

Jindal Steel and Power

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	JSP IN
Equity Shares (m)	1,020
M.Cap.(INRb)/(USD\$)	465.8 / 6.3
52-Week Range (INR)	502 / 84
1, 6, 12 Rel. Per (%)	16/97/352
12M Avg Val (INR M)	3275

Financials & Valuations (INR b)

Y/E March	2021E	2022E	2023E
Sales	388.6	470.4	466.7
EBITDA	147.6	150.0	130.4
Adj. PAT	62.7	68.3	57.9
Adj. EPS (INR)	61.4	66.9	56.7
EPS Gr(%)	-1,246	9	-15
BV/Sh. (INR)	312	379	436
RoE (%)	19.6	19.4	13.9
RoCE (%)	16.7	17.2	14.0
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	7.3	6.7	7.9
P/BV	1.4	1.2	1.0
EV/EBITDA (x)	4.6	4.2	4.5
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Mar-21	Dec-20	Mar-20
Promoter	60.5	60.5	60.5
DII	16.9	15.4	12.4
FII	11.0	11.5	13.4
Others	11.6	12.6	13.8

FII Includes depository receipts

CMP: INR457 TP: INR550 (+20%) Buy

Deleveraging to continue on strong earnings

Announced Steel capex improves the growth outlook

- JSP achieved its highest ever Steel EBITDA/PAT of INR48.8b/INR27.7b in 4QFY21, supported by a strong pricing environment. Consolidated net debt fell further by INR34.7b QoQ to INR224b, implying a net debt/EBITDA of 1.53x.
- It has announced an INR180b capex at Angul to expand its Steel capacity by 85% to 15.9mtpa by FY25, at a very competitive cost of ~USD390/t.
- With the proposed sale of Jindal Power (JPL), JSP would become a pure play Indian Steel company, which should also aid in better value discovery as the Steel business is still under-valued at 4.1x FY23E EV/EBITDA.
- We raise our FY22E/FY23E EBITDA by 15%/11% to factor in strong Steel prices. Despite the announced capex, we expect net debt to fall further to INR126b (excluding the ~INR50b net debt reduction from the Power divestment) by Mar'23E. Reiterate **Buy**.

Highest ever EBITDA/PAT on the back of strong Steel margin

- JSP reported strong 4QFY21 earnings, with consolidated revenue/adjusted EBITDA/PAT rising 13%/15%/23% QoQ to INR119b/INR52.9b/INR29.4b (est. +3%/+1%/+18%).
- Steel (standalone)** revenue/EBITDA/PAT rose 19%/25%/16% QoQ to INR104.3b/INR48.8b/INR27.7b (est. +6%/+3%/+4%).
- Steel sales (excluding pig iron) rose 2% QoQ to 1.81mt (+36% YoY). Pellet sales declined 28% QoQ to 0.29mt due to higher internal consumption.
- Blended Steel realization improved by ~INR8,452 (17%) QoQ to INR57,481 (est. INR54,794/t) due to better than expected product mix. However, the increase in realization was partly offset by higher iron ore cost and other expenses. As a result, EBITDA/t improved by 23% QoQ to INR26,915 (est. INR26,318) – including ~INR6,000/t benefit from the utilization of Sarda iron ore inventory, which gets exhausted in 1QFY22.
- Power (subsidiary JPL)** EBITDA increased 4% YoY to INR3.5b, even as revenue rose 50%, due to a likely write-off of surcharge receivable as reported in 3QFY21. Sales volume PLF declined to 53% (v/s 56% in 3QFY21). Realization improved 2% QoQ to INR3.8/kwh. EBITDA/kwh came in at INR1/kwh.
- Consolidated net debt (reported) declined further by INR34.7b QoQ to INR224b, implying a net debt/EBITDA of 1.53x.
- Standalone revenue/EBITDA/PAT grew 27%/123%/10x YoY in FY21 to INR332b/INR129b/INR66b on the back of greater (~21%) Steel sales (6.9mt), higher Steel prices, and benefit from free of cost Sarda iron ore inventory.
- Consolidated OCF/FCF stood at INR120b/INR111b in FY21, up 4%/13% YoY.

Announced capacity expansion, deleveraging continues

- JSP has announced an expansion of its 6mtpa Angul plant to 13mtpa by FY25 – 1mtpa through debottlenecking in FY22 and a 6.3mtpa brownfield expansion in phases by FY25.

Amit Murarka - Research analyst (Amit.Murarka@motilaloswal.com)

Research analyst - Basant Joshi (Basant.Joshi@motilaloswal.com); **Jayant Gautam** (Jayant.Gautam@motilaloswal.com)

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- This would entail a capex of INR180b spread over the next five years. Expansion capex for FY22/FY23/FY24 is likely to be INR24b/INR47b/INR43b.
- **Net debt reduced further in Apr'21:** JSP has further reduced its net debt by INR28.1b to INR193.2b as of 11th May'21. Net debt had fallen by INR138b in FY21 to INR221b.
- **Iron ore availability not a constraint for JSP:** The company is likely to exhaust its free Sarda iron ore inventory in 1QFY22. The management is confident of replacing the same with iron ore from NMDC, OMC (has LTA), and other Odisha miners, though it would of course increase raw material cost from 2QFY22.

Margin to stay strong, expansion improves the growth outlook

- Supported by higher prices, we expect Steel margin to be strong in the near term after exhaustion of Sarda iron ore inventory.
- The announced 85% expansion in Steel capacity to 15.9mtpa in phases by FY25, at a competitive cost of ~USD390/t, should be RoCE accretive and improves the growth outlook of the business.
- Our TP of INR550/share is based on 5x FY23E EV/EBITDA for the Steel business and announced deal valuation for the Power business. At the CMP, the stock trades at an attractive 4.2x FY23E EV/EBITDA for the Steel business.

Consolidated performance (INR b)

Y/E March	FY20				FY21				FY20	FY21	4QFY21E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net sales	99.5	89.4	93.0	88.1	74.6	89.8	105.3	118.8	370.0	388.6	115.7	3
Change (YoY, %)	2.9	-10.4	-2.8	-13.3	-24.9	0.5	13.3	34.8	-6	5	31.3	
EBITDA	21.7	16.4	18.2	22.2	20.8	28.1	45.8	52.9	78.5	147.6	52	1
Change (YoY, %)	-4.5	-25.6	-12.4	20.3	-4.2	71.2	151.7	138.2	-6.6	87.9	136.5	
Interest	11.1	10.3	10.0	10.1	9.2	8.0	7.3	6.4	41.5	30.9	7	-6
Depreciation	10.5	10.4	10.2	10.5	8.6	8.7	8.7	8.5	41.6	34.5	9	-3
Other income	0.0	0.0	0.0	0.2	0.0	0.2	3.7	0.2	0.3	4.1	0	
PBT (before EO item)	0.1	-4.3	-2.0	1.9	3.0	11.6	33.5	38.2	-4.3	86.3	37	3
Extra-ordinary income	0.0	0.0	0.0	1.8	1.2	0.2	-5.0	-9.7	1.8	-13.3	0.0	
PBT (after EO item)	0.1	-4.3	-2.0	3.7	4.2	11.8	28.5	28.5	-2.5	73.0	37.0	-23
Total tax	1.0	-0.3	0.2	0.6	1.3	2.8	4.2	9.5	1.5	17.7	10.2	
Reported PAT	-0.9	-4.0	-2.2	3.1	2.9	9.0	24.3	19.0	-4.0	55.3	26.7	-29
MI - Loss/(Profit)	0.0	0.0	0.0	0.0	0.8	0.6	1.8	-0.7	-0.4	2.5	1.8	
Adjusted PAT	0.1	-3.0	-2.2	2.2	1.2	8.3	23.9	29.4	-5.5	62.7	25.0	18
Change (YoY, %)	-94.8	-440.7	767.6	198	1195.8	-374.7	-1164.9	1220.7	-272.4	-1245.3	1022.1	
Cash profit (pre-tax and MI)	10.6	6.1	8.2	12.4	11.6	20.3	42.2	46.7	37.3	120.8	45.7	2

Source : MOFSL estimates; FY20 includes Oman operations, hence not comparable

Standalone quarterly performance

Y/E March	FY20				FY21				FY20	FY21	4QFY21E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net sales	70.8	65.7	66.4	59.3	61.6	78.5	87.4	104.3	262.3	331.8	98.8	6
NSR (INR/t)	49,544	49,420	41,244	44,589	41,569	42,833	49,029	57,481	46,015	48,005	54,794	5
Change (YoY, %)	5.2	-4	-1.3	-19.9	-13	19.5	31.6	75.9	-5.4	26.5	66.5	
EBITDA	16.1	12.6	13.5	15.6	17.1	24.3	39.1	48.8	57.8	129.3	47.4	3
INR/t	11,245	9,437	8,398	11,746	11,525	13,247	21,929	26,915	10,136	18,704	26,318	2
Interest	7.0	6.6	6.3	6.2	6.0	5.5	5.3	5.0	26.1	21.9	5.0	0
Depreciation	5.7	5.8	5.7	5.7	5.6	5.7	5.7	5.5	22.9	22.4	5.6	-3
Other income	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	
PBT (before EO item)	3.4	0.2	1.5	3.7	5.4	13.2	28.1	38.4	8.8	85.1	36.8	4
Extra-ordinary income	0.0	0.0	0.0	0.0	1.2	0.1	-1.7	6.5	0.0	6.1	0.0	
PBT (after EO item)	3.4	0.2	1.5	3.7	6.6	13.2	26.4	44.9	8.8	91.2	36.8	22
Total tax	1.2	0.0	0.5	0.9	1.6	3.3	4.2	10.6	2.6	19.6	10.2	
Tax (%)	34.9	4.7	34.3	24.3	23.8	24.7	15.8	23.7	29.8	21.5	27.7	
Reported PAT	2.2	0.2	1.0	2.8	5.0	10.0	22.3	34.3	6.2	71.5	26.6	29
Adjusted PAT	2.2	0.2	1.0	2.8	4.1	9.9	24.0	27.7	6.2	65.8	26.6	4

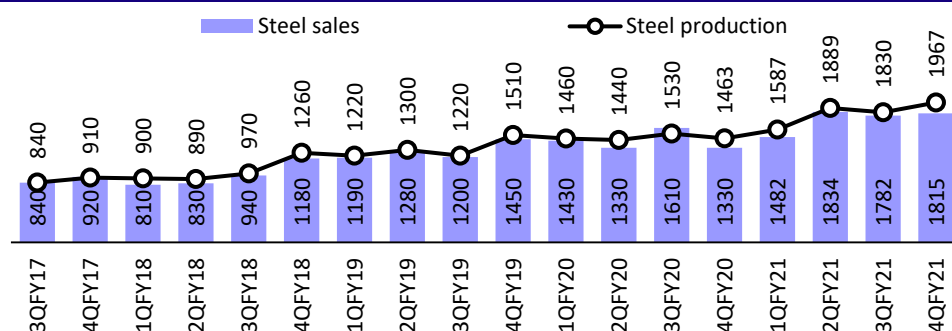
Source: MOFSL

Standalone operational performance

	FY20				FY21			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales volumes	1,430	1,330	1,610	1,330	1,482	1,834	1,782	1,815
Change (YoY, %)	20.2	3.9	34.2	-8.3	3.6	37.9	10.7	36.4
Change (QoQ, %)	-1.4	-7.0	21.1	-17.4	11.4	23.7	-2.8	1.8
Realization	49,544	49,420	41,244	44,589	41,569	42,833	49,029	57,481
Change (YoY, %)	-6.0	0.2	-21.8	-7.3	-16.1	-13.3	18.9	28.9
Change (QoQ, %)	3.1	-0.2	-16.5	8.1	-6.8	3.0	14.5	17.2
EBITDA (INR/t)	11,245	9,437	8,398	11,746	11,525	13,247	21,929	26,915
Change (YoY, %)	-18.7	-16.8	-31.9	18.3	2.5	40.4	161.1	129.1
Change (QoQ, %)	13.2	-16.1	-11.0	39.9	-1.9	14.9	65.5	22.7

Exhibit 1: Standalone Steel volumes and production (kt)

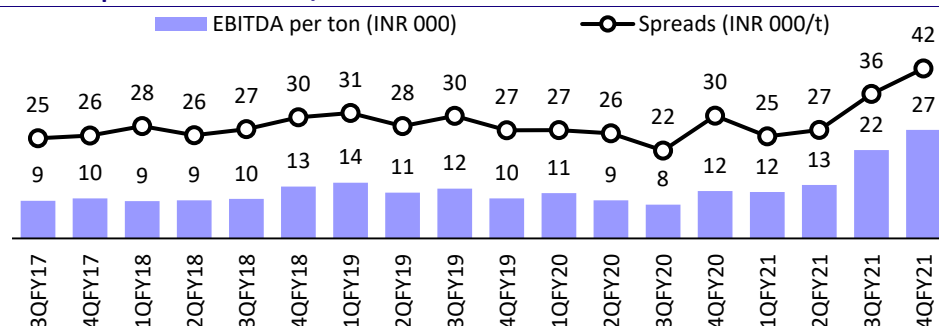
Volume growth continues



Source: MOFSL

Exhibit 2: Spreads and EBITDA/t

EBITDA/t at fresh highs on record high spreads



Source: MOFSL



Highlights from the management interaction

Announced Angul capacity expansion to 13mtpa from 6mtpa

- JSP has announced expansion of its 6mtpa Angul plant to 13mtpa by FY25 – 1mtpa through debottlenecking in FY22 and a 6.3mtpa brownfield expansion in phases by FY25.
- This would entail capex of INR180b spread over the next five years. Expansion capex for FY22/FY23/FY24 is likely to be INR24b/INR47b/INR43b.
- Expansion capex is competitive and significantly lower than benchmark capex due to the brownfield nature of expansion as well as lower downstream capacities at this point in time.
- Expansion would involve setting up of a 4.25mt blast furnace, BOF – 3.3mt, DRI – 2.7mt, EAF – 3mt, and 5.5mt hot strip mill at the downstream end.
- Steelmaking capacity projected at the end of each year is likely to be: FY22 – 9.6mtpa, FY24 – 12.9mtpa, and FY25 – 15.9mtpa.

- Pellet capacity projected at the end of each year is likely to be: FY21 – 9mtpa (actual), FY23 – 15mtpa, and FY24 – 21mtpa.

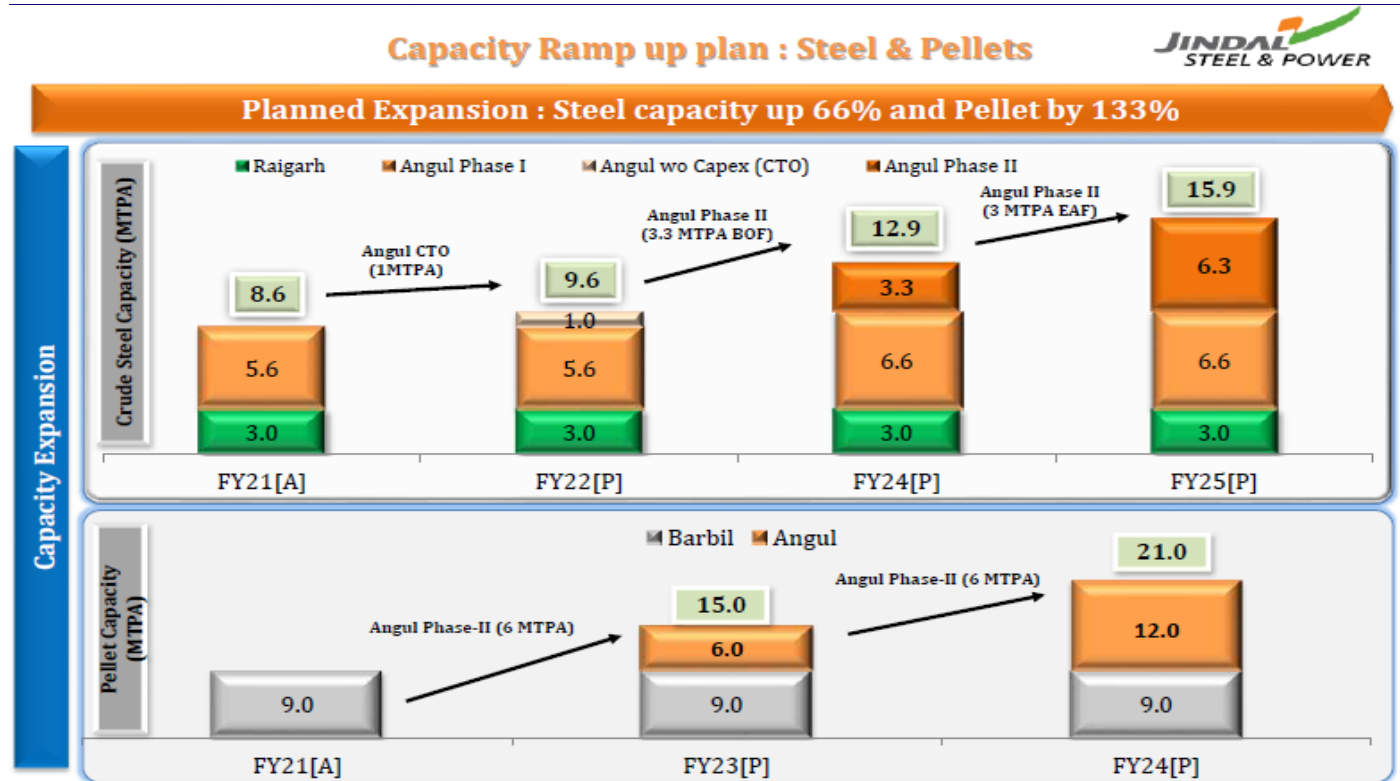
JPL's proposed divestment

- The objective of divestment is to improve focus on its core Steel business, pare down debt, and reduce its carbon footprint. JSP would receive INR30b in cash against transfer of its stake in JPL to WorldOne, a promoter group entity. The promoter would not pledge shares of JSP to fund this cash commitment and rather targets to revoke its entire pledged shares by FY22-end.
- JSP owes INR43.8b to JPL, which were taken as loans (~INR15b) and advance (~INR29b) for transfer of a Power plant from JPL to JSL. The same has been converted into an unsecured loan (interest rate of 9.7%), which will be repaid in three installments from years five to seven. In addition to this, JSP holds 5% non-convertible redeemable preference shares of INR70.5b in JPL, issued in 3QFY21, of which INR40.5b is cumulative. The preference shares are redeemable after 15 years and within a maximum period of 20 years.
- JSP would gain 80% voting rights on default in payment of coupons twice.

Other highlights

- **Net debt reduced further in Apr'21:** JSP has further reduced its net debt by INR28.1b to INR193.2b as of 11th May'21. Net debt had fallen by INR138b in FY21 to INR221b.
- The company has remitted USD241m (INR17.7b) to lenders of JSPML and Jindal Steel and Power (Australia).
- **Iron ore – not a constraint for JSP:** It is likely to exhaust its free Sarda iron ore inventory in 1QFY22. The management is confident of replacing the same with iron ore from NMDC, OMC (has LTA), and other Odisha miners, though it would increase raw material cost from 2QFY22.
- Diversion of oxygen for medical purposes is likely to impact production by ~10%. However, the management is confident of achieving production of 8mt in FY22.
- Due to weak domestic demand, the share of exports is likely to remain high in FY22 ~35%.

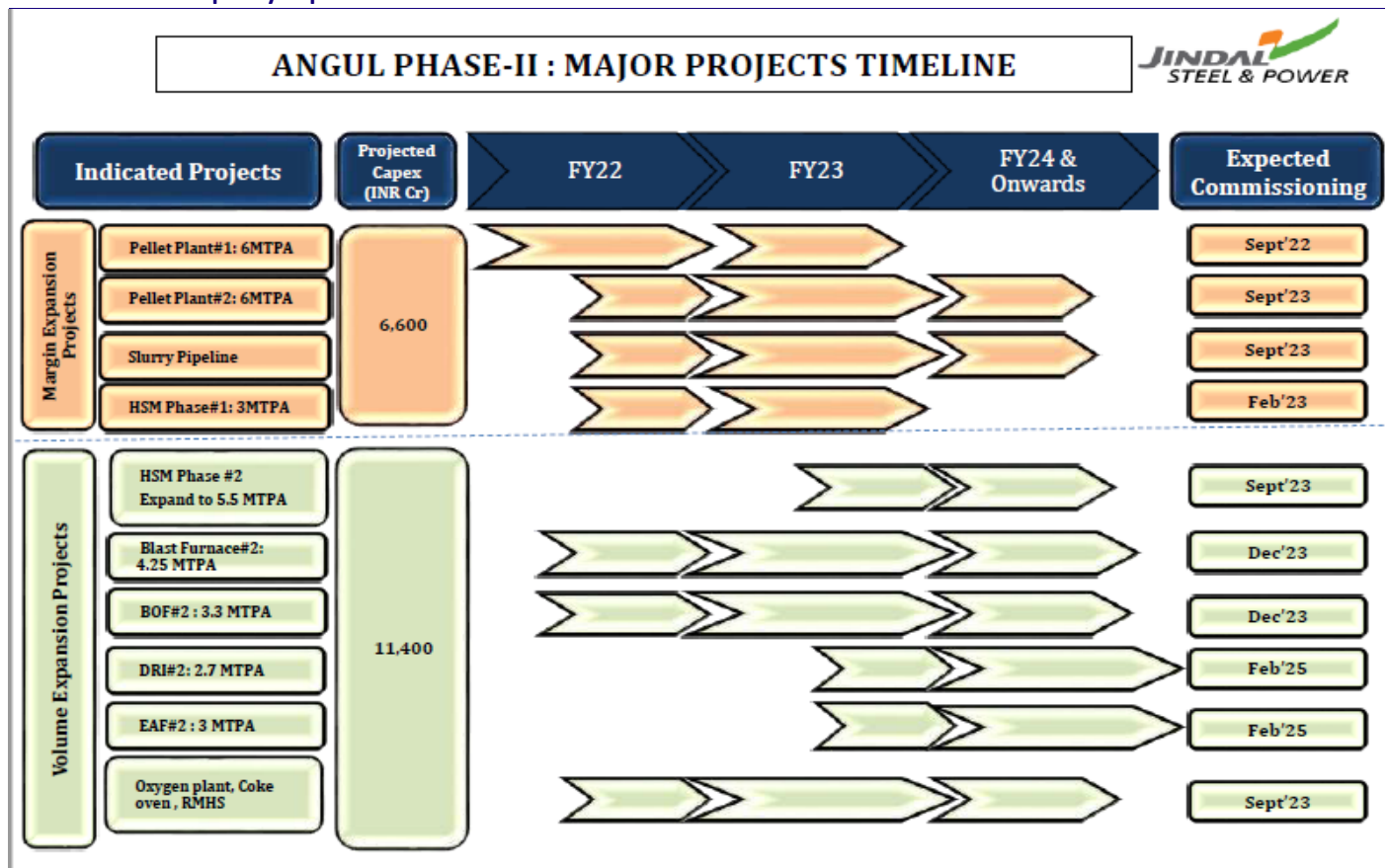
Exhibit 3: JSPL's capacity expansion plan



* CTO (Consent to Operate) of 1 MTPA awaited; subject to statutory approvals

Source: Company

Exhibit 4: JSPL's capacity expansion timelines



Source: Company

Valuation and view

- **Expansion to sustain volume outperformance:** Despite the COVID-19 pandemic, JSP's Steel volumes grew 21% in FY21, implying 88% utilization. The announced 85% expansion in Steel capacity to 15.9mtpa in phases by FY25, at a competitive cost of ~USD390/t, should be RoCE accretive and further support volume outperformance in the longer term.
- **EBITDA margin to stay strong:** With rebar prices rising ~50% in the last six-months, we expect margin for the Steel business to stay strong in the near term. Even after the exhaustion of zero cost Sarda iron inventory (in 1QFY22), we expect Steel EBITDA margin to be over INR14,000/t (v/s average of ~INR9,500/t in FY16-20) due to better sales mix and gains in operating leverage (over 90% plant utilization).
- **JPL divestment to increase focus on the Steel business:** JSP has announced the sale of its Power business – JPL – at an enterprise value (EV) of ~INR95b. While we find the deal value, implying ~5x FY22E EV/EBITDA, a bit underwhelming, it does improve the growth outlook for the Steel business by freeing up both the Balance Sheet and management bandwidth. By hiving off thermal Power plants and reducing its carbon footprint, access to global capital should improve for JSP.
- **Deleveraging at comfortable levels:** Led by strong EBITDA growth, limited capex, and Oman divestment proceeds, consolidated net debt has declined to INR224b in Mar'21, implying net debt/EBITDA of 1.53x. Despite the announced capex, we expect net debt to fall further to INR126b (excluding the ~INR50b net debt reduction from the Power divestment) by Mar'23E.
- **Valuation remains comfortable:** Our TP of INR550/share is based on 5x FY23E EV/EBITDA for the Steel business and announced deal valuation for the Power business. At the CMP, the stock trades at an attractive 4.2x FY23E EV/EBITDA for the Steel business.

Exhibit 5: Target price calculation

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY22E
Steel business							
A. EBITDA	36,133	50,351	72,496	66,418	1,30,002	1,31,951	1,07,621
B. Target EV/EBITDA (x)							5.0
C. EV (A*B)							5,38,105
Jindal Power (JPL)							
D. PV of JPL's FCFF							95,000
Consolidated							
EBITDA	46,613	64,691	84,056	78,539	1,47,592	1,50,000	1,30,408
E. Enterprise value (C+D)							6,33,105
F. Net debt	4,61,427	4,38,319	4,10,943	3,78,846	2,21,460	1,73,870	1,26,399
G. CWIP					8,903	33,903	56,903
Equity value (E-F)							5,63,609
Target price (INR/share)							550

Source: MOFSL, Company

Story in charts

Exhibit 6: Sales* to increase by ~12% CAGR over FY20-23E

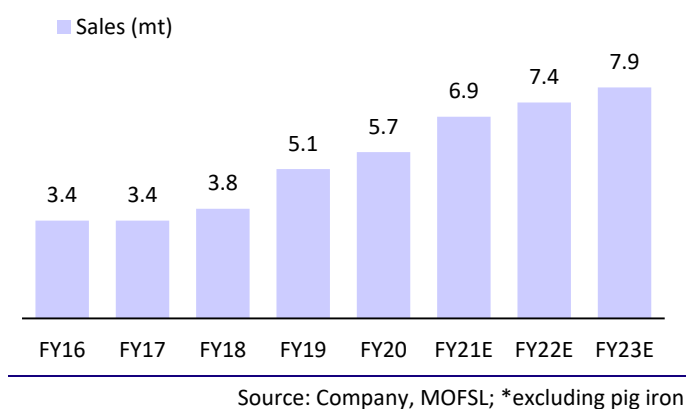


Exhibit 7: EBITDA/t to remain strong in the medium term

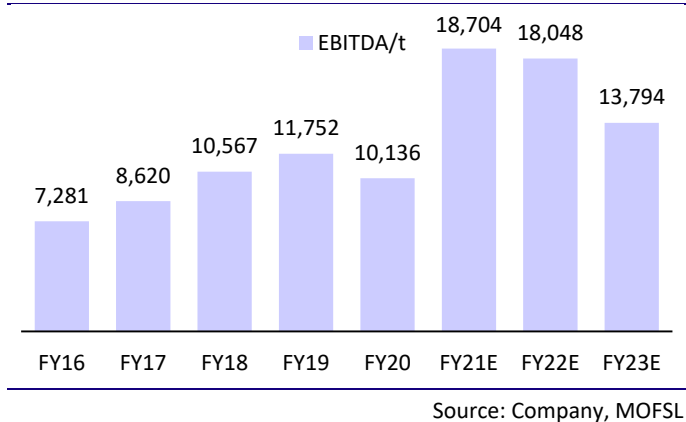


Exhibit 8: JPL's Power generation trend

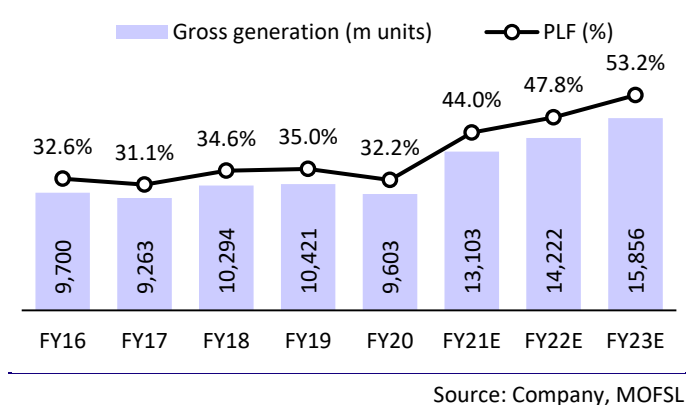


Exhibit 9: Consolidated EBITDA to remain strong

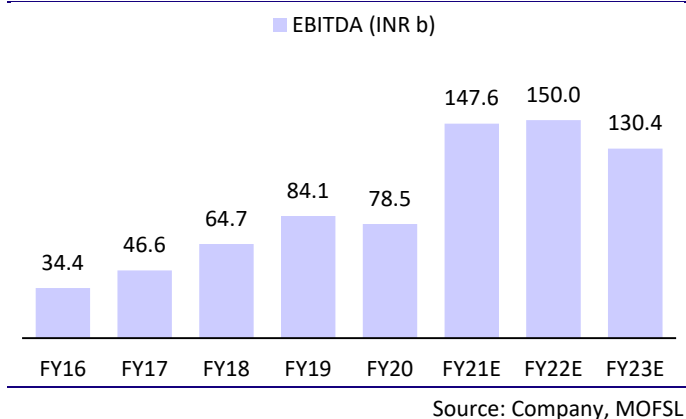


Exhibit 10: FCF generation to remain strong despite capex

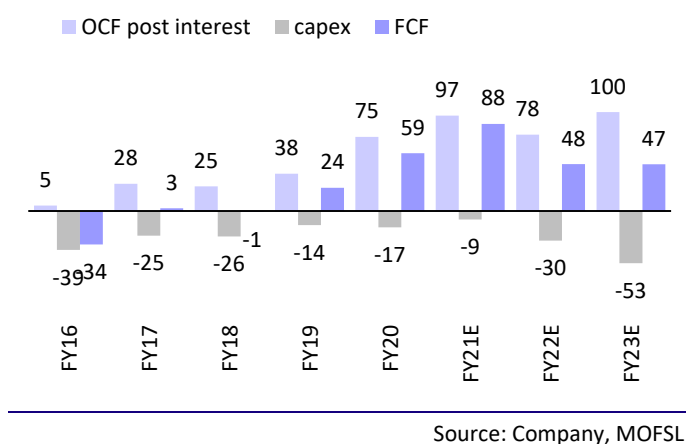
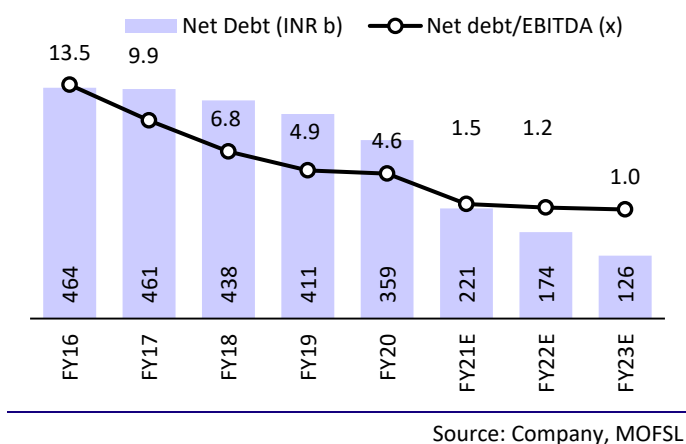


Exhibit 11: Net debt to halve over FY21-23E



Financials and valuations

Consolidated Income Statement							(INR m)	
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Net sales	1,83,709	2,10,194	2,76,244	3,93,721	3,69,955	3,88,625	4,70,364	4,66,673
Change (%)	-8.9	14.4	31.4	42.5	-6.0	5.0	21.0	-0.8
Total Expenses	1,49,299	1,63,581	2,11,553	3,09,666	2,91,416	2,41,034	3,20,363	3,36,265
EBITDA	34,410	46,613	64,691	84,056	78,539	1,47,592	1,50,000	1,30,408
% of Net Sales	18.7	22.2	23.4	21.3	21.2	38.0	31.9	27.9
Depn. and Amortization	28,194	39,490	38,830	41,938	41,604	34,533	34,085	34,305
EBIT	6,216	7,122	25,861	42,118	36,935	1,13,058	1,15,916	96,104
Net Interest	32,808	34,240	38,657	42,642	41,493	30,933	22,950	17,064
Other income	2,200	411	29	157	262	4,137		
PBT before EO	-24,391	-26,706	-12,767	-367	-4,296	86,262	92,966	79,040
EO income	-2,358	-3,723	-5,874	-27,650	1,838	-13,305	0	0
PBT after EO	-26,750	-30,429	-18,641	-28,017	-2,458	72,957	92,966	79,040
Tax	-6,763	-5,027	-2,398	-3,902	1,539	17,687	23,387	20,977
Rate (%)	25.3	16.5	12.9	13.9	-62.6	24.2	25.2	25.2
Reported PAT	-19,987	-25,402	-16,243	-24,115	-3,996	55,269	69,579	58,062
Minority interests	-980	-2,524	-2,064	-7,644	2,096	2,548	1,274	195
Preference dividend	0	0	0	0	0	0	0	0
Share of Associates	-14	27	87	0	0	0	0	0
Adjusted PAT	-16,662	-19,128	-8,218	3,178	-7,929	62,738	68,305	57,868
Change (%)	-363.0	14.8	-57.0	-138.7	-349.5	-1,245.6	8.9	-15.3

Consolidated Balance Sheet							(INR m)	
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Share Capital	915	915	968	968	1,020	1,020	1,020	1,020
Reserves	1,80,556	2,99,590	3,02,878	3,23,309	3,20,351	3,17,127	3,85,431	4,43,299
Net Worth	1,81,471	3,00,505	3,03,846	3,24,276	3,21,371	3,18,147	3,86,451	4,44,319
Minority Interest	8,003	6,467	4,403	-3,011	-7,764	-8,777	-7,503	-7,308
Total Loans	4,70,132	4,66,571	4,43,104	4,15,227	3,88,364	2,93,232	2,33,232	1,83,232
Deferred Tax Liability	13,477	53,586	50,284	53,643	56,225	62,393	68,203	69,297
Capital Employed	6,73,082	8,27,129	8,01,638	7,90,135	7,58,196	6,64,994	6,80,383	6,89,540
Gross Block	6,27,116	7,83,127	8,46,580	9,00,003	9,50,772	8,32,786	8,37,786	8,67,786
Less: Accum. Deprn.	1,78,233	1,29,476	1,68,002	2,09,940	2,51,544	2,86,077	3,20,162	3,54,467
Net Fixed Assets	4,48,883	6,53,651	6,78,578	6,90,063	6,99,228	5,46,708	5,17,624	5,13,319
Capital WIP	1,18,266	97,162	49,775	40,272	19,745	8,903	33,903	56,903
Goodwill and Revaluation	5,485	5,670	5,922	6,164	6,098	5,001	5,001	5,001
Investments	3,577	3,677	1,458	1,452	1,430	1,443	1,443	1,443
Curr. Assets	1,59,182	1,45,820	1,56,572	1,57,902	1,70,917	2,16,350	2,27,396	2,23,997
Inventory	32,360	35,993	49,596	65,095	63,687	59,426	77,320	76,713
Account Receivables	14,292	17,166	18,261	30,292	35,493	27,944	33,505	33,242
Cash and Bank Balance	6,204	5,144	4,786	4,284	9,519	71,772	59,362	56,832
Loans and advances and others	1,06,326	87,517	83,930	58,231	62,219	57,208	57,208	57,208
Curr. Liability and Prov.	62,310	78,850	90,667	1,05,718	1,39,222	1,13,410	1,04,982	1,11,122
Account Payables	42,186	22,221	28,434	32,087	35,651	40,645	32,217	38,357
Provisions and Others	20,124	56,629	62,233	73,631	1,03,571	72,766	72,766	72,766
Net Current Assets	96,872	66,970	65,905	52,184	31,695	1,02,939	1,22,413	1,12,874
Appl. of Funds	6,73,082	8,27,129	8,01,638	7,90,135	7,58,196	6,64,994	6,80,383	6,89,540

Financials and valuations

Consolidated Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Basic (INR)								
EPS	(18.2)	(20.9)	(8.5)	3.3	(7.8)	61.4	66.9	56.7
Cash EPS	9.0	15.4	23.3	18.4	36.9	88.0	101.6	90.6
BV/Share	198.4	328.4	313.9	335.0	315.1	311.9	378.9	435.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)								
P/E						7.3	6.7	7.9
Cash P/E						5.1	4.4	5.0
P/BV						1.4	1.2	1.0
EV/Sales						1.8	1.3	1.3
EV/EBITDA						4.6	4.2	4.5
Dividend Yield (%)						0.0	0.0	0.0
Return Ratios (%)								
EBITDA Margin	18.7	22.2	23.4	21.3	21.2	38.0	31.9	27.9
Net Profit Margin	(9.1)	(9.1)	(3.0)	0.8	(2.1)	16.1	14.5	12.4
RoE	(8.5)	(7.9)	(2.6)	1.0	(2.4)	19.6	19.4	13.9
RoCE (pre-tax)	1.2	1.0	3.2	5.3	4.8	16.7	17.2	14.0
RoIC (pre-tax)	1.1	1.1	3.6	5.7	5.1	17.7	20.0	16.7
Working Capital Ratios								
Fixed Asset Turnover (x)	0.3	0.3	0.4	0.5	0.5	0.7	0.8	0.8
Asset Turnover (x)	0.3	0.3	0.3	0.5	0.5	0.4	0.4	0.4
Inventory (Days)	64	63	66	60	63	56	60	60
Debtor (Days)	28	30	24	28	35	26	26	26
Payable (Days)	84	39	38	30	35	38	25	30
Leverage Ratio (x)								
Current Ratio	2.6	1.8	1.7	1.5	1.2	1.9	2.2	2.0
Interest Coverage Ratio	0.2	0.2	0.7	1.0	0.9	3.7	5.1	5.6
Debt/Equity	2.6	1.5	1.4	1.3	1.2	0.7	0.4	0.3

Consolidated Cash Flow Statement

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
EBITDA	34,410	46,613	64,691	84,056	78,539	1,47,592	1,50,000	1,30,408
Non-cash exp. (income)	-4,581	-1,020	2,853	1,262	1,569	-1,653		
(Inc.)/Dec. in Wkg. Cap.	11,762	7,190	-9,267	-23,983	-771	-12,434	-31,884	7,010
Tax Paid	-170	450	-553	296	35	515	-17,576	-19,883
Others		15,840	14,101	22,001	15,894	-14,328		
CF from Op. Activity	41,422	69,072	71,825	83,632	95,265	1,19,692	1,00,541	1,17,534
(Inc.)/Dec. in FA + CWIP	-39,500	-24,975	-25,767	-14,333	-16,646	-8,581	-30,000	-53,000
(Pur.)/Sale of Investments	15,904	5,164	12,299	2,436	339	213		
Acquisition in subsidiaries	1,052						0	0
Loans and advances	-1,337	-934	-2,376	3,044	-219	-3,937		
Int. and Dividend Income	2,292	754	1,533	532	527	986	0	0
Other investing activities	1,699	1,511	-533	-533				
CF from Inv. Activity	-19,889	-18,481	-14,845	-8,853	-15,999	-11,319	-30,000	-53,000
Equity raised/(repaid)	0	0	13,883	0	5,129	0		
Debt raised/(repaid)	9,230	-10,256	-24,391	-30,260	-40,676	-23,367	-60,000	-50,000
Dividend (incl. tax)	-8	0	15	-18	-18	-18	0	0
Interest paid	-35,941	-41,396	-46,845	-45,699	-40,054	-22,735	-22,950	-17,064
Other financing	0							
CF from Fin. Activity	-26,719	-51,651	-57,338	-75,280	-74,032	-46,120	-82,950	-67,064
(Inc.)/Dec. in Cash	-5,187	-1,060	-358	-502	5,235	62,254	-12,410	-2,530
Add: opening Balance	11,391	6,204	5,144	4,786	4,284	9,519	71,772	59,362
Closing Balance	6,204	5,144	4,786	4,284	9,519	71,772	59,362	56,832

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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