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Rating Information	
Price (Rs)	996
Target Price (Rs)	1,045
Target Date	30th Jun'19
Target Set On	29th Apr'18
Implied yrs of growth (DCF)	15
Fair Value (DCF)	746
Fair Value (DDM)	1,043
Ind Benchmark	BSE OIL
Model Portfolio Position	NA

Stock Information	
Market Cap (Rs bn)	6,312
Free Float (%)	52.55 %
52 Wk H/L (Rs)	1011/647.5
Avg Daily Volume (1yr)	7,716,617
Avg Daily Value (Rs Mn)	6,504
Equity Cap (Rs Bn)	63,351
Face Value (Rs)	10
Bloomberg Code	RIL IN

Ownership	Recent	3M	12M
Promoters	47.6 %	1.2 %	1.1 %
DII	11.8 %	-2.7 %	-13.7 %
FII	23.7 %	3.6 %	15.4 %
Public	17.0 %	-2.1 %	-2.8 %

Price %	1M	3M	12M
Absolute	10.7 %	3.1 %	41.4 %
Vs Industry	10.9 %	13.3 %	40.6 %
ONGC	0.6 %	-13.3 %	0.9 %
IOC	-6.8 %	-17.0 %	-26.5 %

Consolidated Quarterly EPS forecast

Rs/Share	1Q	2Q	3Q	4Q
EPS (18A)	12.6	12.8	14.9	15.0
EPS (19E)	14.7	14.6	14.8	15.0

Reliance Industries Ltd

4QFY18 Result: Estimates (↑), TP (↑), Rating (↔)

Regular Coverage

Absolute : ADD

Relative : Overweight

5% ATR in 14 Months

In-line EBITDA driven by strong petchem performance- reiterate ADD

Oil & Gas

RIL's 4QFY18 EBITDA grew 51% to Rs 185bn, in line with estimates driven by strong growth in petchem, retail and digital businesses. However, GRMs at US\$ 11/bbl was a slight disappointment. We expect the full benefit of vertically-integrated petchem expansion and an improvement in R-Jio's operating metrics to drive a 13% operating profit CAGR over FY18-FY20E. RIL's stock has been outperforming the benchmark and building in strong growth for R-Jio. We reiterate our ADD rating with a Jun'19 TP of Rs 1,045.

GRMs sustain despite decline in spreads, low throughput: RIL's 4QFY18 GRMs at US\$ 11/bbl came in marginally lower than EE (US\$ 11.6/bbl) due to weakness in middle distillate cracks and lower crude throughput on a planned turnaround. Refining EBIT declined 11% yoy to Rs 56bn on reduced throughput and adverse Brent-Dubai differentials. FY19 will see 800kbpd addition in refining capacity against global demand growth of 1.5mbpd; this should ensure steady GRMs over the next two years.

Volume expansion, integration benefits ensured strong petchem EBIT: Petchem volume growth of 26% yoy was led by PE, PX and MEG expansion and ROGC ramp-up. Strong delta in polyester, PET and PP, along with a shift to the ethane cracker led to the highest-ever petchem EBIT for the company at Rs 64bn, up 87% yoy. Further, ROGC stabilization and streamlining of ethane cracking should sustain petchem delta. We expect FY19/FY20 petchem EBITDA at Rs 319bn/Rs 330bn vs. Rs 257bn in FY18.

R-Jio's performance below expectations: R-Jio posted a 3% qoq growth in its 4Q revenues to Rs 71bn, with an 11% qoq decline in ARPUs to Rs 137 and subscriber addition of 17% qoq. Reported EBITDA of Rs 26.6bn was largely flat qoq due to lower ARPUs and higher operating costs. We believe any ARPU improvement would be back-ended on account of high competition, hindering strong EBITDA growth for R-Jio.

In-line EBITDA: RIL's O&G segment remained under pressure with EBIT losses of Rs 6bn on lower volumes. Retail revenues jumped 134% yoy led by strong growth across all baskets; segment EBIT spiraled up ~3x yoy to Rs 9.5bn. Overall EBITDA growth of 51% yoy to Rs 185bn was 1% above EE. Inclusion of digital services led to a 45%/362% yoy increase in depreciation/interest costs, hitting net interest income. Consequently, PAT at Rs 95bn (up 17% yoy) fell short of expectations (5% below EE of Rs 83bn). Capex for 4QFY18 stood at US\$ 3.2bn.

Change in Estimate

Rs.bn	FY19E	% Change	FY20E	% Change
EBITDA	743	6%	814	10%
Interest Expense	89	12%	72	12%
Depreciation	207	0%	217	-1%
PAT	374	7%	430	13%

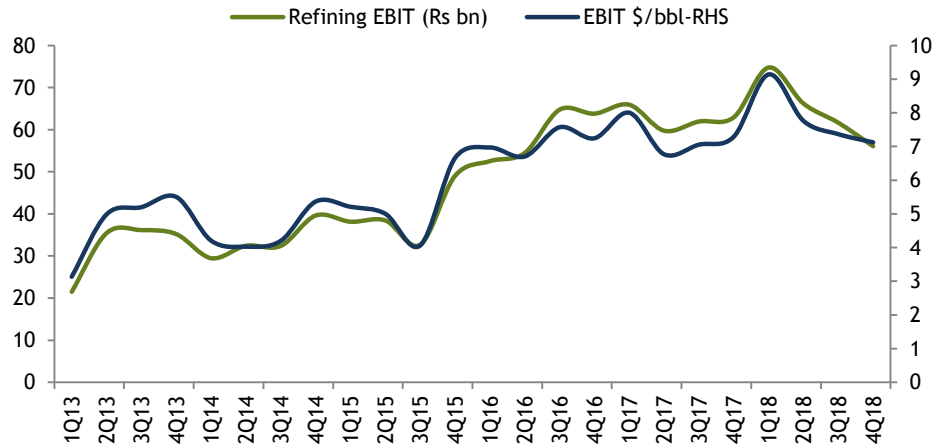
Consolidated Financials

Rs. Mn YE Mar	FY18A	FY19E	FY20E	FY21E
Sales	3,917	4,468	4,866	5,251
EBITDA	642	743	814	831
Depreciation	167	207	217	221
Interest Expense	81	89	72	67
Other Income	89	72	71	70
Reported PAT	361	374	430	441
Recurring PAT	350	374	430	441
Total Equity	2,935	3,210	3,541	3,883
Gross Debt	1,901	1,916	1,767	1,618
Cash	619	265	550	846

Rs. Per Share	FY18A	FY19E	FY20E	FY21E
Earnings	55.2	59.1	67.8	69.7
Book Value	4,633	5,067	5,589	6,129
Dividends	6.0	13.0	13.0	13.0
FCFF	190.2	31.5	962.9	976.6
P/E (x)	18.0	16.9	14.7	14.3
P/B (x)	0.2	0.2	0.2	0.2
EV/EBITDA (x)	12.7	11.2	9.6	8.9
ROE (%)	13 %	12 %	13 %	12 %
Core ROIC (%)	8 %	8 %	9 %	9 %
EBITDA Margin (%)	16 %	17 %	17 %	16 %
Net Margin (%)	9 %	8 %	9 %	8 %

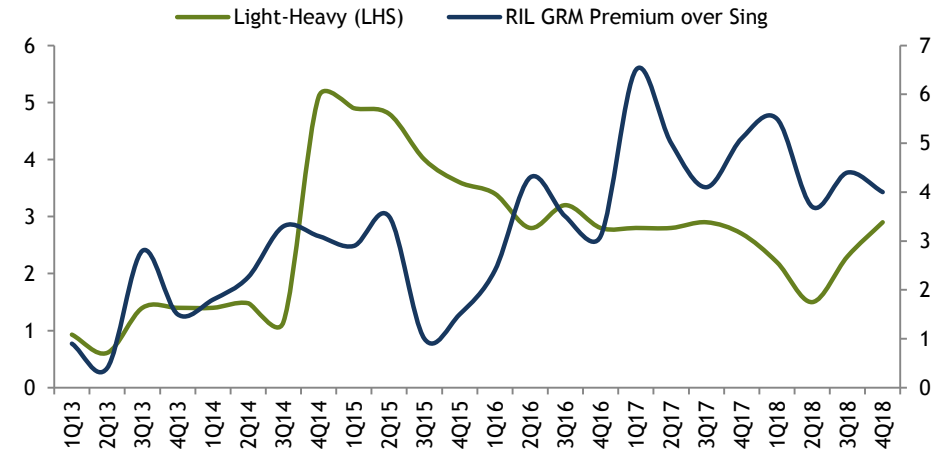
Per share calculation exclude treasury shares

Exhibit 1: Refining EBIT dips on reduced throughput, adverse Brent-Dubai differentials



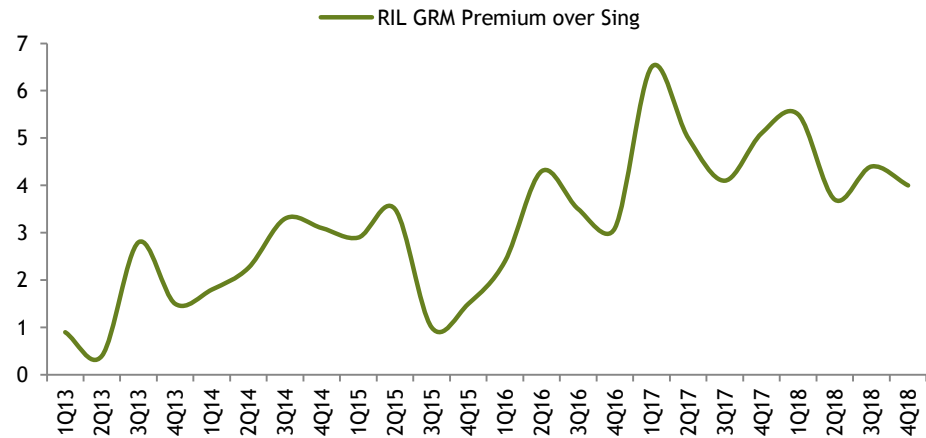
Source: Company, Equirus Securities

Exhibit 3: Decline in light-heavy spread



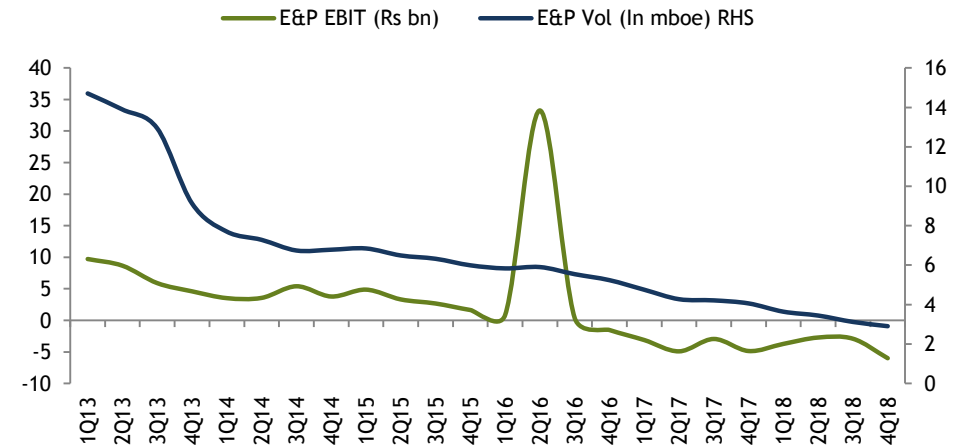
Source: Company, Equirus Securities

Exhibit 2: GRM contracts on weak middle-distillate cracks, lower crude throughput (US\$/bbl)



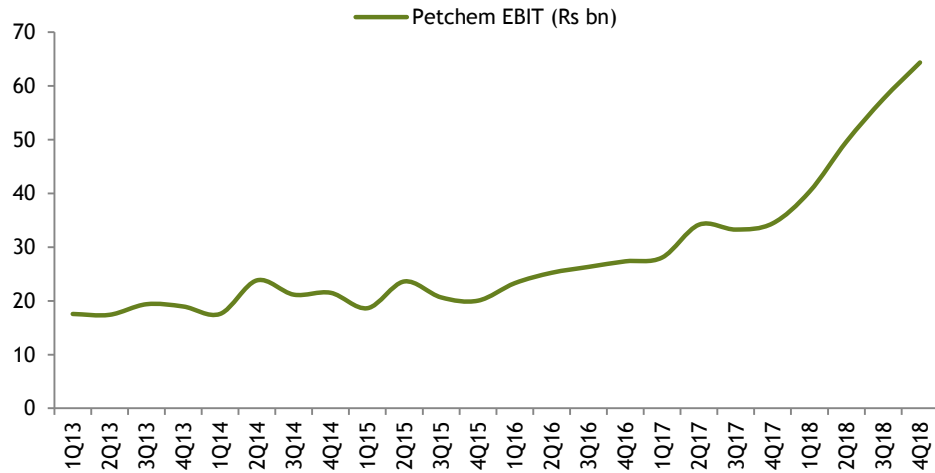
Source: Company, Equirus Securities

Exhibit 4: Upstream losses due to KG-D6 volume decline, lower crude oil & gas prices



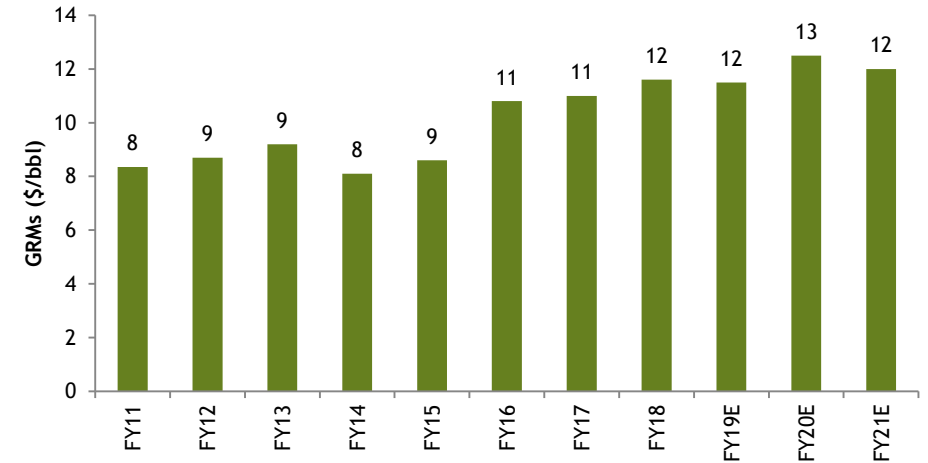
Source: Company, Equirus Securities

Exhibit 5: Petchem EBIT improves on favorable polymer cracks and higher volumes



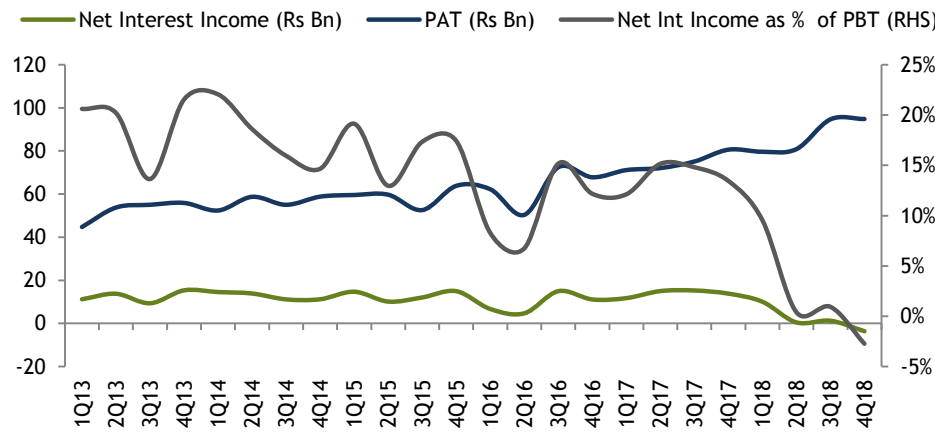
Source: Company, Equirus Securities

Exhibit 7: GRMs still in mid-cycle & at 8-year high; to sustain if crude prices hold up (\$/bbl)



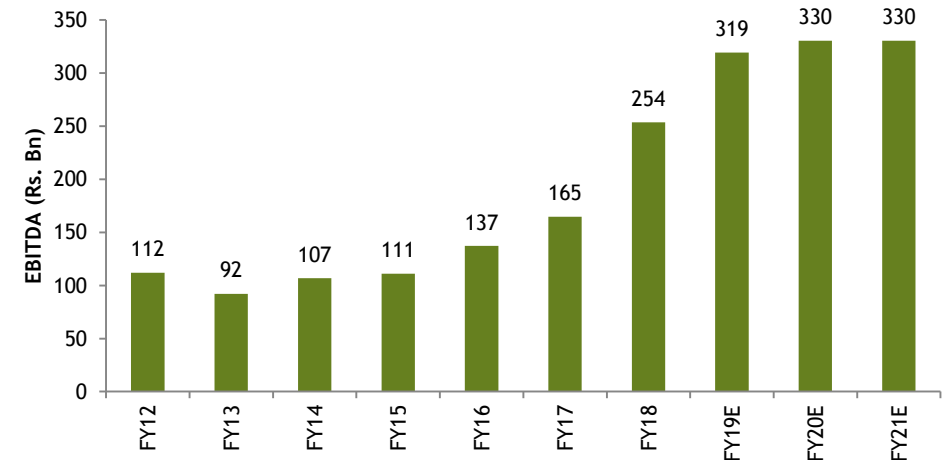
Source: Company, Equirus Securities

Exhibit 6: Net interest income slips on inclusion of interest costs from digital services (R-Jio)



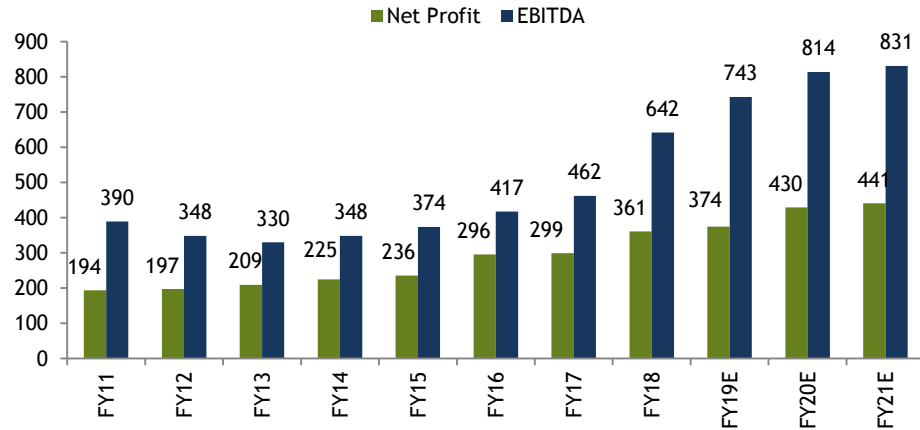
Source: Company, Equirus Securities

Exhibit 8: Strong volume growth to lead to 9% CAGR in petchem EBITDA over FY18-21E (Rs bn)



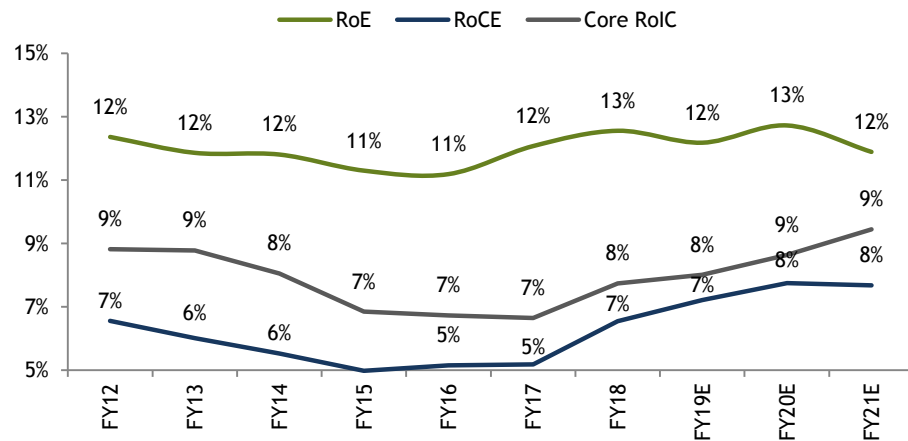
Source: Company, Equirus Securities

Exhibit 9: Expect 13%/11% EBITDA/PAT CAGR in FY18-FY20E on petchem volume growth



Source: Company, Equirus Securities

Exhibit 10: High capex in long gestation telecom unit to keep return ratios muted



Source: Company, Equirus Securities

Exhibit 11: SoTP valuations imply 5% upside from current levels

	Rs bn	\$/bn	Rs/share	
Refinery	2,460	37.3	399	At 7x FY20 EV/EBITDA
Petrochem	2,313	35.0	375	At 7x FY20 EV/EBITDA
Upstream	261	4	42	
KG D6	39	0.6	6	DCF (incl Satellite fields); total recoverable reserves of 2.6bn boe till FY25
PMT	40	0.6	6	5x EV/EBITDA
Other Domestic	92.4	1.4	15	At \$3/boe for 1.0bn boe (5tcf) reserves for NEC-25, GS-01, KG -OSN, CYD5 and \$1bn for shale gas valuations
Shale JV	89	1.4	15	6x EV/EBITDA of \$226mn of EBITDA in CY16
Telecom	1807	27.4	293	0.8x Invested book value
Retail	514	7.8	83	12x FY20 EV/EBITDA
Enterprise Value	7,356	111	1,193	Implies 9x FY20EV/EBITDA
Net Cash	-913	-13.8	-148	
Equity Value	6,442	98	1,045	Ex-treasury shares; Based on 6.17bn shares

Source: Equirus Securities

Consolidated Quarterly Performance

Rs Bn	4QFY18	4QFY18E	3QFY18	4QFY17	% Change			Comments
					4QFY18E	3QFY18	4QFY17	
Net Sales	1,169	1,106	998	848	6%	17%	38%	
(Increase)/Decrease Stock in Trade & WIP	-14	-14	-66	-8	-4%	-80%	77%	
Consumption of Raw Materials	608	560	549	477	9%	11%	27%	
Purchases	228	200	175	127	14%	31%	80%	
Staff Costs	25	23	23	24	8%	6%	5%	
Other Expenditure	137	154	142	106	-11%	-3%	29%	
Total Expenditures	984	923	822	726	7%	20%	36%	
EBITDA	185	183	176	122	1%	5%	51%	
Depreciation	49	44	45	34	10%	7%	45%	
EBIT	136	139	131	89	-2%	4%	53%	
Interest	26	25	21	6	3%	22%	362%	
Other Income	22	20	22	19	10%	-1%	14%	
PBT	133	134	132	103	-1%	1%	29%	
Tax	38	35	38	22	8%	0%	72%	
Recurring PAT	95	99	94	81	-5%	1%	17%	
Extraordinaries	0	0	0	0				
Reported PAT	95	99	95	81	-5%	0%	18%	
EPS (Rs)	14.9	15.7	28.9	24.8	-5%	-48%	-40%	
EBITDA Margin	15.8%	16.6%	17.6%	14.4%	-78 bps	-182 bps	138 bps	
EBIT Margin	11.6%	12.6%	13.1%	10.5%	-96 bps	-144 bps	118 bps	
PBT Margin	11.3%	12.2%	13.2%	12.1%	-82 bps	-187 bps	-76 bps	
PAT Margin	8.1%	9.0%	9.5%	9.5%	-88 bps	-137 bps	-139 bps	
Tax Rate	28.6%	26.0%	28.6%	21.5%	255 bps	-7 bps	712 bps	

Rs Bn	4QFY18	4QFY18E	3QFY18	4QFY17	% Change			Comments
					4QFY18E	3QFY18	4QFY17	
Refining Vol (MT)	16.7	17.7	17.7	17.5	-6%	-6%	-5%	
Refining Margin (\$/bbl)	11.0	11.6	11.6	11.5	-5%	-5%	-4%	
Petchem Vol (MT)	4,445	4,555	4,244	3,534	-2%	5%	26%	
Petchem EBITDA/tn	268	240	252	188	11%	6%	42%	
Oil & Gas Volume (mboe)	2.9	3.1	3.1	4.1	-5%	-7%	-28%	
Telecom Subscriber (mn)	187	170	-	-	NA	NA	NA	
ARPU (Rs per Month)	137.1	130.0	-	-	NA	NA	NA	
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Refining Revenue	935	562	759	720	67%	23%	30%	
Refining EBIT	56	68	62	63	-17%	-9%	-11%	
Refining Margin (%)	6.0%	12.1%	8.1%	8.7%	-608 bps	-213 bps	-274 bps	
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Petchem Revenue	381	276	337	265	38%	13%	44%	
Petchem EBIT	64	60	58	34	7%	12%	87%	
Petchem Margin (%)	16.9%	21.8%	17.1%	13.0%	-492 bps	-17 bps	389 bps	
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E&P Revenue	11	11	10	13	4%	11%	-13%	
E&P EBIT	-6	-5	-3	-8	21%	105%	-24%	
E&P Margin (%)	-53%	-46%	-29%	-60%	-729 bps	-2,438 bps	749 bps	
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Retail Revenue	242	124	188	103	95%	29%	134%	
Retail EBIT	9.5	4.0	4.9	2.4	140%	95%	291%	
Retail Margin (%)	3.9%	3.2%	2.6%	2.4%	73 bps	134 bps	158 bps	
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Telecom Revenue	71	64.39	69	-	11%	3%	NA	
Telecom EBIT	15.0	9.66	14.4	-	55%	4%	NA	
Telecom Margin (%)	21.0%	15.0%	20.8%	-	597 bps	16 bps	NA	

Company Snapshot

How we differ from Consensus

	-	Equirus	Consensus	% Diff	Comment
EPS	FY19E	59.1	68.9	-14 %	Consensus numbers yet to reflect actual 4Q18 earnings.
	FY20E	67.8	77.6	-13 %	
Sales	FY19E	4,468	4,358	3 %	
	FY20E	4,866	4,666	4 %	
PAT	FY19E	374	422	-11 %	
	FY20E	430	474	-9 %	

Our Key Investment arguments:

- GRMs have been strong over many years due to strong gasoline cracks.
- Expect EBITDA CAGR at 13% over FY18-FY20E driven by petchem volume growth.
- E&P portfolio holds significant value; as news flow in E&P become positive, value may emerge through higher volume and drilling of new wells.
- Maintain ADD on growth in core earnings.

Key estimates

-	FY18A	FY19E	FY20E	FY21E
Refining Volume (In MTPA)	70	70	70	72
GRM (\$/bbl)	11.6	11.5	12.5	12.0
Petchem EBITDA (\$/tn)	16	17	17	17
O&G Volume (In mmscmd)	241	280	290	290
Brent Price (\$/bbl)	58	70	70	70
Exchange Rate (Rs/USD)	64	66	66	66

Risk to Our View

Downturn in core margin, higher losses from R-Jio

Comparable valuation		Mkt Cap Rs. Bn.	Price Target	Target Date	EPS			P/E			BPS	P/B		RoE			Div Yield	
Company	Reco.				CMP	FY18A	FY19E	FY20E	FY18A	FY19E		FY20E	FY18A	FY19E	FY18A	FY19E	FY20E	FY18A
Reliance Industries	ADD	996	6,312	1,045	30th Jun'19	55.2	59.1	67.8	18.0	16.9	14.7	4,633.1	0.2	13 %	12 %	13 %	0.6 %	1.3 %
ONGC	NR	181	2,319	NR	NR	16.0	18.7	21.5	12.1	10.3	9.0	172.4	1.1	10 %	11 %	12 %	4.7 %	3.9 %
IOC	NR	163	1,582	NR	NR	41.9	39.0	42.0	9.2	9.9	9.2	210.3	1.7	21 %	18 %	18 %	4.9 %	3.8 %

Key Triggers

- Margin improvement in core business, positive E&P news flow

Sensitivity to Key Variables	% Change	% Impact on EPS
GRM	10 %	9 %
Exchange Rate	5 %	8 %
KG D6 volume	10 %	3 %

DCF Valuations & Assumptions

Rf	Beta	Ke	Term. Growth	Debt/IC in Term. Yr
7.7 %	1.0	13.4 %	3.0 %	36.0 %

-	FY19E	FY20E	FY21-23E	FY24-28E	FY29-33E
Sales Growth	14 %	9 %	6 %	7 %	7 %
NOPAT Margin	9 %	9 %	9 %	9 %	9 %
IC Turnover	0.89	0.99	1.13	1.40	1.48
RoIC	8.0 %	8.6 %	10.1 %	12.6 %	13.6 %

	1	2	5	10	15
Years of strong growth					
Valuation as on date (Rs)	389	452	541	634	665
Valuation as of Jun'19	436	508	608	712	746

Based on DCF, assuming 15 years of 7% CAGR growth and 14% average ROIC, we derive our current fair value of Rs 665 and a Jun'19 fair value of Rs 746.

Company Description:

In the last three decades of its journey, RIL did backward integration from textile to upstream and has emerged as largest conglomerate in the country. Over the last decade, it has started entering into new economy sectors such as retail, SEZ, telecom and media to reduce dependence on cyclical business.



Consolidated Quarterly Earnings Forecast and Key Drivers

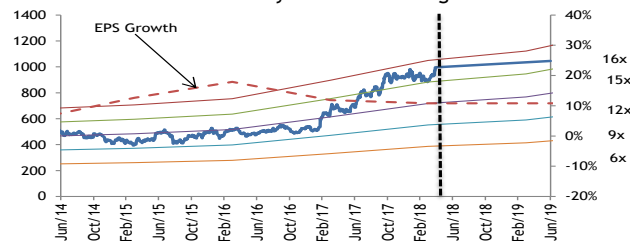
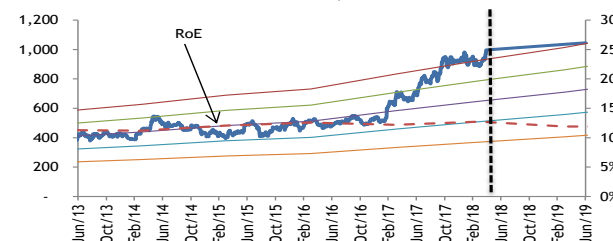
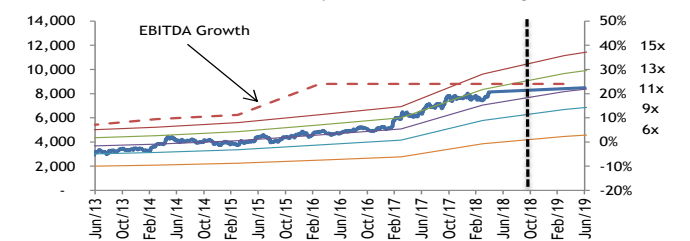
Rs in Mn	1Q18A	2Q18A	3Q18A	4Q18A	1Q19E	2Q19E	3Q19E	4Q19E	1Q20E	2Q20E	3Q20E	4Q20E	FY18A	FY19E	FY20E	FY21E
Revenue	835	915	998	1,169	1,030	1,075	1,143	1,221	1,108	1,168	1,245	1,345	3,917	4,468	4,866	5,251
(Increase)/Decrease Stock in Trade & WIP	-4	-2	-66	-14	-20	-20	-20	-20	-20	-20	-20	-20	-86	-80	-80	-80
Consumption of Raw Materials	441	477	549	608	593	593	593	593	593	593	593	593	2,074	2,371	2,371	2,438
Purchases	144	139	175	228	228	228	228	228	228	228	228	228	686	914	914	914
Staff Cost	25	23	23	25	27	28	30	32	29	30	32	35	95	116	127	137
Other Expenditure	103	123	142	137	21	62	125	197	81	135	207	299	505	405	721	1,011
EBITDA	126	156	176	185	181	184	187	191	198	202	205	210	642	743	814	831
Depreciation	30	43	45	49	48	52	53	55	50	54	55	58	167	207	217	221
EBIT	95	113	131	136	133	133	134	136	148	147	150	152	475	536	597	610
Interest	11	23	21	26	21	22	23	22	17	18	19	18	81	89	72	67
Other Income	21	23	22	22	17	18	19	18	17	18	19	18	89	72	71	70
PBT	105	113	132	133	130	128	130	132	148	147	150	152	483	520	597	613
Tax	25	32	38	38	36	36	36	37	41	41	42	43	133	146	167	172
PAT bef. MI & Assoc.	80	81	94	95	93	93	94	95	106	106	108	109	349	374	430	441
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit from Assoc.	0	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	0
Recurring PAT	80	81	95	95	93	93	94	95	106	106	108	109	349	374	430	441
Extraordinaries	0	0	0	0	0	0	0	0	0	0	0	0	-11	0	0	0
Reported PAT	80	81	95	95	93	93	94	95	106	106	108	109	360	374	430	441
EPS (Rs)	12.57	12.76	14.94	14.97	14.72	14.60	14.78	14.97	16.79	16.73	17.01	17.27	55.22	59.08	67.80	69.66
Key Drivers																
Refining Vol	17	18	18	17	18	18	18	18	18	18	18	18	70	70	70	72
Refining GRM (\$/bbl)	12	12	12	11	12	12	12	12	13	13	13	13	12	12	13	12
KG D6 Volume (mmscmd)	4	3	3	3	3	3	3	3	5	5	5	5	3	3	5	7
Petchem Margin (\$/tn)	203	234	252	268	280	280	280	280	290	290	290	290	241	280	290	290
Sequential Growth (%)																
Revenue	-2 %	10 %	9 %	17 %	-12 %	4 %	6 %	7 %	-9 %	5 %	7 %	8 %	-	-	-	-
(Increase)/Decrease Stock in Trade & WIP	-49 %	-39 %	2,711 %	-80 %	48 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	-	-	-	-
EBITDA	3 %	24 %	13 %	5 %	-2 %	2 %	1 %	2 %	4 %	2 %	2 %	2 %	-	-	-	-
EBIT	7 %	19 %	16 %	4 %	-2 %	-1 %	1 %	1 %	9 %	0 %	2 %	2 %	-	-	-	-
Recurring PAT	-1 %	2 %	17 %	0 %	-2 %	-1 %	1 %	1 %	12 %	0 %	2 %	2 %	-	-	-	-
EPS	-1 %	2 %	17 %	0 %	-2 %	-1 %	1 %	1 %	12 %	0 %	2 %	2 %	-	-	-	-
Yearly Growth (%)																
Revenue	28 %	20 %	26 %	38 %	23 %	18 %	15 %	4 %	8 %	9 %	9 %	10 %	28 %	14 %	9 %	8 %
EBITDA	12 %	39 %	52 %	51 %	44 %	18 %	6 %	3 %	9 %	9 %	10 %	10 %	39 %	16 %	10 %	2 %
EBIT	12 %	34 %	49 %	53 %	40 %	18 %	3 %	0 %	11 %	11 %	11 %	12 %	37 %	13 %	11 %	2 %
Recurring PAT	13 %	13 %	26 %	18 %	17 %	14 %	-1 %	0 %	14 %	15 %	15 %	15 %	17 %	7 %	15 %	3 %
EPS	12 %	12 %	26 %	18 %	17 %	14 %	-1 %	0 %	14 %	15 %	15 %	15 %	-88 %	7 %	15 %	3 %
Margin (%)																
EBITDA	15 %	17 %	18 %	16 %	18 %	17 %	16 %	16 %	18 %	17 %	16 %	16 %	16 %	17 %	17 %	16 %
EBIT	11 %	12 %	13 %	12 %	13 %	12 %	12 %	11 %	13 %	13 %	12 %	11 %	12 %	12 %	12 %	12 %
PBT	13 %	12 %	13 %	11 %	13 %	12 %	11 %	11 %	13 %	13 %	12 %	11 %	12 %	12 %	12 %	12 %
PAT	10 %	9 %	9 %	8 %	9 %	9 %	8 %	8 %	10 %	9 %	9 %	8 %	9 %	8 %	9 %	8 %

Consolidated Financials

P&L (RsBn)	FY17A	FY18E	FY19E	FY20E
Revenue	3,917	4,468	4,866	5,251
Op. Expenditure	3,275	3,725	4,052	4,420
EBITDA	642	743	814	831
Depreciation	167	207	217	221
EBIT	475	536	597	610
Interest Expense	81	89	72	67
Other Income	89	72	71	70
PBT	483	520	597	613
Tax	133	146	167	172
PAT bef. MI & Assoc.	349	374	430	441
Minority Interest	0	0	0	0
Profit from Assoc.	1	0	0	0
Recurring PAT	350	374	430	441
Extraordinaires	-11	0	0	0
Reported PAT	361	374	430	441
FDEPS (Rs)	55.2	59.1	67.8	69.7
DPS (Rs)	6.0	13.0	13.0	13.0
CEPS (Rs)	815.9	917.4	1,021.2	1,046.1
FCFPS (Rs)	190.2	31.5	962.9	976.6
BVPS (Rs)	4,633.1	5,067.4	5,588.9	6,129.1
EBITDAM (%)	16 %	17 %	17 %	16 %
PATM (%)	9 %	8 %	9 %	8 %
Tax Rate (%)	28 %	28 %	28 %	28 %
Sales Growth (%)	28 %	14 %	9 %	8 %
FDEPS Growth (%)	17 %	7 %	15 %	3 %

Balance Sheet (Rs Mn)	FY17A	FY18E	FY19E	FY20E
Equity Capital	59	59	59	59
Reserve	2,876	3,151	3,481	3,824
Networth	2,935	3,210	3,541	3,883
Long Term Debt	1,901	1,916	1,767	1,618
Def Tax Liability	527	338	312	286
Minority Interest	35	0	0	0
Account Payables	1,069	878	878	896
Other Curr Liabi	1,696	1,489	1,622	1,750
Total Liabilities & Equity	8,163	7,831	8,119	8,433
Net Fixed Assets	4,039	4,132	4,215	4,293
Capital WIP	1,870	1,773	1,675	1,578
Others	417	417	417	417
Inventory	608	673	733	791
Account Receivables	176	122	200	144
Other Current Assets	435	449	330	365
Cash	619	265	550	846
Total Assets	8,163	7,831	8,119	8,433
Non-cash Working Capital	-1,545	-1,122	-1,236	-1,347
Cash Conv Cycle	-144.0	-91.7	-92.7	-93.6
WC Turnover	-2.5	-4.0	-3.9	-3.9
FA Turnover	0.7	0.8	0.8	0.9
Net D/E	0.4	0.5	0.3	0.2
Revenue/Capital Employed	1.1	1.1	1.0	1.0
Capital Employed/Equity	1.8	1.8	1.9	1.9

Cash Flow (Rs Mn)	FY17A	FY18E	FY19E	FY20E
PBT	483	520	597	613
Depreciation	167	207	217	221
Others	11	0	0	0
Taxes Paid	133	146	167	172
Change in WC	372	-423	114	110
Operating C/F	900	159	761	773
Capex	-842	-203	-203	-203
Change in Invest	4	0	0	0
Others	0	0	0	0
Investing C/F	-837	-203	-203	-203
Change in Debt	-26	14	-149	-149
Change in Equity	-39	0	0	0
Others	18	-324	-125	-125
Financing C/F	-46	-310	-274	-274
Net change in cash	16	-353	284	296
RoE (%)	13 %	12 %	13 %	12 %
RoIC (%)	8 %	8 %	9 %	9 %
Core RoIC (%)	8 %	8 %	9 %	9 %
Div Payout (%)	7 %	26 %	23 %	22 %
P/E	18.0	16.9	14.7	14.3
P/B	0.2	0.2	0.2	0.2
P/FCFF	5.2	31.6	1.0	1.0
EV/EBITDA	12.7	11.2	9.6	8.9
EV/Sales	2.1	1.9	1.6	1.4
Dividend Yield (%)	0.6 %	1.3 %	1.3 %	1.3 %

TTM P/E vs. 2 yrs. forward EPS growth

TTM P/B vs. 2 yrs. forward RoE

TTM EV/EBITDA vs. 2 yrs. forward EBITDA growth


Historical Consolidated Financials

P&L (RsBn)	FY13A	FY14A	FY15A	FY16A	Balance Sheet (Rs Mn)	FY13A	FY14A	FY15A	FY16A	Cash Flow (Rs Mn)	FY13A	FY14A	FY15A	FY16A
Revenue	3,754	2,740	3,054	3,917	Equity Capital	29	29	30	59	PBT	310	387	400	483
Op. Expenditure	3,381	2,323	2,592	3,275	Reserve	2,155	2,286	2,608	2,876	Depreciation	115	116	116	167
EBITDA	374	417	462	642	Networth	2,185	2,316	2,637	2,935	Others	-35	-114	-75	11
Depreciation	115	116	116	167	Long Term Debt	1,487	1,674	1,927	1,901	Taxes Paid	64	86	101	133
EBIT	258	301	345	475	Def Tax Liability	236	350	492	527	Change in WC	18	78	155	372
Interest Expense	33	37	38	81	Minority Interest	30	34	29	35	Operating C/F	344	381	496	900
Other Income	85	75	94	89	Account Payables	594	603	766	1,069	Capex	-630	6,754	5,870	-842
PBT	310	339	401	483	Other Curr Liabi	512	1,013	1,272	1,696	Change in Invest	-119	-7,153	-6,548	4
Tax	75	89	102	133	Total Liabilities & Equity	5,045	5,990	7,123	8,163	Others	231	37	14	0
PAT bef. MI & Assoc.	235	251	299	349	Net Fixed Assets	1,521	1,849	1,985	4,039	Investing C/F	-517	-362	-663	-837
Minority Interest	1	1	-1	0	Capital WIP	1,665	2,287	3,248	1,870	Change in Debt	175	130	208	-26
Profit from Assoc.	1	2	-1	1	Others	494	576	422	417	Change in Equity	4	3	8	-39
Recurring PAT	236	252	299	350	Inventory	532	465	490	608	Others	-94	-165	-130	18
Extraordinaires	0	-44	0	-11	Account Receivables	53	45	82	176	Financing C/F	84	-32	86	-46
Reported PAT	236	296	299	361	Other Current Assets	145	233	294	435	Net change in cash	-89	-13	-81	16
EPS (Rs)	37.2	39.7	47.2	55.2	Cash	636	535	603	619	RoE (%)	11 %	11 %	12 %	13 %
DPS (Rs)	10.0	10.5	11.0	6.0	Total Assets	5,045	5,990	7,123	8,163	RoIC (%)	7 %	7 %	7 %	8 %
CEPS (Rs)	554.3	580.0	655.8	815.9	Non-cash Working Capital	-376	-874	-1,173	-1,545	Core RoIC (%)	7 %	7 %	7 %	8 %
FCFPS (Rs)	-233.8	73.7	-219.0	190.2	Cash Conv Cycle	-36.5	-116.4	-140.1	-144.0	Div Payout (%)	15 %	13 %	13 %	7 %
BVPS (Rs)	3,448.8	3,655.2	4,162.7	4,633.1	WC Turnover	-10.0	-3.1	-2.6	-2.5	P/E	26.8	25.1	21.1	18.0
EBITDAM (%)	10 %	15 %	15 %	16 %	FA Turnover	1.2	0.7	0.6	0.7	P/B	0.3	0.3	0.2	0.2
PATM (%)	6 %	9 %	10 %	9 %	Net D/E	0.4	0.5	0.5	0.4	P/FCFF	-4.3	13.5	-4.6	5.2
Tax Rate (%)	24 %	26 %	25 %	28 %	Revenue/Capital Employed	1.5	1.0	1.0	1.1	EV/EBITDA	20.1	19.0	17.9	12.7
Sales growth (%)	-14 %	-27 %	11 %	28 %	Capital Employed/Equity	1.6	1.6	1.7	1.8	EV/Sales	2.0	2.9	2.7	2.1
FDEPS growth (%)	5 %	7 %	19 %	17 %						Dividend Yield (%)	1.0 %	1.1 %	1.1 %	0.6 %



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- ADD: ATR >= 5% but less than Ke over investment horizon
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