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20
YEARS

Initiating Coverage NHPC Ltd.

28-December-2020





Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
Hydro Power	Rs.23.2	Buy on dips to Rs.21.85 and add more at Rs.19.35	24.4	27.1	2 quarters

HDFC Scrip Code	NHPLTDEQNR
BSE Code	533098
NSE Code	NHPC
Bloomberg	NHPC:IN
CMP 27th Nov, 2020	23.2
Equity Capital (Rs cr)	10045.0
Face Value (Rs)	10
Equity Share O/S (cr)	1004.5
Market Cap (Rs cr)	23254.2
Book Value (Rs)	31.2
Avg. 52 Wk Volumes	8047679.1
52 Week High	29.0
52 Week Low	15.2

Shareholding Pattern % (30 th Sept, 20)	
Promoters	70.9
Institutions	18.7
Non Institutions	10.4
Total	100.0

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Our Take:

NHPC is the largest hydropower company in the country and a Mini-Ratna Category-I PSU. Company is involved across the entire chain of hydro power project development – from concept to commissioning. It has a wide presence across 11 states contributing to 15% of installed hydro-electric capacity in India on a consolidated basis. The company has 24 operational projects with an installed capacity of 7071 MW (includes subsidiary NHDC of 1520 MW; 51:49 NHPC : GoMP) as of FY20. During FY20 it achieved highest annual generation of 26,121 Million Units (MUs) exceeding the generation target of 26,000 MUs. Favourable hydrology of rivers on which most of its projects are located, has helped the company maintain a healthy track record of power generation. The company plays an important role in implementing the Gol's planned capacity addition in the hydel power sector.

Counter party risk has become structural in nature where, defaulters have increased by 25.5% (Top Five debtors) over FY19-20 period. However, presence of a Letter of Credit as per the terms of PPA and benefits associated with the availability of tripartite mechanism between the Gol, state governments and the Reserve Bank of India (RBI) for recovery of dues from state discoms is a breather. Moreover, cost plus tariff mechanism, timely implementation of policy measures by the Ministry of Power, Gol for hydro power sector would enable to improve the tariff competitiveness, especially for the projects under implementation, which are stricken with significant cost overrun.

Kick start of various projects like Subansiri (250 MW*8) & Parbati II (200 MW*4) and their expected near time completion, signing of various MoUs & PPAs, talks with various state governments to start stalled projects have further raised its prospects. As once these get completed NHPC's generation will rise considerably. Moreover, ROEs remaining largely in line with 2019-24 norms provide a boost to investor sentiments.

Its subsidiary NHDC has shown consistent performance reflected in its PAF which kept rising for the past three years from 90.6% during FY18 to 93.9% in FY19 and 94.3% in FY20. Also diversification in various other forms of power (solar & Wind) should help mitigate the segmental concentration risk associated.



Valuations & Recommendation:

NHPC wants to incur Rs 5255cr of CAPEX during FY21 and expects it to increase further by 45% in FY22 to Rs 7618cr. Timely completion of Subansiri project should be beneficial for the company. However, agitation caused by locals in the past and any other possible hindrances remains critical for the completion to fructify. Government's Atmanirbhar scheme on PFC/REC loan package is under discussion stage and the management expects these institutions to release Rs 1800cr soon, which would be largely channelized for the J&K's outstanding. Various other governmental schemes to augment the hydro power as a sector also augurs well. Attractive valuations, gearing at 0.7x, healthy liquidity, regulated model, improved return ratios, past track record etc. are a few triggers for the company. Also with its large dividend payout (NHPC follows the GoI mandated dividend policy, higher of 5% of net worth or 30% of PAT), the yield on the stock is attractive at 6.5%. NHPC is the only 'completely green' PSU generating company as well as the largest in the country.

We expect NHPC Rev/EBITDA/PAT to grow at a CAGR of 5%/5%/6% between FY20 to FY22. **We assign a P/BV multiple of 0.72x FY22E BVPS and 7.25x FY22E EPS for base case fair value resulting in price of Rs.24.35, and 0.8x FY22E BVPS and 8.0x FY22E EPS for bull case fair value resulting in price of Rs.27.1 over the next two quarters. We feel that investors can enter the stock on dips at Rs.21.85 (0.65x FY22E BVPS and 6.5x FY22E EPS) and add more on dips to Rs 19.35 (0.57x FY22E BVPS and 5.75x FY22E EPS).**

Financial Summary (Consolidated)

Particulars (Rs cr)	Q2FY21	Q2FY20	YoY (%)	Q1FY21	QoQ-%	FY19	FY20	FY21E	FY22E
Total Operating Income	2899.6	3068.4	-5.5%	2779.5	4.3%	8982.9	10008.1	9934.5	10395.8
EBITDA	1834.6	1944.7	-5.7%	1600.5	14.6%	4999.9	5494.1	5523.6	5842.5
Depreciation	347.8	403.1	-13.7%	347.5	0.1%	1658.0	1614.0	1758.0	1887.0
Other Income	186.5	291.9	-36.1%	134.5	38.6%	863.9	768.6	824.6	946.0
Interest Cost	146.3	252.1	-42.0%	146.8	-0.3%	895.1	796.0	908.0	1028.0
Tax	264.1	189.4	39.4%	235.0	12.4%	1323.6	290.5	508.2	540.4
APAT	1300.4	1457.7	-10.8%	855.5	52.0%	2835.8	3324.7	3096.2	3375.7
Diluted EPS (Rs)	1.3	1.5	-10.8%	0.9	52.0%	2.8	3.3	3.1	3.4



Consolidated Q2FY21 result commentary:

Revenue declined by 5.5% from Rs 3068.4cr to Rs 2899.6cr, EBITDA also decreased by 5.7% from Rs 1944.7cr to Rs 1834.6cr, and PAT was also down by 10.8% from Rs 1457.7cr to Rs 1300.4cr. EPS earned was flat at Rs 1.15 vs Rs 1.22 per share.

Generation for the quarter increased to 9.3 BUs (+4% yoy) on account of higher water availability. Incentive incomes grew 11% yoy to Rs 200cr as the company achieved PAF of 91.7%. NHPC's receivables outstanding increased by Rs 330cr to Rs 5000cr (as of Sep 2020 and compared to Rs 4670cr as of June 2020). Debtors exceeding 45 days stand at Rs 3720cr with J&K and Uttar Pradesh account for Rs 3520cr of the overall outstanding dues.

Recent Developments

Various upcoming capacities provide a medium term visibility:

NHPC is presently engaged in the construction of 5 projects aggregating to a total installed capacity of 4924 MW which includes 2 hydro electric projects viz., 2000 MW Subansiri Lower HEP and 800 MW Parbati-II HEP being executed on ownership basis and 3 projects being executed through Subsidiary/JV Companies viz., 500 MW Teesta-VI HE Project, 1000 MW Pakal Dul HE Project & 624 MW Kiru HE Project. In addition, 14 Projects with aggregate capacity of 8326 MW are under clearance stage which includes 9 Schemes of NHPC's own and 5 in JV mode. Further, 2 projects with aggregate capacity of 1079 MW are in S&I stage.

The Subansiri project that was stalled since Dec 2011, and got delayed further due to the lockdown, resumed work on April and is expected to get completed by FY24. The revised cost of Subansiri Lower Project is Rs 20369cr out of which the company had already spent Rs. 12326cr till June, 2020. The estimated levelized tariff based on the estimated cost is Rs. 5.2 per unit. After joining Hurla nala to Parbati-II, the company is targeting to generate around 325 MUs from Parbati-II. PPA for this project has already been fully signed with the DISCOMs except around 113 MW, which is to be signed by Delhi Government and which is being pursued.

Further, Unit I & II of Parbati II H.E Project were got resynchronized on 28th & 29th April 2020 respectively. Unit III & IV (200 MW each) of Parbati-II H. E. Project were also re-synchronized with the Grid on 6th & 7th July 2020 respectively. The anticipated cost of Parbati-II project is Rs. 9997cr for which NHPC has already sought a revised cost sanction from the Government and out of this it has already spent Rs. 8260cr till June, 2020. The estimated levelized tariff based on the anticipated cost of the project is Rs. 5.6 per unit. The company is trying to complete the remaining tunneling works with the help of TBM (Tunnel Boring Machines) and DBM (Drilling and Blasting Method) both to complete the project by FY22.



On the other hand, Dibang Multipurpose Project (2880 MW) has been granted Forest Clearance stage-II, and investment approval towards pre-investment activities for Rs 1600cr had been obtained.

NHPC upcoming Projects	Installed cap	Design (MU)	Type	CCEA Est (Rs cr)	Est Proj Cost (Rs cr)	Expense till June 20 (Rs cr)	Expected compl
Subansiri (250*8) Assam	2000	7421	Reservoir	6825.3	20368.9	12326.2	FY23-24 (Q2)
Parbati II (200*4) H.P.	800	3108.6	ROR	3919.6	9997.1	8260.3	FY21-22 (Q4)
Total	2800	10529.7		10204.9	30366.0	20586.5	

During FY20, programme for capacity addition in core business segment of the company has scaled up with a) Resumption of construction activities at Subansiri Lower HE Project (2,000 MW) from October 2019. b) Taking over of Lanco Teesta Hydro Power Limited (LTHPL) through Corporate Insolvency Resolution Process (CIRP) in October, 2019 for implementation of Teesta VI HE Project (500 MW) in Sikkim. The subsidiary has also emerged as an L1 bidder for Jal Power Rangit (200 MW) project c) Declaration of NHPC as successful resolution applicant by the Committee of Creditors of Jal Power Corporation Limited (JPCL). JPCL is implementing Rangit Stage-IV HE Project (120 MW) in Sikkim and the acquisition is awaiting approval of resolution plan by the Hon'ble National Company Law Tribunal, Hyderabad Bench. d) Signing of Memorandum of Understanding (MoU) with Government of Himachal Pradesh for the execution of Dugar HE Project (449 MW) in Himachal Pradesh.

Plans for progressive capacity additions from Rs 5255cr in FY21E to Rs 7618cr in FY22E provide a favorable medium term outlook. CAPEX during Q1FY21 was also 93.4% higher at Rs 646cr vs Rs 334cr in Q1FY20. The company is also setting up two projects, namely 1,000 MW Pakal Dul HEP (4*250) J&K and 624 MW Kiru HEP (4*156) J&K, under its JV Chenab Valley Power Projects Limited (JV between NHPC: 49%, JKSPDC: 49%, PTC:2%), completion of the same is expected to be around Q2FY26 and Q2FY25 respectively. The company also has several projects on standalone, subsidiary and JV basis, which are at clearance stage.

Commissioning of Parbati II and Subansiri by FY24 will nearly double the regulated equity from Rs 12900cr to Rs 21800cr over the next four years resulting in expansion in EPS for the company.



The tariff regulations for 2019-24 with unchanged regulated RoE provide a strong direction to long term returns:

Regulated RoEs play a very important role in profitability of both power generating and transmitting companies. Tariff determination on cost-plus basis ensures recovery of depreciation, interest on long-term loan and working capital loan, return on equity and operation and maintenance (O&M) expenses. As the company’s profitability is largely inter-linked and dependent on regulated RoE and finance charge, any reduction in interest rates going forward will help the company to expand its margin profile, as the regulated RoE of 15.5% has been set for the next five years (until 2024).

Its cost-plus tariff mechanism applicable for its hydel-based power generating stations and superior operational efficiency levels, ensure regulated returns for it. Given the large-sized projects under construction, which are also under cost-plus tariff framework, the company’s ability to commission these projects in a timely manner and within the budgeted cost along with the requisite approval by CERC is another attraction. Moreover, the full commissioning of Parbati II once done will augment the overall regulated equity.

Diversification to various other power forms will augment profitability:

NHPC has diversified its portfolio to include Solar Power business and has given Letter of Awards (LOA) to Solar Power Developers for interstate transmission system (ISTS) grid connected photovoltaic projects aggregating to 2000 MW installed capacity. Also, discussion for adding 6000 to 7000 MW of renewable energy is going on at various stages. NHPC is getting into development (out of 6000-7000MW, 600-700MW developments) by targeting small patches of 100 MW, 50 MW at number of places. With Odisha govt. NHPC has already signed the MoU and there are discussions going on for signing of the joint venture. Similarly, in the Eastern UP also, 10,000 acres of land survey has already been conducted. A Power Sale Agreement (PSA) was signed on 28.08.2020 with Madhya Pradesh Power Management Company Limited (MPPMCL) for procurement of 1000 MW Solar Power at the tariff of Rs. 2.55/kWh for 25 years on long term basis. NHPC shall earn trading Margin @ Rs 0.07/kWh during the contract period.

Long term Triggers

Solar power projects offers growth opportunities:

The company signed various MoUs with corporations like Green Energy Development Corporation of Odisha Ltd (GEDCOL), Hydropower Investment and Development Company Limited (HIDCL), Nepal for various developmental purposes, which will open up avenues and will eventually boost the top-line of NHPC. The GEDCOL MoU is for the development of 500 MW Floating Solar Projects in Odisha under UMREPP, and the HIDCL is for the development of hydropower projects in Nepal. Other business initiatives like 32 MW Solar Power Project in Jalaun,



Uttar Pradesh, where PPA signing is under progress; 50 MW Floating Solar Project, Kerala, where, NIT for invitation of EPC bids has been floated; 140 MW Solar Park in Odisha, where NIT for invitation of EPC bids for 40MW had been floated.

Further, NHPC issued a Request for Selection (RfS) document as an Intermediary Procurer for selection of developer for development of aggregate 2000 MW Solar Power Projects on anywhere in India basis, PSA for which has been signed for 1300 MW Power with State/Discom(s) and signing of PPA/PSA for balance capacity is in process. Also, NHPC has been allotted the States of Telangana, Odisha and J&K for development of Ultra Mega Renewable Energy Power Parks (UMREPPs), modified draft for this MoU between NHPC and TSREDCO is under approval with Govt. of Telangana. MoU signed with Odisha for 500 MW on 20 July 2020 and MoU with the Telangana for 500 MW is under consideration for approval.

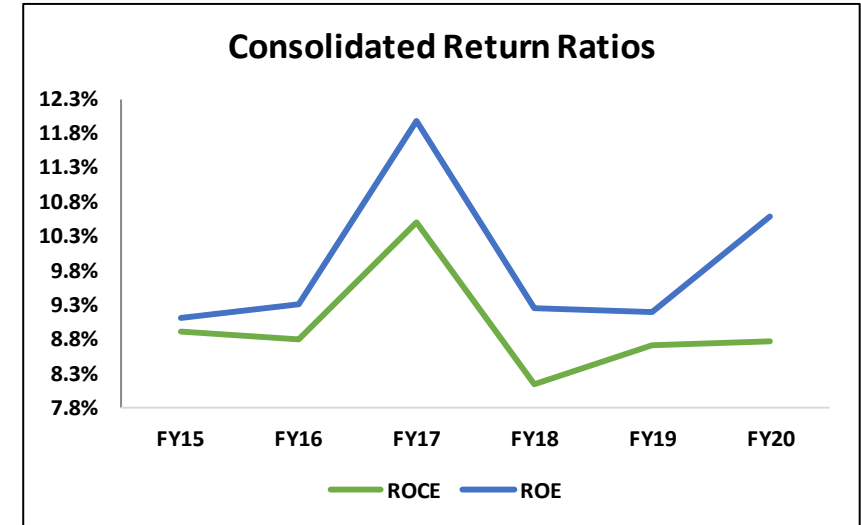
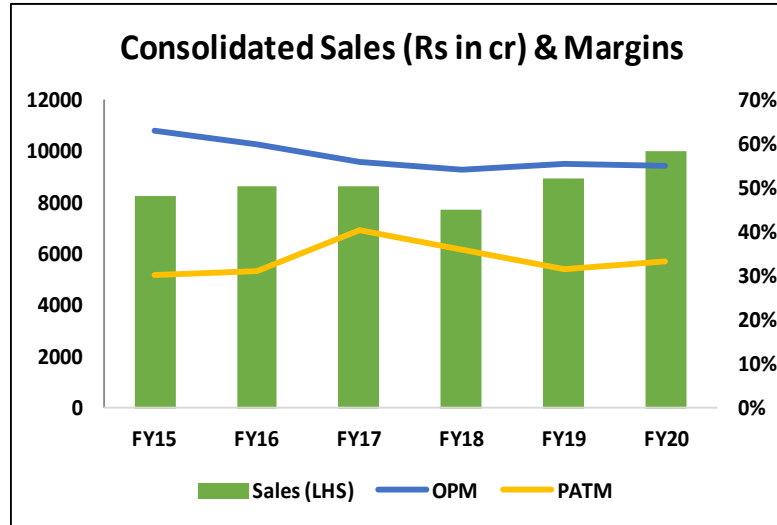
Further, talks regarding various other MoUs signed during the year 2019 on projects like Ratle Hydroelectric project J&K 850 MW, Govt. of Himachal Pradesh for execution of Dugar HE Project (449 MW) etc which were halted have gathered speed, and few of them are expected to receive a hearing by the end of the year. In addition to above MoUs a power sale agreement has been signed on 28th August, 2020 with Madhya Pradesh Power Management Company Limited, (MPPMCL) for procurement of 1000 MW solar power at the tariff Rs. 2.6 per kilowatt hour for 25 years on long-term basis. NHPC has also signed PSA for 1,300 MW power with state DISCOM(s) out of 2000 MW and PSA for balanced power is likely to be signed shortly. NHPC will earn trading margin at the rate on Rs. 0.07 per kilowatt hour during the contract period. NHPC has also signed PPA with EDEL Renewable Passy Private Limited for 300 MW and Altra Xergi Power Private Limited for 380 MW solar power on 31st August, 2020.

PPA for 66 MW Loktak Downstream Hydroelectric Project (NHPC's subsidiary company) has been signed with the Government of Manipur by, Loktak Downstream Hydro Electric Power Corporation Limited by August end. NHPC is also in discussion with State Government of Rajasthan for development of solar power project of 1200 MW capacity in the state under UMREPP. 600 MW ground-mounted solar project in the state of Rajasthan is also under process of development. So, once all these talks, MoUs and PPAs get into action and reach completion mode, generation will rise many fold.

Decent financials with strong liquidity and favourable debt metrics raise credit worthiness of the company:

The company is characterised by strong cash and bank balances of Rs 1,693cr on a consolidated basis (Rs 389cr on a standalone basis) as on March 31, 2020, lower debt to equity ratio 0.74 times on a consolidated basis (0.84 times on standalone basis). Further, the company

continues to benefit from the long tenure of debt including subordinate debt from the GoI at low interest rate for some projects in Jammu and Kashmir (J&K). Considering J&K is one of the major portion of debtors for the company after UP, this move from the government will bring some relief. The company has a competitive tariff level for power plants with an average tariff of Rs. 3.37/kWh in FY2020 against Rs. 3.36/kwh in FY2019 and strong operating efficiency. Its average plant availability factor (PAF) of 84.84% in FY2019 and 84.04% in FY2020. NHPC on a standalone basis has a regulated equity of Rs 12,800cr as on June and on a consolidated basis Rs 15000cr (NHDC Rs 2000cr).



Various policy measures by the Indian government to promote hydro power sector augurs well for the company:

Govt. of India have approved a number of measures in March, 2019 for promoting hydro power sector including, declaring large hydro power (LHPs) (>25 MW projects) as renewable energy source, mandating Hydro Purchase Obligation (HPO) as a separate entity within Non-solar Renewable Purchase Obligation (RPO) from new projects, tariff rationalization measures for bringing down hydro power tariff, budgetary support for Flood Moderation/Storage Hydro Electric Projects (HEPs) and towards cost of enabling infrastructure, i.e.



roads/bridges. As a result of these measures, the capital cost as well as the project tariff would be reduced especially in initial years which would improve project viability & saleability, and thus, promote the hydroelectric projects.

NHPC earned >30% incentives (Rs820 cr) on its RoE for FY20 on account of availability, secondary energy and deviation charges. This comprised 27% of the total PAT (incentive as % of total PAT has averaged 25% during FY16-20).

What could go wrong in the near term?

- Intense competition owing to high fragmentation, and presence of many mid and large sized players and its tender driven nature of business. NHPC's receivables outstanding increased by Rs 330cr to Rs 5000cr (as of Sep 2020 and compared to Rs 4670cr as of June 2020). Debtors exceeding 45 days stand at Rs 3720cr with J&K and Uttar Pradesh account for Rs 3520cr of the overall outstanding dues. This might hinder the smooth working capital functioning of the company.
- Various projects to start for which PPAs and MoUs had been signed will take considerable time to get completed.
- The nature of business that NHPC is into, frequent shut downs of units at various power stations, cost and time overrun are inherent in greenfield hydropower projects, impacting the overall generation of the company. Cost overruns if not controlled can become a matter of high risk which cannot be ruled out.
- Lengthy process in planning and commissioning a project as it involves various government intervention. Also, the development of hydro-electric projects involve long gestation period and require large initial investment, which results into high initial tariff.
- Of the total hydro power potential of 148 GW, only about 45 GW has been harnessed so far and the share of hydro power has progressively reduced to an abysmally low level of 13% of total power generation capacity.
- High capital cost per MW of under-construction power projects make them unattractive compared to thermal counterparts and the recently discovered tariffs in wind/solar bidding. Also as the tariffs under wind and solar projects continue to fall (even now they are much lower than Hydro power), there would be growing reluctance on the part of buyers to purchase the costlier hydro power. However hydro power units have strategic importance for the nation and are important from grid stability and peaking requirements.
- Generation of units from hydro power plants depends on the water levels in the reservoir which in turn depends on the monsoon and glacial runoff. Long term climatic changes could result in lower runoffs/rainfall and hence lower generation.



About the company

NHPC Ltd is a Mini-Ratna Category-I Enterprise of the Government of India. The company is the largest organisation in the field of hydro power development in the country. The company is dedicated to the planning development and implementation of an integrated and efficient network of hydroelectric projects in India. It executes all aspects of the development of hydroelectric projects from concept to commissioning of the projects. NHPC Ltd was incorporated on November 7 1975 as a private limited company under the name National Hydro Electric Power Corporation Pvt Ltd. In April 2 1986 the company was converted into a public limited company.

Its power stations include Bairasiul, Salal, Chamera-I & II, Tanakpur, Dhauliganga, Rangit and Loktak, Sewa II, Uri, Teesta V, Chutak, TLDP III & IV, Parbati III, and Kishanganga. It provides consultancy services in various fields of hydropower, including river basin studies, survey works, design and engineering, geological studies, geotechnical studies, hydraulic transient studies, hydrological studies, contract management, construction management, equipment planning, underground construction, testing, commissioning, and operation and maintenance.

NHPC Limited presently has an installation base of 7071.2 MW from 24 power stations on ownership basis including projects taken up in Joint Venture.

Peer Comparison (Consolidated):

Companies	FY20					
	Revenue (Rs in Cr)	EBITDAM	PAT	P/E	P/BV	ROE
NHPC Ltd	10008.1	54.9%	3324.7	7.0	0.7	10.6%
SJVN Ltd	2696.7	75.1%	1661.2	6.0	0.8	14.1%
Tata Power Ltd	29136.4	27.3%	1726.7	11.7	1.0	8.8%

Financials (Consolidated)

Income Statement

(Rs Cr)	FY18	FY19	FY20	FY21E	FY22E
Net Revenues	7751.2	8982.9	10008.1	9934.5	10395.8
<i>Growth (%)</i>		15.9%	11.4%	-0.7%	4.6%
Operating Expenses	3549.4	3983.0	4513.9	4410.9	4553.4
EBITDA	4201.8	4999.9	5494.1	5523.6	5842.5
<i>Growth (%)</i>		19.0%	9.9%	0.5%	5.8%
<i>EBITDA Margin (%)</i>	54.2%	55.7%	54.9%	55.6%	56.2%
Depreciation	1479.1	1658.0	1614.0	1758.0	1887.0
EBIT	2722.7	3342.0	3880.1	3765.6	3955.5
Other Income	1101.4	863.9	768.6	824.6	946.0
Interest expenses	922.6	895.1	796.0	908.0	1028.0
EBT	3637.6	4159.4	3612.2	3604.5	3916.1
Tax	862.9	1323.6	290.5	508.2	540.4
RPAT	2774.7	2835.8	3324.7	3096.2	3375.7
<i>Growth (%)</i>		2.2%	17.2%	-6.9%	9.0%
EPS	2.8	2.8	3.3	3.1	3.4

Balance Sheet

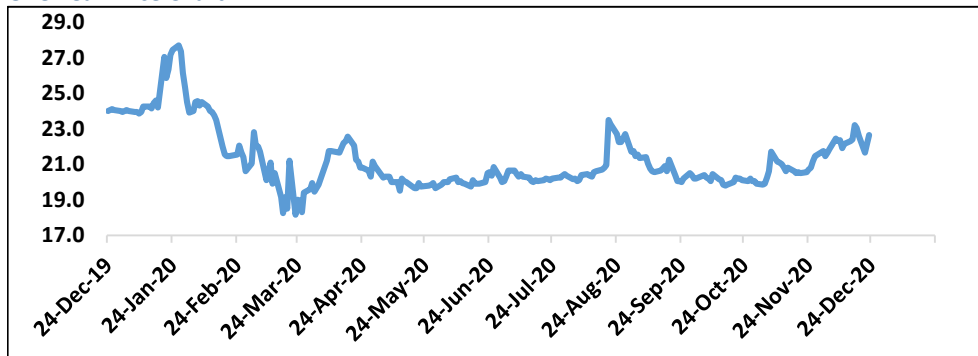
(Rs Cr)	FY18	FY19	FY20	FY21E	FY22E
SOURCE OF FUNDS					
Share Capital - Equity	10259.3	10045.0	10045.0	10045.0	10045.0
Reserves	19758.6	20752.8	21325.6	22493.2	23819.7
Total Shareholders' Funds	30017.9	30797.8	31370.6	32538.2	33864.7
Minority Interest	2934.9	2868.5	2763.9	2902.1	3047.2
Long Term Debt	16728.2	17044.6	20891.8	21309.6	26309.6
Short Term Debt	280.0	416.0	714.3	728.6	743.2
Total Debt	17008.2	17460.6	21606.1	22038.2	27052.8
Net Deferred Liabilities	1710.9	4720.7	4229.1	4313.7	4400.0
Non-Current Liabilities	2933.9	5092.4	5315.3	5583.9	5866.1
TOTAL SOURCES OF FUNDS	54605.8	60940.0	65285.0	67376.1	74230.8
APPLICATION OF FUNDS					
Fixed Assets	40264.4	40008.9	41582.3	42748.2	48350.2
LT Loans & Advances	360.4	770.1	820.8	1545.8	1617.6
Other Non-Current Assets	8790.8	10982.4	12156.4	13209.9	14013.2
Total Non-current Assets	49415.6	51761.4	54559.5	57503.8	63981.0
Inventories	104.7	125.2	126.6	133.4	133.9
Debtors	1346.0	2838.0	3816.4	3946.6	3560.2
Other Current Assets	6202.3	9755.6	11149.2	11348.5	11966.0
Cash & Equivalents	3319.1	2245.3	1693.3	444.2	713.9
Total Current Assets	10972.1	14964.1	16785.5	15872.7	16374.0
Creditors	183.8	196.3	316.7	142.3	149.0
Current Liabilities	5598.1	5589.2	5743.3	5858.1	5975.3
Total Current Liabilities	5781.9	5785.4	6059.9	6000.5	6124.2
Net Current Assets	5190.2	9178.6	10725.6	9872.2	10249.8
TOTAL APPLICATION OF FUNDS	54605.8	60940.0	65285.0	67376.1	74230.8



Cash Flow Statement

(Rs Cr)	FY18	FY19	FY20	FY21E	FY22E
EBT	2901.4	3316.0	3855.7	3604.5	3916.1
Depreciation	1479.1	1658.0	1614.0	1758.0	1887.0
Int & Others	906.6	653.9	1027.8	908.0	1028.0
Change in working capital	640.9	-1204.4	-2451.8	-395.7	-107.9
Tax expenses	-830.1	-877.2	-793.9	-508.2	-540.4
CF from Operating activities	5097.8	3546.3	3251.9	5366.5	6182.8
Net Capex	-1567.3	-1085.3	-3631.7	-2923.9	-7489.0
Purch/sale of inv	-137.3	-135.5	113.4	-1287.2	-361.5
Div & int rec	416.7	312.5	271.9	285.5	299.8
CF from Investing activities	-1287.9	-908.3	-3246.4	-3925.5	-7550.7
Borr/repay	-487.9	127.1	2906.6	-403.5	-4985.4
Dividends paid	-2231.0	-1526.7	-2897.4	-1928.6	-2049.2
Interest paid	-1144.0	-1215.1	-1330.1	-908.0	-1028.0
CF from Financing activities	-3862.9	-2614.8	-1321.0	-3240.2	-8062.6
Net Cash Flow	-53.0	23.2	-1315.5	-1799.2	-9430.5

One Year Price Chart



Key Ratios

Particulars	FY18	FY19	FY20	FY21E	FY22E
EBITDA Margin	54.2%	55.7%	54.9%	55.6%	56.2%
EBIT Margin	35.1%	37.2%	38.8%	37.9%	38.0%
APAT Margin	35.8%	31.6%	33.2%	31.2%	32.5%
RoE	9.2%	9.2%	10.6%	9.5%	10.0%
RoCE	8.1%	8.7%	8.8%	8.4%	8.0%
Solvency Ratio					
Interest Coverage	3.0	3.7	4.9	4.1	3.8
Net Debt/EBITDA (x)	4.0	3.5	3.9	4.0	4.6
Net D/E (x)	0.6	0.6	0.7	0.7	0.8
PER SHARE DATA					
EPS	2.8	2.8	3.3	3.1	3.4
CEPS	4.2	4.5	4.9	4.8	5.2
BVPS	29.9	30.7	31.2	32.4	33.7
DPS	1.4	1.5	1.5	1.6	1.7
Turnover Ratios (days)					
Debtors (days)	63.4	115.3	139.2	145.0	125.0
Inventory (days)	4.9	5.1	4.6	4.9	4.7
Payables (days)	8.7	8.0	11.5	5.2	5.2
VALUATION					
P/E (x)	8.4	8.2	7.0	7.5	6.9
P/BV (x)	0.8	0.8	0.7	0.7	0.7
EV/EBITDA (x)	8.8	7.7	7.9	8.1	8.5
EV/Revenues (x)	4.8	4.3	4.3	4.5	4.8
Div Payout	50.7%	51.7%	45.4%	51.9%	50.6%



Disclosure:

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