

India

ADD (no change)

Consensus ratings*: Buy 21 Hold 12 Sell 9

Current price:	Rs5,195
Target price: ▲	Rs5,749
Previous target:	Rs5,049
Up/downside:	10.7%
InCred Research / Consensus:	10.5%
Reuters:	LRTI.NS
Bloomberg:	LTIM IN
Market cap:	US\$17,884m Rs1,539,388m
Average daily turnover:	US\$21.0m Rs1811.4m
Current shares o/s:	296.0m
Free float:	31.4%

*Source: Bloomberg

Key changes in this note

- Expect 11% US\$ revenue CAGR over FY25-28F.
- Expect ~19% EBIT CAGR over FY25-28F.
- Expect 19.5% PAT CAGR over FY25-28F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(5.8)	23.9	(6.6)
Relative (%)	(6.7)	18.3	(7.7)

Major shareholders	% held
LIC	7.8
UTI Flexi Cap Fund	1.2
ICICI Prudential Technology Fund	1.0

Research Analyst(s)



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LTIMindtree Ltd

A good start to FY26

- 1QFY26 revenue, EBIT margin, and deal TCV were on expected lines.
- Commentary of sustaining the momentum in 2QFY26F, coupled with a conducive seasonality in 2H, bodes well for growth/margin trajectory.
- Improving visibility drives the target multiple & target price higher. Retain ADD.

1QFY26 earnings summary

LTIMindtree's (LTIM IN) 1QFY26 revenue growth (up 2%/5.2% qoq/yoy at US\$1,153m; up 0.8% in constant currency or CC terms) was largely in line with estimate but, importantly, was driven by broad-based growth across verticals, geographies, and top client buckets. Further, the order inflow improved qoq and drove yoy TTM bookings growth higher to ~11% vs. 6.8% in 4QFY25 while the commentary on sustaining the conversion momentum and pipeline build-up in 2QFY26F driven by sales transformation, was encouraging. Finally, the EBIT margin at 14.3% (up 52bp qoq but down 70bp yoy) was also in line but driven by re-baselining of direct & SG&A costs (Fit4Future program) and utilization improvement while the reversal of key 1QFY26 margin headwinds (visa & higher travel costs) and the operating leverage could aid margin expansion in 2QFY26F.

11% yoy TTM deal TCV growth is encouraging

Deal win TCV at US\$1.63bn was up 1.9%/16.4% qoq/yoy while the commentary suggests pipeline build-up, large-deal momentum and closure/conversion rates could improve going into 2QFY26F driven by the focus on improving sales productivity and account mining through multi-services line selling, and, in turn, help sustain the bookings momentum. We introduce FY28F estimates and now model ~11% US\$ revenue CAGR over FY25-28F.

EBIT margin in line but the trajectory is on the rise

The EBIT margin at 14.3%, up 52bp qoq but down 70bp qoq, was driven by gross margin expansion (115bp) due to cost optimization initiatives partly offset by seasonal visa costs and forex impact. Peaking utilization (~88%) could moderate as the accelerated hiring towards the end of 1Q and increased fresher hiring (vs. 1,600 inducted in 1Q) could improve talent onboarding in 2QFY26F. We largely retain our estimates and model an average 15.7% EBIT margin over FY25-28F vs. 15.8% over FY25-27F earlier.

Maintain ADD rating with a higher target price of Rs5,749

We model in a ~11% US\$ revenue CAGR and 19.5% PAT (Rs) CAGR over FY25-28F. We now value LTIM at 26x FY28F EPS (vs. 25x FY27F earlier) to arrive at a higher target price of Rs5,749 (Rs5,049 earlier). The higher multiple is to account for improving deal momentum and revenue growth trajectory, which potentially could translate into an operating leverage-led earnings upgrade cycle. Client-specific challenges, project cancellation, and vendor consolidation-led loss of wallet share in key hi-tech/FSI verticals, which, in turn, could impact margin execution, and the delay in signing anticipated large deals are key downside risks to our estimates and target price.

Financial Summary	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Revenue (Rsm)	355,170	380,081	407,288	442,581	487,958
Operating EBITDA (Rsm)	63,874	64,949	72,241	80,107	90,760
Net Profit (Rsm)	45,821	45,987	51,311	57,746	65,708
Core EPS (Rs)	154.6	155.0	172.9	194.5	221.4
Core EPS Growth	3.8%	0.3%	11.5%	12.5%	13.8%
FD Core P/E (x)	33.60	33.52	30.05	26.70	23.47
DPS (Rs)	65.0	65.0	100.0	97.3	110.7
Dividend Yield	1.25%	1.25%	1.92%	1.87%	2.13%
EV/EBITDA (x)	22.88	22.33	19.78	17.51	15.14
P/FCFE (x)	31.90	42.86	36.00	32.61	29.41
Net Gearing	(39.0%)	(40.1%)	(45.3%)	(50.1%)	(54.1%)
P/BV (x)	7.70	6.79	6.20	5.56	4.97
ROE	25.0%	21.5%	21.6%	21.9%	22.4%
% Change In Core EPS Estimates			(2.47%)	(2.52%)	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly performance

Y/E Mar (Rs m)	1QFY26	1QFY25	YoY (%)	4QFY25	QoQ (%)	1QFY26F	Var. (%)
Revenue (US\$ m)	1,153	1,096	5.2	1,131	2.0	1,150	0.3
Revenue (Rs m)	98,406	91,426	7.6	97,717	0.7	98,415	(0.0)
USD-INR realization	85	83.4	2.3	86.4	(1.2)	86	(0.3)
EBITDA	16,494	16,061	2.7	15,962	3.3	16,534	(0.2)
EBITDA margin (%)	16.8	17.6	(81bp)	16.3	43bp	16.8	(4bp)
EBIT	14,065	13,709	2.6	13,454	4.5	14,024	0.3
EBIT margin (%)	14.3	15.0	(70bp)	13.8	52bp	14.3	4bp
Depreciation	2,429	2,352	3.3	2,508	(3.1)	2,510	(3.2)
Net other income	3,197	1,547	106.7	1,839	73.8	1,886	69.5
PBT	17,262	15,256	13.1	15,293	12.9	15,910	8.5
Provision for tax	4,716	3,905	20.8	4,007	17.7	4,137	14.0
% tax rate	27.3	25.6	172bp	26.2	112bp	26.0	132bp
Net profit	12,541	11,338	10.6	11,285	11.1	11,772	6.5
EPS (Rs)	42.3	38.2	10.6	38.0	11.1	39.7	6.5

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call highlights

- **Guidance:** Confident of sustaining the growth momentum in 2QFY26F.
- **Vertical-wise commentary**
 - **BFSI:** Client caution driven by macroeconomic uncertainty.
 - **Manufacturing & Resources:** Ramp-up of large deals could help improve the growth trajectory while margins could stabilize subsequently.
 - **Technology, Media & Communications:** Optimism driven by significant opportunities from the artificial intelligence or AI pivot undertaken by customers.
 - **Retail, CPG and TTH:** 1Q traction led by revenue contribution from the US\$450m mega deal with a global agribusiness leader. Other sub-verticals witnessing growth too.
 - **Health, Life Sciences and Public Services:** Margin pressure led by reduction in volume and closure of projects in the public services segment.
- **Key wins:**
 - A global agribusiness leader selected LTIM to implement an AI-driven model for application management, infrastructure support, and cybersecurity services.
 - A European financial major selected LTIM as its long-term transformation partner to migrate from a legacy system to a flagship Transaction Processing Platform, integrating Gen AI and automation in the solution to accelerate delivery.
- Launched BlueVerse, an Agentic AI ecosystem which accelerates innovation, transforms organization culture, and drives optimization.
- Set up GCC as a service, an AI-powered industry offering that provides a modular, unit-based framework for clients looking to establish, optimize, and scale capability centres effectively.

Figure 2: Operating metrics trend

Operating trend	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue (US\$m)	980	1,022	1,047	1,058	1,059	1,076	1,084	1,069	1,096	1,127	1,139	1,131	1,153
Growth yoy (%)	25.5	19.1	14.0	11.9	8.1	5.2	3.5	1.1	3.5	4.8	5.1	5.8	5.2
Growth qoq (%)	3.7	4.3	2.4	1.0	0.1	1.6	0.8	-1.3	2.5	2.8	1.1	-0.7	2.0
CC growth yoy (%)	NA	NA	16.3	13.5	8.2	4.4	3.1	1.2	3.7	4.4	5.6	6.3	4.4
CC growth qoq (%)	5.0	5.5	1.9	0.7	0.1	1.7	0.7	-1.3	2.6	2.3	1.8	-0.6	0.8
Revenue (Rsm)	76,442	82,278	86,200	86,910	87,021	89,054	90,166	88,929	91,426	94,329	96,609	97,717	98,406
Growth yoy (%)	32.9	29.6	25.3	21.9	13.8	8.2	4.6	2.3	5.1	5.9	7.1	9.9	7.6
Growth qoq (%)	7.2	7.6	4.8	0.8	0.1	2.3	1.2	-1.4	2.8	3.2	2.4	1.1	0.7
EBIT margin (%)	17.4	17.5	13.9	16.4	16.7	16.0	15.4	14.7	15.0	15.5	13.8	13.8	14.3
US\$-INR realized rate	78.0	80.5	82.4	82.2	82.2	82.8	83.2	83.2	83.4	83.7	84.8	86.4	85.3
Headcount	84,030	86,936	86,462	84,546	82,738	83,532	82,471	81,650	81,934	84,438	86,800	84,307	83,889
Utilization - ex-trainees (%)	83.5	83.5	82.9	81.7	84.8	86.6	87.4	86.9	88.3	87.7	85.4	85.8	88.1
LTM attrition (%)	24.0	24.1	22.3	20.2	17.8	15.2	14.2	14.4	14.4	14.5	14.3	14.4	14.4
Vertical (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
FSI	36.0	36.2	37.4	38.0	37.5	36.5	35.6	35.1	35.2	35.6	36.4	37.1	37.0
Technology, Media & Communication	25.4	25.3	23.6	23.0	23.7	23.8	22.9	24.3	25.6	25.4	23.7	23.4	23.2
Manufacturing & Resources	16.3	16.2	17.5	17.5	17.3	17.9	20.3	18.6	18.5	18.1	19.3	19.9	19.6
Consumer Business	15.7	15.4	15.2	15.4	15.1	15.3	14.7	15.1	14.5	14.5	14.3	14.1	14.6
Health, Lifesciences & Public	6.6	6.8	6.3	6.1	6.4	6.5	6.5	6.9	6.2	6.4	6.3	5.5	5.6

Vertical (US\$m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
FSI	353	370	391	402	397	393	386	375	386	401	414	420	427
Technology, Media & Communication	249	259	247	243	251	256	248	260	281	286	270	265	268
Manufacturing & Resources	160	166	183	185	183	193	220	199	203	204	220	225	226
Consumer Business	154	157	159	163	160	165	159	161	159	163	163	159	168
Health, Lifesciences & Public	65	69	66	65	68	70	70	74	68	72	72	62	65
Vertical yoy (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
FSI	26.9	23.1	21.8	20.2	12.6	6.1	-1.4	-6.6	-2.8	2.2	7.4	11.8	10.6
Technology, Media & Communication	27.5	21.0	8.9	3.0	0.9	-1.0	0.5	6.8	11.8	11.8	8.7	1.8	-4.7
Manufacturing & Resources	17.6	10.8	9.0	12.6	14.7	16.3	20.1	7.5	10.7	5.9	-0.1	13.2	11.5
Consumer Business	29.7	11.8	11.0	9.8	4.0	4.6	0.1	-0.8	-0.6	-0.7	2.2	-1.2	5.9
Health, Lifesciences & Public	21.8	26.5	10.5	6.7	4.8	0.6	6.8	14.4	0.3	3.1	1.8	-15.7	-5.0
Vertical qoq (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
FSI	5.4	4.9	5.8	2.7	-1.2	-1.1	-1.7	-2.7	2.8	3.9	3.3	1.2	1.7
Technology, Media & Communication	5.3	3.9	-4.5	-1.5	3.2	2.0	-3.0	4.7	8.0	2.0	-5.7	-1.9	1.1
Manufacturing & Resources	-2.9	3.7	10.6	1.0	-1.0	5.1	14.3	-9.6	2.0	0.6	7.8	2.4	0.4
Consumer Business	3.7	2.3	1.1	2.4	-1.8	2.9	-3.2	1.4	-1.6	2.8	-0.3	-2.1	5.6
Health, Lifesciences & Public	6.9	7.5	-5.1	-2.2	5.0	3.2	0.8	4.8	-7.9	6.1	-0.5	-13.3	3.8
Incremental revenue (US\$m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
FSI	18.2	17.3	21.5	10.4	-4.8	-4.5	-6.8	-10.4	10.5	15.2	13.4	5.1	7.1
Technology, Media & Communication	12.6	9.7	-11.5	-3.8	7.7	5.1	-7.8	11.7	20.8	5.5	-16.3	-5.2	2.9
Manufacturing & Resources	-4.7	5.9	17.6	1.9	-1.9	9.4	27.5	-21.1	3.9	1.1	15.9	5.3	1.0
Consumer Business	5.5	3.6	1.7	3.8	-3.0	4.7	-5.2	2.2	-2.5	4.4	-0.5	-3.4	8.9
Health, Lifesciences & Public	4.2	4.8	-3.5	-1.4	3.2	2.2	0.5	3.3	-5.8	4.1	-0.4	-9.5	2.4
Geography (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
North America	71.7	72.9	72.3	71.9	73.1	73.4	72.7	73.8	75.1	75.0	74.7	74.5	74.4
Europe	15.3	14.6	14.9	15.4	15.2	15.3	14.5	14.6	14.4	14.4	13.8	13.6	14.7
RoW	13.0	12.5	12.8	12.7	11.7	11.3	12.8	11.6	10.5	10.6	11.5	11.9	11.0
Geography (US\$m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
North America	702	745	757	760	774	789	788	789	823	845	851	843	858
Europe	150	149	156	163	161	165	157	156	158	162	157	154	170
RoW	127	128	134	134	124	122	139	124	115	119	131	135	127
Geography yoy (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
North America	26.9	24.5	19.6	15.8	10.2	6.0	4.1	3.8	6.4	7.0	8.0	6.8	4.2
Europe	16.4	-0.7	0.5	1.4	7.4	10.3	0.8	-4.1	-1.9	-1.4	0.0	-1.5	7.4
RoW	28.5	16.3	2.7	5.3	-2.7	-4.9	3.5	-7.6	-7.1	-1.7	-5.6	8.5	10.2
Geography qoq (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
North America	7.0	6.1	1.6	0.5	1.8	2.0	-0.2	0.2	4.3	2.6	0.7	-0.9	1.8
Europe	-6.7	-0.4	4.5	4.4	-1.2	2.3	-4.5	-0.6	1.1	2.8	-3.1	-2.1	10.2
RoW	-0.2	0.3	4.9	0.2	-7.8	-1.9	14.1	-10.6	-7.2	3.8	9.7	2.8	-5.7
Incremental revenue (US\$m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
North America	45.7	42.7	11.8	3.6	13.6	15.5	-1.6	1.4	34.0	21.7	5.7	-8.0	15.5
Europe	-10.7	-0.7	6.8	6.9	-1.9	3.6	-7.4	-1.0	1.7	4.4	-5.1	-3.3	15.7
RoW	-0.2	0.4	6.2	0.3	-10.4	-2.3	17.2	-14.7	-8.9	4.3	11.5	3.6	-7.7
Client (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Top 5	26.8	26.7	26.3	25.4	26.7	26.8	27.5	28.3	28.8	28.4	27.9	27.7	27.3
Top 6-10	7.7	7.6	7.5	7.5	7.4	7.5	7.8	7.2	6.9	6.6	6.6	6.6	7.0
Top 11-20	11.0	10.8	11.5	11.1	10.8	10.9	10.6	10.4	10.5	10.8	11.0	10.5	10.2
Top 21-40	13.2	12.3	12.3	12.8	12.3	12.4	12.6	12.1	12.7	12.4	12.6	12.4	12.3
Client US\$m	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Top 5	262.5	272.8	275.3	268.6	282.7	288.2	298.0	302.6	315.7	320.0	317.7	313.3	314.9
Top 6-10	75.4	77.7	78.5	79.3	78.3	80.7	84.5	77.0	75.6	74.4	75.2	74.6	80.7
Top 11-20	107.7	110.4	120.4	117.4	114.3	117.2	114.9	111.2	115.1	121.7	125.3	118.8	117.6
Top 21-40	129.3	125.7	128.7	135.4	130.2	133.4	136.5	129.4	139.2	139.7	143.5	140.2	141.9
Client qoq	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Top 5	9.0	3.9	0.9	-2.4	5.2	2.0	3.4	1.6	4.3	1.3	-0.7	-1.4	0.5
Top 6-10	-0.2	3.0	1.1	1.0	-1.2	3.0	4.8	-8.9	-1.8	-1.7	1.1	-0.7	8.2
Top 11-20	0.9	2.4	9.1	-2.5	-2.6	2.5	-2.0	-3.2	3.5	5.7	2.9	-5.2	-0.9
Top 21-40	0.6	-2.8	2.4	5.1	-3.8	2.4	2.4	-5.2	7.6	0.3	2.7	-2.3	1.1
Client yoy	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Top 5	25.1	25.6	17.5	11.5	7.7	5.6	8.3	12.7	11.7	11.0	6.6	3.5	-0.3
Top 6-10	9.8	7.7	0.6	4.9	3.9	3.9	7.7	-2.9	-3.5	-7.8	-11.1	-3.1	6.7
Top 11-20	27.9	13.8	17.0	10.0	6.1	6.2	-4.6	-5.3	0.7	3.8	9.0	6.8	2.2
Top 21-40	29.5	9.3	0.9	5.4	0.7	6.1	6.1	-4.4	6.9	4.8	5.1	8.4	1.9
Client metrics	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
No of active clients	708	719	723	728	723	737	739	738	748	742	742	741	741
Revenue per active client	5.2	5.4	5.5	5.6	5.8	5.8	5.8	5.8	5.8	5.9	6.0	6.1	6.1
US\$1m+	207	224	230	237	240	245	239	241	242	238	249	256	245
US\$5m+	51	60	63	65	60	56	60	62	61	66	62	65	69
US\$10m+	39	39	44	43	48	49	49	51	44	46	51	49	49
US\$20m+	30	27	26	25	27	27	28	27	31	30	26	26	27
US\$50m+	8	9	9	11	11	12	10	11	10	10	11	12	12
US\$100m+	2	2	2	2	2	2	2	2	2	2	2	2	2
Per employee analysis	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenues (US\$m) - TTM	3,701	3,865	3,993	4,106	4,185	4,238	4,275	4,287	4,325	4,376	4,431	4,493	4,550
Employee (average TTM)	76,983	81,183	84,256	85,494	85,171	84,320	83,322	82,598	82,397	82,623	83,706	84,370	84,859
Revenue per employee (TTM)	48,075	47,602	47,389	48,022	49,134	50,266	51,312	51,906	52,488	52,962	52,934	53,248	53,614

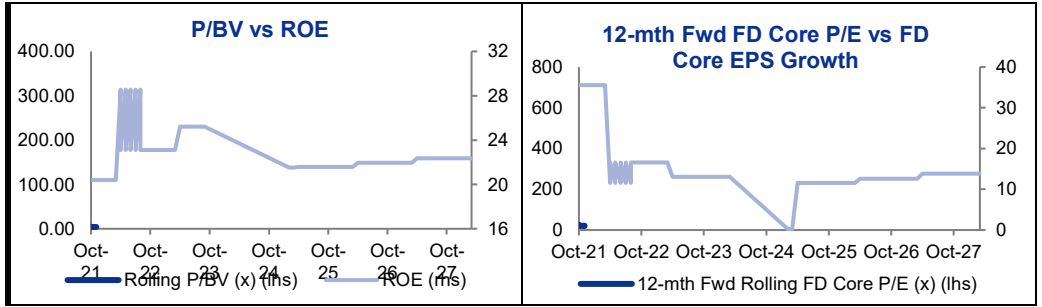
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in InCred estimates

Y/E Mar (Rsm)	FY26F			FY27F			FY28F
	New	Old	% change	New	Old	% change	New
US\$ revenue	4,745	4,717	0.6	5,087	5,094	-0.1	5,545
Revenue	4,07,288	4,08,055	-0.2	4,42,581	4,45,748	-0.7	4,87,958
EBIT	62,188	63,249	-1.7	69,485	71,320	-2.6	79,049
EBIT margin (%)	15.3	15.5	(23)bp	15.7	16.0	(30)bp	16.2
Net PAT	51,311	52,609	-2.5	57,746	59,238	-2.5	65,708
EPS (Rs)	172.9	177.2	-2.5	194.5	199.6	-2.5	221.4

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Total Net Revenues	355,170	380,081	407,288	442,581	487,958
Gross Profit	127,847	133,855	144,569	157,116	175,177
Operating EBITDA	63,874	64,949	72,241	80,107	90,760
Depreciation And Amortisation	(8,189)	(9,915)	(10,053)	(10,622)	(11,711)
Operating EBIT	55,685	55,034	62,188	69,485	79,049
Financial Income/(Expense)	4,802	7,108	8,438	8,053	9,176
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	60,487	62,142	70,626	77,539	88,225
Exceptional Items					
Pre-tax Profit	60,487	62,142	70,626	77,539	88,225
Taxation	(14,641)	(16,122)	(19,295)	(19,772)	(22,497)
Exceptional Income - post-tax					
Profit After Tax	45,846	46,020	51,331	57,766	65,728
Minority Interests	(25)	(33)	(20)	(20)	(20)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	45,821	45,987	51,311	57,746	65,708
Recurring Net Profit	45,821	45,987	51,311	57,746	65,708
Fully Diluted Recurring Net Profit	45,821	45,987	51,311	57,746	65,708

Cash Flow

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
EBITDA	63,874	64,949	72,241	80,107	90,760
Cash Flow from Invt. & Assoc.					
Change In Working Capital	5,975	(4,803)	(2,154)	(5,063)	(7,033)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	2,553	1,686	(20)	(20)	(20)
Net Interest (Paid)/Received					
Tax Paid	(15,707)	(16,374)	(19,295)	(19,772)	(22,497)
Cashflow From Operations	56,695	45,458	50,772	55,252	61,209
Capex	(8,432)	(9,496)	(7,942)	(7,966)	(8,783)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(30,689)	(7,886)	11,334	10,949	12,072
Cash Flow From Investing	(39,121)	(17,382)	3,392	2,983	3,289
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(17,753)	(19,246)	(29,627)	(28,873)	(32,854)
Preferred Dividends					
Other Financing Cashflow	(4,935)	(6,498)	(2,896)	(2,896)	(2,896)
Cash Flow From Financing	(22,688)	(25,744)	(32,523)	(31,769)	(35,750)
Total Cash Generated	(5,114)	2,332	21,642	26,466	28,748
Free Cashflow To Equity	48,263	35,962	42,830	47,285	52,426
Free Cashflow To Firm	17,574	28,076	54,164	58,235	64,498

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Total Cash And Equivalents	95,694	109,622	131,264	157,729	186,477
Total Debtors	70,321	76,882	80,643	86,746	95,640
Inventories					
Total Other Current Assets	22,449	22,875	22,875	22,875	22,875
Total Current Assets	188,464	209,379	234,782	267,350	304,992
Fixed Assets	40,237	45,449	43,338	40,682	37,755
Total Investments	19,902	24,706	24,706	24,706	24,706
Intangible Assets	15,078	14,212	14,212	14,212	14,212
Total Other Non-Current Assets	11,949	12,554	12,554	12,554	12,554
Total Non-current Assets	87,166	96,921	94,810	92,154	89,227
Short-term Debt	407	23	23	23	23
Current Portion of Long-Term Debt					
Total Creditors	14,939	15,499	17,106	18,146	20,006
Other Current Liabilities	42,086	44,137	44,137	44,137	44,137
Total Current Liabilities	57,432	59,659	61,266	62,306	64,166
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	17,934	19,526	19,526	19,526	19,526
Total Non-current Liabilities	17,934	19,526	19,526	19,526	19,526
Total Provisions					
Total Liabilities	75,366	79,185	80,792	81,832	83,692
Shareholders Equity	200,172	226,983	248,667	277,541	310,394
Minority Interests	92	132	132	132	132
Total Equity	200,264	227,115	248,799	277,673	310,526

Key Ratios

	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Revenue Growth	7.0%	7.0%	7.2%	8.7%	10.3%
Operating EBITDA Growth	4.6%	1.7%	11.2%	10.9%	13.3%
Operating EBITDA Margin	18.0%	17.1%	17.7%	18.1%	18.6%
Net Cash Per Share (Rs)	263.02	307.05	379.96	469.12	565.96
BVPS (Rs)	674.85	764.68	837.73	935.00	1,045.68
Gross Interest Cover	25.12	19.73	21.47	23.99	27.30
Effective Tax Rate	24.2%	25.9%	27.3%	25.5%	25.5%
Net Dividend Payout Ratio	42.0%	41.9%	57.7%	50.0%	50.0%
Accounts Receivables Days	73.26	70.68	70.58	69.02	68.21
Inventory Days					
Accounts Payables Days	22.38	22.56	22.65	22.54	22.26
ROIC (%)	43.3%	39.6%	40.2%	46.1%	51.3%
ROCE (%)	21.3%	17.6%	17.6%	18.4%	18.8%
Return On Average Assets	16.5%	14.0%	14.2%	15.0%	15.6%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.