

Estimate change

TP change

Rating change


Bloomberg	LTI IN
Equity Shares (m)	172
M.Cap.(INRb)/(USDb)	679.1 / 8.5
52-Week Range (INR)	7595 / 3733
1, 6, 12 Rel. Per (%)	-9/-33/-9
12M Avg Val (INR M)	2473

Financials & Valuations (INR b)

Y/E Mar	2022	2023E	2024E
Sales	156.7	195.7	222.9
EBIT Margin (%)	17.3	16.7	17.1
PAT	23.0	28.3	32.9
EPS (INR)	130.8	160.8	187.3
EPS Gr. (%)	22.2	23.0	16.4
BV/Sh. (INR)	503.2	598.6	711.0

Ratios

RoE (%)	28.5	29.2	28.6
RoCE (%)	22.8	23.6	23.3
Payout (%)	42.1	40.0	40.0

Valuations

P/E (x)	29.6	24.1	20.7
P/BV (x)	7.7	6.5	5.4
EV/EBITDA (x)	21.0	16.8	14.1
Div Yield (%)	1.4	1.7	1.9

Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	74.0	74.1	74.3
DII	8.1	7.5	4.8
FII	8.4	10.1	13.1
Others	9.4	8.4	7.9

FII Includes depository receipts

CMP: INR3,874
TP: INR4,120 (+6%)
Neutral
1Q beat and strong FY23 outlook, stay Neutral on valuation
Leadership stability remains the key focus

- LTI reported a growth of 2.9% QoQ CC in 1QFY23 (est. 2.1%). BFS and Insurance drove growth, while Manufacturing (down 11.5% QoQ) was impacted due to seasonal pass-through (200bp revenue impact). EBIT margin dipped 130bp QoQ to 16% due to wage hikes. However, the same was 90bp above our estimate. It announced net new deal TCV of USD79m and guided at a strong 2QFY23.
- Excluding the seasonality in Manufacturing, LTI's 1Q revenue momentum was broad based and did not indicate any impact from the macro slowdown, despite a higher exposure to the BFSI industry. While the company suggested that clients are monitoring the economy, it has not started impacting the deal pipeline or the decision cycle as tech budgets are intact. The management reiterated its industry-leading growth guidance for FY23.
- We expect LTI to deliver a strong 2Q, given the good deal wins in 1Q, but the momentum should start moderating in 2HFY23, leading to a full-year USD revenue growth of over 20% and FY22-24 USD revenue CAGR of 16%. LTI's robust employee addition in 1Q and its target to hire over 6,500 freshers in FY23 adds to the demand visibility.
- LTI's solid margin delivery in 1Q, growing fresher addition, and favorable pricing should help it deliver an EBIT margin of 16.7% in FY23, a dip of only 60bp YoY, despite elevated attrition and higher supply cost. This should allow it to keep its PAT margin in the middle of its 14-15% guidance band (ahead of our earlier expectation of staying in the lower band).
- LTM attrition moderated by 20bp QoQ to 23.8% in 1QFY23 (unlike TCS, HCLT and MTCL who all saw a big jump), although the management said it will take a few quarters to meaningfully moderate. Cash and investments stood at INR38.8b, while the OCF/NII ratio was lower by ~35% due to seasonality of incentives paid in 1QFY23.
- We raised our FY23/FY24 EPS estimates by ~2%/4% on higher growth and better margin. Our margin estimate remains in line with the management's guidance. Our TP of INR4,120/share implies 22x FY24E EPS. We maintain our **Neutral** rating.

Beat on revenue and margin

- Revenue from IT Services grew 2.9% QoQ and 26.6% YoY in CC terms, INR EBIT grew 28% YoY, and INR PAT grew 28% YoY in 1QFY23.
- BFS/Insurance (up 7.9%/4.5% QoQ CC) registered strong growth, while Manufacturing (down 11.5% QoQ CC) declined due to seasonality.
- LTI reported four large deals, with a net new TCV of USD79m. It also added four Fortune 500 clients in 1QFY23.
- PAT rose 28% YoY to INR6.3b, 8% above our estimate on higher profitability.

Key highlights from the management commentary

- LTI added 29 new logos in 1QFY23, the highest in the past nine quarters. It also added four Fortune 500 clients in 1QFY23. The management said the deal pipeline remains strong and should see good deal announcements in 2QFY23. It is confident of industry-leading growth in FY23.
- LTI is not seeing any spends or budget cuts yet, but clients indicated some caution during conversations. The management is confident of client budgets staying intact in CY22.

Industry-leading growth to defend rich valuations

- LTI's deep domain capabilities, strong partnerships with hyperscalers, and a robust sales engine will continue to result in industry-leading growth rates. We expect USD revenue CAGR of ~16% over FY22-24, which is at the top end of our Tier II IT Coverage Universe.
- We continue to expect strong growth and offshoring to drive margin resilience. We maintain our PAT margin estimate within the management's guided range of 14-15% as LTI's focus is on driving growth with stable margin.
- While we remain confident of the management's execution capabilities, we remain on the sidelines in the stock, due to a significant valuation re-rating. We value the stock at 22x FY24E EPS. Our TP is INR4,120 per share. We maintain our **Neutral** rating.

Quarterly performance

Y/E March	FY22				FY23				FY22	FY23E	FY23E	(INR m)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var. (%/bp)
Revenue (USD m)	470	509	553	570	580	606	639	660	2,103	2,485	579	0.2
QoQ (%)	5.1	8.3	8.6	3.1	1.7	4.4	5.4	3.4	25.9	18.2	1.5	22
Revenue (INR m)	34,625	37,670	41,376	43,016	45,228	47,870	50,453	52,159	1,56,687	1,95,710	44,577	1.5
YoY (%)	17.4	25.6	31.2	31.6	30.6	27.1	21.9	21.3	26.7	24.9	28.7	188
GPM (%)	31.0	31.0	31.0	30.0	29.1	30.0	30.3	30.5	30.7	30.0	28.7	38
SGA (%)	12.3	11.5	10.9	10.3	10.7	11.0	10.9	11.2	11.2	11.0	11.2	(49)
EBITDA	6,478	7,332	8,311	8,464	8,308	9,095	9,788	10,045	30,585	37,237	7,801	6.5
EBITDA margin (%)	18.7	19.5	20.1	19.7	18.4	19.0	19.4	19.3	19.5	19.0	17.5	87
EBIT	5,682	6,482	7,426	7,445	7,243	7,994	8,627	8,846	27,036	32,711	6,731	7.6
EBIT margin (%)	16.4	17.2	17.9	17.3	16.0	16.7	17.1	17.0	17.3	16.7	15.1	91
Other income	1,039	938	811	1,151	1,267	1,197	1,261	1,304	3,939	5,029	1,070	18
ETR (%)	26.1	25.6	25.6	25.8	25.5	25.0	25.0	25.0	25.8	25.1	25.0	
Adj. PAT	4,968	5,517	6,125	6,375	6,344	6,893	7,417	7,612	22,985	28,266	5,851	8.4
QoQ (%)	1.7	11.1	11.0	4.1	-0.5	8.7	7.6	2.6			-8.2	
YoY (%)	19.3	20.8	18.0	30.5	27.7	24.9	21.1	19.4	22.2	23.0	17.8	
EPS (INR)	28.3	31.4	34.9	36.3	36.1	39.2	42.2	43.3	130.8	160.8	33.3	8.4

E: MOFSL estimates

Key performance indicators

Y/E March	FY22				FY23				FY22	FY23E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (QoQ CC %)	4.8	8.9	9.2	3.6	2.9					
Margins (%)										
Gross margin	31.0	31.0	31.0	30.0	29.1	30.0	30.3	30.5	30.7	30.0
EBIT margin	16.4	17.2	17.9	17.3	16.0	16.7	17.1	17.0	17.3	16.7
Net margin	14.3	14.6	14.8	14.8	14.0	14.4	14.7	14.6	14.7	14.4
Operating metrics										
Headcount	38,298	42,382	44,200	46,648	48,766				46,648	
Attrition (%)	15.2	19.6	22.5	24	23.8				20.3	
Offshore revenue (%)	57.3	59.2	59.9	60.2	61.3				59.2	
Utilization (incl. trainees)	83.7	81.6	80.3	80.1	81.3				81.4	
Key verticals (YoY %)										
BFS	39.6	36.8	38.6	35.8	31.5	26.4	19.3	20.5	37.6	24.0
Insurance	1.6	11.7	14.6	17.8	16.6	13.4	16.2	17.4	11.3	15.9
CPG, Retail, and Pharma	12.1	15.5	18.6	21.6	17.6	20.1	15.3	11.5	17.1	15.9
Key geographies (YoY %)										
North America	14.0	23.6	25.6	26.3	25.4	20.5	17.4	18.0	22.5	20.1
Europe	38.9	25.8	26.9	25.2	17.4	17.6	15.8	13.3	28.7	15.9



Key highlights from the management commentary

Demand and industry outlook

- LTI added 29 new logos in 1QFY23, the highest in the past nine quarters. It also added four Fortune 500 clients in 1QFY23. The management said the deal pipeline remains strong and should see good deal announcements in 2QFY23. It is confident of industry-leading growth in FY23.
- The company had four large deal wins in 1QFY23, with a net new TCV of USD79m from BFS, Hi-Tech, ENU, and others. The two deals were from the US, while Europe and emerging markets contributed one deal each.
- LTI is not seeing any spends or budget cuts yet, but clients indicated some caution during conversations. The management is confident of client budgets staying intact in CY22. It should also see some short-term acceleration as clients optimally utilize their available tech budgets.
- The management does not expect any slowdown in BFS, Insurance, ENU, and Manufacturing in CY23 as BFSI will continue to see core modernization spends, clients in the Manufacturing space have record backlog and elevated spends from ENU on higher energy prices and a focus on ESG.
- It has been estimated that ~30% of Cloud spends are wasted and that there is a higher cost over-run. Considering it is USD600b in global spends, there is a good opportunity for growth.
- LTI won one joint large deal with MTCL and has a few more in the pipeline.
- **Vertical takeaways:** **BFS** witnessed strong growth, with one large deal win. **Insurance** added two fortune 500 clients and has a good pipeline. Growth was impacted in **Manufacturing** due to a seasonal pass-through, but the order book remains strong. **E&U** saw one large deal win, with continued spends on Cloud and Digital transformation, along with a higher focus on ESG. In **Retail, CPG, and Pharma**, growth was driven by a large account. **Hi-Tech** saw some pause, but the management remains confident of the growth. Others saw a ramp-up in a global client.

Margin performance

- It reported an EBIT margin of 16% (down 130bp QoQ) in 1QFY23, impacted by wage hikes (300bp) and travel costs (70bp). The same was partly offset by higher productivity, absence of pass-through, and higher utilization (240bp).
- A lion's share of the wage hikes (~85%) occurred in 1QFY23. 2QFY23 will have ~10bp impact from wage hikes at senior levels.
- The pricing environment remains conducive with clients willing to pay a premium for in-demand skills.
- Wage Inflation from backfilling (due to higher attrition) has fallen as startups ease hiring.
- LTI is a growth company with a stable margin. The management maintained its PAT margin guidance in the 14-15% range.

Other highlights

- The management said that lack of supply is a bigger challenge than a weak macro.
- It is not seeing any change in attrition at senior levels. Overall, it is getting positive feedback on the merger.
- Net employee additions stood ~2.1k in 1QFY23. LTI plans to hire 6.5k fresher in FY23 are intact.

Exhibit 1: Strong growth in North America and Europe

Geographies	Contribution to revenue (%)	QoQ growth (% CC)	YoY growth (% CC)
North America	68.1	5.6	25.5
Europe	15.8	4.1	31.2
RoW	8.0	(1.5)	4.7
India	8.2	(13.4)	56.5

Exhibit 2: Strong growth in offerings, Enterprise Solutions and IMS dip

Service offerings	Contribution to revenue (%)	QoQ growth (% CC)	YoY growth (% CC)
ADM and Testing	34.5	6.6	25.3
Enterprise Solutions	28.6	(5.5)	14.9
Infrastructure Management Services	12.8	(5.1)	6.3
Analytics, AI, and Cognitive	13.7	8.5	44.3
Enterprise Integration and Mobility	10.4	8.8	47.3

Source: Company, MOFSL

Exhibit 3: Strong broad-based growth, Manufacturing impacted on account of seasonality

Verticals	Contribution to revenue (%)	QoQ growth (% CC)	YoY growth (% CC)
BFS	34.2	7.9	35.9
Insurance	13.7	4.5	17.7
Manufacturing	14.4	(11.5)	21.6
Energy and Utilities	8.8	2.6	21.7
CPG, Retail, and Pharma	10.2	1.4	20.7
Hi-Tech, Media, and Entertainment	11.6	0.8	13.7
Others	7.2	17.8	55.3

Source: MOFSL, Company

Exhibit 4: Growth across client buckets

Clients	Contribution to revenue (%)	QoQ growth (% CC)	YoY growth (% CC)
Top five clients	29.0	4.4	26.8
Top 10 clients	40.4	1.6	20.6
Top 20 clients	55.7	1.5	24.4

Source: MOFSL, Company

Industry-leading growth to defend rich valuations

- LTI's deep domain capabilities, strong partnerships with hyperscalers, and a robust sales engine will continue to result in industry-leading growth rates. We expect USD revenue CAGR of ~16% over FY22-24, which is at the top end of our Tier II IT Coverage Universe.
- We continue to expect strong growth and offshoring to drive margin resilience. We maintain our PAT margin estimate within the management's guided range of 14-15% as LTI's focus is on driving growth with stable margin.
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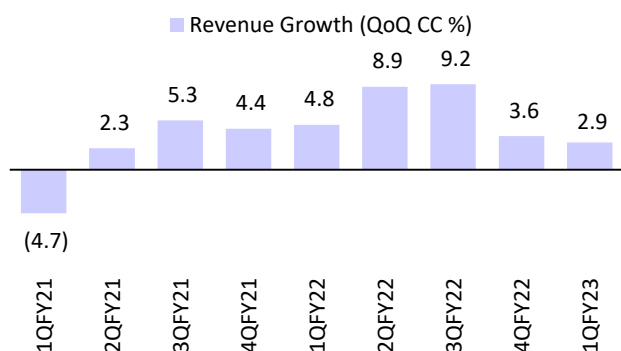
Exhibit 5: Revisions to our estimates

	Revised		Earlier		Change	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
USD:INR	78.7	79.0	78.5	79.0	0.3%	0.0%
Revenue (USD m)	2,485	2,822	2,464	2,840	0.8%	-0.7%
Growth (%)	18.2	13.6	17.2	15.3	100bp	-170bp
EBIT margin (%)	16.7	17.1	16.2	16.8	50bp	30bp
PAT (INR m)	28,266	32,906	27,170	32,340	4.0%	1.8%
EPS	160.8	187.3	154.6	184.0	4.0%	1.8%

Source: MOFSL

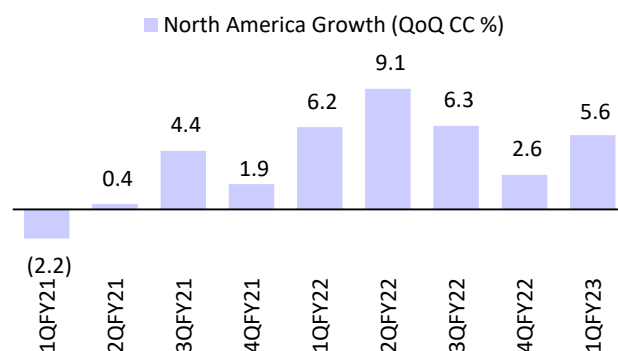
Story in charts

Exhibit 6: LTI reports a growth of 2.9% in CC terms



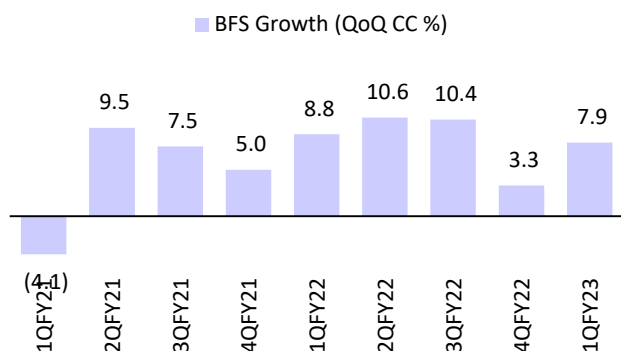
Source: Company, MOFSL

Exhibit 7: Strong growth in North America



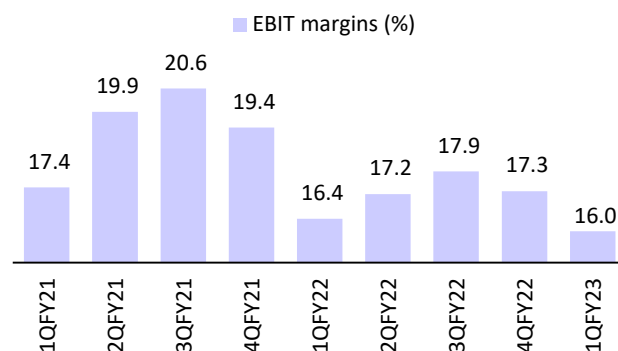
Source: Company, MOFSL

Exhibit 8: BFS bounces back with a 7.9% QoQ CC growth



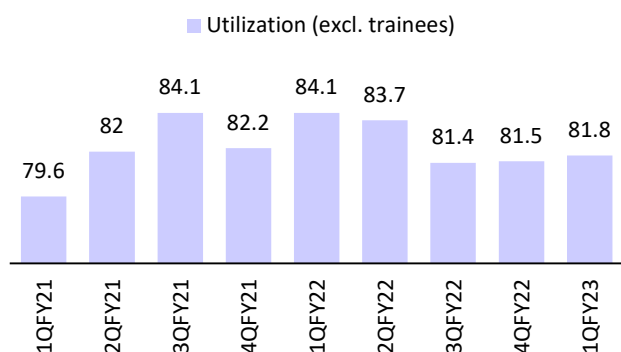
Source: Company, MOFSL

Exhibit 9: Margin contracts due to wage hikes



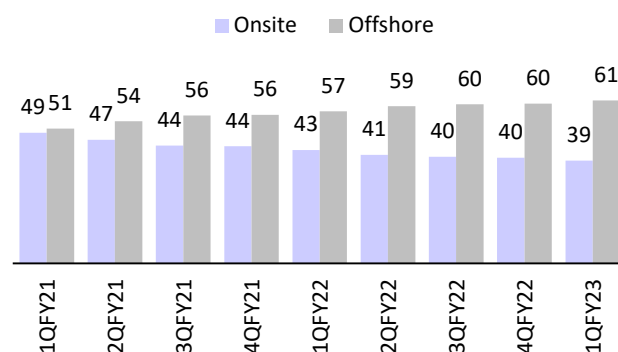
Source: Company, MOFSL

Exhibit 10: Utilization inches up to 81.8%



Source: Company, MOFSL

Exhibit 11: Offshore revenue mix largely flat QoQ



Source: Company, MOFSL

Operating metrics

Exhibit 12: Operating metrics

	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Revenue by verticals (%)									
BFS	27.7	29.9	30.6	30.7	32.1	32.5	32.8	32.7	34.2
Insurance	17.2	16.0	15.0	14.5	14.5	14.2	13.3	13.4	13.7
Manufacturing	15.8	16.2	16.8	16.9	15.0	15.6	17.0	16.8	14.4
Energy and Utilities	10.8	10.6	10.0	9.1	9.1	8.9	8.8	8.8	8.8
CPG, Retail, and Pharma	11.5	11.0	10.9	10.8	10.7	10.1	10.0	10.3	10.2
Hi-Tech, Media, and Entertainment	11.6	10.6	10.6	11.8	12.7	12.5	11.8	11.7	11.6
Others	5.4	5.7	6.0	6.2	5.9	6.2	6.4	6.3	7.2
Revenue by service offerings (%)									
ADM and Testing	35.6	36.0	33.6	33.3	34.0	34.2	33.5	33.0	34.5
Enterprise Solutions	29.7	30.8	31.4	32.3	30.7	30.4	31.4	30.8	28.6
IMS	13.6	14.4	14.3	15.1	14.9	14.0	13.2	13.7	12.8
Analytics, AI, and Cognitive	12.5	10.6	11.9	11.1	11.7	12.1	12.7	12.8	13.7
Enterprise Integration and Mobility	8.6	8.3	8.8	8.2	8.7	9.3	9.3	9.7	10.4
Revenue by geography (%)									
North America	70.8	68.7	67.9	66.2	67.0	67.5	66.0	65.6	68.1
Europe	14.4	16.1	16.1	16.5	16.6	16.1	15.8	16.2	15.8
RoW	7.9	8.2	7.4	8.4	9.6	9.8	8.6	8.3	8.0
India	6.9	6.9	8.6	8.9	6.7	6.6	9.6	9.9	8.2
Client metrics (as a percentage of revenue)									
Top five clients	30.5	30.0	29.3	27.8	28.2	28.2	28.3	28.2	29.0
Top 10 clients	43.4	42.9	42.0	41.0	41.3	40.7	40.4	40.4	40.4
Top 20 clients	58.2	57.8	57.1	55.6	55.2	55.0	55.5	55.8	55.7
Non-top 20 clients	41.8	42.2	42.9	44.4	44.8	45.0	44.5	44.2	44.3
Number of active clients	409	419	419	427	438	463	476	486	497
New clients added in the period	16	26	22	14	23	25	27	25	29
Clients (USD m)									
USD5m clients	59	61	60	63	66	71	73	74	76
USD10m clients	30	32	32	35	38	43	43	44	44
USD20m clients	16	16	18	18	18	21	20	24	24
USD50m clients	6	6	5	5	6	7	8	8	8
USD100m clients	1	1	1	1	1	1	1	1	1
Employee metrics									
Development	29,712	30,682	32,194	34,176	36,431	40,395	42,162	44,566	46,587
Sales and support	1,765	1,773	1,789	1,815	1,867	1,987	2,038	2,082	2,179
Total employees	31,477	32,455	33,983	35,991	38,298	42,382	44,200	46,648	48,766
Efforts mix									
On-site	21.1	19.4	18.4	17.9	17.3	16.4	16.0	15.4	15.1
Offshore	78.9	80.6	81.6	82.1	82.7	83.6	84.0	84.6	84.9
Utilization measures									
Including trainees	79.4	80.5	81.1	80.8	83.7	81.6	80.3	80.1	81.3
Excluding trainees	79.6	82.0	84.1	82.2	84.1	83.7	81.4	81.5	81.8
Attrition LTM (%)	15.2	13.5	12.4	12.3	15.2	19.6	22.5	24.0	23.8

Source: Company, MOFSL

Financials and valuations

Income Statement							(INR m)	
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Sales	65,009	73,064	94,458	1,08,786	1,23,698	1,56,687	1,95,710	2,22,925
Change (%)	11.2	12.4	29.3	15.2	13.7	26.7	24.9	13.9
Cost of Services	42,122	48,506	61,643	73,589	82,193	1,08,567	1,37,022	1,55,197
SG&A Expenses	10,581	12,065	13,980	14,905	14,254	17,535	21,452	24,745
EBITDA	12,306	12,493	18,835	20,292	27,251	30,585	37,237	42,983
As a percentage of Net Sales	18.9	17.1	19.9	18.7	22.0	19.5	19.0	19.3
Depreciation	1,780	1,563	1,471	2,731	3,325	3,549	4,526	4,904
Other Income	1,836	4,102	2,915	2,463	1,384	3,939	5,029	5,796
PBT	12,362	15,032	20,279	20,024	25,310	30,975	37,740	43,875
Tax	2,649	3,291	5,122	4,823	6,500	7,989	9,473	10,969
Rate (%)	21.4	21.9	25.3	24.1	25.7	25.8	25.1	25.0
Minority Interest	0	0	0	0	0	0	0	0
Extraordinary	0	617	0	0	-571	0	0	0
Adjusted PAT	9,713	11,741	15,157	15,201	18,810	22,985	28,266	32,906
Change (%)	16	21	29	0	24	22	23	16
Reported PAT	9,713	11,124	15,157	15,201	19,381	22,985	28,266	32,906

Balance Sheet							(INR m)	
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Share Capital	171	172	174	174	175	175	175	175
Reserves	31,273	38,426	48,764	53,866	72,859	87,971	1,04,931	1,24,675
Net Worth	31,444	38,598	48,938	54,040	73,034	88,146	1,05,106	1,24,850
Minority Interest	8	13	8	11	37	57	57	57
Other liabilities	456	1,453	1,283	10,886	7,697	7,307	7,318	7,389
Capital Employed	31,908	40,064	50,229	64,937	80,768	95,510	1,12,480	1,32,295
Net Block	2,587	2,508	3,084	12,104	10,481	15,733	14,707	13,303
Intangibles	2,845	4,298	6,330	7,684	9,241	10,057	10,057	10,057
Other LT Assets	5,626	5,047	5,614	5,170	6,056	10,247	12,198	12,994
Curr. Assets	33,287	41,645	51,664	63,290	81,313	88,656	1,13,484	1,38,588
Current Investments	9,406	12,643	17,402	22,186	36,282	31,366	37,366	43,366
Debtors	16,421	22,327	23,845	27,541	26,906	37,368	38,070	43,363
Cash and Bank Balance	3,795	3,323	4,150	5,252	7,594	3,949	18,477	30,491
Other Current Assets	3,665	3,352	6,267	8,311	10,531	15,973	19,571	21,367
Current Liab. and Prov.	12,437	13,434	16,463	23,311	26,323	29,183	37,965	42,646
Trade payables	3,366	3,792	4,669	7,269	8,277	8,028	12,721	14,490
Other liabilities	7,457	7,798	9,686	13,454	14,504	17,281	21,370	24,282
Provisions	1,614	1,844	2,108	2,588	3,542	3,874	3,874	3,874
Net Current Assets	20,850	28,211	35,201	39,979	54,990	59,473	75,519	95,941
Application of Funds	31,908	40,064	50,229	64,937	80,768	95,510	1,12,480	1,32,295

E: MOFSL estimates

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
EPS	56.1	63.6	86.4	86.6	107.0	130.8	160.8	187.3
Cash EPS	65.9	72.4	94.8	102.0	129.2	151.0	186.6	215.2
Book Value	184.2	224.7	282.5	310.0	418.3	503.2	598.6	711.0
DPS	16.5	21.5	28.1	28.0	40.0	55.0	64.3	74.9
Payout (%)	29.5	33.8	32.5	32.3	37.4	42.1	40.0	40.0
Valuation (x)								
P/E ratio	69.1	60.9	44.8	44.7	36.2	29.6	24.1	20.7
Cash P/E ratio	58.8	53.5	40.8	38.0	30.0	25.7	20.8	18.0
EV/EBITDA ratio	52.7	52.0	34.5	31.9	23.2	21.0	16.8	14.1
EV/Sales ratio	10.0	8.9	6.9	6.0	5.1	4.1	3.2	2.7
Price/Book Value ratio	21.0	17.2	13.7	12.5	9.3	7.7	6.5	5.4
Dividend Yield (%)	0.4	0.6	0.7	0.7	1.0	1.4	1.7	1.9
Profitability Ratios (%)								
RoE	36.9	31.8	34.6	29.5	30.5	28.5	29.2	28.6
RoCE	30.8	23.7	28.7	23.2	24.4	22.8	23.6	23.3
Turnover Ratios								
Debtors (Days)	92.20	111.54	92.14	92.41	79.39	87	71	71
Fixed Asset Turnover (x)	25.1	29.1	30.6	9.0	11.8	10.0	13.3	16.8

Cash Flow Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
CF from Operations	12,111	12,198	17,011	18,748	21,292	26,062	32,792	37,811
Cash for Working Capital	1,606	-3,760	-3,061	-2,313	2,704	-9,542	2,542	-3,134
Net Operating CF	13,717	8,438	13,950	16,435	23,996	16,520	35,335	34,676
Net Purchase of FA	-754	-982	-1,531	-2,426	-2,665	-8,556	-3,500	-3,500
Free Cash Flow	12,963	7,456	12,419	14,009	21,331	7,964	31,835	31,176
Net Purchase of Invest.	-8,756	-3,933	-5,596	-4,007	-13,895	-1,038	-6,000	-6,000
Net Cash from Invest.	-9,510	-4,915	-7,127	-6,433	-16,560	-9,594	-9,500	-9,500
Proc. from equity issues	4	3	3	0	1	0	0	0
Proceeds from LTB/STB	-469	-545	-605	-3,221	230	-1,709	0	0
Dividend Payments	-1,888	-3,534	-5,341	-5,679	-5,319	-8,749	-11,306	-13,163
Cash Flow from Fin.	-2,353	-4,076	-5,943	-8,900	-5,088	-10,458	-11,306	-13,163
Exchange difference	-94	81	-53	0	-6	-113	0	0
Net Cash Flow	1,760	-472	827	1,102	2,342	-3,645	14,528	12,014
Opening Cash Bal.	2,035	3,795	3,323	4,150	5,252	7,594	3,949	18,477
Add: Net Cash	1,760	-472	827	1,102	2,342	-3,645	14,528	12,014
Closing Cash Bal.	3,795	3,323	4,150	5,252	7,594	3,949	18,477	30,491

E: MOFSL 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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