

**HOLD** Indian Oil

Your success is our success

## Marketing betters expectations

Oil &amp; Gas ▶ Result Update ▶ November 1, 2023

TARGET PRICE (Rs): 100

**IOCL reported a 7% beat on SA adj EBITDA at Rs220.6bn in Q2FY24, on better than expected marketing earnings, akin to peer BPCL. Core GRM is ~USD16/bbl (bettering our USD13/bbl estimate; reported GRM of USD18.1 came in-line). Implied blended marketing margin is estimated at ~Rs4.9/kg, in-line, based on BPCL's reported marketing inventory. Domestic sales grew 2% YoY with diesel down 8%, worse than the industry/BPCL. Petchem EBIT rose from Rs884mn to Rs1.6bn QoQ, driven by volume. Net debt fell 2% QoQ to under Rs900bn. The Board declared an interim dividend of Rs5/sh. OMCs are in a sweet spot, given the strong H1FY24 reported so far, though some macro risks wrt oil prices and the political scenario prevail in the run-up to the elections. We raise FY24E EPS by 9%, but retain FY25 estimate; maintain HOLD with unchanged TP of Rs100.**

**Indian Oil: Financial Snapshot (Standalone)**

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	59,81,492	82,86,712	77,81,319	68,75,083	70,80,924
EBITDA	4,46,996	1,87,639	5,57,315	4,28,730	4,33,671
Adj. PAT	2,42,118	(4,179)	2,98,050	1,92,650	1,83,369
Adj. EPS (Rs)	26.4	(0.3)	21.6	14.0	13.3
EBITDA margin (%)	7.5	2.3	7.2	6.2	6.1
EBITDA growth (%)	13.8	(58.0)	197.0	(23.1)	1.2
Adj. EPS growth (%)	10.8	NM	NM	(38.9)	(4.8)
RoE (%)	20.0	(0.3)	20.8	12.2	10.9
RoIC (%)	17.2	(2.5)	14.7	8.9	7.6
P/E (x)	3.5	NM	4.3	6.6	6.9
EV/EBITDA (x)	4.4	13.7	4.7	6.1	6.0
P/B (x)	0.6	0.9	0.8	0.8	0.7
FCFF yield (%)	0.6	(3.7)	4.5	3.7	3.4

Source: Company, Emkay Research

**Result Highlights**

IOCL's Q2FY24 SA PAT of Rs129.7bn, down 6% QoQ, is at a 15% beat to our estimate, primarily driven by marketing, albeit also by better petchem coupled with lower than expected opex, forex losses and tax rate. Refining volume at 17.8mmt missed estimates by 4% (down 5% QoQ), with ~101% utilization. Petchem was supported by operating leverage as well as a marginal increase in blended deltas. Assuming marketing-inventory gain (not disclosed by IOCL) of ~Rs30bn in Q2 (based on the BPCL run-rate and as against the Rs1bn built-in by us originally), blended marketing margin was in-line. Marketing volume rose 2% YoY domestically vs 5%/7% for the industry/BPCL, while total volume missed our estimate by 2%. Petrol/diesel sales grew/declined 2%/8%, respectively, as against a 5%/1% YoY growth for BPCL and 6%/4% growth for the industry. Reported gross profit was at a 3% beat to our estimate, while opex was 1% lower than expected. Interest cost rose 14% QoQ, while D/A was up 4%. Other Income of Rs9.8bn was in-line, though down 55% YoY, while forex loss was lower at Rs8.4bn. Tax rate was 24.5%. Company saw working capital release in H1FY24, while capex was ~Rs160bn, basic OCF being strong at Rs438bn. HoH net debt fell 27%.

**Other Highlights**

Capex target for FY24 is on schedule. Russian discounts have narrowed down, currently. LPG buffer adjustment (likely in Q1) was Rs22.2bn.

**Valuation and Outlook**

We value IOCL on SOTP-EV/EBITDA methodology, with investments at a 30% holdco discount. We raise FY24 estimates based on the H1 run-rate, though FY25E EPS stays unchanged. We rollover to Sep-25 estimates, but realign our blended target EV/EBITDA to 5.5x and also assume slightly higher capex. We maintain HOLD on the stock, with TP of Rs100/share. Outlook on OMCs seems relatively constructive. Key risks: Adverse crude oil prices and downstream margins; currency movement; government policies; and project issues.

Target Price – 12M	Sep-24
<b>Change in TP (%)</b>	-
Current Reco.	HOLD
Previous Reco.	HOLD
Upside/(Downside) (%)	7.8
CMP (01-Nov-23) (Rs)	92.5

Stock Data	Ticker
52-week High (Rs)	101
52-week Low (Rs)	68
Shares outstanding (mn)	14,121.2
Market-cap (Rs bn)	1,306
Market-cap (USD mn)	15,674
Net-debt, FY24E (Rs mn)	13,44,852
ADTV-3M (mn shares)	13
ADTV-3M (Rs mn)	1,196.5
ADTV-3M (USD mn)	14.4
Free float (%)	27.0
Nifty-50	18,989
INR/USD	83.3
<b>Shareholding, Sep-23</b>	
Promoters (%)	51.5
FPIs/MFs (%)	7.8/10.8

**Price Performance**

(%)	1M	3M	12M
Absolute	1.6	(1.6)	35.0
Rel. to Nifty	5.1	2.2	29.0

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## Exhibit 1: Actuals vs. Estimates (Q2FY24)

(Rs mn)	Actual	Estimates (Emkay)	Consensus Estimates	Variation		Comments
			(Bloomberg)	Emkay	Consensus	
Total Revenue	17,97,398	21,22,456	21,02,000	-15%	-14%	
Adjusted EBITDA	2,20,611	2,06,684	1,73,637	7%	27%	Better than expected marketing margins
EBITDA Margin	12.3%	9.7%	8.3%	254bps	148bps	
Adjusted Net Profit	1,28,949	1,13,428	1,12,771	14%	14%	

Source: Company, Emkay Research

## Exhibit 2: Quarterly Summary

(Rs mn)	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	YoY	QoQ	H1FY23	H1FY24	YoY
Revenue	19,66,877	20,47,402	20,29,941	19,53,066	17,97,398	-9%	-8%	42,09,369	37,50,464	-11%
COGS	18,90,692	18,69,742	17,53,651	16,18,730	14,36,887	-24%	-11%	39,56,683	30,55,617	-23%
Gross Profit	76,185	1,77,660	2,76,290	3,34,336	3,60,511	373%	8%	2,52,686	6,94,847	175%
Opex	1,33,207	1,23,505	1,32,667	1,34,825	1,39,900	5%	4%	2,62,825	2,74,725	5%
Total Expenditure	20,23,898	19,93,247	18,86,318	17,53,555	15,76,787	-22%	-10%	42,19,508	33,30,342	-21%
<b>EBITDA</b>	<b>(57,021)</b>	<b>54,155</b>	<b>1,43,623</b>	<b>1,99,511</b>	<b>2,20,611</b>		<b>11%</b>	<b>(10,139)</b>	<b>4,20,122</b>	
Depreciation	29,617	30,990	29,517	31,522	32,797	11%	4%	58,088	64,319	11%
Interest	14,410	19,528	18,118	16,263	18,460	28%	14%	31,657	34,723	10%
Other Income	21,950	17,151	16,381	6,715	9,825	-55%	46%	28,821	16,539	-43%
Exceptional Items	1,07,185	(1,211)	(115)	22,128	959		-96%	1,03,224	23,088	-78%
Forex Gain/(Losses)	(30,529)	(17,011)	9,895	170	(8,440)			(59,895)	(8,270)	
PBT	(2,442)	2,566	1,22,150	1,80,738	1,71,699		-5%	(27,735)	3,52,437	
Tax	281	(1,914)	21,563	43,234	42,026		-3%	(5,086)	85,260	
<b>PAT</b>	<b>(2,724)</b>	<b>4,480</b>	<b>1,00,587</b>	<b>1,37,504</b>	<b>1,29,673</b>		<b>-6%</b>	<b>-22,649</b>	<b>2,67,178</b>	
Adjusted PAT	(82,001)	5,691	1,00,702	1,20,669	1,28,949		7%	(98,806)	2,49,618	
Adjusted EPS (Rs)	(6.0)	0.4	7.3	8.8	9.4		7%	(7.8)	18.1	
Tax Rate	-12%	-75%	18%	24%	24%			18%	24%	
Core EBITDA*	(27,021)	1,17,655	1,88,923	2,28,911	1,71,671		-25%	(26,339)	4,00,582	-1621%
Core PAT*	(36,725)	63,047	1,17,937	1,40,504	97,419		-31%	(65,273)	2,37,923	-465%
Core EPS (Rs)*	(2.7)	4.6	8.6	10.2	7.1		-31%	(5.8)	17.3	-399%
Refining Volume (mmt)	16.1	18.2	19.2	18.8	17.8	10%	-5%	35.0	36.5	4%
<b>Reported GRM (USD/bbl)</b>	<b>18.5</b>	<b>12.9</b>	<b>15.3</b>	<b>8.3</b>	<b>18.1</b>	<b>-2%</b>	<b>117%</b>	<b>25.7</b>	<b>13.1</b>	<b>-49%</b>
Core GRM (USD/bbl)	18.5	17.4	19.0	9.1	16.3	-12%	81%	22.2	12.6	-43%
Adjusted Refining EBITDA*	1,42,439	1,08,485	1,41,413	60,095	1,59,894	12%	166%	4,53,330	2,19,989	
<b>Marketing Volumes (mmt)</b>	<b>22.4</b>	<b>24.3</b>	<b>24.3</b>	<b>24.4</b>	<b>23.2</b>	<b>4%</b>	<b>-5%</b>	<b>47.1</b>	<b>47.7</b>	<b>1%</b>
Diesel	9.0	10.1	9.5	10.1	8.4	-8%	-17%	19.4	18.5	-5%
Petrol	3.6	3.6	3.5	3.8	3.7	2%	-3%	7.3	7.4	2%
<b>Marketing Margin (Rs/mt)*</b>	<b>(4,140)</b>	<b>1,382</b>	<b>3,093</b>	<b>9,912</b>	<b>4,858</b>		<b>-51%</b>	<b>(5,646)</b>	<b>7,447</b>	<b>-232%</b>
Adjusted Marketing EBITDA*	(2,17,760)	(68,180)	(22,110)	1,17,321	38,537		-67%	(5,04,569)	1,55,858	-131%
Marketing Inventory Gain/(Losses)*	(30,000)	(15,000)	(2,200)	(21,400)	29,940		-240%	(52,800)	8,540	-116%
Pipeline Volumes (mmt)	23.6	23.8	25.3	25.0	23.9	1%	-4%	48.3	48.8	1%
Pipeline EBITDA*	17,500	17,850	19,220	19,095	18,380	5%	-4%	35,500	37,475	6%
Petchem EBITDA*	800	(4,000)	5,100	3,000	3,800	375%	27%	5,600	6,800	21%
<b>Gross Debt</b>	<b>14,03,220</b>	<b>14,40,650</b>	<b>13,24,950</b>	<b>10,10,120</b>	<b>9,94,066</b>	<b>-29%</b>	<b>-2%</b>	<b>14,03,220</b>	<b>9,94,066</b>	<b>-29%</b>
Implied Net Debt	13,15,982	13,52,251	12,35,390	9,22,308	9,08,003	-31%	-2%	13,15,982	9,08,003	-31%
Net Under-recovery	-	-	-	-	-			-	-	

Source: Company, Emkay Research; Note: \* is estimated as marketing inventory figure and segmental EBITDA is not given; \*Net debt includes only oil bonds and cash; also has another ~Rs20bn of STI

**Exhibit 3: Change in assumptions**

	FY24E			FY25E			FY26E
	Previous	Revised	Variance	Previous	Revised	Variance	Introduced
GRM (USD/bbl)	10.0	13.2	32%	9.0	9.0	0%	9.1
Marketing Margin (Rs/mt)	4,819	3,863	-20%	4,384	4,606	5%	4,698
Growth	-324.2%	-270.4%	NM	-9.0%	19.2%	NM	2.0%
Marketing Sales (mmt)	99	98	-1%	102	101	-1%	105
Growth	3.5%	2.7%	-82bps	3.1%	3.1%	0bps	3.2%

Source: Company, Emkay Research

**Exhibit 4: Change in estimates**

(Rs bn)	FY24E			FY25E			FY26E
	Previous	Revised	Variance	Previous	Revised	Variance	Introduced
Revenue	8,522	7,781	-9%	7,621	6,875	-10%	7,081
EBITDA	511	557	9%	421	429	2%	434
EBITDA Margin	6.0%	7.2%	117bps	5.5%	6.2%	71bps	6.1%
PAT	274	298	9%	192	193	0%	183
EPS (Rs)	19.9	21.6	9%	14.0	14.0	0%	13.3

Source: Company, Emkay Research

**Exhibit 5: SOTP-based valuation (Sep-24E)**

Components	Basis	Sep-25E EBITDA	Multiple (x)	EV (Rs bn)	EV/sh (Rs)	Comments
Refining Standalone	EV/EBITDA	254	5.5	1,396	101	
Pipelines Standalone	EV/EBITDA	78	5.5	428	31	
Petrochemicals Standalone	EV/EBITDA	22	5.0	110	8	
Marketing Standalone	EV/EBITDA	78	5.5	426	31	
<b>Core Business EV</b>		<b>431</b>	<b>5.5</b>	<b>2,361</b>	<b>171</b>	<b>Blended multiple at 5.5x</b>
Less: Adj. Net Debt (Sep'24 End)				1,231	89	
<b>Core Business Valuation</b>				<b>1,129</b>	<b>82</b>	
Value of Investments	TP/CMP			244	18	At 30% holdco discount
<b>Target Price-Fair Value</b>					<b>100</b>	

Source: Company, Emkay Research

**Exhibit 6: Schedule and Value of Listed Investments**

Listed	Type	Basis of Valuation	TP/CMP (Rs/sh)	Equity Value (Rs bn)	IOCL Stake	Pro-rata Value (Rs bn)	HoldCo Discount	Contr. to SOTP (Rs bn)	Per Share Value (Rs)
CPCL	Subsidiary	CMP	590	88	51.9%	46	30%	32	2.3
Lanka IOC	Subsidiary	CMP*1.12x	31	14	75.1%	11	30%	8	0.6
PLNG	JV	TP (Emkay)	199	299	12.5%	37	30%	26	1.9
ONGC	Financial	TP (Emkay)	220	2,768	7.8%	217	30%	152	11.0
GAIL	Financial	TP (Emkay)	125	822	2.4%	20	30%	14	1.0
Oil India	Financial	TP (Emkay)	330	358	4.9%	18	30%	12	0.9
<b>Total Listed</b>						<b>348</b>		<b>244</b>	<b>17.7</b>

Source: Company, Emkay Research; \*1.12x is taken as one-year forward over CMP

## Indian Oil: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
<b>Revenue</b>	<b>59,81,492</b>	<b>82,86,712</b>	<b>77,81,319</b>	<b>68,75,083</b>	<b>70,80,924</b>
Revenue growth (%)	58.2	38.5	(6.1)	(11.6)	3.0
<b>EBITDA</b>	<b>4,46,996</b>	<b>1,87,639</b>	<b>5,57,315</b>	<b>4,28,730</b>	<b>4,33,671</b>
EBITDA growth (%)	13.8	(58.0)	197.0	(23.1)	1.2
Depreciation & Amortization	1,10,059	1,18,594	1,36,821	1,59,524	1,81,197
<b>EBIT</b>	<b>3,36,937</b>	<b>69,045</b>	<b>4,20,494</b>	<b>2,69,206</b>	<b>2,52,475</b>
EBIT growth (%)	14.4	(79.5)	509.0	(36.0)	(6.2)
Other operating income	0	0	0	0	0
Other income	43,388	62,352	58,906	61,398	64,416
Financial expense	48,291	69,303	72,638	73,050	71,746
<b>PBT</b>	<b>3,32,034</b>	<b>62,094</b>	<b>4,06,763</b>	<b>2,57,554</b>	<b>2,45,145</b>
Extraordinary items	(364)	1,01,898	23,100	0	0
Taxes	75,490	14,563	1,06,234	64,904	61,777
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>2,41,841</b>	<b>82,418</b>	<b>3,15,329</b>	<b>1,92,650</b>	<b>1,83,369</b>
PAT growth (%)	10.8	(65.9)	282.6	(38.9)	(4.8)
<b>Adjusted PAT</b>	<b>2,42,118</b>	<b>(4,179)</b>	<b>2,98,050</b>	<b>1,92,650</b>	<b>1,83,369</b>
<b>Diluted EPS (Rs)</b>	<b>26.4</b>	<b>(0.3)</b>	<b>21.6</b>	<b>14.0</b>	<b>13.3</b>
Diluted EPS growth (%)	10.8	(77.3)	282.6	(38.9)	(4.8)
<b>DPS (Rs)</b>	<b>12.6</b>	<b>3.0</b>	<b>10.3</b>	<b>6.3</b>	<b>6.0</b>
<b>Dividend payout (%)</b>	<b>47.8</b>	<b>50.1</b>	<b>45.0</b>	<b>45.0</b>	<b>45.0</b>
EBITDA margin (%)	7.5	2.3	7.2	6.2	6.1
EBIT margin (%)	5.6	0.8	5.4	3.9	3.6
Effective tax rate (%)	22.7	162.9	30.4	25.2	25.2
<b>NOPLAT (pre-IndAS)</b>	<b>2,60,614</b>	<b>(43,438)</b>	<b>2,92,812</b>	<b>2,01,366</b>	<b>1,88,851</b>
Shares outstanding (mn)	9,181.0	13,771.6	13,771.6	13,771.6	13,771.6

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	3,32,034	62,094	4,06,763	2,57,554	2,45,145
Others (non-cash items)	1,19,229	1,87,594	1,50,552	1,71,175	1,88,526
Taxes paid	(72,305)	(1,480)	(96,301)	(55,170)	(52,238)
Change in NWC	(1,36,342)	(73,243)	(49,147)	32,993	(3,213)
<b>Operating cash flow</b>	<b>2,27,913</b>	<b>2,09,854</b>	<b>4,26,667</b>	<b>4,06,553</b>	<b>3,78,220</b>
Capital expenditure	(2,16,691)	(3,04,463)	(3,09,736)	(3,09,783)	(2,88,045)
Acquisition of business	(1,02,697)	26,642	(4,736)	(4,783)	(4,831)
Interest & dividend income	44,377	57,114	58,906	61,398	64,416
<b>Investing cash flow</b>	<b>(2,08,000)</b>	<b>(2,52,856)</b>	<b>(2,52,862)</b>	<b>(2,50,458)</b>	<b>(2,25,744)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	1,35,027	1,35,810	56,000	5,000	18,000
Payment of lease liabilities	(14,871)	(14,871)	(14,871)	(14,871)	(14,871)
Interest paid	(42,018)	(63,158)	(72,638)	(73,050)	(71,746)
Dividend paid (incl tax)	(1,08,960)	(33,094)	(1,41,898)	(86,693)	(82,516)
Others	(11,816)	2,345	0	0	0
<b>Financing cash flow</b>	<b>(27,767)</b>	<b>41,903</b>	<b>(1,58,536)</b>	<b>(1,54,743)</b>	<b>(1,36,261)</b>
Net chg in Cash	(7,854)	(1,100)	15,269	1,352	16,215
OCF	2,27,913	2,09,854	4,26,667	4,06,553	3,78,220
Adj. OCF (w/o NWC chg.)	3,64,254	2,83,096	4,75,814	3,73,560	3,81,434
FCFF	11,222	(94,610)	1,16,931	96,769	90,175
FCFE	7,308	(1,06,798)	1,03,200	85,118	82,846
OCF/EBITDA (%)	51.0	111.8	76.6	94.8	87.2
FCFE/PAT (%)	3.0	(129.6)	32.7	44.2	45.2
<b>FCFF/NOPLAT (%)</b>	<b>4.3</b>	<b>217.8</b>	<b>39.9</b>	<b>48.1</b>	<b>47.7</b>

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	91,810	1,37,716	1,37,716	1,37,716	1,37,716
Reserves & Surplus	12,21,053	12,09,860	13,83,291	14,89,248	15,90,101
<b>Net worth</b>	<b>13,12,864</b>	<b>13,47,575</b>	<b>15,21,006</b>	<b>16,26,964</b>	<b>17,27,817</b>
Minority interests	0	0	0	0	0
Deferred tax liability (net)	1,36,274	1,46,130	1,56,062	1,65,796	1,75,335
<b>Total debt</b>	<b>11,94,628</b>	<b>14,15,500</b>	<b>14,71,500</b>	<b>14,76,500</b>	<b>14,94,500</b>
<b>Total liabilities &amp; equity</b>	<b>26,43,765</b>	<b>29,09,206</b>	<b>31,48,569</b>	<b>32,69,261</b>	<b>33,97,652</b>
Net tangible fixed assets	13,49,884	15,35,850	18,02,011	20,65,065	22,49,387
Net intangible assets	25,753	25,753	25,753	25,753	25,753
Net ROU assets	93,251	93,251	93,251	93,251	93,251
Capital WIP	4,44,461	4,89,907	3,91,926	2,74,348	1,92,044
Goodwill	0	0	0	0	0
Investments [JV/Associates]	5,00,218	4,73,576	4,78,311	4,83,095	4,87,926
<b>Cash &amp; equivalents</b>	<b>86,478</b>	<b>1,09,347</b>	<b>1,26,649</b>	<b>1,30,074</b>	<b>1,48,404</b>
Current assets (ex-cash)	13,83,346	14,71,877	13,88,026	12,37,017	12,72,358
Current Liab. & Prov.	12,39,626	12,90,355	11,57,357	10,39,341	10,71,469
<b>NWC (ex-cash)</b>	<b>1,43,720</b>	<b>1,81,522</b>	<b>2,30,668</b>	<b>1,97,675</b>	<b>2,00,889</b>
<b>Total assets</b>	<b>26,43,765</b>	<b>29,09,206</b>	<b>31,48,569</b>	<b>32,69,261</b>	<b>33,97,652</b>
Net debt	11,08,150	13,06,153	13,44,852	13,46,427	13,46,097
Capital employed	26,43,765	29,09,206	31,48,569	32,69,261	33,97,652
<b>Invested capital</b>	<b>16,12,609</b>	<b>18,36,376</b>	<b>21,51,683</b>	<b>23,81,744</b>	<b>25,69,280</b>
BVPS (Rs)	143.0	97.9	110.4	118.1	125.5
Net Debt/Equity (x)	0.8	1.0	0.9	0.8	0.8
Net Debt/EBITDA (x)	2.5	7.0	2.4	3.1	3.1
Interest coverage (x)	0.1	0.5	0.2	0.2	0.2
<b>RoCE (%)</b>	<b>15.5</b>	<b>4.7</b>	<b>15.8</b>	<b>10.3</b>	<b>9.5</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	3.5	(304.7)	4.3	6.6	6.9
P/CE(x)	2.4	11.1	2.9	3.6	3.5
P/B (x)	0.6	0.9	0.8	0.8	0.7
EV/Sales (x)	0.3	0.3	0.3	0.4	0.4
EV/EBITDA (x)	4.4	13.7	4.7	6.1	6.0
EV/EBIT(x)	5.8	37.4	6.2	9.7	10.4
EV/IC (x)	1.2	1.4	1.2	1.1	1.0
FCFF yield (%)	0.6	(3.7)	4.5	3.7	3.4
FCFE yield (%)	0.9	(8.4)	8.1	6.7	6.5
Dividend yield (%)	13.6	3.2	11.1	6.8	6.5
<b>DuPont-RoE split</b>					
Net profit margin (%)	4.0	(0.1)	3.8	2.8	2.6
Total asset turnover (x)	2.4	3.0	2.6	2.1	2.1
Assets/Equity (x)	2.0	2.1	2.1	2.0	2.0
<b>RoE (%)</b>	<b>20.0</b>	<b>(0.3)</b>	<b>20.8</b>	<b>12.2</b>	<b>10.9</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	4.4	(0.5)	3.8	2.9	2.7
IC turnover (x)	0.0	0.0	0.0	0.0	0.0
<b>RoIC (%)</b>	<b>17.2</b>	<b>(2.5)</b>	<b>14.7</b>	<b>8.9</b>	<b>7.6</b>
<b>Operating metrics</b>					
Core NWC days	46.0	35.1	35.1	35.1	35.1
<b>Total NWC days</b>	<b>46.0</b>	<b>35.1</b>	<b>35.1</b>	<b>35.1</b>	<b>35.1</b>
Fixed asset turnover	3.1	3.9	3.1	2.4	2.1
Opex-to-revenue (%)	8.4	6.3	7.1	8.5	8.6

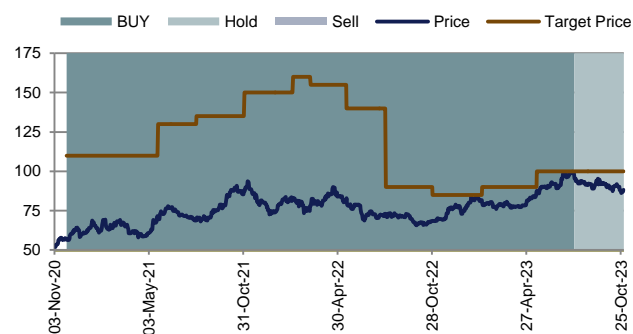
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
28-Jul-23	95	100	Hold	Sabri Hazarika
17-May-23	88	100	Buy	Sabri Hazarika
01-Feb-23	80	90	Buy	Sabri Hazarika
06-Dec-22	76	85	Buy	Sabri Hazarika
29-Oct-22	68	85	Buy	Sabri Hazarika
07-Sep-22	71	90	Buy	Sabri Hazarika
31-Jul-22	73	90	Buy	Sabri Hazarika
15-Jul-22	70	140	Buy	Sabri Hazarika
28-Jun-22	72	140	Buy	Sabri Hazarika
22-May-22	78	140	Buy	Sabri Hazarika
17-May-22	83	140	Buy	Sabri Hazarika
09-Mar-22	78	155	Buy	Sabri Hazarika
03-Feb-22	83	160	Buy	Sabri Hazarika
25-Dec-21	74	150	Buy	Sabri Hazarika
23-Nov-21	84	150	Buy	Sabri Hazarika
02-Nov-21	87	150	Buy	Sabri Hazarika
02-Aug-21	70	135	Buy	Sabri Hazarika
26-Jul-21	70	130	Buy	Sabri Hazarika
23-Jun-21	75	130	Buy	Sabri Hazarika
29-May-21	73	130	Buy	Sabri Hazarika
20-May-21	70	130	Buy	Sabri Hazarika
23-Apr-21	59	110	Buy	Sabri Hazarika
23-Mar-21	65	110	Buy	Sabri Hazarika
18-Mar-21	65	110	Buy	Sabri Hazarika
26-Nov-20	57	110	Buy	Sabri Hazarika

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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