IDFC SSKI
INDIA RESEARCH

OMCs

Event Update: The whiff of freedom?

Analyst: Probal Sen (91-22-6638 3238; probal@idfcsski.com)
Ramnath S (91-22-6638 3380; ramnaths@idfcsski.com)

Comparative valuations

Company	Price (Rs)	Mkt cap (Rs bn)	Reco.	P/E (x) FY10E	P/E (x) FY11E	P/BV (x) FY10E	P/BV (x) FY11E	EV/EBITDA (x) FY10E	EV/EBITDA (x) FY11E	Target price (Rs)	Upside/downside (%)
IOCL	652	778	Underperformer	10.6	10.0	1.4	1.3	10.4	10.4	616	(5.6)
BPCL	564	204	Underperformer	11.7	11.0	1.4	1.3	9.9	9.6	540	(3.8)
HPCL	400	135	Underperformer	9.7	9.1	1.2	1.1	5.4	4.5	398	(0.5)

Source: IDFC SSKI Research

A spate of positive developments has buoyed the prospects of OMCs over the last two months, with positive announcements on the policy front supporting an improvement in operational metrics. Resultant, the three OMC stocks have reacted positively with IOCL, HPCL and BPCL – gaining 19%, 30% and 26% respectively against 14% returns for Sensex from July till date. While we do expect significant relative improvement in the business environment, we believe the expectation of complete deregulation in auto fuels is too optimistic, as pricing freedom for the OMCs beyond a crude price of ~US$75/ bbl seems tricky to implement. Further, the burden of cooking fuels also becomes difficult for the government to bear on its own beyond the US$75-80/bbl level, and we expect the resultant impact to fall back on OMCs. We build in a net under-recovery burden of Rs88bn in FY10 and Rs94bn in FY11. To factor in the changed scenario, we have upgraded our earnings estimates (by 36%) for the three OMCs with debt levels also reducing as a result. However, the current valuations more than capture this improvement with the three stocks trading at the upper end of their historical multiples. We do not therefore see any material upside from here. However, a prolonged recession in the USA could drag crude price down to US$55-60/bbl levels and remains a key risk to our view. Reiterate Underperformer on the OMCs.

❑ The government making the right noises on deregulation

Expectations have been high from the ruling government with regard to policy reforms in the oil & gas sector. Also, there have been repeated pronouncements from the government (particularly the petroleum ministry) to this effect, which the street has viewed in an extremely positive light:

- The government announced before the Union Budget this year that the subsidy share scheme is being revised. While the upstream companies would have to bear only the auto fuel subsidy from now on, the government will develop an alternate method to fund the SKO/ LPG subsidies almost entirely on its own.
- The finance minister announced in the Union Budget that a new expert committee would be formed to look at the issue of pricing and the tax structure on fuels.

❑ Under-recovery to be lower than FY09 levels

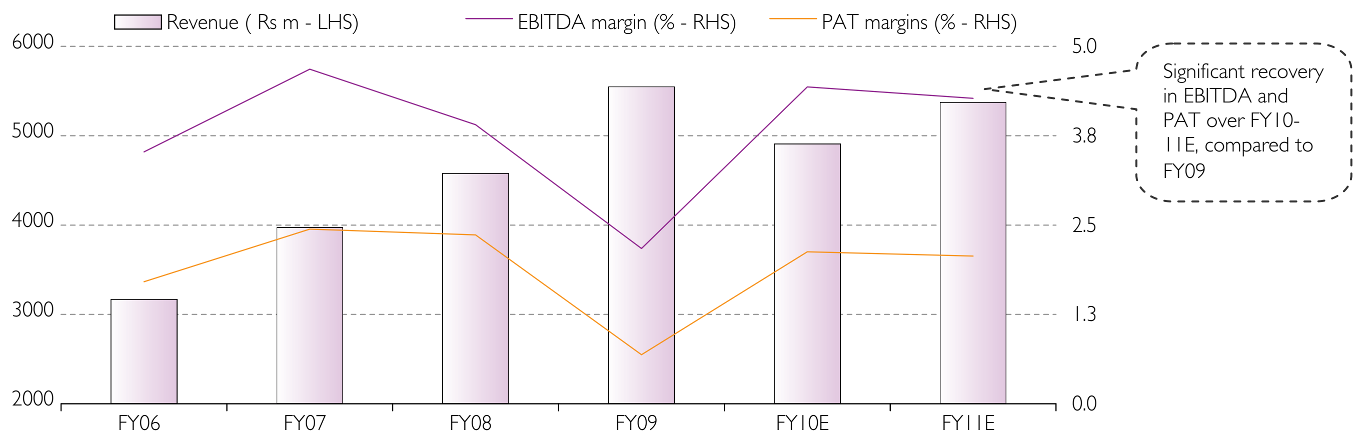
With crude prices having cooled down substantially to US$70/bbl levels, and global demand picking up only gradually, we see crude prices hovering in a narrow range over the next 12 months. The current upturn seen in the commodity, we believe, is on the back of the positive momentum in global equity markets. This provides comfort on under-recovery levels for FY10E and FY11E. And the assurance that the government and upstream companies together would bear a majority of the under-recovery burden, with upstream taking care of only auto fuels, sweetens the deal further for OMCs.

❑ OMCs' numbers set to improve

Even though we remain skeptical of the speed and sustainability of the reform process, as is being factored in by the street, we do note that financial performance of OMCs is slated to improve from our earlier estimates, driven by (i) lower under-recovery burden, (ii) better debt/ cash flow position; and (iii) inventory gains as compared to huge inventory losses for FY09. We see combined EBITDA margins of our three OMCs universe growing to 4% in FY11E from 2%, while PAT margins are estimated to expand to 2% from 0.8% in FY09.

We, however, note that the inventory benefit has been driven largely by the sudden movement in crude prices. Going forward, while trends of the last three months indicate that the volatility in crude is likely to be far lower than in CY08, any sudden upturn or drop in crude price will once again saddle the OMCs with inventory losses.

Revenues stay flat due to lower crude prices, while profitability margins get a boost

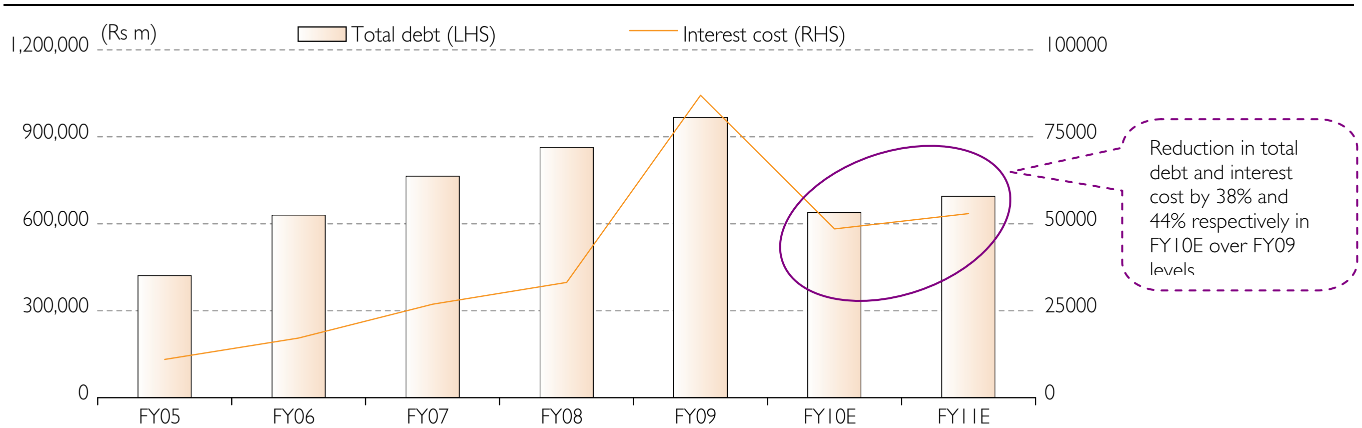


Source: Company, IDFC-SSKI Research

❑ Debt and interest cost to reduce in the next two years

FY09 was a difficult year for OMCs – huge inventory losses, coupled with an extremely adverse impact of under-recovery burden on liquidity, led to a surge in their debt levels as well as cost of debt. The combined debt for the three OMCS rose to Rs966bn, with interest costs ballooning to Rs87bn in FY09, compared to Rs850bn of debt and Rs33bn of interest cost respectively in FY08. With better cash flow generation and lower cost of debt driving a reduction in both interest cost and debt levels, we see this situation changing for the better in FY10E.

Debt and interest costs to come down over FY10-11E

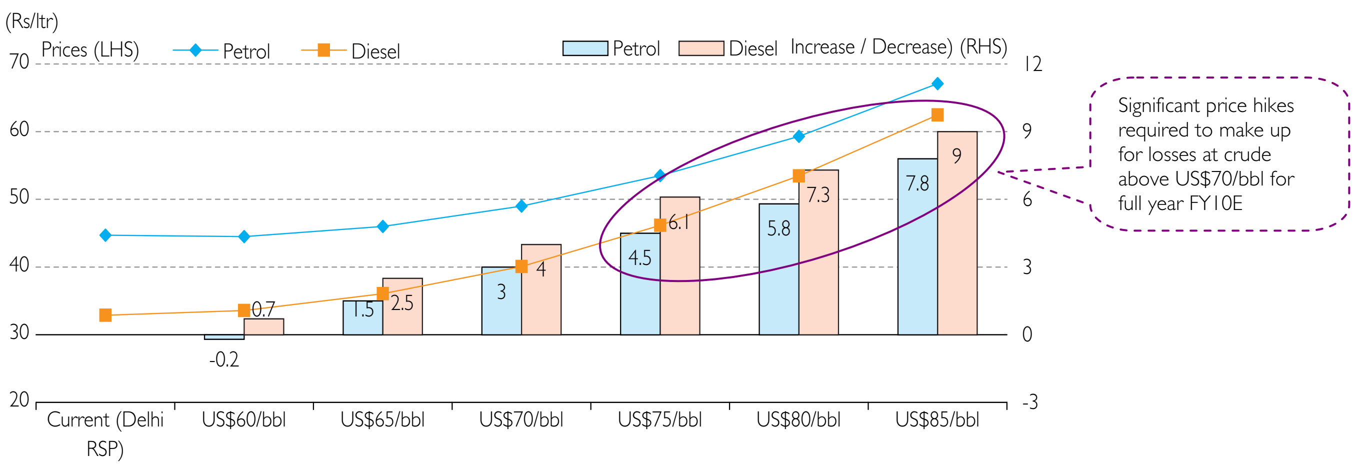


Source: Company, IDFC-SSKI Research

❑ However, we remain skeptical on the pace and extent of deregulation

While we are optimistic on the direction of deregulation, we would be wary of being too aggressive on the pace and extent of these reforms. We note that the extent of price correction required in auto fuels in case crude rises even to US$80 is in the region of ~Rs6/ltr for Petrol and ~Rs7/ltr for Diesel. Such a steep rise in auto fuel prices seems politically and economically difficult to implement, at least in the near term.

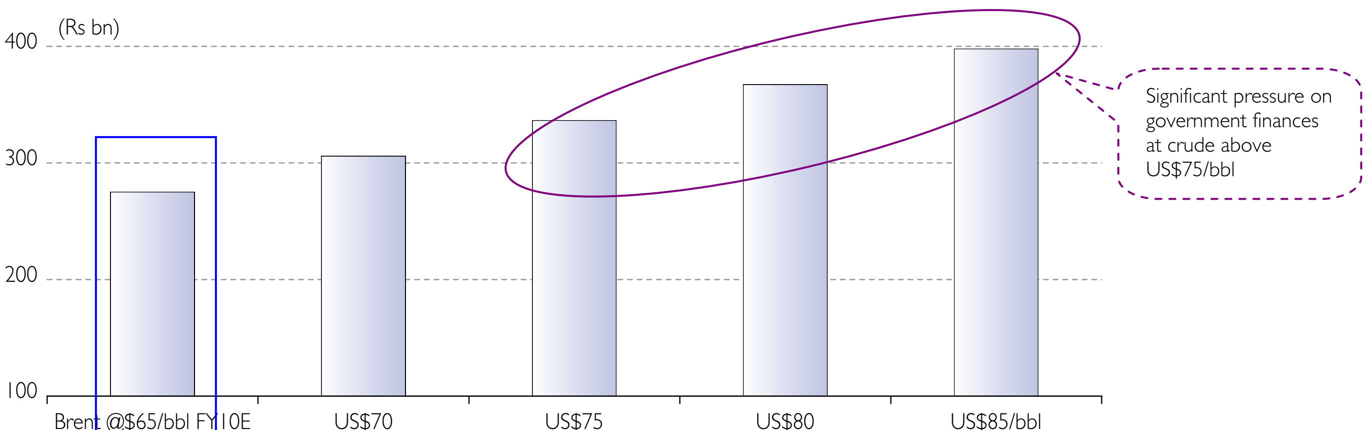
Auto fuel price corrections required at different Brent levels in a free pricing regime



Source: Company, IDFC-SSKI Research

The above exhibit clearly indicates that at an average crude price above US$75/bbl, the amount of price increase warranted in a free pricing regime would turn unpalatable for the Indian market. This would then necessitate a higher draw on upstream sector's contribution to the subsidy pie, and/ or the OMCs and the government bearing the brunt themselves. Similarly, the levels of SKO and LPG subsidy, while expected to be much lower at ~Rs275bn against Rs350bn in FY09, can increase by 20% if crude averages US$75/bbl for the full year.

SKO and LPG under-recovery at various Brent crude price levels



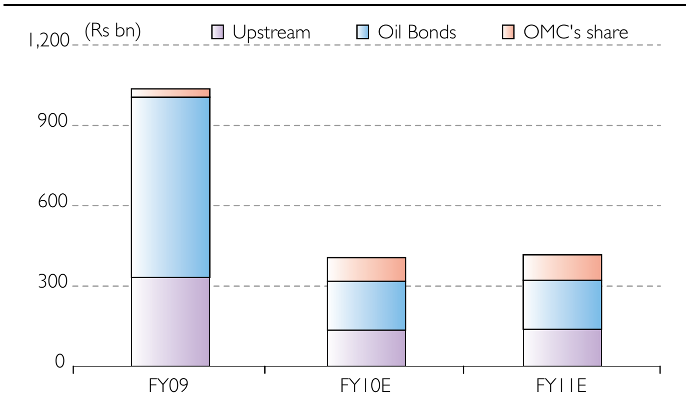
Source: Company, IDFC-SSKI Research

We estimate total under-recoveries of ~Rs850bn on an annual basis if oil rises to US$80/bbl, with cooking fuels contributing ~Rs332bn and auto fuels another Rs530bn. In such a scenario, we do not expect upstream companies to share more than Rs300bn to maintain their net realization at US$50/bbl. This would leave Rs550bn to be financed by the government, which will stretch government finances considerably. In such an event, it will be difficult for OMCs to maintain normative margins and they will have to bear some part of the burden.

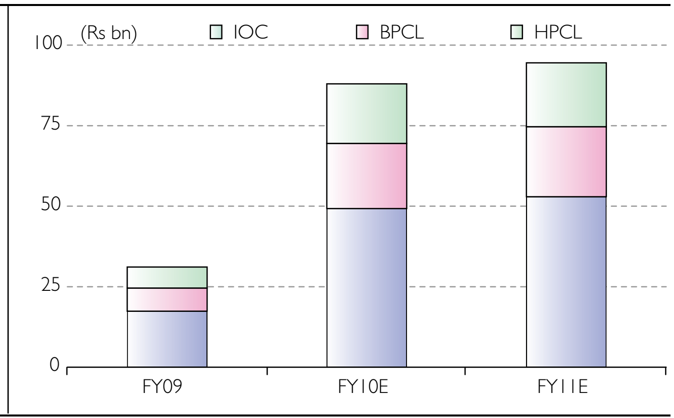
❑ Lower crude prices and new subsidy share drive under-recovery lower, not eliminate it

We note that the recent comments by the petroleum secretary imply that the expectation of OMCs bearing no subsidy burden at all is optimistic, and that in a stronger crude environment, some part of auto fuel subsidy will have to be shared by the OMCs (we build in ~Rs90bn combined share each in FY10E and FY11E). We see the green shoots in the US economic environment, coupled with the latest pronouncements by the International Energy Agency (IEA) and the Organization of Petroleum Exporting Countries (OPEC), having a positive impact on crude prices going forward. This would support our estimate of some share of auto fuel under-recovery returning to the OMCs.

Under-recovery trend over FY09-11E



Net share of each OMC

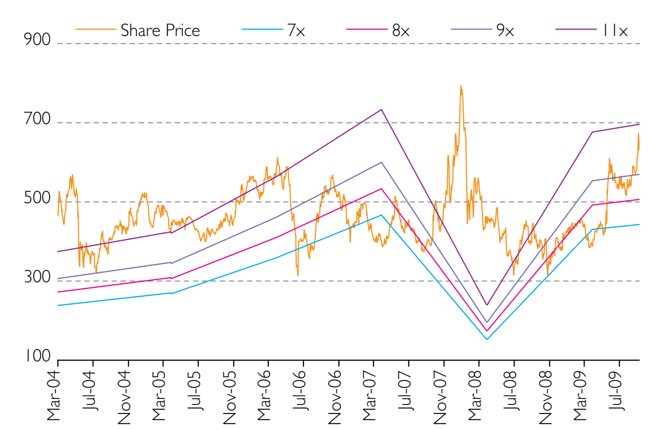


Source: Company, IDFC-SSKI Research

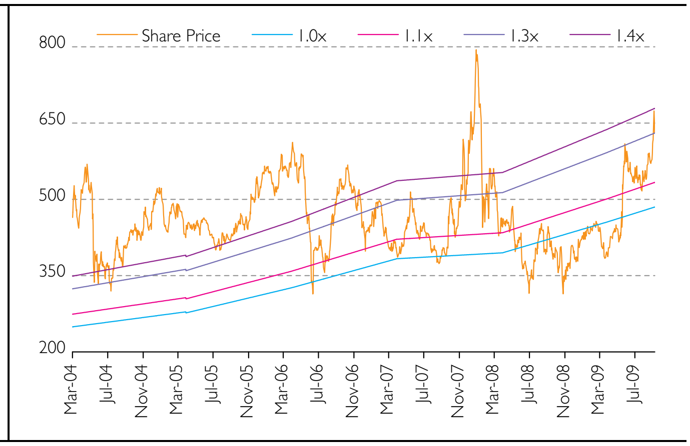
❑ Valuations & View

A substantial improvement in the operating environment points to improved business fundamentals for OMCs in FY10. However, continued outperformance of the stocks from here on would depend on further steps towards complete deregulation and/ or a further drop in crude prices – both of which appear to be unlikely in the near term. The three stocks currently trade at the upper end of their historical price/ earnings and price/ book multiples, making us cautious of attributing further upside going forward. Complete deregulation, if and when it happens, will definitely drive a re-rating on the back of substantial improvement in margins and profitability as well as enhanced earnings visibility. The current steps on new subsidy sharing mechanism and setting up of a new committee to look at pricing and taxation are also steps in the right direction, but we feel that they are contingent on crude prices remaining in a narrow band for the next 12-18 months. This, we believe, is unlikely given the green shoots of growth being seen in the US as well resilient growth in China and India. We, therefore, maintain our Underperformer call on OMCs even as we revise our price targets upwards to factor in the improved earnings estimates. Our target price on IOCL is Rs616 per share, BPCL is Rs540 per share and that on HPCL is Rs398 per share. We value the three companies using a combination of SOTP based on EV/EBITDA of 6x, P/BV implied value and P/E implied value, assigning a weightage of 40%, 40% and 20% respectively to the three methods.

IOCL – P/E multiple range over FY05 till date

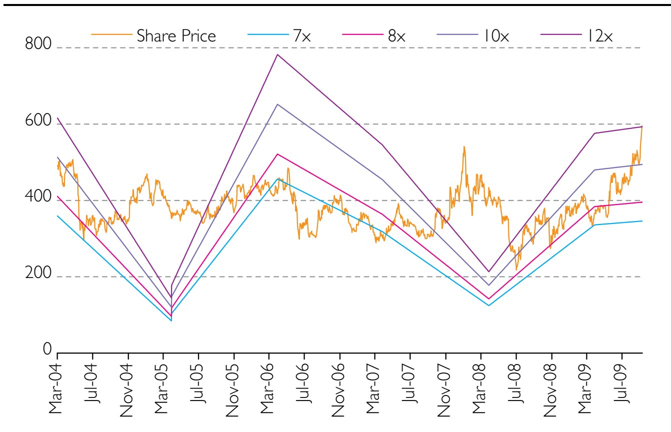


Price to Book multiple range over FY05 till date

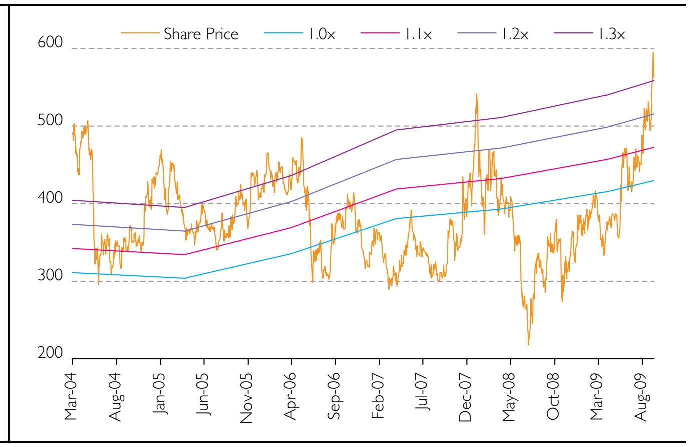


Source: Company, IDFC-SSKI Research

BPCL – P/E multiple range over FY05 till date

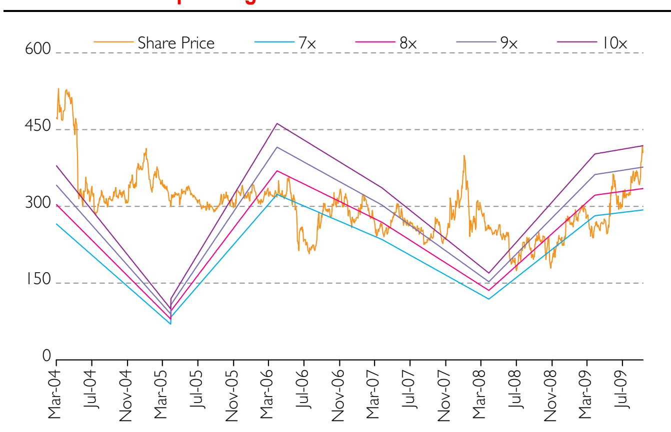


Price to Book multiple range over FY05 till date

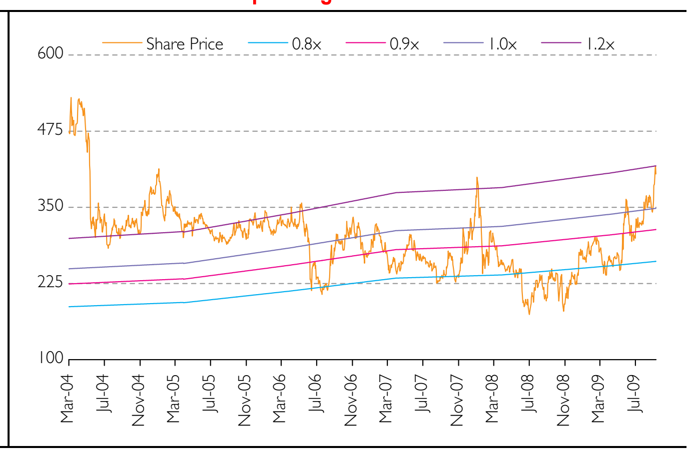


Source: Company, IDFC-SSKI Research

HPCL – P/E multiple range over FY05 till date



Price to Book multiple range over FY05 till date



Source: Company, IDFC-SSKI Research

IOCL – valuation

	Rs m	Rs/ share	Comments
SOTP			
EV @6x FY10 EBITDA	811,125	680	
Adjusted Net debt	-293,750	(246)	Total net debt adjusted for GOI Oil bonds of Rs170bn
Investments	208,163	175	
Equity Value	725,538	609	Weightage of 0.4 in total valuation
Implied price from P/BV multiple			
FY10 Book value	543,645	456	
Multiple	1.3x		Based on five year range of 1.2-1.5x
Equity value	706,739	593	Weightage of 0.4 in total valuation
Implied price from P/E multiple			
Net Income	73,304	61	
Multiple	11.0x		Based on five year range of 10-14x
Equity value	806,340	676	Weightage of 0.2 in total valuation
Total Value	**734,179**	**616**	

Source: Company, IDFC-SSKI Research

BPCL – valuation

	Rs m	Rs/ share	Comments
SOTP			
EV @6x FY10 EBITDA	274,101	758	
Adjusted Net debt	(67,228)	(186)	Total net debt adjusted for GoI Oil bonds of Rs150bn
Investments	30,706	83	
Equity Value	237,578	655	Weightage of 0.4 in total valuation
Implied price from P/BV multiple			
FY10 Book value	150,127	415	
Multiple	1.1x		Based on 5-year range of 1.1-1.2x
Equity value	157,633	436	Weightage of 0.4 in total valuation
Implied price from P/E multiple			
Net Income	17,333	48	
Multiple	11.0x		Based on 5-year range of 10-15x
Equity value	190,664	527	Weightage of 0.2 in total valuation
Total Value	**196,218**	**540**	

Source: Company, IDFC-SSKI Research

HPCL – valuation

	Rs m	Rs/ share	Comments
SOTP			
EV @6x FY10 EBITDA	220,484	651	
Adjusted Net debt	(47,799)	(141)	Total net debt adjusted for GOI Oil bonds of Rs46bn
Investments	11227	31	
Equity Value	183,912	541	Weightage of 0.4 in total valuation
Implied price from P/BV multiple			
FY10 Book value	114,609	338	
Multiple	0.9x		Based on 5-year range of 0.9-1.0x
Equity value	97,418	284	Weightage of 0.4 in total valuation
Implied price from P/E multiple			
Net Income	13,646	40	
Multiple	8.5x		Based on 5-year range of 8-10x
Equity value	115,993	339	Weightage of 0.2 in total valuation
Total Value	**135,731**	**398**	

Source: Company, IDFC-SSKI Research

IOC

Earnings model

Year to 30 June (Rs m)	FY07	FY08	FY09	FY10E	FY11E
Net sales	**1,993,864**	**2,301,967**	**2,828,896**	**2,642,404**	**2,865,367**
% growth	*24.7*	*15.5*	*22.9*	*(6.6)*	*8.4*
Operating expenses	1,877,020	2,174,357	2,770,750	2,507,216	2,723,301
EBITDA	**116,844**	**127,610**	**58,146**	**135,187**	**142,066**
% change	*35.2*	*9.2*	*(54.4)*	*132.5*	*5.1*
Other income	27,619	46,132	52,308	22,070	22,084
Net interest	(17,430)	(18,039)	(42,076)	(20,967)	(20,039)
Depreciation	29,703	30,417	31,889	31,325	32,341
Pre-tax profit	**97,330**	**125,286**	**36,490**	**104,966**	**111,770**
Deferred tax	8,334	538	(1,422)	7,506	7,978
Current tax	25,990	38,844	13,955	24,581	26,153
Profit after tax	63,007	85,905	23,957	72,879	77,639
Minorities	(3,119)	(6,378)	2,036	449	453
Net profit after non-recurring items	**59,888**	**79,527**	**25,993**	**73,328**	**78,092**
% change	*34.0*	*32.8*	*(67.3)*	*182.1*	*6.5*

Key ratios

Year to 30 June	FY07	FY08	FY09	FY10E	FY11E
EBITDA margin (%)	5.9	5.5	2.1	5.1	5.0
EBIT margin (%)	4.4	4.2	0.9	3.9	3.8
PAT margin (%)	3.0	3.5	0.9	2.8	2.7
RoE (%)	17.0	19.0	5.6	14.5	13.4
RoCE (%)	11.9	11.5	2.7	9.0	8.1
Gearing (x)	0.8	0.8	1.0	1.2	1.1

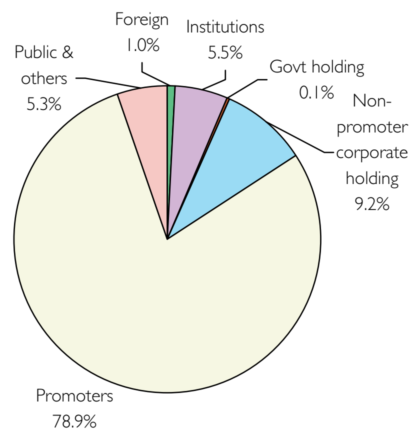
Valuations

Year to 30 June	FY07	FY08	FY09	FY10E	FY11E
Reported EPS (Rs)	51.3	66.7	21.8	61.5	65.5
Adj. EPS (Rs)	51.3	66.7	21.8	61.5	65.5
PE (x)	12.7	9.8	29.9	10.6	10.0
Price/ Book (x)	2.0	1.7	1.7	1.4	1.3
EV/ Net sales (x)	0.5	0.5	0.4	0.5	0.5
EV/ EBITDA (x)	9.1	9.2	21.6	10.4	10.4
EV/ CE (x)	1.4	1.3	1.2	1.1	1.0

Balance sheet

Year to 30 June	FY07	FY08	FY09	FY10E	FY11E
Paid-up capital	11,680	11,924	11,924	11,924	11,924
Reserves & surplus	353,763	424,277	443,120	516,448	594,541
Total shareholders' equity	380,837	456,952	470,435	543,645	621,285
Total current liabilities	270,531	339,135	332,024	286,399	304,529
Total debt	294,811	388,209	473,469	635,203	692,247
Deferred tax liabilities	60,596	61,134	59,691	67,197	75,175
Other non-current liabilities	33,160	14,999	26,630	35,342	35,343
Total liabilities	659,098	803,477	891,814	1,024,140	1,107,294
Total equity & liabilities	**1,039,935**	**1,260,428**	**1,362,248**	**1,567,785**	**1,728,580**
Net fixed assets	419,721	466,497	571,878	663,556	714,433
Investments	193,162	207,731	313,345	446,194	544,617
Total current assets	422,982	582,682	472,027	453,008	464,468
Other non-current assets	4,071	3,518	4,998	5,028	5,062
Working capital	152,451	243,547	140,002	166,609	159,938
Total assets	**1,039,935**	**1,260,428**	**1,362,248**	**1,567,785**	**1,728,580**

Shareholding pattern



As of June 2009

Cash flow statement

Year to 30 June	FY07	FY08	FY09	FY10E	FY11E
Pre-tax profit	97,330	125,286	36,490	104,966	111,770
Depreciation	29,703	30,417	31,889	31,325	32,341
Chg in working capital	14,088	(109,245)	114,739	(10,731)	3,161
Total tax paid	(25,990)	(38,844)	(13,955)	(24,581)	(26,153)
Operating cash inflow	115,131	7,615	169,163	100,979	121,119
Capital expenditure	(43,975)	(75,350)	(135,218)	(82,469)	(78,020)
Free cash flow (a+b)	71,156	(67,735)	33,945	18,510	43,098
Chg in investments	(70,193)	(14,569)	(105,614)	(132,849)	(98,423)
Debt raised/ (repaid)	(5,825)	93,398	85,259	161,734	57,045
Capital raised/ (repaid)	-	244	-	-	-
Misc	5,101	(11,502)	(14,141)	(40,345)	(5,345)
Net chg in cash	239	(165)	(550)	7,050	(3,625)

BPCL

Earnings model

Year to 30 Jun (Rs m)	FY07	FY08	FY09E	FY10E	FY11E
Net sales	**984,192**	**1,112,431**	**1,365,571**	**1,110,439**	**1,260,647**
% growth	***27.0***	***13.0***	***22.8***	***(18.7)***	***13.5***
Operating expenses	938,995	1,076,721	1,331,838	1,064,756	1,212,509
EBITDA	**45,197**	**35,710**	**33,733**	**45,684**	**48,138**
% change	*162.3*	*(21.0)*	*(5.5)*	*35.4*	*5.4*
Other income	6,698	13,233	14,358	6,399	11,379
Net interest	(5,204)	(7,149)	(24,043)	(12,885)	(16,958)
Depreciation	11,021	12,921	12,617	12,051	12,704
Pre-tax profit	**35,671**	**28,873**	**11,431**	**27,147**	**29,855**
Deferred tax	(61)	587	(2,851)	2,708	2,374
Current tax	10,060	10,488	6,956	6,861	8,497
Profit after tax	25,672	17,798	7,326	17,578	18,984
Minorities	(2,107)	(1,430)	(903)	(221)	(473)
Non-recurring items	1,974	(1,333)	(85)	-	-
Net profit after non-recurring items	**25,539**	**15,034**	**6,338**	**17,357**	**18,511**
% change	*375.3*	*(41.1)*	*(57.8)*	*173.9*	*6.6*

Key ratios

Year to 30 June	FY07	FY08	FY09E	FY10E	FY11E
EBITDA margin (%)	4.6	3.2	2.5	4.1	3.8
EBIT margin (%)	3.5	2.0	1.5	3.0	2.8
PAT margin (%)	2.4	1.5	0.5	1.6	1.5
RoE (%)	20.4	12.6	4.6	11.9	11.9
RoCE (%)	13.9	7.7	5.7	7.9	8.0
Gearing (x)	0.9	1.2	1.7	1.6	1.6

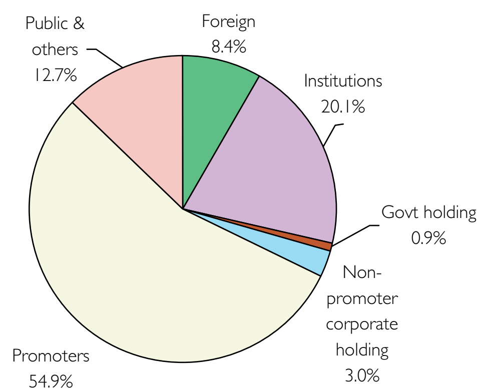
Valuations

Year to 30 June	FY07	FY08	FY09E	FY10E	FY11E
Reported EPS (Rs)	70.6	41.6	17.5	48.0	51.2
Adj. EPS (Rs)	65.2	45.3	17.8	48.0	51.2
PE (x)	8.6	12.5	31.7	11.7	11.0
Price/ Book (x)	1.7	1.5	1.4	1.4	1.3
EV/ Net sales (x)	0.3	0.3	0.3	0.4	0.4
EV/ EBITDA (x)	6.7	9.9	12.9	9.9	9.6
EV/ CE (x)	1.2	1.1	1.0	1.1	1.0

Balance sheet

Year to 30 June	FY07	FY08	FY09E	FY10E	FY11E
Paid-up capital	3,615	3,615	3,615	3,615	3,615
Reserves & surplus	110,094	125,454	129,497	137,897	149,476
Total shareholders' equity	121,275	137,625	142,094	150,127	161,753
Total current liabilities	110,337	148,340	122,751	99,753	109,502
Total debt	113,666	160,658	242,392	244,956	255,159
Deferred tax liabilities	17,625	18,108	15,257	17,522	19,897
Other non-current liabilities	11,977	11,185	18,209	17,041	18,967
Total liabilities	253,606	338,292	398,608	379,272	403,524
Total equity & liabilities	**374,881**	**475,916**	**540,701**	**529,399**	**565,277**
Net fixed assets	147,279	167,968	208,643	183,288	189,464
Investments	67,789	88,094	156,985	193,548	221,042
Total current assets	159,813	219,854	175,073	152,563	154,771
Working capital	49,476	71,514	52,322	52,810	45,269
Total assets	**374,881**	**475,916**	**540,701**	**529,399**	**565,277**

Shareholding pattern



As of June 2009

Cash flow statement

Year to 30 June	FY07	FY08	FY09E	FY10E	FY11E
Pre-tax profit	35,671	28,873	11,431	27,147	29,855
Depreciation	11,021	12,921	12,617	12,051	12,704
Chg in working capital	22,240	(23,017)	26,111	(16,934)	9,682
Total tax paid	(10,060)	(10,488)	(6,956)	(6,861)	(8,497)
Ext ord. items	-	-	-	-	-
Operating cash inflow	58,872	8,288	43,203	15,402	43,744
Capital expenditure	(21,235)	(32,965)	(52,769)	15,445	(18,164)
Free cash flow (a+b)	37,637	(24,676)	(9,566)	30,847	25,580
Chg in investments	(66,407)	(20,469)	(71,190)	(29,548)	(27,494)
Debt raised/ (repaid)	20,984	46,992	81,733	2,564	10,203
Misc	(12,422)	(2,198)	(3,381)	(12,126)	(7,666)
Net chg in cash	(20,208)	(351)	(2,404)	(8,263)	623

HPCL

Earnings model

Year to 31 March	FY07	FY08	FY09E	FY10E	FY11E
Net sales	**889,959**	**1,046,646**	**1,249,348**	**1,011,921**	**1,099,659**
% growth	*25.6*	*17.6*	*19.4*	*(19.0)*	*8.7*
Operating expenses	865,923	1,031,106	1,220,642	975,174	1,060,100
EBITDA	**24,036**	**15,540**	**28,707**	**36,747**	**39,559**
% change	*198.8*	*(35.3)*	*84.7*	*28.0*	*7.7*
Other income	6,845	11,980	9,057	7,200	7,200
Net interest	(4,230)	(7,925)	(20,828)	(14,654)	(15,933)
Depreciation	7,040	8,509	9,813	8,742	9,051
Pre-tax profit	**19,611**	**11,087**	**7,122**	**20,552**	**21,774**
Deferred tax	365	2,025	343	-	-
Current tax	3,595	(2,287)	1,029	6,905	7,316
Profit after tax	15,651	11,349	5,750	13,646	14,458
Net profit after non-recurring items	**15,651**	**11,349**	**5,750**	**13,646**	**14,458**
% change	*285.8*	*(27.5)*	*(49.3)*	*137.3*	*5.9*

Key ratios

Year to 31 March	FY07	FY08	FY09E	FY10E	FY11E
EBITDA margin (%)	2.7	1.5	2.3	3.6	3.6
EBIT margin (%)	1.9	0.7	1.5	2.8	2.8
PAT margin (%)	1.8	1.1	0.5	1.3	1.3
RoE (%)	17.1	11.3	5.4	12.3	12.2
RoCE (%)	8.5	2.7	5.7	7.5	7.8
Gearing (x)	1.1	1.6	2.1	2.0	1.9

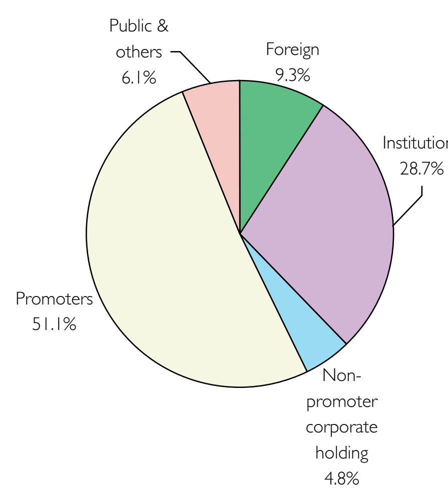
Valuations

Year to 31 March	FY07	FY08	FY09E	FY10E	FY11E
Reported EPS (Rs)	46.2	33.5	17.0	40.3	42.7
Adj. EPS (Rs)	46.2	33.5	17.0	40.3	42.7
PE (x)	8.7	11.9	23.6	9.9	9.4
Price/ Book (x)	1.4	1.3	1.3	1.2	1.1
EV/ Net sales (x)	0.2	0.2	0.2	0.2	0.2
EV/ EBITDA (x)	7.4	15.7	8.0	5.5	4.6
EV/ CE (x)	0.8	0.8	0.6	0.5	0.5

Balance sheet

As on 31 March	FY07	FY08	FY09E	FY10E	FY11E
Paid-up capital	3,388	3,390	3,390	3,390	3,390
Reserves & surplus	92,597	102,243	103,916	111,219	118,937
Total shareholders' equity	95,985	105,633	107,992	114,609	122,327
Total current liabilities	88,918	118,934	105,382	101,666	108,223
Total debt	105,176	169,250	227,544	230,643	238,303
Other non-current liabilities	26,486	21,363	28,208	36,111	36,918
Total liabilities	220,580	309,547	361,134	368,419	383,444
Total equity & liabilities	**316,565**	**415,180**	**469,127**	**483,028**	**505,771**
Net fixed assets	130,644	153,835	166,553	168,110	169,358
Investments	10,298	10,823	14,931	14,931	14,931
Total current assets	175,624	250,522	287,643	299,987	321,482
Working capital	86,706	131,588	182,260	198,321	213,259
Total assets	**316,566**	**415,179**	**469,127**	**483,028**	**505,771**

Valuations



As of June 2009

Cash flow statement

Year to 31 March	FY07	FY08	FY09E	FY10E	FY11E
Pre-tax profit	19,611	11,087	7,122	20,552	21,774
Depreciation	7,040	8,509	9,813	8,742	9,051
Chg in working capital	17,905	(51,362)	29,483	20,866	14,071
Total tax paid	(3,595)	2,287	(1,029)	(6,905)	(7,316)
Operating cash inflow	40,961	(29,479)	45,389	43,254	37,581
Capital expenditure	(40,389)	(31,422)	(21,851)	(10,299)	(10,299)
Free cash flow (a+b)	572	(60,901)	23,538	32,955	27,281
Chg in investments	(30,998)	2,904	(74,314)	(33,554)	(28,201)
Debt raised/ (repaid)	38,537	64,074	58,294	3,098	7,661
Misc	(7,669)	(4,006)	(4,413)	(7,030)	(6,740)
Net chg in cash	442	2,072	3,105	(4,530)	1

Analyst	Sector/Industry/Coverage	E-mail	Tel. +91-22-6638 3300
Pathik Gandotra	Head of Research; Financials, Strategy	pathik@idfcsski.com	91-22-6638 3304
Shirish Rane	Construction, Power, Cement	shirish@idfcsski.com	91-22-6638 3313
Nikhil Vora	FMCG, Media, Retailing, Mid Caps, Education, Exchanges	nikhilvora@idfcsski.com	91-22-6638 3308
Ramnath S	Automobiles, Auto ancillaries, Real Estate, Oil & Gas	ramnaths@idfcsski.com	91-22-6638 3380
Nitin Agarwal	Pharmaceuticals	nitinagarwal@idfcsski.com	91-22-6638 3395
Chirag Shah	Metals & Mining, Pipes, Textiles, Telecom	chirag@idfcsski.com	91-22-6638 3306
Bhoomika Nair	Logistics, Engineering, Power	bhoomika@idfcsski.com	91-22-6638 3337
Hitesh Shah, CFA	IT Services	hitesh.shah@idfcsski.com	91-22-6638 3358
Bhushan Gajaria	FMCG, Retailing, Media, Mid Caps	bhushangajaria@idfcsski.com	91-22-6638 3367
Ashish Shah	Construction, Power, Cement, Telecom	ashishshah@idfcsski.com	91-22-6638 3371
Salil Desai	Construction, Power, Cement	salil@idfcsski.com	91-22-6638 3373
Ritesh Shah	Metals & Mining, Pipes, Textiles	riteshshah@idfcsski.com	91-22-6638 3376
Neha Agrawal	Financials	neha@idfcsski.com	91-22-6638 3237
Swati Nangalia	Mid Caps, Media, , Exchanges	swati@idfcsski.com	91-22-6638 3260
Sameer Bhise	Strategy, Pharmaceuticals	sameer@idfcsski.com	91-22-6638 3390
Shweta Dewan	Mid Caps, Education, FMCG	shweta.dewan@idfcsski.com	91-22-6638 3290
Nikhil Salvi	Cement, Construction	nikhil.salvi@idfcsski.com	91-22-6638 3239
Rajeev Desai	Real Estate	rajeev@idfcsski.com	91-22-6638 3231
Chinmaya Garg	Financials	chinmaya@idfcsski.com	91-22-6638 3325
Aniket Mhatre	Automobiles, Auto ancillaries	aniket@idfcsski.com	91-22-6638 3311
Probal Sen	Oil & Gas	probal@idfcsski.com	91-22-6638 3238
Rupesh Sonawale	Database Analyst	rupesh@idfcsski.com	91-22-6638 3382
Dharmesh Bhatt	Technical Analyst	dharmesh@idfcsski.com	91-22-6638 3392

Equity Sales/Dealing	Designation	E-mail	Tel. +91-22-6638 3300
Naishadh Paleja	MD, CEO	naishadh@idfcsski.com	91-22-6638 3211
Paresh Shah	MD, Dealing	paresh@idfcsski.com	91-22-6638 3341
Vishal Purohit	MD, Sales	vishal@idfcsski.com	91-22-6638 3212
Nikhil Gholani	MD, Sales	nikhil@idfcsski.com	91-22-6638 3363
Sanjay Panicker	Director, Sales	sanjay@idfcsski.com	91-22-6638 3368
V Navin Roy	Director, Sales	navin@idfcsski.com	91-22-6638 3370
Suchit Sehgal	AVP, Sales	suchit@idfcsski.com	91-22-6638 3247
Pawan Sharma	MD, Derivatives	pawan.sharma@idfcsski.com	91-22-6638 3213
Dipesh Shah	Director, Derivatives	dipeshshah@idfcsski.com	91-22-6638 3245
Jignesh Shah	AVP, Derivatives	jignesh@idfcsski.com	91 22 6638 3321
Sunil Pandit	Director, Sales trading	suniil@idfcsski.com	91-22-6638 3299
Mukesh Chaturvedi	SVP, Sales trading	mukesh@idfcsski.com	91-22-6638 3298
Viren Sompura	VP, Sales trading	viren@idfcsski.com	91-22-6638 3277
Rajashekhar Hiremath	VP, Sales trading	rajashekhar@idfcsski.com	91-22-6638 3243

Explanation of Ratings:

1. Outperformer: More than 10% to Index
2. Neutral: Within 0-10% to Index
3. Underperformer: Less than 10% to Index

Disclosure of interest:

1. IDFC - SSKI and its affiliates may have received compensation from the company covered herein in the past twelve months for Issue Management, Capital Structure, Mergers & Acquisitions, Buyback of shares and Other corporate advisory services.
2. Affiliates of IDFC - SSKI may have mandate from the subject company.
3. IDFC - SSKI and its affiliates may hold paid up capital of the company.
4. IDFC - SSKI and its affiliates, their directors and employees may from time to time have positions in or options in the company and buy or sell the securities of the company(ies) mentioned herein.