

## IT SERVICES

Q3FY26 Preview

12 January 2026

## A fourth slow year?

- FY27 is going to be better than FY26. Modestly. Likely fourth year of slow revenue growth. Slow is the (old/new) normal.
- Pare FY27 USD revenue growth across coverage as we believe our earlier estimates were a bit aggressive. Further cuts if risks play out.
- Nifty IT ~23 ppt UP in 2025. Likely modest UP in 2026. Cut estimates but raise Target PE multiples. Most Tier-1s Hold, Most Tier-2s Sell

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**More of the same likely in FY27 but a slightly better year:** 12 months back we reinitiated coverage with an underweight call (**Slow is the (new/old) normal**) saying that FY26 would be a slow year against consensus expectations of sharpish pick up. It did broadly play out as expected on the fundamental side, but PE derating was larger than we thought. More importantly, underperformance was largely for reasons we highlighted in our report. While FY27 looks to be a better year, pick up would be more modest than we anticipated earlier. It was the fear of slower growth in FY27 that drove us to cut target PE multiples in October 2025.

**Downside risks exist but some could be amplified:** (1) We fear scaled AI enterprise adoption if it happens will be more deflationary than it was in 2025. (2) We think savings from such an AI adoption may go to hyper scalers who will try to extract more from enterprises to fund their heightened AI Capex. (3) While Tariffs drove uncertainty in 2025, Trump's multiple proposals to address affordability crisis in the US ahead of the mid-terms in November 2026 will be the key monitorable in 2026 (eg: freezing credit card interest rate at 10%, controlling prices of products and services, cash payments to citizens, buying of US\$200bn MBSs, etc). There will be winners/ losers due to this in USA Inc and that could reflect in IT spending outcomes. (4) lack of trade deal between US-India could keep steady stream of negative new flow on outsourcing/immigration that could impact PE multiples (5) larger than normal and expensive M&A moves focused on AI capability building could raise integration, margin and return ratio risks having implications for PE multiples (6) faster domestic recovery on the back of various fiscal and monetary measures could keep interest low in slow growing IT services.

**Cut estimates, raise Target multiples but maintain UP call:** We pare FY27 estimates as we believe our earlier estimates were a bit aggressive. Given the sharp underperformance in 2025 and the expected modest rebound in FY27, we are raising target multiples. While most Tier-1s are 'Holds', most Tier-2s are 'Sells' as they appear either overpriced or show insufficient growth potential.

## Recommendation snapshot

Ticker	Price	Target	Rating
BSOFT IN	432	381	SELL
COFORGE IN	1,647	1,487	SELL
ECLX IN	4,751	5,418	HOLD
FSOL IN	332	471	BUY
HCLT IN	1,647	1,556	HOLD
INFO IN	1,613	1,800	HOLD
LTIM IN	6,018	5,384	SELL
MPHL IN	2,817	2,852	HOLD
PSYS IN	6,445	4,343	SELL
TCS IN	3,204	3,324	HOLD
TECHM IN	1,578	1,754	HOLD
WPRO IN	262	267	HOLD
ZENT IN	718	645	SELL

Price & Target in Rupees | Price as of 8 Jan 2026



**Macro risks still remain but in another form:** While enterprises were subjected to considerable uncertainty around 'Liberation Day' tariffs during 2025 and in many cases these are still being negotiated, we believe companies have learnt to live with them. However, we believe Trump 2.0 administration will be very focused on winning the US mid-term elections in November 2026 to prevent a grid-lock in the legislative branch. The key issue on US citizen's minds – affordability – is something Trump 2.0 is trying to tackle through various proposals. Many of recent edicts – no one is sure how many will actually be implemented – will benefit/hit various sectors differently. These in our view could create new uncertainty as well as have a financial impact with implications for IT spending.

**AI/Gen AI/Agentic AI usage will likely pick up but cost cutting delivers the best ROI:** Until it is demonstrated that AI/Gen AI/Agentic AI has created a significant competitive advantage leading to shift in market share or creation of new category or market, we believe the best ROI for global enterprises will be to use the new technology for reducing costs, running operations better, etc. So when we hear about enterprise scale up of usage of AI/Gen AI – if at all that happens – we believe it is for higher productivity benefits implying a higher level of deflation in IT services.

**Where does a higher IT services spend in 2026 go:** In the 3QFY26 results calls, we believe Indian IT services players are likely to talk about a modest pickup in IT spend in 2026. The questions to ask are (1) GCC impact – how much of the higher spend goes towards expanding GCCs. (2) Will hyperscaler heightened AI capex mean IT spend re-orientation towards Software will increase.

**Expect a seasonally weak quarter:** It being the seasonally weak quarter impacted by furloughs and fewer working days, we estimate Tier-1 companies are likely to show QoQ CC revenue growth of -1%-2.5% while Tier-2 are likely to show 0.5%-4.5%. The ramp up of some of the recently won deals could offset seasonal weakness in certain companies. Do not expect a change in revenue guidance at the upper end of the range by any of the players in our coverage – only Infosys, HCLT and Firstsource give numerical guidance. Expect Wipro to give a guidance of -1% to +1% in CC QoQ terms for revenue growth for 4QFY26 in organic terms. We expect both Infosys and HCL Tech to hold on to their margin guidance.

**Tier-1 IT valuations look reasonable, but they are merely reverting to the pre-pandemic levels on weaker growth:** Indian Tier-1 IT services are trading at -1 SD below 5-year mean (Fig 45-53). They appear 'cheap' as this period contains the high multiples of the post pandemic 'compressed transformation' phase (see PE analysis of 5-year, 10 year and that of the FY15-FY20 timeframes in Fig 45-53) which are unlikely to repeat in the foreseeable future. Tier-1 growth will be slower than its USD organic revenue growth of ~7% CAGR seen during FY15-FY20. This is because Tier-1 collective revenue is >2x the size in FY26 compared to that in FY15. Besides, we believe they face many structural challenges in the medium term and macro challenges in the near term.

**Uncertainty still prevails:** Recent results of Accenture and the ensuing commentary indicates that demand conditions have not changed for the better in the last 3 months. A large part of the reason why Accenture delivered a 4% organic growth in FY25 (YE August) against the 1.5% that it had indicated at the beginning of the year is likely significant market share gains against its larger peers in the Indian IT services industry.

**More M&A activity is likely in the sector:** With organic growth in the sector slowing down we expect a stronger move towards shoring up inorganic growth by plugging perceived gaps in capability and geos. But higher integration risks, significantly lower return ratios, and lower cash return to shareholders in the times ahead could put pressure on PE ratios.

With TCS – a seriously OCF generating machine - entering the race, M&A is likely going to be more expensive in the days ahead. True AI companies are going to be expensive if one goes by valuation of the acquisition done by Accenture of 'Faculty' in the UK (10.5x-12.5x FY26 revenue).

Whether Indian companies can extract value from these M&A moves remains to be seen. Besides integration-related risks we see margin risks from higher amortization costs and higher ESOP costs to hold to the new talent and return dilution risks from higher goodwill and intangible assets sitting on the balance sheets.

**Lack of movement on US-India trade deal could impact the sector:** The modestly frictional (adversarial?) posture adopted by the Trump 2.0 administration in recent months already has had negative impact on H1-B visas. Whether it would have implications for 1) taxation on outsourcing (2) FPI flows remains to be seen. And how this could play out from a growth, margin and money flows perspective.

## What will we watch out for during 3QFY26 results season

- Has the overall demand environment changed in the last 3 months. Recent Accenture results indicate that not much has. In fact its revenue guidance ex-Federal business (for FY26, August YE) indicates a mild deterioration (not sure if it is being overly conservative). Would like to see if Indian players feel the same. We think the guidance given by Infosys and HCLT for FY26 is unlikely to change in a material fashion post 3QFY26.
- We think Indian companies are unlikely to give any numerical revenue targets for 2026/FY27. We think the overall tone will likely be slightly better than it was a few quarters back.
- Most players are likely to say that AI is moving from POC stage to scaling up. And that there is a net positive incremental impact of AI on demand. We are not so sure. We think enterprise scale up will likely increase risks of IT services deflation as we believe that the clearest ROI on usage of AI/Gen AI is in generating greater productivity.
- It is quite likely that many more IT services companies are likely to talk about metrics around AI. TCS and HCLT have revealed these in recent months. Accenture, on the other hand, has done the opposite. While it has been giving these statistics for many quarters, it has decided to do away with it entirely from next quarter. Besides, just like in the case of 'Digital' we are not so sure that these numbers are comparable across companies. 'Advanced AI' that it is supposed to measure does not have standardized definition.
- Expect a mild return of short cycle projects as AI becomes more industrialized. TCS has been talking of 'rapid build' projects in recent analyst interactions. Does this imply a better TCV to revenue conversion situation? But we do not think they are likely to reach anywhere close to pandemic related frenzy for 'Digital' short cycle projects
- Has the vertical texture changed. Over the last 3-4 quarters, BFS has been the only consistently resilient sector while manufacturing (especially auto within it) has been consistently weak. Consumer (within that retail), Telecom and healthcare have been verticals that have had a mixed growth picture across companies. Need to see if this trend continues. Would like to see if Hi-Tech is coming under pressure as many of the key players focus on heightened AI related capex on Data centers while likely squeezing other parts of their spend.
- Deal activity in 3QFY26 in comparison with previous quarters. News flow especially on mega deals (US\$500mn and above) has been slightly better in this quarter than we have seen in the last 3-4 quarters.
- H1-B issue related
  - What could be the margin impact due to H1-B - both from one time US\$100,000 payment on new visas and likely change in the lottery system with emphasis on higher wage workers.

- This could result in companies' sub-contractor costs going up as they would be required to have at least some onsite presence.
- Could some of these costs be passed on to customers?
- There has been media talk of renegotiation of large deals that are not up for renewal for many years from now. Is this driven by the customer or by a self-cannibalization motive or aggressive challengers?
- In the savings led transformation that many players are talking about, are the savings being deployed immediately towards new projects or are such savings used up for some other purposes which are not related to IT?
- Accenture, TCS and HCL Tech have already announced restructuring costs connected with staff that could not be retrained to new skill sets. Will Infosys and Wipro also announce something for the same reasons. Could these be recurring exercises in the upcoming years.
- Are hiring costs going up for fresher talent? Recent news flow indicates that companies are willing to pay a serious premium to fresh engineers who possess AI related skills.
- Metrics around revenue per employee across companies as players are indicating that the industry has started to move away from linear headcount led growth.
- Whether client budgets and TCV numbers increasingly are meaningful lead indicators of revenue growth?
- The pace of vendor consolidation – this could be an indicator of pressure on costs that clients are currently facing.

## We have an Underweight stance on Indian IT Services

We reinitiated coverage on the Indian IT Services with an Underweight stance through a report on 1 January 2025 (**Slow is the (new/old) normal**) and reiterated our view with an update on 12<sup>th</sup> March 2025 (**FY26 unlikely to be better than FY25**). We also put out a recent update (**Uncertainty stays and 'eating the tariff' may impact even FY27**) where we indicate the tariff decisions of 7 July 2025 on 14 countries, post the 90-day pause, prolongs the current phase of uncertainty.

Consequently, we see Tier-1 growth to remain at low-single-digit level for FY26 and 'eating the tariff' may lead to an adverse impact on FY27.

While both earnings and PE multiples have corrected since 1 Jan 2025, we believe the industry's structural organic revenue growth from here on will be lower than the ~7% CAGR seen during FY15-FY20, possibly ~5% CAGR over FY25-FY30 in constant currency (CC) terms.

### Multiple speed breakers post FY25 drive our Underweight stance

**Trump policies raise uncertainty:** Tariffs, the higher fiscal deficit from the 'one big, beautiful bill' (OBBA), crackdown on illegal and legal immigration (the latter through the major new hurdles put in for H1-B visas), etc., all point to uncertainty in the coming days that may delay the decision making.

**Higher for longer interest rate environment:** Lately, based on inflation prints and fears of a higher fiscal deficit, US 10-year yields have remained firm. There are fears that sustained high interest rates could reduce IT outsourcing demand, particularly in sectors like BFSI and Telecom, and dampen US demand in areas like housing, autos and retail.

The Covid-induced pull forward of demand requires a multi-year unwind. We think there were excesses during the compressed transformation phase that are yet to be fully unwound.

**Gen AI and GCCs are going to disrupt growth:** We also believe that AI/Gen AI will lead to compression of revenue for the industry in the next 24-36 months as companies self-cannibalize to hold on to their existing clients. We also believe that the rapid growth of the GCCs is a threat to outsourcing. While there seems to be collaboration between the outsourcers and their clients in setting up these GCCs, there will be growth discontinuity when the business is insourced at some point.

### Massive hyper scaler AI capex should accentuate re-alignment in IT spend:

Software players, including hyper scalers, are increasing capex on AI-related data centres. This will drive higher pricing, forcing enterprises to allocate more IT spend to cloud/SaaS and move it away from the those who have lower bargaining power – the global IT Services players.

**Higher competition:** Indian Tier-1 companies now face higher competition from Accenture, Tier-2 players and Cognizant, likely slowing their growth vs FY15-FY20. This

is besides the fact that by FY25, Tier-1 revenue has reached US\$ 85bn, double that in FY15. Due to the higher base now, growth may not be as rapid.

**How we are valuing companies:** We are using PE methodology as also using TCS as our industry benchmark. Target PE used for TCS now is 21.7x, which is the average PE multiple of TCS over the last 10 years less 0.5SD. This has been raised from 19x (which is the average PE multiple of TCS over the last 10 years less 1SD). We have been giving subjective premium/discount to the benchmark Target PE to arrive at Target PE multiples for the rest of our coverage.

**The reason for raising our Target PE multiple:** With Nifty IT underperforming by ~23ppt versus the Nifty in 2025 we believe much of the downside is factored in. With a modest uptick in growth rates in FY27 we believe the stocks will trade a bit higher.

Our target PE multiples are lower than those used by consensus/competitors. Through our choice of the benchmark target PE multiple, we seek to capture the probability of downside risks to consensus EPS expectations for FY27.

#### **Tier- 2 valuation reflects growth gap with Tier-1**

The Tier-2 set have been taking away market share from the Tier-1 set due to better execution as well as their smaller size. And, unlike in the past cycles, they have performed better than the Tier-1 set, largely due to better management teams.

However, current PE premium to Tier-1s is excessive for certain stocks, as we believe that to deliver on the high consensus revenue growth expectations, they may be taking on more cost take-out projects that are likely to impact margins adversely.

Also, some of the Tier-2s have been underperforming on the growth front as they are discretionary project-oriented businesses which are struggling to pivot to a cost-take out driven demand environment.

**Fig 1 – Changes made to Estimates, Target PE multiples, Target Prices and Ratings**

Company	CMP (Rs.) (as on 8th Jan 2026)	Market Cap. (US\$ bn)	New FY26E EPS (Rs)	New FY27E EPS (Rs)	New FY28E EPS (Rs)	Old FY26E EPS (Rs)	Old FY27E EPS (Rs)	Old FY28E EPS (Rs)	New Target PE (x)	Old Target PE (x)	New Rating	Old Rating	New TP (Rs.)	Upside to CMP (%)	Old TP (Rs.)	Change in TP (%)
TCS	3,204	128.9	141.4	146.0	155.6	141.8	151.0	162.6	21.7	19.0	HOLD	HOLD	3,324	3.8	2,979	11.6
Infosys	1,613	74.5	71.7	74.9	80.4	70.7	75.8	83.0	22.8	20.0	HOLD	HOLD	1,800	11.6	1,584	13.6
HCL Tech	1,647	49.7	65.5	71.7	76.8	63.8	73.5	79.5	20.6	18.1	HOLD	SELL	1,556	(5.5)	1,381	12.7
Wipro	262	30.6	13.0	13.9	14.7	13.2	14.8	15.7	18.4	16.2	HOLD	HOLD	267	2.0	246	8.5
Tech Mahindra	1,578	17.2	63.3	81.9	92.4	61.2	84.8	95.2	19.5	17.1	HOLD	HOLD	1,754	11.2	1,539	14.0
LTIM	6,018	19.8	192.1	215.5	243.2	190.7	217.7	244.7	22.8	19.0	SELL	SELL	5,384	(10.5)	4,393	22.6
Persistent	6,445	11.3	122.6	138.4	167.3	116.7	140.2	171.0	27.1	23.8	SELL	SELL	4,343	(32.6)	3,694	17.5
Mphasis	2,817	6.0	99.6	110.5	122.5	100.3	114.2	129.5	23.9	20.9	HOLD	SELL	2,852	1.2	2,547	12.0
Coforge	1,647	6.1	44.4	56.5	72.5	43.5	56.2	70.2	21.7	19.0	SELL	SELL	1,487	(9.7)	1,302	14.2
Birlasoft	432	1.3	15.5	20.7	22.4	15.0	20.4	21.4	17.4	15.2	SELL	SELL	381	(11.7)	318	19.9
Zensar	718	1.8	32.4	34.2	38.1	32.4	34.1	38.0	17.4	15.2	SELL	SELL	645	(10.3)	581	10.9
Firstsource	332	2.6	11.2	14.5	18.3	11.3	14.8	19.3	27.1	23.8	BUY	BUY	471	41.8	406	16.1
Eclerx	4,750	2.5	139.9	174.3	219.3	140.8	182.2	221.7	26.0	22.8	HOLD	HOLD	5,418	14.1	4,604	17.7

Source: Company, BOBCAPS Research

**Fig 2 – Summary of estimated financial performance by Indian IT services industry for 3QFY26**

Company Name	3QFY26E Revenue		QoQ CC		US\$ revenue growth (%)		EBIT Margin (%)		
	US\$ mn	Growth (%)			QoQ	YoY	3QFY25	2QFY26	3QFY26E
TCS	7,533	1.5			0.9	-0.1	24.5	23.5	24.5
Infosys	5,011	-0.7			-1.3	1.5	21.3	21.0	21.5
HCLT	3,716	2.5			2.0	5.2	19.5	17.4	19.0
Wipro	2,626	1.5			0.8	-0.1	17.3	16.4	16.7
Tech Mahindra	1,587	2.5			0.0	1.2	10.2	12.1	12.8
LTI Mindtree	1,204	2.5			2.0	5.7	13.8	15.9	16.4
Mphasis	453	2.0			1.8	8.1	15.3	15.3	15.3
Persistent Systems	421	4.0			3.7	16.9	14.9	16.3	15.9
Coforge	481	4.6			4.1	21.1	11.8	14.0	13.9
Birlasoft	152	0.7			0.5	-5.8	10.4	14.5	13.1
Zensar	163	0.5			0.2	3.9	13.8	13.7	14.0
Firstsource	271	3.2			2.4	9.0	11.1	11.5	12.3
Eclerx	120	3.6			3.5	18.8	20.0	22.4	20.9

Source: Company, BOBCAPS Research



**Fig 3 – TCS**

TCS	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	7,539	7,466	7,533	0.89	(0.09)	<ul style="list-style-type: none"> <li>Expect QoQ CC revenue growth of 1.5%. This may look aggressive in a seasonally weak quarter as we think a large chunk of the second tranche of the BSNL order will be booked in 3QFY26.</li> <li>Expect TCV of US\$10-12bn. AI and new age services related metrics will be keenly watched as they were shared for the very first-time during December 2025 analyst meet. Need to see if it announces more on the M&amp;A front especially in advisory, consulting and AI areas.</li> <li>The margin beat in 2Q (25.2% - excl restructuring hit), driven largely by ~80bps of currency tailwind, is unlikely to sustain into 3Q, with EBIT margin expected to normalize to 24.5% due to 2 extra months impact of wage hikes and the BSNL order in the revenue mix which will also dilute margins.</li> </ul>
Revenue (Rs mn)	639,730	657,990	671,148	2.00	4.91	
EBIT (Rs mn)	156,570	154,300	164,605	6.68	5.13	
PAT (Rs mn)	123,800	120,750	129,224	7.02	4.38	
EBIT Margin (%)	24.5	23.5	24.5	108bps	5bps	
PAT Margin (%)	19.4	18.4	19.3	90bps	(10bps)	

Source: Company, BOBCAPS Research

**Fig 4 – INFO**

Infosys	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	4,939	5,076	5,011	(1.27)	1.47	<ul style="list-style-type: none"> <li>Expected to reflect normal seasonality with CC revenue decline of 0.7%. Lower third-party pass-through and productivity adjustments on deals are likely to weigh on 3Q growth.</li> <li>Expect FY26 CC revenue growth guidance (before any incremental M&amp;A impact) to be maintained at 2-3% While 1H performance was strong, Infosys has been guiding for QoQ softness in 3Q and 4Q.</li> <li>Expect TCV of US\$4-6bn including a mega deal win from NHS</li> <li>EBIT margin expected to improve modestly to 21.5% in 3QFY26E, reflecting operational efficiencies from Project Maximus and forex movement</li> <li>Communication, Manufacturing and Retail expected to see continued growth headwinds</li> <li>Wait to see if Infosys decides to reveal metrics on its AI related business now that TCS and HCLT amongst its Indian peers have putting out the numbers</li> </ul>
Revenue (Rs mn)	417,640	444,900	446,520	0.36	6.92	
EBIT (Rs mn)	89,120	93,530	96,058	2.70	7.78	
PAT (Rs mn)	68,060	73,640	74,914	1.73	10.07	
EBIT Margin (%)	21.3	21.0	21.5	49bps	17bps	
PAT Margin (%)	16.3	16.6	16.8	23bps	48bps	

Source: Company, BOBCAPS Research

**Fig 5 – HCLT**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	3,533	3,644	3,716	1.99	5.2	<ul style="list-style-type: none"> <li>CC revenue growth expected at 2.5%, primarily due to software seasonality and decent momentum in services.</li> <li>Expect TCV of US\$2.5-3bn. Would like to know what its strategy is going to be now that it has bought both the OSS and BSS pieces of HPE's Telecom business.</li> <li>Will also watch out for incremental metrics on its AI business.</li> <li>EBIT margin anticipated around 19%, reflecting seasonality of the software business and factoring in wage revision impact and restructuring expense</li> </ul>
Revenue (Rs mn)	298,900	319,420	331,133	3.67	10.8	
EBIT (Rs mn)	58,210	55,500	62,963	13.45	8.2	
PAT (Rs mn)	45,910	42,350	49,296	16.40	10.8	
EBIT Margin (%)	19.5	17.4	19.0	164bps	(50bps)	
PAT Margin (%)	15.4	13.3	14.9	163bps	(50bps)	

Source: Company, BOBCAPS Research

**Fig 6 – WIPRO**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	2,629	2,604	2,626	0.84	(0.11)	<ul style="list-style-type: none"> <li>CC revenue growth expected at 1.5%, reflecting continued large deal momentum despite furloughs. About 100bps from this will be inorganic growth from Harman DTS acquisition</li> <li>Expect revenue growth guidance of 1-3% QoQ in CC (including 200bps from Harman DTS)</li> <li>EBIT margin anticipated around 16.7%, factoring seasonal weakness from furloughs and fewer working days and operating efficiencies. Wipro has not announced a salary hike in FY26 yet. Need to see if margins get hit by aggressive bidding on large competitively priced deals</li> <li>Wipro reported total TCV of US\$4.7bn in 2QFY26 and large-deal TCV of US\$2.9bn which we believe was a record. QoQ we expect a 20-30% drop.</li> </ul>
Revenue (Rs mn)	223,188	226,973	234,493	3.31	5.07	
EBIT (Rs mn)	38,503	37,271	39,166	5.08	1.72	
PAT (Rs mn)	33,075	31,904	33,767	5.84	2.09	
EBIT Margin (%)	17.3	16.4	16.7	28bps	(55bps)	
PAT Margin (%)	14.8	14.1	14.4	34bps	(42bps)	

Source: Company, BOBCAPS Research

**Fig 7 – TECHM**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	1,567	1,586	1,587	0.04	1.22	<ul style="list-style-type: none"> <li>3QFY26 CC revenue growth expected at 2.5%. Some Comviva seasonality is expected though it has reduced in recent years.</li> <li>Adjusted EBIT margin likely around 12.8%, supported by productivity gains in fixed-price projects and gross margin expansion from better margins on new order wins.</li> <li>Track progress toward FY27 targets: revenue growth above peer averages and path to 15% EBIT margin, with quarterly execution on large accounts, TCV conversion, and productivity initiatives as key monitors</li> <li>Expect net new TCV of about US\$800mn. That would be required for it to grow somewhere near peer average in FY27</li> <li>Impact of HPE Telecom business hive off to HCLT on its own communication business</li> </ul>
Revenue (Rs mn)	132,856	139,949	141,362	1.01	6.40	
EBIT (Rs mn)	13,502	16,993	18,125	6.66	34.24	
PAT (Rs mn)	9,832	11,945	15,216	27.38	54.76	
EBIT Margin (%)	10.2	12.1	12.8	68bps	266bps	
PAT Margin (%)	7.4	8.5	10.8	223bps	336bps	

Source: Company, BOBCAPS Research

**Fig 8 – LTIM**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	1,139	1,180	1,204	2.04	5.75	■ 3QFY26 CC revenue growth expected at 2.5% due recent large deal wins.
Revenue (Rs mn)	96,609	103,943	107,291	3.22	11.06	■ To monitor pick-up in TCV, which has been largely flat at US\$1.6bn over the last four quarters, as an increase will be critical for sustaining double-digit growth momentum beyond 4QFY26 into FY27
EBIT (Rs mn)	13,289	16,481	17,630	6.97	32.67	
PAT (Rs mn)	10,867	13,812	14,851	7.52	36.66	■ To monitor contribution from non-top clients and nontraditional sectors, as AI-driven productivity pass-backs in top BFSI and Hi-Tech accounts shift growth reliance to vendor consolidation deals
EBIT Margin (%)	13.8	15.9	16.4	58bps	268bps	
PAT Margin (%)	11.2	13.3	13.8	55bps	259bps	■ EBIT margin at 16.4%, supported by Fit4Future program and Forex gains despite wage hikes

Source: Company, BOBCAPS Research

**Fig 9 – MPHL**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	419	445	453	1.80	8.07	■ CC revenue growth expected at 2% driven by recently won orders despite furloughs.
Revenue (Rs mn)	35,613	39,019	40,376	3.48	13.37	■ To monitor client/vertical concentration risk, given top client at 12% and top 10 at 55%, which could create volatility in growth and earnings
EBIT (Rs mn)	5,458	5,959	6,194	3.94	13.48	■ Travel & Logistics vertical expected to return to sequential growth in 3QFY26, with margins normalizing after a one-time investment impact in 2Q
PAT (Rs mn)	4,280	4,691	4,889	4.22	14.23	
EBIT Margin (%)	15.3	15.3	15.3	7bps	1bps	■ Focus would be on potential revival timeline in its mortgage business with Trump announcing measures for the GSEs to buy US\$200bn worth of MBSs in the US market.
PAT Margin (%)	12.0	12.0	12.1	9bps	9bps	

Source: Company, BOBCAPS Research

**Fig 10 – PSYS**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	360	406	421	3.74	16.90	■ CC revenue growth expected at 4% due to the strong TCV and ACV added in recent quarters.
Revenue (Rs mn)	30,623	35,807	37,525	4.80	22.54	
EBIT (Rs mn)	4,557	5,837	5,962	2.1	30.8	■ EBIT margin expected to contract by 40bps due to ~180bps wage hike impact, operating efficiencies, positive forex impact.
PAT (Rs mn)	3,730	4,715	4,769	1.2	27.9	
EBIT Margin (%)	14.9	16.3	15.9	(40bps)	100bps	■ With US\$2bn being a revenue goal set for FY27 we think PSYS may fall short on an organic basis. An announcement on an reasonable sized M&A transaction is likely. Will watch for the space that it will look at and the valuation
PAT Margin (%)	12.2	13.2	12.7	(50bps)	50bps	

Source: Company, BOBCAPS Research

**Fig 11 – COFORGE**

Coforge	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	397	462	481	4.10	21.14	CC revenue growth expected at 4.6%, continuing to outpace Tier-2 peers due to continued extraction of synergies from the Cigniti acquisition and good execution.
Revenue (Rs mn)	33,182	39,857	42,862	7.54	29.17	
EBIT (Rs mn)	3,922	5,563	5,977	7.4	52.4	EBIT margin expected to contract 10bps, with wage hikes effective 1 October partly offset by lower ESOP costs and reduced depreciation intensity and forex gains
PAT (Rs mn)	2,155	3,758	3,921	4.3	81.9	To monitor TCV momentum, which has remained stagnant at ~US\$500–525mn for the last four quarters
EBIT Margin (%)	11.8	14.0	13.9	(10bps)	210bps	Awaiting incremental information around steps to extract synergies from Encora which it bought for an EV of US\$2.35bn in December 2025.
PAT Margin (%)	6.5	9.4	9.1	(30bps)	260bps	

Source: Company, BOBCAPS Research

**Fig 12 – BSOFT**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	161	151	152	0.55	(5.77)	CC revenue growth is expected at 0.7%. Likely downside risk to this due to weak TCV clocked in recent quarters.
Revenue (Rs mn)	13,627	13,289	13,501	1.60	(0.92)	
EBIT (Rs mn)	1,422	1,931	1,772	(8.21)	24.68	~140bps decline in EBIT margin in 3Q as 2Q included ~150bps benefit from one-offs
PAT (Rs mn)	1,169	1,161	1,068	(8.01)	(8.68)	To watch for TCV number and revenue conversion from new and renewal deals, as deal wins have been weak in 2Q. Delayed deals (~US\$60mn) expected to be signed in 3Q
EBIT Margin (%)	10.4	14.5	13.1	(140bps)	270bps	Need to see if the new senior recruitments for the US and ROW geos begin to make a difference to TCV
PAT Margin (%)	8.6	8.7	7.9	(83bps)	(67bps)	

Source: Company, BOBCAPS Research

**Fig 13 – ZENT**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	157	163	163	0.20	3.90	CC growth expected at 0.5% due to weak order inflow
Revenue (Rs mn)	13,256	14,213	14,534	2.26	9.64	
EBIT (Rs mn)	1,832	1,948	2,035	4.49	11.11	To monitor deal inflows, with second successive quarter below US\$200mn (~US\$159mn in 2QFY26), signaling potential continued growth challenges
PAT (Rs mn)	1,597	1,822	1,898	4.18	18.86	
EBIT Margin (%)	13.8	13.7	14.0	30bps	18bps	
PAT Margin (%)	12.0	12.8	13.1	24bps	101bps	

Source: Company, BOBCAPS Research

**Fig 14 – FSOL**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	249	265	271	2.39	8.97	CC revenue growth expected ~3.2% on the back of execution of the orders booked in previous quarters and its unBPO proposition. We have not accounted for Pastdue acquisition in our numbers (added from 11 December 2025).
Revenue (Rs mn)	21,024	23,122	24,176	4.56	14.99	
EBIT (Rs mn)	2,333	2,665	2,968	11.38	27.24	Expect EBIT margin expansion of ~75bps due to forex, operating efficiencies, etc
PAT (Rs mn)	1,603	1,795	2,072	15.42	29.28	Expect the FSOL to maintain its revenue guidance for FY26 at 13-15% in CC terms (including 300bps of inorganic elements) but without the Pastdue acquisition.
EBIT Margin (%)	11.1	11.5	12.3	75bps	118bps	Expect ACV growth to be strong to help deliver strong organic growth in FY27
PAT Margin (%)	7.6	7.8	8.6	81bps	95bps	

Source: Company, BOBCAPS Research

**Fig 15 – ECLX**

	3QFY25	2QFY26	3QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (US\$ mn)	101	116	120	3.55	18.84	CC revenue growth expected at 3.6% on strong execution across verticals.
Revenue (Rs mn)	8,538	10,049	10,658	6.06	24.82	
EBIT (Rs mn)	1,709	2,254	2,224	(1.35)	30.14	157bps margin decline QoQ as there was a 200bps contribution of Forex in 2Q (QoQ) some of which may be given back. investments in analytics, technology, and sales will also weigh.
PAT (Rs mn)	1,371	1,832	1,723	(5.97)	25.67	
EBIT Margin (%)	20.0	22.4	20.9	(157bps)	85bps	New CEO-led initiatives around disciplined sales execution, cross-selling, and upselling of services should continue to support revenue and ACV accretion
PAT Margin (%)	16.1	18.2	16.2	(207bps)	11bps	

Source: Company, BOBCAPS Research

**Fig 16 – Performance of Stocks and Indices**

Stock Performance (%)	CY23	CY24	CY25	1QCY23	2QCY23	3QCY23	4QCY23	1QCY24	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	YTD
TCS	18.8	8.4	(20.5)	0.4	3.0	6.9	7.5	2.7	0.7	9.3	(4.1)	(10.5)	(4.0)	(16.6)	11.0	(0.1)
Infosys	2.3	22.5	(14.1)	(5.3)	(6.5)	7.5	7.5	(2.9)	5.2	19.7	0.2	(16.5)	2.0	(10.0)	12.0	(0.1)
HCL Tech	41.1	30.8	(15.1)	4.4	9.5	3.9	18.7	5.3	(5.4)	23.1	6.8	(16.7)	8.5	(19.9)	17.2	1.4
Wipro	20.0	28.1	(12.8)	(7.0)	6.5	4.3	16.1	1.9	7.2	5.2	11.5	(13.1)	1.4	(10.0)	10.0	(0.4)
LTIM	44.2	(11.3)	8.6	9.0	9.2	0.2	20.8	(21.5)	9.0	16.0	(10.5)	(19.6)	18.4	(3.0)	17.6	(0.8)
Tech Mahindra	25.2	34.1	(6.8)	8.4	2.6	8.1	4.1	(1.9)	14.6	10.3	8.2	(16.9)	18.9	(17.0)	13.6	(0.8)
Firstsource	80.7	103.4	(10.7)	3.1	20.7	31.6	10.3	6.9	6.2	48.2	20.8	(9.5)	10.1	(12.2)	2.1	(1.1)
Eclerx	102.6	34.4	34.8	0.9	25.9	10.9	43.8	(8.7)	2.2	24.3	15.8	(20.3)	26.1	14.7	16.9	1.2
Mphasis	38.9	3.9	(2.0)	(9.0)	5.5	25.4	15.3	(12.8)	2.9	22.5	(5.4)	(12.2)	13.8	(6.7)	5.1	0.9
Persistent	91.3	74.8	(2.9)	19.1	8.7	15.9	27.5	7.8	6.4	28.5	18.5	(14.6)	9.6	(20.2)	30.1	2.8
Coforge	61.5	54.0	(13.9)	(1.8)	23.5	8.3	22.9	(12.3)	(0.8)	28.5	37.7	(16.1)	18.7	(17.3)	4.5	(1.0)
Birlasoft	141.4	(22.3)	(22.7)	(12.6)	37.4	34.7	49.2	2.9	(7.0)	(12.8)	(6.9)	(30.8)	11.8	(18.6)	22.8	(0.4)
Zensar	186.7	23.1	(6.4)	28.8	41.0	33.7	18.0	(0.6)	23.2	(9.6)	11.3	(6.8)	20.2	(9.4)	(7.8)	2.1
LTTS	42.7	(9.8)	(5.8)	(8.3)	16.5	16.3	14.8	4.3	(10.5)	8.9	(11.4)	(5.0)	(2.2)	(6.5)	8.5	(0.9)
Tata Elxsi	39.3	(22.4)	(22.9)	(5.2)	27.3	(4.8)	21.1	(11.1)	(10.1)	10.3	(12.0)	(23.3)	21.0	(17.2)	0.3	9.1
KPIT Infotech	115.0	(3.2)	(19.9)	31.4	17.8	5.7	31.4	(1.8)	10.0	(0.4)	(10.0)	(10.7)	(3.7)	(12.8)	6.8	0.7
Cyient	182.7	(19.9)	(39.2)	22.7	50.8	12.9	35.3	(12.9)	(8.0)	2.4	(2.3)	(31.2)	1.9	(11.1)	(2.5)	5.6
Mastek	64.9	5.7	(31.1)	(9.8)	26.1	23.5	17.4	(9.7)	7.2	(4.7)	14.6	(26.8)	11.9	(10.1)	(6.5)	0.7
Newgen Software	333.7	117.9	(50.3)	25.1	50.6	32.7	73.5	1.8	22.2	38.0	26.9	(41.5)	17.6	(24.1)	(5.0)	(1.9)
Happiest Minds	1.7	(18.0)	(37.3)	(12.9)	27.4	(10.6)	2.4	(16.9)	9.8	(1.1)	(9.1)	(18.8)	9.9	(19.1)	(13.3)	(1.9)
HGS	(25.6)	(29.8)	(35.9)	(22.6)	4.8	(7.0)	(1.4)	(25.4)	13.6	(3.2)	(14.5)	(33.0)	19.8	(12.1)	(9.1)	(1.6)
Intellect Design	87.5	14.3	1.8	(8.0)	53.1	12.4	18.4	31.1	(2.6)	(9.9)	(0.6)	(27.5)	65.9	(15.0)	(0.4)	(2.9)
OFSS	39.3	203.6	(39.9)	8.0	18.2	6.5	2.5	108.3	12.6	16.0	11.6	(38.6)	14.5	(6.5)	(8.5)	(1.2)
Ramco Systems	14.8	45.2	34.1	(24.7)	33.6	29.5	(11.9)	(9.1)	23.2	21.4	6.8	(21.8)	23.4	21.0	14.9	(9.6)
DXC	33.5	23.8	(27.0)	(3.5)	4.5	(22.0)	9.8	(7.3)	(10.0)	8.7	(3.7)	(14.5)	(10.5)	(10.9)	7.5	1.8
Endava	30.7	68.8	(23.2)	(12.2)	(22.9)	10.7	35.7	(51.1)	(23.1)	(12.7)	21.0	(35.5)	(23.1)	(40.6)	(30.5)	5.5
Cognizant	70.4	139.0	(26.9)	6.5	7.1	3.8	11.5	(3.0)	(7.2)	13.5	(0.4)	(1.3)	2.8	(14.0)	23.8	1.3
Accenture	141.4	(22.3)	(22.7)	7.1	8.0	(0.5)	14.3	(1.2)	(12.5)	16.5	(0.5)	(13.5)	(1.8)	(17.5)	8.8	2.1
Globant SA	64.9	5.7	(31.1)	(2.5)	9.6	10.1	20.3	(15.2)	(11.7)	11.2	8.2	(44.7)	(23.3)	(36.8)	13.9	7.6
Epam Systems INC	186.7	23.1	(6.4)	(8.8)	(24.8)	13.8	16.3	(7.1)	(31.9)	5.8	17.5	(27.8)	4.7	(14.7)	35.9	6.5
Cap Gemini	333.7	117.9	(50.3)	9.5	1.6	(4.5)	13.8	13.0	(12.9)	4.4	(18.5)	(8.1)	(0.2)	(14.8)	15.1	3.4
Genpact	1.7	(18.0)	(37.3)	(0.2)	(18.7)	(3.6)	(4.1)	(5.1)	(2.3)	21.8	9.5	16.4	(12.0)	(4.8)	11.7	1.3
Perficient Inc	(25.6)	(29.8)	(35.9)	3.4	15.4	(30.6)	13.8	(14.5)	32.9	0.9	NA	NA	NA	NA	NA	NA
Thought Works Inc	(5.7)	NA	NA	(27.8)	2.6	(46.0)	17.9	(47.4)	12.3	55.6	NA	NA	NA	NA	NA	NA
Just Dial	115.0	(3.2)	(19.9)	(0.9)	24.1	(1.3)	10.0	0.1	28.0	12.3	(14.0)	(17.9)	13.9	(10.7)	(12.5)	0.9
Infoedge	(25.1)	23.7	8.9	(5.3)	20.4	(7.1)	23.4	8.8	21.3	19.4	7.1	(17.2)	3.6	(12.0)	1.9	0.3
Makemytrip	(52.8)	NA	NA	(11.2)	10.3	50.2	15.9	51.2	18.4	10.5	20.8	(7.8)	(5.3)	(4.5)	(12.3)	1.3
Eternal	108.6	124.8	0.0	(14.0)	47.2	35.2	21.9	47.2	10.1	36.3	1.7	(27.5)	31.0	23.2	(14.6)	2.0
Nykaa	12.3	(5.9)	61.9	(19.8)	19.6	3.1	13.5	(6.9)	8.9	10.9	(16.3)	9.4	16.4	11.5	14.1	(3.2)
Paytm	19.7	60.2	27.6	19.9	36.3	(1.2)	(25.9)	(36.6)	(0.2)	71.3	47.9	(23.0)	17.9	21.6	15.6	0.2
PB Infotech	77.3	165.4	(13.4)	42.5	9.1	9.8	3.8	41.5	24.3	15.9	30.2	(24.6)	14.7	(6.7)	7.3	(7.2)
<b>Index Performance (%)</b>																
Nasdaq	53.8	24.9	20.2	20.5	15.2	(3.1)	14.3	8.5	7.8	1.9	4.7	(8.2)	17.6	8.8	2.3	1.6
S&P 500	24.2	23.3	16.4	7.0	8.3	(3.6)	11.2	10.2	3.9	5.5	2.1	(5.1)	11.2	7.8	2.3	1.1
Stox 600	12.7	6.0	16.7	7.8	0.9	(2.5)	6.4	7.0	(0.2)	2.2	(2.9)	6.8	(0.1)	3.1	6.1	2.2
DAX	20.3	NA	NA	12.2	3.3	(4.7)	8.9	10.4	(1.4)	6.0	NA	NA	6.4	(0.1)	NA	NA
Nikkei	28.2	NA	NA	7.5	18.4	(4.0)	5.0	20.0	(1.5)	(4.2)	NA	NA	9.1	11.0	NA	NA
MSCI EM	7.0	5.1	30.6	3.5	(0.1)	(3.7)	7.4	1.6	4.4	7.8	(8.1)	4.2	9.1	10.1	4.3	4.2
Bovespa	NA	NA	NA	NA	15.9	(1.3)	15.1	(4.5)	(3.3)	6.4	NA	NA	5.3	5.3	NA	NA
HSCEI	(14.0)	26.4	22.3	3.9	(7.8)	(4.3)	(6.2)	0.7	9.0	18.6	(2.9)	18.1	0.8	10.1	(6.7)	2.5

Stock Performance (%)	CY23	CY24	CY25	1QCY23	2QCY23	3QCY23	4QCY23	1QCY24	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	YTD
NIFTY IT	24.1	22.0	(12.6)	0.3	3.0	7.5	11.7	(1.7)	3.6	16.0	3.3	(14.9)	5.6	(13.6)	12.6	0.1
NIFTY BANK	12.3	5.3	17.1	(5.5)	10.2	(0.4)	8.3	(2.4)	11.1	1.2	(4.0)	1.4	11.1	(4.7)	9.1	0.2
NIFTY FMCG	29.0	(0.3)	(2.3)	3.9	13.7	(1.1)	10.4	(5.3)	5.2	15.5	(13.3)	(5.7)	2.4	(0.3)	1.4	(4.4)
NIFTY AUTO	47.6	22.6	23.5	(2.9)	23.7	6.8	15.0	15.0	17.7	7.2	(15.5)	(6.7)	12.1	11.2	6.2	0.8
NIFTY ENERGY	29.4	5.1	0.4	(11.8)	8.2	10.6	22.5	16.6	7.1	5.3	(20.1)	(4.6)	8.9	(4.3)	0.9	(1.7)
NIFTY PHARMA	33.6	39.1	(2.9)	(4.6)	14.6	12.0	9.1	12.9	3.9	18.0	0.6	(9.7)	4.3	(2.7)	5.9	1.1
NIFTY METAL	18.7	8.4	29.1	(18.2)	12.9	10.1	16.6	3.5	18.9	3.9	(15.2)	5.1	4.9	5.3	11.3	(0.3)
NIFTY INFRA	39.1	15.9	13.6	(3.1)	12.7	8.8	17.0	14.1	9.6	4.8	(11.6)	(0.1)	11.3	(4.3)	6.8	(2.4)
NIFTYMIDCAP	46.6	23.9	5.7	(4.7)	19.0	13.4	13.9	4.1	15.9	7.9	(4.9)	(9.7)	15.6	(5.4)	7.0	(0.4)
NIFTY SMALLCAP	55.6	23.9	(5.6)	(7.6)	20.5	17.6	18.8	0.8	20.0	4.7	(2.1)	(14.2)	18.5	(7.9)	0.9	(0.6)
NIFTY	20.0	8.8	10.5	(4.1)	10.5	2.3	10.7	2.7	7.5	7.5	(8.4)	(0.5)	8.5	(3.6)	6.2	(1.0)
USD/INR				82.3	82.2	82.7	83.3	83.0	83.4	83.8	84.4	86.6	85.6	87.3	89.1	90.1

Source: Bloomberg, BOBCAPS Research; as of 8<sup>th</sup> January, 2026**Fig 17 – Assumptions on macro and companies**

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
INR/ USD	70.1	71.0	74.1	74.6	80.7	82.8	84.6	87.9	89.4	91.1
<b>USD Revenue Growth (%)</b>										
TCS	9.6	5.4	0.6	15.9	8.6	4.1	3.8	(0.4)	4.1	4.7
Infosys	7.9	8.3	6.1	20.3	11.7	1.9	3.9	3.9	5.4	5.0
HCL Tech	10.1	15.1	2.4	12.8	9.6	5.4	4.3	5.5	5.6	7.2
Wipro	1.6	0.8	(1.4)	27.3	8.5	(3.8)	(2.4)	(0.2)	3.6	3.4
Tech Mahindra	4.2	4.3	(1.4)	17.3	10.1	(5.0)	(0.2)	1.7	5.2	6.7
LTIM	19.1	13.0	9.5	109.7	17.2	4.4	4.8	6.3	7.8	7.7
Persistent	2.2	4.3	12.9	35.2	35.3	14.5	18.8	17.6	15.6	14.8
Mphasis	13.1	10.8	5.6	21.7	7.8	(6.3)	4.4	7.0	8.1	8.8
Coforge	12.8	13.4	5.8	38.0	15.6	11.7	31.2	28.6	41.7	23.2
Birlasoft	(19.4)	27.4	3.4	15.7	7.2	7.1	(0.3)	(4.7)	4.8	4.5
Zensar	17.6	4.0	(16.2)	15.3	6.1	(2.0)	5.4	4.6	5.6	7.5
Firstsource	(0.2)	5.7	18.7	15.9	(5.5)	1.9	23.4	14.2	15.0	14.7
Eclerx	1.1	(0.1)	4.9	35.2	16.9	6.4	12.3	17.6	17.3	14.1
<b>EBIT Margin (INR) (%)</b>										
TCS	25.6	24.6	25.9	25.3	24.1	24.6	24.3	24.4	24.3	24.3
Infosys	22.8	21.3	24.5	23.0	21.1	20.7	21.1	21.4	21.0	20.9
HCL Tech	19.6	19.6	21.4	18.9	18.2	18.2	18.3	17.8	17.9	17.6
Wipro	17.1	17.3	19.9	17.7	15.4	15.2	17.0	16.6	16.3	16.3
Tech Mahindra	15.0	11.6	14.2	14.6	11.4	6.1	9.7	12.6	14.8	15.5
LTIM	18.4	16.1	19.3	17.8	16.2	15.7	14.5	15.6	15.6	16.1
Persistent	12.6	9.2	12.1	13.9	14.9	14.4	14.7	16.3	15.7	16.3
Mphasis	16.1	16.0	16.1	15.3	15.3	15.1	15.3	15.3	15.2	15.1
Coforge	14.2	13.1	13.0	14.2	14.3	12.9	12.5	14.3	14.3	15.1
Birlasoft	10.1	9.2	12.6	13.6	9.1	14.2	11.4	12.9	12.9	13.0
Zensar	10.2	8.5	13.9	11.1	7.6	15.1	13.5	13.7	13.8	13.9
Firstsource	12.0	10.8	11.7	12.0	9.4	11.0	11.0	12.2	12.9	13.6
Eclerx	18.5	17.7	24.5	26.4	23.8	22.2	20.2	21.0	21.7	22.9

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>EPS (Rs)</b>										
TCS	83.1	86.2	89.3	103.6	115.2	128.1	134.2	141.4	146.0	155.6
Infosys	36.0	38.9	45.5	52.4	57.6	63.3	64.4	71.7	74.9	80.4
HCL Tech	36.8	40.8	47.7	49.8	54.9	57.9	64.1	65.5	71.7	76.8
Wipro	9.3	8.3	9.6	11.1	10.3	10.4	12.5	13.0	13.9	14.7
Tech Mahindra	48.7	45.2	49.9	62.7	54.7	26.5	47.8	63.3	81.9	92.4
LTIM	86.5	87.1	111.2	133.3	149.0	154.6	153.4	192.1	215.5	243.2
Persistent	22.0	22.2	29.4	45.1	60.3	71.2	90.2	122.6	138.4	167.3
Mphasis	56.1	63.6	64.7	76.4	87.1	82.6	89.3	99.6	110.5	122.5
Coforge	13.1	14.3	14.9	21.8	22.8	26.3	24.5	44.4	56.5	72.5
Birlasoft	13.9	8.1	11.6	16.6	12.0	22.6	18.3	15.5	20.7	22.4
Zensar	13.7	11.5	15.3	18.3	14.4	29.1	28.4	32.4	34.2	38.1
Firstsource	5.4	4.9	5.2	7.7	7.3	7.3	8.4	11.2	14.5	18.3
Eclerx	40.2	38.5	55.0	85.3	98.3	104.0	113.1	139.9	174.3	219.3
<b>EPS growth (%)</b>										
TCS	24.0	3.8	3.6	16.0	11.2	11.2	4.7	5.4	3.3	6.5
Infosys	10.8	8.1	17.0	15.2	9.8	10.0	1.7	11.4	4.4	7.3
HCL Tech	16.9	10.9	17.0	4.5	10.1	5.5	10.8	2.3	9.5	7.0
Wipro	10.5	(10.4)	14.9	16.6	(7.2)	0.2	20.9	3.4	7.3	5.6
Tech Mahindra	13.7	(7.0)	10.2	25.7	(12.8)	(51.6)	80.6	32.3	29.4	12.9
LTIM	36.0	0.7	27.7	19.9	11.7	3.8	(0.8)	25.3	12.2	12.9
Persistent	9.2	0.7	32.4	53.5	33.6	18.1	26.7	36.0	12.8	20.9
Mphasis	31.2	13.3	1.8	18.0	14.0	(5.1)	8.1	11.6	10.9	10.9
Coforge	47.7	9.0	4.5	45.9	4.4	15.5	(6.9)	81.7	27.2	28.2
Birlasoft	6.0	(41.8)	42.6	44.1	(27.8)	88.3	(19.0)	(15.2)	32.8	8.4
Zensar	28.9	(16.1)	32.8	19.8	(21.5)	102.6	(2.5)	14.3	5.4	11.5
Firstsource	14.5	(10.1)	5.3	48.9	(4.6)	0.3	14.9	33.3	29.0	26.3
Eclerx	(11.3)	(4.0)	42.7	55.2	15.2	5.8	8.7	23.7	24.6	25.8

Source: Company, BOBCAPS Research



**Fig 18 – Indian IT Services sector valuations**

	TCS	Infosys	HCL Tech	Wipro	Tech Mahindra	LTIM	Persistent	Mphasis	Coforge	Birlasoft	Zensar	Firstsource	eClerx
Year ending	March	March	March	March	March	March	March	March	March	March	March	March	March
Prices as on 8th Jan 2026	3,204	1,613	1,647	262	1,578	6,018	6,445	2,817	1,647	432	718	332	4,750
Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Market Value (Rs Bn)	11,534.8	6,669.6	4,446.5	2,736.1	1,538.3	1,775.5	1,011.6	534.2	549.1	119.7	162.6	230.4	225.2
(US\$mn)	128,880	74,521	49,682	30,571	17,187	19,838	11,303	5,969	6,135	1,337	1,816	2,574	2,516
<b>Dec 2026 Target Price</b>	<b>3324</b>	<b>1800</b>	<b>1556</b>	<b>267</b>	<b>1754</b>	<b>5384</b>	<b>4343</b>	<b>2852</b>	<b>1487</b>	<b>381</b>	<b>645</b>	<b>471</b>	<b>5418</b>
<b>Upside/(downside) (%)</b>	<b>3.8</b>	<b>11.6</b>	<b>(5.5)</b>	<b>2.0</b>	<b>11.2</b>	<b>(10.5)</b>	<b>(32.6)</b>	<b>1.2</b>	<b>(9.7)</b>	<b>(11.7)</b>	<b>(10.3)</b>	<b>41.8</b>	<b>14.1</b>
<b>Recommendation</b>	<b>HOLD</b>	<b>HOLD</b>	<b>HOLD</b>	<b>HOLD</b>	<b>HOLD</b>	<b>SELL</b>	<b>SELL</b>	<b>HOLD</b>	<b>SELL</b>	<b>SELL</b>	<b>SELL</b>	<b>BUY</b>	<b>HOLD</b>
<b>FDEPS (Rs)</b>													
FY23	115.2	57.6	54.9	10.3	54.7	149.0	60.3	87.1	22.8	12.0	14.4	7.3	98.3
FY24	128.1	63.3	57.9	10.4	26.5	154.6	71.2	82.6	26.3	22.6	29.1	7.3	104.0
FY25	134.2	64.4	64.1	12.5	47.8	153.4	90.2	89.3	24.5	18.3	28.4	8.4	113.1
FY26E	141.4	71.7	65.5	13.0	63.3	192.1	122.6	99.6	44.4	15.5	32.4	11.2	139.9
FY27E	146.0	74.9	71.7	13.9	81.9	215.5	138.4	110.5	56.5	20.7	34.2	14.5	174.3
FY28E	155.6	80.4	76.8	14.7	92.4	243.2	167.3	122.5	72.5	22.4	38.1	18.3	219.3
<b>PE (x)</b>													
FY23	27.8	28.0	30.0	25.3	28.9	40.4	106.9	32.4	72.4	35.9	50.0	45.4	48.3
FY24	25.0	25.5	28.5	25.3	59.6	38.9	90.5	34.1	62.7	19.1	24.7	45.3	45.7
FY25	23.9	25.1	25.7	20.9	33.0	39.2	71.5	31.6	67.3	23.5	25.3	39.4	42.0
FY26E	22.7	22.5	25.1	20.2	24.9	31.3	52.6	28.3	37.1	27.8	22.1	29.6	33.9
FY27E	21.9	21.5	23.0	18.9	19.3	27.9	46.6	25.5	29.1	20.9	21.0	22.9	27.2
FY28E	20.6	20.1	21.5	17.8	17.1	24.7	38.5	23.0	22.7	19.3	18.8	18.1	21.7
<b>EV/EBITDA (x)</b>													
FY23	19.4	18.7	18.9	14.4	16.7	28.8	64.4	20.9	35.3	21.0	28.0	29.5	30.7
FY24	17.9	17.9	17.5	14.0	26.3	27.6	55.9	21.1	33.1	13.7	17.8	25.8	28.7
FY25	17.1	16.4	16.6	12.5	18.9	27.2	47.8	19.2	27.3	16.6	18.9	21.3	26.3
FY26E	16.5	15.2	15.5	12.8	14.8	22.3	35.5	17.5	17.9	14.9	17.3	15.9	20.1
FY27E	15.4	14.2	14.5	11.8	12.1	20.3	31.2	16.0	15.7	13.6	15.7	12.0	15.5
FY28E	14.3	13.2	13.6	10.7	10.8	17.9	25.8	14.5	12.7	12.2	14.0	9.7	12.1
<b>EV/Sales (x)</b>													
FY23	5.1	4.5	4.2	2.9	2.5	5.3	11.7	3.7	6.2	2.3	3.2	4.1	8.6
FY24	4.8	4.3	3.9	2.8	2.5	5.0	9.8	3.9	5.4	2.2	3.2	3.9	7.6
FY25	4.5	4.0	3.6	2.7	2.5	4.6	8.2	3.6	4.5	2.2	2.9	3.2	6.4
FY26E	4.4	3.7	3.3	2.4	2.4	4.1	6.8	3.3	3.3	2.1	2.7	2.7	5.1
FY27E	4.1	3.4	3.0	2.3	2.2	3.7	5.7	2.9	2.9	2.0	2.5	2.3	4.1
FY28E	3.9	3.1	2.8	2.1	2.0	3.3	4.8	2.6	2.4	1.8	2.2	1.9	3.4
<b>Post Tax ROIC (%)</b>													
FY23	50.4	34.4	28.3	19.0	19.0	43.9	40.8	27.0	26.9	16.2	15.9	9.0	39.8
FY24	53.8	32.4	29.9	17.3	9.8	42.6	37.2	22.1	25.0	27.0	35.8	10.7	33.9
FY25	52.5	34.0	31.5	19.8	16.8	41.3	36.1	21.4	17.5	20.4	32.8	11.2	32.7
FY26E	49.3	37.7	32.9	21.7	22.1	45.3	39.9	21.8	18.3	16.7	32.7	12.4	40.4
FY27E	47.3	38.2	34.7	23.6	27.4	47.0	41.8	22.6	12.2	21.0	34.0	14.7	48.0
FY28E	47.1	39.1	36.0	24.1	30.6	48.9	47.6	23.7	10.7	21.7	36.6	17.3	57.2

Source: Company, BOBCAPS Research

## Revised Estimates

**Fig 19 – TCS**

TCS Change in estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.9	89.4	91.1	87.3	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	30,073	31,310	32,784	30,157	31,858	33,264	(0.3)	(1.7)	(1.4)
USD Revenue Growth (%)	(0.4)	4.1	4.7	(0.1)	5.6	4.4			
Revenue (Rs bn)	2,645	2,798	2,985	2,632	2,844	3,029	0.5	(1.6)	(1.4)
EBIT (Rs bn)	645	681	726	645	697	755	0.0	(2.3)	(3.8)
EBIT Margin (%)	24.4	24.3	24.3	24.5	24.5	24.9			
PAT (Rs bn)	512	528	563	513	546	588	(0.3)	(3.3)	(4.3)
FDEPS (Rs)	141.4	146.0	155.6	141.8	151.0	162.6	(0.3)	(3.3)	(4.3)

Source: BOBCAPS Research

**Fig 20 – INFOSYS**

Infosys Change in estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.8	89.4	91.1	87.2	89.3	91.1	0.7	0.1	0.0
USD Revenue (USD mn)	20,031	21,106	22,152	20,059	21,501	22,988	(0.1)	(1.8)	(3.6)
USD Revenue Growth (%)	3.9	5.4	5.0	4.1	7.2	6.9			
Revenue (Rs bn)	1759	1887	2017	1749	1919	2093	0.6	(1.7)	(3.6)
EBIT (Rs bn)	377	395	421	371	401	437	1.6	(1.3)	(3.6)
EBIT Margin (%)	21.4	21.0	20.9	21.2	20.9	20.9			
PAT Adjusted (Rs bn)	296	303	326	292	307	336	1.5	(1.2)	(3.2)
FDEPS-Adjusted (Rs)	71.7	74.9	80.4	70.7	75.8	83.0	1.5	(1.2)	(3.2)

Source: BOBCAPS Research

**Fig 21 – HCLT**

HCL Tech Change in estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.8	89.4	91.1	87.2	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	14,603	15,422	16,531	14,622	15,345	16,449	(0.1)	0.5	0.5
USD Revenue Growth (%)	5.5	5.6	7.2	5.6	4.9	7.2			
Revenue (Rs bn)	1,283	1,379	1,505	1,275	1,370	1,498	0.6	0.6	0.5
EBIT (Rs bn)	228	247	265	222	254	275	2.8	(2.6)	(3.7)
EBIT Margin (%)	17.8	17.9	17.6	17.4	18.5	18.4			
PAT (Rs bn)	178	195	208	173	199	216	2.7	(2.4)	(3.5)
FDEPS (Rs)	65.5	71.7	76.8	63.8	73.5	79.5	2.7	(2.4)	(3.5)

Source: BOBCAPS Research

**Fig 22 – WPRO**

Wipro	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY27E
Change in estimates									
INR/USD	88.2	89.4	91.1	87.5	89.3	91.1	0.7	0.1	-
IT Services USD Revenue (USD mn)	10,527	10,905	11,277	10,518	11,165	11,560	0.1	(2.3)	(2.4)
USD Revenue Growth (%)	(0.2)	3.6	3.4	(0.3)	6.2	3.5			
Revenue (Rs bn)	924	977	1,029	917	999	1,055	0.8	(2.2)	(2.4)
EBIT (Rs bn)	153	159	168	154	171	180	(0.6)	(6.8)	(6.7)
EBIT Margin (%)	16.6	16.3	16.3	16.8	17.1	17.0			
PAT (Rs bn)	136	146	154	138	156	165	(1.6)	(6.3)	(6.3)
FDEPS (Rs)	13.0	13.9	14.7	13.2	14.8	15.7	(1.6)	(6.3)	(6.3)

Source: BOBCAPS Research

**Fig 23 – TECHM**

Tech Mahindra	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Change in estimates									
INR/USD	87.7	89.3	91.1	87.3	89.3	91.1	0.5	-	-
USD Revenue (USD mn)	6,371	6,700	7,147	6,386	6,751	7,344	(0.2)	(0.7)	(2.7)
USD Revenue Growth (%)	1.7	5.2	6.7	1.9	5.7	8.8			
Revenue (Rs mn)	560.2	598.9	650.9	557.4	602.6	668.8	0.5	(0.6)	(2.7)
EBIT (Rs mn)	70.5	88.5	101.0	68.1	92.1	104.3	3.5	(4.0)	(3.1)
EBIT Margin (%)	12.6	14.8	15.5	12.2	15.3	15.6			
PAT (Rs mn)	56.2	72.7	82.1	54.3	75.3	84.5	3.4	(3.4)	(2.9)
EPS (Rs)	63.3	81.9	92.4	61.2	84.8	95.2	3.4	(3.4)	(2.9)

Source: BOBCAPS Research

**Fig 24 – LTIM**

LTIMindtree	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Change in estimates									
INR/USD	87.9	89.4	91.1	87.2	89.3	91.1	0.7	0.1	0.0
USD Revenue (USD mn)	4,777	5,148	5,545	4,783	5,161	5,587	(0.1)	(0.2)	(0.7)
USD Revenue Growth (%)	6.3	7.8	7.7	6.5	7.9	8.2			
Revenue (Rs mn)	419,986	460,173	504,972	417,295	460,705	508,738	0.6	(0.1)	(0.7)
EBIT (Rs mn)	65,483	71,867	81,322	64,468	71,852	80,982	1.6	0.0	0.4
EBIT Margin (%)	15.6	15.6	16.1	15.4	15.6	15.9			
PAT (Rs mn)	57,771	63,012	71,131	57,350	63,652	71,566	0.7	(1.0)	(0.6)
EPS (Rs)	192.1	215.5	243.2	190.7	217.7	244.7	0.8	(1.0)	(0.6)

Source: BOBCAPS Research

**Fig 25 – PSYS**

Persistent Systems	New			Old			Change (%)		
Change in Estimates	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	88.0	89.4	91.1	87.3	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	1,657	1,916	2,198	1,657	1,949	2,290	-	(1.7)	(4.0)
USD Revenue Growth (%)	17.6	15.6	14.8	17.6	17.6	17.5			
Revenue (Rs mn)	145,749	171,234	200,191	144,728	173,993	208,601	0.7	(1.6)	(4.0)
EBIT (Rs mn)	23,782	26,921	32,531	23,008	28,327	34,516	3.4	(5.0)	(5.8)
EBIT Margin (%)	16.3	15.7	16.3	15.9	16.3	16.5			
PAT (Rs mn)	19,170	21,636	26,167	18,236	21,917	26,733	5.1	(1.3)	(2.1)
FDEPS (Rs)	122.6	138.4	167.3	116.7	140.2	171.0	5.1	(1.3)	(2.1)

Source: BOBCAPS Research

**Fig 26 – COFORGE**

Coforge	New			Old			Change (%)		
Change in estimates	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.8	89.4	91.1	87.4	89.3	91.1	0.4	0.1	-
USD Revenue (USD mn)	1,888	2,676	3,295	1,888	2,164	2,514	-	23.7	31.1
USD Revenue Growth (%)	28.6	41.7	23.2	28.6	14.6	16.2			
Revenue (Rs mn)	164,356	239,229	300,141	163,709	193,135	228,944	0.4	23.9	31.1
EBIT (Rs mn)	23,458	34,143	45,238	22,769	27,476	33,408	3.0	24.3	35.4
EBIT Margin (%)	14.3	14.3	15.1	13.9	14.2	14.6			
PAT (Rs mn)	14,510	23,012	31,127	14,207	18,863	23,553	2.1	22.0	32.2
EPS (Rs)	44.4	56.5	72.5	43.5	56.2	70.2	2.1	0.6	3.3

Source: BOBCAPS Research

**Fig 27 – MPHL**

Mphasis	New			Old			Change (%)		
Change in estimates	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY27E
INR/USD	88.0	89.4	91.1	87.3	89.3	91.1	0.7	0.1	0.0
USD Revenue (in mn)	1,798	1,943	2,114	1,800	1,979	2,178	(0.1)	(1.8)	(2.9)
USD Revenue Growth (%)	7.0	8.1	8.8	7.1	10.0	10.0			
Revenue (Rs mn)	157,855	173,687	192,474	156,829	176,673	198,304	0.7	(1.7)	(2.9)
EBIT (Rs mn)	24,140	26,381	28,979	24,297	27,332	30,758	(0.6)	(3.5)	(5.8)
EBIT Margin (%)	15.3	15.2	15.1	15.5	15.5	15.5			
PAT Adjusted (Rs mn)	19,040	21,115	23,414	19,163	21,835	24,757	(0.6)	(3.3)	(5.4)
FDEPS-Adjusted (Rs)	99.6	110.5	122.5	100.3	114.2	129.5	(0.6)	(3.3)	(5.4)

Source: BOBCAPS Research

**Fig 28 – ZENT**

Zensar	New			Old			Change (%)		
Change in estimates	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	86.6	89.3	91.1	86.2	89.3	91.1	0.5	-	-
USD Revenue (USD mn)	653	690	742	652	690	742	0.2	0.0	0.0
USD revenue growth (%)	4.6	5.6	7.5	4.4	5.8	7.5			
Revenue (Rs mn)	57,139	61,583	67,541	56,778	61,578	67,536	0.6	0.0	0.0
EBIT (Rs mn)	7,850	8,507	9,371	7,850	8,554	9,420	(0.0)	(0.5)	(0.5)
EBIT Margin (%)	13.7	13.8	13.9	13.8	13.9	13.9			
PAT (Rs mn)	7,412	7,765	8,661	7,412	7,745	8,638	(0.0)	0.3	0.3
FDEPS (Rs)	32.4	34.2	38.1	32.4	34.1	38.0	(0.0)	0.3	0.3

Source: BOBCAPS Research

**Fig 29 – BSOFT**

Birlasoft Change in estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.9	89.4	91.1	87.2	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	606	635	663	606	635	663	(0.0)	-	-
Growth (%)	(4.7)	4.8	4.5	(4.6)	4.7	4.5			
Revenue (Rs mn)	53,240	56,716	60,386	52,864	56,638	60,386	0.7	0.1	-
EBIT (Rs mn)	6,857	7,313	7,859	6,586	7,231	7,479	4.1	1.1	5.1
EBIT Margin (%)	12.9	12.9	13.0	12.5	12.8	12.4			
PAT (Rs mn)	4,373	5,806	6,292	4,224	5,742	6,011	3.5	1.1	4.7
FDEPS (Rs)	15.5	20.7	22.4	15.0	20.4	21.4	3.5	1.1	4.7

Source: BOBCAPS Research

**Fig 30 – FSOL**

Firstsource Change in estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	88.0	89.4	91.1	87.3	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	1,078	1,241	1,424	1,083	1,264	1,473	(0.5)	(1.8)	(3.3)
USD Revenue Growth (%)	14.2	15.0	14.7	14.8	16.6	16.5			
Revenue (Rs mn)	94,666	110,896	129,643	94,389	112,819	134,112	0.3	(1.7)	(3.3)
EBIT (Rs mn)	11,506	14,339	17,639	11,499	14,550	18,443	0.1	(1.5)	(4.4)
EBIT Margin (%)	12.2	12.9	13.6	12.2	12.9	13.8			
PAT (Rs mn)	7,918	10,246	12,944	7,941	10,481	13,667	(0.3)	(2.2)	(5.3)
FDEPS (Rs)	11.2	14.5	18.3	11.3	14.8	19.3	(0.3)	(2.2)	(5.3)

Source: BOBCAPS Research

**Fig 31 – ECLX**

Change in Estimates	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.7	89.4	91.1	87.1	89.3	91.1	0.7	0.1	-
USD Revenue (USD mn)	468	549	626	468	549	626	(0.0)	-	-
USD Revenue Growth (%)	17.6	17.3	14.1	17.6	17.3	14.1			
Revenue (Rs mn)	41,011	49,036	57,005	40,702	48,972	57,005	0.8	0.1	-
EBIT (Rs mn)	8,619	10,639	13,059	8,679	11,134	13,186	(0.7)	(4.5)	(1.0)
EBIT Margin (%)	21.0	21.7	22.9	21.3	22.7	23.1			
PAT (Rs mn)	6,731	8,388	10,548	6,776	8,763	10,663	(0.7)	(4.3)	(1.1)
FDEPS (Rs)	139.9	174.3	219.3	140.8	182.2	221.7	(0.7)	(4.3)	(1.1)

Source: BOBCAPS Research

## BOBCAPS VS CONSENSUS

**Fig 32 – TCS**

TCS	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenues (Rs bn)	2,640	2,807	2,996	2,645	2,798	2,985	100	100	100
EBIT (Rs bn)	658	701	752	645	681	726	98	97	97
PAT Adj (Rs bn)	516	549	589	512	528	563	99	96	96
FDEPS Adj (Rs)	142.2	151.6	162.9	141.4	146.0	155.6	99	96	95
EBIT Margin (%)	24.9	25.0	25.1	24.4	24.3	24.3			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 33 – INFOSYS**

Infosys	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs bn)	1,755	1,875	2,017	1,759	1,887	2,017	100	101	100
EBIT (Rs bn)	370.1	398.4	430.7	376.6	395.4	420.7	102	99	98
PAT Adj (Rs bn)	288.7	308.0	334.9	295.8	303.4	325.6	102	98	97
FDEPS Adj (Rs)	69.9	74.7	80.8	71.7	74.9	80.4	103	100	99
EBIT Margin (%)	21.1	21.3	21.4	21.4	21.0	20.9			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 34 – HCLT**

HCL TECH	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs bn)	1,278	1,372	1,478	1,283	1,379	1,505	100	100	102
EBIT (Rs bn)	224	249	270	228	247	265	102	99	98
PAT (Rs bn)	174	196	213	178	195	208	102	99	98
EPS (Rs)	64.3	72.3	78.6	65.5	71.7	76.8	102	99	98
EBIT Margin (%)	17.5	18.1	18.3	17.8	17.9	17.6			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 35 – WPRO**

Wipro	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs bn)	912	964	1,019	924	977	1,029	101	101	101
EBIT (Rs bn)	151	162	172	153	159	168	101	98	98
PAT (Rs bn)	133	140	149	136	146	154	102	104	104
FDEPS (Rs)	12.7	13.4	14.4	13.0	13.9	14.7	102	103	102
EBIT Margin (%)	16.6	16.8	16.9	16.6	16.3	16.3			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 36 – TECHM**

Tech Mahindra	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs bn)	557.6	593.8	634.8	560.2	598.9	650.9	100	101	103
EBIT (Rs bn)	67.9	83.0	92.5	70.5	88.5	101.0	104	107	109
PAT (Rs bn)	51.7	64.8	72.4	56.2	72.7	82.1	109	112	113
EPS (Rs)	58.5	73.3	81.9	63.3	81.9	92.4	108	112	113
EBIT Margin (%)	12.2	14.0	14.6	12.6	14.8	15.5			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 37 – LTIM**

LTIM	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs mn)	417,278	460,305	507,500	419,986	460,173	504,972	101	100	100
EBIT (Rs mn)	63,861	72,553	81,345	65,483	71,867	81,322	103	99	100
PAT (Rs mn)	54,056	61,135	68,875	57,771	63,012	71,131	107	103	103
EPS (Rs)	183.3	207.5	233.8	192.1	215.5	243.2	105	104	104
EBIT Margin (%)	15.3	15.8	16.0	15.6	15.6	16.1			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 38 – PSYS**

Persistent	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY27E
Revenue (Rs mn)	144,214	169,494	198,239	145,749	171,234	200,191	101	101	101
EBIT (Rs mn)	22,524	27,478	32,618	23,782	26,921	32,531	106	98	100
PAT (R smn)	18,128	21,918	26,126	19,170	21,636	26,167	106	99	100
EPS (Rs)	116.6	141.0	168.0	122.6	138.4	167.3	105	98	100
EBIT Margin (%)	15.6	16.2	16.5	16.3	15.7	16.3			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 39 – COFORGE**

Coforge	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs mn)	161,743	189,869	217,802	164,356	239,229	300,141	102	126	138
EBIT (Rs mn)	21,999	26,488	31,032	23,458	34,143	45,238	107	129	146
PAT (Rs mn)	14,791	18,586	22,086	14,510	23,012	31,127	98	124	141
EPS (Rs)	43.5	54.1	64.1	44.4	56.5	72.5	102	105	113
EBIT Margin (%)	13.6	14.0	14.2	14.3	14.3	15.1			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 40 – MPHL**

Mphasis	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY25E	FY26E	FY28E
Revenue (Rs mn)	157,147	174,895	194,265	157,855	173,687	192,474	100	99	99
EBIT (Rs mn)	24,139	27,144	30,561	24,140	26,381	28,979	100	97	95
PAT (Rs mn)	18,910	21,520	24,321	19,040	21,115	23,414	101	98	96
EPS (Rs)	100.2	114.1	129.0	99.6	110.5	122.5	99	97	95
EBIT Margin (%)	15.4	15.5	15.7	15.3	15.2	15.1			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 41 – ZENT**

Zensar	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs mn)	57,312	62,698	69,664	57,139	61,583	67,541	100	98	97
EBIT (Rs mn)	7,757	8,704	9,815	7,850	8,507	9,371	101	98	95
PAT (Rs mn)	7,271	8,018	9,081	7,412	7,765	8,661	102	97	95
EPS (Rs)	32.2	35.6	40.4	32.4	34.2	38.1	101	96	94
EBIT Margin (%)	13.5	13.9	14.1	13.7	13.8	13.9			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 42 – BSOFT**

Birlasoft	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs mn)	53,068	56,662	61,706	53,240	56,716	60,386	100	100	98
EBIT (Rs mn)	6,435	7,026	7,832	6,857	7,313	7,859	107	104	100
PAT (Rs mn)	4,389	5,895	6,714	4,373	5,806	6,292	100	98	94
EPS (Rs)	15.8	21.2	24.0	15.5	20.7	22.4	98	97	93
EBIT Margin (%)	12.1	12.4	12.7	12.9	12.9	13.0			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 43 – FSOL**

FSL	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenues (Rs mn)	94,381	108,306	122,917	94,666	110,896	129,643	100	102	105
EBIT (Rs mn)	11,043	13,243	15,517	11,506	14,339	17,639	104	108	114
PAT Adj (Rs mn)	7,627	9,517	11,368	7,937	10,246	12,944	104	108	114
FDEPS Adj (Rs)	10.9	13.6	16.3	11.2	14.5	18.3	103	107	113
EBIT Margin (%)	11.7	12.2	12.6	12.2	12.9	13.6			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025

**Fig 44 – ECLX**

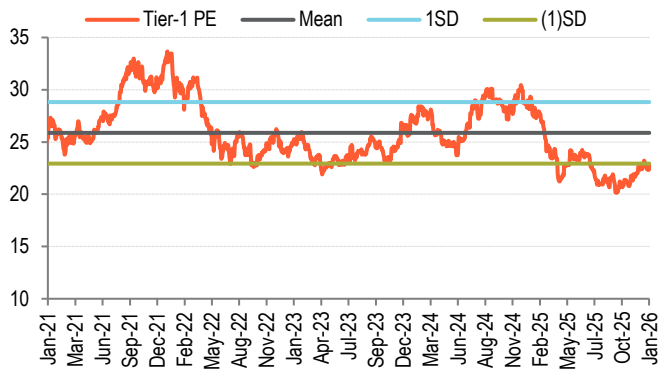
eClerx	Consensus			BOBCAPS			BOBCAPS/Consensus (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (Rs mn)	40,458	47,178	53,821	41,011	49,036	57,005	101	104	106
EBIT (Rs mn)	8,670	10,310	11,938	8,619	10,639	13,059	99	103	109
PAT (Rs mn)	6,815	8,055	9,348	6,731	8,388	10,548	99	104	113
EPS (Rs)	143.0	170.4	198.2	139.9	174.3	219.3	98	102	111
EBIT Margin (%)	21.4	21.9	22.2	21.0	21.7	22.9			

Source: Bloomberg, BOBCAPS Research; consensus estimates as of 24th Dec, 2025



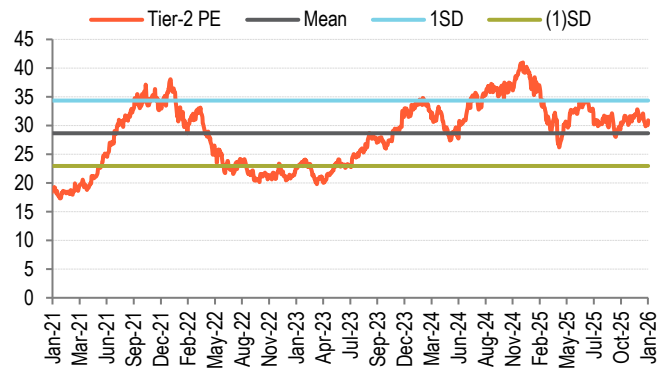
## 12-month Forward PE Charts

**Fig 45 – Tier-1 companies (Jan 2021 – Jan 2026)**



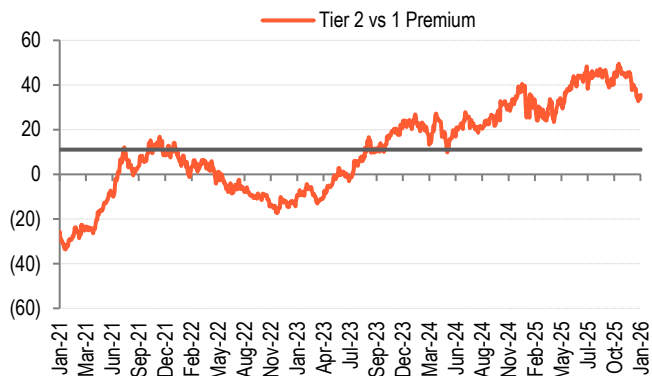
Source: Bloomberg, BOBCAPS Research

**Fig 46 – Tier-2 companies (Jan 2021 – Jan 2026)**



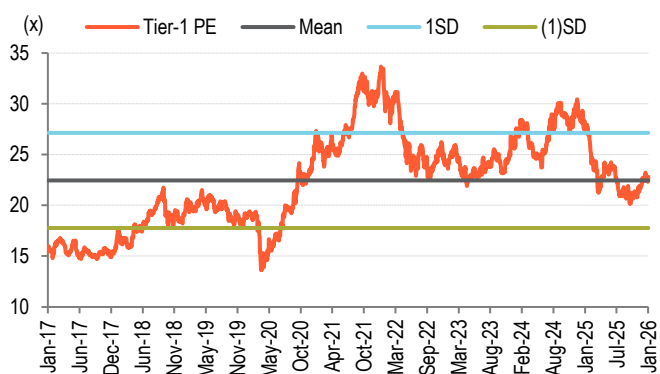
Source: Bloomberg, BOBCAPS Research

**Fig 47 – Tier-2 versus Tier-1 (Jan 2021 – Jan 2026)**



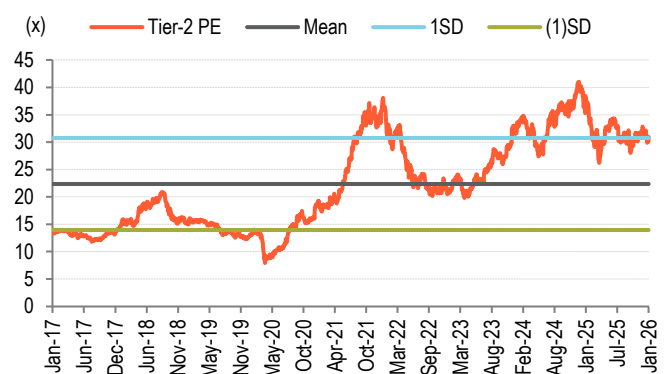
Source: Bloomberg, BOBCAPS Research

**Fig 48 – Tier-1 companies (Jan 2017 – Jan 2026)**



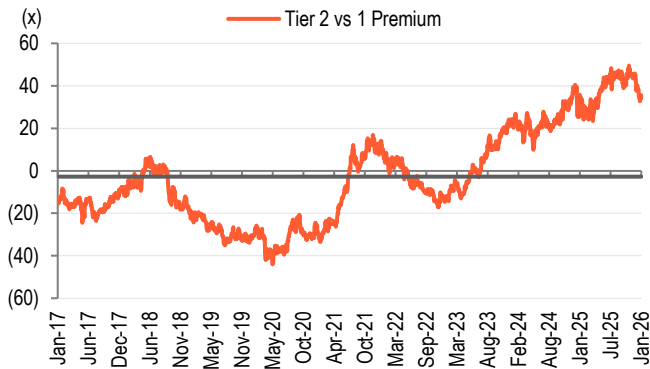
Source: Bloomberg, BOBCAPS Research

**Fig 49 – Tier-2 companies (Jan 2017 – Jan 2026)**



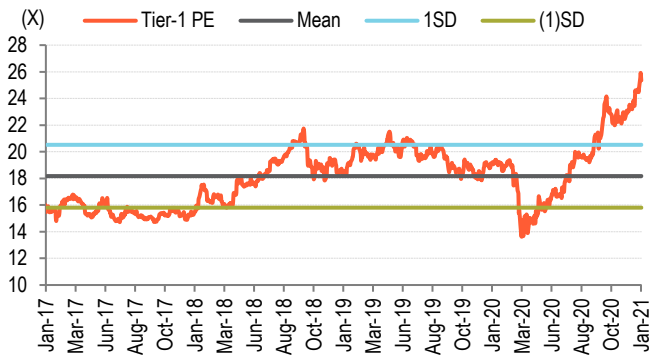
Source: Bloomberg, BOBCAPS Research

**Fig 50 – Tier-2 versus Tier-1 (Jan 2017 – Jan 2026)**



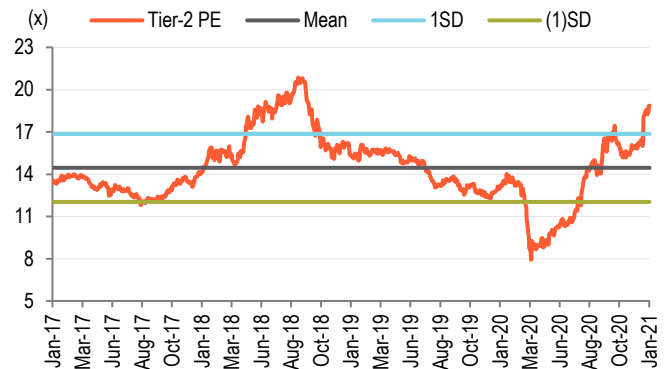
Source: Bloomberg, BOBCAPS Research

**Fig 51 – Tier-1 companies (Jan 2017 – Jan 2021)**



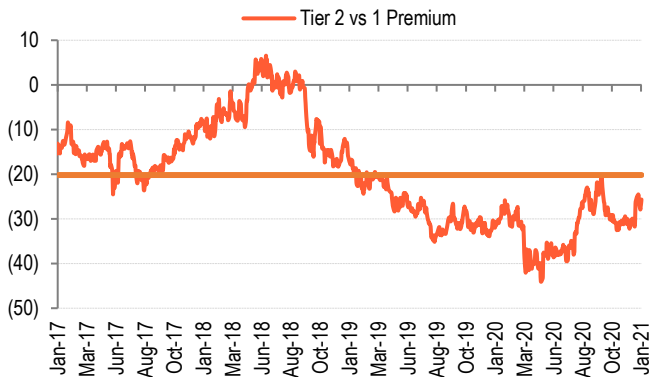
Source: Bloomberg, BOBCAPS Research

**Fig 52 – Tier-2 companies (Jan 2017 – Jan 2021)**



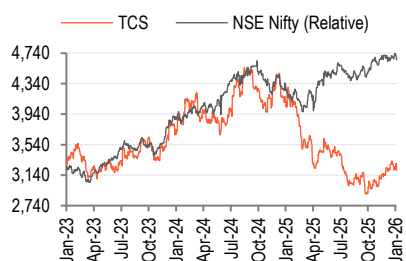
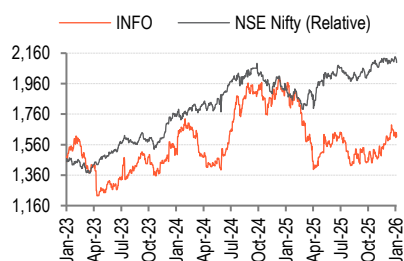
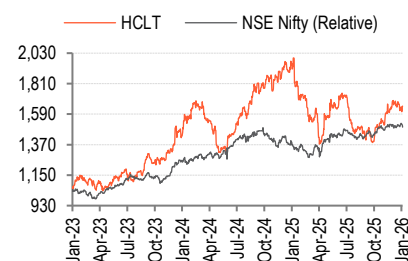
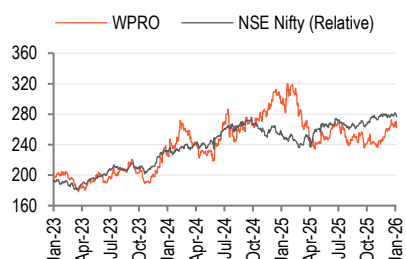
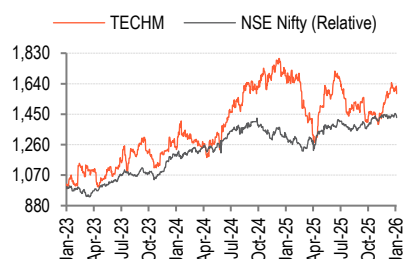
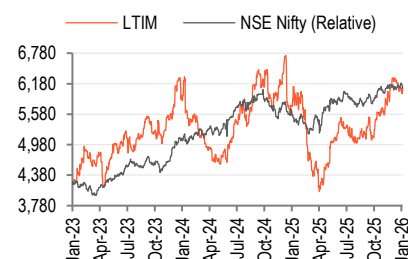
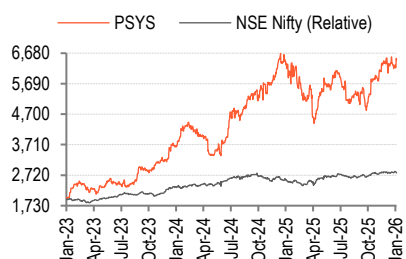
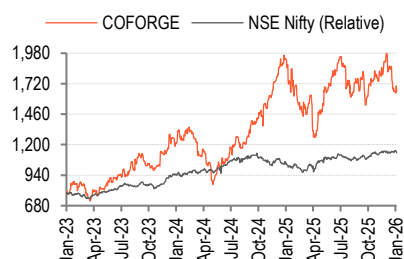
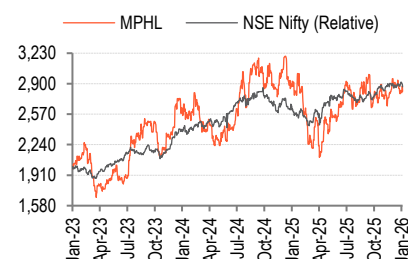
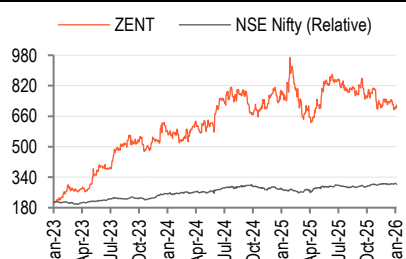
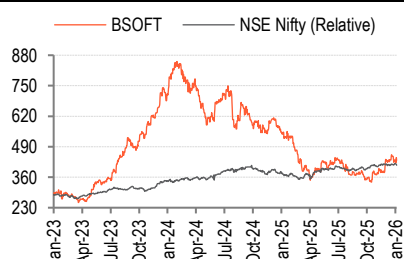
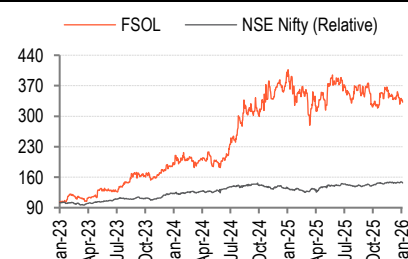
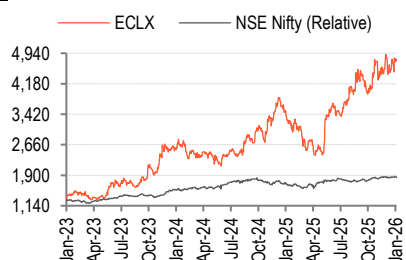
Source: Bloomberg, BOBCAPS Research

**Fig 53 – Tier-2 versus Tier-1 (Jan 2017 – Jan 2021)**



Source: Bloomberg, BOBCAPS Research

## Stock performance

**Fig 54 – TCS**

**Fig 55 – INFO**

**Fig 56 – HCLT**

**Fig 57 – WPRO**

**Fig 58 – TECHM**

**Fig 59 – LTIM**

**Fig 60 – PSYS**

**Fig 61 – COFORGE**

**Fig 62 – MPHL**

**Fig 63 – ZENT**

**Fig 64 – BSOFT**

**Fig 65 – FSOL**

**Fig 66 – ECLX**


Source: NSE

## Financials – TCS

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>2,408,930</b>	<b>2,553,240</b>	<b>2,644,693</b>	<b>2,798,410</b>	<b>2,985,190</b>
EBITDA	642,950	674,070	702,783	751,198	812,406
Depreciation	49,840	52,420	57,676	70,167	86,007
EBIT	593,110	621,650	645,107	681,030	726,399
Net interest inc./(exp.)	(7,780)	(7,960)	(8,820)	(9,160)	(9,160)
Other inc./(exp.)	45,050	39,620	49,168	40,400	41,352
Exceptional items	0	0	0	0	0
EBT	630,380	653,310	685,455	712,270	758,591
Income taxes	162,620	165,340	171,491	181,629	193,441
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	1,910	2,440	2,270	2,240	2,240
<b>Reported net profit</b>	<b>465,850</b>	<b>485,530</b>	<b>511,694</b>	<b>528,401</b>	<b>562,910</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>465,850</b>	<b>485,530</b>	<b>511,694</b>	<b>528,401</b>	<b>562,910</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	99,810	139,090	147,482	154,426	165,538
Other current liabilities	344,780	373,580	399,620	411,610	430,792
Provisions	1,400	1,800	2,030	2,030	2,030
Debt funds	0	0	0	0	0
Other liabilities	105,310	124,110	143,297	144,897	147,457
Equity capital	3,620	3,620	3,620	3,620	3,620
Reserves & surplus	909,570	954,090	936,344	994,394	1,050,772
Shareholders' fund	913,190	957,710	939,964	998,014	1,054,392
<b>Total liab. and equities</b>	<b>1,464,490</b>	<b>1,596,290</b>	<b>1,632,393</b>	<b>1,710,977</b>	<b>1,800,209</b>
Cash and cash eq.	132,860	154,630	(15,826)	55,458	42,951
Accounts receivables	537,200	591,750	658,420	689,423	739,028
Inventories	280	280	260	260	260
Other current assets	148,930	180,670	186,576	194,011	205,906
Investments	314,810	306,890	388,290	318,290	318,290
Net fixed assets	109,400	125,240	141,935	178,173	214,213
CWIP	0	0	0	0	0
Intangible assets	23,420	28,000	25,710	25,710	25,710
Deferred tax assets, net	34,030	35,780	39,516	41,376	44,353
Other assets	163,560	173,120	207,512	208,275	209,497
<b>Total assets</b>	<b>1,464,490</b>	<b>1,596,360</b>	<b>1,632,393</b>	<b>1,710,977</b>	<b>1,800,209</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>486,970</b>	<b>551,930</b>	<b>537,305</b>	<b>589,441</b>	<b>627,472</b>
Capital expenditures	(44,600)	(68,260)	(74,371)	(106,406)	(122,047)
Change in investments	54,010	7,980	(80,980)	70,000	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>9,410</b>	<b>(60,280)</b>	<b>(155,351)</b>	<b>(36,406)</b>	<b>(122,047)</b>
Equities issued/Others	(207,400)	0	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(7,780)	(7,960)	(8,820)	(9,160)	(9,160)
Dividends paid	(318,888)	(549,334)	(575,493)	(566,773)	(610,371)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(534,068)</b>	<b>(557,294)</b>	<b>(584,313)</b>	<b>(575,933)</b>	<b>(619,531)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>22,540</b>	<b>21,770</b>	<b>(170,359)</b>	<b>79,102</b>	<b>(5,106)</b>
<b>Closing cash &amp; cash eq.</b>	<b>132,860</b>	<b>154,630</b>	<b>(15,729)</b>	<b>63,276</b>	<b>50,352</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	128.8	134.2	141.4	146.0	155.6
Adjusted EPS	128.8	134.2	141.4	146.0	155.6
Dividend per share	73.2	126.0	132.0	130.0	140.0
Book value per share	252.4	264.7	259.8	275.8	291.4

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.9	4.6	4.4	4.2	3.9
EV/EBITDA	18.2	17.4	16.6	15.5	14.3
Adjusted P/E	24.9	23.9	22.7	21.9	20.6
P/BV	12.7	12.1	12.3	11.6	11.0

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	73.9	74.3	74.7	74.2	74.2
Interest burden (PBT/EBIT)	106.3	105.1	106.3	104.6	104.4
EBIT margin (EBIT/Revenue)	24.6	24.3	24.4	24.3	24.3
Asset turnover (Rev./Avg TA)	166.1	166.8	163.8	167.4	170.0
Leverage (Avg TA/Avg Equity)	1.6	1.6	1.7	1.7	1.7
<b>Adjusted ROAE</b>	<b>51.0</b>	<b>50.7</b>	<b>54.4</b>	<b>52.9</b>	<b>53.4</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	6.8	6.0	3.6	5.8	6.7
EBITDA	8.5	4.8	4.3	6.9	8.1
Adjusted EPS	11.8	4.2	5.4	3.3	6.5
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	26.7	26.4	26.6	26.8	27.2
EBIT margin	24.6	24.3	24.4	24.3	24.3
Adjusted profit margin	19.3	19.0	19.3	18.9	18.9
Adjusted ROAE	51.0	51.9	53.9	54.5	54.9
ROCE	33.6	33.8	33.8	34.2	34.8

### Working capital days (days)

Receivables	81	85	91	90	90
Inventory	NA	NA	NA	NA	NA
Payables	15	20	20	20	20

### Ratios (x)

Gross asset turnover	22.0	20.4	18.6	15.7	13.9
Current ratio	1.8	1.8	1.5	1.7	1.7
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.0</b>

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

## Financials – INFO

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>1,536,710</b>	<b>1,629,900</b>	<b>1,759,444</b>	<b>1,886,540</b>	<b>2,017,032</b>
EBITDA	364,250	392,350	426,614	451,976	481,218
Depreciation	46,780	48,110	49,973	56,596	60,511
EBIT	317,470	344,240	376,642	395,380	420,707
Net interest inc./(exp.)	(4,690)	(4,160)	(4,230)	(4,240)	(4,240)
Other inc./(exp.)	47,110	35,990	41,234	33,180	38,855
Exceptional items	0	0	0	0	0
EBT	359,890	376,070	413,646	424,320	455,321
Income taxes	97,410	108,570	117,677	120,931	129,767
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	160	370	140	0	0
<b>Reported net profit</b>	<b>262,320</b>	<b>267,130</b>	<b>295,828</b>	<b>303,388</b>	<b>325,555</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>262,320</b>	<b>267,130</b>	<b>295,828</b>	<b>303,388</b>	<b>325,555</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	39,560	41,640	38,390	38,390	38,390
Other current liabilities	330,420	372,110	409,553	446,801	468,712
Provisions	17,960	14,750	16,332	17,947	18,896
Debt funds	0	0	0	0	0
Other liabilities	105,590	98,500	102,380	102,380	102,380
Equity capital	20,710	20,730	20,240	20,240	20,240
Reserves & surplus	863,900	941,300	913,189	1,004,206	1,101,872
Shareholders' fund	884,610	962,030	933,429	1,024,446	1,122,112
<b>Total liab. and equities</b>	<b>1,378,140</b>	<b>1,489,030</b>	<b>1,500,084</b>	<b>1,629,963</b>	<b>1,750,491</b>
Cash and cash eq.	147,860	244,550	203,722	259,940	333,280
Accounts receivables	301,930	311,580	346,429	380,670	400,812
Inventories	0	0	0	0	0
Other current assets	398,700	375,470	360,812	390,098	407,325
Investments	246,230	235,410	234,850	234,850	234,850
Net fixed assets	128,180	128,000	132,816	140,966	149,616
CWIP	0	0	0	0	0
Intangible assets	87,000	128,720	146,700	146,700	146,700
Deferred tax assets, net	4,540	11,080	15,260	15,260	15,260
Other assets	63,700	54,220	59,495	61,479	62,647
<b>Total assets</b>	<b>1,378,140</b>	<b>1,489,030</b>	<b>1,500,084</b>	<b>1,629,963</b>	<b>1,750,491</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>255,420</b>	<b>373,630</b>	<b>358,860</b>	<b>337,576</b>	<b>374,630</b>
Capital expenditures	(34,060)	(89,650)	(72,769)	(64,746)	(69,161)
Change in investments	(48,150)	13,230	(230)	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(82,210)</b>	<b>(76,420)</b>	<b>(72,999)</b>	<b>(64,746)</b>	<b>(69,161)</b>
Equities issued/Others	0	0	(180,000)	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(4,690)	(4,160)	(4,230)	(4,240)	(4,240)
Dividends paid	(190,400)	(178,111)	(171,829)	(212,372)	(227,888)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(195,090)</b>	<b>(182,271)</b>	<b>(356,059)</b>	<b>(216,612)</b>	<b>(232,128)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>26,120</b>	<b>96,690</b>	<b>(41,198)</b>	<b>56,218</b>	<b>73,341</b>
<b>Closing cash &amp; cash eq.</b>	<b>147,850</b>	<b>244,550</b>	<b>203,352</b>	<b>259,940</b>	<b>333,280</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	63.4	64.5	71.8	75.0	80.5
Adjusted EPS	63.3	64.4	71.7	74.9	80.4
Dividend per share	46.0	43.0	41.9	52.5	56.3
Book value per share	213.7	232.2	230.7	253.2	277.4

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.4	4.2	3.9	3.7	3.5
EV/EBITDA	18.7	17.5	16.2	15.3	14.5
Adjusted P/E	25.5	25.1	22.5	21.5	20.1
P/BV	7.5	6.9	7.0	6.4	5.8

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	72.9	71.1	71.6	71.5	71.5
Interest burden (PBT/EBIT)	113.4	109.2	109.8	107.3	108.2
EBIT margin (EBIT/Revenue)	20.7	21.1	21.4	21.0	20.9
Asset turnover (Rev./Avg TA)	116.6	113.7	117.7	120.5	119.3
Leverage (Avg TA/Avg Equity)	1.6	1.6	1.6	1.6	1.6
<b>Adjusted ROAE</b>	<b>32.0</b>	<b>29.0</b>	<b>31.2</b>	<b>31.0</b>	<b>30.3</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	4.7	6.1	7.9	7.2	6.9
EBITDA	3.7	7.7	8.7	5.9	6.5
Adjusted EPS	10.0	1.7	11.4	4.4	7.3
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	23.7	24.1	24.2	24.0	23.9
EBIT margin	20.7	21.1	21.4	21.0	20.9
Adjusted profit margin	17.1	16.4	16.8	16.1	16.1
Adjusted ROAE	31.9	28.9	31.2	31.0	30.3
ROCE	28.2	26.5	28.4	28.9	28.0
<b>Working capital days (days)</b>					
Receivables	105	102	105	108	106
Inventory	NA	NA	NA	NA	NA
Payables	9	9	8	7	7
<b>Ratios (x)</b>					
Gross asset turnover	12.0	12.7	13.2	13.4	13.5
Current ratio	2.2	2.2	2.0	2.0	2.2
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.3)</b>

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

## Financials – HCLT

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>1,099,130</b>	<b>1,170,550</b>	<b>1,283,143</b>	<b>1,378,522</b>	<b>1,505,373</b>
EBITDA	242,000	255,050	270,827	289,381	307,704
Depreciation	41,730	40,840	42,335	42,312	42,796
EBIT	200,270	214,210	228,492	247,069	264,908
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	9,400	18,410	9,788	12,472	12,793
Exceptional items	0	0	0	0	0
EBT	209,670	232,620	238,281	259,541	277,702
Income taxes	52,570	58,620	60,453	64,885	69,425
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	80	90	40	40	40
<b>Reported net profit</b>	<b>157,020</b>	<b>173,910</b>	<b>177,788</b>	<b>194,616</b>	<b>208,236</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>157,020</b>	<b>173,910</b>	<b>177,788</b>	<b>194,616</b>	<b>208,236</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	215,320	244,710	263,280	288,800	312,517
Provisions	0	0	0	0	0
Debt funds	23,270	22,910	23,590	23,590	23,590
Other liabilities	76,550	91,270	102,725	108,375	113,627
Equity capital	5,430	5,430	5,430	5,430	5,430
Reserves & surplus	677,200	691,120	714,653	735,859	759,847
Shareholders' fund	682,630	696,550	720,083	741,289	765,277
<b>Total liab. and equities</b>	<b>997,770</b>	<b>1,055,440</b>	<b>1,109,678</b>	<b>1,162,055</b>	<b>1,215,011</b>
Cash and cash eq.	94,560	82,450	104,725	149,098	160,886
Accounts receivables	194,830	195,230	207,802	227,945	246,664
Inventories	0	0	0	0	0
Other current assets	303,920	343,410	369,138	347,863	361,547
Investments	3,810	12,970	4,510	4,510	4,510
Net fixed assets	322,610	332,150	337,287	341,167	345,046
CWIP	0	0	0	0	0
Intangible assets	0	0	0	0	0
Deferred tax assets, net	0	0	0	0	0
Other assets	78,040	89,230	86,215	91,472	96,358
<b>Total assets</b>	<b>997,770</b>	<b>1,055,440</b>	<b>1,109,678</b>	<b>1,162,055</b>	<b>1,215,011</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>205,170</b>	<b>233,950</b>	<b>202,733</b>	<b>227,621</b>	<b>242,385</b>
Capital expenditures	(41,120)	(50,380)	(47,472)	(46,192)	(46,675)
Change in investments	(47,780)	(38,770)	6,160	36,000	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(88,900)</b>	<b>(89,150)</b>	<b>(41,312)</b>	<b>(10,192)</b>	<b>(46,675)</b>
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	9,700	5,200	5,040	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(140,714)	(162,528)	(154,443)	(173,410)	(184,248)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(131,014)</b>	<b>(157,328)</b>	<b>(149,403)</b>	<b>(173,410)</b>	<b>(184,248)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>3,910</b>	<b>(12,021)</b>	<b>22,017</b>	<b>44,019</b>	<b>11,462</b>
<b>Closing cash &amp; cash eq.</b>	<b>94,560</b>	<b>82,539</b>	<b>104,467</b>	<b>148,745</b>	<b>160,560</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	58.0	64.2	65.6	71.8	76.9
Adjusted EPS	57.9	64.1	65.5	71.7	76.8
Dividend per share	52.0	60.0	57.0	64.0	68.0
Book value per share	251.2	256.5	265.4	273.2	282.1

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.1	3.9	3.5	3.3	3.1
EV/EBITDA	18.7	17.8	16.7	15.8	14.9
Adjusted P/E	28.5	25.7	25.1	23.0	21.5
P/BV	6.6	6.4	6.2	6.0	5.8

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	74.9	74.8	74.6	75.0	75.0
Interest burden (PBT/EBIT)	104.7	108.6	104.3	105.0	104.8
EBIT margin (EBIT/Revenue)	18.2	18.3	17.8	17.9	17.6
Asset turnover (Rev./Avg TA)	113.8	114.0	118.5	121.4	126.7
Leverage (Avg TA/Avg Equity)	1.4	1.5	1.5	1.6	1.6
Adjusted ROAE	23.5	25.2	25.1	26.6	27.6

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	8.3	6.5	9.6	7.4	9.2
EBITDA	6.9	5.4	6.2	6.9	6.3
Adjusted EPS	5.5	10.8	2.3	9.5	7.0
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	22.0	21.8	21.1	21.0	20.4
EBIT margin	18.2	18.3	17.8	17.9	17.6
Adjusted profit margin	14.3	14.9	13.9	14.1	13.8
Adjusted ROAE	23.5	25.2	25.1	26.6	27.6
ROCE	19.8	20.1	20.6	21.6	22.4
<b>Working capital days (days)</b>					
Receivables	65	61	59	60	60
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA
<b>Ratios (x)</b>					
Gross asset turnover	3.4	3.5	3.8	4.0	4.4
Current ratio	2.9	2.7	2.7	2.6	2.6
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)

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

## Financials – WPRO

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>897,603</b>	<b>890,884</b>	<b>924,453</b>	<b>976,701</b>	<b>1,028,842</b>
EBITDA	176,379	190,397	175,385	187,482	205,200
Depreciation	40,280	39,126	22,185	28,491	37,490
EBIT	136,099	151,271	153,200	158,991	167,710
Net interest inc./(exp.)	(12,552)	(14,770)	(14,493)	(14,547)	(14,547)
Other inc./(exp.)	23,663	38,456	41,375	49,622	51,774
Exceptional items	0	0	0	0	0
EBT	147,210	174,957	180,082	194,066	204,937
Income taxes	36,089	42,777	43,560	47,546	50,210
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	669	826	493	540	540
<b>Reported net profit</b>	<b>110,452</b>	<b>131,354</b>	<b>136,029</b>	<b>145,980</b>	<b>154,187</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>110,452</b>	<b>131,354</b>	<b>136,029</b>	<b>145,980</b>	<b>154,187</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	88,566	88,252	94,934	98,398	103,397
Other current liabilities	154,671	189,976	246,358	248,685	252,044
Provisions	0	294	228	228	228
Debt funds	62,300	63,954	0	0	0
Other liabilities	93,882	111,036	111,175	111,175	111,175
Equity capital	10,450	20,944	20,968	20,968	20,968
Reserves & surplus	740,773	809,503	862,731	906,525	952,781
Shareholders' fund	751,223	830,447	883,699	927,493	973,749
<b>Total liab. and equities</b>	<b>1,150,642</b>	<b>1,283,959</b>	<b>1,336,394</b>	<b>1,385,979</b>	<b>1,440,592</b>
Cash and cash eq.	96,953	121,974	247,438	273,440	302,892
Accounts receivables	119,522	118,044	125,653	130,238	136,855
Inventories	907	694	740	740	740
Other current assets	140,136	147,815	151,892	155,380	160,415
Investments	333,844	439,259	424,999	424,999	424,999
Net fixed assets	52,640	55,235	(13,498)	1,472	14,982
CWIP	28,968	25,449	11,537	12,076	12,076
Intangible assets	348,750	352,464	364,525	364,525	364,525
Deferred tax assets, net	1,817	2,561	3,692	3,692	3,692
Other assets	27,105	20,464	19,416	19,416	19,416
<b>Total assets</b>	<b>1,150,642</b>	<b>1,283,959</b>	<b>1,336,394</b>	<b>1,385,979</b>	<b>1,440,593</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>170,637</b>	<b>190,916</b>	<b>170,011</b>	<b>187,275</b>	<b>203,470</b>
Capital expenditures	16,664	(4,063)	68,473	(44,000)	(51,000)
Change in investments	(2,848)	(105,133)	14,519	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>13,817</b>	<b>(109,196)</b>	<b>82,992</b>	<b>(44,000)</b>	<b>(51,000)</b>
Equities issued/Others	(148,000)	10,494	24	0	0
Debt raised/repaid	(8,627)	20,351	(33,310)	0	0
Interest expenses	(12,552)	(14,770)	(14,493)	(14,547)	(14,547)
Dividends paid	(5,218)	(6)	(101,545)	(102,186)	(107,931)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(174,397)</b>	<b>16,069</b>	<b>(149,324)</b>	<b>(116,732)</b>	<b>(122,478)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>5,073</b>	<b>25,021</b>	<b>125,680</b>	<b>25,802</b>	<b>29,252</b>
<b>Closing cash &amp; cash eq.</b>	<b>96,953</b>	<b>121,974</b>	<b>247,654</b>	<b>273,240</b>	<b>302,692</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	10.4	12.6	13.0	13.9	14.7
Adjusted EPS	10.4	12.5	13.0	13.9	14.7
Dividend per share	0.5	0.0	9.7	9.8	10.3
Book value per share	71.9	79.4	84.4	88.5	93.0

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	3.1	3.1	3.1	3.1	2.9
EV/EBITDA	15.8	14.7	16.5	16.0	14.8
Adjusted P/E	25.3	20.9	20.2	18.9	17.8
P/BV	3.6	3.3	3.1	3.0	2.8

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	75.0	75.1	75.5	75.2	75.2
Interest burden (PBT/EBIT)	108.2	115.7	117.5	122.1	122.2
EBIT margin (EBIT/Revenue)	15.2	17.0	16.6	16.3	16.3
Asset turnover (Rev./Avg TA)	77.1	73.1	70.4	71.6	72.6
Leverage (Avg TA/Avg Equity)	1.5	1.5	1.5	1.5	1.5
<b>Adjusted ROAE</b>	<b>14.4</b>	<b>16.6</b>	<b>15.9</b>	<b>16.1</b>	<b>16.2</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	(0.8)	(0.7)	3.8	5.7	5.3
EBITDA	(3.1)	7.9	(7.9)	6.9	9.5
Adjusted EPS	0.2	20.9	3.4	7.3	5.6

### Profitability & Return ratios (%)

EBITDA margin	19.7	21.4	19.0	19.2	19.9
EBIT margin	15.2	17.0	16.6	16.3	16.3
Adjusted profit margin	12.3	14.7	14.7	14.9	15.0
Adjusted ROAE	14.4	16.6	15.9	16.1	16.2
ROCE	10.3	10.9	10.4	10.4	10.6

### Working capital days (days)

Receivables	72	75	78	77	77
Inventory	NA	NA	NA	NA	NA
Payables	36	36	37	36	36

### Ratios (x)

Gross asset turnover	17.1	16.1	(68.5)	663.5	68.7
Current ratio	1.5	1.4	1.5	1.6	1.7
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>0.0</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.3)</b>

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



## Financials – TECHM

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>519,955</b>	<b>529,883</b>	<b>560,231</b>	<b>598,863</b>	<b>650,866</b>
EBITDA	49,646	69,911	89,316	108,682	122,985
Depreciation	18,171	18,529	18,809	20,220	21,971
EBIT	31,475	51,382	70,507	88,462	101,014
Net interest inc./(exp.)	(3,922)	(3,217)	(3,094)	(3,088)	(3,088)
Other inc./(exp.)	9,169	8,554	7,837	11,234	11,172
Exceptional items	(4,582)	0	0	0	0
EBT	32,140	56,719	75,250	96,608	109,098
Income taxes	8,276	14,002	19,233	24,152	27,274
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	(285)	(101)	189	240	240
<b>Reported net profit</b>	<b>23,579</b>	<b>42,818</b>	<b>55,828</b>	<b>72,216</b>	<b>81,583</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>23,579</b>	<b>42,818</b>	<b>55,828</b>	<b>72,216</b>	<b>81,583</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	126,166	126,740	136,684	143,832	158,802
Provisions	0	0	0	0	0
Debt funds	1,570	160	1,352	1,352	1,352
Other liabilities	39,806	44,430	45,520	45,520	45,520
Equity capital	4,413	4,424	4,427	4,427	4,427
Reserves & surplus	262,281	269,191	272,397	278,613	280,902
Shareholders' fund	266,694	273,615	276,824	283,040	285,329
<b>Total liab. and equities</b>	<b>434,236</b>	<b>444,945</b>	<b>460,380</b>	<b>473,745</b>	<b>491,003</b>
Cash and cash eq.	75,149	74,350	78,796	81,101	76,707
Accounts receivables	114,011	115,470	123,597	130,061	143,598
Inventories	375	394	961	961	961
Other current assets	45,179	47,117	50,734	53,388	58,944
Investments	7,092	7,836	4,862	4,862	4,862
Net fixed assets	54,640	47,636	42,271	42,050	40,080
CWIP	1,011	206	230	230	230
Intangible assets	75,106	76,993	80,319	80,319	80,319
Deferred tax assets, net	14,396	18,573	20,536	20,536	20,536
Other assets	47,277	56,370	58,074	60,237	64,766
<b>Total assets</b>	<b>434,236</b>	<b>444,945</b>	<b>460,380</b>	<b>473,745</b>	<b>491,003</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>59,607</b>	<b>61,621</b>	<b>75,552</b>	<b>93,795</b>	<b>102,759</b>
Capital expenditures	(7,600)	(10,899)	(13,468)	(20,000)	(20,000)
Change in investments	5,805	(8,433)	837	(2,163)	(4,530)
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(1,795)</b>	<b>(19,332)</b>	<b>(12,631)</b>	<b>(22,163)</b>	<b>(24,530)</b>
Equities issued/Others	13	11	3	0	0
Debt raised/repaid	(7,774)	3,686	2,095	0	0
Interest expenses	(3,922)	(3,217)	(3,094)	(3,088)	(3,088)
Dividends paid	(35,264)	(39,857)	(44,320)	(66,479)	(79,775)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(46,947)</b>	<b>(39,377)</b>	<b>(45,316)</b>	<b>(69,567)</b>	<b>(82,863)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>4,770</b>	<b>(799)</b>	<b>4,446</b>	<b>2,305</b>	<b>(4,394)</b>
<b>Closing cash &amp; cash eq.</b>	<b>75,149</b>	<b>74,350</b>	<b>78,796</b>	<b>81,101</b>	<b>76,707</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	26.9	47.9	63.4	82.0	92.6
Adjusted EPS	26.5	47.8	63.3	81.9	92.4
Dividend per share	40.3	45.0	50.0	75.0	90.0
Book value per share	304.6	308.9	312.3	319.3	321.9

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	2.8	2.8	2.6	2.5	2.3
EV/EBITDA	29.5	21.1	16.5	13.6	12.0
Adjusted P/E	59.6	33.0	24.9	19.3	17.1
P/BV	5.2	5.1	5.1	4.9	4.9

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	73.4	75.5	74.2	74.8	74.8
Interest burden (PBT/EBIT)	102.1	110.4	106.7	109.2	108.0
EBIT margin (EBIT/Revenue)	6.1	9.7	12.6	14.8	15.5
Asset turnover (Rev./Avg TA)	163.4	169.2	174.6	183.2	196.6
Leverage (Avg TA/Avg Equity)	1.2	1.2	1.2	1.2	1.2
Adjusted ROAE	8.6	15.8	20.3	25.8	28.7

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	(2.4)	1.9	5.7	6.9	8.7
EBITDA	(38.2)	40.8	27.8	21.7	13.2
Adjusted EPS	(51.6)	80.6	32.3	29.4	12.9

### Profitability & Return ratios (%)

EBITDA margin	9.5	13.2	15.9	18.1	18.9
EBIT margin	6.1	9.7	12.6	14.8	15.5
Adjusted profit margin	4.5	8.1	10.0	12.1	12.5
Adjusted ROAE	8.6	15.8	20.3	25.8	28.7
ROCE	7.3	12.4	16.4	20.3	22.9

### Working capital days (days)

Receivables	80	80	81	79	81
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	9.5	11.1	13.3	14.2	16.2
Current ratio	1.9	1.9	1.9	1.8	1.8
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)

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



## Financials – LTIM

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>355,170</b>	<b>380,081</b>	<b>419,986</b>	<b>460,173</b>	<b>504,972</b>
EBITDA	63,874	64,949	76,410	83,221	92,677
Depreciation	8,189	9,915	10,926	11,355	11,355
EBIT	55,685	55,034	65,483	71,867	81,322
Net interest inc./(exp.)	(2,217)	(2,789)	(3,192)	(3,707)	(3,989)
Other inc./(exp.)	9,236	12,686	16,270	18,158	20,107
Exceptional items	0	0	0	0	0
EBT	62,704	64,931	78,561	86,318	97,440
Income taxes	14,641	16,122	20,790	23,306	26,309
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>48,063</b>	<b>48,809</b>	<b>57,771</b>	<b>63,012</b>	<b>71,131</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>48,063</b>	<b>48,809</b>	<b>57,771</b>	<b>63,012</b>	<b>71,131</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	30,980	31,075	67,771	70,458	74,099
Provisions	8,486	9,691	10,669	10,669	10,669
Debt funds	318	554	4,489	4,489	4,489
Other liabilities	35,674	37,997	39,360	39,808	40,274
Equity capital	296	296	296	296	296
Reserves & surplus	199,876	226,687	247,663	282,923	324,840
Shareholders' fund	200,172	226,983	247,959	283,219	325,136
<b>Total liab. and equities</b>	<b>275,630</b>	<b>306,300</b>	<b>370,248</b>	<b>408,643</b>	<b>454,667</b>
Cash and cash eq.	18,200	20,623	57,344	76,511	99,694
Accounts receivables	70,387	76,882	88,723	95,693	105,134
Inventories	30	28	31	31	31
Other current assets	32,379	38,106	35,731	38,382	41,974
Investments	98,768	111,515	127,153	135,153	143,153
Net fixed assets	15,037	15,946	13,042	13,286	13,530
CWIP	4,669	5,818	6,187	6,187	6,187
Intangible assets	11,927	12,036	12,650	12,650	12,650
Deferred tax assets, net	5,220	5,303	7,172	7,736	8,499
Other assets	19,013	20,043	22,215	23,015	23,815
<b>Total assets</b>	<b>275,630</b>	<b>306,300</b>	<b>370,248</b>	<b>408,643</b>	<b>454,667</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>80,673</b>	<b>54,672</b>	<b>71,970</b>	<b>71,140</b>	<b>77,081</b>
Capital expenditures	(10,310)	(8,400)	(8,400)	(8,400)	(8,400)
Change in investments	(32,117)	(12,747)	(15,638)	(8,000)	(8,000)
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(42,427)</b>	<b>(21,147)</b>	<b>(24,038)</b>	<b>(16,400)</b>	<b>(16,400)</b>
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(1,456)	236	3,935	0	0
Interest expenses	(2,217)	(2,789)	(3,192)	(3,707)	(3,989)
Dividends paid	(19,234)	(19,261)	(22,494)	(27,753)	(29,213)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(22,907)</b>	<b>(21,814)</b>	<b>(21,751)</b>	<b>(31,460)</b>	<b>(33,203)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(5,189)</b>	<b>2,423</b>	<b>36,795</b>	<b>19,058</b>	<b>23,141</b>
<b>Closing cash &amp; cash eq.</b>	<b>18,200</b>	<b>20,623</b>	<b>57,418</b>	<b>76,403</b>	<b>99,652</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	154.9	153.7	192.3	215.7	243.5
Adjusted EPS	154.6	153.4	192.1	215.5	243.2
Dividend per share	65.0	65.0	77.0	95.0	100.0
Book value per share	676.8	766.0	850.1	970.8	1,114.3

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	5.0	4.7	4.3	4.0	3.6
EV/EBITDA	27.8	27.4	23.5	21.9	19.9
Adjusted P/E	38.9	39.2	31.3	27.9	24.7
P/BV	8.9	7.9	7.1	6.2	5.4

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	76.7	75.2	73.5	73.0	73.0
Interest burden (PBT/EBIT)	112.6	118.0	120.0	120.1	119.8
EBIT margin (EBIT/Revenue)	15.7	14.5	15.6	15.6	16.1
Asset turnover (Rev./Avg TA)	139.1	130.6	124.2	118.2	117.0
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.4	1.5	1.4
<b>Adjusted ROAE</b>	<b>26.2</b>	<b>22.8</b>	<b>24.3</b>	<b>23.7</b>	<b>23.4</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	7.0	7.0	10.5	9.6	9.7
EBITDA	4.6	1.7	17.6	8.9	11.4
Adjusted EPS	3.8	(0.8)	25.3	12.2	12.9
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	18.0	17.1	18.2	18.1	18.4
EBIT margin	15.7	14.5	15.6	15.6	16.1
Adjusted profit margin	13.5	12.8	13.8	13.7	14.1
Adjusted ROAE	26.3	22.9	24.3	23.7	23.4
ROCE	20.9	18.4	18.2	16.9	17.0

### Working capital days (days)

Receivables	72	74	77	76	76
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	23.6	23.8	32.2	34.6	37.3
Current ratio	3.1	3.3	2.3	2.6	2.9
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.3)</b>

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

## Financials – PSYS

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>98,217</b>	<b>119,387</b>	<b>145,749</b>	<b>171,234</b>	<b>200,191</b>
EBITDA	17,257	20,581	27,812	31,466	37,559
Depreciation	3,094	3,069	4,030	4,545	5,028
EBIT	14,163	17,512	23,782	26,921	32,531
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	813	710	1,292	1,386	1,703
Exceptional items	0	0	0	0	0
EBT	14,976	18,223	25,074	28,307	34,235
Income taxes	3,541	4,222	5,905	6,671	8,068
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>11,435</b>	<b>14,001</b>	<b>19,170</b>	<b>21,636</b>	<b>26,167</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>11,435</b>	<b>14,001</b>	<b>19,170</b>	<b>21,636</b>	<b>26,167</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	18,511	17,299	24,119	27,988	32,760
Provisions	3,331	4,029	2,182	2,532	2,964
Debt funds	99	0	0	0	0
Other liabilities	2,218	2,848	3,431	3,431	3,431
Equity capital	770	779	782	782	782
Reserves & surplus	48,807	62,411	75,147	88,129	103,829
Shareholders' fund	49,577	63,191	75,929	88,911	104,611
<b>Total liab. and equities</b>	<b>73,736</b>	<b>87,366</b>	<b>105,662</b>	<b>122,863</b>	<b>143,766</b>
Cash and cash eq.	10,229	10,255	13,919	22,055	32,665
Accounts receivables	17,491	19,142	22,959	26,642	31,184
Inventories	0	0	0	0	0
Other current assets	11,902	18,926	22,809	26,468	30,980
Investments	8,266	9,803	14,375	16,375	18,375
Net fixed assets	11,302	13,805	14,415	14,138	13,377
CWIP	335	42	166	166	166
Intangible assets	10,913	12,338	12,782	12,782	12,782
Deferred tax assets, net	1,360	2,024	2,637	2,637	2,637
Other assets	1,938	1,031	1,600	1,600	1,600
<b>Total assets</b>	<b>73,736</b>	<b>87,366</b>	<b>105,662</b>	<b>122,863</b>	<b>143,766</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>8,911</b>	<b>8,433</b>	<b>21,295</b>	<b>23,059</b>	<b>27,344</b>
Capital expenditures	1,769	(3,787)	(4,012)	(4,267)	(4,267)
Change in investments	(2,179)	(1,367)	(6,035)	(2,000)	(2,000)
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(410)</b>	<b>(5,154)</b>	<b>(10,047)</b>	<b>(6,267)</b>	<b>(6,267)</b>
Equities issued/Others	6	9	3	0	0
Debt raised/repaid	(1,958)	51	44	0	0
Interest expenses	0	0	0	0	0
Dividends paid	(3,933)	(5,387)	(8,075)	(8,655)	(10,467)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(5,886)</b>	<b>(5,327)</b>	<b>(8,028)</b>	<b>(8,655)</b>	<b>(10,467)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>1,196</b>	<b>26</b>	<b>3,664</b>	<b>8,137</b>	<b>10,610</b>
<b>Closing cash &amp; cash eq.</b>	<b>10,229</b>	<b>10,255</b>	<b>13,919</b>	<b>22,055</b>	<b>32,665</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	72.6	91.2	123.3	139.1	168.2
Adjusted EPS	71.2	90.2	122.6	138.4	167.3
Dividend per share	26.0	34.9	51.9	55.6	67.3
Book value per share	322.3	405.4	485.6	568.6	669.0

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	10.3	8.5	7.0	6.0	5.1
EV/EBITDA	58.6	49.2	36.5	32.4	27.4
Adjusted P/E	90.5	71.5	52.6	46.6	38.5
P/BV	20.0	15.9	13.3	11.3	9.6

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	75.6	76.8	76.5	76.4	76.4
Interest burden (PBT/EBIT)	102.3	104.1	105.4	105.1	105.2
EBIT margin (EBIT/Revenue)	14.4	14.7	16.3	15.7	16.3
Asset turnover (Rev./Avg TA)	215.0	211.3	209.0	207.3	206.5
Leverage (Avg TA/Avg Equity)	1.0	1.0	1.0	1.0	1.0
<b>Adjusted ROAE</b>	<b>24.5</b>	<b>24.8</b>	<b>27.6</b>	<b>26.3</b>	<b>27.0</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	17.6	21.6	22.1	17.5	16.9
EBITDA	13.6	19.3	35.1	13.1	19.4
Adjusted EPS	18.1	26.7	36.0	12.8	20.9

### Profitability & Return ratios (%)

EBITDA margin	17.6	17.2	19.1	18.4	18.8
EBIT margin	14.4	14.7	16.3	15.7	16.3
Adjusted profit margin	11.6	11.7	13.2	12.6	13.1
Adjusted ROAE	25.6	24.8	27.6	26.3	27.0
ROCE	23.4	23.8	26.1	24.9	25.6

### Working capital days (days)

Receivables	65	59	57	57	57
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	8.7	8.6	10.1	12.1	15.0
Current ratio	1.8	2.3	2.3	2.5	2.7
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.3)</b>

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

## Financials – COFORGE

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>91,790</b>	<b>121,912</b>	<b>164,356</b>	<b>239,229</b>	<b>300,141</b>
EBITDA	14,960	18,332	30,231	44,311	55,743
Depreciation	3,186	4,580	6,816	10,167	10,505
EBIT	11,774	13,752	23,415	34,143	45,238
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	(1,156)	(1,072)	(504)	(1,121)	(1,672)
Exceptional items	165	132	706	0	0
EBT	10,453	12,548	22,205	33,023	43,567
Income taxes	2,093	3,201	5,817	8,027	10,456
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	276	1,240	1,878	1,984	1,984
<b>Reported net profit</b>	<b>8,084</b>	<b>8,107</b>	<b>14,510</b>	<b>23,012</b>	<b>31,127</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>8,084</b>	<b>8,107</b>	<b>14,510</b>	<b>23,012</b>	<b>31,127</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	15,315	27,800	31,325	46,598	56,589
Provisions	1,304	1,743	2,017	2,017	2,017
Debt funds	4,153	3,502	6,021	44,721	23,921
Other liabilities	4,039	28,070	29,965	31,247	32,010
Equity capital	618	669	669	859	859
Reserves & surplus	35,648	63,123	71,579	250,555	264,508
Shareholders' fund	36,266	63,792	72,248	251,414	265,367
<b>Total liab. and equities</b>	<b>61,077</b>	<b>124,907</b>	<b>141,577</b>	<b>375,997</b>	<b>379,904</b>
Cash and cash eq.	3,352	8,832	7,047	9,542	(2,171)
Accounts receivables	18,039	25,771	35,391	52,646	63,934
Inventories	0	0	0	0	0
Other current assets	4,634	11,555	8,896	13,233	16,070
Investments	0	1,457	0	0	0
Net fixed assets	4,470	7,682	11,914	21,322	22,817
CWIP	232	24	174	174	174
Intangible assets	16,133	49,726	55,080	256,005	256,005
Deferred tax assets, net	5,583	5,470	6,155	6,155	6,155
Other assets	8,634	14,390	16,920	16,920	16,920
<b>Total assets</b>	<b>61,077</b>	<b>124,907</b>	<b>141,577</b>	<b>375,997</b>	<b>379,904</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>7,333</b>	<b>11,968</b>	<b>21,974</b>	<b>28,844</b>	<b>39,482</b>
Capital expenditures	(3,783)	(41,804)	(16,412)	(220,500)	(12,000)
Change in investments	0	1,457	(1,457)	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(3,783)</b>	<b>(40,347)</b>	<b>(17,869)</b>	<b>(220,500)</b>	<b>(12,000)</b>
Equities issued/Others	0	22,400	0	170,326	0
Debt raised/repaid	380	(651)	2,519	38,700	(20,800)
Interest expenses	0	0	0	0	0
Dividends paid	(4,673)	(5,019)	(8,047)	(14,276)	(17,173)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(4,293)</b>	<b>16,730</b>	<b>(5,528)</b>	<b>194,750</b>	<b>(37,973)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(2,435)</b>	<b>5,480</b>	<b>(1,785)</b>	<b>2,495</b>	<b>(11,713)</b>
<b>Closing cash &amp; cash eq.</b>	<b>3,352</b>	<b>8,832</b>	<b>7,047</b>	<b>9,542</b>	<b>(2,171)</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	26.3	24.5	44.4	56.5	72.5
Adjusted EPS	26.3	24.5	44.4	56.5	72.5
Dividend per share	15.2	15.2	24.0	35.0	40.0
Book value per share	117.3	190.5	216.3	585.6	618.1

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	6.0	4.5	3.4	2.2	1.7
EV/EBITDA	36.8	30.1	18.3	12.0	9.3
Adjusted P/E	62.7	67.3	37.1	29.1	22.7
P/BV	14.0	8.6	7.6	2.8	2.7

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	77.3	63.9	63.3	69.7	71.4
Interest burden (PBT/EBIT)	88.1	83.0	97.7	96.7	96.3
EBIT margin (EBIT/Revenue)	12.9	12.5	14.3	14.3	15.1
Asset turnover (Rev./Avg TA)	215.5	170.7	158.5	108.8	92.0
Leverage (Avg TA/Avg Equity)	1.3	1.4	1.5	1.4	1.3
Adjusted ROAE	24.1	16.2	21.3	14.2	12.0

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	14.5	32.8	34.8	45.6	25.5
EBITDA	6.5	22.5	64.9	46.6	25.8
Adjusted EPS	15.5	(6.9)	81.7	27.2	28.2
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	16.3	15.0	18.4	18.5	18.6
EBIT margin	12.8	11.3	14.2	14.3	15.1
Adjusted profit margin	8.8	6.6	8.8	9.6	10.4
Adjusted ROAE	24.1	16.2	21.3	14.2	12.0
ROCE	22.3	16.0	16.9	11.8	10.5

### Working capital days (days)

Receivables	72	77	79	80	78
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	20.5	15.9	13.8	11.2	13.2
Current ratio	1.7	1.7	1.6	1.6	1.4
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.0	(0.1)	0.0	0.1	0.1

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

## Financials – MPHL

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>132,785</b>	<b>142,300</b>	<b>157,855</b>	<b>173,687</b>	<b>192,474</b>
EBITDA	24,220	26,471	29,548	32,005	34,948
Depreciation	4,106	4,762	5,408	5,624	5,969
EBIT	20,114	21,709	24,140	26,381	28,979
Net interest inc./(exp.)	(1,608)	(1,656)	(1,618)	(1,447)	(1,345)
Other inc./(exp.)	2,178	2,550	2,982	3,033	3,378
Exceptional items	0	0	0	0	0
EBT	20,684	22,603	25,504	27,967	31,013
Income taxes	5,135	5,579	6,464	6,852	7,598
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>15,549</b>	<b>17,024</b>	<b>19,040</b>	<b>21,115</b>	<b>23,414</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>15,549</b>	<b>17,024</b>	<b>19,040</b>	<b>21,115</b>	<b>23,414</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	24,910	31,445	46,485	50,882	56,453
Provisions	3,261	833	1,645	1,801	1,998
Debt funds	15,436	11,159	11,806	11,006	10,206
Other liabilities	9,749	9,346	9,172	9,172	9,172
Equity capital	1,890	1,901	1,903	1,903	1,903
Reserves & surplus	86,056	94,383	92,828	101,274	110,640
Shareholders' fund	87,946	96,284	94,731	103,177	112,543
<b>Total liab. and equities</b>	<b>141,302</b>	<b>149,067</b>	<b>163,839</b>	<b>176,038</b>	<b>190,372</b>
Cash and cash eq.	8,144	16,126	14,431	19,205	22,483
Accounts receivables	27,028	31,604	34,966	38,274	42,465
Inventories	0	0	0	0	0
Other current assets	16,434	18,192	33,057	36,184	40,146
Investments	30,899	22,082	14,638	14,638	14,638
Net fixed assets	6,285	8,463	10,993	11,579	13,972
CWIP	614	2	500	500	500
Intangible assets	41,793	42,907	44,683	44,683	44,683
Deferred tax assets, net	2,857	3,246	4,268	4,671	5,183
Other assets	7,248	6,445	6,303	6,303	6,303
<b>Total assets</b>	<b>141,302</b>	<b>149,067</b>	<b>163,839</b>	<b>176,038</b>	<b>190,372</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>25,450</b>	<b>21,215</b>	<b>23,691</b>	<b>26,305</b>	<b>28,344</b>
Capital expenditures	(18,094)	(6,328)	(8,436)	(6,211)	(8,361)
Change in investments	(13,808)	8,428	6,422	(404)	(511)
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(31,902)</b>	<b>2,100</b>	<b>(2,014)</b>	<b>(6,615)</b>	<b>(8,873)</b>
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	13,720	(3,953)	612	(800)	(800)
Interest expenses	(1,608)	(1,656)	(1,618)	(1,447)	(1,345)
Dividends paid	(10,357)	0	(11,424)	(12,669)	(14,049)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>1,755</b>	<b>(5,609)</b>	<b>(12,430)</b>	<b>(14,916)</b>	<b>(16,193)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(2,414)</b>	<b>7,982</b>	<b>(1,695)</b>	<b>4,774</b>	<b>3,278</b>
<b>Closing cash &amp; cash eq.</b>	<b>8,144</b>	<b>16,126</b>	<b>14,431</b>	<b>19,205</b>	<b>22,483</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	82.6	89.9	100.1	111.0	123.0
Adjusted EPS	82.6	89.3	99.6	110.5	122.5
Dividend per share	55.0	0.0	60.0	66.6	73.8
Book value per share	467.1	507.0	497.8	542.2	591.4

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.0	3.8	3.4	3.1	2.8
EV/EBITDA	22.2	20.2	18.3	16.9	15.6
Adjusted P/E	34.1	31.6	28.3	25.5	23.0
P/BV	6.0	5.6	5.7	5.2	4.8

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	75.2	75.3	74.7	75.5	75.5
Interest burden (PBT/EBIT)	102.8	104.1	105.7	106.0	107.0
EBIT margin (EBIT/Revenue)	15.1	15.3	15.3	15.2	15.1
Asset turnover (Rev./Avg TA)	103.7	98.0	100.9	102.2	105.1
Leverage (Avg TA/Avg Equity)	1.5	1.6	1.6	1.7	1.7
<b>Adjusted ROAE</b>	<b>18.6</b>	<b>18.5</b>	<b>19.9</b>	<b>21.3</b>	<b>21.7</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	(3.8)	7.2	10.9	10.0	10.8
EBITDA	(0.5)	9.3	11.6	8.3	9.2
Adjusted EPS	(5.1)	8.1	11.6	10.9	10.9

### Profitability & Return ratios (%)

EBITDA margin	18.2	18.6	18.7	18.4	18.2
EBIT margin	15.1	15.3	15.3	15.2	15.1
Adjusted profit margin	11.7	12.0	12.1	12.2	12.2
Adjusted ROAE	18.6	18.5	19.9	21.3	21.7
ROCE	14.8	14.2	15.5	16.7	17.1

### Working capital days (days)

Receivables	74	81	81	80	81
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	21.1	16.8	14.4	15.0	13.8
Current ratio	2.1	2.2	1.8	1.9	1.9
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.0</b>	<b>(0.1)</b>	<b>(0.1)</b>

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

## Financials – ZENT

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>49,018</b>	<b>52,806</b>	<b>57,139</b>	<b>61,583</b>	<b>67,541</b>
EBITDA	8,716	8,166	8,865	9,683	10,697
Depreciation	1,338	1,019	1,015	1,176	1,326
EBIT	7,378	7,147	7,850	8,507	9,371
Net interest inc./(exp.)	0	0	0	0	0
Other inc./(exp.)	1,379	1,429	1,928	1,730	2,046
Exceptional items	0	0	0	0	0
EBT	8,757	8,577	9,778	10,237	11,417
Income taxes	2,107	2,079	2,366	2,472	2,757
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>6,650</b>	<b>6,498</b>	<b>7,412</b>	<b>7,765</b>	<b>8,661</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>6,650</b>	<b>6,498</b>	<b>7,412</b>	<b>7,765</b>	<b>8,661</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	3,224	3,454	3,699	4,043	4,459
Other current liabilities	5,445	5,385	5,764	6,074	6,449
Provisions	48	53	56	56	56
Debt funds	0	0	0	0	0
Other liabilities	3,241	3,239	3,072	3,072	3,072
Equity capital	453	454	455	455	455
Reserves & surplus	34,067	39,144	42,734	46,750	51,322
Shareholders' fund	34,520	39,598	43,189	47,205	51,777
<b>Total liab. and equities</b>	<b>46,478</b>	<b>51,729</b>	<b>55,780</b>	<b>60,450</b>	<b>65,813</b>
Cash and cash eq.	7,241	7,436	8,290	9,878	11,965
Accounts receivables	7,320	7,901	8,163	8,922	9,840
Inventories	0	0	0	0	0
Other current assets	4,874	5,272	6,330	6,491	6,685
Investments	6,506	12,537	13,025	15,025	17,025
Net fixed assets	811	908	1,177	1,340	1,503
CWIP	52	6	61	61	61
Intangible assets	8,103	9,819	10,058	10,058	10,058
Deferred tax assets, net	1,099	1,079	1,026	1,026	1,026
Other assets	10,472	6,771	7,650	7,650	7,650
<b>Total assets</b>	<b>46,478</b>	<b>51,729</b>	<b>55,780</b>	<b>60,450</b>	<b>65,813</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>7,480</b>	<b>7,240</b>	<b>7,549</b>	<b>8,503</b>	<b>9,492</b>
Capital expenditures	(4)	2,335	1,518	1,339	1,488
Change in investments	1,997	6,031	488	2,000	2,000
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>2,001</b>	<b>3,696</b>	<b>(1,030)</b>	<b>661</b>	<b>512</b>
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	(2,378)	(2,951)	(2,272)	(3,749)	(4,089)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(2,378)</b>	<b>(2,951)</b>	<b>(2,272)</b>	<b>(3,749)</b>	<b>(4,089)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(39)</b>	<b>195</b>	<b>854</b>	<b>1,588</b>	<b>2,087</b>
<b>Closing cash &amp; cash eq.</b>	<b>7,241</b>	<b>7,436</b>	<b>8,290</b>	<b>9,878</b>	<b>11,965</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	29.4	28.7	32.6	34.2	38.1
Adjusted EPS	29.1	28.4	32.4	34.2	38.1
Dividend per share	10.5	13.0	10.0	16.5	18.0
Book value per share	152.4	174.4	190.1	207.8	227.9

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	3.5	3.2	3.0	2.8	2.6
EV/EBITDA	19.6	20.9	19.3	17.8	16.3
Adjusted P/E	24.7	25.3	22.1	21.0	18.8
P/BV	4.7	4.1	3.8	3.5	3.2

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	75.9	75.8	75.8	75.9	75.9
Interest burden (PBT/EBIT)	118.7	120.0	124.6	120.3	121.8
EBIT margin (EBIT/Revenue)	15.1	13.5	13.7	13.8	13.9
Asset turnover (Rev./Avg TA)	111.8	107.5	106.3	106.0	107.0
Leverage (Avg TA/Avg Equity)	1.4	1.3	1.3	1.3	1.3
Adjusted ROAE	20.9	17.5	17.9	17.2	17.5

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	1.1	7.7	8.2	7.8	9.7
EBITDA	57.8	(6.3)	8.6	9.2	10.5
Adjusted EPS	102.6	(2.5)	14.3	5.4	11.5

### Profitability & Return ratios (%)

EBITDA margin	17.8	15.5	15.5	15.7	15.8
EBIT margin	15.1	13.5	13.7	13.8	13.9
Adjusted profit margin	13.6	12.3	13.0	12.6	12.8
Adjusted ROAE	20.9	17.5	17.9	17.2	17.5
ROCE	15.9	13.4	13.3	13.4	13.5

### Working capital days (days)

Receivables	73	55	52	53	53
Inventory	NA	NA	NA	NA	NA
Payables	24	24	23	24	24

### Ratios (x)

Gross asset turnover	60.4	58.2	48.5	46.0	45.0
Current ratio	3.0	3.7	3.8	4.0	4.2
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)

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

## Financials – BSOFT

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>52,781</b>	<b>53,752</b>	<b>53,240</b>	<b>56,716</b>	<b>60,386</b>
EBITDA	8,362	6,974	7,681	8,187	8,792
Depreciation	850	857	824	874	933
EBIT	7,512	6,117	6,857	7,313	7,859
Net interest inc./(exp.)	200	234	231	272	290
Other inc./(exp.)	1,035	1,085	1,020	1,136	1,293
Exceptional items	0	0	0	0	0
EBT	8,348	6,968	7,646	8,177	8,862
Income taxes	2,110	1,801	3,274	2,371	2,570
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>6,238</b>	<b>5,168</b>	<b>4,373</b>	<b>5,806</b>	<b>6,292</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>6,238</b>	<b>5,168</b>	<b>4,373</b>	<b>5,806</b>	<b>6,292</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	2,805	2,353	2,720	2,920	3,080
Other current liabilities	4,653	5,469	6,566	6,965	7,287
Provisions	712	757	838	838	838
Debt funds	0	114	0	0	0
Other liabilities	645	1,148	1,175	1,175	1,175
Equity capital	552	556	557	557	557
Reserves & surplus	29,889	34,227	37,764	41,337	45,117
Shareholders' fund	30,441	34,782	38,321	41,894	45,674
<b>Total liab. and equities</b>	<b>39,256</b>	<b>44,624</b>	<b>49,621</b>	<b>53,792</b>	<b>58,055</b>
Cash and cash eq.	4,249	4,449	6,414	9,513	12,898
Accounts receivables	10,365	9,802	10,745	11,532	12,168
Inventories	0	104	50	50	50
Other current assets	13,060	17,278	18,848	19,067	19,244
Investments	2,860	2,972	3,156	3,156	3,156
Net fixed assets	1,142	1,031	921	987	1,052
CWIP	116	49	75	75	75
Intangible assets	4,957	5,072	5,344	5,344	5,344
Deferred tax assets, net	1,044	1,002	1,126	1,126	1,126
Other assets	1,463	2,866	2,942	2,942	2,942
<b>Total assets</b>	<b>39,256</b>	<b>44,624</b>	<b>49,621</b>	<b>53,792</b>	<b>58,055</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>8,775</b>	<b>5,388</b>	<b>5,169</b>	<b>7,360</b>	<b>7,845</b>
Capital expenditures	(431)	(746)	(714)	(939)	(998)
Change in investments	(8,581)	(4,234)	(1,285)	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(9,012)</b>	<b>(4,981)</b>	<b>(1,999)</b>	<b>(939)</b>	<b>(998)</b>
Equities issued/Others	2	4	1	0	0
Debt raised/repaid	0	114	(114)	0	0
Interest expenses	(200)	(234)	(231)	(272)	(290)
Dividends paid	(1,792)	(1,808)	(1,535)	(2,233)	(2,512)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(1,989)</b>	<b>(1,924)</b>	<b>(1,879)</b>	<b>(2,505)</b>	<b>(2,802)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(5,309)</b>	<b>199</b>	<b>1,965</b>	<b>3,099</b>	<b>3,385</b>
<b>Closing cash &amp; cash eq.</b>	<b>4,249</b>	<b>4,449</b>	<b>6,414</b>	<b>9,513</b>	<b>12,898</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	22.6	18.6	15.7	20.8	22.5
Adjusted EPS	22.6	18.3	15.5	20.7	22.4
Dividend per share	6.5	6.5	5.5	8.0	9.0
Book value per share	110.4	125.1	137.3	150.1	163.7

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	2.4	2.3	2.4	2.3	2.2
EV/EBITDA	15.2	17.9	16.4	15.7	15.0
Adjusted P/E	19.1	23.5	27.8	20.9	19.3
P/BV	3.9	3.5	3.1	2.9	2.6

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	74.9	74.7	74.2	57.2	71.0
Interest burden (PBT/EBIT)	101.0	111.1	113.9	111.5	111.8
EBIT margin (EBIT/Revenue)	9.1	14.2	11.4	12.9	12.9
Asset turnover (Rev./Avg TA)	145.9	148.4	128.2	113.0	109.7
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
<b>Adjusted ROAE</b>	<b>13.2</b>	<b>22.7</b>	<b>15.8</b>	<b>12.0</b>	<b>14.5</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	10.1	1.8	(1.0)	6.5	6.5
EBITDA	60.7	(16.6)	10.1	6.6	7.4
Adjusted EPS	88.3	(19.0)	(15.2)	32.8	8.4
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	15.8	13.0	14.4	14.4	14.6
EBIT margin	14.2	11.4	12.9	12.9	13.0
Adjusted profit margin	11.8	9.6	8.2	10.2	10.4
Adjusted ROAE	22.7	15.8	12.0	14.5	14.4
ROCE	20.4	13.9	10.7	12.9	12.7

### Working capital days (days)

Receivables	72	67	74	74	74
Inventory	NA	NA	NA	NA	NA
Payables	19	16	18	19	18

### Ratios (x)

Gross asset turnover	46.2	52.1	57.8	57.5	57.4
Current ratio	3.7	4.0	3.9	4.1	4.3
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.3)</b>

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



## Financials – FSOL

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>63,363</b>	<b>79,803</b>	<b>94,666</b>	<b>110,896</b>	<b>129,643</b>
EBITDA	9,566	12,077	16,169	21,143	25,740
Depreciation	2,603	3,271	4,663	6,804	8,102
EBIT	6,963	8,806	11,506	14,339	17,639
Net interest inc./(exp.)	(1,034)	(1,383)	(1,685)	(1,646)	(1,646)
Other inc./(exp.)	368	(104)	96	116	188
Exceptional items	0	0	0	0	0
EBT	6,297	7,319	9,918	12,808	16,181
Income taxes	1,150	1,462	2,000	2,562	3,236
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
<b>Reported net profit</b>	<b>5,147</b>	<b>5,857</b>	<b>7,918</b>	<b>10,246</b>	<b>12,944</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>5,147</b>	<b>5,857</b>	<b>7,918</b>	<b>10,246</b>	<b>12,944</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	3,056	3,976	4,997	5,798	6,786
Other current liabilities	13,353	20,311	20,437	20,437	20,437
Provisions	188	241	297	297	297
Debt funds	42	3,419	3,052	2,052	1,052
Other liabilities	7,188	10,299	10,682	10,682	10,682
Equity capital	6,970	6,970	6,970	6,970	6,970
Reserves & surplus	30,034	34,006	37,683	43,442	50,863
Shareholders' fund	37,004	40,976	44,653	50,412	57,833
<b>Total liab. and equities</b>	<b>60,830</b>	<b>79,222</b>	<b>84,118</b>	<b>89,678</b>	<b>97,087</b>
Cash and cash eq.	1,884	1,670	944	1,997	5,347
Accounts receivables	11,608	16,860	19,331	22,431	26,254
Inventories	0	0	0	0	0
Other current assets	1,881	3,710	4,276	4,276	4,276
Investments	115	115	337	337	337
Net fixed assets	1,641	2,763	3,811	5,219	5,455
CWIP	171	491	91	91	91
Intangible assets	36,889	47,173	47,836	47,836	47,836
Deferred tax assets, net	3,729	3,449	4,109	4,109	4,109
Other assets	2,911	2,991	3,382	3,382	3,382
<b>Total assets</b>	<b>60,830</b>	<b>79,222</b>	<b>84,118</b>	<b>89,678</b>	<b>97,087</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>5,886</b>	<b>8,805</b>	<b>14,225</b>	<b>16,398</b>	<b>19,858</b>
Capital expenditures	126	(1,790)	(2,440)	(3,548)	(1,534)
Change in investments	296	(315)	(301)	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>422</b>	<b>(2,105)</b>	<b>(2,741)</b>	<b>(3,548)</b>	<b>(1,534)</b>
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(147)	7,204	(2,058)	(1,000)	(1,000)
Interest expenses	(1,034)	(1,383)	(1,685)	(1,646)	(1,646)
Dividends paid	(2,393)	(2,751)	(3,452)	(4,488)	(5,523)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(3,574)</b>	<b>3,070</b>	<b>(7,195)</b>	<b>(7,134)</b>	<b>(8,170)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>329</b>	<b>(214)</b>	<b>(726)</b>	<b>1,053</b>	<b>3,350</b>
<b>Closing cash &amp; cash eq.</b>	<b>1,884</b>	<b>1,670</b>	<b>944</b>	<b>1,997</b>	<b>5,347</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	7.5	8.6	11.5	14.8	18.7
Adjusted EPS	7.3	8.4	11.2	14.5	18.3
Dividend per share	3.5	4.0	5.0	6.5	8.0
Book value per share	53.7	59.7	64.7	73.0	83.8

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	3.6	2.9	2.4	2.1	1.8
EV/EBITDA	24.1	19.0	14.1	10.8	9.0
Adjusted P/E	45.3	39.4	29.6	22.9	18.1
P/BV	6.2	5.6	5.1	4.5	4.0

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	81.7	80.3	79.9	80.0	80.0
Interest burden (PBT/EBIT)	90.4	84.1	86.4	89.3	91.7
EBIT margin (EBIT/Revenue)	11.0	11.0	12.2	12.9	13.6
Asset turnover (Rev./Avg TA)	107.9	114.0	115.9	127.6	138.8
Leverage (Avg TA/Avg Equity)	1.6	1.7	1.8	1.7	1.6
<b>Adjusted ROAE</b>	<b>13.9</b>	<b>14.5</b>	<b>17.8</b>	<b>20.3</b>	<b>22.4</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	5.2	25.9	18.6	17.1	16.9
EBITDA	15.8	26.3	33.9	30.8	21.7
Adjusted EPS	0.3	14.9	33.3	29.0	26.3
<b>Profitability &amp; Return ratios (%)</b>					
EBITDA margin	15.1	15.1	17.1	19.1	19.9
EBIT margin	11.0	11.0	12.2	12.9	13.6
Adjusted profit margin	8.1	7.3	8.4	9.2	10.0
Adjusted ROAE	14.6	15.0	18.5	21.6	23.9
ROCE	10.2	10.6	11.9	14.1	16.2

### Working capital days (days)

Receivables	67	77	75	74	74
Inventory	NA	NA	NA	NA	NA
Payables	17	18	19	19	19

### Ratios (x)

Gross asset turnover	38.6	28.9	24.8	21.3	23.8
Current ratio	0.9	0.9	1.0	1.1	1.3
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.1)</b>

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

## Financials – ECLX

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>29,255</b>	<b>33,659</b>	<b>41,011</b>	<b>49,036</b>	<b>57,005</b>
EBITDA	7,750	8,209	10,432	12,995	15,792
Depreciation	1,258	1,412	1,813	2,357	2,733
EBIT	6,492	6,797	8,619	10,639	13,059
Net interest inc./(exp.)	(235)	(349)	(421)	(432)	(432)
Other inc./(exp.)	614	737	781	994	1,459
Exceptional items	0	0	0	0	0
EBT	6,871	7,185	8,980	11,201	14,087
Income taxes	1,753	1,773	2,248	2,814	3,539
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	3	2	3	4	4
<b>Reported net profit</b>	<b>5,115</b>	<b>5,411</b>	<b>6,728</b>	<b>8,384</b>	<b>10,544</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>5,115</b>	<b>5,411</b>	<b>6,728</b>	<b>8,384</b>	<b>10,544</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	0	0	0	0	0
Other current liabilities	3,914	4,459	5,393	6,449	7,497
Provisions	124	258	337	403	469
Debt funds	0	0	0	0	0
Other liabilities	2,756	3,660	4,289	5,019	5,716
Equity capital	482	470	470	470	470
Reserves & surplus	22,012	22,610	29,294	37,635	48,136
Shareholders' fund	22,495	23,080	29,764	38,105	48,606
<b>Total liab. and equities</b>	<b>29,290</b>	<b>31,457</b>	<b>39,784</b>	<b>49,976</b>	<b>62,287</b>
Cash and cash eq.	6,921	7,391	13,484	21,234	31,278
Accounts receivables	4,960	4,954	6,180	7,389	8,590
Inventories	6	2	2	2	2
Other current assets	3,993	5,370	6,180	7,389	8,590
Investments	4,065	3,090	3,090	3,090	3,090
Net fixed assets	2,097	2,409	1,909	1,121	212
CWIP	8	2	2	2	2
Intangible assets	3,993	4,079	4,079	4,079	4,079
Deferred tax assets, net	591	727	855	1,003	1,144
Other assets	2,663	3,434	4,005	4,668	5,302
<b>Total assets</b>	<b>29,290</b>	<b>31,457</b>	<b>39,784</b>	<b>49,975</b>	<b>62,287</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>5,259</b>	<b>6,668</b>	<b>7,091</b>	<b>8,803</b>	<b>10,888</b>
Capital expenditures	(643)	(1,151)	(1,312)	(1,569)	(1,824)
Change in investments	(1,064)	1,291	0	0	0
Other investing cash flows	(3,172)	1,165	361	563	1,028
<b>Cash flow from investing</b>	<b>(4,879)</b>	<b>1,305</b>	<b>(952)</b>	<b>(1,007)</b>	<b>(797)</b>
Equities issued/Others	0	(3,839)	0	0	0
Debt raised/repaid	0	0	0	0	0
Interest expenses	(1,017)	(2,210)	0	0	0
Dividends paid	(48)	(47)	(47)	(47)	(47)
Other financing cash flows	0	0	0	0	0
<b>Cash flow from financing</b>	<b>(1,065)</b>	<b>(6,096)</b>	<b>(47)</b>	<b>(47)</b>	<b>(47)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(685)</b>	<b>1,877</b>	<b>6,092</b>	<b>7,750</b>	<b>10,045</b>
<b>Closing cash &amp; cash eq.</b>	<b>6,921</b>	<b>7,391</b>	<b>13,484</b>	<b>21,234</b>	<b>31,278</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	106.1	115.1	143.2	178.5	224.5
Adjusted EPS	104.0	113.1	139.9	174.3	219.3
Dividend per share	1.0	1.0	1.0	1.0	1.0
Book value per share	466.5	491.0	633.7	811.3	1,034.8

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	7.8	6.8	5.7	4.9	4.4
EV/EBITDA	29.5	28.1	22.4	18.5	15.8
Adjusted P/E	45.7	42.0	34.0	27.3	21.7
P/BV	10.2	9.7	7.5	5.9	4.6

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	74.4	75.3	74.9	74.8	74.9
Interest burden (PBT/EBIT)	105.8	105.7	104.2	105.3	107.9
EBIT margin (EBIT/Revenue)	22.2	20.2	21.0	21.7	22.9
Asset turnover (Rev./Avg TA)	112.2	110.8	115.1	109.3	101.6
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
<b>Adjusted ROAE</b>	<b>25.8</b>	<b>23.7</b>	<b>25.5</b>	<b>24.7</b>	<b>24.3</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	10.5	15.1	21.8	19.6	16.3
EBITDA	4.2	5.9	27.1	24.6	21.5
Adjusted EPS	5.8	8.7	23.7	24.6	25.8

### Profitability & Return ratios (%)

EBITDA margin	26.5	24.4	25.4	26.5	27.7
EBIT margin	22.2	20.2	21.0	21.7	22.9
Adjusted profit margin	17.5	16.1	16.4	17.1	18.5
Adjusted ROAE	25.8	23.7	25.5	24.7	24.3
ROCE	24.4	22.5	24.4	23.5	22.5

### Working capital days (days)

Receivables	58	54	50	50	51
Inventory	NA	NA	NA	NA	NA
Payables	NA	NA	NA	NA	NA

### Ratios (x)

Gross asset turnover	12.9	14.9	19.0	32.4	85.5
Current ratio	4.9	4.4	5.0	5.7	6.5
Net interest coverage ratio	NA	NA	NA	NA	NA
<b>Adjusted debt/equity</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.5)</b>	<b>(0.6)</b>	<b>(0.6)</b>

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



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