

BSE SENSEX 66,459 S&P CNX 19,734



Stock Info

Bloomberg	TCIEXP IN
Equity Shares (m)	38
M.Cap.(INRb)/(USDb)	59.7 / 0.7
52-Week Range (INR)	2010 / 1384
1, 6, 12 Rel. Per (%)	-4/-14/-28
12M Avg Val (INR M)	53
Free float (%)	30.3

Financials Snapshot (INR b)

Y/E March	2023	2024E	2025E
Net Sales	12.4	14.2	15.9
EBITDA	1.9	2.3	2.8
Adj. PAT	1.4	1.7	2.0
EBITDA Margin (%)	15.7	16.5	17.8
Adj. EPS (INR)	36.4	43.9	53.1
EPS Gr. (%)	8.1	20.6	21.1
BV/Sh. (INR)	156	192	237
Ratios			
Net D/E (x)	0.0	-0.1	0.0
RoE (%)	24.6	25.3	24.8
RoCE (%)	24.4	25.0	24.6
Payout (%)	22.0	18.2	15.1
Valuations			
P/E (x)	42.8	35.5	29.3
P/BV (x)	10.0	8.1	6.6
EV/EBITDA (x)	30.6	25.2	20.8
Div. Yield (%)	0.5	0.5	0.5
FCF Yield (%)	0.7	1.2	0.7

CMP: INR1,559 TP: INR1,900 (+22%)

Buy

India's premier B2B Express Delivery Company

In this report, we present key takeaways from TCIE's FY23 Annual Report.

Focus on high margin B2B express services with a loyal customer base

- TCIE has established itself as a pioneer in the Express Logistics sector, with a strong nationwide presence in India. Its extensive Hub and Spoke infrastructure comprises over 950 owned centers, effectively serving a vast network of more than 60,000 locations across the country.
- TCIE has a well-diversified clientele and places significant emphasis on the high-margin B2B sector, which accounts for 95% of its business.
- TCIE's key strengths lies in its loyal customer base, with ~50% of its revenue from SMEs. This loyal customer segment contributes significantly to the company's overall success and growth.
- The newly developed Gurgaon sorting centre will implement a fully automated loop sorting system for oversized freight.

New value-added service offerings to augment growth

- TCIE has introduced Rail Express, Pharma Cold Chain, and C2C Express services to strengthen its value proposition, all the while adhering to its asset-light business model. These newly added services have proven to be successful, contributing to the growth of TCIE's customer base.
- The recently launched Rail Express service is strategically positioned to compete with the air express industry. By capitalizing on its existing network, TCIE aims to capture market share in this segment. TCIE has seen remarkable progress in the rail express segment, expanding its customer base to 1750 from 250 and establishing its presence on 125 routes from 10 routes at the time of inception.

Extensive network coverage for a seamless express service

- TCIE has built an expansive Hub and Spoke infrastructure with over 950 owned centers spread across India. Over the years, the company has increased its delivery locations to 60,000 from 32,000 and expanded branch offices from 500 to over 950 between FY17 and FY23.
- The customer base has also grown significantly to 0.225m in FY23 from 0.16m in FY17.
- TCIE has the capability to reach more than 95% of India's pin codes. The foundation of this network consists of 28 state-of-the-art sorting centers, 500 express routes, 2,500 feeder routes, 950+ branches, 50,000 pickup points, and 60,000 delivery points. The fleet includes 5,000+ containerized trucks, enhancing the efficiency and coverage of their operations.

Alok Deora - Research analyst (Alok.Deora@MotilalOswal.com)

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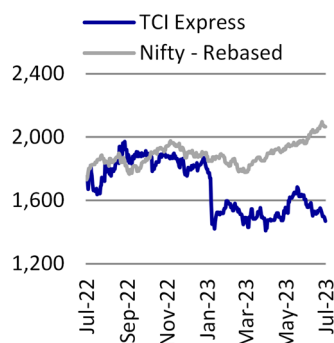
Investors are advised to refer through important disclosures made at the last page of the Research Report.

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

Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	69.7	69.7	66.7
DII	10.2	10.2	8.8
FII	2.3	2.0	1.9
Others	17.9	18.1	22.6

FII Includes depository receipts

Stock's performance (one-year)**Strategic expansion plans**

- In FY23, TCIE incurred a capex of INR1.25b, primarily toward the acquisition of land for: a) establishing new automated sorting centers in Kolkata and Ahmedabad and b) new corporate office in Gurgaon.
- Additionally, the company added 35 new branches in FY23 to penetrate deeper into the key growing markets of West and South and to cater to the growing demand with industry-leading services.
- There is a planned capex of INR5b in five years (FY23-FY28), which will be spent toward automated sorting centers and enhancing automation/technological capabilities.
- By FY26, the company plans to establish 7-8 fully automated centers. Each of these centers requires a capex of ~INR500m to achieve full automation.

Targets INR20b revenues in the next few years

- The company also aims to enhance its service offerings with new value-added services such as Cold Chain Express, C2C express, Rail Express, and Air express, which are expected to contribute to ~25% of revenues (~18% in FY23).
- Furthermore, TCIE intends to establish sorting centers in major metro cities across India, a move that is expected to boost its growth and help achieve a revenue target of INR 20b in the coming years.
- By positioning itself as a reliable and organized player in the market, TCIE aims to gain an advantage over unorganized competitors and further solidify its position in the industry.

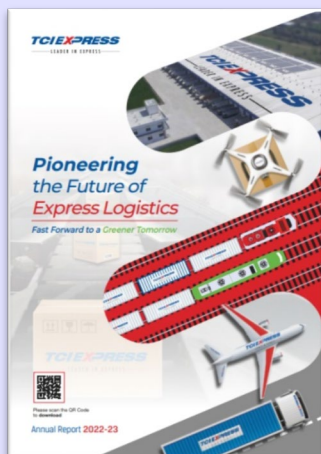
Focus on ESG initiatives

- TCIE has installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. In FY23, the company has collectively generated 804,311 kWh of renewable electricity. These advanced sorting centers are now energy self-sufficient, utilizing solar energy efficiently and optimizing the company's overall energy.
- Through the "Saksham" project, the company has empowered over 5,000 individuals, providing employment opportunities and enhancing vocational skills, with 100% of the beneficiaries coming from vulnerable and marginalized groups.

Valuation and view

- TCIE's focus on the high-margin B2B Express segment provides a strong foundation for profitability and growth. Its expansion of branch network in key markets with a specific focus on the SME segment presents an opportunity to capture additional market share.
- Further, the addition of new automation sorting centers is likely to improve its operational efficiency and reduce turnaround time, thereby enhancing its competitiveness in the market.
- We expect TCIE to clock 11% volume CAGR and revenue/EBITDA/PAT CAGR of ~13%/21%/21% over FY23-25. We **reiterate our BUY rating with a TP of INR1,900 (based on 36x FY25E EPS).**

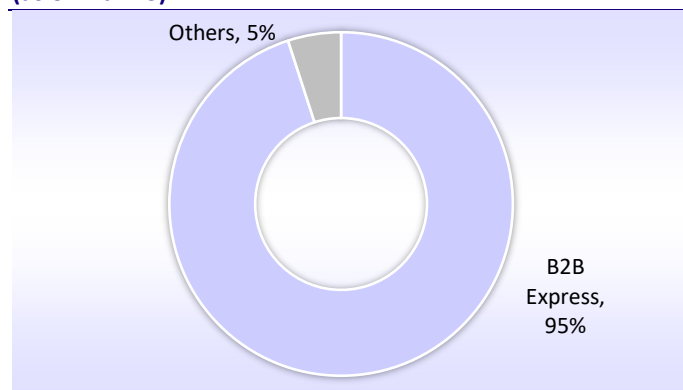
Highlights from the Annual Report



Record performance in FY23 supported by asset light business model

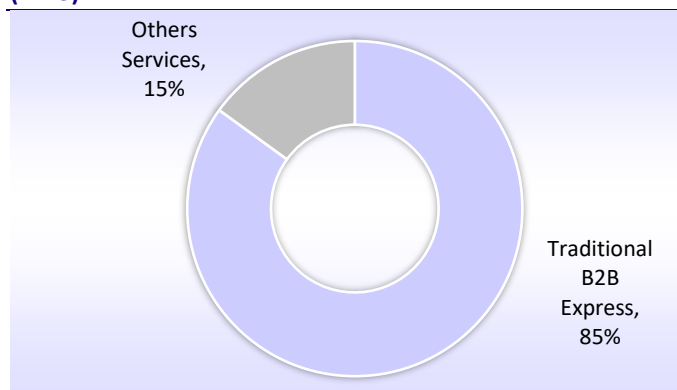
- ✓ TCIE reported record financial performance for the FY23, driven by successful strategic initiatives and operations excellency.
- ✓ In FY23, revenue stood at ~INR12.4b (up 14.8% YoY), EBITDA margin was 15.7% (down 50bp YoY), and PAT stood at INR1.4b (up 8% YoY). The company generated CFO of INR1.5b in FY23.
- ✓ Utilization level stood at ~84% in FY23 and TCIE aims to maintain it at 85% in FY24.
- ✓ Despite macroeconomic challenges and inflationary trends across the industry, TCIE was consistent in outperforming the industry with double-digit revenue growth and profit margins in FY23. This accomplishment can be attributed to its strong asset-light business model, efficient operations, and cost-effective measures, including the automation of sorting centers.

Exhibit 1: B2B constitutes a major portion of the business (as of Mar'23)



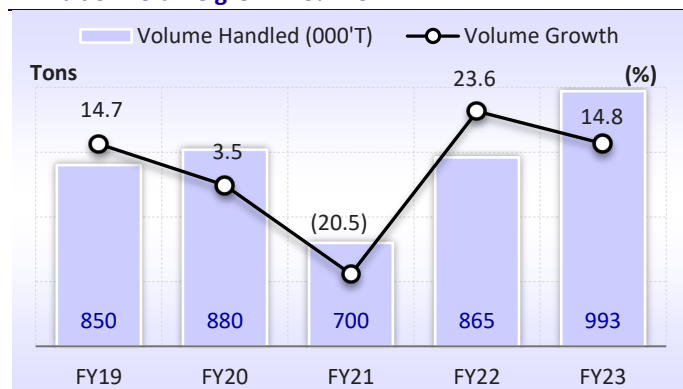
Source: Company, MOFSL

Exhibit 2: Driven by high growth in the Surface segment (FY23)



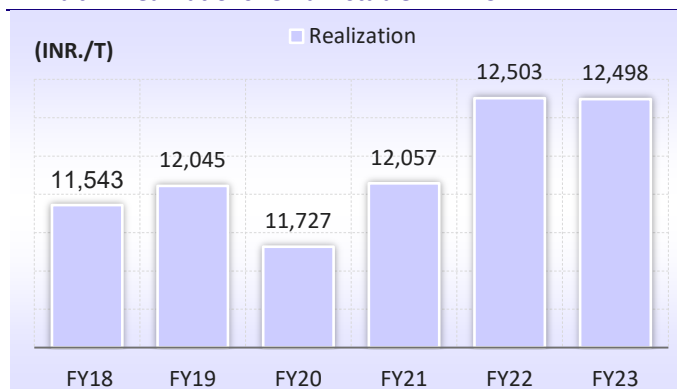
Note: Others include Air, Rail, Cold Chain and C2C Express Source: Company, MOFSL

Exhibit 3: Volume grew ~15% YoY

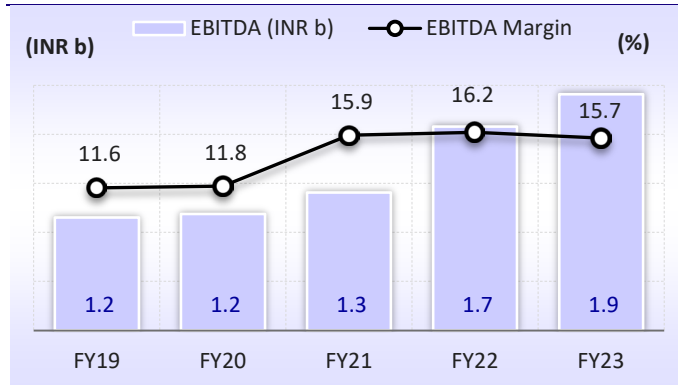


Source: Company, MOFSL

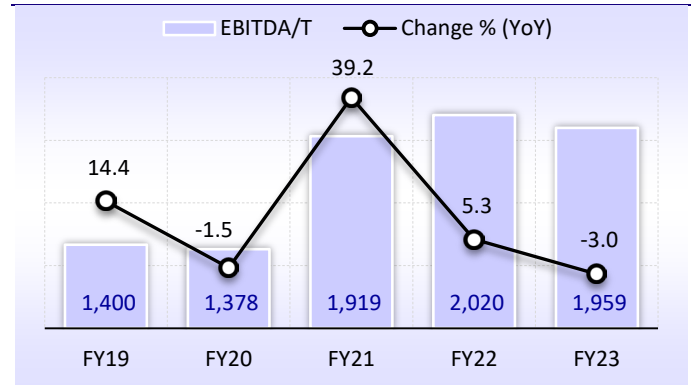
Exhibit 4: Realizations remain stable in FY23



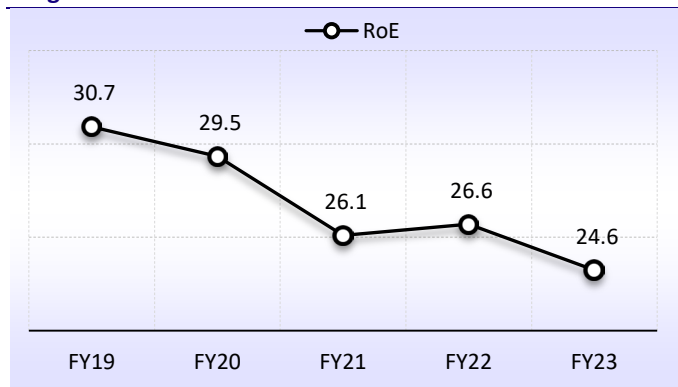
Source: Company, MOFSL

Exhibit 5: EBITDA margins contract due to high opex

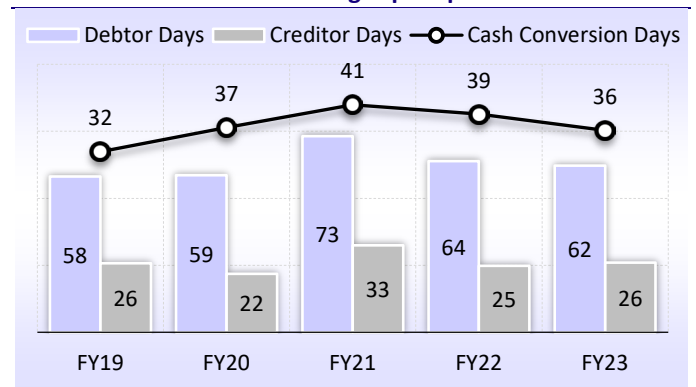
Source: Company, MOFSL

Exhibit 6: EBITDA/t remain flattish YoY

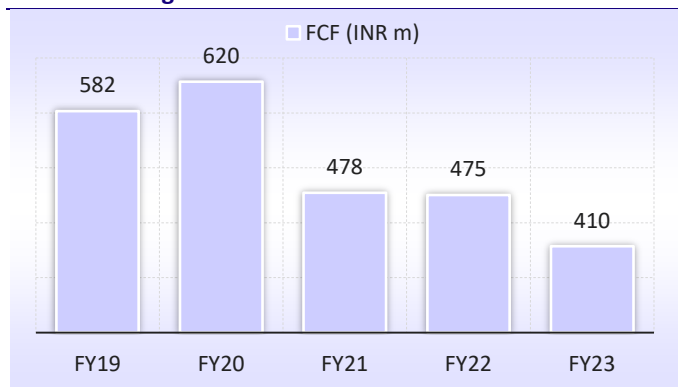
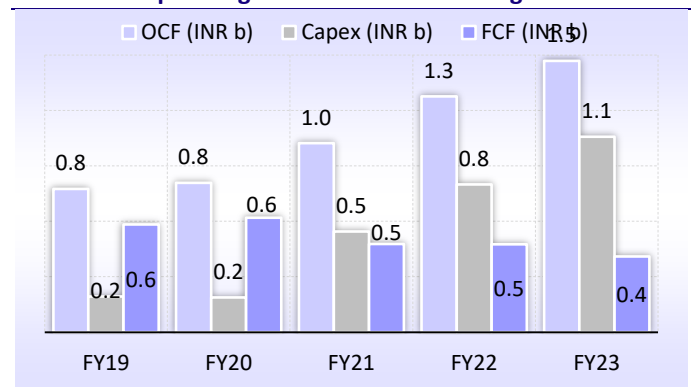
Source: Company, MOFSL

Exhibit 7: Higher capex and ownership of sorting centers drag ROE

Source: Company, MOFSL

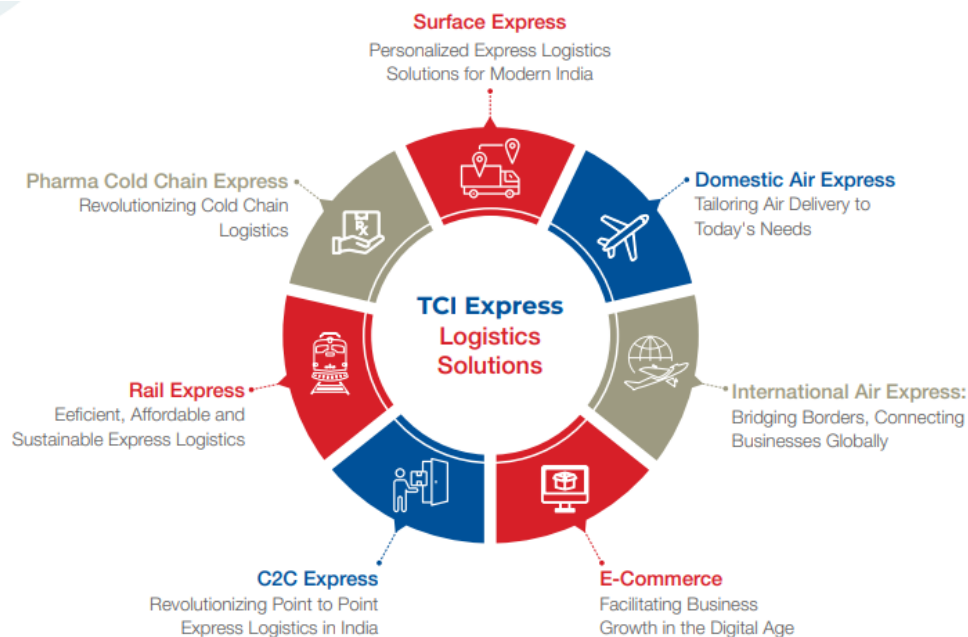
Exhibit 8: Comfortable working capital position

Source: Company, MOFSL

Exhibit 9: Free cash flow adversely impacted by capex toward sorting centers**Exhibit 10: Operating cash flow remain strong**

Service Offerings

Exhibit 11: Diversified offerings in the express logistics segment



Source: Company, MOFSL

Surface Express

- Surface Express delivers tailor-made solutions to a vast network of over 60,000 delivery locations. The company's fully containerized fleet serves more than 30 diverse business verticals.
- TCIE's digital infrastructure provides seamless 24x7 support with features such as customer login facilities, Auto-MIS, E-Billing, E-PODs, and online payments.

Exhibit 12: Personalized express logistics solutions



Source: Company, MOFSL

Domestic Air Express

- Domestic Air Express service of the company operates 24/7, ensuring prompt delivery of express packages to major metropolises within 24 hours and to mini municipalities and A-class cities within 48 hours.
- TCIE offers a comprehensive range of services, including Door-to-Door, Door-to-Airport, Airport-to-Airport, and Airport-to-Door, catering to diverse customer needs. Its multimode approach combines air and surface transport, further strengthened by special space arrangements with all domestic carriers.

International Air Express

- International Air Express operates via over 3,000 pickup points in India, extending TCIE's services to about 208 countries worldwide for commercial and non-commercial shipments.
- TCIE offers an accessible seven-day storage facility for export consignments at its origin warehouses. TCIE's comprehensive suite of value-added services, including AD Code Registration, Issue of Country-of-Origin Certificates, Legalization of Documents, Fumigation, and GSP Certificate, cater to the diverse needs of international logistics.
- The company offers tailored solutions to exporters, including consolidated shipments, efficient handling of heavy commercial Door-to-Door shipments, and customized pricing based on transit time. Its First Flight Out Service ensures prompt deliveries through trained personnel, while Bulk Mailer Services provide tailor-made solutions to exporters.
- TCIE also assists in arranging shipment insurance and offers Charter Services as required.

Exhibit 13: Connecting businesses globally



Source: Company, MOFSL

E-Commerce

- TCIE provides comprehensive e-commerce services through a multimodal B2B distribution model, ensuring prompt deliveries. Its e-commerce services cover the entire express logistics loop, including vendor-to-warehouse and warehouse-to-vendor/customer operations, all the way to last-mile delivery.

Exhibit 14: Facilitating business growth in digital age



Source: Company, MOFSL

C2C Express

- TCIE launched India's first customer-to-customer (C2C) Express service. This innovative service operates on an asset-light model, leveraging fast trucking technology to expedite and streamline logistics for our customers based on their needs.
- C2C Express service adopts an efficient, fast trucking mode, significantly minimizing connections and travel time.
- The C2C Express is managed by an independent team dedicated to delivering quicker transit times at a lower cost.

Rail Express

- Rail Express service is a unique service offering aimed at providing high value service at a lower cost.
- TCIE expanded its customer base in the rail express segment, growing from 250 to 2,200 since inception. Additionally, the company's presence has expanded from operating on just 10 routes to an extensive network of 125 routes
- Leveraging the expansive railway network, TCIE strategically plans flexible routes and integrates them into its centralized logistics system. This approach enables the company to deliver more efficient, reliable services.

Exhibit 15: Efficient and affordable logistics solutions

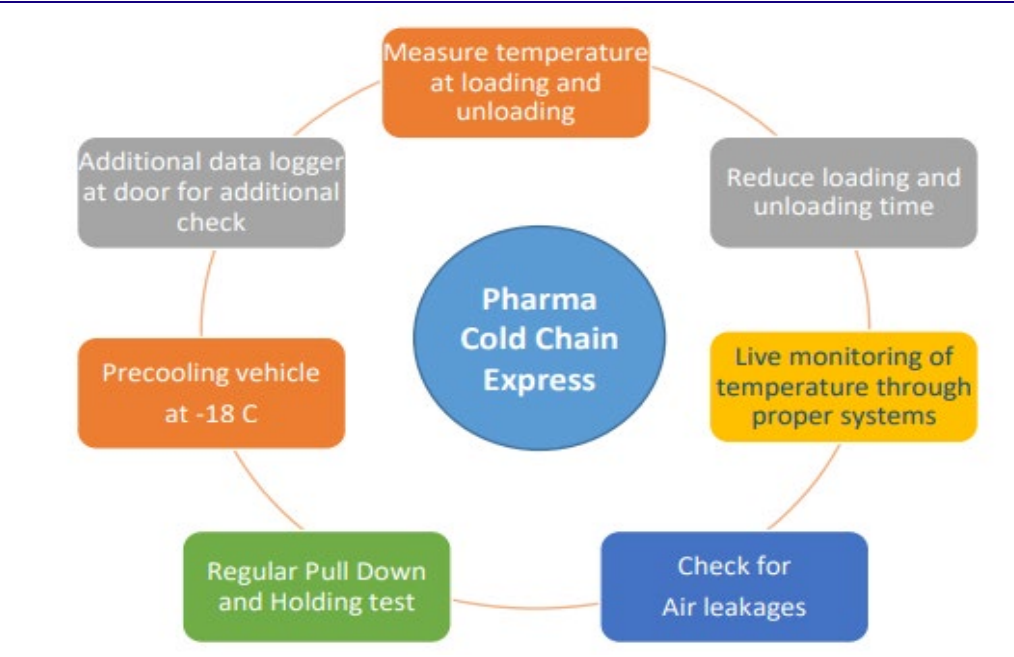


Source: Company, MOFSL

Pharma Cold Chain Express

- TCIE successfully launched Pharma Cold Chain Express Service, adopting an asset light model. Leveraging its existing hub and spoke network, the company efficiently meets the increasing demand for Cold Chain logistics
- This service is designed to meet the escalating demand for cold chain logistics, especially in the pharmaceutical industry, which demands exceptional precision and reliability.

Exhibit 16: Transforming the cold chain express logistics industry through innovation and advancements



Source: Company, MOFSL

Network coverage

Exhibit 17: Geographical footprint with Pan-India centers



Source: Company, MOFSL

- TCIE has built an expansive Hub and Spoke infrastructure with over 950 owned centers spread across India. Over the years, the company has achieved remarkable growth, significantly expanding its operations. The number of delivery locations has surged from 32,000 to 60,000, while the branch offices have undergone substantial expansion, increasing from 500 to over 950 between FY17 and FY23.
- The customer base has also grown significantly to 0.225m in FY23 from 0.16m in FY17.
- TCIE has the capability to reach more than 95% of India's pin codes. The foundation of this network consists of 28 state-of-the-art sorting centers, 500 express routes, 2,500 feeder routes, 950+ branches, 50,000 pickup points, and 60,000 delivery points. The fleet includes 5,000+ containerized trucks, enhancing the efficiency and coverage of their operations.
- In FY23, TCIE further expanded its presence by opening 35 new branches in strategic business geographies, with particular focus on the South and West regions.

Technology

- By investing in cutting-edge technology, TCIE continues to leverage advances in IT to drive digital transformation across all business units.
- TCIE has implemented robust cybersecurity measures to safeguard its data and network systems, and maintains a strong focus on IT risk management to counter potential threats.
- From real-time tracking of shipments to automation of key business operations, the company's IT systems are designed to ensure an efficient, accurate, and customer-centric service.
- As the company strives to stay at the forefront of technological advancements, it is committed to integrating the latest IT solutions into the business model to enhance operational efficiency, drive innovation, and provide superior value to our customers and stakeholders.

Core Competencies

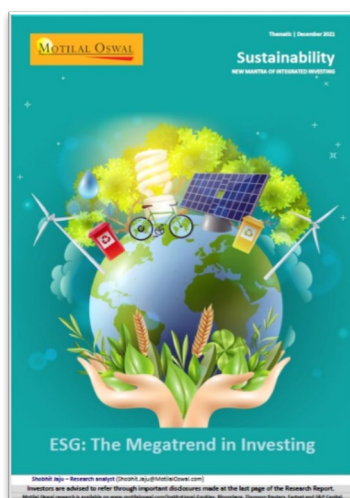
- The business model of the company is diversified, catering to major manufacturing industries.
- All branches are owned by the company, ensuring the adoption of the best standards and operating procedures.
- To optimize resources and maintain strong cash flows, the company follows an asset-light strategy. Leveraging innovative technology, it enhances cargo visibility and data communication, leading to cost savings and improved efficiency.
- The company boasts of an impressive cargo pickup network, operating in more than 50,000 locations, which ensures efficient and reliable services.
- An exceptional achievement for the company is the successful commissioning of 'GIGA', India's pioneering automated Sorting Centre, located in Gurugram. This state-of-the-art facility has significantly enhanced their nationwide express delivery service, further strengthening their vast network, which now spans 60,000 locations, covering more than 710 districts across the country.

Exhibit 18: India's first B2B automated sorting center**Gurgaon Sorting Centre**

Location:	Gurgaon
Area:	2 lakh sq.ft
Solar Panel:	800 KW
Operational:	India's first and largest automated B2B sorting center operational from March 2022



Source: Company, MOFSL

ESG initiatives**Environment**

- TCIE has installed 600 kWp solar panels at the Gurgaon sorting center and 280 kWp at the Pune sorting center. In FY23, the company has collectively generated 804,311 kWh of renewable electricity. These advanced sorting centers are now energy self-sufficient, utilizing solar energy efficiently, and optimizing the company's overall energy.
- TCIE has focused on various environmental initiatives, viz. renewable energy, carbon footprint, waste management, rainwater harvesting, and behavioral change strategies. It is also working to optimize packaging, reduce packaging waste, and maximize recycling to make the best use of its resources, and reduce emissions.
- The company safeguards customer information and respects their privacy. As a part of the process, TCIE has implemented robust data protection measures such as VPN software and cyber security audit.

Social

- Through the "Saksham" project, the company has empowered over 5,000 individuals, providing employment opportunities and enhancing vocational skills, with 100% of the beneficiaries coming from vulnerable and marginalized groups.
- The "Shorya" project promotes sports training for nationally recognized and Olympic sports, benefiting over 1,000 individuals, all from vulnerable and marginalized groups.
- The "Samantha" project focused on rural development has aimed at creating a positive impact in rural communities. Through these CSR initiatives, TCIE is actively working to uplift and support vulnerable and marginalized groups in the society.

Governance

- The total dividend declared by the company for FY23 amounts to INR 8 per share.
- TCIE completed buyback of equity shares in Feb'23. The company purchased a total of 0.23m equity shares at a volume weighted average buyback price of INR 1,814 per share, constituting up to 0.61% of the issued, subscribed, and paid-up

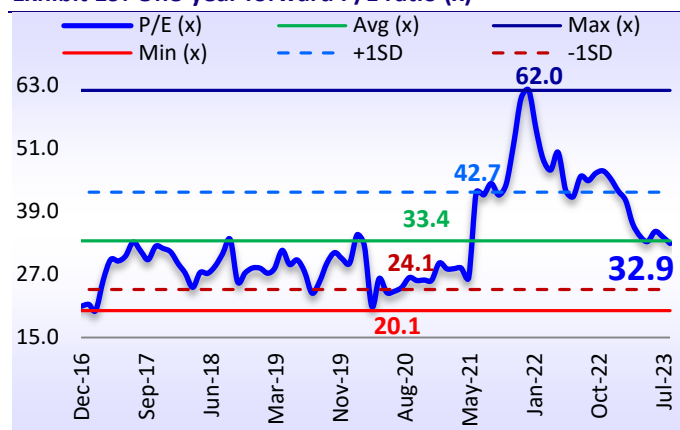
equity share capital of pre-buyback period. The buyback was undertaken for an aggregate amount of INR 424m (excluding transaction costs and tax).

- Mr. Vineet Agarwal, Non-Executive Director of the Company, is liable to retire by rotation at the upcoming AGM and is eligible for re-appointment. The Board of Directors have recommended his re-appointment upon approval of the shareholders of the company at the upcoming AGM.

Valuation and view

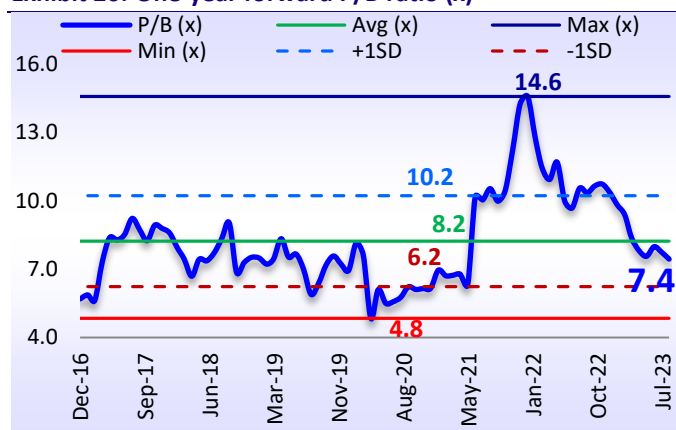
- In the next five years, TCIE has outlined a plan to allocate INR 5b for sorting centers, automation, and enhancing technical capabilities to boost operational efficiency.
- The company's significant growth will stem from multiple factors, including the expansion of its branch network (with the aim of adding ~100 branches annually from FY24), generating additional revenue from new services such as air express, rail express, cold chain express, and C2C services.
- Furthermore, TCIE aims to increase utilization from the current 85% to 90% and improve turnaround times through the implementation of automated sorting centers.
- We expect revenue/EBITDA/PAT CAGR of ~13%/21%/21% over FY23-25. As a result, we reiterate our BUY rating on the stock with a TP of INR 1,900 (36x FY25E EPS).

Exhibit 19: One-year forward P/E ratio (x)



Source: Company, MOFSL

Exhibit 20: One-year forward P/B ratio (x)



Source: Company, MOFSL

Outlook and Growth Strategies

- **Strong Revenue Growth Potential:** With a growing client base, expanded branch offices, and additional sorting centers in key metro areas, TCIE aims to surpass the INR 20b+ in revenue by 2025.
- **Strategic Capital Expenditure:** Over the next five years, the company plans to invest INR 5b (INR 1.25b spent in FY23) in developing sorting centers, implementing automation, and bolstering technical capabilities. These investments are designed to drive operational efficiency and further strengthen the company's competitive position in the market.
- **Exceptional Financial Performance:** TCIE has a proven track record of impressive financial performance. With a CAGR of 16.5% in EBITDA and 19% in PAT over FY18-23, the company has consistently demonstrated its ability to

generate sustainable profits. Furthermore, its debt-free status, strong balance sheet, and flexible capital structure instill confidence in its financial stability and growth potential.

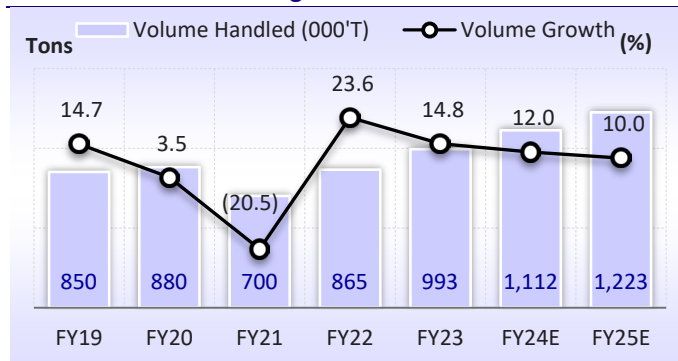
- **Market Leadership and Expansion:** The company achieves optimal operational efficiency by leveraging an asset-light approach, resulting in substantial cash flows. With direct control over each branch, TCIE ensures consistent service quality and a seamless customer experience. The company's extensive expansion of service locations, from 32,000 to over 60,000 in the last seven years, reflects its commitment to serving a broader customer base and capitalizing on market opportunities.

Risk and concerns

- **Fluctuating Fuel Price Risk:** Fuel price fluctuations can significantly influence profitability and operations of the company. TCIE mitigates this risk by implementing a fuel surcharge system to ensure revenue certainty and adopting a policy of frequent freight rate revisions to account for variations. Additionally, the company operates on contractual transportation arrangements to minimize the adverse impact of fluctuating fuel prices.
- **Infrastructure Risk:** Infrastructure inadequacies can lead to supply delays, reputational damage, and impact profitability. This risk is managed by leveraging the improved national transportation infrastructure under the Government's ongoing National Infrastructure Pipeline (NIP) programme. TCIE focuses on constructing advanced warehouses and storage facilities at key nodal sites.
- **Competition Risk:** The company has effectively mitigated the threats of business loss, reputational damage, and reduced market share by fostering a robust brand image and establishing strong customer recall. TCIE's decades of experience in the Express Logistics Industry and its unwavering commitment to delivering consistent domestic and international transport and delivery services are key factors that contribute to our competitive edge. The company covers 95% of pin codes in India, reaching over 60,000 locations.

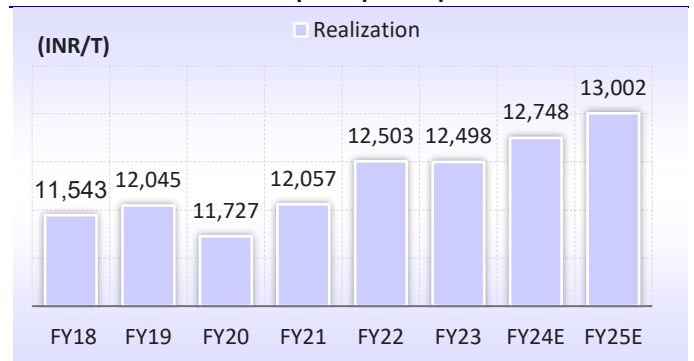
STORY IN CHARTS

Exhibit 21: Volumes to register a CAGR of 11% over FY23-25



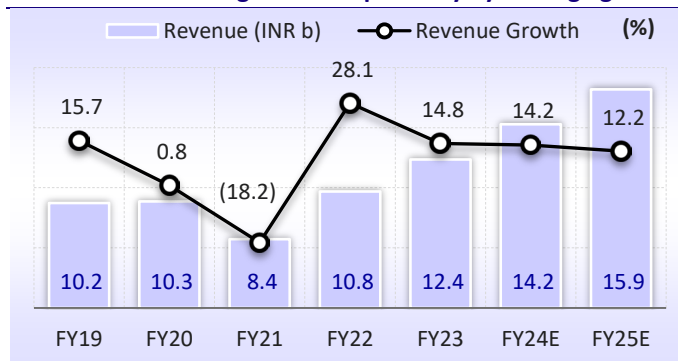
Source: Company, MOFSL

Exhibit 22: Realization to pick up with price hikes



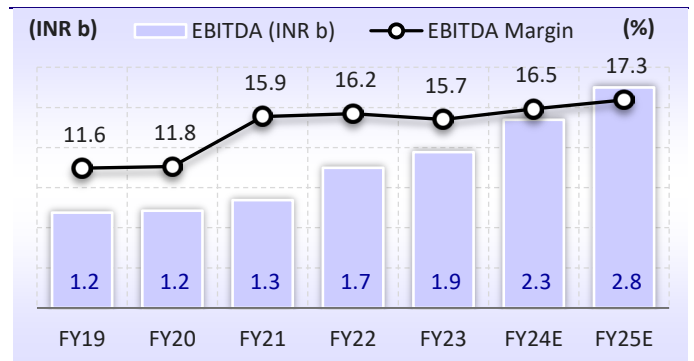
Source: Company, MOFSL

Exhibit 23: Revenue growth led primarily by tonnage growth



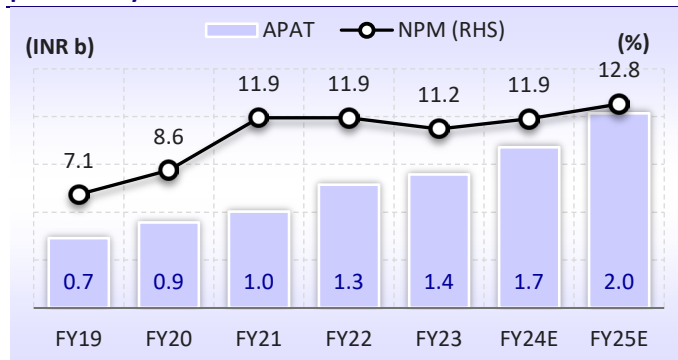
Source: Company, MOFSL

Exhibit 24: EBITDA expected to improve with increasing hub efficiencies and lower rental cost



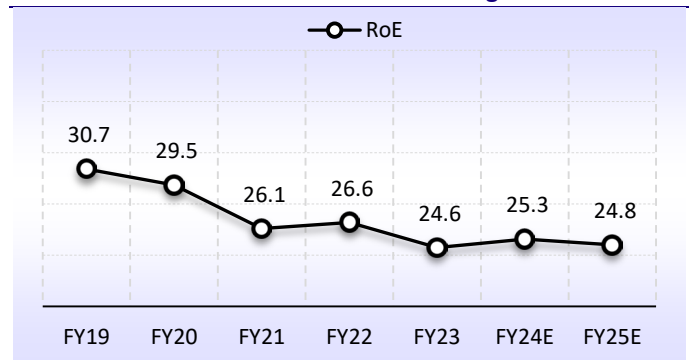
Source: Company, MOFSL

Exhibit 25: Improvement in operational efficiency to drive profitability



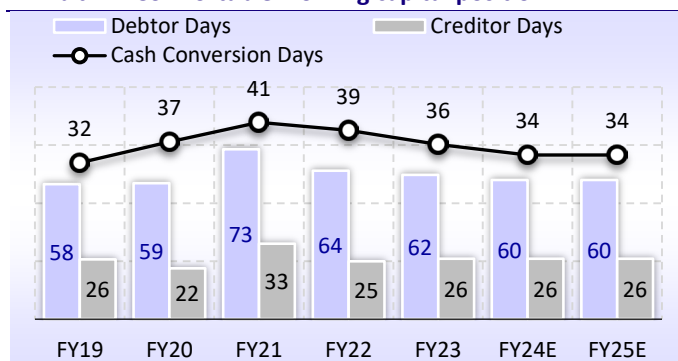
Source: Company, MOFSL

Exhibit 26: RoE to hover around 24% through FY24-25



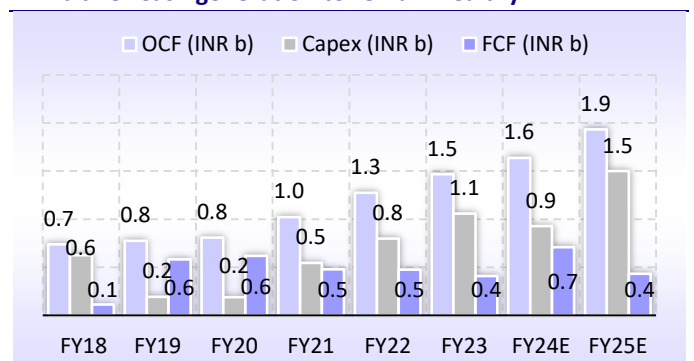
Source: Company, MOFSL

Exhibit 27: Comfortable working capital position



Source: Company, MOFSL

Exhibit 28: Cash generation to remain healthy



Source: Company, MOFSL

Financials and valuations

Income Statement

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Net Sales	10,238	10,320	8,440	10,815	12,410	14,177	15,907
Change (%)	15.7	0.8	-18.2	28.1	14.8	14.2	12.2
Gross Margin (%)	26.4	28.9	32.9	32.2	31.5	32.4	32.6
EBITDA	1,190	1,213	1,343	1,747	1,945	2,346	2,831
Margin (%)	11.6	11.8	15.9	16.2	15.7	16.5	17.8
Depreciation	65	78	90	100	153	159	177
EBIT	1,125	1,135	1,254	1,648	1,792	2,187	2,654
Int. and Finance Charges	38	9	8	9	18	18	18
Other Income	32	44	77	82	72	77	84
PBT	1,119	1,170	1,322	1,720	1,845	2,246	2,719
Tax	390	279	316	432	453	566	685
Effective Tax Rate (%)	34.9	23.9	23.9	25.1	24.5	25.2	25.2
Reported PAT	728	891	1,006	1,289	1,393	1,680	2,034
Change (%)	24.7	22.3	12.9	28.1	8.1	20.6	21.1
Margin (%)	7.1	8.6	11.9	11.9	11.2	11.9	12.8

Balance Sheet

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	77	77	77	77	77	77	77
Total Reserves	2,595	3,296	4,262	5,285	5,887	7,261	8,989
Net Worth	2,672	3,373	4,339	5,362	5,964	7,338	9,065
Deferred Tax Liabilities	55	41	54	79	105	105	105
Total Loans	98	40	21	11	46	51	57
Capital Employed	2,825	3,454	4,413	5,452	6,114	7,494	9,227
Gross Block	1,961	2,126	2,629	3,628	3,970	5,170	6,670
Less: Accum. Deprn.	230	272	345	430	501	660	837
Net Fixed Assets	1,731	1,854	2,284	3,198	3,469	4,510	5,833
Capital WIP	14	230	278	61	611	611	611
Total Investments	13	9	10	11	11	11	11
Curr. Assets, Loans, and Adv.	2,033	2,222	2,894	3,301	2,987	3,773	4,355
Inventory	0	0	0	0	0	0	0
Account Receivables	1,631	1,658	1,695	1,895	2,115	2,331	2,615
Cash and Bank Balances	171	126	272	180	164	633	832
Loans and Advances	85	92	108	95	99	113	127
Others	145	346	819	1,130	610	696	781
Current Liab. and Prov.	964	861	1,052	1,119	1,235	1,411	1,583
Account Payables	724	620	752	737	884	1,010	1,133
Other Current Liabilities	200	195	257	326	300	342	384
Provisions	41	47	43	56	51	58	66
Net Current Assets	1,069	1,360	1,842	2,182	1,752	2,362	2,772
Application of Funds	2,825	3,454	4,413	5,452	5,843	7,494	9,227

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)							
EPS	19.0	23.3	26.3	33.6	36.4	43.9	53.1
EPS growth (%)	24.7	22.3	12.9	28.1	8.1	20.6	21.1
Cash EPS	20.7	25.3	28.6	36.2	40.4	48.0	57.7
BV/Share	69.8	88.0	113.3	140.0	155.7	191.6	236.7
DPS	3.0	4.0	4.0	8.0	8.0	8.0	8.0
Payout (incl. Div. Tax, %)	18.4	23.9	15.3	23.8	22.0	18.2	15.1
Valuation (x)							
P/E	81.9	67.0	59.3	46.3	42.8	35.5	29.3
Cash P/E	75.1	61.6	54.4	43.0	38.6	32.4	27.0
EV/EBITDA	50.1	49.1	44.2	34.0	30.6	25.2	20.8
EV/Sales	5.8	5.8	7.0	5.5	4.8	4.2	3.7
P/BV	22.3	17.7	13.7	11.1	10.0	8.1	6.6
Dividend Yield (%)	0.2	0.3	0.3	0.5	0.5	0.5	0.5
Return Ratios (%)							
RoE	30.7	29.5	26.1	26.6	24.6	25.3	24.8
RoCE	28.2	28.6	25.7	26.3	24.4	25.0	24.6
RoIC	29.2	30.2	27.5	27.3	25.7	28.3	28.3
Working Capital Ratios							
Fixed Asset Turnover (x)	5.4	5.1	3.5	3.5	3.3	3.1	2.7
Asset Turnover (x)	3.6	3.0	1.9	2.0	2.0	1.9	1.7
Inventory (Days)	0	0	0	0	0	0	0
Debtors (Days)	58	59	73	64	62	60	60
Creditors (Days)	26	22	33	25	26	26	26
Leverage Ratio (x)							
Net Debt/Equity	0.0	0.0	-0.1	0.0	0.0	-0.1	0.0

Consolidated – Cash Flow Statement

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	1,119	1,170	1,322	1,720	1,845	2,246	2,719
Depreciation	65	78	90	100	153	159	177
Direct Taxes Paid	-388	-317	-284	-421	-430	-566	-685
(Inc.)/Dec. in WC	-50	-125	-75	-106	-107	-141	-211
Other Items	29	2	-30	-17	6	-59	-66
CF from Operations	775	808	1,023	1,276	1,468	1,639	1,934
(Inc.)/Dec. in FA	-193	-188	-545	-800	-1,058	-928	-1,500
Free Cash Flow	582	620	478	475	410	711	434
Change in Investments	-13	-283	-439	-147	-162	0	0
Others	-51	-124	24	44	567	77	84
CF from Investments	-256	-595	-960	-903	-653	-851	-1,416
Change in Equity	0	0	0	0	-405	0	0
Inc./(Dec.) in Debt	-299	-36	2	10	-3	0	0
Dividends Paid	-134	-213	-77	-308	-407	-306	-306
Others	-38	-9	-8	-9	-23	-13	-13
CF from Fin. Activity	-470	-258	-83	-307	-837	-319	-319
Inc./(Dec.) in Cash	49	-45	-20	66	-23	469	199
Opening Balance	122	171	111	92	158	164	633
Closing Balance	171	126	92	158	135	633	832

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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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