

**Indigo logged a sizable >60% beat to our earnings estimate in Q1FY25, driven by receipt of higher-than-expected P&W claim, 1% YoY uptick in yield at Rs5.24 (2% beat), and 4% lower than expected CASK ex-fuel & forex. ASK grew 11% YoY to 36.3bn (1% miss), as Indigo ended Jun-24 with fleet size of 382 vs. 367 QoQ. Load factors stood at 86.7%, missing our estimate by 90bps, while RPK came at a 2% miss. The mgmt lowered guidance of ASK growth for Q2 to a high single digit, while that for FY25 is steady at 10-12% YoY. The AOG situation is stable, at mid-70s. Yield is expected to be stable YoY, in Q2FY25. New initiatives like business class offering, and induction of A321 XLRs and A-350s are expected to be implemented over CY24-27. We trim FY25E EPS by 5% to factor in the forex loss, with FY26E EPS only slightly tweaked. We roll-over to Sep-26E with 6% higher TP to Rs5,300/sh, and retain 20x target P/E. We maintain BUY on Indigo.**

**InterGlobe Aviation: Financial Snapshot (Standalone)**

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	544,465	689,043	791,004	896,850	1,013,290
EBITDA	94,446	168,600	195,081	229,710	260,300
Adj. PAT	(3,167)	80,175	95,029	94,165	110,394
Adj. EPS (Rs)	(8.2)	207.7	246.2	244.0	286.0
EBITDA margin (%)	17.3	24.5	24.7	25.6	25.7
EBITDA growth (%)	542.0	78.5	15.7	17.8	13.3
Adj. EPS growth (%)	NM	NM	18.5	(0.9)	17.2
RoE (%)	5.1	NM	142.2	58.3	41.9
RoIC (%)	32.0	61.4	61.4	56.8	62.5
P/E (x)	NM	21.6	18.3	18.4	15.7
EV/EBITDA (x)	21.8	12.3	10.1	8.3	6.9
P/B (x)	NM	89.8	15.2	8.3	5.4
FCFF yield (%)	6.2	9.5	11.0	12.7	15.8

Source: Company, Emkay Research

**Result Highlights**

EBITDA was up 7% YoY to Rs52.0bn (34% beat). Indigo’s RPK rose 9% YoY/5% QoQ to 31.5bn, implying an 86.7% PLF. Fuel cost per ASK was 5% above our estimate, at Rs1.77, up 3% QoQ, while forex loss stood at Rs575mn. D/A rose 4% QoQ, while finance charges were up 5%. Other income was flat QoQ. Non-fuel forex CASK was flat QoQ at Rs2.84, as supplementary rentals/ASK fell 10% QoQ, while airport fee/ASK was up 4%. Indigo’s fleet size saw 15 net additions QoQ to 382, with AOGs in the mid-70s. Core gross debt fell 3% QoQ to Rs75.7bn but total cash balance was up 4% QoQ to Rs361bn, with free cash reserves up 6% to Rs208bn. Lease liability was up 3% QoQ to Rs449.6bn. PBT spread works out to be Rs0.77/ASK in Q1, down 18% YoY and up 52% QoQ.

**Management KTAs**

July pax volume is better vs past months, and was impacted by issues like the elections, etc. AOGs remain in the mid-70s, but are expected to reduce from next year. Indigo’s pipeline includes launch of business offering by year-end, XLR induction from next year, and induction of A350s from CY27. The Japan Airlines codeshare would allow 14 cities to be accessed via Delhi and Bangalore. Indigo has entered into a deal with Qatar Airways for 6 more damp-wet leases to be run on the Doha route, commencing in coming quarters. Indigo booked engine OEM compensation under the ‘Other Operating Revenue’ head, as per its customized agreement with P&W. The earlier provisions were lower, hence true up happened in Q1 which drove profitability; this would normalize going ahead. Further, supplementary rentals saw some adjustment as well. Indigo is looking to move volumes to new airports in Noida and Navi Mumbai, which would be good demand centers with costs likely lower (ATF VAT in UP is much lower than in Delhi).

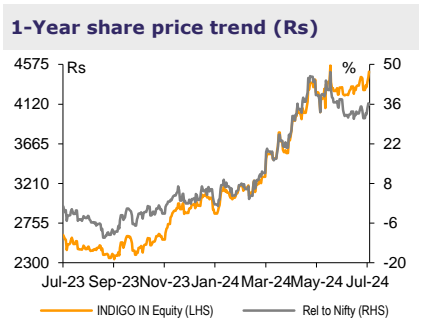
**Valuation**

We value Indigo using P/E-based TP of Rs5,300/sh (20x Sep-26E target P/E). Key risks: adverse currency/fuel prices, economic slowdown, stake sale, and operational issues.

Target Price – 12M	Sep-25
<b>Change in TP (%)</b>	<b>6.0</b>
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	17.9
CMP (26-Jul-24) (Rs)	4,493.4

Stock Data	Ticker
52-week High (Rs)	4,610
52-week Low (Rs)	2,333
Shares outstanding (mn)	386.2
Market-cap (Rs bn)	1,735
Market-cap (USD mn)	20,724
Net-debt, FY25E (Rs mn)	245,231
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	5,862.8
ADTV-3M (USD mn)	70.0
Free float (%)	43.0
Nifty-50	24,835
INR/USD	83.7
<b>Shareholding, Jun-24</b>	
Promoters (%)	55.3
FPIs/MFs (%)	24.4/15.4

Price Performance				
(%)	1M	3M	12M	
Absolute	6.3	14.2	76.9	
Rel. to Nifty	2.2	3.1	40.9	



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## Exhibit 1: Actuals vs. Estimates (Q1FY25)

Rs bn	Actual	Estimates (Emkay)	Consensus Estimates (Bloomberg)	Variation		Comments
				Emkay	Consensus	
Total Revenue	196	186	187	5%	5%	Higher P&W claims
Adjusted EBITDA	52	39	45	34%	17%	Lower opex
EBITDA margin	26.6%	20.9%	23.9%	570bps	267bps	
Adjusted Net Profit	27	17	19	62%	41%	

Source: Company, Emkay Research

## Exhibit 2: Quarterly Summary

Standalone (Rs mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	YoY	QoQ	FY23	FY24	YoY
<b>Total Revenue</b>	<b>166,831</b>	<b>149,439</b>	<b>194,521</b>	<b>178,253</b>	<b>195,707</b>	<b>17%</b>	<b>10%</b>	<b>544,465</b>	<b>689,043</b>	<b>27%</b>
Change in Stock in trade	25	3	25	2	19	-23%	800%	-12	54	
Purchases	722	818	960	868	837	16%	-4%	2,872	3,369	17%
Fuel Expense	52,281	58,560	68,414	59,791	64,165	23%	7%	236,460	239,046	1%
Employee Cost	13,140	13,732	15,328	16,176	15,859	21%	-2%	43,247	58,377	35%
Airport Fees	12,195	11,313	12,368	11,863	12,861	5%	8%	36,468	47,739	31%
Aircraft-Engine Rentals	1,946	1,956	2,991	3,860	6,241	221%	62%	3,258	10,752	230%
Supplementary Rentals	24,251	21,171	26,307	27,587	26,033	7%	-6%	80,450	99,316	23%
Other Expenses	13,752	15,252	16,176	16,609	17,656	28%	6%	47,276	61,790	31%
<b>Total Expenditure</b>	<b>118,313</b>	<b>122,804</b>	<b>142,569</b>	<b>136,757</b>	<b>143,671</b>	<b>21%</b>	<b>5%</b>	<b>450,019</b>	<b>520,443</b>	<b>16%</b>
<b>EBITDA</b>	<b>48,518</b>	<b>26,635</b>	<b>51,952</b>	<b>41,496</b>	<b>52,036</b>	<b>7%</b>	<b>25%</b>	<b>94,446</b>	<b>168,600</b>	<b>79%</b>
Depreciation	14,043	15,455	16,603	17,955	18,665	33%	4%	51,012	64,056	26%
EBIT	34,474	11,180	35,349	23,541	33,371	-3%	42%	43,434	104,544	141%
Finance Costs	9,537	10,213	10,952	10,991	11,576	21%	5%	31,317	41,694	33%
Other Income	4,775	5,583	6,098	6,801	6,797	42%	0%	14,314	23,256	62%
PBT Before Exceptionals	29,712	6,550	30,494	19,350	28,592	-4%	48%	26,431	86,106	226%
Forex Gains	1,161	-6,171	-509	-1,654	-575			-29,598	-7,174	
Exceptional Items	0	1,500	0	0	0			0	1,500	
PBT	30,872	1,879	29,985	17,696	28,017	-9%	58%	-3,167	80,432	
Current Tax	0	0	0	0	750			0	0	
Deferred Tax	0	0	0	-1,242	0			0	-1,242	
Total Tax	0	0	0	-1,242	750			0	-1,242	
<b>Reported PAT</b>	<b>30,872</b>	<b>1,879</b>	<b>29,985</b>	<b>18,939</b>	<b>27,267</b>	<b>-12%</b>	<b>44%</b>	<b>-3,167</b>	<b>79,190</b>	
<b>Reported EPS (Rs)</b>	<b>80.1</b>	<b>4.9</b>	<b>77.7</b>	<b>49.1</b>	<b>70.6</b>	<b>-12%</b>	<b>44%</b>	<b>-8.2</b>	<b>211.7</b>	
Total Pax (mn)	26.2	26.3	27.5	26.7	27.8	6%	4%	85.5	106.7	25%
<b>ASK (mn)</b>	<b>32,691</b>	<b>35,321</b>	<b>36,464</b>	<b>34,805</b>	<b>36,315</b>	<b>11%</b>	<b>4%</b>	<b>114,359</b>	<b>139,281</b>	<b>22%</b>
RPK (mn)	28,950	29,412	31,300	30,040	31,500	9%	5%	93,900	119,702	27%
PLF	88.6%	83.3%	85.8%	86.3%	86.7%	-182bps	43bps	82.1%	85.9%	383bps
RASK (Rs)	5.12	4.24	5.34	5.13	5.40	5%	5%	4.80	4.96	3%
<b>Yield (Rs)</b>	<b>5.18</b>	<b>4.44</b>	<b>5.48</b>	<b>5.19</b>	<b>5.24</b>	<b>1%</b>	<b>1%</b>	<b>5.13</b>	<b>5.08</b>	<b>-1%</b>
Fuel Cost/ASK (Rs)	1.60	1.66	1.88	1.72	1.77	10%	3%	2.07	1.72	-17%
CASK ex-Fuel and Forex (Rs)	2.61	2.40	2.63	2.86	2.84	9%	0%	2.59	2.78	7%
PBT/ASK (Rs)	0.94	0.05	0.82	0.51	0.77	-18%	52%	-0.03	0.58	-2185%
PAT excl. Forex	29,712	8,050	30,494	20,593	27,842	-6%	35%	26,431	88,849	
EBITDARM	31.2%	16.3%	28.1%	24.7%	29.6%	-156bps	493bps	13.4%	25.4%	1202bps
Free Cash	156,911	180,827	191,996	208,230	220,876	41%	6%	121,948	208,230	71%
Restricted Cash	117,089	125,831	132,284	139,145	140,130	20%	1%	112,295	139,145	24%
ROU Assets	282,000	306,526	333,700	342,023	358,600	27%	5%	265,365	342,023	29%
<b>Fleet Size</b>	<b>316</b>	<b>334</b>	<b>358</b>	<b>367</b>	<b>382</b>	<b>66</b>	<b>15</b>	<b>304</b>	<b>367</b>	<b>63</b>
Domestic Destinations	78	79	86	88	88	10	0	78	88	10
International Destinations	26	32	32	33	33	7	0	26	33	7
OTP	89%	87%	78%	71%	75%	-1,440bps	340bps	87%	81%	-548bps

Source: Company, Emkay Research

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## Concall Highlights

- Indigo's Q2FY25 capacity (ASK) growth guidance is in a high single digit, while that for FY25 is steady at early double digits. Q2FY25 yield/PRASK guidance is "stable YoY". Q2 is a seasonally muted quarter; hence it is being conservative, but expects performance to improve thereon (QoQ fluctuations are a given). However, July pax volume is better vs past months, and was affected by issues like the elections, etc. Other targets like 1+ aircraft induction/week and 600 by decade-end are maintained. The Indian aviation market is underpenetrated, and Indigo added 30 routes YoY, with 540 routes now. International ASK share is 27% currently. Daily flights to Central Asian destinations like Tashkent, Almaty, etc would soon start.
- Indigo is looking at multiple initiatives including business offering (class), inflight entertainment, women to women seating and web checkin, mobile app and chatbox upgrade, etc. The approval of electronic flight folders by the DGCA would also help further smoothen operations. Indigo would be celebrating its 18th anniversary next week, when its business offering and new plans would be unveiled. The pipeline further includes launch of business offering by year-end, XLR induction from next year (which would help it reach South Europe and Far East Asia), and introduction of A350s from CY27 on.
- Code-shares are expanding and helping Indigo to learn the international wide-body aircraft segment. The Japan Airlines codeshare would allow 14 cities to be accessed via Delhi and Bangalore. The global aviation sector is facing headwinds, but Indigo has been able to perform on the back of a healthy profit in Q1FY25. Indigo has entered a deal with Qatar Airways for 6 more damp &/or wet leased (ACMI) planes, to be run on the Doha route starting in coming quarters; operations would be the same as the Turkish deal. Code-share revenue will be recognized in due course. The overall international segment is more profitable than domestic.
- Indigo booked engine OEM compensation under the 'Other Operating Income/Revenue' head, as per the customized agreement arranged with P&W. The earlier provisions were lower, hence true up of the same happened in Q1 which drove profitability; this would normalize going ahead. Further, supplementary rentals saw some adjustment as well. A substantial portion of Indigo's hit will be covered by this but not all. Fuel cost (FASK) increased due to higher number of low-mileage CEOs (damp leases), some States raising VAT rates, and increase in ATF prices YoY. CASK was impacted by AOGs (P&W, a large part), contractual hikes, and overall inflationary pressures (including in the US).
- AOGs remain in the mid-70s, but are expected to reduce from next year. In Q1, additional planes were taken on damp lease, and from the secondary market. CEOs are safer vs NEOs due to engine issues currently, but the overall strategy is to phase out CEOs. The company will further add finance leases with a similar 8-10-year tenure and the right to acquire at a nominal price. In the operating lease, IndAS-116 is applicable with staggered depreciation and interest, while the finance lease involves the full value; hence the value will reduce over the life of the assets and maintenance cost would be capitalized as and when.
- Indigo is looking at moving volumes to new airports in Noida and Navi Mumbai, which would be good demand centers with lower costs as well (ATF VAT in UP is much lower than in Delhi). Airfares on a per-ticket basis are stable at Rs5,000-6,000, hence the company is not concerned over yields affecting demand. There needs to be a balance. New stations and routes would be in focus.
- The recent challenges include Delhi T1 canopy collapse, global IT outage affecting hundreds of its flights, etc. But Indigo's teams have been able to respond effectively. The employee incentive was accounted for in Q1 results. Lower and uniform GST rate (5% by the GoI recently) on MRO would result in savings for customers like Indigo. The Budget allows keeping imported equipment items for a longer period which is good for the MRO sector, though not airlines directly. Indigo will host the IATA AGM in CY25 which would see attendance on a global scale.

**Exhibit 3: Change in assumptions**

	FY25E			FY26E			FY27E
	Previous	Revised	Variance	Previous	Revised	Variance	Introduced
ASK (bn)	156.3	155.3	-1%	179.8	178.6	-1%	201.8
PLF	87%	87%	-51bps	86%	86%	2bps	87%
RASK (Rs)	5.1	5.1	0%	5.0	5.0	1%	5.0
Fuel Cost/ASK (Rs)	1.6	1.7	5%	1.6	1.6	3%	1.6
CASK ex-Fuel and Forex (Rs)	2.9	2.8	-3%	2.7	2.7	0%	2.7
PBT/ASK (Rs)	0.6	0.6	-4%	0.7	0.7	-2%	0.7

Source: Company, Emkay Research

**Exhibit 4: Change in estimates**

(Rs bn)	FY25E			FY26E			FY27E
	Previous	Revised	Variance	Previous	Revised	Variance	Introduced
Revenue	796.1	791.0	-1%	896.9	896.8	0%	1,013.3
EBITDA	190.5	195.1	2%	227.3	229.7	1%	260.3
EBITDA margin	23.9%	24.7%	73bps	25.3%	25.6%	27bps	25.7%
PAT	100.1	95.0	-5%	96.5	94.2	-2%	110.4
EPS (Rs)	259.5	246.2	-5%	250.0	244.0	-2%	286.0

Source: Company, Emkay Research

**Exhibit 5: PER-based valuation (Sep-26E)**

	FY22	FY23	FY24	FY25E	FY26E	FY27E
SA EPS (Rs)	-160.2	-8.2	207.7	246.2	244.0	286.0
<b>Target P/E (x)</b>						<b>20.0</b>
<b>TP (Rs/sh)</b>						<b>5,300</b>

Source: Company, Emkay Research

## InterGlobe Aviation: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
<b>Revenue</b>	<b>544,465</b>	<b>689,043</b>	<b>791,004</b>	<b>896,850</b>	<b>1,013,290</b>
Revenue growth (%)	110.0	26.6	14.8	13.4	13.0
<b>EBITDA</b>	<b>94,446</b>	<b>168,600</b>	<b>195,081</b>	<b>229,710</b>	<b>260,300</b>
EBITDA growth (%)	542.0	78.5	15.7	17.8	13.3
Depreciation & Amortization	51,012	64,056	77,670	85,050	93,437
<b>EBIT</b>	<b>43,434</b>	<b>104,544</b>	<b>117,411</b>	<b>144,661</b>	<b>166,863</b>
EBIT growth (%)	0.0	140.7	12.3	23.2	15.3
Other operating income	0	0	0	0	0
Other income	14,314	23,256	29,271	34,575	39,947
Financial expense	31,317	41,694	48,078	53,348	59,225
<b>PBT</b>	<b>26,431</b>	<b>86,106</b>	<b>98,604</b>	<b>125,888</b>	<b>147,585</b>
Extraordinary items	0	0	0	0	0
Taxes	0	(1,242)	0	31,724	37,191
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>(3,167)</b>	<b>80,175</b>	<b>95,029</b>	<b>94,165</b>	<b>110,394</b>
PAT growth (%)	0.0	0.0	18.5	(0.9)	17.2
<b>Adjusted PAT</b>	<b>(3,167)</b>	<b>80,175</b>	<b>95,029</b>	<b>94,165</b>	<b>110,394</b>
<b>Diluted EPS (Rs)</b>	<b>(8.2)</b>	<b>207.7</b>	<b>246.2</b>	<b>244.0</b>	<b>286.0</b>
Diluted EPS growth (%)	0.0	0.0	18.5	(0.9)	17.2
<b>DPS (Rs)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Dividend payout (%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
EBITDA margin (%)	17.3	24.5	24.7	25.6	25.7
EBIT margin (%)	8.0	15.2	14.8	16.1	16.5
Effective tax rate (%)	0.0	(1.4)	0.0	25.2	25.2
<b>NOPLAT (pre-IndAS)</b>	<b>43,434</b>	<b>106,053</b>	<b>117,411</b>	<b>108,206</b>	<b>124,814</b>
Shares outstanding (mn)	385.5	386.0	386.0	386.0	386.0

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PBT	26,431	86,106	98,604	125,888	147,585
Others (non-cash items)	102,911	93,120	87,003	125,993	145,481
Taxes paid	(3,917)	(5,107)	0	(31,724)	(37,191)
Change in NWC	31,204	43,383	37,513	23,812	30,135
<b>Operating cash flow</b>	<b>127,031</b>	<b>210,328</b>	<b>219,545</b>	<b>243,970</b>	<b>286,009</b>
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
<b>Investing cash flow</b>	<b>(40,552)</b>	<b>(117,564)</b>	<b>(6,838)</b>	<b>(6,982)</b>	<b>(7,129)</b>
Equity raised/(repaid)	224	417	0	0	0
Debt raised/(repaid)	(84,204)	(99,595)	(105,701)	(107,946)	(115,304)
Payment of lease liabilities	(41,138)	(62,422)	(91,784)	(103,946)	(114,804)
Interest paid	(345)	(608)	(10,286)	(11,481)	(12,963)
Dividend paid (incl tax)	0	0	0	0	0
Others	14,786	54,509	34,729	9,566	4,778
<b>Financing cash flow</b>	<b>(69,539)</b>	<b>(45,277)</b>	<b>(81,259)</b>	<b>(109,862)</b>	<b>(123,489)</b>
Net chg in Cash	16,940	47,488	131,448	127,127	155,392
OCF	127,031	210,328	219,545	243,970	286,009
Adj. OCF (w/o NWC chg.)	95,827	166,945	182,032	220,157	255,875
FCFF	128,449	197,111	217,545	241,970	284,009
FCFE	98,700	161,172	169,467	188,622	224,784
OCF/EBITDA (%)	134.5	124.7	112.5	106.2	109.9
FCFE/PAT (%)	(3,116.4)	201.0	178.3	200.3	203.6
<b>FCFF/NOPLAT (%)</b>	<b>295.7</b>	<b>185.9</b>	<b>185.3</b>	<b>223.6</b>	<b>227.5</b>

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	110,488	204,653	315,047
<b>Net worth</b>	<b>(63,031)</b>	<b>19,319</b>	<b>114,348</b>	<b>208,513</b>	<b>318,906</b>
Minority interests	0	0	0	0	0
Deferred tax liability (net)	(2,949)	(4,192)	(4,192)	(4,192)	(4,192)
<b>Total debt</b>	<b>448,542</b>	<b>512,800</b>	<b>543,773</b>	<b>591,051</b>	<b>649,702</b>
<b>Total liabilities &amp; equity</b>	<b>382,561</b>	<b>527,928</b>	<b>653,929</b>	<b>795,372</b>	<b>964,416</b>
Net tangible fixed assets	11,028	18,236	15,919	13,702	11,566
Net intangible assets	107	107	107	107	107
Net ROU assets	265,365	342,023	371,568	406,932	447,725
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
<b>Cash &amp; equivalents</b>	<b>118,106</b>	<b>167,093</b>	<b>298,542</b>	<b>425,668</b>	<b>581,060</b>
Current assets (ex-cash)	77,521	124,491	138,650	153,899	170,673
Current Liab. & Prov.	204,916	288,569	340,241	379,303	426,211
<b>NWC (ex-cash)</b>	<b>(127,395)</b>	<b>(164,078)</b>	<b>(201,591)</b>	<b>(225,404)</b>	<b>(255,538)</b>
<b>Total assets</b>	<b>382,561</b>	<b>527,928</b>	<b>653,929</b>	<b>795,372</b>	<b>964,416</b>
Net debt	330,436	345,707	245,231	165,383	68,642
Capital employed	382,561	527,928	653,929	795,372	964,416
<b>Invested capital</b>	<b>149,104</b>	<b>196,288</b>	<b>186,002</b>	<b>195,337</b>	<b>203,860</b>
BVPS (Rs)	(163.5)	50.1	296.3	540.2	826.2
Net Debt/Equity (x)	(5.2)	17.9	2.1	0.8	0.2
Net Debt/EBITDA (x)	3.5	2.1	1.3	0.7	0.3
Effective coverage (x)	0.5	0.3	0.3	0.3	0.3
<b>RoCE (%)</b>	<b>16.8</b>	<b>28.1</b>	<b>24.8</b>	<b>24.7</b>	<b>23.5</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	(547.0)	21.6	18.3	18.4	15.7
P/CE(x)	36.2	12.0	10.0	9.7	8.5
P/B (x)	(27.5)	89.8	15.2	8.3	5.4
EV/Sales (x)	3.8	3.1	2.6	2.2	1.8
EV/EBITDA (x)	21.8	12.3	10.1	8.3	6.9
EV/EBIT(x)	47.5	19.9	16.9	13.1	10.8
EV/IC (x)	13.8	10.6	10.6	9.7	8.8
FCFF yield (%)	6.2	9.5	11.0	12.7	15.8
FCFE yield (%)	5.7	9.3	9.8	10.9	13.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
<b>DuPont-RoE split</b>					
Net profit margin (%)	(0.6)	11.6	12.0	10.5	10.9
Total asset turnover (x)	1.6	1.5	1.3	1.2	1.2
Assets/Equity (x)	(5.6)	(20.8)	8.8	4.5	3.3
<b>RoE (%)</b>	<b>5.1</b>	<b>(366.8)</b>	<b>142.2</b>	<b>58.3</b>	<b>41.9</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	8.0	15.4	14.8	12.1	12.3
IC turnover (x)	0.0	0.0	0.0	0.0	0.0
<b>RoIC (%)</b>	<b>32.0</b>	<b>61.4</b>	<b>61.4</b>	<b>56.8</b>	<b>62.5</b>
<b>Operating metrics</b>					
Core NWC days	(85.4)	(86.9)	(93.0)	(91.7)	(92.0)
<b>Total NWC days</b>	<b>(85.4)</b>	<b>(86.9)</b>	<b>(93.0)</b>	<b>(91.7)</b>	<b>(92.0)</b>
Fixed asset turnover	1.4	1.4	1.3	1.3	1.4
Opex-to-revenue (%)	82.1	75.0	74.9	74.0	73.9

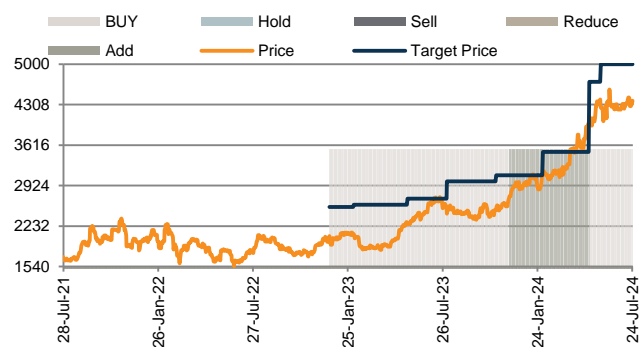
Source: Company, Emkay Research

## RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
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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