

Indus Towers

Estimate changes

TP change

Rating change



CMP: INR174

TP: INR170 (-2%)

Neutral

Bloomberg	INDUSTOW IN
Equity Shares (m)	2695
M.Cap.(INRb)/(USD\$)	468.9 / 5.7
52-Week Range (INR)	230 / 135
1, 6, 12 Rel. Per (%)	2/15/-38
12M Avg Val (INR M)	949

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Net Sales	283.8	288.5	301.4
EBITDA	96.7	145.0	155.1
Adj. PAT	24.0	57.9	64.1
EBITDA Margin (%)	34.1	50.3	51.5
Adj. EPS (INR)	8.9	21.5	23.8
EPS Gr. (%)	-62.3	140.8	10.7
BV/Sh. (INR)	78.3	99.8	123.6

Ratios

Net D:E	0.2	0.0	-0.2
RoE (%)	11.1	24.1	21.3
RoCE (%)	13.0	24.6	23.0

Valuations

EV/EBITDA (x)	5.3	3.2	2.6
P/E (x)	19.5	8.1	7.3
P/BV (x)	2.2	1.7	1.4
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	9.2	11.6	18.1

Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	69.0	69.0	68.8
DII	4.5	2.5	3.0
FII	24.0	26.7	26.6
Others	2.5	1.9	1.6

FII Includes depository receipts

Riding on ramp-up by singular customer

- Indus reported 1.4% QoQ EBITDA growth (in line), led by 5% consolidated revenue growth as energy revenue grew by a sharp 10% QoQ. Rental revenue saw moderate 2% QoQ growth (in line) on 1.5%/0.7% QoQ growth in tenancy/rentals rates.
- Indus is benefiting from the aggressive site adds from Bharti along with 5G rollout, but being single tenancy sites, it could alter the return profile despite adding linear (single tenant) sites. Further, VIL's weak outlook and limited funding capability could a.) dilute tenancies in the near term, b.) put risk on the long-term tower sharing-led business model. Subsequently, we reiterate our Neutral rating on the stock.

In-line EBITDA growth

- Revenue grew 5% QoQ to INR71b (in line), led by rental revenue growth of 2% QoQ to INR43b and Energy revenue growth of 9% QoQ to INR27b.
- Tenancy and Rental rates grew 1.5%/0.7% QoQ.
- EBITDA grew 1% QoQ to INR36b, led by a) an increase in VIL provision to INR870m (vs. INR348m in 4QFY23) and b) an increase in Power and Fuel cost (% to sales) by 200bp.
- Adj. Rental EBITDA grew 4% QoQ, while Energy EBITDA a reported loss of INR 850m.
- After adjusting VIL provisions, EBITDA grew 3% QoQ to INR36b (in line) and adjusted margin declined 100bp QoQ to 50.4%.
- The increase in depreciation and interest cost has led to 4% decline in PAT to INR13.5b (in line) and **adjusted PAT (after VIL provision) were INR 14.4b**
- FCF decreased by 54% QoQ to INR 5.4b in 1QFY24, attributed to a 45% QoQ surge in capex to INR22b and a 2% QoQ rise in OCF. The annualized FCF yield stood at **~5% in 1QFY24 vs. 3.5% in FY23**.
- Net Debt (excluding lease) remains flat at INR44.1b and ROCE improved to 13.8% vs. 11% in 4QFY23.

Highlights from the management commentary

- Demand for new sites increased due to a) aggressive 5G rollout and b) increase in leaner towers in the urban area. This will lead to an increase in business of the passive telecom infrastructure.
- Macro towers used to generate high double-digits IRR on a single tenancy, but the returns have decreased to high single-digits now. As a result, the focus has shifted toward installing linear towers, which not only offer high-double digit SSSG but also provide additional loading revenues.
- The company is currently deferring dividend payments due to the anticipated high capex over the next 12 months and the uncertainty surrounding VIL. It is comfortable maintaining a net debt of INR50b.
- In 1QFY24, the collection level from VIL was maintained at the same level as in 4QFY23. However, 1QFY24 results were affected by the non-recognition of revenue equalization assets.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

- Indus could leverage the benefits of Bharti's aggressive network densification and rollout of 5G services. The adoption of new leaner sites, such as small cells, and exploring sharing alternatives can further support the business economics, especially during period of churn in tenancies.
- But VIL's inability to raise capital poses the risk of survival, which, in turn mars the visibility and prospects of Indus Tower. As a tower sharing company, Indus Tower relies on multi-tenancy operations to build a strong business case. With single-tenancy operations, Indus Tower may face challenges in deleveraging its debt, generating sufficient FCF, and making dividend payments. The company's financials could be at risk due to a potential decline in tower leasing demand.
- We factor EBITDA growth of 50/7% in FY24/25E on a low base on FY23, due to VIL write offs, arriving at our TP of INR170, implying an EV/tenancy ratio of INR1.8m and an EV/EBITDA ratio of 2.9x. We reiterate our Neutral rating on the stock.

Quarterly Performance

(INR b)

Y/E March (Consolidated)	FY23				FY24E				FY23	FY24E	FY24E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	Var (%)
Revenue from operations	69	80	68	68	71	72	73	73	284	288	68	4.0
YoY Change (%)	1.5	15.9	-2.3	-5.1	2.6	-9.8	7.3	8.5	10.6	1.6	-1.3	
Total Expenditure	46	52	56	33	36	35	36	36	187	143	33	8.2
EBITDA	23	28	12	34	35	36	37	37	97	145	35	-0.1
YoY Change (%)	-35.7	-22.4	-68.6	-15.5	53.8	29.5	216.0	8.0	-26.2	50.0	53.9	
Depreciation	13	13	14	13	14	14	14	14	53	56	14	-0.7
Interest	4	4	4	3	4	4	4	4	15	15	3	9.0
Other Income	1	1	1	1	1	1	1	1	4	3	1	-20.8
PBT before EO expense	6	12	-5	19	18	20	20	20	33	77	18	-1.9
Extra-Ord expense	0	0	5	0	0	0	0	0	5	0	0	
PBT	6	12	-10	19	18	20	20	20	28	77	18	-1.9
Tax	2	3	-2	5	5	5	5	5	7	20	5	
Rate (%)	25.8	25.8	25.6	26.1	25.5	25.2	25.2	25.2	26.1	25.3	25.2	
Reported PAT	5	9	-7	14	13	15	15	15	20	58	14	-2.4
YoY Change (%)	-66.3	-44.1	-145.1	-23.5	182.4	68.0	-533.8	6.9	-51.7	140.8	189.4	

VIL provision terms

- VIL indicated that it struggled to make the committed payments pertaining to the Dec'22 outstanding, which was expected to be paid between Jan'23 and Jul'23. During the quarter, the funding plan did not materialize.
- However, VIL has been paying monthly billing amount from Jan'23 onwards. The cumulative provision booking for VIL in the last five quarters stand at INR55.3b.

Segment margins

- Adjusted rental EBITDA grew 4% QoQ to INR36.5b (adjusting VIL provisions) and margin improved 130bp QoQ to 84%.
- The energy EBITDA came in at a loss of INR850m vs. INR566m in 4QFY23, due to an increase in power cost.

Exhibit 1: Valuation on FY25

	Value (INR b)	Value (INR/sh)	Implied EV/Tenancy (INR m)	Implied EV/EBITDA (x)
Consolidated (DCF based)	646	240	1.8	4.2
Total Enterprise value	646	240	1.8	4.2
Net Debt	189	70		
Shares o/s (b)	2.7			
Fair value	458	170	1.3	2.9
CMP		174		
Upside		-2%		

Source: MOFSL, Company

**Highlights from the management commentary****Key takeaways**

- Demand for new sites increased due to a) aggressive 5G rollout and b) increase in leaner towers in the urban area. This will lead to an increase in business of the passive telecom infrastructure.
- Macro towers used to generate high double-digits IRR on a single tenancy, but the returns have decreased to high single-digits now. As a result, the focus has shifted toward installing linear towers, which not only offer high-double digit SSSG but also provide additional loading revenues.
- The company is currently deferring dividend payments due to the anticipated high capex over the next 12 months and the uncertainty surrounding VIL. It is comfortable maintaining a net debt of INR50b.
- In 1QFY24, the collection level from VIL was maintained at the same level as in 4QFY23. However, 1QFY24 results were affected by the non-recognition of revenue equalization assets.

Detailed notes:**Tower and Co-Location base & additions**

- The majority of sites had their leases renewed last year, extending the tenancy agreement by another 10 years. The payback period will decrease and the IRR will increase with additional loading on the tower.
 - Around 10% of the contracts are pending for renewal in the upcoming year.
- Macro towers currently generate a high single-digit IRR on a single tenancy, while linear towers likely yield high-double digit IRR, especially with additional loading revenues, which further improves the overall IRR.
- Since new towers are rolling out on single tenancy, the tenancy ratio decreased from 1.785 to 1.75.
- Indus owned and operated 198,284 macro towers with 347,879 macro co-locations
- In 1QFY24, the company added 5,410 macro towers and 5,048 corresponding co-locations.
- Also, net lean co-location additions were 936 and lean co-locations stood at 7,854.
- Exits in 1QFY24 were 518 and had reported an average sharing factor of 1.77 per tower.

Rapid progress in 5G

- The demand for new sites increased due to a) aggressive 5G rollout and b) increase in leaner towers in the urban area. This will lead to an increase in business of the passive telecom infrastructure.
- Both Airtel and Rjio continue to aggressively rollout 5G nationwide and has rolled out a network over 3,500 cities and towns.
- The operators have already deployed ~275k 5G BTS and have increased the average weekly deployment rate from ~7,000 in Mar'23 to nearly 12,000 in Jun'23.
 - Out of 275k BTS, Indus share would be slightly higher than 1/3rd
 - And 5G sites market share of Indus is lower than the 4G sites as one of the operators independently deployed 150k BTS.
- It may take two to three years before 100% of the sites are fully rolled out with 5G technology.
- As per Ericsson Mobility report, total subscriptions are now expected to reach 5b by the end of 2028 and 5G subscriptions in India are expected to reach 700m by Mar'28 with 57% penetration.

Operating performance

- Working on optimizing both opex and capex, since energy cost is around 50% of total opex
- Initiatives have yielded an 8% YoY reduction in diesel consumption in 1QFY24, despite an increase in load from 5G installation
- The company has also added solar and pipe natural gas energy solutions. It is also looking for batteries for power supply.
- Energy margins were lower due to increased seasonality impact of diesel consumption

Capex and net debt

- Capex of INR22b is distributed between INR14b for macro rollouts and the remaining toward 5G towers, replacement, sustainability, etc.
- Leaner tower capex is significantly lower, while the margins are high, providing higher ROIC of mid-single digits.
- The increased demand from customers, especially from rural areas, is expected to remain robust for the next 12 months, driving the capex.
- The company is comfortable at a net debt of INR50b.
- Given the high capex environment and the uncertainty surrounding VIL, dividend distribution has been temporarily put on hold.

Exhibit 2: Revisions to our estimates

	FY24E	FY25E
Revenue (INR b)		
Old	276.2	286.9
Actual/New	288.5	301.4
Change (%)	4.4	5.0
EBITDA (INR b)		
Old	141.7	150.8
Actual/New	145.0	155.1
Change (%)	2.3	2.8
EBITDA margin (%)		
Old	51.3	52.6
Actual/New	50.3	51.5
Change (%)	-103bps	-110bps
PAT (INR b)		
Old	57.1	63.1
Actual/New	57.9	64.1
Change (%)	1.4	1.6
EPS (INR)		
Old	21.2	23.4
Actual/New	21.5	23.8
Change (%)	1.4	1.6

Source: MOFSL, Company

Exhibit 3: KPI performance

Revenue Drivers	Q1FY23	Q4FY23	Q1FY24E	YoY%	QoQ%	1QFY24E	v/s est (%)
Consolidated							
Total Towers (nos)	1,86,474	1,92,874	1,98,284	6.3	2.8	1,93,874	2.3
Total Co-locations (nos)	3,36,382	3,42,831	3,47,879	3.4	1.5	3,45,331	0.7
Average sharing factor	1.81	1.78	1.77	-2.3	-0.8	1.78	-0.8
Sharing revenue per operator per month (INR)	41,879	41,201	41,503	-0.9	0.7	41,407	0.2

Source: MOFSL, Company

Exhibit 4: Pro-forma consolidated performance (INR b)

	Q1FY23	Q4FY23	Q1 FY24E	YoY%	QoQ%	1QFY24E	v/s est (%)
Consolidated Revenue	69.0	67.5	70.8	2.6	4.8	68.1	4.0
-Rent	42.2	42.5	43.3	2.7	2.0	42.7	1.4
-Energy and other reimbursements	26.7	25.0	27.4	2.5	9.5	25.3	8.3
Operating Expenses	46.4	33.2	36.0	-22.4	8.3	33.3	8.2
Consolidated EBITDA	22.6	34.3	34.8	53.8	1.4	34.8	-0.1
EBITDA margin (%)	32.8	50.8	49.2	1638bps	-166bps	51.1	-197bps
Depreciation and amortization	13.4	13.2	13.7	2.6	4.1	13.8	-0.7
EBIT	9.2	21.1	21.1	128.2	-0.3	21.0	0.4
Net finance cost	2.8	2.2	3.0	5.6	34.5	2.5	17.5
Profit Before Taxes & Exceptional items	6.4	18.9	18.1	181.5	-4.4	18.5	-1.9
Exceptional item	0.0	0.0	0.0	NM	NM	0.0	NM
Profit Before Taxes	6.4	18.9	18.1	181.5	-4.4	18.5	-1.9
Tax	1.7	4.9	4.6	178.9	-6.4	4.6	-0.5
Effective Tax Rate (%)	25.8	26.1	25.5	-24bps	-56bps	25.2	37bps
Profit After Tax	4.8	14.0	13.5	182.4	-3.7	13.8	-2.4

Source: MOFSL, Company

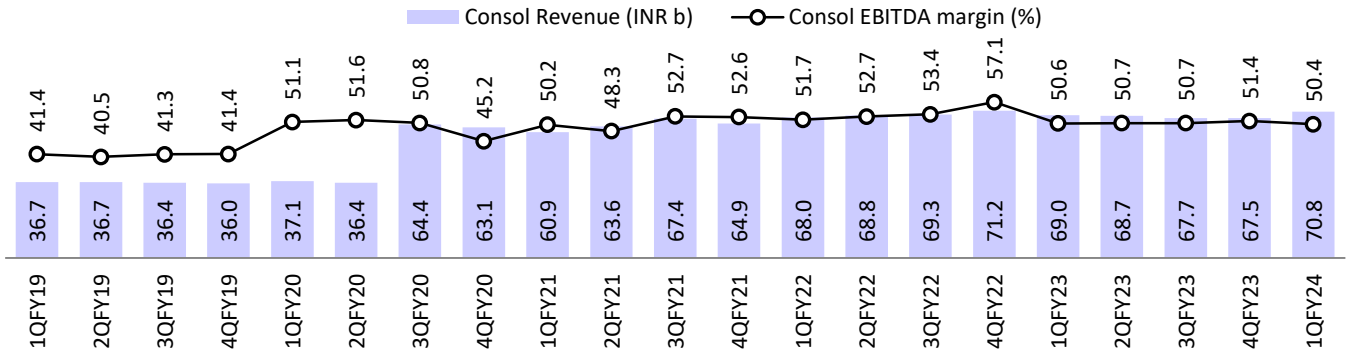
Exhibit 5: Adjusted revenue and EBITDA

INR m	1QFY23	4QFY23	1QFY24	YoY	QoQ
Consolidated revenue	68,973	67,529	70,759	3%	5%
less: One off provision reversal and exit charges					
Adj revenue	68,973	67,529	70,759	3%	5%
Operating expenses	46,354	33,200	35,964	-22%	8%
less: VIL Provision	12326	348	870		
Adj Operating expenses	34,028	32,852	35,094	3%	7%
Reported EBITDA	22,619	34,329	34,795	54%	1%
Adj EBITDA	34,945	34,677	35,665	2%	3%
Adj EBITDA margin	50.7%	51.4%	50.4%	-26	-95
a) Rental EBITDA	22,786	34,895	35,645	1	2%
less: One off reversal					
add: VIL Provision	12326	348	870		
Adj EBITDA	35,112	35,243	36,515	0	4%
Adj EBITDA margin	83%	83%	84%	109	132
b) Energy EBITDA	-167	-566	-850	4	50%
less: One off reversal					
Adj EBITDA	-167	-566	-850	NA	NA
PBT reported	6,431	18,933	18,103	181%	-4%
Adj PBT	18,757	19,281	18,973	1%	-2%
PAT reported	4,773	13,991	13,479	182%	-4%
Adj PAT	17,099	14,339	14,349	-16%	0%

Source: MOFSL, Company

Story in charts

Exhibit 6: Consolidated adjusted revenue up 5% QoQ and EBITDA margin declined 100bp QoQ



*Revenue & EBITDA in 1QFY23-1QFY24 were adjusted after provisioning for IDEA and one-off. Similar adjustment done in Exhibit 7, 8, and 10

Exhibit 7: Adj rental revenue grew 2% QoQ

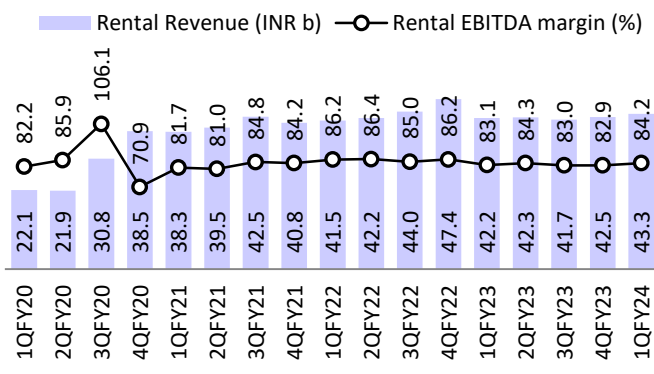


Exhibit 8: Adj. energy revenue up 10% QoQ

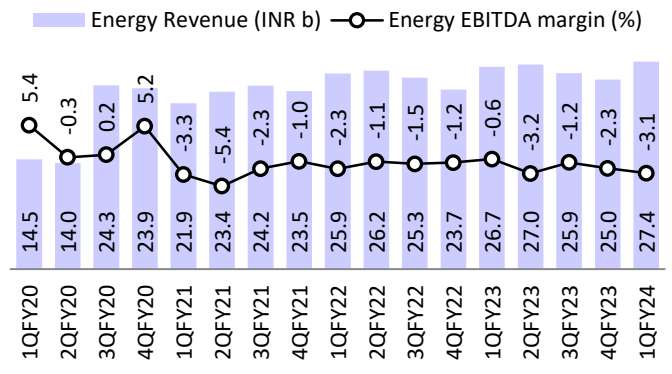


Exhibit 9: Average sharing factor remains flat QoQ

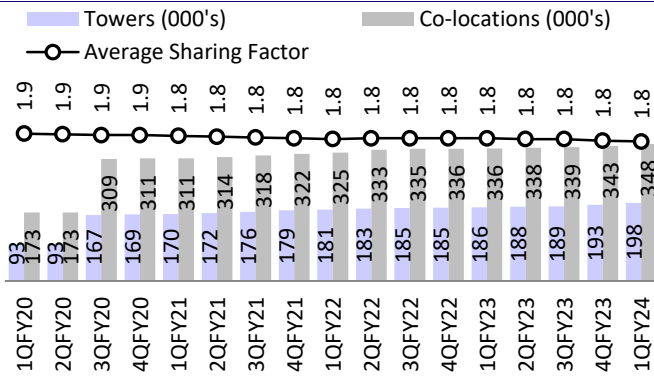


Exhibit 10: Sharing revenue/operator up 1% QoQ

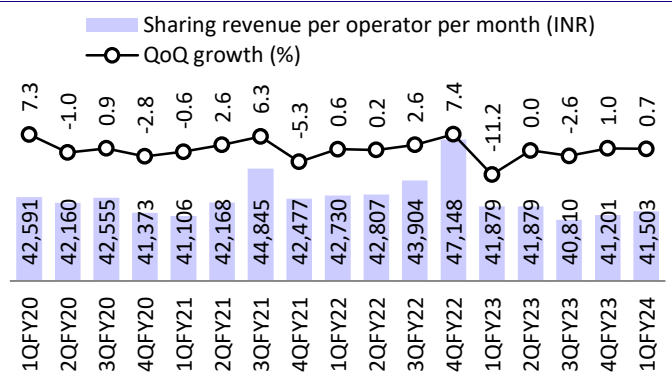
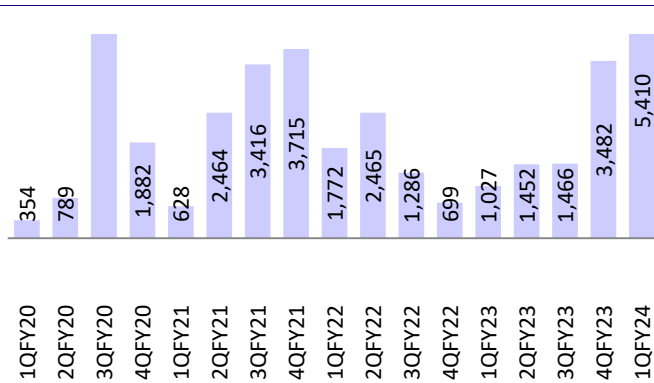
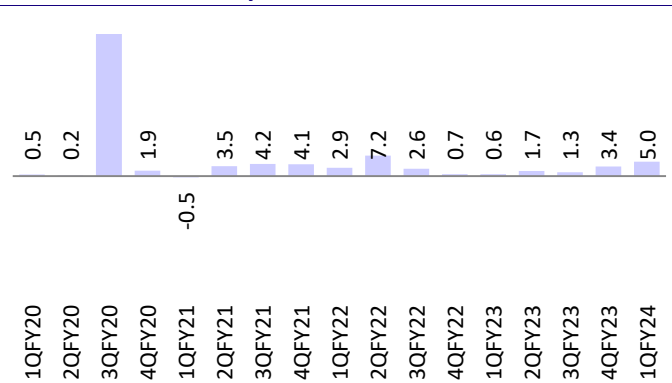


Exhibit 11: Witnesses 5.5k tower additions



Source: MOFSL, Company

Exhibit 12: Net tenancy additions in line with tower adds



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement									(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Total Income from Operations	1,34,237	1,44,896	1,45,823	2,55,624	2,56,729	2,77,172	2,83,818	2,88,462	3,01,360
Change (%)	8.9	7.9	0.6	75.3	0.4	8.0	2.4	1.6	4.5
Power and fuel	46,533	50,772	56,384	96,737	95,831	1,02,658	1,05,908	1,14,598	1,16,779
Rent	11,628	12,615	12,551	0	0	0	0	0	0
Employee benefits expenses	4,679	5,002	4,914	7,028	7,681	7,722	7,741	7,491	8,008
Other Expenses	12,428	12,706	11,962	25,991	22,248	17,785	73,483	21,357	21,460
Total Expenditure	75,268	81,095	85,811	1,29,756	1,25,760	1,28,165	1,87,132	1,43,446	1,46,248
% of Sales	56.1	56.0	58.8	50.8	49.0	46.2	65.9	49.7	48.5
EBITDA	58,969	63,801	60,012	1,25,868	1,30,969	1,49,007	96,686	1,45,016	1,55,113
Margin (%)	43.9	44.0	41.2	49.2	51.0	53.8	34.1	50.3	51.5
Depreciation	22,626	23,462	22,239	52,710	53,394	53,252	53,239	55,841	60,841
EBIT	36,343	40,339	37,773	73,158	77,575	95,755	43,447	89,175	94,271
Int. and Finance Charges	-4,414	0	-1,571	11,953	14,021	14,973	14,539	14,564	13,548
Other Income	1,455	2,423	2,034	2,777	2,983	3,525	3,613	2,854	4,954
PBT bef. EO Exp.	42,212	42,762	41,378	63,982	66,537	84,307	32,521	77,466	85,677
EO Items	0	-500	-357	0	0	0	-4,928	0	0
PBT after EO Exp.	42,212	42,262	41,021	63,982	66,537	84,307	27,593	77,466	85,677
Total Tax	14,742	17,325	16,083	13,712	16,786	20,576	7,193	19,566	21,565
Tax Rate (%)	34.9	41.0	39.2	21.4	25.2	24.4	26.1	25.3	25.2
Reported PAT	27,470	24,937	24,938	50,270	49,751	63,731	20,400	57,900	64,112
Adjusted PAT	27,470	25,232	25,155	50,270	49,751	63,731	24,043	57,900	64,112
Change (%)	22.2	-8.1	-0.3	99.8	-1.0	28.1	-62.3	140.8	10.7
Margin (%)	20.5	17.4	17.3	19.7	19.4	23.0	8.5	20.1	21.3

Consolidated - Balance Sheet									(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	18,496	18,496	18,496	26,949	26,949	26,949	26,949	26,949	26,949
Total Reserves	1,36,369	1,51,048	1,26,749	1,50,132	1,31,821	1,94,556	1,84,146	2,42,046	3,06,159
Net Worth	1,54,865	1,69,544	1,45,245	1,77,081	1,58,770	2,21,505	2,11,095	2,68,995	3,33,108
Total Loans	22,249	22,402	29,242	76,372	69,703	54,868	47,126	32,126	10,469
Lease liabilities				1,29,275	1,34,119	1,42,392	1,44,723	1,44,723	1,44,723
Deferred Tax Liabilities	7,150	6,223	6,153	795	703	918	-19,469	-19,469	-19,469
Capital Employed	1,84,264	1,98,169	1,80,640	3,83,523	3,63,295	4,19,683	3,83,475	4,26,375	4,68,831
Gross Block	1,36,326	1,30,740	1,25,871	2,19,574	2,15,892	2,09,051	2,11,954	2,18,649	2,15,464
Net Fixed Assets	1,36,326	1,30,740	1,25,871	2,19,574	2,15,892	2,09,051	2,11,954	2,18,649	2,15,464
Capital WIP	2,568	4,066	2,485	2,928	2,736	1,787	3,546	3,546	3,546
Right of use assets				99,603	1,02,110	1,09,210	1,11,882	1,11,882	1,11,882
Total Investments	56,211	67,850	47,973	39,382	22,714	16,521	2,756	2,756	2,756
Curr. Assets, Loans&Adv.	53,350	37,207	46,167	1,01,604	1,05,985	1,43,107	1,16,117	1,52,803	2,00,178
Account Receivables	3,664	9,185	14,883	34,529	38,285	70,586	48,687	49,484	51,696
Cash and Bank Balance	22,970	759	1,371	2,825	145	9,802	224	28,253	71,481
Loans and Advances	26,716	27,263	29,913	64,250	67,555	62,719	67,206	75,066	77,001
Curr. Liability & Prov.	64,191	41,694	41,856	79,568	86,142	59,993	62,780	63,260	64,996
Account Payables	17,387	18,580	20,991	33,454	32,588	21,293	21,219	21,566	22,531
Other Current Liabilities	40,699	16,448	13,547	31,300	37,407	20,967	22,147	22,416	23,163
Provisions	6,105	6,666	7,318	14,814	16,147	17,733	19,414	19,278	19,303
Net Current Assets	-10,841	-4,487	4,311	22,036	19,843	83,114	53,337	89,542	1,35,182
Appl. of Funds	1,84,264	1,98,169	1,80,640	3,83,523	3,63,295	4,19,683	3,83,475	4,26,375	4,68,831

E: MOSL Estimates

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)									
EPS	14.9	13.6	13.6	18.7	18.5	23.6	8.9	21.5	23.8
Cash EPS	27.1	26.3	25.6	38.2	38.3	43.4	28.7	42.2	46.4
BV/Share	83.7	91.7	78.5	65.7	58.9	82.2	78.3	99.8	123.6
DPS	16.0	14.0	15.0	7.2	20.1	11.0	0.0	0.0	0.0
Payout (%)	125.0	120.5	129.1	44.8	126.4	54.0	0.0	0.0	0.0
Valuation (x)									
P/E	11.7	12.8	12.8	9.3	9.4	7.4	19.5	8.1	7.3
Cash P/E	6.4	6.6	6.8	4.6	4.5	4.0	6.1	4.1	3.8
P/BV	2.1	1.9	2.2	2.6	3.0	2.1	2.2	1.7	1.4
EV/Sales	2.0	1.9	2.1	2.0	2.0	1.8	1.8	1.6	1.3
EV/EBITDA	4.5	4.3	5.0	4.0	3.9	3.3	5.3	3.2	2.6
Dividend Yield (%)	9.2	8.0	8.6	4.1	11.6	6.3	0.0	0.0	0.0
FCF per share	10.6	9.1	1.3	20.8	28.2	23.2	17.6	20.3	27.3
Return Ratios (%)									
RoE	16.2	15.6	16.0	31.2	29.6	33.5	11.1	24.1	21.3
RoCE	13.2	13.7	13.2	27.9	25.0	29.7	13.0	24.6	23.0
RoIC	20.0	20.9	18.1	24.6	17.2	19.9	8.4	17.3	18.0
Working Capital Ratios									
Fixed Asset Turnover (x)	1.0	1.1	1.2	1.2	1.2	1.3	1.3	1.3	1.4
Asset Turnover (x)	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.7	0.6
Debtor (Days)	10	23	37	49	54	93	63	63	63
Creditor (Days)	47	47	53	48	46	28	27	27	27
Leverage Ratio (x)									
Current Ratio	0.8	0.9	1.1	1.3	1.2	2.4	1.8	2.4	3.1
Interest Cover Ratio	-8.2	NA	-24.0	6.1	5.5	6.4	3.0	6.1	7.0
Net Debt/Equity	-0.4	-0.3	-0.1	0.2	0.3	0.1	0.2	0.0	-0.2

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	35,797	42,262	41,021	63,982	66,537	84,307	27,593	77,466	85,677
Depreciation	11,657	23,462	22,239	52,710	53,394	53,252	53,239	55,841	60,841
Interest & Finance Charges	365	0	-1,571	0	14,021	16,033	16,704	14,564	13,548
Direct Taxes Paid	-7,961	-17,325	-16,083	-19,768	-16,283	-19,129	-22,192	-19,566	-21,565
(Inc)/Dec in WC	-1,017	-28,565	-8,186	-21,064	-3,175	-33,897	-44,048	-8,176	-2,412
CF from Operations	38,841	19,834	37,420	75,860	1,14,494	1,00,566	31,296	1,20,128	1,36,090
Others	-10,179	16,430	-19,158	9,092	-6,930	-9,355	47,752	-2,854	-4,954
CF from Operating incl EO	28,662	36,264	18,262	84,952	1,07,564	91,211	79,048	1,17,274	1,31,135
(Inc)/Dec in FA	-9,060	-19,374	-15,789	-28,807	-31,507	-28,697	-31,681	-62,536	-57,657
Free Cash Flow	19,602	16,890	2,473	56,145	76,057	62,514	47,367	54,738	73,479
(Pur)/Sale of Investments	8,913	-11,639	19,877	-3,548	18,154	6,391	13,824	0	0
Others	-2,287	2,423	2,034	1,273	673	569	557	2,854	4,954
CF from Investments	-2,434	-28,590	6,122	-31,082	-12,680	-21,737	-17,300	-59,681	-52,703
Issue of Shares	-19,969	0	0	-24,822	37	-154	-75	0	0
Inc/(Dec) in Debt	0	154	6,840	2,338	-24,690	-55,244	-37,947	-15,000	-21,657
Interest Paid	0	0	1,571	-4,696	-3,310	-4,418	-3,666	-14,564	-13,548
Dividend Paid	-6,679	-30,038	-32,183	-30,985	-65,654	0	0	0	0
Others	0	0	0	0	0	0	-29,639	0	0
CF from Fin. Activity	-26,648	-29,885	-23,772	-58,165	-93,617	-59,816	-71,327	-29,564	-35,205
Inc/Dec of Cash	-420	-22,211	612	-4,295	1,267	9,658	-9,579	28,029	43,228
Opening Balance	20,133	19,713	-2,498	3,172	-1,123	144	9,803	224	28,253
Closing Balance	19,713	-2,498	-1,886	-1,123	144	9,802	224	28,253	71,481
Other bank balance	3,257	3,257	3,257	3,948	1	0	0	0	0
Closing balance (incl. other bank bal)	22,970	759	1,371	2,825	145	9,802	224	28,253	71,481

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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