2 May 2024

4QFY24 Results Update | Sector: Telecom

Indus Towers

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	INDUSTOW IN
Equity Shares (m)	2695
M.Cap.(INRb)/(USDb)	956.2 / 11.5
52-Week Range (INR)	367 / 142
1, 6, 12 Rel. Per (%)	21/91/104
12M Avg Val (INR M)	3308

Financials & Valuations (INR b)

INR b	FY24	FY25E	FY26E
Net Sales	286.0	305.5	333.5
EBITDA	145.6	160.3	176.6
Adj. PAT	60.4	66.8	74.3
EBITDA Margin (%)	50.9	52.5	52.9
Adj. EPS (INR)	22.4	24.8	27.6
EPS Gr. (%)	151.1	10.7	11.1
BV/Sh. (INR)	100.3	125.1	152.7
Ratios			
Net D:E	0.2	0.0	-0.2
RoE (%)	25.1	22.0	19.8
RoCE (%)	23.0	21.2	19.6
Valuations			
EV/EBITDA (x)	6.9	5.9	5.0
P/E (x)	15.8	14.3	12.9
P/BV (x)	3.5	2.8	2.3
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	69.0	69.0	69.0
DII	9.9	7.1	2.5
FII	16.4	20.8	26.7
Others	4.7	3.2	1.9

FII Includes depository receipts

CMP: INR355 TP: INR340 (-4%) Neutral

Reversal in VIL provision improves EBITDA

- Indus Towers (Indus) reported a flat revenue QoQ, but provision write-offs and lower power costs led to 14%/20% QoQ growth in EBITDA/PAT (a beat of 12%/41%). The tower additions were led by only one operator, which moderated the ASF.
- VIL's fund raise and investments in the network will benefit Indus from towers and tenancy additions, and will also provide comfort in collections of past dues (INR54b). We raise our revenue/EBITDA for FY26E and factor in 8%/11% growth in revenue/PAT over FY24-26E. **Reiterate Neutral.**

Rental revenue picks up due to tower additions; ASF declines

- Revenue was flat QoQ to INR72b (in line), led by 2% QoQ growth in rental revenue to INR46b, while energy revenue continued to decline 4% QoQ to INR26b during the quarter.
- EBITDA was up 14% QoQ to INR41b (12% beat), due to: 1) a reversal in VIL provision of INR3.6b (after building in provisions for the last seven quarters), and 2) a reduction in power and fuel costs. **Adj. EBITDA rose 2% QoQ to INR37.1b, and margin expanded 90bp QoQ to 51.6% in 4QFY24.**
- Controlled depreciation/interest costs led to a 20% QoQ increase in PAT to INR18.5b for the quarter.
- FY24 revenue/EBITDA/PAT grew 1%/51%/3x YoY. High growth was due to the lower base of FY23, which was hit by VIL provisions.
- The company's OCF jumped 72% YoY to INR84b led by EBITDA growth. Capex surged 2.4x YoY to INR85b due to 27k tower additions in FY24 vs. only 7k in FY23. This led to a decline in FCF by 87% YoY to INR1.8b.
- Net debt declined INR1.7b in FY24 to INR42.5b.

Highlights from the management commentary

- **Elevated capex:** In FY25, capex may remain elevated due to rural expansion and the ongoing 5G rollout.
- **Stable ARPT:** The average revenue per tenant (ARPT) may remain stable for FY25 due to the mix of macro towers and the new leaning tower rollout. Management expects older towers' rent to jump ~2.5% YoY, with around 8-10% of the portfolio renewing every year.
- **VIL dues moderated:** Trade receivables increased INR4.3b QoQ due to the timing difference, as the collections against the past dues were made in Apr'24. The provision reversal led to a decline in dues to INR54b (from INR57b last quarter).
- **VIL rollout:** Indus expects steady collections and the recovery of past dues. However, the increase in towers for VIL will require more clarity. VIL may choose a combination of both macro and leaner towers, which is in line with the other operators.

Tanmay Gupta - Research Analyst (Tanmay.Gupta@motilaloswal.com

Valuation and view

- Indus could leverage the benefits of Bharti's aggressive network densification and the rollout of 5G services. The new leaner sites (small cells) with sharing alternatives could support business economics, while there is a churn in tenancies.
- VIL's fund raise and investments in the network will benefit Indus from towers and tenancy additions, and will also provide comfort in collections of past dues (INR54b). VIL's financial stability post-FY27 (after the end of the moratorium) would be the key for Indus.
- However, for FY24-27, the increase in tenancy and tower addition would result in the FCF generation from which the company will be able to deleverage the balance sheet and continue with dividend payouts.
- We raise our revenue/EBITDA for FY26E by 6%/10% and factor in 8%/11% growth in revenue/PAT over FY24-26E.
- We arrive at our TP of INR340, which implies an EV/tenancy ratio of INR2m and an EV/EBITDA ratio of 5x. The stock has been up 75% YTD, and we believe most of the benefits are priced in at this valuation. **Reiterate Neutral.**

Quarterly Performance **(INR b)**

Y/E March	FY23				FY24				FY23	FY24	FY24E	
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var (%)
Revenue from operations	69	80	68	68	71	71	72	72	284	286	73	-2.0
YoY Change (%)	1.5	15.9	-2.3	-5.1	2.6	-10.5	6.4	6.5	10.6	0.8	8.7	
Total Expenditure	46	52	56	33	36	37	36	31	187	140	37	-15.4
EBITDA	**23**	**28**	**12**	**34**	**35**	**34**	**36**	**41**	**97**	**146**	**37**	11.5
YoY Change (%)	-35.7	-22.4	-68.6	-15.5	53.8	21.7	208.3	18.6	-26.2	50.6	6.4	
Depreciation	13	13	14	13	14	15	16	16	53	61	17	-6.5
Interest	4	4	4	3	4	2	0	1	15	7	3	-50.2
Other Income	1	1	1	1	1	1	1	1	4	4	0	230.5
PBT before EO expense	**6**	**12**	**-5**	**19**	**18**	**17**	**21**	**25**	**33**	**81**	**18**	41.6
Extra-Ord expense	0	0	5	0	0	0	0	0	5	0	0	
PBT	**6**	**12**	**-10**	**19**	**18**	**17**	**21**	**25**	**28**	**81**	**18**	41.6
Tax	2	3	-2	5	5	5	5	6	7	21	4	
Rate (%)	25.8	25.8	25.6	26.1	25.5	25.9	25.8	25.5	26.1	25.7	25.2	
Reported PAT	**5**	**9**	**-7**	**14**	**13**	**13**	**15**	**19**	**20**	**60**	**13**	40.9
Adj PAT	**5**	**9**	**-3**	**14**	**13**	**13**	**15**	**19**	**24**	**60**	**13**	40.9
YoY Change (%)	-66.3	-44.1	-145.1	-23.5	182.4	48.5	-550.9	32.4	-51.7	151.1	-6.0	

E: MOFSL Estimates

Segment margins

- Rental revenue growth is led by an increase in towers. It added 7,961 towers and 7,909 co-locations. This implies a slight reduction in the average sharing factor (ASF) from 1.72x to 1.69x QoQ.
- Adj. rental EBITDA was up 1% QoQ to INR37.7b, while margin contracted 80bp QoQ to 82.3%. This could be due to a fall in ASF.
- Energy EBITDA continued to report a loss of INR578m vs. a loss of INR761m in 3QFY24.

VIL provision terms post-capital raise

- Indus is in discussion with VIL for a revised payment plan pertaining to the **outstanding amount due (INR53.85b as of FY24).**
- However, VIL has been paying a monthly billing amount from Jan'23 onwards.

Exhibit 1: Valuation on FY26E

	Value (INR b)	Value (INR/sh)	Implied EV/Tenancy (INR m)	Implied EV/EBITDA (x)
Consolidated (DCF based)	842	313	1.9	4.8
Total Enterprise value	**842**	**313**	**1.9**	**4.8**
Net Debt	-75	**-28**		
Shares o/s (b)	2.7			
Fair value	**918**	**340**	**2.0**	**5.2**
CMP		355		
Upside		**-4%**		

Source: MOFSL, Company

CONFERENCE CALL

Highlights from the management commentary

Key takeaways

- **Elevated capex:** In FY25, capex may remain elevated due to rural expansion and the ongoing 5G rollout.
- **Stable ARPT:** The average revenue per tenant (ARPT) may remain stable for FY25 due to the mix of macro towers and the new leaning tower rollout. Management expects older towers' rent to jump ~2.5% YoY, with around 8-10% of the portfolio renewing every year.
- **VIL dues moderated:** Trade receivables increased INR4.3b QoQ due to the timing difference, as the collections against the past dues were made in Apr'24. The provision reversal led to a decline in dues to INR54b (from INR57b last quarter).
- **VIL rollout:** Indus expects steady collections and the recovery of past dues. However, the increase in towers for VIL will require more clarity. VIL may choose a combination of both macro and leaner towers, which is in line with the other operators.

Detailed notes:

Opportunity:

- The company's four strategic priorities include: a) market share gains, b) cost efficiency by optimizing diesel consumption, c) network uptime, and d) sustainability.
- The large rollout of 5G services by telecos has added to the company's loading revenue.
- Capex will remain elevated for FY25 due to rural expansion and ongoing 5G rollout; hence, this will be the growth lever for the company.
- Average revenue per tenant may remain stable for FY25 due to the mix of macro towers and new leaning tower rollout.
- Management expects older towers' rent to jump ~2.5% YoY, with around 8-10% of the portfolio renewing every year.

VIL recovery:

- It sustained 100% collections against the billing during the year and also made some collections against the past dues.
- Indus expects steady collections and the recovery of past dues. However, the increase in towers for VIL will require more clarity. VIL may choose a combination of both macro and leaner towers, which is in line with the other operators.

- Trade receivables increased INR4.3b QoQ due to the timing difference, as the collections against the past dues were made in Apr'24.
- The provision reversal led to a decline in dues to INR54b (from INR57b last quarter).

Elevated capex to continue:

- In FY25, capex may remain elevated due to rural expansion and the ongoing 5G rollout, and hence it will be the growth lever for the company.
- Macro towers have larger height with wide coverage, which help them remit large distance signals, while leaner towers are smaller in height with smaller loading capacity and hence have low coverage. VIL may choose the tower depending on the rollout they wish to make.

5G opportunity

- The large rollout of 5G services by telcos has added to the company's loading revenue.
- The wider adoption of 5G is expected to spur the demand for newer sites.
- The 5G rollouts have continued at a steady pace with more than 435,000 5G BTS having been deployed as per the latest Government statistics.
- As per the Nokia MBiT Index Report 2024, total 5G subscribers stood at 131m in 2023, which are expected to grow to ~575m by 2026.
- The device ecosystem for 5G is also progressing well, with 17% of the active 4G devices now capable of offering 5G.
- The contribution of 5G to total data traffic has increased to ~15% in 2023 from 1.7% in 2022. The report also states that 5G users on an average consume up to 3.6x more data compared to 4G users, and the rapid adoption of 5G is expected to increase the data consumption even further.

Tower and co-location base & additions

- As of Mar'24, Indus owned and operated 219,736 macro towers with 368,588 macro co-locations in India.
- During the quarter,
  - Net macro co-locations increased 7,909. Exits during the quarter were 429.
  - Net lean colocation additions aggregated to 692. As of Mar'24, lean colocations stood at 10,686.
  - Indus had an average sharing factor of 1.69 per tower.

Exhibit 2: Revisions to our estimates

	FY25E	FY26E
Revenue (INR b)		
Old	302.3	315.5
Actual/New	305.5	333.5
Change (%)	1.0	5.7
EBITDA (INR b)		
Old	152.8	160.1
Actual/New	160.3	176.6
Change (%)	4.9	10.3
EBITDA margin (%)		
Old	50.6	50.7
Actual/New	52.5	52.9
Change (%)	192bps	220bps
PAT (INR b)		
Old	55.8	57.6
Actual/New	66.8	74.3
Change (%)	19.8	29.0
EPS (INR)		
Old	20.7	21.4
Actual/New	24.8	27.6
Change (%)	19.8	29.0

Source: MOFSL, Company

Exhibit 3: KPI performance

Revenue Drivers	Q4FY23	Q3FY24	Q4FY24	YoY%	QoQ%	Q4FY24E	v/s est (%)
Consolidated							
Total Towers (nos)	1,92,874	2,11,775	2,19,736	13.9	3.8	2,14,775	2.3
Total Co-locations (nos)	3,42,831	3,60,679	3,68,588	7.5	2.2	3,64,179	1.2
Average sharing factor	1.78	1.72	1.69	-5.1	-1.7	1.70	-0.6
Sharing revenue per operator per month (INR)	41,201	44,406	45,326	10.0	2.1	45,185	0.3

Source: MOFSL, Company

Exhibit 4: Pro-forma consolidated performance (INR b)

INRb	Q4FY23	Q3FY24	Q4FY24	YoY%	QoQ%	Q4FY24E	v/s est (%)
Consolidated Revenue	67.5	72.0	71.9	**6.5**	**-0.1**	73.4	-2.0
-Rent	42.5	44.8	45.8	7.7	2.2	45.5	0.5
-Energy and other reimbursements	25.0	27.2	26.1	4.5	-3.9	27.9	-6.2
Operating Expenses	33.2	36.2	31.2	-6.0	-13.6	36.9	-15.4
Consolidated EBITDA	**34.3**	**35.8**	**40.7**	**18.6**	**13.6**	**36.5**	**11.5**
EBITDA margin (%)	**50.8**	**49.8**	**56.6**	**577bps**	**682bps**	**49.7**	**687bps**
Depreciation and amortization	13.2	16.0	15.6	18.5	-2.0	16.7	-6.5
EBIT	**21.1**	**19.9**	**25.1**	**18.7**	**26.1**	**19.8**	**26.7**
Net finance cost	2.2	-0.9	0.2	-91.7	-120.6	2.2	-91.8
Profit Before Taxes & Exceptional items	**18.9**	**20.8**	**24.9**	**31.5**	**19.9**	**17.6**	**41.6**
Exceptional item	0.0	0.0	0.0	NM	NM	0.0	NM
Profit Before Taxes	**18.9**	**20.8**	**24.9**	**31.5**	**19.9**	**17.6**	**41.6**
Tax	4.9	5.4	6.4	28.7	18.6	4.4	43.8
Effective Tax Rate (%)	26.1	25.8	25.5	-56bps	-27bps	25.2	38bps
Profit After Tax	**14.0**	**15.4**	**18.5**	**32.4**	**20.3**	**13.1**	**40.9**

Source: MOFSL, Company

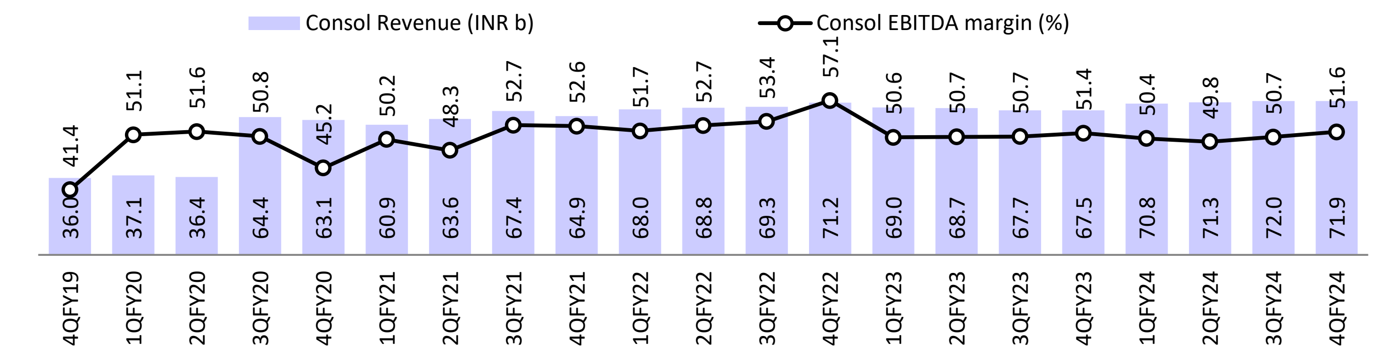
Exhibit 5: Adjusted revenue and EBITDA

INR m	4QFY23	3QFY24	4QFY24	YoY	QoQ
Consolidated revenue	67,529	71,990	71,932	7%	0%
Operating expenses	33,200	36,150	31,216	-6%	-14%
less: VIL Provision	348	641	-3,612		
Adj Operating expenses	32,852	35,509	34,828	6%	-2%
Reported EBITDA	34,329	35,840	40,716	19%	14%
Adj EBITDA	34,677	36,481	37,104	7%	2%
Adj EBITDA margin	51.4%	50.7%	51.6%	23	91
A. Rental Revenue	42,499	44,795	45,785	0	2%
Rental EBITDA	34,895	36,601	41,294	0	13%
add: VIL Provision	348	641	-3,612		
Adj EBITDA	35,243	37,242	37,682	0	1%
Adj EBITDA margin	83%	83.1%	82.3%	-62	-84
B. Energy Revenue	25,030	27,195	26,147	0	-4%
Energy EBITDA	-566	-761	-578	0	-24%
Adj EBITDA	-566	-761	-578	NA	NA
PBT reported	18,933	20,765	24,889	31%	20%
Adj PBT	19,281	21,406	21,277	10%	-1%
PAT reported	13,991	15,405	18,531	32%	20%
Adj PAT	14,339	16,046	14,919	4%	-7%

Source: MOFSL, Company

Story in charts

Exhibit 6: Revenue was flat QoQ; however, rental revenue rose, which was offset by energy revenue; margin improved 90bp QoQ



*Revenue & EBITDA in 1QFY23-4QFY24 were adjusted after provisioning for IDEA and one-off. Similar adjustment done in Exhibit 7, 8, and 10

Exhibit 7: Rental revenue improved 2% QoQ

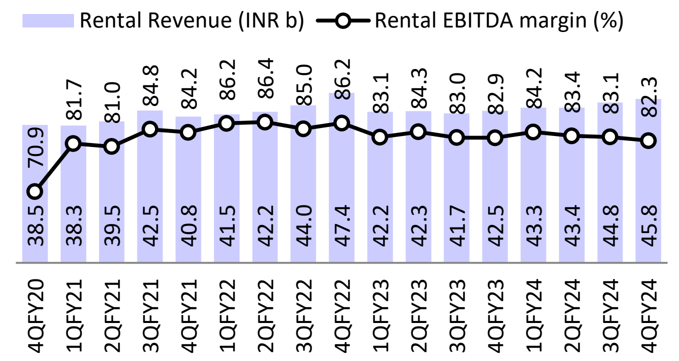


Exhibit 8: Energy revenue down 4% QoQ

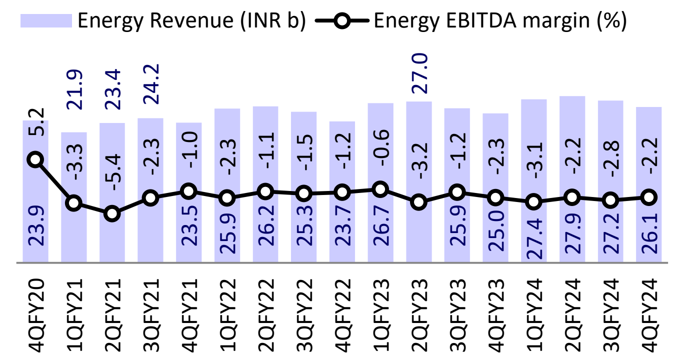


Exhibit 9: Average sharing factor reduced QoQ

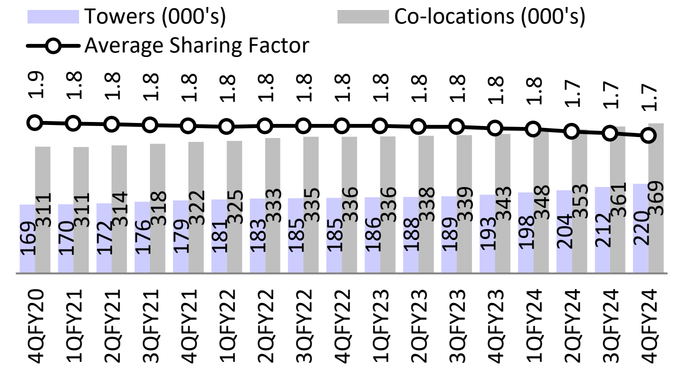


Exhibit 10: Sharing revenue per operator was flat QoQ

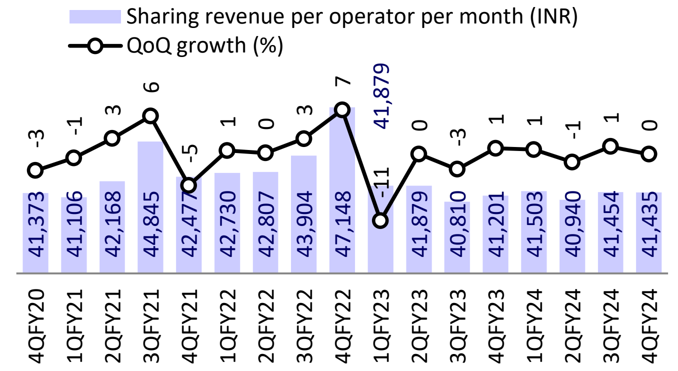
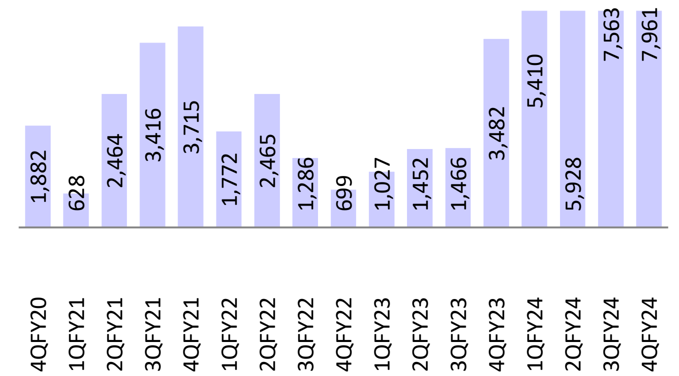
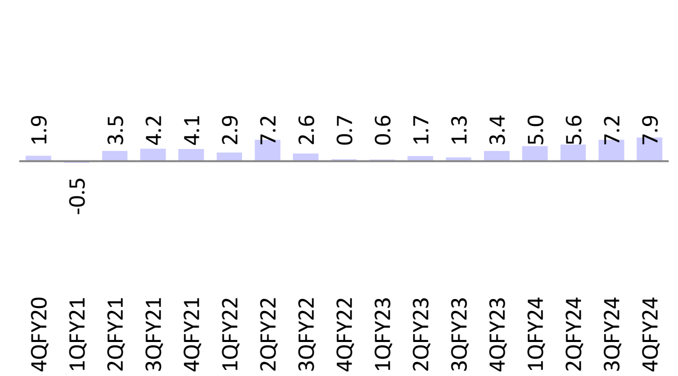


Exhibit 11: Tower additions accelerating



Source: MOFSL, Company

Exhibit 12: Tenancy additions lower than tower additions



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement							(INR m)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25E**	**FY26E**
Total Income from Operations	**2,55,624**	**2,56,729**	**2,77,172**	**2,83,818**	**2,86,006**	**3,05,470**	**3,33,540**
Change (%)	75.3	0.4	8.0	2.4	0.8	6.8	9.2
Power and fuel	96,737	95,831	1,02,658	1,05,908	1,11,499	1,13,155	1,21,365
Employee benefits expenses	7,028	7,681	7,722	7,741	7,823	8,738	9,782
Other Expenses	25,991	22,248	17,785	73,483	21,118	23,281	25,842
Total Expenditure	**1,29,756**	**1,25,760**	**1,28,165**	**1,87,132**	**1,40,440**	**1,45,175**	**1,56,989**
% of Sales	50.8	49.0	46.2	65.9	49.1	47.5	47.1
EBITDA	**1,25,868**	**1,30,969**	**1,49,007**	**96,686**	**1,45,566**	**1,60,296**	**1,76,551**
Margin (%)	49.2	51.0	53.8	34.1	50.9	52.5	52.9
Depreciation	52,710	53,394	53,252	53,239	60,599	67,804	74,322
EBIT	**73,158**	**77,575**	**95,755**	**43,447**	**84,967**	**92,492**	**1,02,230**
Int. and Finance Charges	11,953	14,021	14,973	14,539	7,354	8,112	7,912
Other Income	2,777	2,983	3,525	3,613	3,611	4,954	4,954
PBT bef. EO Exp.	**63,982**	**66,537**	**84,307**	**32,521**	**81,224**	**89,334**	**99,272**
EO Items	0	0	0	-4,928	0	0	0
PBT after EO Exp.	**63,982**	**66,537**	**84,307**	**27,593**	**81,224**	**89,334**	**99,272**
Total Tax	13,712	16,786	20,576	7,193	20,862	22,485	24,987
Tax Rate (%)	21.4	25.2	24.4	26.1	25.7	25.2	25.2
Minority Interest	0	0	0	0	0	0	0
Reported PAT	**50,270**	**49,751**	**63,731**	**20,400**	**60,362**	**66,849**	**74,285**
Adjusted PAT	**50,270**	**49,751**	**63,731**	**24,043**	**60,362**	**66,849**	**74,285**
Change (%)	99.8	-1.0	28.1	-62.3	151.1	10.7	11.1
Margin (%)	19.7	19.4	23.0	8.5	21.1	21.9	22.3

Consolidated - Balance Sheet							(INR m)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25E**	**FY26E**
Equity Share Capital	26,949	26,949	26,949	26,949	26,949	26,949	26,949
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0
Preference Capital	0	0	0	0	0	0	0
Total Reserves	1,50,132	1,31,821	1,94,556	1,84,146	2,43,439	3,10,288	3,84,572
Net Worth	**1,77,081**	**1,58,770**	**2,21,505**	**2,11,095**	**2,70,388**	**3,37,237**	**4,11,521**
Minority Interest	0	0	0	0	0	0	0
Total Loans	76,372	69,703	54,868	47,126	43,118	38,118	33,118
Lease liabilities	1,29,275	1,34,119	1,42,392	1,44,723	1,62,192	1,62,192	1,62,192
Deferred Tax Liabilities	795	703	918	-19,469	-18,471	-18,471	-18,471
Capital Employed	**3,83,523**	**3,63,295**	**4,19,683**	**3,83,475**	**4,57,227**	**5,19,076**	**5,88,360**
Gross Block	2,19,574	2,15,892	2,09,051	2,11,954	2,66,625	2,84,043	2,77,868
Less: Accum. Deprn.	0	0	0	0	0	0	0
Net Fixed Assets	**2,19,574**	**2,15,892**	**2,09,051**	**2,11,954**	**2,66,625**	**2,84,043**	**2,77,868**
Goodwill on Consolidation	0	0	0	0	0	0	0
Capital WIP	2,928	2,736	1,787	3,546	4,219	4,219	4,219
Right of use assets	99,603	1,02,110	1,09,210	1,11,882	1,26,377	1,26,377	1,26,377
Total Investments	**39,382**	**22,714**	**16,521**	**2,756**	**28**	**2,556**	**2,556**
Curr. Assets, Loans&Adv.	**1,01,604**	**1,05,985**	**1,43,107**	**1,16,117**	**1,42,956**	**1,88,009**	**2,65,380**
Inventory	0	0	0	0	0	0	0
Account Receivables	34,529	38,285	70,586	48,687	64,507	68,897	75,228
Cash and Bank Balance	2,825	145	9,802	224	631	38,588	1,05,725
Loans and Advances	64,250	67,555	62,719	67,206	77,818	80,524	84,426
Curr. Liability & Prov.	**79,568**	**86,142**	**59,993**	**62,780**	**82,978**	**86,129**	**88,039**
Account Payables	33,454	32,588	21,293	21,219	22,797	24,348	25,587
Other Current Liabilities	31,300	37,407	20,967	22,147	37,849	39,616	40,236
Provisions	14,814	16,147	17,733	19,414	22,332	22,164	22,217
Net Current Assets	**22,036**	**19,843**	**83,114**	**53,337**	**59,978**	**1,01,881**	**1,77,340**
Deferred Tax assets	0	0	0	0	0	0	0
Misc Expenditure	0	0	0	0	0	0	0
Appl. of Funds	**3,83,523**	**3,63,295**	**4,19,683**	**3,83,475**	**4,57,227**	**5,19,076**	**5,88,360**

E: MOFSL Estimates

Financials and valuations

Ratios							
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25E**	**FY26E**
Basic (INR)							
EPS	**18.7**	**18.5**	**23.6**	**8.9**	**22.4**	**24.8**	**27.6**
Cash EPS	38.2	38.3	43.4	28.7	44.9	50.0	55.1
BV/Share	65.7	58.9	82.2	78.3	100.3	125.1	152.7
DPS	7.2	20.1	11.0	0.0	0.0	0.0	0.0
Payout (%)	44.8	126.4	54.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	19.0	19.2	15.0	39.8	15.8	14.3	12.9
Cash P/E	9.3	9.3	8.2	12.4	7.9	7.1	6.4
P/BV	5.4	6.0	4.3	4.5	3.5	2.8	2.3
EV/Sales	3.9	3.9	3.6	3.5	3.5	3.1	2.6
EV/EBITDA	7.9	7.7	6.6	10.4	6.9	5.9	5.0
Dividend Yield (%)	2.0	5.7	3.1	0.0	0.0	0.0	0.0
FCF per share	20.8	28.2	23.2	17.6	11.6	18.1	27.9
Return Ratios (%)							
RoE	31.2	29.6	33.5	11.1	25.1	22.0	19.8
RoCE	27.9	25.0	29.7	13.0	23.0	21.2	19.6
RoIC	24.6	17.2	19.9	8.4	15.2	14.9	16.1
Working Capital Ratios							
Fixed Asset Turnover (x)	1.2	1.2	1.3	1.3	1.1	1.1	1.2
Asset Turnover (x)	0.7	0.7	0.7	0.7	0.6	0.6	0.6
Inventory (Days)	0	0	0	0	0	0	0
Debtor (Days)	49	54	93	63	82	82	82
Creditor (Days)	48	46	28	27	29	29	28
Leverage Ratio (x)							
Current Ratio	1.3	1.2	2.4	1.8	1.7	2.2	3.0
Interest Cover Ratio	6.1	5.5	6.4	3.0	11.6	11.4	12.9
Net Debt/Equity	0.2	0.3	0.1	0.2	0.2	0.0	-0.2

Consolidated - Cash Flow Statement							(INR m)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25E**	**FY26E**
OP/(Loss) before Tax	63,982	66,537	84,307	27,593	81,224	89,334	99,272
Depreciation	52,710	53,394	53,252	53,239	60,599	67,804	74,322
Interest & Finance Charges	0	14,021	16,033	16,704	18,638	8,112	7,912
Direct Taxes Paid	-19,768	-16,283	-19,129	-22,192	-18,700	-22,485	-24,987
(Inc)/Dec in WC	-21,064	-3,175	-33,897	-44,048	-10,445	-3,945	-8,323
CF from Operations	**75,860**	**1,14,494**	**1,00,566**	**31,296**	**1,31,316**	**1,38,819**	**1,48,196**
Others	9,092	-6,930	-9,355	47,752	-15,495	-4,954	-4,954
CF from Operating incl EO	**84,952**	**1,07,564**	**91,211**	**79,048**	**1,15,821**	**1,33,865**	**1,43,242**
(Inc)/Dec in FA	-28,807	-31,507	-28,697	-31,681	-84,465	-85,221	-68,147
Free Cash Flow	**56,145**	**76,057**	**62,514**	**47,367**	**31,356**	**48,643**	**75,095**
(Pur)/Sale of Investments	-3,548	18,154	6,391	13,824	2,789	-2,528	0
Others	1,273	673	569	557	6,218	4,954	4,954
CF from Investments	**-31,082**	**-12,680**	**-21,737**	**-17,300**	**-75,458**	**-82,795**	**-63,193**
Issue of Shares	-24,822	37	-154	-75	-130	0	0
Inc/(Dec) in Debt	2,338	-24,690	-55,244	-37,947	-31,734	-5,000	-5,000
Interest Paid	-4,696	-3,310	-4,418	-3,666	-4,066	-8,112	-7,912
Dividend Paid	-30,985	-65,654	0	0	0	0	0
Others	0	0	0	-29,639	0	0	0
CF from Fin. Activity	**-58,165**	**-93,617**	**-59,816**	**-71,327**	**-35,930**	**-13,112**	**-12,912**
Inc/Dec of Cash	**-4,295**	**1,267**	**9,658**	**-9,579**	**4,433**	**37,957**	**67,137**
Opening Balance	3,172	-1,123	144	9,803	224	631	38,588
Closing Balance	**-1,123**	**144**	**9,802**	**224**	**4,657**	**38,588**	**1,05,725**

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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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

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Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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