



**DALAL & BROACHA**  
STOCK BROKING PVT. LTD.

Analyst: Mayank Babla (022) 67141412

## Q4FY20 Result Update@ Dalal&Broacha

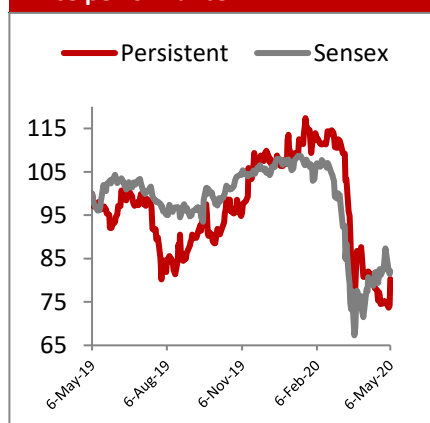
### Buy on Dips

Current Price	505
Target Price	570
Upside	13%
52 Week Range	420/740

### Key Share Data

Market Cap (Rs.Bn)	38.56
Market Cap (US\$ Mn)	507.37
No of o/s shares (Mn)	76.43
Face Value	10
Monthly Avg.	
Vol(BSE+NSE)'000	111.76
BSE Code	533179
NSE Code	PERSISTENT
Bloomberg	PSYS:IN

### Price performance



### % Shareholding

	Mar-20	Dec-19
Promoters	31.44	31.91
Public	65.41	64.91
Others	3.15	3.18
<b>Total</b>	<b>100</b>	<b>100</b>

Persistent Systems reported a good set of numbers with revenue in-line with our estimate and operating profit margins better than our expectations

- Dollar revenue at 127.1 Mn, -1.8% qoq / +7.4% yoy and 0.5% above our est. of \$126.5 Mn
- Rupee revenue came in at INR 9263.7 Mn, +0.4% qoq / +11.4% yoy and 1.2% above our est.
- EBITDA at INR 1276.8 Mn, +3.4% qoq / +5.8% yoy and 8% above our estimates
- EBITDA margin stood at 13.8% in Q4FY20 vs 13.4% / 14.5% in Q3FY20 / Q4FY19 respectively
- We believe that management could only realize part of higher margins as SG&A cost efficiencies kicked in during the quarter ((17)% qoq and yoy). However, royalty business may have disappointed as Alliance business underperformed during the quarter.
- EBIT came at INR 856.6 Mn, +6.2% qoq / +3.2% yoy and 11% above our estimate
- EBIT margin at 9.2% in Q4FY20 vs 8.7% / 10% in Q3FY20 / Q4FY19 respectively
- PAT came in at INR 862 Mn, -6.2% qoq / +2.6% yoy and 2.7% below our est.
- EPS at 11 in Q4FY20 vs 11.7 / 10.7 in Q3FY20 / Q4FY19 and marginally below our est. of INR 11.3

### Segment Analysis

- Digital (25.3% of total revenue) bounced back to double digit yoy growth at 11.4% yoy (7% qoq) after 6 straight quarters
- Services (48.4% of topline) outperformed and grew at 2.2% qoq / 16.5% yoy on the back of an already strong Q3FY20 performance
- Alliance business (22% of topline) underperformed in the quarter with 18.4% qoq / 4% yoy de-growth
- Accelerite (4% of topline) performed well sequentially at 11.8% qoq while it reported a 30% de-growth yoy

### Industry Analysis

- BFSI (31.3% of revenue) led the pack with 0.7% qoq and 24.5% yoy growth
- Healthcare & Life sciences (19% of topline) was flat qoq and grew by 5.2% yoy
- Tech companies and EM vertical (49.5% of revenue) underperformed at -24.5% qoq and -19% yoy

### Geography-wise

- India (9% of revenue) led the pack with a 19% qoq and 25.5% yoy growth
- North America (80.2% of revenue) followed with a sequential de-growth of -1.7% qoq and 6.5% yoy growth

### Business-wise Analysis

- ISV business (41.7% of topline) grew by 5% qoq / 8.7% yoy
- Enterprise business (42% of topline) grew by 3.6% qoq / 21.3% yoy
- IP led business (16.3% of topline) underperformed with a de-growth of 24.5% qoq and 19% respectively

### Consolidated Financials (In INR Mn)

Year	Net Sales	% Growth	EBIT	EBIT Margin (%)	PAT	PAT Margin (%)	EPS	% Growth	PE (x)	ROE (%)	ROCE (%)
FY18	30,337	5%	3,076	10.1%	3,231	10.6%	40.4	3%	12.5x	16.4%	11.5%
FY19	33,659	11%	3,934	11.7%	3,517	10.4%	44.0	9%	11.5x	15.7%	12.5%
FY20	35,658	6%	3,263	9.2%	3,403	9.5%	44.5	-3%	11.3x	13.8%	9.9%
FY21E	37,452	5%	3,324	8.9%	3,336	8.9%	43.7	-2.0%	11.6x	12.4%	9.2%
FY22E	41,326	10%	4,245	10.3%	3,959	9.6%	51.8	18.7%	9.7x	13.5%	10.8%

Source: Company, Dalal & Broacha Research



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### Conference Call KTAs

#### Business Overview

- IP business was impacted during the quarter due to seasonality coupled with lower Re-seller business (Alliance) in March because of COVID
- Services Offshore revenue +5.1% qoq as Volumes increased 4.9% and Billing Rate improved by 0.2%. Onsite revenue +2.8% qoq due to positive Billing Rate movement of 3.1% qoq which was offset by -0.2% decline in volumes
- EBITDA improvement qoq mainly due to currency and savings in S&M expenses due to some exits during the quarter
- Firm had a drop in Royalty Revenue (Alliance business) in Q4FY20 which directly impacted margins.
- BFSI, Healthcare and Life sciences remains a steady segment consisting of some growth opportunities (as Persistent is present in relatively more forward looking programs vis-à-vis peers).
- Balance of INR 48.5 Mn exposure to IL&FS has been provided in Q4FY20 and is now fully provided for
- Onsite Presence has increased from 7-8% to 17-18% in FY20. 65-70% of the Services business is contract/annuity based.
- Firm has not capitalized any R&D expenses in FY20 for developing accelerators for BFSI and Healthcare segment and therefore margins, to some extent, were impacted in FY20.
- Partnership with Dassault systems to bear fruit going ahead
- One off accounting to \$1.5 Mn was taken during the year for branding exercises.

#### Alliance Business (22% of Services Revenue)

- Demand for Red Hat and its capabilities is extremely strong and therefore will be key focus area for management under Alliance business. Management will continue to build capabilities around Red Hat in order to extend services from IBM to IBM's customers as well.
- Deal closures using Red Hat Capabilities has seen strong trends in Q4Y20 and the firm sees it expanding throughout FY21.
- Shares partnership with Red Hat which is independent of partnership with IBM
- Reseller business (part of Alliance business) was robust during the entire year except March. However, Persistent did not receive dues as per their expectations

#### Covid-19 Impact

- Firm has factored in expected Credit Loss due to Covid-19 situation by making a provision of INR 30 Mn for small customers facing liquidity crunch.
- Senior Management and Executive team are going for a pay cut of 20-25% on temporary basis that will be restored when situation stabilizes.
- Management not seen any large deal cancellations. However, smaller clients might get severely impacted which can aggregate to a bigger impact in the forthcoming quarters.
- Seeing smaller customers asking for price discounts and extension of credit terms

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## Q4FY20 Result Update@ Dalal&Broacha

### Quarterly performance trend

YE March (Rs. Mn)	Q4 FY20	Q3 FY20	Q-o-Q change %	Q2 FY19	Y-o-Y change %	Q2 FY20 estimates	Deviation %
<b>Net Sales (US\$ Mn)</b>	<b>127.1</b>	<b>129.4</b>	<b>(1.8%)</b>	<b>118</b>	<b>7.4%</b>	<b>126.5</b>	<b>0.5%</b>
<b>Net Sales (INR Mn)</b>	<b>9,264</b>	<b>9,227</b>	<b>0.4%</b>	<b>8,319</b>	<b>11.4%</b>	<b>9,155</b>	<b>1.2%</b>
<b>Less:</b>							
Employees Remuneration & Benefits	6,839	6,593	3.7%	5,722	19.5%	6,598	3.7%
SG&A Expenses	1,155	1,399	(17.4%)	1,389	(16.8%)	1,373	(15.9%)
<b>Total Operating Expenditure</b>	<b>7,994</b>	<b>7,992</b>	<b>0.0%</b>	<b>7,111</b>	<b>12.4%</b>	<b>7,971</b>	<b>0.3%</b>
<b>EBITDA</b>	<b>1,269</b>	<b>1,235</b>	<b>2.8%</b>	<b>1,207</b>	<b>5.1%</b>	<b>1,184</b>	<b>7.2%</b>
<b>EBIT</b>	<b>849</b>	<b>807</b>	<b>5.2%</b>	<b>830</b>	<b>2.2%</b>	<b>772</b>	<b>10.0%</b>
Less: Depreciation	420	428	(1.9%)	377	11.5%	412	
Add: Other income	293	348	(15.7%)	284	3.3%	345	(15.0%)
<b>Profit Before Tax</b>	<b>1,142</b>	<b>1,155</b>	<b>(1.1%)</b>	<b>1,114</b>	<b>2.5%</b>	<b>1,117</b>	<b>2.3%</b>
<b>Adjusted Profits</b>	<b>1,142</b>	<b>1,155</b>	<b>(1.1%)</b>	<b>1,114</b>	<b>2.5%</b>	<b>1,117</b>	<b>2.3%</b>
Less: Total Tax	292	260	12.2%	268	8.9%	255	
<b>PAT</b>	<b>850</b>	<b>894</b>	<b>(4.9%)</b>	<b>846</b>	<b>0.5%</b>	<b>862</b>	<b>(1.4%)</b>
<b>Adjusted PAT</b>	<b>850</b>	<b>894</b>	<b>(4.9%)</b>	<b>846</b>	<b>0.5%</b>	<b>862</b>	<b>(1.4%)</b>
<b>Reported Diluted EPS (Rs.)</b>	<b>11.1</b>	<b>11.7</b>	<b>(4.9%)</b>	<b>10.7</b>	<b>4.0%</b>	<b>11.3</b>	
Adjusted Diluted EPS (Rs.)	11.1	11.7	(4.9%)	11	4.0%	11.3	(1.4%)
<b>No of Shared Diluted (mn)</b>	<b>76</b>	<b>76</b>		<b>79</b>		<b>76</b>	
<b>Margin Analysis %</b>			<b>Change in bps</b>		<b>Change in bps</b>		<b>Deviation in bps</b>
EBIT margin	9.2%	8.7%	42	10.0%	(82)	8.4%	73
EBIDTA Margin	13.7%	13.4%	32	14.5%	(81)	12.9%	77
NPM	9.2%	9.7%	(51)	10.2%	(100)	9.4%	(24)
Adjusted NPM	9.2%	9.7%	(51)	10.2%	(100)	9.4%	(24)
Effective Tax Rate %	25.6%	22.6%	302	24.1%	150	22.8%	274
<b>Cost Analysis %</b>			<b>Change in bps</b>		<b>Change in bps</b>		<b>Deviation in bps</b>
Employee Cost/Net Sales	73.8%	71.5%	238	68.8%	504	72.1%	176
SG&A/Net sales	12.5%	15.2%	(269)	16.7%	(423)	15.0%	(253)

### Key Trends

Segment Revenue Mix (% Terms)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Services (Technology Services)	41.5%	43%	42%	44.6%	45.8%	45%	47%	48.4%
Digital (Technology Services)	21.4%	22%	23%	24.4%	22.7%	22.4%	23%	25.3%
Alliance	32.1%	30%	29%	24.8%	27.8%	28%	27%	22%
accelerite	5.0%	6%	6%	6.2%	3.7%	4%	4%	4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
By Horizontal (\$ Terms)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
<b>Services</b>	<b>51</b>	<b>51</b>	<b>51</b>	<b>53</b>	<b>55</b>	<b>57</b>	<b>60</b>	<b>61</b>
Q-o-Q (%)	-3.6%	-0.9%	-0.4%	4.2%	3.8%	3.5%	6.1%	2.2%
Y-o-Y (%)	2.0%	-1.5%	-1.4%	-0.8%	6.8%	11.6%	18.9%	16.5%
<b>Digital</b>	<b>26</b>	<b>26</b>	<b>28</b>	<b>29</b>	<b>27</b>	<b>28</b>	<b>30</b>	<b>32</b>
Q-o-Q (%)	-5.8%	-1.7%	6.4%	4.3%	-5.9%	3.5%	6.8%	7.0%
Y-o-Y (%)	30.1%	5.4%	2.7%	2.8%	2.7%	8.1%	8.5%	11.4%
<b>Alliance</b>	<b>40</b>	<b>35</b>	<b>36</b>	<b>29</b>	<b>33</b>	<b>35</b>	<b>35</b>	<b>28</b>
Q-o-Q (%)	39.6%	-12.1%	1.9%	-17.4%	13.3%	6.1%	-2.0%	-18.4%
Y-o-Y (%)	20.3%	8.2%	-2.0%	3.2%	-16.2%	1.1%	-2.7%	-3.9%
<b>accelerite</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>
Q-o-Q (%)	-14.8%	5.2%	7.8%	4.6%	-39.7%	21.9%	-13.7%	11.8%
Y-o-Y (%)	-34.1%	-32.0%	-12.0%	1.2%	-28.4%	-17.0%	-33.5%	-29.0%
<b>Total</b>	<b>124</b>	<b>118</b>	<b>121</b>	<b>118</b>	<b>120</b>	<b>126</b>	<b>129</b>	<b>127</b>

Business Offerings Revenue Mix	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Services	73%	74%	75%	78%	79%	78%	79%	84%
IP Led	27%	26%	25%	22%	22%	23%	21%	16%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
<b>Services</b>	<b>90</b>	<b>88</b>	<b>91</b>	<b>93</b>	<b>94</b>	<b>97</b>	<b>102</b>	<b>106</b>
Q-o-Q (%)	-1.3%	-2.0%	3.0%	2.3%	1.2%	3.6%	4.9%	4.3%
Y-o-Y (%)	9.1%	0.7%	1.0%	2.1%	4.6%	10.6%	12.5%	14.7%
<b>IP Led</b>	<b>34</b>	<b>30</b>	<b>30</b>	<b>26</b>	<b>26</b>	<b>28</b>	<b>27</b>	<b>21</b>
Q-o-Q (%)	29.9%	-10.6%	-0.2%	-15.4%	0.6%	9.8%	-2.8%	-24.5%
Y-o-Y (%)	10.2%	-1.4%	-8.0%	-2.0%	-24.1%	-6.7%	-9.2%	-19.0%
<b>Total</b>	<b>124</b>	<b>118</b>	<b>121</b>	<b>118</b>	<b>120</b>	<b>126</b>	<b>130</b>	<b>127</b>

- Alliance business continued to struggle in Q4FY20 with -18% qoq decline due to lower collection in Royalty business and COVID impact in reseller business

- Capabilities built around Red Hat could give rise to several opportunities over the next few years and could definitely serve as a trigger for the vertical

- Performance of Digital segment bounced back to double digit growth, however, well short of the 20% mark target which was envisioned

- Services reported a strong quarter driven by strong offshore volumes and some green shoots in Onsite Billing Rate

- IP led business was impacted due to lower reseller business and a seasonally weak quarter



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### Valuation & Outlook

Persistent is trading at 11.6x / 9.7x FY21e / FY22e EPS. Q4FY20 performance, driven by strong Services performance and steady execution in BFS segment, beat our expectations. However, Persistent continues to be marred by one pain point or another. While Digital business (25.3% of topline) performed subpar versus expectations for 6 straight quarters (from Q2FY19 to Q3FY20) and now shows some promise of turnaround with a double digit growth in Q4FY20, the pain point has now shifted to Alliance business - which has not been able to turn around for the last 7 quarters (Q2FY19 to Q4FY20) despite several efforts / strategies by the management.

Admittedly, management's commentary revolving around Red Hat capabilities and the opportunities it brings, does seem promising and exciting for the Alliance business in the future. These opportunities also coincide with our thought process of heightened demand for Cloud & Automation in a post COVID world. However, in the absence of any guidance coupled with lower visibility in the current situation and volatility in Alliance business as well as IP-led business, we would prefer to wait and watch another quarter or 2 before upgrading our target price. Therefore, we recommend a BUY on dips strategy on the stock with a target price of INR 570.

### Key Financials

Profit & Loss A/c					
YE March (Rs. mn)	FY18	FY19	FY20	FY21E	FY22E
<b>Net Sales</b>	<b>30,337</b>	<b>33,659</b>	<b>35,658</b>	<b>37,452</b>	<b>41,326</b>
Growth %	5.4%	11.0%	5.9%	5.0%	10.3%
<b>Total Revenue</b>	<b>30,337</b>	<b>33,659</b>	<b>35,658</b>	<b>37,452</b>	<b>41,326</b>
Employee Cost & Related Expenses	21,497	22,740	25,475	27,402	29,229
Miscellaneous Expenses	4,180	5,413	5,260	5,060	6,199
<b>Total Operating Expenditure</b>	<b>25,677</b>	<b>28,153</b>	<b>30,735</b>	<b>32,462</b>	<b>35,428</b>
<b>EBIDTA</b>	<b>4,660</b>	<b>5,506</b>	<b>4,923</b>	<b>4,991</b>	<b>5,899</b>
Growth %	0.1%	18.2%	-10.6%	1.4%	18.2%
Less: Depreciation	1,585	1,573	1,660	1,666	1,653
<b>EBIT</b>	<b>3,076</b>	<b>3,934</b>	<b>3,263</b>	<b>3,324</b>	<b>4,245</b>
Growth %	-2.8%	27.9%	-17.1%	1.9%	27.7%
Interest Paid	1	3	63	0	0
Non-operating Income	1,218	933	1,324	1,124	1,033
<b>Profit Before tax</b>	<b>4,293</b>	<b>4,864</b>	<b>4,523</b>	<b>4,448</b>	<b>5,279</b>
Tax	1,062	1,347	1,121	1,112	1,320
<b>Net Profit</b>	<b>3,231</b>	<b>3,517</b>	<b>3,403</b>	<b>3,336</b>	<b>3,959</b>
<b>Adjusted Profit</b>	<b>3,231</b>	<b>3,517</b>	<b>3,403</b>	<b>3,336</b>	<b>3,959</b>
<b>Reported Diluted EPS Rs</b>	<b>40.4</b>	<b>44.0</b>	<b>44.5</b>	<b>43.7</b>	<b>51.8</b>
Growth %	7.2%	8.9%	1.3%	-2.0%	18.7%
<b>Adjusted Diluted EPS Rs</b>	<b>40.4</b>	<b>44.0</b>	<b>44.5</b>	<b>43.7</b>	<b>51.8</b>
Growth %	3.3%	8.9%	1.3%	-2.0%	18.7%

Key Ratios					
YE March (Rs. mn)	FY18	FY19	FY20	FY21E	FY22E
<b>EBIDTA (%)</b>	<b>15.4%</b>	<b>16.4%</b>	<b>13.8%</b>	<b>13.3%</b>	<b>14.3%</b>
NPM (%)	10.6%	10.4%	9.5%	8.9%	9.6%
<b>RoE (%)</b>	<b>16.4%</b>	<b>15.7%</b>	<b>13.8%</b>	<b>12.4%</b>	<b>13.5%</b>
RoCE (%)	11.5%	12.5%	9.9%	9.2%	10.8%
<b>Tax Rate %</b>	<b>24.7%</b>	<b>27.7%</b>	<b>24.8%</b>	<b>25.0%</b>	<b>25.0%</b>
Book Value Per share (Rs.)	265.9	293.1	337.0	366.6	401.7

Valuation Ratios					
	FY18	FY19	FY20	FY21E	FY22E
<b>P/E (x)</b>	<b>12.5x</b>	<b>11.5x</b>	<b>11.3x</b>	<b>11.6x</b>	<b>9.7x</b>
EV/EBITDA	8.2x	6.1x	5.3x	4.4x	3.1x
<b>P/BV (x)</b>	<b>1.9x</b>	<b>1.7x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>1.3x</b>
Market Cap. / Sales (x)	1.3x	1.2x	1.1x	1.1x	1.0x

Key Ratios (Consolidated)					
YE March (Rs. mn)	FY18	FY19	FY20	FY21E	FY22E
<b>Key Operating Ratios</b>					
EBITDA Margin (%)	15.4%	16.4%	13.8%	13.3%	14.3%
Tax / PBT (%)	24.7%	27.7%	24.8%	25.0%	25.0%
Net Profit Margin (%)	10.6%	10.4%	9.5%	8.9%	9.6%
RoE (%)	16.4%	15.7%	13.8%	12.4%	13.5%
RoCE (%)	11.5%	12.5%	9.9%	9.2%	10.8%
Current Ratio (x)	3.6x	3.9x	4.5x	4.0x	4.0x
Dividend Payout (%)	32.2%	32.2%	32.2%	32.2%	32.2%
Book Value Per Share (Rs.)	265.9	293.1	337.0	366.6	401.7
<b>Growth Indicators %</b>					
Growth in Gross Block (%)	4.1%	0.9%	13.5%	23.8%	9.6%
Sales Growth (%)	5.4%	11.0%	5.9%	5.0%	10.3%
EBITDA Growth (%)	0.1%	18.2%	(10.6%)	1.4%	18.2%
Net Profit Growth (%)	7.2%	8.9%	(3.2%)	(2.0%)	18.7%
Diluted EPS Growth (%)	7.2%	8.9%	1.3%	(2.0%)	18.7%

Balance Sheet (Consolidated)					
YE March (Rs. mn)	FY18	FY19	FY20	FY21E	FY22E
<b>Liabilities</b>					
Equity Capital	800	791	791	791	791
Reserves & Surplus	20,472	22,656	24,963	27,225	29,909
<b>Equity</b>	<b>21,272</b>	<b>23,447</b>	<b>25,754</b>	<b>28,016</b>	<b>30,700</b>
<b>Net Worth</b>	<b>21,272</b>	<b>23,447</b>	<b>25,754</b>	<b>28,016</b>	<b>30,700</b>
<b>Total Loans</b>	<b>17</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
<b>Capital Employed</b>	<b>21,719</b>	<b>23,712</b>	<b>25,976</b>	<b>28,236</b>	<b>30,960</b>
<b>Assets</b>					
Gross Block	7,324	7,390	8,390	10,390	11,390
Less: Depreciation	4,743	5,059	6,719	8,385	10,038
<b>Net Block</b>	<b>2,581</b>	<b>2,331</b>	<b>1,672</b>	<b>2,005</b>	<b>1,352</b>
<b>Investments</b>	<b>3,010</b>	<b>4,763</b>	<b>4,888</b>	<b>5,010</b>	<b>5,158</b>
Intangible Assets	2,585	1,980	71	75	83
<b>Current Assets</b>					
Sundry Debtors	4,847	4,923	4,885	5,028	5,095
Current Investments	5,916	3,296	2,853	1,873	2,066
Cash and Bank Balance	2,414	6,724	14,180	18,372	22,129
<b>Total Current Assets</b>	<b>17,882</b>	<b>19,064</b>	<b>24,253</b>	<b>27,538</b>	<b>31,791</b>
<b>Less: Current Liabilities &amp; Provisions</b>					
Sundry Creditors	1,673	1,517	2,526	2,846	3,397
<b>Total Current Liabilities &amp; Provisions</b>	<b>4,989</b>	<b>4,844</b>	<b>5,356</b>	<b>6,858</b>	<b>7,940</b>
<b>Capital Applied</b>	<b>21,719</b>	<b>23,712</b>	<b>25,976</b>	<b>28,236</b>	<b>30,960</b>

Cash Flows (Consolidated)					
YE March (Rs. Mn)	FY18	FY19	FY20	FY21E	FY22E
<b>PAT</b>	<b>3,230.9</b>	<b>3,517.0</b>	<b>3,402.9</b>	<b>3,336.0</b>	<b>3,959.0</b>
Add: Depreciation	1,584.9	1,572.5	1,659.6	1,666.2	1,653.1
Add: Interest Paid	0.8	3.1	63.3	0.0	0.0
<b>Operating Profit before WC Changes</b>	<b>3,598.7</b>	<b>4,159.7</b>	<b>3,802.1</b>	<b>3,878.7</b>	<b>4,578.9</b>
(Inc)/Dec in Current Assets	(3,119.6)	3,127.9	2,267.3	906.6	(495.3)
Inc/(Dec) in Current Liabilities	2,810.6	(145.0)	511.3	1,501.8	1,082.0
<b>Net Cash Generated From Operations</b>	<b>3,289.6</b>	<b>7,142.6</b>	<b>6,580.8</b>	<b>6,287.1</b>	<b>5,165.6</b>
<b>Cash Flow from Investing Activities</b>					
(Inc)/Dec in Fixed Assets	(287.7)	(66.3)	(1,000.0)	(2,000.0)	(1,000.0)
Add: Non Operating Income	1,217.9	932.9	1,323.8	1,123.6	1,033.2
<b>Cash Flow from Investing Activities</b>	<b>(66.5)</b>	<b>(49.5)</b>	<b>2,076.7</b>	<b>(1,019.0)</b>	<b>(172.6)</b>
<b>Cash Flow from Financing Activities</b>					
Dividend Paid	(904.6)	(984.8)	(952.8)	(934.1)	(1,108.5)
<b>Net Cash Flow from Financing Activities</b>	<b>(1,039.2)</b>	<b>(2,783.3)</b>	<b>(1,201.5)</b>	<b>(1,075.8)</b>	<b>(1,235.8)</b>
<b>Net Inc/Dec in cash equivalents</b>	<b>2,183.9</b>	<b>4,309.8</b>	<b>7,455.9</b>	<b>4,192.3</b>	<b>3,757.2</b>
<b>Opening Balance</b>	<b>230.1</b>	<b>2,414.0</b>	<b>6,723.8</b>	<b>14,179.8</b>	<b>18,372.1</b>
<b>Closing Cash Balance</b>	<b>2,414.0</b>	<b>6,723.8</b>	<b>14,179.8</b>	<b>18,372.1</b>	<b>22,129.3</b>

Free Cash Flow Analysis					
	FY18	FY19	FY20E	FY21E	FY22E
<b>EBITDA</b>	<b>4,660</b>	<b>5,506</b>	<b>4,923</b>	<b>4,991</b>	<b>5,899</b>
<b>Add: Depreciation Tax Shield</b>	<b>392</b>	<b>435</b>	<b>411</b>	<b>417</b>	<b>413</b>
<b>Working Capital Changes</b>	<b>1,828</b>	<b>3,292</b>	<b>(204)</b>	<b>(370)</b>	<b>(1,822)</b>
<b>Less: Inc in FC Investment</b>	<b>288</b>	<b>66</b>	<b>1,000</b>	<b>2,000</b>	<b>1,000</b>
<b>Taxes Paid</b>	<b>1,062</b>	<b>1,347</b>	<b>1,121</b>	<b>1,112</b>	<b>1,320</b>
<b>Total Free Cash Flows</b>	<b>5,531</b>	<b>7,821</b>	<b>3,009</b>	<b>1,925</b>	<b>2,170</b>



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