

**SELL** Gujarat Fluorochemicals

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## Pricing pressure across businesses

Specialty Chemicals ▶ Result Update ▶ November 4, 2023

TARGET PRICE (Rs): 2,200

**GFL's Q2 EBITDA was down 68% YoY at Rs1.6bn (-50% QoQ) on: i) sharp price decline in commodity grades of PTFE (Chinese dumping) along with continued destocking in higher-end grades, ii) subdued volumes and pricing impact on refrigerant gases on Chinese dumping and poor season in the domestic market and iii) pricing pressure on bulk chemicals. Management expects to fare better in H2 vs H1 in fluoropolymers, due to expected phasing-out of destocking, pickup in the demand in USA, and positive impact of exit of legacy players. Refrigerant gas volumes are expected to improve in H2; however, they may remain subdued compared with FY23. We expect FY24 to largely remain muted on volume/pricing pressure and FY25E/26E to see gradual recovery; we cut FY24E/25E/26E earnings by 26%/12%/13%; we maintain our SELL rating with revised TP of Rs2,200/share (25x Sep-25E EPS).**

**Gujarat Fluorochemicals: Financial Snapshot (Consolidated)**

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	39,536	56,847	44,188	51,689	58,860
EBITDA	11,685	19,653	10,597	14,194	16,314
Adj. PAT	7,759	13,230	6,517	8,933	10,325
Adj. EPS (Rs)	70.6	120.4	59.3	81.3	93.9
EBITDA margin (%)	29.6	34.6	24.0	27.5	27.7
EBITDA growth (%)	96.1	68.2	(46.1)	33.9	14.9
Adj. EPS growth (%)	0.0	70.5	(50.8)	37.1	15.6
RoE (%)	20.0	27.1	11.1	13.5	13.6
RoIC (%)	13.9	22.5	9.1	10.8	11.1
P/E (x)	39.4	23.1	46.9	34.2	29.6
EV/EBITDA (x)	27.4	16.3	29.9	22.4	19.4
P/B (x)	7.2	5.5	4.9	4.3	3.8
FCFF yield (%)	0.3	(1.8)	0.8	(0.6)	0.0

Source: Company, Emkay Research

**Fluoropolymers business impacted by subdued demand**

GFL's fluoropolymers business de-grew 25% YoY to Rs5.7bn (-15% QoQ), on : i) pricing pressure from commodity-grade PTFE due to Chinese dumping in the export market; and ii) continued destocking in higher-end grades and headwinds due to sluggishness in demand, particularly in Europe. GFL continues optimizing company's product mix and moving to higher-end grades of PTFE. Focus is now on improving utilization of the current capacity before moving forward with debottlenecking of PTFE capacity. New fluoropolymers like PVDF and PFA are seeing good demand across customers in battery, solar and semi-conductor industry; however, FKM is seeing subdued demand on slowdown in the European auto industry. LiPF6 and its electrolyte plant are in the advanced stage of commissioning, and sampling with a few customers is under way.

**Fluorochemicals business hit by Chinese dumping**

GFL's fluorochemicals business sharply de-grew 53% YoY to Rs1.85bn (-44% QoQ). Revenue mix for this segment fell, from 27% in Q1 to 20% in Q2. This was primarily due to slower demand for R125 in the export market and falling prices, while the domestic market too saw lackluster demand. Also, the management faced backlash from customers asking for reduced pricing due to Chinese circumvention through unfinished blends in USA. Management has guided for improvement in ref gas volumes in H2; but FY24 volumes will be lower than FY23 volumes. Specialty Chemical vertical remains sluggish in Q2 and Chinese dumping, particularly in this segment, will continue impacting both, revenue and margins (products are commoditized building blocks).

**Bulk chemicals business normalized**

Bulk Chemicals segment de-grew 38% YoY to Rs1.7bn (up 2% QoQ) due to reduced realizations and marginally-higher volumes over the previous quarter. Caustic soda/MDC prices were compressed further in this quarter, but are expected to have bottomed. Management expects this segment to perform better in H2 vs H1. The business has peaked in FY23 and will see normalization in subsequent years.

Target Price – 12M	Sep-24
<b>Change in TP (%)</b>	<b>(12.0)</b>
Current Reco.	SELL
Previous Reco.	SELL
Upside/(Downside) (%)	(20.8)
CMP (03-Nov-23) (Rs)	2,780.0

Stock Data	Ticker
52-week High (Rs)	3,943
52-week Low (Rs)	2,534
Shares outstanding (mn)	109.9
Market-cap (Rs bn)	305
Market-cap (USD mn)	3,667
Net-debt, FY24E (Rs mn)	11,327
ADTV-3M (mn shares)	-
ADTV-3M (Rs mn)	413.8
ADTV-3M (USD mn)	5.0
Free float (%)	-
Nifty-50	19,231
INR/USD	83.3
<b>Shareholding, Sep-23</b>	
Promoters (%)	63.8
FPIs/MFs (%)	4.8/7.7

**Price Performance**

(%)	1M	3M	12M
Absolute	(5.4)	(0.3)	(27.5)
Rel. to Nifty	(4.0)	0.5	(32.0)

**1-Year share price trend (Rs)****Meet Vora**

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## Other Highlights

### Fluoropolymers Business

- PTFE debottlenecking has been kept on hold due to the current sluggish demand environment.
- Additional fluoropolymer capacity in new-age fluoropolymers resulted in increase in sales.
- FKM has remained stable in the current financial year, with new applications in ethanol blending, as stated by the management. Domestic market saw good demand, while exports demand has been sluggish, particularly in Europe.
- PFA saw significant demand from semi-conductor manufacturing companies, along with AI and 5G telecom industries. GFL finalized a couple of contracts in this segment.
- PVDF global market has seen strong demand from solar-panel back sheets. Growth is expected to come from the infrastructure and construction sectors.
- Legacy competitors have not added capacities for fluoropolymers over the year. GFL anticipates gradually claiming market share from exit of these competitors, going forward.
- The management stated that Company would fare better in H2 vs H1, with completion of destocking and start of recovery in demand. Capex will be staggered and postponed to FY25.

### Fluorochemicals Business

- Prices for all ref gases have sharply fallen, from their highs, in the current fiscal. GFL has seen a major cut in R125 exports to USA and a poor season in the domestic market.
- Ref gas volumes are expected to improve going forward due to phasing out in USA and aggressive Chinese pricing.
- Specialty Chemicals continues to be sluggish and Chinese dumping, particularly in this segment, would continue pressuring revenue and margin.

### Battery Chemicals vertical

- The Electrolyte and LiPF<sub>6</sub> plant is in the advanced stage of completion and commissioning.
- The management is in touch with domestic as well as international beneficiaries for sampling and product qualification.
- The management has reiterated its guidance of 2x asset turnover, with EBITDA margins in line with business. Peak capacity utilization will be achieved by FY26.

### Financial Performance

- Finished goods inventory has piled up in H1FY24 due to lower volumes than expected, leading to higher working capital days. Inventory days are at 161 for the current quarter. RoE/RoCE for H1FY24 have sharply reduced to 9%/11.6%, respectively.
- The management has guided for 30% EBITDA margin in FY25.

## Exhibit 1: Result update

P&L (Rs mn)	Reported					Emkay Est.		Half Year Ended		
	Q2FY23	Q1FY24	Q2FY24	YoY (%)	QoQ (%)	Q2FY24	vs. Est. (%)	H1FY24	H1FY23	YoY (%)
<b>Net revenues</b>	<b>14,613</b>	<b>12,093</b>	<b>9,468</b>	<b>-35</b>	<b>-22</b>	<b>11,358</b>	<b>-17</b>	<b>21,561</b>	<b>27,953</b>	<b>-23</b>
Material cost	(3,982)	(3,619)	(3,418)	-14	-6	(3,294)	4	(7,037)	(7,697)	-9
<b>Gross Profit</b>	<b>10,632</b>	<b>8,473</b>	<b>6,050</b>	<b>-43</b>	<b>-29</b>	<b>8,064</b>	<b>-25</b>	<b>14,524</b>	<b>20,256</b>	<b>-28</b>
<b>Gross margin (%)</b>	<b>72.8</b>	<b>70.1</b>	<b>63.9</b>	<b>-885 bps</b>	<b>-617 bps</b>	<b>71.0</b>	<b>-710 bps</b>	<b>67.4</b>	<b>72.5</b>	<b>-511 bps</b>
Employee cost	(800)	(918)	(874)	9	-5	(960)	-9	(1,791)	(1,579)	13
Other overheads	(4,692)	(4,077)	(3,546)	-24	-13	(3,862)	-8	(7,622)	(9,091)	-16
<b>Total expenses</b>	<b>(9,474)</b>	<b>(8,614)</b>	<b>(7,837)</b>	<b>-17</b>	<b>-9</b>	<b>(8,116)</b>	<b>(3)</b>	<b>(16,451)</b>	<b>(18,368)</b>	<b>-10</b>
<b>EBITDA</b>	<b>5,139</b>	<b>3,479</b>	<b>1,631</b>	<b>-68</b>	<b>-53</b>	<b>3,242</b>	<b>-50</b>	<b>5,110</b>	<b>9,585</b>	<b>-47</b>
<b>EBITDA margin (%)</b>	<b>35.2</b>	<b>28.8</b>	<b>17.2</b>	<b>-1795 bps</b>	<b>-1155 bps</b>	<b>28.5</b>	<b>-1132 bps</b>	<b>23.7</b>	<b>34.3</b>	<b>-1059 bps</b>
Other income	461	146	135	-71	-7	329	-59	281	866	-68
Interest	(230)	(280)	(342)	49	22	(266)	29	(622)	(439)	42
Depreciation	(572)	(655)	(676)	18	3	(668)	1	(1,331)	(1,122)	19
Exceptional I	-	-	-	-	-	-	-	-	-	-
<b>PBT</b>	<b>4,799</b>	<b>2,690</b>	<b>749</b>	<b>-84</b>	<b>-72</b>	<b>2,636</b>	<b>-72</b>	<b>3,438</b>	<b>8,891</b>	<b>-61</b>
Tax	(1,226)	(678)	(221)	-82	-67	(659)	(66)	(899)	(2,284)	-61
Share of Associates Profit	-	-	-	-	-	-	-	-	-	-
<b>Adj. PAT</b>	<b>3,572</b>	<b>2,012</b>	<b>527</b>	<b>-85</b>	<b>-74</b>	<b>1,977</b>	<b>-73</b>	<b>2,539</b>	<b>6,607</b>	<b>-62</b>
EO Items	-	-	-	-	-	-	-	-	-	-
<b>Reported PAT</b>	<b>3,572</b>	<b>2,012</b>	<b>527</b>	<b>-85</b>	<b>-74</b>	<b>1,977</b>	<b>-73</b>	<b>2,539</b>	<b>6,607</b>	<b>-62</b>
<b>EPS (Rs)</b>	<b>32.9</b>	<b>18.3</b>	<b>4.8</b>	<b>-85</b>	<b>-74</b>	<b>18.0</b>	<b>-73</b>	<b>23.1</b>	<b>60.7</b>	<b>-62</b>
<b>Costs as a % of sales</b>										
Material cost	27.2	29.9	36.1	884 bps	616 bps	29.0	709 bps	32.6	27.5	510 bps
Employee cost	5.5	7.6	9.2	375 bps	163 bps	8.5	77 bps	8.3	5.6	265 bps
Other overheads	32.1	33.7	37.4	534 bps	373 bps	34.0	344 bps	35.4	32.5	282 bps
Income tax rate (%)	25.6	25.2	29.5	398 bps	434 bps	25.0	453 bps	26.1	25.7	45 bps

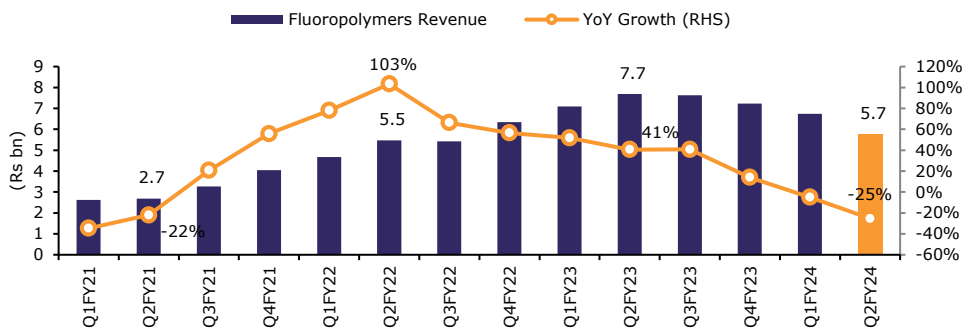
Source: Company, Emkay Research

## Exhibit 2: Segmental highlights

Segmental Highlights (Rs mn)	Quarter ended					Half year ended		
	Q2FY23	Q1FY24	Q2FY24	YoY (%)	QoQ (%)	H1FY24	H1FY23	YoY (%)
<b>Segmental Revenue</b>								
Bulk Chemicals	2,740	1,670	1,700	-38	2	3,370	5,650	-40
Fluorochemicals	3,920	3,310	1,850	-53	-44	5,160	7,070	-27
Fluoropolymers	7,690	6,740	5,740	-25	-15	12,480	14,790	-16
Others	263	373	178	-32	-52	551	443	24
<b>Total</b>	<b>14,613</b>	<b>12,093</b>	<b>9,468</b>	<b>-35</b>	<b>-22</b>	<b>21,561</b>	<b>27,953</b>	<b>-23</b>
<b>Segmental mix (%)</b>								
Bulk Chemicals	19%	14%	18%			16%	20%	
Fluorochemicals	27%	27%	20%			24%	25%	
Fluoropolymers	53%	56%	61%			58%	53%	
Others	2%	3%	2%			3%	2%	
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			<b>100%</b>	<b>100%</b>	

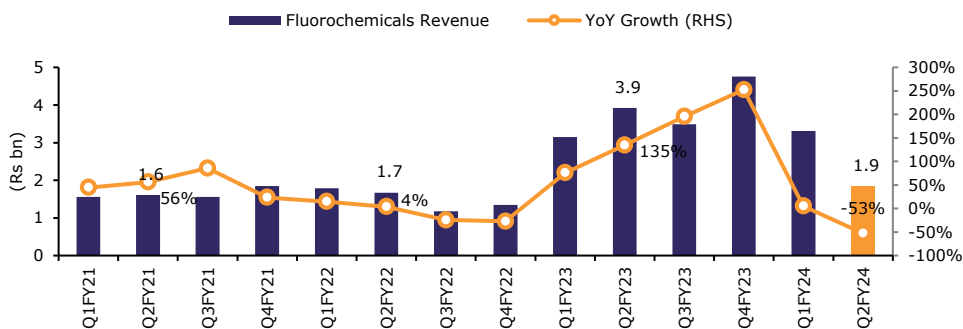
Source: Company, Emkay Research

**Exhibit 3: Fluoropolymers business revenues declined 25% YoY to Rs5.7bn**



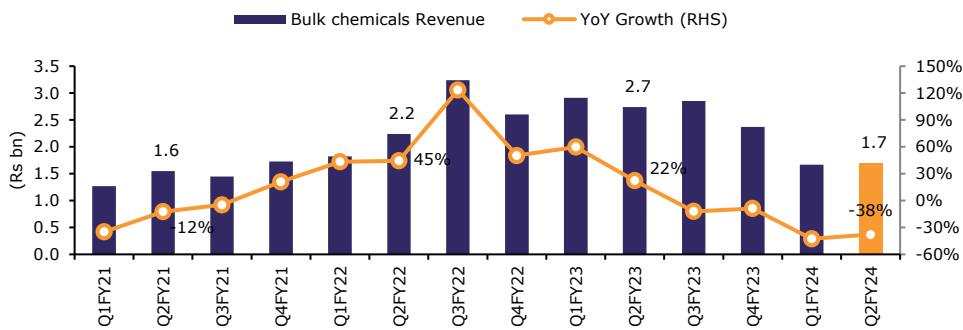
Source: Company, Emkay Research

**Exhibit 4: Fluorochemicals business revenues declined 53% YoY to Rs1.9bn**



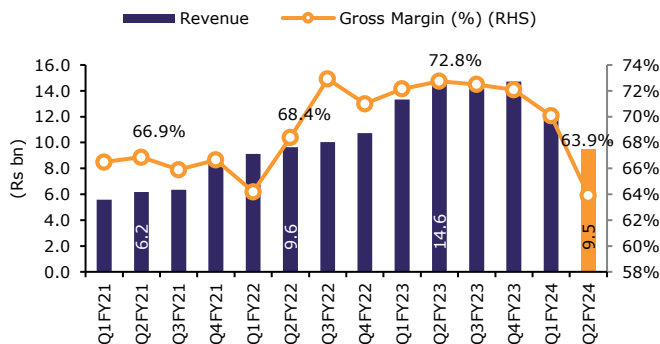
Source: Company, Emkay Research

**Exhibit 5: Bulk Chemicals revenues declined 38% YoY due to normalization in pricing**



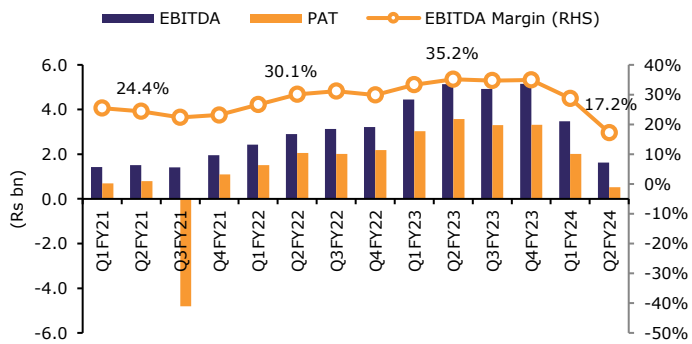
Source: Company, Emkay Research

**Exhibit 6: Gross margin declined to 64% ( 72% YoY; 70% QoQ)**



Source: Company, Emkay Research

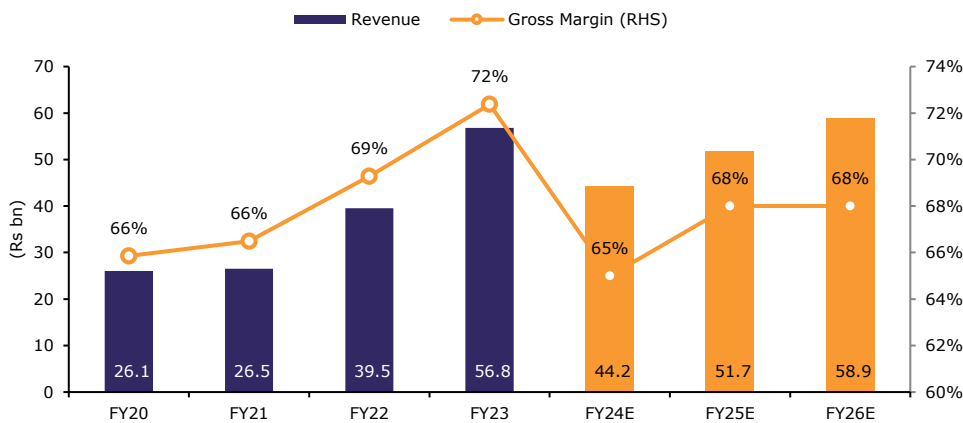
**Exhibit 7: EBITDA margin declined to 17% (35% YoY; 29% QoQ)**



Source: Company, Emkay Research

Exhibit 8: Revenues to significantly de-grow in FY24 on volumes and pricing pressure

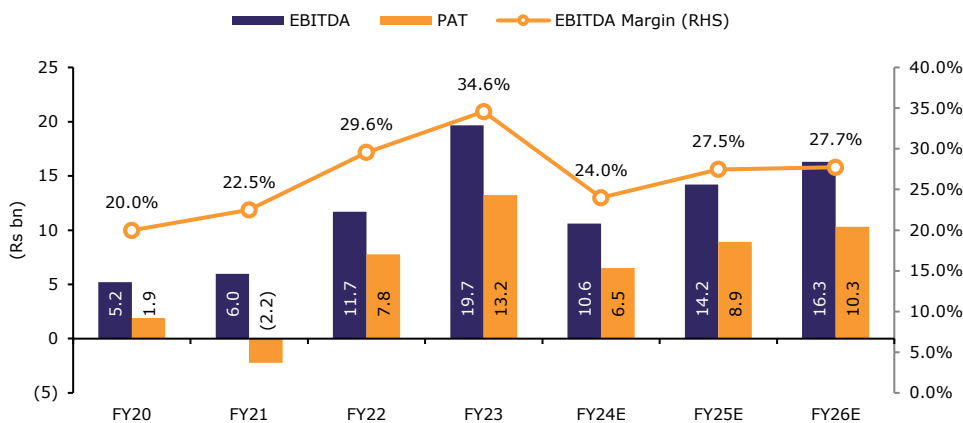
Overall business growth will be dependent on ramping up of new fluoropolymers



Source: Company, Emkay Research

Exhibit 9: Focus will be on achieving higher operating leverage

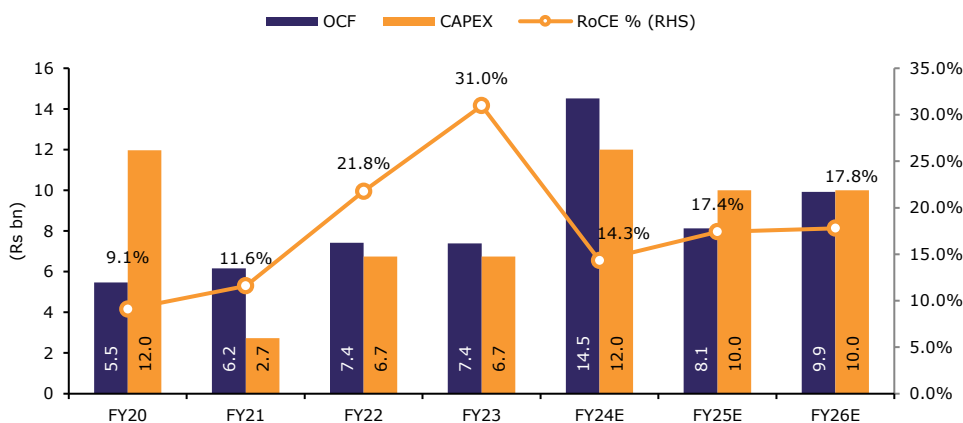
Margins to improve on higher share of the value-added fluoropolymers and battery chemicals in FY25/26



Source: Company, Emkay Research

Exhibit 10: Steady growth in RoCE post a sharp dip in FY24

Healthy OCF generation to be key for subsequent capex plans and debt repayments

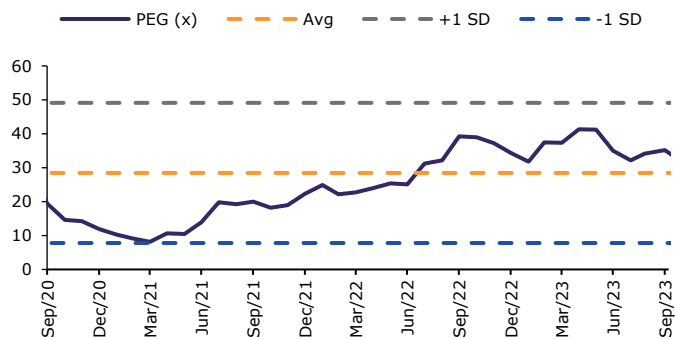


Source: Company, Emkay Research

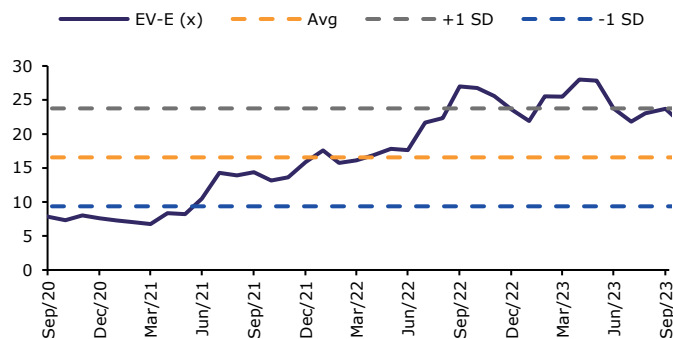
**Exhibit 11: We cut FY24E/FY25E/FY26E EPS by 26%/12%/13% on subdued FY24E and gradual recovery in FY25E/FY26E**

Particulars (Rs mn)	FY24E			FY25E			FY26E		
	Revised	Earlier	Chg (%)	Revised	Earlier	Chg (%)	Revised	Earlier	Chg (%)
Revenues	44,188	47,599	-7	51,689	53,824	-4	58,860	61,059	-4
EBITDA	10,597	13,592	-22	14,194	15,748	-10	16,314	18,304	-11
EBITDA margin (%)	24.0	28.6	-458 bps	27.5	29.3	-180 bps	27.7	30.0	-227 bps
PAT	6,517	8,867	-26	8,933	10,168	-12	10,325	11,883	-13
EPS (Rs)	59	81	-26	81	93	-12	94	108	-13

Source: Emkay Research

**Exhibit 12: One-year Forward P/E**

Source: Bloomberg, Emkay Research

**Exhibit 13: One-year Forward EV/EBITDA**

Source: Bloomberg, Emkay Research

## Gujarat Fluorochemicals: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
<b>Revenue</b>	<b>39,536</b>	<b>56,847</b>	<b>44,188</b>	<b>51,689</b>	<b>58,860</b>
Revenue growth (%)	49.2	43.8	(22.3)	17.0	13.9
<b>EBITDA</b>	<b>11,685</b>	<b>19,653</b>	<b>10,597</b>	<b>14,194</b>	<b>16,314</b>
EBITDA growth (%)	96.1	68.2	(46.1)	33.9	14.9
Depreciation & Amortization	2,054	2,361	2,605	3,316	3,816
<b>EBIT</b>	<b>9,630</b>	<b>17,292</b>	<b>7,992</b>	<b>10,878</b>	<b>12,498</b>
EBIT growth (%)	144.5	79.6	(53.8)	36.1	14.9
Other operating income	0	0	0	0	0
Other income	1,606	1,723	1,809	1,900	1,995
Financial expense	784	1,168	1,112	866	727
<b>PBT</b>	<b>10,452</b>	<b>17,847</b>	<b>8,689</b>	<b>11,911</b>	<b>13,766</b>
Extraordinary items	0	0	0	0	0
Taxes	2,693	4,617	2,172	2,978	3,442
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>7,759</b>	<b>13,230</b>	<b>6,517</b>	<b>8,933</b>	<b>10,325</b>
PAT growth (%)	0.0	70.5	(50.7)	37.1	15.6
<b>Adjusted PAT</b>	<b>7,759</b>	<b>13,230</b>	<b>6,517</b>	<b>8,933</b>	<b>10,325</b>
<b>Diluted EPS (Rs)</b>	<b>70.6</b>	<b>120.4</b>	<b>59.3</b>	<b>81.3</b>	<b>93.9</b>
Diluted EPS growth (%)	0.0	70.5	(50.8)	37.1	15.6
<b>DPS (Rs)</b>	<b>2.0</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Dividend payout (%)</b>	<b>2.8</b>	<b>3.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
EBITDA margin (%)	29.6	34.6	24.0	27.5	27.7
EBIT margin (%)	24.4	30.4	18.1	21.0	21.2
Effective tax rate (%)	25.8	25.9	25.0	25.0	25.0
<b>NOPLAT (pre-IndAS)</b>	<b>7,149</b>	<b>12,819</b>	<b>5,994</b>	<b>8,158</b>	<b>9,374</b>
Shares outstanding (mn)	109.9	109.9	109.9	109.9	109.9

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	10,452	17,847	8,689	11,911	13,766
Others (non-cash items)	0	0	0	0	0
Taxes paid	(2,320)	(4,700)	(2,172)	(2,978)	(3,442)
Change in NWC	(2,744)	(1,390)	6,093	(3,090)	(2,955)
<b>Operating cash flow</b>	<b>7,414</b>	<b>7,389</b>	<b>14,518</b>	<b>8,125</b>	<b>9,918</b>
Capital expenditure	(6,357)	(13,146)	(12,000)	(10,000)	(10,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	58	79	100	120	0
<b>Investing cash flow</b>	<b>(5,839)</b>	<b>(4,764)</b>	<b>(10,191)</b>	<b>(8,100)</b>	<b>(8,005)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(327)	(745)	(4,864)	(587)	(2,517)
Payment of lease liabilities	14	14	14	14	0
Interest paid	(784)	(1,168)	(1,112)	(866)	(727)
Dividend paid (incl tax)	(220)	(439)	0	0	0
Others	(324)	(728)	0	0	0
<b>Financing cash flow</b>	<b>(1,655)</b>	<b>(3,080)</b>	<b>(5,976)</b>	<b>(1,453)</b>	<b>(3,243)</b>
Net chg in Cash	(80)	(455)	(1,649)	(1,428)	(1,331)
OCF	7,414	7,389	14,518	8,125	9,918
Adj. OCF (w/o NWC chg.)	4,669	5,999	20,611	5,035	6,963
FCFF	1,057	(5,757)	2,518	(1,875)	(82)
FCFE	331	(6,846)	1,506	(2,621)	(809)
OCF/EBITDA (%)	63.4	37.6	137.0	57.2	60.8
FCFE/PAT (%)	4.3	(51.7)	23.1	(29.3)	(7.8)
<b>FCFF/NOPLAT (%)</b>	<b>14.8</b>	<b>(44.9)</b>	<b>42.0</b>	<b>(23.0)</b>	<b>(0.9)</b>

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	110	110	110	110	110
Reserves & Surplus	42,441	55,097	61,614	70,548	80,872
<b>Net worth</b>	<b>42,551</b>	<b>55,207</b>	<b>61,724</b>	<b>70,658</b>	<b>80,982</b>
Minority interests	0	0	0	0	0
Deferred tax liability (net)	2,592	2,410	2,410	2,410	2,410
<b>Total debt</b>	<b>15,527</b>	<b>14,782</b>	<b>9,918</b>	<b>9,331</b>	<b>6,815</b>
<b>Total liabilities &amp; equity</b>	<b>60,670</b>	<b>72,400</b>	<b>74,052</b>	<b>82,399</b>	<b>90,207</b>
Net tangible fixed assets	4,559	6,291	6,539	6,748	322
Net intangible assets	18	15	31	31	5
Net ROU assets	12	40	12	12	0
Capital WIP	6,798	11,424	5,000	5,000	5,000
Goodwill	0	0	0	0	0
Investments [JV/Associates]	9	9	9	9	9
<b>Cash &amp; equivalents</b>	<b>255</b>	<b>240</b>	<b>(1,409)</b>	<b>(2,837)</b>	<b>(4,168)</b>
Current assets (ex-cash)	36,643	40,807	32,265	36,711	40,963
Current Liab. & Prov.	8,356	11,311	8,863	10,219	11,516
<b>NWC (ex-cash)</b>	<b>28,287</b>	<b>29,495</b>	<b>23,402</b>	<b>26,492</b>	<b>29,447</b>
<b>Total assets</b>	<b>60,422</b>	<b>72,400</b>	<b>74,052</b>	<b>82,399</b>	<b>90,207</b>
Net debt	15,272	14,543	11,327	12,168	10,983
Capital employed	60,670	72,400	74,052	82,399	90,207
<b>Invested capital</b>	<b>53,360</b>	<b>60,727</b>	<b>70,453</b>	<b>80,227</b>	<b>89,366</b>
BVPS (Rs)	387.4	502.6	561.6	642.9	736.9
Net Debt/Equity (x)	0.4	0.3	0.2	0.2	0.1
Net Debt/EBITDA (x)	1.3	0.7	1.1	0.9	0.7
Interest coverage (x)	0.1	0.1	0.1	0.1	0.1
<b>RoCE (%)</b>	<b>19.7</b>	<b>28.6</b>	<b>13.4</b>	<b>16.3</b>	<b>16.8</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	39.4	23.1	46.9	34.2	29.6
P/CE(x)	31.1	19.6	33.5	24.9	21.6
P/B (x)	7.2	5.5	4.9	4.3	3.8
EV/Sales (x)	8.1	5.6	7.2	6.1	5.4
EV/EBITDA (x)	27.4	16.3	29.9	22.4	19.4
EV/EBIT(x)	33.3	18.5	39.6	29.2	25.3
EV/IC (x)	6.0	5.3	4.5	4.0	3.5
FCFF yield (%)	0.3	(1.8)	0.8	(0.6)	0.0
FCFE yield (%)	0.1	(2.2)	0.5	(0.9)	(0.3)
Dividend yield (%)	0.1	0.1	0.0	0.0	0.0
<b>DuPont-RoE split</b>					
Net profit margin (%)	19.6	23.3	14.7	17.3	17.5
Total asset turnover (x)	0.7	0.9	0.6	0.7	0.7
Assets/Equity (x)	1.5	1.4	1.3	1.2	1.1
<b>RoE (%)</b>	<b>20.0</b>	<b>27.1</b>	<b>11.1</b>	<b>13.5</b>	<b>13.6</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	18.1	22.6	13.6	15.8	15.9
IC turnover (x)	0.0	0.0	0.0	0.0	0.0
<b>RoIC (%)</b>	<b>13.9</b>	<b>22.5</b>	<b>9.1</b>	<b>10.8</b>	<b>11.1</b>
<b>Operating metrics</b>					
Core NWC days	261.2	189.4	193.3	187.1	182.6
<b>Total NWC days</b>	<b>261.2</b>	<b>189.4</b>	<b>193.3</b>	<b>187.1</b>	<b>182.6</b>
Fixed asset turnover	1.1	1.4	0.8	0.8	0.8
Opex-to-revenue (%)	39.7	37.8	41.0	40.5	40.3

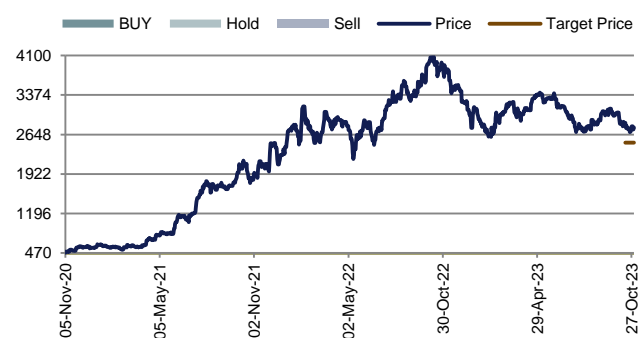
Source: Company, Emkay Research

## RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
15-Oct-23	2,861	2,500	Sell	Meet Vora

Source: Company, Emkay Research

## RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research



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