

HOLD Ambuja Cements**In-line quarter; progress on capacity expansion is key****Cement** ▶ Result Update ▶ **August 2, 2023****TARGET PRICE (Rs): 480**

In Q1FY24, Ambuja Cements' (Ambuja) standalone EBITDA rose by 23% YoY and ~13% QoQ to Rs9.5bn, with EBITDA/ton at Rs1,040, in line with our estimates. Management has reiterated its key focus areas: i) Doubling of capacity from ~68mt to 140mt by FY28; ii) The group has set forth a target to set up 40mt clinker capacity (~10 lines) with 35 new grinding units to achieve capacity target by FY28; iii) The company is aiming EBITDA/ton of Rs1,450-1,500 by FY28 by optimizing manufacturing, logistics cost and through group synergies. Factoring in lower opex/ton, we have increased our FY24E-25E EBITDA estimates by 4-5% and target EV/E multiple by one notch to 16x. Additionally, factoring in the increase in ACC's TP, we have raised our Jun-24 TP to Rs480/share post the quarterly roll-over

Ambuja Cements: Financial Snapshot (Standalone)

Y/E March (Rs mn)	CY21	FY23	FY24E	FY25E	FY26E
Revenue	1,39,650	1,99,854	1,64,599	1,78,152	2,15,077
EBITDA	32,075	32,204	33,877	38,588	48,492
Adj. PAT	21,462	27,108	21,851	25,322	32,355
Adj. EPS (Rs)	10.5	10.3	11.0	12.8	16.3
EBITDA margin (%)	23.0	16.1	20.6	21.7	22.5
EBITDA growth (%)	21.2	0.4	5.2	13.9	25.7
Adj. EPS growth (%)	16.2	(1.8)	7.0	15.9	27.8
RoE (%)	21.3	15.9	11.9	12.1	14.0
RoIC (%)	46.6	42.4	29.5	27.4	26.0
P/E (x)	42.6	42.2	41.9	36.1	28.3
EV/EBITDA (x)	27.2	25.8	24.7	22.1	17.9
P/B (x)	4.1	4.0	3.0	2.8	2.6
FCFF yield (%)	1.5	(0.1)	(0.6)	(1.8)	(1.9)

Source: Company, Emkay Research

Result Summary

The company's standalone volumes increased by 23% YoY/13% QoQ to 9.1mt, whereas realization (including other operating income) declined by 3.2% YoY/1.5% QoQ to Rs5,183, both were broadly in line with our estimates. Total cost/ton declined 7% YoY/3% QoQ to Rs4,144, in line with our estimates. Consolidated volumes increased by just 9% YoY/QoQ to 15.4mt, with EBITDA/ton increasing by 36% YoY/23% QoQ to Rs1,082. Capex in Q1FY24 stood at ~Rs6bn. Management has maintained its FY24 guidance at Rs70bn at the consolidated level. Consolidated cash and cash equivalents increased by Rs410mn QoQ to Rs119bn as of Jun-23.

What we liked: Focus on capacity expansion plans and various cost initiatives.

What we did not like: Likely lower-than-industry volume growth.

Key takeaways from the earnings call: 1) The group has set forth a target to set up 40mt clinker capacity (~10 lines) with 35 new grinding units to achieve a capacity target of 140mt by FY28. The company has already ordered for equipment having clinker capacity of ~8mt (4mt each in Bhatapara and Maratha), which can support grinding up to 14mt. It is targeted to be commissioned in 24 months. Three grinding units (locations at Sankrail, Farakka and Kharagpur) have mapped with Bhatapara clinker line and another three units (Jalgaon, Amaravati and Pune) have mapped with Maratha clinker line; 2) WHRS of 18MW has been commissioned at Bhatapara, Suli and Rauri in Q1FY24 and additional 33MW will be commissioned at Suli, Ametha and Maratha by FY24-end; 3) Capex guidance for the project under implementation stood at Rs70bn, of which 60-65% capex is likely to be spent on Ambuja and the remaining capex on ACC in FY24. 3) Fuel cost stood at 2.07/Kcal in Q1FY24 vs. Rs2.35/Kcal in Q4FY23. 4) The share of blended cement stood flat QoQ at 92% in Q1FY24; The share of premium products increased by 200bps QoQ to 23% in Q1FY24. Lead distance declined by 3kms QoQ to 170kms; while the rail:road mix was flat QoQ at 29%:71% in Q1FY24.

Target Price – 12M	Jun-24
Change in TP (%)	15.7
Current Reco.	HOLD
Previous Reco.	HOLD
Upside/(Downside) (%)	4.2
CMP (02-Aug-23) (Rs)	461.0

Stock Data	Ticker
52-week High (Rs)	598
52-week Low (Rs)	315
Shares outstanding (mn)	1,985.6
Market-cap (Rs bn)	915
Market-cap (USD mn)	11,083
Net-debt, FY24E (Rs mn)	-78,922
ADTV-3M (mn shares)	5
ADTV-3M (Rs mn)	2,224.1
ADTV-3M (USD mn)	26.9
Free float (%)	37
Nifty-50	19,527
INR/USD	82.6
Shareholding, Jun-23	
Promoters (%)	63.2
FPIs/MFs (%)	12.5/14.4

Price Performance

(%)	1M	3M	12M
Absolute	8.2	16.9	21.7
Rel. to Nifty	6.3	8.6	8.1

1-Year share price trend (Rs)**Dharmesh Shah**

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Quarterly Analysis

Exhibit 1: Actual vs. Estimates (Q1FY24)

(Rs mn)	Actual	Estimates		Variation (%)		Comment
		Emkay	Consensus	Emkay	Consensus	
Net sales	47,297	46,628	42,341	1.4	11.7	In-line
EBITDA	9,486	9,297	8,284	2.0	14.5	In-line
PAT	6,449	6,424	4,945	0.4	30.4	
Volumes (mt)	9.1	8.9		2.0		
Cement realization (Rs/ton)	5,183	5,215		(0.6)		
EBITDA (Rs/ton)	1,040	1,040		(0.0)		

Source: Bloomberg, Emkay Research

Exhibit 2: Standalone Quarterly Table

(Rs mn)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (%)	QoQ (%)
Net Sales	39,580	36,310	40,872	42,129	46,889	18.5	11.3
Other operating income	355	394	414	434	408	15.0	(6.1)
Revenue	39,935	36,704	41,285	42,563	47,297	18.4	11.1
Expenditure	33,089	33,661	34,892	34,681	37,812	14.3	9.0
Total RM	3,217	2,960	7,480	8,695	8,827	174.4	1.5
Power & Fuel	13,198	14,147	12,111	10,343	11,715	(11.2)	13.3
Freight	9,048	8,395	8,362	9,326	10,465	15.7	12.2
Staff cost	1,637	1,532	1,595	1,680	1,309	(20.0)	(22.1)
Other expenditure	5,989	6,627	5,344	4,637	5,495	(8.2)	18.5
EBITDA	6,845	3,043	6,393	7,883	9,486	38.6	20.3
Depreciation	1,539	1,571	1,648	2,047	2,319	50.6	13.3
EBIT	5,306	1,473	4,745	5,836	7,167	35.1	22.8
Other Income	5,878	470	759	1,740	1,895	(67.8)	8.9
Interest	251	228	253	335	396	57.9	18.3
PBT	10,933	1,715	5,251	7,241	8,665	(20.7)	19.7
Total Tax	2,398	184	947	1,410	2,216	(7.6)	57.2
Adjusted PAT	8,534	1,531	4,303	5,831	6,449	(24.4)	10.6
Extraordinary items	1,945	(152)	(613)	(807)	-	(100.0)	(100.0)
Reported PAT	10,479	1,379	3,690	5,024	6,449	(38.5)	28.4
Adjusted EPS (Rs)	4.3	0.8	2.2	2.9	3.2	(24.4)	10.6
(%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (bps)	QoQ (bps)
EBIDTAM	17.1	8.3	15.5	18.5	20.1	17.0	8.3
EBITM	13.3	4.0	11.5	13.7	15.2	14.0	10.5
EBTM	27.4	4.7	12.7	17.0	18.3	(33.1)	7.7
PATM	21.4	4.2	10.4	13.7	13.6	(36.2)	(0.5)
Effective Tax Rate	21.9	10.7	18.0	19.5	25.6		

Source: Company, Emkay Research

Exhibit 3: Quarterly analysis on a per-ton basis

Rs/ton	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (%)	QoQ (%)
Cement volumes (mt)	7.4	7.1	7.7	8.1	9.1	23.5	12.9
Blended Realization	5,404	5,204	5,355	5,264	5,183	(4.1)	(1.5)
Raw Material	435	420	970	1,075	967	122.2	(10.0)
Power & Fuel	1,786	2,006	1,571	1,279	1,284	(28.1)	0.4
Freight	1,224	1,190	1,085	1,153	1,147	(6.3)	(0.6)
Staff cost	221	217	207	208	143	(35.2)	(31.0)
Other expenditure	810	940	693	574	602	(25.7)	5.0
Operating cost	4,478	4,773	4,526	4,289	4,144	(7.5)	(3.4)
EBITDA/ton	926	432	829	975	1,040	12.2	6.6

Source: Company, Emkay Research

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Exhibit 4: Consolidated Quarterly Table

(Rs mn)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (%)	QoQ (%)
Revenue	80,329	71,432	79,067	79,660	87,129	8.5	9.4
Expenditure	69,180	68,087	68,985	67,270	70,460	1.8	4.7
Total RM	7,515	6,533	12,913	14,033	11,138	48.2	(20.6)
Power & Fuel	26,325	27,329	23,413	19,831	23,121	(12.2)	16.6
Freight	19,836	18,228	18,380	19,624	22,119	11.5	12.7
Staff cost	3,847	3,674	3,671	3,873	3,777	(1.8)	(2.5)
Other expenditure	11,657	12,323	10,608	9,909	10,305	(11.6)	4.0
EBITDA	11,149	3,345	10,083	12,390	16,670	49.5	34.5
Depreciation	3,188	3,307	3,374	3,523	3,717	16.6	5.5
EBIT	7,961	38	6,709	8,867	12,952	62.7	46.1
Other Income	858	1,016	1,297	2,845	2,632	206.8	(7.5)
Interest	400	405	430	394	521	30.3	32.1
PBT	8,420	649	7,576	11,317	15,064	78.9	33.1
Total Tax	1,798	(127)	1,355	2,256	3,762	109.2	66.8
Profit from assoc.	64	52	63	63	53	(17.3)	(16.5)
Minority Int.	1,134	(419)	535	1,184	2,299	(100.0)	(100.0)
Adjusted PAT	5,551	1,246	5,749	7,941	9,056	104.6	32.2
Extra ordinary items	1,970	(315)	(1,405)	(1,471)	-	(100.0)	(100.0)
Reported PAT	7,520	932	4,344	6,470	9,056	51.0	59.5
Adjusted EPS (Rs)	2.8	0.6	2.9	4.0	54.6	104.6	32.2
(%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (bps)	QoQ (bps)
EBIDTAM	13.9	4.7	12.8	15.6	19.1	525	358
EBITM	9.9	0.1	8.5	11.1	14.9	495	373
EBTM	10.5	0.9	9.6	14.2	17.3	681	308
PATM	6.9	1.7	7.3	10.0	10.4	348	43
Effective Tax rate	21.4	(19.6)	17.9	19.9	25.0		

Source: Company, Emkay Research

Exhibit 5: Quarterly Analysis on a per ton basis (Consolidated)

Rs/ton	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	YoY (bps)	QoQ (bps)
Cement volumes (mt)	14.0	12.8	13.7	14.1	15.4	9.6	9.1
Blended Realization	5,719	5,602	5,759	5,642	5,658	(1.1)	0.3
Raw Material	535	512	940	994	723	35.2	(27.2)
Power & Fuel	1,874	2,143	1,705	1,404	1,501	(19.9)	6.9
Freight	1,412	1,430	1,339	1,390	1,436	1.7	3.4
Staff cost	274	288	267	274	245	(10.5)	(10.6)
Other expenditure	830	967	773	702	669	(19.4)	(4.7)
Operating cost	4,926	5,340	5,024	4,764	4,575	(7.1)	(4.0)
EBITDA/ton	794	262	734	878	1,082	36.4	23.4

Source: Company, Emkay Research

Exhibit 6: We increase our EBITDA estimates by 5% for FY25

Earnings revision	FY24E			FY25E		
	Old	New	Change (%)	Old	New	Change (%)
Revenue (Rs mn)	1,63,627	1,64,599	0.6	1,75,794	1,78,152	1.3
EBITDA (Rs mn)	32,662	33,877	3.7	36,731	38,588	5.1
PAT (Rs mn)	22,262	21,851	(1.8)	25,246	25,322	0.3

Source: Emkay Research

Exhibit 7: We maintain HOLD on Ambuja, with a TP of Rs 480/share, based on Jun-25E EV/E

EV/E valuation, backed by DCF analysis	Jun-24E
Jun-25E EBITDA (Rs bn)	41
EV/E (x)	16
Enterprise Value (Rs bn)	662
Net debt (Jun-24E; Rs bn)	(75)
Equity value – Standalone (Rs bn)	737
ACC - 50% of FV	216
SOTP value	953
No. of shares (mn)	1986
Jun-24E Target Price (Rs/share)	480

Source: Emkay Research

Exhibit 8: Annual Analysis

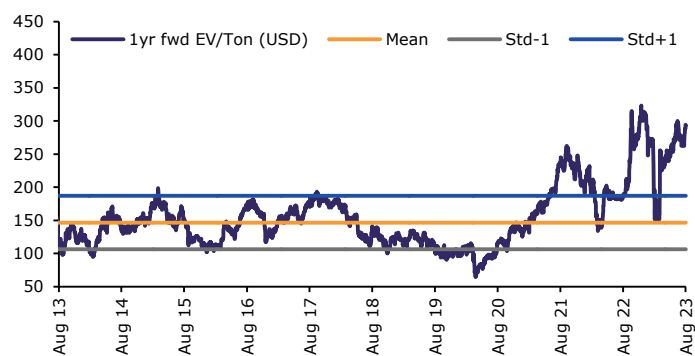
Key Assumptions	CY17	CY18	CY19	CY20	CY21	15MFY23	FY24E	FY25E	FY26E	CAGR (%)	
										CY17-FY23	FY23-26E
Capacity (mt)	29.7	29.7	29.7	29.7	31.5	31.5	31.5	37.2	45.0	1.2	12.7
Volumes (mt)	23.0	24.2	24.0	22.7	27.0	37.8	31.4	33.3	39.6	10.5	1.5
Utilization (%)	82	87	86	81	86	120	100	90	88		
Blended Realization (Rs/ton)	4,455	4,525	4,717	4,927	5,103	5,227	5,187	5,301	5,387	3.2	1.0
EBITDA/ton (Rs/ton)	824	780	893	1,167	1,187	852	1,080	1,160	1,225	0.7	12.9
PnL (Rs bn.)											
Revenue	105	114	117	114	140	200	165	178	215	13.8	2.5
EBITDA	19	19	21	26	32	32	34	39	48	11.2	14.6
Adj. Net Profit	12	12	14	17	21	27	22	25	32	17.6	6.1
Balance Sheet (Rs bn.)											
Equity	200	210	222	203	222	285	303	323	349		
Net Debt	(35)	(33)	(47)	(29)	(41)	(84)	(95)	(81)	(66)		
Cash Flow (Rs bn)											
OCF	18	14	24	24	31	(45)	63	50	51		
Change in WC	2	(6)	4	4	(5)	(8)	1	(1)	(1)		
Capex	(5)	(6)	(11)	(10)	(11)	(21)	(35)	(45)	(53)		
FCF	15	2	17	18	14	(74)	29	4	(4)		
Return ratios (%)											
RoE (%)	13.6	11.8	12.7	16.4	21.3	15.9	11.9	12.1	14.0		
RoCE (%)	13.8	11.9	12.8	16.6	21.5	16.4	12.4	12.5	14.3		
RoIC (%)	27.4	23.5	27.2	39.6	46.6	42.4	29.5	27.4	26.0		
Valuations (x)											
PE (x)	37.6	32.6	49.7	40.8	31.6	31.5	31.4	27.6	22.3		
EV/EBITDA (x)	27.5	25.9	30.4	24.5	21.6	20.7	18.3	15.5	12.1		
EV/ton (x)	258.1	219.7	284	281	269	262	248	208	176		

Source: Company, Emkay Research

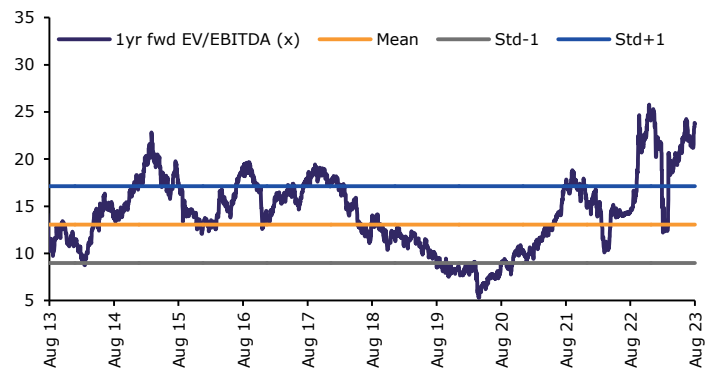
Exhibit 9: Annual analysis on a per-ton basis

Rs/ton	CY17	CY18	CY19	CY20	CY21	15MFY23	FY24E	FY25E	FY26E
Blended realization	4,455	4,525	4,717	4,927	5,103	5,227	5,187	5,301	5,387
YoY (%)	4.9	1.6	4.2	4.5	3.6	2.4	(0.8)	2.2	1.6
Raw materials cost	655	696	755	831	750	1,034	999	1,015	1,035
Power & fuel costs	970	1,051	1,075	993	1,266	1,591	1,368	1,375	1,365
Freight costs	961	1,044	998	950	903	858	847	867	890
Staff cost	288	281	281	295	251	212	214	214	191
Other expenses	847	830	846	777	810	742	738	726	729
Total Opex	3,721	3,902	3,955	3,847	3,980	4,436	4,167	4,197	4,210
YoY (%)	5.8	4.9	1.3	(2.7)	3.5	11.4	(6.1)	0.7	0.3
Other operating income	89	157	131	87	63	61	59	57	49
Blended EBITDA	824	780	893	1,167	1,187	852	1,080	1,160	1,225
YoY (%)	5.5	(5.3)	14.5	30.7	1.7	(28.2)	26.7	7.5	5.6

Source: Company, Emkay Research

Exhibit 10: One-year forward EV/ton

Source: Bloomberg, Emkay Research

Exhibit 11: One-year forward EV/EBITDA

Source: Bloomberg, Emkay Research

Ambuja Cements: Standalone Financials and Valuations

Profit and Loss

Y/E Mar (Rs mn)	CY21	FY23	FY24E	FY25E	FY26E
Revenue	1,39,650	1,99,854	1,64,599	1,78,152	2,15,077
Revenue growth (%)	22.8	14.5	2.9	8.2	20.7
EBITDA	32,075	32,204	33,877	38,588	48,492
EBITDA growth (%)	21.2	0.4	5.2	13.9	25.7
Depreciation & Amortization	5,512	8,324	9,213	9,759	10,731
EBIT	26,562	23,880	24,665	28,829	37,761
EBIT growth (%)	25.0	(28.1)	29.1	16.9	31.0
Other operating income	0	0	0	0	0
Other income	2,856	9,523	6,161	6,667	7,184
Financial expense	909	1,280	1,496	1,506	1,516
PBT	28,509	32,123	29,330	33,989	43,429
Extraordinary items	(657)	(1,573)	0	0	0
Taxes	7,047	5,016	7,479	8,667	11,074
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	20,805	25,535	21,851	25,322	32,355
PAT growth (%)	16.2	(1.8)	7.0	15.9	27.8
Adjusted PAT	21,462	27,108	21,851	25,322	32,355
Diluted EPS (Rs)	10.5	10.3	11.0	12.8	16.3
Diluted EPS growth (%)	16.2	(1.8)	7.0	15.9	27.8
DPS (Rs)	6.3	2.0	2.2	2.6	3.3
Dividend payout (%)	60.1	19.4	20.0	20.0	20.0
EBITDA margin (%)	23.0	16.1	20.6	21.7	22.5
EBIT margin (%)	19.0	11.9	15.0	16.2	17.6
Effective tax rate (%)	24.7	15.6	25.5	25.5	25.5
NOPLAT (pre-IndAS)	19,997	20,152	18,375	21,477	28,132
Shares outstanding (mn)	1,985.7	1,985.5	1,985.5	1,985.5	1,985.5

Source: Company, Emkay Research

Cash Flows

Y/E Mar (Rs mn)	CY21	FY23	FY24E	FY25E	FY26E
PBT	28,509	32,123	29,330	33,989	43,429
Others (non-cash items)	4,397	(827)	10,763	11,322	12,304
Taxes paid	(3,629)	(3,346)	(7,479)	(8,667)	(11,074)
Change in NWC	(4,615)	(7,855)	3,183	(987)	(1,090)
Operating cash flow	24,663	20,096	29,635	28,990	36,385
Capital expenditure	(11,425)	(21,116)	(34,739)	(44,667)	(53,337)
Acquisition of business	(50)	(34,864)	29,393	14,696	45,016
Interest & dividend income	2,415	7,724	6,161	6,667	7,184
Investing cash flow	(9,060)	(48,255)	815	(23,304)	1,395
Equity raised/(repaid)	0	50,000	0	0	0
Debt raised/(repaid)	35	5	0	0	0
Payment of lease liabilities	5,032	0	0	0	0
Interest paid	(1,183)	(679)	(1,496)	(1,506)	(1,516)
Dividend paid (incl tax)	(2,021)	(12,514)	(4,370)	(5,064)	(6,471)
Others	0	(697)	0	0	0
Financing cash flow	(3,168)	36,115	(5,866)	(6,571)	(7,987)
Net chg in Cash	12,434	7,956	24,584	(885)	29,793
OCF	24,663	20,096	29,635	28,990	36,385
Adj. OCF (w/o NWC chg.)	29,278	27,951	26,453	29,977	37,475
FCFF	13,238	(1,019)	(5,103)	(15,678)	(16,952)
FCFE	13,273	(1,015)	(5,103)	(15,678)	(16,952)
OCF/EBITDA (%)	76.9	62.4	87.5	75.1	75.0
FCFE/PAT (%)	61.8	(3.7)	(23.4)	(61.9)	(52.4)
FCFF/NOPLAT (%)	66.2	(5.1)	(27.8)	(73.0)	(60.3)

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	CY21	FY23	FY24E	FY25E	FY26E
Share capital	3,971	3,971	3,971	3,971	3,971
Reserves & Surplus	2,18,101	2,81,084	2,98,565	3,18,822	3,44,706
Net worth	2,22,073	2,85,055	3,02,536	3,22,793	3,48,677
Minority interests	0	0	0	0	0
Deferred tax liability (net)	2,018	2,181	2,236	2,291	2,349
Total debt	435	477	477	477	477
Total liabilities & equity	2,24,526	2,87,713	3,05,248	3,25,562	3,51,503
Net tangible fixed assets	71,283	75,562	79,551	1,14,872	1,42,531
Net intangible assets	1,742	2,393	2,393	2,393	2,393
Net ROU assets	3,433	8,240	8,240	8,240	8,240
Capital WIP	9,513	8,419	29,956	29,543	44,489
Goodwill	0	0	0	0	0
Investments [JV/Associates]	1,17,877	1,17,667	1,17,667	1,17,667	1,17,667
Cash & equivalents	41,723	84,207	79,399	63,818	46,063
Current assets (ex-cash)	36,164	62,552	59,229	61,825	66,294
Current Liab. & Prov.	57,209	71,327	71,187	72,796	76,175
NWC (ex-cash)	(21,045)	(8,775)	(11,958)	(10,971)	(9,881)
Total assets	2,24,526	2,87,713	3,05,248	3,25,562	3,51,503
Net debt	(41,288)	(83,730)	(78,922)	(63,341)	(45,586)
Capital employed	2,24,526	2,87,713	3,05,248	3,25,562	3,51,503
Invested capital	55,413	77,420	78,226	1,14,534	1,43,283
BVPS (Rs)	111.8	114.9	152.4	162.6	175.6
Net Debt/Equity (x)	(0.2)	(0.3)	(0.3)	(0.2)	(0.1)
Net Debt/EBITDA (x)	(1.3)	(2.6)	(2.3)	(1.6)	(0.9)
Interest coverage (x)	0.0	0.0	0.0	0.0	0.0
RoCE (%)	13.7	10.4	10.4	11.3	13.3

Source: Company, Emkay Research

Valuations and Key Ratios

Y/E Mar	CY21	FY23	FY24E	FY25E	FY26E
P/E (x)	42.6	42.2	41.9	36.1	28.3
P/CE(x)	33.9	32.3	29.5	26.1	21.2
P/B (x)	4.1	4.0	3.0	2.8	2.6
EV/Sales (x)	6.3	4.2	5.1	4.8	4.1
EV/EBITDA (x)	27.2	25.8	24.7	22.1	17.9
EV/EBIT(x)	32.9	43.5	33.9	29.5	23.0
EV/IC (x)	15.8	10.7	10.7	7.4	6.1
FCFF yield (%)	1.5	(0.1)	(0.6)	(1.8)	(1.9)
FCFE yield (%)	1.5	(0.1)	(0.6)	(1.8)	(1.9)
Dividend yield (%)	1.4	0.4	0.5	0.6	0.7
DuPont-RoE split					
Net profit margin (%)	15.4	13.6	13.3	14.2	15.0
Total asset turnover (x)	0.6	0.6	0.6	0.6	0.6
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	10.1	8.6	7.4	8.1	9.6
DuPont-RoIC					
NOPLAT margin (%)	14.3	10.1	11.2	12.1	13.1
IC turnover (x)	2.9	3.0	2.1	1.8	1.7
RoIC (%)	46.6	42.4	29.5	27.4	26.0
Operating metrics					
Core NWC days	(55.0)	(20.0)	(26.5)	(22.5)	(16.8)
Total NWC days	(55.0)	(20.0)	(26.5)	(22.5)	(16.8)
Fixed asset turnover	1.4	1.4	1.2	1.1	1.1
Opex-to-revenue (%)	62.5	64.3	60.4	59.4	58.4

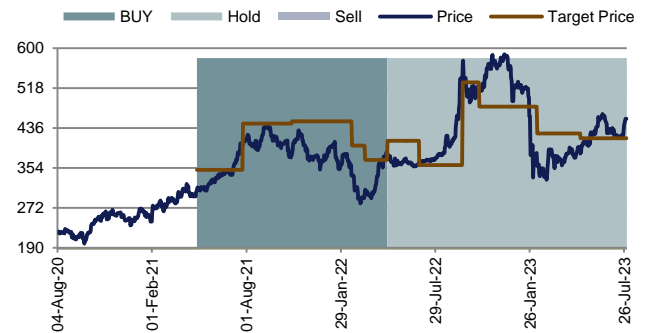
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
03-Jun-23	438	415	Hold	Dharmesh Shah
04-May-23	388	415	Hold	Dharmesh Shah
03-May-23	384	415	Hold	Dharmesh Shah
27-Mar-23	370	425	Hold	Dharmesh Shah
02-Mar-23	371	425	Hold	Dharmesh Shah
09-Feb-23	358	425	Hold	Dharmesh Shah
05-Feb-23	374	480	Hold	Dharmesh Shah
29-Dec-22	523	480	Hold	Dharmesh Shah
05-Dec-22	573	480	Hold	Dharmesh Shah
05-Nov-22	559	480	Hold	Dharmesh Shah
21-Oct-22	513	480	Hold	Dharmesh Shah
04-Oct-22	492	530	Hold	Dharmesh Shah
19-Sep-22	565	530	Hold	Dharmesh Shah
04-Sep-22	416	360	Hold	Dharmesh Shah
20-Jul-22	368	360	Hold	Dharmesh Shah
04-Jul-22	369	360	Hold	Dharmesh Shah
28-Jun-22	366	360	Hold	Dharmesh Shah
16-May-22	368	410	Hold	Dharmesh Shah
28-Apr-22	383	410	Hold	Dharmesh Shah
16-Mar-22	309	370	Buy	Dharmesh Shah
19-Feb-22	338	400	Buy	Dharmesh Shah
31-Dec-21	378	450	Buy	Dharmesh Shah
19-Dec-21	369	450	Buy	Dharmesh Shah
02-Dec-21	377	450	Buy	Dharmesh Shah
27-Oct-21	382	450	Buy	Dharmesh Shah
05-Sep-21	437	445	Buy	Dharmesh Shah
25-Jul-21	402	445	Buy	Dharmesh Shah
06-Jun-21	332	350	Buy	Dharmesh Shah
30-Apr-21	309	350	Buy	Dharmesh Shah
28-Apr-21	309	350	Buy	Dharmesh Shah

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Bloomberg, Company, Emkay Research

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