24 January 2021

3QFY21 Results Update | Sector: Cement

UltraTech Cement

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	UTCEM IN
Equity Shares (m)	288
M.Cap.(INRb)/(USDb)	1596.5 / 21.9
52-Week Range (INR)	5695 / 2913
1, 6, 12 Rel. Per (%)	4/14/5
12M Avg Val (INR M)	2828

Financial Snapshot (INR b)

Y/E MARCH	2021E	2022E	2023E
Sales	437	498	548
EBITDA	112	123	141
Adj. PAT	55	65	80
EBITDA Margin (%)	26	25	26
Adj. EPS (INR)	189	226	278
EPS Gr. (%)	42	19	23
BV/Sh. (INR)	1,606	1,829	2,000
Ratios			
Net D:E	0.2	0.1	(0.1)
RoE (%)	13.1	13.8	14.9
RoCE (%)	10.5	11.8	13.1
Payout (%)	8.3	6.7	6.7
Valuations			
P/E (x)	29.3	24.5	19.9
P/BV (x)	3.4	3.0	2.8
EV/EBITDA(x)	15.2	13.4	11.1
EV/ton (USD)	212	199	167
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	4.8	4.2	5.5

Shareholding pattern (%)

As On	Dec-20	Sep-20	Dec-19
Promoter	60.0	59.9	60.2
DII	14.2	15.5	13.1
FII	16.9	15.4	17.7
Others	9.0	9.3	9.1

FII Includes depository receipts

CMP: INR5,531 TP: INR6,650 (+20%) Buy

Another quarter of beat and raise

Deleveraging has been faster than expected

- UltraTech (UTCEM)'s 3QFY21 result was impressive on multiple counts. While volume growth was above industry at 14% YoY, it did not come at the cost of margins, with EBITDA/unit strong at INR1,296/t (+29% YoY). Moreover, net debt fell INR27.0b QoQ to INR94.4b (0.84x TTM EBITDA).
- We raise our above-consensus FY21–22E PAT by 4–5% for FY21–22 and TP to INR6,650 on strong volumes. It remains our top large-cap pick in the sector.

EBITDA grows 47% YoY on higher volumes and realization

- Consol revenue / EBITDA / Adj. PAT was up 18%/47%/96% YoY to INR122.5b/INR30.9b/INR15.8b and was +5%/+6%/+14% v/s our estimate.
- Volumes rose 14% YoY to 23.9mt (our est.: 22.9mt), led by an uptick in demand from government projects, infra, and urban real estate.
- While blended realization rose 4% YoY to INR5,132/t (-1% QoQ), cost fell 3% YoY to INR3,836/t (flat QoQ) despite higher power and fuel cost. EBITDA/t, thus, rose 29% YoY to INR1,296 (-4% QoQ; est.: INR1,272/t).
- Finance cost fell sharply by 24% YoY to INR3.6b (flat QoQ), supported by a sharp reduction in debt and lower interest rate.
- Consol net debt fell further by INR27.0b QoQ (INR74.3b in 9MFY21) to INR94.4b (implying 0.84x TTM EBITDA) – better than estimated.
- During 9MFY21, Consol revenue/ EBITDA/ Adj. PAT stood at INR303.1b/INR78.7b/37.2b, -3%/+13%/+39% YoY and EBITDA/t was up 18% YoY to INR1,343/t.

Highlights from management commentary

- Capacity utilization stood at 85% in Dec'20 and 80% in 3QFY21. It stood at >100% in East, ~70% in South, and ~80% in North, West, and Central.
- While rural demand remains robust, demand from infrastructure and urban real estate has picked up, which bodes well in the near term.
- Variable cost is seen rising in the near term due to higher price of petcoke and imported coal. However, the full impact would be reflected in 1QFY22 as some lower cost inventory would be exhausted in this quarter.
- The company has kept a tight leash on working capital (further INR7.8b released in 3QFY21), which has supported debt reduction.
- Work on announced capacity addition of 19mtpa has commenced, with commissioning guided in phases in FY23.
- The company has raised INR30.0b in debt to refinance long-term debt at a lower cost to capitalize on interest arbitrage opportunities.
- The 2mtpa Dubai grinding unit (part of the Binani acquisition) – which was earlier classified as held for sale – has been consolidated with the company's UAE operations, thereby raising its overseas capacity to 5.4mtpa.

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Growth at reasonable valuations – 28% EPS CAGR over FY20–23E

- UTCEM's strong pan-India distribution network and preferred supplier status for key infrastructure projects places it well to tap into expected growth in both retail and institutional (non-trade) cement demand in India.
- While it is ramping up its under-utilized acquired capacities, it also has a strong pipeline of expansion projects that offers strong growth visibility.
- We estimate a 14%/28% CAGR in consolidated EBITDA/PAT over FY20–23E, driven by a 7% volume CAGR and lower operating/interest cost.
- The valuation is reasonable at 13.4x FY22E EV/EBITDA, a ~20% discount to peer Shree. We value UTCEM at 14x Dec'22E EV/EBITDA to arrive at TP of INR6,650. Reiterate **Buy**.

Quarterly performance (Consol.) (INR m)

	FY20				FY21				FY20	FY21E	FY21	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Net Sales	**114,197**	**96,204**	**103,538**	**107,456**	**76,711**	**103,871**	**122,541**	**133,689**	**421,248**	**436,812**	**116,615**	5
YoY Change (%)	19.6	4.0	-0.9	-13.1	-32.8	8.0	18.4	24.4	1.2	3.7	12.6	
Total Expenditure	84,704	77,024	82,476	83,056	55,934	76,895	91,599	100,963	327,106	324,994	87,544	5
EBITDA	**29,493**	**19,180**	**21,062**	**24,401**	**20,777**	**26,977**	**30,943**	**32,726**	**94,142**	**111,818**	**29,071**	6
Margins (%)	25.8	19.9	20.3	22.7	27.1	26.0	25.3	24.5	22.3	25.6	24.9	
Depreciation	6,884	6,684	6,730	6,724	6,512	6,771	6,739	6,806	27,022	26,828	6,837	-1
Interest	5,029	5,071	4,708	5,048	3,943	3,579	3,563	3,411	19,857	14,495	3,468	3
Other Income	1,347	1,475	1,682	1,979	2,788	1,350	2,679	1,725	6,478	8,542	1,400	91
PBT before EO expense	**18,928**	**8,900**	**11,306**	**14,608**	**13,110**	**17,977**	**23,320**	**24,234**	**53,742**	**79,036**	**20,165**	16
Extra-Ord expense	0	0	1,332	-21,120	1,574	3,357	0	0	-19,788		0	
PBT after EO Expense	**18,928**	**8,900**	**9,973**	**35,728**	**11,536**	**14,620**	**23,320**	**24,234**	**73,530**	**79,036**	**20,165**	16
Tax	6,118	3,113	2,862	3,320	3,603	5,662	7,474	7,253	15,413	23,991	6,251	20
Rate (%)	32.3	35.0	28.7	9.3	31.2	38.7	32.0	29.9	21.0	30.4	31.0	
Reported PAT	**12,810**	**5,787**	**7,112**	**32,408**	**7,933**	**8,958**	**15,846**	**16,981**	**58,117**	**55,045**	**13,914**	14
Minority Interest	1	3	8	14	9	(6)	-3	(7)	32	-5	(10)	
Adj PAT	**12,811**	**5,790**	**8,069**	**13,265**	**9,024**	**12,310**	**15,843**	**16,975**	**39,935**	**54,152**	**13,904**	14
YoY Change (%)	92.3	62.2	103.7	24.2	-29.6	112.6	96.3	28.0	60.9	35.6	72.3	

E: MOFSL Estimates

Key Operating Parameters

	FY20				FY21						FY21	Var.
Per ton analysis (INR/ton)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY20	FY21E	1QE	Var (%)
Volume (m ton)	21.42	18.69	20.90	21.44	14.65	20.06	23.88	25.80	82.33	84.28	22.86	4
YoY Change (%)	8.3	-1.0	-4.0	-15.7	-31.6	7.3	14.3	20.3	-3.9	2.4	9.4	
Realization (incl RMC)	**5,331**	**5,147**	**4,954**	**5,012**	**5,236**	**5,178**	**5,132**	**5,182**	**5,117**	**5,183**	**5,101**	1
YoY Change (%)	10.5	5.1	3.2	3.0	-1.8	0.6	3.6	3.4	5.3	1.3	3.0	
RM Cost	733	804	856	678	822	835	751	788	767	795	780	-4
Power & Fuel	1,094	1,052	976	988	942	920	1,006	1,077	1,029	996	991	1
Staff Cost	278	342	297	305	384	282	256	245	305	281	262	-3
Freight & Forwarding	1,211	1,143	1,121	1,249	1,097	1,146	1,193	1,202	1,181	1,168	1,156	3
Other Expenditure	639	781	697	653	572	649	630	601	692	616	640	-1
Total Expenditure	**3,954**	**4,121**	**3,946**	**3,874**	**3,818**	**3,833**	**3,836**	**3,914**	**3,973**	**3,856**	**3,829**	0
EBITDA	**1,377**	**1,026**	**1,008**	**1,138**	**1,418**	**1,345**	**1,296**	**1,269**	**1,143**	**1,327**	**1,272**	2

Highlights from management commentary

Operational highlights

- In 3QFY21, capacity utilization stood at 80%, while it was at 85% in December.
- The trade mix stands at 64% (v/s 71% in 2QFY21) on account of an uptick in government projects, urban real estate, and infra demand.
- Capacity utilization in East was at >100%, while it was at 70% in South. It stood at 80% in North, West, and Central.
- White Cement / RMC revenue stood at INR5.4b/INR6.20b. White Cement volumes stood at 390kt.

Cost insights

- The petcoke / Imported coal mix stood at 44%/43%, while the green power mix was at 13% (v/s 11% in 3QFY20).
- In 3QFY21, cost of consumption of petcoke and imported coal stood at USD74/t and USD76/t, respectively.
- Fly ash prices were down 2% QoQ, while gypsum prices remained stable.
- Logistic cost was up on account of an increase in diesel prices (up 10% YoY) and a change in the market mix.
- The full impact of higher petcoke prices would be reflected in 1QFY22, while 4QFY21 would see marginal impact.
- The lead distance stands at 440km and was high on account of the transfer of materials from South to East.
- Spot rates of imported coal and petcoke stand at USD110/t v/s USD65/t in June. Petcoke prices are expected to further rise to USD10–15/t – on account of lower crude production across the globe – and peak by June’21. Imported coal prices appear to have settled.

Demand and pricing

- Rural demand and infrastructure projects remain robust, while urban real estate demand has started picking up – led by lower interest rates and various steps undertaken by the government to support home buyers and builders.
- 3QFY21 saw price decline of 1–2% QoQ, with East witnessing weaker pricing, while North remained stable. South also witnessed the softening of prices.

Capex and debt

- Capex for 3QFY21 was at INR3.9b, while effective working capital management led to the release of INR7.8b in 3QFY21.
- Work on capacity additions of 19.0mt has commenced and is well on course for commissioning in FY23 (in a staggered manner).
- Line 2 of Bara GU is expected to be commissioned in Mar’21, while Line 1 has achieved 70% capacity utilization.
- Net debt stands at INR94.4b v/s 168.6b in Mar’20. Consol. net debt/EBITDA stands at 0.84x.
- The company has raised INR30.0b in debt as a part of refinancing current debt at a lower cost to capitalize on interest arbitrage opportunities.

UltraTech Nathdwara (UNCL) EBITDA at >1,500/t

- EBITDA/t improved INR90/t QoQ and stands at >1,500/t.
- Capacity utilization stands at 75%.
- The company has achieved a 15% reduction in production cost since the acquisition.
- The 2.0mt grinding unit in the UAE – which was earlier classified as held for sale – has been consolidated with the company. As a result, UTCEM's total overseas capacity stands at 5.4mt.

Century cement capacity utilization at 75%

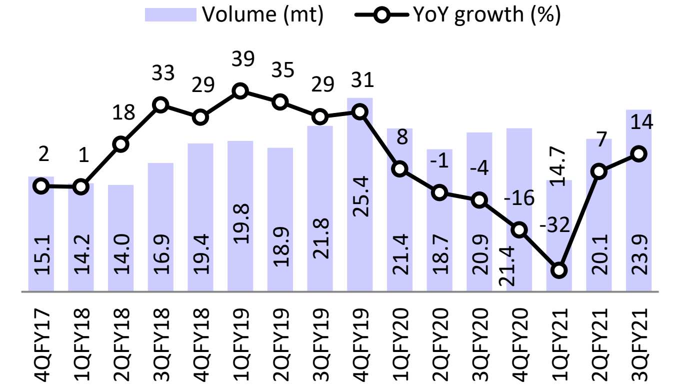
- Capacity utilization stands at 75%, led by volume growth of 37% YoY in 3QFY21.
- Cost of production was down 12% YoY.
- Brand transition, which currently stands at 72%, is expected to be completed in 1HCY21.

Other highlights

- The company aims to achieve a green power mix of 34% (WHRS / solar at 26%/8%) by FY24.
- Thermal power capacity stands at 1,100MW.
- Rural market penetration was up 3.5% YoY.
- The company has 2,350 UltraTech Building Solutions outlets. 70% of new outlets have been set up in rural areas.

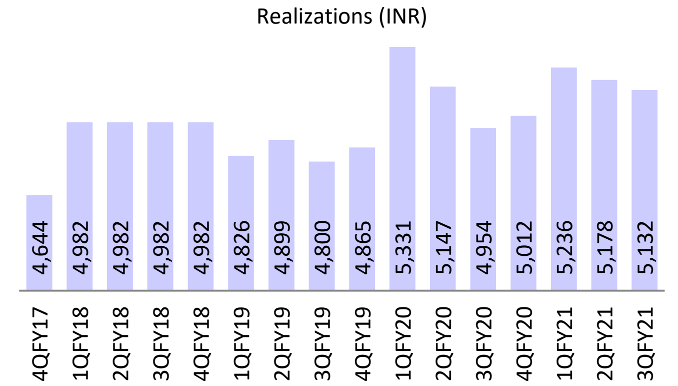
Key exhibits

Exhibit 1: Cement volumes up 14% YoY in 3QFY21



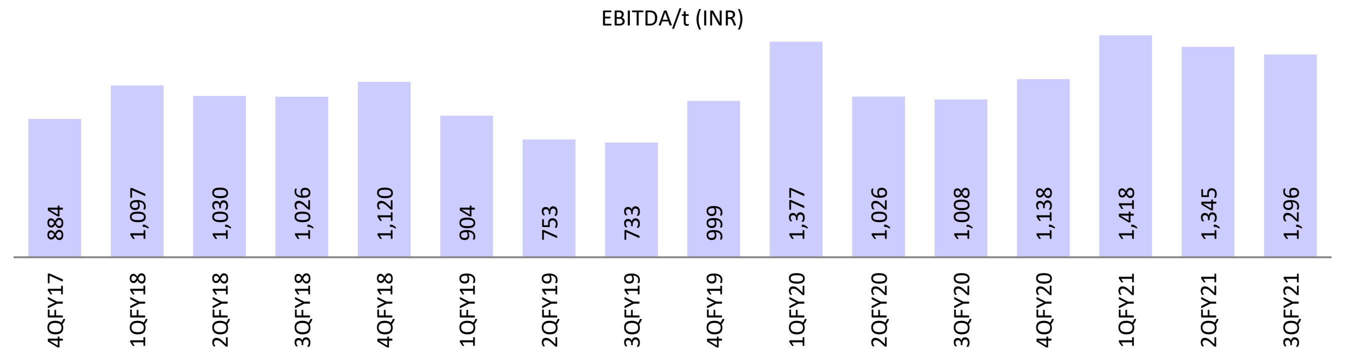
Source: Company, MOFSL

Exhibit 2: Cement realizations up 4% YoY in 3QFY21



Source: Company, MOFSL

Exhibit 3: Trend in EBITDA/t



Source: Company, MOFSL

Exhibit 4: Trend in key operating parameters

INR/ton	3QFY21	3QFY20	YoY (%)	2QFY21	QoQ (%)
Realization	**5,132**	**4,954**	**4%**	**5,178**	**-1%**
RM Cost	751	856	**-12%**	835	**-10%**
Power & Fuel	1,006	976	**3%**	920	**9%**
Staff Cost	256	297	**-14%**	282	**-9%**
Freight & Forwarding	1,193	1,121	**6%**	1,146	**4%**
Other Expenditure	630	697	**-10%**	649	**-3%**
Total Expenditure	**3,836**	**3,946**	**-3%**	**3,833**	**0%**
EBITDA	**1,296**	**1,008**	**29%**	**1,345**	**-4%**

Source: Company, MOFSL

Valuation and view

Capacity expansion and sweating of existing assets to drive growth: UTCEM is setting up cement capacities of 19.5mtpa, with commissioning of 5.4mtpa expected by FY22 and the balance 14.1mtpa in FY23. In the near term, the company's focus is on sweating existing assets (capacity of 111mmtpa; 70% utilization). Growth beyond FY23 would be fulfilled by expansion projects. We expect volume growth to be above industry at a 10% CAGR over FY21–24E.

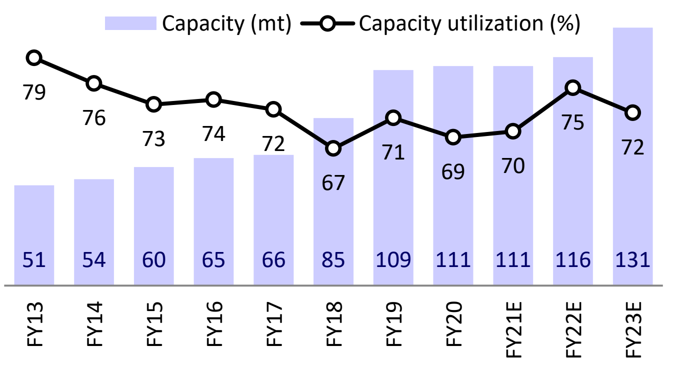
Strong cost reduction plans to contribute ~INR100/t to EBITDA by FY24: UTCEM has planned investments to expand its WHRS and solar capacities to 302MW and 500 MW, respectively, by FY24 – which we estimate would reduce power and fuel cost by ~INR80/t. With these investments, UTCEM aims to achieve a green power mix of 34% (26% WHRS; 8% solar) by FY24. Moreover, there is planned cost reduction at acquired capacities (particularly at the Baikunth plant of Century), which should also reduce cost. We accordingly estimate a total ~INR100/t cost reduction for UTCEM by FY24, which should support margin growth for the company.

Strong FCF to drive deleveraging: Net debt is expected to decline, led by limited capex spends and stronger cash flows from ramp-up in existing capacities. We estimate net debt to decline to INR74b in FY22 (0.6x EBITDA) from INR217b in FY19. Additionally, UTCEM is looking to divest its non-core assets in the UAE and recover the loans given to the Binani Fiberglass business (part of the Binani acquisition). This, if successful, would help further reduce leverage.

Robust earnings growth, with attractive valuations; reiterate Buy: We estimate a 14%/28% CAGR in consolidated EBITDA/PAT over FY20–23E, driven by a 7% CAGR in volumes, lower operating costs, and lower interest costs. The valuation is reasonable at 13.4x FY22E EV/EBITDA, a ~20% discount to peer Shree. We value UTCEM at 14x Dec'22E EV/EBITDA to arrive at TP of INR6,650. Reiterate **Buy.**

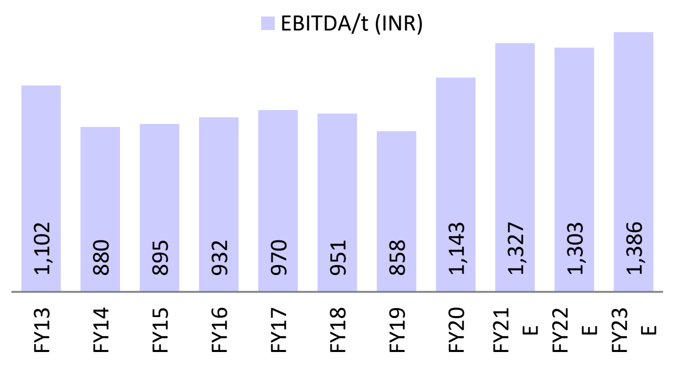
Story in charts

Exhibit 5: Utilization to rise in FY22E on strong growth



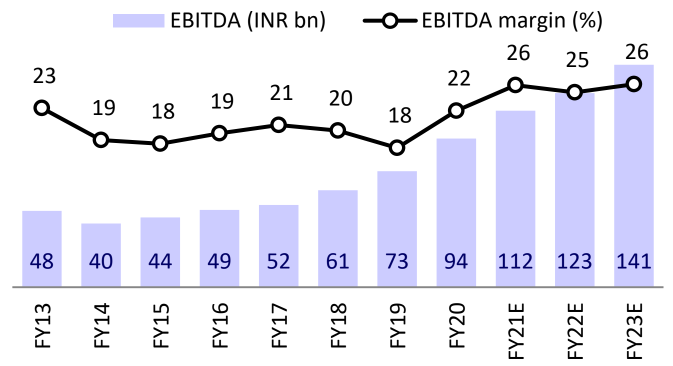
Source: Company, MOFSL

Exhibit 6: EBITDA/t to remain strong



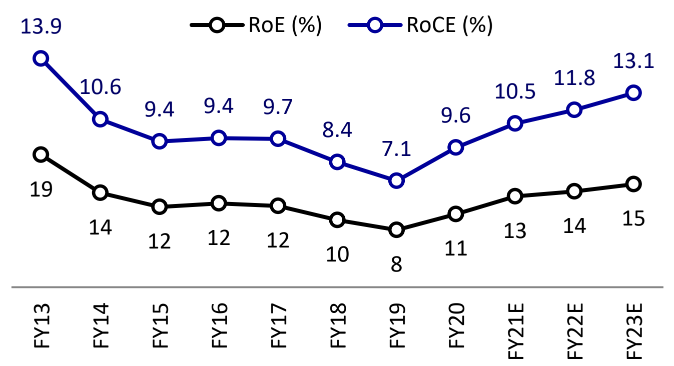
Source: Company, MOFSL

Exhibit 7: Expect EBITDA CAGR of 14% over FY20–23E



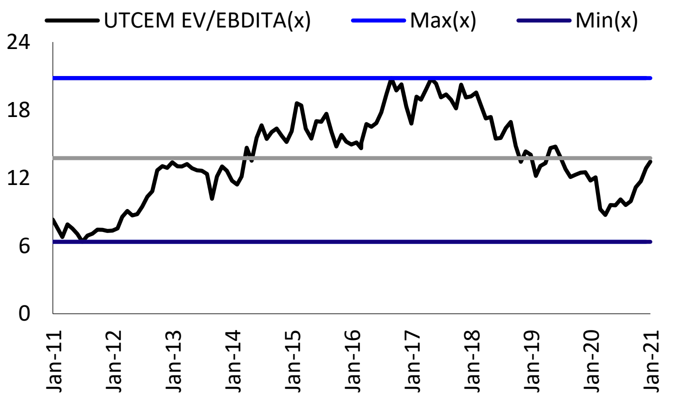
Source: Company, MOFSL

Exhibit 8: Return ratios to improve consistently



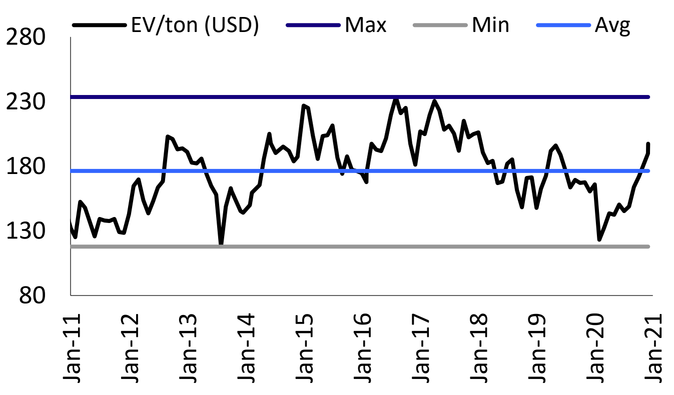
Source: Company, MOFSL

Exhibit 9: UTCEM EV/EBITDA trend



Source: MOFSL, Company

Exhibit 10: UTCEM EV/ton trend



Source: MOFSL, Company

Financials and valuations

Consolidated – Income statement (INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Total Income from Operations	**251,532**	**253,749**	**309,786**	**416,088**	**421,248**	**436,812**	**497,871**	**547,805**
Change (%)	3.3	0.9	22.1	34.3	1.2	3.7	14.0	10.0
Raw Materials	44,175	44,926	52,888	69,831	63,131	66,971	71,959	79,387
Employees Cost	14,450	15,223	18,102	22,911	25,094	23,717	25,919	27,686
Other Expenses	143,898	141,476	177,344	249,877	239,167	234,307	277,067	299,889
Total Expenditure	**202,523**	**201,625**	**248,335**	**342,619**	**327,106**	**324,994**	**374,945**	**406,962**
% of Sales	80.5	79.5	80.2	82.3	77.7	74.4	75.3	74.3
EBITDA	**49,010**	**52,124**	**61,452**	**73,469**	**94,142**	**111,818**	**122,926**	**140,843**
Margin (%)	19.5	20.5	19.8	17.7	22.3	25.6	24.7	25.7
Depreciation	13,772	13,484	18,479	24,507	27,022	26,828	27,460	28,738
EBIT	**35,238**	**38,640**	**42,972**	**48,962**	**67,121**	**84,989**	**95,466**	**112,105**
Int. and Finance Charges	5,663	6,401	12,376	17,779	19,857	14,495	9,723	7,359
Other Income	4,638	6,481	5,886	4,634	6,478	8,542	8,551	11,365
PBT bef. EO Exp.	**34,213**	**38,721**	**36,482**	**35,818**	**53,742**	**79,036**	**94,294**	**116,111**
EO Items	0	0	-3,466	-1,139	19,788	-1,574	0	0
PBT after EO Exp.	**34,213**	**38,721**	**33,016**	**34,679**	**73,530**	**77,462**	**94,294**	**116,111**
Total Tax	9,417	11,586	10,770	10,681	15,413	23,991	29,178	35,920
Tax Rate (%)	27.5	29.9	32.6	30.8	21.0	31.0	30.9	30.9
Minority Interest	16	-14	24	-37	-32	5	5	5
Reported PAT	**24,780**	**27,149**	**22,222**	**24,035**	**58,148**	**53,466**	**65,111**	**80,186**
Adjusted PAT	**24,780**	**27,149**	**24,557**	**24,823**	**38,360**	**54,552**	**65,111**	**80,186**
Change (%)	18.1	9.6	-9.5	1.1	54.5	42.2	19.4	23.2
Margin (%)	9.9	10.7	7.9	6.0	9.1	12.5	13.1	14.6

Consolidated – Balance sheet (INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Equity Share Capital	2,744	2,745	2,746	2,746	2,886	2,886	2,886	2,886
Total Reserves	216,712	241,171	261,066	334,738	388,269	438,271	499,341	574,331
Net Worth	**219,456**	**243,916**	**263,812**	**337,484**	**391,155**	**441,157**	**502,227**	**577,218**
Minority Interest	155	97	160	122	75	80	85	90
Total Loans	106,160	84,745	194,802	253,370	228,979	168,979	108,979	108,979
Deferred Tax Liabilities	24,411	27,824	31,827	63,856	49,120	56,793	66,046	77,409
Capital Employed	**350,182**	**356,582**	**490,601**	**654,832**	**669,329**	**667,010**	**677,337**	**763,697**
Gross Block	255,050	274,135	430,455	571,407	602,593	614,235	630,890	672,559
Less: Accum. Deprn.	13,018	25,943	43,665	68,172	95,194	122,022	149,482	178,221
Net Fixed Assets	**242,032**	**248,192**	**386,790**	**503,235**	**507,400**	**492,213**	**481,408**	**494,338**
Goodwill on Consolidation	11,062	10,851	10,363	62,989	62,525	62,525	62,525	62,525
Capital WIP	14,691	9,215	15,112	11,486	9,095	13,095	23,095	8,095
Current Investment	23,651	54,110	39,491	15,165	42,437	**33,149**	**33,149**	**33,149**
Non-current Investment	27,301	12,795	14,978	14,048	16,850	19,138	19,138	19,138
Curr. Assets, Loans&Adv.	**93,194**	**86,926**	**104,677**	**158,335**	**144,307**	**161,653**	**178,522**	**271,525**
Inventory	24,546	24,006	32,676	40,990	41,483	41,370	47,154	51,848
Account Receivables	19,282	17,571	22,206	27,870	22,383	22,528	25,675	28,183
Cash and Bank Balance	22,670	22,488	2,191	7,397	5,392	20,047	22,209	108,094
Loans and Advances	26,697	22,861	47,604	82,079	75,049	77,708	83,484	83,400
Curr. Liability & Prov.	**61,852**	**65,605**	**80,904**	**110,548**	**119,152**	**120,632**	**126,369**	**130,944**
Account Payables	17,173	18,573	23,849	31,671	35,014	36,308	41,383	45,534
Other Current Liabilities	40,292	42,453	50,526	71,206	76,240	76,420	77,076	77,494
Provisions	4,388	4,579	6,529	7,671	7,898	7,904	7,910	7,916
Net Current Assets	**31,343**	**21,321**	**23,773**	**47,787**	**25,155**	**41,021**	**52,153**	**140,581**
Deferred Tax assets	102	98	94	121	60	61	61	62
Net Assets held for sale	0	0	0	0	5,808	5,808	5,808	5,808
Appl. of Funds	**350,182**	**356,582**	**490,601**	**654,832**	**669,329**	**667,010**	**677,337**	**763,697**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Basic (INR)								
EPS	**90.2**	**98.9**	**89.4**	**90.4**	**132.9**	**189.0**	**225.6**	**277.8**
Cash EPS	140.5	148.0	156.7	179.6	226.5	282.0	320.7	377.4
BV/Share	800.4	889.4	961.4	1,229.8	1,424.9	1,606.5	1,828.7	1,999.9
DPS	8.9	9.4	9.5	10.5	11.0	13.0	13.0	13.0
Payout (%)	11.8	11.5	14.0	14.5	8.6	8.3	6.7	6.7
Valuation (x)								
P/E				61.2	41.6	29.3	24.5	19.9
Cash P/E				30.8	24.4	19.6	17.3	14.7
P/BV				4.5	3.9	3.4	3.0	2.8
EV/Sales				4.2	4.2	3.9	3.3	2.9
EV/Ton (Cap-USD)				221.8	221.0	212.5	199.0	167.0
EV/EBITDA				23.6	18.7	15.2	13.4	11.1
Dividend Yield (%)				0.2	0.2	0.2	0.2	0.2
FCF per share				156.8	249.4	267.0	233.4	301.7
Return Ratios (%)								
RoE	12.1	11.7	9.7	8.3	10.5	13.1	13.8	14.9
RoCE	9.4	9.7	8.4	7.1	9.6	10.5	11.8	13.1
RoIC	9.2	9.7	8.2	6.4	8.6	9.7	11.0	12.8
Working Capital Ratios								
Inventory (Days)	36	35	38	36	36	35	35	35
Debtor (Days)	28	25	26	24	19	19	19	19
Creditor (Days)	25	27	28	28	30	30	30	30
Leverage Ratio (x)								
Current Ratio	1.5	1.3	1.3	1.4	1.2	1.3	1.4	2.1
Interest Cover Ratio	6.2	6.0	3.5	2.8	3.4	5.9	9.8	15.2
Net Debt/Equity	0.3	0.0	0.6	0.7	0.5	0.3	0.1	-0.1

Consolidated – Cash flow statement **(INR m)**

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
OP/(Loss) before Tax	34,213	38,721	33,015	34,685	52,423	77,462	94,294	116,111
Depreciation	13,772	13,484	18,479	24,507	27,022	26,828	27,460	28,738
Interest & Finance Charges	5,042	5,822	12,376	17,779	19,857	14,495	9,723	7,359
Direct Taxes Paid	-8,517	-7,437	-8,429	-7,101	-8,914	-16,319	-19,926	-24,557
(Inc)/Dec in WC	4,293	5,176	-12,554	-6,957	4,503	-1,211	-8,970	-2,543
CF from Operations	**48,803**	**55,765**	**42,888**	**62,913**	**94,889**	**101,255**	**102,581**	**125,108**
Others	1,494	-8	-4,010	-3,356	-5,869	-8,542	-8,551	-11,365
CF from Operating incl EO	**50,297**	**55,756**	**38,877**	**59,557**	**89,020**	**92,713**	**94,029**	**113,743**
(Inc)/Dec in FA	-21,315	-13,557	-18,828	-16,482	-17,037	-15,641	-26,655	-26,669
Free Cash Flow	**28,982**	**42,199**	**20,050**	**43,075**	**71,983**	**77,072**	**67,374**	**87,074**
(Pur)/Sale of Investments	3,537	-11,209	16,246	26,614	-26,266	7,000	0	0
Others	-73	0	21,197	1,007	1,210	8,542	8,551	11,365
CF from Investments	**-17,851**	**-24,766**	**18,616**	**11,138**	**-42,093**	**-99**	**-18,104**	**-15,304**
Issue of Shares	27	66	157	52	27	0	0	0
Inc/(Dec) in Debt	-5,503	-22,297	-42,069	-46,482	-26,663	-60,000	-60,000	0
Interest Paid	0	0	-12,099	-16,850	-19,445	-14,495	-9,723	-7,359
Dividend Paid	-2,973	-3,119	-3,340	-3,462	-3,800	-3,464	-4,041	-5,195
Others	9	0	0	-827	-31	0	0	0
CF from Fin. Activity	-8,440	-25,350	-57,351	-67,568	-49,911	-77,959	-73,764	-12,554
Inc/Dec of Cash	**24,005**	**5,640**	**142**	**3,127**	**-2,984**	**14,655**	**2,162**	**85,884**
Opening Balance	9,198	33,203	38,843	38,986	42,113	39,129	53,784	55,946
Closing Balance	**33,203**	**38,843**	**38,986**	**42,113**	**39,129**	**53,784**	**55,946**	**141,830**

NOTES

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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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