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FLEXING ITS WEIGHT, INVESTING IN THE FUTURE



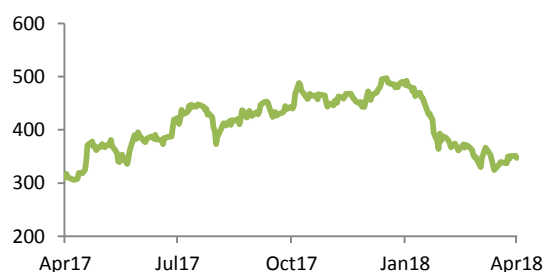
Uflex Ltd.

Recommendation	BUY
CMP	Rs. 347
Target Price	Rs. 504
Sector	Plastic Products

Stock Details

BSE Code	500148
NSE Code	UFLEX
Bloomberg Code	UFLX IN
Market Cap (Rs cr)	Rs. 2,507
Free Float (%)	56.0
52- wk HI/Lo (Rs)	507/281
Avg. volume BSE+NSE (Qtrly)	202600
Face Value (Rs)	10.0
Dividend (FY 17)	35%
Shares o/s (Cr)	7.2

Relative Performance	1Mth	3Mth	1Yr
Uflex	1.1%	-28.3%	12.0%
Sensex	1.7%	-1.6%	14.6%



Shareholding Pattern

	Dec'17
Promoters Holding	44.0%
Institutional (Incl. FII)	14.4%
Corporate Bodies	9.7%
Public & others	31.9%

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Year Consol	Sales (Rs cr)	Growth (%)	EBITDA (Rs cr)	Margin (%)	PAT (Rs cr)	Margin (%)	Adj EPS (Rs)	P/E (x)	RoE
FY17A	6156.7	2.0%	874.3	14.2%	348.5	5.7%	48.3	7.2	9.6%
FY18E	6893.9	12.0%	916.9	13.3%	323.3	4.7%	44.8	7.8	8.2%
FY19E	7677.4	11.4%	1077.9	14.0%	445.1	5.8%	61.6	5.6	10.3%
FY20E	8511.3	10.9%	1275.0	15.0%	592.4	7.0%	82.0	4.2	12.1%

Uflex: Flexing Its Weight, Investing In The Future

Company Background

Headquartered in Noida, Uflex was incorporated in 1988. It manufactures flexible packaging solutions and is currently the largest flexible packaging company in India. The company is present in two verticals – Films and packaging.

Investment Rationale

(a) Aseptic Liquid Packaging - Duopoly Will Boost Top-Line And Margins:

Aseptic packaging is a growing industry at high margins (~ 16-20%) with only one player in India (i.e. Tetra Pak). Uflex's Aseptic revenues are expected to start from 2HFY19. However, it will catch up fast once the customer approves the product. The initial year's margins are likely to be subdued due to higher initial fixed costs, but would be spread out as sales grow.

(b) Focus On Packaging Business Will Improve Return Ratios:

Uflex is focusing on the 'high margin' and lower investment packaging business, which will in turn help improve return ratios. The company is continuously adopting an innovative approach, and is creating a niche for itself. Going forward, the company would aim to increase the share of revenue from the packaging business, thus improving return ratios.

(c) Improving BOPET Film Industry Scenario:

The capacity utilization levels are likely to improve in BOPET film industry due to lack of new capacities coming up and higher demand growth. This is likely to improve the contribution margin of BOPET film business. Uflex being a key player in BOPET films is likely to enjoy from the improvement in the industry dynamics.

Valuation and Recommendation

In BOPET film industry, the equation between demand and supply is getting favorable now (almost after 7-8 years). Currently the capacity utilization is ~70% in BOPET film industry, which has shown signs of improvement. The favorable situation in BOPET film industry is likely to sustain for the time being.

Uflex's new venture – Aseptic liquid packaging is another niche offering which we believe would further boost the growth and profitability of the company. For packaging as a whole (including Aseptic), we expect Uflex to grow at 17.8% CAGR over FY17-20E.

We expect Uflex's revenues to grow at 11.4% CAGR from FY17-20E and EBITDA to grow at 13.4% during the same period. PAT is expected to grow at 15.5% CAGR during the same period. ROE is expected to improve from 9.6% in FY17 to 12.1% in FY20E and ROCE shall improve from 9.7% in FY17 to 12.5% in FY20E.

We have valued the company on EV/EBITDA basis, as we believe that packaging business should get higher multiple than the commoditized film business. **We have valued Packaging business including Aseptic at 6x EV/EBITDA on FY19E EBITDA. For Film business, we have assigned an EV/EBITDA multiple of 4.8x on FY19E earnings and arrived at a target of INR 504, which implies 45% upside from current levels. We recommend a "BUY" on the stock.**

Uflex Ltd.

Company Background

Headquartered in Noida, Uflex was incorporated in 1988. It manufactures flexible packaging solutions and is currently the largest flexible packaging company in India. The company is present in two verticals – Films and packaging. Under films, Uflex has vast production capacities majorly of BOPET (Biaxially-oriented polyethylene terephthalate) films and has capacities in BOPP (biaxially-oriented polyethylene terephthalate) and CPP (cast polypropylene) Films as well across various countries like the US, Mexico, Dubai, Poland, Egypt and India. Under packaging, Uflex is present across the value chain and offers services like holographs, pouches etc. It also has a small engineering division, which manufactures converting and packaging machines. In addition to this, the company has a facility for ink, adhesives etc.

Uflex has grown from strength to strength on the back of large manufacturing capacities of Films and packaging providing solutions to clients across over 140 countries, enjoying a formidable market presence, thereby becoming India's largest flexible packaging company.

Uflex enjoys a wide global client base comprising of elite customers like Perfetti, Nestle, P&G, Britannia, Fritolay, Tata, and Cadbury among several others.

Film Business

Uflex is the world's third largest supplier of BOPET films for flexible packaging applications. It also offers CPP films and BOPP films. The company has a global production capacity of 3,37,000 TPA.

Production Capacities (TPA)	India	Dubai	Mexico	Egypt	Poland	USA	Total
PACKAGING FILMS							
BOPET Films	54,000	52,000	60,000	30,000	30,000	30,000	2,56,000
BOPP Films	30,000	-	-	35,000	-	-	65,000
CPP Films	4,000	-	-	12,000	-	-	16,000
Metallized Films	33,600	4,800	15,600	22,800	10,800	10,800	93,600

Flexible Packaging Business

Uflex is India's Largest Flexible Packaging Company with its three manufacturing facilities supplying to all Major Multi National and Indian Customers. The company operates its packaging business only from India. The company has presence across all verticals of the value chain as it is fully backward integrated into Films (BOPET, BOPP, CPP, Metallized Films), and forward integrated into Chemicals (Inks, Coatings, Adhesives), Engineering (Converting & Packing Equipment), Holography (Films, Labels) and Cylinders (Electronic, Laser and Flexographic Plates), giving the company an upper hand over its competitors.

Production Capacities (TPA)	India
Flexible Laminates, Pouches, Bags, Flexi Tubes & Liquid Packs	1,00,000
Holograms	8,600

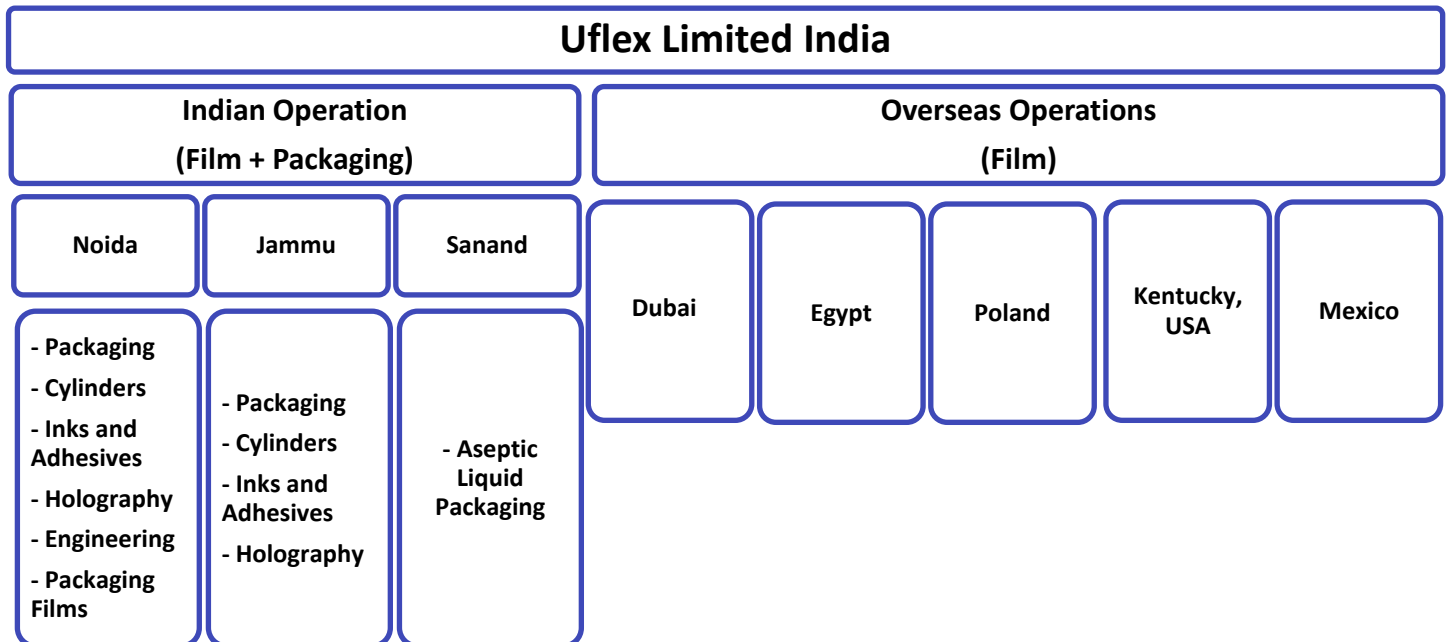
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Liquid Packaging Business - Asepto™

Asepto is the Liquid Packaging facility, which primarily aims to optimize the shelf life of the liquid products such as Juices, Non-aerated Alcoholic Beverages and highly perishable consumables like Milk and other Dairy products. Uflex is the first Indian manufacturer of aseptic liquid packaging material. It has put up a 7 billion-pack production facility in Sanand, Gujarat, and the 1st stage with capacity of 3.5 bn packs, which was commissioned during Q3FY18. The total investment in this plant is estimated to be ~Rs. 580 Cr with Rs. 530 Cr being spent in the first stage and the remaining Rs. 50 Cr to be spent in the second stage to take the capacity to 7 billion packs.

Production Capacity	India
Liquid Packaging (million packs)	7,000

Geographical Presence



Investment Rationale

Aseptic Liquid Packaging - Duopoly To Boost Top-Line And Margins

Aseptic Liquid Packaging optimizes the shelf life of the products such as juices, non-aerated alcoholic beverages and highly perishable liquid consumables like milk and other dairy products. Uflex has set up a 7 billion-pack facility at Sanand, Gujarat at an investment of ~Rs. 580 Cr. The production capacity in the 1st stage is 3.5 billion packs, which can be increased to 7 billion packs with an investment of Rs. 50 Cr (which is included in the overall investment of Rs. 580 Cr as mentioned earlier) in a short period of time. This new facility will primarily cater to the domestic customers.

At present, the global market for aseptic liquid packaging is of ~300 billion packs. Tetra Pak is the largest player in this segment and supplies close to 180 billion packs, followed by Greatview Aseptic Packaging Company, which supplies 21 billion packs yearly and is present in China, Switzerland and Germany.

The market for liquid packaging in India is about 10 bn packets and is growing at a CAGR of 20%. Tetra pack has the monopoly here, with an 80% market share. The rest is served through imports, mainly from China.

Customers do not have any pricing power as Tetra Pack dictates the terms. Hence, Uflex is positioning itself as a second source of supply and therefore will not get into a price war. We believe it is an intelligent move by the company, which would ensure an enduring position in the market, which has a huge potential (the Indian market is 1/30th of the global market). This move is conversely better than having a brief phase of earning quick gains by undercutting.

Uflex is also combining its rich experience in the packaging industry and offering value added products in Aseptic like holography, which makes the product much more attractive and provides better branding to the companies. Uflex's competitors do not offer holographic packaging in aseptic packaging.

Uflex also manufactures the Aseptic packaging machines, though its packaging material can be used on any machine, allowing customers the benefit to switch over.

Uflex has commissioned the Stage 1 of the plant in Q3FY18 and is currently undertaking pilot production. It is in talks with 35 odd customers and undergoing customer inspection and stability studies with them. It has also commissioned supply to 4-5 small-level customers.

Aseptic packaging is a growing industry with high margins (in the range of 16-20%). We expect revenues from Uflex's Aseptic business to start from 2HFY19. However, it will catch up fast once the customer approves the product.

We believe the initial year's margins are likely to be subdued due to higher initial fixed costs, which would be spread out as sales grow. We expect the company to report revenues of Rs. 200 Cr. in FY19E and Rs. 400 Cr. in FY20E, earning an EBITDA margin of 10% and 15% respectively.

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Focus On High Margin Packaging Business To Improve Return Ratios

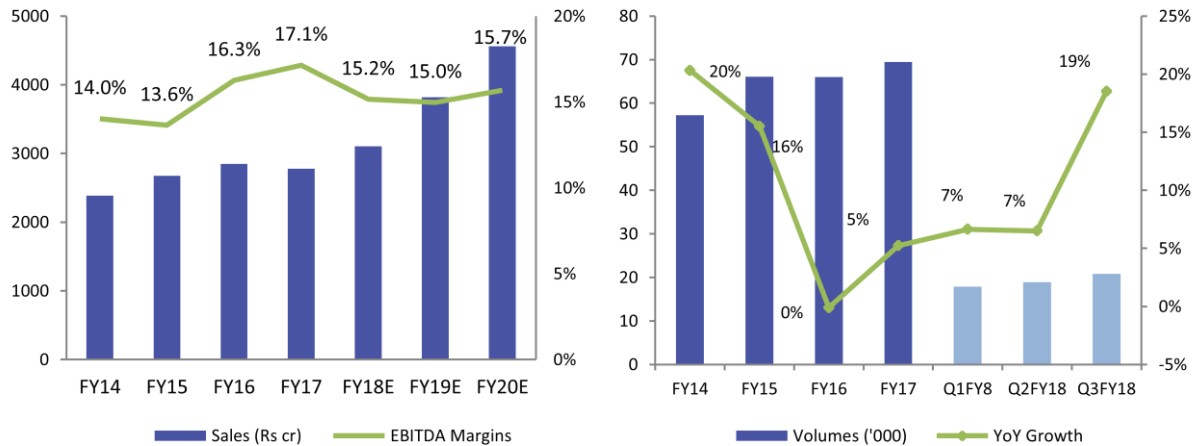
Uflex is India's largest flexible packaging company with its three manufacturing facilities supplying to all major multi-national and Indian customers.

Being a commodity business, film revenues suffers from the volatility of price and demand. Hence, Uflex is present into the value added flexible packaging, which is a less crowded place and has higher customer stickiness. Due to customization, the packaging products have higher realizations as compared to film business (3x of film realizations). Therefore, Uflex is focusing more on packaging and continuously innovating and bringing new products, thus creating a niche for itself.

Globally, the flexible packaging market was valued at USD 92.32 Billion in 2015. It is projected to reach USD 151.04 billion by 2025, at a CAGR of 5.1%. The Indian packaging industry is valued at over USD 32 bn in 2015 wherein, the flexible packaging industry was valued at \$23.3 bn in 2015, which is slated to touch USD 46.8bn by 2020, growing at 19% CAGR as per industry reports.

Going forward we expect the contribution from the packaging business (including aseptic business) to increase to 55% in FY20E from a current level of 45% in FY17, which would also aid the margins. We expect Uflex's packaging business (including aseptic business) margins to improve once the aseptic packaging business gains momentum. As the packaging business is less capital-intensive, the return ratios could see an improvement.

Packaging Business (including Aseptic Business)



The company has seen volume growth, however due to decline in realizations and change in gauge (thinner film), value growth has been muted.

(Source: Company Data, Nirmal Bang Research)
 #EBITDA before unallocated corporate expenses

Initiating coverage – 11 April 2018

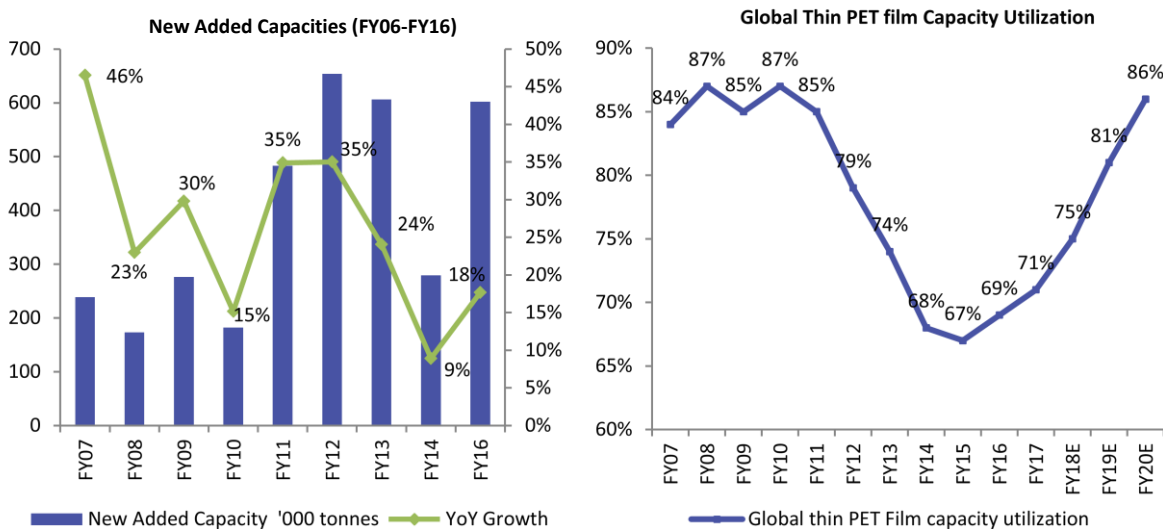
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Improving BOPET Film Industry

The film business is broadly classified into BOPET films and BOPP films and both follow their own market dynamics. Uflex is primarily present into BOPET films. The BOPET films capacity of the company stands at 256,000 TPA as compared to 65,000 TPA of BOPP and 16,000 TPA of CPP films.

Between 2007 and 2011, global average capacity utilization in BOPET films was in the range of 80%-90%. However, due to abnormal profits in FY11, many players announced new capacities, leading to a downfall in capacity utilization for subsequent years as is evident from the graphs below. The utilization rates reached as low as 67% in 2015 as against 87% at its peak level. Since last two years, the utilization levels have started improving on higher demand growth.

Bulk of the capacities came in from 2011 onwards immediately post the “supernatural profits” period



(Source: Industry Data, Company Data, Nirmal Bang Research)

We believe the utilization rates have bottomed out and should improve further from here onwards as not many capacities are coming up in BOPET films.

Worldwide, majority of the new capacities have been announced in BOPP films, which is likely to keep the utilization levels stable at 70%, much like the current levels. However, in BOPET film industry the capacity utilization levels are likely to improve due to lack of new capacities coming up and higher demand. This is likely to improve the BOPET film margins.

Uflex is a key player in BOPET films and is likely to benefit from improving industry dynamics.

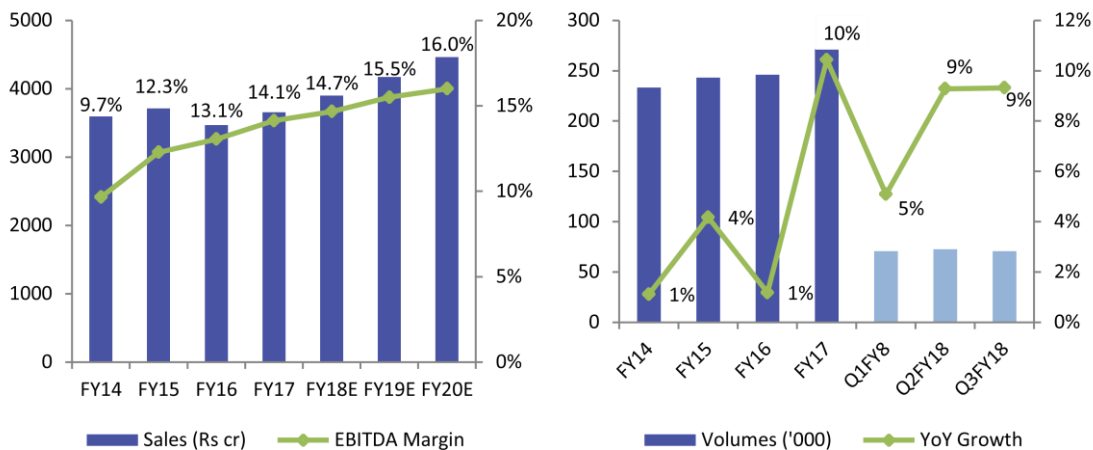
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Capacities announced by Indian players in both BOPET and BOPP films

Company	Expansion	Remarks
Jindal Poly Films	41000 TPA	<ul style="list-style-type: none"> Announced expansion of 3 BOPP film production lines, metallizing and coating lines in Jan 2016 for a total capex of Rs. 1,000 crores 41,000 TPA new BOPP film line commissioned in July 2016 Scheduled BOPP expansion in next 2 years in US and Europe, which is likely to be commissioned in H1FY18. The expected capex incurred on these two lines would be 75% of the earlier announced total capex of Rs. 1000 Crores (i.e. Rs. 750 Cr)
	120000 TPA	
	Unknown	<ul style="list-style-type: none"> Announced expansion of BOPET film line in India operations in Feb 2018. Capex is estimated to be Rs. 225 Cr.
Cosmo Polyfilms	36000 MT	<ul style="list-style-type: none"> BOPET film line to be commissioned at Aurangabad by Q3FY19
	60000MT	<ul style="list-style-type: none"> BOPP film line expansion, line introduced in Gujarat plant in Q4FY17. Announced in October 2015.
SRF Ltd.	35000 MT	<ul style="list-style-type: none"> BOPP film line expansion announced in May 2016. It is likely to be completed in 23 months (i.e. by Q2FY19). The capex is estimated to be Rs. 269 Crores.
	Unknown	<ul style="list-style-type: none"> Setting up of a BOPET film line in Europe at a cost of Euro 58 million announced in Q3FY18. Capacity is yet to be announced.
Polyplex Corporation Ltd.	44000 TPA	<ul style="list-style-type: none"> Setting up of BOPET film line in Indonesia to be commissioned by mid-2019. The capex is estimated to be \$95 million.

(Source: Company Data, Nirmal Bang Research)

Film Business



(Source: Company Data, Nirmal Bang Research)
#EBITDA before unallocated corporate expenses

In FY11 the companies across the industry earned supernatural profits when operating margins hit a high as \$2/kg, which has come down to ~30 cents now. This we believe is on the lower side. We expect sustainable margins for the industry, in the range of 40 cents, led by improvement in capacity utilization and better realizations.

We expect Uflex to report sales of Rs 4171/4463 Cr in FY19E/FY20E with stable EBITDA margins of 15%. We acknowledge that there is an upside risk to our projections in terms of improvement in margins from here as we are on the improvement scale of capacity utilizations.

Uflex Ltd.

Quarterly Result Analysis

Particulars (Rs Cr)	Q3FY18	Q3FY17	YoY	Q2FY18	QoQ	9MFY18	9MFY17	YoY
Total Revenues	1674.4	1580.8	5.9%	1593.3	5.1%	4887.5	4622.1	5.7%
Cost of materials	1036.3	866.4	19.6%	934.0	11.0%	1995.1	922.1	116.4%
Purchase and Mfg	7.5	17.6	-57.5%	13.0	-42.3%	-24.2	-34.3	-29.4%
Employees Cost	150.3	126.9	18.5%	145.2	3.5%	447.5	400.2	11.8%
Other exps	285.9	360.1	-20.6%	271.4	5.4%	1403.8	2678.5	-47.6%
EBITDA	194.4	209.8	-7.4%	229.7	-15.4%	1065.4	655.6	62.5%
<i>margins</i>	<i>11.6%</i>	<i>13.3%</i>		<i>14.4%</i>		<i>21.8%</i>	<i>14.2%</i>	
Depreciation	91.2	78.4		84.5		259.0	233.0	
EBIT	103.2	131.4	-21.5%	145.2	-29.0%	806.4	422.5	90.8%
Interest	56.9	47.4	19.9%	43.8	29.9%	145.8	137.7	5.9%
Other Income	5.3	2.5		5.8		15.0	16.4	
PBT	51.6	86.4	-40.2%	107.3	-51.9%	675.5	301.3	124.2%
Tax	0.0	11.9	-100.1%	13.6	-100.1%	27.8	51.1	-45.7%
<i>Tax rate</i>	<i>0.0%</i>	<i>13.7%</i>		<i>12.7%</i>		<i>4.1%</i>	<i>17.0%</i>	
EO items	0.0	0.0		0.0		0.0	0.0	
PAT reported	51.6	74.6	-30.7%	93.7	-44.9%	647.8	250.1	158.9%
Equity Capital	7.2	72.2		7.2		7.2	7.2	
FV	10.0	10.0		10.0		10.0	10.0	
EPS	7.20	10.21	-29.5%	13.06	-44.8%	89.70	34.64	158.9%

- The company has seen a good growth in volumes in Q3FY18, with packaging volumes growing at 18.5% YoY and the film business volumes recording a growth of 9.3% on YoY basis. The volumes growth for 9MFY18 was 10.6% for the packaging business and 7.9% for the film business. The volumes during H1FY18 were subdued due to the impact of GST.
- Total Revenues grew by 5.9% YoY and 5.1% QoQ. EBITDA and Margins during Q3FY18 were subdued as expenses included a onetime 'product development related' expense of Rs. 20.3 Cr. Adjusted EBITDA for Q3FY18 stood at Rs. 214.7 Cr with EBITDA margins at 12.8%. Expenses were on the higher side as they included aseptic facility expenses without any contribution to Sales.
- The quarter also saw rise in depreciation and finance cost, because of the capitalization of the Aseptic liquid packaging plant.
- The company had a write back of tax and hence the tax expenses during the quarter were negative.
- PAT was negatively impacted due to a one-time product development related expense, higher depreciation and interest costs. We expect bottom-line to normalize from Q4 onwards.

Uflex Ltd.

Key Risks & Concerns

- The players have minimal control over price determination in the film business, because of the industry facing intense competition. The industry also lacks customer stickiness, as customers have many options to choose from numerous industry players. These factors could have a negative impact on the margins.
- The upward movement in prices of crude results in an increase of raw material prices, thus increasing working capital cycle.
- Uflex has wide global presence, with its production facilities in the US, Dubai, Mexico, Egypt and Poland. Exports amount to ~50% of the total sales of the company. This exposes the company to risk of incurring losses due to an adverse movement in multiple currencies, which would in turn affect the profit margins of the company.
- In case, Uflex's Aseptic product is not accepted in the market as against the well-established player, Tetrapak, it would have an adverse effect on both the company's growth and our projections.

Peer Group Comparison

We have considered Polyplex Corporation Ltd., Cosmo Films Ltd., Jindal Poly Films Ltd. and Huhtamaki PPL Ltd. for peer comparison. However, Uflex is an integrated player with presence in both films and packaging, whereas, Polyplex Corporation, Cosmo Films and Jindal Polyfilms are pure film players and Huhtamaki is a pure packaging player.

Company	Sales (Rs Cr)	EBITDA (Rs Cr)	Margin (%)	PAT (Rs Cr)	Margin (%)	EPS (Rs)	PE (x)	EV/ EBITDA (x)	ROE (%)
Jindal Poly Films Ltd.	7629	697	9.1%	190	2.5%	43.4	7.6	5.2	7.6%
Polyplex Corporation Ltd.	2281	310	13.6%	135	5.9%	42.1	11.3	5.1	3.9%
Cosmo Films Ltd.	1919	135	7.0%	52	2.7%	27.4	10.3	9.0	8.8%
Huhtamaki PPL Ltd.*	2230	218	9.8%	64	2.9%	8.4	42.3	15.6	11.6%
Uflex Ltd.	6894	917	13.3%	323	4.7%	44.8	7.8	4.6	8.2%

(9MFY18 Annualized) (Source: Company Data, Nirmal Bang Research)

*CY17

Uflex Ltd.

Valuation and Recommendation

Over the last 5 years, the company has grown at 14.9% CAGR during FY12-17 from Rs. 4515.8Cr to Rs. 6156.7Cr. EBITDA has also grown in tandem from Rs. 623.3Cr in FY12 to Rs. 874.3Cr in FY17, growing at a CAGR of 7%. Its EBITDA margin has been stable at 14.2% in FY17 as compared to 13.8% in FY12. PAT has grown at 6.7% CAGR during FY12-17.

The Film industry witnessed a supernatural growth and profit in FY11 where the prices of the films increased drastically due to mismatch in supply and demand. In anticipation of this to continue, there was a series of announcements of new capacities by the existing as well as new entrants. This large-scale expansion led to a grave oversupply of films, which in turn led to lower realizations for whole industry.

In BOPET film industry, the equation between demand and supply is getting favorable now (almost after 7-8 years). This has resulted in uptick in BOPET film prices as compared to BOPP prices. Currently the overall capacity utilization is ~70% in BOPET film industry, which is on the improving trend from low of 67%. The favorable situation in BOPET film industry is likely to sustain and the industry capacity utilization is likely to move higher to 80%.

For Uflex's film business, we have factored in 7% CAGR for FY17-20E and marginal improvement in margins.

The packaging business is a forward integration of Film business where Uflex is one of the India's leading players and has created a niche for itself by introducing many innovative products. Packaging business enjoys higher realizations (3x of Film realizations) and higher margins. Higher focus on packaging business will also help improve return ratios.

Being a customized product, Packaging is not greatly affected by the volatility of the BOPET and BOPP film prices. This provides stability and consistency to the business and also helps the company to abate the effect of the cyclical nature of the commodity business in the long run.

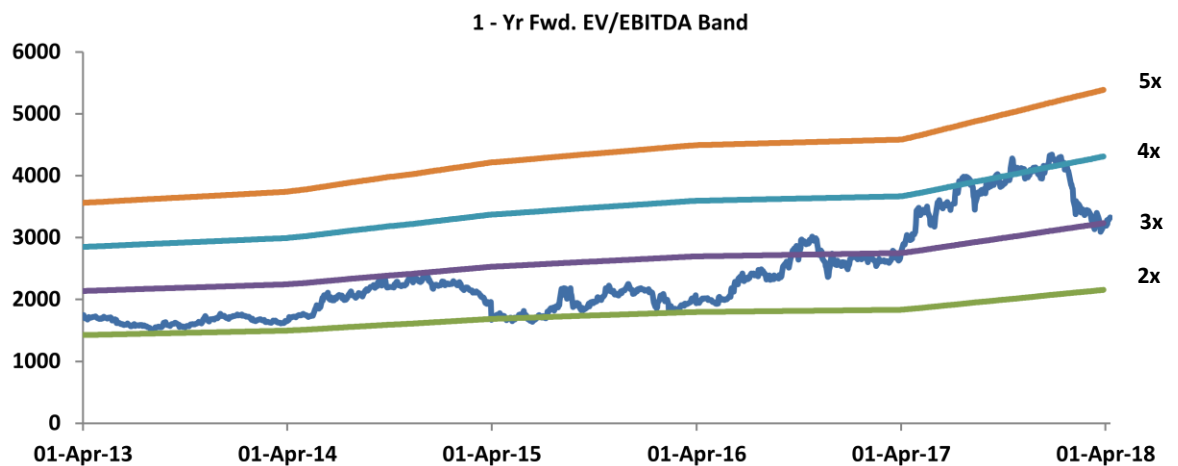
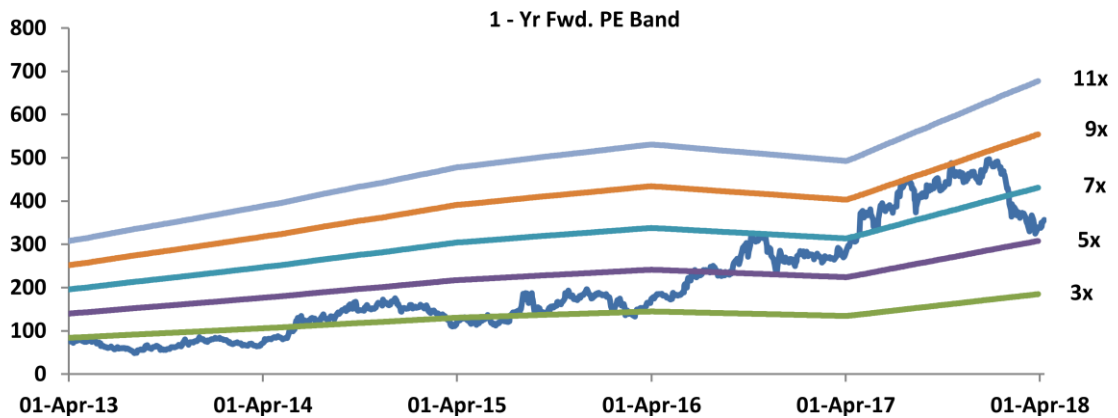
Uflex's new venture – Aseptic liquid packaging is another niche offering which we believe would further boost the growth and profitability of the company.

For packaging as a whole (including aseptic), we expect Uflex to grow at 17.9% CAGR over FY17-20E.

We have valued the company on EV/EBITDA basis, as we believe that packaging business should get higher multiple than the commoditized film business. We have valued Packaging business including Aseptic at 6x EV/EBITDA on FY19E EBITDA. In addition, for Film we have assigned an EV/EBITDA multiple of 4.8x on FY19E earnings, to arrive at a target of INR 504, which implies 45% upside from current levels. We recommend a "BUY" rating on the stock.

Uflex Ltd.

Packaging including Aseptic	FY19E
EBITDA	501.6
EV/E Multiple	6.0
EV	3,009.5
Film	FY19E
EBITDA	576.7
EV/E Multiple	4.8
EV	2,768.1
Consolidated	FY19E
EV	5,777.7
Less: Debt	2,141.1
Market Cap	3,636.6
No. of shares	7.2
Target price	504
Potential	45.1%



(Source: Ace Equity)

Uflex Ltd.

Financials (Rs Cr.)

Profit & Loss	FY17A	FY18E	FY19E	FY20E	Balance Sheet	FY17A	FY18E	FY19E	FY20E
Net Sales	6156.7	6893.9	7677.4	8511.3	Property and CWIP	3858.4	3962.8	3949.6	4016.6
% change	2.0%	12.0%	11.4%	10.9%	Total Investments	34.1	34.1	34.1	34.1
EBITDA	874.3	916.9	1077.9	1275.0	Oth Non CA	210.3	217.1	208.1	209.1
EBITDA margin	14.2%	13.3%	14.0%	15.0%	Inventories	678.6	766.0	853.0	945.7
Depn & Amort	317.5	355.3	375.2	398.0	Debtors	1659.0	1857.5	2068.6	2293.3
Operating income	556.8	561.6	702.7	877.0	Cash & Bank	296.3	415.9	668.2	973.0
Interest	186.8	201.2	194.8	193.8	Current Tax Assets	0.0	0.0	0.0	0.0
Other Income	20.5	20.0	22.0	22.0	Other Current Assets	368.7	349.2	339.2	331.2
PBT	390.4	380.3	529.9	705.2	Total Assets	7148.6	7645.8	8164.0	8846.1
Tax	43.8	57.1	84.8	112.8	Total Equity	3628.8	3923.2	4337.3	4897.1
MI & EO	-1.8	0.0	0.0	0.0	Non Controlling Int.	15.2	15.2	15.2	15.2
PAT	348.5	323.3	445.1	592.4	Total Borrowings	2102.1	2164.0	2141.1	2129.3
PAT margin (%)	5.7%	4.7%	5.8%	7.0%	Total Provisions	30.8	30.8	30.8	30.8
Sh o/s - Diluted	7.2	7.2	7.2	7.2	Other Non CL	129.8	129.8	129.8	129.8
Adj EPS	48.3	44.8	61.6	82.0	Trade Payables	957.3	1091.5	1215.6	1347.6
Cash EPS	92.2	94.0	113.6	137.2	Current Tax Liabiliti	35.4	35.4	35.4	35.4
Qtrly-Consol	Mar.17	Jun.17	Sept.17	Dec.17	Other CL	244.4	251.0	254.0	256.0
Revenue	1709.8	1619.8	1593.3	1674.4	Total Eq. & Liability:	7148.6	7645.8	8164.0	8846.1
EBITDA	218.7	231.9	229.7	194.4	Cash Flow	FY17A	FY18E	FY19E	FY20E
Dep & Amor	84.5	83.3	84.5	91.2	EBITDA	874.3	916.9	1077.9	1275.0
Op Income	134.2	148.6	145.2	103.2	Change in WC	118.9	-132.2	-152.1	-176.3
Interest	49.2	45.2	43.8	56.9	Tax	-43.8	-57.1	-84.8	-112.8
Other Inc.	4.1	3.8	5.8	5.3	CF from Operation	949.5	727.7	841.0	985.9
PBT	89.2	107.2	107.3	51.6	Capex	-627.3	-459.8	-362.0	-465.0
Tax	-7.4	14.2	13.6	0.0	Oth Inc & Investmen	21.9	20.0	22.0	22.0
EO	-1.7	0.0	-0.6	-0.4	CF from Investing	-605.3	-439.8	-340.0	-443.0
PAT	98.2	93.1	94.3	52.0	Financing				
EPS (Rs.)	13.6	12.9	13.1	7.2	Dividend Paid	-27.8	-28.9	-31.1	-32.5
Performance Ratio	FY17A	FY18E	FY19E	FY20E	Share Capital	0.0	0.0	0.0	0.0
EBITDA margin(%)	14.2%	13.3%	14.0%	15.0%	Loans	-37.4	61.8	-22.9	-11.8
EBIT margin (%)	9.0%	8.1%	9.2%	10.3%	Interest	-186.8	-201.2	-194.8	-193.8
PAT margin (%)	5.7%	4.7%	5.8%	7.0%	Others	-183.8	0.0	0.0	0.0
ROE (%)	9.6%	8.2%	10.3%	12.1%	CF from Financing	-435.7	-168.3	-248.8	-238.0
ROCE (%)	9.7%	9.2%	10.8%	12.5%	Net Chg. in Cash	-91.6	119.6	252.2	304.8
PAT growth (%)	11.0%	-7.2%	37.7%	33.1%	Cash at beginning	387.9	296.3	415.9	668.2
Debt/Equity (x)	0.6	0.6	0.5	0.4	Cash at end	296.3	415.9	668.2	973.0
Valuation Ratio	FY17A	FY18E	FY19E	FY20E	Per Share Data	FY17A	FY18E	FY19E	FY20E
PE (x)	7.2	7.8	5.6	4.2	Adj EPS	48.3	44.8	61.6	82.0
Price/BV (x)	0.7	0.6	0.6	0.5	BV per share	502.5	543.3	600.6	678.2
EV / Sales	0.7	0.6	0.5	0.4	Cash per share	41.0	57.6	92.5	134.7
EV / EBITDA	4.9	4.6	3.7	2.9	Dividend per share	3.9	4.0	4.3	4.5

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