Hindalco

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	HNDL IN
Equity Shares (m)	2,229
M.Cap.(INRb)/(USDb)	434.7 / 6.1
52-Week Range (INR)	221 / 171
1, 6, 12 Rel. Per (%)	-7/-3/-16
12M Avg Val (INR M)	1572

Financials & Valuations (INR b)

Y/E MARCH	2020E	2021E	2022E
Sales	1,252.9	1,431.0	1,452.2
EBITDA	148.0	169.8	169.9
Adj. PAT	43.4	49.4	49.2
EBITDA Margin (%)	11.8	11.9	11.7
Cons. Adj. EPS (INR)	19.5	22.2	22.1
EPS Gr. (%)	-21.0	13.9	-0.4
BV/Sh. (INR)	187.3	207.4	226.4
Ratios			
Net D:E	1.4	1.2	1.0
RoE (%)	10.8	11.3	10.2
RoCE (%)	8.6	9.1	9.2
Payout (%)	9.6	9.0	14.3
Valuations			
P/E (x)	9.9	8.7	8.7
P/BV (x)	1.0	0.9	0.9
EV/EBITDA(x)	6.7	5.7	5.4
Div. Yield (%)	0.8	0.9	1.4
FCF Yield (%)	12.1	17.2	21.0

Shareholding pattern (%)

As On	Dec-19	Sep-19	Dec-18
Promoter	34.7	34.7	34.7
DII	25.3	25.4	20.9
FII	21.0	21.4	25.9
Others	19.1	18.5	18.5

FII Includes depository receipts

CMP: INR194 TP: INR240(+24%) Buy

Cost reduction supporting margins

LME recovery holds key to further margin improvement

- Hindalco's (HNDL) 3QFY20 results highlight the potential for cost reduction in its India business as EBITDA rose 18% QoQ despite weak LME.
- We maintain our FY20/FY21E estimates and reiterate our **Buy** rating. Given HNDL's low-cost integrated production, it is well placed to benefit as LME is recovering from recent lows. Moreover, HNDL continues to benefit from the strong outlook for Novelis' high-margin business.

EBITDA improves led by lower cost of production

Hindalco India's (standalone + Utkal) EBITDA was up 18% QoQ (-25% YoY) to INR13b (v/s est. INR11.1b) due to lower cost of production, which offset the adverse impact of lower LME prices (-1% QoQ, -11% YoY). Adj. PAT rose 38% QoQ (-62% YoY) to INR2.7b (v/s est. INR1.9b).

- Aluminum EBITDA was up 22% QoQ (-19% YoY) to INR10.3b on 5% QoQ drop in production cost; EBITDA/t rose 21% QoQ to USD444 (v/s est. USD363).
- Aluminum production/sales were both flattish at 330kt/328kt. Aluminum VAP sales were up 5% QoQ to 80kt, giving it 24% share in volumes.
- Aluminum CoP was lower by USD128/t QoQ led by lower power costs. Thus, CoP should decline further as benefits of lower caustic/oil prices are realized.
- Copper EBITDA increased 4% QoQ (-41% YoY) to INR2.56b due to a slight increase in EBITDA/t to USD428 on better realization (LME up 1% QoQ).
- Copper production/sales were up 2% QoQ each at 86kt/84kt.
- While finance cost was flat at INR4.8b, other income declined 24% QoQ (-43% YoY) to INR1.2b.

Production costs to decline further from Muri re-start

- 3QFY20 cost of production declined 5% due to lower power cost from better linkage coal availability at 69% of the fuel mix (v/s 60% in 2QFY20). Muri alumina refinery restarted production in Dec'19, which should lower costs in 4QFY20.
- Benchmark Tc/Rc for CY20 has settled at 15.9 cents/lb, down 23% YoY, which would impact copper business margins from 4QFY20.
- Utkal alumina expansion of 500kt is on track to get commissioned in Dec'20.
- Aleris' acquisition is in the final stages; the only pending condition is the European Commission's approval of the Duffel plant buyer.
- **Net debt:** Consolidated net debt stood at INR399b (India INR156b, Novelis INR243b), implying net Debt/EBITDA of 2.65x (v/s 2.48x in Mar'19).

Valuation and view – Robust business with attractive valuations; Maintain Buy

- With slowing global demand and continuing tariff wars, aluminum LME remains weak. However, at current LME, several global aluminum smelters would be in losses, which we believe is unsustainable. Given HNDL's low-cost integrated production, it is well placed to benefit as LME recovers.
- Moreover, HNDL continues to benefit from its strength in Novelis. The stock trades at an attractive valuation of 5.7x EV/EBITDA and 9x P/E on FY21E. We value it at INR240/share based on SOTP. Re-iterate **Buy**.

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

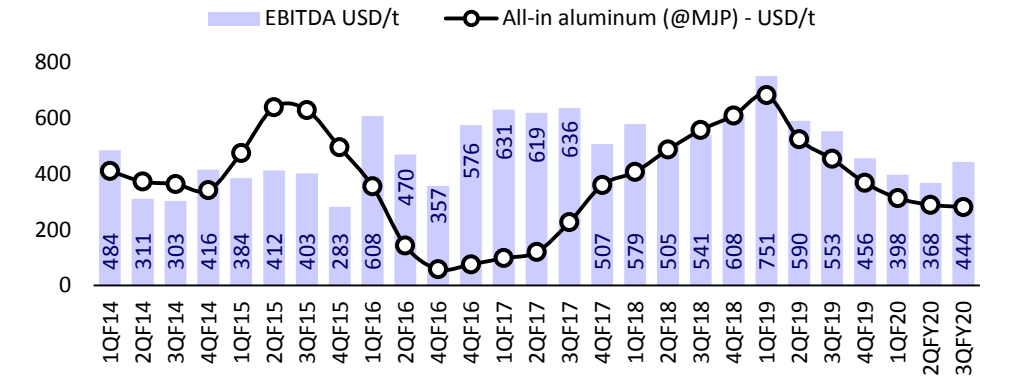
Quarterly performance (SA+Utkal)– INR m

Y/E March	FY19				FY20				FY19	FY20E	vs Est	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Net Sales	**106,700**	**108,330**	**119,380**	**124,550**	**100,550**	**99,660**	**102,540**	**104,340**	**457,592**	**407,146**	**102,070**	0
EBITDA	**18,590**	**17,370**	**17,170**	**13,580**	**11,420**	**10,950**	**12,920**	**12,445**	**66,710**	**47,735**	**11,138**	16
Aluminium	15,240	13,490	12,860	10,430	8,890	8,490	10,360	10,067	52,020	37,807	8,360	24
USD/t	758	590	553	456	398	368	444	436	584	412	363	22
Copper	3,350	3,880	4,310	3,150	2,530	2,460	2,560	2,378	14,690	9,928	2,779	-8
Interest	4,640	4,790	4,770	4,580	4,930	4,780	4,780	4,730	18,780	19,220	4,723	1
Depreciation	4,800	4,750	5,050	5,350	4,940	4,960	5,110	5,149	19,950	20,159	5,083	1
Other Income	920	1,850	2,090	3,750	1,320	1,560	1,190	1,204	8,610	5,274	1,579	-25
PBT (before EO item)	**10,070**	**9,680**	**9,440**	**7,400**	**2,870**	**2,770**	**4,220**	**3,769**	**36,590**	**13,629**	**2,911**	45
EO item					-220	-310	-110			-640		
PBT (after EO item)	**10,070**	**9,680**	**9,440**	**7,400**	**2,650**	**2,460**	**4,110**	**3,769**	**36,590**	**12,989**	**2,911**	41
Total Tax	2,730	2,430	2,310	2,340	980	790	1,490	1,244	9,810	4,504	935	59
% Tax	27.1	25.1	24.5	31.6	37.0	32.1	36.3	33.0	26.8	34.7	32.1	
Reported PAT	**7,340**	**7,250**	**7,130**	**5,060**	**1,670**	**1,670**	**2,620**	**2,526**	**26,780**	**8,486**	**1,976**	33
Adjusted PAT	**7,340**	**7,250**	**7,130**	**5,060**	**1,890**	**1,980**	**2,730**	**2,526**	**26,780**	**9,126**	**1,976**	38

Operational Performance (SA+Utkal)

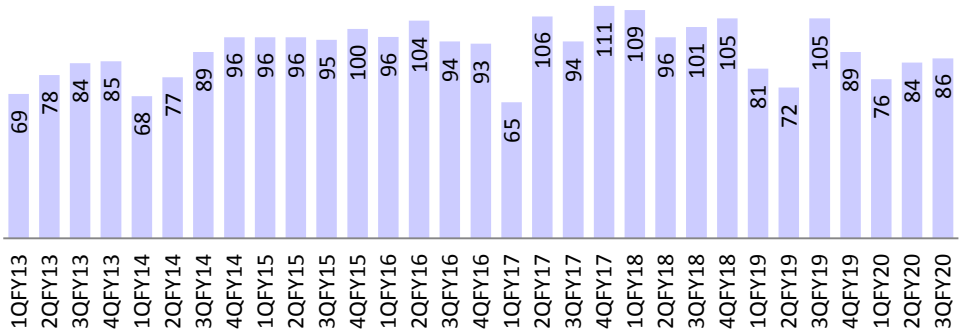
Y/E March	FY19				FY20				FY19	FY20E	vs Est	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Aluminium (sales, kt)	**300**	**326**	**323**	**325**	**320**	**328**	**328**	**325**	**1274**	**1301**	**323**	**2**
Change (YoY %)	0.3	-0.9	-0.6	0.0	6.7	0.6	1.5	0.0		2.1		
Change (QoQ %)	-7.7	8.7	-0.9	0.6	-1.5	2.5		-0.9				
Copper (sales, kt)	**82**	**79**	**99**	**100**	**82**	**82**	**84**	**90**	**360**	**338**	**85**	**-1**
Change (YoY %)	-21.9	-15.1	-2.9	-7.4	0.0	3.8	-15.2	-10.0		-6.1		
Change (QoQ %)	-24.1	-3.7	25.3	1.0	-18.0	0.0	2.4	7.1				
Avg LME Aluminium (USD/T)	**2,254**	**2,056**	**1,967**	**1,861**	**1,792**	**1,762**	**1,752**	**1,750**	**2,035**	**1,764**	**1,752**	
Change (YoY %)	18.1	2.3	-6.2	-13.9	-20.5	-14.3	-10.9	-6.0		-13.3		
Change (QoQ %)	4.3	-8.8	-4.3	-5.4	-3.7	-1.7	-0.6	-0.1				
EBITDA-Aluminium (USD/Ton)	**758**	**590**	**553**	**456**	**398**	**368**	**444**	**436**	**584**	**412**	**363**	**22**
Change (YoY %)	29.1	12.7	-2.1	-24.6	-47.6	-37.7	-19.8	-4.2		-29.6		
Change (QoQ %)	25.5	-22.2	-6.3	-17.6	-12.7	-7.5	20.7	-1.7				

Exhibit 1: Aluminum (incl. Utkal) EBITDA and all-in LME



Source: MOFSL, Company

Exhibit 2: Copper production - kt



Source: MOFSL, Company

Hindalco conference call highlights

- **Aluminum demand and imports:** Domestic demand for aluminum contracted by 14% YoY to 863kt in 3QFY20 and by 5% YoY to 2.8mt in 9MFY20; imports (including scrap) declined by 17% YoY to 505kt in 3QFY20 and by 7% to 1.6mt in 9MFY20; market share of imports declined ~150bp YoY to 38% in 9MFY20.
- **Copper demand and imports:** Domestic copper market growth moderated to 2% YoY to 193kt in 3QFY20. Market share of imports increased to 51% in 3QFY20 (v/s 40% in 3QFY19) as imports grew 30% YoY (to 99kt) while sale of domestic producers contracted by 17% YoY (to 94kt).
- **Muri plant:** The Muri alumina refinery restarted production in Dec'19. Despite the sharp decline in alumina price, management estimates the cost of operations at Muri to be cheaper than the landed cost of imports due to logistics cost savings. Muri shutdown resulted in an adverse impact on EBITDA of INR770m in 3QFY20 (and INR800m in 2QFY20).
- **Projects update:** (1) Utkal alumina's capacity expansion of 500kt is on track and is expected to be commissioned in Dec'20. (2) Dumri coal block should start operations in 1QFY21 but is not expected to result in much coal cost reduction as it will only be used during the monsoons when linkage coal availability drops.
- **Standalone capex:** INR20b each in FY20/FY21. FY20 capex split – INR8b maintenance, INR6-7b Utkal expansion and INR4b downstream capacities.
- **Net debt:** Consolidated net debt stood at INR399b (India INR156b, Novelis INR243b), implying net Debt/ EBITDA of 2.65x (v/s 2.48x in Mar'19).
- Benchmark Tc/Rc for CY20 has settled at 15.9 cents/lb, down 23% YoY; CY21 should see a likely increase hereon.
- 3QFY20 cost of production declined 5% YoY due to lower power cost on account of better linkage coal availability at 69% of the fuel mix (v/s 60% in 2QFY20).
- Pursuant to the issuance of notification by Odisha Electricity Regulatory Commission (OERC) dated 31st Dec'19, Hindalco has written back INR600m excess provision in power and fuel costs recognized during 1HFY20.

Novelis' performance remains strong

However, North America EBITDA declined

- Novelis' adj. EBITDA grew 7% YoY to USD343m (v/s est. USD364m), led by better margins. EBITDA/t was up 7% YoY (-5% QoQ) to USD430/t (v/s est. USD442/t). Adj. PAT increased 10% YoY to USD146m.
- Volumes declined 4.5% QoQ to 797kt (v/s est. 824kt).
- Adj. EBITDA for the company's North America (NA) business declined 26% QoQ, which was partly compensated by 20% QoQ growth in the South America (SA) business.
- FCF before capex was up 43% YoY to USD483m in 9MFY20 due to higher EBITDA and lower working capital from low aluminum prices.
- Net debt/EBITDA further reduced to 2.3x (v/s 2.8x last year).
- Demand for aluminum in auto remains favorable in the US. Beverage cans outlook is also optimistic with increasing preference for lightweight and sustainable aluminum packaging.
- With capacity utilization at >90%, the company seeks to optimize its portfolio. Novelis will remain selective in its exposure within specialty and will use some of this capacity to cater to the can market.

Novelis Performance – USD m

Y/E March	FY19				FY20				FY19	FY20E		vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Sales (000 tons)	**797**	**807**	**800**	**870**	**830**	**835**	**797**	**861**	**3,274**	**3,323**	**824**	-3
Change (YoY %)	1.5	0.6	0.5	8.1	4.1	3.5	-0.4	-1.0	2.7	1.5	3.0	
Net Sales	**3,097**	**3,136**	**3,009**	**3,084**	**2,925**	**2,851**	**2,715**	**2,955**	**12,326**	**11,446**	**2,822**	-4
Change (YoY %)	16.0	12.2	-2.5	0.6	-5.6	-9.1	-9.8	-4.2	6.1	-7.1	-6.2	
EBITDA (adjusted)	**334**	**355**	**322**	**357**	**372**	**378**	**343**	**336**	**1,368**	**1,429**	**364**	-6
Change (YoY %)	15.6	17.5	5.6	11.9	11.4	6.5	6.5	-5.9	12.6	4.5	13.1	
EBITDA per ton (USD)	**419**	**440**	**403**	**410**	**448**	**453**	**430**	**390**	**418**	**430**	**442**	-3
Interest	63	66	64	65	62	58	57	68	258	245	62	-8
Depreciation	86	86	88	90	88	88	91	87	350	354	88	3
PBT (before EO item)	**185**	**203**	**170**	**202**	**222**	**232**	**195**	**181**	**760**	**830**	**214**	-9
Extra-ordinary Income	5	(23)	(55)	(51)	(32)	(60)	(39)	(30)	(124)	(161)	-	
PBT (after EO item)	**190**	**180**	**115**	**151**	**190**	**172**	**156**	**151**	**636**	**669**	**214**	-27
Total Tax	53	64	37	48	63	49	49	46	202	207	64	-24
Reported PAT	**137**	**116**	**78**	**103**	**127**	**123**	**107**	**105**	**434**	**462**	**150**	-29
Change (YoY %)	36	-62	-36	-8	-7	6	37	2	-29	6	92	
Adjusted PAT	**132**	**139**	**133**	**154**	**159**	**183**	**146**	**135**	**558**	**623**	**150**	-3

Novelis' conference call highlights

Beverage can market

- Outlook remains positive. Beverage can market is benefiting from preference toward light-weight, sustainable packaging.
- New beverages are being released in aluminum cans supporting demand.
- Lower price of scrap has been supportive of margins.

Auto market

- Demand from auto in the US remains favorable due to continued light-weighting trends. While overall demand in auto may be weak, the company caters to segments such as large cars, SUVs and pick-up trucks that are doing well.
- Auto market in Europe remains challenging.

Specialties market

- Specialty market in the US has been favorable post imposition of tariffs by the US in China; however, tailwinds are reducing due to increased non-Chinese competition.
- There is increasing competition with Chinese imports in regions outside the US.

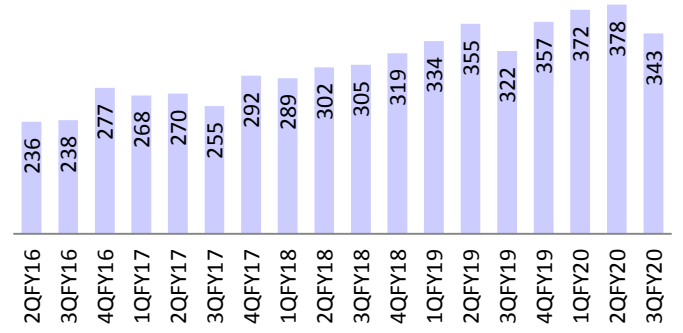
Project expansion

- 200kt automotive finishing line in the US (Guthrie, Kentucky) has begun commissioning with customer shipments scheduled to start in early-FY21.
- **Capex** in 9MFY20 was USD422m; FY20 capex guidance has been reduced to USD650m from USD700m guided earlier.

Aleris acquisition

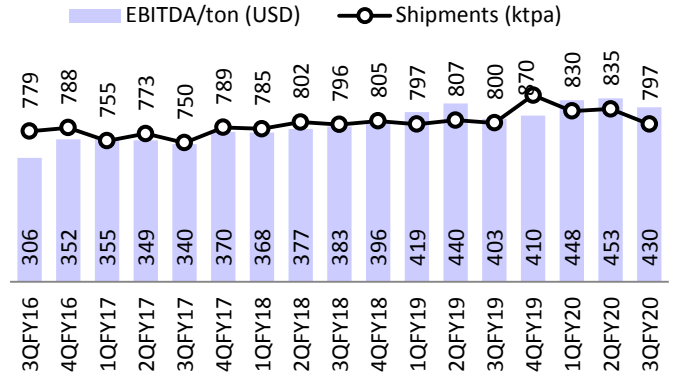
- Novelis expects the acquisition of Aleris to be completed soon; the European Commission's approval of Aleris' Duffel plant buyer is the only pending item to close the transaction.
- Received approval in the US; will enter arbitration with DoJ to determine ability to acquire Aleris' automotive plant in Lewisport, Kentucky.
- On 20th Dec'19, the company received approval in China, subject to divestment of the Duffel plant, after concluding the Aleris acquisition.
- Conditional approval has been granted in Europe, pending EC approval of a buyer of Aleris' automotive plant in Duffel, Belgium.

Exhibit 3: Novelis' adjusted EBITDA (USDm)



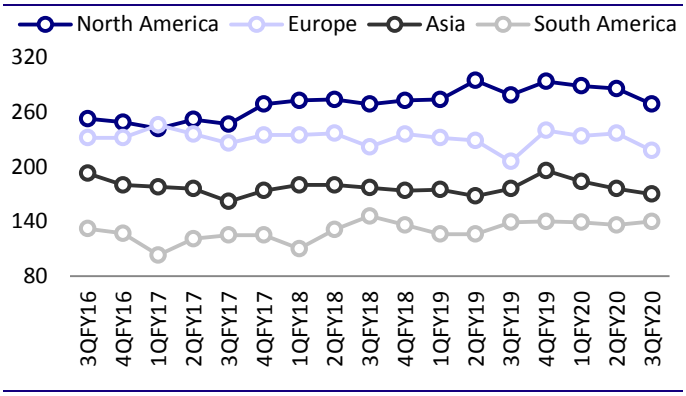
Source: MOFSL, Company

Exhibit 4: Novelis' EBITDA/t and shipments



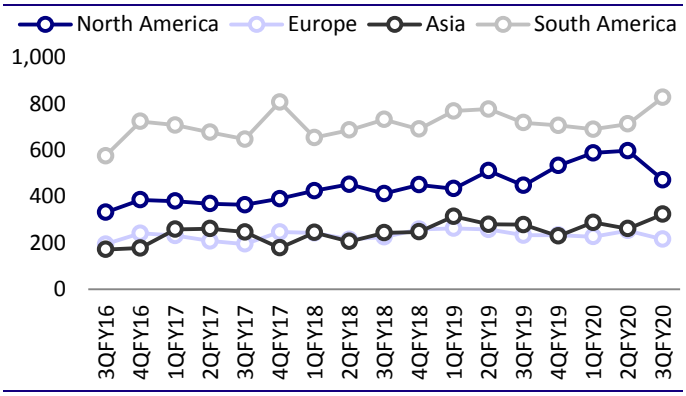
Source: MOFSL, Company

Exhibit 5: Novelis' FRP shipments (kt)



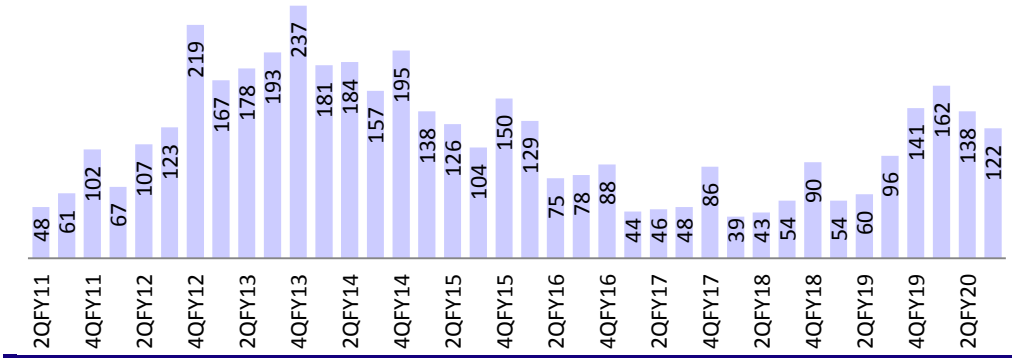
Source: MOFSL, Company

Exhibit 6: Novelis' regional EBITDA/t trends



Source: MOFSL, Company

Exhibit 7: Novelis' capex (USD m)



Source: MOFSL, Company

Valuation and view

- With slowing global demand and continuing tariff wars, aluminum LME remains weak. However, at current LME, several global aluminum smelters would be in losses, which we believe is unsustainable. Given HNDL's low-cost integrated production, it is well placed to benefit as LME recovers.
- We remain conservative on profitability and build in a lower EBITDA margin of USD417/t for FY21 (v/s USD444/t in 9MFY20). With spread between LME and scrap reducing, margins should eventually normalize. Management has been guiding for sustainable EBITDA/t of >USD400. HNDL continues to benefit from Novelis' strong business and fully-integrated smelting operation in India.
- The stock trades at attractive valuations of 5.7x EV/EBITDA and 9x P/E on FY21E. We value it at INR240/share based on SOTP. Re-iterate **Buy**.

Exhibit 8: Target price derivation

Y/E March	2017	2018	2019	2020E	2021E
EBITDA	**124,359**	**138,204**	**155,105**	**148,015**	**169,777**
EV/EBTIDAx					6.0
Target EV					1,018,660
Net Debt	465,385	400,543	387,731	565,716	533,088
EQ = (EV-net Debt)					485,572
A. INR/share(EQ)					218
Add: 50% CWIP					48,515
AA. INR/share (CWIP)					22
Equity value (A+AA) INR/sh.					**240**
Assumptions					
USD/INR	67.1	64.5	69.9	70.6	70.6
LME	1,687	2,044	2,035	1,764	1,813
Net debt/EBITDA (x)	3.7	2.9	2.5	3.8	3.1

Source: MOFSL, Company

Financials and Valuations

Income Statement (INR Million)

Y/E Mar	2014	2015	2016	2017	2018	2019	2020E	2021E
Net Sales	**876,955**	**1,042,811**	**987,589**	**1,001,838**	**1,151,717**	**1,305,423**	**1,323,933**	**1,453,522**
Change (%)	9.4	18.9	-5.3	1.4	15.0	13.3	1.4	9.8
EBITDA	**82,863**	**89,446**	**86,542**	**124,359**	**138,204**	**155,105**	**156,953**	**166,457**
EBITDA Margin (%)	9.4	8.6	8.8	12.4	12.0	11.9	11.9	11.5
Depreciation	35,528	35,906	43,468	44,572	45,062	47,770	53,625	59,615
EBIT	**47,335**	**53,540**	**43,074**	**79,786**	**93,141**	**107,335**	**103,328**	**106,842**
Interest	27,016	41,784	51,338	57,424	39,107	37,780	42,998	46,358
Other Income	10,172	11,047	11,888	11,110	10,046	11,271	11,173	12,840
Extraordinary items	-3,960	-19,401	-5,765	-76	17,742	0	-220	0
PBT	**26,531**	**3,402**	**-2,141**	**33,395**	**81,821**	**80,826**	**71,283**	**73,324**
Tax	5,249	2,564	4,984	14,326	20,742	25,881	24,045	23,664
Tax Rate (%)	19.8	75.4	-232.8	42.9	25.4	32.0	33.7	32.3
Min. Int. & Assoc. Share	-468	-7,704	-6,223	77	1,250	-12	-12	-12
Reported PAT	**21,750**	**8,542**	**-902**	**18,992**	**59,829**	**54,957**	**47,250**	**49,671**
Adjusted PAT	**25,710**	**27,943**	**4,863**	**19,069**	**42,088**	**54,957**	**47,470**	**49,671**
Change (%)	-20.9	8.7	-82.6	292.1	120.7	30.6	-13.6	4.6

Balance Sheet (INR Million)

Y/E Mar	2014	2015	2016	2017	2018	2019	2020E	2021E
Share Capital	2,065	2,065	2,049	2,227	2,229	2,224	2,224	2,224
Reserves	403,984	381,220	404,017	458,361	546,289	572,793	615,809	660,981
Net Worth	**406,048**	**383,285**	**406,066**	**460,588**	**548,518**	**575,017**	**618,033**	**663,205**
Minority Interest	17,805	9,561	3,813	62	86	95	95	95
Debt	646,952	684,050	674,754	637,515	520,155	524,150	659,818	589,818
Deferred Tax	31,750	25,552	20,970	20,168	31,333	36,505	41,314	46,047
Total Capital Employed	**1,102,555**	**1,102,448**	**1,105,603**	**1,118,333**	**1,100,092**	**1,135,767**	**1,319,260**	**1,299,165**
Gross Fixed Assets	748,947	887,802	1,057,871	1,040,510	1,082,644	1,130,670	1,340,411	1,367,938
Less: Acc Depreciation	267,361	299,816	378,494	364,991	410,054	457,824	511,448	571,063
Net Fixed Assets	**481,586**	**587,986**	**679,377**	**675,518**	**672,590**	**672,846**	**828,963**	**796,875**
Goodwill on consolidation	169,371	165,651	177,353	171,350	178,294	185,746	185,746	185,746
Capital WIP	230,593	141,113	42,138	18,139	20,629	40,971	82,173	111,557
Investments	23,381	23,216	47,488	62,057	68,778	51,567	51,572	51,577
Current Assets	**474,889**	**499,495**	**465,104**	**529,543**	**529,846**	**567,157**	**555,064**	**558,124**
Inventory	166,943	184,511	167,873	182,914	216,314	221,938	224,887	246,900
Debtors	92,348	91,864	79,184	82,748	99,598	114,598	114,408	125,606
Cash & Bank	117,121	119,289	120,962	172,129	119,612	136,419	121,566	91,415
Loans & Adv, Others	98,477	103,830	97,085	91,752	94,322	94,203	94,203	94,203
Curr Liabs & Provns	**277,263**	**315,011**	**305,857**	**338,275**	**370,046**	**382,520**	**384,258**	**404,714**
Net Current Assets	**197,626**	**184,484**	**159,247**	**191,269**	**159,800**	**184,637**	**170,806**	**153,410**
Total Assets	**1,102,555**	**1,102,448**	**1,105,603**	**1,118,333**	**1,100,092**	**1,135,767**	**1,319,259**	**1,299,165**

Financials and Valuations

Ratios

Y/E Mar	2014	2015	2016	2017	2018	2019	2020E	2021E
Basic (INR)								
EPS	**12.5**	**13.5**	**2.4**	**8.6**	**18.9**	**24.7**	**21.3**	**22.3**
Cash EPS	27.5	17.8	17.7	28.6	47.6	46.2	45.4	49.1
Book Value	114.6	105.4	111.6	129.9	166.1	175.0	194.4	214.7
DPS	1.0	1.0	1.0	1.1	1.4	1.4	1.6	1.7
Payout (incl. Div. Tax.)	9.4	8.6	49.3	15.0	8.7	6.6	8.8	8.9
Valuation(x)								
P/E	16.2	14.9	84.9	23.5	10.7	8.2	9.4	9.0
Cash P/E	7.3	11.3	11.4	7.1	4.2	4.4	4.4	4.1
Price / Book Value	1.8	1.9	1.8	1.6	1.2	1.2	1.0	0.9
EV/EBITDA	11.4	11.0	11.2	7.4	6.1	5.4	6.3	5.7
Dividend Yield (%)	0.5	0.5	0.5	0.5	0.7	0.7	0.8	0.8
Profitability Ratios (%)								
RoE	11.6	12.3	2.2	7.1	12.8	14.5	11.6	10.9
RoCE	5.5	5.9	4.9	8.2	9.3	10.6	9.3	9.1
RoIC (pre-tax)	7.6	6.9	5.0	9.1	10.8	11.9	10.5	10.1
Turnover Ratios (%)								
Asset Turnover (x)	0.8	0.9	0.9	0.9	1.0	1.1	1.0	1.1
Debtors (No. of Days)	38	32	29	30	32	32	32	32
Inventory (No. of Days)	69	65	62	67	69	62	62	62
Creditors (No. of Days)	54	54	56	65	65	58	58	58
Leverage Ratios (%)								
Net Debt/Equity (x)	2.2	2.6	2.4	1.6	1.1	1.0	1.2	1.0

Cash Flow Statement (INR Million)

Y/E Mar	2014	2015	2016	2017	2018	2019	2020E	2021E
Adjusted EBITDA	82,863	89,446	86,542	124,359	138,204	155,105	156,953	166,457
Non cash opr. exp (inc)	-4,821	-5,872	1,543	3,622	2,617	895	7	7
(Inc)/Dec in Wkg. Cap.	9,623	-863	41,083	6,691	-17,862	-17,771	-1,022	-12,755
Tax Paid	-9,586	-11,280	-12,291	-7,797	-14,081	-19,104	-19,236	-18,931
Other operating activities	0	0	0	0	0	0	0	0
CF from Op. Activity	**78,079**	**71,431**	**116,877**	**126,875**	**108,877**	**119,125**	**136,701**	**134,777**
(Inc)/Dec in FA & CWIP	-94,236	-59,776	-42,452	-29,376	-30,008	-59,747	-68,729	-56,911
Free cash flows	**-16,156**	**11,655**	**74,426**	**97,499**	**78,870**	**59,379**	**67,972**	**77,866**
(Pur)/Sale of Invt	10,910	15,680	15,859	5,667	24,685	11,271	11,173	12,840
Others	1,672	-796	6	3,524	8,052	-6,500	-181,812	0
CF from Inv. Activity	**-81,655**	**-44,892**	**-26,586**	**-20,185**	**2,730**	**-54,976**	**-239,368**	**-44,071**
Inc/(Dec) in Net Worth	16,305	47	1	33,141	162	0	0	0
Inc / (Dec) in Debt	48,689	28,323	-36,003	-25,430	-122,863	-5,593	135,266	-70,000
Interest Paid	-46,919	-50,253	-50,057	-60,754	-38,486	-37,780	-42,998	-46,358
Divd Paid (incl Tax) & Others	-3,149	-2,488	-2,558	-2,479	-2,938	-3,705	-4,234	-4,499
CF from Fin. Activity	**14,926**	**-24,371**	**-88,619**	**-55,523**	**-164,124**	**-47,079**	**88,034**	**-120,857**
Inc/(Dec) in Cash	**11,351**	**2,168**	**1,673**	**51,167**	**-52,517**	**17,071**	**-14,632**	**-30,151**
Add: Opening Balance	105,771	117,121	119,289	120,962	172,129	119,612	136,419	121,566
Closing Balance	**117,121**	**119,289**	**120,962**	**172,129**	**119,612**	**136,683**	**121,786**	**91,415**

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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