutual agreement with suppliers. IOCL parked ~7m bbls of oil in Strategic Petroleum Reserve of India, for which the company has received payment.
- The Panipat naphtha cracker and Paradip polypropylene plant are now operating at 100%. Petchem EBITDA was lower for the year due to shrinkage in petchem spreads, along with shutdown at Paradip in 1QFY20, followed by NGT's order. The company expects PX/PTA production to improve in the current year (FY21), thus aiding the Petchem business in FY21.
- Work on various major projects has commenced on the ground.

Financials snapshot and guidance

- Capex in FY20 was at ~INR280b, and capex guidance for FY21 stands at INR260b (refining at ~INR40b; pipeline at ~INR45b; marketing at ~INR60b; petchem at ~INR23b; and others, incl. CGDs).
- Debt stood at INR1,165b at the end of March, while the company believes it should fall below INR1,000b by the end of FY21 (decline of ~INR260b from peak debt in April). Debt increased as the company extended credit facilities to retail outlet dealers, although these have now been fully recovered.
- Government receivables stand at ~INR130b (~INR58.5b of this has been recovered since April). Importantly, there is no subsidy on LPG prices by government currently.

Valuation and view – Preferred pick among OMCs

- For IOCL, the share of marketing in the total EBITDA increased to 32–40% over FY19–20, from ~20% in FY17, giving a more diversified earnings mix.
- IOCL has traded at a huge discount in the past decade owing to its capex cycle. Although, the company is now at the end of its capex cycle and we believe ROE is set to double to ~17.5% in FY22 from ~9.1% in FY20.
- The discount gap to peers should shrink, and we value it at 1.2x FY22 PBV (at par with FY15–18 post the reform period) to arrive at target price of INR145. Reiterate Buy.

Standalone – Quarterly Earnings Model (INR b)

Y/E March	FY19				FY20				FY19	FY20	FY20	Var. vs
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	est.
Net Sales	**1,294.8**	**1,320.3**	**1,399.7**	**1,262.1**	**1,315.1**	**1,116.9**	**1,246.2**	**1,184.4**	**5,276.9**	**4,862.6**	**937.2**	**26%**
YoY Change (%)	22.8	45.8	26.5	7.5	1.6	-15.4	-11.0	-6.2	24.4	-7.9	-25.7	
EBITDA	**143.8**	**93.8**	**15.3**	**100.4**	**82.6**	**47.1**	**68.3**	**29.3**	**353.3**	**227.3**	**-2.0**	**NM**
Margins (%)	11.1	7.1	1.1	8.0	6.3	4.2	5.5	2.5	6.7	4.7	-0.2	
EBITDA adj. for inventory and one-offs	**65.1**	**50.9**	**122.7**	**74.0**	**64.0**	**58.9**	**50.3**	**214.1**	**312.7**	**387.2**	**68.4**	**NM**
Depreciation	17.9	18.1	18.6	20.6	20.9	21.0	21.9	23.9	75.1	87.7	22.2	8%
Forex loss	18.1	26.2	-20.8	-8.4	-0.9	11.4	1.8	27.2	15.0	39.4	14.8	
Interest	10.3	11.9	8.5	12.4	15.1	13.1	13.1	18.5	43.1	59.8	13.8	35%
Other Income	5.9	10.4	4.4	10.6	6.3	6.5	5.7	17.2	31.3	35.7	7.3	NM
PBT before EO expense	**103.4**	**48.1**	**13.4**	**86.3**	**53.8**	**8.1**	**37.2**	**-23.1**	**251.3**	**76.1**	**-45.4**	**-49%**
Extra-Ord expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	113.0	0.0	113.0	0.0	
PBT	**103.4**	**48.1**	**13.4**	**86.3**	**53.8**	**8.1**	**37.2**	**-136.1**	**251.3**	**-36.9**	**-45.4**	**NM**
Rate (%)	33.9	32.4	46.7	29.4	33.2	30.8	37.2	61.9	32.8	135.5	33.3	
Reported PAT	**68.3**	**32.5**	**7.2**	**61.0**	**36.0**	**5.6**	**23.4**	**-51.9**	**168.9**	**13.1**	**-30.3**	**NM**
Adj PAT	**68.3**	**32.5**	**7.2**	**61.0**	**36.0**	**5.6**	**23.4**	**61.2**	**168.9**	**126.2**	**-30.3**	**NM**
YoY Change (%)	155.2	-12.2	-90.9	16.9	-47.4	-82.6	226.3	0.3	-13.4	-25.3	-149.6	
Margins (%)	5.3	2.5	0.5	4.8	2.7	0.5	1.9	5.2	3.2	2.6	-3.2	
Key Assumptions												
Refining throughput (mmt)	17.7	17.8	19.0	17.4	17.3	17.5	17.5	17.1	71.8	69.4	16.8	2%
Core GRM (USD/bbl)	3.4	3.5	9.2	1.4	3.6	3.0	2.0	8.2	4.4	4.2	2.0	NM
Domestic sale of refined products (mmt)	20.5	18.6	20.3	20.5	20.5	19.0	20.4	19.2	80.0	79.0	20.1	-5%
Marketing GM incld inv per litre (INR/litre)	5.2	5.7	3.5	6.7	5.1	5.3	4.8	9.4	5.3	6.2	5.4	76%

E: MOFSL Estimates

Recent development in LPG augurs well for OMCs

- In the current benign crude price environment (our est. USD40/bbl / USD50/bbl for FY21/FY22E), we expect to see structural changes in the pricing of LPG and kerosene, which may bid farewell to all under-recoveries in the petroleum sector. A recent news article suggests the subsidy on LPG cylinders declined to zero in May'20. IOCL in its concall stated there is currently no subsidy on LPG prices by the government.
- Raising prices or reducing subsidies on LPG cylinders augurs well for OMCs. Effective 1st Jun'20, the price of non-subsidized LPG cylinders was also increased (article). However, the government's resolve would be tested if oil prices spike.

GRMs and outlook

- The company expects GRM to remain subdued in 1QFY21 due to poor product cracks, weighed by demand destruction; also, discounts from Middle Eastern suppliers (enjoyed in 4QFY20) have come off.
- However, improvement in product demand would translate into higher cracks, leading to better GRMs in the latter part of the year. Also, refining throughput and product marketing sales are recovering faster than expected.
- IOCL revalued its inventory at ~USD36/bbl of product prices, which currently stands ~USD43/bbl; thus, expect inventory gains in the current quarter (1QFY21).
- The company has also taken advantage of lower crude prices during the crisis period. IOCL had inventory of ~11.4mmt on 1st May and ~10.2mmt on 1st June, which is currently ~8mmt (at normalized levels).

Estimates unchanged

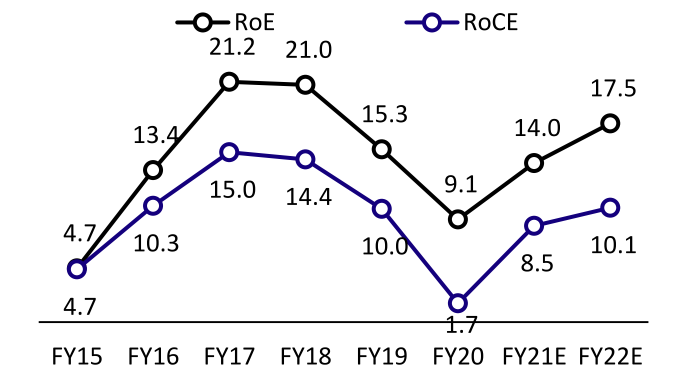
- The company has highlighted that refining throughput ramped up after a drop in Apr'20 to ~90%. On the other hand, product sales demand has also revived and is now only 10% lower than normal levels (up from being ~55% lower in Apr'20).
- Our model was already in line with the aforementioned developments; we have built-in FY21 refining throughput ~5% lower YoY at 66mmt (95% utilization v/s 100% in FY20) and marketing sales volumes 5% lower YoY at 75mmt (v/s our assumption of average 5% YoY volume gains).
- The normalization of irrational GRM and marketing margin would tend to occur in the long term; thus, we have built-in GRM of USD5/bbl / USD6/bbl and blended marketing margin of INR4.3/liter / INR4.3/liter for FY21/22E, respectively.
- Refining should contribute ~32% of IOCL consol. EBITDA in FY22E, implying a normalized GRM scenario of USD6/bbl. Our calculation suggests IOCL requires INR0.5/liter of incremental gross marketing margins on auto fuels for the full year to offset decline of USD1/bbl in GRM.

Exhibit 1: Key Assumptions

Y End: March 31	2015	2016	2017	2018	2019	2020	2021E	2022E
Exchange Rate (INR/USD)	61.4	65.5	67.1	64.5	70.0	70.9	72.5	73.3
Brent Crude (USD/bbl)	86	48	49	58	70	61	40	50
Domestic direct sales refined pdts (MMT)	68	73	74	77	80	79	75	78
YoY (%)	1%	6%	2%	4%	4%	-1%	-5%	4%
Reported GRM (USD/bbl)	0.3	5.1	7.8	8.5	5.4	0.1	5.0	6.0
Singapore GRM (USD/bbl)	6.4	7.5	5.8	7.3	4.9	3.8	5.0	6.0
Prem/(disc) (USD/bbl)	(6)	(2)	2	1	1	(4)	0	0
Refining capacity utilization (%)	**99%**	**98%**	**94%**	**100%**	**104%**	**100%**	**95%**	**104%**
Total Refinery throughput (MMT)	53.6	56.7	65.2	69.0	71.8	69.4	66.0	72.0
YoY (%)	1%	6%	15%	6%	4%	-3%	-5%	9%
Marketing Margin (INR/ltr)								
Blended gross marketing margin incld inventory	4.6	3.7	4.2	4.4	5.3	6.2	4.3	4.3
Cons EPS	**3.5**	**11.6**	**22.2**	**24.6**	**18.8**	**10.3**	**15.1**	**20.4**

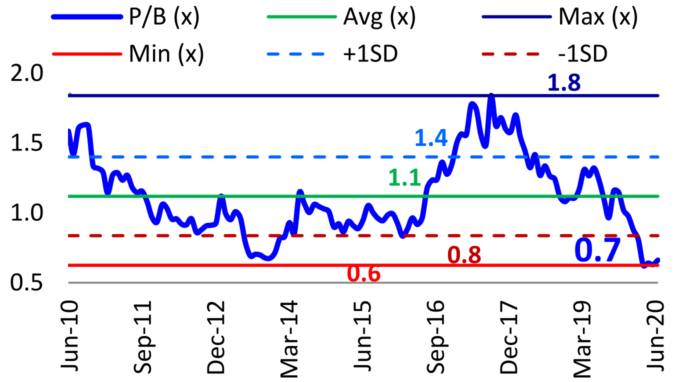
Source: Company, MOFSL

Exhibit 2: IOCL return ratios to double in next two years



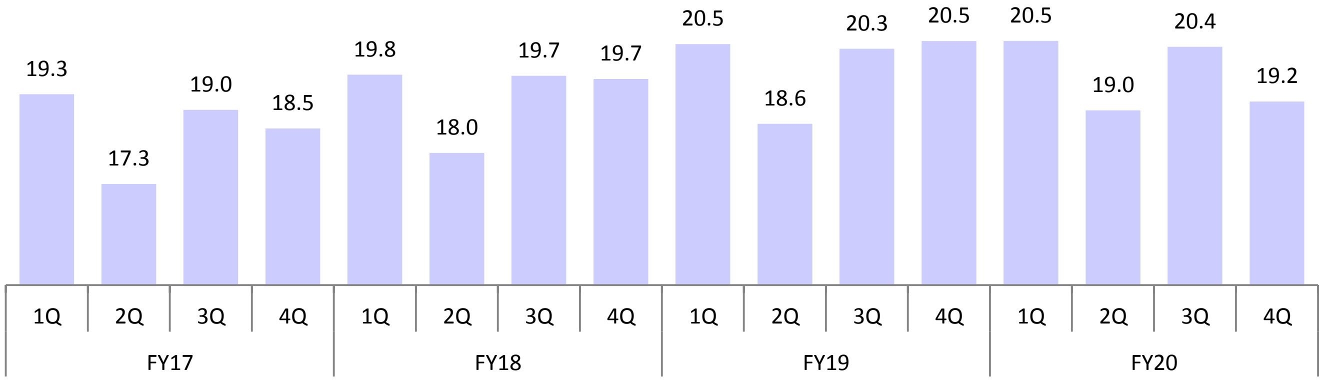
Source: Company, MOFSL

Exhibit 3: IOCL trades at ~36% discount to its LT PBV average



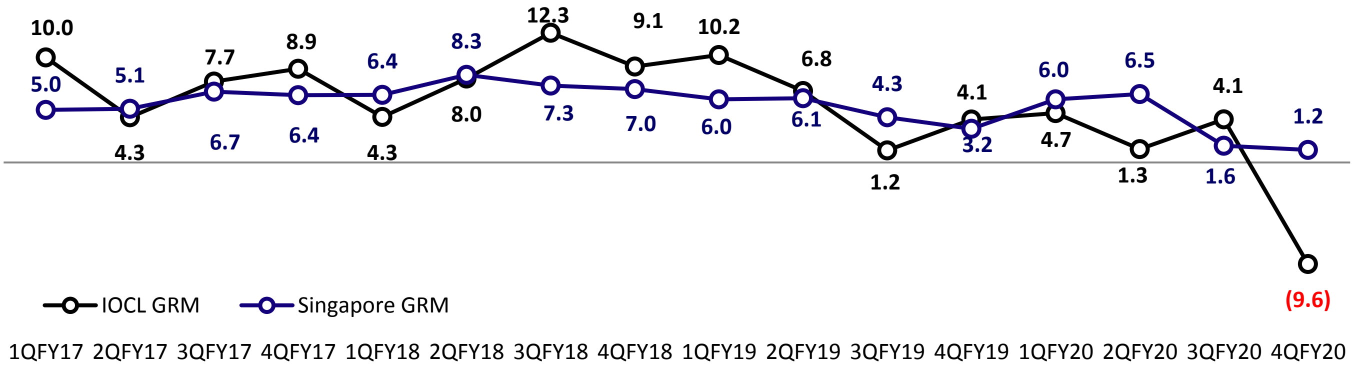
Source: Company, MOFSL

Exhibit 4: Domestic sales down 6.7% YoY and 6.1% QoQ (19.2 mmt)



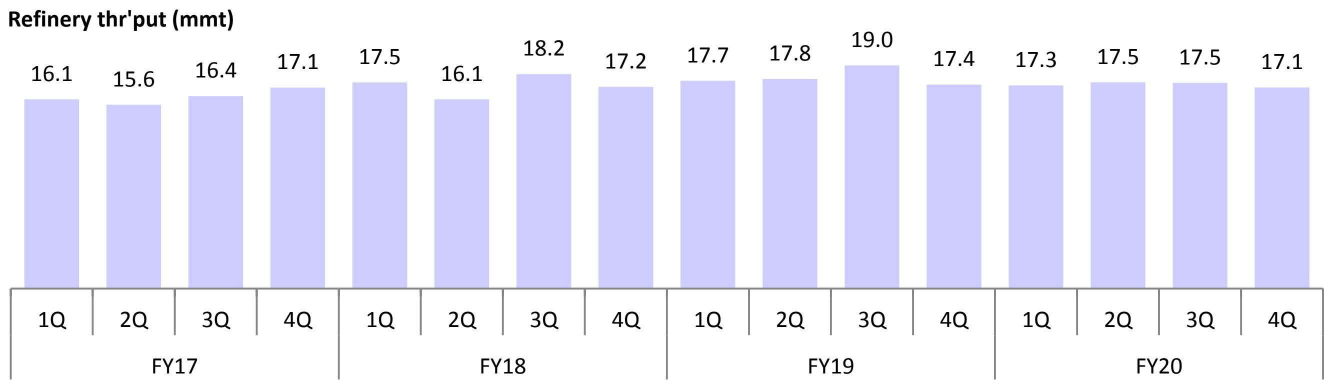
Source: Company, MOFSL

Exhibit 5: Reported GRM of -USD9.6/bbl, inclusive of inventory loss of USD17.8/bbl



Source: Company, MOFSL

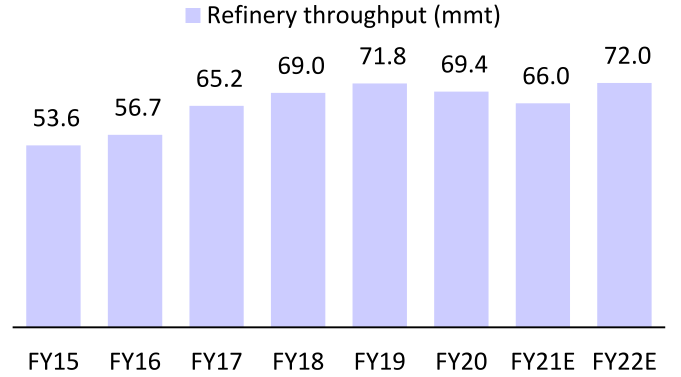
Exhibit 6: Refinery utilization at ~99.4% (17.1mmt)



Source: Company, MOFSL

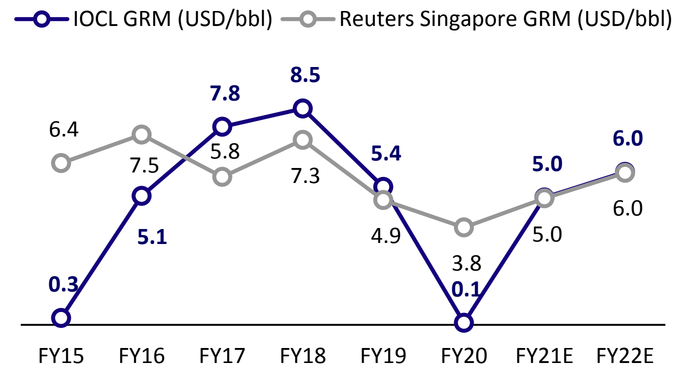
Story in charts

Exhibit 7: Refining throughput of IOCL



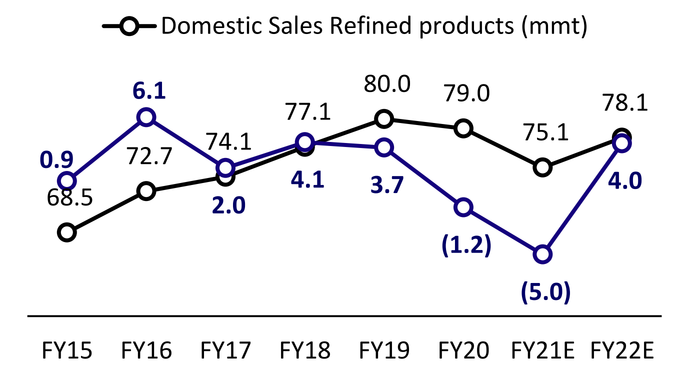
Source: Company, MOFSL

Exhibit 8: GRM trend of IOCL



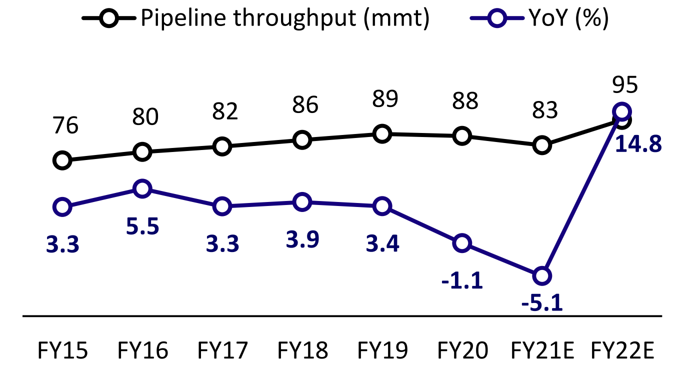
Source: Company, MOFSL

Exhibit 9: Marketing sales volumes



Source: Company, MOFSL

Exhibit 10: Pipeline throughput



Source: Company, MOFSL

Financials and Valuations

Consolidated - Income Statement (INR m)

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Total Income from Operations	**44,83,152**	**34,60,447**	**35,53,101**	**42,14,918**	**52,81,575**	**48,43,623**	**37,20,784**	**44,76,244**
EBITDA	**93,424**	**2,34,429**	**3,40,132**	**4,16,318**	**3,52,236**	**1,68,245**	**3,35,471**	**4,04,331**
Margin (%)	2.1	6.8	9.6	9.9	6.7	3.5	9.0	9.0
Depreciation	52,190	56,984	68,486	76,679	85,074	1,02,745	1,07,900	1,12,564
EBIT	**41,234**	**1,77,445**	**2,71,646**	**3,39,640**	**2,67,162**	**65,500**	**2,27,571**	**2,91,767**
Int. and Finance Charges	41,746	34,690	37,213	38,448	48,880	65,787	74,710	74,735
Other Income (incld forex)	53,975	21,865	38,724	34,199	27,143	27,903	26,249	26,249
PBT bef. EO Exp.	**53,463**	**1,64,620**	**2,73,157**	**3,35,391**	**2,45,425**	**27,615**	**1,79,111**	**2,43,281**
EO Items	16,681	13,643	0	0	0	-1,13,046	0	0
PBT after EO Exp.	**70,143**	**1,78,263**	**2,73,157**	**3,35,391**	**2,45,425**	**-85,431**	**1,79,111**	**2,43,281**
Total Tax	21,426	56,584	75,704	1,18,239	86,531	-53,007	42,457	58,609
Tax Rate (%)	30.5	31.7	27.7	35.3	35.3	62.0	23.7	24.1
Reported PAT	**49,120**	**1,20,225**	**2,03,854**	**2,26,264**	**1,72,739**	**-18,763**	**1,38,631**	**1,87,153**
Adjusted PAT	**32,439**	**1,06,582**	**2,03,854**	**2,26,264**	**1,72,739**	**94,283**	**1,38,631**	**1,87,153**
Change (%)	-44.7	228.6	91.3	11.0	-23.7	-45.4	47.0	35.0
Margin (%)	0.7	3.1	5.7	5.4	3.3	1.9	3.7	4.2

Consolidated - Balance Sheet (INR m)

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Equity Share Capital	48,559	23,697	47,393	94,787	91,810	91,810	91,810	91,810
Total Reserves	6,39,764	8,76,099	9,73,568	10,43,951	10,32,882	8,62,169	9,28,579	10,20,785
Net Worth	**6,88,323**	**8,99,796**	**10,20,961**	**11,38,738**	**11,24,692**	**9,53,979**	**10,20,389**	**11,12,596**
Minority Interest	10,733	14,260	19,046	21,512	18,774	8,763	8,763	8,763
Total Loans	5,81,541	4,81,492	5,88,300	6,21,410	9,27,117	12,59,681	13,22,665	13,22,665
Deferred Tax Liabilities	68,356	69,707	68,887	1,23,679	1,65,097	1,14,393	1,14,393	1,14,393
Capital Employed	**13,48,952**	**14,65,256**	**16,97,194**	**19,05,339**	**22,35,681**	**23,36,815**	**24,66,209**	**25,58,416**
Gross Block	13,75,223	10,48,008	12,71,518	14,29,148	15,98,630	18,46,659	22,14,685	24,59,390
Less: Accum. Deprn.	6,08,119	47,685	1,11,950	1,88,629	2,73,703	3,76,448	4,84,348	5,96,911
Net Fixed Assets	**7,67,104**	**10,00,323**	**11,59,568**	**12,40,520**	**13,24,927**	**14,70,211**	**17,30,337**	**18,62,479**
Capital WIP	4,03,781	2,62,190	1,67,784	1,91,304	2,49,872	3,11,908	1,80,882	1,36,176
Total Investments	**1,60,687**	**3,11,848**	**4,36,872**	**4,48,061**	**4,41,123**	**3,55,709**	**3,55,709**	**3,55,709**
Curr. Assets, Loans&Adv.	**10,04,677**	**7,41,183**	**9,71,376**	**10,76,829**	**13,35,636**	**11,59,530**	**9,77,668**	**11,17,582**
Inventory	4,99,174	4,22,567	6,58,843	7,05,679	7,71,265	6,70,108	5,21,829	6,27,665
Account Receivables	76,448	76,845	88,992	1,06,965	1,58,075	1,32,595	1,11,644	1,34,312
Cash and Bank Balance	12,211	10,504	4,098	4,943	10,610	22,960	23,480	44,097
Loans and Advances	4,16,845	2,31,267	2,19,443	2,59,242	3,95,686	3,33,868	3,20,715	3,11,508
Curr. Liability & Prov.	**9,88,001**	**8,50,299**	**10,38,417**	**10,51,384**	**11,15,888**	**9,60,553**	**7,78,397**	**9,13,541**
Account Payables	7,07,229	7,25,383	8,15,492	8,84,664	9,92,027	8,48,491	6,66,334	8,01,479
Provisions	2,80,773	1,24,916	2,22,925	1,66,721	1,23,860	1,12,062	1,12,062	1,12,062
Net Current Assets	**16,676**	**-1,09,116**	**-67,041**	**25,444**	**2,19,748**	**1,98,977**	**1,99,271**	**2,04,041**
Appl. of Funds	**13,48,952**	**14,65,256**	**16,97,194**	**19,05,339**	**22,35,681**	**23,36,815**	**24,66,209**	**25,58,416**

E: MOFSL Estimates

Financials and Valuations

Ratios

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
EPS	**3.5**	**11.6**	**22.2**	**24.6**	**18.8**	**10.3**	**15.1**	**20.4**
Cash EPS	9.2	17.8	29.7	33.0	28.1	21.5	26.9	32.6
BV/Share	75.0	98.0	111.2	124.0	122.5	103.9	111.1	121.2
DPS	1.7	3.1	11.5	11.5	9.3	4.3	6.7	8.8
Payout (%)	39.3	28.7	62.4	54.6	57.5	-243.3	52.1	50.7
Valuation (x)								
P/E	24.1	7.3	3.8	3.5	4.5	8.3	5.6	4.2
Cash P/E	9.2	4.8	2.9	2.6	3.0	4.0	3.2	2.6
P/BV	1.1	0.9	0.8	0.7	0.7	0.8	0.8	0.7
EV/Sales	0.3	0.4	0.4	0.3	0.3	0.4	0.6	0.5
EV/EBITDA	14.5	5.3	4.0	3.4	4.8	12.0	6.2	5.1
Dividend Yield (%)	2.0	3.7	13.5	13.5	10.9	5.0	7.9	10.4
FCF per share	40.0	12.2	9.8	9.3	-12.8	-26.5	1.1	12.6
Return Ratios (%)								
RoE	4.7	13.4	21.2	21.0	15.3	9.1	14.0	17.5
RoCE	4.7	10.3	15.0	14.4	10.0	1.7	8.5	10.1
RoIC	3.1	14.7	19.9	18.7	12.4	1.6	9.8	11.3
Working Capital Ratios								
Fixed Asset Turnover (x)	3.3	3.3	2.8	2.9	3.3	2.6	1.7	1.8
Asset Turnover (x)	3.3	2.4	2.1	2.2	2.4	2.1	1.5	1.7
Inventory (Days)	41	45	68	61	53	50	51	51
Debtor (Days)	6	8	9	9	11	10	11	11
Creditor (Days)	58	77	84	77	69	64	65	65
Leverage Ratio (x)								
Current Ratio	1.0	0.9	0.9	1.0	1.2	1.2	1.3	1.2
Interest Cover Ratio	1.0	5.1	7.3	8.8	5.5	1.0	3.0	3.9
Net Debt/Equity	0.6	0.2	0.1	0.1	0.4	0.9	0.9	0.8

Consolidated - Cash Flow Statement

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
OP/(Loss) before Tax	70,144	1,78,263	2,73,157	3,35,391	2,45,425	-85,431	1,79,111	2,43,281
Depreciation	52,190	56,984	68,486	76,679	85,074	1,02,745	1,07,900	1,12,564
Direct Taxes Paid	-21,425	-56,584	-75,704	-1,18,239	-86,531	53,007	-42,457	-58,609
(Inc)/Dec in WC	3,72,225	89,976	-48,481	-91,640	-1,88,637	33,121	226	15,847
CF from Operations	**4,73,133**	**2,68,638**	**2,17,458**	**2,02,191**	**55,332**	**1,03,443**	**2,44,779**	**3,13,083**
CF from Operating incl EO	**4,62,147**	**2,83,712**	**2,23,038**	**2,66,094**	**1,10,594**	**66,399**	**2,46,757**	**3,15,564**
(Inc)/Dec in FA	-94,988	-1,71,425	-1,33,324	-1,81,151	-2,28,050	-3,10,065	-2,37,000	-2,00,000
Free Cash Flow	**3,67,159**	**1,12,287**	**89,714**	**84,944**	**-1,17,456**	**-2,43,665**	**9,757**	**1,15,564**
(Pur)/Sale of Investments	-2,17,542	65,511	-1,25,025	-11,188	6,938	85,414	0	0
CF from Investments	**-3,12,529**	**-1,05,914**	**-2,58,349**	**-1,92,339**	**-2,21,112**	**-2,24,651**	**-2,37,000**	**-2,00,000**
Inc/(Dec) in Debt	-3,35,456	-72,377	1,06,808	33,110	3,05,707	3,32,563	62,984	0
Dividend Paid	-16,020	-28,675	-1,05,454	-1,05,582	-84,925	-39,019	-61,730	-81,155
CF from Fin. Activity	-1,79,780	-1,74,178	28,904	-72,910	1,16,184	1,70,602	-9,237	-94,947
Inc/Dec of Cash	**-30,162**	**3,621**	**-6,406**	**846**	**5,666**	**12,350**	**520**	**20,617**
Opening Balance	37,044	6,882	10,503	4,097	4,943	10,609	22,960	23,480
Closing Balance	**6,882**	**10,503**	**4,097**	**4,943**	**10,609**	**22,960**	**23,480**	**44,097**

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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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