

IT SERVICES

Q1FY24 Preview

07 July 2023

No sign of demand improvement yet

- Despite seasonality, Q1FY24 growth is likely to remain weak while margins are unlikely to surprise positively
- High interest rate and inflationary pressure in USA / Europe will likely continue to weigh on the discretionary demand recovery
- We downgrade HCLT, PSYS, COFORGE & AFFLE to HOLD on run-up in share prices. Infosys is our top pick in the sector

Saptarshi Mukherjee
 research@bobcaps.in

No visible growth triggers near term: Due to a soft demand outlook with limited large deals during Q1FY24, we expect QoQ revenue growth for our coverage companies to be in the range of -1.5% (Wipro) to +3.4% (Persistent) in CC terms. We expect weak sequential growth due to slowdown in communication, media, and entertainment verticals. Note, many IT companies faced spending cuts and project cancellations in Q4FY23, especially on the discretionary side. We believe these cancellations will, in part, offset growth from new projects.

Margin pressures to continue: We expect margins to be adversely impacted by seasonal factors too (visa cost / wage hike / travel expenses). Indian IT companies are finding it difficult to exploit traditional levers such as utilisation and pyramid correction in the current low growth environment. The pricing seems stable currently but a shift in client focus from discretionary to efficiency would adversely impact realisations. Companies like HCLT and TCS, with a higher revenue share from maintenance spends, are better placed to manage margins. Note, over the last two years, Infosys faced higher wage inflation versus TCS, however, recent deal wins will likely help Infosys bill more for these resources.

TCV to remain concentrated in a few verticals: Though the demand remains intact for select verticals and service lines, there is a near-term weakness visible due to approval delays/ deal scrutiny. This in turn may result in project deferrals and temporary pauses in project execution. As per guidance from Accenture, (details in our note [ACN report](#) of 23 June 2023) demand environment in Q1FY24 is likely to remain tepid. We do not anticipate a sharp recovery in H2FY24 either. The recovery in our view is likely to be gradual with higher growth likely only from FY25 onwards.

Downgrade to HOLD: We downgrade HCL Tech, Persistent, Coforge and Affle from BUY to HOLD on recent stock runs, which in our opinion capture positives fairly. There is no change in our estimates or target price. Note, rationalisation in clients' discretionary spends could lead to more earnings downgrade post Q1FY24 results in our view. We also expect the Q1FY24 commentary to be weak. Infosys will report the highest CC growth in Q1 among large cap IT names as per our estimates.

Recommendation snapshot

Ticker	Price	Target	Rating
AFFLE IN	1,057	1,110	HOLD
COFORGE IN	4,692	4,830	HOLD
HCLT IN	1,158	1,240	HOLD
INFO IN	1,330	1,760	BUY
MPHL IN	1,878	2,541	BUY
PSYS IN	4,830	5,330	HOLD
TCS IN	3,329	3,580	HOLD
TECHM IN	1,156	1,130	HOLD
WPRO IN	396	420	HOLD

Price & Target in Rupees | Price as of 7 Jul 2023



Q1FY24 Preview

Fig 1 – TCS

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	7,229	7,195	6,780	0.5	6.6
Revenue (Rs mn)	5,94,224	5,91,620	5,27,508	0.4	12.6
EBIT	1,47,378	1,44,880	1,21,788	1.7	21.0
PAT	1,14,364	1,13,920	94,708	0.4	20.8
EBIT Margin (%)	24.8	24.5	23.1	-	-
PAT Margin (%)	19.2	19.3	18.0	-	-

Source: BOBCAPS Research, Company

Fig 3 – HCLT

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	3,282	3,235	3,025	1.5	8.5
Revenue (Rs mn)	2,69,780	2,66,060	2,34,640	1.4	15.0
EBIT	48,217	48,053	39,956	0.3	20.7
PAT	38,767	39,507	32,866	(1.9)	18.0
EBIT Margin (%)	17.9	18.1	17.0	-	-
PAT Margin (%)	14.4	14.8	14.0	-	-

Source: BOBCAPS Research, Company

Fig 5 – TECHM

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	1,643	1,668	1,632	(1.5)	0.7
Revenue (Rs mn)	1,35,055	1,37,182	1,27,079	(1.6)	6.3
EBIT	13,729	15,303	14,034	(10.3)	(2.2)
PAT	11,071	11,176	11,316	(0.9)	(2.2)
EBIT Margin (%)	10.2	11.2	11.0	-	-
PAT Margin (%)	8.2	8.1	8.9	-	-

Source: BOBCAPS Research, Company

Fig 7 – COFORGE

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	273	264	239	3.4	14.2
Revenue (Rs mn)	22,441	21,700	18,294	3.4	22.7
EBIT	3,052	2,556	2,288	19.4	33.4
PAT	2,156	1,148	1,497	87.8	44.0
EBIT Margin (%)	13.6	11.8	12.5	-	-
PAT Margin (%)	9.6	5.3	8.2	-	-

Source: BOBCAPS Research, Company

Fig 9 – AFFLE

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (Rs mn)	3737.64	3558.17	3474.83	5.0	7.6
EBIT	607.503	554.46	593.68	9.6	2.3
PAT	627.047	624.04	545.32	0.5	15.0
EBIT Margin (%)	16.3	15.6	17.1	-	-
PAT Margin (%)	16.8	17.5	15.7	-	-

Source: BOBCAPS Research, Company

Fig 2 – INFO

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	4,604	4,554	4,444	1.1	3.6
Revenue (Rs mn)	3,78,449	3,74,410	3,44,700	1.1	9.8
EBIT	78,157	78,770	69,140	(0.8)	13.0
PAT	61,131	61,280	53,600	(0.2)	14.1
EBIT Margin (%)	20.7	21.0	20.1	-	-
PAT Margin (%)	16.2	16.4	15.5	-	-

Source: BOBCAPS Research, Company

Fig 4 – WPRO

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	2,778	2,820	2,735	(1.5)	1.6
Revenue (Rs mn)	2,28,352	2,31,903	2,15,286	(1.5)	6.1
EBIT	36,791	36,587	30,856	0.6	19.2
PAT	30,478	30,745	25,542	(0.9)	19.3
EBIT Margin (%)	16.1	15.8	14.3	-	-
PAT Margin (%)	13.3	13.3	11.9	-	-

Source: BOBCAPS Research, Company

Fig 6 – PSYS

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	284	275	242	3.4	17.6
Revenue (Rs mn)	23,345	22,545	18,781	3.5	24.3
EBIT	3,576	3,466	2,688	3.2	33.0
PAT	2,802	2,515	2,116	11.4	32.4
EBIT Margin (%)	15.3	15.4	14.3	-	-
PAT Margin (%)	12.0	11.2	11.3	-	-

Source: BOBCAPS Research, Company

Fig 8 – MPHL

(Rs mn)	Q1FY24E	Q4FY23	Q1FY23	QoQ (%)	YoY (%)
Revenue (USD mn)	406	412	429	(1.5)	(5.4)
Revenue (Rs mn)	33,373	33,612	34,112	(0.7)	(2.2)
EBIT	5,121	5,152	5,204	(0.6)	(1.6)
PAT	3,961	4,053	4,019	(2.3)	(1.4)
EBIT Margin (%)	15.3	15.3	15.3	-	-
PAT Margin (%)	11.9	12.1	11.8	-	-

Source: BOBCAPS Research, Company

Fig 10 – Valuation table

Company	New rating	Old rating	TP	Valuation
TCS	HOLD	HOLD	3,580	Valued at unchanged 25x Price to earnings ratio on FY25E EPS– retain HOLD.
INFO	BUY	BUY	1,760	Valued at unchanged 20.5x Price to earnings ratio on FY25E EPS– retain HOLD.
HCLT	HOLD	BUY	1,240	Valued at unchanged 18.7x Price to earnings ratio FY25E EPS – downgraded to HOLD on recent stock run.
WPRO	HOLD	HOLD	420	Valued at unchanged 15.5x Price to earnings ratio on FY25E EPS– retain HOLD.
TECHM	HOLD	HOLD	1,130	Valued at unchanged 12.2x Price to earnings ratio on FY25E EPS– retain HOLD.
PSYS	HOLD	BUY	5,330	Valued at unchanged 30x Price to earnings ratio FY25E EPS – downgraded to HOLD on recent stock run.
COFORGE	HOLD	BUY	4,830	Valued at unchanged 24x Price to earnings ratio FY25E EPS – downgraded to HOLD on recent stock run.
MPHL	BUY	BUY	2,541	Valued at unchanged 22.2x Price to earnings ratio on FY25E EPS– retain HOLD.
AFFLE	HOLD	BUY	1,110	Valued at unchanged 50.6x Price to earnings ratio FY25E EPS – downgraded to HOLD on recent stock run.

Source: BOBCAPS Research, Company

Key Risks

- **Upside risk** for all BUY and HOLD rated stocks includes better than expected improvement in BFSI/Retail/Hi-Tech sectors in the developed economies
- **Downside risk** for all HOLD rated stocks includes further cut in the IT related spends by the target client base.

Stock performance

Fig 11 – AFFLE

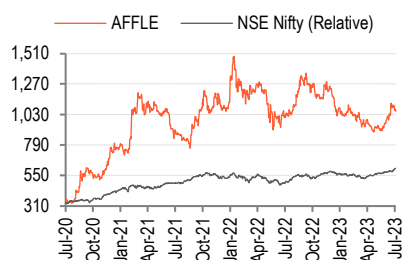


Fig 12 – COFORGE

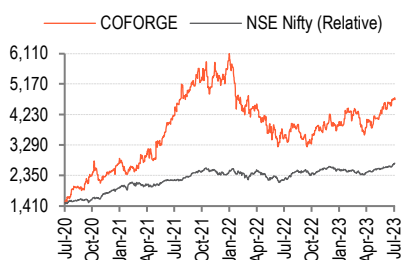


Fig 13 – HCLT

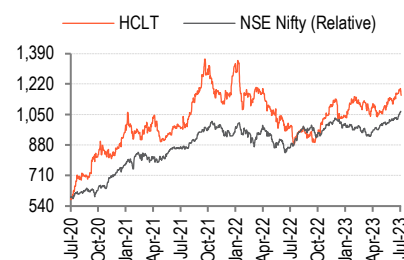


Fig 14 – INFO

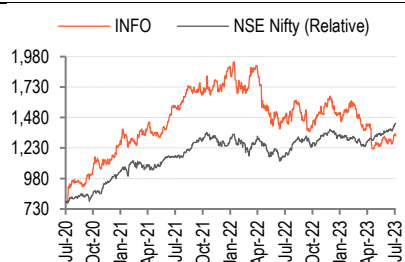


Fig 15 – MPHL

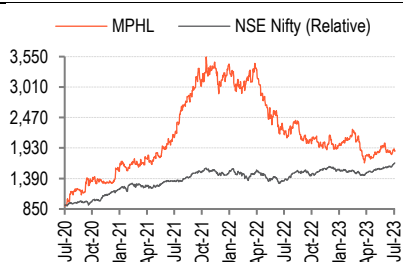


Fig 16 – PSYS

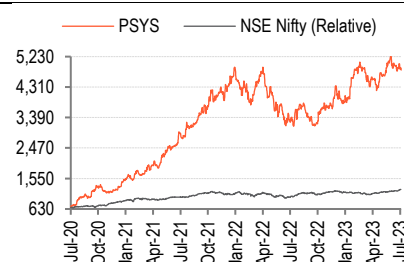


Fig 17 – TCS

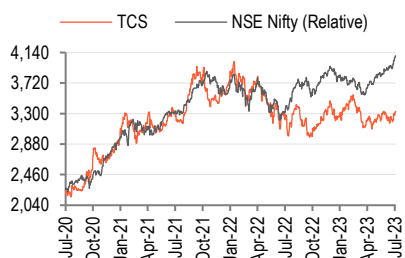


Fig 18 – TECHM

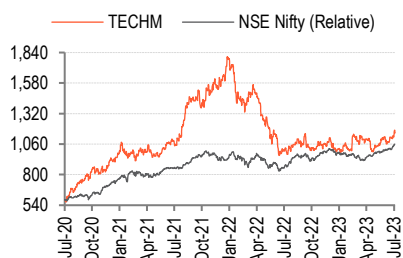
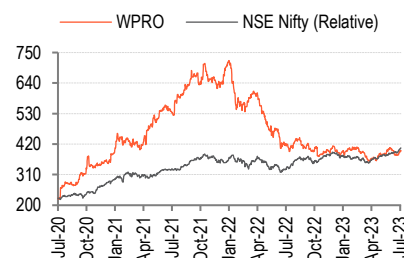


Fig 19 – WPRO



Source: NSE

Financials – AFFLE

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	5,169	10,817	14,340	16,139	18,474
EBITDA	1,301	2,131	2,904	2,970	3,325
Depreciation	197	325	494	613	618
EBIT	1,104	1,806	2,410	2,356	2,707
Net interest inc./(exp.)	37	71	114	120	140
Other inc./(exp.)	415	715	528	646	710
Exceptional items	0	0	0	0	0
EBT	1,482	2,450	2,824	2,882	3,278
Income taxes	129	302	361	308	367
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	2	13	16	0	0
Reported net profit	1,351	2,135	2,446	2,574	2,911
Adjustments	0	0	0	0	0
Adjusted net profit	1,351	2,135	2,446	2,574	2,911

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	1,260	2,559	2,522	3,316	3,796
Other current liabilities	352	1,067	894	1,105	1,265
Provisions	27	49	52	63	70
Debt funds	1,180	1,486	1,038	1,038	1,038
Other liabilities	1,115	1,347	930	930	930
Equity capital	255	267	267	267	267
Reserves & surplus	3,371	12,026	13,950	16,940	18,752
Shareholders' fund	3,626	12,293	14,217	17,207	19,018
Total liab. and equities	7,560	18,802	19,652	23,660	26,117
Cash and cash eq.	632	6,046	6,457	8,157	9,420
Accounts receivables	1,079	2,347	2,452	3,316	3,796
Inventories	0	0	0	0	0
Other current assets	795	1,036	1,391	2,653	3,037
Investments	1,009	1,379	44	44	44
Net fixed assets	13	24	25	25	20
CWIP	0	0	0	0	0
Intangible assets	862	1,804	2,618	2,800	3,136
Deferred tax assets, net	0	0	0	0	0
Other assets	3,168	6,165	6,665	6,665	6,665
Total assets	7,560	18,802	19,652	23,660	26,117

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	1,016	2,980	2,409	1,465	2,693
Capital expenditures	(1,616)	(2,911)	(1,923)	(2,000)	(2,000)
Change in investments	22	715	528	646	710
Other investing cash flows	(154)	154	0	0	0
Cash flow from investing	(1,748)	(2,042)	(1,394)	(1,354)	(1,290)
Equities issued/Others	0	5,907	0	0	0
Debt raised/repaid	567	0	0	0	0
Interest expenses	(21)	(71)	(114)	(120)	(140)
Dividends paid	0	0	0	0	0
Other financing cash flows	(15)	0	0	0	0
Cash flow from financing	531	5,836	(114)	(120)	(140)
Chg in cash & cash eq.	(201)	6,773	901	(9)	1,263
Closing cash & cash eq.	491	7,265	8,166	8,157	9,420

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	10.6	16.0	18.4	19.3	21.9
Adjusted EPS	10.6	16.0	18.4	19.3	21.9
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	142.2	460.4	532.5	644.5	712.3

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	5.4	2.6	1.8	1.3	1.1
EV/EBITDA	21.6	13.4	8.8	7.3	6.3
Adjusted P/E	99.7	65.9	57.5	54.7	48.4
P/BV	7.4	2.3	2.0	1.6	1.5

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	91.1	87.1	86.6	89.3	88.8
Interest burden (PBT/EBIT)	134.2	135.7	117.2	122.3	121.1
EBIT margin (EBIT/Revenue)	21.4	16.7	16.8	14.6	14.7
Asset turnover (Rev./Avg TA)	68.4	57.5	73.0	68.2	70.7
Leverage (Avg TA/Avg Equity)	2.1	1.5	1.4	1.4	1.4
Adjusted ROAE	37.2	17.4	17.2	15.0	15.3

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	54.9	109.3	32.6	12.5	14.5
EBITDA	46.5	63.8	36.3	2.3	12.0
Adjusted EPS	102.8	51.2	14.6	5.2	13.1
Profitability & Return ratios (%)					
EBITDA margin	25.2	19.7	20.2	18.4	18.0
EBIT margin	21.4	16.7	16.8	14.6	14.7
Adjusted profit margin	26.1	19.7	17.1	15.9	15.8
Adjusted ROAE	37.2	17.4	17.2	15.0	15.3
ROCE	15.3	10.2	12.8	10.4	10.9

Working capital days (days)

Receivables	64	58	61	65	70
Inventory	0	0	0	0	0
Payables	71	64	65	66	70

Ratios (x)

Gross asset turnover	386.3	446.2	570.9	638.0	940.3
Current ratio	1.7	2.5	2.6	2.8	2.9
Net interest coverage ratio	29.8	25.4	21.1	19.6	19.3
Adjusted debt/equity	0.2	(0.4)	(0.4)	(0.4)	(0.4)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – COFORGE

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	46,628	64,320	80,146	92,191	1,00,830
EBITDA	7,555	11,395	14,062	16,318	18,351
Depreciation	1,836	2,272	2,585	2,384	2,384
EBIT	5,719	8,669	11,232	13,934	15,967
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	113	(266)	(630)	252	252
Exceptional items	0	0	0	0	1
EBT	6,182	8,647	9,276	14,186	16,219
Income taxes	1,302	1,689	2,061	3,192	3,649
Extraordinary items	350	241	0	0	0
Min. int./Inc. from assoc.	104	495	368	428	428
Reported net profit	4,776	6,462	6,847	10,566	12,142
Adjustments	0	0	0	0	1
Adjusted net profit	4,776	6,462	6,847	10,566	12,142

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	6,238	10,918	11,030	11,417	12,482
Provisions	921	697	1,098	1,263	1,381
Debt funds	0	0	0	0	0
Other liabilities	194	766	766	766	766
Equity capital	606	609	609	609	609
Reserves & surplus	24,055	27,705	33,127	40,307	46,847
Shareholders' fund	24,661	28,314	33,736	40,916	47,456
Total liab. and equities	32,014	40,695	46,630	54,362	62,086
Cash and cash eq.	7,999	4,535	6,542	12,261	16,236
Accounts receivables	5,562	10,567	10,979	12,629	15,194
Inventories	3	3	3	3	3
Other current assets	4,398	4,952	11,053	13,801	14,984
Investments	3,013	3,550	3,550	3,550	3,550
Net fixed assets	9,592	15,591	13,006	10,622	10,622
CWIP	0	0	0	0	0
Intangible assets	0	0	0	0	0
Deferred tax assets, net	1,447	1,497	1,497	1,497	1,497
Other assets	0	0	0	0	0
Total assets	32,014	40,695	46,630	54,362	62,086

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	8,452	8,875	3,913	9,381	12,505
Capital expenditures	(757)	(3,841)	(2,000)	(3,000)	(4,000)
Change in investments	(246)	0	0	0	0
Other investing cash flows	(1,552)	18	(4,433)	3,152	(146)
Cash flow from investing	(2,555)	(3,823)	(6,433)	152	(4,146)
Equities issued/Others	(4,148)	51	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	1,543	0	0	0
Dividends paid	(686)	(3,111)	(2,472)	(3,815)	(4,384)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(4,834)	(1,517)	(2,472)	(3,815)	(4,384)
Chg in cash & cash eq.	1,063	3,535	(4,992)	5,718	3,975
Closing cash & cash eq.	7,999	11,534	6,542	12,261	16,236

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	79.1	107.1	113.4	175.0	201.1
Adjusted EPS	79.1	107.1	113.4	175.0	201.1
Dividend per share	26.1	42.8	34.0	52.5	60.3
Book value per share	396.0	454.7	541.7	657.1	762.1

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	6.1	4.4	3.5	3.1	2.8
EV/EBITDA	37.8	24.9	20.1	17.4	15.4
Adjusted P/E	59.3	43.8	41.4	26.8	23.3
P/BV	11.8	10.3	8.7	7.1	6.2

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	77.3	74.7	73.8	74.5	74.9
Interest burden (PBT/EBIT)	108.1	99.7	82.6	101.8	101.6
EBIT margin (EBIT/Revenue)	12.3	13.5	14.0	15.1	15.8
Asset turnover (Rev./Avg TA)	143.9	176.9	183.6	182.6	173.2
Leverage (Avg TA/Avg Equity)	1.3	1.4	1.4	1.4	1.3
Adjusted ROAE	19.6	24.4	22.1	28.3	27.5

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	11.4	37.9	24.6	15.0	9.4
EBITDA	1.7	50.8	23.4	16.0	12.5
Adjusted EPS	8.5	35.3	6.0	54.3	14.9

Profitability & Return ratios (%)

EBITDA margin	16.2	17.7	17.5	17.7	18.2
EBIT margin	12.3	13.5	14.0	15.1	15.8
Adjusted profit margin	10.2	10.0	8.5	11.5	12.0
Adjusted ROAE	19.6	24.4	22.1	28.3	27.5
ROCE	17.3	20.9	21.3	24.2	25.9

Working capital days (days)

Receivables	44	46	49	47	50
Inventory	0	0	0	0	0
Payables	83	89	83	69	64

Ratios (x)

Gross asset turnover	4.8	5.1	5.6	7.8	9.5
Current ratio	2.6	1.7	2.4	3.1	3.4
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.3)	(0.2)	(0.2)	(0.3)	(0.3)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – HCLT

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	7,53,780	8,56,510	10,14,355	11,31,246	12,36,314
EBITDA	2,02,350	2,01,920	2,24,451	2,59,888	2,82,793
Depreciation	41,360	40,190	45,515	50,511	51,098
EBIT	1,60,990	1,61,730	1,78,936	2,09,378	2,31,695
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	5,540	8,260	6,969	4,797	4,485
Exceptional items	0	0	0	0	1
EBT	1,66,530	1,69,990	1,85,906	2,14,175	2,36,180
Income taxes	36,580	34,430	44,725	51,402	56,683
Extraordinary items	0	0	0	0	1
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	1,29,950	1,35,560	1,41,181	1,62,773	1,79,497
Adjustments	0	0	0	0	1
Adjusted net profit	1,29,950	1,35,560	1,41,181	1,62,773	1,79,498

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	2,17,050	2,30,420	2,33,302	2,60,187	2,84,352
Provisions	0	0	0	0	0
Debt funds	39,070	39,850	39,850	39,850	39,850
Other liabilities	0	0	0	0	0
Equity capital	5,430	5,430	5,430	5,430	5,430
Reserves & surplus	6,15,480	6,09,200	6,82,445	7,66,891	8,60,014
Shareholders' fund	6,20,910	6,14,630	6,87,875	7,72,321	8,65,444
Total liab. and equities	8,77,030	8,84,900	9,61,026	10,72,358	11,89,646
Cash and cash eq.	65,150	79,090	92,168	1,22,470	1,68,381
Accounts receivables	1,75,250	2,06,710	2,22,324	2,47,944	2,70,973
Inventories	0	0	0	0	0
Other current assets	74,290	77,920	91,292	1,24,437	1,35,995
Investments	1,40,220	1,14,850	1,39,850	1,69,850	1,99,850
Net fixed assets	62,450	59,540	38,242	20,570	18,431
CWIP	0	0	0	0	0
Intangible assets	2,91,500	2,90,930	2,90,930	2,90,930	2,90,930
Deferred tax assets, net	0	0	0	0	1
Other assets	68,170	55,860	86,220	96,156	1,05,087
Total assets	8,77,030	8,84,900	9,61,026	10,72,358	11,89,646

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	1,26,470	1,56,990	1,23,262	1,66,671	2,06,760
Capital expenditures	(41,370)	(37,280)	(24,217)	(32,839)	(48,958)
Change in investments	34,540	(25,370)	25,000	30,000	30,000
Other investing cash flows	13,367	521	(43,031)	(55,203)	(55,515)
Cash flow from investing	6,537	(62,129)	(42,248)	(58,042)	(74,474)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(2,510)	(600)	0	0	0
Interest expenses	(76,730)	(15,090)	0	0	0
Dividends paid	(62,532)	(65,231)	(67,936)	(78,326)	(86,374)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(1,41,772)	(80,921)	(67,936)	(78,326)	(86,373)
Chg in cash & cash eq.	(8,765)	13,940	13,078	30,302	45,913
Closing cash & cash eq.	65,150	79,090	92,168	1,22,470	1,68,381

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	47.9	49.8	52.0	60.0	66.1
Adjusted EPS	47.9	49.8	52.0	60.0	66.1
Dividend per share	19.2	20.0	20.8	24.0	26.5
Book value per share	228.8	226.5	253.5	284.6	318.9

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	4.1	3.6	3.1	2.7	2.5
EV/EBITDA	15.4	15.4	13.8	11.9	10.9
Adjusted P/E	24.2	23.3	22.3	19.3	17.5
P/BV	5.1	5.1	4.6	4.1	3.6

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	78.0	79.7	75.9	76.0	76.0
Interest burden (PBT/EBIT)	103.4	105.1	103.9	102.3	101.9
EBIT margin (EBIT/Revenue)	21.4	18.9	17.6	18.5	18.7
Asset turnover (Rev./Avg TA)	88.2	97.2	109.9	111.3	109.3
Leverage (Avg TA/Avg Equity)	1.5	1.4	1.4	1.4	1.4
Adjusted ROAE	22.7	21.9	21.7	22.3	21.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	6.6	13.6	18.4	11.5	9.3
EBITDA	21.2	(0.2)	11.2	15.8	8.8
Adjusted EPS	17.1	3.9	4.6	15.3	10.3

Profitability & Return ratios (%)

EBITDA margin	26.8	23.6	22.1	23.0	22.9
EBIT margin	21.4	18.9	17.6	18.5	18.7
Adjusted profit margin	17.2	15.8	13.9	14.4	14.5
Adjusted ROAE	22.7	21.9	21.7	22.3	21.9
ROCE	22.4	22.0	22.4	24.0	24.7

Working capital days (days)

Receivables	85	81	77	76	77
Inventory	0	0	0	0	0
Payables	158	125	107	103	104

Ratios (x)

Gross asset turnover	12.1	14.0	20.7	38.5	63.4
Current ratio	1.8	1.8	2.1	2.3	2.4
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	(0.1)	(0.1)	(0.1)	(0.1)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – INFO

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Total revenue	10,04,730	12,16,410	14,93,753	17,29,592	19,71,116
EBITDA	2,79,350	3,14,820	3,57,354	4,39,059	5,02,757
Depreciation	32,680	34,770	39,015	45,520	38,178
EBIT	2,46,670	2,80,050	3,18,339	3,93,539	4,64,578
Net interest inc./(exp.)	16,150	16,570	17,227	19,079	20,271
Other inc./(exp.)	19,960	21,050	20,547	21,699	23,511
Exceptional items	0	0	0	0	0
EBT	2,66,630	3,01,100	3,38,886	4,15,238	4,88,090
Income taxes	72,050	79,640	91,830	1,07,962	1,26,903
Extraordinary items	0	0	0	0	1
Min. int./Inc. from assoc.	590	250	0	0	0
Reported net profit	1,93,990	2,21,210	2,47,056	3,07,276	3,61,186
Adjustments	0	0	0	0	1
Adjusted net profit	1,93,990	2,21,210	2,47,056	3,07,276	3,61,187

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	3,08,910	4,11,740	4,29,710	4,50,168	4,86,028
Provisions	7,130	9,750	10,231	11,847	13,501
Debt funds	0	0	0	0	1
Other liabilities	0	0	0	0	0
Equity capital	21,240	20,980	20,980	20,980	20,980
Reserves & surplus	7,46,580	7,36,370	8,34,760	9,57,133	11,00,975
Shareholders' fund	7,67,820	7,57,350	8,55,740	9,78,113	11,21,955
Total liab. and equities	10,83,860	11,78,840	12,95,681	14,40,127	16,21,486
Cash and cash eq.	2,47,140	1,74,720	2,64,334	3,86,644	5,44,225
Accounts receivables	1,92,940	2,26,980	2,37,363	2,46,408	2,48,415
Inventories	0	0	0	0	0
Other current assets	75,270	1,15,680	1,18,682	1,23,204	1,24,207
Investments	1,47,990	2,12,640	2,12,640	2,12,640	2,12,640
Net fixed assets	2,65,680	2,63,040	2,74,025	2,78,505	2,90,327
CWIP	47,940	48,230	48,230	48,230	48,230
Intangible assets	0	0	0	0	1
Deferred tax assets, net	10,980	12,660	12,660	12,660	12,660
Other assets	1,43,860	1,73,120	1,75,976	1,80,067	1,89,011
Total assets	10,83,860	11,78,840	12,95,681	14,40,127	16,21,485

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Cash flow from operations	2,27,791	1,00,360	2,67,733	3,35,514	4,01,415
Capital expenditures	(41,570)	(21,610)	(50,000)	(50,000)	(50,000)
Change in investments	(28,798)	(42,580)	0	0	0
Other investing cash flows	19,960	18,980	20,547	21,699	23,511
Cash flow from investing	(50,408)	(45,210)	(29,453)	(28,301)	(26,489)
Equities issued/Others	0	210	0	0	0
Debt raised/repaid	0	0	0	0	1
Interest expenses	0	(1,260)	0	0	0
Dividends paid	(1,16,733)	(1,26,520)	(1,48,666)	(1,84,903)	(2,17,344)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(1,16,733)	(1,27,570)	(1,48,666)	(1,84,903)	(2,17,342)
Chg in cash & cash eq.	60,650	(72,420)	89,614	1,22,310	1,57,584
Closing cash & cash eq.	2,47,140	1,74,720	2,64,334	3,86,644	5,44,225

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23A	FY24E	FY25E
Reported EPS	45.5	52.8	58.7	73.0	85.8
Adjusted EPS	45.5	52.8	58.7	73.0	85.8
Dividend per share	22.8	26.3	29.4	36.5	42.9
Book value per share	180.2	179.9	203.3	232.4	266.5

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23A	FY24E	FY25E
EV/Sales	5.4	4.4	3.6	3.1	2.7
EV/EBITDA	19.4	17.1	15.1	12.2	10.5
Adjusted P/E	29.2	25.2	22.7	18.2	15.5
P/BV	7.4	7.4	6.5	5.7	5.0

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23A	FY24E	FY25E
Tax burden (Net profit/PBT)	72.8	73.5	72.9	74.0	74.0
Interest burden (PBT/EBIT)	108.1	107.5	106.5	105.5	105.1
EBIT margin (EBIT/Revenue)	24.6	23.0	21.3	22.8	23.6
Asset turnover (Rev./Avg TA)	99.9	107.5	120.7	126.4	128.8
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.5	1.5	1.5
Adjusted ROAE	27.2	29.0	30.6	33.5	34.4

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23A	FY24E	FY25E
YoY growth (%)					
Revenue	10.7	21.1	22.8	15.8	14.0
EBITDA	25.4	12.7	13.5	22.9	14.5
Adjusted EPS	16.7	15.9	11.3	24.4	17.5
Profitability & Return ratios (%)					
EBITDA margin	27.8	25.9	23.9	25.4	25.5
EBIT margin	24.6	23.0	21.3	22.8	23.6
Adjusted profit margin	19.3	18.2	16.5	17.8	18.3
Adjusted ROAE	27.2	29.0	30.6	33.5	34.4
ROCE	36.3	37.3	39.5	40.6	41.2

Working capital days (days)

Receivables	69	63	57	51	46
Inventory	0	0	0	0	0
Payables	144	146	135	124	116

Ratios (x)

Gross asset turnover	3.9	4.6	5.6	6.3	6.9
Current ratio	2.1	1.6	1.8	2.0	2.2
Net interest coverage ratio	15.3	16.9	18.5	20.6	22.9
Adjusted debt/equity	(0.3)	(0.2)	(0.3)	(0.4)	(0.5)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – MPHL

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	97,223	1,19,614	1,37,984	1,50,662	1,76,874
EBITDA	18,028	21,175	24,239	27,119	31,838
Depreciation	2,418	2,906	3,253	3,594	3,657
EBIT	15,610	18,269	20,986	23,525	28,180
Net interest inc./(exp.)	0	0	0	0	1
Other inc./(exp.)	696	861	644	312	332
Exceptional items	0	0	0	0	0
EBT	16,306	19,130	21,630	23,837	28,512
Income taxes	4,139	4,821	5,333	5,959	7,128
Extraordinary items	0	0	0	0	1
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	12,167	14,309	16,297	17,878	21,384
Adjustments	0	0	0	0	1
Adjusted net profit	12,167	14,309	16,297	17,878	21,384

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	0
Other current liabilities	11,927	18,573	19,797	22,703	26,652
Provisions	3,494	5,160	4,115	6,192	7,269
Debt funds	11,811	12,519	10,528	10,528	10,528
Other liabilities	342	718	1,030	1,030	1,030
Equity capital	1,870	1,878	1,884	1,884	1,884
Reserves & surplus	63,398	67,554	77,464	81,120	84,344
Shareholders' fund	65,268	69,432	79,348	83,004	86,228
Total liab. and equities	92,842	1,06,402	1,14,818	1,23,456	1,31,707
Cash and cash eq.	11,310	9,682	10,558	12,324	12,602
Accounts receivables	8,147	8,523	8,523	12,383	14,538
Inventories	0	0	0	0	0
Other current assets	23,437	30,605	34,867	39,214	46,036
Investments	18,460	18,130	17,526	17,526	17,526
Net fixed assets	8,870	10,388	11,012	9,678	8,674
CWIP	31	110	324	324	324
Intangible assets	21,326	27,348	29,586	29,586	29,586
Deferred tax assets, net	1,261	1,616	2,422	2,422	2,422
Other assets	0	0	0	0	0
Total assets	92,842	1,06,402	1,14,818	1,23,456	1,31,707

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	11,528	17,122	14,823	17,936	20,760
Capital expenditures	(1,477)	(2,439)	(836)	(2,260)	(2,653)
Change in investments	3,702	0	0	0	0
Other investing cash flows	696	(1,139)	(2,356)	(3,688)	(3,668)
Cash flow from investing	2,921	(3,578)	(3,192)	(5,948)	(6,321)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(2,356)	(1,687)	0	0	0
Dividends paid	(14,623)	(9,475)	(10,792)	(11,839)	(14,161)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(16,979)	(11,163)	(10,792)	(11,839)	(14,161)
Chg in cash & cash eq.	(2,530)	2,381	839	149	278
Closing cash & cash eq.	8,955	11,336	12,175	12,324	12,602

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	65.1	76.6	87.2	95.7	114.4
Adjusted EPS	65.1	76.6	87.2	95.7	114.4
Dividend per share	65.0	42.1	48.0	52.6	62.9
Book value per share	349.3	371.6	424.7	444.2	461.5

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	3.6	3.0	2.6	2.3	2.0
EV/EBITDA	19.5	16.7	14.6	12.9	11.0
Adjusted P/E	28.8	24.5	21.5	19.6	16.4
P/BV	5.4	5.1	4.4	4.2	4.1

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	74.6	74.8	75.3	75.0	75.0
Interest burden (PBT/EBIT)	104.5	104.7	103.1	101.3	101.2
EBIT margin (EBIT/Revenue)	16.1	15.3	15.2	15.6	15.9
Asset turnover (Rev./Avg TA)	108.5	120.1	124.7	126.5	138.6
Leverage (Avg TA/Avg Equity)	1.5	1.5	1.5	1.5	1.5
Adjusted ROAE	19.7	21.2	21.9	22.0	25.3

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	9.9	23.0	15.4	9.2	17.4
EBITDA	9.2	17.5	14.5	11.9	17.4
Adjusted EPS	2.7	17.6	13.9	9.7	19.6
Profitability & Return ratios (%)					
EBITDA margin	18.5	17.7	17.6	18.0	18.0
EBIT margin	16.1	15.3	15.2	15.6	15.9
Adjusted profit margin	12.5	12.0	11.8	11.9	12.1
Adjusted ROAE	19.7	21.2	21.9	22.0	25.3
ROCE	18.5	19.6	20.6	21.7	25.2

Working capital days (days)

Receivables	29	25	23	25	28
Inventory	0	0	0	0	0
Payables	63	70	71	68	73

Ratios (x)

Gross asset turnover	11.0	12.4	12.9	14.6	19.3
Current ratio	2.8	2.1	2.3	2.2	2.2
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	0.0	0.0	0.0	0.0

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – PSYS

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	41,879	57,108	83,506	96,822	1,11,253
EBITDA	6,830	9,582	15,191	18,155	21,063
Depreciation	1,756	1,660	2,719	3,052	3,169
EBIT	5,075	7,922	12,472	15,103	17,894
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	1,020	1,322	233	228	204
Exceptional items	0	0	0	0	0
EBT	6,094	9,243	12,705	15,331	18,098
Income taxes	1,588	2,339	3,198	3,909	4,525
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	4,507	6,904	9,507	11,422	13,574
Adjustments	0	0	0	0	0
Adjusted net profit	4,507	6,904	9,507	11,422	13,574

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	0
Other current liabilities	4,607	9,911	9,151	9,284	10,668
Provisions	2,719	4,195	4,118	4,775	5,486
Debt funds	44	6,004	6,004	6,004	6,004
Other liabilities	0	0	0	0	0
Equity capital	764	764	764	764	764
Reserves & surplus	27,192	32,918	35,065	37,550	41,540
Shareholders' fund	27,957	33,682	35,830	38,315	42,304
Total liab. and equities	35,327	53,792	55,103	58,378	64,463
Cash and cash eq.	2,419	2,978	3,405	5,934	10,716
Accounts receivables	5,709	9,484	10,295	11,937	13,716
Inventories	0	0	0	0	0
Other current assets	4,945	5,355	6,497	7,003	8,046
Investments	17,853	18,445	18,445	18,445	18,445
Net fixed assets	3,277	13,617	12,548	11,146	9,627
CWIP	122	1,071	1,071	1,071	1,071
Intangible assets	86	2,790	2,790	2,790	2,790
Deferred tax assets, net	1,038	1,123	1,123	1,123	1,123
Other assets	0	0	0	0	1
Total assets	35,327	53,792	55,103	58,378	64,463

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	5,679	8,448	9,204	12,888	15,812
Capital expenditures	(392)	(3,808)	(1,650)	(1,650)	(1,650)
Change in investments	(362)	(212)	0	0	0
Other investing cash flows	1,020	(5,754)	(4,267)	(5,272)	(5,296)
Cash flow from investing	266	(9,773)	(5,917)	(6,922)	(6,946)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(324)	3,928	0	0	0
Interest expenses	0	(118)	0	0	0
Dividends paid	(1,627)	(1,987)	(2,861)	(3,436)	(4,084)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(1,951)	1,823	(2,861)	(3,436)	(4,083)
Chg in cash & cash eq.	3,995	497	426	2,529	4,783
Closing cash & cash eq.	5,456	2,979	3,405	5,934	10,716

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	56.5	86.6	124.4	149.4	177.6
Adjusted EPS	56.5	86.6	124.4	149.4	177.6
Dividend per share	16.9	26.0	31.1	37.4	44.4
Book value per share	350.5	422.3	468.8	501.3	553.5

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	9.2	6.7	4.6	4.0	3.5
EV/EBITDA	56.3	40.0	25.4	21.4	18.4
Adjusted P/E	85.5	55.8	38.8	32.3	27.2
P/BV	13.8	11.4	10.3	9.6	8.7

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	73.9	74.7	74.8	74.5	75.0
Interest burden (PBT/EBIT)	120.1	116.7	101.9	101.5	101.1
EBIT margin (EBIT/Revenue)	12.1	13.9	14.9	15.6	16.1
Asset turnover (Rev./Avg TA)	127.1	128.2	153.4	170.6	181.1
Leverage (Avg TA/Avg Equity)	1.2	1.4	1.6	1.5	1.5
Adjusted ROAE	17.1	22.4	27.4	30.8	33.7

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	17.4	36.4	46.2	15.9	14.9
EBITDA	38.6	40.3	58.5	19.5	16.0
Adjusted EPS	32.4	53.2	43.7	20.1	18.8

Profitability & Return ratios (%)

EBITDA margin	16.3	16.8	18.2	18.8	18.9
EBIT margin	12.1	13.9	14.9	15.6	16.1
Adjusted profit margin	10.8	12.1	11.4	11.8	12.2
Adjusted ROAE	17.1	22.4	27.4	30.8	33.7
ROCE	15.3	19.0	24.8	29.3	35.3

Working capital days (days)

Receivables	50	49	43	42	42
Inventory	0	0	0	0	0
Payables	44	56	51	43	40

Ratios (x)

Gross asset turnover	11.4	6.8	6.4	8.2	10.7
Current ratio	1.8	1.3	1.5	1.8	2.0
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.1)	0.1	0.1	0.0	(0.1)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – TCS

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Total revenue	16,41,770	19,17,540	22,23,757	24,76,435	27,26,137
EBITDA	4,65,460	5,30,570	5,82,248	6,66,207	7,37,388
Depreciation	40,650	46,040	50,377	55,894	61,731
EBIT	4,24,810	4,84,530	5,31,871	6,10,313	6,75,658
Net interest inc./(exp.)	0	0	0	0	1
Other inc./(exp.)	24,970	32,340	29,203	39,021	34,471
Exceptional items	0	0	0	0	0
EBT	4,49,780	5,16,870	5,61,074	6,49,333	7,10,128
Income taxes	1,11,980	1,32,380	1,43,430	1,67,342	1,84,633
Extraordinary items	0	0	0	0	1
Min. int./Inc. from assoc.	(1,320)	(1,220)	(1,350)	(1,200)	(1,200)
Reported net profit	3,36,480	3,83,270	4,16,294	4,80,791	5,24,295
Adjustments	0	0	0	0	1
Adjusted net profit	3,36,480	3,83,270	4,16,294	4,80,791	5,24,296

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	3,71,480	4,53,000	5,17,861	5,08,857	5,60,165
Provisions	0	0	0	0	0
Debt funds	65,030	63,680	63,680	63,680	63,680
Other liabilities	0	0	0	0	0
Equity capital	3,700	3,660	3,660	3,660	3,660
Reserves & surplus	0	0	0	0	0
Shareholders' fund	8,71,080	8,98,460	10,15,700	11,46,238	12,69,338
Total liab. and equities	13,07,590	14,15,140	15,97,241	17,18,775	18,93,183
Cash and cash eq.	68,580	1,24,880	1,87,896	2,55,510	3,10,158
Accounts receivables	3,00,790	3,40,740	3,96,011	4,07,085	4,48,132
Inventories	0	0	0	0	0
Other current assets	2,95,170	2,47,870	3,04,624	3,39,238	3,73,443
Investments	3,18,440	3,62,180	3,62,180	3,62,180	3,62,180
Net fixed assets	1,96,690	1,96,150	2,01,367	2,07,384	2,13,807
CWIP	0	0	0	0	0
Intangible assets	22,780	28,880	28,880	28,880	28,880
Deferred tax assets, net	39,310	37,080	37,080	37,080	37,080
Other assets	65,830	77,360	79,202	81,417	1,19,502
Total assets	13,07,590	14,15,140	15,97,241	17,18,775	18,93,183

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Cash flow from operations	3,72,880	5,30,710	3,89,811	4,41,958	4,90,727
Capital expenditures	(38,930)	(29,490)	(55,594)	(61,911)	(68,153)
Change in investments	44,680	(15,220)	(1,00,000)	(1,20,000)	(1,50,000)
Other investing cash flows	24,970	27,000	29,203	39,021	34,471
Cash flow from investing	30,720	(17,710)	(1,26,391)	(1,42,890)	(1,83,683)
Equities issued/Others	(2,59,499)	0	0	0	0
Debt raised/repaid	0	(14,170)	0	0	0
Interest expenses	0	(6,980)	0	0	0
Dividends paid	(1,61,981)	(1,33,170)	(2,00,404)	(2,31,453)	(2,52,396)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(4,21,480)	(1,54,320)	(2,00,404)	(2,31,453)	(2,52,395)
Chg in cash & cash eq.	(17,880)	3,58,680	63,016	67,615	54,650
Closing cash & cash eq.	68,580	1,24,880	1,87,896	2,55,510	3,10,158

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23A	FY24E	FY25E
Reported EPS	90.9	103.6	113.8	131.4	143.3
Adjusted EPS	90.9	103.6	113.8	131.4	143.3
Dividend per share	36.4	41.4	45.5	52.6	57.3
Book value per share	235.4	242.8	277.6	313.3	346.9

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23A	FY24E	FY25E
EV/Sales	7.4	6.3	5.5	4.9	4.4
EV/EBITDA	26.1	22.9	20.9	18.1	16.3
Adjusted P/E	36.6	32.1	29.3	25.3	23.2
P/BV	14.1	13.7	12.0	10.6	9.6

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23A	FY24E	FY25E
Tax burden (Net profit/PBT)	74.8	74.2	74.2	74.0	73.8
Interest burden (PBT/EBIT)	105.9	106.7	105.5	106.4	105.1
EBIT margin (EBIT/Revenue)	25.9	25.3	23.9	24.6	24.8
Asset turnover (Rev./Avg TA)	130.5	140.9	147.6	149.4	151.0
Leverage (Avg TA/Avg Equity)	1.5	1.5	1.6	1.5	1.5
Adjusted ROAE	39.2	43.3	43.5	44.5	43.4

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23A	FY24E	FY25E
YoY growth (%)					
Revenue	4.6	16.8	16.0	11.4	10.1
EBITDA	10.5	14.0	9.7	14.4	10.7
Adjusted EPS	5.5	13.9	9.8	15.5	9.0
Profitability & Return ratios (%)					
EBITDA margin	28.4	27.7	26.2	26.9	27.0
EBIT margin	25.9	25.3	23.9	24.6	24.8
Adjusted profit margin	20.5	20.0	18.7	19.4	19.2
Adjusted ROAE	39.2	43.3	43.5	44.5	43.4
ROCE	37.6	42.3	45.8	49.1	50.6

Working capital days (days)

Receivables	67	61	60	59	57
Inventory	0	0	0	0	0
Payables	103	108	108	104	98

Ratios (x)

Gross asset turnover	8.3	9.8	11.2	12.1	12.9
Current ratio	2.0	1.7	1.9	2.1	2.2
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	(0.1)	(0.1)	(0.2)	(0.2)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – TECHM

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	3,78,551	4,46,460	5,37,442	6,07,222	6,79,583
EBITDA	68,471	80,201	82,605	99,771	1,18,617
Depreciation	14,577	15,204	19,730	20,184	22,078
EBIT	53,894	64,997	62,875	79,587	96,539
Net interest inc./(exp.)	(1,740)	(1,626)	(1,853)	(1,320)	(1,320)
Other inc./(exp.)	7,871	11,123	7,153	8,585	9,510
Exceptional items	0	0	0	0	0
EBT	59,530	74,522	68,045	86,913	1,04,788
Income taxes	15,999	18,220	15,377	20,426	25,150
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	762	(612)	373	2,060	2,060
Reported net profit	44,281	55,662	53,171	68,487	81,638
Adjustments	0	0	0	0	0
Adjusted net profit	44,281	55,662	53,171	68,487	81,638

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	1,02,292	1,45,645	1,44,299	1,49,726	1,58,259
Provisions	13,121	15,527	14,724	16,636	18,619
Debt funds	16,618	1,420	1,420	1,420	1,420
Other liabilities	12,304	12,304	12,304	12,304	12,304
Equity capital	4,370	4,388	4,388	4,388	4,388
Reserves & surplus	2,48,075	2,69,423	2,98,405	3,34,382	3,77,652
Shareholders' fund	2,52,445	2,73,811	3,02,793	3,38,770	3,82,040
Total liab. and equities	3,96,780	4,48,707	4,75,541	5,18,856	5,72,642
Cash and cash eq.	26,904	37,889	51,456	83,599	1,23,322
Accounts receivables	64,728	74,676	80,984	83,181	83,784
Inventories	242	405	405	405	405
Other current assets	1,10,932	1,38,706	1,41,210	1,43,045	1,48,001
Investments	1,04,436	49,522	49,522	49,522	49,522
Net fixed assets	80,405	1,39,318	1,43,772	1,50,914	1,59,417
CWIP	1,183	1,651	1,651	1,651	1,651
Intangible assets	40,082	74,258	74,258	74,258	74,258
Deferred tax assets, net	9,133	8,191	8,191	8,191	8,191
Other assets	0	0	0	0	0
Total assets	3,96,780	4,48,707	4,75,541	5,18,856	5,72,642

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	64,824	52,836	52,432	80,072	95,843
Capital expenditures	(12,048)	(8,353)	(24,185)	(27,325)	(30,581)
Change in investments	43,390	57,765	0	0	0
Other investing cash flows	(64,787)	(44,597)	9,006	9,905	10,830
Cash flow from investing	(33,445)	4,815	(15,179)	(17,420)	(19,752)
Equities issued/Others	(569)	(1,238)	0	0	0
Debt raised/repaid	(13,624)	(1,625)	0	0	0
Interest expenses	(1,789)	(3,995)	0	0	0
Dividends paid	(18,660)	(39,808)	(23,687)	(30,510)	(36,368)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(34,642)	(46,666)	(23,687)	(30,510)	(36,367)
Chg in cash & cash eq.	(3,263)	10,985	13,567	32,143	39,724
Closing cash & cash eq.	26,904	37,889	51,456	83,599	1,23,322

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	50.4	63.9	60.5	77.9	92.8
Adjusted EPS	50.4	63.9	60.5	77.9	92.8
Dividend per share	17.6	23.4	22.4	28.8	34.3
Book value per share	287.1	311.3	344.3	385.2	434.4

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	2.6	2.2	1.8	1.6	1.4
EV/EBITDA	14.6	12.5	11.9	9.7	7.9
Adjusted P/E	23.0	18.1	19.1	14.8	12.5
P/BV	4.0	3.7	3.4	3.0	2.7

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	74.4	74.7	78.1	78.8	77.9
Interest burden (PBT/EBIT)	110.5	114.7	108.2	109.2	108.5
EBIT margin (EBIT/Revenue)	14.2	14.6	11.7	13.1	14.2
Asset turnover (Rev./Avg TA)	98.3	105.6	116.3	122.1	124.5
Leverage (Avg TA/Avg Equity)	1.6	1.6	1.6	1.5	1.5
Adjusted ROAE	18.7	21.2	18.4	21.4	22.7

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	2.7	17.9	20.4	13.0	11.9
EBITDA	19.6	17.1	3.0	20.8	18.9
Adjusted EPS	4.2	26.9	(5.4)	28.8	19.2
Profitability & Return ratios (%)					
EBITDA margin	18.1	18.0	15.4	16.4	17.5
EBIT margin	14.2	14.6	11.7	13.1	14.2
Adjusted profit margin	11.7	12.5	9.9	11.3	12.0
Adjusted ROAE	18.7	21.2	18.4	21.4	22.7
ROCE	16.3	19.5	18.9	22.8	27.1

Working capital days (days)

Receivables	68	57	53	49	45
Inventory	0	0	0	0	0
Payables	121	124	116	106	100

Ratios (x)

Gross asset turnover	4.8	4.1	3.8	4.1	4.4
Current ratio	1.8	1.6	1.7	1.9	2.0
Net interest coverage ratio	(31.0)	(40.0)	(33.9)	(60.3)	(73.1)
Adjusted debt/equity	0.0	(0.1)	(0.2)	(0.2)	(0.3)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

Financials – WPRO

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Total revenue	6,22,425	7,95,289	9,19,636	10,20,406	11,10,930
EBITDA	1,44,560	1,64,407	1,64,671	1,94,460	2,20,889
Depreciation	20,540	26,245	30,348	33,673	36,661
EBIT	1,24,020	1,38,162	1,34,323	1,60,786	1,84,228
Net interest inc./(exp.)	15,824	10,932	8,334	7,621	6,751
Other inc./(exp.)	0	(109)	0	0	0
Exceptional items	0	0	0	0	1
EBT	1,39,844	1,48,985	1,42,657	1,68,407	1,90,980
Income taxes	30,345	29,407	32,188	36,881	41,825
Extraordinary items	0	0	0	0	1
Min. int./Inc. from assoc.	716	155	(46)	200	200
Reported net profit	1,08,783	1,19,423	1,10,515	1,31,326	1,48,955
Adjustments	0	0	0	0	1
Adjusted net profit	1,08,783	1,19,423	1,10,515	1,31,326	1,48,956

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Accounts payables	0	0	0	0	1
Other current liabilities	1,64,725	1,76,489	2,04,084	2,26,446	2,46,535
Provisions	676	1,961	2,268	2,516	2,739
Debt funds	83,332	1,40,491	1,40,491	1,40,491	1,40,491
Other liabilities	4,633	4,633	4,633	4,633	4,633
Equity capital	10,958	10,964	10,964	10,964	10,964
Reserves & surplus	5,43,635	6,48,834	6,51,003	6,71,724	7,07,952
Shareholders' fund	5,54,593	6,59,798	6,61,967	6,82,688	7,18,916
Total liab. and equities	8,07,959	9,83,373	10,13,442	10,56,774	11,13,315
Cash and cash eq.	1,69,793	2,32,083	2,14,592	2,23,151	2,52,019
Accounts receivables	94,298	1,43,806	1,66,290	1,84,512	2,00,880
Inventories	1,064	6,537	7,559	8,387	9,131
Other current assets	1,11,925	1,68,863	1,95,265	2,16,662	2,35,882
Investments	1,91,811	1,93,261	1,93,261	1,93,261	1,93,261
Net fixed assets	85,192	84,947	82,599	76,926	68,265
CWIP	0	0	0	0	0
Intangible assets	1,52,212	1,52,212	1,52,212	1,52,212	1,52,212
Deferred tax assets, net	1,664	1,664	1,664	1,664	1,664
Other assets	0	0	0	0	1
Total assets	8,07,959	9,83,373	10,13,442	10,56,774	11,13,315

Cash Flows

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Cash flow from operations	1,41,154	36,021	1,10,475	1,39,744	1,63,044
Capital expenditures	(39,531)	(26,000)	(28,000)	(28,000)	(28,000)
Change in investments	26,907	(1,450)	0	0	0
Other investing cash flows	15,824	10,932	8,334	7,621	6,751
Cash flow from investing	3,200	(16,518)	(19,666)	(20,379)	(21,249)
Equities issued/Others	(95,000)	0	(95,000)	(95,000)	(95,000)
Debt raised/repaid	0	0	0	0	0
Interest expenses	(3,335)	0	0	0	0
Dividends paid	(13,092)	(14,373)	(13,300)	(15,805)	(17,927)
Other financing cash flows	0	0	0	0	1
Cash flow from financing	(1,11,427)	(14,373)	(1,08,300)	(1,10,805)	(1,12,926)
Chg in cash & cash eq.	32,927	5,131	(17,491)	8,559	28,870
Closing cash & cash eq.	2,26,952	2,32,083	2,14,592	2,23,151	2,52,019

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
Reported EPS	19.7	21.6	20.1	23.9	27.2
Adjusted EPS	19.7	21.6	20.1	23.9	27.2
Dividend per share	2.0	2.2	2.0	2.4	2.7
Book value per share	100.4	119.4	120.7	124.5	131.1

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
EV/Sales	3.3	2.6	2.2	2.0	1.9
EV/EBITDA	14.3	12.4	12.5	10.7	9.5
Adjusted P/E	20.1	18.3	19.6	16.5	14.6
P/BV	3.9	3.3	3.3	3.2	3.0

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Tax burden (Net profit/PBT)	77.8	80.2	77.5	78.0	78.0
Interest burden (PBT/EBIT)	112.8	107.8	106.2	104.7	103.7
EBIT margin (EBIT/Revenue)	19.9	17.4	14.6	15.8	16.6
Asset turnover (Rev./Avg TA)	77.5	88.8	92.1	98.6	102.4
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.5	1.5	1.5
Adjusted ROAE	19.5	19.7	16.7	19.5	21.3

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Revenue	1.5	27.8	15.6	11.0	8.9
EBITDA	15.8	13.7	0.2	18.1	13.6
Adjusted EPS	18.1	9.8	(6.8)	18.8	13.4
Profitability & Return ratios (%)					
EBITDA margin	23.2	20.7	17.9	19.1	19.9
EBIT margin	19.9	17.4	14.6	15.8	16.6
Adjusted profit margin	17.5	15.0	12.0	12.9	13.4
Adjusted ROAE	19.5	19.7	16.7	19.5	21.3
ROCE	25.6	26.4	23.0	26.8	30.2

Working capital days (days)

Receivables	58	55	62	63	63
Inventory	1	2	3	3	3
Payables	118	95	88	91	93

Ratios (x)

Gross asset turnover	7.5	9.3	11.0	12.8	15.3
Current ratio	2.3	3.1	2.8	2.8	2.8
Net interest coverage ratio	7.8	12.6	16.1	21.1	27.3
Adjusted debt/equity	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

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