

Estimate change	↑
TP change	↑
Rating change	↔

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Bloomberg	TPWR IN
Equity Shares (m)	2,705
M.Cap.(INRb)/(USDb)	431.9 / 5.8
52-Week Range (INR)	137 / 49
1, 6, 12 Rel. Per (%)	7/48/131
12M Avg Val (INR M)	4102

Financials & Valuations (INR b)

Y/E MARCH	2021	2022E	2023E
Sales	324.7	441.5	468.2
EBITDA	70.0	73.3	91.6
Adj. PAT	12.5	17.6	22.2
EBITDA Margin (%)	21.6	16.6	19.6
Cons. Adj. EPS (INR)	3.9	5.5	7.0
EPS Gr. (%)	4.3	40.2	26.5
BV/Sh. (INR)	65.2	68.4	73.3
Ratios			
Net D:E	1.8	1.8	1.7
RoE (%)	6.4	8.2	9.8
RoCE (%)	5.8	5.8	7.5
Payout (%)	39.5	28.2	22.3
Valuations			
P/E (x)	34.4	24.6	19.4
P/BV (x)	2.1	2.0	1.8
EV/EBITDA(x)	12.0	11.8	9.5
Div. Yield (%)	1.1	1.1	1.1
FCF Yield (%)	14.0	-0.5	10.3

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	46.9	46.9	37.2
DII	17.2	20.9	31.4
FII	11.3	12.2	12.9
Others	24.7	20.1	18.5

FII Includes depository receipts

CMP: INR135 TP: INR156 (+15%)

Buy

Beat on better performance of Mundra-Coal JV hedge

Renewables and EPC set to pick up; maintain Buy

- Tata Power (TPWR)'s results reflect a better-than-expected performance from the Mundra–Coal JV and a reduction in interest costs. Adj. PAT stood at INR4.3b and was significantly higher v/s our est. of INR3.6b.
- Divestment-related measures and infusion from the promoter have aided a debt reduction. Furthermore, the EPC and Renewables businesses are set to gain momentum, led by a healthy project pipeline. The possible benefit from the merger of Coastal Gujarat Power Ltd (CGPL) with itself presents an upside to profitability. We roll forward our valuation to Sep'23, with revised **TP of INR156/sh**. We maintain our Buy rating on the stock.

Profits rise on better Mundra-Coal JV performance and lower interest costs

- Adj. PAT (from continuing ops) at INR4.3b (previous year: INR2.3b) was 19% ahead of our est. of INR3.6b. The beat on our estimates was led by a better performance from the Mundra–Coal JV hedge.
- Excluding INR3b in one-time benefits at Mundra, the **Mundra (EBITDA) and Coal JV (PAT)** came in at INR5b (v/s INR4.8b in 1QFY21) and above our est. of INR4.4b. This was attributable to Mundra performing better than our expectations – the company restricted generation, leading to lower under-recoveries on fuel.
- Solar EPC** revenues jumped ~5x YoY to INR19.5b on a strong order backlog and execution. Although, EBITDA margins stood at just 3%. Solar EPC EBITDA stood at INR 0.6b (v/s our est. of INR0.8b).
- Interest costs declined a sharp 13% YoY to INR9.5b (v/s our est. of INR9.2b).
- Odisha DISCOMs** reported net loss of INR0.2b.
- RE EBITDA (TPREL + Walwhan)** was higher at INR5.7b (v/s INR5.5b in the previous year), led by the transfer of S/A wind assets and offset by certain transfer charges for the same.
- Net debt has increased sequentially to INR395b in 1QY22 v/s INR381b at end-FY21.

Management commentary highlights

- TPWR noted the monetization plan for its renewable assets is still in the works. The co. is in the process of understanding the best structure and has not decided to merge the Tata Power Solar business with S/A.
- The merger of CGPL with standalone is in the final stages of hearing; the co. expects to close the process soon.
- TPWR's Solar EPC business has been impacted by higher module prices for earlier orders where modules were yet to be purchased. However, the co. expects this to be a short-term phenomenon. New orders are factoring in higher prices, and it expects margins to improve.
- TPWR is partnering with Tata Projects to bid on good-quality greenfield projects within Power Transmission.

EPC and Renewables to drive growth; maintain Buy

- We expect Solar EPC to give a leg up in earnings for the next two years. Recent award wins, particularly from NTPC, have seen its EPC order book inflate to ~INR85b, thereby providing strong visibility. EBITDA from Solar EPC is expected to post a 30% CAGR to INR5.2b over FY21–23.
- This – coupled with the commissioning of renewable projects and the takeover of Odisha DISCOMs – should lead to a 33% PAT CAGR over FY21–23. Furthermore, the possible benefit from the merger of CGPL with itself provides an upside to profitability. We maintain Buy on Tata Power and raise our SOTP-based TP to INR156/sh (earlier: INR123/sh) – as we roll forward our valuations to Sep'23 and increase our valuation on the Renewables business to 9.5x EV/EBITDA (v/s 8.5x EV/EBITDA earlier), given the growth prospects and lower interest rates.

Quarterly performance (consolidated) – INR b

Y/E March	FY21								FY21	FY22E	FY22	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	64.5	82.9	76.0	101.3	97.2	107.6	101.3	135.4	324.7	441.5	82.9	17
YoY Change (%)	-15.4	8.0	7.5	51.8	50.6	29.8	33.3	33.7	11.4	36.0	28.5	
Total Expenditure	47.2	62.9	57.8	86.8	76.4	90.9	83.5	117.3	254.7	368.2	65.7	
EBITDA	17.3	20.0	18.2	14.5	20.8	16.7	17.8	18.1	70.0	73.3	17.2	21
Margins (%)	26.8	24.1	24.0	14.3	21.4	15.5	17.6	13.3	21.6	16.6	20.7	
Depreciation	6.4	7.0	7.4	6.6	7.5	7.6	8.0	6.7	27.4	29.7	7.0	7
Interest	10.9	10.6	9.7	8.9	9.5	9.6	9.9	9.9	40.1	39.0	9.2	3
Other Income	0.9	1.5	1.0	1.0	1.3	1.6	1.1	0.7	4.4	4.7	0.9	34
Rate regulated activity	2.2	1.2	1.4	1.3	-1.4	0.0	0.0	1.4	6.1	0.0	0.0	
PBT before EO expense	3.0	5.1	3.6	1.1	3.7	1.1	1.0	3.5	12.9	9.3	2.0	86
Extra-Ord expense	0.0	0.0	-2.1	1.3	-0.4	0.0	0.0	0.0	-0.8	-0.4	0.0	
PBT	3.0	5.1	1.5	2.5	3.3	1.1	1.0	3.5	12.1	8.9	2.0	65
Tax	1.9	3.2	1.0	0.2	2.3	1.5	1.2	1.6	6.3	6.6	0.7	
Rate (%)	62	62	67	9	70	133	120	47	52	74	35	
MI & P/L of Asso. Cos.	1.2	1.0	1.1	2.6	2.9	4.5	4.3	3.2	5.9	14.9	2.3	
Reported PAT	2.3	3.0	1.6	4.8	3.9	4.1	4.1	5.1	11.7	17.2	3.6	7
Adj PAT	2.3	3.0	3.7	3.5	4.3	4.1	4.1	5.1	12.5	17.6	3.6	19

Conference call takeaways

- TPWR noted the monetization plan for its renewable assets is still in the works. The co. is in the process of understanding the best structure and has not decided to merge the Tata Power Solar business with S/A.
- The merger of CGPL with standalone is in the final stages of hearing; the co. expects to close the process soon.
- TPWR's Solar EPC business has been impacted by higher module prices for earlier orders where modules were yet to be purchased. However, the co. expects this to be a short-term phenomenon. New orders are factoring in higher prices, and it expects margins to improve.
- TPWR is partnering with Tata Projects to bid on good-quality greenfield projects within Power Transmission.
- Odisha DISCOMs have felt the impact of COVID and the cyclone. These have impacted the restoration of networks and collections. Technical losses, though, have been brought down close to the trajectory of the vesting order.

- The co. noted that while its PPA in Trombay is up to Mar'24, there is some consideration on having a large embedded generation in Mumbai. The co. is looking to extend its PPA for some more years until the embedded generation is enhanced.

Exhibit 1: TWPR adj. PAT – INR m

	1QFY21	4QFY21	1QFY22
a. Standalone	677	1,152	5,400
b. Subsidiaries	463	-240	-3,993
Mundra	-1,550	-2,770	-1,470
Maithon	680	1,150	790
Delhi	1,190	1,210	1,230
Trading	80	70	130
Solar Manuf	-260	1,360	220
RE	1,230	930	1,470
Logistics	650	340	100
Others	-1,557	-2,530	-6,463
c. Minority interest	-615	-883	-747
d. JVs and associates	1,769	3,483	3,660
Coal mining	850	1,750	2,790
Infra	530	480	400
Powerlink	120	150	100
IEL	230	210	240
Others	39	893	130
Adj. reported PAT	2,294	3,512	4,320

Source: MOFSL, Company

Exhibit 2: CGPL

		1QFY21	2QFY21	3QFY21	4QFY21	1QFY22
Revenues	INR m	17,420	19,020	16,920	16,530	7,240
per unit	INR/kwh	2.97	2.84	2.89	2.69	4.55
EBITDA	INR m	2,730	3,120	3,020	380	1,690
PAT	INR m	-1,550	-1,100	-950	-2,770	-1,470
Generation	MU	6,350	7,256	6,330	6,635	1,757
Sales	MU	5,857	6,696	5,848	6,134	1,590
Availability	%	78	89	75	79	20
FoB price of coal	USD/t	48	43	43	55	64
Revenue	INR/kWh	2.97	2.84	2.89	2.70	4.63
Under recovery	INR/kWh	-0.46	-0.30	-0.32	-0.74	-1.20

Note: 1QFY22 excludes one-time benefits of INR 3b at Mundra

Source: MOFSL, Company

Exhibit 3: CGPL (Mundra) + Coal assets – INR m

	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22
Mundra EBITDA	2,730	3,120	3,020	380	1,690
Coal companies PAT	2,030	1,880	1,650	2,570	3,290
Mining	850	470	230	1,750	2,790
Infra	530	360	590	480	400
Logistics	650	1,050	830	340	100
Mundra+Coal	4,760	5,000	4,670	2,950	4,980

Note: 1QFY22 excludes one-time benefits of INR 3b at Mundra

Source: MOFSL, Company

Exhibit 4: Maithon Power

		1QFY21	2QFY21	3QFY21	4QFY21	1QFY22
Revenues	INR m	6,380	6,440	6,610	5,610	7,040
per unit	INR/kwh	4.52	4.28	3.99	4.00	3.83
EBITDA	INR m	1,860	1,790	1,740	1,600	1,900
PAT	INR m	680	640	640	1,150	790
Generation	MU	1,557	1,575	1,760	1,491	2,027
Sales	MU	1,412	1,503	1,655	1,404	1,839
Availability	%	96	98	92	70	97

Source: MOFSL, Company

Exhibit 5: Renewables (ex-standalone)

		1QFY21	2QFY21	3QFY21	4QFY21	1QFY22
TPREPL (Renewable)						
Revenues	INR m	2,600	2,390	2,160	2,450	3,110
	INR/kwh	4.3	4.5	4.3	4.4	4.1
EBITDA	INR m	2,320	2,070	2,050	2,050	2,510
	INR/kwh	3.9	3.9	4.1	3.7	3.3
PAT	INR m	150	-40	50	50	240
Operating capacity	MW	1136	1139	1139	1146	1398
Generation	MU	606	547	506	569	774
Sales	MU	598	537	500	561	761
WREPL (Renewable)						
Revenues	INR m	3,310	2,710	2,740	3,130	3,340
	INR/kwh	7.2	7.2	7.2	7.2	7.2
EBITDA	INR m	3,140	2,490	2,530	2,770	3,170
PAT	INR m	1,080	600	650	880	1,230
Capacity	MW	1,010	1,010	1,010	1,010	1,010
Wind	MW	146	146	146	146	146
Solar	MW	864	864	864	864	864
Generation	MU	464	381	381	435	466
Sales	MU	461	379	379	432	462
Consolidated						
Capacity	MW	2,146	2,149	2,149	2,156	2,408
Generation	MU	1,062	918	881	996	1,227
Avg. PLF	%	22.6	19.5	18.7	21.1	24.6
Revenues	INR m	5,910	5,100	4,900	5,580	6,450
Inter-company	INR m	0	0	0	0	0
EBITDA (ex-ic)	INR m	5,460	4,560	4,580	4,820	5,680
PAT (ex-ic)	INR m	1,230	560	700	930	1,470

Source: MOFSL, Company

Exhibit 6: Delhi distribution

		1QFY21	2QFY21	3QFY21	4QFY21	1QFY22
Revenues	INR m	17,020	21,460	17,540	16,980	16,990
EBITDA	INR m	3,590	3,600	2,840	2,520	3,510
PAT	INR m	1,190	1,160	1,140	1,210	1,230
Regulated equity	INR m	16,170	16,240	16,330	16,790	17,480
Regulatory assets	INR m	54,230	54,060	55,150	55,120	56,200

Source: MOFSL, Company

Valuation and view

- We expect Solar EPC to give a leg up in earnings for the next two years. Recent award wins, particularly from NTPC, have seen its EPC order book inflate to ~INR85b, thereby providing strong visibility. EBITDA from Solar EPC is expected to post a 30% CAGR to INR5.2b over FY21–23.
- This – coupled with the commissioning of renewable projects and the takeover of Odisha DISCOMs – should lead to a 33% PAT CAGR over FY21–23. Furthermore, the possible benefit from the merger of CGPL with itself provides an upside to profitability. We maintain Buy on Tata Power and raise our SOTP-based TP to INR156/sh (earlier: INR123/sh) – as we roll forward our valuations to Sep'23 and increase our valuation on the Renewables business to 9.5x EV/EBITDA (v/s 8.5x EV/EBITDA earlier), given the growth prospects and lower interest rates.

Exhibit 7: Segment-wise breakup of profitability

INR m	FY18	FY19	FY20	FY21	FY22E	FY23E
Regulated EBIT	28,223	27,504	31,131	26,685	28,117	27,412
Standalone	16,948	14,681	16,060	14,477	15,198	14,983
Delhi	7,198	7,838	8,857	7,854	7,800	7,672
Maithon	4,077	4,985	6,214	4,354	5,119	4,757
Mundra + coal JVs	10,406	5,047	12,311	12,807	12,284	12,227
Mundra EBIT	-6,155	-7,142	2,689	3,364	-6,230	1,104
Trust Energy	2,250	1,937	3,207	4,130	3,785	3,861
Coal mining PAT	14,311	10,252	6,415	5,313	14,729	7,262
RE EBIT	10,317	12,384	12,206	12,033	13,793	17,123
Others EBIT	2,083	4,829	5,296	6,166	7,780	13,776
Solar Manu	1,858	1,353	1,711	3,060	3,845	4,900
Trading	344	638	547	485	511	539
Odisha DISCOMs				-483	426	5,094
Other JVs & assoc. PAT	-119	2,838	3,039	3,105	2,998	3,244
Consolidated EBIT (incl. JVs)	51,029	49,764	60,944	57,692	61,973	70,538
Finance cost	37,230	41,700	44,937	40,104	38,967	40,388
Consolidated PBT (pre-ex. & Other income, incl. JVs)	13,799	8,064	16,007	17,588	23,006	30,150
Tax	1,643	6,561	8,253	6,329	6,631	7,948
Minority	2,026	2,495	2,991	3,113	3,495	4,792
Other income	4,327	3,958	5,626	4,392	4,701	4,828
Rate regulated previous year	0	2,743	-213	0	0	0
Consolidated PAT (incl. JVs)	14,458	5,710	10,177	12,539	17,582	22,239

Source: MOFSL, Company

Exhibit 8: SOTP valuation based on Sep'23E

	Reg. Eq.	P/BV	EBITDA	Equity Value d=axb	TPWR's share		Reg.	Enterprise Value (EV)	Remarks
	(a)	(b)		(%)	Eq. Val.	(f)	(e+f)		
Mumbai & Jojobera (S/A)	47,762	2.2	16,618	1,05,303	100	1,05,303	34,762	1,40,065	❖ RoE = 18%, g = 4%
Delhi	16,618	1.9	7,498	31,404	51	16,016	36,442	52,458	❖ RoE = 16%, g = 4%
Maithon	15,182	1.6	11,576	24,937	74	18,453	11,585	30,039	❖ RoE = 17%, g=0
Orissa				9,538		32,001	21,812	53,813	❖ DCF based
Subtotal (A)				45,230				2,76,374	❖ Ke=11.3%
CGPL (Mundra) and coal JVs									
	EV/EBITDA(x)	EBITDA					EV	Assumptions	
	(g)	(h)					(g x h)		
DCF value of fixed charges			18,944				1,21,864	❖ no under recoveries	
Under recoveries in Var. cost	8		-12,108				-90,807		
PAT from coal JVs	10		7,239				72,388		
Subtotal (B)			14,076				1,03,445		
Other businesses									
	EV/EBITDA(x)	EBITDA					EV	Assumptions	
	(j)	(k)					(j x k)		
Renewables	9.5		27,946				2,65,491		
Haldia, trading etc.	8.0		16,892				1,35,140		
PAT of other JVs and assoc.	16.0		4,143				66,288		
Subtotal (C)			44,839				4,66,920		
Consolidated									
Consolidated EV (A+B+C)			96,906				8,46,739		
Less: Debt							-4,01,457		
Assets held for sale									
Zambia and Vikhroli trans	1.0	x BV					6,200		
Others	1.0	x BV					15,997		
Investment unquoted	1.0						3,977	❖ at book value	
Investment quoted	0.8						1,108	❖ 20% discount to MTM	
Efficiency savings	9	x					25,200		
Net Equity value							4,97,764		
No. of shares							3,196		
Target Price (INR/share)							156		

Source: MOFSL, Company

Story in charts

Exhibit 9: Recent asset monetization measures...

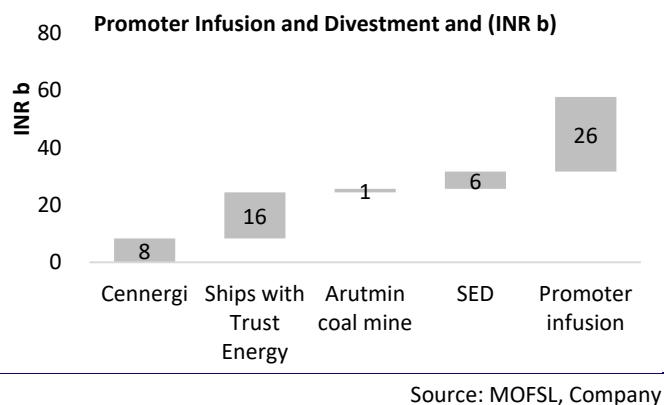


Exhibit 10: ...aid debt reduction & keep debt levels in check

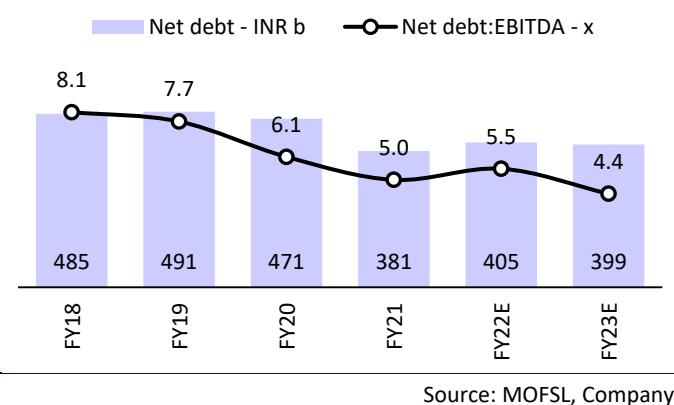


Exhibit 11: We expect Solar EPC execution to pick up given strong order backlog...

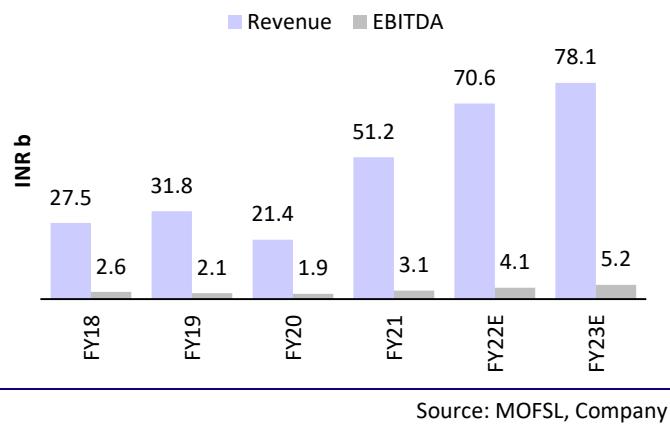


Exhibit 12: ...and renewables profitability to rise as new projects get commissioned

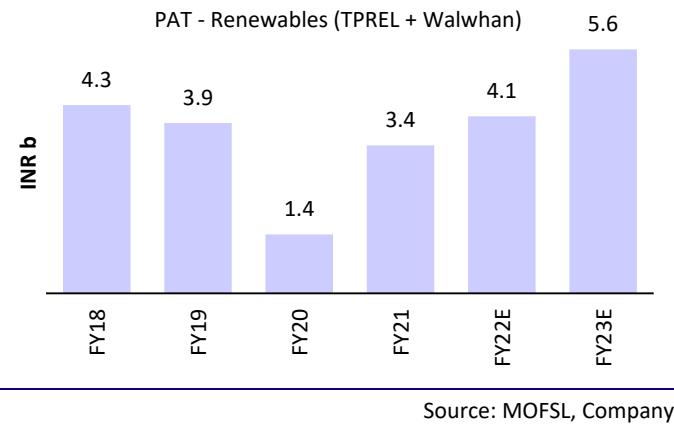


Exhibit 13: Expect takeover of Odisha DISCOMs to add to profitability

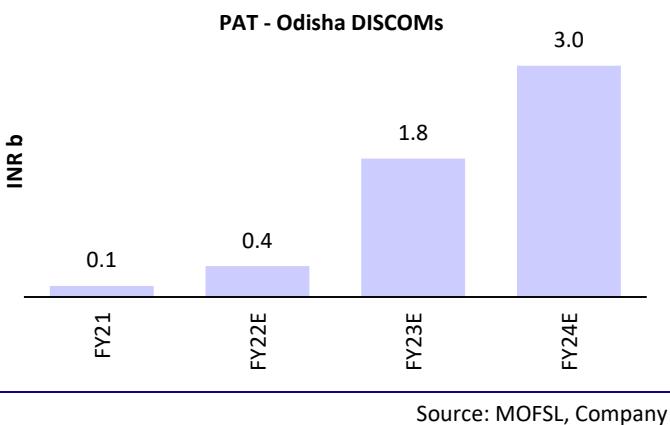
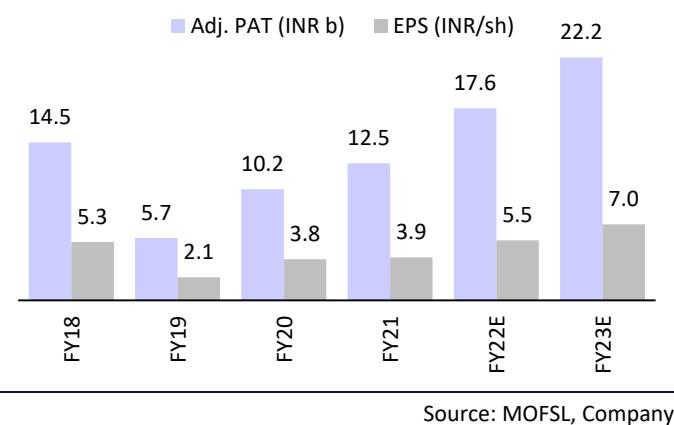


Exhibit 14: Overall, we expect 33% PAT CAGR over FY21–23



Financials and valuations

Income statement	(INR m)						
Y/E March	2018	2019	2020	2021	2022E	2023E	2024E
Net Sales	2,93,312	2,95,586	2,91,364	3,24,681	4,41,500	4,68,232	5,04,378
Change (%)	5.1	0.8	-1.4	11.4	36.0	6.1	7.7
Total Expenses	2,29,743	2,31,359	2,11,936	2,54,694	3,68,198	3,76,621	4,02,178
EBITDA	63,570	64,227	79,428	69,987	73,302	91,611	1,02,200
% of Net Sales	21.7	21.7	27.3	21.6	16.6	19.6	20.3
Depn. & Amortization	23,981	23,931	26,336	27,449	29,688	32,253	34,897
EBIT	39,589	40,296	53,093	42,537	43,614	59,358	67,302
Net Interest	37,230	41,700	44,937	40,104	38,967	40,388	41,952
Other income	4,327	3,958	5,626	4,392	4,701	4,828	4,897
PBT before EO	6,686	2,554	13,781	6,826	9,349	23,799	30,248
Regulatory inc./exp)	-4,099	-659	-1,887	6,110	0	0	0
EO expense (inc.)	-10,308	-16,200	-4,099	803	410	0	0
PBT after EO	12,895	18,095	15,994	12,133	8,939	23,799	30,248
Tax	1,643	6,561	8,253	6,329	6,631	7,948	9,420
Rate (%)	12.7	36.3	51.6	52.2	74.2	33.4	31.1
Reported PAT	11,252	11,534	7,741	5,805	2,308	15,851	20,828
Minority, JVs & Asso.	13,514	10,376	6,535	5,931	14,864	6,388	5,664
Adjusted PAT	14,458	5,710	10,177	12,539	17,582	22,239	26,492
Change (%)	3.5	-60.5	78.2	23.2	40.2	26.5	19.1

Balance sheet	(INR m)						
Y/E March	2018	2019	2020	2021	2022E	2023E	2024E
Share Capital	2,705	2,705	2,705	3,196	3,196	3,196	3,196
Reserves	1,49,897	1,64,507	1,77,955	2,05,027	2,15,535	2,31,111	2,50,940
Net Worth	1,52,602	1,67,212	1,80,660	2,08,223	2,18,731	2,34,307	2,54,136
Minority Interest	20,153	21,667	23,320	29,273	31,535	35,094	39,780
Total Loans	5,00,892	5,00,060	4,98,759	4,46,709	4,73,366	4,89,144	5,12,601
Deferred Tax Liability	5,166	10,568	11,740	9,762	9,762	9,762	9,762
Capital Employed	6,78,813	6,99,507	7,14,480	6,93,966	7,33,393	7,68,306	8,16,278
Gross Block	6,04,390	5,99,714	6,54,228	7,20,711	7,89,509	8,53,059	9,23,830
Less: Accum. Deprn.	1,55,993	1,73,081	1,93,980	2,19,764	2,49,952	2,82,205	3,17,102
Net Fixed Assets	4,48,398	4,26,633	4,60,248	5,00,947	5,39,557	5,70,854	6,06,728
Capital WIP	16,526	25,757	16,115	35,998	33,198	32,598	27,198
Goodwill	16,416	16,416	16,416	17,946	17,946	17,946	17,946
Investments	1,19,928	1,28,511	1,38,353	1,26,495	1,28,923	1,32,055	1,35,640
Curr. Assets	2,27,068	2,34,378	2,55,724	3,05,729	3,09,527	3,12,640	3,31,947
Inventories	16,231	17,064	17,524	18,848	18,591	18,924	19,301
Account Receivables	27,889	44,453	44,259	50,010	56,994	42,824	47,808
Cash and Bank Balance	16,219	9,544	27,937	66,122	68,744	90,193	1,08,639
Others	1,66,729	1,63,317	1,66,005	1,70,749	1,65,199	1,60,699	1,56,199
Curr. Liability & Prov.	1,49,522	1,32,189	1,72,376	2,93,148	2,96,258	2,98,287	3,03,679
Account Payables	56,098	54,815	50,954	71,201	65,811	67,839	73,232
Provisions & Others	93,424	77,374	1,21,422	2,21,948	2,30,448	2,30,448	2,30,448
Net Curr. Assets	77,546	1,02,190	83,348	12,580	13,269	14,353	28,267
Appl. of Funds	6,78,813	6,99,507	7,14,480	6,93,966	7,32,893	7,67,806	8,15,778

Financials and valuations

Ratios

Y/E March	2018	2019	2020	2021	2022E	2023E	2024E
Basic (INR)							
EPS	5.3	2.1	3.8	3.9	5.5	7.0	8.3
Cash EPS	14.2	11.0	13.5	12.5	14.8	17.1	19.2
BV/Share	56.4	61.8	66.8	65.2	68.4	73.3	79.5
DPS	1.3	1.3	1.6	1.6	1.6	1.6	1.6
Payout (%)	24.3	61.6	41.2	39.5	28.2	22.3	18.7
Valuation (x)							
P/E	25.3	64.0	35.9	34.4	24.6	19.4	16.3
Cash P/E	9.5	12.3	10.0	10.8	9.1	7.9	7.0
P/BV	2.4	2.2	2.0	2.1	2.0	1.8	1.7
EV/EBITDA	13.7	13.7	10.8	12.0	11.8	9.5	8.6
Dividend Yield (%)	1.0	1.0	1.1	1.1	1.1	1.1	1.1
FCF (pre-int) to EV yield (%)	4.3	1.5	8.2	8.3	2.0	5.6	4.5
Return Ratios (%)							
RoE	10.7	3.6	5.9	6.4	8.2	9.8	10.8
RoCE (post-tax)	6.3	5.5	7.1	5.8	5.8	7.5	7.9
RoIC (post-tax)	6.9	5.0	5.0	4.2	2.4	8.1	9.1
Working Capital Ratios							
Fixed Asset Turnover (x)	0.7	0.7	0.6	0.6	0.8	0.8	0.8
Asset Turnover (x)	0.4	0.4	0.4	0.5	0.6	0.6	0.6
Debtor (Days)	35	55	55	56	47	33	35
Inventory (Days)	20	21	22	21	15	15	14
Leverage Ratio (x)							
Net Debt/EBITDA	7.6	7.6	5.9	5.4	5.5	4.4	4.0
Debt/Equity	2.8	2.6	2.3	1.6	1.6	1.5	1.4

Cash flow statement

Y/E March	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA	59,471	63,568	77,541	76,097	73,302	91,611	102,200
FX gain/loss							
WC	9,584	-13,234	6,743	12,544	-2,617	16,864	1,032
Others	602	462	-4,440	409	0	0	0
Direct taxes (net)	-6,019	-5,058	-6,091	-4,470	-6,631	-7,948	-9,420
CF from Op. Activity	63,639	45,738	73,753	84,580	64,055	100,528	93,812
Capex	-35,604	-35,762	-22,258	-33,358	-65,998	-62,950	-65,371
FCF	28,035	9,976	51,495	51,222	-1,943	37,578	28,441
Int & div income	11,256	4,480	20,595	20,072	20,631	12,876	12,897
Investments(subs/JVs)	1,505	24,592	-374	7,641	0	0	0
Others	2,165	-5,546	-3,392	35,280	4,140	3,500	3,500
CF from Inv. Activity	-20,677	-12,236	-5,429	29,634	-41,227	-46,573	-48,974
Share capital	2	0	201	29,961	0	0	0
Borrowings	4,370	-6,416	-1,070	-59,734	26,657	15,778	23,456
Finance cost	-45,704	-39,761	-40,025	-37,314	-38,967	-40,388	-41,952
Dividend	-5,067	-4,927	-5,992	-5,263	-6,186	-6,186	-6,186
Others	-864	10,928	-3,045	-3,679	-1,710	-1,710	-1,710
CF from Fin. Activity	-47,263	-40,177	-49,932	-76,029	-20,207	-32,505	-26,392
(Inc)/Dec in Cash	-4,301	-6,675	18,392	38,185	2,622	21,449	18,446
Opening balance	20,521	16,219	9,544	27,937	66,122	68,744	90,193
Closing balance (as per B/S)	16,219	9,544	27,937	66,122	68,744	90,193	108,639

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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