

A capital efficient model awaits box-office revival

A tough 4Q capped a fluctuating year for PVR Inox. Revenues, though marginally ahead of our subdued expectations, were down 19% QoQ. Occupancy, Admits and ATP were at four quarter low. Four out of past eight quarters have seen a sub-25% occupancy, something rarely seen pre-COVID. The bear argument could be that occupancy might be structurally lower now. Though possible, a soft 4Q – with a weak release calendar - was not the litmus test. Good content – of both big and small budgets – have done well in recent past. Moreover, cost discipline has ensured flat fixed cost/screen over FY20-24, allowing for similar financial performance at lower occupancy. FCF (post lease payment) in FY24 was the highest since FY19, when occupancy was 36% (vs. 25% in FY24). Company's focus on slowing pace of net screen addition and reducing capex intensity (by 50% in couple of years) through "Franchise Owned, Company operated" (FOCO) model would further improve FCF generation. Tangible result on PnL and ROCE might track better box-office performance. But the direction seems clear. A weak 1Q outlook means triggers in the stock are not imminent. But one strong movie could change that. A healthy pipeline post mid-June give us confidence. We retain BUY with a revised DCF based TP of INR 2,070 (from INR 2,250).

- 4QFY24 – Weak as expected:** Consol. revenues grew 10% YoY (-19% QoQ) to INR 12.5bn (JMFe: INR 12.2bn), net of 6%/17% Ticketing/F&B revenues. A weak release calendar and underwhelming performance by few big-budget movies impacted ticket revenues. Admits grew 7% YoY (32.6mn), aided by screen addition (+4% YoY). Occupancy improved 40bps YoY to 22.6% (JMFe: 22%). ATP declined 2.5% YoY while SPH grew 8.5% YoY, partly reflecting synergy benefits. Pre-Ind AS EBITDA margin broke even, missing estimates (0.1% vs. JMFe: 1.4%). PAT losses of INR 1.2bn were ahead of JMFe: -0.9bn. Company is evaluating monetization of real estate assets valued at INR 3-4 bn to reduce debts. Company turned FCF positive in FY24 (INR 1.16bn).
- FY25: Pivot to better FCF/ROCE:** IPL and ongoing general elections have impacted new movie flow in Apr-May. This will likely stabilise by mid-June, indicating a softer 1QFY25. Pushpa-2 in August and Kalki 2898 in June are promising movies. Management's near term focus has shifted towards lowering Opex/screen, slowing pace of net screen addition, reducing capex intensity (25% in FY25) and improving FCF to reduce debt. Company has already realised synergy benefits of INR 1.85-2.08bn (Source: PVR Inox), just shy of its INR 2.25bn target. The company is expanding its Managed Fee model. It plans to add 15-20 screens under FOCO model (out of 120), where the entire CapEx will be incurred by the development partner. Net screen addition in FY25 will be 50.
- Cut FY25-26E EPS; Maintain BUY:** A weak 4Q, subdued 1Q outlook, marginally lower occupancy assumptions and lower net new screen addition guidance drive 5-15% cut to our FY25/26E EPS. Our FY25 Capex estimates are c.10% below FY24's (in-line with lower screen addition). This is less than 25% capex reduction indicated by management as we haven't yet built FOCO model benefits, pending limited details on revenue sharing. Better FCF limit cuts to our DCF-based TP. Retain BUY with a revised INR 2,070 TP.

Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	2,070
Upside/(Downside)	59.5%
Previous Price Target	2,250
Change	-8%

Key Data – PVRINOX IN

Current Market Price	INR1,297
Market cap (bn)	INR127.3/US\$1.5
Free Float	88%
Shares in issue (mn)	98.0
Diluted share (mn)	97.4
3-mon avg daily val (mn)	INR804.1/US\$9.6
52-week range	1,880/1,248
Sensex/Nifty	73,105/22,218
INR/US\$	83.5

Price Performance

%	1M	6M	12M
Absolute	-8.2	-20.8	-10.3
Relative*	-7.9	-28.8	-23.5

* To the BSE Sensex

Financial Summary	(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	36,092	60,540	69,968	77,602	86,278
Sales Growth (%)	173.3	67.7	15.6	10.9	11.2
EBITDA	10,477	18,101	24,398	27,914	31,619
EBITDA Margin (%)	27.9	29.6	34.5	35.6	36.4
Adjusted Net Profit	-3,177	-320	6,273	9,606	10,373
Diluted EPS (INR)	-32.6	-3.3	64.4	98.6	106.5
Diluted EPS Growth (%)	0.0	0.0	0.0	53.1	8.0
ROIC (%)	8.7	5.1	10.4	13.7	15.7
ROE (%)	-7.3	-0.4	8.2	11.4	11.2
P/E (x)	-39.8	-394.8	20.1	13.2	12.2
P/B (x)	1.7	1.7	1.6	1.4	1.3
EV/EBITDA (x)	26.0	19.7	10.3	8.2	6.8
Dividend Yield (%)	0.0	0.0	0.6	1.1	1.4

Source: Company data, JM Financial. Note: Valuations as of 14/May/2024

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.

4QFY24 result review

Exhibit 1. Key Financials

	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24
Sale of movie tickets	6,016	27,514	6,945	11,193	8,308	6,353	32,799
Foods & Beverages	3,520	16,180	4,277	6,412	4,763	4,132	19,584
Advertisement	907	3,818	893	1,176	1,405	1,045	4,519
Others	591	2,470	532	685	527	437	2,181
Revenue (INR mn)	11,432	37,506	13,049	19,999	15,459	12,564	61,071
Film exhibition cost	2,597	8,184	2,980	4,954	3,710	2,469	14,113
Cost of F&B	930	3,102	1,071	1,544	1,248	1,131	4,994
Gross Profit	7,904	26,220	8,998	13,501	10,501	8,964	41,964
Staff Cost	1,514	4,389	1,559	1,679	1,629	1,706	6,573
Other Expenditure	3,752	11,355	3,914	4,754	4,148	4,474	17,290
EBITDA	2,639	10,476	3,525	7,068	4,724	2,784	18,101
- Margin	23.1%	27.9%	27.0%	35.3%	30.6%	22.2%	29.6%
Pre IND AS 116 EBITDA	54	3,202	808	4,726	2,025	12	7,121
- Margin	0.5%	8.5%	6.2%	23.6%	13.1%	0.1%	11.7%
PAT	-3,334	-3,351	-816	1,663	128	-1,295	-320
EPS	-54.7	-55.2	-8.3	17.0	1.3	-13.2	-3.3

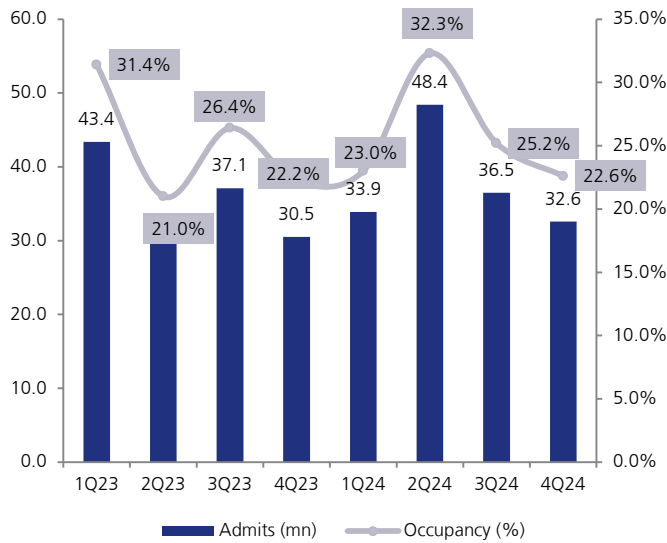
Source: Company, JM Financial

Exhibit 2. 4QFY24 Result Summary

INR mn	4QFY24A	3QFY24A	QoQ	4QFY23A	YoY	JMFe	Vs JMFe
Key Financials							
Consol. Revenue	12,564	15,459	-18.7%	11,432	9.9%	12,229	2.7%
Reported EBITDA	2,784	4,724	-41.1%	2,639	5.5%	2,976	-6.5%
- margin	22%	31%	-840 bps	23%	-92 bps	24%	-218 bps
Adjusted EBITDA	12	2,025	-99.4%	54	-77.7%	173	-93.1%
- margin	0.1%	13%	-1,300 bps	0%	-37 bps	1%	-132 bps
PAT	-1,297	128	-1113%	-3,334	-61.1%	-897	44.6%
EPS	-13.2	1.3	-1113%	-51.9	-74.5%	-9.2	44.6%
Operating Metrics - Ticketing							
Screens	1718	1708	0.6%	1680	2.3%	1718.0	0.0%
Admits (Mn)	32.6	36.50	-10.7%	30.5	6.9%	32.9	-0.9%
Occupancy	22.6%	25.2%	-260 bps	22.2%	40 bps	22.0%	60 bps
ATP (INR)	233	271	-14.0%	239	-2.5%	228	2.1%
Income from ticketing	6,353	8,308	-23.5%	6,016	5.6%	6,347	0.1%
Operating Metrics - F&B							
SPH (INR)	129	132	-2.3%	119	8.4%	123	4.9%
Income from F&B	4,132	4,763	-13.2%	3,520	17.4%	4,068	1.6%

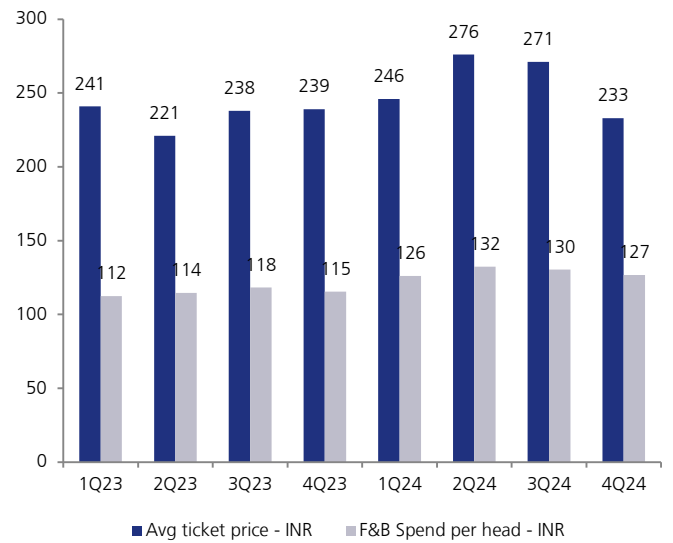
Source: Company, JM Financial estimates

Exhibit 3. Admits and Occupancy trends



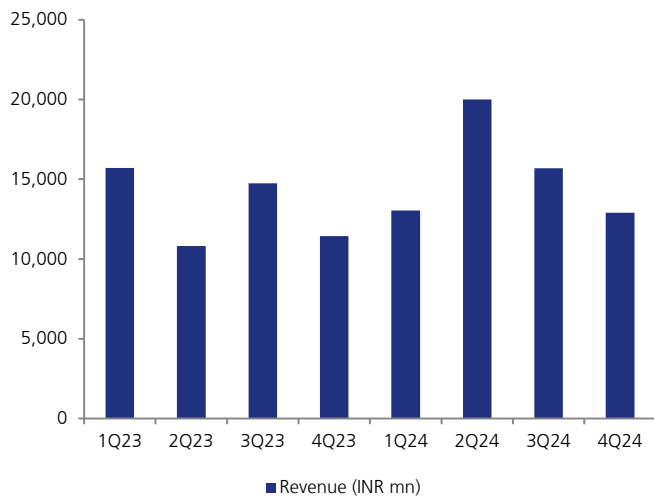
Source: Company, JM Financial

Exhibit 4. ATP & SPH trends



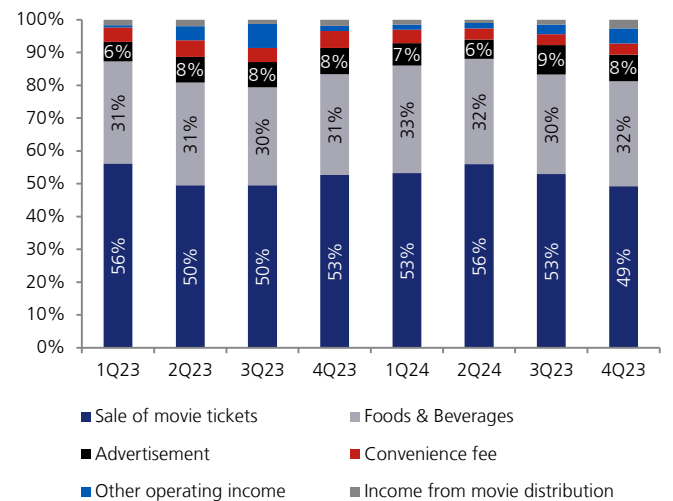
Source: Company, JM Financial

Exhibit 5. Revenue trends



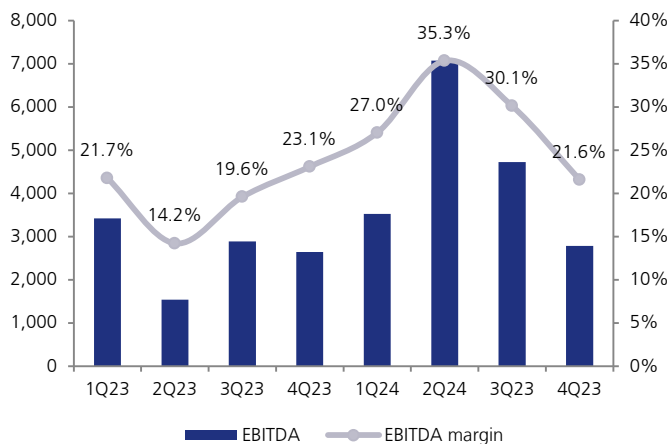
Source: Company, JM Financial

Exhibit 6. Revenue mix



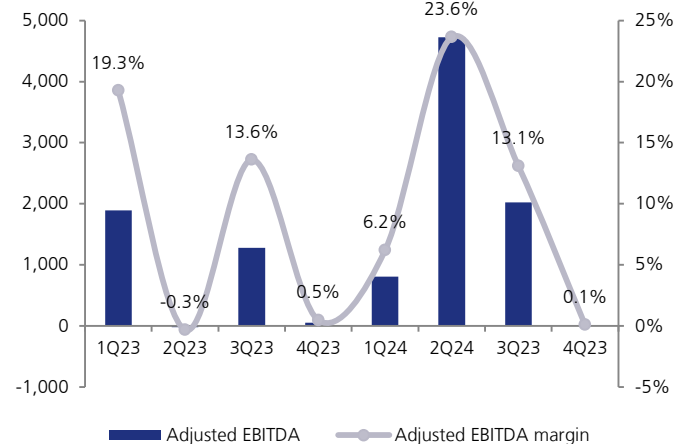
Source: Company, JM Financial

Exhibit 7. EBITDA and margin trend



Source: Company, JM Financial

Exhibit 8. EBITDA – pre IND AS116 and margins trend



Source: Company, JM Financial

Maintain BUY, TP Revised to INR 2,070.

We lower our estimates to factor in 4QFY24 miss, softer 1QFY25 and lower screen addition guidance. Our Revenue estimates are down by 7%-9% over FY25-27. We also cut our reported EBITDA margin estimates by 80-95bps over the same period. This translates into EPS cut by 5% to 15%. Our FY25 Capex estimates are c.10% below FY24's (in-line with lower screen addition). This is less than 25% capex reduction indicated by management as we haven't yet built FOCO model benefits, pending limited details on revenue sharing. Better FCF limit cuts to our DCF-based TP. Retain BUY with a revised INR 2,070 TP.

Exhibit 9. What has Changed

	Old			New			Change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
Sale of tickets	41,164	46,014	-	37,635	41,542	45,973	-8.6%	-9.7%	-
Sale of food and beverages	24,431	27,962	-	22,703	25,331	28,350	-7.1%	-9.4%	-
Income from advertisement	5,704	6,620	-	5,318	6,060	6,820	-6.8%	-8.5%	-
Other	5,033	5,601	-	4,995	5,580	5,810	-0.7%	-0.4%	-
Consol Revenue	76,333	86,197	-	70,651	78,513	86,953	-7.4%	-8.9%	-
Gross Profit	52,151	58,862	-	48,836	54,237	60,033	-6.4%	-7.9%	-
Gross Profit margin	68%	68%	-	69%	69%	69%	80bp	79bp	-
EBITDA	27,047	31,332	-	24,398	27,914	31,619	-9.8%	-10.9%	-
EBITDA margin	35.4%	36.3%	-	34.5%	35.6%	36.4%	-90bp	-80bp	-
Pre Ind As EBITDA	14,598	17,542	-	13,065	15,677	18,229	-10.5%	-10.6%	-
Pre Ind As EBITDA margin	19.1%	20.4%	-	18.5%	20.0%	21.0%	-63bp	-38bp	-
PAT	7,333	10,154	-	6,273	9,606	10,373	-14.5%	-5.4%	-
EPS	75	104	-	64	99	106	-14.5%	-5.4%	-

Source: Company, JM Financial estimates

Exhibit 10. PVR INOX: Movement in Fixed cost

		FY'20	4 Year CAGR	FY'24
On per screen basis (INR mn)		PVR + INOX Proforma		PVR + INOX
	Weighted Average Screens ⁽¹⁾	1,371	5%	1,668
Occupancy Cost	Rent	6.2	4% ⁽²⁾	7.2
	CAM	1.6	6% ⁽²⁾	2.0
Manpower	Manpower Cost	5.5	-3%	4.9
	Total Headcount	24,285	-12% reduction over 4 years	21,458
	Total Headcount per screen	17.7	-27% reduction over 4 years	12.9
Other Fixed Costs	Utilities (Electricity & Water)	2.3	-0.3%	2.3
	Other Overheads	3.8	-3%	3.4
Total Fixed Cost⁽³⁾ / Screen		19.4	0.5%	19.8

(1) Weighted average screens has been calculated basis the actual no. of days of operations of each cinema in an year.

(2) In line with contractual Rent & CAM escalation terms

(3) excluding Movie Distribution and Print charges

Source: Company, JM Financial

Exhibit 11. Content Pipeline



IF: IMAGINARY FRIENDS

CAST
RYAN REYNOLDS,
JOHN KRASINSKI,
CAILEY FLEMING

DIRECTOR
JOHN KRASINSKI

17TH MAY'2024

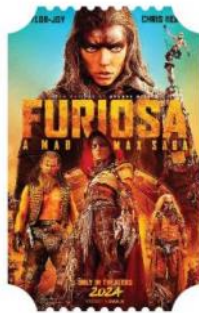


THE GARFIELD MOVIE - 3D/4DX

CAST
HANNAH WADDINGHAM,
CHRIS PATT,
SAMUEL L. JACKSON

DIRECTOR
MARK DINDAL

17TH MAY'2024



FURIOSA: A MAD MAX SAGA - IMAX/4DX/SCREEN-X/ICE

CAST
ANYA TAYLOR JOY,
CHRIS HEMSWORTH

DIRECTOR
GEORGE MILLER

ENGLISH, HINDI,
TAMIL, TELUGU
23RD MAY'2024



MR AND MRS MAHI

CAST
RAJKUMMAR RAO,
JANHVI KAPOOR

DIRECTOR
SHARAN SHARMA

HINDI
31ST MAY'2024



BAD BOYS: RIDE OR DIE - IMAX, 4DX, ICE, SCREEN-X

CAST
WILL SMITH,
MARTIN LAWRENCE,
VANESSA HUGHENS

DIRECTOR
ADIL BILALL

ENGLISH, HINDI,
TAMIL, TELUGU
7TH JUN'2024



INSIDE OUT 2 - ICE, IMAX, DBOX, 4DX

CAST
DIANE LANE,
AMY POEHLER

DIRECTOR
KELSEY MANN

ENGLISH
14TH JUN'2024

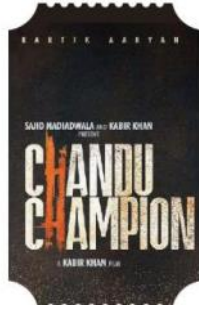


EMERGENCY

CAST
KANGANA RANAUT,
ANUPAM KHER,
SHREYAS TALPADE

DIRECTOR
KANGANA RANAUT

HINDI
14TH JUN'2024



CHANDU CHAMPION

CAST
KARTIK AARYAN,
SHRADDHA KAPOOR

DIRECTOR
KABIR KHAN

HINDI
14TH JUN'2024



KUDI HARYANE VAL DI

CAST
AMMY VIRK,
SONAM BAJWA

DIRECTOR
RAKESH DHAWAN

PUNJABI
14TH JUN'2024



THE EXORCISM

CAST
RUSSELL CROWE,
CHLOE BAILEY,
LISA BAKER,
MIRANDA BEAUDRY

DIRECTOR
M.A FORTIN,
JOSHUA JOHN MILLER

ENGLISH
21ST JUN'2024



KALKI 2898 AD - IMAX

CAST
PRABHAS,
AMITABH BACHCHAN,
DEEPIKA PADUKONE

DIRECTOR
NAG ASHWIN

TELUGU, HINDI,
TAMIL, MALAYALAM,
KANNADA
27TH JUN'2024



A QUIET PLACE: DAY ONE - IMAX, 4DX

CAST
LUPITA NYONG'O,
JOSEPH QUINN

DIRECTOR
MICHAEL SAMOSKI

ENGLISH
28TH JUN'2024



JATT & JULIET 3

CAST
DILJIT DOSANJH,
NEERU BAJWA

DIRECTOR
JAGDEEP SIDHU

PUNJABI
28TH JUN'2024



DESPICABLE ME 4 IMAX, 4DX, SCREEN-X, ICE

CAST
STEVE CARELL,
KRISTEN WIG

DIRECTOR
CHRIS RENAUD

ENGLISH
5TH JUL'2024



FLY ME TO THE MOON

CAST
SCARLETT JOHANSSON,
CHANNIING TATUM

DIRECTOR
GREG BERLANTI

ENGLISH
12TH JUL'2024



SARFIRA

CAST
AKSHAY KUMAR,
RADHIKA MADAN,
PARESH RAWAL

DIRECTOR
SUDHA KONGARA

HINDI
12TH JUL'2024

Source: Company, JM Financial

Exhibit 12. Content Pipeline



VEDAA
 CAST
 JOHN ABRAHAM,
 SHARVARI WAGH
 DIRECTOR
 NIKKHIL ADVANI
 HINDI
 12TH JUL'2024



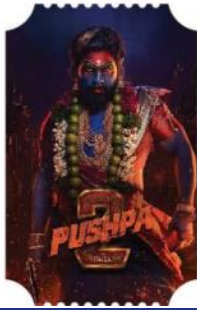
DEADPOOL & WOLVERINE - IMAX, 4DX, SCREEN-X, ICE
 CAST
 RYAN REYNOLDS,
 HUGH JACKMAN,
 LESLIE UGGAMS
 DIRECTOR
 SHAWN LEVY
 ENGLISH
 26TH JUL'2024



THE SABARMATI REPORT
 CAST
 VIKRANT MASSEY,
 RAASHI KHANNA,
 RIDHI DOGRA
 DIRECTOR
 RANJAN CHANDEL
 HINDI
 2ND AUG'2024



BORDERLANDS-IMAX
 CAST
 CATE BLANCHETT,
 KEVIN HART,
 JACK BLACK,
 JAMIE LEE CURTIS,
 EDGAR RAMIREZ
 DIRECTOR
 ELI ROTH
 ENGLISH
 9TH AUG'2024



PUSHPA 2: THE RULE - IMAX
 CAST
 ALLU ARJUN,
 RASHMIKA MANDANNA,
 FAHADH FAASIL
 DIRECTOR
 SUKUMAR
 TELUGU, HINDI,
 TAMIL, KANNADA,
 MALAYALAM
 15TH AUG'2024



ALIEN ROMULUS - IMAX, ICE
 CAST
 CAILEE SPANEY,
 ISABELA,
 ARCHIE RENAUX,
 DAVID JONSSON,
 SPIKE FEARN
 DIRECTOR
 FEDE ALVAREZ
 ENGLISH
 16TH AUG'2024



KRAVEN THE HUNTER - IMAX, 4DX, MX4D, SCREEN X
 CAST
 AARON TAYLOR,
 JOHNSON
 DIRECTOR
 J.C CHANDOR
 ENGLISH, HINDI,
 TAMIL, TELUGU
 30TH AUG'2024



STREE 2
 CAST
 SHRADDHA KAPOOR,
 RAJKUMMAR RAO,
 PANKAJ TRIPATHI,
 ABHISHEK BANERJEE,
 APARSHAKTI
 KHURANA
 DIRECTOR
 AMAR KAUSHIK
 HINDI
 30TH AUG'2024

Source: Company, JM Financial

Financial Tables (Consolidated)

Income Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Sales	36,092	60,540	69,968	77,602	86,278	
Sales Growth	173.3%	67.7%	15.6%	10.9%	11.2%	
Other Operating Income	1,414	531	684	910	675	
Total Revenue	37,507	61,071	70,651	78,513	86,953	
Cost of Goods Sold/Op. Exp	11,286	19,107	21,815	24,276	26,919	
Personnel Cost	4,389	6,573	6,867	7,272	7,848	
Other Expenses	11,355	17,290	17,571	19,051	20,566	
EBITDA	10,477	18,101	24,398	27,914	31,619	
EBITDA Margin	27.9%	29.6%	34.5%	35.6%	36.4%	
EBITDA Growth	894.0%	72.8%	34.8%	14.4%	13.3%	
Depn. & Amort.	7,533	12,193	12,374	11,739	12,355	
EBIT	2,944	5,908	12,024	16,175	19,264	
Other Income	791	1,566	2,470	2,557	270	
Finance Cost	5,716	7,913	6,117	5,905	5,682	
PBT before Excep. & Forex	-1,982	-439	8,377	12,827	13,852	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	-1,982	-439	8,377	12,827	13,852	
Taxes	1,274	-112	2,094	3,207	3,463	
Extraordinary Inc./Loss(-)	-108	0	0	0	0	
Assoc. Profit/Min. Int.(-)	-13	-7	10	15	16	
Reported Net Profit	-3,351	-320	6,273	9,606	10,373	
Adjusted Net Profit	-3,177	-320	6,273	9,606	10,373	
Net Margin	-8.5%	-0.5%	8.9%	12.2%	11.9%	
Diluted Share Cap. (mn)	97.4	97.4	97.4	97.4	97.4	
Diluted EPS (INR)	-32.6	-3.3	64.4	98.6	106.5	
Diluted EPS Growth	0.0%	0.0%	0.0%	53.1%	8.0%	
Total Dividend + Tax	0	0	753	1,441	1,815	
Dividend Per Share (INR)	0.0	0.0	7.7	14.8	18.6	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Profit before Tax	-1,982	-439	8,377	12,827	13,852	
Depn. & Amort.	7,533	12,193	12,374	11,739	12,355	
Net Interest Exp. / Inc. (-)	4,925	6,347	3,648	3,348	5,412	
Inc (-) / Dec in WCap.	-1,969	890	-703	-298	-382	
Others	130	826	0	0	0	
Taxes Paid	1	-27	-2,094	-3,207	-3,463	
Operating Cash Flow	8,639	19,790	21,601	24,409	27,774	
Capex	-6,360	-6,344	-6,019	-6,222	-6,644	
Free Cash Flow	2,280	13,446	15,581	18,187	21,131	
Inc (-) / Dec in Investments	0	-161	0	0	0	
Others	601	239	2,470	2,557	270	
Investing Cash Flow	-5,759	-6,266	-3,549	-3,666	-6,374	
Inc / Dec (-) in Capital	305	188	0	0	0	
Dividend + Tax thereon	0	0	0	-753	-1,441	
Inc / Dec (-) in Loans	1,260	-732	-859	-1,224	-1,132	
Others	-8,501	-12,381	-12,841	-13,729	-14,770	
Financing Cash Flow	-6,935	-12,925	-13,700	-15,706	-17,343	
Inc / Dec (-) in Cash	-4,055	599	4,352	5,038	4,057	
Opening Cash Balance	7,374	3,331	3,930	8,282	13,319	
Closing Cash Balance	3,319	3,930	8,282	13,319	17,376	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Shareholders' Fund	73,299	73,235	79,508	88,361	97,293	
Share Capital	980	981	981	981	981	
Reserves & Surplus	72,319	72,254	78,527	87,380	96,312	
Preference Share Capital	0	0	0	0	0	
Minority Interest	-7	-3	7	22	38	
Total Loans	17,926	17,177	16,318	15,094	13,962	
Def. Tax Liab. / Assets (-)	-4,735	-4,881	-4,881	-4,881	-4,881	
Total - Equity & Liab.	86,483	85,528	90,952	98,596	1,06,412	
Net Fixed Assets	1,44,559	1,47,245	1,46,649	1,48,266	1,50,471	
Gross Fixed Assets	1,03,201	1,09,976	1,15,995	1,22,217	1,28,861	
Intangible Assets	53,746	54,917	54,092	54,697	56,013	
Less: Depn. & Amort.	14,862	20,112	25,903	31,113	36,867	
Capital WIP	2,473	2,464	2,464	2,464	2,464	
Investments	2	161	161	161	161	
Current Assets	15,436	15,890	21,836	28,353	34,090	
Inventories	664	725	818	907	1,008	
Sundry Debtors	1,825	2,346	2,711	3,007	3,343	
Cash & Bank Balances	3,319	3,930	8,282	13,319	17,376	
Loans & Advances	5,386	5,578	6,291	6,978	7,758	
Other Current Assets	4,243	3,311	3,734	4,142	4,605	
Current Liab. & Prov.	73,514	77,768	77,694	78,184	78,311	
Current Liabilities	72,884	77,168	77,067	77,520	77,594	
Provisions & Others	631	600	627	664	716	
Net Current Assets	-58,078	-61,878	-55,858	-49,831	-44,220	
Total - Assets	86,483	85,528	90,952	98,596	1,06,412	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
Net Margin	-8.5%	-0.5%	8.9%	12.2%	11.9%	
Asset Turnover (x)	0.3	0.4	0.4	0.5	0.5	
Leverage Factor (x)	2.5	2.1	2.1	2.0	1.8	
RoE	-7.3%	-0.4%	8.2%	11.4%	11.2%	

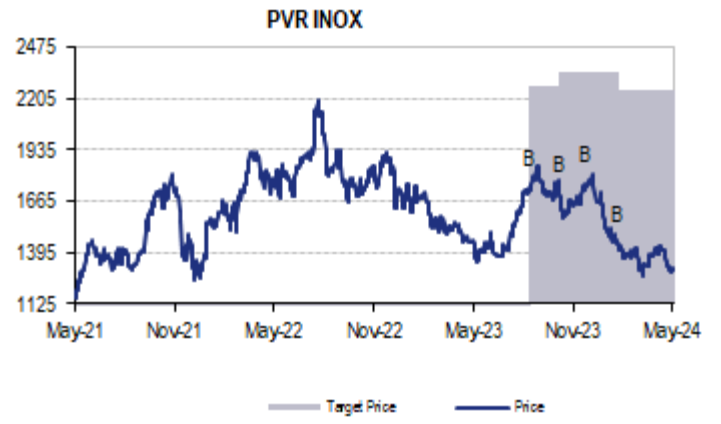
Key Ratios						
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E	
BV/Share (INR)	752.4	751.8	816.2	907.0	998.7	
ROIC	8.7%	5.1%	10.4%	13.7%	15.7%	
ROE	-7.3%	-0.4%	8.2%	11.4%	11.2%	
Net Debt/Equity (x)	0.2	0.2	0.1	0.0	0.0	
P/E (x)	-39.8	-394.8	20.1	13.2	12.2	
P/B (x)	1.7	1.7	1.6	1.4	1.3	
EV/EBITDA (x)	13.5	7.7	5.5	4.6	3.9	
EV/Sales (x)	3.8	2.3	1.9	1.6	1.4	
Debtor days	18	14	14	14	14	
Inventory days	6	4	4	4	4	
Creditor days	139	96	96	96	96	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
24-Aug-23	Buy	2,270	
20-Oct-23	Buy	2,340	3.1
4-Dec-23	Buy	2,340	0.0
1-Feb-24	Buy	2,250	-3.8

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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