BUY

GNG Electronics

Plant visit – Sourcing and execution depth drive differentiation

Emkay — Your success is our success

Consumer Electricals, Durables, and EMS ▸ Visit Note ▸ **July 16, 2026** | **CMP (Rs): 572 | TP (Rs): 725**

We visited GNG Electronics (GNG)'s Navi Mumbai facility to better understand its sourcing model, refurbishment process, and working capital (WC) dynamics. KTAs: 1) GNG follows a direct procurement model, sourcing devices from corporates (rather than through intermediary agencies), backed by an 80–90-member on-ground procurement team that scans devices and generates quotes. 2) Beyond procurement, GNG offers advance payments to suppliers, ESG certifications, and data-security assurance, helping address 2 key concerns for corporates – EPR compliance and data privacy. 3) This strategy is reinforced by refurbishing depth, aligned with its 'repair over replacement' approach – every device passes through a standardized flow involving cosmetic assessment, LCD/panel repairs, fabrication, painting, assembly, servicing, and Aiken/burn testing for both software and hardware. Devices undergo checks across 21 quality parameters before packaging and dispatch. 4) The depth of GNG's in-house refurbishment capabilities and rigorous quality checks enable the company to confidently offer up to 3 years of warranty. 5) The Navi Mumbai operations are spread across ~100k sqft, with 2 facilities housing ~1.8k workers, backed by an 80+ member sales team and 40–50 local/sub-distributors. This is being complemented by recent strategic tie-ups with 3 large national distributors (Ingram Micro India, Supertron Electronics, and Redington). We retain FY26-29E revenue/EBITDA/EPS, implying CAGR of 24%/30%/37%, respectively; we reiterate BUY (Moat in ESG-aligned refurbished market; initiate with BUY) and DCF-based TP of Rs725 (implying ~27% upside and 30x Jun-28E PER).

Sourcing moat built on trust and capital support

Our interactions reinforced the view that GNG's competitive positioning is more about becoming the single accountable counterparty for corporates looking to dispose IT assets. Its key differentiation lies in disintermediating procurement in an otherwise fragmented refurbishment ecosystem and positioning itself as a one-stop solution for enterprise customers. The value proposition is anchored on data security, procurement convenience, and upfront liquidity support through advance payments.

Refurbishment depth creates operational barriers

GNG's detailed and standardized refurbishment process spanning cosmetic assessment, LCD/panel repairs, fabrication, painting, assembly, servicing, and Aiken/burn testing across both software and hardware, coupled with checks across 21 quality parameters, enables it to confidently offer up to 3 years of warranty. The management indicated that workers typically require 3–4 months of training, from learning the process to executing it, and are incentivized on production, suggesting a skill-intensive process, which is not trivially replicable.

WC strategy supports long-standing supplier and customer relationships

GNG's WC cycle is supplier-advance-led. Payments are made upfront, followed by ~15 days transit time, 15 days pre-production inventory holding, 15–20 days on the refurbishment line, and 15–20 days as finished goods inventory before dispatch. This is followed by a customer credit period of ~40–45 days, implying a cash conversion cycle of ~115 days. Core WC days increased to ~178 in FY26 from ~136 in FY25, which the management highlighted as a conscious strategic choice. This approach has historically enabled the company to strengthen relationships with suppliers and maintain long-standing relationships with anchor accounts.

GNG Electronics: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	14,111	18,911	24,275	30,004	35,936
EBITDA	1,169	1,962	2,664	3,443	4,303
Adj. PAT	692	1,320	1,926	2,614	3,386
Adj. EPS (Rs)	6.1	11.6	16.9	22.9	29.7
EBITDA margin (%)	8.3	10.4	11.0	11.5	12.0
EBITDA growth (%)	47.5	67.9	35.8	29.2	25.0
Adj. EPS growth (%)	31.9	90.7	45.9	35.7	29.6
RoE (%)	35.5	26.8	22.6	24.2	24.5
RoIC (%)	18.4	19.7	18.7	20.5	22.3
P/E (x)	80.2	49.4	33.8	24.9	19.2
EV/EBITDA (x)	49.7	29.6	21.8	16.9	13.5
P/B (x)	24.5	8.6	6.9	5.4	4.2
FCFF yield (%)	0.3	(4.1)	(0.2)	1.5	2.4

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	**NA**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	26.7

Stock Data	**EBGNG IN**
52-week High (Rs)	690
52-week Low (Rs)	239
Shares outstanding (mn)	114.0
Market-cap (Rs bn)	65
Market-cap (USD mn)	676
Net-debt, FY27E (Rs mn)	3,607.0
ADTV-3M (mn shares)	0.6
ADTV-3M (Rs mn)	399.2
ADTV-3M (USD mn)	4.1
Free float (%)	25.2
Nifty-50	24,072.8
INR/USD	96.3

Shareholding,Mar-26	
Promoters (%)	78.7
FPIs/MFs (%)	2.8/5.2

Price Performance

(%)	1M	3M	12M
Absolute	26.6	37.3	0.0
Rel. to Nifty	26.1	38.0	0.0

1-Year share price trend (Rs)

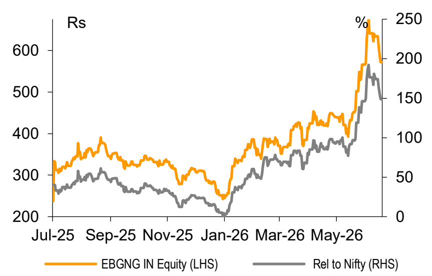

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Exhibit 1: Facility at Navi Mumbai – Outside view

Source: Company, RHP, Emkay Research

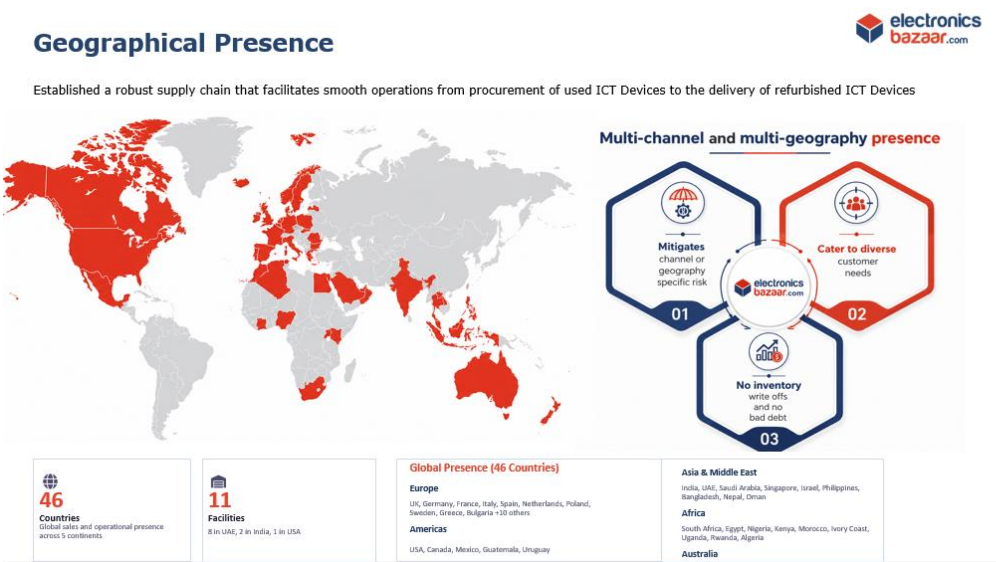
Exhibit 2: Facility at Navi Mumbai – Inside view; backed by ~1.8k workers

Source: Company, RHP, Emkay Research

Exhibit 3: Facility at Sharjah, UAE

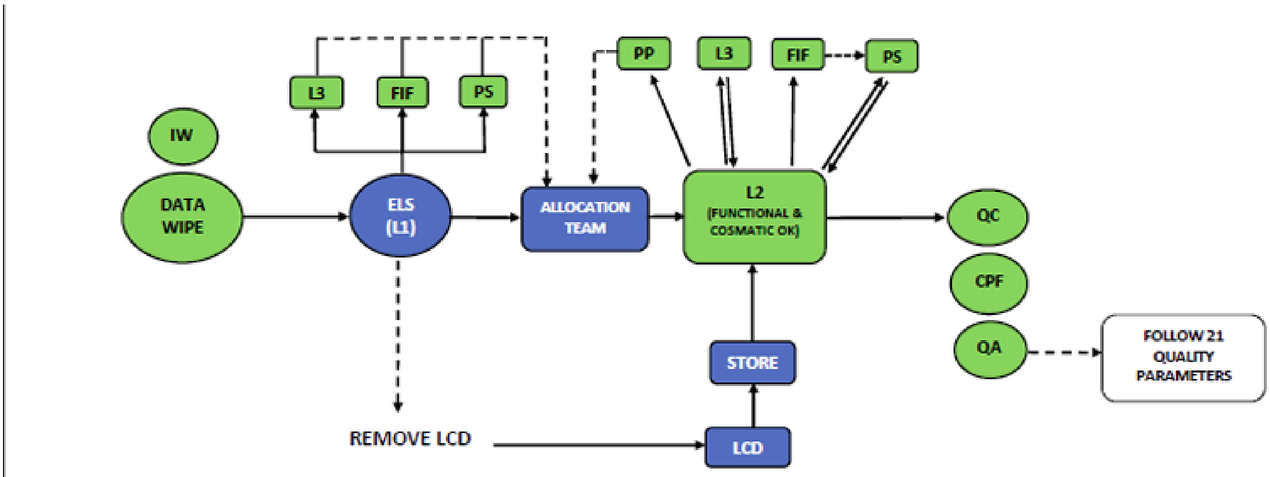
Source: Company, RHP, Electronics Bazaar Youtube Channel (Link), Emkay Research

Exhibit 4: GNG has presence in 46 countries, with refurbishment facilities across the UAE, India, and USA



Source: Company, Emkay Research

Exhibit 5: GNG's SOP for refurbishing process

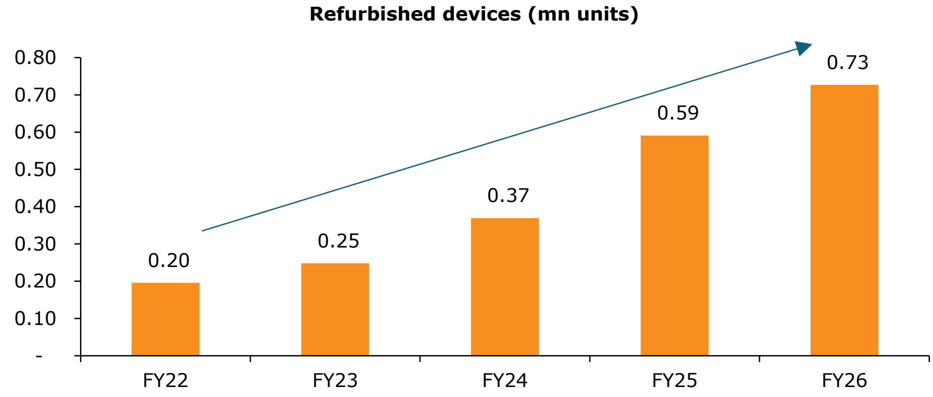


21 QUALITY PARAMETERS		
COSMETICS	1	DENTS & SCREWS
	2	SKIN & LOGO
	3	PAINT
	4	SCRATCHES
	5	GAPS
	6	CRACK
FUNCTIONAL	7	CMOS BATTERY ERROR
	8	BIOS LOCKED & BIOS UPDATE
	9	OS DRIVERS
	10	TOUCHSCREEN
	11	SSD/HDD
	12	KEYBOARD
	13	USB PORT
	14	DISPLAY
	15	TOUCHPAD, KEY & TRACKBALL
	16	CAMERA
	17	MICROPHONE
	18	WIFI/LAN
	19	SPEAKER
	20	CHARGING
	21	SKU-2 (CONFIG)

ABBREVIATIONS:
IW - INWARD
ELS (L1) - ENTRY LEVEL SCREENING
L2 - REPAIR LEVEL 2
L3 - MOTHERBOARD CHIP LEVEL REPAIR
L4 - BGA BALLWORK (PROPOSED)
FIF - FABRICATION IN FACTORY
PS - PAINT & SKINNING
PP - PART PENDING
CPF - CELANING & PACKAGING
QA - QUALITY ASSURANCE

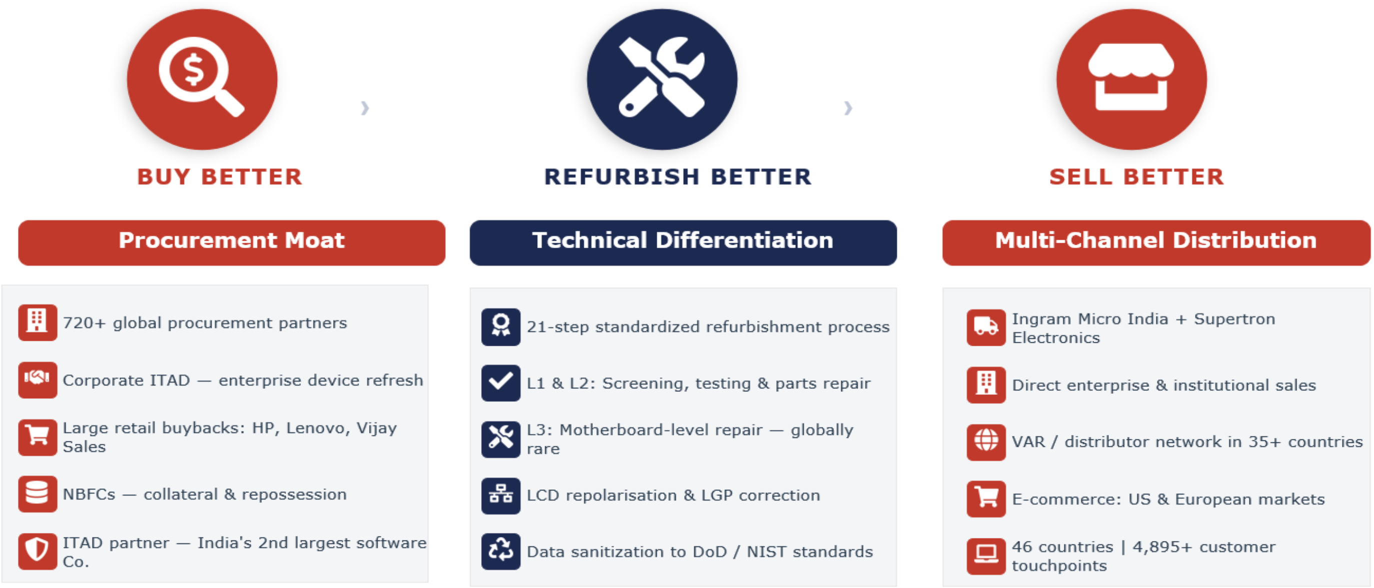
Source: Company, RHP, Emkay Research

Exhibit 6: GNG's refurbished device volumes rose ~4x over FY22-26, aided by its strong capabilities and customer trust



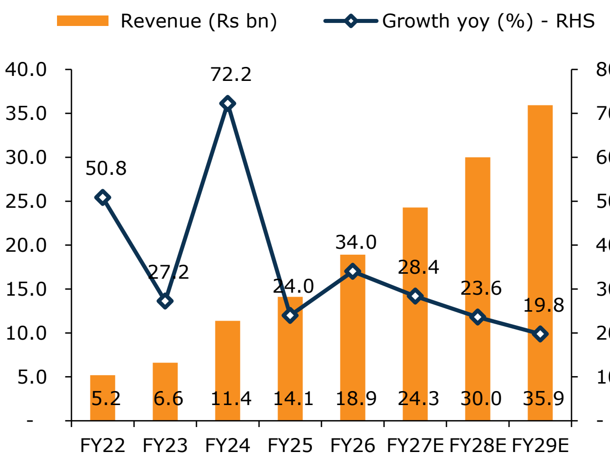
Source: Company, RHP, Emkay Research

Exhibit 7: GNG has a resilient and streamlined procurement process with a long tail of vendors, supported by multi-stage refurbishment process and wide customer base



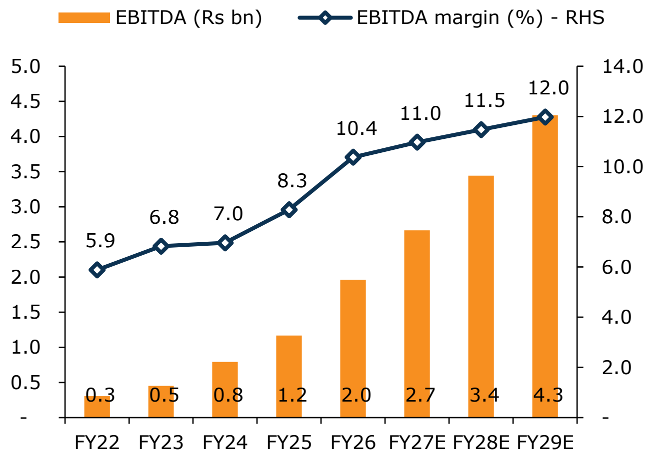
Source: Company, Emkay Research

Exhibit 8: We maintain FY26-29E revenue CAGR of ~24%, driven by rising penetration of refurbished devices, with GNG benefiting from higher ASPs amid rising memory-chip costs



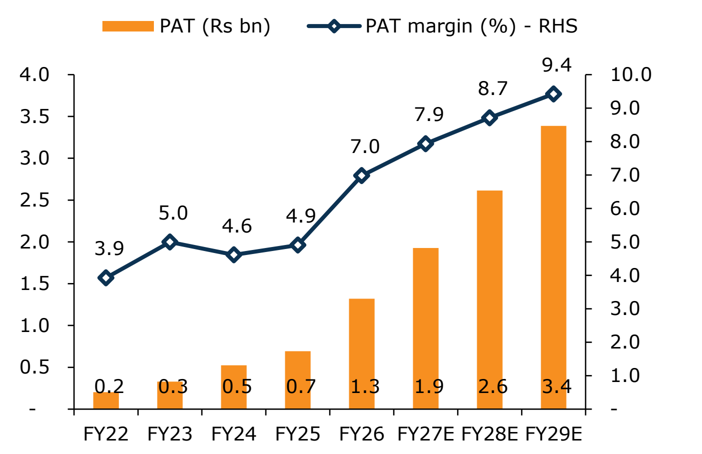
Source: Company, Capitaline, Emkay Research

Exhibit 9: We expect ~30% EBITDA CAGR over FY26-29E, driven by improving gross margin, operating leverage from scale, higher ASPs



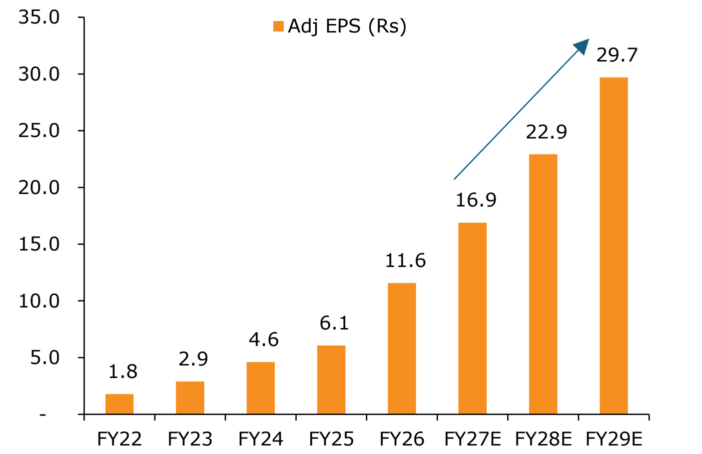
Source: Company, Capitaline, Emkay Research

Exhibit 10: We expect 37% PAT CAGR over FY26-29E



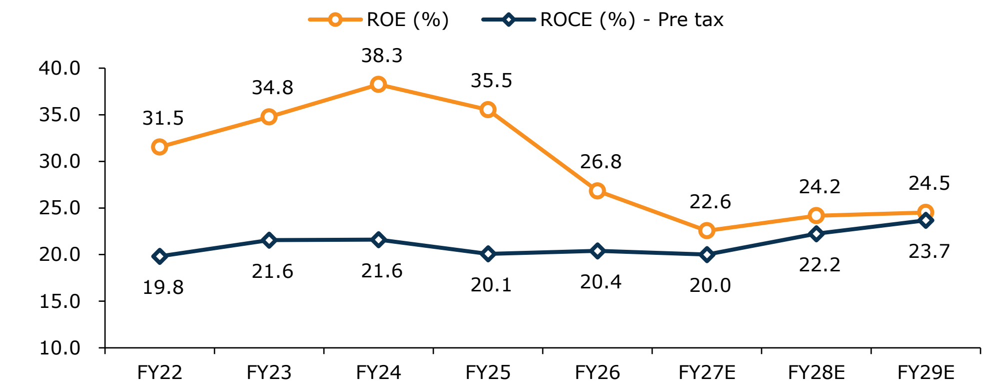
Source: Company, Capitaline, Emkay Research

Exhibit 11: We expect ~37% EPS CAGR over FY26-29E



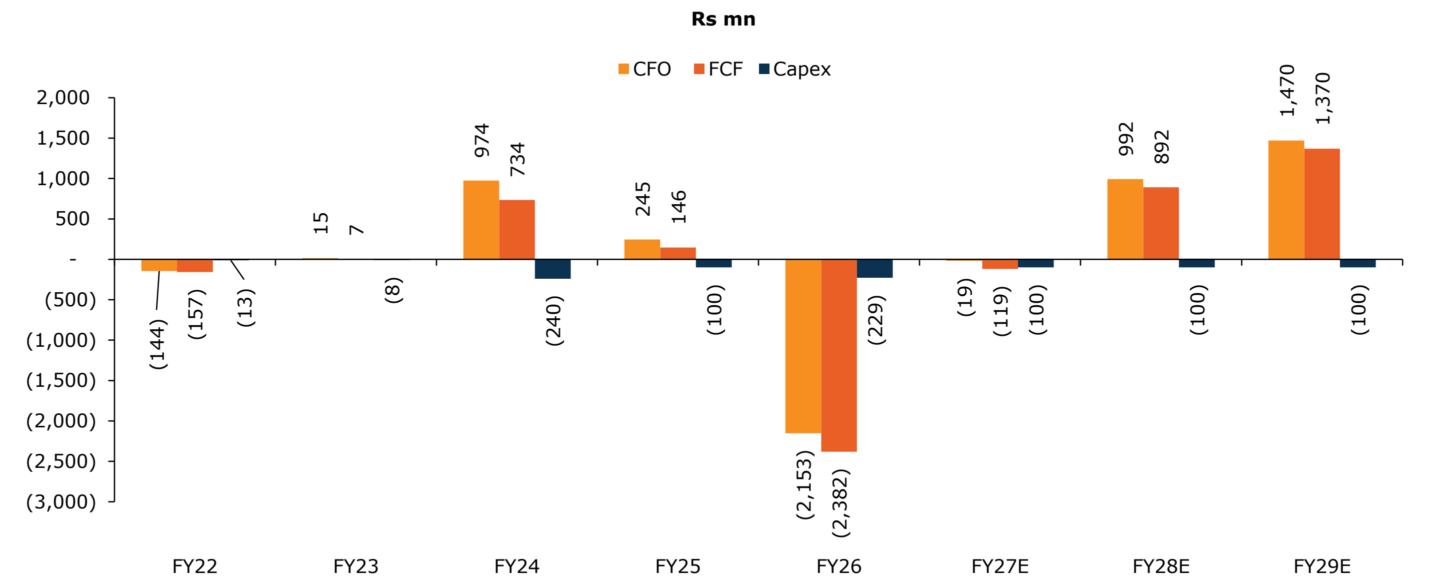
Source: Company, Capitaline, Emkay Research

Exhibit 12: GNG has consistently clocked ~20-22% ROCE and >27% ROE; both moderated in FY26 due to ~Rs4bn IPO deployment



Source: Company, Capitaline, Emkay Research

Exhibit 13: Negative CFO/FCF in FY26, primarily due to WC stretch (inventory/receivables) amid higher memory prices and RM supply constraints; expected to turn positive by FY28-29, aided by better profitability and normalization of WC cycle



Source: Company, Capitaline, Emkay Research

Exhibit 14: Financial snapshot – Consolidated; we maintain our revenue/EBITDA/EPS estimates at CAGR of ~24%/30%/37% over FY26-29E

GNG Electronics – Consolidated (Rs mn)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Volume (mn units)	**0.20**	**0.25**	**0.37**	**0.59**	**0.73**	**0.89**	**1.07**	**1.27**
Growth yoy (%)		26.8	48.8	60.0	23.1	23.0	20.0	18.0
ASP (Rs)	***26,541***	***26,629***	***30,817***	***23,885***	***26,012***	27,157	27,971	28,391
Growth yoy (%)		0.3	15.7	(22.5)	8.9	4.4	3.0	1.5
Total revenue	**5,193**	**6,608**	**11,381**	**14,111**	**18,911**	**24,275**	**30,004**	**35,936**
Growth yoy (%)	***50.8***	***27.2***	***72.2***	***24.0***	***34.0***	***28.4***	***23.6***	***19.8***
Raw materials	4,606	5,802	9,980	11,587	15,101	19,239	23,660	28,194
% of revenue	*88.7*	*87.8*	*87.7*	*82.1*	*79.9*	79.3	78.9	78.5
Employee	94	199	356	771	1,046	1,343	1,645	1,952
% of revenue	*1.8*	*3.0*	*3.1*	*5.5*	*5.5*	5.5	5.5	5.4
Other expenses	188	155	253	585	802	1,029	1,257	1,487
% of revenue	*3.6*	*2.3*	*2.2*	*4.1*	*4.2*	4.2	4.2	4.1
Total expenses	4,887	6,156	10,589	12,942	16,949	21,611	26,561	31,633
Adj EBITDA	**306**	**451**	**793**	**1,169**	**1,962**	**2,664**	**3,443**	**4,303**
EBITDA margin (%)	**5.9**	**6.8**	**7.0**	**8.3**	**10.4**	**11.0**	**11.5**	**12.0**
Growth yoy (%)	*128.3*	*47.7*	*75.7*	*47.5*	*67.9*	35.8	29.2	25.0
Other income	14	32	57	93	43	65	72	83
Growth yoy (%)	*(11.8)*	*126.1*	*76.3*	*63.6*	*(53.2)*	50.0	10.8	14.6
Depreciation	11	9	37	95	104	158	173	189
Growth yoy (%)	*22.7*	*(13.0)*	*288.3*	*158.9*	*9.5*	52.3	10.0	9.1
EBIT (ex Interest/dividend income)	**295**	**442**	**756**	**1,074**	**1,858**	**2,506**	**3,269**	**4,114**
EBIT	**309**	**474**	**813**	**1,167**	**1,902**	**2,571**	**3,341**	**4,196**
Interest	81	116	239	384	424	406	396	368
% of total debt	*8.9*	*9.3*	*10.0*	*10.0*	*9.7*	9.5	9.5	9.5
Pre-tax profit	**228**	**358**	**573**	**783**	**1,477**	**2,165**	**2,945**	**3,828**
Total tax	**25**	**30**	**50**	**93**	**157**	**239**	**331**	**442**
Tax rate (%)	*11.0*	*8.2*	*8.8*	*11.9*	*10.6*	11.0	11.2	11.5
Minority interest	1	1	2	2	-	-	-	-
Adj PAT	**204**	**330**	**525**	**692**	**1,320**	**1,926**	**2,614**	**3,386**
Growth yoy (%)	*172.5*	*62.0*	*59.0*	*31.9*	*90.7*	45.9	35.7	29.6
Net margin (%)	*3.9*	*5.0*	*4.6*	*4.9*	*7.0*	7.9	8.7	9.4
Adj EPS (Rs)	**1.8**	**2.9**	**4.6**	**6.1**	**11.6**	**16.9**	**22.9**	**29.7**
ROCE (%) – Pre-tax	19.8	21.6	21.6	20.1	20.4	20.0	22.2	23.7
ROE (%)	31.5	34.8	38.3	35.5	26.8	22.6	24.2	24.5
Core WC days (no of)	101	118	111	136	178	172	162	157

Source: Company, Capitaline, Emkay Research

Exhibit 15: DCF calculation – Our TP implies 30x Jun-28E PER

Particulars (Rs bn)	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E	FY36E	FY37E	FY38E	FY39E	FY40E
Revenue	**24.3**	**30.0**	**35.9**	**43.1**	**51.7**	**61.1**	**72.1**	**82.9**	**95.3**	**107.2**	**120.6**	**132.7**	**145.9**	**160.5**
Growth yoy (%)	*28.4*	*23.6*	*19.8*	*20.0*	*20.0*	*18.0*	*18.0*	*15.0*	*15.0*	*12.5*	*12.5*	*10.0*	*10.0*	*10.0*
EBITDA	**2.7**	**3.4**	**4.3**	**5.2**	**6.4**	**7.7**	**9.2**	**10.7**	**12.5**	**14.2**	**16.2**	**18.2**	**20.4**	**22.9**
Growth yoy (%)	*35.8*	*29.2*	*25.0*	*22.0*	*21.5*	*20.4*	*19.4*	*16.4*	*17.2*	*13.8*	*14.2*	*12.0*	*12.0*	*12.4*
EBITDA margin (%)	*11.0*	*11.5*	*12.0*	*12.2*	*12.3*	*12.6*	*12.7*	*12.9*	*13.1*	*13.3*	*13.5*	*13.7*	*14.0*	*14.3*
Less: Depreciation	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.4)	(0.4)	(0.5)	(0.6)	(0.7)	(0.8)	(0.9)	(1.0)	(1.1)
Add: Other income	0.1	0.1	0.1	0.1	0.2	0.3	0.4	0.7	1.0	1.6	2.4	3.7	5.6	8.6
EBIT (incl Other income)	**2,571**	**3,341**	**4,196**	**5,150**	**6,272**	**7,605**	**9,181**	**10,850**	**12,983**	**15,161**	**17,892**	**21,002**	**25,011**	**30,377**
Less: Tax	(0.2)	(0.3)	(0.4)	(0.6)	(0.8)	(1.0)	(1.2)	(1.5)	(1.9)	(2.3)	(2.8)	(3.4)	(4.1)	(5.2)
Tax rate (%)	*(11.0)*	*(11.2)*	*(11.5)*	*(12.0)*	*(12.5)*	*(13.0)*	*(13.5)*	*(14.0)*	*(14.5)*	*(15.0)*	*(15.5)*	*(16.0)*	*(16.5)*	*(17.0)*
NOPAT	**2.3**	**3.0**	**3.8**	**4.6**	**5.5**	**6.6**	**8.0**	**9.3**	**11.1**	**12.9**	**15.1**	**17.6**	**20.9**	**25.2**
Add: Depreciation	0.2	0.2	0.2	0.2	0.3	0.4	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1
NOPAT (incl Depreciation)	**2.5**	**3.2**	**3.9**	**4.8**	**5.8**	**7.0**	**8.4**	**9.8**	**11.7**	**13.5**	**15.9**	**18.5**	**21.9**	**26.3**
Less: Capex	(0.1)	(0.1)	(0.1)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Capex as a % of gross block	*0.1*	*0.1*	*0.1*	*0.3*	*0.2*	*0.2*	*0.2*	*0.1*	*0.1*	*0.2*	*0.2*	*0.1*	*0.1*	*0.1*
Capex as a % of sales	*0.4*	*0.3*	*0.3*	*1.2*	*1.0*	*0.8*	*0.7*	*0.6*	*0.5*	*0.9*	*0.8*	*0.8*	*0.7*	*0.6*
Less: Changes in WC	(2.4)	(2.1)	(2.4)	(2.8)	(3.4)	(3.7)	(4.4)	(4.2)	(5.1)	(4.8)	(5.3)	(4.7)	(5.1)	(5.6)
Net WC days (no of)	*187*	*177*	*172*	*167*	*163*	*160*	*158*	*156*	*155*	*154*	*153*	*152*	*151*	*150*
FCF	**(0.1)**	**1.0**	**1.5**	**1.5**	**1.9**	**2.8**	**3.5**	**5.1**	**6.1**	**7.8**	**9.6**	**12.8**	**15.7**	**19.7**
PV Factor as per WACC	1.0	0.9	0.8	0.7	0.6	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.2
PV of FCF	**28.8**													
PV of Terminal Value	**56.2**													
Less: Net Debt	3.6													
Total Market Cap	**81.5**													
No of shares (mn)	114													
Target value per share (Rs)	**715**													
Round off (Rs)	**725**													
CMP (Rs)	**572**													
Upside (%)	**27**													
Discounting rate (%)	**12.7**													
Terminal growth rate (%)	**5.0**													

Source: Company, Emkay Research

GNG Electronics: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**14,111**	**18,911**	**24,275**	**30,004**	**35,936**
Revenue growth (%)	24.0	34.0	28.4	23.6	19.8
EBITDA	**1,169**	**1,962**	**2,664**	**3,443**	**4,303**
EBITDA growth (%)	47.5	67.9	35.8	29.2	25.0
Depreciation & Amortization	95	104	158	173	189
EBIT	**1,074**	**1,858**	**2,506**	**3,269**	**4,114**
EBIT growth (%)	42.1	73.0	34.9	30.4	25.8
Other operating income	-	-	-	-	-
Other income	93	43	65	72	83
Financial expense	384	424	406	396	368
PBT	**783**	**1,477**	**2,165**	**2,945**	**3,828**
Extraordinary items	0	0	0	0	0
Taxes	93	157	239	331	442
Minority interest	2	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**692**	**1,320**	**1,926**	**2,614**	**3,386**
PAT growth (%)	31.9	90.7	45.9	35.7	29.6
Adjusted PAT	**692**	**1,320**	**1,926**	**2,614**	**3,386**
Diluted EPS (Rs)	**6.1**	**11.6**	**16.9**	**22.9**	**29.7**
Diluted EPS growth (%)	31.9	90.7	45.9	35.7	29.6
DPS (Rs)	**0**	**0**	**0**	**0**	**0**
Dividend payout (%)	**0**	**0**	**0**	**0**	**0**
EBITDA margin (%)	8.3	10.4	11.0	11.5	12.0
EBIT margin (%)	7.6	9.8	10.3	10.9	11.4
Effective tax rate (%)	11.9	10.6	11.0	11.2	11.5
NOPLAT (pre-IndAS)	**947**	**1,660**	**2,229**	**2,902**	**3,639**
Shares outstanding (mn)	97	114	114	114	114

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	194	228	228	228	228
Reserves & Surplus	2,070	7,350	9,276	11,890	15,276
Net worth	**2,265**	**7,578**	**9,504**	**12,118**	**15,504**
Minority interests	7	15	15	15	15
Non-current liab. & prov.	19	15	15	15	15
Total debt	**4,412**	**4,331**	**4,231**	**4,131**	**3,631**
Total liabilities & equity	**6,702**	**11,940**	**13,766**	**16,280**	**19,166**
Net tangible fixed assets	413	737	679	606	517
Net intangible assets	-	-	-	-	-
Net ROU assets	-	-	-	-	-
Capital WIP	0	0	0	0	0
Goodwill	-	-	-	-	-
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	**608**	**1,182**	**624**	**1,094**	**1,680**
Current assets (ex-cash)	6,174	10,621	13,299	15,614	18,207
Current Liab. & Prov.	493	600	837	1,034	1,239
NWC (ex-cash)	**5,681**	**10,021**	**12,462**	**14,580**	**16,969**
Total assets	**6,702**	**11,940**	**13,766**	**16,280**	**19,166**
Net debt	3,804	3,149	3,607	3,037	1,951
Capital employed	6,702	11,940	13,766	16,280	19,166
Invested capital	**6,095**	**10,758**	**13,141**	**15,185**	**17,485**
BVPS (Rs)	23.3	66.5	83.4	106.3	136.0
Net Debt/Equity (x)	1.7	0.4	0.4	0.3	0.1
Net Debt/EBITDA (x)	3.3	1.6	1.4	0.9	0.5
Interest coverage (x)	3.0	4.5	6.3	8.4	11.4
RoCE (%)	**20.1**	**20.4**	**20.0**	**22.3**	**23.7**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	783	1,477	2,165	2,945	3,828
Others (non-cash items)	3	224	0	0	0
Taxes paid	(83)	(157)	(239)	(331)	(442)
Change in NWC	(884)	(4,208)	(2,443)	(2,119)	(2,391)
Operating cash flow	**245**	**(2,153)**	**(19)**	**992**	**1,470**
Capital expenditure	(100)	(229)	(100)	(100)	(100)
Acquisition of business	-	-	-	-	-
Interest & dividend income	52	28	0	0	0
Investing cash flow	**26**	**(455)**	**(100)**	**(100)**	**(100)**
Equity raised/(repaid)	0	4,000	0	0	0
Debt raised/(repaid)	41	(286)	(100)	(100)	(500)
Payment of lease liabilities	-	-	-	-	-
Interest paid	(384)	(406)	(341)	(324)	(285)
Dividend paid (incl tax)	-	-	-	-	-
Others	0	205	2	2	2
Financing cash flow	**(343)**	**3,513**	**(439)**	**(422)**	**(783)**
Net chg in Cash	(71)	905	(558)	470	587
OCF	245	(2,153)	(19)	992	1,470
Adj. OCF (w/o NWC chg.)	1,130	2,055	2,425	3,111	3,861
FCFF	146	(2,382)	(119)	892	1,370
FCFE	(186)	(2,778)	(525)	496	1,002
OCF/EBITDA (%)	21.0	(109.8)	(0.7)	28.8	34.2
FCFE/PAT (%)	(26.9)	(210.4)	(27.2)	19.0	29.6
FCFF/NOPLAT (%)	**15.4**	**(143.4)**	**(5.3)**	**30.7**	**37.6**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	80.2	49.4	33.8	24.9	19.2
EV/CE(x)	8.7	4.9	4.2	3.6	3.0
P/B (x)	24.5	8.6	6.9	5.4	4.2
EV/Sales (x)	4.1	3.1	2.4	1.9	1.6
EV/EBITDA (x)	49.7	29.6	21.8	16.9	13.5
EV/EBIT(x)	54.0	31.2	23.2	17.8	14.1
EV/IC (x)	9.5	5.4	4.4	3.8	3.3
FCFF yield (%)	0.3	(4.1)	(0.2)	1.5	2.4
FCFE yield (%)	(0.3)	(4.3)	(0.8)	0.8	1.5
Dividend yield (%)	0	0	0	0	0
DuPont-RoE split					
Net profit margin (%)	4.9	7.0	7.9	8.7	9.4
Total asset turnover (x)	2.4	2.0	1.9	2.0	2.0
Assets/Equity (x)	3.0	1.9	1.5	1.4	1.3
RoE (%)	**35.5**	**26.8**	**22.6**	**24.2**	**24.5**
DuPont-RoIC					
NOPLAT margin (%)	6.7	8.8	9.2	9.7	10.1
IC turnover (x)	2.7	2.2	2.0	2.1	2.2
RoIC (%)	**18.4**	**19.7**	**18.7**	**20.5**	**22.3**
Operating metrics					
Core NWC days	136.4	178.1	172.1	162.1	157.1
Total NWC days	**147.0**	**193.4**	**187.4**	**177.4**	**172.4**
Fixed asset turnover	28.6	25.5	24.2	27.2	29.8
Opex-to-revenue (%)	9.6	9.8	9.8	9.7	9.6

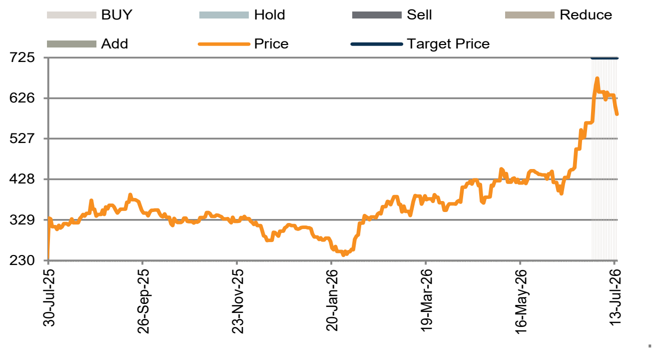
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
29-Jun-26	569	725	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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