

On a roll

- **Expect a robust Q2FY22 for our IT services coverage marked by dollar revenue growth of 3-8% QoQ and 14-40% YoY**
- **Key monetizables this quarter include attrition and operating margin defense amid supply challenges**
- **Pandemic-induced technology refresh cycle underpins our optimistic sector view – prefer TCS, HCLT, TECHM, COFORGE**

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Expect a strong Q2: We expect robust growth for most of our IT coverage in Q2FY22, similar to that in Q1, as the demand environment remains buoyant. Accenture's (Y/E Aug, Not Rated) Q4FY21 revenue growth came in at the upper end of guidance and its FY22 outlook was upbeat at 12-15% (our [23Sep report](#) has details), hinting at a strong Q2 earnings season for Indian IT. For the top 5, we expect revenue growth in the range of 4-6% QoQ CC. Midsized tech players are likely to grow faster at 5.4-7.9% QoQ CC. USD appreciation against the GBP, EUR and AUD will translate into cross-currency headwinds for Indian players in Q2.

Supply challenges persist: Despite elevated growth, most companies saw margin headwinds in Q1FY22 due to increased supply pressure, with EBIT margin declining 110-120bps on average across our coverage. The sector continued to face persistent supply challenges in Q2 and hence hiring is likely to have ramped up. We forecast a mixed operating margin performance marked by sequential contraction for select companies due to wage hikes, and modest improvement for others. Coforge is projected to be an outlier with 250bps QoQ margin expansion.

Revenue guidance upgrades on the cards: We believe Infosys (INFO) could hike its FY22 revenue growth guidance to 15-17% from 14-16%. Coforge is likely to put out a stronger revenue outlook as well. Wipro (WPRO) could guide for 2-4% QoQ revenue growth for Q3. We do not anticipate any change in FY22 margin guidance.

Key factors to watch: (1) Attrition and operating margin defense amid supply challenges, (2) large deal wins, (3) indications of seasonality in H2FY22, (4) subcontracting expenses, and (5) demand commentary.

Maintain optimistic stance on Indian IT sector: We remain optimistic on the IT sector backed by broad-based demand. We tweak FY22-FY24 EPS estimates by -3% to +4% for our IT services coverage, bake in higher target multiples to account for an improved growth outlook over the next 3-4 years and accordingly revise our target prices by 0-35%. Tech Mahindra (TECHM, TP Rs 1,660) among large-caps and Coforge (TP Rs 6,930) among mid-caps are our preferred picks.

Recommendation snapshot

Ticker	Price	Target	Rating
COFORGE IN	5,338	6,930	BUY
ECLX IN	2,213	2,880	BUY
HCLT IN	1,279	1,530	BUY
INFO IN	1,679	2,020	BUY
LTI IN	5,738	6,780	BUY
MPHL IN	3,089	3,530	HOLD
MTCL IN	4,253	3,210	SELL
PSYS IN	3,714	3,560	HOLD
TCS IN	3,773	4,800	BUY
TECHM IN	1,399	1,660	BUY
WPRO IN	641	630	HOLD

Price & Target in Rupees | Price as of 4 Oct 2021



Other highlights

- **TCS:** TCS's main focus in FY22 will be to gain market share (similar to Accenture), as we believe it will continue to be the prime beneficiary of vendor consolidation. We expect revenue to grow 4% QoQ CC with a broad-based uptick across verticals. Recovery in the India and emerging market businesses which slowed in Q1FY22 will be a key monitorable.
- **Infosys:** Commencement of Daimler deal revenue from Q2FY22 will support revenue growth, whereas operating margin is likely to be hit by wage hikes. We see a possibility of revenue guidance revision to 15-17% vs. 14-16% with unchanged EBIT margin guidance at 22-24%.
- **Wipro:** Capco consolidation and Ampion acquisition will add ~300bps to inorganic revenue growth in Q2. We build in 3% QoQ CC organic revenue growth. Operating margin will bear a two-month wage hike impact (for senior management).
- **HCL Tech:** We expect 5.5% QoQ CC growth supported by ramp-up of recently won deals and revenue recovery after a Covid-hit Q1FY22. Margins should remain healthy aided by the absence of Covid-specific costs and upbeat growth. The company bagged three large deals in Q2 from the insurance, hi-tech and life-sciences verticals which will propel growth.
- **Tech Mahindra:** We expect TEHCM to report a performance similar to Q1 (+4.1% QoQ USD) with growth broad-based across verticals. Deal wins should track within the usual range of US\$ 400mn-500mn with a decent chunk coming from the communications vertical. The company did not make any large deal announcements during the quarter. We expect the BPO segment to do well due to the large contract signed in Q1.
- **L&T Infotech:** We estimate that LTI will grow 5.5% QoQ CC as the accelerated momentum continues from Q1. On the margin front, we model for a flattish QoQ performance due to back-to-back wage hikes in Q1 which will be gradually absorbed in Q2. Large deal wins will be a key focus area for LTI given their absence in Q1.
- **Mindtree:** We believe MTCL will perform the best among mid-caps with growth of 7.9% QoQ CC propelled by the RCM and CMT verticals. TTHL vertical recovery will also contribute to growth. Revenue from the L&T NxT acquisition is expected to flow through as well. Though supply-side headwinds remain, we expect EBITDA margin to remain healthy as MTCL strives to rein in rising subcontractor costs.
- **Coforge:** We model for robust 6.8% QoQ USD growth, in line with the guided 19% CC organic growth for FY22, driven by traction in BFSI and travel. Deal wins are likely to be ~US\$ 200mn-250mn, and EBITDA margin is projected at 18%.
- **Persistent Systems:** PSYS should perform well, growing at an estimated 7.4% QoQ USD in Q2, driven by traction in BFSI and better IP revenues. EBITDA margin is forecast at 16%.
- For **Mphasis** and **eClerx**, we expect QoQ USD growth of 4.9% and 5.1% respectively.

Fig 1 – BOBCAPS IT Services Universe: Q2FY22 estimates

Company	Revenue (US\$ mn)	US\$ Revenue growth		CC growth (QoQ)	EBIT margin (%)	EBIT (Rs mn)	EBIT growth (%)		EBIT margin chg (bps)		Net Profit (Rs mn)	Net Profit growth (%)	
		QoQ	YoY				QoQ	YoY	QoQ	YoY		QoQ	YoY
TCS	6,336	3.0	16.8	4.0	26.3	1,23,158	6.3	17.1	80	10	97,345	7.8	11.6
INFO	3,939	4.2	18.9	5.0	22.1	64,347	(2.5)	3.0	(160)	(332)	53,267	1.5	8.2
WPRO*	2,567	5.2	27.0	6.0	17.5	33,643	3.3	18.8	(30)	(120)	29,503	(8.9)	18.8
HCLT	2,847	4.7	13.6	5.5	20.6	43,416	10.4	8.1	100	(100)	33,551	3.8	6.4
TECHM	1,441	4.1	13.9	4.8	15.3	16,111	4.3	21.0	10	110	13,355	1.6	25.6
LTI	494	5.0	22.1	5.5	15.5	5,669	(0.2)	(4.8)	(90)	(440)	5,210	4.8	14.0
MPHL	383	4.9	16.4	5.4	16.8	4,752	11.3	21.1	90	60	3,678	8.3	22.9
MTCL	334	7.5	27.9	7.9	18.0	4,442	9.3	33.2	20	70	3,444	0.3	35.7
PSYS	179	7.4	31.6	7.8	13.1	1,744	4.7	43.2	(40)	105	1,412	(6.7)	38.5
COFORGE	213	6.8	37.7	7.4	15.0	2,375	29.4	49.6	250	127	2,007	36.4	64.2
ECLX	68	5.1	40.3	5.4	30.3	1,303	4.7	47.3	(20)	30	365	23.6	68.0

Source: BOBCAPS Research | *Refers to IT Services | CC – Constant Currency

Fig 2 – Tier-I deal wins in Q2FY22

Date	Company	Client	Geography	Vertical	Deal Description
23-Aug-21	HCLT	Munich Re	Europe	Insurance	To provide digital workplace services to Munich Re in 40 countries
24-Aug-21	INFO	UCAS	UK	Customer experience	New minimum three-year contract with UCAS, the admissions service for UK higher education
25-Aug-21	WPRO	E. ON	Germany	Energy and Utilities	To provide application & technology services for business-critical application portfolios, leveraging WPRO's experience and capability in providing flexible and efficient cost-saving solutions
26-Aug-21	INFO	Manitoba Public Insurance (MPI)	Canada	Insurance	To enable MPI, a Crown corporation that delivers auto insurance and driver services, to digitise driver licensing, vehicle registration, and international registration plan (IRP) services for over 900,000 Manitobans
9-Sep-21	TCS	TFL	London	Transportation	10-year deal with opportunity for 5-year extension
9-Sep-21	TCS	Avianca	US	Transportation/ Airline	To modernise Avianca's IT infrastructure and build a new future-ready cloud-based digital core on Microsoft Azure. TCS will help the airline migrate 129 core applications to the cloud and will also manage the new cloud estate
13-Sep-21	TCS	NXP Semiconductor	Netherlands	Semiconductor/ Hi-Tech/ Automotive	To drive NXP's integrated IT services strategy across applications, IT infrastructure and workplace services spanning enterprise, manufacturing and engineering functions. NXP Semiconductor works in automotive, industrial and IoT, mobile, and communication infrastructure markets
14-Sep-21	HCLT	HANCOM	South Korea	Hi-Tech	Strategic partnership to share advanced software technology solutions and establish a mutual bridgehead for overseas expansion. HCLT will support training for software development at HANCOM's R&D centre in India
14-Sep-21	HCLT	Genmab	Denmark	Life Sciences	Multi-year contract with biotech firm Genmab to support its IT infrastructure operations globally through a new future-proof digital foundation that spans hybrid cloud, cybersecurity, unified service management and digital workplace services
15-Sep-21	WPRO	Maxis Broadband	Malaysia	Hi-Tech	To enable new ways of working for application development and testing services and provide state-of-the-art cybersecurity services for Maxis
16-Sep-21	INFO	Frost Bank	US	BFSI	To launch new mortgage products for Frost Bank
20-Sep-21	HCLT	MKS Instruments	UK	Industrial/ Manufacturing	5-year deal to enhance MKS's end-user experience by automating operations and migrating it toward a hybrid cloud journey

Date	Company	Client	Geography	Vertical	Deal Description
21-Sep-21	HCLT	Lendico	Germany	BFSI	A multi-year application services transformation partnership with Lendico, a brand of ING Germany, to deliver application and engineering services to help it create a state-of-the-art digital platform
28-Sep-21	TCS	NORD Bank	Germany	BFSI	5-year IT transformation deal with German bank NORD/LB which has embarked on a transformation journey that targets a new business model by 2024, and a leaner, more agile operating model
28-Sep-21	TCS	Israeli Bank	Israel	BFSI	Israel's first fully digital bank has partnered with TCS as the first customer of its Banking Service Bureau, powered by TCS BaNCS
30-Sep-21	HCLT	Proximus Group	Belgium	Telecom	To run Belgian telco Proximus Group's private cloud infrastructure and support the transition of Proximus' Enterprise Business Unit 'towards a hybrid cloud solution provider'.
30-Sep-21	TCS	MCX	India	BFSI	As part of Project Udaan, TCS will help MCX (Multi Commodity Exchange) build a new technology core, transforming its trading as well as post-trade functions. TCS will design and deploy an ultra-low latency, high availability, high resilience and high-performance solution that integrates multiple systems to transform MCX's operations end-to-end
30-Sep-21	TECHM	DSCI	India	Cyber Security	TECHM has partnered with the Cybersecurity Centre of Excellence, part of Data Security Council of India (CCoE-DSCI,) to drive the cybersecurity innovation ecosystem in India

Source: BOBCAPS Research, Company

Fig 3 – Earnings and Target price revisions

(Rs)	FY22E EPS			FY23E EPS			FY24E EPS			Target P/E multiple (x)		Target Price	
	Old	New	Change (%)	Old	New	Change (%)	Old	New	Change (%)	Old	New	Old	New
TCS	109.8	106.4	(3.1)	127.0	124.4	(2.0)	145.4	140.9	(3.1)	31.5	36.5	4,270	4,800
INFO	54.1	53.4	(1.4)	61.1	60.1	(1.8)	67.0	65.8	(1.7)	31.5	32.0	2,020	2,020
WPRO	23.5	23.3	(1.1)	27.1	26.9	(0.7)	29.4	29.2	(0.8)	21.7	22.5	620	630
HCLT	51.8	52.1	0.6	59.0	59.5	0.8	64.6	65.1	0.8	22.0	24.6	1,360	1,530
TECHM	66.6	66.8	0.2	77.9	78.1	0.3	89.7	90.0	0.3	20.0	20.0	1,660	1,660
LTI	134.1	132.1	(1.5)	158.4	159.7	0.8	181.8	183.4	0.8	35.0	39.5	5,960	6,780
MPHL	79.4	79.7	0.4	92.0	93.2	1.3	109.3	110.5	1.1	30.0	35.0	3,020	3,530
MTCL	87.7	90.3	2.9	93.9	97.9	4.3	112.2	117.0	4.3	23.4	30.0	2,400	3,210
PSYS	74.0	74.0	0.0	91.4	91.5	0.0	104.2	104.2	0.0	30.0	35.0	3,050	3,560
COFORGE	133.0	130.9	(1.6)	176.9	176.8	0.0	221.4	221.4	0.0	30.0	35.0	5,860	6,930
ECLX	122.5	122.7	0.1	143.6	143.6	0.0	157.2	157.2	0.0	19.5	19.5	2,880	2,880

Source: BOBCAPS Research

Stock performance

Fig 4 – COFORGE

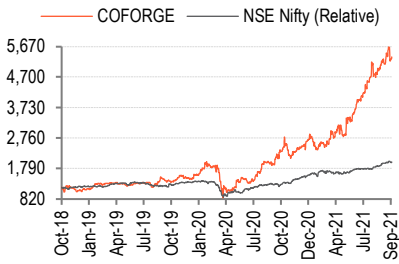


Fig 5 – ECLX

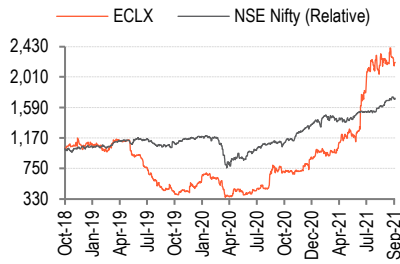


Fig 6 – HCLT

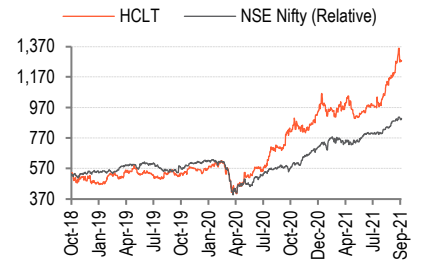


Fig 7 – INFO

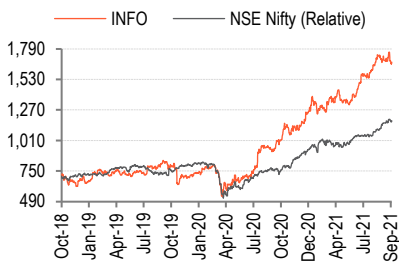


Fig 8 – LTI

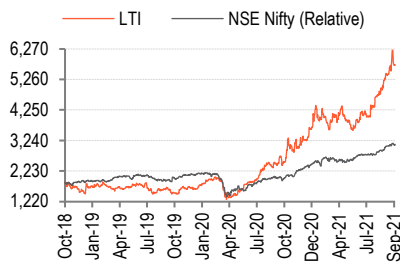


Fig 9 – MPHL

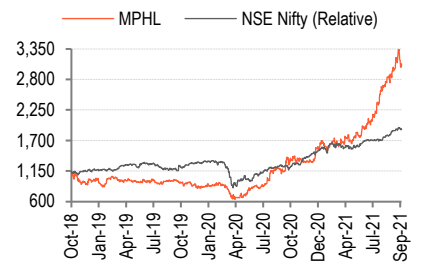


Fig 10 – MTCL

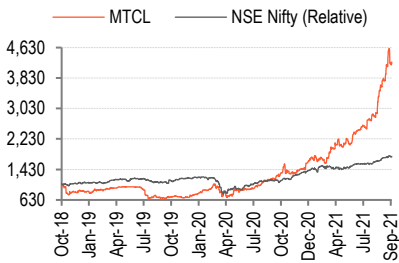


Fig 11 – PSYS

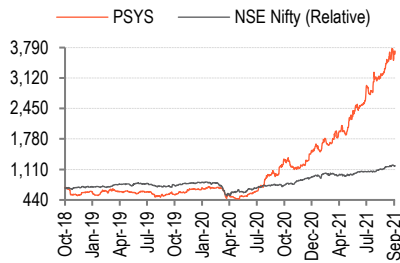


Fig 12 – TCS

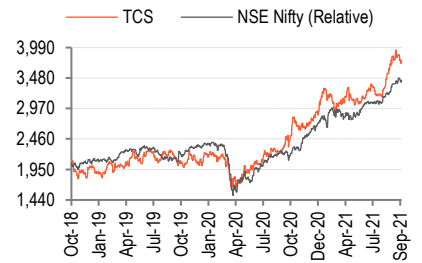


Fig 13 – TECHM

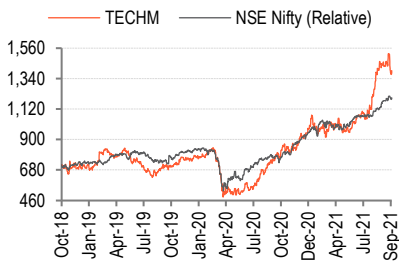
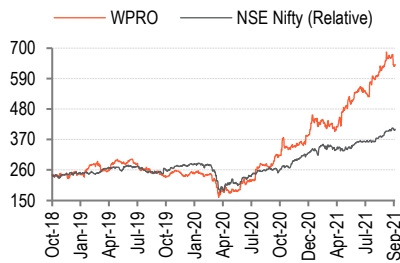


Fig 14 – WPRO



Source: NSE

Financials

Financials – COFORGE

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	41,839	46,628	64,635	78,938	93,680
EBITDA	7,431	7,911	11,963	15,313	18,454
Depreciation	1,730	1,836	1,931	2,028	2,180
EBIT	5,701	6,075	10,031	13,285	16,274
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	462	113	548	1,104	1,540
Exceptional items	0	0	0	0	0
EBT	5,978	5,962	10,579	14,389	17,814
Income taxes	1,203	1,302	2,145	3,022	3,741
Extraordinary items	185	226	0	0	0
Min. int./Inc. from assoc.	236	104	485	628	628
Reported net profit	4,539	4,556	7,949	10,739	13,445
Adjustments	0	0	0	0	0
Adjusted net profit	4,539	4,556	7,949	10,739	13,445

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	7,526	6,238	11,337	13,806	16,350
Provisions	922	921	6,375	7,786	9,240
Debt funds	0	0	0	0	0
Other liabilities	387	295	295	295	295
Equity capital	625	606	606	606	606
Reserves & surplus	23,340	24,285	28,407	34,605	42,206
Shareholders' fund	23,965	24,891	29,013	35,211	42,812
Total liab. and equities	32,800	32,345	47,021	57,098	68,697
Cash and cash eq.	8,195	7,999	13,972	20,924	29,422
Accounts receivables	5,672	5,911	12,927	15,788	18,736
Inventories	3	3	3	3	3
Other current assets	3,976	4,398	7,016	8,309	9,642
Investments	3,651	3,013	3,013	3,013	3,013
Net fixed assets	10,001	9,592	8,661	7,632	6,452
CWIP	0	0	0	0	0
Intangible assets	0	0	0	0	0
Deferred tax assets, net	1,302	1,429	1,429	1,429	1,429
Other assets	0	0	0	0	0
Total assets	32,800	32,345	47,021	57,098	68,697

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	3,601	9,157	10,252	12,017	14,430
Capital expenditures	(703)	(757)	(1,000)	(1,000)	(1,000)
Change in investments	3,702	21	0	0	0
Other investing cash flows	(1,041)	(1,552)	548	1,104	1,540
Cash flow from investing	1,958	(2,288)	(452)	104	540
Equities issued/Others	275	(4,148)	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(1,469)	(686)	(3,827)	(5,170)	(6,472)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,194)	(4,834)	(3,827)	(5,170)	(6,472)
Chg in cash & cash eq.	4,365	2,035	5,973	6,952	8,498
Closing cash & cash eq.	8,197	7,999	13,972	20,924	29,422

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	72.9	75.0	130.9	176.8	221.4
Adjusted EPS	72.9	75.0	130.9	176.8	221.4
Dividend per share	10.0	24.8	52.4	70.7	88.6
Book value per share	384.8	399.7	465.9	565.4	687.5

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	7.8	7.0	5.0	4.1	3.4
EV/EBITDA	44.1	41.2	27.1	21.0	17.1
Adjusted P/E	73.2	71.2	40.8	30.2	24.1
P/BV	13.9	13.4	11.5	9.4	7.8

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	75.9	76.4	75.1	74.6	75.5
Interest burden (PBT/EBIT)	104.9	98.1	105.5	108.3	109.5
EBIT margin (EBIT/Revenue)	13.6	13.0	15.5	16.8	17.4
Asset turnover (Rev./Avg TA)	138.5	143.2	162.9	151.6	148.9
Leverage (Avg TA/Avg Equity)	1.4	1.3	1.5	1.6	1.6
Adjusted ROAE	20.3	18.6	29.5	33.4	34.5

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	13.8	11.4	38.6	22.1	18.7
EBITDA	15.2	6.5	51.2	28.0	20.5
Adjusted EPS	10.1	2.9	74.5	35.1	25.2

Profitability & Return ratios (%)

EBITDA margin	17.8	17.0	18.5	19.4	19.7
EBIT margin	13.6	13.0	15.5	16.8	17.4
Adjusted profit margin	10.8	9.8	12.3	13.6	14.4
Adjusted ROAE	20.3	18.6	29.5	33.4	34.5
ROCE	17.7	18.2	30.8	44.3	57.5

Working capital days (days)

Receivables	48	45	53	66	67
Inventory	0	0	0	0	0
Payables	90	83	117	136	135

Ratios (x)

Gross asset turnover	4.6	4.8	7.1	9.7	13.3
Current ratio	2.3	2.6	1.9	2.1	2.3
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.3)	(0.3)	(0.5)	(0.6)	(0.7)

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

Financials – ECLX

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	14,376	15,644	20,754	23,831	26,189
EBITDA	3,249	4,642	6,489	7,522	8,246
Depreciation	710	816	936	989	1,154
EBIT	2,539	3,826	5,553	6,532	7,093
Net interest inc./(exp.)	(188)	(203)	(204)	(200)	(200)
Other inc./(exp.)	452	182	373	433	512
Exceptional items	0	0	(57)	0	0
EBT	2,803	3,806	5,666	6,766	7,405
Income taxes	715	978	1,497	1,827	1,999
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	7	0	0
Reported net profit	2,087	2,828	4,162	4,939	5,406
Adjustments	0	0	0	0	0
Adjusted net profit	2,087	2,828	4,162	4,939	5,406

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	2,058	2,143	2,843	3,264	3,588
Provisions	197	86	114	131	144
Debt funds	63	63	63	63	63
Other liabilities	129	129	129	129	129
Equity capital	358	358	358	358	358
Reserves & surplus	12,706	16,870	18,501	20,468	22,620
Shareholders' fund	13,065	17,228	18,859	20,826	22,979
Total liab. and equities	15,513	19,650	22,009	24,414	26,903
Cash and cash eq.	3,345	3,418	4,299	5,878	7,874
Accounts receivables	2,378	2,572	3,412	3,917	4,305
Inventories	0	0	0	0	0
Other current assets	1,520	2,786	3,696	4,244	4,664
Investments	4,368	7,139	7,139	7,139	7,139
Net fixed assets	1,246	1,079	807	580	264
CWIP	2	150	150	150	150
Intangible assets	2,272	2,272	2,272	2,272	2,272
Deferred tax assets, net	384	384	384	384	384
Other assets	0	0	0	0	0
Total assets	15,513	19,650	22,009	24,414	26,903

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	4,640	2,178	3,914	5,080	5,775
Capital expenditures	(135)	(501)	(664)	(763)	(838)
Change in investments	0	(2,516)	0	0	0
Other investing cash flows	264	(21)	169	233	312
Cash flow from investing	128	(3,037)	(495)	(529)	(526)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(45)	(1,702)	(2,539)	(2,972)	(3,253)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(45)	(1,702)	(2,539)	(2,972)	(3,253)
Chg in cash & cash eq.	4,723	(2,561)	881	1,579	1,997
Closing cash & cash eq.	5,979	3,418	4,299	5,878	7,874

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	55.5	82.8	121.0	143.6	157.2
Adjusted EPS	55.5	82.8	121.0	143.6	157.2
Dividend per share	1.0	41.8	62.0	72.6	79.4
Book value per share	347.1	457.7	501.0	553.3	610.5

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	5.6	5.1	3.8	3.3	3.0
EV/EBITDA	24.8	17.2	12.1	10.6	9.5
Adjusted P/E	39.9	26.7	18.3	15.4	14.1
P/BV	6.4	4.8	4.4	4.0	3.6

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	74.5	74.3	73.5	73.0	73.0
Interest burden (PBT/EBIT)	110.4	99.5	102.0	103.6	104.4
EBIT margin (EBIT/Revenue)	17.7	24.5	26.8	27.4	27.1
Asset turnover (Rev./Avg TA)	91.2	89.0	99.6	102.7	102.1
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.2	1.2	1.2
Adjusted ROAE	15.5	18.7	23.1	24.9	24.7

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	0.5	8.8	32.7	14.8	9.9
EBITDA	5.1	42.9	39.8	15.9	9.6
Adjusted EPS	(7.7)	49.4	46.1	18.7	9.4
Profitability & Return ratios (%)					
EBITDA margin	22.6	29.7	31.3	31.6	31.5
EBIT margin	17.7	24.5	26.8	27.4	27.1
Adjusted profit margin	14.5	18.1	20.1	20.7	20.6
Adjusted ROAE	15.5	18.7	23.1	24.9	24.7
ROCE	26.1	31.9	38.5	43.6	46.5
Working capital days (days)					
Receivables	61	58	53	56	57
Inventory	0	0	0	0	0
Payables	66	70	64	68	70
Ratios (x)					
Gross asset turnover	11.3	13.5	22.0	34.4	62.0
Current ratio	3.2	3.9	3.9	4.1	4.5
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)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	7,06,780	7,53,790	8,67,554	9,92,422	10,95,318
EBITDA	1,66,930	2,00,560	2,21,424	2,57,178	2,76,926
Depreciation	28,400	39,850	40,845	49,417	51,216
EBIT	1,38,530	1,60,710	1,80,579	2,07,762	2,25,709
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	1,790	6,580	4,108	5,966	8,121
Exceptional items	0	0	0	0	0
EBT	1,40,320	1,67,290	1,84,688	2,13,728	2,33,830
Income taxes	29,380	36,630	43,365	52,363	57,288
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	1,10,940	1,30,660	1,41,323	1,61,365	1,76,542
Adjustments	0	0	0	0	0
Adjusted net profit	1,10,940	1,30,660	1,41,323	1,61,365	1,76,542

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	2,59,090	2,17,050	3,03,644	3,47,348	3,83,361
Provisions	0	0	17,351	19,848	21,906
Debt funds	50,930	39,070	39,070	39,070	39,070
Other liabilities	5,280	5,850	5,850	5,850	5,850
Equity capital	2,812	2,812	2,812	2,812	2,812
Reserves & surplus	5,14,048	6,12,248	6,85,566	7,69,282	8,60,872
Shareholders' fund	5,22,140	6,20,910	6,94,228	7,77,944	8,69,534
Total liab. and equities	8,32,160	8,77,030	10,54,293	11,84,210	13,13,872
Cash and cash eq.	48,430	65,150	1,92,644	2,83,570	3,83,510
Accounts receivables	1,77,720	1,75,250	2,13,918	2,44,707	2,70,078
Inventories	0	0	0	0	0
Other current assets	79,030	74,290	86,755	99,242	1,09,532
Investments	1,05,680	1,40,220	1,68,264	1,85,090	2,03,599
Net fixed assets	62,440	62,450	40,484	10,631	(21,021)
CWIP	0	0	0	0	0
Intangible assets	2,94,210	2,91,500	2,91,500	2,91,500	2,91,500
Deferred tax assets, net	0	0	0	0	0
Other assets	64,650	68,170	60,729	69,470	76,672
Total assets	8,32,160	8,77,030	10,54,293	11,84,210	13,13,871

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	1,43,665	78,334	2,38,313	1,98,999	2,14,845
Capital expenditures	(1,50,090)	(39,860)	(18,878)	(19,564)	(19,564)
Change in investments	47,160	34,540	28,044	16,826	18,509
Other investing cash flows	1,790	6,580	(51,981)	(27,687)	(28,897)
Cash flow from investing	(1,01,140)	1,260	(42,815)	(30,425)	(29,952)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(53,384)	(62,874)	(68,004)	(77,649)	(84,952)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(53,384)	(62,874)	(68,004)	(77,649)	(84,952)
Chg in cash & cash eq.	(10,859)	16,720	1,27,493	90,926	99,941
Closing cash & cash eq.	48,430	65,151	1,92,644	2,83,570	3,83,510

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	40.9	48.1	52.1	59.5	65.1
Adjusted EPS	40.9	48.1	52.1	59.5	65.1
Dividend per share	16.4	19.3	20.8	23.8	26.0
Book value per share	192.4	228.8	255.8	286.7	320.4

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	4.9	4.6	4.0	3.4	3.0
EV/EBITDA	20.7	17.3	15.6	13.1	11.8
Adjusted P/E	31.3	26.6	24.6	21.5	19.7
P/BV	6.6	5.6	5.0	4.5	4.0

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	79.1	78.1	76.5	75.5	75.5
Interest burden (PBT/EBIT)	101.3	104.1	102.3	102.9	103.6
EBIT margin (EBIT/Revenue)	19.6	21.3	20.8	20.9	20.6
Asset turnover (Rev./Avg TA)	99.5	88.2	89.8	88.7	87.7
Leverage (Avg TA/Avg Equity)	1.5	1.5	1.5	1.5	1.5
Adjusted ROAE	23.5	22.9	21.5	21.9	21.4

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	17.0	6.7	15.1	14.4	10.4
EBITDA	19.2	20.1	10.4	16.1	7.7
Adjusted EPS	11.5	17.8	8.2	14.2	9.4
Profitability & Return ratios (%)					
EBITDA margin	23.6	26.6	25.5	25.9	25.3
EBIT margin	19.6	21.3	20.8	20.9	20.6
Adjusted profit margin	15.7	17.3	16.3	16.3	16.1
Adjusted ROAE	23.5	22.9	21.5	21.9	21.4
ROCE	23.4	22.2	24.1	28.9	31.8
Working capital days (days)					
Receivables	84	85	82	84	86
Inventory	0	0	0	0	0
Payables	130	157	147	162	163
Ratios (x)					
Gross asset turnover	7.3	12.1	16.9	38.8	(210.8)
Current ratio	1.4	1.8	1.7	1.9	2.1
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	0.0	(0.2)	(0.3)	(0.4)

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

Financials – INFO

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	9,07,910	10,04,730	11,83,003	13,62,929	14,82,115
EBITDA	2,22,680	2,79,350	3,09,550	3,57,942	3,89,201
Depreciation	28,930	32,680	33,586	36,583	39,447
EBIT	1,93,750	2,46,670	2,75,964	3,21,359	3,49,755
Net interest inc./(exp.)	16,120	16,150	24,253	14,902	18,819
Other inc./(exp.)	28,030	19,960	32,593	24,902	29,619
Exceptional items	0	0	0	0	0
EBT	2,21,780	2,66,630	3,08,557	3,46,261	3,79,373
Income taxes	53,680	72,050	83,685	93,491	1,02,431
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	750	590	60	0	0
Reported net profit	1,67,350	1,93,990	2,24,812	2,52,771	2,76,943
Adjustments	0	0	0	0	0
Adjusted net profit	1,67,350	1,93,990	2,24,812	2,52,771	2,76,943

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	2,63,520	3,08,910	2,49,565	2,87,522	3,12,665
Provisions	5,720	7,130	9,723	11,202	12,182
Debt funds	0	0	0	0	0
Other liabilities	0	0	0	0	0
Equity capital	21,220	21,240	21,240	21,240	21,240
Reserves & surplus	6,37,220	7,46,580	7,44,111	8,44,777	9,55,070
Shareholders' fund	6,58,440	7,67,820	7,65,351	8,66,017	9,76,310
Total liab. and equities	9,27,680	10,83,860	10,24,639	11,64,741	13,01,157
Cash and cash eq.	1,86,490	2,47,140	81,277	1,41,528	2,27,464
Accounts receivables	1,84,870	1,92,940	2,43,083	2,80,054	3,04,544
Inventories	0	0	0	0	0
Other current assets	71,210	75,270	81,028	93,351	1,01,515
Investments	87,920	1,47,990	1,47,990	1,47,990	1,47,990
Net fixed assets	2,50,530	2,65,680	2,65,816	2,66,796	2,65,029
CWIP	41,680	47,940	47,940	47,940	47,940
Intangible assets	0	0	0	0	0
Deferred tax assets, net	17,440	10,980	10,980	10,980	10,980
Other assets	1,29,220	1,43,860	1,94,466	2,24,043	2,43,635
Total assets	9,27,680	10,83,860	10,24,639	11,64,741	13,01,157

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	2,55,638	2,27,791	62,547	2,25,016	2,60,648
Capital expenditures	(88,220)	(41,570)	(33,723)	(37,562)	(37,680)
Change in investments	0	(28,798)	0	0	0
Other investing cash flows	28,030	19,960	32,593	24,902	29,619
Cash flow from investing	(60,190)	(50,408)	(1,130)	(12,660)	(8,061)
Equities issued/Others	(73,287)	0	(92,000)	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(1,00,703)	(1,16,733)	(1,35,280)	(1,52,105)	(1,66,650)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,73,990)	(1,16,733)	(2,27,280)	(1,52,105)	(1,66,650)
Chg in cash & cash eq.	21,458	60,650	(1,65,863)	60,251	85,936
Closing cash & cash eq.	1,86,490	2,47,140	81,277	1,41,528	2,27,464

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	39.0	45.5	53.4	60.1	65.8
Adjusted EPS	39.0	45.5	53.4	60.1	65.8
Dividend per share	19.5	22.8	26.7	30.1	32.9
Book value per share	153.5	180.2	181.8	205.7	231.9

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	7.7	6.9	5.9	5.1	4.7
EV/EBITDA	31.3	25.0	22.4	19.5	18.1
Adjusted P/E	43.0	36.9	31.4	28.0	25.5
P/BV	10.9	9.3	9.2	8.2	7.2

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	75.5	72.8	72.9	73.0	73.0
Interest burden (PBT/EBIT)	114.5	108.1	111.8	107.7	108.5
EBIT margin (EBIT/Revenue)	21.3	24.6	23.3	23.6	23.6
Asset turnover (Rev./Avg TA)	106.3	99.9	112.2	124.5	120.2
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.4	1.3	1.3
Adjusted ROAE	26.5	27.2	29.3	31.0	30.1

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	9.8	10.7	17.7	15.2	8.7
EBITDA	6.6	25.4	10.8	15.6	8.7
Adjusted EPS	10.3	16.7	17.3	12.4	9.6
Profitability & Return ratios (%)					
EBITDA margin	24.5	27.8	26.2	26.3	26.3
EBIT margin	21.3	24.6	23.3	23.6	23.6
Adjusted profit margin	18.4	19.3	19.0	18.5	18.7
Adjusted ROAE	26.5	27.2	29.3	31.0	30.1
ROCE	32.1	36.3	33.4	33.3	34.7
Working capital days (days)					
Receivables	65	69	67	70	72
Inventory	0	0	0	0	0
Payables	115	144	117	98	100
Ratios (x)					
Gross asset turnover	4.5	3.9	4.5	5.1	5.6
Current ratio	2.1	2.1	2.3	2.5	2.7
Net interest coverage ratio	12.0	15.3	11.4	21.6	18.6
Adjusted debt/equity	(0.3)	(0.3)	(0.1)	(0.2)	(0.2)

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

Financials – LTI

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	1,08,786	1,23,698	1,53,028	1,85,909	2,13,799
EBITDA	20,291	27,253	30,591	38,759	44,616
Depreciation	2,731	3,325	3,518	4,276	4,917
EBIT	17,560	23,928	27,073	34,483	39,698
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	2,463	1,955	4,098	3,136	3,491
Exceptional items	0	0	0	0	0
EBT	20,023	25,883	31,171	37,620	43,189
Income taxes	4,825	6,500	7,988	9,593	11,013
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	15,198	19,383	23,184	28,027	32,176
Adjustments	0	0	0	0	0
Adjusted net profit	15,198	19,383	23,184	28,027	32,176

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	23,618	23,175	28,670	34,830	40,056
Provisions	2,908	3,956	4,894	5,946	6,838
Debt funds	7,571	6,854	6,854	6,854	6,854
Other liabilities	101	35	35	35	35
Equity capital	174	175	175	175	175
Reserves & surplus	53,877	72,896	86,310	1,02,526	1,21,143
Shareholders' fund	54,051	73,071	86,485	1,02,701	1,21,318
Total liab. and equities	88,249	1,07,091	1,26,938	1,50,366	1,75,101
Cash and cash eq.	5,252	7,594	15,979	26,845	40,531
Accounts receivables	27,541	26,906	37,733	45,841	52,718
Inventories	0	0	0	0	0
Other current assets	10,442	15,111	14,674	17,827	20,501
Investments	22,186	36,282	36,282	36,282	36,282
Net fixed assets	19,788	19,722	20,795	22,096	23,593
CWIP	0	0	0	0	0
Intangible assets	1,316	2,667	2,667	2,667	2,667
Deferred tax assets, net	3,039	1,476	1,476	1,476	1,476
Other assets	0	0	0	0	0
Total assets	88,248	1,07,091	1,26,938	1,50,366	1,75,101

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	16,273	17,700	20,730	25,529	30,283
Capital expenditures	(5,480)	(3,379)	(4,591)	(5,577)	(6,414)
Change in investments	0	(5,390)	0	0	0
Other investing cash flows	(3,287)	1,862	2,015	2,724	3,376
Cash flow from investing	(8,767)	(6,907)	(2,576)	(2,853)	(3,038)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(6,404)	(8,451)	(9,770)	(11,810)	(13,559)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(6,404)	(8,451)	(9,770)	(11,810)	(13,559)
Chg in cash & cash eq.	1,102	2,342	8,385	10,866	13,686
Closing cash & cash eq.	5,252	7,594	15,979	26,845	40,531

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	86.4	110.5	132.1	159.7	183.4
Adjusted EPS	86.4	110.5	132.1	159.7	183.4
Dividend per share	30.2	40.0	46.2	55.9	64.2
Book value per share	307.3	416.4	492.8	585.2	691.3

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	9.2	8.1	6.6	5.4	4.6
EV/EBITDA	49.4	36.9	32.9	25.9	22.2
Adjusted P/E	66.4	52.0	43.4	35.9	31.3
P/BV	18.7	13.8	11.6	9.8	8.3

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	75.9	74.9	74.4	74.5	74.5
Interest burden (PBT/EBIT)	114.0	108.2	115.1	109.1	108.8
EBIT margin (EBIT/Revenue)	16.1	19.3	17.7	18.5	18.6
Asset turnover (Rev./Avg TA)	140.4	126.6	130.8	134.1	131.4
Leverage (Avg TA/Avg Equity)	1.5	1.5	1.5	1.5	1.5
Adjusted ROAE	29.5	30.5	29.1	29.6	28.7

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	15.2	13.7	23.7	21.5	15.0
EBITDA	7.7	34.3	12.2	26.7	15.1
Adjusted EPS	0.0	27.8	19.6	20.9	14.8
Profitability & Return ratios (%)					
EBITDA margin	18.7	22.0	20.0	20.8	20.9
EBIT margin	16.1	19.3	17.7	18.5	18.6
Adjusted profit margin	14.0	15.7	15.2	15.1	15.0
Adjusted ROAE	29.5	30.5	29.1	29.6	28.7
ROCE	34.7	37.1	36.2	43.1	46.6
Working capital days (days)					
Receivables	86	80	77	82	84
Inventory	0	0	0	0	0
Payables	11	13	13	13	14
Ratios (x)					
Gross asset turnover	7.8	6.3	7.6	8.7	9.4
Current ratio	1.6	1.8	2.0	2.2	2.4
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	0.0	(0.1)	(0.2)	(0.3)

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

Financials – MPHL

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21E	FY22E	FY23E	FY24E
Total revenue	88,436	97,223	1,17,346	1,37,839	1,56,621
EBITDA	16,505	18,028	22,242	26,175	30,246
Depreciation	2,317	2,418	2,994	3,696	3,698
EBIT	14,188	15,610	19,248	22,479	26,547
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	967	696	590	652	872
Exceptional items	0	0	0	0	0
EBT	15,155	16,306	19,838	23,132	27,420
Income taxes	3,306	4,139	4,999	5,783	6,855
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	11,849	12,167	14,840	17,349	20,565
Adjustments	0	0	0	0	0
Adjusted net profit	11,849	12,167	14,840	17,349	20,565

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21E	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	12,769	11,927	17,682	20,770	23,600
Provisions	2,242	3,494	4,822	5,665	6,436
Debt funds	12,955	11,811	11,811	11,811	11,811
Other liabilities	137	343	343	343	343
Equity capital	1,865	1,870	1,870	1,870	1,870
Reserves & surplus	56,431	63,398	68,411	74,271	81,218
Shareholders' fund	58,296	65,268	70,281	76,141	83,088
Total liab. and equities	86,399	92,843	1,04,940	1,14,730	1,25,279
Cash and cash eq.	11,484	11,310	16,038	20,438	25,904
Accounts receivables	7,217	8,147	9,645	11,329	12,873
Inventories	0	0	0	0	0
Other current assets	21,596	23,437	30,542	35,876	40,764
Investments	13,257	18,460	18,460	18,460	18,460
Net fixed assets	8,730	8,870	7,636	6,008	4,659
CWIP	553	31	31	31	31
Intangible assets	21,405	21,326	21,326	21,326	21,326
Deferred tax assets, net	2,157	1,261	1,261	1,261	1,261
Other assets	0	0	0	0	0
Total assets	86,399	92,842	1,04,939	1,14,729	1,25,278

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21E	FY22E	FY23E	FY24E
Cash flow from operations	13,710	11,528	15,725	17,304	20,561
Capital expenditures	(1,243)	(1,477)	(1,760)	(2,068)	(2,349)
Change in investments	1,552	3,702	0	0	0
Other investing cash flows	2,182	696	590	652	872
Cash flow from investing	2,491	2,921	(1,170)	(1,415)	(1,477)
Equities issued/Others	151	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(2,333)	0	0	0	0
Dividends paid	(6,065)	(14,623)	(9,827)	(11,488)	(13,618)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(8,247)	(14,623)	(9,827)	(11,488)	(13,618)
Chg in cash & cash eq.	7,954	(174)	4,728	4,401	5,466
Closing cash & cash eq.	11,484	11,310	16,038	20,438	25,904

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21E	FY22E	FY23E	FY24E
Reported EPS	63.7	65.4	79.7	93.2	110.5
Adjusted EPS	63.7	65.4	79.7	93.2	110.5
Dividend per share	35.0	65.0	43.7	51.1	60.5
Book value per share	313.2	350.6	377.5	409.0	446.3

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21E	FY22E	FY23E	FY24E
EV/Sales	6.5	5.9	4.9	4.2	3.6
EV/EBITDA	34.8	31.9	25.9	21.9	18.8
Adjusted P/E	48.5	47.3	38.7	33.1	28.0
P/BV	9.9	8.8	8.2	7.6	6.9

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21E	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	78.2	74.6	74.8	75.0	75.0
Interest burden (PBT/EBIT)	106.8	104.5	103.1	102.9	103.3
EBIT margin (EBIT/Revenue)	16.0	16.1	16.4	16.3	17.0
Asset turnover (Rev./Avg TA)	111.1	108.5	118.7	125.5	130.5
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.5	1.5	1.5
Adjusted ROAE	21.4	19.7	21.9	23.7	25.8

Ratio Analysis

Y/E 31 Mar	FY20A	FY21E	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	14.4	9.9	20.7	17.5	13.6
EBITDA	24.7	9.2	23.4	17.7	15.6
Adjusted EPS	10.4	2.7	22.0	16.9	18.5
Profitability & Return ratios (%)					
EBITDA margin	18.7	18.5	19.0	19.0	19.3
EBIT margin	16.0	16.1	16.4	16.3	17.0
Adjusted profit margin	13.4	12.5	12.6	12.6	13.1
Adjusted ROAE	21.4	19.7	21.9	23.7	25.8
ROCE	19.9	18.5	21.7	25.1	29.0
Working capital days (days)					
Receivables	33	29	28	28	28
Inventory	0	0	0	0	0
Payables	70	63	68	74	73
Ratios (x)					
Gross asset turnover	16.3	11.0	14.2	20.2	29.4
Current ratio	2.7	2.8	2.5	2.6	2.6
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	0.0	(0.1)	(0.1)	(0.2)

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

Financials – MTCL

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	77,643	79,678	1,01,176	1,17,426	1,31,320
EBITDA	10,623	16,426	21,174	23,782	27,923
Depreciation	2,754	2,596	2,315	2,581	2,857
EBIT	7,869	13,830	18,859	21,200	25,066
Net interest inc./(exp.)	(529)	(504)	(519)	(600)	(640)
Other inc./(exp.)	948	1,656	1,650	1,482	1,955
Exceptional items	0	0	0	0	0
EBT	8,288	14,982	19,990	22,083	26,381
Income taxes	1,979	3,879	5,129	5,962	7,123
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	6,309	11,103	14,861	16,120	19,258
Adjustments	0	0	0	0	0
Adjusted net profit	6,309	11,103	14,861	16,120	19,258

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	17,690	17,914	24,947	28,954	32,380
Provisions	2,304	2,510	2,218	2,574	2,878
Debt funds	0	0	0	0	0
Other liabilities	0	0	0	0	0
Equity capital	1,642	1,647	1,647	1,647	1,647
Reserves & surplus	29,926	41,547	48,612	57,942	69,088
Shareholders' fund	31,568	43,194	50,259	59,589	70,735
Total liab. and equities	51,562	63,618	77,424	91,117	1,05,994
Cash and cash eq.	5,870	7,597	13,590	23,401	35,382
Accounts receivables	14,389	12,742	19,404	22,520	25,185
Inventories	0	0	0	0	0
Other current assets	5,107	4,910	6,930	8,043	8,994
Investments	7,748	20,468	20,468	20,468	20,468
Net fixed assets	13,469	13,993	12,520	11,504	10,213
CWIP	136	224	224	224	224
Intangible assets	4,732	4,732	4,732	4,732	4,732
Deferred tax assets, net	1,835	355	355	355	355
Other assets	3,148	3,553	4,158	4,826	5,397
Total assets	51,566	63,618	77,424	91,117	1,05,994

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	7,754	5,557	12,631	17,285	20,343
Capital expenditures	(1,496)	(305)	(1,511)	(1,565)	(1,565)
Change in investments	0	0	0	0	0
Other investing cash flows	419	1,152	1,131	882	1,315
Cash flow from investing	(1,077)	847	(380)	(683)	(250)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(3,369)	(4,677)	(6,260)	(6,790)	(8,112)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(3,369)	(4,677)	(6,260)	(6,790)	(8,112)
Chg in cash & cash eq.	3,308	1,727	5,992	9,812	11,981
Closing cash & cash eq.	5,870	7,598	13,590	23,401	35,382

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	38.3	67.4	90.3	97.9	117.0
Adjusted EPS	38.3	67.4	90.3	97.9	117.0
Dividend per share	17.0	23.6	31.6	34.3	40.9
Book value per share	191.7	262.3	305.3	361.9	429.6

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	9.0	8.7	6.9	5.9	5.2
EV/EBITDA	65.8	42.4	32.8	29.0	24.4
Adjusted P/E	111.0	63.1	47.1	43.4	36.4
P/BV	22.2	16.2	13.9	11.8	9.9

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	76.1	74.1	74.3	73.0	73.0
Interest burden (PBT/EBIT)	105.3	108.3	106.0	104.2	105.2
EBIT margin (EBIT/Revenue)	10.1	17.4	18.6	18.1	19.1
Asset turnover (Rev./Avg TA)	166.3	138.3	143.5	139.3	133.2
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.5	1.5	1.5
Adjusted ROAE	19.5	29.7	31.8	29.4	29.6

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	10.6	2.6	27.0	16.1	11.8
EBITDA	(0.2)	54.6	28.9	12.3	17.4
Adjusted EPS	(16.3)	76.0	33.8	8.5	19.5
Profitability & Return ratios (%)					
EBITDA margin	13.7	20.6	20.9	20.3	21.3
EBIT margin	10.1	17.4	18.6	18.1	19.1
Adjusted profit margin	8.1	13.9	14.7	13.7	14.7
Adjusted ROAE	19.5	29.7	31.8	29.4	29.6
ROCE	27.9	45.0	52.1	58.0	69.9
Working capital days (days)					
Receivables	65	62	58	65	66
Inventory	0	0	0	0	0
Payables	68	103	98	105	108
Ratios (x)					
Gross asset turnover	6.6	5.8	7.6	9.8	12.1
Current ratio	1.4	1.4	1.6	1.9	2.1
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.2)	(0.2)	(0.3)	(0.4)	(0.5)

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

Financials – PSYS

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	35,658	41,879	54,310	64,905	73,882
EBITDA	4,930	6,830	8,769	11,084	12,519
Depreciation	1,660	1,756	1,668	1,854	1,938
EBIT	3,270	5,075	7,101	9,230	10,581
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	1,254	1,020	821	628	723
Exceptional items	0	0	0	0	0
EBT	4,523	6,094	7,922	9,858	11,304
Income taxes	1,121	1,588	2,020	2,563	2,996
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	3,403	4,507	5,902	7,295	8,308
Adjustments	0	0	0	0	0
Adjusted net profit	3,403	4,507	5,902	7,295	8,308

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	3,810	4,607	5,803	6,935	7,894
Provisions	1,954	2,719	2,976	3,556	4,048
Debt funds	12	44	44	44	44
Other liabilities	0	0	0	0	0
Equity capital	791	764	764	764	764
Reserves & surplus	24,002	27,192	30,652	35,752	41,561
Shareholders' fund	24,793	27,957	31,417	36,517	42,325
Total liab. and equities	30,569	35,327	40,240	47,052	54,312
Cash and cash eq.	1,461	2,419	3,137	4,305	9,221
Accounts receivables	5,862	5,709	8,928	10,669	12,145
Inventories	0	0	0	0	0
Other current assets	5,373	4,945	6,249	8,358	9,514
Investments	13,304	17,853	17,853	19,853	19,853
Net fixed assets	4,083	3,277	3,259	3,055	2,767
CWIP	316	122	122	122	122
Intangible assets	81	86	86	86	86
Deferred tax assets, net	405	1,038	727	727	727
Other assets	0	0	0	0	0
Total assets	30,569	35,327	40,239	47,052	54,312

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	2,025	5,679	3,678	6,384	8,343
Capital expenditures	(1,500)	(392)	(1,650)	(1,650)	(1,650)
Change in investments	0	(3,722)	0	(2,000)	0
Other investing cash flows	1,254	1,020	821	628	723
Cash flow from investing	(247)	(3,094)	(829)	(3,022)	(927)
Equities issued/Others	(828)	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(1,229)	(1,627)	(2,131)	(2,195)	(2,500)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(2,057)	(1,627)	(2,131)	(2,195)	(2,500)
Chg in cash & cash eq.	(278)	958	718	1,167	4,916
Closing cash & cash eq.	1,461	2,419	3,137	4,305	9,221

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	42.7	56.5	74.0	91.5	104.2
Adjusted EPS	42.7	56.5	74.0	91.5	104.2
Dividend per share	12.8	16.9	22.2	22.9	26.0
Book value per share	310.8	350.5	393.9	457.8	530.6

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	8.3	7.1	5.4	4.5	4.0
EV/EBITDA	59.9	43.3	33.7	26.6	23.4
Adjusted P/E	87.1	65.7	50.2	40.6	35.7
P/BV	12.0	10.6	9.4	8.1	7.0

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	75.2	73.9	74.5	74.0	73.5
Interest burden (PBT/EBIT)	138.3	120.1	111.6	106.8	106.8
EBIT margin (EBIT/Revenue)	9.2	12.1	13.1	14.2	14.3
Asset turnover (Rev./Avg TA)	120.6	127.1	143.7	148.7	145.8
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.3	1.3	1.3
Adjusted ROAE	14.1	17.1	19.9	21.5	21.1

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	5.9	17.4	29.7	19.5	13.8
EBITDA	(15.1)	38.6	28.4	26.4	12.9
Adjusted EPS	(2.9)	32.4	30.9	23.6	13.9
Profitability & Return ratios (%)					
EBITDA margin	13.8	16.3	16.1	17.1	16.9
EBIT margin	9.2	12.1	13.1	14.2	14.3
Adjusted profit margin	9.5	10.8	10.9	11.2	11.2
Adjusted ROAE	14.1	17.1	19.9	21.5	21.1
ROCE	10.9	15.3	19.6	22.5	23.8
Working capital days (days)					
Receivables	55	50	49	55	56
Inventory	0	0	0	0	0
Payables	41	44	42	43	44
Ratios (x)					
Gross asset turnover	8.6	11.4	16.6	20.6	25.4
Current ratio	2.2	1.8	2.1	2.2	2.6
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)

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

Financials – TCS

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	15,69,490	16,41,770	19,15,973	22,58,040	24,82,686
EBITDA	4,21,100	4,65,460	5,44,229	6,37,405	7,00,803
Depreciation	35,300	40,650	43,037	46,944	38,536
EBIT	3,85,800	4,24,810	5,01,191	5,90,462	6,62,268
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	36,680	24,970	25,654	28,111	38,476
Exceptional items	0	0	0	0	0
EBT	4,22,480	4,49,780	5,26,846	6,18,573	7,00,744
Income taxes	98,010	1,11,980	1,32,624	1,57,736	1,78,690
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(1,070)	(1,320)	(680)	(600)	(600)
Reported net profit	3,23,400	3,36,480	3,93,542	4,60,237	5,21,454
Adjustments	0	0	0	0	0
Adjusted net profit	3,23,400	3,36,480	3,93,542	4,60,237	5,21,454

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	2,92,440	3,71,480	3,30,702	3,89,744	4,28,518
Provisions	0	0	0	0	0
Debt funds	69,060	65,030	65,030	65,030	65,030
Other liabilities	0	0	0	0	0
Equity capital	3,750	3,700	3,700	3,700	3,700
Reserves & surplus	0	0	0	0	0
Shareholders' fund	8,47,490	8,71,080	10,75,851	13,15,129	15,86,156
Total liab. and equities	12,08,990	13,07,590	14,71,583	17,69,903	20,79,704
Cash and cash eq.	86,460	68,580	1,48,439	3,14,527	5,25,198
Accounts receivables	3,05,320	3,00,790	3,67,447	4,33,049	4,76,132
Inventories	0	0	0	0	0
Other current assets	2,39,510	2,95,170	3,14,954	3,71,185	4,08,113
Investments	2,73,760	3,18,440	3,18,440	3,18,440	3,18,440
Net fixed assets	1,98,410	1,96,690	1,91,972	1,90,189	2,01,307
CWIP	0	0	0	0	0
Intangible assets	19,930	22,780	22,780	22,780	22,780
Deferred tax assets, net	28,280	39,310	39,310	39,310	39,310
Other assets	57,320	65,830	68,240	80,423	88,424
Total assets	12,08,990	13,07,590	14,71,583	17,69,903	20,79,704

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	3,28,975	3,72,880	2,81,975	4,04,695	4,72,876
Capital expenditures	(1,19,970)	(38,930)	(38,319)	(45,161)	(49,654)
Change in investments	(75,780)	44,680	0	0	0
Other investing cash flows	36,680	24,970	25,654	28,111	38,476
Cash flow from investing	(1,59,070)	30,720	(12,665)	(17,050)	(11,177)
Equities issued/Others	0	(2,59,499)	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(1,55,685)	(1,61,981)	(1,89,451)	(2,21,558)	(2,51,028)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,55,685)	(4,21,480)	(1,89,451)	(2,21,558)	(2,51,028)
Chg in cash & cash eq.	14,220	(17,880)	79,860	1,66,088	2,10,670
Closing cash & cash eq.	86,460	68,580	1,48,439	3,14,527	5,25,198

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	86.2	90.9	106.4	124.4	140.9
Adjusted EPS	86.2	90.9	106.4	124.4	140.9
Dividend per share	34.5	36.4	42.5	49.8	56.4
Book value per share	225.8	235.4	290.8	355.5	428.7

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	9.0	8.6	7.4	6.3	5.6
EV/EBITDA	33.5	30.3	26.0	22.1	20.0
Adjusted P/E	43.8	41.5	35.5	30.3	26.8
P/BV	16.7	16.0	13.0	10.6	8.8

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	76.5	74.8	74.7	74.4	74.4
Interest burden (PBT/EBIT)	109.5	105.9	105.1	104.8	105.8
EBIT margin (EBIT/Revenue)	24.6	25.9	26.2	26.1	26.7
Asset turnover (Rev./Avg TA)	133.1	130.5	137.9	139.3	129.0
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.4	1.4	1.3
Adjusted ROAE	37.0	39.2	40.4	38.5	35.9

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	7.2	4.6	16.7	17.9	9.9
EBITDA	6.6	10.5	16.9	17.1	9.9
Adjusted EPS	2.6	5.5	17.0	16.9	13.3
Profitability & Return ratios (%)					
EBITDA margin	26.8	28.4	28.4	28.2	28.2
EBIT margin	24.6	25.9	26.2	26.1	26.7
Adjusted profit margin	20.6	20.5	20.5	20.4	21.0
Adjusted ROAE	37.0	39.2	40.4	38.5	35.9
ROCE	35.8	37.6	40.3	42.7	45.0
Working capital days (days)					
Receivables	67	67	64	65	67
Inventory	0	0	0	0	0
Payables	86	103	93	81	84
Ratios (x)					
Gross asset turnover	10.1	8.3	9.9	11.8	12.7
Current ratio	2.4	2.0	2.7	3.1	3.5
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	0.0	(0.1)	(0.2)	(0.3)

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

Financials – TECHM

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	3,68,677	3,78,551	4,38,742	5,20,348	5,99,699
EBITDA	57,261	68,471	84,773	1,03,590	1,19,413
Depreciation	14,458	14,577	14,088	16,651	19,190
EBIT	42,803	53,894	70,685	86,938	1,00,222
Net interest inc./(exp.)	(1,919)	(1,740)	(1,544)	(1,650)	(1,650)
Other inc./(exp.)	11,924	7,871	7,019	3,503	3,507
Exceptional items	0	0	0	0	0
EBT	52,753	59,530	76,189	88,832	1,02,139
Income taxes	11,604	15,999	18,556	21,764	25,024
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	1,301	762	1,103	1,640	2,060
Reported net profit	42,505	44,281	58,708	68,668	79,115
Adjustments	0	0	0	0	0
Adjusted net profit	42,505	44,281	58,708	68,668	79,115

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	1,03,830	1,02,292	1,14,193	1,35,433	1,56,086
Provisions	11,055	13,121	12,020	14,256	16,430
Debt funds	24,282	16,618	16,618	16,618	16,618
Other liabilities	12,304	12,304	12,304	12,304	12,304
Equity capital	4,359	4,370	4,370	4,370	4,370
Reserves & surplus	2,17,705	2,48,075	2,79,555	3,16,032	3,57,903
Shareholders' fund	2,22,064	2,52,445	2,83,925	3,20,402	3,62,273
Total liab. and equities	3,73,535	3,96,780	4,39,060	4,99,013	5,63,711
Cash and cash eq.	30,167	26,904	47,624	88,415	1,35,136
Accounts receivables	75,772	64,728	86,546	1,02,644	1,18,297
Inventories	358	242	242	242	242
Other current assets	1,21,702	1,10,932	1,13,793	1,20,500	1,27,022
Investments	61,046	1,04,436	1,04,436	1,04,436	1,04,436
Net fixed assets	76,047	80,405	77,286	73,644	69,446
CWIP	501	1,183	1,183	1,183	1,183
Intangible assets	33,877	40,082	40,082	40,082	40,082
Deferred tax assets, net	8,443	9,133	9,133	9,133	9,133
Other assets	0	0	0	0	0
Total assets	3,73,535	3,96,780	4,39,061	4,99,014	5,63,712

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	46,075	64,824	49,279	79,237	91,801
Capital expenditures	(15,386)	(12,048)	(10,969)	(13,009)	(14,992)
Change in investments	(16,880)	43,390	0	0	0
Other investing cash flows	13,843	(64,787)	8,563	5,153	5,157
Cash flow from investing	(18,423)	(33,445)	(2,406)	(7,856)	(9,836)
Equities issued/Others	0	(569)	0	0	0
Debt raised/repaid	0	(13,624)	0	0	0
Interest expenses	0	(1,789)	0	0	0
Dividends paid	(17,912)	(18,660)	(26,153)	(30,590)	(35,244)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(17,912)	(34,642)	(26,153)	(30,590)	(35,244)
Chg in cash & cash eq.	9,740	(3,263)	20,720	40,791	46,721
Closing cash & cash eq.	30,167	26,904	47,624	88,415	1,35,136

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	48.3	50.4	66.8	78.1	90.0
Adjusted EPS	48.3	50.4	66.8	78.1	90.0
Dividend per share	16.9	17.6	24.7	28.9	33.3
Book value per share	252.5	287.1	322.8	364.3	411.9

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	3.3	3.2	2.8	2.3	2.0
EV/EBITDA	21.2	17.7	14.3	11.6	9.8
Adjusted P/E	28.9	27.8	21.0	17.9	15.6
P/BV	5.5	4.9	4.3	3.8	3.4

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	80.6	74.4	77.1	77.3	77.5
Interest burden (PBT/EBIT)	123.2	110.5	107.8	102.2	101.9
EBIT margin (EBIT/Revenue)	11.6	14.2	16.1	16.7	16.7
Asset turnover (Rev./Avg TA)	104.1	98.3	105.0	110.9	112.9
Leverage (Avg TA/Avg Equity)	1.6	1.6	1.6	1.6	1.6
Adjusted ROAE	19.8	18.7	21.9	22.7	23.2

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	6.1	2.7	15.9	18.6	15.2
EBITDA	(9.6)	19.6	23.8	22.2	15.3
Adjusted EPS	1.2	4.2	32.6	17.0	15.2
Profitability & Return ratios (%)					
EBITDA margin	15.5	18.1	19.3	19.9	19.9
EBIT margin	11.6	14.2	16.1	16.7	16.7
Adjusted profit margin	11.5	11.7	13.4	13.2	13.2
Adjusted ROAE	19.8	18.7	21.9	22.7	23.2
ROCE	15.1	16.3	20.6	25.0	29.3

Working capital days (days)

	FY20A	FY21A	FY22E	FY23E	FY24E
Receivables	72	68	63	66	67
Inventory	1	0	0	0	0
Payables	114	121	112	109	111

Ratios (x)

	FY20A	FY21A	FY22E	FY23E	FY24E
Gross asset turnover	5.0	4.8	5.6	6.9	8.4
Current ratio	2.0	1.8	2.0	2.1	2.2
Net interest coverage ratio	(22.3)	(31.0)	(45.8)	(52.7)	(60.7)
Adjusted debt/equity	0.0	0.0	(0.1)	(0.2)	(0.3)

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

Financials – WPRO

Income Statement

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Total revenue	6,13,401	6,22,425	7,93,078	9,05,280	9,88,614
EBITDA	1,24,867	1,44,560	1,72,636	2,03,053	2,21,782
Depreciation	20,281	20,540	26,172	29,874	32,624
EBIT	1,04,586	1,24,020	1,46,465	1,73,179	1,89,157
Net interest inc./(exp.)	16,752	15,824	15,977	17,185	17,711
Other inc./(exp.)	0	0	(51)	0	0
Exceptional items	0	0	0	0	0
EBT	1,20,589	1,39,844	1,62,391	1,90,364	2,06,868
Income taxes	24,799	30,345	33,727	41,737	45,351
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	495	716	204	200	200
Reported net profit	95,295	1,08,783	1,28,460	1,48,427	1,61,317
Adjustments	0	0	0	0	0
Adjusted net profit	95,295	1,08,783	1,28,460	1,48,427	1,61,317

Balance Sheet

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Accounts payables	0	0	0	0	0
Other current liabilities	1,56,761	1,64,725	1,75,998	2,00,898	2,19,391
Provisions	612	676	1,956	2,232	2,438
Debt funds	78,042	83,332	83,332	83,332	83,332
Other liabilities	2,825	4,633	4,633	4,633	4,633
Equity capital	11,427	10,958	10,958	10,958	10,958
Reserves & surplus	5,47,906	5,43,635	6,56,839	6,92,602	7,39,705
Shareholders' fund	5,59,333	5,54,593	6,67,797	7,03,560	7,50,663
Total liab. and equities	7,97,573	8,07,959	9,33,716	9,94,655	10,60,457
Cash and cash eq.	1,44,499	1,69,793	1,83,241	2,01,020	2,37,998
Accounts receivables	1,04,474	94,298	1,43,406	1,63,695	1,78,763
Inventories	1,865	1,064	6,518	7,441	8,126
Other current assets	1,08,891	1,11,925	1,68,393	1,92,217	2,09,911
Investments	2,03,345	1,91,811	1,93,261	1,93,261	1,93,261
Net fixed assets	81,120	85,192	85,020	83,146	78,522
CWIP	0	0	0	0	0
Intangible assets	1,47,374	1,52,212	1,52,212	1,52,212	1,52,212
Deferred tax assets, net	6,005	1,664	1,664	1,664	1,664
Other assets	0	0	0	0	0
Total assets	7,97,573	8,07,959	9,33,716	9,94,656	10,60,457

Cash Flows

Y/E 31 Mar (Rs mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Cash flow from operations	1,30,744	1,30,186	40,380	1,41,458	1,61,681
Capital expenditures	(45,057)	(39,531)	(26,000)	(28,000)	(28,000)
Change in investments	0	26,907	(1,450)	0	0
Other investing cash flows	16,752	15,824	15,977	17,185	17,711
Cash flow from investing	(28,305)	3,200	(11,473)	(10,815)	(10,289)
Equities issued/Others	(1,05,000)	(95,000)	0	(95,000)	(95,000)
Debt raised/repaid	0	0	0	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(11,469)	(13,092)	(15,460)	(17,863)	(19,414)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,16,469)	(1,08,092)	(15,460)	(1,12,863)	(1,14,414)
Chg in cash & cash eq.	(14,029)	25,294	13,447	17,779	36,978
Closing cash & cash eq.	1,44,499	1,69,793	1,83,241	2,01,020	2,37,998

Per Share

Y/E 31 Mar (Rs)	FY20A	FY21A	FY22E	FY23E	FY24E
Reported EPS	16.7	19.7	23.3	26.9	29.2
Adjusted EPS	16.7	19.7	23.3	26.9	29.2
Dividend per share	1.7	2.0	2.3	2.7	2.9
Book value per share	97.9	100.4	120.9	127.4	135.9

Valuations Ratios

Y/E 31 Mar (x)	FY20A	FY21A	FY22E	FY23E	FY24E
EV/Sales	5.8	5.6	4.4	3.8	3.5
EV/EBITDA	28.5	24.1	20.1	17.0	15.5
Adjusted P/E	38.4	32.6	27.6	23.9	22.0
P/BV	6.5	6.4	5.3	5.0	4.7

DuPont Analysis

Y/E 31 Mar (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Tax burden (Net profit/PBT)	79.0	77.8	79.1	78.0	78.0
Interest burden (PBT/EBIT)	115.3	112.8	110.9	109.9	109.4
EBIT margin (EBIT/Revenue)	17.1	19.9	18.5	19.1	19.1
Asset turnover (Rev./Avg TA)	75.2	77.5	91.1	93.9	96.2
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.4	1.4	1.4
Adjusted ROAE	16.9	19.5	21.0	21.6	22.2

Ratio Analysis

Y/E 31 Mar	FY20A	FY21A	FY22E	FY23E	FY24E
YoY growth (%)					
Revenue	4.1	1.5	27.4	14.1	9.2
EBITDA	2.6	15.8	19.4	17.6	9.2
Adjusted EPS	11.6	18.1	18.1	15.5	8.7
Profitability & Return ratios (%)					
EBITDA margin	20.4	23.2	21.8	22.4	22.4
EBIT margin	17.1	19.9	18.5	19.1	19.1
Adjusted profit margin	15.5	17.5	16.2	16.4	16.3
Adjusted ROAE	16.9	19.5	21.0	21.6	22.2
ROCE	20.7	25.6	28.0	29.7	31.7

Working capital days (days)

	FY20A	FY21A	FY22E	FY23E	FY24E
Receivables	61	58	55	62	63
Inventory	2	1	2	3	4
Payables	113	118	96	94	96

Ratios (x)

	FY20A	FY21A	FY22E	FY23E	FY24E
Gross asset turnover	8.1	7.5	9.3	10.8	12.2
Current ratio	2.3	2.3	2.8	2.8	2.9
Net interest coverage ratio	6.2	7.8	9.2	10.1	10.7
Adjusted debt/equity	(0.1)	(0.2)	(0.1)	(0.2)	(0.2)

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

Disclaimer

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