MOTILAL OSWAL

26 July 2011

1QFY12 Results Update | Sector: Automobiles

Maruti Suzuki

BSE SENSEX	S&P CNX
18,518	5,575
Bloomberg	MSIL IN
Diluted Equity Shares (m)	289.0
52-Week Range (INR)	1,600/1,087
1,6,12 Rel.Perf.(%)	2/-5/-17
M.Cap. (INR b)	340.4
M.Cap. (USD b)	7.7

CMP: INR1,182 TP: INR1,493 Buy

YEAR END	NET SALES (INR M)	PAT (INR M)	Cons.EPS (INR)	EPS GR. (%)	Cons.P/E (X)	P/CE (X)	P/BV (X)	EV/ EBITDA	ROE (%)	ROCE (%)
3/10A	296,231	25,062	90.8	113.8	13.0	10.2	2.9	7.0	21.1	28.4
3/11A	370,401	23,310	82.4	-9.2	14.3	10.2	2.5	7.2	16.5	21.7
3/12E	403,593	23,803	85.4	3.6	13.8	9.5	2.1	7.1	14.9	19.4
3/13E	472,657	28,105	101.5	18.8	11.6	7.9	1.9	5.5	15.3	20.1

Maruti 1QFY12 performance is above estimates with EBITDA margin of 9.5% (v/s est 9.2%), benefiting from higher realizations and lower other expenses.

- Volumes de-grew by 18% QoQ (0.6% YoY) to 281,526 units, impacted by 10 day strike at Manesar plant followed by maintenance shutdown for 5 days in June. Realizations improved by 3% QoQ (4% YoY) to INR295,529/unit (v/s est INR286,684/unit), driven by price hike of 1% taken in April-11 and higher proportion of diesel vehicles. Net revenues grew 3% YoY (16% QoQ de-growth) to INR83.6b (v/s est INR81.2b).
- EBITDA margins declined by 50bp QoQ (80bpYoY) to 9.5%, led by 60bp QoQ (130bp YoY) increase in RM cost & 60bp QoQ (20bp YoY) increase in staff cost, partially offset by 70bp QoQ (70bp YoY) decline in other expenses. Higher other income and lower depreciation boosted PAT to INR5.5b (v/s est INR4.6b).
- Short term outlook is challenging as a) demand remains muted, b) higher discounts and c) JPY appreciation put pressure on profitability. It has hedged its direct imports for 2QFY12, but 2HFY12 forex exposure remains unhedged.
- The stock trades at 13.8x FY12E consol EPS and 9.5x Cash EPS. Maintain **Buy** with target price of INR1,493 (~10x FY13 Cash EPS).

Quarterly Performance

(INR Million)

Y/E March	FY11				FY12				FY11	FY12E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Total Volumes (nos)	283,324	313,654	330,687	343,340	281,526	325,500	354,000	375,444	1,271,005	1,336,470
Change (%)	25.0	27.4	28.2	19.5	-0.6	3.8	7.0	9.4	24.8	5.2
Realizations (Rs/car)	284,151	284,935	280,529	287,288	295,529	293,336	294,061	296,689	284,249	294,932
Change (%)	1.6	-0.5	-1.3	0.3	4.0	2.9	4.8	3.3	0.0	3.8
Net Sales	**80,904**	**89,774**	**93,261**	**99,059**	**83,615**	**95,965**	**104,653**	**111,993**	**362,997**	**396,226**
Change (%)	27.1	26.8	26.5	19.6	3.4	6.9	12.2	13.1	24.7	9.2
Other Operating Income	2,188	1,699	1,683	1,863	1,678	1,800	1,800	2,089	7,404	7,368
Net Op. Revenues	**83,092**	**91,473**	**94,945**	**100,922**	**85,293**	**97,765**	**106,453**	**114,083**	**370,401**	**403,593**
Change (%)	28.0	27.0	26.5	19.8	2.6	6.9	12.1	13.0	25.0	9.0
RM Cost (% of Sales)	77.1	77.4	78.4	77.9	78.5	78.7	78.5	77.8	77.7	78.4
Staff Cost (% of Sales)	1.9	1.7	2.4	1.5	2.1	1.9	2.0	2.0	1.9	2.0
Other exp. (% of Sales)	10.6	10.4	9.6	10.6	9.9	10.1	10.1	10.4	10.3	10.1
EBITDA	**8,574**	**9,603**	**9,018**	**10,097**	**8,144**	**9,092**	**10,007**	**11,130**	**37,295**	**38,372**
As % of Sales	10.3	10.5	9.5	10.0	9.5	9.3	9.4	9.8	10.1	9.5
Non-Operating Income	1,004	1,340	1,283	1,199	1,801	1,500	1,350	1,449	4,823	6,100
Extraordinary Expense	652	0	0	0	0	0	0	0	652	0
Interest	80	97	4	64	58	70	70	81	244	279
Depreciation	2,417	2,382	2,369	2,967	2,425	2,850	3,250	3,394	10,135	11,919
PBT	**6,430**	**8,464**	**7,928**	**8,266**	**7,463**	**7,672**	**8,037**	**9,104**	**31,088**	**32,275**
Tax	1,777	2,481	2,276	1,667	1,970	2,014	2,110	2,378	8,201	8,472
Effective Tax Rate (%)	27.6	29.3	28.7	20.2	26.4	26.3	26.3	26.1	26.4	26.3
PAT	**4,654**	**5,982**	**5,652**	**6,599**	**5,492**	**5,658**	**5,927**	**6,725**	**22,886**	**23,803**
Adjusted PAT	**5,125**	**5,982**	**5,652**	**6,599**	**5,492**	**5,658**	**5,927**	**6,725**	**23,366**	**23,803**
Change (%)	-12.2	5.0	-17.8	0.5	7.2	-5.4	4.9	1.9	-6.4	1.9

E:MOSL Estimates

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Volumes impacted by Manesar strike, however higher realizations support revenue

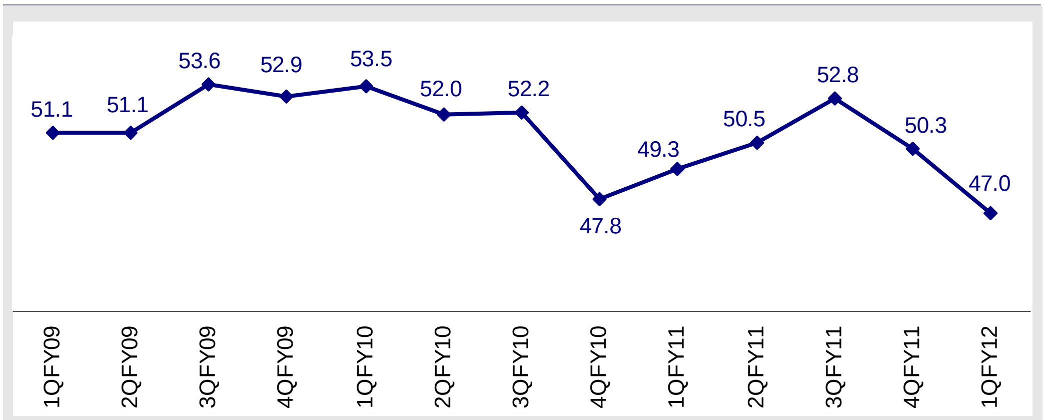
- Net revenues de-grew 16% QoQ (~3% YoY growth) to INR83.6b (v/s est INR81.2b) led by 18% QoQ (0.6% YoY) decline in volumes, while realizations improved by 3% QoQ (4% YoY) to INR295,529/unit.
- Volume de-growth was driven by 20% QoQ (~3% YoY growth) decline in domestic volumes and sequentially flat export volumes (~24% YoY decline). The company lost ~16,000 units in 1QFY12 due to the strike in the month of June. While European exports remained under pressure, it was largely off-set by strong non-EU exports, resulting in increase in non-EU share to ~67% to exports (v/s 60% in 4QFY11 v/s 32% in 1QFY11). Lower volumes due to strike resulted in drop in market-share in 1QFY12 by 320bp QoQ (230bp YoY) to 47% of domestic car market (ex-Nano).
- Improvement in realizations was driven a) better product mix with diesel vehicles comprising 21% of domestic sales against 19% in 4QFY11, b) price hike of 1% in April 2011 and c) lower discounts by INR1,300 QoQ to INR9,300/unit.

Trend in volumes (units)

	1QFY12	1QFY11	YoY (%)	4QFY11	QoQ (%)
A1	**6,613**	**6,906**	**-4.2**	**7,503**	**-11.9**
% of total	2.3	2.4		2.2	
MPV	**40,749**	**33,521**	**21.6**	**41,897**	**-2.7**
% of total	14.5	11.8		12.2	
A2	**171,090**	**170,513**	**0.3**	**223,029**	**-23.3**
% of total	60.8	60.2		65.0	
A3	**30,612**	**28,958**	**5.7**	**38,864**	**-21.2**
% of total	10.9	10.2		11.3	
A4	**117**	**0.0**	**NA**	**128**	**-8.6**
% of total	0.0	0.0		0.0	
UV	**1,502**	**2,989**	**-49.7**	**968**	**55.2**
% of total	0.5	1.1		0.3	
Exports	**30,843**	**40,437**	**-23.7**	**30,951**	**-0.3**
% of total	11.0	14.3		9.0	
Total Sales	**281,526**	**283,324**	**-0.6**	**343,340**	**-18.0**
Total PV (Incl Exports) MS (%)	**38.8**	**42.8**	**-390bp**	**41.1**	**-220bp**
Total Dom. Cars MS (%)	**44.8**	**47.6**	**-280bp**	**48.1**	**-330bp**
Total Dom. Car (ex-Nano) MS (%)	**47.0**	**49.3**	**-230bp**	**50.3**	**-320bp**

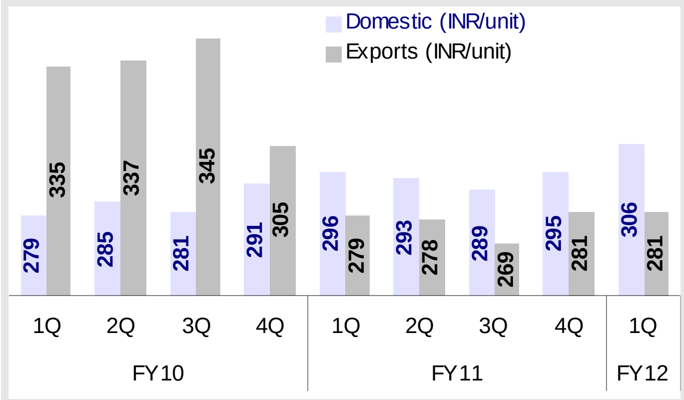
Source: Company/MOSL

Trend in domestic car market share (ex-Nano, %)

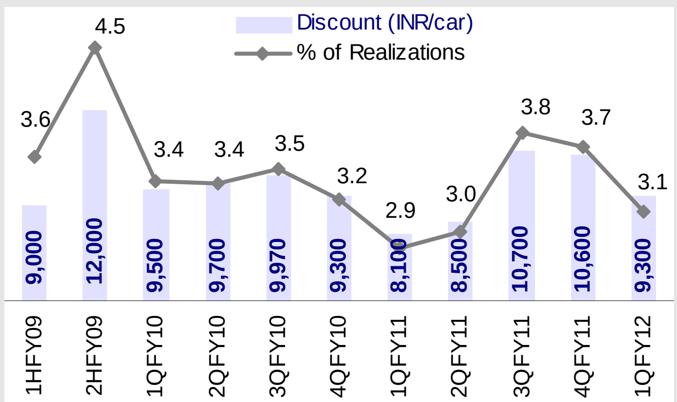


Source: SIAM/MOSL

Trend in realizations (INR '000)



Trend in discounts

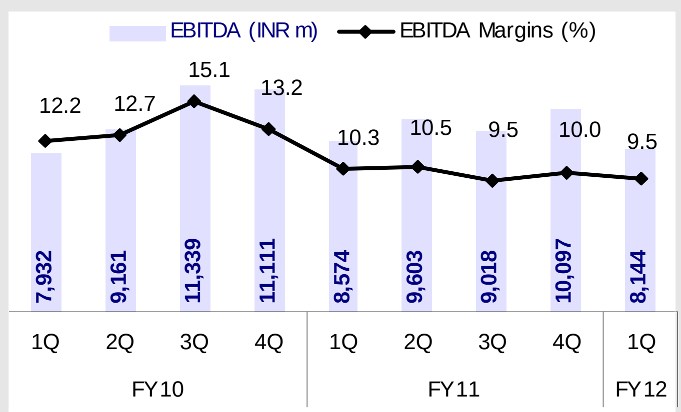


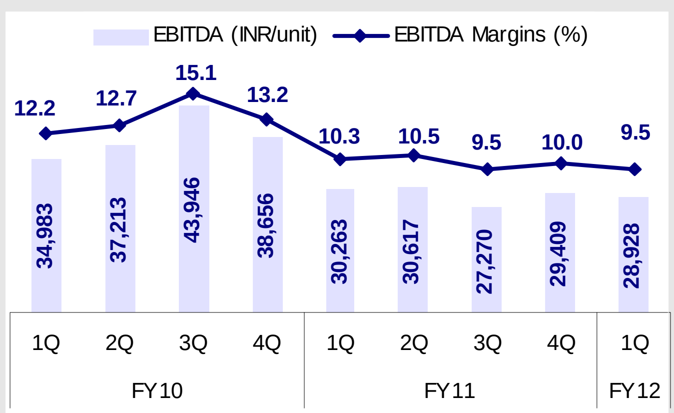
Source: Company/MOSL

Higher realizations and lower other expenses restrict decline in margins

- EBITDA margins declined by 50bp QoQ (80bp YoY) to 9.5% (v/s est 9.2%), impacted by higher RM and staff cost, impact of which was diluted by higher realizations and lower other expenses.
- RM cost increased by 60bp QoQ (130bp YoY) led by high commodity prices. Staff cost was higher by 60bp QoQ (~20bp YoY). The impact of higher RM and staff cost was partially offset by 70bp QoQ (70bp YoY) saving in other expenses.
- Selling and distribution expenses declined by 40bp QoQ (50bp YoY) led by decrease in ocean freight on account of lower export volumes and lower advertising cost compared to 1QFY11 (due to new launches). Going forward, the management expects the decline in SG&A expenses to be sustainable. Additionally royalty declined by 40bp QoQ (30% YoY) to 4.8% of net sales led by lower export volumes (attracts higher royalty) and change in product mix.
- EBITDA de-grew by 19% QoQ (~5% YoY) to INR8.1b (v/s est INR7.6b). However, lower depreciation and higher treasury income (boosted ~INR400m of capital gains), boosted reported PAT to INR5.5b (v/s est INR4.6b) - a growth of 7.2% YoY (~17% QoQ decline).

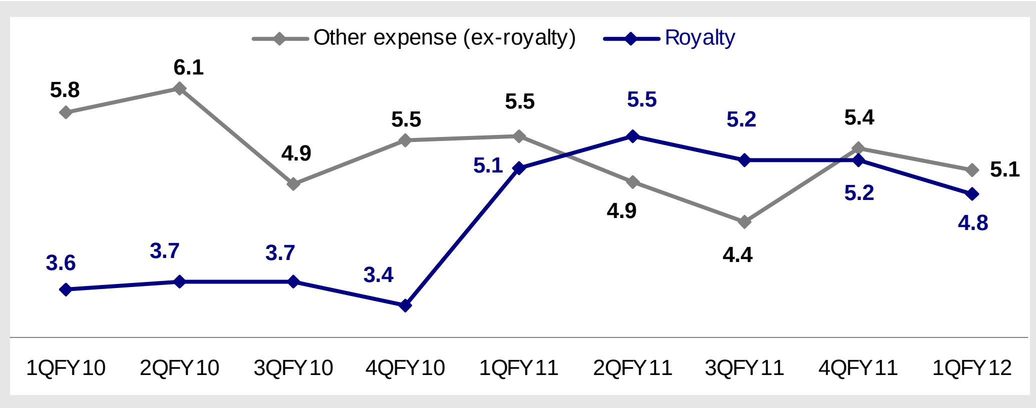
Trend in EBITDA





Source: Company/MOSL

Other expenses have reduced in 1QFY12 (% of sales)



Source: Company/MOSL

Management expects demand to pick-up in the festive season

- The management indicated that inquiries at the retail level continue to be good; however conversion rate has declined as buyers postpone purchases on account of higher interest rates and fuel prices.
- To counter the slowdown in demand, it expects discounts to increase in 2QFY12 from INR9,300/unit in Q1FY12. However, given the healthy trend in inquiries, the management anticipates demand to pick up in the festive season.
- Also, it is further strengthening its distribution network with objective of deepening its reach. In 1QFY12, it has added 35 sales outlets in 31 new cities (to 968 outlets covering 697 cities) and added 60 service workshops across in 14 new cities (to 3,006 workshops covering 1,409 cities). This is driving increasing share of rural markets, which now stands at ~20% of domestic volumes.

New launches, higher localization coupled with moderating RM cost to support margins

- The new Swift, which would be launched in Aug-11, has received good response with ~30,000 pre-bookings. The management expects monthly run-rate of 15-17,000 against the current run-rate of 12-13,000 of the old Swift model. This, coupled with the launch of its new MPV, RIII in 4QFY12 will drive volumes. We expect volumes to grow at FY11-13 CAGR of 10%.
- The company expects RM cost to remain stable in 2QFY12 as it has negotiated steel contracts till 1H FY12 and does not expect rubber prices to go up in next quarter. Further, it plans to reduce vendor imports, which stands at 15% of sales at present, by 200-300bp per annum, over the next two years, thereby reducing its exposure to Yen.
- However, in short term, adverse forex movement coupled with higher discounts in 2QFY12 would put pressure on margins. Further, higher depreciation (as Phase-I of capacity expansion at Manesar commission operations) and lower other income (due to capital gains of ~INR400m in 1QFY12) would restrict PAT growth.

Other takeaways

- In 1QFY12, the first time buyers comprised 47% of domestic sales, second time buyer constituted 28%, while 25% of domestic volumes came from replacement buyers.
- Higher price differential between petrol and diesel fuel, led to increase in the sales of vehicles powered by alternate fuels. Diesel vehicles comprised 21% of domestic sales against 19% in 4QFY11. The diesel proportion of volumes has increased from 60% to over 80% in the available models. Additionally, CNG Vehicle proportion increased by 25-30% of the model sales in markets where CNG is available (Maharashtra, Gujarat, NCR).
- Credit sales (% of volumes) remained stable at 67% in 1QFY12.
- The growth in the rural market has moderated with rural segment contribution remaining stable at 20% of domestic sales. Geographically, the demand in North Zone was weak, East and South saw muted demand while the demand remains good in the West Zone.
- Inventory level is at ~4-5 weeks against a normal level of 3-4 weeks.
- With the change in consumer preference towards diesel, it is increasing its diesel engine capacity from 0.25m units to 0.29m in the next two months.
- It maintained its capex guidance at INR40b for FY12 and INR30b for FY13. It would be investing in capacity expansion (at Manesar), R&D facility (at Rohtak), new products and marketing infrastructure.

JPY/USD at historical high - a real threat to profitability

- JPY/USD made new historical high with 78.06. JPY has appreciated by 4.3% from 1QFY12 average of 81.57 (avg ~2.5% appreciation in 2QFY12 so far).
- MSIL would be worst impacted as JPY imports / costs account for ~26% of sales. While MSIL had hedged 1QFY12 JPY exposure at ~84 and its 2QFY12 direct imports are hedged at an adverse rate than 1QFY12. Its 2HFY12 exposure is total unhedged. Further, its vendor imports are unhedged and would be source of pressure in 2Q / 3QFY12 as JPY rate for vendor imports is determined with a quarter's lag.
- If current JPY sustains for full year, it would have impact of ~130bp on EBITDA margins, ~14% downgrade in EBITDA and ~17% downgrade in EPS. MSIL is working towards reducing its vendor imports from 15% of sales, by 200-300bp p.a over next 2 years, to curb its JPY exposure.
- MSIL's peers like Toyota and Honda would see bigger impact due to higher import content. This could restrict their ability to aggressively price new launches.

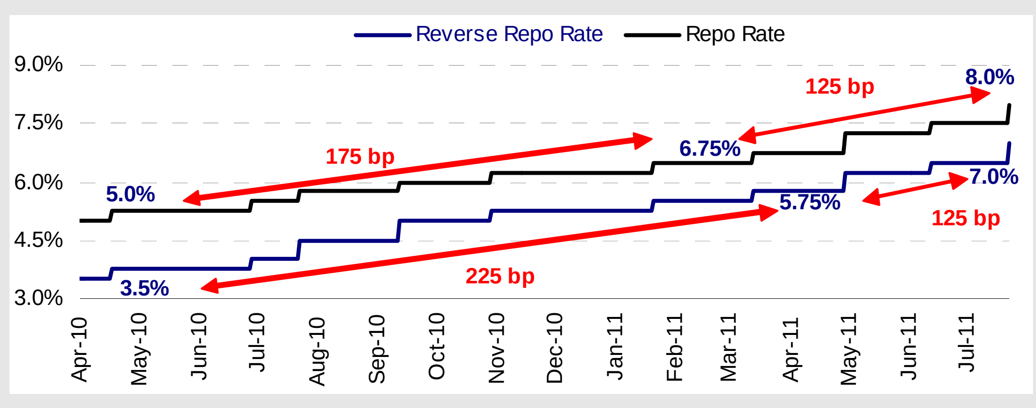
JPY/USD at historical high levels

Source: Bloomberg/MOSL

Interest rate - further hike to worsen consumer sentiments

- RBI has raised key policy rates of Repo and reverse Repo by 50bp today, taking total rate hikes to 300bp and 350bp respectively since Apr-10. Higher interest rates coupled with increase in prices of vehicle has raised cost of ownership, which is critical especially for entry level cars, which are most sensitive to cost of ownership.
- While our channel checks suggest that financiers have increased interest rates for automobiles by 150-200bp, availability of finance remains normal. This is also reflected in credit sales remaining stable at ~67% of total volumes for Maruti in 1QFY12. However, there has been deferment of purchases in wake of negative newflows on interest rates, fuel prices, vehicle price hike etc, resulting in lower conversion despite healthy inquiries at dealer level.

Trend in Repo and reverse Repo rates



Source: RBI/MOSL

Potential excise duty hike to impact short term demand outlook

- As per media reports, government is contemplating increase in excise duty on passenger vehicles. While small car attracts excise duty of 10.4%, all other passenger vehicles attracts excise duty of 22.7% plus additional duty of INR15-20,000. Any changes in excise duty would be fully passed on to the consumer, in our view.
- We believe that any increase in excise duty would be for non-small car (>4 mtr in length) and diesel vehicles. Every 1% increase in excise duty would increase price of a small car by INR3-6,000, entry & mid-range sedans by INR5-9,000 and entry to mid-range UVs by INR5-10,000.
- Impact of increase in excise duty would be transient in nature. Small car segment is most sensitive to price increases, where demand in the short term (3-6 months) gets impacted due to negative sentiment, but in medium to long term there is no impact on demand. In sedan and UVs, impact would be limited as they are not as price sensitive as small car.
- Any increase in excise duty specifically for diesel vehicles would impact short term demand outlook as diesel vehicles have been key growth drivers for passenger vehicles after significant increase in petrol prices.

Rate of Excise duty on Automobiles

	Excise Duty (%)			
	Feb-07	**Feb-08**	**Dec-08**	**Feb-10**
Cars - Specified small cars *	16.5	12.4	8.4	10.4
Cars - Others ^	24.7	24.7	20.7	22.7
Utility Vehicles ^				
- 6-12 Seater	24.7	24.7	20.7	22.7
-12 Seater and above (excl. driver)	16.5	14.4	10.4	12.4
Three-Wheelers		12.4	8.4	10.4
Two-Wheelers	16.5	12.4	8.4	10.4
Trucks (LCVs & MHCVs)	16.5	14.4	8.4	10.4
Buses (LCVs & MHCVs)	16.5	12.4	8.4	10.4

* Include cars with length not exceeding 4,000 mm and engine capacity not exceeding 1,200 cc for petrol cars and 1,500 cc for diesel cars; ^ Addition excise duty of INR15,000 for engine capacity of 1,500cc to 2,000cc, and INR20,000 for engine capacity above 2,000cc Source: Company/MOSL

Valuation and view

- Maruti has underperformed the Sensex by 5% over the past six months as both demand and profitability were under pressure. We see limited downside to its margins from the current level, barring significant adverse forex movement.
- With easing of capacity constraints, we expect Maruti to recover and defend its market share despite competitive pressure. We estimate gradual improvement in EBITDA margins from 9.5% in FY12 to 10% in FY13, driven by moderating RM cost, higher operating leverage, reduction in imports and stability in forex.
- We upgrade our consolidated EPS estimate for FY12E by 2.6% to INR85.4 to account for higher realizations, lower depreciation and partly factor in adverse JPY movement. We now expect EBITDA margin of 9.5% in FY12 (v/s 9.6% earlier). Our FY13E consolidated EPS remains unchanged at INR101.5.
- The stock trades at 13.8x FY12 and 11.6x FY13 consol EPS and 9.5x FY12 & 7.9x FY13 CEPS. Maintain **Buy** with price target of INR1,493 (~10x FY13 CEPS).

Maruti Suzuki: an investment profile

Company description

Maruti Suzuki is the largest passenger vehicle manufacturer in India, with 1.2m units. It dominates the cars segment with ~50% market share (ex-Nano). It is also emerging as the global export hub of small cars for Suzuki, with world strategic model A-Star exclusively produced in India.

Key investment arguments

- Volumes momentum to remain intact in long run, despite short-term headwinds, resulting in 11% CAGR (FY11-13E) in MSIL's domestic volumes
- Volume growth in domestic market driven by focus on tier-II cities and rural market.
- Improving product mix with increasing share of A2 & A3 segment, driven by newer products.

Key investments risks

- Increasing competition in the key A2 segment.
- Adverse forex movement may impact margins negatively.
- Higher royalty and strengthening of commodity prices could impact margins.

Recent developments

- The new Swift, to be launched in Aug-11, has received good response with ~30,000 pre-bookings. It has stopped the production of the older model.

Valuation and view

- The stock trades at 13.8x FY12 and 11.6x FY13 consol EPS and 9.5x FY12 and 7.9x FY13 CEPS.
- Maintain **Buy** with price target of INR1,493 (~10x FY13 CEPS).

Sector view

- Passenger vehicle segment is expected to continue its growth momentum.
- With low car penetration levels in India, the upside potential for growth is tremendous.
- However, increasing competition poses threat in long term.

Comparative valuations

		Maruti	M&M	Tata Motors
P/E (x)	FY12E	13.8	16.5	6.9
	FY13E	11.6	14.3	6.3
EPS Gr (%)	FY12E	3.6	3.5	2.8
	FY13E	18.8	15.1	10.1
RoE (%)	FY12E	14.9	21.8	34.5
	FY13E	15.3	21.2	28.9
EV/EBITDA (x)	FY12E	7.1	8.7	3.8
	FY13E	5.5	7.2	3.1

EPS: MOSL forecast v/s consensus (INR)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY11	82.4	90.5	-9.0
FY12	97.2	106.2	-8.4

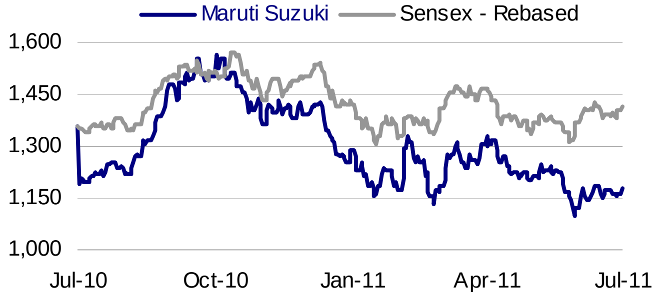
Target price and recommendation

Current Price (INR)	Target Price (INR)	Upside (%)	Reco.
1,182	1,493	26.3	Buy

Shareholding pattern (%)

	Jun-11	Mar-11	Jun-10
Promoter	54.2	54.2	54.2
Domestic Inst	18.0	17.9	17.0
Foreign	18.8	19.3	20.2
Others	9.0	8.6	8.6

Stock performance (1 year)



Financials and Valuation

Income Statement					(INR Million)
Y/E March	2009	2010	2011	2012E	2013E
Total Income	**209,074**	**296,231**	**370,401**	**403,593**	**472,657**
Total Cost	188,586	256,849	333,106	365,221	425,230
EBITDA	**20,489**	**39,382**	**37,295**	**38,372**	**47,427**
% of Net Sales	*9.8*	*13.3*	*10.1*	*9.5*	*10.0*
Depreciation	7,065	8,250	10,135	11,919	15,046
EBIT	**13,424**	**31,132**	**27,160**	**26,453**	**32,381**
Def Revenue Exp. / Others	-223	-296	0	0	0
Interest & Finance Charges	510	335	244	279	269
Other Income	5,386	4,964	4,823	6,100	6,125
Non-recurring Expense	1,765	132	652	0	0
PBT	**16,758**	**35,925**	**31,088**	**32,275**	**38,238**
Tax	4,571	10,949	8,201	8,472	10,133
Effective Rate (%)	*27.3*	*30.5*	*26.4*	*26.3*	*26.5*
PAT	**12,187**	**24,976**	**22,886**	**23,803**	**28,105**
Adj. PAT	**13,334**	**25,062**	**23,310**	**23,803**	**28,105**
Change (%)	*-22.0*	*87.9*	*-7.0*	*2.1*	*18.1*

Balance Sheet					(INR Million)
Y/E March	2009	2010	2011	2012E	2013E
Share Capital	1,445	1,445	1,445	1,445	1,445
Reserves	92,004	116,906	137,256	158,015	182,400
Net Worth	**93,449**	**118,351**	**138,701**	**159,460**	**183,845**
Loans	6,989	8,214	7,214	6,714	6,714
Deferred Tax Liability	1,551	1,370	1,370	1,370	1,370
Capital Employed	**101,989**	**127,935**	**147,285**	**167,544**	**191,929**
Gross Fixed Assets	87,206	104,067	114,943	155,943	189,943
Less: Depreciation	46,498	53,820	63,955	75,874	90,920
Net Fixed Assets	**40,708**	**50,247**	**50,988**	**80,069**	**99,023**
Capital WIP	8,613	3,876	15,000	14,000	10,000
Investments	31,733	71,766	67,766	67,766	67,766
Curr.Assets, Loans	**55,100**	**37,724**	**57,687**	**53,454**	**70,191**
Inventory	9,023	12,088	16,237	17,692	20,719
Sundry Debtors	9,378	8,099	12,178	13,269	15,539
Cash & Bank Balances	19,390	982	12,718	5,938	17,378
Loans & Advances	16,328	15,707	15,707	15,707	15,707
Others	981	848	848	848	848
Current Liab. & Prov.	**34,165**	**35,678**	**44,156**	**47,744**	**55,051**
Sundry Creditors	30,358	29,394	36,646	39,374	45,051
Provisions	3,807	6,284	7,510	8,370	10,000
Net Current Assets	**20,935**	**2,046**	**13,531**	**5,709**	**15,140**
Appl. of Funds	**101,989**	**127,935**	**147,285**	**167,544**	**191,929**

E: MOSL Estimates

Ratios					
Y/E March	2009	2010	2011	2012E	2013E
Basic (Rs)					
Adjusted EPS	**46.1**	**86.7**	**80.7**	**82.4**	**97.2**
EPS Growth (%)	-22.0	87.9	(7.0)	2.1	18.1
Consol EPS	**42.5**	**90.8**	**82.4**	**85.4**	**101.5**
Cash EPS	70.6	115.3	115.7	123.6	149.3
Book Value per Share	323.4	409.5	479.9	551.8	636.1
DPS	3.5	6.0	7.5	9.0	11.0
Payout (Incl. Div. Tax) %	9.7	8.1	11.1	10.9	11.3
Valuation (x)					
Consol. P/E	27.7	13.0	14.3	13.8	11.6
Cash P/E	16.7	10.2	10.2	9.5	7.9
EV/EBITDA	14.5	7.0	7.2	7.1	5.5
EV/Sales	1.5	1.0	0.7	0.7	0.6
Price to Book Value	3.6	2.9	2.5	2.1	1.9
Dividend Yield (%)	0.3	0.5	0.6	0.8	0.9
Profitability Ratios (%)					
RoE	13.0	21.1	16.5	14.9	15.3
RoCE	18.7	28.4	21.7	19.4	20.1
Leverage Ratio					
Debt/Equity (x)	0.1	0.1	0.1	0.0	0.0

Cash Flow Statement					(INR Million)
Y/E March	2009	2010	2011	2012E	2013E
OP/(Loss) before Tax	10,391	31,020	27,160	26,453	32,381
Int./Dividends Received	3,469	4,103	4,823	6,100	6,125
Depreciation & Amort.	7,065	8,250	10,135	11,919	15,046
Direct Taxes Paid	-4,524	-10,279	-8,201	-8,472	-10,133
(Inc)/Dec in Wkg. Capital	-999	-117	251	1,042	2,009
CF from Oper.Activity	**15,402**	**32,977**	**34,168**	**37,042**	**45,428**
Extra-ordinary Items	0	0	-652	0	0
CF after EO Items	**15,402**	**32,977**	**33,516**	**37,042**	**45,428**
(Inc)/Dec in FA+CWIP	-16,136	-13,149	-22,000	-40,000	-30,000
(Pur)/Sale of Invest.	22,181	-38,787	4,000	0	0
CF from Inv. Activity	**6,045**	**-51,936**	**-18,000**	**-40,000**	**-30,000**
Change in Networth	0	0	-369	-443	-541
Inc/(Dec) in Debt	-3,339	1,881	-1,000	-500	0
Interest Paid	-579	-319	-244	-279	-269
Dividends Paid	-1,444	-1,011	-2,168	-2,601	-3,179
CF from Fin. Activity	**-5,362**	**551**	**-3,780**	**-3,822**	**-3,988**
Inc/(Dec) in Cash	**16,085**	**-18,408**	**11,736**	**-6,780**	**11,439**
Add: Beginning Balance	3,305	19,390	982	12,718	5,938
Closing Balance	**19,390**	**982**	**12,718**	**5,938**	**17,378**

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