

HOLD

TP: Rs 2,927 | ▲ 4%

MPHASIS

| IT Services

| 23 January 2026

Revenue growth in the middle of the Tier-2 set

- Broadly in-line performance in 3Q. Likely to have a robust 4Q exit QoQ. Likely high single digit USD growth in FY26. >2x Industry rate
- While there has been a decent TCV pick up in recent quarters, the vertical concentration risk has deteriorated over 24 months
- Raise EPS for FY27/FY28 by 2-3%. Maintain Target PE multiple (23.9x, 10% premium to TCS') and retain our HOLD rating

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3QFY26 broadly in line: Net revenue CC QoQ growth was at 1.5%, a tad below the 2% we estimated though EBIT margin was in line. Mphasis has been able to offset the loss of business from a likely top 5 customer (in the logistics space) by growing its BFSI and Technology verticals

Client concentration has actually increased over the last 24 months: We believe the client/vertical concentration risks (top client at 12%, top 10 at 55% and BFSI at 67% in 3QFY26) remain high and in the current environment where the predominant theme is vendor consolidation, we can't be sure that there will be no negative surprises which could impact revenue growth and earnings. Many of its top clients (who have been long standing) have multi-vendor relationships. In fact the BFSI concentration has moved up from 58% in 3QFY24 to 67% in 3QFY26.

Recovery in Logistics and Transportation margin helps: A study of the segmental margins indicates that while all verticals have seen Gross margin decline QoQ, the improvement in the Logistics vertical (where it has moved from -5.3% to +14.7%) has helped retain overall margins.

>2x industry rate in FY26 puts it just above the weaker Tier-2 set: Mphasis had aspired to grow at 2x industry rate in FY26 and we think that goal seems within reach. When we look at our coverage universe of Tier-2 companies we believe Coforge, Persistent Systems, Firstsource and Eclerx are in the mid-teen plus USD revenue growth category over FY25-FY28 and Zensar and Birlasoft are in the low-mid single digit growth cohort. We believe Mphasis and LTIM are likely to be in between these two cohorts. While Mphasis has shrugged off weaker growth in FY24 and FY25 (largely due to higher interest rates in the US impacting its mortgage business) in FY26 it has been hit by loss of Fedex (logistics client). We believe we have been fair by giving it a 10% premium to the Target PE multiple of TCS when we have accorded 25% to Persistent Systems.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	MPHL IN/Rs 2,810
Market cap	US\$ 5.8bn
Free float	60%
3M ADV	US\$ 17.4mn
52wk high/low	Rs 3,078/Rs 2,045
Promoter/FPI/DII	31%/20%/45%

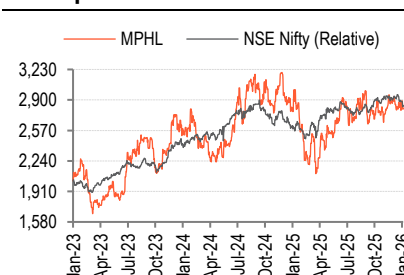
Source: NSE | Price as of 22 Jan 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	142,300	157,805	176,364
EBITDA (Rs mn)	26,471	29,581	33,192
Adj. net profit (Rs mn)	17,024	18,837	21,641
Adj. EPS (Rs)	89.3	96.7	113.2
Consensus EPS (Rs)	89.3	100.2	114.1
Adj. ROAE (%)	18.5	19.6	21.7
Adj. P/E (x)	31.5	29.1	24.8
EV/EBITDA (x)	20.2	18.1	16.1
Adj. EPS growth (%)	8.1	8.3	17.1

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Key Points from the quarter and the earnings call

- Revenue stood at US\$451.4mn, growing 1.5% QoQ (against our estimate of 2%) and 7.4% YoY in CC terms
- Direct revenue grew 1.9% QoQ and 9.6% YoY in CC terms. Direct business (ex HP) contributed ~98% of revenue in CC terms
- EBIT Margin stood at 15.2% (broadly in line with our estimate of 15.3%), declining ~10bps QoQ and YoY
- All geographies delivered positive sequential growth in the quarter
 - US grew 1.4% QoQ and 8% YoY in CC terms
 - EMEA grew 3.9% QoQ growth in CC terms
 - Rest of the world grew 5% QoQ and 17.4% YoY in CC terms, partly driven by GCC ecosystem expansion
- Vertical Commentary
 - BFS vertical grew 14.8% YoY at company level, impacted by ramp-down of ATM business in India
 - Direct BFS grew 2.5% QoQ and 18% YoY driven by expansion in existing accounts and new wins
 - Insurance vertical grew 8.1% QoQ and 36.6% YoY in CC terms
 - Combined BFSI vertical delivered 3.7% QoQ growth and contributed 66% of revenue
 - TMT vertical impacted by seasonality sequentially but delivered over 20%+ YoY growth
- Exceptional item of Rs355mn due to labor law changes
- New TCV wins of US\$428mn, declining 19% QoQ and growing 22% YoY. Strong 3Q growth driven by conversion of deal wins to revenue across verticals and geographies
- Deal pipeline at largest level ever, despite strong TCV wins in the quarter led by large deals
 - Pipeline now 69% AI-led
 - Total pipeline grown 66% YoY, with BFS pipeline up 98% YoY and non-BFS pipeline up 44% YoY
 - Large deal pipeline up 91% YoY
 - AI-led modernization remains a dominant theme within the pipeline
- Client pyramid improvement driven by account mining, large deal wins, and ramp-ups in new customers

- Commitment to margin discipline within 14.75%–15.75% band while investing for growth
- Expectation to deliver revenue growth greater than 2x industry growth supported by strong TCV-to-revenue correlation and ongoing large deal ramp-ups
- 4Q expected to be the strongest sequential growth quarter of FY26
- 3Q performance largely played out in line with internal expectations from a seasonality perspective, with no major deviations versus start-of-quarter assumptions
- No identified stress or volatility across client sub-segments, including within the top 10 client bucket. No known headwinds or client-specific risks currently visible that could drive volatility in coming quarters
- Demand Environment according to Mphasis
 - Traditional discretionary spend is unlikely to return in its earlier form. Client spending environment expected to be stable to slightly up in the current year, based on early-year indications. No evidence of clients planning overall spend reductions
 - Client spend reprioritization underway to free up budgets for AI investments. Incremental spend available for providers aligned to AI stack build and AI-led transformation priorities. Providers not aligned to AI-led efficiency and transformation risk net spend loss due to efficiency-driven reduction in traditional work
 - Deal flow and performance indicate gains from consolidation-led opportunities, infrastructure transformation, operations transformation, and modernization
 - Current environment viewed as an opportunity to play a challenger role and penetrate areas previously constrained by price, scale, or size limitations
- Disruption from AI-led models creating significant growth opportunity, with size and scale no longer a disproportionate competitive advantage and technical competence aligned to client outcomes becoming critical
- Deflation in traditional people-based service models alongside strong demand for AI-led technology solutions and AI-driven efficiencies
- Launch of flagship AI platform Mphasis NeoIP
- AI and agentic-infused deals provide operating leverage by reducing human effort, compressing timelines, lowering complexity, and improving early accuracy rates
 - Agentic approach unlocking deals that were previously too complex or too prohibitive from a budget standpoint expanding addressable deal opportunities
 - Clear value capture visibility in certain archetypes, particularly modernization, with early evidence of improved pricing models
 - Current operating leverage benefits largely reinvested into platform build-out
 - Greater margin capture from AI-led deals expected over time

- Increase in borrowings driven by temporary cash flow mismatches across geographies rather than a structural trend, says Mphasis.
- Increase in BPO headcount is driven partly by early signs of activity improvement in the interest-rate environment. Additional BPO headcount increase linked to a new deal with an existing customer to set up a mortgage origination unit linked to an agentic AI approach
- Direction of travel for BFSI remains clearly positive, with high confidence based on pipeline strength. BFSI expected to remain one of the leading growth verticals. Outlook for BFSI ramp-ups into 4Q remains stable
- BFSI vertical delivered sustained strong growth over the past several quarters
 - Banks and financial institutions in US and Europe had strong earnings because of high NIMs, reducing short-term cost-cutting pressures
 - Regulatory environment and deal-making activity, including M&A and IPOs, remained strong, supporting BFSI spend
 - Banks are early adopters of new technology, investing in AI fabric and capabilities across the value chain
 - Life and annuities insurance poised for growth via distribution-wealth integration
 - P&C insurance focused on efficiency due to high claim ratios; European insurance performed well
- Despite strong deal wins over the past few quarters, revenue growth hasn't fully matched because many deals are multi-year transformation engagements that ramp gradually. Net new TCV growth doesn't immediately translate to revenue, as initial quarters may see partial execution. As deals continue to ramp, further acceleration in revenue growth is expected
- The company highlighted that it is well-positioned to be a leading contender in the application modernization market. Success will depend on building a strong ecosystem of technology, cloud, and infrastructure partners, and efforts are underway to develop that ecosystem to capture opportunities in modernization
- The company's AI investments focus on integrating its own platform with third-party systems and LLMs. Most of the development costs run through OpEx, but some third-party integrations and platforms are capitalized, which explains growth in intangibles assets under development.
- The proposed buyback of US\$200 bn in mortgage-backed securities could lower interest rates and increase liquidity in funding markets. If it results in higher mortgage volumes, the business would benefit, but otherwise, it does not directly affect operations

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 12th March 2025 (**FY26 unlikely to be better than FY25**). Another report (**Uncertainty stays and 'eating the tariff' may impact even FY27**) and (**A fourth slow year?**) talks about our continued cautious stance on the sector.

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

Multiple speed breakers drive our Underweight stance

Trump policies raise uncertainty: Tariffs, a wider fiscal deficit from the 'one big, beautiful bill' (OBBB), and tighter immigration rules (including the new hurdles in H1-B visas), etc., may lead to delay in decision making in the near term.

While tariffs drove uncertainty in 2025, Trump's multiple proposals to address affordability crisis in the US ahead of the mid-terms in Nov'26 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 the IT spending outcomes.

Higher for longer interest rate environment: Lately, based on inflation prints and fears of a higher fiscal deficit, US 10Y yields have remained firm. There are fears of sustained high interest rates potentially reducing IT outsourcing demand; particularly in 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 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. Rapid growth of the GCCs is a threat to outsourcing. While there seems to be collaboration between 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 ones with lower bargaining power – 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 TCS, as our industry benchmark. Target PE for TCS 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 (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.

Reason for raising Target PE multiple: With Nifty IT underperforming by ~23ppt vs 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

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

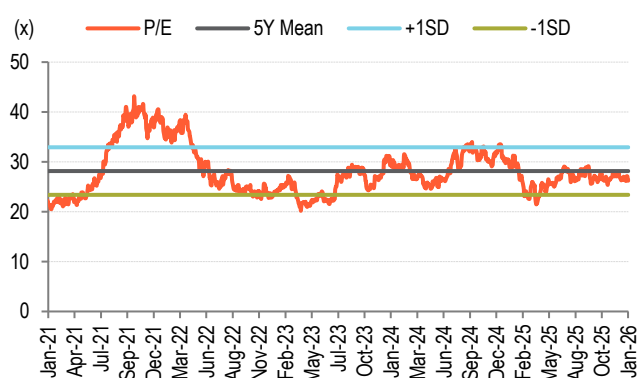
However, current PE premium to Tier-1s is excessive for certain stocks, because to deliver on the high consensus revenue growth expectations, they may be taking on more cost take-out projects that are likely to impact margins adversely.

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

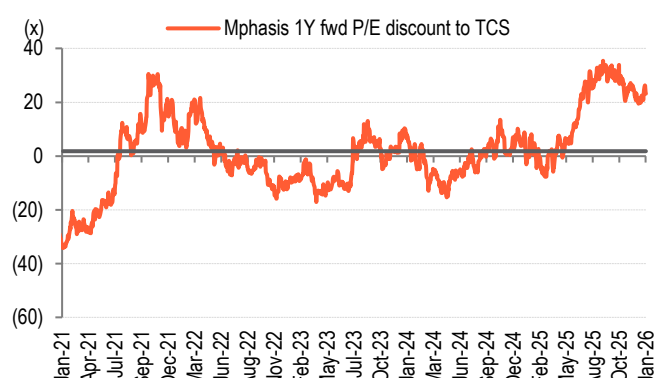
Fig 1 – Quarterly results: Comparison of actuals with estimates

Y/E Mar (Rs mn)	3QFY25	2QFY26	3QFY26	YoY (%)	QoQ (%)	3QFY26E	Dev (%)
USD Revenue (US\$mn)	419	445	451	7.6	1.4	453	(0.4)
Net sales	35,613	39,019	40,026	12.4	2.6	40,376	(0.9)
Direct Costs	25,424	28,042	28,745	13.1	2.5	29,164	(1.4)
% of sales	71.4	71.9	71.8			72.2	
Gross Profit	10,189	10,977	11,281	10.7	2.8	11,212	0.6
% of sales	28.6	28.1	28.2			27.8	
Selling expenses	2,696	2,879	2,983	10.6	3.6	2,879	3.6
% of sales	7.6	7.4	7.5			7.1	
G&A expenses	2,035	2,139	2,210	8.6	3.3	2,139	3.3
% of sales	5.7	5.5	5.5		0.7	5.3	
Provision for doubtful debts	0	0	0			0	
EBIT	5,458	5,959	6,088	11.5	2.2	6,194	(1.7)
% of sales	15.3	15.3	15.2			15.3	
Other Income	235	289	197	(16.2)	(31.8)	282	(30.1)
PBT	5,693	6,248	6,285	10.4	0.6	6,476	(2.9)
Exceptional item	0	0	355			0	
Provision for tax	1,413	1,557	1,598	13.1	2.6	1,587	0.7
Effective tax rate (%)	24.8	24.9	25.4			24.5	3.8
Adjusted PAT	4,280	4,691	4,687	9.5	-0.1	4,889	(4.1)
Margin(%)	12.0%	12.0%	11.7%				
Exceptional Item (Change in labour code impact adjusted for taxes)	-	-	266				
PAT (reported)	4,280	4,691	4,421	3.3	-5.8	4,889	(9.6)
Margin(%)	12.0%	12.0%	11.0%			12.1%	

Source: Company, BOBCAPS Research

Fig 2 – 5 Year PE trend

Source: Bloomberg, BOBCAPS Research

Fig 3 – Premium/ Discount to TCS

Source: Bloomberg, BOBCAPS Research

Fig 4 – Revised Estimates

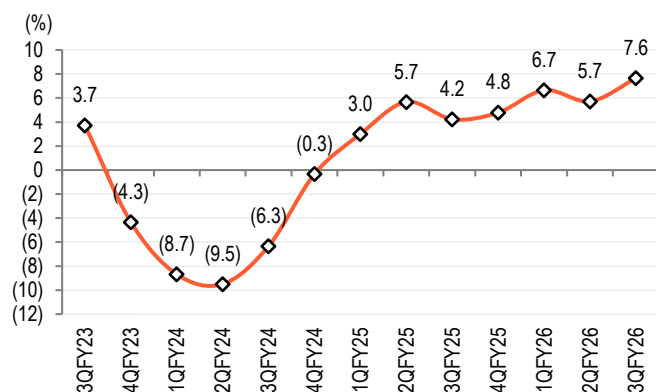
	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY27E
INR/USD	88.3	90.0	91.1	88.0	89.4	91.1	0.4	0.7	0.0
USD Revenue (in mn)	1,794	1,960	2,163	1,798	1,943	2,114	(0.2)	0.8	2.3
USD Revenue Growth (%)	6.8	9.2	10.4	7.0	8.1	8.8			
Revenue (Rsmn)	157,805	176,364	196,977	157,855	173,687	192,474	(0.0)	1.5	2.3
EBIT (Rsmn)	23,969	27,159	29,984	24,140	26,381	28,979	(0.7)	2.9	3.5
EBIT Margin (%)	15.2	15.4	15.2	15.3	15.2	15.1			
PAT (Rsmn)	18,837	21,641	24,034	19,040	21,115	23,414	(1.1)	2.5	2.6
FDEPS (Rs)	96.7	113.2	125.7	99.6	110.5	122.5	(2.9)	2.5	2.7
Adjusted PAT	18,748	21,641	24,034	19,040	21,115	23,414	(1.5)	2.5	2.6
FDEPS-Adjusted (Rs)	98	113	126	99.6	110.5	122.5	(1.5)	2.5	2.7

Source: BOBCAPS Research

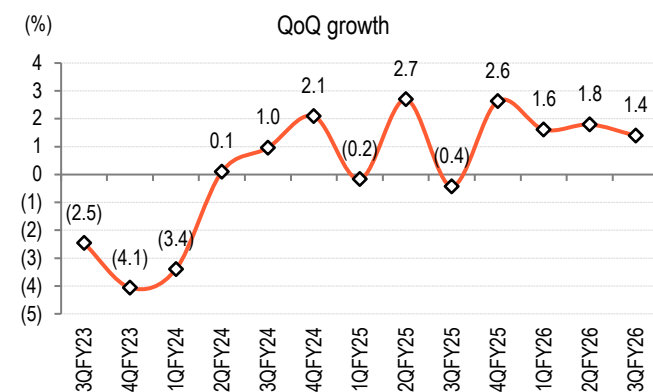
Fig 5 – P&L at a glance

(YE March)	FY13	FY14*	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Average exchange rate (INR/USD)	57.0	134.2	61.4	65.8	68.0	64.5	69.9	71.2	74.1	74.5	80.6	82.8	84.6	88.3	90.0	91.1
Net Sales (USD mn)	1,017	427	944	926	894	989	1,119	1,239	1,308	1,593	1,718	1,609	1,681	1,794	1,960	2,163
Growth (%)	-	-	-	(1.9)	(3.5)	10.7	13.1	10.8	5.6	21.7	7.8	(6.3)	4.4	6.8	9.2	10.4
Net Sales (Rs mn)	57,963	57,276	57,948	60,879	60,763	65,459	77,311	88,436	97,222	119,615	137,985	132,785	142,300	157,805	176,364	196,977
-Growth (%)	8.2	-	-	5.1	(0.2)	7.7	18.1	14.4	9.9	23.0	15.4	(3.8)	7.2	10.9	11.8	11.7
Direct Costs	43,396	42,464	43,424	45,362	44,118	47,892	56,407	63,503	69,610	86,829	100,475	95,950	101,522	113,230	124,447	139,453
Gross Profit	14,567	14,812	14,524	15,517	16,645	17,567	20,904	24,933	27,612	32,786	37,510	36,835	40,778	44,575	51,917	57,524
% of sales	25.1	25.9	25.1	25.5	27.4	26.8	27.0	28.2	28.4	27.4	27.2	27.7	28.7	28.2	29.4	29.2
Selling expenses	3,052	3,220	3,654	3,951	4,195	4,238	4,800	5,820	6,851	7,196	8,635	9,260	10,652	11,674	13,863	15,420
% of sales	5.3	5.6	6.3	6.5	6.9	6.5	6.2	6.6	7.0	6.0	6.3	7.0	7.5	7.4	7.9	7.8
G&A expenses	2,401	2,685	2,940	3,314	3,419	3,445	3,603	4,923	5,152	7,320	7,788	7,461	8,417	8,932	10,896	12,120
% of sales	4.1	4.7	5.1	5.4	5.6	5.3	4.7	5.6	5.3	6.1	5.6	5.6	5.9	5.7	6.2	6.2
Provision for doubtful debts	226.0	86.0	210.0	26.0	1.0	(33.0)	20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	8,888	8,821	7,720	8,226	9,030	9,917	12,481	14,190	15,609	18,270	21,087	20,114	21,709	23,969	27,159	29,984
% of sales	15.3	15.4	13.3	13.5	14.9	15.1	16.1	16.0	16.1	15.3	15.3	15.1	15.3	15.2	15.4	15.2
Other income	1,394	500	1,968	1,954	2,385	1,620	1,747	1,780	1,330	1,605	1,617	2,178	2,550	2,817	2,746	2,995
Financial Expenses	(330)	(111)	(279)	(242)	(139)	(130)	(155)	(813)	(634)	(744)	(973)	(1,608)	(1,656)	(1,635)	(1,425)	(1,352)
PBT	9,952	9,210	9,409	9,938	11,276	11,407	14,073	15,157	16,305	19,132	21,731	20,684	22,603	25,152	28,479	31,627
-PBT margin (%)	17.2	16.1	16.2	16.3	18.6	17.4	18.2	17.1	16.8	16.0	15.7	15.6	15.9	15.9	16.1	16.1
Exceptional Item	0	(64)	(32)	(548)	(152)	(131)	0	0	0	0	0	0	0	0	0	0
Provision for tax	2,514	1,191	2,631	2,696	3,076	2,900	3,339	3,306	4,139	4,821	5,351	5,135	5,579	6,315	6,838	7,594
Effective tax rate (%)	25.3	12.9	28.0	27.1	27.3	25.4	23.7	21.8	25.4	25.2	24.6	24.8	24.7	25.1	24.0	24.0
Net profit	7,438	7,954	6,746	6,694	8,048	8,376	10,734	11,851	12,166	14,311	16,380	15,549	17,024	18,837	21,641	24,034
-Growth (%)	(6.1)	-	-	(0.8)	20.2	4.1	28.2	10.4	2.7	17.6	14.5	(5.1)	9.5	8.6	17.1	11.1
-Net profit margin (%)	12.8	13.9	11.6	11.0	13.2	12.8	13.9	13.4	12.5	12.0	11.9	11.7	12.0	11.9	12.3	12.2
Adjusted Net Profit	7,438	7,954	6,746	6,694	8,048	8,376	10,734	11,851	12,166	14,311	16,380	15,549	17,024	18,748	21,641	24,034
Adjusted Net Profit Margin (%)	12.8	13.9	11.6	11.0	13.2	12.8	13.9	13.4	12.5	12.0	11.9	11.7	12.0	11.9	12.3	12.2

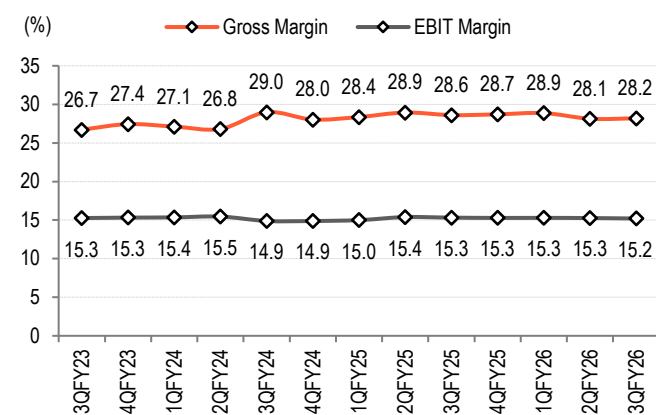
Source: Company, BOBCAPS Research

Fig 6 – USD Revenue YoY Growth

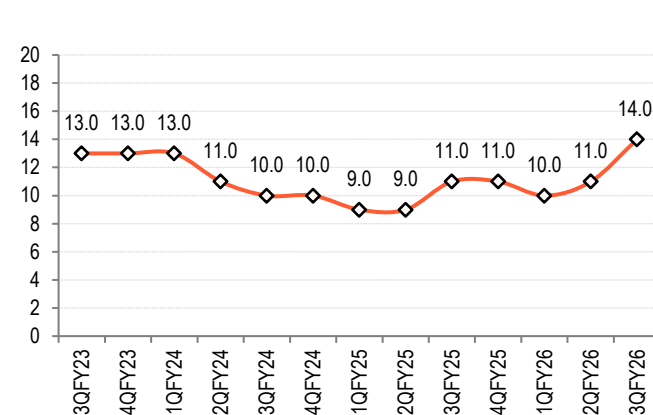
Source: Company, BOBCAPS Research

Fig 7 – USD Revenue QoQ growth

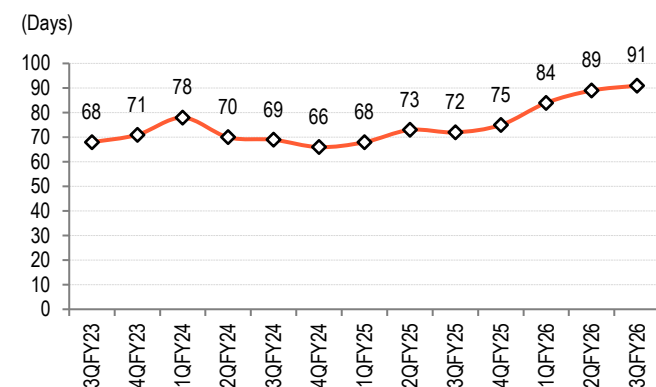
Source: Company, BOBCAPS Research

Fig 8 – Gross Margin and EBIT Margin

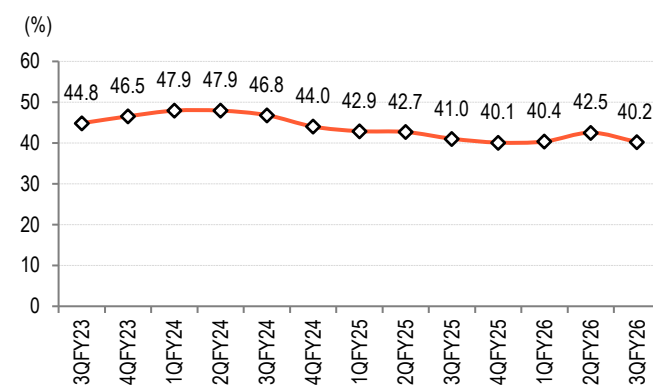
Source: Company, BOBCAPS Research

Fig 9 – Number of clients contributing US\$20mn revenues

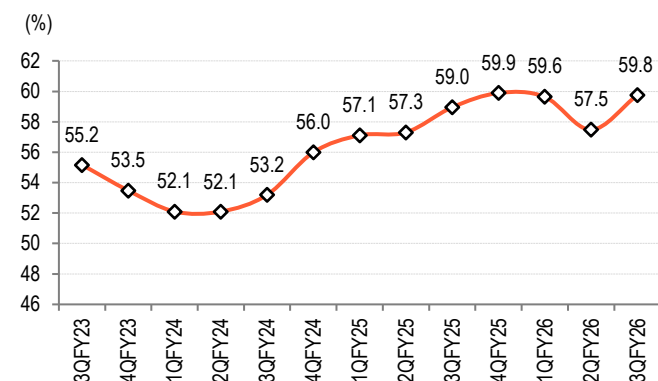
Source: Company, BOBCAPS Research

Fig 10 – DSO trend

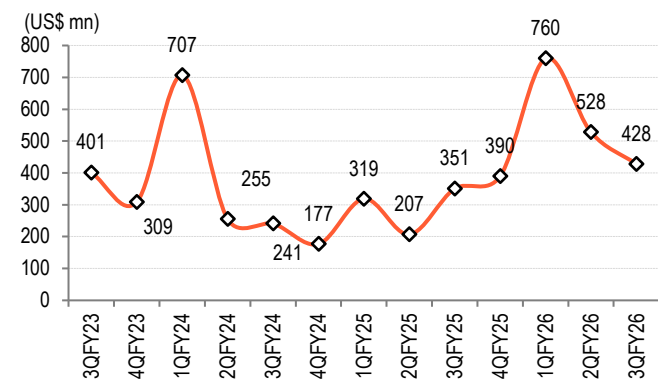
Source: Company, BOBCAPS Research

Fig 11 – Offshore revenue contribution

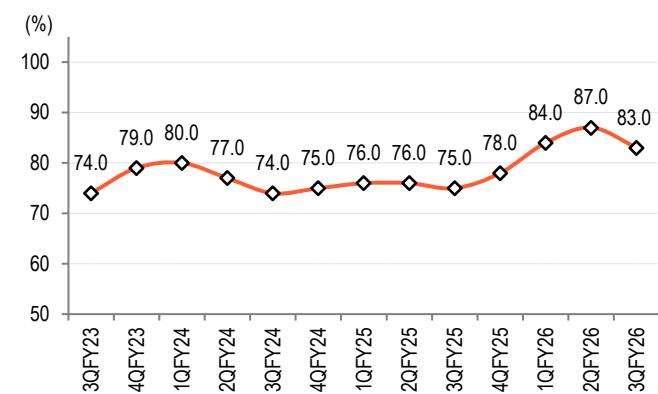
Source: Company, BOBCAPS Research

Fig 12 – Onsite revenue contribution

Source: Company, BOBCAPS Research

Fig 13 – Order Inflow TCV (US\$mn)

Source: Company, BOBCAPS Research

Fig 14 – Offshore Utilisation (excl trainees) (%)

Source: Company, BOBCAPS Research

Fig 15 – Quarterly Snapshot

Year to 31 March	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Rs Mn													
INR/USD	82.3	82.3	82.2	82.7	83.3	83.2	83.4	83.8	84.8	86.4	85.4	88.3	89.5
USD Revenue (USD mn)	429	412	398	398	402	411	410	421	419	430	437	445	451
INR Revenue	35,062	33,612	32,520	32,765	33,379	34,121	34,225	35,362	35,613	37,100	37,324	39,019	40,026
Gross Margin	9,365	9,221	8,817	8,781	9,674	9,563	9,706	10,234	10,189	10,649	10,776	10,977	11,281
SGA	4,011	4,069	3,822	3,714	4,703	4,482	4,571	4,790	4,731	4,977	5,067	5,018	5,193
EBIT	5,354	5,152	4,995	5,067	4,971	5,081	5,135	5,444	5,458	5,672	5,709	5,959	6,088
Other income	400	426	504	490	542	642	736	587	627	600	810	727	608
PBT	5,510	5,341	5,258	5,217	4,985	5,224	5,373	5,626	5,693	5,911	6,101	6,248	6,285
Tax	1,387	1,288	1,297	1,297	1,250	1,291	1,328	1,392	1,413	1,446	1,684	1,557	1,509
PAT	4,123	4,053	3,961	3,920	3,735	3,933	4,045	4,234	4,280	4,465	4,417	4,691	4,421
EPS	21.9	21.5	21.0	20.8	19.8	20.9	21.4	22.4	22.6	23.5	23.2	24.7	23.2
YoY Growth (%)													
USD Revenue	3.7	(4.3)	(8.7)	(9.5)	(6.3)	(0.3)	3.0	5.7	4.2	4.8	6.7	5.7	7.6
INR Revenue	12.2	2.5	(4.7)	(6.9)	(4.8)	1.5	5.2	7.9	6.7	8.7	9.1	10.3	12.4
Gross Profit	8.0	0.4	(8.2)	(5.8)	3.3	3.7	10.1	16.5	5.3	11.4	11.0	7.3	10.7
EBIT	13.8	3.6	(4.0)	(5.8)	(7.1)	(1.4)	2.8	7.4	9.8	11.6	11.2	9.5	11.5
Net Profit	15.3	3.4	(1.5)	(6.3)	(9.4)	(3.0)	2.1	8.0	14.6	13.5	9.2	10.8	3.3
QoQ growth (%)													
USD Revenue	(2.5)	(4.1)	(3.4)	0.1	1.0	2.1	(0.2)	2.7	(0.4)	2.6	1.6	1.8	1.4
INR Revenue	(0.4)	(4.1)	(3.2)	0.8	1.9	2.2	0.3	3.3	0.7	4.2	0.6	4.5	2.6
EBIT	(0.4)	(3.8)	(3.0)	1.4	(1.9)	2.2	1.1	6.0	0.3	3.9	0.7	4.4	2.2
Net Profit	(1.5)	(1.7)	(2.3)	(1.0)	(4.7)	5.3	2.9	4.7	1.1	4.3	(1.1)	6.2	(5.8)
Margins (%)													
Gross Margin	26.7	27.4	27.1	26.8	29.0	28.0	28.4	28.9	28.6	28.7	28.9	28.1	28.2
EBIT margin	15.3	15.3	15.4	15.5	14.9	14.9	15.0	15.4	15.3	15.3	15.3	15.3	15.2
PAT	11.8	12.1	12.2	12.0	11.2	11.5	11.8	12.0	12.0	12.0	11.8	12.0	11.0
SGA	11.4	12.1	11.8	11.3	14.1	13.1	13.4	13.5	13.3	13.4	13.6	12.9	13.0

Source: Company, BOBCAPS Research

Fig 16 – Segmental Analysis

INR mn	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Segment Revenue												
Banking and Financial Services	17,689	16,121	15,542	15,684	16,076	16,302	16,892	17,306	18,590	19,679	20,161	20,912
Insurance	3,331	3,443	3,544	3,813	3,770	3,873	3,964	4,153	4,238	5,105	5,508	6,040
Technology Media and Telecom	4,745	4,927	5,703	5,219	5,449	5,490	5,820	6,030	6,600	6,757	7,622	7,423
Logistics & Transportation	4,675	4,630	4,407	4,581	4,668	4,684	4,637	4,336	4,060	2,171	2,184	2,183
Others	3,453	3,598	3,768	4,209	4,187	3,861	3,973	3,740	3,687	3,629	3,841	3,817
Total Revenues	33,893	32,719	32,964	33,506	34,150	34,210	35,286	35,565	37,175	37,341	39,316	40,375
QoQ Revenue Growth %												
Banking and Financial Services		(8.9)	(3.6)	0.9	2.5	1.4	3.6	2.5	7.4	5.9	2.4	3.7
Insurance		3.4	2.9	7.6	(1.1)	2.7	2.3	4.8	2.0	20.5	7.9	9.7
Technology Media and Telecom		3.8	15.7	(8.5)	4.4	0.8	6.0	3.6	9.5	2.4	12.8	(2.6)
Logistics & Transportation		(1.0)	(4.8)	3.9	1.9	0.3	(1.0)	(6.5)	(6.4)	(46.5)	0.6	(0.0)
Others		4.2	4.7	11.7	(0.5)	(7.8)	2.9	(5.9)	(1.4)	(1.6)	5.8	(0.6)
YoY Revenue Growth %												
Banking and Financial Services					(9.1)	1.1	8.7	10.3	15.6	20.7	19.4	20.8
Insurance					13.2	12.5	11.9	8.9	12.4	31.8	39.0	45.4
Technology Media and Telecom					14.8	11.4	2.1	15.5	21.1	23.1	31.0	23.1
Logistics & Transportation					(0.1)	1.2	5.2	(5.3)	(13.0)	(53.7)	(52.9)	(49.7)
Others					21.3	7.3	5.4	(11.1)	(11.9)	(6.0)	(3.3)	2.1
Segment Profit												
Banking and Financial Services	5,019	4,211	3,458	4,361	4,275	4,223	4,544	4,693	5,433	6,309	6,277	6,453
Insurance	830	917	692	1,299	1,147	1,324	1,267	1,285	1,275	1,783	1,787	1,770
Technology Media and Telecom	1,093	1,127	2,226	1,195	1,206	1,356	1,538	1,304	1,367	1,305	1,900	1,779
Logistics & Transportation	1,435	1,411	1,269	1,535	1,543	1,512	1,489	1,602	1,505	126	(116)	321
Others	1,126	1,351	1,334	1,412	1,421	1,275	1,318	1,256	1,144	1,271	1,426	1,308
Total Segment Profit	9,503	9,017	8,979	9,802	9,592	9,690	10,156	10,140	10,724	10,794	11,274	11,631
Gross Margin %												
Banking and Financial Services	28.4	26.1	22.2	27.8	26.6	25.9	26.9	27.1	29.2	32.1	31.1	30.9
Insurance	24.9	26.6	19.5	34.1	30.4	34.2	32.0	30.9	30.1	34.9	32.4	29.3
Technology Media and Telecom	23.0	22.9	39.0	22.9	22.1	24.7	26.4	21.6	20.7	19.3	24.9	24.0
Logistics & Transportation	30.7	30.5	28.8	33.5	33.1	32.3	32.1	36.9	37.1	5.8	(5.3)	14.7
Others	32.6	37.5	35.4	33.5	33.9	33.0	33.2	33.6	31.0	35.0	37.1	34.3
Total	28.0	27.6	27.2	29.3	28.1	28.3	28.8	28.5	28.8	28.9	28.7	28.8

Source: Company, BOBCAPS Research

Fig 17 – Revenue Breakdown

(Rs mn)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Services rendered												
Application Services	23,976.5	23,238.9	23,226.0	23,687.7	24,302.3	24,425.7	25,174.3	25,486.4	26,702.2	27,538.9	28,854.6	30,269.7
Business Process Services	5,559.4	5,303.9	5,556.3	5,560.7	5,654.1	5,551.3	5,779.8	5,843.1	5,734.9	5,537.7	5,862.0	5,981.8
Infrastructure Services	4,357.0	4,176.5	4,181.4	4,258.3	4,193.8	4,231.3	4,331.8	4,235.2	4,737.8	4,264.8	4,599.8	4,123.8
Unallocated - hedge	(280.7)	(199.2)	(198.8)	(127.2)	(29.7)	16.3	75.7	48.7	(74.5)	(16.5)	(297.3)	(349.5)
Total	33,612.2	32,520.1	32,765.0	33,379.5	34,120.5	34,224.6	35,361.5	35,613.4	37,100.4	37,324.9	39,019.1	40,025.8
QoQ Growth (%)												
Application Services	(2.3)	(3.1)	(0.1)	2.0	2.6	0.5	3.1	1.2	4.8	3.1	4.8	4.9
Business Process Services	(12.3)	(4.6)	4.8	0.1	1.7	(1.8)	4.1	1.1	(1.9)	(3.4)	5.9	2.0
Infrastructure Services	(2.4)	(4.1)	0.1	1.8	(1.5)	0.9	2.4	(2.2)	11.9	(10.0)	7.9	(10.3)
YoY Growth (%)												
Application Services		3.8	(2.4)	(3.5)	1.4	5.1	8.4	7.6	9.9	12.7	14.6	18.8
Business Process Services		(29.6)	(23.2)	(12.3)	1.7	4.7	4.0	5.1	1.4	(0.2)	1.4	2.4
Infrastructure Services		4.7	(1.7)	(4.6)	(3.7)	1.3	3.6	(0.5)	13.0	0.8	6.2	(2.6)
Delivery location												
Onsite	18,123.6	17,044.1	17,170.6	17,823.7	19,122.1	19,538.3	20,220.5	20,968.8	22,268.7	22,273.2	22,599.2	24,129.3
Offshore	15,769.4	15,675.2	15,793.3	15,683.1	15,028.1	14,670.1	15,065.3	14,595.9	14,906.2	15,068.2	16,717.2	16,246.1
Unallocated - hedge	(280.7)	(199.2)	(198.8)	(127.2)	(29.7)	16.3	75.7	48.7	(74.5)	(16.5)	(297.3)	(349.5)
Total	33,612.2	32,520.1	32,765.0	33,379.5	34,120.5	34,224.6	35,361.5	35,613.4	37,100.4	37,324.9	39,019.1	40,025.8
QoQ Growth (%)												
Delivery location												
Onsite	(7.1)	(6.0)	0.7	3.8	7.3	2.2	3.5	3.7	6.2	0.0	1.5	6.8
Offshore	(0.5)	(0.6)	0.8	(0.7)	(4.2)	(2.4)	2.7	(3.1)	2.1	1.1	10.9	(2.8)
YoY Growth (%)												
Delivery location												
Onsite		(13.8)	(14.3)	(8.6)	5.5	14.6	17.8	17.6	16.5	14.0	11.8	15.1
Offshore		10.9	3.7	(1.1)	(4.7)	(6.4)	(4.6)	(6.9)	(0.8)	2.7	11.0	11.3
Project type												
Time and material	19,676.7	18,890.5	19,276.5	19,537.2	19,961.7	20,376.6	21,173.9	20,498.1	20,595.4	18,150.2	19,311.2	18,892.4
Fixed price	10,441.0	10,485.4	10,286.3	10,591.9	10,732.0	10,272.6	10,485.5	11,307.5	13,368.5	16,077.3	16,772.2	18,070.3
Transaction based	3,775.2	3,343.5	3,401.0	3,377.6	3,456.6	3,559.2	3,626.4	3,759.1	3,210.9	3,114.0	3,233.0	3,412.7
Unallocated - hedge	(280.7)	(199.2)	(198.8)	(127.2)	(29.7)	16.3	75.7	48.7	(74.5)	(16.5)	(297.3)	(349.5)
Total	33,612.2	32,520.1	32,765.0	33,379.5	34,120.5	34,224.6	35,361.5	35,613.4	37,100.4	37,324.9	39,019.1	40,025.8
QoQ Growth (%)												
Project type												
Time and material	(1.9)	(4.0)	2.0	1.4	2.2	2.1	3.9	(3.2)	0.5	(11.9)	6.4	(2.2)
Fixed price	(3.2)	0.4	(1.9)	3.0	1.3	(4.3)	2.1	7.8	18.2	20.3	4.3	7.7
Transaction based	(16.1)	(11.4)	1.7	(0.7)	2.3	3.0	1.9	3.7	(14.6)	(3.0)	3.8	5.6
YoY Growth (%)												
Project type												
Time and material		2.2	(2.5)	(2.6)	1.4	7.9	9.8	4.9	3.2	(10.9)	(8.8)	(7.8)
Fixed price		3.4	(3.0)	(1.8)	2.8	(2.0)	1.9	6.8	24.6	56.5	60.0	59.8
Transaction based		(36.7)	(30.6)	(24.9)	(8.4)	6.5	6.6	11.3	(7.1)	(12.5)	(10.8)	(9.2)

(Rs mn)	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Market												
Direct	32,054.8	31,042.3	31,349.5	31,975.0	32,570.8	32,771.8	33,810.9	34,097.2	35,949.6	36,346.3	38,339.9	39,511.0
DXC	1,272.6	1,133.2	1,070.0	967.5	1,033.9	898.8	943.7	963.2	935.2	905.4	899.3	788.9
Others	565.6	543.8	544.3	564.2	545.5	537.7	531.2	504.3	290.2	89.7	77.3	75.4
Unallocated - hedge	(280.7)	(199.2)	(198.8)	(127.2)	(29.7)	16.3	75.7	48.7	(74.5)	(16.5)	(297.3)	(349.5)
Total	33,612.2	32,520.1	32,765.0	33,379.5	34,120.5	34,224.6	35,361.5	35,613.4	37,100.4	37,324.9	39,019.1	40,025.8
QoQ Growth (%)												
Market												
Direct	(3.1)	(3.2)	1.0	2.0	1.9	0.6	3.2	0.8	5.4	1.1	5.5	3.1
DXC	(24.4)	(10.9)	(5.6)	(9.6)	6.9	(13.1)	5.0	2.1	(2.9)	(3.2)	(0.7)	(12.3)
Others	(4.4)	(3.9)	0.1	3.7	(3.3)	(1.4)	(1.2)	(5.1)	(42.5)	(69.1)	(13.9)	(2.4)
YoY Growth (%)												
Market												
Direct		(2.1)	(5.2)	(3.3)	1.6	5.6	7.9	6.6	10.4	10.9	13.4	15.9
DXC		(29.8)	(34.5)	(42.6)	(18.8)	(20.7)	(11.8)	(0.4)	(9.6)	0.7	(4.7)	(18.1)
Others		(5.0)	(5.2)	(4.6)	(3.6)	(1.1)	(2.4)	(10.6)	(46.8)	(83.3)	(85.5)	(85.0)

Source: Company, BOBCAPS Research

Fig 18 – Key Metrics

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
P and L (Rs mn)													
Revenues	35,356	33,893	32,719	32,964	33,507	34,150	34,208	35,286	35,565	37,174	37,341	39,316	40,375
EBITDA	6,175	5,987	5,869	5,956	6,006	6,389	6,185	6,480	6,781	7,025	7,028	7,236	7,518
PAT	4,123	4,053	3,961	3,920	3,735	3,933	4,045	4,234	4,280	4,465	4,417	4,691	4,421
Vertical/Industry (%)													
BFS	54	53	49	47	47	47	48	48	49	50	53	51	52
Insurance	8	8	11	11	11	11	11	11	12	11	14	14	15
IT, C and E	13	13	15	17	16	16	16	16	17	18	18	19	18
Emerging Ind.	25	27	25	25	26	26	25	24	23	21	16	15	15
Absolute Numbers													
BFS	18,967	17,997	16,121	15,542	15,684	16,076	16,302	16,892	17,306	18,590	19,679	20,161	20,912
Insurance	2,921	2,590	3,443	3,544	3,813	3,770	3,873	3,964	4,153	4,238	5,105	5,508	6,040
IT, C and E	4,578	4,301	4,927	5,703	5,219	5,449	5,490	5,820	6,030	6,600	6,757	7,622	7,423
Emerging Ind.	8,890	9,005	8,228	8,175	8,790	8,855	8,545	8,610	8,076	7,747	5,800	6,025	6,000
Total	35,356	33,893	32,719	32,964	33,506	34,150	34,210	35,286	35,565	37,175	37,341	39,316	40,375
QoQ Growth (%)													
BFS	(1)	(5)	(10)	(4)	1	2	1	4	2	7	6	2	4
Insurance	(1)	(11)	33	3	8	(1)	3	2	5	2	20	8	10
IT, C and E	0	(6)	15	16	(8)	4	1	6	4	9	2	13	(3)
Emerging Ind.	3	1	(9)	(1)	8	1	(4)	1	(6)	(4)	(25)	4	0
Total	0	(4)	(3)	1	2	2	0	3	1	5	0	5	3
YoY Growth (%)													
BFS	11	3	(11)	(19)	(17)	(11)	1	9	10	16	21	19	21
Insurance	7	(16)	15	21	31	46	12	12	9	12	32	39	45
IT, C and E	12	0	9	25	14	27	11	2	16	21	23	31	23
Emerging Ind.	26	18	(1)	(5)	(1)	(2)	4	5	(8)	(13)	(32)	(30)	(26)
Total	14	4	(4)	(7)	(5)	1	5	7	6	9	9	11	14
Geography-wise Revenue Breakdown (%)													
USA	82	81	81	79	80	81	81	81	82	82	83	84	83
Europe	10	11	10	12	12	11	11	11	10	10	9	9	9
ROW	3	3	3	3	3	3	3	3	2	3	3	2	2
India	5	5	6	6	6	5	5	6	6	5	5	5	5
Delivery Location (INR Millions)													
Onsite (%)	55	53	52	52	53	56	57	57	59	60	60	57	60
Offshore (%)	45	47	48	48	47	44	43	43	41	40	40	43	40
Project Type (%)													
Time and Material	57	58	58	58	58	58	60	60	58	55	0	0	0
Fixed Price	43	42	42	42	42	42	40	40	42	45	51	51	53
Client concentration (%)													
Top client	12	13	13	16	15	14	14	15	15	14	13	12	12
Top 5 clients	45	44	43	47	46	44	44	43	43	42	40	39	40
Top 10 clients	59	59	58	58	55	54	53	53	53	54	54	55	55
Non-Top 10 Clients	41	41	42	42	45	46	47	47	47	46	46	45	45

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Clients Contributing:													
\$ 200mn revenues	1	1	1	1	1	1	1	1	1	1	1	1	1
\$ 150mn revenues	3	3	3	3	3	3	3	2	2	2	1	1	1
\$ 100mn revenues	4	4	3	3	3	3	3	3	3	3	4	4	4
\$ 75mn revenues	6	5	5	4	4	4	4	4	5	5	6	6	6
\$ 50mn revenues	7	7	6	6	5	5	5	5	5	5	7	7	8
\$ 20mn+ clients	13	13	13	11	10	10	9	9	11	11	10	11	14
\$ 10mn+ clients	23	25	27	26	29	29	30	27	29	29	31	30	28
\$ 5mn+ clients	46	46	47	46	46	47	48	51	47	50	50	50	51
\$ 1mn+ clients	107	112	113	115	134	135	135	140	140	139	137	136	131
(USDmn)													
Revenues	429	412	398	398	402	411	410	421	419	430	437	445	451
EBITDA	75	73	71	72	72	77	74	77	80	81	82	82	84
PAT	50	49	48	47	45	47	48	51	50	52	52	53	49
Productivity metrics													
Per capita (annualised)													
Revenues	56,760	56,233	56,284	57,609	57,208	60,590	61,389	63,372	64,157	65,336	66,639	67,346	67,056
EBITDA	9,913	9,933	10,096	10,409	10,255	11,335	11,100	11,638	12,233	12,347	12,542	12,395	12,486
PAT	6,619	6,725	6,814	6,851	6,377	6,977	7,259	7,604	7,721	7,848	7,883	8,035	7,343
Total contract value signed(US\$ mn)	401	309	707	255	241	177	319	207	351	390	760	528	428
Total headcount	35,450	34,042	33,961	33,771	33,992	32,664	31,645	31,601	31,194	31,442	31,063	30,809	31,272
Net addition	(1,426)	(1,408)	(81)	(190)	221	(1,328)	(1,019)	(44)	(407)	248	(379)	(254)	463
Utilization - Offshore (excluding trainees) (%)	74	79	80	77	74	75	76	76	75	78	84	87	83

Source: Company, BOBCAPS Research

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Total revenue	132,785	142,300	157,805	176,364	196,977
EBITDA	24,220	26,471	29,581	33,192	36,636
Depreciation	4,106	4,762	5,611	6,033	6,652
EBIT	20,114	21,709	23,969	27,159	29,984
Net interest inc./(exp.)	(1,608)	(1,656)	(1,635)	(1,425)	(1,352)
Other inc./(exp.)	2,178	2,550	2,817	2,746	2,995
Exceptional items	0	0	0	0	0
EBT	20,684	22,603	25,152	28,479	31,627
Income taxes	5,135	5,579	6,315	6,838	7,594
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	15,549	17,024	18,837	21,641	24,034
Adjustments	0	0	0	0	0
Adjusted net profit	15,549	17,024	18,837	21,641	24,034

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	43,908	48,466	54,567
Provisions	3,261	833	1,990	2,196	2,473
Debt funds	15,436	11,159	15,993	15,193	14,393
Other liabilities	9,749	9,346	9,461	9,461	9,461
Equity capital	1,890	1,901	1,906	1,906	1,906
Reserves & surplus	86,056	94,383	93,620	102,277	111,890
Shareholders' fund	87,946	96,284	95,526	104,183	113,796
Total liab. and equities	141,302	149,067	166,878	179,499	194,690
Cash and cash eq.	8,144	16,126	13,368	13,850	20,114
Accounts receivables	27,028	31,604	35,220	38,877	43,771
Inventories	0	0	0	0	0
Other current assets	16,434	18,192	31,077	34,303	38,621
Investments	30,899	22,082	16,771	16,771	16,771
Net fixed assets	6,285	8,463	14,930	19,798	18,996
CWIP	614	2	3	3	3
Intangible assets	41,793	42,907	45,227	45,227	45,227
Deferred tax assets, net	2,857	3,246	3,729	4,116	4,635
Other assets	7,248	6,445	6,553	6,553	6,553
Total assets	141,302	149,067	166,878	179,499	194,690

Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash flow from operations	25,450	21,215	23,201	26,982	29,203
Capital expenditures	(18,094)	(6,328)	(12,079)	(10,902)	(5,849)
Change in investments	(13,808)	8,428	4,828	(387)	(518)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	(31,902)	2,100	(7,251)	(11,289)	(6,367)
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	13,720	(3,953)	4,855	(800)	(800)
Interest expenses	(1,608)	(1,656)	(1,635)	(1,425)	(1,352)
Dividends paid	(10,357)	0	(11,089)	(12,985)	(14,420)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	1,755	(5,609)	(7,869)	(15,210)	(16,572)
Chg in cash & cash eq.	(2,414)	7,982	(2,758)	483	6,264
Closing cash & cash eq.	8,144	16,126	13,368	13,850	20,114

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	82.6	89.9	97.1	113.7	126.2
Adjusted EPS	82.6	89.3	96.7	113.2	125.7
Dividend per share	55.0	0.0	58.2	68.2	75.7
Book value per share	467.1	507.0	501.7	547.2	597.7

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.0	3.8	3.4	3.0	2.7
EV/EBITDA	22.1	20.2	18.1	16.1	14.7
Adjusted P/E	34.0	31.5	29.1	24.8	22.3
P/BV	6.0	5.5	5.6	5.1	4.7

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	75.2	75.3	73.5	76.0	76.0
Interest burden (PBT/EBIT)	102.8	104.1	104.9	104.9	105.5
EBIT margin (EBIT/Revenue)	15.1	15.3	15.2	15.4	15.2
Asset turnover (Rev./Avg TA)	103.7	98.0	99.9	101.8	105.3
Leverage (Avg TA/Avg Equity)	1.5	1.6	1.6	1.7	1.7
Adjusted ROAE	18.6	18.5	19.3	21.7	22.1

Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Revenue	(3.8)	7.2	10.9	11.8	11.7
EBITDA	(0.5)	9.3	11.7	12.2	10.4
Adjusted EPS	(5.1)	8.1	8.3	17.1	11.1

Profitability & Return ratios (%)

EBITDA margin	18.2	18.6	18.7	18.8	18.6
EBIT margin	15.1	15.3	15.2	15.4	15.2
Adjusted profit margin	11.7	12.0	11.9	12.3	12.2
Adjusted ROAE	18.6	18.5	19.6	21.7	22.1
ROCE	14.8	14.2	15.1	16.5	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	10.6	8.9	10.4
Current ratio	2.1	2.2	1.9	1.8	1.9
Net interest coverage ratio	NA	NA	NA	NA	NA
Adjusted debt/equity	0.1	(0.1)	0.0	0.0	(0.1)

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

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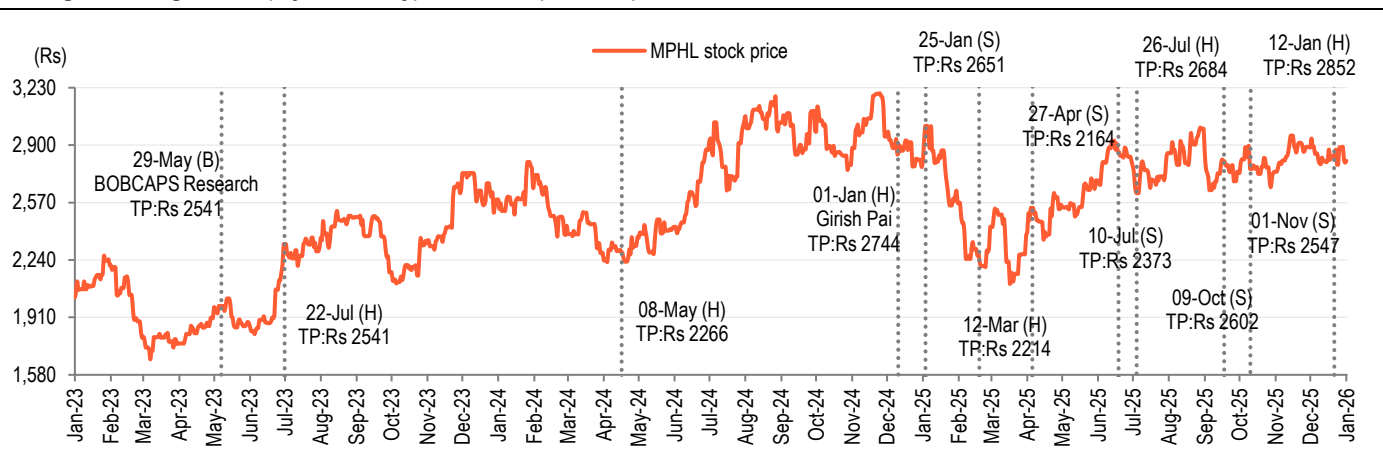
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SELL – Expected return <-6%

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