

## L.G.Balakrishnan & Brothers Ltd.

No. of shares (m)	31.4
Mkt cap (Rs crs/\$m)	644/84.8
Current price (Rs/\$)	205/2.7
Price target (Rs/\$)	276/3.6
52 W H/L (Rs.)	370/145
Book Value (Rs/\$)	220/2.9
Beta	1.0
Daily volume (avg. weekly)	22908
P/BV (FY21e/22e)	0.9/0.8
EV/EBITDA (FY21e/22e)	7.3/4.0
P/E (FY21e/22e)	56.6/8.9
EPS growth (FY20/21e/22e)	-15.1/-85.3/534.7
OPM (FY20/21e/22e)	12.1/10.1/12.1
ROE (FY20/21e/22e)	11.7/1.6/9.8
ROCE(FY20/21e/22e)	10.3/2.3/9.5
D/E ratio (FY20/21e/22e)	0.2/0.1/0.1
BSE Code	500250
NSE Code	LGBBROSLTD
Bloomberg	LGBB IN
Reuters	LGB.NS

## Shareholding pattern

	%
Promoters	47.4
MFs / Banks / FIs	17.9
FPIs	0.5
Govt. Holding	0.0
Public & others	34.3
<b>Total</b>	<b>100.0</b>

As on March 31, 2020

## Recommendation

**BUY**

## Analyst

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## Company Brief

L G Balakrishnan (LGB) manufactures roller chains and undertakes metal forming, including warm & cold forging, fine blanking and machined parts.

## Quarterly Highlights

- Festered by niche metal forming business, LGB reported nearly 12.9% drop in revenues last quarter to Rs 356.31 crs compared to Rs 408.85 crs in the same period a year ago. OPMs as a result shrunk to the lowest level in at least eight quarters - 9.6% Vs 10% in the same quarter a year ago. Wherefore operating profit declined by a 17% to Rs 34.10 crs.
- Both the transmission and metal forming businesses bore the brunt of near savage stress in volumes as they reported no smallish decline in margins - 5.1% Vs 5.9% for transmission; 3.9% Vs 7.3%. Yet its metal forming business managed to show higher margins (quarter on quarter) not least due to recognition of export sales reversed in Q3 and higher margins in tooling business.
- No adverse trends in LGB's replacement market - only for transmission business - partially helped it report sizable gains in trade receivables last fiscal - which dropped from some Rs 207 crs to Rs 158 crs. Thanks to little vivacity in Indian automobile industry last fiscal, inventories marginally declined. Despite stress in earnings, LGB reported remarkable surge in operating cash flows (post interest and lease payments) to some Rs 190 crs when compared to Rs 87 crs - helped by no meager savings in working capital.
- The stock currently trades at 56.6x FY21e EPS of Rs 3.62 and 8.9x FY22e EPS of Rs 22.97. Unprecedented stress in earnings awaits most auto-component suppliers this fiscal not least due to record fall in their OEM dispatches. Yet companies like LGB who have modest financial leverage and would post no small free cash flow generation would weather the current shock. Earnings are estimated to rebound sharply next fiscal on modest return on capital. The stock merits a buy recommendation at the current valuation. On balance we set the price target of Rs 276 (previous target: Rs 397) based on 12x FY22 earnings over a period of 9-12 months.

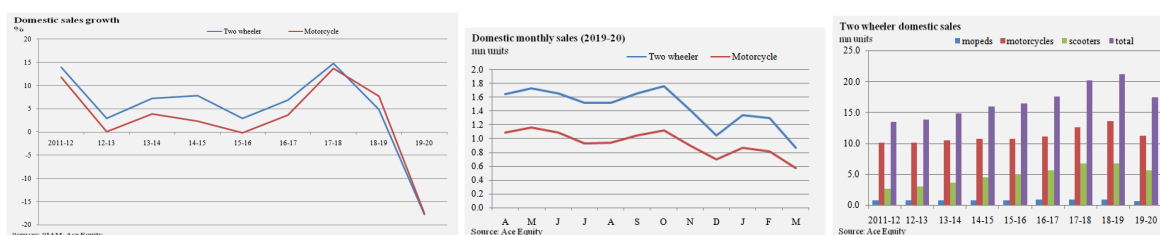
Consolidated (Rs crs)	FY18	FY19	FY20e	FY21e	FY22e
Income from operations	1418.00	1688.00	1542.83	949.46	1450.40
Other Income	5.31	14.87	22.49	9.31	14.91
EBITDA (other income included)	200.86	223.41	208.74	105.38	190.26
Profit after MI & associate profit	85.28	91.33	77.55	11.36	72.11
EPS(Rs)	27.17	29.09	24.70	3.62	22.97
EPS growth (%)	21.9	7.1	-15.1	-85.3	534.7

## Outlook & Recommendation

### Automobile industry

Subdued consumer demand - partially aggravated by COVID -19 in March - stymied automobile demand in the country for the domestic passenger vehicle sales tumbled by 17.8% while two wheeler sales plunged by a little subdued 17.8%. The national shutdown further intensified matters for it raised grave issues of both demand and supply side. Generally resilient motorcycle segment showed little resistance to external demand stress for its domestic dispatches slid 17.5% last fiscal.

Both Hero Honda and Bajaj Auto largely toed the industry growth line registering sales decline of some 18% while Honda outperformed with nearly 15% drop in two wheeler sales. But this year is expected to be barely robust for the pandemic would disrupt consumer spending power in both rural and urban Indian markets. ICRA estimates 11-13% shrinkage in two-wheeler demand for the current fiscal which we reckon would be downwardly revised in coming months.



Yet some industry reports suggest that two -wheeler demand would suffer a less severe blow not least due to less impacted on rural economy due to Covid -19 and a shift towards personal mobility, where a section of public transportation users should switch to two-wheelers, especially in the urban areas. Despite benign commodity prices, two-wheeler margins are estimated to weaken in FY21 amid subdued demand and big cost push but an improvement is expected in FY22.

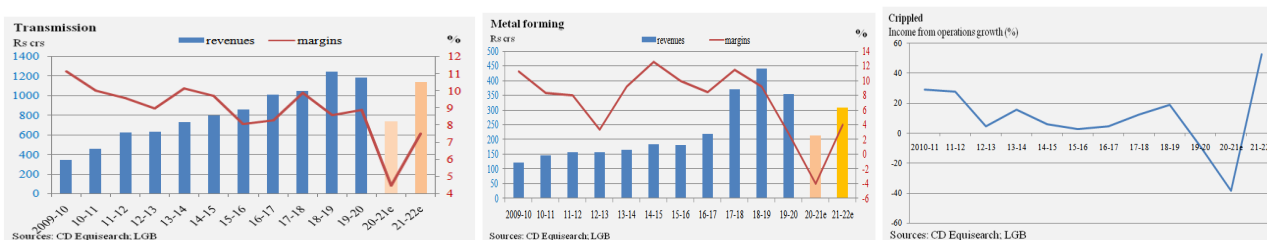
According to a recent report by ETIG, the Indian automobile industry may post an aggregate drop of 20%, or Rs 75,000 crore (\$10 billion), in revenue and a decline of 40%, or Rs 15,000 crore in operating profit in the current fiscal as factories operate at a record low utilization levels. ETIG estimates a margin compression of 2-5% for automakers. Capacity utilization by passenger vehicles is expected to drop to 45% for passenger vehicle makers, 39% for commercial vehicles and 50% for two-wheelers according to Crisil. It further posits that operating margins for commercial vehicles will be the hardest hit followed by two-wheelers and cars.

### Financials & Valuation

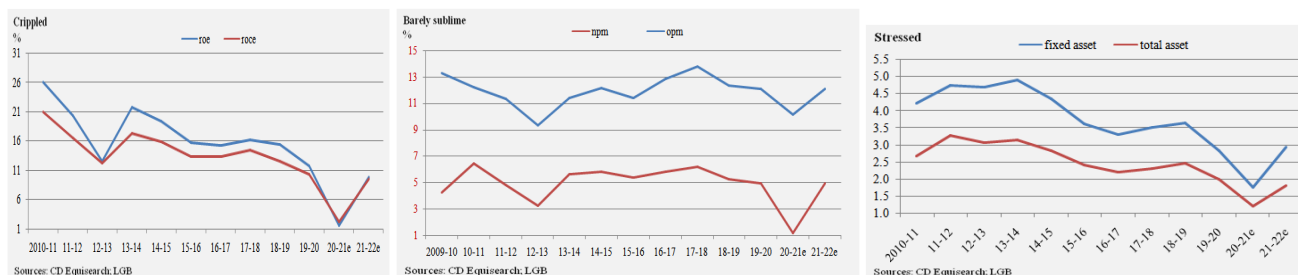
Nerve-wracked by unprecedented drop in volumes in the current fiscal, LGB, not unlike most auto component suppliers, would restrain capacity enhancement over the next few quarters, thus restricting capital investments to a minimal maintenance. Capacity utilization as a consequence would anything but surge past 50% mark, thus pummeling fixed asset turnover to 1.8 from 2.8 a year before (see chart below). Higher margins in replacement market - only for transmission business - would do little to prevent imminent carnage in current year earnings resulting from gut-wrenching decline in revenues (-38.5%).

In light of faltering consumer demand, LGB drastically slashed its capex last fiscal to Rs 84 crs from Rs 193 crs a year before. Larger free cash flows coupled with increased liquidity generated from land sale and sale of its investment in Renold Chain India helped it to retire consolidated debt of nearly Rs 100 crs. Expected working capital savings coupled with stodgy capex outlay would doubtlessly catalyze free cash flow generation in current fiscal despite stress in earnings.

No meager stress would betray itself in margins of niche metal forming business for it is estimated to report loss - the first such showing (annual) in several years. Seemingly large friction in consumer demand over the next few years - stoked by Covid-19 - would prevent a full blown recovery in the next fiscal, though LGB's revenues are estimated to bounce back no measly next fiscal on robust capacity utilization in both the transmission and metal forming businesses. Further debt rationalization would fructify next fiscal not least due to vigorous bounce back in earnings.



The stock currently trades at 56.6x FY21e EPS of Rs 3.62 and 8.9x FY22e EPS of Rs 22.97. Acute stress in automobile industry in current fiscal would betray itself in dreadful decline in post tax earnings. Yet increased cost efficiencies coupled with LGB's large market share in transmission business would help foster a faster rebound next fiscal. ROE would leapfrog as a result to nearly 10% - though still way off from sustainable level of some 15%. Reduced and minuscule leverage would lend LGB a lot of redundancies from intensification of external stresses. Investors have a great edge at the current valuation. Therefore we suggest buying the stock with revised target of Rs 276 (previous target: Rs 397) based on 12x FY22 earnings. For more info refer to our Oct report.



## Cross Sectional Analysis

Company	Equity*	CMP	Mcap*	Sales	PAT*	OPM <sup>a</sup>	NPM <sup>a</sup>	Int Cov.	ROE <sup>a</sup>	Mcap / sales	P/BV	P/E
Gabriel India	14	95	1357	1870	85	7.4	4.5	29.0	14.0	0.7	2.1	16.0
LG Bala	31	205	643	1543	78	12.1	4.9	7.3	11.7	0.4	0.9	8.3
Minda Corp	45	60	1370	2887	140	10.2	4.3	4.5	12.6	0.5	1.2	9.8
Munjal Showa	8	90	359	1415	46	4.3	3.3	146.2	7.6	0.3	0.6	7.8

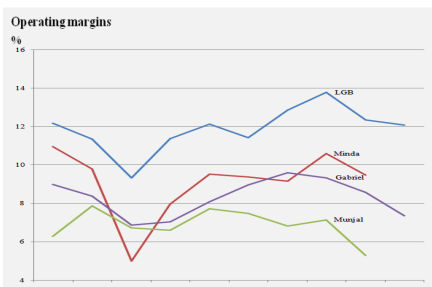
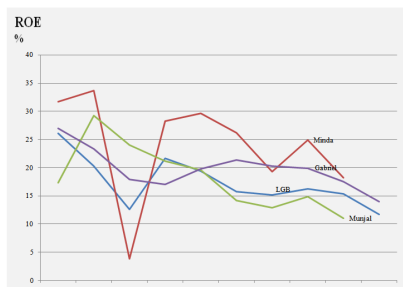
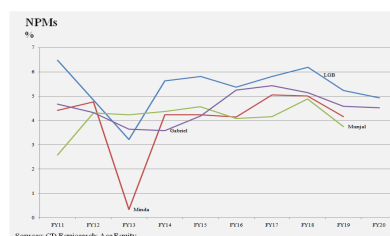
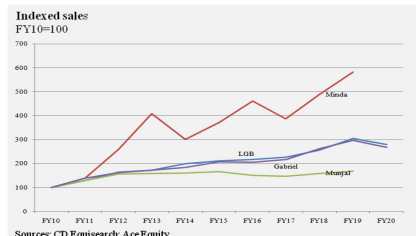
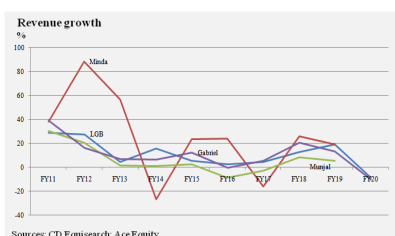
\*figures in crores; a:calculations on ttm basis

Companies not truly comparable due to product dissimilarity

Minda Corp's flagship mechatronics and aftermarket segment reported increased margins on improved product mix and higher export and aftermarket sales in 9MFY20. Its other businesses like information & connected systems and plastic & interiors also published over 10% drop in revenues on lower or slightly higher margins. It managed to bag lifetime order worth approx Rs 2100 crs in mechatronics business in 9MFY20 while information & connected systems business too saw order inflows of Rs 1300 crs during the same period. Plans are afoot to gain market share and increase premiumization of products in mechatronics business and boost exports of wiring harness in information & connected systems.

Gabriel's aftermarket grew by 13% to Rs 268 crs last fiscal, helping boost its revenue share to 13% from 11% a year before. Its passenger car segment was impacted by discontinuation of Maruti Omni due to safety norms and relaunch of Wagon R where it is not the supplier. Better product mix in 2W segment helped it to gain market share whose revenue share jumped to 68% in FY20 compared to 61% a year before. Growth in its CV segment bore the brunt of production cut by OEMs - M&HCV segment reported sales drop of 47% (yoy) in the March quarter. It would continue to focus on deepening its reach in B&C class towns and developing more products for the core segment.

Munjal recommenced partial operations at its plants in Gurugram, Manesar and Haridwar in Mid May. Adversely impacted by subdued automobile demand, income from operations slid by 19.6% to Rs 1038.18 crs in nine months of FY20, thus impacting post tax earnings which nosedived by 33.9%. As a consequence of lower sales, operating profit plunged by 38.5% to Rs 44.29 crs, resulting in 130 bps decline in operating margins - 4.3% Vs 5.6%.



## Financials

### Quarterly Results -Consolidated

Figures in Rs crs

	Q4FY20	Q4FY19	% chg.	FY20	FY19	% chg.
<b>Income from operations</b>	<b>356.31</b>	<b>408.85</b>	<b>-12.9</b>	<b>1542.83</b>	<b>1688.00</b>	<b>-8.6</b>
Other Income	8.04	4.74	69.7	22.49	14.87	51.3
<b>Total Income</b>	<b>364.35</b>	<b>413.59</b>	<b>-11.9</b>	<b>1565.32</b>	<b>1702.87</b>	<b>-8.1</b>
Total Expenditure	322.21	367.80	-12.4	1356.58	1479.46	-8.3
<b>PBIDT (other income included)</b>	<b>42.14</b>	<b>45.80</b>	<b>-8.0</b>	<b>208.74</b>	<b>223.41</b>	<b>-6.6</b>
Interest	3.14	3.57	-12.0	15.24	12.74	19.7
Depreciation	20.81	18.17	14.5	78.66	68.05	15.6
<b>PBT</b>	<b>18.20</b>	<b>24.06</b>	<b>-24.4</b>	<b>114.84</b>	<b>142.62</b>	<b>-19.5</b>
Tax	5.49	7.53	-27.1	24.72	45.99	-46.3
<b>PAT</b>	<b>12.71</b>	<b>16.53</b>	<b>-23.1</b>	<b>90.12</b>	<b>96.63</b>	<b>-6.7</b>
Minority interest	-0.27	-0.32	-15.0	-0.35	-0.01	6394.4
Associate profit	0.00	1.36	-100.0	1.16	2.93	-60.5
<b>Net profit after MI&amp;AP</b>	<b>12.98</b>	<b>18.20</b>	<b>-28.7</b>	<b>91.63</b>	<b>99.57</b>	<b>-8.0</b>
Extraordinary Item	4.28	2.80	53.0	14.09	8.24	71.0
<b>Adjusted Net Profit</b>	<b>8.70</b>	<b>15.40</b>	<b>-43.5</b>	<b>77.55</b>	<b>91.33</b>	<b>-15.1</b>
EPS (F.V. 10)	2.77	4.91	-43.5	24.70	29.09	-15.1
Equity	31.39	31.39	0.0	31.39	31.39	-

### Segment Results

Figures in Rs crs

	Q4FY20	Q4FY19	% chg.	FY20	FY19	% chg.
<b>Segment Revenue</b>						
Transmission	274.32	301.05	-8.9	1188.36	1246.93	-4.7
Metal forming	82.00	107.80	-23.9	354.47	441.07	-19.6
<b>Total</b>	<b>356.31</b>	<b>408.85</b>	<b>-12.9</b>	<b>1542.83</b>	<b>1688.00</b>	<b>-8.6</b>
<b>Segment EBIT</b>						
Transmission	13.89	17.83	-22.1	105.58	107.31	-1.6
Metal forming	3.17	7.90	-59.9	9.99	40.99	-75.6
<b>Total</b>	<b>17.06</b>	<b>25.73</b>	<b>-33.7</b>	<b>115.58</b>	<b>148.30</b>	<b>-22.1</b>
Interest	3.14	3.57	-12.0	15.24	11.26	35.4
Unallocable exp	-4.27	-1.89	126.2	-14.50	-5.58	160.0
<b>PBT</b>	<b>18.20</b>	<b>24.06</b>	<b>-24.4</b>	<b>114.84</b>	<b>142.62</b>	<b>-19.5</b>

## Financials

### Income Statement - Consolidated

Figures in Rs crs

	FY18	FY19	FY20	FY21e	FY22e
<b>Income from operations</b>	<b>1418.00</b>	<b>1688.00</b>	<b>1542.83</b>	<b>949.46</b>	<b>1450.40</b>
<i>Growth (%)</i>	12.7	19.0	-8.6	-38.5	52.8
Other Income	5.31	14.87	22.49	9.31	14.91
<b>Total Income</b>	<b>1423.31</b>	<b>1702.87</b>	<b>1565.32</b>	<b>958.78</b>	<b>1465.31</b>
Total Expenditure	1222.45	1479.46	1356.58	853.39	1275.05
<b>EBITDA (other income included)</b>	<b>200.86</b>	<b>223.41</b>	<b>208.74</b>	<b>105.38</b>	<b>190.26</b>
Interest	11.88	12.74	15.24	10.30	8.51
<b>EBDT</b>	<b>188.97</b>	<b>210.67</b>	<b>193.49</b>	<b>95.08</b>	<b>181.75</b>
Depreciation	57.79	68.05	78.66	80.57	86.06
Tax	42.66	45.99	24.72	3.65	24.09
<b>Net profit</b>	<b>88.52</b>	<b>96.63</b>	<b>90.12</b>	<b>10.86</b>	<b>71.61</b>
Minority interest	3.43	-0.01	-0.35	-0.50	-0.50
Associate profit	0.97	2.93	1.16	0.00	0.00
<b>Net profit after MI&amp;AP</b>	<b>86.06</b>	<b>99.57</b>	<b>91.63</b>	<b>11.36</b>	<b>72.11</b>
Extraordinary item	0.78	8.24	14.09	0.00	0.00
<b>Adjusted Net Profit</b>	<b>85.28</b>	<b>91.33</b>	<b>77.55</b>	<b>11.36</b>	<b>72.11</b>
EPS (Rs.)	27.17	29.09	24.70	3.62	22.97

### Segment Results

Figures in Rs crs

	FY18	FY19	FY20	FY21e	FY22e
<b>Segment Revenue</b>					
Transmission	1052.59	1246.93	1188.36	736.78	1142.01
Metal forming	371.13	441.07	354.47	212.68	308.39
Others	30.31	0.00	0.00	0.00	0.00
<b>Net sales</b>	<b>1454.03</b>	<b>1688.00</b>	<b>1542.83</b>	<b>949.46</b>	<b>1450.40</b>
<b>Segment EBIT</b>					
Transmission	103.98	107.31	105.58	33.16	85.65
Metal forming	42.82	40.99	9.99	-8.51	12.34
Others	-0.06	0.00	0.00	0.00	0.00
<b>Sub Total</b>	<b>146.74</b>	<b>148.30</b>	<b>115.58</b>	<b>24.65</b>	<b>97.99</b>
<b>Unallocable exp (net of income)</b>	<b>4.99</b>	<b>-5.58</b>	<b>-14.50</b>	<b>0.69</b>	<b>-4.91</b>
Interest	10.57	11.26	15.24	9.45	7.21
<b>PBT</b>	<b>131.18</b>	<b>142.62</b>	<b>114.84</b>	<b>14.51</b>	<b>95.69</b>

## Consolidated Balance Sheet

Figures in Rs crs

	FY18	FY19	FY20e	FY21e	FY22e
<b>SOURCES OF FUNDS</b>					
Share Capital	15.70	31.39	31.39	31.39	31.39
Reserves	569.71	634.59	674.75	694.37	763.34
<b>Total Shareholders Funds</b>	<b>585.41</b>	<b>665.98</b>	<b>706.14</b>	<b>725.76</b>	<b>794.73</b>
Minority Interest	14.78	14.85	4.04	3.54	3.04
Long term debt	48.78	99.19	95.12	74.41	54.41
<b>Total Liabilities</b>	<b>648.97</b>	<b>780.02</b>	<b>805.30</b>	<b>803.72</b>	<b>852.19</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	514.04	682.38	814.14	839.14	879.14
Less: Accumulated Depreciation	89.56	150.81	229.46	310.03	396.09
<b>Net Block</b>	<b>424.48</b>	<b>531.57</b>	<b>584.68</b>	<b>529.11</b>	<b>483.05</b>
Capital Work in Progress	26.97	36.71	8.89	0.00	5.00
Investments	54.25	55.47	19.58	27.83	27.83
<b>Current Assets, Loans &amp; Advances</b>					
Inventory	253.33	306.72	289.69	231.75	301.28
Sundry Debtors	194.05	220.79	174.61	148.42	178.10
Cash and Bank	8.90	9.65	5.02	135.10	129.43
Other Assets	22.16	26.88	28.10	18.10	24.53
<b>Total CA &amp; LA</b>	<b>478.44</b>	<b>564.04</b>	<b>497.41</b>	<b>533.36</b>	<b>633.34</b>
Current liabilities	338.48	409.77	300.16	277.12	288.49
Provisions	0.36	0.38	0.46	0.46	0.46
<b>Total Current Liabilities</b>	<b>338.85</b>	<b>410.15</b>	<b>300.62</b>	<b>277.58</b>	<b>288.95</b>
Net Current Assets	139.59	153.89	196.79	255.78	344.39
Net Deferred Tax (net of liability)	-16.92	-20.17	-12.45	-14.45	-16.45
Other Assets (Net of liabilities)	20.60	22.54	7.80	5.44	8.36
<b>Total Assets</b>	<b>648.97</b>	<b>780.02</b>	<b>805.30</b>	<b>803.72</b>	<b>852.19</b>

## Key Financial Ratios

	FY18	FY19	FY20	FY21e	FY22e
<b>Growth Ratios</b>					
Revenue (%)	12.7	19.0	-8.6	-38.5	52.8
EBIDTA (%)	17.2	5.8	-10.1	-44.5	80.5
Net Profit (%)	21.9	7.1	-15.1	-85.3	534.7
EPS (%)	21.9	7.1	-15.1	-85.3	534.7
<b>Margins</b>					
Operating Profit Margin (%)	13.8	12.4	12.1	10.1	12.1
Gross Profit Margin (%)	13.2	11.8	11.3	10.0	12.5
Net Profit Margin (%)	6.2	5.2	4.9	1.1	4.9
<b>Return</b>					
ROCE (%)	14.5	12.6	10.3	2.3	9.5
ROE (%)	16.3	15.4	11.7	1.6	9.8
<b>Valuations</b>					
Market Cap / Sales	1.2	0.7	0.3	0.7	0.4
EV/EBIDTA	8.9	6.7	3.3	7.3	4.0
P/E	19.7	13.2	6.5	56.6	8.9
P/BV	3.0	1.9	0.7	0.9	0.8
<b>Other Ratios</b>					
Interest Coverage	11.9	11.2	7.3	2.4	12.2
Debt-Equity Ratio	0.2	0.3	0.2	0.1	0.1
Current Ratio	1.3	1.3	1.7	1.9	2.1
<b>Turnover Ratios</b>					
Fixed Asset Turnover	3.5	3.6	2.8	1.8	3.0
Total Asset Turnover	2.3	2.5	2.0	1.2	1.8
Debtors Turnover	7.7	8.1	7.8	5.9	8.9
Inventory Turnover	5.1	5.3	4.5	3.3	4.8
Creditors Turnover	5.2	5.7	5.4	3.5	5.3
<b>WC Ratios</b>					
Debtor Days	47.6	44.9	46.8	62.1	41.1
Inventory Days	72.2	69.1	80.2	111.5	76.3
Creditor Days	70.7	63.8	67.9	103.1	68.9
Cash Conversion Cycle	49.1	50.1	59.1	70.5	48.5



**Cumulative Financial Data**

Figures in Rs crs	FY14-16	FY17-19	FY20-22e
Income from operations	3487	4365	3943
Transmission revenues	2389	3312	3067
Metal forming revenues	531	1031	876
Transmission to total (%)	68.5	75.9	77.8
Transmission EBIT	221	295	224
Transmission EBIT margin (%)	9.3	8.9	7.3
Operating profit	406	566	458
EBIT	295	403	240
PBT	241	362	206
PAT	189	247	161
Dividends	36	49	38
OPM (%)	11.6	13.0	11.6
NPM (%)	5.6	5.7	4.0
Interest coverage	5.5	10.0	7.1
ROE (%)	18.7	15.5	7.7
ROCE (%)	15.3	12.5	7.2
Debt-equity ratio*	0.4	0.3	0.1
Fixed asset turnover	4.0	3.3	2.7
Total asset turnover	2.7	2.3	1.7
Debtors turnover	8.4	7.8	6.6
Inventory turnover	4.9	4.8	3.8
Creditors turnover	6.7	5.7	4.6
Debtors days	43.4	46.8	55.4
Inventory days	74.9	76.7	95.5
Creditor days	54.4	64.0	79.2
Cash conversion cycle	63.9	59.5	71.7
Dividend payout ratio (%)	18.2	19.5	21.7

FY14-16 implies two years ending fiscal 16; \*as on terminal year;

Stoked by perilous impact of Covid -19 on automobile demand, LGB's cumulative revenues would slide by nearly 10% during FY20-22e period; trampled by well-nigh 15% drop in metal forming business. Overall OPMs during FY20-22 period would be wrecked by dismal volumes in FY21 - OPMs estimated to slid to 11.6% from 13% in the preceding three year period. Its staggering competitive advantage in transmission business would come to little rescue for its EBIT margin is estimated to anything but rise in the ensuing period - 7.3% Vs 8.9% in FY17-19 period; though its revenue share would climb to nearly 78% from 76%.

Yet deleveraging on a no small scale would help prop up its interest coverage ratio. Skimpy asset utilization coupled with great stress in earnings in the current fiscal would little galvanize return on capital - ROE estimated to decline to 7.7% from 15.5% in the preceding period. Cumulative post tax earnings would be stymied by wiping off the earnings in the current fiscal precipitating a nearly 35% drop. Helped by a favorable replacement market and depressed raw material prices, cash conversion cycle would improve little modestly to 72 days from some 60 days in FY17-19 period.

## Financial Summary – US dollar denominated

\$m	FY18	FY19	FY20e	FY21e	FY22e
Equity capital	2.4	4.5	4.2	4.1	4.1
Shareholders funds	85.3	91.5	91.7	93.3	100.8
Total debt	16.7	31.5	16.9	12.5	9.8
Net fixed assets (incl CWIP)	67.4	80.1	76.8	67.8	62.4
Investments	8.3	8.0	2.6	3.7	3.7
Net current assets	18.8	19.5	26.1	33.3	43.3
Total assets	95.1	107.9	104.9	103.6	108.3
Revenues	220.0	241.5	217.7	125.2	191.2
EBITDA	31.0	30.2	26.8	13.9	25.1
EBDT	29.1	28.4	24.6	12.5	24.0
PBT	20.2	18.7	13.5	1.9	12.6
Profit after MI & associate profit	13.2	13.1	10.9	1.5	9.5
EPS(\$)	0.42	0.42	0.35	0.05	0.30
Book value (\$)	2.72	2.91	2.92	2.97	3.21

income statement figures translated at average rates; balance sheet and cash flow at year end rates; projections at current rates (Rs 75.84/\$). All dollar denominated figures are adjusted for extraordinary items.

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buy: >20%    accumulate: >10% to ≤20%    hold: ≥-10% to ≤10%    reduce: ≥-20% to <-10%    sell: <-20%

Exchange Rates Used- Indicative

Rs/\$	FY17	FY18	FY19	FY20
Average	67.09	64.45	69.89	70.88
Year end	64.84	65.04	69.17	75.39

All \$ values mentioned in the write-up translated at the average rate of the respective quarter/ year as applicable. Projections converted at current exchange rate. Cumulative dollar figure is the sum of respective yearly dollar value.