

Margins likely to surprise on the upside

- Despite furlough, revenue likely to deliver the pre-covid level but the pressure on existing business continues
- Margins to witness a modest uptick but demand commentary likely to be weak
- We assume coverage of INFO, TCS, WPRO, HCLT and TECHM with this report and rate INFO and HCLT as BUY, WPRO, TCS & TECHM as HOLD

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Modest margin uptick likely despite a drag in quality of revenue: Post Covid, the outlook is turning bearish for upstream technology companies such as hyperscalers and software-as-a-service (SaaS) vendors. Digital revenue of downstream players is directly correlated with their upstream counterparts. Rising unemployment, headcount reduction by global tech companies and a near freeze in hiring by IT services vendors point to a slowdown ahead. On the other hand, an easing talent crunch is likely to soften attrition levels due to lower employee backfill cost. Recently hired staffs (reskilled/upskilled) are likely to deliver higher utilization. The change in revenue mix (increasing focus in Horizon 1 & automation) will likely lead the positive surprises in revenue and modest margin expansion in the near term.

Shift in long-term deal wins in Q3: Despite macro scenarios, clients are prioritizing their tech-spends without compromising on digital initiatives but due to the rising cost pressures, we see a change in customer preferences. As a result, companies are cutting back on tech budgets for cutting-edge solutions, which leads to a higher tech intensity in the enterprise business along with increased offshoring work for Indian IT companies. Positive traction to continue in Horizon-1 deal activities, but we expect slower traction in Horizon-3 deal wins especially large deals due to the longer payback period. Automation and cost-efficient projects remain main focus in the near term.

Valuations provide support despite macro headwinds: Central banks across the globe are tightening monetary policy to curb sticky inflation. As a result, a number of leading indicators are pointing to a recession/slowdown. The pain will exist for Indian IT companies mostly in interest rate-sensitive areas such as mortgage, capital markets, discretionary retail and pockets of manufacturing verticals. The divergent operating performance of Indian IT companies is likely to continue in FY24. We have noticed that the Tier I IT basket has corrected materially over the last few months. The sharp correction has created a significant potential for the Tier I IT companies to deliver more in the long run. We rate Infosys and HCL Tech as BUY and rate TCS, TECHM & Wipro as HOLD.

Recommendation snapshot

Ticker	Price	Target	Rating
HCLT IN	1,044	1,240	BUY
INFO IN	1,475	1,760	BUY
TCS IN	3,311	3,580	HOLD
TECHM IN	1,012	1,160	HOLD
WPRO IN	387	440	HOLD

Price & Target in Rupees | Price as of 5 Jan 2023



Expect deal wins to slow

- Rising interest rates weigh more on the mortgage segment, potentially slowing financial services deals. Further, capital markets haven't done well globally which may impact IT spends
- High inflation, supply chain issues and geopolitical tensions are affecting retailers, as reflected in their tech budget cuts.
- Capex in the manufacturing sector is falling due to the rising interest rates.

Cautious commentary from Global Tech Vendors

- Pegasystems has lowered its average contract value (ACV) growth guidance citing the macro headwinds.
- ServiceNow and Duck Creek highlighted elongation of the sales cycle.
- Mongo DB indicated that pressure in the SMB (Small and Medium Businesses) segment is likely to continue. The cloud hyperscalers expressed concerns that the ability of clients to spend more has been impacted in the recent volatile macro environment.
- Accenture continues to focus on enterprise business, cybersecurity and Metaverse.

Key monitorable

- We await management commentary on wage hikes, targeted increments, attrition rate, cost of backfilling, utilizations and subcontracting cost.
- SG&A leverage, currency impact, Cost of Living Allowance (COLA structure) (repricing of new deal wins/ renewals), pyramid structure and onshore/offshore mix are other key metrics to watch out for.

Q3FY23 Preview

Fig 1 – BOBCAPS Tier I Technology Universe: Q3FY23E preview

Company	Q3FY23E	Q2FY23	Q3FY22	QoQ (%)	YoY (%)	Comments
TCS						
Revenue (US\$ mn)	6,987	6,877	6,333	1.6	10.3	<ul style="list-style-type: none"> Expect TCS to report revenue growth of 1.6% QoQ CC on the back of large- and mid-sized deals. Headwinds in property & casualty insurance, mortgage, discretionary retail (in Europe and the UK), and potentially higher furloughs are likely to weigh on revenue. Lower subcontracting cost and higher billable freshers, in addition to the weaker INR, should aid margins.
Revenue (Rs mn)	5,75,737	5,53,090	4,68,670	4.1	22.8	
EBIT (Rs mn)	1,42,783	1,32,790	1,20,000	7.5	19.0	
EBIT Margin (%)	24.8	24.0	25.6	79bps	(80bps)	
PAT (Rs mn)	1,12,654	1,04,310	96,240	8.0	17.1	
PAT Margin (%)	19.6	18.9	20.5	71bps	(97bps)	
INFO						
Revenue (US\$ mn)	4,667	4,555	4,250	2.5	9.8	<ul style="list-style-type: none"> FY23 revenue growth (15-16% CC) and margin (21-22% at the lower end) guidance has been tightened from the earlier 14-16% and 21-23% ranges respectively. We expect INFO to only achieve the lower end of its guidance in both cases and do not see any further changes to guidance for FY23. Expect weakness in financial services, retail, hi-tech & telecom. Furloughs will have a negative impact on the quarter.
Revenue (Rs mn)	3,84,566	3,65,380	3,18,670	5.3	20.7	
EBIT (Rs mn)	83,835	78,730	74,837	6.5	12.0	
EBIT Margin (%)	21.8	21.5	23.5	25bps	(168bps)	
PAT (Rs mn)	66,145	61,210	58,087	8.1	13.9	
PAT Margin (%)	17.2	16.8	18.2	45bps	(103bps)	
HCLT						
Revenue (US\$ mn)	3,201	3,082	2,978	3.9	7.5	<ul style="list-style-type: none"> Furloughs are expected in BFSI, retail, tech and manufacturing. Services business to grow moderately; the products & platforms segment could see modest growth of 5% QoQ (vs. ~25% in Q3FY22). After below-expected hiring in H1FY23, we anticipate an uptick in Q3 as the guidance of hiring 30,000 freshers remains intact. FY23 CC revenue growth could potentially be at the lower end of the guided 13.5-14.5% range.
Revenue (Rs mn)	2,63,766	2,46,860	2,23,310	6.8	18.1	
EBIT (Rs mn)	49,324	44,280	42,570	11.4	15.9	
EBIT Margin (%)	18.7	17.9	19.1	76bps	(36bps)	
PAT (Rs mn)	38,906	34,890	34,420	11.5	13.0	
PAT Margin (%)	14.8	14.1	15.4	62bps	(66bps)	
WPRO						
Revenue (US\$ mn)	2,854	2,817	2,661	1.3	7.3	<ul style="list-style-type: none"> IT Services revenue is seeing weakness from European capital markets as well as the retail, manufacturing and hi-tech verticals. Over the last couple of quarters, attrition has moderated and we expect the trend to continue in Q3 especially after the company rolled out quarterly promotions and salary increases. We await commentary on demand for Capco Consulting along with the impact of lower utilization on margins in that division.
Revenue (Rs mn)	2,35,173	2,25,397	2,03,136	4.3	15.8	
EBIT (Rs mn)	35,041	31,446	34,334	11.4	2.1	
EBIT Margin (%)	14.9	14.0	16.9	95bps	(200bps)	
PAT (Rs mn)	29,161	26,590	29,690	9.7	(1.8)	
PAT Margin (%)	12.4	11.8	14.6	60bps	(222bps)	
TECHM						
Revenue (US\$ mn)	1,659	1,638	1,534	1.3	8.1	<ul style="list-style-type: none"> Dollar revenue is likely to be adversely affected by delays in decision-making and furloughs. Higher-than-normal furloughs in the BFSI and hi-tech verticals should be countered by seasonal strength in retail. In Q3, we expect total contract value (TCV) to be at the lower end of the guided range of US\$ 700mn-1,000mn, in line with the trend seen over the past several quarters.
Revenue (Rs mn)	1,36,704	1,31,295	1,14,508	4.1	19.4	
EBIT (Rs mn)	16,268	14,680	16,962	10.8	(4.1)	
EBIT Margin (%)	11.9	11.2	14.8	72bps	(291bps)	
PAT (Rs mn)	12,987	12,854	13,669	1.0	(5.0)	
PAT Margin (%)	9.5	9.8	11.9	(29bps)	(244bps)	

Source: Company, BOBCAPS Research

Fig 2 – Tier-I coverage universe: Q3FY23E snapshot

Company	Revenue (US\$ mn)	USD Growth (%)		CC Growth (%)		EBIT Margin (%)	EBIT (Rs mn)	Growth (%)		EBIT Margin (bps)		Net Profit (Rs mn)	Growth (%)	
		QoQ	YoY	QoQ	YoY			QoQ	YoY	QoQ	YoY		QoQ	YoY
TCS	6,987	1.6	10.3	1.6	24.8	1,42,783	7.5	19.0	79	(80)	1,12,654	8.0	17.1	
INFO	4,667	2.5	9.8	2.5	21.8	83,835	6.5	12.0	25	(168)	66,145	8.1	13.9	
HCLT	3,201	3.9	7.5	3.9	18.7	49,324	11.4	15.9	76	(36)	38,905	11.5	13.0	
WPRO	2,854	1.3	7.3	1.3	14.9	35,041	11.4	2.1	95	(200)	29,161	9.7	(1.8)	
TECHM	1,659	1.3	8.1	1.3	11.9	16,268	10.8	(4.1)	72	(291)	12,987	1.0	(5.0)	

Source: Company, BOBCAPS Research

Fig 3 – Company-wise sectoral outlook

Company	Weakness in Q3FY23	Strength in Q3FY23
TCS	Healthcare	Retail
	Manufacturing (mainly in Europe)	Telecom (5G rollout)
	Mortgage (due to rising interest rates)	Travel/Hospitality
		BSFI (Ex-mortgage)
INFO	Retail	NA
	Mortgage	
	Telecom	
	Hi-Tech	
WPRO	Tech	Insurance
	Mortgage	Healthcare
	Retail (US)	
HCLT	Mortgage	NA
TECHM	BFSI	Telecom
	Hi-Tech	Retail (seasonal tailwinds)
	Manufacturing	

Source: Company, BOBCAPS Research

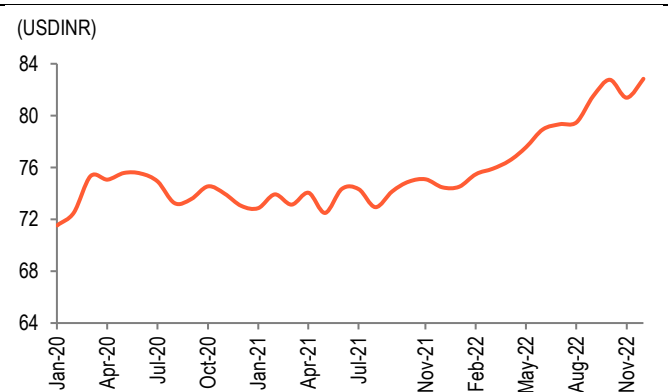
Currency trends

Fig 4 – Currency movement

	Q3FY23	Q2FY23	Q3FY22	QoQ (%)	YoY (%)
USD/INR					
Average	82.119	79.739	74.276	3.0	10.6
Closing	82.717	81.461	74.078	1.5	11.7
Euro/USD					
Average	1.0219	0.9814	1.1433	4.1	(10.6)
Closing	1.0702	1.007	1.1323	6.3	(5.5)
GBP/USD					
Average	1.1748	1.1773	1.3479	(0.2)	(12.8)
Closing	1.2097	1.1115	1.3494	8.8	(10.4)

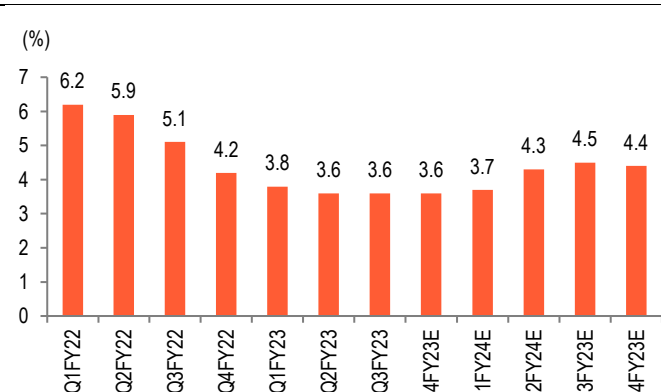
Source: Company, BOBCAPS Research

Fig 5 – Exchange rate



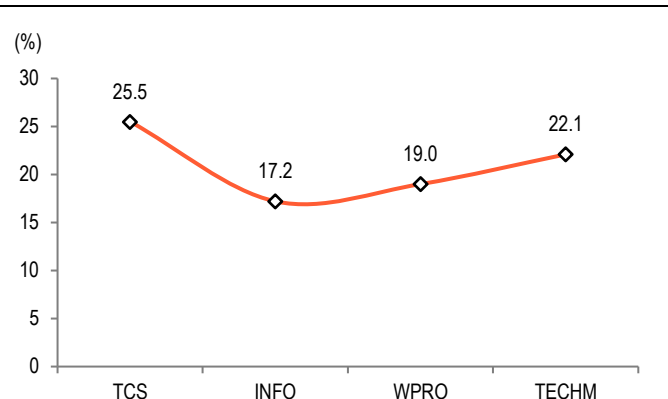
Source: Company, BOBCAPS Research

Fig 6 – US unemployment rate



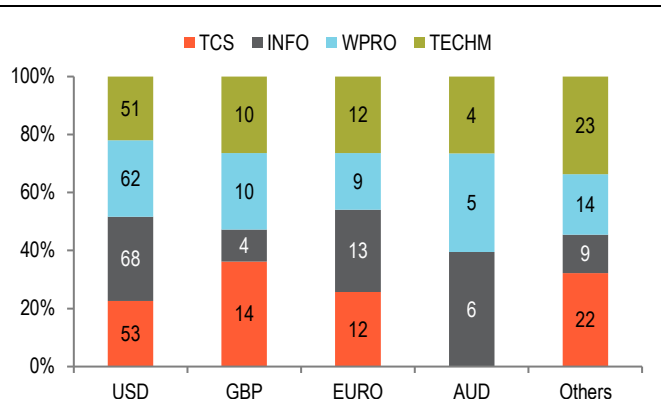
Source: Company, BOBCAPS Research

Fig 7 – Tier-I players' exposure to Europe (including UK)



Source: Company, BOBCAPS Research

Fig 8 – Revenue mix by currency



Source: Company, BOBCAPS Research

Tier-I IT: Growth and Acquisition trends

Fig 9 – Deal wins and Order book

(US\$ mn)	Particulars	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	Order book	7,600	11,300	8,200	8,100
INFO	Large TCV	2,525	2,257	1,700	2,700
HCLT	New Deal (TCV)	2,135	2,260	2,054	2,400
WPRO	TCV	600	405	1,100	725
TECHM	Net New Deal (TCV)	704	1,011	802	716

Source: Company, BOBCAPS Research

Fig 10 – Subcontracting cost (as a % of Revenue)

(%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	8.6	8.9	9.2	9.5	10.0	10.0
INFO	10.1	11.7	12.5	12.6	12.6	11.2
WPRO	13.5	13.9	13.9	13.7	13.7	12.9
HCLT	14.4	14.9	14.9	14.2	15.3	15.0
TECHM	14.8	15.3	16.4	15.7	16.3	15.4

Source: Company, BOBCAPS Research

Fig 11 – Employee cost (as a % of Revenue)

(%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	56.5	56.3	55.6	56.0	57.5	56.1
INFO	54.6	53.2	51.3	51.6	53.2	53.2
WPRO	56.3	56.5	56.5	58.2	58.6	60.9
HCLT	53.4	53.3	52.9	55.8	55.3	54.6
TECHM	50.6	49.8	49.4	49.9	51.5	52.5

Source: Company, BOBCAPS Research

Fig 12 – Travel cost (as a % of Revenue)

(%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	0.8	0.8	1.0	0.7	1.1	1.2
INFO	0.5	0.6	0.7	1.0	1.1	1.0
WPRO	0.8	0.8	1.1	0.9	1.4	1.3
HCLT	NA	NA	NA	NA	NA	NA
TECHM	NA	NA	NA	NA	NA	NA

Source: Company, BOBCAPS Research

Fig 13 – Offshore trend (as a % of Revenue); effort mix for INFO/TECHM

(%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	NA	NA	NA	NA	NA	NA
INFO	75.9	76.4	76.2	76.0	75.7	75.6
WPRO	54.0	55.6	56.3	58.3	58.7	49.0
HCLT	NA	NA	NA	NA	NA	NA
TECHM	71.7	72.2	72.9	72.8	72.8	72.7

Source: Company, BOBCAPS Research

Fig 14 – Utilization trend (including trainees)

(%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
TCS	NA	NA	NA	NA	NA	NA
INFO	83.3	84.1	82.7	80.0	77.6	76.6
WPRO	77.7	78.1	75.6	75.8	72.7	72.3
HCLT	NA	NA	NA	NA	NA	NA
TECHM	88.0	87.0	84.0	83.1	82.8	84.9

Source: Company, BOBCAPS Research

Fig 15 – Acquisition summary (from 2021 to date)

Company	Consideration (US\$ mn)	Close Date	Accrual	Acquired companies	Revenue (US\$ mn)	% of Revenue contribution	EV/ Revenue (x)
	NA	NA	NA	Parmerica Systems Ireland	120	0.5	NA
TCS	NA	01-01-2021	Q4FY21	PostBank Systems	305	1.4	NA
	105.6	13-07-2021	Q1FY23	BASE Life Sciences	25.5	0.1	4.1
INFO	55	22-03-2021	Q1FY23	Oddity GmbH	23.8	0.1	2.3
	4.5	15-12-2021	Pending	Global Enterprise Malaysia	16	0.1	NA
	NA	15-02-2021	Q4FY21	Step Solutions Group	NA	NA	NA
	540	26-04-2022	Q1FY23	Rizing Intermediate Holdings	193.8	1.9	2.8
	80	12-04-2022	Q1FY23	Convergence Acceleration Solutions	28.1	0.3	2.8
	236.5	20-12-2021	Pending	Edgile LLC	34.3	0.4	6.9
	21.5	15-12-2021	Pending	Leanswift Solutions Inc	18	0.2	1.2
WPRO	88.9	01-06-2021	Q1FY22	Ampian	85.5	1.0	1
	1450	29-04-2021	Q1FY22	Capco	720	8.7	2
	NA	01-04-2021	Q1FY22	Metro AG	140	1.7	NA
	12.9	28-10-2021	Q3FY21	Encore Theme Technology	7.4	0.1	1.8
	80	26-02-2021	Q1FY22	Eximus Design LLC	35.2	0.4	2.3
	2	09-06-2022	Q1FY23	Quest Informatics	1.8	0.0	1.1
	55.1	06-06-2022	Q1FY23	Confinale AG	18.2	0.1	3
HCLT	42.5	14-01-2022	Q4FY22	Starschema	13.6	0.1	15.6
	100.2	29-12-2021	Q3FY22	HCL Tech SEP (Action balance 20% stake)	119	1	4.2
	0.1	23-12-2021	Q3FY22	GBS GmbH	NA	NA	NA
	42	12-03-2022	Q1FY23	Thirdware Solutions	28.5	0.4	1.5
	4.1	15-02-2022	Q4FY22	Geomatic.ai Pty	NA	NA	NA
	353	17-01-2022	Q3FY22	CTC	90	1.60	3.9
	125.7	31-12-2021	Q3FY22	Allyis India	39.6	0.80	3.2
	62.8	03-12-2021	Q3FY22	Activus Connect LLC	17	0.30	3.7
	NA	16-11-2021	Q3FY22	Lodestone Software Services	NA	NA	NA
	NA	26-10-2021	Q3FY22	LINEAS Informationstechnik GmbH	NA	NA	NA
TECHM	106.3	25-10-2021	Q3FY22	Infostar LLC	43.3	0.80	2.5
	12.9	25-10-2021	Q3FY22	We Make websites	NA	NA	NA
	8.1	28-08-2021	Q2FY22	Beris Consulting	12.12	0.20	0.7
	28.8	26-06-2021	Q1FY22	Brainscale Inc	10	0.20	2.9
	44	15-06-2021	Q1FY22	Eventus Solutions Group	33.2	0.60	1.3
	120	15-06-2021	Q1FY22	Digital OnUs, Inc	30.6	0.60	3.9
	25.1	19-03-2021	Q4FY21	Perigord Premedia	23.4	0.50	1.1
	9	31-03-2021	Q1FY22	Payments Technology Services	5.4	0.10	1.7
	10.2	31-03-2021	Q1FY22	Momenton	8.1	0.20	1.3

Source: Company, BOBCAPS Research

Valuation & Risk

We are assuming coverage of the following five stocks. We are valuing these stocks on FY25E EPS using 1yr forward PE multiple as stated in table below:

Fig 16 – Valuation Rationale

Ticker	Price	Target	Rating	Upside (%)	P/E (x)	Remarks
TCS	3,311	3,580	HOLD	8.2	25.0	Accenture is trading in the similar range and TCS continues with similar line of business
INFO	1,475	1,760	BUY	19.4	20.5	INFO normally trades at 20% discount to TCS
HCLT	1,044	1,240	BUY	18.8	18.7	HCL Tech trades at 10% discount to INFO as the growth trajectory is intact
WPRO	387	440	HOLD	13.7	16.0	Due to lack of inorganic synergy & lower QoQ organic growth trading at ~20% discount to INFO
TECHM	1,012	1,160	HOLD	14.5	12.5	Sluggish 5G roll out to drag the growth, so we have discounted TECHM by ~20% to WPRO

Source: Company, BOBCAPS Research

Fig 17 – Risk

Company	Rating	Upside risk	Downside risk
TCS	HOLD	Multiple digital large deal wins	If interest rate further goes down
INFO	BUY	NA	Weakness in Financial Services, Retail, Hitech & Telecom
HCLT	BUY	NA	Extended weakness in BFSI, Retail, Tech and Manufacturing
WPRO	HOLD	Capco synergy	weakness continues in European Capital markets, Retail, Manufacturing and Hi-Tech
TECM	HOLD	immediate start of 5G roll out	Delay in decision making

Source: Company, BOBCAPS Research

Stock performance

Fig 18 – HCLT

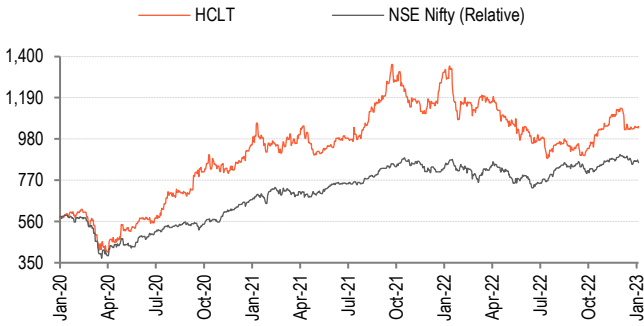


Fig 19 – INFO

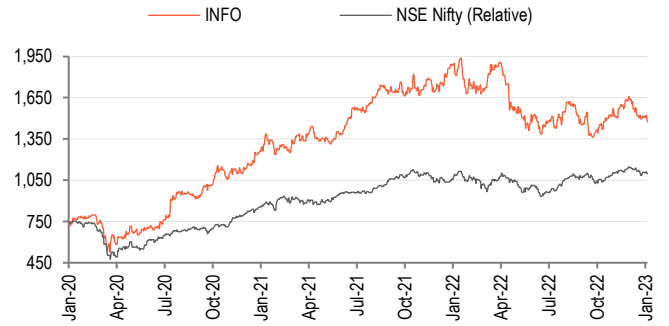


Fig 20 – TECHM

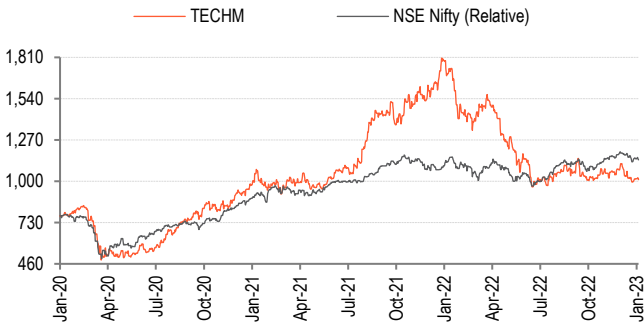


Fig 21 – WPRO

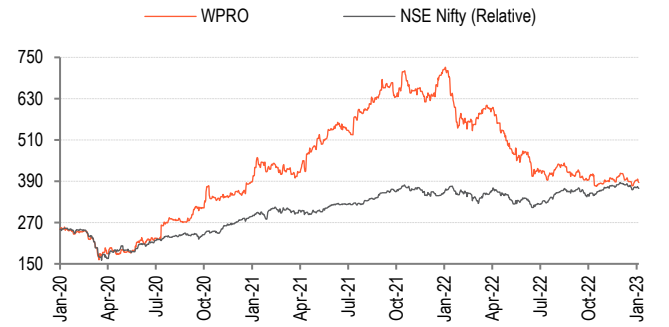
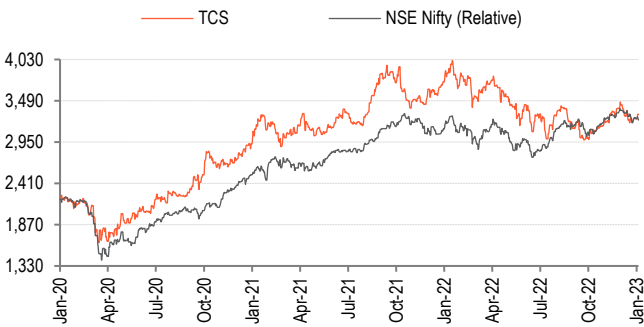


Fig 22 – TCS



Source: NSE

Financials – HCLT

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23E	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	FY23E	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	FY23E	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	FY23E	FY24E	FY25E
Reported EPS	47.9	50.0	52.0	60.0	66.1
Adjusted EPS	47.9	50.0	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	FY23E	FY24E	FY25E
EV/Sales	3.7	3.3	2.8	2.5	2.2
EV/EBITDA	13.9	13.9	12.5	10.7	9.8
Adjusted P/E	21.8	20.9	20.1	17.4	15.8
P/BV	4.6	4.6	4.1	3.7	3.3

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23E	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	FY23E	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	4.3	4.1	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)

	FY21A	FY22A	FY23E	FY24E	FY25E
Receivables	85	81	77	76	77
Inventory	0	0	0	0	0
Payables	158	125	107	103	104

Ratios (x)

	FY21A	FY22A	FY23E	FY24E	FY25E
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	FY23E	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	FY23E	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	FY23E	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	FY23E	FY24E	FY25E
Reported EPS	45.5	52.6	58.7	73.0	85.8
Adjusted EPS	45.5	52.6	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	FY23E	FY24E	FY25E
EV/Sales	6.0	4.9	4.0	3.5	3.0
EV/EBITDA	21.6	19.0	16.8	13.6	11.7
Adjusted P/E	32.4	28.1	25.1	20.2	17.2
P/BV	8.2	8.2	7.3	6.3	5.5

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23E	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	FY23E	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	15.5	11.7	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 – TECHM

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23E	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	FY23E	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	FY23E	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	FY23E	FY24E	FY25E
Reported EPS	50.4	63.3	60.5	77.9	92.8
Adjusted EPS	50.4	63.3	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	FY23E	FY24E	FY25E
EV/Sales	2.3	2.0	1.6	1.4	1.2
EV/EBITDA	12.8	10.9	10.4	8.4	6.9
Adjusted P/E	20.1	16.0	16.7	13.0	10.9
P/BV	3.5	3.2	2.9	2.6	2.3

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23E	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	FY23E	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	25.7	(4.5)	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	FY23E	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	FY23E	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	FY23E	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	FY23E	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	FY23E	FY24E	FY25E
EV/Sales	3.3	2.5	2.2	2.0	1.8
EV/EBITDA	14.0	12.1	12.2	10.5	9.3
Adjusted P/E	19.6	17.9	19.2	16.2	14.2
P/BV	3.9	3.2	3.2	3.1	3.0

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23E	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	FY23E	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

Financials – TCS

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22E	FY23E	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	FY22E	FY23E	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	11,15,700	13,66,238	16,39,338
Total liab. and equities	13,07,590	14,15,140	16,97,241	19,38,775	22,63,183
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	FY22E	FY23E	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	FY22E	FY23E	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	304.9	373.4	448.0

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22E	FY23E	FY24E	FY25E
EV/Sales	7.4	6.3	5.4	4.9	4.4
EV/EBITDA	25.9	22.8	20.8	18.0	16.2
Adjusted P/E	36.4	32.0	29.1	25.2	23.1
P/BV	14.1	13.6	10.9	8.9	7.4

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22E	FY23E	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	1.5	1.3	1.2
Adjusted ROAE	39.2	43.3	41.3	38.7	34.9

Ratio Analysis

Y/E 31 Mar	FY21A	FY22E	FY23E	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	41.3	38.7	34.9
ROCE	37.6	42.3	43.3	41.8	39.0
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)	(0.1)	(0.2)

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

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