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Issue Details

Listing	BSE & NSE
Open Date	27 th July 2021
Close Date	29 th July 2021
Price Band	INR 695-720
Market Lot	20 shares
Minimum Lot	1 Lot

Glenmark Life Sciences Ltd (GLS), established in 2011, is the wholly owned subsidiary of Glenmark Pharmaceuticals Ltd. It is one of the leading manufacturers of select high value, non-commoditized, low-cost APIs in chronic therapeutic areas, including cardiovascular (CVS) disease, central nervous system (CNS) disease, pain management and diabetes. As of 31st Mar 2021, the company had a portfolio of 120 molecules and 403 DMFs. It plans to introduce 8-10 molecules every year.

Issue Structure

Offer for sale	30%
Fresh Issue	70%
Issue Size	INR 1,514 cr
Total no of shares	21,022,222
QIB share (%)	≥ 50%
Non Inst share (%)	≤ 15%
Retail share (%)	≤ 35%

The company also provides contract development and manufacturing operations (CDMO) services to a range of multinational and specialty pharmaceutical companies globally. CDMO contributes 8-10% to the overall revenue, while the rest comes from API.

It has a global footprint spanning all the regulated markets (Europe, North America, Japan) and rest of the world. Around 16 out of 20 of the largest generic companies globally are its customers and GLS generates 45-50% of its revenue from exports. Along with parent Glenmark Pharma (~35% revenue contribution), these large clients ensure a steady revenue stream.

Shareholding Pattern

	Pre (%)	Post (%)
Promoters	100.0	82.8
Institutional	0.0	8.6
Public	0.0	8.6

GLS has dedicated in-house R&D facilities at Mahape in Maharashtra and Ankleshwar & Dahej in Gujarat. 213 research personnel at these facilities work on new product development, cost efficiencies and process validation. GLS's R&D initiatives are to develop molecules which have a high chemical complexity and limited competition. It is focusing on the areas of iron compounds, peptides, oncology and complex injectables. We believe that these initiatives should fortify its product portfolio, sustain the current growth rate and be margin accretive.

The company operates four manufacturing facilities which are certified by global regulators and it has an unblemished track record of not being pulled up for any kind of violations. This is testimony to the superior total quality management and helps in uninterrupted production and supply to the highly regulated global markets. This is a competitive advantage not many peers can boast off.

Key Financials (in ₹ crores)

	Sales	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS ₹	BV ₹	RoE (%)	RoIC (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)
FY20	1,537.3	472.0	313.2	30.7	20.4	25.6	32.8	78.0	23.4	28.2	22.0	20.9
FY21	1,885.1	591.2	351.9	31.4	18.7	28.7	61.4	46.7	27.0	25.1	11.7	16.3
FY22E	2,236.0	654.3	446.0	29.3	19.9	36.4	186.2	19.5	25.9	19.8	3.9	12.7
FY23E	2,636.2	794.1	585.2	30.1	22.2	47.8	234.0	20.4	27.4	15.1	3.1	10.1
FY24E	3,155.0	944.9	707.4	29.9	22.4	57.7	291.7	19.8	27.6	12.5	2.5	8.1

Details of Manufacturing Facilities

Plant Location	FY21 Capacity	FY21 Capacity Utilization (%)	Approvals	Last Inspection
Ankleshwar (Gujarat)	301 KL	86.0	FDCA, Gujarat	May 2021
			USFDA (USA)	Jul 2019
			MHRA (United Kingdom)	Nov 2016
			FIMEA (Finland)	Jul 2014
			Romania (Europe)	Feb 2014
			PMDA (Japan)	Aug 2019
			COFEPRIS (Mexico)	Feb 2016
			Health Canada	Jul 2019
			KFDA (South Korea)	Apr 2011
Dahej (Gujarat)	151 KL	88.0	USFDA (USA)	Oct 2018
			EDQM (Europe)	Mar 2018
			PMDA (Japan)	Dec 2016
			KFDA (South Korea)	May 2017
Mohol (Gujarat)	55 KL	85.8	USFDA (USA)	Mar 2018
			Maharashtra FDA	Jan 2021
Kurkumbh (Gujarat)	56 KL	67.5	Maharashtra FDA	Jan 2021

Source: Company Reports

GLS is expanding its API manufacturing capacities at Ankleshwar and Dahej by 200 kilo litre (KL). This additional capacity will cater to the new focus areas, one of them being oncology. Post this expansion, the management has plans to further enhance API capacities by 800 KL during FY23-26, which will be a greenfield project built on a 40-acre area. This new facility will also provide a platform for the CDMO business.

GLS was incorporated as Zorg Laboratories Pvt Ltd in 2011 and subsequently it was fully acquired by Glenmark Pharmaceuticals in July 2018. During FY19-21, the company's revenue grew at a CAGR of 15.8%, driven by its mature portfolio and increasing contribution from its new molecular developments. The API business grew at a CAGR of 15.6% to INR 1,687 cr, while the fledgling CDMO business grew at a CAGR of 67.4% to INR 151 cr.

Over the same period, EBITDA and PAT grew at a CAGR of 17.3% (to INR 591 cr) and 9.6% (to INR 352 cr) respectively. EBITDA margins improved by 79bps to 31.4% due to better product mix and higher capacity utilizations. However, PAT margins deteriorated by 219bps to 18.7% on account of higher interest cost. The net debt to equity declined from 2.7X in FY19 to 1.4X in FY21, while the gross debt was lowered to INR 933 cr in FY21 from INR 1,162 cr in FY19. Higher margins and superior asset turns (despite the stretched working capital cycle) helped improve return ratios RoCE and RoIC to 25.2% (+65bps) and 27.0% (+247bps), respectively, in FY21.

The management is looking to raise INR 1,514 cr through a maiden public offering (INR 1060 cr through fresh issue and INR 454 cr through OFS). Of the issue proceeds INR 800 cr will go towards repayment of the of outstanding debt (purchase consideration to Glenmark Pharma for spin off of the API business) and INR 153 cr to fund its capex at Ankleshwar and Dahej facilities and the balance towards other corporate expenses.

We expect GLS to grow its revenue at a CAGR of 18.7% to INR 3,155 cr over the period of FY21-24E. EBITDA and net profit over the same period are set to grow at a CAGR of 16.9% to INR 945 cr and 26.2% to INR 707 cr, respectively. EBITDA margins are expected to deteriorate by 141bps (to 29.9%), since the operationalization of the new facilities would lead to an increase in overhead costs. Management aspires to maintain margins at over 30% and is undertaking a number of initiatives like

- backward integration into KSM (Key Starter Material) manufacture which will help lower cost of production
- optimizing sourcing mix
- focus on high margin product categories
- localized sourcing in case of imports

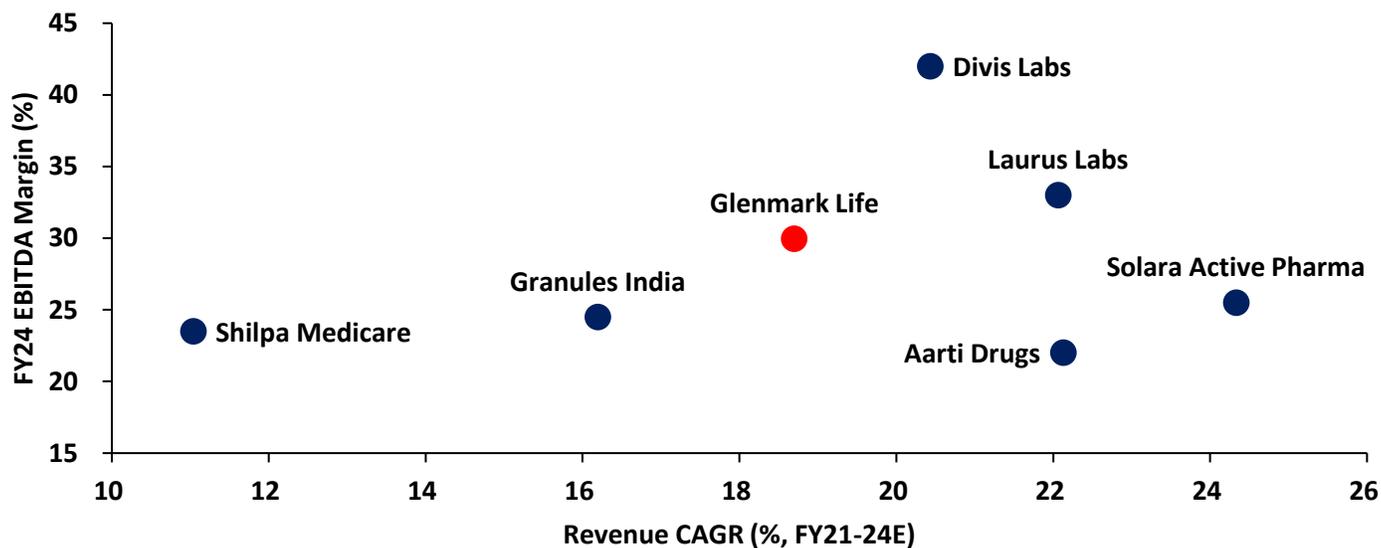
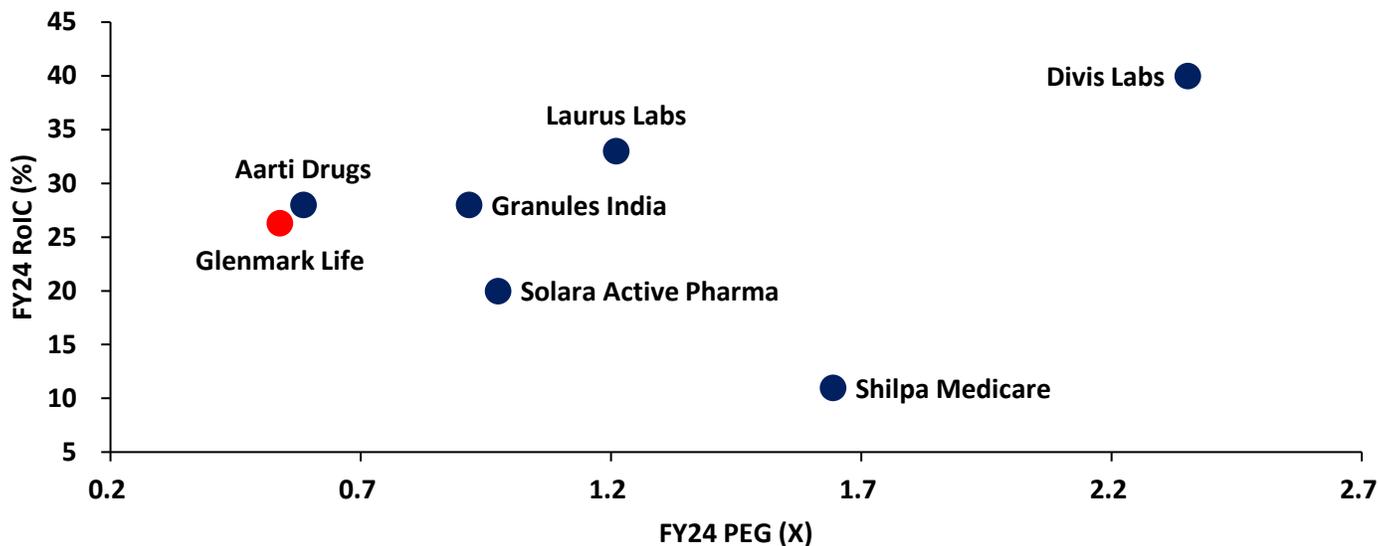
Currently, the management outsources almost 68% of its requirements from China. Keeping in mind the geopolitical risks, the management is working on reducing imports from China. The management has stated that China would continue to remain an important sourcing geography given the long-term relations and dependable supplies from these vendors. However, the management continues to diversify its sourcing base so that its dependency, which is currently at 30%, would come down to 10% in the near term. While imports from China may not come down, the availability of other options would ensure that the China risk is minimized greatly.

The repayment of the entire dues of INR 800 cr to Glenmark Pharma is expected to eliminate interest cost going ahead. As a result, net margins are expected to improve by 375bps to 22.4%. While RoIC is expected to improve marginally to 27.6% (+52bps), RoE is expected to deteriorate to 19.8% (-2696bps) due to the equity raise.

Valuation

We initiate coverage with a SUBSCRIBE for long term investing. Our target price of INR 1,039 (18X FY24 earnings) represents a potential upside of 44% from the offer price of INR 720 over a period of 18-24 months.

The business environment, futuristic product portfolio, success in new product development and planned capacity expansions bolster our confidence in sustaining growth, margins and return ratios over the forecast period.

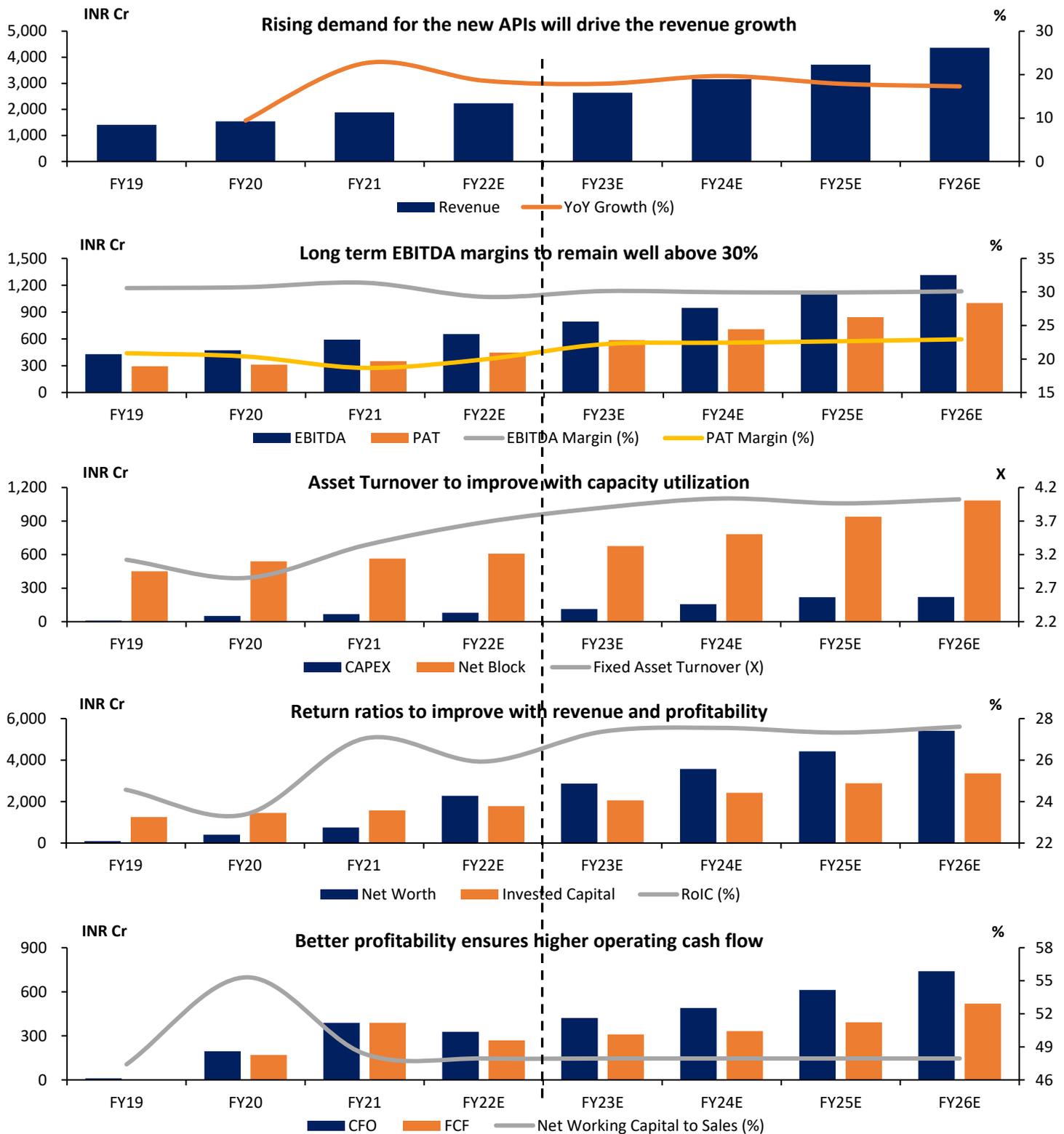
GLS's specialty portfolio warrants a re-rating of its valuations


Source: Bloomberg & Ventura Research

Pharmaceutical Ingredient Suppliers Peer Comparison

Particulars	Revenue	EBITDA	Net Profit	EBITDA Margin (%)	Net Margin (%)	EPS ₹	BVPS ₹	RoE (%)	RoIC (%)	P/E	P/B	EV/EBITDA
Glenmark Life Sciences Ltd (CMP: Rs.720 Mkt Cap: Rs.8820 cr)												
FY19	1,405	430	293	30.6	20.9	23.9	7.2	332.8	24.6	30.1	100.2	23.2
FY20	1,537	472	313	30.7	20.4	25.6	32.8	78.0	23.4	28.2	22.0	20.9
FY21	1,885	591	352	31.4	18.7	28.7	61.4	46.7	27.0	25.1	11.7	16.3
FY22	2,236	654	446	29.3	19.9	36.4	186.2	19.5	25.9	19.8	3.9	12.7
FY23	2,636	794	585	30.1	22.2	47.8	234.0	20.4	27.4	15.1	3.1	10.1
Divis Laboratories Ltd. (CMP: Rs.4824 Mkt Cap: Rs.128061 cr)												
FY19	4,804	1,872	1,353	39.0	28.2	51.0	262.1	19.4	30.7	94.7	18.4	67.7
FY20	5,291	1,822	1,376	34.4	26.0	51.9	262.1	19.8	26.2	93.0	18.4	69.7
FY21	6,870	2,811	1,960	40.9	28.5	73.8	328.5	22.5	32.9	65.3	14.7	45.2
FY22	8,419	3,464	2,470	41.1	29.3	93.0	406.4	22.9	37.4	51.8	11.9	36.3
FY23	10,058	4,200	3,040	41.8	30.2	114.5	489.0	23.4	40.2	42.1	9.9	29.7
Laurus Labs Ltd. (CMP: Rs.647.6 Mkt Cap: Rs.34748 cr)												
FY19	2,240	356	95	15.9	4.2	1.8	29.3	6.0	7.4	366.7	22.1	100.5
FY20	2,759	565	257	20.5	9.3	4.8	29.3	16.4	13.3	135.2	22.1	63.4
FY21	4,674	1,505	953	32.2	20.4	17.8	49.8	35.7	31.0	36.5	13.0	24.1
FY22	5,919	1,896	1,188	32.0	20.1	22.1	69.3	31.9	32.9	29.2	9.3	19.0
FY23	6,990	2,266	1,416	32.4	20.3	26.4	94.6	27.9	33.3	24.5	6.8	15.7
Shilpa Medicare Ltd. (CMP: Rs.630.4 Mkt Cap: Rs.5139 cr)												
FY19	733	156	112	21.2	15.3	13.8	146.9	9.4	8.4	45.8	4.3	34.0
FY20	908	220	156	24.2	17.2	19.2	146.9	13.0	10.5	32.9	4.3	25.0
FY21	913	197	119	21.5	13.0	14.6	183.0	8.0	9.1	43.2	3.4	27.9
FY22	1,052	226	126	21.5	12.0	15.5	195.9	7.9	9.0	40.7	3.2	24.3
FY23	1,182	275	162	23.3	13.7	19.9	214.4	9.3	10.4	31.8	2.9	20.0
Aarti Drugs Ltd. (CMP: Rs.716.6 Mkt Cap: Rs.6636 cr)												
FY19	1,561	207	88	13.3	5.6	9.5	57.6	16.5	16.5	75.3	12.4	34.3
FY20	1,806	262	140	14.5	7.8	15.2	57.6	26.3	21.4	47.2	12.4	26.7
FY21	2,196	467	296	21.3	13.5	32.0	108.5	29.4	30.5	22.4	6.6	15.0
FY22	2,594	546	357	21.1	13.8	38.6	137.3	28.1	29.2	18.6	5.2	12.8
FY23	3,213	696	468	21.7	14.6	50.5	189.6	26.6	27.7	14.2	3.8	10.0
Solara Active Pharma Science Ltd. (CMP: Rs.1708 Mkt Cap: Rs.6137 cr)												
FY19	1,387	221	78	16.0	5.6	21.8	370.9	5.9	8.1	78.5	4.6	29.4
FY20	1,322	259	160	19.6	12.1	44.6	370.9	12.0	8.3	38.3	4.6	25.8
FY21	1,613	387	229	24.0	14.2	63.7	447.2	14.3	15.0	26.8	3.8	16.7
FY22	2,275	564	279	24.8	12.3	77.8	634.1	12.3	17.4	22.0	2.7	11.6
FY23	2,623	660	324	25.2	12.3	90.1	720.3	12.5	19.6	19.0	2.4	9.6
Granules India Ltd. (CMP: Rs.379.5 Mkt Cap: Rs.9399 cr)												
FY19	2,279	384	230	16.8	10.1	9.3	60.2	15.5	11.9	40.8	6.3	26.7
FY20	2,599	525	327	20.2	12.6	13.2	60.2	21.9	15.8	28.8	6.3	19.1
FY21	3,251	847	535	26.1	16.5	21.6	93.6	23.1	24.9	17.6	4.1	11.7
FY22	3,775	849	514	22.5	13.6	20.7	108.4	19.1	23.2	18.3	3.5	11.4
FY23	4,491	1,089	672	24.2	15.0	27.1	135.7	20.0	27.5	14.0	2.8	8.6

Source: Bloomberg & Ventura Research



Source: Company Reports and Ventura Research

Details of Manufacturing Facilities

Plant Location	FY21 Capacity	No of Employees	Top Products
Ankleshwar (Gujarat)	301 KL	900 employees	Amiodarone (CVS), Olmesartan (CVS), Perindopril (CVS), Oxcarbazepine (CNS)
Dahej (Gujarat)	151 KL	259 employees	Amiodarone (CVS), Etoricoxib (Pain management), Omeprazole (Gastro-intestinal), Fluconazole (anti-infective), Cilostazol (CVS)
Mohol (Maharashtra)	55 KL	78 employees	Telmisartan (CVS), Rosuvastatin (CVS), Vildagliptin (diabetes)
Kurkumbh (Maharashtra)	56 KL	70 employees	Glimepiride (diabetes), Sertaconazole (dermatology), Adapalene (dermatology)

Source: Company Reports

Diversified Product Portfolio

Product Area	FY21 Revenue Contribution (%)	No of Products	Key Products
CVS Therapeutic Area	45.44	21	Olmesartan, Amiodarone, Telmisartan, Perindopril, Rosuvastatin and Cilostazol.
CNS Therapeutic Area	9.82	27	Oxcarbazepine, Zonisamide, Topiramate, Bupropion, Ropinirole, Riluzole and Lacosamide.
Diabetes Therapeutic Area	3.62	9	Glimepiride, Teneligliptin, Vildagliptin and Linagliptin.
Pain Management Therapeutic Area	4.13	2	Etoricoxib and Lornoxicam.
APIs in Other Therapeutic Areas	36.99	NA	The other generic API business is focused on manufacturing APIs for other therapeutic areas, such as gastro-intestinal disorders, anti-infective, respiratory, anti-emetic and other therapeutic areas. Key products include Atovaquone, Voriconazole, Mirabegron, Desloratadine, Esomeprazole Magnesium, Adapalene and Fluconazole.

Source: Company Reports

Market Share in Key Products

Market Share Range	Quantity Contribution to Sales from API business in FY21	Value Contribution to Sales from API business in FY21	Key Products
<10%	27.3	35.6	Olmesartan, Rosuvastatin, Oxcarbazepine, Voriconazole
10-20%	31	17.8	Telmisartan, Etoricoxib, Teneligliptin
20-30%	1	3	Desloratadine, Riluzole, Cilazapril
>30%	40.7	43.6	Atovaquone, Perindopril, Adapalene, Zonisamide

Source: Company Reports

Management Team

Key Person	Designation	Details
Mr Glenn Saldanha	Chairman and Non Executive Director	He holds a bachelor's degree in pharmaceutical sciences from University of Bombay. He also holds a master's degree in business administration from the Leonard N. Stern School of Business at New York University. He is also the chairman and managing director of our Promoter, Glenmark Pharma Ltd.
Mr Yasir Rawjee	MD and CEO	He leads the overall operations and is responsible for the overall business strategy. He holds a bachelor's degree in science from St. Xavier's College, University of Bombay and a bachelor's degree in science from University Department of Chemical Technology, University of Bombay. He also holds a PhD from Texas A&M University, U.S.A. Prior to joining GLSL, he was the head of global API operations at Mylan Labs Ltd. He was also the senior VP at Matrix Laboratories Ltd and has worked in GlaxoSmithKline in the USA.
Mr Sumantra Mitra	Executive Director	He is responsible for talent acquisition, talent management, capability development, organizational development and industrial relations, besides other aspects of the human resources agendas. He holds a bachelor's degree in social work from Visva Bharati University and a master's degree in social work from University of Pune. Prior to joining GLSL he was the vice president – human resources at Nilkamal Ltd. He has also worked with M&M in the automotive sector and with Glenmark Pharma Ltd.
Mr Bhavesh Pujara	CFO	He has been associated with GLSL since December 1, 2020. He is responsible for managing the overall finance function. He is a CA from the Institute of Chartered Accountants of India. He also has a degree in bachelor of commerce from the Maharaja Sagajirao University of Baroda. Prior to joining GLSL, he has worked with Lupin Ltd. He has also been associated with Eli Lilly and Company (India) Pvt Ltd and Dr. Reddy's Labs Ltd
Mr Vinod Naik	VP and Head of Technical Operations	He oversees the daily operations of the manufacturing plants such as production and manufacturing of APIs and intermediates. He is also responsible for the supply chain function. He holds a bachelor's of science degree and a master's of science degree from the Karnatak University, Dharwad. Prior to joining GLSL, he was working with Sun Pharma Industries Ltd. He has also been associated with Cipla Ltd where was heading a manufacturing unit and has worked with Micro Labs Ltd, as vice president of the technical and operations department.
Mr Palle V R Acharyulu	VP and Head of R&D	He leads the R&D team to plan and execute API research and development. He also leads the project management and intellectual property functions GLSL. He holds a masters of sciences degree in chemistry from the University of Hyderabad. He holds a PhD in chemistry from the University of Hyderabad. Prior to joining GLSL, he has worked with Biocon Ltd. He was also a director at Dr Reddy's Labs Ltd. He has also been associated with Sun Pharma Industries Ltd as a senior executive of the research and development department (organic synthesis) department.

Source: Company Reports

Issue Structure and Offer Details

The proposed issue size of GLS's IPO is INR 1,514 cr, out of which INR 1,060 cr is through a fresh issue, while INR 454 cr is an offer for sale. The price band for the issue is in the range of INR 695-720 and the bid lot is 20 shares and multiples thereof.

Issue Structure		
Category	No. of shares offered	No of shares Offered
QIB	At least 10,511,111	At least 50% of public issue
Non-Institutional Bidders	Not more than 3,153,333	Not more than 15% of public issue
Retail	Not more than 7,357,778	Not more than 35% of public issue

* No of shares based on higher price band of INR 720

Source: Company Reports & SEBI

Shareholding Pattern		
Category	Pre-issue	Post-issue
Promoters	100.0%	82.8%
Institutions	0.0%	8.6%
Public	0.0%	8.6%

Source: Company Reports and SEBI

Financial & Projections

Figures in INR Crores	FY20	FY21	FY22E	FY23E	FY24E	Figures in INR Crores	FY20	FY21	FY22E	FY23E	FY24E
Income Statement						Per Share Data (Rs) & Yield (%)					
Revenue	1,537.3	1,885.1	2,236.0	2,636.2	3,155.0	Adjusted EPS	25.6	28.7	36.4	47.8	57.7
<i>YoY Growth (%)</i>	<i>9.4</i>	<i>22.6</i>	<i>18.6</i>	<i>17.9</i>	<i>19.7</i>	Adjusted Cash EPS	28.0	31.4	39.5	51.3	61.9
Raw Material Cost	690.5	905.4	1,050.9	1,212.7	1,451.3	Adjusted BVPS	32.8	61.4	186.2	234.0	291.7
<i>YoY Growth (%)</i>	<i>10.2</i>	<i>31.1</i>	<i>16.1</i>	<i>15.4</i>	<i>19.7</i>	CFO per share	15.9	31.7	26.7	34.4	39.9
Employee Cost	142.2	149.1	220.1	289.4	364.4	CFO Yield	2.2	4.4	3.7	4.8	5.5
<i>YoY Growth (%)</i>	<i>9.7</i>	<i>4.9</i>	<i>47.6</i>	<i>31.5</i>	<i>25.9</i>	FCF per share	13.8	31.7	22.0	25.3	27.1
Power & Fuel Cost	76.7	74.1	93.0	108.8	126.2	FCF Yield	1.9	4.4	3.0	3.5	3.8
<i>YoY Growth (%)</i>	<i>6.7</i>	<i>(3.4)</i>	<i>25.5</i>	<i>17.0</i>	<i>16.0</i>	Solvency Ratio (X)					
Other Expenses	155.9	165.3	217.7	231.2	268.2	Total Debt to Equity	2.6	1.2	0.0	0.0	0.0
<i>YoY Growth (%)</i>	<i>5.6</i>	<i>6.0</i>	<i>31.7</i>	<i>6.2</i>	<i>16.0</i>	Net Debt to Equity	2.6	1.1	(0.2)	(0.3)	(0.3)
EBITDA	472.0	591.2	654.3	794.1	944.9	Net Debt to EBITDA	2.2	1.4	(0.8)	(1.0)	(1.2)
<i>YoY Growth (%)</i>	<i>9.9</i>	<i>25.3</i>	<i>10.7</i>	<i>21.4</i>	<i>19.0</i>	Return Ratios (%)					
<i>Margin (%)</i>	<i>30.7</i>	<i>31.4</i>	<i>29.3</i>	<i>30.1</i>	<i>29.9</i>	Return on Equity	78.0	46.7	19.5	20.4	19.8
Depreciation	29.3	33.3	37.4	43.3	51.4	Return on Capital Employed	23.2	25.2	20.2	19.6	18.7
<i>Depreciation to Gross Block (%)</i>	<i>5.0</i>	<i>5.2</i>	<i>5.2</i>	<i>5.2</i>	<i>5.2</i>	Return on Invested Capital	23.4	27.0	25.9	27.4	27.6
EBIT	442.7	557.9	616.8	750.8	893.5	Working Capital Ratios					
<i>YoY Growth (%)</i>	<i>9.5</i>	<i>26.0</i>	<i>10.6</i>	<i>21.7</i>	<i>19.0</i>	Inventory Days	98	99	100	100	100
<i>Margin (%)</i>	<i>28.8</i>	<i>29.6</i>	<i>27.6</i>	<i>28.5</i>	<i>28.3</i>	Receivable Days	152	120	120	120	120
Other Income	11.9	0.8	8.3	31.3	51.8	Payable Days	48	43	45	45	45
Finance Cost	33.5	87.5	29.2	0.0	0.0	Net Working Capital Days	202	177	175	175	175
PBT	421.1	471.2	596.0	782.1	945.3	Net Working Capital to Sales (%)	55.3	48.4	47.9	47.9	47.9
<i>YoY Growth (%)</i>	<i>4.2</i>	<i>11.9</i>	<i>26.5</i>	<i>31.2</i>	<i>20.9</i>	Valuation (X)					
<i>Margin (%)</i>	<i>27.4</i>	<i>25.0</i>	<i>26.7</i>	<i>29.7</i>	<i>30.0</i>	P/E Ratio	28.2	25.1	19.8	15.1	12.5
Reported Tax	107.9	119.3	150.0	196.9	237.9	P/BV Ratio	22.0	11.7	3.9	3.1	2.5
<i>Tax Rate</i>	<i>25.6</i>	<i>25.3</i>	<i>25.2</i>	<i>25.2</i>	<i>25.2</i>	EV/EBITDA	20.9	16.3	12.7	10.1	8.1
PAT	313.2	351.9	446.0	585.2	707.4	EV/Sales	6.4	5.1	3.7	3.0	2.4
<i>YoY Growth (%)</i>	<i>6.9</i>	<i>12.4</i>	<i>26.7</i>	<i>31.2</i>	<i>20.9</i>	Cash Flow Statement					
<i>Margin (%)</i>	<i>20.4</i>	<i>18.7</i>	<i>19.9</i>	<i>22.2</i>	<i>22.4</i>	Profit Before Tax	421.1	471.2	596.0	782.1	945.3
Balance Sheet						Adjustments	66.0	97.6	41.5	28.6	30.4
Share Capital	2.0	2.0	24.5	24.5	24.5	Change in Working Capital	(184.2)	(61.4)	(160.4)	(191.9)	(248.7)
Total Reserves	399.7	750.8	2,256.8	2,842.0	3,549.4	Less: Tax Paid	(107.9)	(119.3)	(150.0)	(196.9)	(237.9)
Shareholders' Fund	401.7	752.7	2,281.3	2,866.5	3,573.9	Cash Flow from Operations	195.0	388.1	327.1	421.9	489.0
LT Borrowings	0.0	0.0	0.0	0.0	0.0	Net Capital Expenditure	(51.2)	(66.4)	(80.0)	(112.0)	(156.8)
LT Provisions	0.0	0.0	0.0	0.0	0.0	Change in Investments	0.7	(2.3)	17.9	2.6	1.2
Deferred Tax Liabilities	16.4	22.8	22.8	22.8	22.8	Cash Flow from Investing	(50.5)	(68.7)	(62.1)	(109.4)	(155.6)
Total Liabilities	418.1	775.5	2,304.1	2,889.3	3,596.7	Change in Borrowings	(136.5)	(213.7)	(932.8)	0.0	0.0
Gross Block	586.5	642.1	722.1	834.1	990.9	Less: Finance Cost	(33.5)	(87.5)	(29.2)	0.0	0.0
Less: Accumulated Depreciation	47.4	77.2	114.6	157.9	209.3	Proceeds from Equity	0.0	0.0	1,082.5	0.0	0.0
Net Block	539.1	564.9	607.5	676.2	781.6	Divided Paid (incl Tax)	0.0	0.0	0.0	0.0	0.0
<i>Fixed Asset Turnover Ratio</i>	<i>2.9</i>	<i>3.3</i>	<i>3.7</i>	<i>3.9</i>	<i>4.0</i>	Cash Flow from Financing	(136.5)	(213.7)	120.6	0.0	0.0
Capital WIP	10.7	14.0	0.0	0.0	0.0	Net Cash Flow	8.0	105.7	385.5	312.6	333.5
Other Intangible Assets	7.1	7.9	7.9	7.9	7.9	FOREX Effect	0.0	0.0	0.0	0.0	0.0
LT Loans & Advances	0.0	0.0	0.0	0.0	0.0	Opening Balance of Cash	1.5	9.5	115.2	500.7	813.3
Other LT Financial Assets	8.5	8.6	10.2	12.1	14.4	Closing Balance of Cash	9.5	115.2	500.7	813.3	1,146.7
Income Tax Assets	0.0	1.1	1.1	1.1	1.1						
Other Non Current Assets	0.0	1.3	1.5	1.8	2.2						
Net Current Assets	(147.3)	177.7	1,675.8	2,190.2	2,789.5						
Total Assets	418.1	775.5	2,304.1	2,889.3	3,596.7						

Source: Company Reports & Ventura Research

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