

BSE SENSEX

39,044

S&P CNX

11,522

CMP: INR1,498

TP: INR1,385 (-8%)

Neutral



Stock Info

Bloomberg	PIDI IN
Equity Shares (m)	513
M.Cap.(INRb)/(USD\$b)	761.1 / 10.2
52-Week Range (INR)	1710 / 1186
1, 6, 12 Rel. Per (%)	6/-16/4
12M Avg Val (INR M)	1223

Financials Snapshot (INR b)

Y/E Mar	2020	2021E	2022E
Sales	72.9	62.7	83.2
Sales Gr. (%)	3.0	-14.0	32.6
EBITDA	15.8	12.7	18.3
Margins (%)	21.6	20.2	22.0
Adj. PAT	11.7	8.7	13.0
EPS (INR)	23.1	17.1	25.6
EPS Gr. (%)	24.5	-26.2	50.3
BV/Sh.(INR)	87.7	95.6	112.1

Ratios

RoE (%)	27.3	18.6	24.7
RoCE (%)	25.0	17.3	23.3
Payout (%)	30.2	44.0	29.3

Valuations

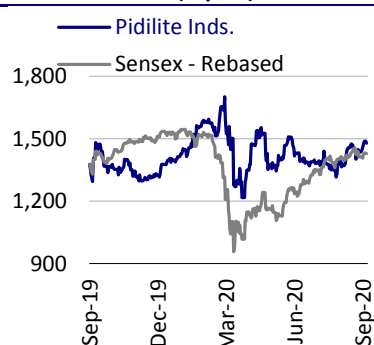
P/E (x)	64.9	87.9	58.5
P/BV (x)	17.1	15.7	13.4
EV/EBITDA (x)	47.3	58.4	40.2
Div. Yield (%)	0.5	0.5	0.5

Shareholding pattern (%)

As On	Jun-20	Mar-20	Jun-19
Promoter	70.2	69.9	69.8
DII	8.1	8.0	8.0
FII	11.2	11.5	11.5
Others	10.5	10.6	10.8

FII Includes depository receipts

Stock Performance (1-year)



Transformative changes underway

In a presentation ([link](#)) in our Annual Global Investor Conference recently, Mr Bharat Puri – MD of Pidilite (PIDI), highlighted two factors that could drive transformational change at the company level:

- **Faster growth in the ‘Growth’ and ‘Pioneer’ categories would lead to contribution from these categories increasing from around one-third of sales combined to around half of sales over the next three to four years. This would provide significant impetus to the topline over the medium term, something that has been lacking in recent years.**
- **Technology implementation in distribution in recent years is boosting efficiency and elevating distributor ROI, enabling the company to retain channel loyalty in the current uncertain times.**
- **We maintain a Neutral rating on the stock from a one-year perspective on account of fair valuations (58.5x FY22 EPS) and uncertain near-term recovery, especially in the B2B part of the business (~15% of sales). However, initiatives to grow the Growth and Pioneer categories could go a long way in revitalizing medium-term sales and earnings growth, which have dropped significantly in the past four years. These metrics reported an 8–10% CAGR over the past four years v/s ~16% and ~20%, respectively, in the first six years of the decade.**

Growth and Pioneer categories to grow faster

In the past few years, the company has undertaken a series of acquisitions and tie-ups (see Exhibit 2), many of which are likely to attain critical size in the upcoming years. The company has also increased its stake in some of these businesses in recent years. The share of the ‘Growth’ and ‘Pioneer’ categories has gradually increased from ~25% of sales to ~33%, but the needle is likely to move even more sharply for these segments in the next three to four years, resulting in a ~50% contribution to sales from these segments. Products in the Growth category, which we believe would drive a significant portion of this growth, include Dr. Fixit (waterproofing), WD-40 (maintenance spray), Nina Percept (waterproofing), ICA-Pidilite (wood coating), and the international business. On the other hand, Pioneer brands/tie-ups comprise Roff (tile adhesives), Jowat (industrial adhesives), Cipy (floor coating), Tenax (adhesives and coatings for marble, granite, and stone), Grupo Puma (mortar and plasters for flooring and walls), and Litokol (epoxy grout).

Distribution and penetration growth – key focus in Growth business

Rapid expansion in the Growth business is attributable to significant efforts on category creation in recent years. This is likely to continue going forward, along with increased distribution and penetration. Furthermore, for the international business, the focus would be more on markets similar to India and deploying an ‘India-like’ approach in terms of strategy. The expansion of brands such as Fevikwik to nearly 4m outlets (now among the best distributed consumer brands in the country) is testimony to the company’s out-of-the-box thinking on distribution expansion. On a broad basis, ‘Growth’ category brands and segments are likely to grow at 2–4x GDP growth.

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

Motilal Oswal research is available on [www.motilalosal.com/Institutional-Equities](http://www.motilalosal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

**Category creation, leveraging PIDI's distribution strength – key focus in Pioneer category**

The company made most of its investments in Pioneer brands very recently. This involved significant category creation, especially as the categories are very nascent compared with those in other countries. PIDI has synergized the business with existing businesses in terms of distribution and end customers, i.e. contractors. The company targets ~INR1b revenue or higher for the Pioneer categories over the next three years.

**Core business to grow at 1–2x GDP**

The Core business (Fevicol and sub-brands Fevikwik, M-Seal, and Fevicryl) is likely to grow at 1–2x GDP. Growth at the higher end of this band would be possible if renovations and new construction activity picks up. Longer term opportunity still remains high in the Core business, particularly on account of: (a) consistent premiumization and (b) gains from the unorganized portion of the Adhesives market, which stands at 30–35%. Notably, and contrary to expectations, there has been no sharp increase in readymade furniture as customized furniture is still more cost-effective in India v/s readymade furniture. Nevertheless, as demonstrated from the slowing of overall revenue growth (~8% in the last four years v/s ~16% over FY10–16) (Exhibit 1), there was perhaps a need to boost revenue growth through additional drivers.

**No material change in C&B to B2B mix**

Importantly, many of the Growth and Pioneer categories are B2C. This means that there is unlikely to be any material change in the current 85:15 mix for Consumer and Bazaar (C&B) and B2B products over the next three to four years, by the end of which the Growth and Pioneer categories are likely to comprise around half of sales. A change in the C&B: B2B mix could have had implications on margins and ROCE.

**Digital and analytics push leading to significant gains**

The company has historically been well behind other consumer companies in terms of distribution technology and analytics. However, it has shown significant improvement in these aspects over the past two years, leading to greater efficiency and better decision making. Each distributor employee has a handheld device and auto-replenishment is fully in place. Channel inventory days have already been reduced by 7–10 days, thereby boosting distributor RoI. Further efficiency gains are still possible going forward. Notably, month-end and year-end dumping are a thing of the past.

**Exhibit 1: Performance in last four years has slowed v/s strong performance over FY10–16**

Y/E March (INR b)	FY10	FY16	FY20	FY10–16 CAGR	FY16–20 CAGR	FY10–20 AGR
<b>Sales</b>	<b>22.2</b>	<b>53.6</b>	<b>72.9</b>	<b>15.8</b>	<b>8.0</b>	<b>12.6</b>
Gross Profit	10.8	27.8	38.9	17.0	8.8	13.6
Gross Margin (%)	48.7	51.8	53.4	305 bps	157 bps	462 bps
<b>EBITDA</b>	<b>4.1</b>	<b>11.7</b>	<b>15.8</b>	<b>19.4</b>	<b>7.7</b>	<b>14.6</b>
EBITDA Margin (%)	18.2	21.9	21.6	366 bps	-28 bps	338 bps
<b>PAT</b>	<b>2.7</b>	<b>8.0</b>	<b>11.7</b>	<b>19.6</b>	<b>9.9</b>	<b>15.6</b>
PAT Margin (%)	12.4	15.0	16.1	264 bps	110 bps	374 bps
CFO	3.9	9.1	12.8	15.0	9.0	12.6
FCF	3.1	7.4	8.4	15.4	3.0	10.3

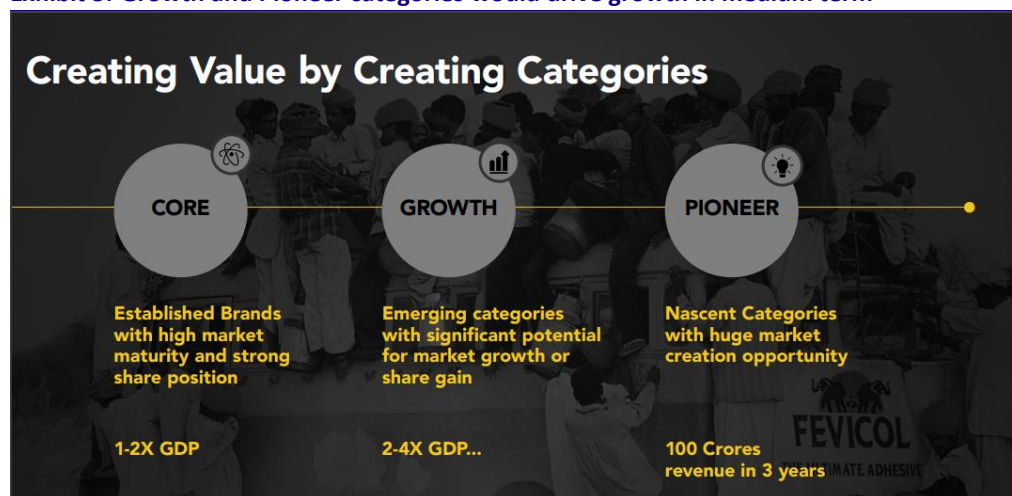
Source: Company, MOFSL

**Exhibit 2: PIDI has invested considerably in acquisitions and JVs in recent years**

FY	Company	Stake at acquisition (%)	Consideration (INR m)
FY20	JV - Pidilite C-Techos Walling Limited	60	NA
	Tenax India Stone Products	70	800
	Aapkapainter	25	50
	Pepperfry	2	700
	Home Lane	5	490
	JV with Chetana Exponential Technologies	NA	NA
	JV - Pidilite Grupo Puma Manufacturing Limited	50	NA
	JV - Pidilite Litokol Private Limited	60	NA
FY19	JV - Pidilite East Africa Limited	55	NA
FY18	CIPY Polyurethanes Pvt. Ltd.	70	964
FY17	ICA Pidilite Pvt. Ltd.	50	1,310
FY16	Nina Waterproofing Systems Pvt. Ltd.	70	820

Source: Company, MOFSL

While Core products are likely to grow at 1–2x GDP, the trend has been closer to 1x GDP in recent years. Particularly beyond the COVID-impacted FY21, the Growth and Pioneer categories are likely to drive overall sales growth. Growth category products are likely to grow at 2–4x GDP (more than twice that of Core products). The nascent Pioneer category products are targeted to attain INR1b sales in three years.

**Exhibit 3: Growth and Pioneer categories would drive growth in medium term**

Source: Company, MOFSL

The Growth and Pioneer categories are targeted to contribute around half of sales over the next 3–4 years, compared with one-third of sales currently. We believe the Growth category may be the bigger driver of this incremental spurt in the forthcoming few years, while the Pioneer category would be a huge driver of topline growth in the medium-to-long term.

**Exhibit 4: Well-placed portfolio across categories**

**Portfolio for Creating value**



Source: Company, MOFSL

The company has laid a strong base for rapid expansion in Growth category products over the next few years, particularly aided by category awareness efforts as well as increased marketing efforts.

**Exhibit 5: Strategy would drive performance in Growth category...**

**Creating Categories**



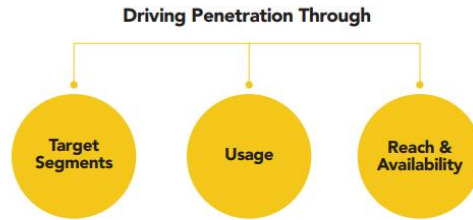
Source: Company, MOFSL

Distribution expansion is also playing a huge role in driving expansion in Growth category products. Fevikwik, in particular, has been a remarkable case study on distribution expansion. Overall product reach is at over 3.2m outlets now vis-à-vis the best FMCG company brands. The company’s clutter-breaking marketing is also facilitating faster growth.

Exhibit 6: ...led by growing penetration and distribution expansion

### Wholistic Brand Management

- Exhaustive immersions to collect insights
- Identify usage patterns and accordingly select target segments
- Focussed media strategy to reach target segment and deliver growth



\*Available in 3.2 mn outlets



Source: Company, MOFSL

Exhibit 7: Distribution expansion is a key pillar of strategy for Growth category

### Driving Penetration The Emerging India Story

VILLAGES	No. OF TOWNS	PIL DIRECT REACH*
> 1 mn	45	45
0.2-1 mn	184	184
< 0.2 mn	0.6 mn	23,000



Source: Company, MOFSL

Compared with the erstwhile approach of focusing on a multitude of geographies, including the US and Brazil, in recent years, the company has decided to focus on certain emerging markets with high growth potential and where an 'India-like' approach could work very well.

**Exhibit 8: International expansion in target markets with ‘India-like’ strategy to expand Growth category**

**International Expansion**

Taking Pidilite’s Success Story to Emerging Markets across the World.

Target markets with high headroom for growth, with a high-touch, “India-like” approach

**Drive market: Bangladesh**

- Began operations 15+ years ago
- Play across all major categories of Pidilite (including C&B and IP)
- Setup local manufacturing, with 2nd plant opened recently
- Expanded distribution reach aggressively
- Focused on influencer and market development
- Built local talent and capability
- Investing in scaling up reach further through ATL and localized campaigns



- Market leading position across some segments

Source: Company, MOFSL

All the Pioneer category brands are in the nascent categories; thus, the company is trying to grow the categories using innovation and technology and by leveraging on its relationships and distribution strength.

**Exhibit 9: Key enablers for Pioneer category**

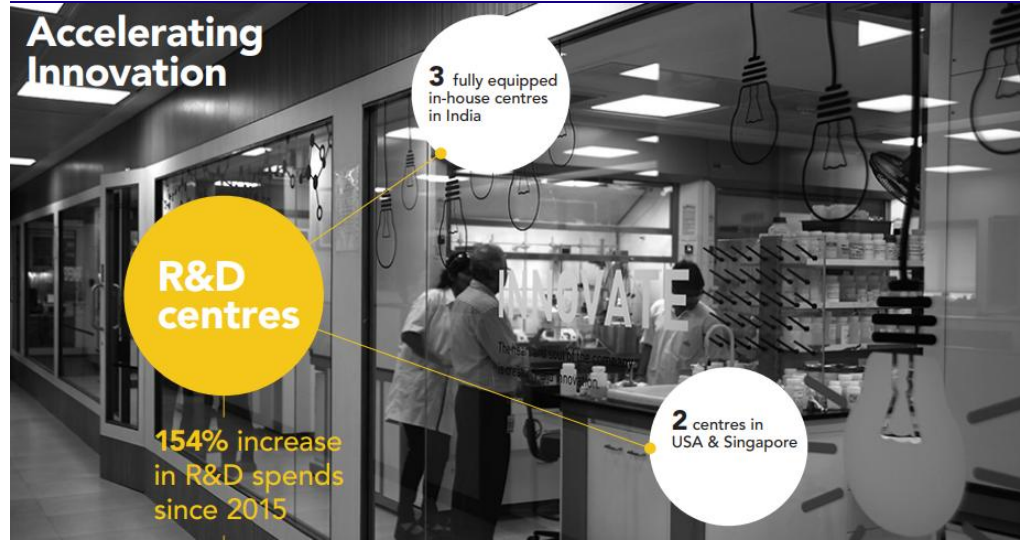
**Growth Enablers**



Source: Company, MOFSL

R&D is gaining increasing importance, with a nearly 2.5x increase seen in R&D spends over the past five years. There has also been significant augmentation of manufacturing capacity at both the standalone and subsidiary levels to drive planned future growth in the Core, Growth, and Pioneer categories.

**Exhibit 10: Significant investment in R&D to drive innovation**



Source: Company, MOFSL

**Exhibit 11: Investments in manufacturing and technology for Pioneer category**

### Future-Fit Infrastructure

**Network Expansion:**

- There are a total of 8 plants added since 2015.
- Manufacturing capacity expansion in Bangladesh
- A new plant has been set up in Sri-Lanka and Kenya.
- 12 more plants being added by 2022 to create a seamless manufacturing & supply chain network across the country.

**Capability Building:**

- State of the Art facility developed at Vizag Plant
- Capacity Expansion & Automation to provide Best-In-Class Services
- To incorporate state of the art manufacturing and process control systems
- Material handling to be done through ASRS (Automated Storage & Retrieval Systems)



Source: Company, MOFSL

**Exhibit 12: Engaging with influencers would drive adoption/sales in Pioneer category**

### Influencer & User Marketing

1 Gain deeper understanding of users, products and categories

2 Cater to needs of users beyond business (FCC)



Well oiled machinery of Field Marketing



3 Customer centricity

4 Source of inspiration

Source: Company, MOFSL

**Exhibit 13: Technology and digital are playing a key role in terms of strategy for Pioneer category**

Source: Company, MOFSL

**Exhibit 14: Consolidated segmental performance**

Segmental	FY15	FY16	FY17	FY18	FY19	FY20	FY15-20 CAGR
<b>Consumer and Bazaar (C&amp;B)</b>							
Net Sales (INR m)	40,180	48,021	51,306	52,706	53,823	55,497	6.7
Net Sales Growth (%)		19.5	6.8	2.7	2.1	3.1	
Sales Contribution %	83.4	84.2	84.6	84.8	76.0	76.1	
EBIT (INR m)	7,673	11,823	12,569	13,718	13,867	15,473	15.1
EBIT Growth %		54.1	6.3	9.1	1.1	11.6	
EBIT Contribution %	89.9	88.5	88.6	89.8	87.0	85.3	
EBIT margin %	19.1	24.6	24.5	26.0	25.8	27.9	878 bps
Capital Employed (INR m)	8,227	13,159	16,427	19,244	18,622	21,082	20.7
Segment ROCE %	93.3	89.8	76.5	71.3	74.5	73.4	
<b>Business to Business (B2B)</b>							
Net Sales (INR m)	7,573	8,531	8,827	8,924	16,074	16,693	17.1
Net Sales Growth (%)		12.6	3.5	1.1	80.1	3.8	
Sales Contribution %	15.7	15.0	14.6	14.3	22.7	22.9	
EBIT (INR m)	967	1,554	1,662	1,583	2,160	2,710	22.9
EBIT Growth %		60.8	6.9	-4.8	36.5	25.5	
EBIT Contribution %	11.3	11.6	11.7	10.4	13.5	14.9	
EBIT margin %	12.8	18.2	18.8	17.7	13.4	16.2	347 bps
Capital Employed (INR m)	2,467	2,368	2,693	3,453	5,993	6,862	22.7
Segment ROCE %	39.2	65.6	61.7	45.8	36.0	39.5	

FY19 and FY20 numbers are based on restructured segments

Source: Company, MOFSL



**Exhibit 15: Standalone segmental performance**

Segmental	FY15	FY16	FY17	FY18	FY19	FY20	FY15-20 CAGR
<b>Consumer and Bazaar (C&amp;B)</b>							
Sales (INR m)	35,723	41,636	43,669	45,428	48,116	49,928	6.9
Sales Growth (%)		16.6	4.9	4.0	5.9	3.8	
Sales Contribution %	81.7	82.2	82.4	82.7	79.0	78.8	
EBIT (INR m)	7,676	11,410	12,544	13,500	14,169	15,314	14.8
EBIT Growth %		48.6	9.9	7.6	5.0	8.1	
EBIT Contribution %	89.9	88.1	88.6	89.6	88.8	85.8	
EBIT margin %	21.5	27.4	28.7	29.7	29.4	30.7	919 bps
Capital Employed (INR m)	9,023	8,812	10,130	10,951	11,465	13,502	8.4
Segment ROCE %	85.1	129.5	123.8	123.3	123.6	113.4	
<b>Business to Business (B2B)</b>							
Sales (INR m)	7,573	8,531	8,827	8,924	11,941	12,643	10.8
Sales Growth (%)		12.6	3.5	1.1	33.8	5.9	
Sales Contribution %	17.3	16.8	16.7	16.3	19.6	20.0	
EBIT (INR m)	967	1,554	1,662	1,583	1,863	2,574	21.6
EBIT Growth %		60.8	6.9	-4.8	17.7	38.2	
EBIT Contribution %	11.3	12.0	11.7	10.5	11.7	14.4	
EBIT margin %	12.8	18.2	18.8	17.7	15.6	20.4	760 bps
Capital Employed (INR m)	2,467	2,368	2,693	3,453	4,308	4,971	15.0
Segment ROCE %	39.2	65.6	61.7	45.8	43.2	51.8	

FY19 and FY20 numbers are based on restructured segments

Source: Company, MOFSL:

## Financials and valuations

Income Statement							(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
<b>Net Sales</b>	<b>53,612</b>	<b>56,168</b>	<b>60,784</b>	<b>70,787</b>	<b>72,945</b>	<b>62,746</b>	<b>83,230</b>
Change (%)	9.9	4.8	8.2	16.5	3.0	-14.0	32.6
Raw Materials	25,847	26,396	28,877	35,866	34,025	27,819	37,406
<b>Gross Profit</b>	<b>27,765</b>	<b>29,772</b>	<b>31,908</b>	<b>34,922</b>	<b>38,920</b>	<b>34,927</b>	<b>45,825</b>
Margin (%)	51.8	53.0	52.5	49.3	53.4	55.7	55.1
Operating Expenses	16,030	17,174	18,495	21,240	23,160	22,235	27,525
<b>EBITDA</b>	<b>11,735</b>	<b>12,598</b>	<b>13,412</b>	<b>13,682</b>	<b>15,760</b>	<b>12,692</b>	<b>18,300</b>
Change (%)	45.8	7.4	6.5	2.0	15.2	-19.5	44.2
Margin (%)	21.9	22.4	22.1	19.3	21.6	20.2	22.0
Depreciation	1,005	1,151	1,199	1,327	1,699	1,911	1,941
Int. and Fin. Charges	133	139	155	261	336	337	317
Other Income	778	1,123	1,484	1,466	1,494	1,135	1,359
<b>Profit before Taxes</b>	<b>11,376</b>	<b>12,430</b>	<b>13,542</b>	<b>13,560</b>	<b>15,219</b>	<b>11,579</b>	<b>17,402</b>
Change (%)	66.6	9.3	8.9	0.1	12.2	-23.9	50.3
Margin (%)	21.2	22.1	22.3	19.2	20.9	18.5	20.9
Tax	3,335	3,851	3,927	4,132	3,477	2,915	4,380
Tax Rate (%)	29.3	31.0	29.0	30.5	22.8	25.2	25.2
<b>Adj PAT</b>	<b>8,040</b>	<b>8,579</b>	<b>9,615</b>	<b>9,428</b>	<b>11,742</b>	<b>8,665</b>	<b>13,022</b>
Change (%)	56.6	6.7	12.1	-1.9	24.5	-26.2	50.3
Margin (%)	15.0	15.3	15.8	13.3	16.1	13.8	15.6

Balance Sheet							(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Share Capital	513	513	508	508	508	508	508
Reserves	25,867	34,196	35,233	40,973	44,048	48,064	56,437
<b>Net Worth</b>	<b>26,380</b>	<b>34,709</b>	<b>35,740</b>	<b>41,481</b>	<b>44,556</b>	<b>48,572</b>	<b>56,945</b>
Loans	800	975	1,226	1,111	2,806	1,403	1,173
Deferred Liability	753	877	1,048	1,094	693	693	693
Minority Interest	434	1,273	1,750	2,072	2,157	2,157	2,157
<b>Capital Employed</b>	<b>28,367</b>	<b>37,835</b>	<b>39,764</b>	<b>45,757</b>	<b>50,211</b>	<b>52,825</b>	<b>60,967</b>
Gross Block	17,942	20,329	21,624	23,518	28,818	29,618	31,618
Less: Accum. Deprn.	7,901	8,915	9,976	10,892	12,591	14,502	16,443
<b>Net Fixed Assets</b>	<b>10,040</b>	<b>11,414</b>	<b>11,648</b>	<b>12,626</b>	<b>16,227</b>	<b>15,116</b>	<b>15,175</b>
Capital WIP	1,581	1,477	2,277	2,421	2,593	2,593	2,593
Goodwill	1,334	1,338	1,774	1,850	1,840	1,840	1,840
Others	517	754	793	889	728	728	728
<b>Investments</b>	<b>7,055</b>	<b>14,431</b>	<b>12,459</b>	<b>15,477</b>	<b>11,862</b>	<b>17,004</b>	<b>22,146</b>
<b>Curr. Assets, L&amp;A</b>	<b>16,611</b>	<b>18,290</b>	<b>23,034</b>	<b>25,775</b>	<b>31,977</b>	<b>27,648</b>	<b>34,445</b>
Inventory	6,274	7,209	8,043	9,345	9,295	7,995	10,605
Account Receivables	7,016	7,685	9,381	10,560	10,885	9,363	12,420
Cash and Bank Balance	1,318	999	1,636	1,904	7,033	5,408	5,947
Others	2,003	2,397	3,974	3,966	4,765	4,882	5,473
<b>Curr. Liab. and Prov.</b>	<b>8,772</b>	<b>9,870</b>	<b>12,222</b>	<b>13,281</b>	<b>15,016</b>	<b>12,105</b>	<b>15,960</b>
Current liabilities	8,223	9,231	11,573	12,534	14,194	11,279	15,051
Provisions	549	639	649	747	822	825	910
<b>Net Current Assets</b>	<b>7,839</b>	<b>8,420</b>	<b>10,812</b>	<b>12,494</b>	<b>16,961</b>	<b>15,543</b>	<b>18,484</b>
<b>Application of Funds</b>	<b>28,367</b>	<b>37,835</b>	<b>39,764</b>	<b>45,757</b>	<b>50,211</b>	<b>52,825</b>	<b>60,967</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>15.7</b>	<b>16.7</b>	<b>18.9</b>	<b>18.6</b>	<b>23.1</b>	<b>17.1</b>	<b>25.6</b>
Cash EPS	17.6	19.0	21.3	21.2	26.5	20.8	29.4
BV/Share	51.5	67.7	70.4	81.7	87.7	95.6	112.1
DPS	0.5	4.7	6.0	6.5	7.0	7.5	7.5
Payout %	3.2	28.2	31.5	34.9	30.2	44.0	29.3
<b>Valuation (x)</b>							
P/E	95.6	89.6	79.2	80.8	64.9	87.9	58.5
Cash P/E	85.0	79.0	70.4	70.8	56.7	72.0	50.9
EV/Sales	14.2	13.4	12.3	10.5	10.2	11.8	8.8
EV/EBITDA	64.9	59.9	55.8	54.5	47.3	58.4	40.2
P/BV	29.1	22.1	21.3	18.4	17.1	15.7	13.4
Dividend Yield (%)	0.0	0.3	0.4	0.4	0.5	0.5	0.5
<b>Return Ratios (%)</b>							
RoE	32.8	28.1	27.3	24.4	27.3	18.6	24.7
RoCE	31.1	26.2	25.1	22.5	25.0	17.3	23.3
RoIC	45.6	40.2	39.1	34.8	39.7	28.5	42.1
<b>Working Capital Ratios</b>							
Debtor (Days)	48	50	56	54	54	54	54
Creditor (Days)	72	77	89	80	91	82	85
Asset Turnover (x)	3.0	2.8	2.7	2.8	2.2	2.0	2.5
<b>Leverage Ratio</b>							
Debt/Equity (x)	0.0	0.0	0.0	0.0	0.1	0.0	0.0

### Cash Flow Statement

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
PBT before Extra Ord	11,408	12,483	13,588	13,416	14,698	11,579	17,402
Add: Depreciation	1,005	1,151	1,199	1,327	1,699	1,911	1,941
Interest Paid	82	80	81	55	211	337	317
Less: Taxes Paid	3,140	3,733	4,276	4,093	3,931	2,915	0
Non operating income	268	645	854	467	448	1,135	1,359
(Incr)/Decr in WC	-12	-1,399	-1,774	-1,791	565	-207	-2,402
<b>CF from Operations</b>	<b>9,075</b>	<b>7,938</b>	<b>7,964</b>	<b>8,448</b>	<b>12,796</b>	<b>9,571</b>	<b>15,898</b>
Incr in FA	-1,659	-1,224	-1,760	-2,538	-4,439	-800	-2,000
<b>Free Cash Flow</b>	<b>7,416</b>	<b>6,713</b>	<b>6,204</b>	<b>5,910</b>	<b>8,356</b>	<b>8,771</b>	<b>13,898</b>
Pur of Investments	-2,577	-6,613	2,896	-2,317	4,713	-5,142	-5,142
Others	-671	-825	-566	281	551	1,135	-3,021
<b>CF from Invest.</b>	<b>-4,907</b>	<b>-8,662</b>	<b>570</b>	<b>-4,574</b>	<b>825</b>	<b>-4,807</b>	<b>-10,163</b>
Change in share capital	0	0	0	0	28	0	0
Incr in Debt	116	55	-4	-92	328	-1,403	-230
Dividend Paid	-4,032	-316	-2,930	-3,635	-8,254	-4,649	-4,649
Interest Paid	-133	-139	-155	-167	-254	-337	-317
Others	339	807	-4,808	287	-340	0	0
<b>CF from Fin. Activity</b>	<b>-3,711</b>	<b>407</b>	<b>-7,898</b>	<b>-3,606</b>	<b>-8,492</b>	<b>-6,389</b>	<b>-5,196</b>
<b>Incr/Decr of Cash</b>	<b>458</b>	<b>-318</b>	<b>636</b>	<b>269</b>	<b>5,128</b>	<b>-1,625</b>	<b>539</b>
Add: Opening Balance	860	1,318	999	1,636	1,904	7,033	5,408
<b>Closing Balance</b>	<b>1,318</b>	<b>999</b>	<b>1,636</b>	<b>1,904</b>	<b>7,032</b>	<b>5,408</b>	<b>5,947</b>

E: MOFSL Estimates

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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