

**EIM delivered a strong beat on margins (+150bps QoQ to 24.5% vs. our estimate of 23.5%) and PAT, driven by the ~250bps higher gross margins (on lower RM costs, better pricing and a more profitable mix).**

**For EIM, structural domestic franchise revival (with the response to *Hunter* distinguishing EIM as a serial winner and given the slew of other planned launches) and ramp-up in exports (post many years of seeding), along with better mix and softer commodity prices would drive ~25% FY23-25E EPS CAGR (refer our recent 2W note). We upgrade FY24E EPS by ~11% and retain BUY, with ~18% upside; our SOTP-based TP at Rs4,000/sh (Rs3,590 earlier) is based on 25x PER/20x PER for the motorcycle/CV business, on FY25 estimates.**

**Eicher Motors: Financial Snapshot (Consolidated)**

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24E	FY25E
Revenue	87,204	102,978	144,422	174,378	203,507
EBITDA	17,813	21,723	34,436	44,258	53,244
Adj. PAT	13,469	16,766	29,139	38,304	45,853
Adj. EPS (Rs)	49.3	61.3	106.7	140.3	167.9
EBITDA margin (%)	20.4	21.1	23.8	25.4	26.2
EBITDA growth (%)	(18.3)	22.0	58.5	28.5	20.3
Adj. EPS growth (%)	(26.4)	24.4	74.0	31.5	19.7
RoE (%)	12.6	13.9	21.1	23.5	23.9
RoIC (%)	63.2	70.0	115.5	143.2	181.1
P/E (x)	69.2	55.6	32.0	24.3	20.3
EV/EBITDA (x)	48.0	39.0	23.9	18.0	14.3
P/B (x)	8.1	7.4	6.2	5.3	4.5
FCFF yield (%)	1.4	1.0	2.6	4.6	6.5

Source: Company, Emkay Research

**Strong beat on estimates:**

Consolidated revenues grew by 19% YoY to Rs38bn, on ~20% Royal Enfield (RE) volume growth to 218.5k units. ASPs were lower by ~1% YoY, but came in ~4% higher QoQ, to Rs174k/unit (our est.: 171.6k/unit); the sequential improvement was on account of higher contribution from exports and on the full impact of price hike taken in *Hunter* and *Bullet* in the previous quarter. Gross margins rose by ~250bps QoQ, on the back of ~90bps savings in raw-material costs and better pricing and mix. This fed into EBITDA-margin expansion of ~150bps to 24.5% (our est.: 23.5%). Overall, adjusted PAT grew by 48% to Rs9.1bn (our est.: Rs8.1bn), with share of profit from associates at Rs1.7bn vs Rs.538mn in Q4FY22. EIM declared dividend of Rs37/sh.

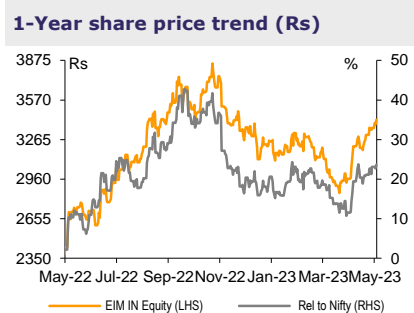
**Q4FY23 earnings-call highlights:**

a) The domestic motorcycle industry is reviving, although volumes are yet to trace pre-Covid levels. The premium motorcycle category is outperforming and, within it, RE's new products are seeing strong response. b) RE posted 27-45% retail growth in the exports markets in FY23, with global middleweight motorcycle market-share at 7-9% in regions like the Americas, APAC and EMEA; global markets continue to provide a healthy headroom for growth, with the addressable market size pegged at ~1mn units. c) Bookings for recent launches (*Hunter*, *Super Meteor*) continue to rise and products are gaining acceptance; with supply issues now largely behind, EIM is focusing on expanding *Hunter's* reach into rural markets as well as further ramping-up *Super Meteor*. d) The Government infra push/capex spends and replacement demand are expected to drive double-digit M&HCV industry growth in FY24. e) FY24 capex is seen at Rs10bn, which includes spend towards the EV manufacturing facility and product development under both, ICE and EV. f) RE's current focus in EVs is on product development and building the supply ecosystem; it aims to create differentiated products, while retaining the RE character. g) While steel prices did harden a bit recently, there is no expectation of any strong commodity upswing for now; RE took a price hike of ~1.5% in May-23. h) FY23 spares/exports revenue stood at Rs20.4bn/Rs20.8bn, resp.

Target Price – 12M	Mar-24
<b>Change in TP (%)</b>	<b>12.0</b>
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	17.5
CMP (11-May-23) (Rs)	3,404.0

Stock Data	Ticker
52-week High (Rs)	3,890
52-week Low (Rs)	2,332
Shares outstanding (mn)	273.5
Market-cap (Rs bn)	931
Market-cap (USD mn)	11,341
Net-debt, FY24E (Rs mn)	-133,975
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	1,968.2
ADTV-3M (USD mn)	24.0
Free float (%)	50.8
Nifty-50	18,297
INR/USD	82.1
<b>Shareholding, Mar-23</b>	
Promoters (%)	49.2
FPIs/MFs (%)	28.6/11.3

Price Performance			
(%)	1M	3M	12M
Absolute	11.5	6.0	42.5
Rel. to Nifty	8.0	3.4	25.9



**Chirag Jain**

chirag.jain@emkayglobal.com  
+91 22 6624 2428

**Jaimin Desai**

jaimin.desai@emkayglobal.com  
+91 22 6612 1334

**Bhargava Perni**

bhargava.perni@emkayglobal.com  
+91 22 6624 2429

**Exhibit 1: Volumes grew by 20% YoY, while YoY ASPs were flat**

Year to March	4QFY23	4QFY22	% change	3QFY23	% change
RE volume (units)	218,525	182,125	20.0	221,401	(1.3)
ASPs (Rs/unit)	174,091	175,337	(0.7)	168,066	3.6

Source: Company, Emkay Research

**Exhibit 2: Revenue in Q4FY23 grew by 19% YoY; strong beat on margins**

(Rs mn)	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	YoY (%)	QoQ (%)
Volume	182,125	187,205	207,764	221,401	218,525	20.0	(1.3)
Revenue	31,933	33,975	35,194	37,210	38,043	19.1	2.2
Expenditure	24,363	25,664	26,978	28,638	28,707	17.8	0.2
as % of sales	76.3	75.5	76.7	77.0	75.5		
Consumption of RM	17,971	19,030	20,256	21,655	21,178	17.8	(2.2)
as % of sales	56.3	56.0	57.6	58.2	55.7		
Employee Cost	2,221	2,470	2,435	2,594	2,521	13.5	(2.8)
as % of sales	7.0	7.3	6.9	7.0	6.6		
Other expenditure	4,170	4,165	4,287	4,389	5,007	20.1	14.1
as % of sales	13.1	12.3	12.2	11.8	13.2		
EBITDA	7,571	8,311	8,216	8,572	9,337	23.3	8.9
EBITDA margin (%)	23.7	24.5	23.3	23.0	24.5		
Depreciation	1,194	1,162	1,271	1,348	1,480	23.9	9.8
EBIT	6,376	7,149	6,945	7,224	7,856	23.2	8.8
Other Income	1,180	487	1,486	1,923	2,055	74.1	6.9
Interest	31	52	71	76	82	160.7	7.7
PBT	7,525	7,583	8,361	9,071	9,830	30.6	8.4
Minority interest	(538)	(338)	(441)	(639)	(1,734)		
Total Tax	1,962	1,814	2,233	2,302	2,508	27.8	8.9
Adjusted PAT	6,101	6,107	6,569	7,408	9,056	48.4	22.2
Extra ordinary items	-	-	-	-	-		
Reported PAT	6,101	6,107	6,569	7,408	9,056	48.4	22.2
Adjusted EPS (Rs)	22.3	22.3	24.0	27.1	33.1	48.4	22.2
(%)						(bps)	(bps)
EBITDAM	23.7	24.5	23.3	23.0	24.5	83	150
EBITM	20.0	21.0	19.7	19.4	20.7	68	124
EBTM	23.6	22.3	23.8	24.4	25.8	227	146
PATM	19.1	18.0	18.7	19.9	23.8	470	389
Effective Tax rate	26.1	23.9	26.7	25.4	25.5	(55)	14

Source: Company, Emkay Research

**Exhibit 3: VECV's EBITDA margins at 10%**

<b>VECV - Quarterly performance</b>							
<b>(Rs mn)</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>YoY (%)</b>	<b>QoQ (%)</b>
Volume	20,108	17,469	17,616	18,162	26,376	31.2	45.2
Revenue	43,063	39,340	42,150	46,039	62,000	44.0	34.7
EBITDA	2,864	2,070	2,490	3,150	6,190	116.1	96.5
PAT	990	620	810	1,163	3,190	222.2	174.3
<b>(%)</b>						<b>(bps)</b>	<b>(bps)</b>
EBITDAM	6.7	5.3	5.9	6.8	10.0	333	314
PATM	2.3	1.6	1.9	2.5	5.1	285	262

Source: Company, Emkay Research

**Exhibit 4: EBITDA margins rose on the back of better gross margins**

<b>Year to March</b>	<b>4QFY23</b>	<b>4QFY22</b>	<b>% change</b>	<b>3QFY23</b>	<b>% change</b>
Raw material prices	55.7	56.3	(61)	58.2	(253)
Staff costs	6.6	7.0	(33)	7.0	(34)
Other expenses	13.2	13.1	10	11.8	137
EBIDTA	24.5	23.7	83	23.0	150
Net profit	23.8	19.1	470	19.9	389
Tax rate	25.5	26.1	(55)	25.4	14

Source: Company, Emkay Research

**Exhibit 5: Classic changed RE's fortunes 2009 onwards; Hunter could bring back the 'Classic' experience**

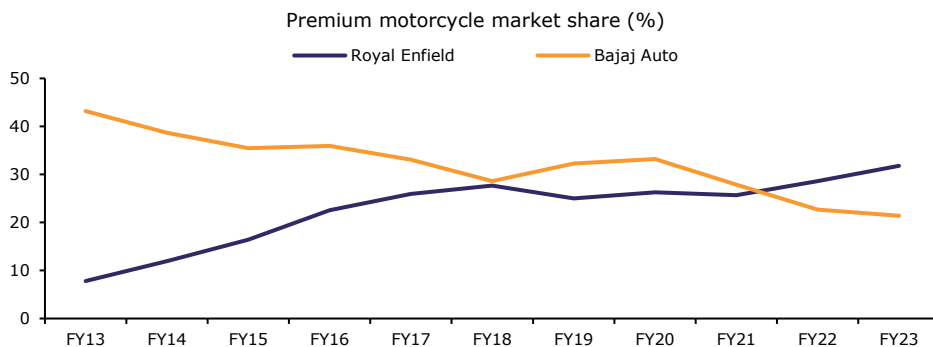
<b>Era</b>	<b>Before 2009</b>	<b>From 2009</b>	<b>From 2022</b>
Product	Bullet	Classic	Hunter
Positioning	Rugged, 'masculine' - rural/semi-urban	Aspirational/lifestyle - urban riding/touring	Younger customer segment - students, professionals - city commute
Average customer age	>45 years	Early to mid-30s	over 2/3rds of customers <25 years
Tech profile and improvement	Cast-iron engine; beset with niggling quality issues	Unit Construction Engine, conventional gear/brake placement	Further refined J-series engine; multi-fold drop in quality issues
Volume ramp-up	Flattish volumes over 2004-08	25x volume growth over 2008-19	Addresses the entire premium motorcycle segment, at over 2.2m units annually

Source: Company, Emkay Research

**Exhibit 6: EIM has an aggressive launch pipeline for widening its appeal in various sub segments of the fast-growing premium motorcycles**

<b>Products</b>	<b>Expected timeline</b>	<b>Expected Pricing (ex-showroom)</b>
On all-new 450cc engine platform		
Himalayan 450	Aug-23	Rs 2.8 lakhs
Himalayan 450 Rally	2024-end	Rs 3.5 lakhs
Scram 450	Early-CY24	Rs 2.5 lakhs
Scram 450 Scrambler	2024	Rs 3 lakhs
Scram 450 Café Racer	2024	Rs 3 lakhs
On 650cc platform		
Super Meteor 650 (launched)	Jan-23	Rs 3.49 lakhs
Continental GT 650 Race Replica	Jul-23	Rs 3.4 lakhs
Shotgun 650	Oct-23	Rs 3.25 lakhs
Classic 650	Sep-23	Rs 3.1 lakhs
Bullet 650	Mid-2024	Rs 3 lakhs
Scrambler 650	2025-end	Rs 3.5 lakhs
Himalayan 650	Jul-25	Rs 3.8 lakhs

Source: Zigwheels, Emkay Research; Note: 1 lakh = 0.1million

**Exhibit 7: EIM is now the largest player in the fast-growing premium motorcycle space**

Source: Company, Emkay Research

**Exhibit 8: Revenue model assumptions – We expect revenue CAGR of 19% over FY23-25E**

Revenue Model	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Domestic Volumes (units)	801,229	805,273	658,394	570,781	521,246	734,840	858,094	974,626
Growth (%)	23.1	0.5	-18.2	-13.3	-8.7	41.0	16.8	13.6
Export Volumes (units)	19,264	20,825	39,188	38,622	81,022	100,055	112,062	123,268
Growth (%)	25.2	8.1	88.2	-1.4	109.8	23.5	12.0	10.0
Volumes (units)	820,493	826,098	697,582	609,403	602,268	834,895	970,156	1,097,893
Growth (%)	23.1	0.7	-15.6	-12.6	-1.2	38.6	16.2	13.2
ASP (Rs/unit)	109,172	118,563	130,128	141,434	168,079	168,484	173,557	179,897
Growth (%)	3.4	8.6	9.8	8.7	18.8	0.2	3.0	3.7
Revenues	89,650	97,971	91,536	87,204	102,978	144,422	174,378	203,507
Growth (%)	27.5	9.3	-6.6	-4.7	18.1	40.2	20.7	16.7
EBITDA	28,076	29,031	21,804	17,813	21,723	34,436	44,258	53,244
EBITDA margin (%)	31.3	29.6	23.8	20.4	21.1	23.8	25.4	26.2
EBITDA growth (%)	29.1	3.4	-24.9	-18.3	22.0	58.5	28.5	20.3
EBITDA/unit (Rs)	34,219	35,142	31,256	29,229	36,068	41,246	45,619	48,496
EBIT	28,644	30,462	23,421	17,837	21,611	35,125	46,047	54,303
EBIT margin (%)	32.0	31.1	25.6	20.5	21.0	24.3	26.4	26.7
SA PAT (Rs)	20,249	20,720	19,038	13,297	15,862	26,226	34,563	40,492
Share of profits from JV/overseas subs	2,566	2,584	317	311	602	3,152	4,067	5,464
Consol. PAT	21,797	22,203	18,274	13,469	16,766	29,139	38,304	45,853
Consol. EPS (Rs)	80	81	67	49	61	107	140	168

Source: Company, Emkay Research

**Exhibit 9: Change in estimates**

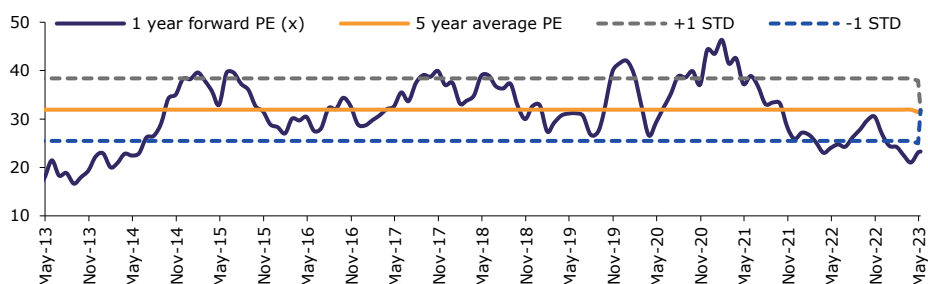
Consolidated (Rs mn)	FY24E				FY25E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Royal Enfield (Units)	970,156	970,156	0.0	16.2	1,097,893	1,097,893	0.0	13.2
VECV (Units)	84,923	85,055	0.2	6.8	90,552	90,694	0.2	6.6
Revenue	166,238	174,378	4.9	20.7	190,555	203,507	6.8	16.7
EBITDA	40,349	44,258	9.7	28.5	47,207	53,244	12.8	20.3
EBITDA margin (%)	24.3%	25.4%	111 bps	154 bps	24.8%	26.2%	139 bps	78 bps
APAT	34,522	38,304	11.0	31.5	41,110	45,853	11.5	19.7
EPS (Rs)	126.1	139.9	11.0	31.5	150.1	167.5	11.5	19.7

Source: Company, Emkay Research

**Exhibit 10: Emkay vs Consensus estimates**

(Rs mn)	Emkay estimates		Consensus estimates		Difference (%)	
	FY24E	FY25E	FY24	FY25	FY24	FY25
Revenue	174,378	203,507	165,782	187,659	5.2	8.4
EBITDA	44,258	53,244	41,092	47,383	7.7	12.4
EBITDA margin (%)	25.4	26.2	24.8	25.2	59.4bps	91.4bps
EPS (Rs)	139.9	167.5	128.4	150.4	9.0	11.4

Source: Company, Emkay Research

**Exhibit 11: EIM trading below -1 STD (5-year average P/E at 32x)**

Source: Company, Emkay Research

**Exhibit 12: Snapshot of RS Shotgun 650 (to be launched)**

Royal Enfield Shotgun 650



Source: Media Articles, Emkay Research

**Exhibit 13: Snapshot of 650cc Scrambler (to be launched)**

Royal Enfield 650cc Scrambler



Source: Media Articles, Emkay Research

## Eicher Motors: Consolidated Financials and Valuations

## Profit &amp; Loss

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24E	FY25E
<b>Revenue</b>	<b>87,204</b>	<b>102,978</b>	<b>144,422</b>	<b>174,378</b>	<b>203,507</b>
Revenue growth (%)	(4.7)	18.1	40.2	20.7	16.7
<b>EBITDA</b>	<b>17,813</b>	<b>21,723</b>	<b>34,436</b>	<b>44,258</b>	<b>53,244</b>
EBITDA growth (%)	(18.3)	22.0	58.5	28.5	20.3
Depreciation & Amortization	4,507	4,519	5,262	6,013	7,048
<b>EBIT</b>	<b>13,305</b>	<b>17,203</b>	<b>29,174</b>	<b>38,245</b>	<b>46,195</b>
EBIT growth (%)	(26.0)	29.3	69.6	31.1	20.8
Other operating income	0	0	0	0	0
Other income	4,532	4,408	5,951	7,802	8,108
Financial expense	165	188	280	276	307
<b>PBT</b>	<b>17,673</b>	<b>21,424</b>	<b>34,845</b>	<b>45,771</b>	<b>53,996</b>
Extraordinary items	0	0	0	0	0
Taxes	4,515	5,259	8,857	11,534	13,607
Minority interest	(311)	(602)	(3,152)	(4,067)	(5,464)
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>13,469</b>	<b>16,766</b>	<b>29,139</b>	<b>38,304</b>	<b>45,853</b>
PAT growth (%)	(26.3)	24.5	73.8	31.5	19.7
<b>Adjusted PAT</b>	<b>13,469</b>	<b>16,766</b>	<b>29,139</b>	<b>38,304</b>	<b>45,853</b>
<b>Diluted EPS (Rs)</b>	<b>49.3</b>	<b>61.3</b>	<b>106.7</b>	<b>140.3</b>	<b>167.9</b>
Diluted EPS growth (%)	(26.4)	24.4	74.0	31.5	19.7
<b>DPS (Rs)</b>	<b>17.0</b>	<b>21.0</b>	<b>36.9</b>	<b>44.2</b>	<b>51.8</b>
<b>Dividend payout (%)</b>	<b>34.4</b>	<b>34.2</b>	<b>34.6</b>	<b>31.5</b>	<b>30.8</b>
EBITDA margin (%)	20.4	21.1	23.8	25.4	26.2
EBIT margin (%)	15.3	16.7	20.2	21.9	22.7
Effective tax rate (%)	25.5	24.5	25.4	25.2	25.2
<b>NOPLAT (pre-IndAS)</b>	<b>9,906</b>	<b>12,980</b>	<b>21,758</b>	<b>28,607</b>	<b>34,554</b>
Shares outstanding (mn)	273.3	273.4	273.0	273.0	273.0

Source: Company, Emkay Research

## Cash flows

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24E	FY25E
PBT	17,673	21,424	34,845	45,771	53,996
Others (non-cash items)	1,451	776	(3,153)	8,419	10,798
Taxes paid	(4,566)	(5,136)	(7,703)	(11,580)	(13,661)
Change in NWC	2,352	(1,793)	4,486	2,463	5,842
<b>Operating cash flow</b>	<b>16,910</b>	<b>15,270</b>	<b>28,475</b>	<b>45,073</b>	<b>56,975</b>
Capital expenditure	(5,149)	(6,387)	(6,737)	(8,245)	(7,500)
Acquisition of business	(13,026)	(7,702)	(19,932)	(20,000)	(10,000)
Interest & dividend income	1,923	4,256	2,453	0	0
<b>Investing cash flow</b>	<b>(16,253)</b>	<b>(9,833)</b>	<b>(24,216)</b>	<b>(28,245)</b>	<b>(17,500)</b>
Equity raised/(repaid)	384	65	0	0	0
Debt raised/(repaid)	130	(1,046)	1,369	(328)	74
Payment of lease liabilities	(395)	(170)	(189)	0	0
Interest paid	(91)	(142)	(280)	(276)	(307)
Dividend paid (incl tax)	0	(4,647)	(10,115)	(12,097)	(14,172)
Others	28,113	(30,578)	(13,697)	1,982	2,075
<b>Financing cash flow</b>	<b>28,141</b>	<b>(36,517)</b>	<b>(22,912)</b>	<b>(10,719)</b>	<b>(12,330)</b>
Net chg in Cash	28,798	(31,079)	(18,654)	6,110	27,145
OCF	16,910	15,270	28,475	45,073	56,975
Adj. OCF (w/o NWC chg.)	14,558	17,064	23,989	42,610	51,133
FCFF	11,760	8,883	21,738	36,828	49,475
FCFE	13,519	12,952	23,910	36,553	49,168
OCF/EBITDA (%)	94.9	70.3	82.7	101.8	107.0
FCFE/PAT (%)	100.4	77.3	82.1	95.4	107.2
<b>FCFF/NOPLAT (%)</b>	<b>118.7</b>	<b>68.4</b>	<b>99.9</b>	<b>128.7</b>	<b>143.2</b>

Source: Company, Emkay Research

## Balance Sheet

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24E	FY25E
Share capital	273	273	274	274	274
Reserves & Surplus	114,108	125,807	149,629	175,836	207,517
<b>Net worth</b>	<b>114,381</b>	<b>126,080</b>	<b>149,903</b>	<b>176,109</b>	<b>207,790</b>
Minority interests	0	0	0	0	0
Deferred tax liability (net)	2,215	2,201	2,913	2,867	2,813
<b>Total debt</b>	<b>1,574</b>	<b>588</b>	<b>1,957</b>	<b>1,629</b>	<b>1,703</b>
<b>Total liabilities &amp; equity</b>	<b>118,170</b>	<b>128,869</b>	<b>154,773</b>	<b>180,606</b>	<b>212,307</b>
Net tangible fixed assets	18,945	19,108	21,765	27,677	28,378
Net intangible assets	3,412	3,298	3,298	3,298	3,298
Net ROU assets	1,976	1,837	1,837	1,837	1,837
Capital WIP	3,143	5,048	4,721	1,041	791
Goodwill	0	0	0	0	0
Investments [JV/Associates]	19,313	19,671	22,284	22,284	22,284
<b>Cash &amp; equivalents</b>	<b>78,013</b>	<b>84,759</b>	<b>109,494</b>	<b>135,604</b>	<b>172,749</b>
Current assets (ex-cash)	20,785	27,677	28,578	34,506	40,270
Current Liab. & Prov.	27,416	32,529	37,204	45,640	57,300
<b>NWC (ex-cash)</b>	<b>(6,631)</b>	<b>(4,852)</b>	<b>(8,626)</b>	<b>(11,134)</b>	<b>(17,031)</b>
<b>Total assets</b>	<b>118,170</b>	<b>128,869</b>	<b>154,773</b>	<b>180,606</b>	<b>212,307</b>
Net debt	(76,438)	(84,171)	(107,537)	(133,975)	(171,046)
Capital employed	118,170	128,869	154,773	180,606	212,307
<b>Invested capital</b>	<b>17,702</b>	<b>19,391</b>	<b>18,274</b>	<b>21,677</b>	<b>16,483</b>
BVPS (Rs)	418.0	460.5	547.5	643.2	758.9
Net Debt/Equity (x)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)
Net Debt/EBITDA (x)	(4.3)	(3.9)	(3.1)	(3.0)	(3.2)
Interest coverage (x)	0.0	0.0	0.0	0.0	0.0
<b>RoCE (%)</b>	<b>12.1</b>	<b>13.1</b>	<b>18.6</b>	<b>20.6</b>	<b>20.7</b>

Source: Company, Emkay Research

## Valuations and key Ratios

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
P/E (x)	69.2	55.6	32.0	24.3	20.3
P/CE(x)	51.8	43.8	27.1	21.0	17.6
P/B (x)	8.1	7.4	6.2	5.3	4.5
EV/Sales (x)	9.8	8.2	5.7	4.6	3.7
EV/EBITDA (x)	48.0	39.0	23.9	18.0	14.3
EV/EBIT(x)	64.2	49.2	28.2	20.8	16.4
EV/IC (x)	48.2	43.6	45.0	36.7	46.0
FCFF yield (%)	1.4	1.0	2.6	4.6	6.5
FCFE yield (%)	1.5	1.4	2.6	3.9	5.3
Dividend yield (%)	0.5	0.6	1.1	1.3	1.5
<b>DuPont-RoE split</b>					
Net profit margin (%)	15.4	16.3	20.2	22.0	22.5
Total asset turnover (x)	0.8	0.8	1.0	1.0	1.0
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
<b>RoE (%)</b>	<b>12.6</b>	<b>13.9</b>	<b>21.1</b>	<b>23.5</b>	<b>23.9</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	11.4	12.6	15.1	16.4	17.0
IC turnover (x)	0.0	0.0	0.0	0.0	0.0
<b>RoIC (%)</b>	<b>63.2</b>	<b>70.0</b>	<b>115.5</b>	<b>143.2</b>	<b>181.1</b>
<b>Operating metrics</b>					
Core NWC days	(27.8)	(17.2)	(21.8)	(23.3)	(30.5)
<b>Total NWC days</b>	<b>(27.8)</b>	<b>(17.2)</b>	<b>(21.8)</b>	<b>(23.3)</b>	<b>(30.5)</b>
Fixed asset turnover	2.3	2.4	3.0	3.0	3.0
Opex-to-revenue (%)	20.9	21.1	19.3	18.8	18.3

Source: Company, Emkay Research

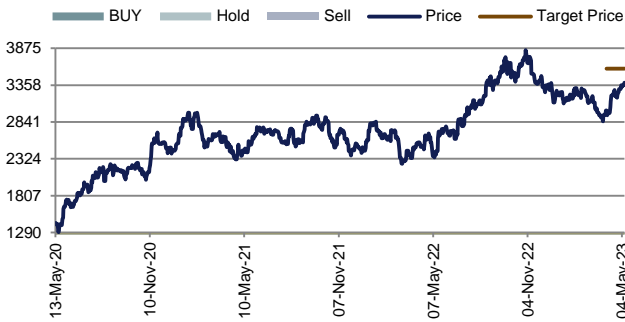


RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
04-Apr-23	3,004	3,590	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Bloomberg, Company, Emkay Research

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**Emkay Global Financial Services Ltd.**

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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