

Estimate change

TP change

Rating change


	MTCL IN
Bloomberg	
Equity Shares (m)	165
M.Cap.(INRb)/(USDb)	718.8 / 9.5
52-Week Range (INR)	4732 / 1264
1, 6, 12 Rel. Per (%)	6/88/126
12M Avg Val (INR M)	2867

Financials & Valuations (INR b)

Y/E Mar	2021	2022E	2023E
Sales	79.7	104.0	125.7
EBIT Margin (%)	17.5	18.1	18.6
PAT	11.1	15.7	19.3
EPS (INR)	67.4	95.3	117.3
EPS Gr. (%)	75.7	41.5	23.1
BV/Sh. (INR)	262	315	379

Ratios

RoE (%)	29.7	33.1	33.8
RoCE (%)	24.1	26.6	27.1
Payout (%)	37.1	45.0	45.0

Valuations

P/E (x)	64.8	45.8	37.2
P/BV (x)	16.6	13.9	11.5
EV/EBITDA (x)	41.8	32.0	25.7
Div Yield (%)	0.6	1.0	1.2

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	61.0	61.0	73.5
DII	12.0	10.9	7.9
FII	13.7	13.9	10.4
Others	13.3	14.2	8.2

FII Includes depository receipts

CMP: INR4,363
TP: INR 4,460 (+2%)
Neutral

Stellar performance and outlook, but valuations rich

Strong margin despite wage revisions

- MTCL delivered another excellent quarter, with a revenue of USD350m (+12.8% QoQ, est. 8.3%), driven by broad based growth across verticals and regions. The only pocket of weakness in 2QFY22 was in its top client (flat QoQ), which now accounts for 24% of revenue (exposure down by ~600bp v/s the peak in 1QFY21). Deal TCv stood at USD360m (-29% QoQ/+19% YoY), with a good mix of annuity and transformational deals.
- EBITDA margin rose 20bp sequentially, despite the impact from a wage hike. Margin in 2QFY22 was aided by operating leverage and currency benefits, which was partially offset by a wage hike (~140bp QoQ). EBIT margin benefitted from lower depreciation, given the strong growth.
- Net additions (2,476, +9% QoQ) were strong in 2QFY22. MTCL added ~2k freshers in 2HFY22, which is expected to continue. During our AGIC, the management had indicated that it plans to hire 4-5k freshers in FY22. This implies continued management conviction on the demand environment.
- The management reiterated that the demand environment continues to remain strong and expects industry-leading growth in FY22. We see MTCL benefitting from strong demand in Cloud (19% of revenue) and broad based growth across verticals. We expect USD revenue growth of ~30% YoY in FY22, one of the highest in our coverage universe.
- This strong growth should help deliver 41.5% EPS growth in FY22, given a flattish EBITDA margin of 20.6% (-20bp YoY).
- We maintain our Neutral rating on the stock due to its fair valuations (37x FY23E P/E) as well as relatively higher client concentration (top account constitutes 24% of revenue), although it is moving in the right direction.
- We upgrade our FY22E/FY23E EPS estimate by ~7% as we raise our growth estimates on the back of a beat in 2Q FY22 and strong management commentary for FY22E. Our margin estimates are slightly higher, given the strong margin performance in 2QFY22, despite the wage hike. The stock is trading at 37x FY23E EPS and we see limited upside hereafter. Our TP of INR4,460 per share implies 38x FY23E EPS. We maintain our **Neutral** rating.

Robust performance across line items

- In USD terms, revenue grew 34% YoY (est. 29%) to USD350.1m, EBIT rose 46% (est. 30.2%) and PAT increased by 57% (est. 33%) to INR4b in 2QFY22.
- For 1HFY22, USD revenue/INR EBIT/INR PAT grew by 28%/44%/59%
- MTCL's USD revenue grew 12.8% QoQ to USD350.1m, above our estimate of 8.3% QoQ growth.
- Growth was broad based during 2QFY22, with Retail and Manufacturing leading growth at 29.4% QoQ, followed by Travel (+14.4%), BFSI (+8.6%), and CMT (+5.6%).
- On the geography-side, growth was broad based with the US growing 7.2% QoQ. Europe grew 36.4% QoQ, led by strong growth in the UK. RoW reported a growth of 19% QoQ.

- Its top client was flat sequentially as it was impacted by seasonality, while growth was driven by strong performance from the top 2-5/top 6-10/non-top 10 accounts, which grew 15.8%/17.8%/17.9% QoQ.
- Deal wins stood at USD360m (1x book-to bill ratio), -29% QoQ/+19% YoY.
- EBIT margin increased by 70bp QoQ to 18.2% (est. of 17%).
- PAT at INR4b (+16% QoQ) was 18% ahead of our estimate on revenue and margin beat, coupled with higher other income and lower ETR.
- Offshore mix was at multi-year high of 85% (+150bp QoQ), while utilization fell to 82.9% (-30bp QoQ).
- MTCL added 2,476 employees, up 9% QoQ. Headcount addition continues to be strong for the past three quarters.
- Attrition (LTM) is up 400bp QoQ to 17.7%.
- DSO fell to 63 days as compared to 57 days in 2QFY21.
- In 1HFY22, OCF/EBITDA stood at 43% and FCF/EBITDA stood at 38%.

Key highlights from the management commentary

- At a broad level, MTCL continues to witness robust demand. Customers are looking at long term transformational initiatives. Technology, which was earlier used for generating greater cost efficiencies, is now being used to drive topline performance. The management maintains it will clock industry-leading growth in FY22.
- The Retail, CPG, and Manufacturing vertical witnessed strong sequential growth (29.6% QoQ), aided by seasonality and pent up demand, led by project backlog.
- MTCL has been investing in Europe for the past 12 months. The fructification of investments has resulted in strong growth in Europe. Within verticals, the Manufacturing and Retail segment contributed to growth in Europe.
- The company reported an EBITDA margin of 20.5% (+20bp QoQ) and an EBIT margin of 18.2% (+50bp QoQ). EBITDA margin was aided by a currency benefit (20bp) and operating leverage, which was partially offset by the impact from a wage hike (140bp). The management sees revenue growth coming in at a decent margin. There is cost pressure from supply-side challenges, but the company continues to offset that with operating efficiencies. Pyramid rationalization and reduced sub-contracting are key pillars of its operating efficiency program. There may be volatility in quarterly margin, but on a structural basis, the management is confident of maintaining EBITDA margin over 20%.

Valuations fair, upside limited

- The management's increased focus on annuity revenue and focus on strategic accounts is reflected in its revenue and client mix.
- A strong outlook for strategic accounts, decent deal signings, and the ability to sustain improved margin are key positives.
- The stock is currently trading at 37x FY23E EPS. It has been one of the best performers in the IT sector in the last one-year, with returns of 175%. The key positives are already captured and we see limited upside hereafter. Our TP of INR4,460 per share implies 38x FY23E EPS. We maintain our **Neutral** rating.

Quarterly performance

(INR m)

Y/E March	FY21				FY22				FY21	FY22E	FY22E 2QE	Var. (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue (USD m)	253	261	274	288	311	350	360	376	1,077	1,397	336	4.1
QoQ (%)	-9.1	3.1	5.0	5.1	7.7	12.8	2.9	4.4	-1.1	29.8	8.3	448bp
Revenue (INR m)	19,088	19,260	20,237	21,093	22,917	25,862	27,024	28,203	79,678	1,04,006	24,913	3.8
YoY (%)	4.1	0.6	3.0	2.9	20.1	34.3	33.5	33.7	2.6	30.5	29.3	493bp
GPM (%)	26.3	27.5	30.6	29.9	29.0	28.9	29.0	29.5	28.6	29.1	27.9	99bp
SGA (%)	8.1	7.9	7.5	7.9	8.8	8.4	8.4	8.5	7.8	8.5	8.6	-23bp
EBITDA (INR m)	3,478	3,784	4,679	4,626	4,645	5,307	5,567	5,912	16,567	21,430	4,808	10.4
EBITDA Margin (%)	18.2	19.6	23.1	21.9	20.3	20.5	20.6	21.0	20.8	20.6	19.3	122bp
EBIT (INR m)	2,881	3,215	3,962	3,913	4,063	4,697	4,891	5,206	13,971	18,858	4,185	12.2
EBIT Margin (%)	15.1	16.7	19.6	18.6	17.7	18.2	18.1	18.5	17.5	18.1	16.8	136bp
Other income	17	232	489	275	589	623	540	564	1,013	2,317	374	66.7
ETR (%)	26.5	26.4	26.6	24.2	26.2	25.0	26.0	26.0	25.9	25.8	26.0	-98bp
PAT	2,130	2,537	3,265	3,173	3,434	3,989	4,020	4,270	11,105	15,713	3,374	18.2
QoQ (%)	3.3	19.1	28.7	-2.8	8.2	16.2	0.8	6.2			-1.8	1792bp
YoY (%)	129.8	87.9	65.7	53.9	61.2	57.2	23.1	34.6	76.0	41.5	33.0	2425bp
EPS (INR)	12.9	15.4	19.8	19.2	20.8	24.2	24.4	25.9	67.4	95.3	20.5	18.2

E: MOFSL estimates

Key performance indicators

Y/E March	FY21				FY22				FY21	FY22E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Margins										
Gross Margin	26.3	27.5	30.6	29.9	29.0	28.9	29.0	29.5	28.6	29.1
EBIT Margin	15.1	16.7	19.6	18.6	17.7	18.2	18.1	18.5	17.5	18.1
Net Margin	11.2	13.2	16.1	15.0	15.0	15.4	14.9	15.1	13.9	15.1
Operating metrics										
Headcount	21,955	21,827	22,195	23,814	27,256	29,732			23,814	
Attrition (%)	16.6	13.8	12.5	12.1	13.7	17.7			12.1	
Utilization	75.5	78.8	83.1	84.3	83.2	82.9			80.4	
Deal Win TCV (USD m)	391.0	303.0	312.0	375.0	504.0	360.0			1381.0	
Top Client (YoY %)										
Top Client	43.5	35.1	22.9	16.9	11.6	12.8			28.5	
Outside Top 10	-19.3	-14.4	-6.6	3.7	34.1	45.5			-9.3	
Key Geographies (YoY %)										
North America	2.7	1.1	3.1	3.4	18.9	26.2			2.6	



Highlights from the management commentary

2QFY22 performance and order book

- MTCL delivered a growth of 12.8% QoQ and 34.1% YoY on the back of broad based growth across geographies and industries.
- The order book in 2QFY22 stood at USD360m, a -29% QoQ/+19% YoY, with a good mix of annuity and transformational deals.

Overall demand environment

- At a broad level, MTCL continues to witness a robust demand environment. Customers are looking at long term transformational initiatives. Technology, which was earlier used for getting greater cost efficiencies, is now being used to drive topline performance.
- The management maintains that the company will clock industry-leading growth in FY22.

Vertical outlook

- The Communications, Media, and Technology vertical saw strong demand in core modernization, Digital Marketing, and Cyber Security.
- Retail customers are looking to build connected ecosystems and products. The company has expanded its presence with leading brands in Consumer Goods, sports brands, Container Shipping companies, among others. The Retail, CPG, and Manufacturing vertical witnessed strong sequential growth (29.6% QoQ), aided by seasonality and pent up demand, led by project backlog.
- BFSI is witnessing traction for core modernization, accelerated product rollouts, and Digital engineering. Deal wins in 3QFY22 included an engagement with a large credit card agency and with an asset management firm for ESG-related data initiatives.
- The Travel vertical witnessed the fourth consecutive quarter of double-digit sequential growth.

Client metrics

- Its top client was flat sequentially as it was impacted by seasonality, while growth was driven by strong performance from the top 2-5/top 6-10/non-top 10 accounts, which grew 15.8%/17.8%/17.9% QoQ. The management continues to focus on gradually reducing revenue concentration from top clients.
- MTCL added seven clients in 2Q, and active clients rose to 263 (v/s 260 in 1QFY22). It continues to add new logos, which are strategic to the business. This was the first quarter in the past 10 quarters when active clients have increased. The management's focus on tail account rationalization continues. However, it expects it to be a gradual phenomenon going forward.

Europe geography

- MTCL has been investing in Europe for the past 12 months. The fructification of investments has resulted in strong growth in Europe. Within verticals, the Manufacturing and Retail segment contributed to the growth in Europe.

Supply-side

- LTM attrition surged 400bp QoQ to 17.7%. While the supply-side environment is challenging, the management doesn't expect it to continue for long. It expects normalization over coming quarters.
- MTCL has added ~2k freshers in the past two quarters. During our AGIC, the management had indicated that it plans to hire 4-5k freshers in FY22 (v/s 1.5-2k historically).

Margin performance and outlook

- The company reported an EBITDA margin of 20.5% (+20bp QoQ) and EBIT margin of 18.2% (+50bp QoQ). EBITDA margin was aided by a currency benefit (20bp) and operating leverage, which was partially offset by the impact from a wage hike (140bp).
- The management sees revenue growth coming in at a decent margin.
- There is cost pressure from supply-side challenges, but the company continues to offset that with operating efficiencies. Pyramid rationalization and reduced sub-contracting are key pillars of its operating efficiency program.

- There may be volatility in quarterly margin, but on a structural basis, the management is confident of maintaining EBITDA margin over 20%.

Other highlights

- MTCL reported a net headcount addition of 2.5k, which included laterals as well as freshers.
- In 1HFY22, OCF/EBITDA stood at 43% and FCF/EBITDA stood at 38%.

Exhibit 1: Broad based growth across verticals, led by Manufacturing, CPG, and Retail, and Travel and Hospitality

Verticals	Contribution to revenue (%)	Growth (QoQ %)	Growth (YoY %)
Communications, Media, and Technology	42.5	5.6	23.1
BFSI	17.5	8.4	15.1
Manufacturing, CPG, and Retail	25.4	29.6	60.7
Travel and Hospitality	13.5	14.4	64.6

Source: Company, MOFSL

Exhibit 2: Strong sequential growth across geographies

Geographies	Contribution to revenue (%)	Growth (QoQ %)	Growth (YoY %)
North America	72.8	7.2	26.2
Continental Europe	8.7	14.1	55.6
UK and Ireland	10.9	61.7	85.1
Asia Pacific	7.6	19.0	41.6

Source: Company, MOFSL

Exhibit 3: Sees strong sequential growth in customer success

Service offerings	Contribution to revenue (%)	Growth (QoQ %)	Growth (YoY %)
Customer success	43.2	21.8	49.0
Data and Intelligence	14.3	7.5	35.1
Cloud	18.7	6.0	32.0
Enterprise IT	23.8	6.9	14.4

Source: Company, MOFSL

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- A strong outlook for strategic accounts, decent deal signings, and the ability to sustain improved margin are key positives.
- The stock is currently trading at 37x FY23E EPS. It has been one of the best performers in the IT sector in the last one-year, with returns of 175%. The key positives are already captured and we see limited upside hereafter. Our TP of INR4,460 per share implies 38x FY23E EPS. We maintain our **Neutral** rating.

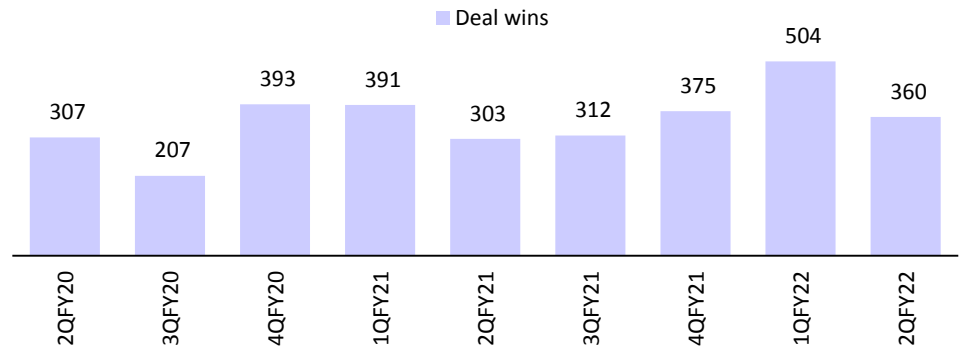
Exhibit 4: Revisions to our estimates

	Revised estimate		Earlier estimate		Change	
	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
USD:INR	74.4	75.0	74.1	75.6	0.4%	-0.8%
Revenue (USD m)	1,397	1,676	1,355	1,599	3.1%	4.8%
Growth (%)	29.8	20.0	25.9	18.0	390bp	200bp
EBIT margin (%)	18.1	18.6	18.0	18.4	10bp	20bp
PAT (INR m)	15,713	19,341	14,657	17,969	7.2%	7.6%
EPS	95.3	117.3	88.9	109.0	7.2%	7.6%

Source: MOFSL

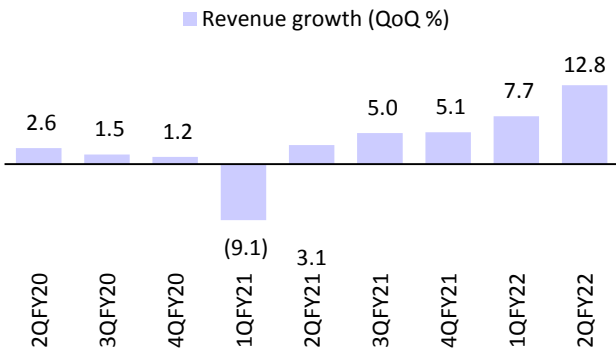
Story in charts

Exhibit 5: Deal wins healthy YoY, but moderates slightly on a sequential basis



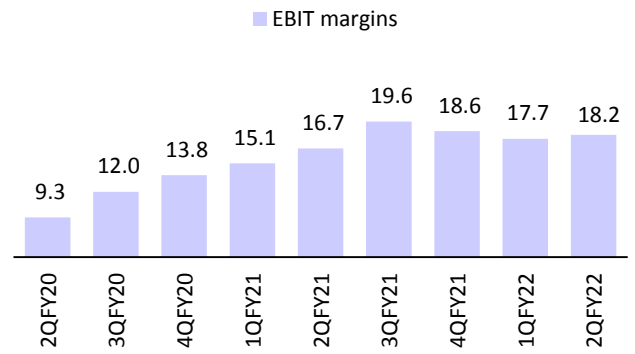
Source: Company, MOFSL

Exhibit 6: MTCL reports strong growth in 2QFY22



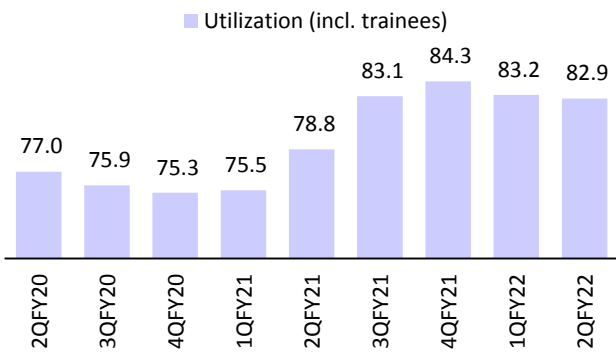
Source: Company, MOFSL

Exhibit 7: Margin expands QoQ despite wage hikes



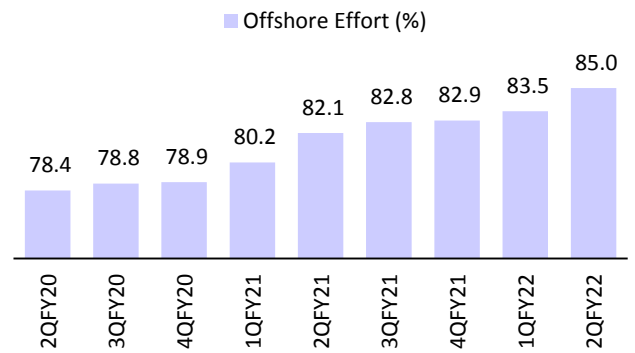
Source: Company, MOFSL

Exhibit 8: Utilization declines by 30bp QoQ



Source: Company, MOFSL

Exhibit 9: Reports highest offshore ratio in 2QFY22



Source: Company, MOFSL

Operating metrics

Exhibit 10: Operating metrics

	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22
Geographic mix (%)*									
North America	73.7	74.6	76.7	79.0	77.4	77.2	76.6	76.6	72.8
Continental Europe	8.9	8.3	7.6	6.6	7.5	7.4	7.1	8.6	8.7
UK and Ireland	8.7	8.7	7.8	6.5	7.9	7.8	8.6	7.6	10.9
Asia Pacific	8.7	8.4	7.9	7.9	7.2	7.6	7.7	7.2	7.6
Utilization (%)									
Including trainees	77.0	75.9	75.3	75.5	78.8	83.1	84.3	83.2	82.9
Client metrics									
No. of active clients	343	320	307	292	283	276	270	260	263
New clients added	14	7	5	6	8	8	4	7	7
Client buckets									
USD1m clients	130	134	134	127	125	120	118	120	127
USD5m clients	47	47	47	44	43	43	44	47	50
USD10m clients	21	22	23	23	24	21	20	25	30
USD50m clients	1	1	1	1	1	1	1	1	1
USD100m clients	1	1	1	1	1	1	1	1	1
Client contribution (%)									
Top client	20.6	23.1	24.8	30.1	28.9	28.5	28.0	27.4	24.3
Top five	33.2	36.1	37.9	42.9	40.6	39.8	38.6	38.5	35.7
Top 10	43.1	45.6	47.4	52.0	49.4	49.0	47.3	47.5	45.1
Service lines (%)*									
Customer success	41.8	39.8	40.5	39.8	38.9	38.1	38.6	40.0	43.2
Data and Intelligence	12.1	14.0	15.0	13.9	14.2	14.9	16.0	15.0	14.3
Cloud	14.5	15.9	16.5	20.1	19.0	19.2	19.4	19.9	18.7
Enterprise IT	31.6	30.3	28.0	26.2	27.9	27.8	26.0	25.1	23.8

Source: MOFSL, Company

Financials and valuations

Income Statement								(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Sales	46,730	52,365	54,628	70,215	77,643	79,678	1,04,006	1,25,685
Change (%)	31.8	12.1	4.3	28.5	10.6	2.6	30.5	20.8
Cost of Services	31,591	36,500	38,192	47,997	55,686	56,862	73,733	88,525
SG&A Expenses	7,054	8,681	9,021	11,522	10,582	6,249	8,842	10,809
EBITDA	8,085	7,184	7,415	10,696	11,375	16,567	21,430	26,351
As a percentage of Net Sales	17.3	13.7	13.6	15.2	14.7	20.8	20.6	21.0
Depreciation and Amortization	1,523	1,850	1,715	1,692	2,754	2,596	2,573	3,016
Other Income	652	216	1,723	864	-333	1,013	2,317	2,802
PBT	7,214	5,550	7,423	9,868	8,288	14,984	21,174	26,136
Tax	1,691	1,390	1,722	2,327	1,979	3,879	5,462	6,795
Rate (%)	23.4	25.0	23.2	23.6	23.9	25.9	25.8	26.0
PAT	5,523	4,160	5,701	7,541	6,309	11,105	15,713	19,341
Change (%)	3.8	-24.7	37.0	32.3	-16.3	76.0	41.5	23.1

Balance Sheet								(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Share Capital	1,678	1,680	1,639	1,642	1,646	1,647	1,647	1,647
Other components	1,353	1,019	0	993	0	0	0	0
Reserves	21,148	23,072	25,775	30,430	29,922	41,543	50,185	60,822
Net Worth	24,179	25,771	27,414	33,065	31,568	43,190	51,832	62,469
Loans	829	991	3,009	10	0	0	0	0
Long term liabilities	832	301	85	174	6,762	4,498	5,871	7,095
Capital Employed	25,840	27,063	30,508	33,249	38,330	47,688	57,703	69,565
Gross Block	13,342	14,288	15,988	12,321	14,321	16,421	18,921	21,421
Less: Depreciation	6,327	7,995	9,710	889	3,643	6,239	8,812	11,828
Net Block	7,015	5,942	5,121	5,234	9,496	8,250	8,177	7,661
Goodwill	4,815	4,470	4,539	4,732	4,732	4,732	4,732	4,732
Other LT Assets	2,578	2,826	2,616	2,952	3,985	3,717	4,852	5,863
Investments	62	58	58	1,200	804	1,161	1,161	1,161
Curr. Assets	18,278	20,610	25,031	27,672	32,549	45,754	58,281	71,910
Current Investments	2,016	5,869	10,287	6,920	8,905	19,307	21,307	23,307
Debtors	11,860	11,187	10,155	16,347	17,194	15,665	21,827	26,377
Cash and Bank Balance	2,332	2,508	3,289	2,562	3,909	7,597	11,043	17,267
Other Current Assets	2,070	1,046	1,283	1,843	2,541	3,144	4,104	4,959
Current Liab. and Prov.	6,908	6,843	6,857	8,541	13,236	15,926	19,500	21,763
Trade payables	1,889	1,651	1,710	2,131	2,587	2,676	4,844	5,854
Other liabilities	4,269	4,087	3,929	5,666	8,925	11,023	11,749	12,396
Provisions	750	1,105	1,218	744	1,724	2,227	2,907	3,513
Net Current Assets	11,370	13,767	18,174	19,131	19,313	29,828	38,781	50,147
Application of Funds	25,840	27,063	30,508	33,249	38,330	47,688	57,703	69,565

E: MOSL estimates

Financials and valuations

Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Basic (INR)								
EPS	32.9	24.7	34.2	45.8	38.3	67.4	95.3	117.3
Cash EPS	41.9	35.7	44.5	56.1	55.1	83.1	110.9	135.6
Book Value	144.2	153.5	164.9	201.5	191.9	262.2	314.7	379.2
DPS	10.5	10.0	9.0	33.0	16.0	25.0	42.9	52.8
Payout (%)	32.0	40.4	26.3	72.0	41.7	37.1	45.0	45.0
Valuation (x)								
P/E	132.8	176.4	127.5	95.2	113.8	64.8	45.8	37.2
Cash P/E	104.1	122.1	98.0	77.7	79.2	52.5	39.3	32.2
EV/EBITDA	90.1	101.0	96.4	66.1	62.0	41.8	32.0	25.7
EV/Sales	15.6	13.9	13.1	10.1	9.1	8.7	6.6	5.4
Price/Book Value	30.3	28.4	26.5	21.7	22.7	16.6	13.9	11.5
Dividend Yield (%)	0.2	0.2	0.2	0.8	0.4	0.6	1.0	1.2
Profitability Ratios (%)								
RoE	24.3	16.7	21.4	24.9	19.5	29.7	33.1	33.8
RoCE	21.5	15.6	16.3	22.7	18.3	24.1	26.6	27.1
Turnover Ratios								
Debtors (Days)	93	78	68	85	81	72	77	77
Fixed Asset Turnover (x)	6.7	8.8	10.7	13.4	8.2	9.7	12.7	16.4

Cash Flow Statement

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
CF from Operations	6,651	5,318	6,477	8,716	9,792	13,868	15,969	19,556
Cash for Working Capital	-2,211	902	-819	-2,371	-1,541	6,092	-3,268	-2,930
Net Operating CF	4,440	6,220	5,658	6,345	8,251	19,960	12,701	16,626
Net Purchase of FA	-1,315	-846	-1,011	-1,759	-1,220	-160	-2,500	-2,500
Free Cash Flow	3,125	5,374	4,647	4,586	7,031	19,800	10,201	14,126
Net Purchase of Invest.	-2,928	-3,687	-989	-225	991	-11,673	317	802
Net Cash from Invest.	-4,243	-4,533	-2,000	-1,984	-229	-11,833	-2,183	-1,698
Proc. from equity issues	24	8	1	3	4	1	0	0
Proceeds from LTB/STB	407	550	1,906	-3,044	-1,024	-1,346	0	0
Dividend Payments	-2,151	-1,934	-4,782	-2,180	-5,940	-2,880	-7,071	-8,703
Cash Flow from Fin.	-1,720	-1,376	-2,875	-5,221	-6,960	-4,225	-7,071	-8,703
Exchange difference	92	-135	-2	133	285	-214	0	0
Net Cash Flow	-1,431	176	781	-727	1,347	3,688	3,446	6,224
Opening Cash Bal.	3,763	2,332	2,508	3,289	2,562	3,909	7,597	11,043
Add: Net Cash	-1,431	176	781	-727	1,347	3,688	3,446	6,224
Closing Cash Bal.	2,332	2,508	3,289	2,562	3,909	7,597	11,043	17,267

E: MOSL estimates

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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