

HOLD Titan Company**Better margin, Caratlane drive 18% TP upgrade; buy on dips**Retail ▶ Result Update ▶ **November 4, 2023****TARGET PRICE (Rs): 3,670**

TTAN's Q2 EBITDA was 10-11% higher than expected, due to margin coming in 140bps better, despite high competition. Given this strong margin, TTAN is likely to deliver at the top-end of its targeted 12-13% EBIT band in the Jewelry business, warranting a 6-7% increase in FY24-26E EBITDA and 10% growth in standalone TP multiple to 59x. Caratlane has been delivering ~50% topline CAGR and seeing gradual margin increase; further stake consolidation affirms another 3% rise in the multiple to 61x and overall TP upgrade of 18%. We value Caratlane at Rs205bn vs. the Rs170bn valuation paid by TTAN. As for the lab-grown threat, TTAN attributed only the fall in solitaire prices (vs. the entire studded pack) to demand-supply mismatch; it expects lower impact with investment focus of Indian consumers vs. global trend. We stay confident about market-share gains, on TTAN's cross-functional strengths and incremental growth potential from International and Taneira. Despite the 18% upturn in TP, we maintain HOLD, with TP of Rs3,670/sh and suggest to buy on dips.

Titan Company: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	2,87,990	4,05,750	4,96,524	5,67,952	6,75,510
EBITDA	33,410	48,790	55,035	68,936	84,154
Adj. PAT	22,520	32,740	35,871	45,105	56,259
Adj. EPS (Rs)	25.4	36.9	40.4	50.8	63.4
EBITDA margin (%)	11.6	12.0	11.1	12.1	12.5
EBITDA growth (%)	93.8	46.0	12.8	25.3	22.1
Adj. EPS growth (%)	131.2	45.4	9.6	25.7	24.7
RoE (%)	26.8	30.9	27.0	27.2	27.2
RoIC (%)	31.3	31.4	28.7	31.7	34.4
P/E (x)	129.1	88.8	81.0	64.5	51.7
EV/EBITDA (x)	86.7	59.3	53.3	42.3	34.3
P/B (x)	31.2	24.5	19.7	15.8	12.6
FCFF yield (%)	(0.4)	0.5	0.8	1.3	1.5

Source: Company, Emkay Research

Decent print despite weak macros and festive demand shift to Q3

Ex-bullion sales, standalone revenue grew 19%, led by 19%/32%/27% growth in Jewelry/Watches/Other segment and a relatively slower growth at 13% in Eyewear. Among subsidiaries, strong trends continued in Caratlane with 45% growth. TEAL saw a marginal 2% rise in Q2, but growth should revive in coming quarters, with majority of the order-flow inclined towards Q4. Jewelry growth was led by double-digit growth in the number of buyers and the average ticket-size. New buyer proportion at 48% remained healthy. Watches saw better-than-expected growth (32%), led by an exponential growth of 131% in Wearables and a healthy 22% growth in Analog watches. Among watch formats, premium-format *Helios* fared the best, with 18% LTL growth in Q2. Eyewear growth at 13% was disappointing; International brand sales were better than house brands. Emerging segments grew 28%, led by 64% growth in *Taneira*. Network expansion was in-line for *Tanishq*, with 22 store-adds in H1 and 8 openings in Oct-23, with another 15 in the pipeline.

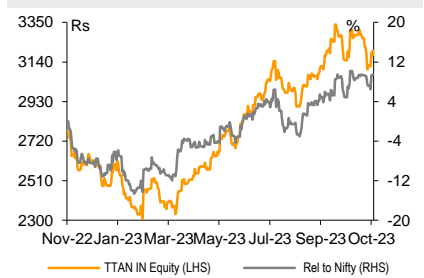
Earnings-call KTAs: 1) TTAN has availed debentures of Rs25bn, payable in two tranches of Rs12.5bn each in 18/24 months at blended rate of 7.74%; these are for funding the added 27% stake purchase in Caratlane for Rs46bn. 2) Q3 will see pressure from the incremental *Shrad* period and gold-price volatility; but TTAN is hopeful of a pick-up near the festive season, with stability in gold prices. 3) Given the drop in prices, TTAN has taken some price cuts in the solitaire category (vs. the entire studded pack) which may cause some margin dilution in the next 6-8 months. 4) Lower LTL growth of 10% in *Caratlane* was on the back of only buyer-led focus on growth (no bill-size benefit) and higher number of store openings. 5) TTAN believes the surge in competition is driving an accelerated organized shift and, instead, helping TTAN (vs. impacting it). 6) International stores are seeing better-than-expected traction, with higher studded share; TTAN has recently opened stores in Singapore, Houston, Dallas and Qatar. 7) It expects the Zoya store-count at 15 (from 8 now) by end 2024-*Diwali*. Margins are lucrative, as Zoya has 95% studded vs. ~30% for *Tanishq*; TTAN expects 50% growth in Zoya in FY24 over the Rs2.4bn base, with potential to sustain such growth in coming years.

Target Price – 12M	Dec-24
Change in TP (%)	18.4
Current Reco.	HOLD
Previous Reco.	HOLD
Upside/(Downside) (%)	12.1
CMP (03-Nov-23) (Rs)	3,274.5

Stock Data	Ticker
52-week High (Rs)	3,352
52-week Low (Rs)	2,269
Shares outstanding (mn)	887.8
Market-cap (Rs bn)	2,907
Market-cap (USD mn)	34,905
Net-debt, FY24E (Rs mn)	0
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	2,923.9
ADTV-3M (USD mn)	35.1
Free float (%)	47.0
Nifty-50	19,231
INR/USD	83.3
Shareholding, Sep-23	
Promoters (%)	52.9
FPIs/MFs (%)	19.1/10.1

Price Performance

(%)	1M	3M	12M
Absolute	2.4	12.8	18.5
Rel. to Nifty	4.0	13.7	11.2

1-Year share price trend (Rs)**Devanshu Bansal**

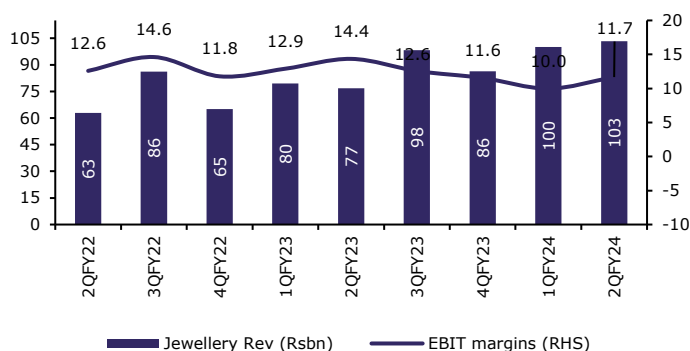
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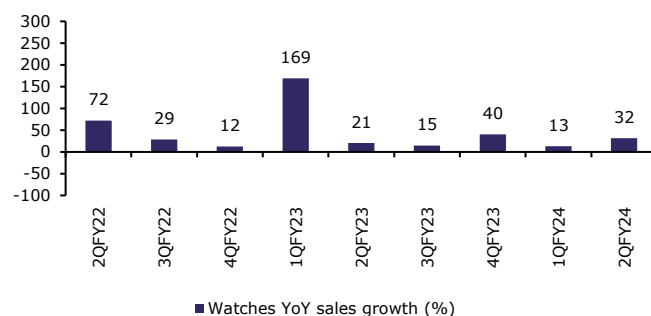
Story in Charts

Exhibit 1: Ex-bullion, Jewelry saw ~19% growth and LTL EBIT margin improved by 80bps to 14.1% in Q2 (vs. 13.3% YoY)



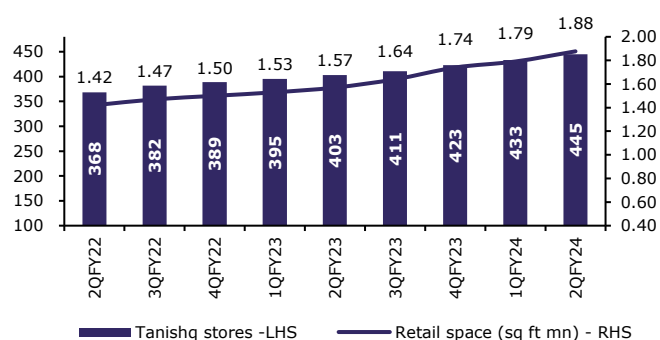
Source: Company, Emkay Research

Exhibit 2: Watches outperformed, with 32% revenue growth and healthy EBIT margin of ~15%



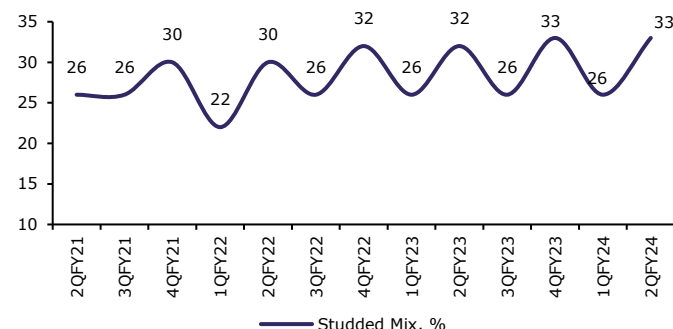
Source: Company, Emkay Research

Exhibit 3: Tanishq's network expansion remains strong, together with 22 store adds in H1 and 23 stores expected to open in H2



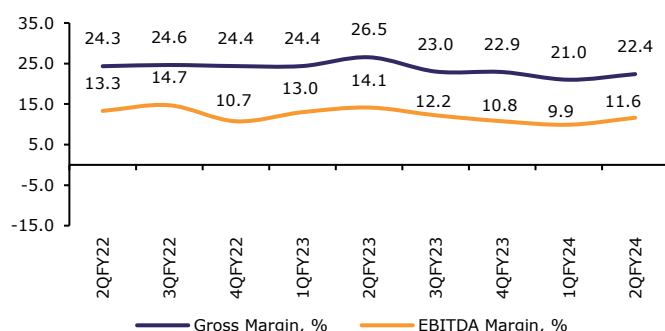
Source: Company, Emkay Research

Exhibit 4: Studded mix improved by 100bps to 33%, driving an 80bps gain in Jewelry EBIT margin, alongwith better Gold realization



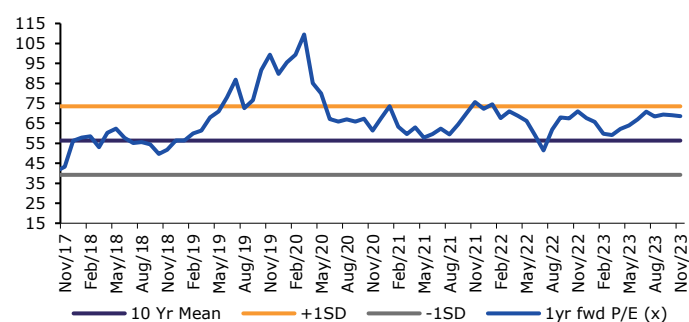
Source: Company, Emkay Research

Exhibit 5: Low-margin Bullion sales impacted gross/EBITDA margin optically; ex-bullion sales, margins were better than expected



Source: Company, Emkay Research

Exhibit 6: Titan's one-year forward P/E



Source: Company, Emkay Research

Exhibit 7: Actual vs. Estimates (Q1FY24)

(Rs mn)	Actual	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net Sales	1,25,290	1,08,325	95,854	15.7%	30.7%	Ex-bullion sales (Rs18.2bn), revenue was in-line
EBITDA	14,110	12,782	12,666	10.4%	11.4%	Ex-bullion margins improved by 140bps
EBITDA Margin	11.3%	11.8%	13.2%	-54	-195	
PAT	9,150	8,600	8,606	6.4%	6.3%	Higher interest expense led to a lower PAT beat

Source: Company, Emkay Research

Exhibit 8: Summary of quarterly results

Y/E, Mar (Rs mn)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	YoY (%)	QoQ (%)	FY23TD	FY24TD	YoY (%)
Revenue	91,630	1,16,090	1,03,600	1,18,970	1,25,290	36.7	5.3	1,86,060	2,44,260	31.3
Expenditure	79,160	1,02,620	92,710	1,07,720	1,11,180	40.4	3.2	1,61,630	2,18,900	35.4
Consumption of RM	66,300	88,400	78,470	92,550	95,990	44.8	3.7	1,36,680	1,88,540	37.9
as % of sales	72.4%	76.1%	75.7%	77.8%	76.6%			73.5%	77.2%	
Other expenditure	12,860	14,220	14,240	15,170	15,190	18.1	0.1	24,950	30,360	21.7
as % of sales	14.0%	12.2%	13.7%	12.8%	12.1%			13.4%	12.4%	
EBITDA	12,470	13,470	10,890	11,250	14,110	13.2	25.4	24,430	25,360	3.8
Depreciation	1,060	1,130	1,190	1,280	1,440	35.8	12.5	2,090	2,720	30.1
EBIT	11,410	12,340	9,700	9,970	12,670	11.0	27.1	22,340	22,640	1.3
Other Income	610	890	1,140	1,140	1,240	103.3	8.8	1,050	2,380	126.7
Interest	600	790	960	1,090	1,400	133.3	28.4	1,250	2,490	99.2
PBT	11,420	12,440	9,880	10,020	12,510	9.5	24.9	22,140	22,530	1.8
Total Tax	3,070	3,320	2,520	2,460	3,360	9.4	36.6	5,890	5,820	-1.2
PAT	8,350	9,120	7,360	7,560	9,150	9.6	21.0	16,250	16,710	2.8
Extra ordinary items	0	-10	0	0	-10					
Reported PAT	8,350	9,130	7,360	7,560	9,160	9.7	21.2	16,250	16,720	2.9
Minority Interest	-40	-90	-60	-30	-10					
Adjusted PAT	8,310	9,040	7,300	7,530	9,150	10.1	21.5	16,160	16,680	3.2
Adjusted EPS (Rs)	9.4	10.2	8.2	8.5	10.3	10.1	21.5	18.2	18.8	3.2
(%)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	(bps)	(bps)	FY23TD	FY24TD	(bps)
EBITDA margin	13.6	11.6	10.5	9.5	11.3	-230	180	13.1	10.4	-270
EBIT margin	12.5	10.6	9.4	8.4	10.1	-230	170	12.0	9.3	-270
EBT margin	12.5	10.7	9.5	8.4	10.0	-250	160	11.9	9.2	-270
PAT margin	9.1	7.8	7.0	6.3	7.3	-180	100	8.7	6.8	-190
Effective Tax rate	26.9	26.7	25.5	24.6	26.9	0	230	26.6	25.8	-80

Source: Company, Emkay Research

Exhibit 9: Segmental financials

Revenue (Rs mn)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	YoY (%)	QoQ (%)	FY23TD	FY24TD	YoY (%)
Watches	8,290	8,110	8,710	8,900	10,920	31.7	22.7	16,140	19,820	22.8
Jewelry	76,850	98,330	86,310	1,00,080	1,03,300	34.4	3.2	1,56,410	2,03,380	30.0
Eyewear	1,670	1,740	1,650	2,030	1,880	12.6	-7.4	3,500	3,910	11.7
Others	730	890	770	760	930	27.4	22.4	1,290	1,690	31.0
Corporate	360	590	640	670	790			610	1,460	
Total Standalone	87,900	1,09,660	98,080	1,12,440	1,17,820	34.0	4.8	1,77,950	2,30,260	29.4
Caratlane	4,480	6,770	5,800	6,400	6,500	45.1	1.6	9,310	12,900	38.6
Teal	1,230	1,250	1,740	610	1,250	1.6	104.9	2,120	1,860	-12.3
Others	-1,370	-700	-880	670	960			-2,270	1,630	
Total Consolidated	92,240	1,16,980	1,04,740	1,20,120	1,26,530	37.2	5.3	1,87,110	2,46,650	31.8
EBIT (Rs mn)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	YoY (%)	QoQ (%)	FY23TD	FY24TD	YoY (%)
Watches	1,230	890	980	1,020	1,600	30.1	56.9	2,260	2,620	15.9
Jewelry	11,030	12,360	9,970	9,990	12,060	9.3	20.7	21,300	22,050	3.5
Eyewear	280	320	20	350	280	0.0	-20.0	640	630	-1.6
Others	-490	-290	-440	-330	-270			-940	-600	
Total Standalone	12,050	13,280	10,530	11,030	13,670	13.4	23.9	23,260	24,700	6.2
Caratlane	290	640	400	350	260	-10.3	-25.7	630	610	-3.2
Teal	140	0	190	-110	200	42.9		90	90	0.0
Others	-460	-680	-280	-160	-210			-580	-370	
Total Consolidated	12,020	13,240	10,840	11,110	13,920	15.8	25.3	23,400	25,030	7.0
Margin (%)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	(bps)	(bps)	FY23TD	FY24TD	(bps)
Watches	14.8	11.0	11.3	11.5	14.7	-20	320	14.0	13.2	-80
Jewelry	14.4	12.6	11.6	10.0	11.7	-270	170	13.6	10.8	-280
Eyewear	16.8	18.4	1.2	17.2	14.9	-190	-230	18.3	16.1	-220
Others	(67.1)	(32.6)	(57.1)	(43.4)	(29.0)			-72.9	-35.5	
Total Standalone	13.7	12.1	10.7	9.8	11.6	-210	180	13.1	10.7	-230
Caratlane	6.5	9.5	6.9	5.5	4.0	-250	-150	6.8	4.7	-200
Teal	11.4	-	10.9	(18.0)	16.0	460		4.2	4.8	60
Total Consolidated	13.0	11.3	10.3	9.2	11.0	-200	180	12.5	10.1	-240

Source: Company, Emkay Research

Exhibit 10: Peer Comparison

Companies	Price (Rs)	Mcap (Rs bn)	Reco	Target Price (Rs)	EPS (Rs)			P/E (x)			EV / EBITDA (x)*		
					FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Titan Company	3,275	2,907	Hold	3,670	40.4	50.8	63.4	81.0	64.5	51.7	52.9	42.3	34.6
Page Industries	37,420	417	Sell	38,000	519.8	678.9	818.3	72.0	55.1	45.7	45.8	36.0	30.3
Jubilant FoodWorks	507	334	Sell	380	4.8	7.0	9.0	104.7	72.7	56.6	28.3	22.7	19.1
Devyani International	186	224	Sell	190	1.5	2.8	3.9	120.9	65.9	47.3	29.3	21.9	17.0
ABFRL	215	204	Hold	220	-5.1	-3.6	-2.2	-42.4	-59.3	-98.8	14.8	9.8	7.7
Westlife Development	820	128	Buy	1,040	6.6	10.1	15.1	124.8	81.2	54.3	30.6	24.1	18.9
Sapphire Foods	1,307	83	Buy	1,550	15.3	25.3	35.2	85.2	51.7	37.1	16.3	12.5	9.8
Go Fashion	1,249	67	Buy	1,440	17.2	24.5	32.5	72.6	51.1	38.4	26.5	19.8	15.3
Ethos	1,769	41	Buy	2,000	30.0	42.8	53.5	59.0	41.3	33.0	26.5	18.7	15.0
Senco Gold	747	58	Buy	800	21.6	27.6	35.0	34.5	27.0	21.3	17.7	14.1	11.4

Source: Company, Emkay Research, *Post-IndAS116 EBITDA

Exhibit 11: Changes in estimates

(Rs mn)	FY24E			FY25E			FY26E		
	Old	New	% change	Old	New	% change	Old	New	Change (%)
Revenue	4,74,018	4,96,524	4.7	5,60,547	5,67,952	1.3	6,66,219	6,75,510	1.4
EBITDA	52,069	55,035	5.7	64,914	68,936	6.2	78,825	84,154	6.8
EBITDA margin (%)	11.0	11.1	10 bps	11.6	12.1	60 bps	11.8	12.5	60 bps
Net profit	35,364	35,871	1.4	44,641	45,105	1.0	54,447	56,259	3.3
EPS (Rs)	39.9	40.4	1.4	50.3	50.8	1.0	61.3	63.4	3.3

Source: Company, Emkay Research

Exhibit 12: Quarterly snapshot of retail growth

Particulars	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
World of Titan	79%	24%	15%	241%	31%	14%	18%	8%	8%
Tanishq	75%	37%	1%	202%	13%	14%	25%	22%	27%
Titan Eye+	69%	19%	-4%	180%	12%	14%	22%	13%	9%
Fastrack	51%	9%	-9%	230%	26%	19%	11%	-4%	5%
Helios	69%	43%	35%	278%	46%	32%	45%	40%	38%
LFS (watches)	103%	35%	8%	358%	63%	20%	42%	33%	15%

Source: Company, Emkay Research

Exhibit 13: Quarterly snapshot of LTL growth

Titan brands	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
World of Titan	78%	22%	13%	227%	26%	8%	11%	2%	2%
Tanishq	66%	31%	4%	195%	9%	9%	19%	22%	22%
Titan Eye+	59%	10%	-13%	185%	1%	1%	10%	3%	0%
Fastrack	52%	11%	-5%	231%	26%	18%	8%	-11%	-7%
Helios	51%	30%	14%	227%	27%	11%	21%	20%	18%
LFS (watches)	102%	33%	3%	338%	52%	25%	37%	13%	4%

Source: Company, Emkay Research

Titan Company: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	2,87,990	4,05,750	4,96,524	5,67,952	6,75,510
Revenue growth (%)	33.1	40.9	22.4	14.4	18.9
EBITDA	33,410	48,790	55,035	68,936	84,154
EBITDA growth (%)	93.8	46.0	12.8	25.3	22.1
Depreciation & Amortization	3,990	4,410	5,677	6,688	7,843
EBIT	29,420	44,380	49,358	62,248	76,312
EBIT growth (%)	118.1	50.8	11.2	26.1	22.6
Other operating income	0	0	0	0	0
Other income	2,340	3,080	4,620	5,074	5,454
Financial expense	2,180	3,000	5,894	7,182	6,753
PBT	29,580	44,460	48,084	60,140	75,012
Extraordinary items	(540)	0	0	0	0
Taxes	7,060	11,730	12,213	15,035	18,753
Minority interest	0	0	0	0	0
Income from JV/Associates	0	10	0	0	0
Reported PAT	21,980	32,740	35,871	45,105	56,259
PAT growth (%)	125.7	49.0	9.6	25.7	24.7
Adjusted PAT	22,520	32,740	35,871	45,105	56,259
Diluted EPS (Rs)	25.4	36.9	40.4	50.8	63.4
Diluted EPS growth (%)	131.2	45.4	9.6	25.7	24.7
DPS (Rs)	4.0	10.0	8.0	9.5	11.5
Dividend payout (%)	16.2	27.1	19.8	18.7	18.1
EBITDA margin (%)	11.6	12.0	11.1	12.1	12.5
EBIT margin (%)	10.2	10.9	9.9	11.0	11.3
Effective tax rate (%)	23.9	26.4	25.4	25.0	25.0
NOPLAT (pre-IndAS)	22,398	32,671	36,821	46,686	57,234
Shares outstanding (mn)	887.8	887.8	887.8	887.8	887.8

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	29,580	44,460	48,084	60,140	75,012
Others (non-cash items)	3,990	4,410	5,677	6,688	7,843
Taxes paid	(8,060)	(11,610)	(12,213)	(15,035)	(18,753)
Change in NWC	(36,381)	(22,606)	(17,729)	(15,621)	(22,092)
Operating cash flow	(9,231)	17,664	29,713	43,353	48,764
Capital expenditure	(2,210)	(3,800)	(6,500)	(5,000)	(5,000)
Acquisition of business	(2,370)	(720)	0	0	0
Interest & dividend income	2,340	3,080	4,620	5,074	5,454
Investing cash flow	23,320	(26,010)	(6,500)	(5,000)	(5,000)
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	3,540	16,780	35,000	(12,500)	(12,500)
Payment of lease liabilities	(3,272)	(4,113)	(4,285)	(4,548)	(5,321)
Interest paid	(1,020)	(1,660)	(4,353)	(5,333)	(4,534)
Dividend paid (incl tax)	(4,439)	(8,878)	(7,102)	(8,434)	(10,210)
Others	1,232	3,917	(46,210)	0	0
Financing cash flow	(3,959)	6,046	(26,950)	(30,815)	(32,565)
Net chg in Cash	10,130	(2,300)	(3,738)	7,538	11,199
OCF	(9,231)	17,664	29,713	43,353	48,764
Adj. OCF (w/o NWC chg.)	27,150	40,270	47,442	58,974	70,856
FCFF	(11,441)	13,864	23,213	38,353	43,764
FCFE	(11,281)	13,944	21,939	36,245	42,465
OCF/EBITDA (%)	(27.6)	36.2	54.0	62.9	57.9
FCFE/PAT (%)	(50.1)	42.6	61.2	80.4	75.5
FCFF/NOPLAT (%)	(51.1)	42.4	63.0	82.2	76.5

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	888	888	888	888	888
Reserves & Surplus	92,243	1,17,619	1,46,388	1,83,058	2,29,108
Net worth	93,131	1,18,507	1,47,275	1,83,946	2,29,996
Minority interests	300	530	530	530	530
Deferred tax liability (net)	(1,160)	(610)	(274)	109	546
Total debt	18,770	40,680	75,136	62,137	48,735
Total liabilities & equity	1,11,041	1,59,107	2,22,667	2,46,722	2,79,807
Net tangible fixed assets	12,180	13,430	14,295	14,953	15,322
Net intangible assets	2,290	2,460	2,553	2,567	2,118
Net ROU assets	9,730	12,850	12,112	10,787	8,757
Capital WIP	850	1,440	1,440	1,440	1,440
Goodwill	1,230	1,230	47,440	47,440	47,440
Investments [JV/Associates]	2,800	3,520	3,520	3,520	3,520
Cash & equivalents	15,880	35,070	31,332	38,871	50,070
Current assets (ex-cash)	1,63,831	1,97,137	2,46,027	2,80,235	3,30,650
Current Liab. & Prov.	97,750	1,08,030	1,38,856	1,57,059	1,84,945
NWC (ex-cash)	66,081	89,107	1,07,171	1,23,176	1,45,704
Total assets	1,11,041	1,59,107	2,22,667	2,46,722	2,79,807
Net debt	(10,700)	(13,120)	25,618	5,579	(18,120)
Capital employed	97,451	1,40,377	2,04,481	2,29,035	2,63,021
Invested capital	90,281	1,17,847	1,38,935	1,55,451	1,77,337
BVPS (Rs)	104.9	133.5	165.9	207.2	259.1
Net Debt/Equity (x)	(0.1)	(0.1)	0.2	0.0	(0.1)
Net Debt/EBITDA (x)	(0.3)	(0.3)	0.5	0.1	(0.2)
Interest coverage (x)	0.1	0.1	0.1	0.1	0.1
RoCE (%)	36.6	39.9	31.3	31.1	33.2

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	129.1	88.8	81.0	64.5	51.7
P/CE(x)	109.7	78.3	70.0	56.1	45.4
P/B (x)	31.2	24.5	19.7	15.8	12.6
EV/Sales (x)	10.1	7.1	5.9	5.1	4.3
EV/EBITDA (x)	86.7	59.3	53.3	42.3	34.3
EV/EBIT(x)	98.5	65.2	59.4	46.8	37.9
EV/IC (x)	32.1	24.6	21.1	18.7	16.3
FCFF yield (%)	(0.4)	0.5	0.8	1.3	1.5
FCFE yield (%)	(0.4)	0.5	0.8	1.2	1.5
Dividend yield (%)	0.1	0.3	0.2	0.3	0.4
DuPont-RoE split					
Net profit margin (%)	7.8	8.1	7.2	7.9	8.3
Total asset turnover (x)	3.3	3.4	2.9	2.6	2.7
Assets/Equity (x)	1.0	1.1	1.3	1.3	1.2
RoE (%)	26.8	30.9	27.0	27.2	27.2
DuPont-RoIC					
NOPLAT margin (%)	7.8	8.1	7.4	8.2	8.5
IC turnover (x)	4.0	3.9	3.9	3.9	4.1
RoIC (%)	31.3	31.4	28.7	31.7	34.4
Operating metrics					
Core NWC days	59.5	59.4	60.5	62.3	61.2
Total NWC days	83.8	80.2	78.8	79.2	78.7
Fixed asset turnover	9.1	11.3	11.9	12.2	13.5
Opex-to-revenue (%)	13.3	13.2	13.0	13.0	13.0

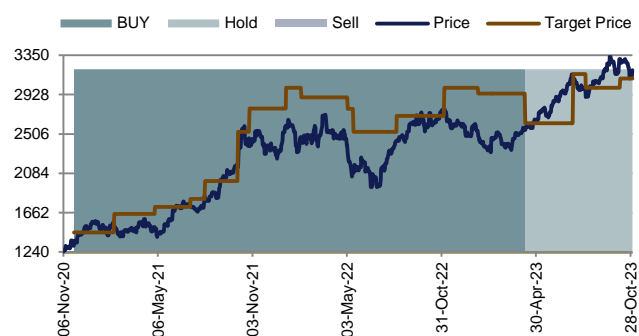
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
08-Oct-23	3,310	3,100	Hold	Devanshu Bansal
03-Aug-23	2,902	3,000	Hold	Devanshu Bansal
10-Jul-23	3,046	3,150	Hold	Devanshu Bansal
04-May-23	2,670	2,620	Hold	Devanshu Bansal
09-Apr-23	2,548	2,620	Hold	Devanshu Bansal
03-Feb-23	2,463	2,940	Buy	Devanshu Bansal
09-Jan-23	2,485	2,940	Buy	Devanshu Bansal
05-Nov-22	2,770	3,000	Buy	Devanshu Bansal
06-Oct-22	2,593	2,700	Buy	Devanshu Bansal
06-Aug-22	2,433	2,700	Buy	Devanshu Bansal
07-Jul-22	2,128	2,530	Buy	Devanshu Bansal
15-May-22	2,092	2,530	Buy	Devanshu Bansal
04-May-22	2,290	2,775	Buy	Devanshu Bansal
08-Apr-22	2,510	2,900	Buy	Devanshu Bansal
04-Feb-22	2,471	2,900	Buy	Devanshu Bansal
06-Jan-22	2,596	3,000	Buy	Devanshu Bansal
28-Oct-21	2,375	2,778	Buy	Devanshu Bansal
06-Oct-21	2,148	2,530	Buy	Devanshu Bansal
04-Aug-21	1,800	2,000	Buy	Devanshu Bansal
07-Jul-21	1,727	1,810	Buy	Devanshu Bansal
30-Apr-21	1,492	1,725	Buy	Devanshu Bansal
07-Apr-21	1,514	1,650	Buy	Devanshu Bansal
11-Feb-21	1,525	1,650	Buy	Devanshu Bansal
07-Dec-20	1,425	1,450	Buy	Devanshu Bansal
26-Nov-20	1,327	1,450	Buy	Devanshu Bansal

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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