MOTILAL OSWAL

31 July 2021
1QFY22 Results Update | Sector: Healthcare

Laurus Labs

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	LAURUS IN
Equity Shares (m)	532
M.Cap.(INRb)/(USDb)	343.8 / 4.6
52-Week Range (INR)	698 / 152
1, 6, 12 Rel. Per (%)	-6/72/266
12M Avg Val (INR M)	1921

Financials & valuations (INR b)

Y/E MARCH	FY21	FY22E	FY23E
Sales	48.1	62.7	75.9
EBITDA	15.5	20.1	25.0
Adj. PAT	9.8	12.9	16.4
EBIT Margin (%)	28.0	28.1	28.9
Cons. Adj. EPS (INR)	18.3	24.1	30.5
EPS Gr. (%)	285.4	31.3	26.8
BV/Sh. (INR)	48.7	69.2	95.2
Ratios			
Net D:E	0.5	0.4	0.2
RoE (%)	45.0	41.0	37.3
RoCE (%)	30.6	30.3	30.7
Payout (%)	15.1	15.1	15.1
Valuations			
P/E (x)	35.3	26.9	21.2
EV/EBITDA (x)	23.2	17.9	14.2
Div. Yield (%)	0.4	0.5	0.6
FCF Yield (%)	0.1	0.8	1.9
EV/Sales (x)	7.5	5.7	4.7

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	27.3	27.5	32.1
DII	4.2	3.6	8.8
FII	21.5	20.7	16.1
Others	47.0	48.3	43.0

FII includes depository receipts

CMP: INR641 TP: INR800 (+25%) Buy

Formulation/Synthesis outshines; API underperforms

Building of Non-ARV drivers/capacity on track

- Laurus Labs (LAURUS) 1QFY22 earnings missed our expectations. The robust performances in the Finished Dosage Formulations (FDF) and Synthesis segments were more than offset by a muted show in the Active Pharma Ingredients (API) segment. That said, in addition to having an established business in the Anti-Retroviral (ARV) segment, LAURUS is on track to build new levers for future growth in Contract Development and Manufacturing Operations (CDMO) and Non-ARV API/Formulation.
- We tweak our FY22E/FY23E EPS estimate, factoring in a) moderation in the API business, b) strong traction in Synthesis and FDF, and c) enhanced capacity in the Bio business. We continue to value LAURUS at 24x 12M forward earnings to arrive at TP of INR800. We remain positive on LAURUS on the back of a) the scale-up in Biologics as well as Synthesis CDMO, b) its product development/addition capacity in the Non-ARV segment, and c) a healthy order book for the Non-ARV API business. Reiterate BUY.

Superior product mix drives profitability as well as YoY earnings growth

- Revenue grew 31% YoY to INR12.8b (est. INR13.6b) in 1QFY22.
- The YoY growth in 1QFY22 was primarily supported by a) 95% YoY growth in Custom Synthesis (CS) to INR2b (15% of sales) and b) 48% YoY growth in Formulation sales to INR5.2b (41% of sales) – led by better demand in the LMIC region and portfolio expansion in the developed markets.
- API revenue edged up (5% YoY) to INR5.5b (43% of sales). Oncology API grew 16% YoY to INR600m. The ARV-API segment rose 23% YoY to INR4.1b, partially offset by a sharp fall (43% YoY) in Other API to INR769m.
- The gross margin (GM) expanded 250bp YoY to 56.7% on a superior product mix. The EBITDA margin expanded 230bp YoY to 30.9% (est. 31.8%) on account of a better gross margin. Lower employee costs (down 150bp as a percentage of sales) were offset by higher other expenses (up 140bp as a percentage of sales).
- EBITDA grew 42% YoY to INR4b (est. INR4.3b).
- PAT grew 41% YoY to INR2.4b on strong sales growth and superior margins.

Highlights from management commentary

- LAURUS remains committed to a USD1b revenue target for FY23.
- There was no one-off in Custom Synthesis during the quarter; thus, performance is expected to sustain going forward.
- The debottlenecking benefit would be visible from 2QFY22.
- YoY growth in the FDF segment was driven by robust demand in LMIC and product additions in the developed markets.
- The ARV sales share is expected to reduce to 33% by FY25 (from 66% currently).

Tushar Manudhane - Research Analyst (Tushar.Manudhane@MotilalOswal.com)
Bharat Hegde, CFA (Bharat.Hegde@motilaloswal.com)

- LAURUS filed two ANDAs in 1QFY22, taking the total US filings to 28 ANDAs.
- It in-licensed six products, three of which have been launched and three of which would be launched in the coming quarters.
- LAURUS validated two additional products for the EU market, with an upside expected FY23 onwards.

Valuation and view

- We tweak our EPS estimates for FY22/FY23, factoring in a) benefit from the debottlenecking exercise for FDF, b) enhanced filing pace / product approvals, which would benefit Non-ARV formulations in the developed markets, c) capacity buildup for the Non-ARV segment, d) better prospects in the Synthesis segment and scale-up in the Enzymes/Biologics segment, and e) the normalization of the API business.
- We expect an earnings CAGR of 29% over FY21–23E, led by a sales CAGR of 42%/42%/9% in the FDF/Synthesis/API segment and ~80bp margin expansion. We value LAURUS at 24x 12M forward earnings to arrive at TP of INR800.
- LAURUS is on track to build pillars of growth in CDMO (Synthesis/Biologics) and Non-ARV Formulation/API through a) product development and b) ensuring the timely availability of manufacturing capacity/capabilities. Reiterate Buy.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY21				FY22E				FY21	FY22E		vs Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net Sales	**9,743**	**11,388**	**12,884**	**14,119**	**12,785**	**14,060**	**16,675**	**19,130**	**48,135**	**62,650**	**13,640**	**-6.3**
YoY Change (%)	77.0	59.9	76.6	68.3	31.2	23.5	29.4	35.5	70.0	30.2	40.0	
Total Expenditure	6,960	7,650	8,621	9,397	8,832	9,631	11,272	12,805	32,628	42,539	9,303	
EBITDA	**2,783**	**3,739**	**4,263**	**4,722**	**3,954**	**4,429**	**5,403**	**6,326**	**15,507**	**20,111**	**4,338**	**-8.9**
YoY Change (%)	220.8	171.3	187.7	146.2	42.0	18.5	26.7	34.0	174.7	29.7	55.9	
Margins (%)	28.6	32.8	33.1	33.4	30.9	31.5	32.4	33.1	32.2	32.1	31.8	
Depreciation	488	510	516	536	585	600	650	698	2,051	2,533	560	
EBIT	**2,295**	**3,229**	**3,747**	**4,186**	**3,368**	**3,829**	**4,753**	**5,628**	**13,456**	**17,578**	**3,778**	**-10.8**
YoY Change (%)	460.8	258.9	272.3	187.2	46.7	18.6	26.9	34.5	256.7	30.6	64.6	
Margins (%)	23.6	28.4	29.1	29.6	26.3	27.2	28.5	29.4	28.0	28.1	27.7	
Interest	151	137	174	219	266	275	290	216	682	1,047	230	
Other Income	71	51	69	45	59	60	65	67	237	251	50	
PBT before EO expense	**2,215**	**3,143**	**3,642**	**4,012**	**3,161**	**3,614**	**4,528**	**5,479**	**13,011**	**16,782**	**3,598**	**-12.2**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**2,215**	**3,143**	**3,642**	**4,012**	**3,161**	**3,614**	**4,528**	**5,479**	**13,011**	**16,782**	**3,598**	**-12.2**
Tax	497	720	913	1,043	744	842	1,019	1,255	3,173	3,860	827	
Rate (%)	22.4	22.9	25.1	26.0	23.6	23.3	22.5	22.9	24.4	23.0	23.0	
Reported PAT	**1,718**	**2,423**	**2,729**	**2,969**	**2,416**	**2,772**	**3,509**	**4,225**	**9,838**	**12,922**	**2,770**	**-12.8**
Adj PAT	**1,718**	**2,423**	**2,729**	**2,969**	**2,416**	**2,772**	**3,509**	**4,225**	**9,838**	**12,922**	**2,770**	**-12.8**
YoY Change (%)	1,038.0	328.4	271.4	169.6	40.7	14.4	28.6	42.3	285.4	31.3	61.3	

Key performance Indicators (Consolidated)

Y/E March	FY21				FY22E				FY21	FY22E	
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
API	5,220	5,710	7,310	8,053	5,490	6,100	7,600	8,836	26,210	28,026	7,800
YoY Change (%)	40.3	22.4	104.0	90.0	5.2	6.8	4.0	9.7	62.9	6.9	49.4
Custom Synthesis	1,000	1,160	1,270	1,760	1,950	1,900	2,100	2,207	5,285	8,157	1,500
YoY Change (%)	37.0	36.5	62.8	18.9	95.0	63.8	65.4	25.4	66.7	55.0	50.0
Formulation	3,520	4,520	4,300	4,300	5,210	5,900	6,800	7,882	16,640	25,792	4,400
YoY Change (%)	232.1	182.7	47.2	60.9	48.0	30.5	58.1	83.3	101.6	55.0	25.0
Cost Break-up											
RM Cost (% of Sales)	45.8	44.0	45.3	44.5	43.3	43.5	43.6	43.9	44.8	43.6	45.6
Staff Cost (% of Sales)	11.5	9.5	7.8	8.1	10.0	9.5	9.2	9.1	9.0	9.4	8.8
Other Cost (% of Sales)	14.2	13.7	13.8	14.0	15.8	15.5	14.8	13.9	13.9	14.9	13.8
Gross Margins(%)	54.2	56.0	54.7	55.5	56.7	56.5	56.4	56.1	55.2	56.4	54.4
EBITDA Margins(%)	28.6	32.8	33.1	33.4	30.9	31.5	32.4	33.1	32.2	32.1	31.8
EBIT Margins(%)	23.6	28.4	29.1	29.6	26.3	27.2	28.5	29.4	28.0	28.1	27.7

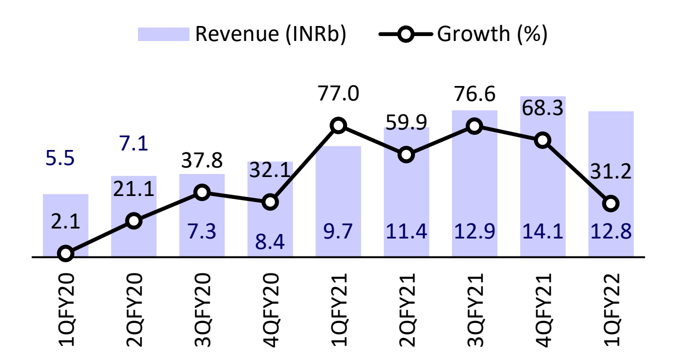
CONFERENCE CALL

Other highlights from the call

- Revenue for Laurus Bio stood at INR140m, its first full quarter of revenue since the acquisition of Richcore Lifesciences.
- The ARV to Non-ARV business ratio in FDF stands at 70:30.
- LAURUS' market share in the TLD product in the LMIC market is in the high teens.
- LAURUS has achieved 10 product approvals in Canada. It has launched five products and plans to launch another two soon.
- The Ingredient and Aspen businesses contributed 40% to the CDMO segment in 1QFY22.
- Laurus filed five DMFs in 1QFY22, taking the total filings to 66.
- Laurus witnessed revenue decline in the Other API segment due to a change in the shipping schedule.
- The INR15b–17b capex plan for FY22/FY23 is on track. It invested ~INR2.1b in 1QFY22. LAURUS would invest INR4b in FDF and INR5b in CDMO.
- Net debt was up INR1.7b QoQ to INR16b at end-1QFY22.

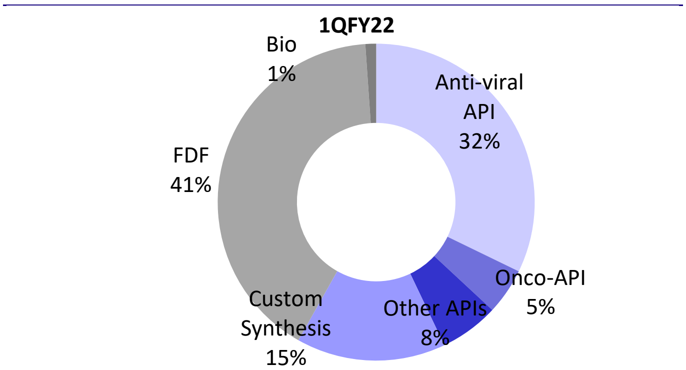
Key exhibits

Exhibit 1: Revenue up 31% YoY, driven by FDF



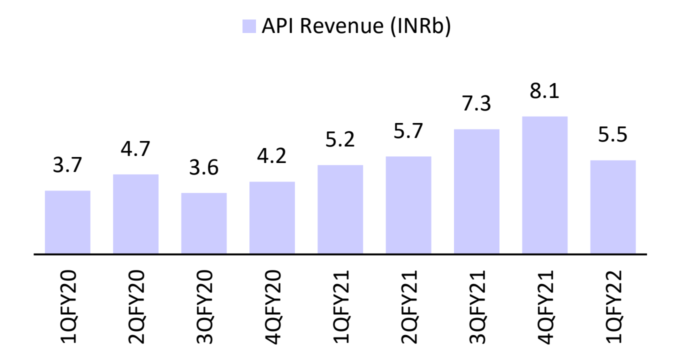
Source: MOFSL, Company

Exhibit 2: FDF sales share at 31%



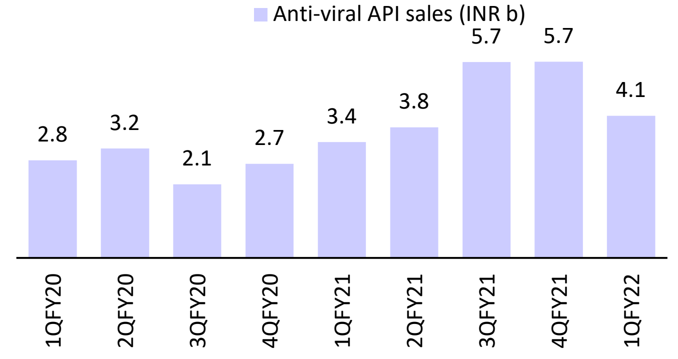
Source: MOFSL, Company

Exhibit 3: Demand normalization hits API sales run-rate



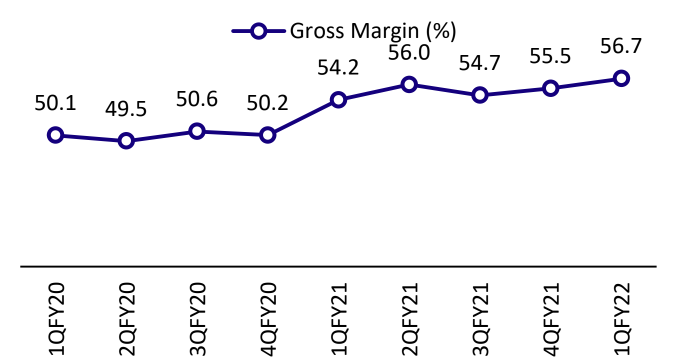
Source: MOFSL, Company

Exhibit 4: ARV-API sales up 23% YoY, but down QoQ



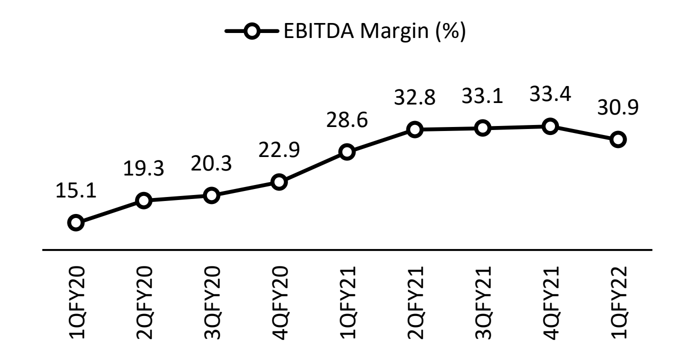
Source: MOFSL, Company

Exhibit 5: Gross margin up ~250bp YoY in 1QFY22



Source: MOSL, Company

Exhibit 6: EBITDA margin up ~230bp YoY



Source: MOSL, Company

Non-ARV/CS to drive future growth; ARV on steady base

FDF – product buildup in Non-ARV space

- FDF revenue grew 48% YoY to INR5.2b. Contribution from Formulations increased to 41% in 1QFY22 from 35% in FY21, with market share gains in TLD-based combination therapy drugs in ARV. LAURUS has built a strong FDF business, with particular expertise in ARV on the back of backward integration. This has driven superior manufacturing cost efficiency. Furthermore, growth in the ARV category is expected through market share gains in first-line treatment and increasing product offerings in second-line treatment.
- The debottlenecking exercise would add 1b units (20% of existing capacity) and start supporting growth 2QFY22 onwards. LAURUS is also investing in a greenfield expansion program, which would add a 4b unit capacity by end-FY22. 75% of this greenfield capacity would be used for Non-ARV products.
- On the product front, LAURUS is building an ANDA pipeline in therapeutic areas such as Cardiac/Diabetic and other Non-ARV segments (28 filed / 10 awaiting approval). It has 66 products under development for the US/EU, 80% of which are in the Non-ARV category, with an addressable market size of USD37b.
- Based on this, we expect a 42% sales CAGR in FDF over FY21–23, reaching INR33.5b by FY23.

API – new additions and market share gains to drive medium-term growth

- The API business posted muted growth of 5% YoY to INR5.5b in 1QFY22.
- Particularly, ARV API sales growth is expected to slow in FY22. However, the supply of APIs for second-line therapies is expected to offset some of the expected decline in first-line therapy APIs in the ARV segment.

- LAURUS is also building a portfolio of non-ARV APIs and has now filed 66 DMFs in the US to date. It has a healthy order book in the CVS, Cardiac, and Diabetic therapies in the Other API segment, for which it is also undertaking capacity expansions.
- Accordingly, we expect API sales to post a 9% sales CAGR over FY21–23, with ramp-up in Non-ARV API sales from FY23.

New projects / Client additions to drive Synthesis business

- LAURUS reported sales growth of 95% YoY to INR2b in the Synthesis (CDMO) segment in 1QFY22. LAURUS is working with global innovators across clinical development and commercial supplies. It is working on 50 projects currently in the CDMO segment, up from 40 in FY20.
- LAURUS is among the Top 5 companies in reactor capacity in the CDMO space globally. Its chemistry skillset, manufacturing efficiency, and consistent compliance make it one of the preferred partners in the CDMO segment.
- We expect a 42% sales CAGR in the CDMO segment to INR10.5b over FY21–23.

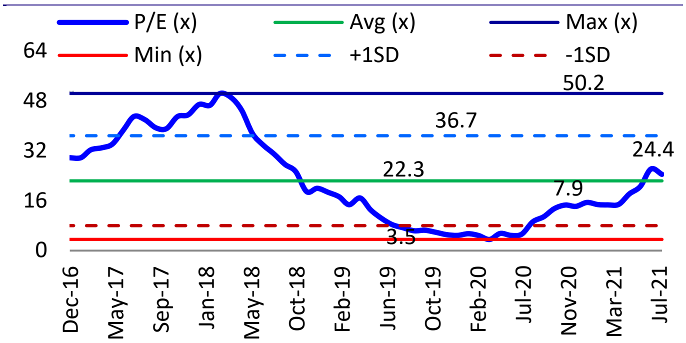
LAURUS BIO – additional lever for growth and diversification

- LAURUS BIO marks LAURUS' entry into the Biotechnology space, and the company is looking to explore CDMO opportunities to expand this division. New fermentation capacities are partially commercialized currently and would be fully commercialized by ~Sep'21.
- It is in the process of finalizing plans to add a new facility, taking the total fermentation capacity to 1m liters, from 0.18m liters currently.

Expect 29% EPS CAGR over FY21–23

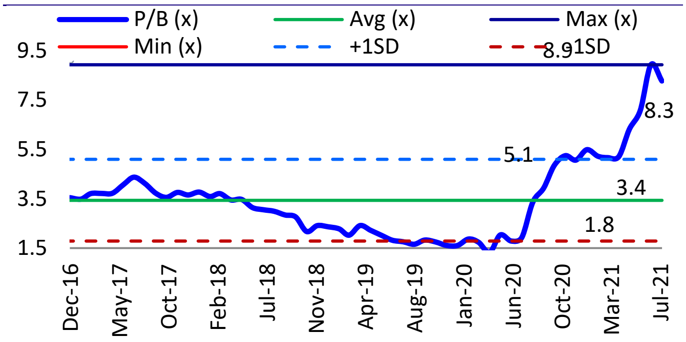
- We tweak our EPS estimates for FY22/FY23, factoring in a) benefit from the debottlenecking exercise for FDF, b) enhanced filing pace / product approvals, which would benefit Non-ARV formulations in the developed markets, c) capacity buildup for the Non-ARV segment, d) better prospects in the Synthesis segment and scale-up in the Enzymes/Biologics segment, and e) the normalization of the API business.
- We expect an earnings CAGR of 29% over FY21–23E, led by a sales CAGR of 42%/42%/9% in the FDF/Synthesis/API segment and ~80bp margin expansion. We value LAURUS at 24x 12M forward earnings to arrive at TP of INR800.
- We remain positive on LAURUS on the back of a) the scale-up in Biologics as well as Synthesis CDMO, b) its product development/addition capacity in the Non-ARV segment, and c) a healthy order book for the Non-ARV API business. **Reiterate BUY**.

Exhibit 7: P/E chart



Source: MOFSL, Company, Bloomberg

Exhibit 8: P/B chart



Source: MOFSL, Company, Bloomberg

Financials and valuations

Consolidated - Income Statement (INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Total Income from Operations	**11,597**	**13,266**	**17,776**	**19,046**	**20,690**	**22,919**	**28,317**	**48,135**	**62,650**	**75,864**
Change (%)	61.4	14.4	34.0	7.1	8.6	10.8	23.6	70.0	30.2	21.1
Total Expenditure	**9,509**	**11,264**	**14,154**	**14,970**	**16,557**	**19,155**	**22,672**	**32,628**	**42,539**	**50,829**
% of Sales	82.0	84.9	79.6	78.6	80.0	83.6	80.1	67.8	67.9	67.0
EBITDA	**2,089**	**2,002**	**3,622**	**4,076**	**4,133**	**3,764**	**5,645**	**15,507**	**20,111**	**25,035**
Margin (%)	18.0	15.1	20.4	21.4	20.0	16.4	19.9	32.2	32.1	33.0
Depreciation	329	615	864	1,060	1,255	1,642	1,873	2,051	2,533	3,099
EBIT	**1,760**	**1,387**	**2,758**	**3,016**	**2,879**	**2,122**	**3,773**	**13,456**	**17,578**	**21,936**
Int. and Finance Charges	639	1,062	1,111	999	796	882	896	682	1,047	954
Other Income	88	341	44	334	292	162	59	237	251	303
PBT bef. EO Exp.	**1,209**	**666**	**1,690**	**2,352**	**2,374**	**1,402**	**2,936**	**13,011**	**16,782**	**21,286**
EO Items	0	0	0	0	0	-204	0	0	0	0
PBT after EO Exp.	**1,209**	**666**	**1,690**	**2,352**	**2,374**	**1,198**	**2,936**	**13,011**	**16,782**	**21,286**
Total Tax	236	-15	349	439	698	260	383	3,173	3,860	4,896
Tax Rate (%)	19.6	-2.3	20.6	18.7	29.4	21.7	13.1	24.4	23.0	23.0
Minority Interest	0	-2	4	11	0	0	0	0	0	0
Reported PAT	**972**	**683**	**1,337**	**1,903**	**1,676**	**938**	**2,553**	**9,838**	**12,922**	**16,390**
Adjusted PAT	**972**	**683**	**1,337**	**1,903**	**1,676**	**1,097**	**2,553**	**9,838**	**12,922**	**16,390**
Change (%)	10.2	-29.7	95.7	42.3	-11.9	-34.5	132.6	285.4	31.3	26.8
Margin (%)	8.4	5.2	7.5	10.0	8.1	4.8	9.0	20.4	20.6	21.6

Consolidated - Balance Sheet (INR m)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Equity Share Capital	154	155	158	1,058	1,060	1,064	1,069	1,073	1,073	1,073
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0	0	0	0
Preference Capital	625	666	666	0	0	0	0	0	0	0
Total Reserves	2,806	6,419	7,744	12,247	13,766	14,520	16,629	24,902	35,878	49,800
minority interest								32	32	32
Net Worth	**3,584**	**7,241**	**8,568**	**13,304**	**14,826**	**15,584**	**17,698**	**26,007**	**36,983**	**50,904**
Total Loans	5,428	8,211	10,277	8,417	9,649	10,030	10,123	13,871	13,671	10,171
Deferred Tax Liabilities	118	113	-549	-699	-529	-534	-739	192	192	192
Capital Employed	**9,131**	**15,565**	**18,296**	**21,023**	**23,946**	**25,081**	**27,081**	**40,070**	**50,846**	**61,267**
Gross Block	6,230	9,865	11,063	14,088	17,851	20,976	23,821	27,949	34,597	41,926
Less: Accum. Deprn.	1,240	1,855	853	1,886	3,141	4,783	6,655	8,706	11,239	14,338
Net Fixed Assets	**4,989**	**8,010**	**10,210**	**12,202**	**14,711**	**16,193**	**17,166**	**19,243**	**23,357**	**27,588**
Goodwill on Consolidation	3	0	0	97	97	97	97	2,463	2,463	2,463
Capital WIP	1,161	1,097	696	1,433	1,632	1,096	672	3,622	4,474	4,645
Total Investments	**0**	**74**	**70**	**34**	**34**	**34**	**34**	**34**	**34**	**34**
Curr. Assets, Loans&Adv.	**6,578**	**9,757**	**10,710**	**12,069**	**13,165**	**15,357**	**18,589**	**32,145**	**41,856**	**51,456**
Inventory	3,281	4,755	4,871	5,090	5,848	6,819	9,052	15,755	20,890	25,378
Account Receivables	1,949	2,851	4,449	5,676	5,706	7,099	7,914	13,061	16,993	21,200
Cash and Bank Balance	232	589	288	41	31	30	17	485	271	395
Loans and Advances	1,117	1,562	1,103	1,262	1,580	1,408	1,605	2,845	3,703	4,484
Curr. Liability & Prov.	**3,601**	**3,373**	**3,390**	**4,812**	**5,692**	**7,697**	**9,477**	**17,437**	**21,339**	**24,919**
Account Payables	2,275	2,308	2,476	2,631	3,123	4,883	6,156	11,787	13,986	16,014
Other Current Liabilities	1,218	922	770	1,988	2,316	2,449	2,753	4,894	6,369	7,712
Provisions	109	143	144	193	253	365	568	757	985	1,192
Net Current Assets	**2,977**	**6,383**	**7,320**	**7,257**	**7,473**	**7,660**	**9,112**	**14,708**	**20,516**	**26,537**
Appl. of Funds	**9,131**	**15,565**	**18,296**	**21,023**	**23,946**	**25,081**	**27,081**	**40,070**	**50,846**	**61,267**

Financials and valuations

Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Basic (INR)										
EPS	**1.8**	**1.3**	**2.5**	**3.5**	**3.1**	**2.1**	**4.8**	**18.3**	**24.1**	**30.5**
Cash EPS	2.4	2.4	4.1	5.5	5.5	5.1	8.3	22.2	28.9	36.5
BV/Share	6.7	13.5	16.0	24.9	27.7	29.2	33.1	48.7	69.2	95.2
DPS	0.0	0.0	0.1	0.3	0.0	0.3	0.6	2.3	3.0	3.8
Payout (%)	0.0	0.0	4.4	10.0	0.0	20.4	15.1	15.1	15.1	15.1
Valuation (x)										
P/E	355.8	506.1	262.8	183.8	206.4	315.2	136.0	35.3	26.9	21.2
Cash P/E	265.9	266.3	158.7	117.6	118.0	126.3	78.2	29.1	22.4	17.7
P/BV	96.5	47.8	40.4	26.0	23.3	22.2	19.5	13.3	9.4	6.8
EV/Sales	30.3	26.6	20.0	18.6	17.2	15.5	12.6	7.5	5.7	4.7
EV/EBITDA	168.1	176.6	98.2	86.9	86.0	94.5	63.1	23.2	17.9	14.2
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.4	0.5	0.6
FCF per share	-3.5	-8.4	-2.7	1.0	-1.0	0.7	2.0	0.9	5.1	12.6
Return Ratios (%)										
RoE	31.5	12.6	16.9	17.4	11.9	7.2	15.3	45.0	41.0	37.3
RoCE	20.5	14.4	13.0	13.4	9.7	7.1	12.5	30.6	30.3	30.7
RoIC	25.4	14.0	14.6	13.5	9.7	7.2	13.0	32.7	33.0	33.0
Working Capital Ratios										
Inventory (Days)	103	131	100	98	103	109	117	119	122	122
Debtor (Days)	61	78	91	109	101	113	102	99	99	102
Creditor (Days)	72	64	51	50	55	78	79	89	81	77
Leverage Ratio (x)										
Current Ratio	1.8	2.9	3.2	2.5	2.3	2.0	2.0	1.8	2.0	2.1
Interest Cover Ratio	2.8	1.3	2.5	3.0	3.6	2.4	4.2	19.7	16.8	23.0
Net Debt/Equity	1.4	1.0	1.2	0.6	0.6	0.6	0.6	0.5	0.4	0.2

Consolidated - Cash Flow Statement

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
OP/(Loss) before Tax	1,209	666	1,690	2,352	2,374	1,198	2,936	13,011	16,782	21,286
Depreciation	329	615	864	1,060	1,255	1,642	1,873	2,051	2,533	3,099
Interest & Finance Charges	515	862	1,038	931	505	720	837	579	796	650
Direct Taxes Paid	-234	-168	-333	-501	-698	-260	-383	-2,285	-3,860	-4,896
(Inc)/Dec in WC	-593	-2,507	-1,544	-525	-226	-187	-1,465	-5,941	-6,023	-5,897
CF from Operations	**1,225**	**-531**	**1,716**	**3,317**	**3,209**	**3,113**	**3,797**	**7,415**	**10,228**	**14,243**
Others	-13	-116	103	3	216	-136	-323	-85	0	0
CF from Operating incl EO	**1,212**	**-647**	**1,820**	**3,320**	**3,425**	**2,977**	**3,474**	**7,330**	**10,228**	**14,243**
(Inc)/Dec in FA	-3,058	-3,821	-3,262	-2,774	-3,962	-2,589	-2,421	-6,839	-7,500	-7,500
Free Cash Flow	**-1,846**	**-4,469**	**-1,443**	**546**	**-537**	**387**	**1,053**	**491**	**2,728**	**6,743**
(Pur)/Sale of Investments	-60	-148	140	-113	0	0	0	-2,584	0	0
Others	-1	0	0	0	120	60	210	13	251	303
CF from Investments	**-3,120**	**-3,970**	**-3,122**	**-2,887**	**-3,842**	**-2,529**	**-2,211**	**-9,410**	**-7,249**	**-7,197**
Issue of Shares	1	2,944	3	2,860	3	4	5	74	0	0
Inc/(Dec) in Debt	2,503	2,745	2,063	-2,387	1,278	429	139	3,804	-200	-3,500
Interest Paid	-474	-828	-1,033	-950	-796	-882	-896	-580	-1,047	-954
Dividend Paid	0	0	0	-59	0	-191	-384	-750	-1,946	-2,468
Others	0	0	0	0	-62	193	-140	0	0	0
CF from Fin. Activity	2,030	4,861	1,033	-536	422	-448	-1,277	2,547	-3,193	-6,922
Inc/Dec of Cash	**123**	**244**	**-269**	**-103**	**6**	**0**	**-14**	**467**	**-214**	**124**
Opening Balance	**27**	**150**	**394**	**127**	**23**	**29**	**28**	**15**	**483**	**269**
Closing balance	**150**	**394**	**127**	**23**	**29**	**28**	**15**	**483**	**269**	**393**
Bank balance	82	195	161	18	2	2	2	2	2	2
Total Cash and Cash equivalent	**232**	**589**	**288**	**41**	**31**	**30**	**17**	**485**	**271**	**395**

NOTES

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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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