

Vinati Organics

BSE SENSEX
58,767

S&P CNX
17,543

CMP: INR2,238
TP: INR2,593 (+16 %)
Buy

Confident of sustainably enhancing value

VO's FY22 Annual Report highlights its long-term relationships with its clients and its focus on R&D expertise, which has helped amplify value for all its stakeholders, despite industry cycles and macro headwinds. The management is confident that a niche product portfolio, expansion in its existing capacities, and foray into new products will enable it to keep the revenue momentum strong (that it generated in FY22 after a muted FY21), although macro challenges still remain. We maintain our Buy rating on the stock with a TP of INR2,593.

Revenue and profitability increases, even as margin contracts

- Revenue increased by 69% YoY to INR16.2b, aided by a strong growth in volume as well as price hikes taken in FY22 due to an increase in input costs.
- Gross profit rose 33% YoY to INR7.5b in FY22, while gross margin contracted by ~13pp due to unprecedented raw material cost inflation and a surge in crude oil prices due to a lower base in FY21.
- COVID-led disruptions resulted in higher operating costs due to higher freight costs on account of the shortage of containers and higher power and fuel costs. Consequently, EBITDAM posted a contraction of ~10pp. VO's PAT grew 15% YoY to INR2.3b.
- Cash from operations fell 42% YoY to INR1.3b. VO incurred a capex of INR1.6b (up 230% YoY) for capacity expansion in FY22.

ATBS sales bounce back in FY22 after a muted FY21

- Sales of ATBS were robust (up 87% YoY) in FY22 owing to strong demand from the Oil and Gas sector. Much of this demand was pent up, as FY21 was a muted fiscal for the Oil and Gas sector.
- ATBS is the largest product for VO in revenue terms, contributing 53% to overall revenue in FY22. VO is the largest producer of ATBS in the world, with a global market share of more than 65%.
- Owing to robust demand from the Oil and Gas sector (to which the segment primarily caters to), VO is expanding its capacity to 60ktpa from 40ktpa currently, which is expected to be commissioned by 2HFY24.
- The demand outlook for the ATBS segment remains strong, with customers being very bullish on their final products. The current plant is running at full capacity. The demand for high purity grade ATBS is high, with demand crossing pre-COVID levels currently.

IBB posts a muted performance, while other products perform well in FY22

- IBB recorded a revenue decline in FY22, led by slower than expected growth in demand for Ibuprofen, as a higher offtake in FY21 resulted in the stocking up of inventory and a shutdown at the Mahad plant in 3QFY22. Nevertheless, VO continued to maintain its global market share in IBB at over 65%.
- VO commissioned a new Butyl Phenol (BP) unit in FY21 (which is used the manufacture of fragrance and anti-oxidants) in India, making it the sole producer.



Stock Info

Bloomberg	VO IN
Equity Shares (m)	103
M.Cap.(INRb)/(USD\$)	225.2 / 2.9
52-Week Range (INR)	2323 / 1675
1, 6, 12 Rel. Per (%)	0/15/19
12M Avg Val (INR M)	145
Free float (%)	25.9

Financials Snapshot (INR b)

Y/E March	FY22	FY23E	FY24E
Sales	16.2	19.8	25.1
EBITDA	4.3	5.7	7.7
PAT	3.5	4.4	5.9
EPS (INR)	33.7	43.1	57.6
EPS Gr. (%)	29	28	34
BV/Sh.(INR)	178	213	259

Ratios

Net D:E	0.0	0.0	0.0
RoE (%)	20.6	22.1	24.4
RoCE (%)	19.5	20.7	22.7
Payout (%)	19.3	19.3	19.3

Valuations

P/E (x)	66.4	51.9	38.9
P/BV (x)	12.6	10.5	8.6
EV/EBITDA (x)	53.1	40.1	30.2
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	(0.2)	0.6	0.9

Swarnendu Bhushan - Research Analyst (Swarnendu.Bhushan@MotilalOswal.com)

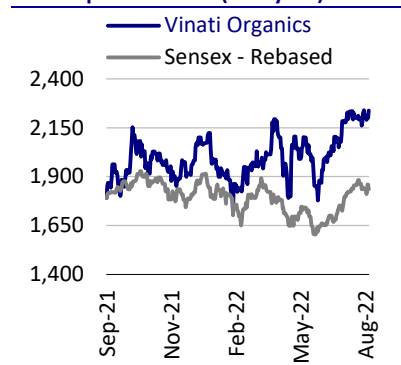
Investors are advised to refer through important disclosures made at the last page of the Research Report.

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

Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	29.3	29.3	29.8
DII	15.9	13.2	11.1
FII	48.5	50.8	53.2
Others	6.3	6.7	5.9

FII Includes depository receipts

Stock's performance (one-year)

- The BP unit contributed 14% of overall revenue in FY22. The management expects to ramp-up the utilization rate to optimum levels in FY23.
- Other products consisting of HPMTBE, PTBBA/PTBMB, Isobutylene, etc. contributed ~23% to overall sales in FY22. The management has lined up capex and continues to see growth in the domestic and export market.

VAL merger and entry into niche chemicals in line with its growth strategy

- The company is in the process of amalgamating VAL with VO, which is expected to be completed by FY23-end, well in line with its growth strategy. This will result in the forward integration of Butyl Phenol to anti-oxidants (AOs), creating synergies and generating incremental revenue of INR3b by FY24E.
- This will enable better synergies, making VO the largest and only backward and forward integrated manufacturer of AOs in India. AO demand in India and globally stands at 12ktpa and 300ktpa, respectively.
- VO also announced a capex of INR2.8b under Veeral Organics Pvt. (a wholly owned subsidiary), with a foray into manufacturing of MEHQ, Guaiacol (combined capacity of 2ktpa), and Iso Amylene (capacity of 30ktpa). These are expected to be commissioned by 1HFY24.
- These products are used in polymerization inhibitors, flavors, fragrances, pharmaceuticals, and pesticides. VO has backward integrated, with MEHQ used as a raw material for ATBS production. The management has guided that revenue from MEHQ will be marginal at present.

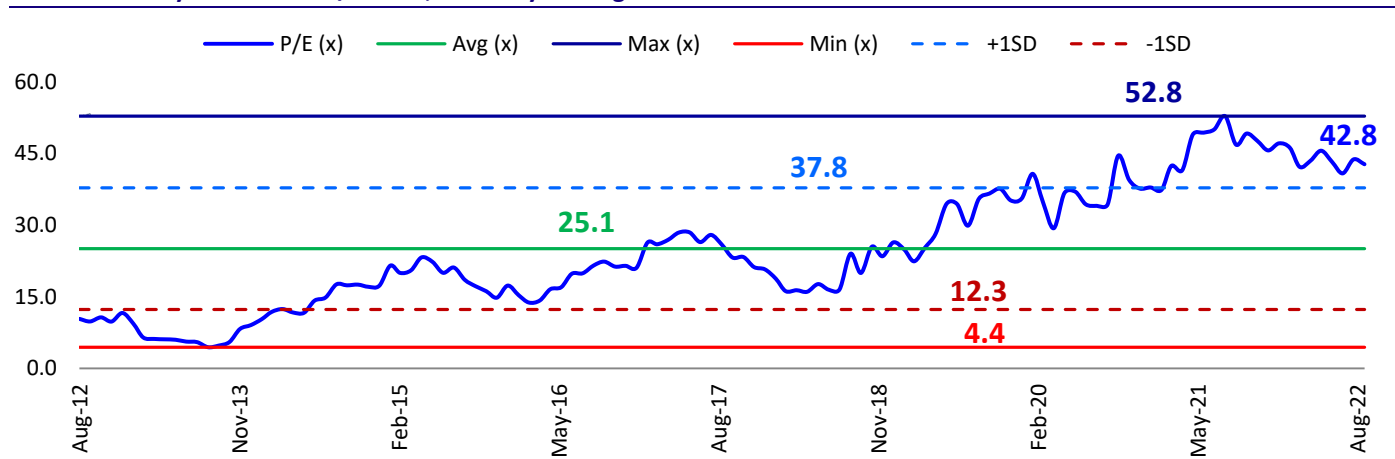
Valuation and view

- The demand outlook for the ATBS segment remains positive going forward after a temporary blip in FY22. Veeral Organics Pvt. (a wholly-owned subsidiary of VO) is set to commence production of MEHQ, Guaiacol, and Iso Amylene in 1HFY24, which should drive the next level of growth in VO.
- Veeral Additives will commence production of AOs from Butyl Phenol, thus resulting in forward integration. Post amalgamation, VO will become the largest and only doubly integrated manufacturer of AOs in India. The latter is right now imported into the country, with the domestic market seeing huge demand for PP, LLDPE, etc., which is expected to grow at 8% YoY.
- The stock is trading at 38x FY24E EPS and 30x FY24E EV/EBITDA, with return ratios of 20-24%. It has a fixed asset turnover of 2x as of FY22, which is likely to improve to 2.1x by FY24E. We value the company at 45x FY24E EPS to arrive at our TP of INR2,593. **We maintain our Buy rating.**

Exhibit 1: VO announces capacity expansion of ATBS and new capacity additions in the next two fiscals

Capacity (mtpa)	FY17	FY18	FY19	FY20	FY21	FY22
ATBS	26,000	26,000	26,000	26,000	40,000	40,000
IBB	16,000	16,000	25,000	25,000	25,000	25,000
IB	15,000	15,000	15,000	15,000	15,000	15,000
Others (TBA)	21,500	21,500	21,500	21,500	21,500	21,500
Total capacity	78,500	78,500	87,500	87,500	1,01,500	1,01,500

Source: Company, MOFSL

Exhibit 2: One-year forward P/E chart, currently trading at 42.8x

Source: MOFSL

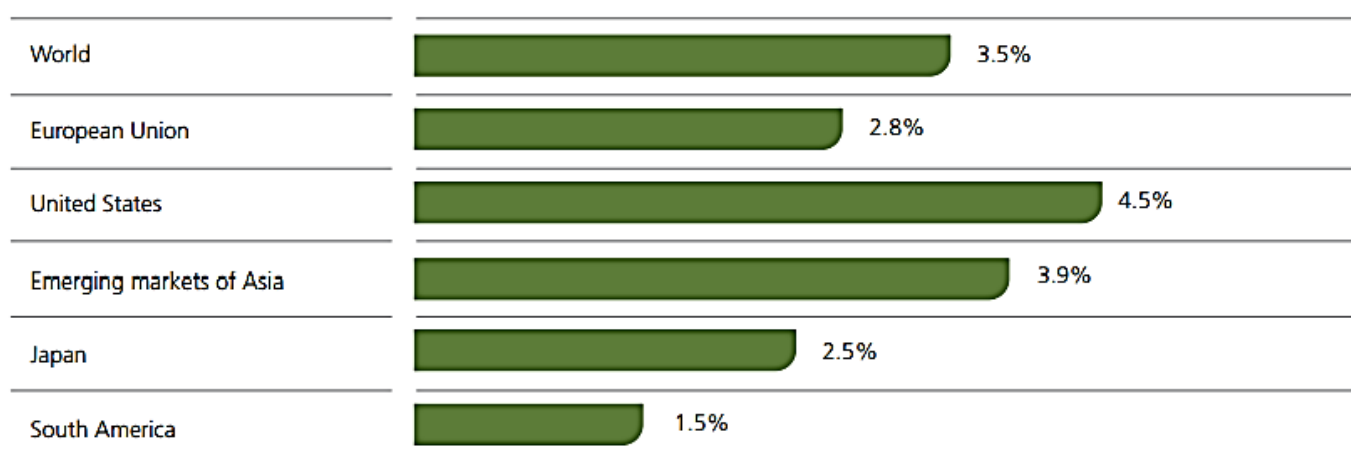
Global Chemicals industry – An overview and outlook

- China accounted for the largest share of the USD5,027b global Chemicals market in CY20, with a share of 39%, followed by the US (15%). India's market share was 4% in the said market. **The global market is expected to grow to USD6,780b in CY25, a CAGR of 6.2%.**
- Global Chemical production (excluding Pharmaceuticals) grew 6.1% in CY21, and is expected to grow at 3.5% in CY22, slower than the preceding fiscal, but faster than the average of years in the pre-pandemic period.
- The US is set to grow faster (4.5%) than the world (3.5%) in CY22, topping emerging markets in Asia as the fastest growing region in CY21. Emerging markets are expected to grow by 3.9% in CY22, with the EU/Japan growing at 2.8%/2.5%. **Global chemical production in CY22 is expected to be almost 10% above CY19 levels.**

Exhibit 3: US to grow at a much faster rate v/s RoW; expect above-average growth in emerging markets in Asia

Outlook for chemical production 2022 (excluding pharmaceuticals)

Real change compared with previous year



Source: Company, MOFSL

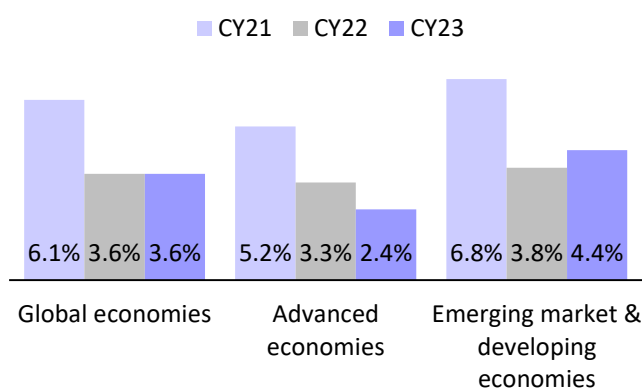
The Indian Chemicals industry – An overview

- The Indian economy recovered in FY22, led by a favorable monetary policy, vaccination drives, and notable structural advancements. India's GDP grew 8.7% in CY22. Exports saw robust growth on the back of a low base, spurt in oil prices, and strong external demand.
- **The industry's performance in FY22 was characterized by declining gross and EBITDA margin as raw materials costs and operating costs surged.** Production cuts in China, due to energy prices and unavailability of major raw materials on account of supply-chain constraints, was another issue affecting the industry's performance in FY22.
- The Indian Chemical industry was estimated to have a market value of USD178b in CY19, and is expected to reach USD304b by CY25, a CAGR of 9.3%. **India will gain from the China+1 strategy as MNCs look for an alternate supplier in order to avoid further supply disruptions.**

Opportunities in the Indian Chemicals industry

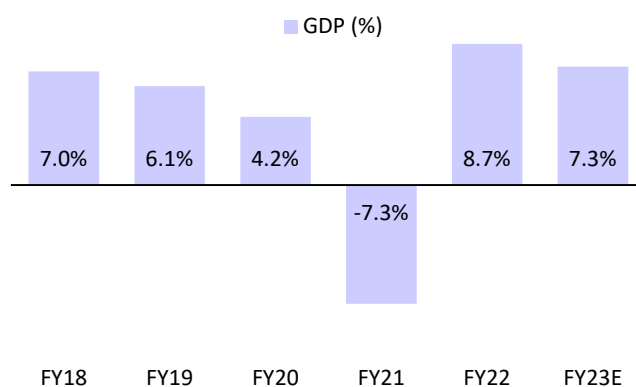
- The Government of India (GoI) has permitted 100% FDI in the Chemicals sector under the automatic route, with the exception of a few hazardous chemicals. India witnessed an FDI of USD19b over Apr'00-Dec'21.
- R&D is of utmost importance in this sector. Companies are innovating with new molecules and chemistries to give them a competitive edge. The GoI is expected to come up with a National Chemical Policy that will strive to streamline and promote R&D within the sector.
- Use of technology and data analytics is estimated to increase a company's PAT by 3-5%. Expansion of the middle-class will lead to a dramatic change in demand for items like food, clothing, and transportation. Additional PLI schemes by the GoI is expected to drive growth of the Indian Chemicals sector.

Exhibit 4: Expect the global economy to slow down in CY22...



Source: IMF World Economic Outlook, Apr'22, MOFSL

Exhibit 5: ...and India's GDP to grow at 7.3% in FY23



Source: IMF World Economic Outlook, Apr'22, MOFSL

The Indian Specialty Chemicals market – A bird's eye view

- According to Indian Chemical News, the Indian Specialty Chemical market constitutes ~20% of the total market in India and has been playing a crucial role in the growth story of the industry as a whole.
- The Indian Specialty Chemicals industry is expected to grow to USD60b in FY23 from USD40b in FY20 (13% CAGR v/s expected global average CAGR of 5%).
- The outlook for the industry is favorable due to the following tailwinds:
 - Robust domestic demand across end-user industries, led by rising domestic consumption, strong export growth, and growing import substitution.
 - India is becoming a manufacturing hub, including contract and custom synthesis for Specialty Chemicals, both for domestic as well as the international markets.
 - The China+1 strategy is gaining momentum as major Chemical producers strive to reduce their reliance on China, which, in turn, should benefit Indian companies.

Related-party transactions

- VO entered into related-party transactions with Veeral Additives Pvt., Veeral Alkalis, and Suchir Chemicals Pvt. for the sale and purchase of goods among others. All of the transactions were done at arm's length.
- The largest related-party transaction pertains to a loan offered by VO to Veeral Additives Pvt. to the tune of INR1.2b. Interest income from Veeral Additives was INR120m.
- VO also sold products worth INR164m to Veeral Additives Pvt. The remaining transactions were of a much smaller quantum. These transactions were undertaken in the ordinary course of the business.
- The company also recorded a dividend payment of INR285m from Suchir Chemicals Pvt. in FY22 v/s INR22m in FY21.

Exhibit 6: Related-party transactions, among others, by VO in FY22 (INR m)

Particulars	Related party	Transaction amount	Balance as on FY22
Sale of goods	Veeral Additives	163.6	61.8
Purchase	Veeral Additives	2.5	0.0
Rent of immovable property	Veeral Additives	0.5	-
Interest income	Veeral Additives	120.4	115.4
Loan given	Veeral Additives	1,204.8	2,523.4
Sales of goods	Viral Alkalis	0.1	-
Purchase	Viral Alkalis	12.9	-
Rent on immovable property	Viral Alkalis.	0.5	-
Dividend payment	Suchir Chemicals	285.3	-

Source: Company, MOFSL

Corporate social responsibility

- VO's CSR focus is aimed at encouraging education, rural development, skilling, entrepreneurship, and employment as it seeks to help people and communities bridge the opportunity gap.
- **In FY22, VO spent ~1% of its PAT on various CSR activities**, such as:
 - Contribution to the SRCC Children's Hospital in Maharashtra, focusing on cardiology, cochlear implant, medical management, neurology, oncology, orthopedics, investigation, and surgery.
 - Through Vinati Organics Young Women Merit Scholarship program, VO aims to empower young girls, via financial assistance, to seek the required academic support, coaching, and resources.
 - It supported two essential projects in Akloli village in Vajreshwari in the Palghar district of Maharashtra by providing solar street lights and solar water pump system to residents of the village.
- CSR spends stood at INR45m (v/s INR28m in FY21), which was **less than the required** 2% of its average net profit (INR4b) over the past three years. The unspent amount has been transferred into a separate bank account: the unspent corporate social responsibility account (UCSRA).

Exhibit 7: Details of CSR spending in FY22 (INR m)

Particulars	FY22	FY21
Gross amount required to be spent by the company	79	70
The amount spent by VO during the fiscal on purposes other than construction and acquisition of assets	45	28
Shortfall at the end of the fiscal	34	42
Total shortfall in the preceding fiscal	2	-
Reason for the shortfall	Pertains to on-going projects.	

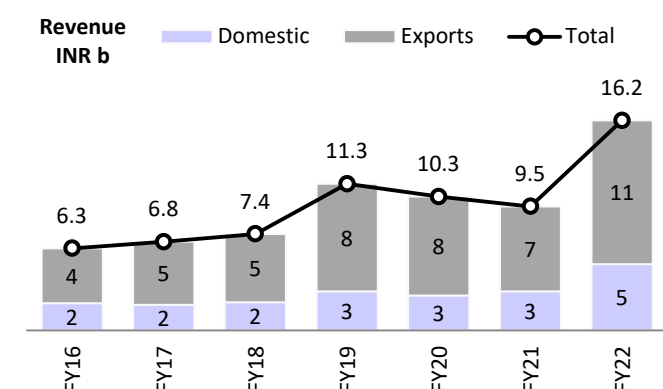
Nature of CSR Activities

Promoting education, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief, and rural development projects

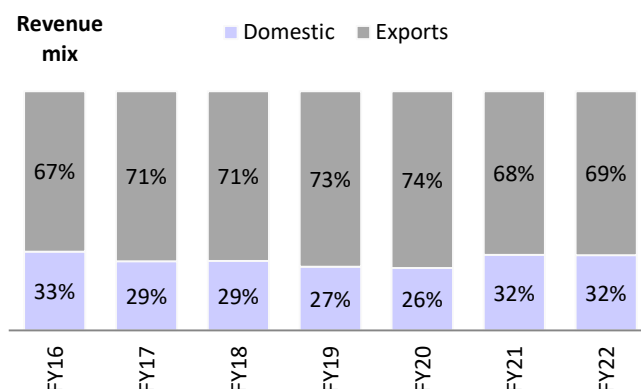
Source: Company, MOFSL

R&D expenditure

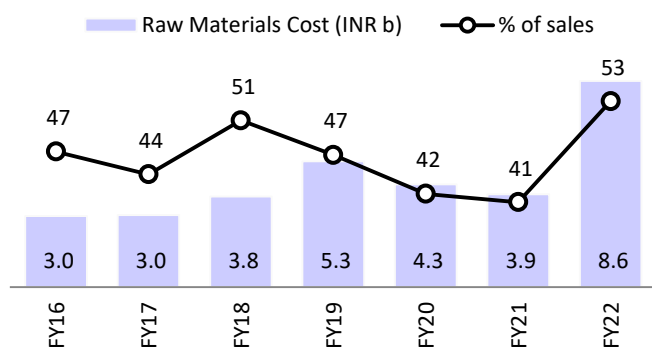
- R&D on new projects and products stands strong, with the team working on 10-12 products on an average at a single time. Most of these are niche with unique chemistries. **The management said that five years down the line the new products will add value to its stakeholders.**
- VO has been able to launch new products and develop new processes because of the high priority given to R&D. **The team has been to recover pure NBB at Mahad, manufacture Tertiary Butyl Acrylamide, and recover ATFE Bottom Polymers at its Lote facility.**
- The management will continue to invest in R&D, with an emphasis on adopting products and processes to improve performance, and be more environmentally friendly in order to meet its customer needs.

Exhibit 8: Revenue up 69% in FY22

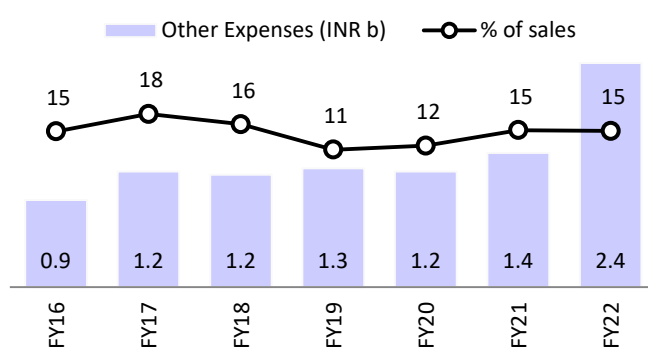
Source: Company, MOFSL

Exhibit 9: Share of exports stood at 69% in FY22

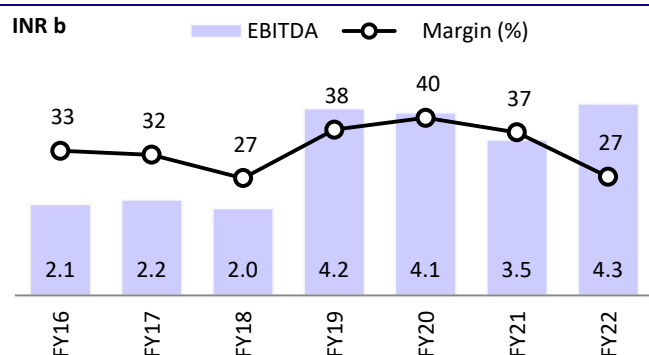
Source: Company, MOFSL

Exhibit 10: FY22 saw an unprecedented surge in RM prices...

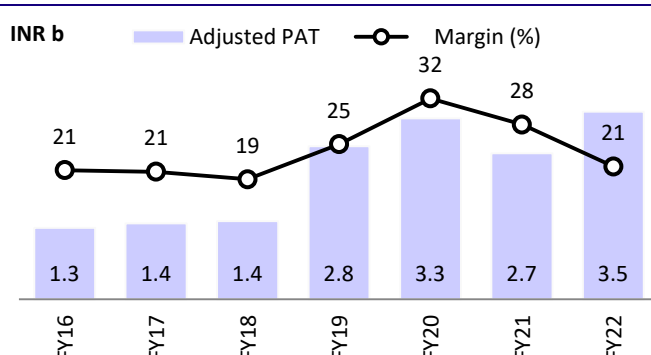
Source: Company, MOFSL

Exhibit 11: ...while other expenses rose 67% YoY

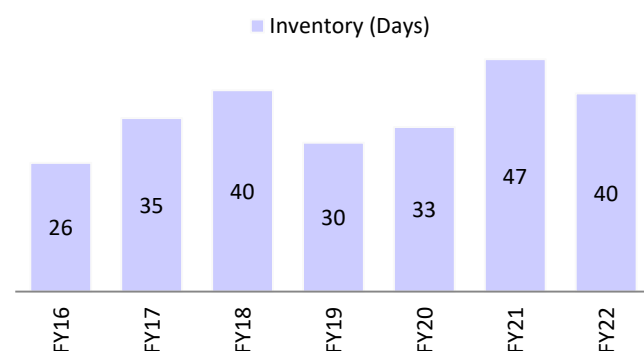
Source: Company, MOFSL

Exhibit 12: EBITDAM fell 10pp in FY22...

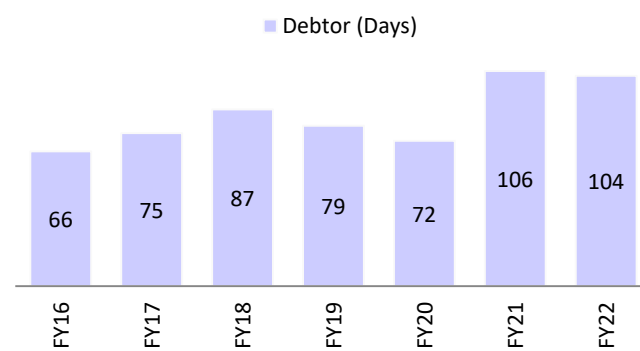
Source: Company, MOFSL

Exhibit 13: ...while reported PAT rose 29%

Source: Company, MOFSL

Exhibit 14: Inventory days down to 40...

Source: Company, MOFSL

Exhibit 15: ...and debtor days at 104 in FY22

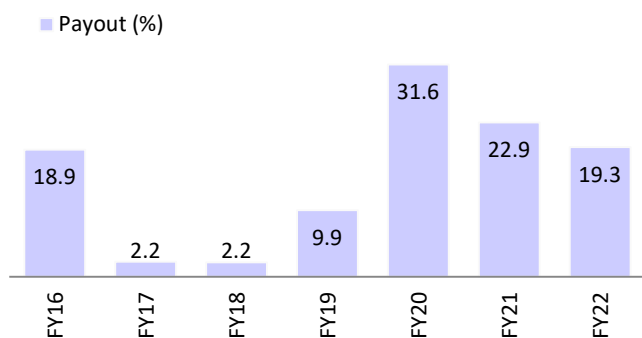
Source: Company, MOFSL

Exhibit 16: WC days at 117 days in FY22 from 127 days in FY21 on account of lower inventory days

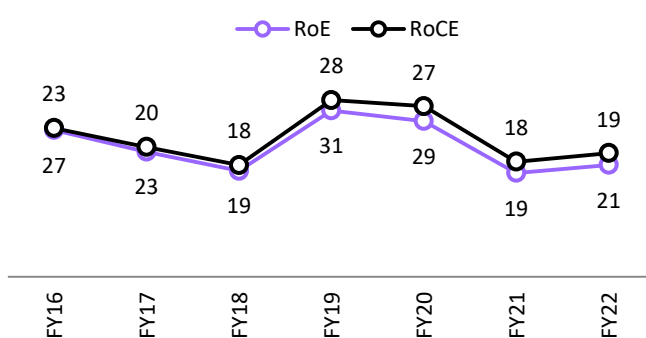
Cash conversion cycle (year-end basis)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Days										
Inventory	36	24	26	26	35	40	30	33	47	40
Debtor	75	60	61	66	75	87	79	72	106	104
Creditor	10	7	10	13	18	31	17	20	25	26
Cash conversion cycle	100	77	77	79	93	96	92	85	127	117

Source: Company, MOFSL

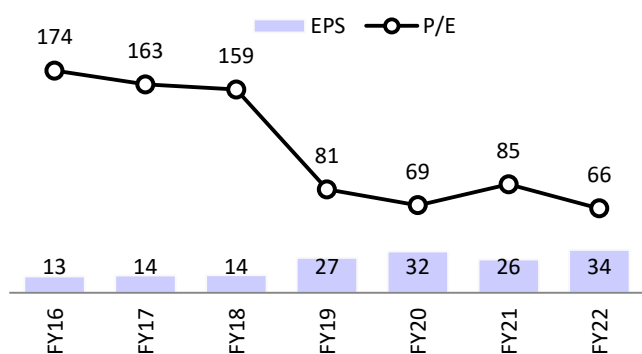
- VO paid out a dividend of INR6.5/share in FY22 v/s INR6/share in FY21, a payout of ~19% v/s ~23% in FY21.
- EPS stood at INR34/share in FY22, implying a YoY increase of 29%. The P/E multiple stood at 66x.
- The dividend yield currently stands at 0.3%, with RoE at 21%.
- Asset turnover stood at 0.8x in FY22. Debtor days stood at 104 days in FY22 from 106 days in FY21.

Exhibit 17: Payout ratio fell to ~19% in FY22...

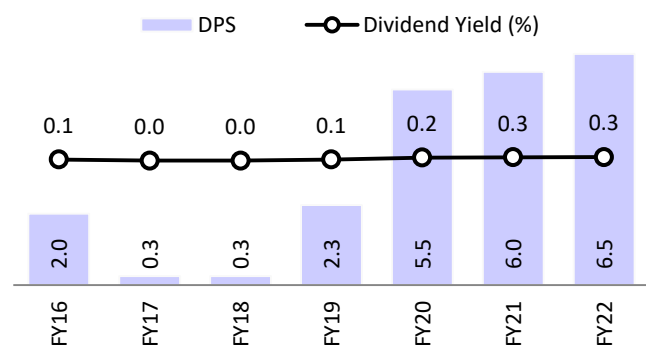
Source: Company, MOFSL

Exhibit 18: ...whereas return ratios were better than in FY22

Source: Company, MOFSL

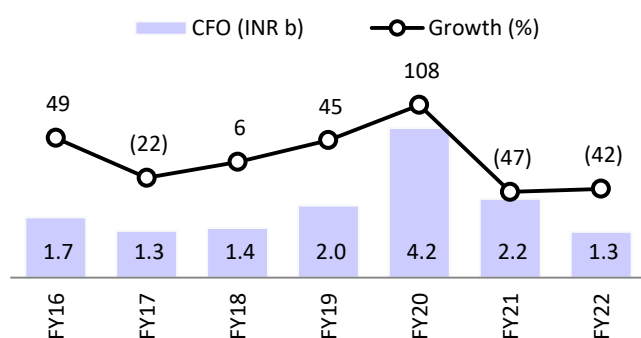
Exhibit 19: EPS stood at INR34 in FY22...

Source: Company, MOFSL

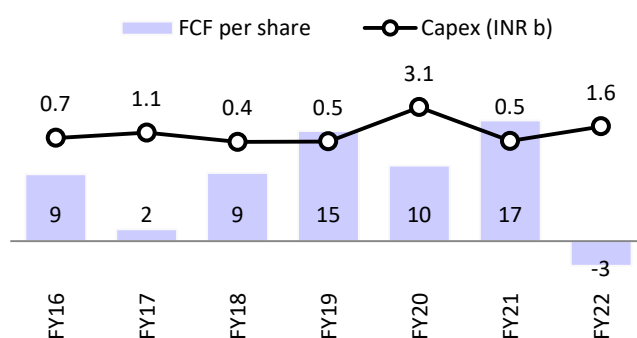
Exhibit 20: ...while DPS stood at INR6.5

Source: Company, MOFSL

- Cash flow from operations (CFO) fell 42% YoY to INR1.3b in FY22.
- Higher capex in FY22 compared to FY21 led to FCF being negative for the fiscal. Capex undertaken stood at INR1.6b.

Exhibit 21: CFO fell 42% to INR1.3b in FY22...

Source: Company, MOFSL

Exhibit 22: ...while higher capex leads to a decrease in FCF

Source: Company, MOFSL

- Foreign exchange earned stood at INR11b in FY22 (v/s INR7b in FY21), while the outgo was INR2.4b (v/s INR850m in FY21).
- The median remuneration of employees saw a percentage increase of 8.7% in FY22 v/s FY21. The company has 1,009 permanent employees on the payroll currently (an addition of 56 employees in FY22).
- The remuneration for VO's MD and CEO – Ms. Vinati Saraf Mutreja – stood at ~INR13.7m in FY22 (v/s INR12.5m in FY21).

Exhibit 23: Remunerations of directors and key management personnel in FY22

Name of the KMP	Designation	Remuneration (INR m)	Increase	As a percentage of FY22 revenue	As a percentage of FY22 net PBT
Mr. Vinod Saraf	Chairman	18.4	10%	11%	41%
Ms. Vinati Saraf Mutreja	MD and CEO	13.7	10%	8%	30%
Ms. Viral Saraf Mittal	Director – CSR	7.8	10%	5%	17%
Mr. Jayesh Ashar	Director – Operations	11.2	9%	7%	25%
Mr. N. K. Goyal	CFO	8.8	10%	5%	20%
Mr. Milind Wagh	Company Secretary	3.3	10%	2%	7%

Source: Company, MOFSL

Financials and valuations

Standalone Income Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	6,813	7,422	11,279	10,289	9,543	16,155	19,760	25,103
Change (%)	8.0	8.9	52.0	-8.8	-7.3	69.3	22.3	27.0
Gross Margin (%)	55.9	49.1	53.4	58.3	59.4	46.7	47.0	47.0
EBITDA	2,170	1,973	4,234	4,139	3,525	4,341	5,747	7,663
Margin (%)	31.8	26.6	37.5	40.2	36.9	26.9	29.1	30.5
Depreciation	216	234	274	332	429	455	550	677
EBIT	1,953	1,739	3,960	3,808	3,096	3,886	5,197	6,986
Int. and Finance Charges	19	12	9	11	2	3	20	20
Other Income	125	307	302	450	259	610	746	947
PBT bef. EO Exp.	2,060	2,034	4,252	4,247	3,353	4,493	5,923	7,914
PBT after EO Exp.	2,060	2,034	4,252	4,247	3,353	4,493	5,923	7,914
Total Tax	657	595	1,428	908	659	1,026	1,491	1,992
Tax Rate (%)	31.9	29.3	33.6	21.4	19.7	22.8	25.2	25.2
Reported PAT	1,403	1,439	2,825	3,338	2,693	3,467	4,432	5,922
Adjusted PAT	1,403	1,439	2,825	3,338	2,693	3,467	4,432	5,922
Change (%)	6.6	2.6	96.3	18.2	-19.3	28.7	27.8	33.6
Margin (%)	20.6	19.4	25.0	32.4	28.2	21.5	22.4	23.6

Standalone Balance Sheet

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	103	103	103	103	103	103	103	103
Total Reserves	6,697	7,864	10,410	12,691	15,331	18,179	21,757	26,537
Net Worth	6,800	7,967	10,513	12,794	15,434	18,281	21,859	26,640
Total Loans	23	152	37	3	20	189	800	1,250
Deferred Tax Liabilities	696	809	846	705	779	900	900	900
Capital Employed	7,519	8,927	11,395	13,502	16,234	19,370	23,560	28,790
Gross Block	4,892	5,023	5,473	8,551	9,045	10,675	13,175	16,175
Less: Accum. Deprn.	216	454	728	1,060	1,489	1,944	2,494	3,171
Net Fixed Assets	4,676	4,569	4,745	7,491	7,557	8,732	10,682	13,005
Capital WIP	74	349	1,912	310	547	473	473	473
Total Investments	618	1,317	965	2,274	2,887	979	979	979
Curr. Assets, Loans, and Adv.	2,843	3,565	4,654	4,355	6,345	10,714	13,294	16,707
Inventory	651	822	924	932	1,219	1,762	2,155	2,737
Account Receivables	1,405	1,771	2,440	2,018	2,772	4,584	5,607	7,123
Cash and Bank Balance	48	52	38	537	68	43	242	125
Cash and liquid investments	621	1,318	492	1,586	1,762	11	242	125
Bank Balance	45	52	38	0	52	33	0	0
Loans and Advances	740	919	1,252	869	2,285	4,326	5,291	6,722
Curr. Liability and Prov.	693	872	881	927	1,102	1,527	1,868	2,373
Account Payables	327	635	531	557	664	1,146	1,401	1,780
Other Current Liabilities	338	174	211	213	391	328	401	509
Provisions	27	64	139	157	47	54	66	83
Net Current Assets	2,151	2,693	3,774	3,428	5,243	9,187	11,426	14,334
Appl. of Funds	7,519	8,927	11,395	13,502	16,234	19,371	23,560	28,790

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)								
EPS	13.6	14.0	27.5	32.5	26.2	33.7	43.1	57.6
EPS Growth (%)	6.6	2.6	96.3	18.2	-19.3	28.7	27.8	33.6
Cash EPS	15.7	16.3	30.1	35.7	30.4	38.2	48.5	64.2
BV/Share	66.2	77.5	102.3	124.5	150.2	177.9	212.7	259.2
DPS	0.3	0.3	2.3	5.5	6.0	6.5	8.3	11.1
Payout (%)	2.2	2.2	9.9	31.6	22.9	19.3	19.3	19.3
Valuation (x)								
P/E ratio	164.1	160.0	81.5	68.9	85.5	66.4	51.9	38.9
Cash P/E ratio	142.2	137.6	74.3	62.7	73.7	58.7	46.2	34.9
P/BV ratio	33.8	28.9	21.9	18.0	14.9	12.6	10.5	8.6
EV/Sales ratio	33.8	31.0	20.4	22.3	24.1	14.3	11.7	9.2
EV/EBITDA ratio	106.1	116.7	54.4	55.5	65.3	53.1	40.1	30.2
Dividend Yield (%)	0.0	0.0	0.1	0.2	0.3	0.3	0.4	0.5
FCF per share	1.6	9.4	15.1	10.4	16.5	-3.4	13.9	19.7
Return Ratios (%)								
RoE	23.0	19.5	30.6	28.6	19.1	20.6	22.1	24.4
RoCE	20.5	17.6	27.9	26.9	18.1	19.5	20.7	22.7
RoIC	22.0	17.6	33.5	31.7	21.5	19.6	19.6	21.3
Working Capital Ratios								
Fixed Asset Turnover (x)	1.6	1.6	2.4	1.7	1.3	2.0	2.0	2.1
Asset Turnover (x)	0.9	0.8	1.0	0.8	0.6	0.8	0.8	0.9
Inventory (Days)	35	40	30	33	47	40	40	40
Debtor (Days)	75	87	79	72	106	104	104	104
Creditor (Days)	18	31	17	20	25	26	26	26
Leverage Ratio (x)								
Current Ratio	4.1	4.1	5.3	4.7	5.8	7.0	7.1	7.0
Net Debt/Equity ratio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Standalone Cash Flow Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	2,060	2,034	4,252	4,247	3,353	4,493	5,923	7,914
Depreciation	216	254	274	332	429	455	550	677
Direct Taxes Paid	-535	-491	-1,262	-1,005	-607	-1,081	-1,491	-1,992
(Inc.)/Dec. in WC	-380	-316	-1,138	811	-874	-2,257	-1,075	-1,594
CF from Operations	1,304	1,384	2,003	4,159	2,190	1,271	3,927	5,025
(Inc.)/Dec. in FA	-1,136	-422	-450	-3,094	-490	-1,618	-2,500	-3,000
Free Cash Flow	168	962	1,553	1,065	1,700	-347	1,427	2,025
Change in Investments	695	1	-442	-674	127	267	0	0
Others	173	33	-1,534	1,793	-1,619	-1,206	-965	-1,431
CF from Investments	-268	-388	-2,427	-1,975	-1,982	-2,558	-3,465	-4,431
Issue of Shares	0	-240	0	0	0	0	0	0
Inc./(Dec.) in Debt	-396	0	0	0	17	164	611	450
Interest Paid	-16	-11	-9	-11	-2	-3	-20	-20
Dividend Paid	-35	-32	-278	-1,046	-55	-618	-854	-1,141
CF from Fin. Activity	-451	-298	-403	-1,090	-31	-464	-263	-711
Inc./Dec. in Cash	585	697	-826	1,094	176	-1,751	199	-117
Opening Balance	35	621	1,318	492	1,586	1,762	43	242
Closing Balance	621	1,318	491	1,585	1,762	10	242	125

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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