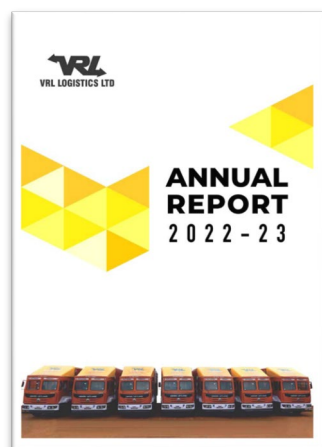


Motilal Oswal values your support in the Asiamoney Brokers Poll 2023 for India Research, Sales, Corporate Access and Trading team. We request your ballot.



#### Stock Info

Bloomberg	VRLL IN
Equity Shares (m)	88
M.Cap.(INRb)/(USDb)	64.4 / 0.8
52-Week Range (INR)	773 / 483
1, 6, 12 Rel. Per (%)	-3/22/-14
12M Avg Val (INR M)	138
Free float (%)	35.8

#### Financials Snapshot (INR b)

Y/E March	2023	2024E	2025E
Net Sales	26.5	31.5	37.5
EBITDA	4.0	5.1	6.3
Adj. PAT	1.7	2.3	3.1
EBITDA Margin (%)	15.2	16.3	16.8
Adj. EPS (INR)	18.8	26.5	34.9
EPS Gr. (%)	6.4	41.0	31.5
BV/Sh. (INR)	110.5	131.0	156.0

#### Ratios

Net D/E (x)	0.2	0.2	0.1
RoE (%)	39.7	22.0	24.3
RoCE (%)	35.2	20.8	22.9
Payout (%)	13.5	22.4	28.4

#### Valuations

P/E (x)	39.1	27.8	21.1
P/BV (x)	6.7	5.6	4.7
EV/EBITDA (x)	16.5	12.9	10.3
Div. Yield (%)	0.7	0.8	1.4
FCF Yield (%)	-1.5	0.6	2.9

# VRL Logistics

**CMP: INR736**

**TP: INR850 (+16%)**

**Buy**

## Capacity/network expansion to boost growth

In this report, we present key takeaways from VRL Logistics Ltd's (VRLL) FY23 annual report.

### Benefiting from its impressive asset base and extensive network

- VRLL, with its large asset base of 5,671 trucks, has successfully transformed itself into a specialized goods transport (GT) company by focusing on its high-margin LTL (less than truck load) segment.
- In FY23, VRLL expanded its branch network by adding 184 new branches, which led to a significant increase in volumes.
- To capitalize on the growth opportunity in the LTL segment, VRLL has placed orders for 1,667 GT vehicles at a capex of INR6.97b. The fleet expansion will increase the company's capacity by ~30,000 tonnes. Currently, the trucks have a total carrying capacity of 82,657 tonnes.
- The company's customer base grew to ~0.8m in Mar'23 from ~0.7m in Mar'22. With growing demand for a logistics partner with a nationwide footprint, VRLL is in a favourable position to attract large customers.
- In addition, VRLL has a comprehensive infrastructure setup, which includes various owned facilities such as branches, offices, and transshipment hubs.

### Plans to add 1,667 trucks to capture growth opportunity in LTL segment

- In FY24, VRLL is expected to withdraw ~1,220 vehicles, which have been in operation for more than 15 years, in compliance with the government's vehicle scrappage policy. Subsequently, VRL has ordered 1,667 trucks from Ashok Leyland (1,560 trucks) and Tata Motors (107 trucks) for INR6.97b.
- The proposed capex is expected to help the company meet its business demand in due course and reduce its dependence on hired vehicles.
- The fleet expansion would also improve efficiency as new vehicles are technologically more advanced and fuel efficient. It would result in a net capacity addition of ~30,092 tonnes (37% of existing capacity), allowing VRLL to cater to expected demand growth in industry volumes.

### Branch addition in new areas to boost volumes

- In FY23, VRLL added 184 new branches and intends to add more branches in the east and northeast regions.
- These branches will attract new customers and enhance the company's ability to serve existing customers.

### Exiting non-core business like Bus, Power and Wind; focus on the high growth Goods transport business

- VRLL in FY23 sold its Bus business for INR2.3b and its Wind power business for INR528m. The company has decided to focus solely on the GT segment. The board has also granted in-principle approval for the sale/ transfer of the 'Transportation of Passengers by Air' business through a slump sale.

**Alok Deora – Research Analyst** (Alok.Deora@motilaloswal.com)

**Saurabh Dugar – Research Analyst** (Saurabh.Dugar@motilaloswal.com)

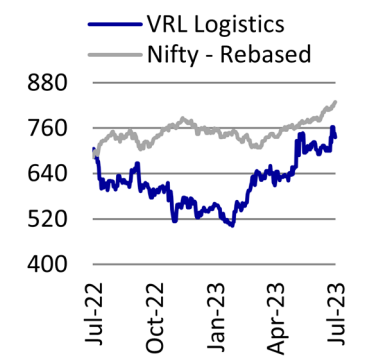
**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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

**Shareholding pattern (%)**

As On	Jun-23	Mar-23	Jun-22
Promoter	64.2	64.2	69.6
DII	25.1	24.2	13.6
FII	2.2	2.4	5.4
Others	8.5	9.3	11.5

FII Includes depository receipts

**Stock's performance (one-year)****Focus on asset ownership to stabilize operations and improve efficiency**

- VRLL prefers to own vehicles (for LTL services) and infrastructure facilities, including warehouses and maintenance facilities. The company operates its own fleet of 5,671 trucks with a total capacity of 82,657 tonnes as of Mar'23 vs. 71,056 tonnes in Mar'22.
- With ownership, VRL achieves economies of scale through tie-ups with fuel suppliers and vehicle manufacturers for the supply of spare parts, tyres, etc. Moreover, ongoing in-house R&D has enabled the company to utilize its vehicles for a long term (vs. the industry) at significantly lesser maintenance costs.

**Valuation and view**

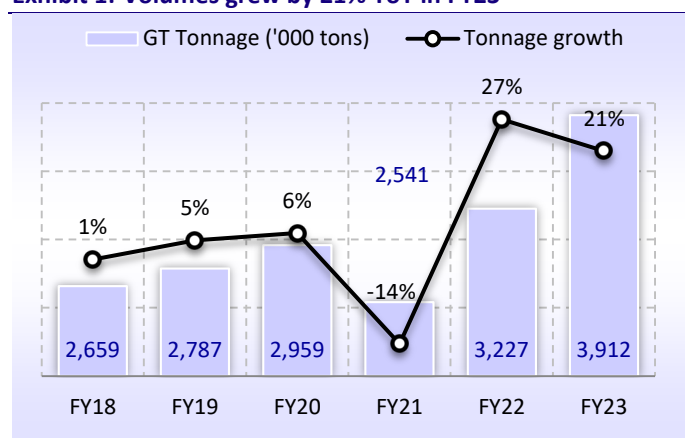
- VRLL is in a favourable position thanks to its prominent presence in the LTL segment, with a focus on expanding its branch network and fleet size. The company's healthy balance sheet and robust cash flow generation should help it meet capex needs for future growth.
- As the share of organized players is expected to grow substantially in the coming years, the outlook appears promising for established pan-India players like VRLL.
- We estimate a 17% volume CAGR over FY24-25, with EBITDA margin in the 16-17% range.
- We expect the company to post a revenue/EBITDA/PAT CAGR of 19%/25%/36% over FY23-25. We **reiterate our BUY rating with a TP of INR850 (based on 24x FY25E EPS)**.

## Highlights from the annual report

### Expansion in fleet size and branch network boosted GT volumes by 21% YoY in FY23

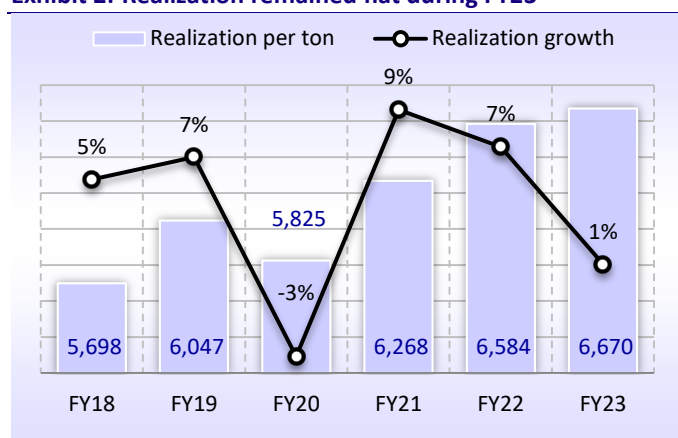
- Revenue grew by 24% YoY in FY23 due to an increase in volume (+21% YoY) and marginal improvement in realization (+1% YoY).
- The increase in volumes can be attributed to several factors, such as
  - Acquisition of new customers at existing branches
  - Addition of 184 new branches in untapped markets
  - Implementation of targeted marketing strategies based on geography and product categories
  - Customers transitioning from unorganized transport service providers to organized ones due to reforms in GST and E-way bill compliance norms
- The company increase its fleet capacity by 11,601 tonnes during the year.
- It saw significant growth in the movement of some commodities in the last few years, which were highly dependent on unorganized small fleet operators earlier. For example, agricultural products and equipment, automobile, educational goods, clothes & textiles etc.

**Exhibit 1: Volumes grew by 21% YoY in FY23**



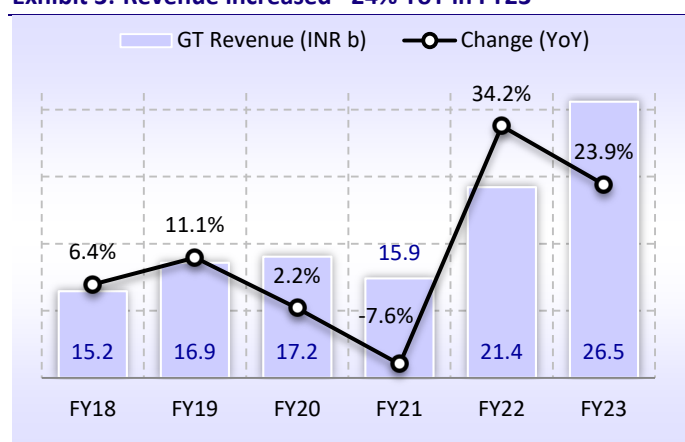
Source: Company, MOFSL

**Exhibit 2: Realization remained flat during FY23**



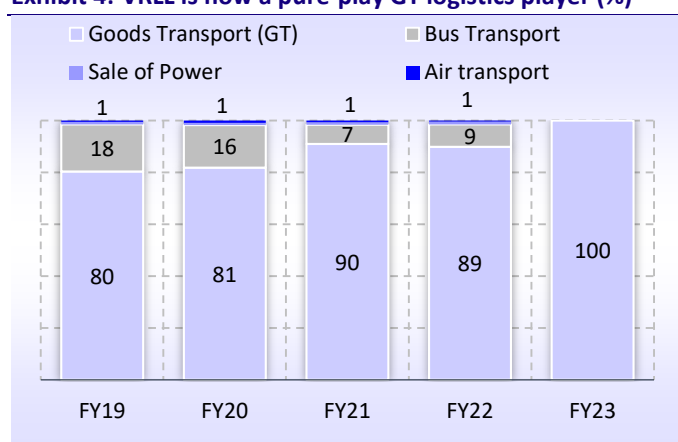
Source: Company, MOFSL

**Exhibit 3: Revenue increased ~24% YoY in FY23**



Source: Company, MOFSL

**Exhibit 4: VRLL is now a pure-play GT logistics player (%)**

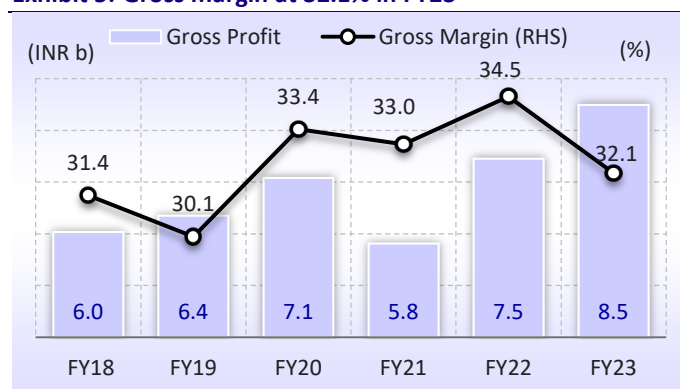


Source: Company, MOFSL

### FY23 margins hit by high operating expenses

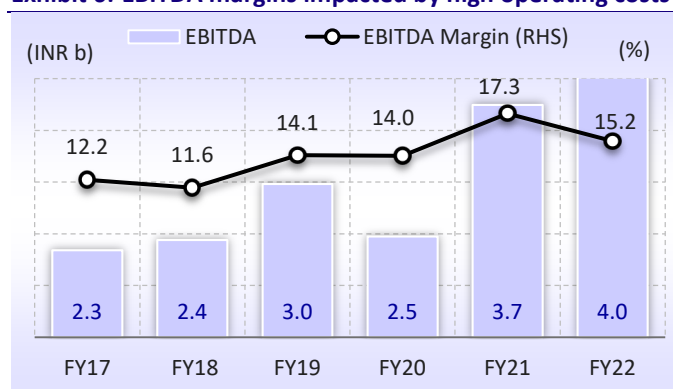
- As a result of the subsidy withdrawal on the bulk purchase of diesel from Feb'22 to Dec'22, the fuel procurement price increased in FY23. The company faced challenges in directly purchasing fuel from refineries, which previously offered a cost advantage of ~INR2 per liter compared to retail prices. However, the bulk purchase of fuel resumed in mid-Dec'22, and the direct procurement from refineries rose to 28% in 4QFY23 from 5% in 3QFY23. The average procurement cost of diesel grew from INR87.22 in FY22 to INR 90.22 in FY23. Consequently, the fuel cost as a percentage of revenue rose from 29.7% in FY22 to 30.4% in FY23.
- Lorry hire charges as a percentage of revenue increased to 9.3% in FY23 from 7.4% in FY22 due to an increase in kilometers travelled by hired Vehicles, lorry hire charges per km and charges for last mile collections and deliveries.
- EBITDA margins were affected by a significant rise in toll charges on account of an increase in the number of toll plazas across the country to ~1,200 from 850 at the beginning of the year. Toll rates also increased by nearly 5%.

**Exhibit 5: Gross margin at 32.1% in FY23**



Source: Company, MOFSL

**Exhibit 6: EBITDA margins impacted by high operating costs**



Source: Company, MOFSL

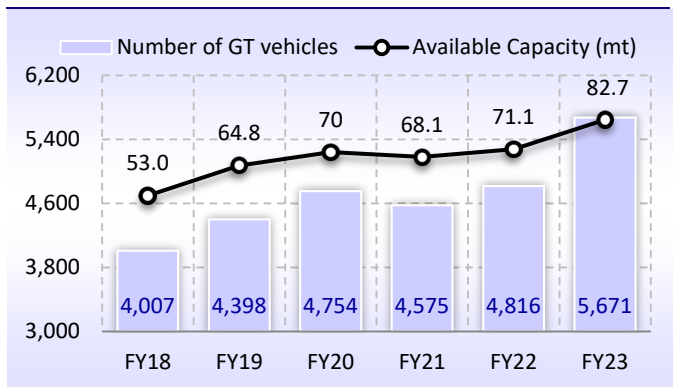
### Sale of non-core businesses

- In FY23, VRLL executed a transfer agreement for the sale of its Bus business for INR2.3b. Further, VRLL executed a transfer agreement for the sale of its Wind power business for INR528m.
- We consider the divestment of the bus segment and the wind segment to be a positive development for VRLL, as it allows the company to concentrate on the high-growth GT business. Additionally, the cash generated from the sale is being utilized to partially finance the capex required for the truck fleet expansion.
- The board has also granted an in-principle approval for the sale/ transfer of the 'Transportation of Passengers by Air' business through a slump sale.
- Following the sale of the non-core businesses, the company has decided to focus solely on the GT segment. It has no plans to venture into express or any other logistics segments.

### Ownership of assets

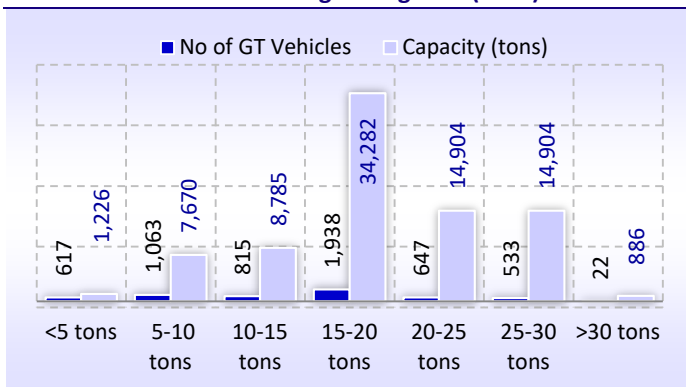
- The company prefers to own its vehicles (for LTL services) and infrastructure facilities, including warehouses and maintenance facilities.
- VRLL is one of the largest asset owners in the industry and is well placed to capitalize on growth opportunities presented by the logistics sector.
- VRL operates its own fleet of 5,671 trucks having a total capacity of 82,657 tonnes as of Mar'23 vs. 71,056 tonnes in Mar'22.

**Exhibit 7: Owned fleet of trucks**



Source: Company, MOFSL

**Exhibit 8: Fleet across tonnage categories (FY23)**



Source: Company, MOFSL

### Advantages over peers

- The two major advantages that VRLL enjoys over its competition are 1) its well established wide network of branches and agencies, and 2) its own fleet of commercial vehicles with dedicated in-house vehicle body designing and vehicle maintenance facilities to cater to the parcel transportation.
- VRLL is also one of the largest fleet owners of commercial vehicles in the country. This enables the company to set unparalleled standards in the movement of LTL cargo in India through the Hub-and-Spoke model in terms of service levels and safety of consignments.

### Dedicated in-house maintenance facility

- The in-house maintenance facility helps VRLL to better utilize its fleet than competition as the vehicles owned by the company can be used for longer period of time vis-à-vis outside vehicles.
- Nearly 36% of GT vehicles are fully depreciated, ensuring vehicle fleet availability with no additional depreciation costs.
- About 95% of the GT fleet is debt free with no associated finance costs.

### Diversified customer base

- VRLL also has a well-diversified customer base of over 0.8m across various industrial sectors.
- In FY23, the company's largest customer and the top 10 customers together contributed only 1% and 3% of total revenues of the GT business, respectively. It means that the company does not depend on any specific customers or product categories.
- Similarly, there are no geographical or product-related dependencies for the business, which better insulates the company vis-à-vis competition.

### Genuine spare parts procurement at competitive rates

- The company is able to directly procure spare parts from smaller manufacturers or OEMs
- It is able to get deals on tyre and battery procurement, which reduces costs. It uses its proprietary ERP system to maintain control over costs.

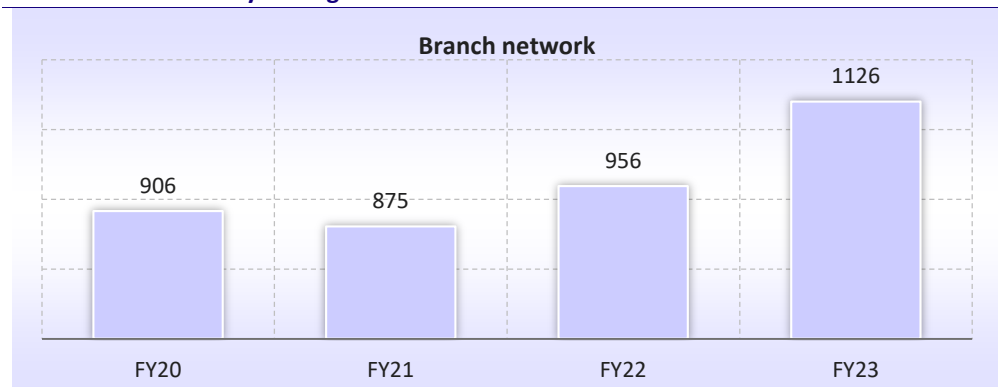
### Large capex plan to boost capacity

- In compliance with the government's vehicle scrappage policy, VRLL is expected to withdraw ~1,220 vehicles in FY24, which have been in operation for more than 15 years. Subsequently, the company has ordered 1,667 trucks from Ashok Leyland (1,560 trucks) and Tata Motors (107 trucks) for INR6.97b, which will result in an addition of 30,092 MT to its capacity.
- The proposed capex is expected to help the company meet its business demand in due course and reduce some dependence on hired vehicles.
- This would also help increase efficiency as new vehicles are technologically more advanced and fuel efficient.
- The planned capex (including registration, insurance cost, etc.) will be funded by debt and internal accruals.

### Focus on branch network addition

- VRLL is continuously adding new branches, especially in the unexplored regions, to cater to higher volumes and gain market share.
- In FY23, VRLL added 184 branches, taking the total number of branches to 1,126.

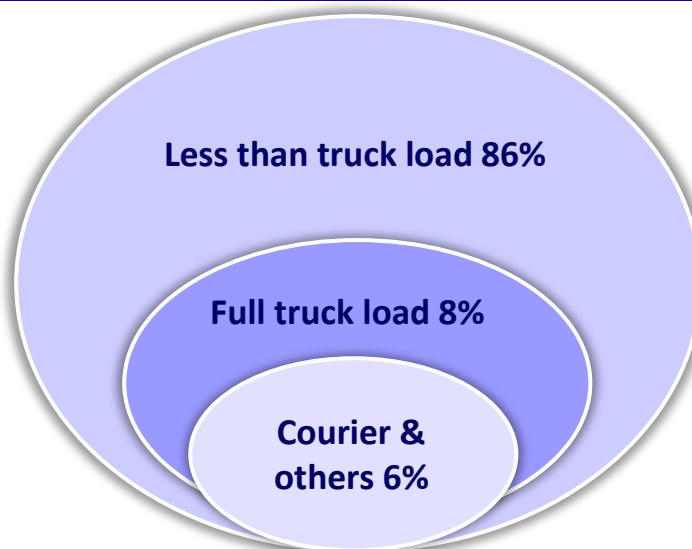
**Exhibit 9: Continuously adding new branches**



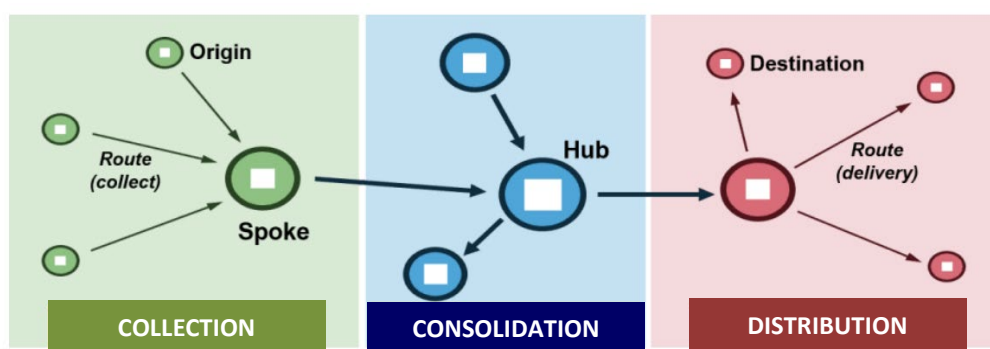
Source: Company, MOFSL

### Focus on B2B GT segment

- VRLL focuses on the high-margin LTL business. With an extensive reach and well-established infrastructure, the company can effectively consolidate and transport LTL consignments to their intended destinations.
- It has a Hub-and-Spoke model of distribution pan-India, which offers significant flexibility in transporting parcels of various sizes. This model caters to both regional and national customers, positioning the company as a comprehensive service provider for multiple destinations.

**Exhibit 10: GT revenue breakup**

Source: Company, MOFSL

**Exhibit 11: Hub & Spoke operational model**

Source: Company, MOFSL

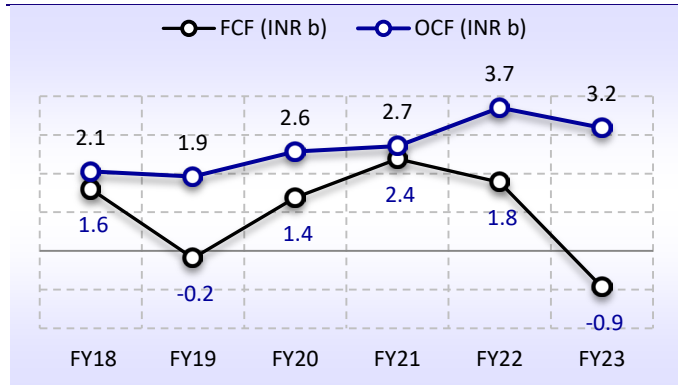
### Rewarding shareholders through buyback and dividend

- VRLL executed a share buyback transaction in 4QFY23.
- As part of this buyback, which was completed in Apr'23, the company repurchased 0.875m equity shares from shareholders at INR700 per share.
- Additionally, the board has approved a final dividend of INR5 per share.

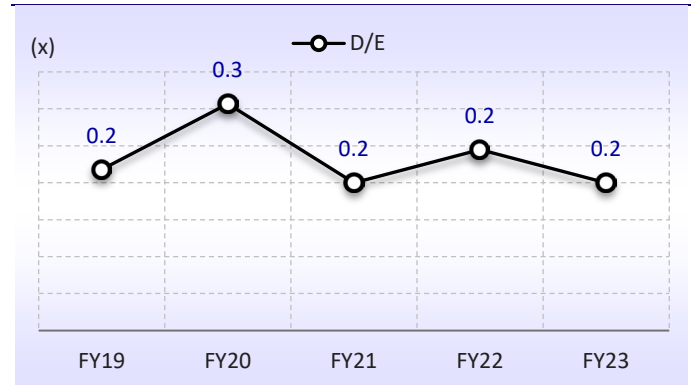
### Comfortable Balance sheet position

- VRLL has a comfortable financial profile, marked by healthy profitability indicators, strong cash accruals, and comfortable capital structure as indicated by the net debt-to-equity ratio of 0.2x as of Mar'23.
- Net debt increased to INR1.68b in Mar'23 from INR500m in Dec'22, primarily due to capex and buybacks worth INR600m.

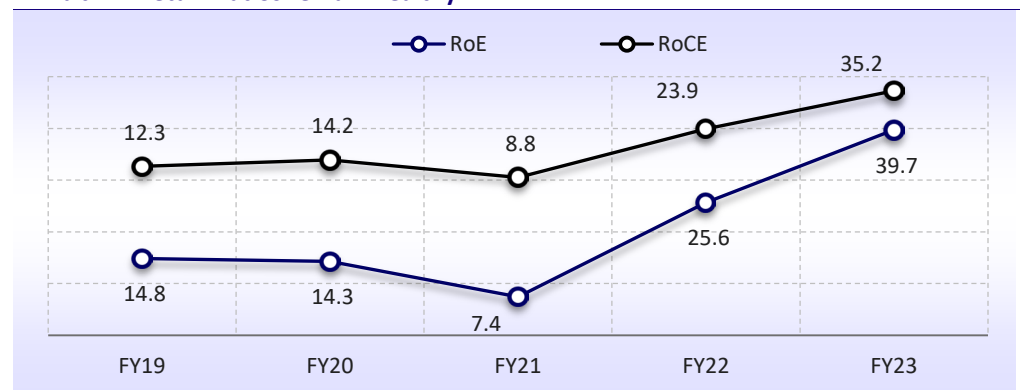


**Exhibit 12: Free cash generation impacted due to capex**

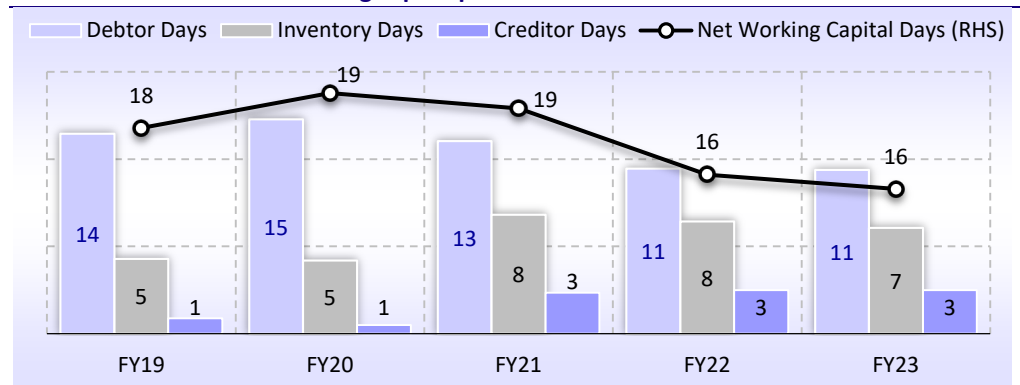
Source: Company, MOFSL

**Exhibit 13: D/E in the comfortable zone**

Source: Company, MOFSL

**Exhibit 14: Return ratios remain healthy**

Source: Company, MOFSL

**Exhibit 15: Comfortable working capital position**

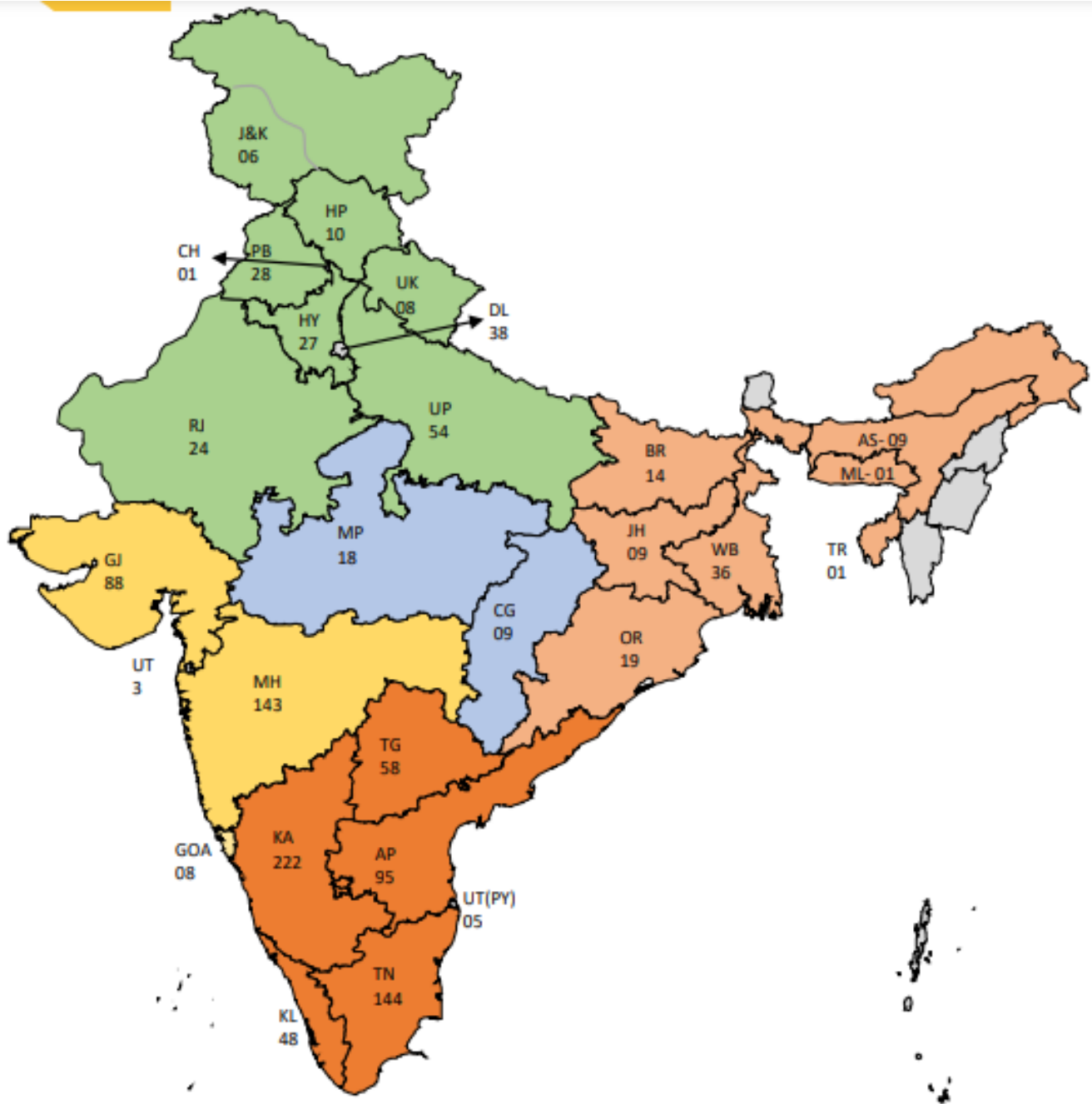
Source: Company, MOFSL



### Network presence

- VRL is a well-established brand in the country in terms of surface transportation and it is the industry leader in the parcel transportation space.
- The company holds a prominent position as a market leader in the LTL segment, boasting an extensive presence across 25 states and 4 Union Territories.
- With a robust network of 1,126 branches, 147 agencies, and 49 strategically located transshipment hubs, VRL gains a competitive advantage over its peers.

Exhibit 16: Well diversified presence

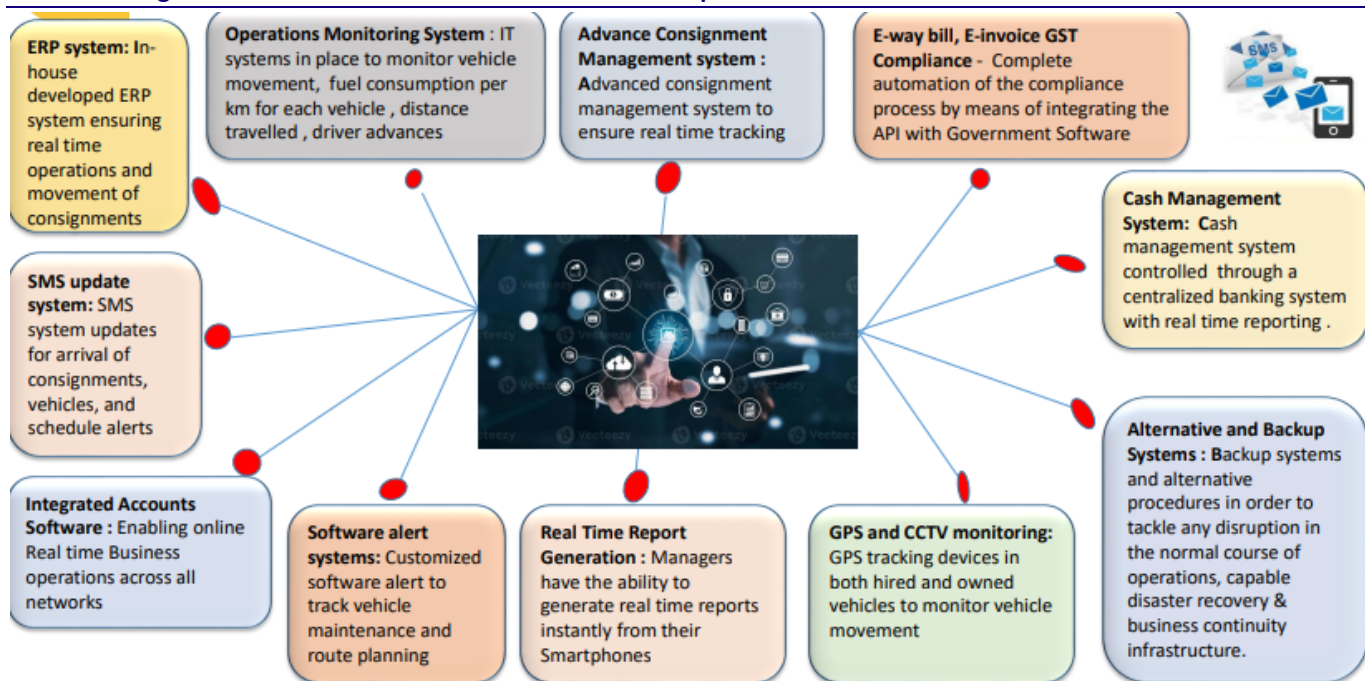


Source: Company, MOFSL

## Technology

- The company has a dedicated in-house IT setup, which gives a lot of control, cost savings and business flexibility over the years.
- The entire IT infrastructure of the company is operated internally. The in-house developed ERP enables VRL to seamlessly operate on real-time basis across all its business verticals and integrate with agencies and select customers.

**Exhibit 17: Digitalization initiatives to enhance its customer experience**

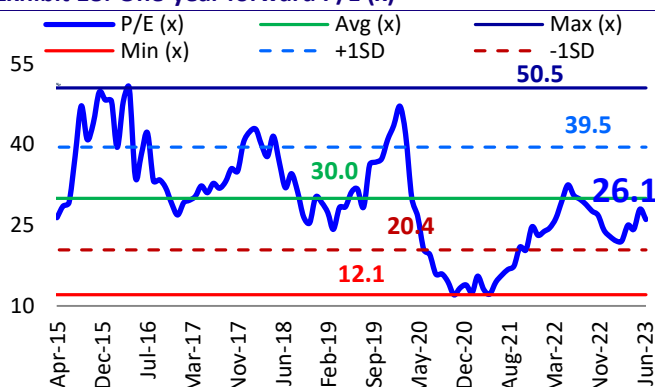


Source: Company, MOFSL

## Valuation and view

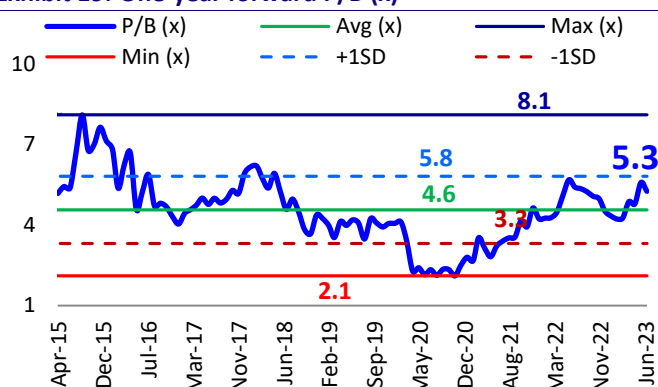
- VRL's transition into a pure-play GT player, the incorporation of new branches, the fleet expansion, an expanding customer base, and market share gains from unorganized competitors place the company in a favorable position for robust and consistent tonnage growth.
- We estimate a 17% volume CAGR for VRL over FY24-25E, with EBITDA margin of 16-17%.
- We expect VRL to clock revenue/ EBITDA/PAT CAGRs of 19%/25%/36% over FY23-25. We reiterate our BUY rating with a TP of INR850 (based on 24x FY25E EPS).

**Exhibit 18: One-year forward P/E (x)**



Source: Company, MOFSL

**Exhibit 19: One-year forward P/B (x)**



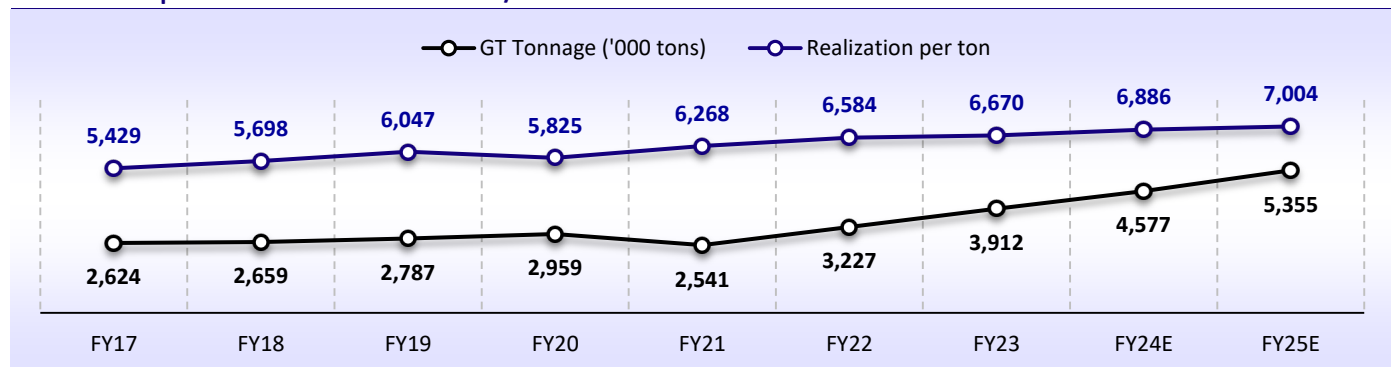
Source: Company, MOFSL

## Risk and concerns

- The transportation and logistics sector is currently facing various structural challenges, including:
  - Fluctuating fuel prices
  - Shortage of skilled drivers and labor
  - Rising toll charges as more roads come under tolls and existing rates increase frequently
  - Fragmentation within the industry leading to multiple intermediaries, increased costs and operational inefficiencies
  - Limited end-to-end visibility of the supply chain and difficulties in tracking and tracing cargo posing challenges for both service providers and customers
- **Dominance of unorganized sectors:** The logistics market in India is primarily dominated by two unorganized sectors—road transport and warehousing. Road transport, in particular, is highly fragmented, with more than half of all goods vehicles on the road being owned by truck owners with fewer than five trucks.
- **Skewed modal mix:** India heavily relies on road transport, accounting for 60-65% of total transportation, whereas developed countries typically have a lower percentage (25-30%) of transport via road. This imbalance results in higher costs. The utilization of inland waterways and coastal shipping is limited, and there is minimal containerization of cargo in rail.
- **High indirect costs:** The logistics process in India incurs significant indirect costs, including inventory carrying costs, theft, and damages. These costs often arise due to inadequate planning, forecasting, and improper stock management.
- The company's operations could also be affected by new policies by different state governments of the country.

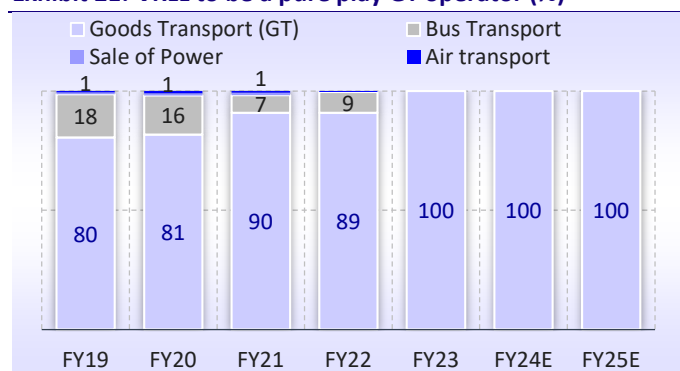
## Financial story in charts

Exhibit 20: Expect 17% volume CAGR in FY24/25



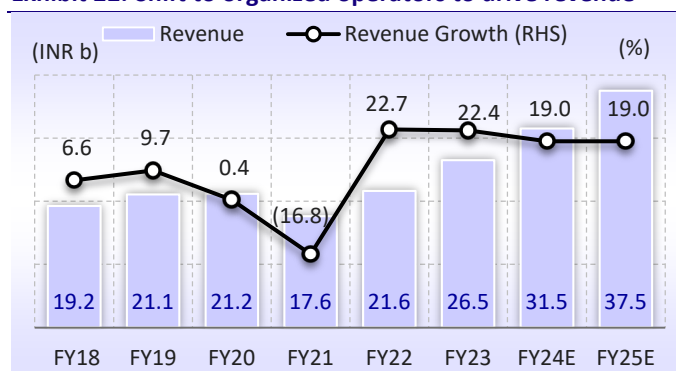
Source: Company, MOFSL

Exhibit 21: VRLL to be a pure play GT operator (%)



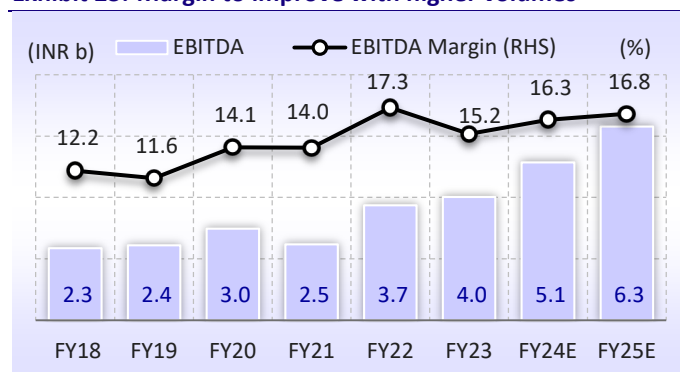
Source: Company, MOFSL

Exhibit 22: Shift to organized operators to drive revenue



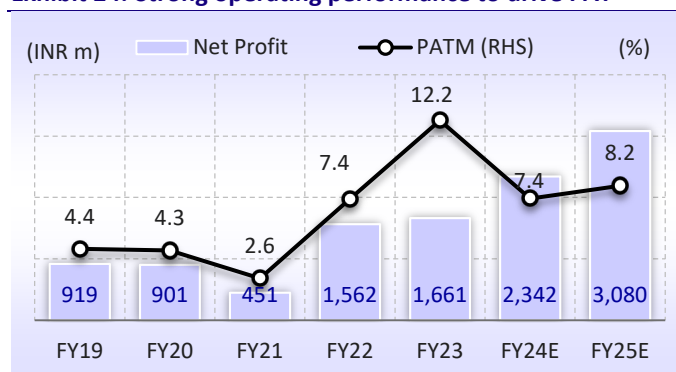
Source: Company, MOFSL

Exhibit 23: Margin to improve with higher volumes



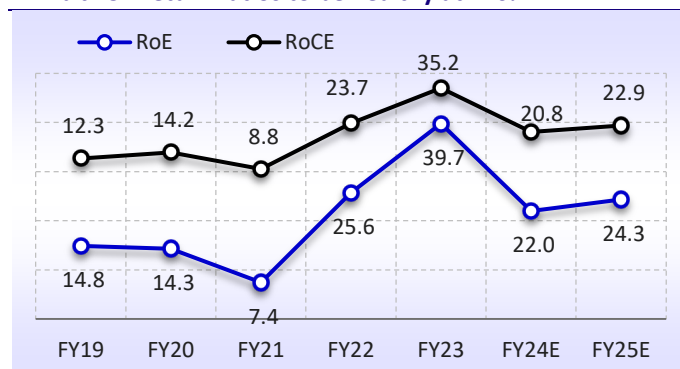
Source: Company, MOFSL

Exhibit 24: Strong operating performance to drive PAT



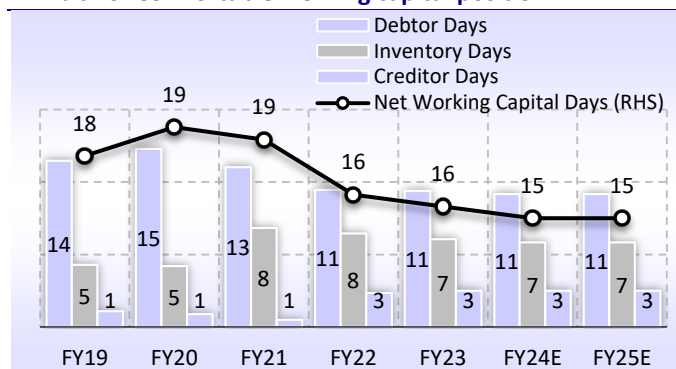
Source: Company, MOFSL

Exhibit 25: Return ratios to be healthy at >20%



Source: Company, MOFSL

Exhibit 26: Comfortable working capital position



Source: Company, MOFSL

## Financials and valuations

### Income Statement

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Net Sales</b>	<b>21,095</b>	<b>21,185</b>	<b>17,629</b>	<b>21,636</b>	<b>26,485</b>	<b>31,517</b>	<b>37,506</b>
Change (%)	9.7	0.4	-16.8	22.7	22.4	19.0	19.0
Gross Margin (%)	30.1	33.4	33.0	34.5	32.1	32.0	32.0
<b>EBITDA</b>	<b>2,440</b>	<b>2,983</b>	<b>2,475</b>	<b>3,745</b>	<b>4,017</b>	<b>5,144</b>	<b>6,304</b>
Margin (%)	11.6	14.1	14.0	17.3	15.2	16.3	16.8
Depreciation	1,006	1,675	1,598	1,445	1,591	1,652	1,914
<b>EBIT</b>	<b>1,434</b>	<b>1,307</b>	<b>877</b>	<b>2,300</b>	<b>2,425</b>	<b>3,492</b>	<b>4,389</b>
Int. and Finance Charges	109	367	368	422	543	547	495
Other Income	79	103	129	168	143	186	224
<b>PBT</b>	<b>1,405</b>	<b>1,043</b>	<b>637</b>	<b>2,047</b>	<b>2,025</b>	<b>3,131</b>	<b>4,118</b>
Tax	486	142	187	485	364	789	1,038
Effective Tax Rate (%)	34.6	13.6	29.3	23.7	18.0	25.2	25.2
Extraordinary Items	486	142	187	-40	-1,571	0	0
<b>Reported PAT</b>	<b>919</b>	<b>901</b>	<b>451</b>	<b>1,601</b>	<b>3,232</b>	<b>2,342</b>	<b>3,080</b>
<b>Adj. PAT</b>	<b>919</b>	<b>901</b>	<b>451</b>	<b>1,562</b>	<b>1,661</b>	<b>2,342</b>	<b>3,080</b>
Change (%)	-0.7	-2.0	-50.0	246.6	6.4	41.0	31.5
Margin (%)	4.4	4.3	2.6	7.2	6.3	7.4	8.2

### Balance Sheet

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	903	903	883	883	883	883	883
Total Reserves	5,556	5,265	5,088	5,633	8,875	10,692	12,898
<b>Net Worth</b>	<b>6,459</b>	<b>6,169</b>	<b>5,971</b>	<b>6,516</b>	<b>9,758</b>	<b>11,576</b>	<b>13,781</b>
Deferred Tax Liabilities	738	440	440	386	461	461	461
Total Loans	1,407	1,893	1,196	1,593	2,071	2,071	1,721
<b>Capital Employed</b>	<b>8,604</b>	<b>8,502</b>	<b>7,607</b>	<b>8,496</b>	<b>12,291</b>	<b>14,108</b>	<b>15,964</b>
Gross Block	10,835	15,105	15,850	18,422	21,600	25,600	29,100
Less: Accum. Deprn.	3,785	5,202	6,307	7,442	6,778	8,430	10,344
<b>Net Fixed Assets</b>	<b>7,051</b>	<b>9,903</b>	<b>9,544</b>	<b>10,980</b>	<b>14,822</b>	<b>17,170</b>	<b>18,756</b>
Capital WIP	416	44	61	350	384	384	384
<b>Total Investments</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Curr. Assets, Loans, and Adv.</b>	<b>2,311</b>	<b>2,304</b>	<b>2,381</b>	<b>2,482</b>	<b>3,711</b>	<b>4,549</b>	<b>6,069</b>
Inventory	298	293	395	459	528	604	719
Account Receivables	795	856	639	673	817	950	1,130
Cash and Bank Balances	131	134	185	140	116	292	1,003
Cash	126	129	183	82	112	287	999
Bank Balance	5	5	1	5	5	5	5
Others	1,086	1,021	1,162	1,211	2,251	2,703	3,216
<b>Current Liab. and Prov.</b>	<b>1,174</b>	<b>3,750</b>	<b>4,379</b>	<b>5,307</b>	<b>6,626</b>	<b>7,994</b>	<b>9,245</b>
Account Payables	61	35	136	203	143	259	308
Other Current Liabilities	849	3,368	3,911	4,671	6,051	7,220	8,323
Provisions	264	347	332	433	433	515	613
<b>Net Current Assets</b>	<b>1,136</b>	<b>-1,445</b>	<b>-1,998</b>	<b>-2,825</b>	<b>-2,915</b>	<b>-3,445</b>	<b>-3,176</b>
<b>Application of Funds</b>	<b>8,604</b>	<b>8,502</b>	<b>7,607</b>	<b>8,508</b>	<b>12,291</b>	<b>14,108</b>	<b>15,964</b>

## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)							
EPS	10.2	10.0	5.1	17.7	18.8	26.5	34.9
EPS growth (%)	-0.7	-2.0	-48.9	246.6	6.4	41.0	31.5
Cash EPS	21.3	28.5	23.2	34.0	36.8	45.2	56.5
BV/Share	71.5	68.3	67.6	73.8	110.5	131.0	156.0
DPS	5.5	7.0	4.0	8.0	5.0	6.0	10.0
Payout (Incl. Div. Tax, %)	65.2	84.6	78.4	43.7	13.5	22.4	28.4
Valuation (x)							
P/E	72.3	73.8	144.3	41.6	39.1	27.8	21.1
Cash P/E	34.5	25.8	31.7	21.6	20.0	16.3	13.0
EV/EBITDA	26.9	22.2	26.4	17.6	16.5	12.9	10.3
EV/Sales	3.1	3.1	3.7	3.0	2.5	2.1	1.7
P/BV	10.3	10.8	10.9	10.0	6.7	5.6	4.7
Dividend Yield (%)	0.7	1.0	0.5	1.1	0.7	0.8	1.4
Return Ratios (%)							
RoE	14.8	14.3	7.4	25.6	39.7	22.0	24.3
RoCE	12.3	14.2	8.8	23.9	35.2	20.8	22.9
RoIC	12.2	13.8	7.9	22.8	20.0	20.7	23.4
Working Capital Ratios							
Fixed Asset Turnover (x)	2.1	1.6	1.1	1.3	1.3	1.3	1.4
Asset Turnover (x)	2.5	2.5	2.3	2.5	2.2	2.2	2.3
Inventory (Days)	5	5	8	8	7	7	7
Debtors (Days)	14	15	13	13	11	11	11
Creditors (Days)	1	1	3	3	3	3	3
Leverage Ratio (x)							
Net Debt/Equity	0.2	0.3	0.2	0.2	0.2	0.2	0.1

### Cash Flow Statement

Y/E March (INR m)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	1,405	1,043	637	2,099	4,234	3,131	4,118
Depreciation	1,006	1,675	1,598	1,680	1,724	1,652	1,914
Direct Taxes Paid	-523	-431	-148	-581	-856	-789	-1,038
(Inc.)/Dec. in WC	-64	-94	294	-157	581	7	82
Other Items	98	380	330	667	-2,499	361	272
<b>CF from Operations</b>	<b>1,922</b>	<b>2,573</b>	<b>2,711</b>	<b>3,708</b>	<b>3,183</b>	<b>4,362</b>	<b>5,348</b>
(Inc.)/Dec. in FA	-2,109	-1,200	-330	-1,933	-4,124	-4,000	-3,500
<b>Free Cash Flow</b>	<b>-187</b>	<b>1,373</b>	<b>2,381</b>	<b>1,775</b>	<b>-941</b>	<b>362</b>	<b>1,848</b>
Change in Investments	3	14	15	4	4	0	0
Others	15	0	1	128	2,675	-13	10
<b>CF from Investments</b>	<b>-2,091</b>	<b>-1,185</b>	<b>-313</b>	<b>-1,801</b>	<b>-1,445</b>	<b>-4,013</b>	<b>-3,490</b>
Inc./Dec. in net worth	0	0	-632	0	-629	0	0
Inc./Dec. in Debt	596	485	-697	-1,661	-1,019	0	-350
Dividends Paid	-381	-980	0	-1,060	0	-525	-875
Others	-104	-889	-1,014	714	-61	352	78
<b>CF from Fin. Activity</b>	<b>110</b>	<b>-1,384</b>	<b>-2,344</b>	<b>-2,008</b>	<b>-1,709</b>	<b>-173</b>	<b>-1,147</b>
<b>Inc./Dec. in Cash</b>	<b>-59</b>	<b>3</b>	<b>54</b>	<b>-101</b>	<b>30</b>	<b>176</b>	<b>712</b>
Opening Balance	185	126	129	183	82	112	287
<b>Closing Balance</b>	<b>126</b>	<b>129</b>	<b>183</b>	<b>82</b>	<b>112</b>	<b>287</b>	<b>999</b>

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