

Some pickup in Q2, all eyes all on Q3

Media & Entertainment ▶ Result Update ▶ October 15, 2024

TARGET PRICE (Rs): 1,850

PVR Inox's Q2 results reflect better box office performance after a disappointing Q1. Footfalls, ATP, and SPH all improved in Q2 and were slightly higher than our estimates. Occupancy also increased to 25.7% from 20.3% in Q1. Although Hindi cinema NBOC saw a rebound in box office collections (QoQ), it was largely led by single movie performance. Growth in Regional NBOC was more broad-based and the Hollywood slate remained weak. Looking ahead, the upcoming pipeline is healthy, which provides comfort for strong box office collections for Q3. Movies starring mega stars should pick-up in the next calendar year. The management is also optimistic on producers churning out more movies, which should aid occupancies. On the cost front, the management is taking multiple steps to improve profitability, though most of these should bear fruit over the medium term, in our view. We tweak our FY25-27E EBITDA by ~1% factoring in Q2 results and maintain BUY with a TP of Rs1,850/share (12x Sep-26E pre-INDAS EBITDA).

PVR INOX: Financial Snapshot (Consolidated)

| Y/E Mar (Rs mn) | FY23 | FY24 | FY25E | FY26E | FY27E |
|---------------------|---------|---------|--------|--------|--------|
| Revenue | 37,507 | 61,071 | 64,661 | 75,728 | 83,740 |
| EBITDA | 10,473 | 18,101 | 19,886 | 26,266 | 28,946 |
| Adj. PAT | (3,273) | (334) | 657 | 5,150 | 6,489 |
| Adj. EPS (Rs) | (52.0) | (3.4) | 6.7 | 52.6 | 66.2 |
| EBITDA margin (%) | 27.9 | 29.6 | 30.8 | 34.7 | 34.6 |
| EBITDA growth (%) | 890.4 | 72.8 | 9.9 | 32.1 | 10.2 |
| Adj. EPS growth (%) | 0.0 | 0.0 | 0.0 | 683.3 | 26.0 |
| RoE (%) | (7.5) | (0.5) | 0.9 | 6.7 | 7.9 |
| RoIC (%) | 5.0 | 3.1 | 5.7 | 6.6 | 7.1 |
| P/E (x) | (32.2) | (475.4) | 241.5 | 30.8 | 24.5 |
| EV/EBITDA (x) | 17.4 | 13.1 | 12.1 | 9.1 | 8.1 |
| P/B (x) | 1.4 | 2.2 | 2.1 | 2.0 | 1.9 |
| FCFF yield (%) | 1.3 | 5.7 | 2.5 | 4.0 | 4.6 |

Source: Company, Emkay Research

Results Summary

Revenue grew 36.2% QoQ to Rs16.2bn, above our estimate of Rs15.3bn. However, revenue was still down 18.9% YoY owing to a high base (all-time high record performance in Q2FY24). ATP improved to Rs257 in Q2 from Rs235 in Q1, while SPH inched up to Rs136 in Q2 from Rs134 in Q1. Occupancy also rose in Q2 to 25.7% from 20.3% in Q1, with footfalls increasing to 38.8mn from 30.4mn in Q1. Advertising revenue increased to Rs1.1bn, up 17% QoQ owing to better performance of movies. Reported EBITDA grew 90.6% QoQ to Rs4.8bn aided by higher revenues; this was higher than our estimate of Rs4.3bn. Adjusted for IND-AS, EBITDA was Rs1.9bn. The multiplex chain opened 16 new screens in the quarter, and shut down 25 as part of its rationalization plan. Net screen count at the end of Q2FY25 stood at 1,745. It has now shut 42 screens in FY25YTD. Gross debt inched up to Rs17.2bn from Rs16.9bn in Jun-24, whereas net debt declined to Rs11.5bn from Rs13.2bn in Jun-24.

Earnings Call KTAs

i) Movie pipeline: Management expects November and December to have very strong numbers and Q3 to be the best quarter of FY25, given the strong lineup. Both Hindi and English pipeline is expected to pick up in 2025 with a lot more producers becoming active and effects of the recent Hollywood strike subsiding. Next year should also see the return of big superstar movies, which have been missing in H1FY25. ii) Re-release of movies: Strategy of re-releasing movies has been very successful. 6% of the admits in Q2 were from re-releases. Charges paid to producers are lower in case of re-releases, while ATP is also lower. In H1FY25, around 80 films were re-released and this figure should reach 140-150 by the end of FY25. iii) Screen addition: In FY25, the company plans to open 110-120 new screens and exit 70 underperforming screens. Going ahead, PVR Inox will look to add 100 screens on a regular basis. 15% of the screens would be on FOCO model, 35-50% on the asset-light model, and the balance on structured-lease model. iv) Occupancy: There is still a lot of room to grow occupancy, which has been hit by fewer releases. Based on current visibility and discussions, the number of movie releases are expected to pick-up in the next 12-18 months. v) Convenience fees: PVR Inox received some one-time payment on account of integration transfer process when Paytm sold its ticketing business to Zomato.

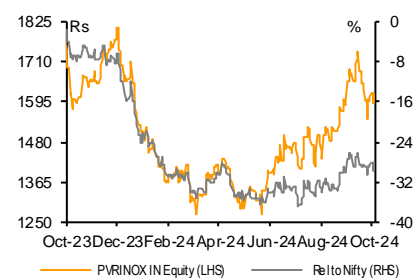
| | |
|-----------------------|---------|
| Target Price – 12M | Sep-25 |
| Change in TP (%) | - |
| Current Reco. | BUY |
| Previous Reco. | BUY |
| Upside/(Downside) (%) | 14.1 |
| CMP (15-Oct-24) (Rs) | 1,620.8 |

| Stock Data | Ticker |
|-----------------------------|-----------|
| 52-week High (Rs) | 1,830 |
| 52-week Low (Rs) | 1,204 |
| Shares outstanding (mn) | 98.2 |
| Market-cap (Rs bn) | 159 |
| Market-cap (USD mn) | 1,894 |
| Net-debt, FY25E (Rs mn) | 80,913 |
| ADTV-3M (mn shares) | 1 |
| ADTV-3M (Rs mn) | 788.5 |
| ADTV-3M (USD mn) | 9.4 |
| Free float (%) | 72.5 |
| Nifty-50 | 25,057 |
| INR/USD | 84.0 |
| Shareholding, Jun-24 | |
| Promoters (%) | 27.8 |
| FPIs/MFs (%) | 18.1/38.8 |

Price Performance

| (%) | 1M | 3M | 12M |
|---------------|-------|------|--------|
| Absolute | (2.1) | 11.0 | (7.5) |
| Rel. to Nifty | (0.9) | 8.6 | (27.1) |

1-Year share price trend (Rs)



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Exhibit 1: Actual vs Estimates (Q2FY25)

| (Rs mn) | Actual | Estimate | | Variation | | Comment |
|----------------|--------|----------|-----------|-----------|-----------|--------------------------------|
| | | Emkay | Consensus | Emkay | Consensus | |
| Revenue | 16,221 | 15,354 | 16,342 | 6% | -1% | Better ATP, SPH, and footfalls |
| EBITDA | 4,793 | 4,325 | 4,896 | 11% | -2% | Higher flow-through of revenue |
| EBITDA, margin | 29.5% | 28.2% | 30.0% | 138 bps | -41 bps | |
| PAT | -118 | -265 | 285 | NA | -141% | |

Source: Company, Emkay Research

Exhibit 2: Quarterly Financials Snapshot

| (Rs mn) | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 | Q2FY25 | YoY (%) | QoQ (%) | H1FY25 | H1FY24 | YoY (%) |
|----------------------------|--------|--------|---------|---------|--------|---------|---------|---------|--------|---------|
| Net sales | 19,999 | 15,459 | 12,564 | 11,907 | 16,221 | -18.9 | 36.2 | 28,128 | 33,048 | -15 |
| Total sales | 19,999 | 15,459 | 12,564 | 11,907 | 16,221 | -18.9 | 36.2 | 28,128 | 33,048 | -15 |
| Film exhibition cost | 4,954 | 3,710 | 2,469 | 2,451 | 3,257 | -34.3 | 32.9 | 5,708 | 7,934 | -28 |
| as % of sales | 24.8 | 24.0 | 19.7 | 20.6 | 20.1 | | | 20.3 | 24.0 | |
| Cost of materials consumed | 1,544 | 1,248 | 1,131 | 1,005 | 1,330 | -13.9 | 32.3 | 2,335 | 2,615 | -11 |
| as % of sales | 7.7 | 8.1 | 9.0 | 8.4 | 8.2 | | | 8.3 | 7.9 | |
| Employee costs | 1,679 | 1,629 | 1,706 | 1,643 | 1,773 | 5.6 | 7.9 | 3,416 | 3,238 | 5 |
| as % of sales | 8.4 | 10.5 | 13.6 | 13.8 | 10.9 | | | 12.1 | 9.8 | |
| Repairs & maintenance | 4,754 | 4,148 | 4,474 | 4,293 | 5,068 | 6.6 | 18.1 | 9,361 | 8,668 | 8 |
| as % of sales | 23.8 | 26.8 | 35.6 | 36.1 | 31.2 | | | 33.3 | 26.2 | |
| Total expenditure | 12,931 | 10,735 | 9,780 | 9,392 | 11,428 | -11.6 | 21.7 | 20,820 | 22,455 | -7 |
| EBITDA | 7,068 | 4,724 | 2,784 | 2,515 | 4,793 | -32.2 | 90.6 | 7,308 | 10,593 | -31 |
| Depreciation | 3,086 | 3,171 | 3,028 | 3,142 | 3,294 | 6.7 | 4.8 | 6,436 | 5,994 | 7 |
| EBIT | 3,982 | 1,553 | (244) | (627) | 1,499 | -62.4 | -339.1 | 872 | 4,599 | -81 |
| Other income | 238 | 588 | 491 | 287 | 418 | 75.6 | 45.6 | 705 | 487 | 45 |
| Interest | 2,003 | 1,966 | 1,999 | 2,041 | 2,064 | 3.0 | 1.1 | 4,105 | 3,948 | 4 |
| Exceptional item | - | - | - | - | - | | | 0 | 0 | |
| PBT | 2,217 | 175 | (1,752) | (2,381) | (147) | -106.6 | -93.8 | (2,528) | 1,138 | -322 |
| Tax | 555 | 47 | (455) | (591) | (26) | -104.7 | -95.6 | -617 | 296 | -308 |
| PAT before MI | 1,662 | 128 | (1,297) | (1,790) | (121) | -107.3 | -93.2 | (1,911) | 842 | -327 |
| Minority interest | (1) | (2) | (2) | (3) | (3) | 200.0 | 0.0 | -6 | -5 | - |
| PAT | 1,663 | 130 | (1,295) | (1,787) | (118) | -107.1 | -93.4 | (1,905) | 847 | (325) |

| Margins (%) | | | | | | (bps) | (bps) | | | (bps) |
|--------------------|------|------|-------|-------|------|--------|-------|------|------|--------|
| EBITDA | 35.3 | 30.6 | 22.2 | 21.1 | 29.5 | -589 | -104 | 26.0 | 32.1 | -607 |
| EBIT | 19.9 | 10.0 | -1.9 | -5.3 | 9.2 | -999 | -332 | 3.1 | 13.9 | -1,082 |
| PBT | 11.1 | 1.1 | -13.9 | -20.0 | -0.9 | -1,173 | -605 | -9.0 | 3.4 | -1,243 |
| PAT | 8.3 | 0.8 | -10.3 | -15.0 | -0.7 | -875 | -470 | -6.8 | 2.6 | -934 |
| Effective Tax rate | 25.0 | 26.9 | 26.0 | 24.8 | 17.7 | 82 | -115 | 24.4 | 26.0 | -160 |

Source: Company, Emkay Research

Exhibit 3: Key movies – upcoming pipeline

| Release Date | Movie Name | Language | Cast |
|--------------|--|-----------|-------------------------------------|
| 18-Oct-24 | The Apprentice | English | Sebastian Stan, Jeremy Strong |
| 18-Oct-24 | Goodrich | English | Michael Keaton, Mila Kunis |
| 31-Oct-24 | Lucky Bhaskar | Malayalam | Dulquer Salman, Meenakshi Chaudhary |
| 01-Nov-24 | Singham Again | Hindi | Ajay Devgan, Kareena Kapoor Khan |
| 01-Nov-24 | Bhool Bhulaiyaa 3 | Hindi | Kartik Aaryan, Vidya Balan |
| 14-Nov-24 | Kanguva | Tamil | Suriya, Bobby Deol |
| 15-Nov-24 | Gladiator 2 | English | Paul Mescal, Denzel Washington |
| 15-Nov-24 | The Sabarmati Report | Hindi | Vikrant Massey, Raashii Khanna |
| 22-Nov-24 | Dhadak 2 | Hindi | Siddhant Chaturvedi, Tripti Dimri |
| 29-Nov-24 | Metro In Dino | Hindi | Aditya Roy Kapur, Sara Ali Khan |
| 29-Nov-24 | Moana 2 | English | Auli'i Cravalho, Dwayne Johnson |
| 06-Dec-24 | Chhaava | Hindi | Vicky Kaushal, Rashmika Mandanna |
| 06-Dec-24 | Pushpa 2: The Rule | Telugu | Allu Arjun, Fahad Faasil |
| 13-Dec-24 | Lord of the Rings: The War of Rohirrim | English | Brian Cox, Miranda Otto |
| 13-Dec-24 | Kraven The Hunter | English | Aaron Taylor Johnson, Russell Crowe |
| 20-Dec-24 | Thandel | Telugu | Naga Chaitanya, Sai Pallavi |
| 20-Dec-24 | Viduthali- Part 2 | Tamil | Soori, Vijay Sethupati |
| 20-Dec-24 | Mufasa: The Lion King | English | Aaron Pierre, Kelvin Harrison Jr. |
| 25-Dec-24 | Baby John | Hindi | Varun Dhawan, Keerthy Suresh |
| 25-Dec-24 | Sitaare Zameen Par | Hindi | Aamir Khan, Genelia D'Souza |

Source: Company, Emkay Research

Exhibit 4: Change in estimates

| Particulars | FY25E | | | FY26E | | | FY27E | | |
|--------------------------|--------|--------|----------|--------|--------|----------|--------|--------|----------|
| | Old | New | % Change | Old | New | % Change | Old | New | % Change |
| Revenue | 64,466 | 64,661 | 0.3 | 75,568 | 75,728 | 0.2 | 83,719 | 83,740 | 0.0 |
| EBITDA | 19,986 | 19,886 | -0.5 | 26,432 | 26,266 | -0.6 | 29,129 | 28,946 | -0.6 |
| EBITDA Margin % | 31.0 | 30.8 | -25 bps | 35.0 | 34.7 | -31 bps | 34.8 | 34.6 | -23 bps |
| EBITDA (Adj. for IND AS) | 8,500 | 8,286 | -2.5 | 14,687 | 14,637 | -0.3 | 17,149 | 17,083 | -0.4 |
| PAT | 650 | 657 | 1.1 | 5,274 | 5,150 | -2.4 | 6,626 | 6,489 | -2.1 |
| EPS (Rs) | 6.6 | 6.7 | 1.7 | 53.8 | 52.6 | -2.3 | 67.6 | 66.2 | -2.0 |

Source: Emkay Research

PVR INOX: Consolidated Financials and Valuations

| Profit & Loss | | | | | |
|-----------------------------|---------|--------|--------|--------|--------|
| Y/E Mar (Rs mn) | FY23 | FY24 | FY25E | FY26E | FY27E |
| Revenue | 37,507 | 61,071 | 64,661 | 75,728 | 83,740 |
| Revenue growth (%) | 181.8 | 62.8 | 5.9 | 17.1 | 10.6 |
| EBITDA | 10,473 | 18,101 | 19,886 | 26,266 | 28,946 |
| EBITDA growth (%) | 890.4 | 72.8 | 9.9 | 32.1 | 10.2 |
| Depreciation & Amortization | 7,533 | 12,193 | 12,700 | 13,200 | 14,500 |
| EBIT | 2,940 | 5,908 | 7,186 | 13,066 | 14,446 |
| EBIT growth (%) | 0.0 | 101.0 | 21.6 | 81.8 | 10.6 |
| Other operating income | 0 | 0 | 0 | 0 | 0 |
| Other income | 791 | 1,566 | 1,405 | 1,700 | 1,900 |
| Financial expense | 5,716 | 7,913 | 8,025 | 7,885 | 7,675 |
| PBT | (1,986) | (439) | 567 | 6,882 | 8,671 |
| Extraordinary items | (108) | 0 | 0 | 0 | 0 |
| Taxes | 1,274 | (112) | (91) | 1,732 | 2,183 |
| Minority interest | 13 | 7 | 0 | 0 | 0 |
| Income from JV/Associates | 0 | 0 | 0 | 0 | 0 |
| Reported PAT | (3,381) | (334) | 657 | 5,150 | 6,489 |
| PAT growth (%) | 0.0 | 0.0 | 0.0 | 683.3 | 26.0 |
| Adjusted PAT | (3,273) | (334) | 657 | 5,150 | 6,489 |
| Diluted EPS (Rs) | (52.0) | (3.4) | 6.7 | 52.6 | 66.2 |
| Diluted EPS growth (%) | 0.0 | 0.0 | 0.0 | 683.3 | 26.0 |
| DPS (Rs) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividend payout (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBITDA margin (%) | 27.9 | 29.6 | 30.8 | 34.7 | 34.6 |
| EBIT margin (%) | 7.8 | 9.7 | 11.1 | 17.3 | 17.3 |
| Effective tax rate (%) | (64.2) | 25.5 | (16.0) | 25.2 | 25.2 |
| NOPLAT (pre-IndAS) | 4,826 | 4,401 | 8,338 | 9,778 | 10,810 |
| Shares outstanding (mn) | 65.0 | 98.0 | 98.0 | 98.0 | 98.0 |

Source: Company, Emkay Research

| Balance Sheet | | | | | |
|------------------------------|----------|----------|----------|----------|----------|
| Y/E Mar (Rs mn) | FY23 | FY24 | FY25E | FY26E | FY27E |
| Share capital | 980 | 980 | 980 | 980 | 980 |
| Reserves & Surplus | 72,319 | 72,254 | 72,911 | 78,061 | 84,550 |
| Net worth | 73,299 | 73,234 | 73,891 | 79,041 | 85,529 |
| Minority interests | (7) | (3) | (3) | (3) | (3) |
| Deferred tax liability (net) | (4,735) | (4,881) | (4,881) | (4,881) | (4,881) |
| Total debt | 80,519 | 83,035 | 83,694 | 83,024 | 81,381 |
| Total liabilities & equity | 1,49,076 | 1,51,385 | 1,52,701 | 1,57,181 | 1,62,026 |
| Net tangible fixed assets | 29,432 | 32,227 | 36,527 | 40,327 | 43,827 |
| Net intangible assets | 1,480 | 1,377 | 1,652 | 1,818 | 1,999 |
| Net ROU assets | 53,746 | 53,746 | 53,746 | 53,746 | 53,746 |
| Capital WIP | 2,473 | 2,464 | 2,710 | 2,981 | 3,280 |
| Goodwill | 57,428 | 57,431 | 57,431 | 57,431 | 57,431 |
| Investments [JV/Associates] | 2,312 | 161 | 161 | 161 | 161 |
| Cash & equivalents | 3,616 | 4,038 | 2,781 | 3,707 | 5,139 |
| Current assets (ex-cash) | 9,510 | 11,852 | 12,002 | 13,407 | 14,460 |
| Current Liab. & Prov. | 10,922 | 11,910 | 14,309 | 16,397 | 18,016 |
| NWC (ex-cash) | (1,411) | (58) | (2,307) | (2,990) | (3,556) |
| Total assets | 1,49,076 | 1,51,386 | 1,52,701 | 1,57,181 | 1,62,027 |
| Net debt | 76,903 | 78,997 | 80,913 | 79,317 | 76,242 |
| Capital employed | 1,49,076 | 1,51,385 | 1,52,701 | 1,57,181 | 1,62,026 |
| Invested capital | 1,40,674 | 1,44,723 | 1,47,049 | 1,50,331 | 1,53,447 |
| BVPS (Rs) | 1,127.2 | 747.5 | 754.2 | 806.8 | 873.0 |
| Net Debt/Equity (x) | 1.0 | 1.1 | 1.1 | 1.0 | 0.9 |
| Net Debt/EBITDA (x) | 7.3 | 4.4 | 4.1 | 3.0 | 2.6 |
| Interest coverage (x) | 1.5 | 1.1 | 0.9 | 0.5 | 0.5 |
| RoCE (%) | 3.6 | 5.0 | 5.7 | 9.5 | 10.2 |

Source: Company, Emkay Research

| Cash flows | | | | | |
|------------------------------|---------|-----------|---------|---------|---------|
| Y/E Mar (Rs mn) | FY23 | FY24 | FY25E | FY26E | FY27E |
| PBT | (1,986) | (439) | 567 | 6,882 | 8,671 |
| Others (non-cash items) | 12,589 | 19,013 | 8,025 | 7,885 | 7,675 |
| Taxes paid | 1 | 326 | 91 | (1,732) | (2,183) |
| Change in NWC | (1,969) | 890 | 2,249 | 683 | 566 |
| Operating cash flow | 8,635 | 19,790 | 10,931 | 13,717 | 14,729 |
| Capital expenditure | (6,339) | (6,269) | (4,822) | (4,236) | (3,980) |
| Acquisition of business | 0 | 0 | 0 | 0 | 0 |
| Interest & dividend income | 88 | 17 | 0 | 0 | 0 |
| Investing cash flow | (5,759) | (6,266) | (4,822) | (4,236) | (3,980) |
| Equity raised/(repaid) | 305 | 188 | 0 | 0 | 0 |
| Debt raised/(repaid) | 1,260 | (732) | 0 | (2,000) | (3,000) |
| Payment of lease liabilities | (7,059) | (10,589) | 659 | 1,330 | 1,357 |
| Interest paid | (1,442) | (1,792) | (8,025) | (7,885) | (7,675) |
| Dividend paid (incl tax) | 0 | 0 | 0 | 0 | 0 |
| Others | 301 | 108 | 108 | 108 | 108 |
| Financing cash flow | (6,634) | (12,817) | (7,259) | (8,446) | (9,210) |
| Net chg in Cash | (3,758) | 707 | (1,149) | 1,035 | 1,540 |
| OCF | 8,635 | 19,790 | 10,931 | 13,717 | 14,729 |
| Adj. OCF (w/o NWC chg.) | 6,666 | 20,680 | 13,181 | 14,400 | 15,296 |
| FCFF | 2,296 | 13,521 | 6,110 | 9,481 | 10,750 |
| FCFE | (3,333) | 5,625 | (1,915) | 1,596 | 3,075 |
| OCF/EBITDA (%) | 82.5 | 109.3 | 55.0 | 52.2 | 50.9 |
| FCFE/PAT (%) | 98.6 | (1,684.1) | (291.3) | 31.0 | 47.4 |
| FCFF/NOPLAT (%) | 47.6 | 307.2 | 73.3 | 97.0 | 99.4 |

Source: Company, Emkay Research

| Valuations and key Ratios | | | | | |
|---------------------------|--------|---------|--------|--------|--------|
| Y/E Mar | FY23 | FY24 | FY25E | FY26E | FY27E |
| P/E (x) | (32.2) | (475.4) | 241.5 | 30.8 | 24.5 |
| P/CE(x) | 24.7 | 13.4 | 11.9 | 8.7 | 7.6 |
| P/B (x) | 1.4 | 2.2 | 2.1 | 2.0 | 1.9 |
| EV/Sales (x) | 4.9 | 3.9 | 3.7 | 3.1 | 2.8 |
| EV/EBITDA (x) | 17.4 | 13.1 | 12.1 | 9.1 | 8.1 |
| EV/EBIT(x) | 62.0 | 40.2 | 33.4 | 18.2 | 16.3 |
| EV/IC (x) | 1.3 | 1.6 | 1.6 | 1.6 | 1.5 |
| FCFF yield (%) | 1.3 | 5.7 | 2.5 | 4.0 | 4.6 |
| FCFE yield (%) | (3.2) | 3.5 | (1.2) | 1.0 | 1.9 |
| Dividend yield (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DuPont-RoE split | | | | | |
| Net profit margin (%) | (8.7) | (0.5) | 1.0 | 6.8 | 7.7 |
| Total asset turnover (x) | 0.4 | 0.4 | 0.4 | 0.5 | 0.5 |
| Assets/Equity (x) | 2.4 | 2.1 | 2.1 | 2.0 | 1.9 |
| RoE (%) | (7.5) | (0.5) | 0.9 | 6.7 | 7.9 |
| DuPont-RoIC | | | | | |
| NOPLAT margin (%) | 12.9 | 7.2 | 12.9 | 12.9 | 12.9 |
| IC turnover (x) | 0.4 | 0.4 | 0.4 | 0.5 | 0.6 |
| RoIC (%) | 5.0 | 3.1 | 5.7 | 6.6 | 7.1 |
| Operating metrics | | | | | |
| Core NWC days | (13.7) | (0.3) | (13.0) | (14.4) | (15.5) |
| Total NWC days | (13.7) | (0.3) | (13.0) | (14.4) | (15.5) |
| Fixed asset turnover | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 |
| Opex-to-revenue (%) | 50.2 | 47.3 | 47.0 | 42.0 | 42.1 |

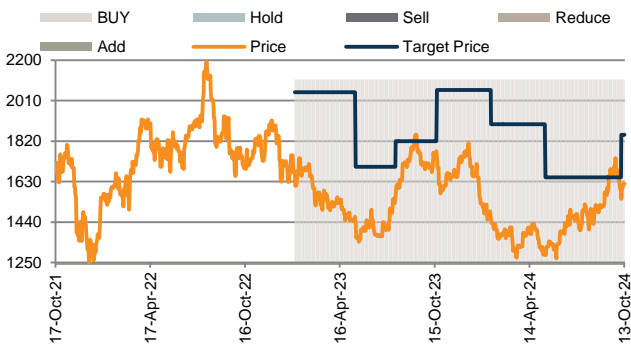
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (INR) | TP (INR) | Rating | Analyst |
|-----------|---------------------|----------|--------|---------------|
| 07-Oct-24 | 1,549 | 1,850 | Buy | Pulkit Chawla |
| 22-Jul-24 | 1,430 | 1,650 | Buy | Pulkit Chawla |
| 20-Jun-24 | 1,384 | 1,650 | Buy | Pulkit Chawla |
| 14-May-24 | 1,297 | 1,650 | Buy | Pulkit Chawla |
| 31-Jan-24 | 1,455 | 1,900 | Buy | Pulkit Chawla |
| 30-Nov-23 | 1,718 | 2,060 | Buy | Pulkit Chawla |
| 19-Oct-23 | 1,745 | 2,060 | Buy | Pulkit Chawla |
| 01-Aug-23 | 1,565 | 1,820 | Buy | Pulkit Chawla |
| 25-Jul-23 | 1,484 | 1,700 | Buy | Pulkit Chawla |
| 16-May-23 | 1,435 | 1,700 | Buy | Pulkit Chawla |
| 19-Jan-23 | 1,678 | 2,050 | Buy | Pulkit Chawla |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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|---------------|---|
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| ADD | 5-15% upside |
| REDUCE | 5% upside to 15% downside |
| SELL | <15% downside |

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