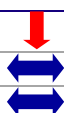


# Balkrishna Industries

Estimate change

TP change

Rating change



Bloomberg	BIL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USD\$)	458.3 / 5.5
52-Week Range (INR)	2569 / 1801
1, 6, 12 Rel. Per (%)	-2/-6/-3
12M Avg Val (INR M)	751

## Financials & valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Sales	100.2	93.1	106.7
EBITDA	19.7	23.0	28.0
Adj. PAT	10.1	13.9	17.8
EPS (Rs)	52.1	72.1	92.1
EPS Growth (%)	-29.3	38.2	27.7
BV/Share (INR)	390.9	433.0	490.1

## Ratios

RoE (%)	13.9	17.5	19.9
RoCE (%)	10.9	12.4	14.5
Payout (%)	30.7	41.6	38.0

## Valuations

P/E (x)	45.5	32.9	25.8
P/BV (x)	6.1	5.5	4.8
Div. yield (%)	0.7	1.3	1.5
FCF yield (%)	-0.7	3.0	2.8

\*Consol

## Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	58.3	58.3	58.3
DII	21.0	20.3	11.2
FII	12.4	12.4	14.3
Others	8.3	9.0	16.2

FII Includes depository receipts

**CMP: INR2,371**

**TP: INR2,250 (-5%)**

**Neutral**

## Weak demand, price cuts dent 1Q performance

### Stable RM; operating leverage should drive margin expansion

- Balkrishna Industries (BIL) reported disappointing operating performance in 1QFY24, primarily attributed to reduced volumes and price cuts. As a result, both revenue/EBITDA declined 19%/22% YoY, missing our estimates by 15%/18%. While near-term demand outlook remains weak, we believe recovery should be visible from 2H onwards, consequently driving EBITDA margin expansion to over 26% by 4Q.
- We cut our FY24/25E EPS by 12%/5% to account for weak demand in US/EU and further decline in realizations. We reiterate our **Neutral** rating with a TP of INR2,250 (premised on ~22x Sep'25E EPS).

### Margins improved to 23% (up 290bp YoY) despite volume decline

- BIL's 1QFY24 revenue/EBITDA/PAT declined 22%/11%/2% YoY to INR21.2b/INR4.9b/INR3.1b.
- Volumes declined 19% YoY to 67.2k tons (vs. est. 78.2k units). This was due to weak demand in EU and the US, coupled with 4-5k MT lower production, led by suspension of Bhuj plants operation for ~5 days and disruptions in Mundra port.
- Realizations declined 4% YoY at INR314.7k/ton (vs. est. INR320k), led by pass-through of commodity benefits and price cut due to increasing competition. As a result, revenue declined 22% YoY to INR21.2b (vs. est. INR25b).
- Gross margins contracted 170bp YoY (up 240bp QoQ) to 51.7% (vs. est. 50%).
- EBITDA margins improved 290bp YoY/170bp QoQ to 23% (vs. est. 23.7%). This was partially led by lower freight expenses, which declined 9.7pp YoY (down 110bp QoQ); as a percentage of sales. EBITDA declined ~11% YoY to INR4.9b (vs. est. INR5.9b).
- Despite FX gain and higher 'other income', Adj. PAT declined 2% YoY to INR3.1b (vs. est. INR3.6b).
- The board has declared first interim dividend for FY24 of INR4/share.

### Highlights from the management commentary

- Outlook: Demand challenges to continue in 2Q** - Recessionary pressure and heatwaves would negatively impact the overall volumes in both the US and EU. The company has indicated softening of demand in both- Agri and OTR. Channel inventory is now close to the normal level. Demand in the Indian market is better off.
- Maintain EBITDA margin guidance of 26-28% (vs. ~23% in 1QFY24):** The major driver of the margin expansion is expected to be the growth in volumes and an improved product mix. It is anticipated that RM costs will remain stable, and no significant benefits are expected to arise in the near term. Furthermore, the company has already exhausted its high cost inventory from the previous quarter.

**Jinesh Gandhi - Research analyst** (Jinesh@MotilalOswal.com)

**Research analyst: Amber Shukla** (Amber.Shukla@MotilalOswal.com) | **Aniket Desai** (Aniket.Desai@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.

- **ASPs are expected to drop down to INR300k-305k/MT** by the end of this year assuming the lowest case, largely led by pass through of material prices.
- Capex guidance of INR5.5-6b for FY24. Out of this, routine maintenance capex will be INR2.5-3b. The balance will be spent on new product development along with higher investments in brand building and marketing efforts.

#### Valuation and view

- While near-term demand continues to remain weak, we believe recovery should be visible from 2H onwards, consequently driving EBITDA margin expansion to over 26% by 4Q. We expect BIL's outperformance to the Specialty Tyre industry to continue, driven by expansion of its product portfolio and ramp-up in the OTR segment, with the scope to strengthen its competitive positioning.
- Current valuations fairly reflect its industry-leading margin, FCF, and capital efficiencies. It currently trades at a P/E multiple of 32.9x/25.8x FY24E/FY25E EPS. We reiterate our **Neutral** stance on the stock.

#### Quarterly Earnings Model (Standalone)

(INR Million)

Y/E March	FY23				FY24E				FY23	FY24E	FY24E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
Volumes (Ton)	83,153	78,872	66,480	72,676	67,209	70,196	74,458	85,942	3,01,181	2,97,805	78,164
YoY Change (%)	21.2	8.4	-5.5	-5.8	-19.2	-11	12	18.3	4.3	-1.1	-6
Realizations (INR '000/ton)	327.9	355.8	333.2	319.9	314.7	313.9	313.9	314.5	334.4	314.2	319.9
YoY Change (%)	23	24.5	12.7	1.4	-4	-11.8	-5.8	-1.7	14.7	-6	-2.4
Net Revenues	27,263	28,063	22,153	23,246	21,150	22,035	23,373	27,026	1,00,725	93,584	25,002
YoY Change (%)	49.1	34.9	6.6	-4.4	-22.4	-21.5	5.5	16.3	19.6	-7.1	-8.3
EBITDA	5,470	5,640	4,233	4,942	4,863	5,178	5,843	7,188	20,284	23,072	5,925
Margins (%)	20.1	20.1	19.1	21.3	23	23.5	25	26.6	20.1	24.7	23.7
Depreciation	1,262	1,341	1,449	1,515	1,537	1,550	1,575	1,618	5,566	6,280	1,525
Interest	27	43	136	250	208	200	175	163	456	746	100
Forex loss/(gain)	-260	-490	1,660	-30	-330	-125	-125	-125	880	-705	-125
Other Income	-150	580	430	280	660	425	425	437	1,140	1,947	300
PBT before EI	4,290	5,327	1,417	3,487	4,108	3,978	4,643	5,969	14,521	18,699	4,725
Extra-Ord expense	0	0	0	23	0	0	0	0	23	0	0
PBT	4,290	5,327	1,417	3,465	4,108	3,978	4,643	5,969	14,499	18,699	4,725
Rate (%)	25.4	24.1	29.8	26.1	23.9	25	25	23.9	25.7	24.4	24.9
Reported PAT	3,199	4,043	995	2,559	3,125	2,984	3,482	4,540	10,774	14,131	3,550
Adj PAT	3,199	4,043	995	2,576	3,125	2,984	3,482	4,540	10,791	14,131	3,550
YoY Change (%)	-10.5	1.2	-69.7	-30.5	-2.3	-26.2	249.9	76.3	-25.9	31	11
Margins (%)	11.7	14.4	4.5	11.1	14.8	13.5	14.9	16.8	10.7	15.1	14.2

E: MOFSL Estimates

## Key Performance Indicators

Y/E March	FY23				FY24E				FY23	FY24E	FY24E
	1Q	2Q	3Q	4QE	1Q	2Q	3Q	4QE			1Q
Volumes (Ton)	83,153	78,872	66,480	72,676	67,209	70,196	74,458	85,942	3,01,181	2,97,805	78,164
YoY Change (%)	21.2	8.4	-5.5	-5.8	-19.2	-11	12	18.3	4.3	-1.1	-6
Realizations (INR '000/ton)	327.9	355.8	333.2	319.9	314.7	313.9	313.9	314.5	334.4	314.2	319.9
YoY Change (%)	23	24.5	12.7	1.4	-4	-11.8	-5.8	-1.7	14.7	-6	-2.4
Gross Margins (%)	53.4	51.2	48.6	49.3	51.7	52	52	52	50.8	51.9	50
EBITDA Margins (%)	20.1	20.1	19.1	21.3	23	23.5	25	26.6	20.1	24.7	23.7
Gross Profit (INR '000/ton)	175.2	182.2	162.1	157.6	162.6	163.2	163.2	163.6	169.9	163.2	159.9
EBITDA (INR '000/ton)	65.8	71.5	63.7	68	72.4	73.8	78.5	83.6	67.3	77.5	75.8

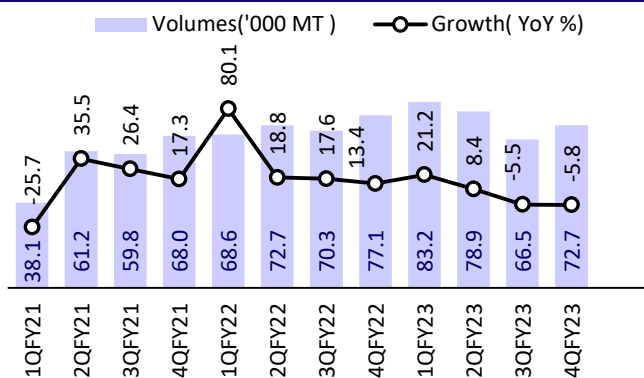


## Highlights from the management commentary

- **Volumes in 1QFY24 were negatively impacted by 4-5k MT** due to two main factors: i) a suspension of operations at the Bhuj plant for ~5 days, and ii) disruptions at the Mudra port, which affected dispatches for all the plants until the end of June. Looking ahead, the company anticipates a relatively weak 2Q as it is a seasonally slow quarter with tepid demand. However, the management does not expect any major impact of spill-off from these disruptions.
- **Aims to increase market share to ~10%** (vs. 5-6% now), in 3-4 years post commercialization of the next round of capex, which is yet to be announced.
- **Outlook: Challenges to continue in 2Q-** Recessionary pressure and heatwaves would negatively impact the overall volumes in both the US and EUR. The company has indicated softening of demand in both the segments- Agri and OTR.
  - Demand in Indian market is better off and the company has won new orders in the Indian market.
  - Channel inventory has come off and it is now close to the normal level.
- **Maintain EBITDA margin guidance of 26-28% (vs. ~23% in 1QFY24)**
  - Major driver of the margin expansion would be growth in volumes and product mix.
  - RM cost should remain stable with no significant benefits expected in the near term. The company has already exhausted its high cost inventory from the previous quarter.
  - The company has a higher share of contractual labor. Hence, employee cost was low due to lower volumes.
- **ASPs are expected to drop down to INR300k-305k/MT by the end of this year** assuming the lowest case, largely led by pass-through of material prices. Realizations were down in 1QFY24 as the company had to pass-through the benefits of softening RM costs and also due to the increasing competition across geographies.
- **Capex guidance of INR5.5-6b for FY24.** Out of this, routine maintenance capex will be INR2.5-3b.
  - The balance will be spent toward new product development such as rubber tracks, giant solid tires to widen product basket in end markets along with higher investments in brand building and marketing efforts.
  - Capitalized portion of interest cost, which is related to capex, and is to the tune of 8-10%. Last year it stood at 30%.
- **Gross debt stands at INR28.50b.** The long-term debt will be repaid as per the current schedules.
- EUR-INR hedge rate for FY24 is 87-88.
- Utilization level is 85-90% of the current carbon black.

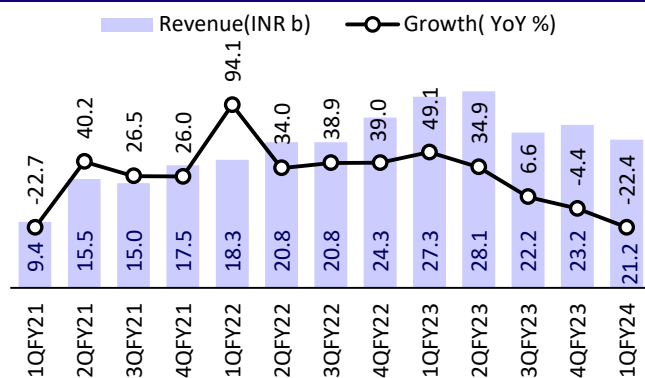
## Key exhibits

Exhibit 1: Volume trend



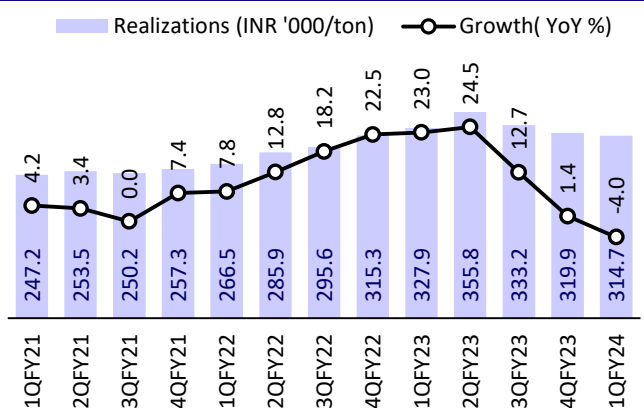
Source: MOFSL, Company

Exhibit 2: Trend in revenue



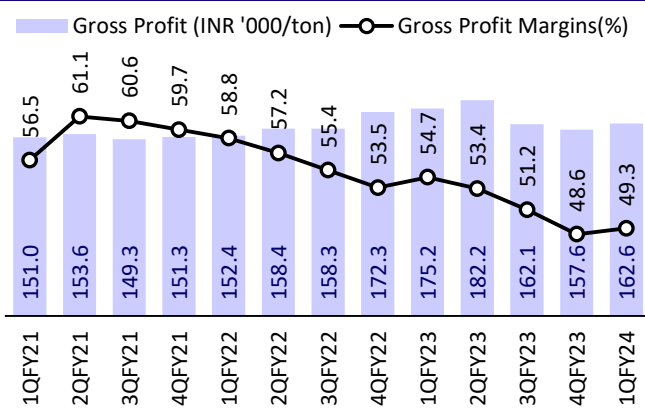
Source: MOFSL, Company

Exhibit 3: Net realization trend



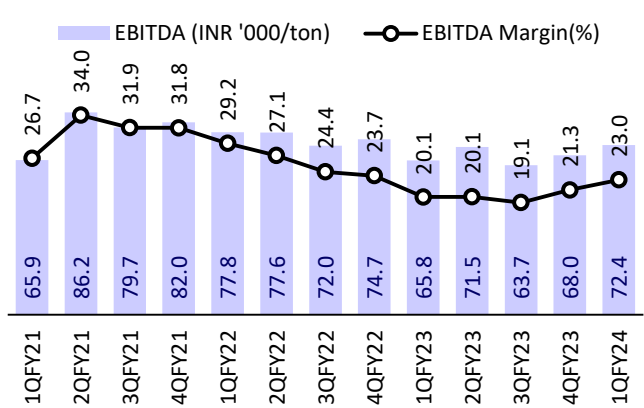
Source: MOFSL, Company

Exhibit 4: Gross profit margin trend



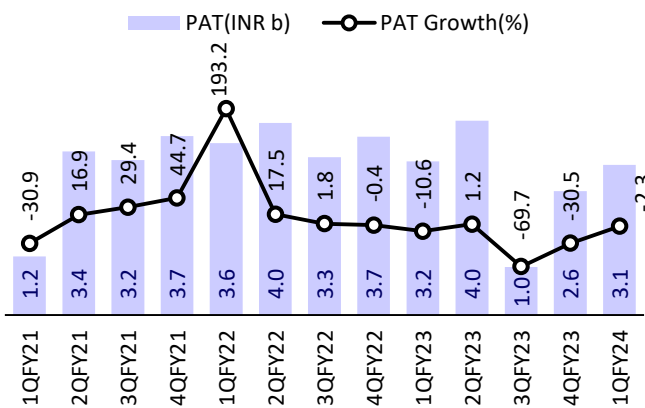
Source: MOFSL, Company

Exhibit 5: EBITDA margin trend



Source: MOFSL, Company

Exhibit 6: PAT and PAT growth trends



Source: MOFSL, Company

Exhibit 7: Geography-wise contribution

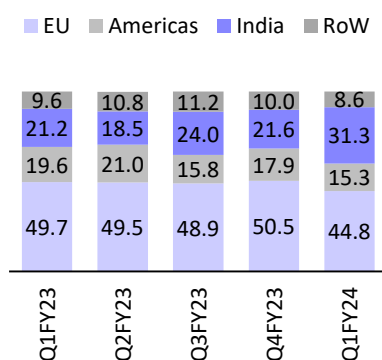


Exhibit 8: Channel-wise sales

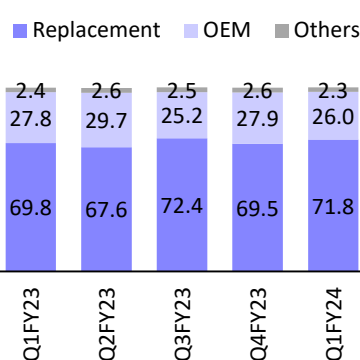
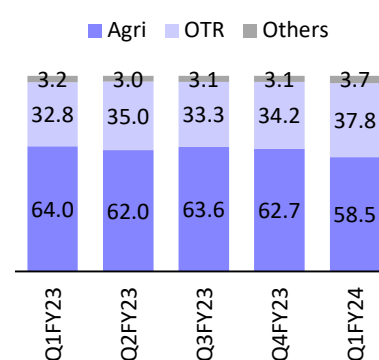


Exhibit 9: Segment-wise sales



Source: Company, MOFSL

## Valuation and view

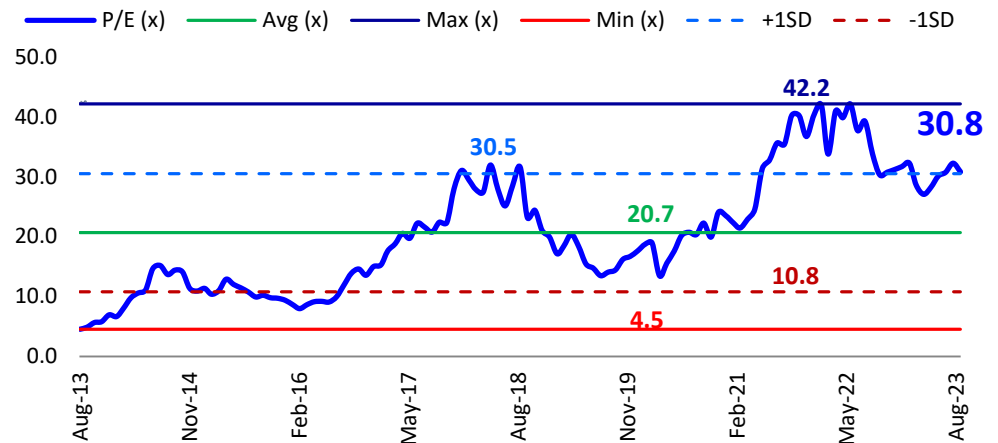
### Huge opportunity size, strong competitive positioning

- Profitable market share gains to continue:** We expect BIL's continued outperformance, and believe there is significant potential to strengthen its competitive positioning further. BIL possesses a well-established competitive advantage that has consistently led to market share gains. This competitive edge is attributed to three key factors: a) a strong focus on competitive cost and pricing, b) a consistent expansion of its product portfolio, and c) an ever-expanding market reach. With a current market share of 5-6% in the USD15b global Specialty Tyre segment, BIL aspires to increase this to 10% over the next four-to-five years by: a) ramping up the OTR segment, which is much larger than Agri Tyres, b) strengthening its presence in North America and RoW markets, and c) gaining share with OEMs. We estimate ~6%/(-3%) volume/revenue CAGR over FY23-25E.
- Investing to improve its competitiveness:** The management has invested over ~INR30b in the last three years toward capacity expansion in tyres as well as carbon black and modernization & automation. At the company level, achievable capacity stands at 360k MTPA. As a percentage of sales, capex intensity would start moderating in FY24-25 to ~7% of sales (vs. last five years average of 16%), driving improvement in FCF generation.
- Earnings growth to pick up:** We estimate consol revenue/EBITDA/PAT for BIL to grow at 3%/19%/33% over FY23-25E. We expect an improvement in EBITDA margin over FY23-25E to ~26.3% (vs. 19.6% in FY23), led by stable RM costs and benefits of operating leverage. Despite a capex estimate of INR13.5b, we expect FCF generation to start in FY24E at INR13.9b.
- Valuations factor in a focused business model:** We cut our FY24E/25E EPS by 12%/5% to account for weak demand in US/EU and further decline in realizations. BIL ranks the highest among domestic peers in terms of cost competitiveness and financial strength. In terms of valuation, it trades at a substantial premium to its mainstream peers. Premium valuations fairly reflect its industry-leading margin, FCF, and capital efficiencies. It currently trades at 32.9x/25.8x of FY24E/FY25E EPS. We value BIL at 22x Sep'25E EPS (vs. 10 years LPA of ~20x) to arrive at our TP of INR2,250. We reiterate our **Neutral** rating on the stock.

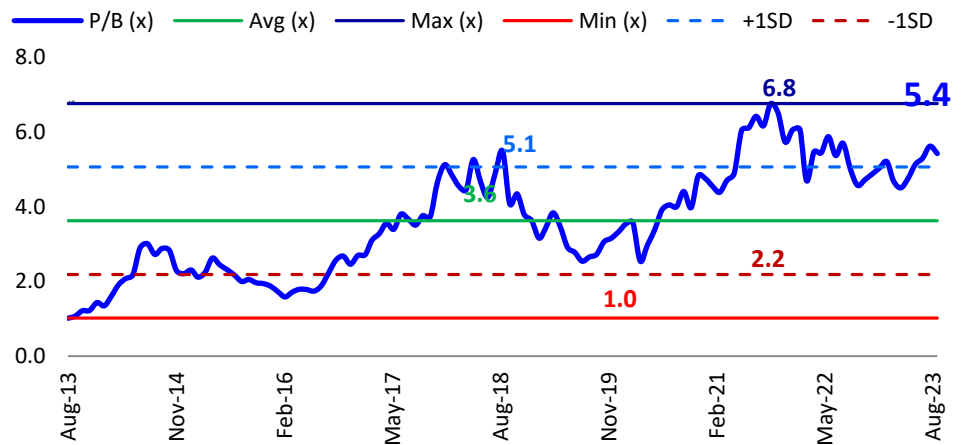
**Exhibit 10: Revisions to our estimates**

(INR M)	FY24E			FY25E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	93,074	1,02,885	-9.5	1,06,731	1,13,980	-6.4
EBITDA	22,990	25,917	-11.3	28,040	30,011	-6.6
EBITDA (%)	24.7	25.2	-50bp	26.3	26.3	-10bp
Adj. PAT	13,931	15,780	-11.7	17,795	18,775	-5.2
EPS (INR)	72.1	81.6	-11.7	92.1	97.1	-5.2

Source: MOFSL, Company

**Exhibit 11: One-year forward P/E**

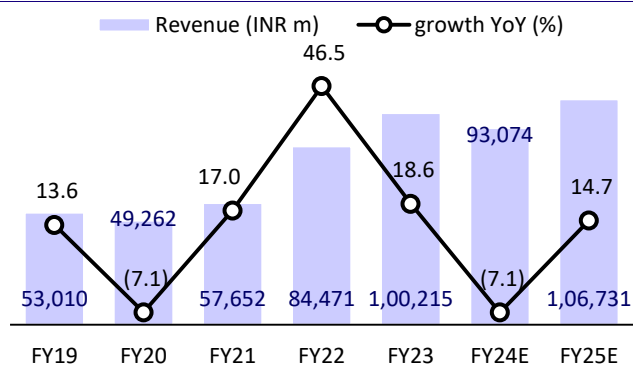
Source: MOFSL, Company

**Exhibit 12: One-year forward P/B band**

Source: MOFSL, Company

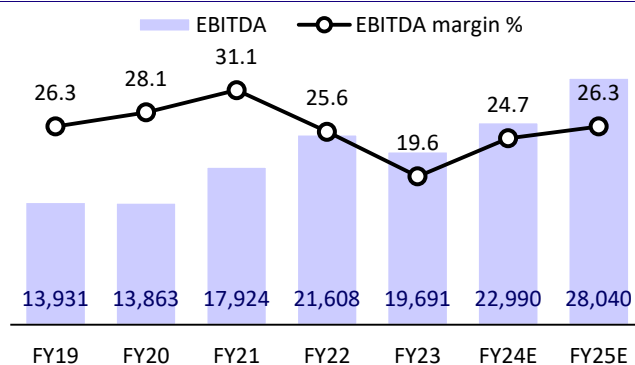
## Story in charts

**Exhibit 13: Revenue to register a CAGR of ~15% over FY22-25E**



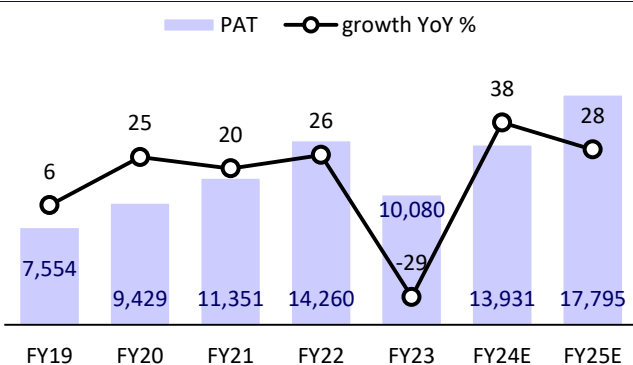
Source: Company, MOFSL

**Exhibit 14: EBITDA margin to marginally decline over FY22-25E from the highs of FY21**



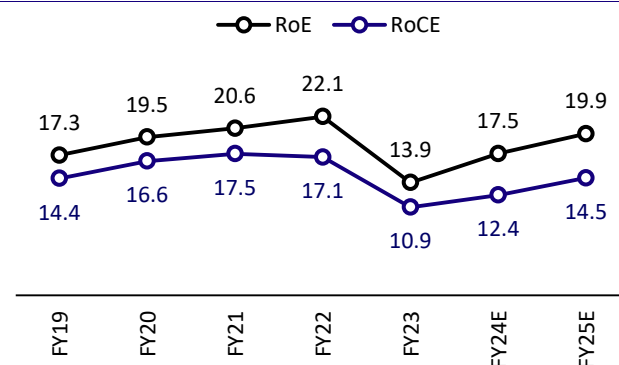
Source: Company, MOFSL

**Exhibit 15: PAT to register a CAGR of ~11% over FY22-24E**



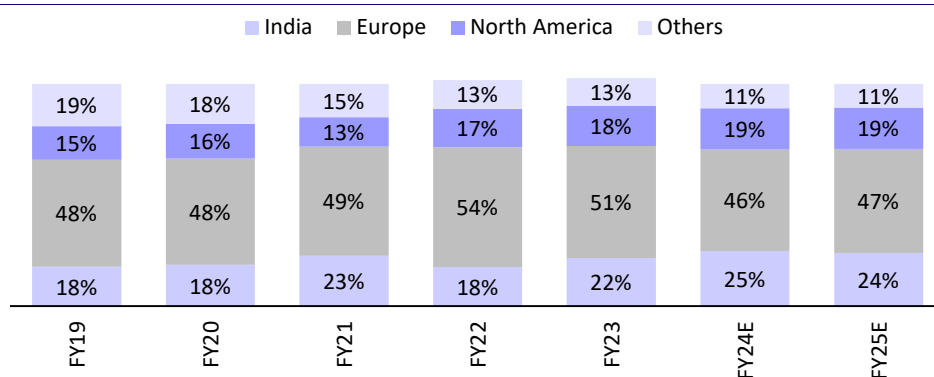
Source: Company, MOFSL

**Exhibit 16: RoE to remain subdued**



Source: Company, MOFSL

**Exhibit 17: Market mix can potentially improve toward the US and Europe**



Source: Company, MOFSL



## Financials and valuations

Consolidated - Income Statement						(INR Million)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Adj. Net Revenues</b>	<b>53,010</b>	<b>49,262</b>	<b>57,652</b>	<b>84,471</b>	<b>1,00,215</b>	<b>93,074</b>	<b>1,06,731</b>
Change (%)	13.6	-7.1	17.0	46.5	18.6	-7.1	14.7
Raw Materials	24,441	21,388	23,110	37,778	49,153	44,583	50,697
Employees Cost	2,992	3,286	3,709	4,301	4,594	4,962	5,260
Other Expenses	11,646	10,726	12,909	20,785	26,777	20,540	22,734
<b>Total Expenditure</b>	<b>39,079</b>	<b>35,400</b>	<b>39,728</b>	<b>62,864</b>	<b>80,524</b>	<b>70,085</b>	<b>78,691</b>
% of Sales	73.7	71.9	68.9	74.4	80.4	75.3	73.7
<b>EBITDA</b>	<b>13,931</b>	<b>13,863</b>	<b>17,924</b>	<b>21,608</b>	<b>19,691</b>	<b>22,990</b>	<b>28,040</b>
EBITDA Margin (%)	26.3	28.1	31.1	25.6	19.6	24.7	26.3
Depreciation	3,326	3,736	4,163	4,554	5,708	6,422	6,896
<b>EBIT</b>	<b>10,605</b>	<b>10,126</b>	<b>13,761</b>	<b>17,054</b>	<b>13,983</b>	<b>16,568</b>	<b>21,144</b>
EBIT Margin (%)	20.0	20.6	23.9	20.2	14.0	17.8	19.8
Int. and Finance Charges	111	89	114	92	480	770	669
Fx loss/(gain)	-100	0	-180	-390	880	-705	-700
Other Income	990	1,190	1,297	1,920	1,215	2,022	2,395
<b>PBT bef. EO Exp.</b>	<b>11,583</b>	<b>11,228</b>	<b>15,125</b>	<b>19,272</b>	<b>13,838</b>	<b>18,525</b>	<b>23,570</b>
EO Items	0	0	0	-615	-23	0	0
<b>PBT after EO Exp.</b>	<b>11,583</b>	<b>11,228</b>	<b>15,125</b>	<b>18,657</b>	<b>13,815</b>	<b>18,525</b>	<b>23,570</b>
Total Tax	4,029	1,799	3,774	4,852	3,751	4,594	5,775
Eff. Tax Rate (%)	34.8	16.0	25.0	26.0	27.2	24.8	24.5
Minority Interest	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>7,554</b>	<b>9,429</b>	<b>11,351</b>	<b>13,804</b>	<b>10,064</b>	<b>13,931</b>	<b>17,795</b>
<b>Adjusted PAT</b>	<b>7,554</b>	<b>9,429</b>	<b>11,351</b>	<b>14,260</b>	<b>10,080</b>	<b>13,931</b>	<b>17,795</b>
Change (%)	6.2	24.8	20.4	25.6	-29.3	38.2	27.7

Consolidated - Balance Sheet						(INR Million)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	387	387	387	387	387	387	387
Total Reserves	46,150	49,696	59,612	68,944	75,183	83,315	94,344
<b>Net Worth</b>	<b>46,537</b>	<b>50,083</b>	<b>59,998</b>	<b>69,330</b>	<b>75,569</b>	<b>83,701</b>	<b>94,731</b>
Minority Interest	0	0	0	0	0	0	0
Total Loans	8,796	9,316	10,006	25,286	33,465	33,465	33,465
Deferred Tax Liabilities	3,255	1,783	2,035	2,509	2,419	2,419	2,419
<b>Capital Employed</b>	<b>58,588</b>	<b>61,182</b>	<b>72,039</b>	<b>97,125</b>	<b>1,11,453</b>	<b>1,19,585</b>	<b>1,30,615</b>
Gross Block	39,355	48,210	52,954	64,051	83,240	97,656	1,05,156
Less: Accum. Deprn.	12,264	15,992	20,115	24,651	30,108	36,529	43,425
<b>Net Fixed Assets</b>	<b>27,091</b>	<b>32,218</b>	<b>32,839</b>	<b>39,401</b>	<b>53,133</b>	<b>61,127</b>	<b>61,731</b>
Goodwill on Consolidation	0	0	0	0	0	0	0
Capital WIP	6,004	5,866	8,555	12,584	13,916	5,500	5,500
Investment property	772	857	864	793	708	708	708
<b>Total Investments</b>	<b>10,826</b>	<b>10,625</b>	<b>14,177</b>	<b>18,967</b>	<b>20,367</b>	<b>20,367</b>	<b>20,367</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>20,099</b>	<b>18,498</b>	<b>25,230</b>	<b>38,045</b>	<b>35,353</b>	<b>45,160</b>	<b>57,533</b>
Inventory	7,587	6,156	9,397	16,721	16,674	12,750	14,621
Account Receivables	5,171	5,899	7,536	10,962	11,153	11,475	13,159
Cash and Bank Balance	656	691	780	517	763	9,460	16,595
Loans and Advances	6,684	5,752	7,517	9,846	6,763	11,475	13,159
<b>Curr. Liability &amp; Prov.</b>	<b>6,202</b>	<b>6,882</b>	<b>9,626</b>	<b>12,665</b>	<b>12,024</b>	<b>13,276</b>	<b>15,224</b>
Account Payables	3,861	3,837	6,550	8,293	4,921	8,925	10,234
Other Current Liabilities	2,073	2,746	2,750	4,056	6,754	3,825	4,386
Provisions	267	299	326	316	348	526	604
<b>Net Current Assets</b>	<b>13,897</b>	<b>11,616</b>	<b>15,604</b>	<b>25,380</b>	<b>23,330</b>	<b>31,883</b>	<b>42,309</b>
<b>Appl. of Funds</b>	<b>58,589</b>	<b>61,182</b>	<b>72,039</b>	<b>97,125</b>	<b>1,11,453</b>	<b>1,19,585</b>	<b>1,30,615</b>
E: MOFSL Estimates							



## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>39.1</b>	<b>48.8</b>	<b>58.7</b>	<b>73.8</b>	<b>52.1</b>	<b>72.1</b>	<b>92.1</b>
Cash EPS	56.3	68.1	80.3	97.3	81.7	105.3	127.7
BV/Share	240.7	259.1	310.4	358.7	390.9	433.0	490.1
DPS	7.5	22.0	17.0	28.0	16.0	30.0	35.0
Payout (%)	23.1	54.4	29.0	39.2	30.7	41.6	38.0
<b>Valuation (x)</b>							
P/E	60.7	48.6	40.4	32.1	45.5	32.9	25.8
Cash P/E	42.1	34.8	29.5	24.4	29.0	22.5	18.6
P/BV	9.8	9.2	7.6	6.6	6.1	5.5	4.8
EV/Sales	8.8	9.5	8.1	5.7	4.9	5.2	4.5
EV/EBITDA	33.5	33.7	26.1	22.4	24.9	21.0	16.9
Dividend Yield (%)	0.3	0.9	0.7	1.2	0.7	1.3	1.5
FCF per share	4.4	20.2	21.5	-35.2	-15.7	71.6	66.1
<b>Return Ratios (%)</b>							
RoE	17.3	19.5	20.6	22.1	13.9	17.5	19.9
RoCE	14.4	16.6	17.5	17.1	10.9	12.4	14.5
RoIC	17.0	20.0	22.3	22.2	14.4	15.5	18.5
<b>Working Capital Ratios</b>							
Fixed Asset Turnover (x)	1.3	1.0	1.1	1.3	1.2	1.0	1.0
Asset Turnover (x)	0.9	0.8	0.8	0.9	0.9	0.8	0.8
Inventory (Days)	52	46	59	72	61	50	50
Debtor (Days)	36	44	48	47	41	45	45
Creditor (Days)	27	28	41	36	18	35	35
<b>Leverage Ratio (x)</b>							
Current Ratio	3.2	2.7	2.6	3.0	2.9	3.4	3.8
Interest Cover Ratio	95.3	113.8	120.9	186.4	29.1	21.5	31.6
Net Debt/Equity	-0.1	0.0	-0.1	0.1	0.2	0.0	0.0

### Consolidated - Cash Flow Statement

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	11,863	11,393	15,541	19,207	14,325	18,525	23,570
Depreciation	3,326	3,736	4,163	4,554	5,708	6,422	6,896
Interest & Finance Charges	49	-135	-289	-324	116	-660	-1,131
Direct Taxes Paid	-4,076	-2,884	-3,510	-4,579	-3,429	-4,594	-5,775
(Inc)/Dec in WC	-1,934	544	-1,273	-8,289	-1,865	143	-3,290
<b>CF from Operations</b>	<b>9,228</b>	<b>12,653</b>	<b>14,632</b>	<b>10,569</b>	<b>14,855</b>	<b>19,835</b>	<b>20,270</b>
Others	-1,024	-922	-1,242	-1,488	-376	0	0
<b>CF from Operating incl EO</b>	<b>8,204</b>	<b>11,731</b>	<b>13,390</b>	<b>9,080</b>	<b>14,480</b>	<b>19,835</b>	<b>20,270</b>
(Inc)/Dec in FA	-7,344	-7,830	-9,232	-15,889	-17,523	-6,000	-7,500
<b>Free Cash Flow</b>	<b>860</b>	<b>3,901</b>	<b>4,159</b>	<b>-6,809</b>	<b>-3,043</b>	<b>13,835</b>	<b>12,770</b>
(Pur)/Sale of Investments	877	863	-2,891	-3,516	-883	0	0
Others	108	190	388	431	575	1,430	1,800
<b>CF from Investments</b>	<b>-6,360</b>	<b>-6,778</b>	<b>-11,734</b>	<b>-18,975</b>	<b>-17,831</b>	<b>-4,570</b>	<b>-5,700</b>
Issue of Shares	0	0	0	0	0	0	0
Inc/(Dec) in Debt	213	279	857	15,498	7,097	0	0
Interest Paid	-115	-88	-114	-90	-420	-770	-669
Dividend Paid	-1,745	-5,126	-2,316	-5,603	-3,091	-5,799	-6,766
Others	0	-13	-3	0	-1	0	0
<b>CF from Fin. Activity</b>	<b>-1,647</b>	<b>-4,947</b>	<b>-1,575</b>	<b>9,804</b>	<b>3,585</b>	<b>-6,569</b>	<b>-7,435</b>
<b>Inc/Dec of Cash</b>	<b>197</b>	<b>7</b>	<b>81</b>	<b>-90</b>	<b>234</b>	<b>8,697</b>	<b>7,135</b>
<b>Net cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
Opening Balance	265	462	468	549	459	693	9,390
<b>Closing Balance</b>	<b>462</b>	<b>468</b>	<b>549</b>	<b>459</b>	<b>693</b>	<b>9,390</b>	<b>16,525</b>

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NOTES

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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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