

Executing its way through uncertainty

Coforge reported 2.3% cc QoQ growth, ahead of JMFe: 2%. Growth was broad-based. Deal wins were strong (USD 313mn TCV, book-to-bill of 1.12). 12-M executable order book (EOB) outpaced revenues (+16% vs 14% YoY cc) again. Adjusted EBITDA margin (ex of ESOP expenses) expanded 160bps QoQ (in-line). Coforge is becoming a credible challenger in its focus areas e.g risk and compliance, card and payments in BFS. This shows up in deal wins against larger incumbents. A profitable growth indicates Coforge's proposition goes beyond cost. Coforge has also protected its book of business better than most, reflected in consistent EOB growth and smaller deal wins (2/3rd of TCV in 2Q; JMFe). The granularities of its performance lend credibility to its consistently positive outlook. That said, seasonal weakness in 3Q will likely drive a tepid next quarter, before growth picks up in 4Q. We build these as we moderate our FY24E cc revenue growth to 13.5% (12.5% USD), at the lower end of 13-16% guidance (unchanged). Our FY24-25E EPS is down by 14%/6%, due to higher ESOP expenses and expectations of a more gradual uptick in margins. Notwithstanding these moderations, Coforge's earning visibility (24% EPS CAGR over FY23-26E) remains one of the highest in the sector, in our view. We therefore shed our conservative stance that mid-caps should necessarily trade at a discount to their larger peers. We raise our target multiple for Coforge to 24x forward EPS (from 22x) – in-line with its current FY25 multiples and at a 20% premium to INFO. Maintain BUY with a revised TP of INR 5,730 (from INR 5,300).

- **2QFY24 – ahead of expectations:** Coforge reported 2.3% cc QoQ revenue growth, above JMFe: 2%. Growth was led by BFSI (+3.8% cc QoQ) whereas Insurance (2.4%) and Travel (2.2%) also grew in-line. Geographically also, growth was well spread out. EBITDA margins improved marginally by 33bps (JMFe: +170bps). Higher ESOP charges (2.4x QoQ), due to accelerated vesting, drove the miss. Adjusted EBITDA (ex-ESOP) however expanded by 160bps QoQ, in-line. Lower other income resulted in PAT miss (INR 1.8bn vs JMFe: INR 2.3bn). OCF/EBITDA was 49%. Management expects this to improve to 65-70% in 2H as many cash expenses – vendor payments, variable pay etc. are in 1H.
- **Deal win momentum sustains:** Coforge won USD 313mn TCV of deals during the quarter. Though a decline from record bookings in 1Q (USD 531mn), at 1.12x book-to-bill, it was a decent inflow. Deal wins include three large deals (USD 20mn+) – one in BFS (a new logo) and two in Travel in the EMEA region. 12-M EOB grew by 16% YoY, ahead of revenue growth (14% YoY cc). This not only provides visibility beyond FY24, but also reflects a more resilient book of business. Deal pipeline, velocity and probability of win remain strong, per the management. So does revenue conversion.
- **Maintains guidance:** Coforge maintained its FY24 cc revenue growth guidance of 13-16%, implying 2H CQGR of 2.2-5.7% (JMFe). The company flagged off a potentially tepid 3Q. That would raise the 4Q ask substantially for upper end of the guidance. We therefore lower our FY24E cc growth to 13.5%. The company also reiterated its margin guidance of maintaining adj. EBITDA margin at FY23 levels (18.3%). Specific tailwinds in 3Q (c.100bps) and a likely growth pick-up in 4Q make this achievable, in our view.

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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	5,730
Upside/(Downside)	12.2%
Previous Price Target	5,300
Change	8.1%

Key Data – COFORGE IN

Current Market Price	INR5,109
Market cap (bn)	INR314.4/US\$3.8
Free Float	93%
Shares in issue (mn)	61.1
Diluted share (mn)	61.6
3-mon avg daily val (mn)	INR4,002.6/US\$48.1
52-week range	5,763/3,565
Sensex/Nifty	65,629/19,625
INR/US\$	83.2

Price Performance

%	1M	6M	12M
Absolute	-7.9	30.9	34.0
Relative*	-6.2	19.0	20.9

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary					(INR mn)
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E
Net Sales	64,096	80,392	93,225	1,08,714	1,27,190
Sales Growth (%)	37.4	25.4	16.0	16.6	17.0
EBITDA	11,154	14,053	15,991	20,574	24,174
EBITDA Margin (%)	17.3	17.5	17.2	18.8	19.0
Adjusted Net Profit	6,617	8,264	9,386	13,190	15,936
Diluted EPS (INR)	107.4	133.9	152.3	214.1	258.7
Diluted EPS Growth (%)	41.5	24.7	13.7	40.6	20.8
ROIC (%)	33.9	33.1	28.7	31.5	34.5
ROE (%)	25.5	28.4	27.7	31.7	30.7
P/E (x)	47.6	38.1	33.6	23.9	19.7
P/B (x)	11.4	10.1	8.4	6.7	5.4
EV/EBITDA (x)	27.9	22.1	19.8	15.1	12.5
Dividend Yield (%)	0.6	0.9	1.0	1.3	1.5

Source: Company data, JM Financial. Note: Valuations as of 19/Oct/2023

Key Highlights from the call

- **Outlook:** Healthy deal pipeline which includes large deals. Ability to sign large contracts while maintaining existing business provides management confidence of delivering growth in coming quarters. Expect Revenue growth to be modest in Q3 due to higher fuloughs. Q4 is expected to do significantly well in comparison to Q3. Overall, the company reiterated its 13-16% cc growth for FY24.
- **Deal wins:** Company signed three large deals in Q2. One was from BFS, this is a new logo. The company won this deal against larger incumbent providers. The other two large deals are from the travel vertical within the EMEA. Of which one is a renewal deal. Two large deals are in travel sector. One with a leading Middle Eastern airlines and other with leading European airlines.
- **Margins:** ESOP costs increased in this quarter due to a one-time cost related to accelerated vesting. Management expects this to normalise from Q3 onwards. However, for FY24, ESOP expenses (as % of revenue) will inch up from 0.7% in FY23 to 1.1%. Management is confident of at least a 100bps margin expansion in Q3 which should help the company in achieving its FY24 margin guidance. On basis of currency movement, management is expecting hedge gains in Q3 (vs loss in Q2). This should help improve adjusted EBITDA margin by 50bps. Besides, absence of client event (which took place in Q2) should provide 40bps uplift. Management is committed to reduce average resource cost (ARC) in 2HFY24 which will also be a lever for margin improvement.
- **Segments: BFS:** Seeing some green shoots. These however are being weighed against on-going geopolitical uncertainties. There is a major transformation taking place in the payments processing and regulatory compliance sectors.
 - **Insurance:** In PNC space, there is increased demand in areas related to productisation. Product vendors like Duck Creek, Banpro, and Guidewire have indicated an uptick in demand.
 - **Travel:** Areas like digitisation, productisation, customer experience and security are seeing some green shoots.
- **Supply side:** Net headcount addition of 414 sequentially. Utilization dropped marginally due to fresher addition.

Expect Q3 to be weak due to seasonality but expect significant uptick in Q4

Seeing some green shoots in BFS

Exhibit 1. 2QFY24 result summary

	2Q24 A	1Q24 A	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Consensus)	Variance (vs. consensus)	QoQ estimate	
								JMFe	Consensus
USD-INR	82.23	81.71	0.6%	81.91	0.4%	81.91	0.4%	0.2%	0.2%
CC Revenue Growth (QoQ)		-	2.3%		30bp	3.3%	-99bp	2.0%	3.3%
Revenue (USD mn)	278	272	2.3%	277	0.3%	280.75	-0.9%	2.0%	3.3%
Revenue (INR mn)	22,869	22,210	3.0%	22,710	0.7%	22,996	-0.6%	2.3%	3.5%
EBIT (INR mn)	2,808	2,665	5.3%	3,033	-7.4%	3,092	-9.2%	13.8%	16.0%
EBIT margin	12.3%	12.0%	28bp	13.4%	-108bp	13.4%	-117bp	135bp	144bp
PAT - adjusted (INR mn)	1,809	1,818	-0.5%	2,264	-20.1%	2,283	-20.8%	24.5%	25.5%
EPS - adjusted(INR)	29.7	29.8	-0.2%	37.1	-19.8%	36.3	-18.1%	24.5%	21.8%

Source: Company, JM Financial

2QFY24 result review

Exhibit 2. Key financial summary

	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24
Cons. revenues (USD mn)	238.7	247.3	252.7	265.3	1,004.0	271.8	278.1
Change (QoQ/YoY)	2.9%	3.6%	2.2%	5.0%	16.3%	13.9%	12.5%
Cons. revenues (INR mn)	18,255	19,605	20,687	21,845	80,392	22,316	22,869
Change (QoQ/YoY)	5.1%	7.4%	5.5%	5.6%	25.4%	2.2%	2.5%
Cost of revenues	12,739	13,316	13,698	14,306	54,059	15,414	15,374
Gross profit	5,516	6,289	6,989	7,539	26,333	6,902	7,495
Gross margin	30.2%	32.1%	33.8%	34.5%	32.8%	30.9%	32.8%
SG&A costs	2,637	2,834	3,245	3,318	12,034	3,480	3,915
Operating profit (EBITDA)	2,879	3,455	3,744	4,221	14,299	3,422	3,580
Operating margin	15.8%	17.6%	18.1%	19.3%	17.8%	15.3%	15.7%
Depreciation & amortization	630	614	624	717	2,585	757	772
EBIT	2,249	2,841	3,120	3,504	11,714	2,665	2,808
EBIT margin	12.3%	14.5%	15.1%	16.0%	14.6%	11.9%	12.3%
Other income	-37	-161	-46	-632	-876	-258	-402
Profit before tax	2,212	2,680	3,074	2,872	10,838	2,407	2,406
Income tax expense	493	474	715	379	2,061	485	528
Net income from operations	1,719	2,206	2,359	2,493	8,777	1,922	1,878
Share of minority interest	222	195	77	19	513	104	69
PAT - Adjusted	1,497	2,011	2,282	2,474	8,264	1,818	1,809
Change (QoQ/YoY)	-27.9%	34.3%	13.5%	8.4%	24.9%	-26.5%	-0.5%
Exceptional item (Adjusted for Tax)	0	0	0	1,326	1,326	165	0
PAT - Reported	1,497	2,011	2,282	1,148	6,938	1,653	1,809
Adjusted Basic EPS	24.6	33.0	37.4	40.5	135.4	29.8	29.7
Change (QoQ/YoY)	-27.9%	34.2%	13.5%	8.4%	24.4%	-26.5%	-0.3%

Source: Company, JM Financial

Broad based growth supported by all three verticals.

Reported EBITDA was impacted due to 2.4x increase in ESOP expenses – on account of accelerated vesting. Adjusted EBITDA (ex-ESOP expenses) expanded 160bps QoQ

Exhibit 3. Vertical portfolio

	2Q23	3Q23	4Q23	1Q24	2Q24
Distribution					
BFS	31.7%	31.1%	31.0%	31.1%	31.6%
Insurance	23.2%	22.1%	22.2%	22.6%	22.6%
Travel and Transportation	19.3%	19.3%	18.8%	18.5%	18.5%
Others	25.8%	27.4%	28.0%	27.8%	27.3%
Revenue (USD mn and QoQ growth)					
BFS	78.4	78.6	82.2	84.5	87.9
Change	11.3%	0.3%	4.6%	2.8%	4.0%
Insurance	57.4	55.8	58.9	61.4	62.9
Change	4.1%	-2.7%	5.4%	4.3%	2.3%
Transportation	47.7	48.8	49.9	50.3	51.4
Change	3.1%	2.2%	2.2%	0.8%	2.3%
Others	63.8	69.2	74.3	75.6	75.9
Change	-4.5%	8.5%	7.3%	1.7%	0.5%

Source: Company, JM Financial

Despite the weak macros all three verticals exhibited strong growth for Coforge

Exhibit 4. Key manpower metrics

	2Q23	3Q23	4Q23	1Q24	2Q24
Manpower Base					
Total	22,991	22,505	23,224	24,224	24,638
Headcount additions	249	-486	719	1,000	414
- As % of opening base	1.1%	-2.1%	3.2%	4.3%	1.7%
Operating metrics					
Utilization - IT services (blended)	77.3%	80.3%	81.5%	81.0%	80.0%
Attrition - quarterly annualized	16.4%	15.8%	14.1%	13.3%	13.0%

Source: Company, JM Financial

Utilization dropped marginally due to fresher addition. Attrition moderates further.

Exhibit 5. Key client metrics

	2Q23	3Q23	4Q23	1Q24	2Q24
Client wins and order book					
New customer wins	11	11	10	6	8
Fresh order intake	304	345	301	531	313
Change (YoY)	7%	39%	0%	69%	3%
Orders executable over next 12 months	802	841	869	897	935
Change (YoY)	17%	20%	21%	20%	17%
Pending order book	1771	1863	1899	2158	2193
Change (YoY)	15%	19%	16%	26%	24%
Revenue concentration					
Top 5 clients	23.1%	23.9%	23.1%	25.1%	23.5%
Next 5 clients	12.7%	12.4%	12.4%	12.6%	11.7%
Top 10 clients	35.8%	36.3%	35.5%	37.7%	35.2%
Revenue growth (in USD terms)					
Top 5 clients	4.5%	5.7%	1.0%	11.8%	-4.2%
Next 5 clients	4.4%	-0.2%	5.8%	3.3%	-5.0%
Top 10 clients	4.5%	3.6%	2.7%	8.8%	-4.5%

Source: Company, JM Financial

Seventh consecutive quarter on order inflow of \$300 mn+

Retain BUY; TP revised to INR 5,370

Although Coforge delivered an above expectation growth in 2Q, a muted 3Q due to seasonality means company may not be able to grow at the upper end of its guidance. We therefore lower our FY24 USD revenue growth to 12.5% (13.5% in cc) versus cc guidance of 13-16%. We also lower FY25/26E USD revenues to 16%/17%, this is still significantly better than large caps. While Adjusted EBITDA margins were in-line, a higher than expected ESOP (due to accelerated vesting) drives 100bps EBITDA margin cut for FY24. Consequently, our FY24/25E EPS goes down by 14%/6%. Coforge currently trades at 24x FY25 PER. Consistent outperformance vis-à-vis large caps means Coforge's valuation premium to large caps can sustain. Hence, we raise our target multiple from 22X to 24x for coforge. Consistent deal wins, at times against larger peers, and healthy 12-M executable order book lends support to the growth outperformance. Maintain BUY with a revised TP of INR 5,730.

Exhibit 6. What has changed

	Old			New			Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Exchange rate (INR/USD)	82.25	82.30	82.30	82.51	83.00	83.00	0.3%	0.9%	0.9%
Consolidated revenue (USD mn)	1,162.9	1,362.1	1,615.10	1,129.9	1,309.8	1,532.4	-2.8%	-3.8%	-5.1%
Growth in USD revenues (YoY)	15.8%	17.1%	18.6%	12.5%	15.9%	17.0%	-329bp	-120bp	0bp
Consolidated revenue (INR mn)	95,845	1,12,547	1,33,123	93,237	1,09,164	1,27,390	-2.7%	-3.0%	-4.3%
EBITDA margin	18.1%	18.9%	18.6%	17.2%	18.8%	19.0%	-96bp	-6bp	38bp
EBIT margin	14.8%	15.9%	15.7%	13.8%	15.9%	16.1%	-100bp	-7bp	37bp
PAT (INR mn)	10,899	14,075	16,689.72	9,386	13,190	15,936	-13.9%	-6.3%	-4.5%
EPS	176.58	228.05	270.41	152.27	214.13	258.71	-13.8%	-6.1%	-4.3%

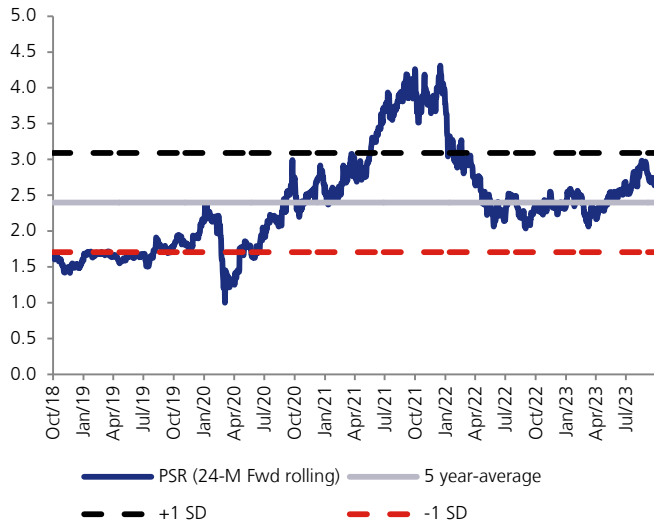
Source: JM Financial estimates

Exhibit 7. JMFe vs. Consensus estimates

	Consensus estimates			JMFe			Difference		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Sales (INR mn)	93,848	1,07,483	1,24,865	93,237	1,09,164	1,27,390	-0.7%	1.6%	2.0%
EBITDA (INR mn)	16,282	19,290	22,701	15,991	20,574	24,174	-1.8%	6.7%	6.5%
EBITDA margin	17.3%	17.9%	18.2%	17.2%	18.8%	19.0%	-20bp	90bp	80bp
Net Income (INR mn)	9,783	12,073	14,391	9,386	13,190	15,936	-4.1%	9.3%	10.7%
EPS (INR)	158.71	195.12	235.84	152.3	214.1	258.7	-4.1%	9.7%	9.7%

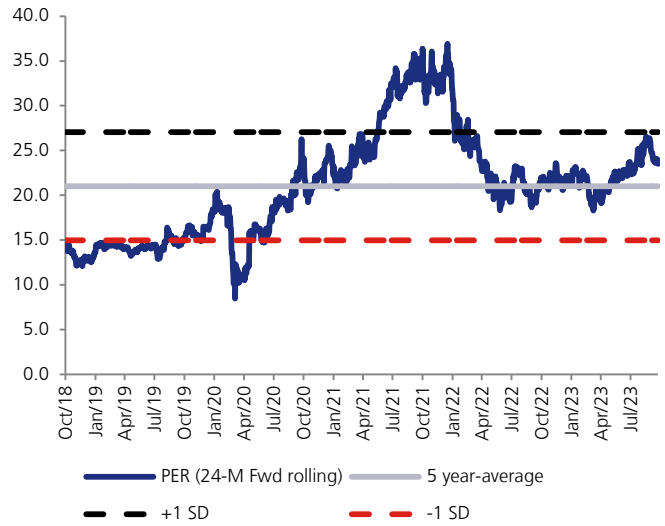
Note: Consensus estimates as of 18th Oct and may not reflect changes in estimates post result. Source: Company, JM Financial estimates

Exhibit 8. Price-to-Sales valuation Chart – Last 5 years



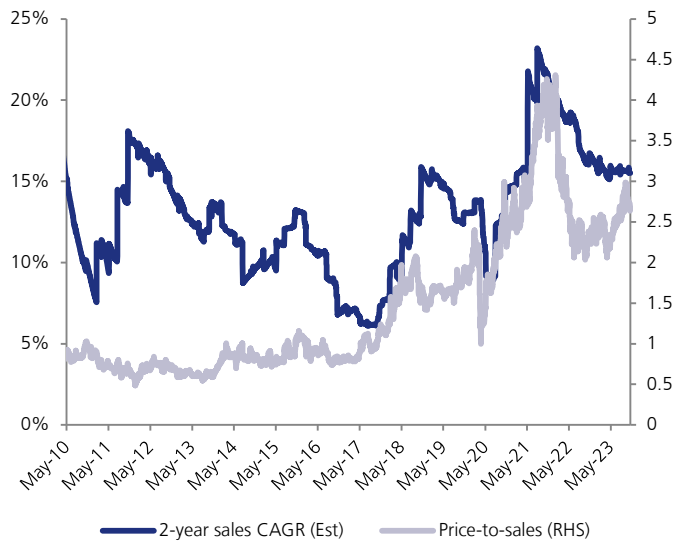
Source: Bloomberg, JM Financial

Exhibit 9. Price-to-earnings valuation chart – Last 5 years



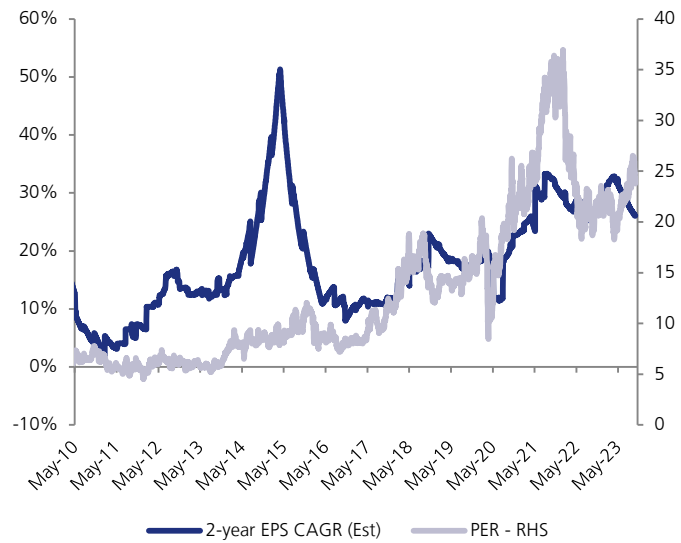
Source: Bloomberg, JM Financial

Exhibit 10. Price-to-Sales valuation chart



Note: valuation charts are based on bloomberg consensus forward estimate at any given time ; Source: Bloomberg, JM Financial

Exhibit 11. Price-to-earnings valuation chart



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Net Sales	64,096	80,392	93,225	1,08,714	1,27,190	
Sales Growth	37.4%	25.4%	16.0%	16.6%	17.0%	
Other Operating Income	224	-246	12	450	200	
Total Revenue	64,320	80,146	93,237	1,09,164	1,27,390	
Cost of Goods Sold/Op. Exp	43,736	54,059	62,500	72,118	84,374	
Personnel Cost	0	0	0	0	0	
Other Expenses	9,430	12,034	14,746	16,472	18,843	
EBITDA	11,154	14,053	15,991	20,574	24,174	
EBITDA Margin	17.3%	17.5%	17.2%	18.8%	19.0%	
EBITDA Growth	41.8%	26.0%	13.8%	28.7%	17.5%	
Depn. & Amort.	2,272	2,585	3,109	3,260	3,722	
EBIT	8,882	11,468	12,882	17,314	20,452	
Other Income	-428	-634	-544	-174	127	
Finance Cost	0	0	0	0	0	
PBT before Excep. & Forex	8,454	10,834	12,338	17,140	20,579	
Excep. & Forex Inc./Loss(-)	161	4	30	0	0	
PBT	8,615	10,838	12,368	17,140	20,579	
Taxes	1,468	2,061	2,671	3,701	4,444	
Extraordinary Inc./Loss(-)	0	-1,326	-165	0	0	
Assoc. Profit/Min. Int.(-)	530	513	311	249	199	
Reported Net Profit	6,617	6,938	9,221	13,190	15,936	
Adjusted Net Profit	6,617	8,264	9,386	13,190	15,936	
Net Margin	10.3%	10.3%	10.1%	12.1%	12.5%	
Diluted Share Cap. (mn)	61.6	61.7	61.6	61.6	61.6	
Diluted EPS (INR)	107.4	133.9	152.3	214.1	258.7	
Diluted EPS Growth	41.5%	24.7%	13.7%	40.6%	20.8%	
Total Dividend + Tax	2,299	3,565	3,932	4,819	5,560	
Dividend Per Share (INR)	31.4	48.5	53.6	65.7	75.8	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Profit before Tax	8,615	9,512	12,368	17,140	20,579	
Depn. & Amort.	2,272	2,585	3,109	3,260	3,722	
Net Interest Exp. / Inc. (-)	578	722	502	-276	-327	
Inc (-) / Dec in WCap.	-1,433	-1,027	-2,808	-4,281	-3,721	
Others	270	513	0	0	0	
Taxes Paid	-2,646	-2,800	-2,671	-3,701	-4,444	
Operating Cash Flow	7,656	9,505	10,500	12,142	15,809	
Capex	-1,541	-1,582	-3,998	-4,188	-4,809	
Free Cash Flow	6,115	7,923	6,502	7,954	11,000	
Inc (-) / Dec in Investments	450	0	0	0	0	
Others	-8,473	-1,134	-4,139	276	327	
Investing Cash Flow	-9,564	-2,716	-8,137	-3,912	-4,481	
Inc / Dec (-) in Capital	0	0	-311	-249	-199	
Dividend + Tax thereon	-3,152	-3,534	-3,233	-3,963	-4,572	
Inc / Dec (-) in Loans	3,519	-180	0	0	0	
Others	-1,247	-1,886	0	0	0	
Financing Cash Flow	-880	-5,600	-3,544	-4,212	-4,771	
Inc / Dec (-) in Cash	-2,788	1,189	-1,181	4,018	6,556	
Opening Cash Balance	8,391	4,718	6,025	4,953	8,972	
Closing Cash Balance	5,603	5,907	4,844	8,972	15,528	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Shareholders' Fund	27,331	30,825	36,959	46,187	57,550	
Share Capital	609	611	615	615	615	
Reserves & Surplus	26,722	30,214	36,344	45,572	56,935	
Preference Share Capital	0	0	0	0	0	
Minority Interest	983	874	1,002	1,002	1,002	
Total Loans	3,545	3,382	8,425	6,425	5,425	
Def. Tax Liab. / Assets (-)	-1,970	-3,174	-3,880	-3,880	-3,880	
Total - Equity & Liab.	29,889	31,907	42,506	49,734	60,097	
Net Fixed Assets	20,835	23,165	24,054	24,982	26,069	
Gross Fixed Assets	5,928	6,820	7,769	8,697	9,784	
Intangible Assets	14,821	16,299	16,223	16,223	16,223	
Less: Depn. & Amort.	0	0	0	0	0	
Capital WIP	86	46	62	62	62	
Investments	0	0	0	0	0	
Current Assets	25,973	29,912	37,531	46,962	59,975	
Inventories	0	0	0	0	0	
Sundry Debtors	11,203	13,379	16,574	19,328	22,613	
Cash & Bank Balances	4,718	6,025	4,953	8,972	15,528	
Loans & Advances	0	0	0	0	0	
Other Current Assets	10,052	10,508	16,004	18,662	21,834	
Current Liab. & Prov.	16,919	21,170	19,079	22,211	25,947	
Current Liabilities	14,011	17,305	18,851	21,983	25,719	
Provisions & Others	2,908	3,865	228	228	228	
Net Current Assets	9,054	8,742	18,452	24,752	34,028	
Total - Assets	29,889	31,907	42,506	49,734	60,097	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
Net Margin	10.3%	10.3%	10.1%	12.1%	12.5%	
Asset Turnover (x)	2.2	2.3	2.3	2.2	2.1	
Leverage Factor (x)	1.1	1.2	1.2	1.2	1.1	
RoE	25.5%	28.4%	27.7%	31.7%	30.7%	

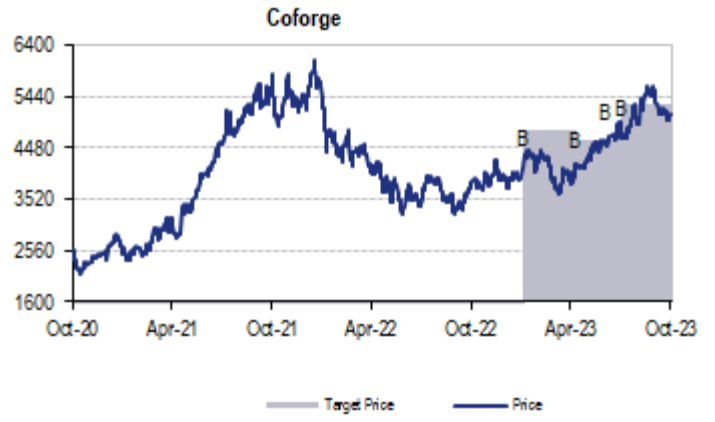
Key Ratios						
Y/E March	FY22A	FY23A	FY24E	FY25E	FY26E	
BV/Share (INR)	448.8	504.7	605.8	757.6	944.0	
ROIC	33.9%	33.1%	28.7%	31.5%	34.5%	
ROE	25.5%	28.4%	27.7%	31.7%	30.7%	
Net Debt/Equity (x)	0.0	-0.1	0.1	-0.1	-0.2	
P/E (x)	47.6	38.1	33.6	23.9	19.7	
P/B (x)	11.4	10.1	8.4	6.7	5.4	
EV/EBITDA (x)	27.9	22.1	19.8	15.1	12.5	
EV/Sales (x)	4.8	3.9	3.4	2.8	2.4	
Debtor days	64	61	65	65	65	
Inventory days	0	0	0	0	0	
Creditor days	96	96	89	91	91	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
21-Jan-23	Buy	4,790	
27-Apr-23	Buy	4,620	-3.5
20-Jun-23	Buy	4,620	0.0
21-Jul-23	Buy	5,300	14.7

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Definition of ratings	
Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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