BUY

InterGlobe Aviation

Strong quarter with beat on yields; healthy demand outlook

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Others ▸ Result Update ▸ **January 25, 2025**

TARGET PRICE (Rs): 5,300

Indigo posted robust results in Q3FY25, with SA EBITDA of Rs66.2bn – a 15% beat. This was driven by a 3% beat each on RASK/yields, while fuel cost and rentals were also lower. CASK ex-fuel and forex (Fx) was only 1% above our estimate, though net Fx loss was high at Rs14bn. ASK grew 12% YoY to 40.8bn (inline), while Indigo ended Dec-24 with fleet size of 437 vs 410 QoQ. Load factor was lower at 86.9%, while RPK rose 13% YoY. The mgmt guided to a healthy demand outlook and Indigo beating sector estimates with Q4 ASK growth of 20% YoY (on a low base, though). PRASK guidance is a low single-digit moderation YoY. AOGs are in the 60s now, but should fall to the 40s by early FY26, supporting spreads. Optically, FY25E/26E EPS is cut 25%/11% due to Fx losses, higher D/A-finance cost, but being mostly non cash, core earnings and valuation remain unchanged. We reiterate BUY with Dec-25E TP of Rs5,300.

InterGlobe Aviation: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	544,465	689,043	800,934	914,925	1,045,552
EBITDA	94,446	168,600	188,333	236,475	273,813
Adj. PAT	(3,167)	80,175	56,121	89,078	106,682
Adj. EPS (Rs)	(8.2)	207.7	145.4	230.8	276.4
EBITDA margin (%)	17.3	24.5	23.5	25.8	26.2
EBITDA growth (%)	542.0	78.5	11.7	25.6	15.8
Adj. EPS growth (%)	NM	NM	(30.0)	58.7	19.8
RoE (%)	NM	NM	118.4	74.2	49.0
RoIC (%)	32.0	61.4	54.3	65.5	75.3
P/E (x)	NM	20.0	28.6	18.0	15.1
EV/EBITDA (x)	20.5	11.6	10.0	7.6	6.1
P/B (x)	NM	83.1	21.3	9.8	5.9
FCFF yield (%)	6.6	10.1	10.5	14.1	18.1

Source: Company, Emkay Research

Result Highlights

RPAT in Q3FY25 was Rs24.4bn, at a 15% beat. Ancillary revenue rose 15% QoQ to Rs21.5bn due to cargo. Fuel cost per ASK was 3% below our estimate, down 9% QoQ. Employee Cost and Supplementary Rentals were 3% lower, while aircraft & engine rentals were 14% lower. Airport Charges were 3% higher, while Other Expenditure was also higher, by 8%. D/A rose 7% QoQ on aggressive fleet addition, while finance charges were up 5%. Other income increased 4% QoQ. Indigo's fleet saw 27 net additions QoQ to 437, with AOGs in the 60s during Q3. Core gross debt was up 36% QoQ to Rs155bn, but total cash balance rose 11% QoQ to Rs438bn, with free cash up 19% to Rs289bn. PBT spread works out to be Rs0.62/ASK.

Management meet KTAs

Domestic demand was strong in Nov-Dec '24, and should continue in coming quarters too. Q4FY25 ASK growth guidance is 20% YoY. Indigo has been able to meet the winter disruptions much successfully this time around, drawing on last years' experience. The rupee depreciated by ~2% QoQ in Q3, resulting in MTM forex loss of around Rs14bn. However, ~99% of the forex loss is unrealized. Indigo currently hedges 60-70% of its Fx outflow for the next 12 months, with Q3 hedging gain at Rs591mn. Aircraft rentals were lower due to winter rates now. Indigo has received promising customer response to its business class offering. The international segment now contributes 10% to revenue, with 28% of ASK share. The company inducted 33 aircraft in Q3, including 23 from its original order book, 8 via damp lease, and 2 through secondary lease. The airline also redelivered 6 aircraft during the quarter.

Valuation

We value Indigo at P/E-based TP of Rs5,300 (20x Dec-26E target P/E). Our PBT before exceptional items and forex is marginally changed by 1-3% for FY25E-27E. Key risks: adverse currency/fuel prices, economic slowdown, stake sale, and operational issues.

Target Price – 12M	Dec-25
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	27.3
CMP (24-Jan-25) (Rs)	4,161.8

Stock Data	**Ticker**
52-week High (Rs)	5,035
52-week Low (Rs)	2,844
Shares outstanding (mn)	386.4
Market-cap (Rs bn)	1,608
Market-cap (USD mn)	18,655
Net-debt, FY25E (Rs mn)	268,555
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	4,004.8
ADTV-3M (USD mn)	46.5
Free float (%)	43.0
Nifty-50	23,092
INR/USD	86.2
Shareholding, Dec-24	
Promoters (%)	49.3
FPIs/MFs (%)	24.8/21.2

Price Performance

(%)	1M	3M	12M
Absolute	(9.8)	(7.9)	43.0
Rel. to Nifty	(7.3)	(2.7)	32.9

1-Year share price trend (Rs)

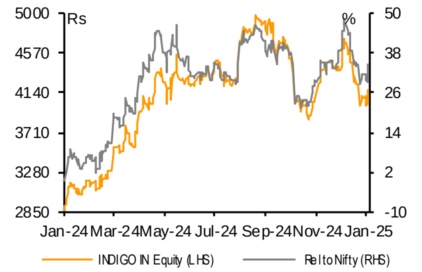

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Exhibit 1: Actuals vs Estimates (Q3FY25)

(Rs bn)	Actual	Estimates (Emkay)	Consensus Estimates (Bloomberg)	Variation		Comments
				Emkay	Consensus	
Total Revenue	221	215	217	3%	2%	Higher than expected yield
Adjusted EBITDA	66	58	57	15%	16%	Lower opex
EBITDA margin	*29.9%*	*26.8%*	*26.3%*	*314bps*	*364bps*	
Adjusted Net Profit	24	21	30	15%	-18%	Higher D/A and forex losses

Source: Company, Emkay Research

Exhibit 2: Quarterly Summary

Standalone (Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY	QoQ	9MFY24	9MFY25	YoY
Total Revenue	**194,521**	**178,253**	**195,707**	**169,696**	**221,107**	**14%**	**30%**	**510,791**	**586,510**	**15%**
Change in Stock	25	2	19	-1	-16			52	2	
Purchases	960	868	837	813	1,106	15%	36%	2,500	2,756	10%
Fuel Expense	68,414	59,791	64,165	66,052	64,226	-6%	-3%	179,255	194,443	8%
Employee Cost	15,328	16,176	15,859	16,677	17,256	13%	3%	42,201	49,792	18%
Airport Fees	12,368	11,863	12,861	13,848	15,187	23%	10%	35,876	41,896	17%
Aircraft-Engine Rentals	2,991	3,860	6,241	7,636	7,585	154%	-1%	6,892	21,462	211%
Supplementary Rentals	26,307	27,587	26,033	27,446	28,580	9%	4%	71,729	82,059	14%
Other Expenses	16,176	16,609	17,656	18,641	21,000	30%	13%	45,181	57,297	27%
Total Expenditure	**142,569**	**136,757**	**143,671**	**151,112**	**154,924**	**9%**	**3%**	**383,686**	**449,707**	**17%**
EBITDA	**51,952**	**41,496**	**52,036**	**18,584**	**66,183**	**27%**	**256%**	**127,104**	**136,803**	**8%**
Depreciation	16,603	17,955	18,665	20,776	22,154	33%	7%	46,101	61,595	34%
EBIT	35,349	23,541	33,371	-2,192	44,029	25%	NM	81,003	75,208	-7%
Finance Costs	10,952	10,991	11,576	12,401	13,081	19%	5%	30,702	37,058	21%
Other Income	6,098	6,801	6,797	7,905	8,244	35%	4%	16,455	22,946	39%
PBT Before Exceptionals	30,494	19,350	28,592	-6,688	39,192	29%	NM	66,756	61,096	-8%
Forex Gains	-509	-1,654	-575	-2,406	-13,992	NM	NM	-5,520	-16,973	NM
Exceptional Items	0	0	0	0	0			1,500	0	NM
PBT	29,985	17,696	28,017	-9,094	25,200	-16%	NM	62,736	44,123	-30%
Current Tax	0	0	750	794	780	NM		0	2,324	NM
Deferred Tax	0	-1,242	0	0	0	NM		0	0	NM
Total Tax	0	-1,242	750	794	780	NM		0	2,324	NM
Reported PAT	**29,985**	**18,939**	**27,267**	**-9,888**	**24,420**	**-19%**	**NM**	**62,736**	**46,447**	**-26%**
Reported EPS (Rs)	**77.7**	**49.1**	**70.6**	**-25.6**	**63.2**	**-19%**	**NM**	**162.6**	**108.2**	**-33%**
Total Pax (mn)	27.5	26.7	27.8	27.8	31.1	13%	12%	80.0	86.7	8%
ASK (mn)	**36,464**	**34,805**	**36,315**	**38,224**	**40,834**	**12%**	**7%**	**104,476**	**115,373**	**10%**
RPK (mn)	31,300	30,040	31,500	31,590	35,500	13%	12%	89,662	98,590	10%
PLF (%)	85.8%	86.3%	86.7%	82.6%	86.9%	110bps	429bps	85.8%	85.5%	-37bps
RASK (Rs)	5.34	5.13	5.40	4.45	5.43	2%	22%	4.90	5.10	4%
Yield (Rs)	**5.48**	**5.19**	**5.24**	**4.55**	**5.43**	**-1%**	**19%**	**5.04**	**5.08**	**1%**
Fuel Cost/ASK (Rs)	1.88	1.72	1.77	1.73	1.57	-16%	-9%	1.72	1.69	-2%
CASK ex-Fuel & Forex (Rs)	2.63	2.86	2.84	2.90	2.90	10%	0%	2.69	3.07	14%
PBT/ASK (Rs)	0.82	0.51	0.77	-0.24	0.62	-25%	NM	0.60	0.38	-36%
PAT excl. Forex	30,494	20,593	27,842	-7,482	38,412	26%	NM	68,256	58,772	-14%
EBITDARM	28.1%	24.7%	29.6%	14.3%	27.3%	-79bps	1305bps	25.7%	24.3%	-136bps
Free Cash	191,996	208,230	220,876	243,597	289,035	51%	19%	191,996	289,035	51%
Restricted Cash	132,285	139,145	140,130	149,822	148,773	12%	-1%	132,285	148,773	12%
ROU Assets	333,700	342,023	358,600	414,856	468,000	40%	13%	333,700	468,000	40%
Fleet Size (no of)	**358**	**367**	**382**	**410**	**437**	**79**	**27**	**358**	**437**	**79**
Domestic Destinations (no of)	86	88	88	88	89	3	1	86	89	3
International Destinations (no of)	32	33	33	34	34	2	0	32	34	2
OTP	78%	71%	75%	66%	73%	-470bps	760bps	85%	71%	-1330bps

Source: Company, Emkay Research

Concall Highlights

- Domestic demand has rebounded in H2FY25, primarily driven by the festive period, year-end holidays, and a general increase in consumer spending across industries. This surge in demand has kept the domestic market industry load factors above 90% for 2 consecutive months (Nov and Dec). This surge in demand for air travel has resulted in strong revenue growth for Indigo. Despite a YoY moderation in yields, strong demand growth has led to ~15% YoY increase in revenue. The management expects this robust demand growth to continue in coming quarters. Expansion of Cargo operations supported ancillary revenue.
- In Q4FY24, ASK was lower due to the sudden groundings in Jan-24. Consequently, the management expects Q4FY25 ASK growth to be ~20% YoY (on a low base), while reiterating its full-year guidance of early double-digit growth. Indigo has been able to meet the winter disruptions much successfully this time around, drawing on last years' experience.
- In terms of passenger revenue, the management anticipates an early single-digit moderation in yield YoY for Q4FY25. However, stronger demand growth is expected to offset this moderation, resulting in overall revenue growth.
- AOGs are on a downward trajectory, having moved past their peak. Currently, AOGs are at the 60s level and are expected to decline to the 40s by early FY26, continuing to decrease through to FY26. This improvement in the AOG situation is expected to positively impact spreads (with an early single-digit impact). The OEM claims are directly proportionate to AOGs, and decline in AOGs would however entail lower OEM claims.
- Despite the downward trend in AOGs, Indigo has added aircraft on damp lease, which provides flexibility and helps address seasonal variations. Additionally, to meet demand in long-haul markets, Indigo is exploring interim solutions for the earlier introduction of long-range aircraft to its fleet through wet leases, subject to regulatory approvals.
- ATF prices declined 20% YoY; however, factors such as currency depreciation, increased VAT, higher charges by OMCs, and congestion led to a ~16% decline in fuel costs. Grounding-related cost, contractual escalations across line items, and annual increments have resulted in a 10% YoY uptick in CASK ex fuel ex forex.
- Strong demand in the domestic market, continued investment in capacity, and favorable fuel prices have supported profitability in Q3FY25. In December, against the 8% pax growth of the market, Indigo's pax grew 13% YoY. However, the rupee depreciation during the quarter had a negative impact. The rupee depreciated ~2% QoQ in Q3FY25, resulting in a MTM forex loss of around Rs14bn. Each Re1/USD decline in forex leads to an MTM loss of about Rs7.9bn, which is expected to increase as the balance sheet and fleet size grow. That said, ~99% of the forex loss is however unrealized, with the realized portion being relatively small. This is a long-term impact.
- To mitigate forex volatility in its financial statements, Indigo has been actively hedging a portion of its forex outflows. The company has presently hedged ~60-70% of its forex outflow for the next 12 months. During the quarter, hedging gains of Rs591mn were recorded under Other Income.
- Despite an increase in damp leases, aircraft rentals were flat QoQ, driven by lower winter lease rates compared with the higher summer rates observed in previous quarters (from European aircrafts), as lease rental rates typically moderate during the winter months.
- Indigo has received promising customer response to its business class offering (stretch), launched in mid-Nov-24. In Jan-25, the airline introduced the business class on the Delhi-Bengaluru route, while gearing up for Delhi-Chennai route soon. In CY25, the management aims to launch 10 more Metro-to-Metro routes with 45 aircraft in total. Globally, airlines have seen a surge in demand for business class, and Indigo expects similar trends for its stretch offerings.
- The international segment now contributes 10% to revenue with 28% of ASK share, and the management is focused on expanding its international presence by leveraging its strong domestic base. While international yields have moderated more than domestic due to intense competition from global airlines, anticipated strong demand growth is expected to offset this yield decline. Additionally, increasing international revenue provides a natural hedge against currency risk, and Indigo aims to maximize forex revenues in international. International destinations have received positive response.

- The ratification of the New Aviation Bill is expected to positively impact the industry by encouraging global lessors and lenders to participate more actively in the Indian aviation market.
- Indigo is set to benefit from having the largest aircraft order book, with little over 900 aircraft slated for delivery over the next decade. This entails inducting one aircraft every week for the next decade. The management believes there are key markets that are still underserved and these present good opportunities.
- During the quarter, the airline inducted 33 aircraft, including 23 from its original order book, 8 via damp lease, and 2 through secondary lease. Indigo also delivered 6 aircraft during the quarter, bringing its total fleet size to 437 aircraft. A number of deliveries were made toward the end of the quarter.

Exhibit 3: Change in assumptions

	FY25E			FY26E			FY27E		
	Previous	**Revised**	**Variance**	**Previous**	**Revised**	**Variance**	**Previous**	**Revised**	**Variance**
ASK (bn)	156.1	157.1	1%	178.6	179.9	1%	201.8	203.3	1%
PLF	86%	86%	-14bps	86%	86%	4bps	87%	86%	-20bps
RASK (Rs)	5.0	5.1	2%	4.9	5.1	3%	4.9	5.2	5%
Fuel Cost/ASK (Rs)	1.6	1.7	1%	1.5	1.5	2%	1.5	1.5	0%
CASK ex-Fuel & Forex (Rs)	2.8	2.9	3%	2.8	2.9	6%	2.7	2.9	8%
PBT/ASK (Rs)	0.5	0.4	-24%	0.7	0.6	-8%	0.7	0.7	5%

Source: Company, Emkay Research

Exhibit 4: Change in estimates

(Rs bn)	FY25E			FY26E			FY27E		
	Previous	**Revised**	**Variance**	**Previous**	**Revised**	**Variance**	**Previous**	**Revised**	**Variance**
Revenue	781.2	800.9	3%	882.3	914.9	4%	990.7	1,045.6	6%
EBITDA	184.7	188.3	2%	231.5	236.5	2%	258.3	273.8	6%
EBITDA margin	23.6%	23.5%	-12bps	26.2%	25.8%	-39bps	26.1%	26.2%	11bps
PBT ex forex	83.7	84.2	1%	122.4	118.1	-3%	140.4	142.6	2%
PAT	74.7	56.1	-25%	99.5	89.1	-11%	105.0	107	2%
EPS (Rs)	193.6	145.4	-25%	257.9	230.8	-11%	272.1	276.4	2%

Source: Company, Emkay Research

Exhibit 5: PER-based valuation (Dec-26E)

	FY22	FY23	FY24	FY25E	FY26E	FY27E
SA EPS (Rs)	-160.2	-8.2	207.7	145.4	230.8	276.4
Target P/E (x)						**20.0**
TP (Rs)						**5,300**

Source: Company, Emkay Research

InterGlobe Aviation: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	**544,465**	**689,043**	**800,934**	**914,925**	**1,045,552**
Revenue growth (%)	110.0	26.6	16.2	14.2	14.3
EBITDA	**94,446**	**168,600**	**188,333**	**236,475**	**273,813**
EBITDA growth (%)	542.0	78.5	11.7	25.6	15.8
Depreciation & Amortization	51,012	64,056	84,889	99,037	108,726
EBIT	**43,434**	**104,544**	**103,444**	**137,438**	**165,087**
EBIT growth (%)	0.0	140.7	(1.1)	32.9	20.1
Other operating income	0	0	0	0	0
Other income	14,314	23,256	31,558	39,228	43,074
Financial expense	31,317	41,694	50,764	58,538	65,539
PBT	**26,431**	**86,106**	**84,237**	**118,128**	**142,623**
Extraordinary items	0	0	0	0	0
Taxes	0	(1,242)	3,143	22,550	35,941
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	**(3,167)**	**80,175**	**56,121**	**89,078**	**106,682**
PAT growth (%)	0.0	0.0	(30.0)	58.7	19.8
Adjusted PAT	**(3,167)**	**80,175**	**56,121**	**89,078**	**106,682**
Diluted EPS (Rs)	**(8.2)**	**207.7**	**145.4**	**230.8**	**276.4**
Diluted EPS growth (%)	0.0	0.0	(30.0)	58.7	19.8
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 (%)	17.3	24.5	23.5	25.8	26.2
EBIT margin (%)	8.0	15.2	12.9	15.0	15.8
Effective tax rate (%)	0.0	(1.4)	3.7	19.1	25.2
NOPLAT (pre-IndAS)	**43,434**	**106,053**	**99,584**	**111,202**	**123,485**
Shares outstanding (mn)	385.5	386.0	386.0	386.0	386.0

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	3,855	3,860	3,860	3,860	3,860
Reserves & Surplus	(66,887)	15,459	71,581	160,658	267,340
Net worth	**(63,031)**	**19,319**	**75,440**	**164,518**	**271,200**
Minority interests	0	0	0	0	0
Deferred tax liability (net)	(2,949)	(4,192)	(4,192)	(4,192)	(4,192)
Total debt	**448,542**	**512,800**	**517,567**	**632,752**	**655,567**
Total liabilities & equity	**382,561**	**527,928**	**588,815**	**793,078**	**922,575**
Net tangible fixed assets	11,028	18,236	16,746	15,384	13,380
Net intangible assets	107	107	107	107	107
Net ROU assets	265,365	342,023	363,522	384,044	409,417
Capital WIP	208	15	15	15	15
Goodwill	0	0	0	0	0
Investments [JV/Associates]	115,143	164,532	169,370	174,352	179,481
Cash & equivalents	**118,106**	**167,093**	**249,011**	**449,666**	**584,024**
Current assets (ex-cash)	77,521	124,491	139,164	154,834	172,342
Current Liab. & Prov.	204,916	288,569	349,120	385,323	436,192
NWC (ex-cash)	**(127,395)**	**(164,078)**	**(209,956)**	**(230,489)**	**(263,849)**
Total assets	**382,561**	**527,928**	**588,815**	**793,078**	**922,575**
Net debt	330,436	345,707	268,555	183,086	71,543
Capital employed	382,561	527,928	588,815	793,078	922,575
Invested capital	**149,104**	**196,288**	**170,419**	**169,045**	**159,055**
BVPS (Rs)	(163.5)	50.1	195.5	426.2	702.6
Net Debt/Equity (x)	(5.2)	17.9	3.6	1.1	0.3
Net Debt/EBITDA (x)	3.5	2.1	1.4	0.8	0.3
Interest coverage (x)	0.5	0.3	0.4	0.3	0.3
RoCE (%)	**16.8**	**28.1**	**24.2**	**25.6**	**24.3**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PBT	26,431	86,106	84,237	118,128	142,623
Others (non-cash items)	102,911	93,120	96,788	143,986	166,081
Taxes paid	(3,917)	(5,107)	(3,143)	(22,550)	(35,941)
Change in NWC	31,204	43,383	45,878	20,533	33,360
Operating cash flow	**127,031**	**210,328**	**198,787**	**253,597**	**306,122**
Capital expenditure	1,418	(13,217)	(2,000)	(2,000)	(2,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	1,568	5,755	0	0	0
Investing cash flow	**(40,552)**	**(117,564)**	**(6,838)**	**(6,982)**	**(7,129)**
Equity raised/(repaid)	224	417	0	0	0
Debt raised/(repaid)	(84,204)	(99,595)	(119,264)	(124,540)	(134,410)
Payment of lease liabilities	(41,138)	(62,422)	(105,347)	(120,540)	(133,910)
Interest paid	(345)	(608)	(10,406)	(12,665)	(13,966)
Dividend paid (incl tax)	0	0	0	0	0
Others	14,786	54,509	19,639	91,245	(16,259)
Financing cash flow	**(69,539)**	**(45,277)**	**(110,031)**	**(45,961)**	**(164,635)**
Net chg in Cash	16,940	47,488	81,918	200,655	134,358
OCF	127,031	210,328	198,787	253,597	306,122
Adj. OCF (w/o NWC chg.)	95,827	166,945	152,909	233,064	272,762
FCFF	128,449	197,111	196,787	251,597	304,122
FCFE	98,700	161,172	146,023	193,059	238,583
OCF/EBITDA (%)	134.5	124.7	105.6	107.2	111.8
FCFE/PAT (%)	(3,116.4)	201.0	260.2	216.7	223.6
FCFF/NOPLAT (%)	**295.7**	**185.9**	**197.6**	**226.3**	**246.3**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	(506.6)	20.0	28.6	18.0	15.1
P/CE(x)	33.5	11.1	11.4	8.5	7.5
P/B (x)	(25.5)	83.1	21.3	9.8	5.9
EV/Sales (x)	3.6	2.9	2.4	2.0	1.6
EV/EBITDA (x)	20.5	11.6	10.0	7.6	6.1
EV/EBIT(x)	44.6	18.7	18.1	13.0	10.2
EV/IC (x)	13.0	9.9	11.0	10.6	10.5
FCFF yield (%)	6.6	10.1	10.5	14.1	18.1
FCFE yield (%)	6.2	10.0	9.1	12.0	14.9
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
DuPont-RoE split					
Net profit margin (%)	(0.6)	11.6	7.0	9.7	10.2
Total asset turnover (x)	1.6	1.5	1.4	1.3	1.2
Assets/Equity (x)	(5.6)	(20.8)	11.8	5.8	3.9
RoE (%)	**5.1**	**(366.8)**	**118.4**	**74.2**	**49.0**
DuPont-RoIC					
NOPLAT margin (%)	8.0	15.4	12.4	12.2	11.8
IC turnover (x)	0.0	0.0	0.0	0.0	0.0
RoIC (%)	**32.0**	**61.4**	**54.3**	**65.5**	**75.3**
Operating metrics					
Core NWC days	(85.4)	(86.9)	(95.7)	(92.0)	(92.1)
Total NWC days	**(85.4)**	**(86.9)**	**(95.7)**	**(92.0)**	**(92.1)**
Fixed asset turnover	1.4	1.4	1.3	1.4	1.4
Opex-to-revenue (%)	82.1	75.0	76.0	73.7	73.3

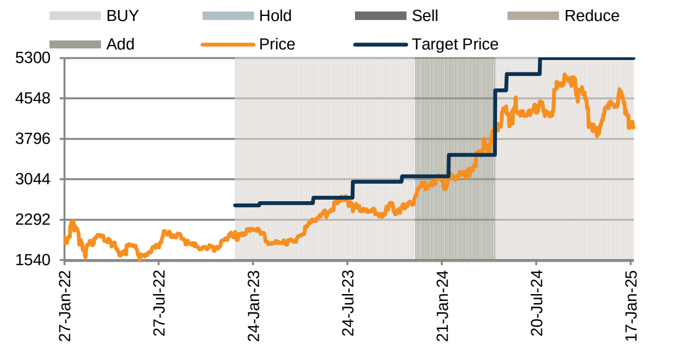
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
26-Oct-24	4,366	5,300	Buy	Sabri Hazarika
05-Aug-24	4,220	5,300	Buy	Sabri Hazarika
27-Jul-24	4,493	5,300	Buy	Sabri Hazarika
24-May-24	4,257	5,000	Buy	Sabri Hazarika
02-May-24	4,108	4,700	Buy	Sabri Hazarika
24-Mar-24	3,287	3,500	Add	Sabri Hazarika
03-Feb-24	3,127	3,500	Add	Sabri Hazarika
30-Nov-23	2,705	3,100	Add	Sabri Hazarika
05-Nov-23	2,509	3,100	Buy	Sabri Hazarika
15-Oct-23	2,608	3,000	Buy	Sabri Hazarika
15-Sep-23	2,391	3,000	Buy	Sabri Hazarika
03-Aug-23	2,448	3,000	Buy	Sabri Hazarika
19-May-23	2,267	2,700	Buy	Sabri Hazarika
24-Mar-23	1,865	2,600	Buy	Sabri Hazarika
21-Mar-23	1,875	2,600	Buy	Sabri Hazarika
05-Feb-23	2,098	2,600	Buy	Sabri Hazarika
20-Dec-22	2,064	2,560	Buy	Sabri Hazarika

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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

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