

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,928 TP: INR2,200 (+14%) Buy

Guidance lifts, but commentary cautious

Continued strength in US banks a silver lining

Bloomberg	INFO IN
Equity Shares (m)	4152
M.Cap.(INRb)/(USD\$b)	8007.4 / 92.5
52-Week Range (INR)	2007 / 1358
1, 6, 12 Rel. Per (%)	3/17/12
12M Avg Val (INR M)	11998

■ Infosys (INFO) reported 3QFY25 revenue of USD4.9b, growth of 1.7% QoQ/6.1% YoY CC vs. our estimate of 1.0% QoQ CC. EBIT margins stood at 21.3% vs. our estimates of 20.8%. EBIT grew 3.0% QoQ/11.9% YoY to INR89b (est. INR86b). PAT came in at INR68b, up 4.6% QoQ/11.5% YoY, in line with our estimate of INR68b. The company upgraded its FY25 CC revenue growth guidance to 4.5-5% (3.75-4.5% earlier). The top end of guidance implied a QoQ decline of ~1.0% for 4Q. Large deal TCV stood at USD2.5b vs. USD2.4b in 2Q, up 4.2% QoQ. The book-to-bill ratio was 0.5x. Net new TCV was up 57% QoQ. For 9MFY25, revenue/EBIT/PAT grew 5.5%/7.1%/7.8% compared to 9MFY24. We expect revenue/EBIT/PAT to grow 10.5%/10.8%/9.0% YoY in 4QFY25. We reiterate our BUY rating on INFO with a TP of INR2,200, implying a 14% potential upside.

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	1,640	1,783	1,931
EBIT Margin (%)	20.9	20.9	21.5
PAT	263	290	322
EPS (INR)	63.4	70.0	77.5
EPS Gr. (%)	8.5	10.3	10.8
BV/Sh. (INR)	213	214	214

Ratios

RoE (%)	29.8	32.8	36.3
RoCE (%)	24.5	26.7	29.5
Payout (%)	85.0	85.0	85.0

Valuations

P/E (x)	30.4	27.6	24.9
P/BV (x)	9.0	9.0	9.0
EV/EBITDA (x)	20.6	18.5	16.7
Div Yield (%)	2.8	3.1	3.4

Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	13.1	13.1	13.3
DII	34.5	33.8	31.7
FII	39.9	39.8	41.0
Others	12.6	13.3	14.1

FII includes depository receipts

Our view: Discretionary recovery still not broad-based for INFO

- **Revenue growth almost entirely driven by pass-through revenues, casting a shadow of doubt over its sustainability of growth:** The revenue beat in 3Q was largely driven by unusually high pass-through revenues; we view this as a double-edged sword. We expect these revenues to unwind in 4Q, likely resulting in a muted ~1% QoQ decline at the top end of guidance.
- **Pass-through revenues a necessary evil of the 'cost-takeout' phase:** Pass-through revenues have inched up over the past couple of years across the industry, especially for large caps. Exhibit 2 highlights the rise in pass-through revenues for INFO and TCS. While we concede that these revenues are unavoidable in the context of mega deals, we expect them to pose headwinds to growth in FY26 for large caps.
- **Commentary less upbeat compared to peers:** We note that INFO and LTIM, both companies with high discretionary tilt, have provided a more cautious view on discretionary recovery. Contrary to comments from its peers, INFO saw its large deal pipeline grow, while short-cycle deals remained flat QoQ. The communications sector continued to struggle, and weakness in the automotive sector continued to drag growth in manufacturing.
- **Wage hikes to impact margins in 4Q:** INFO maintained its operating margin guidance of 20-22%, supported by pricing improvements and efficiency measures. Wage hikes, phased over Q4 and Q1FY26, are expected to create headwinds. However, potential tailwinds from cost optimizations and reductions in third-party expenses may help mitigate the impact.

Valuation and changes in estimates

- We have marginally tweaked our estimates for FY25/FY26/FY27E, reflecting the anticipated QoQ revenue decline in 4Q needed to meet the upper end of guidance, alongside the cautious commentary. Nonetheless, INFO has maintained its margin guidance of 20-22%. The company remains a key beneficiary of the expected pickup in discretionary spending in FY26. We value INFO at 28x FY27E EPS. This yields a rounded TP of INR2,200, implying a 14% upside. We reiterate our **BUY** rating.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Beat on revenues and margins; net new TCV up 57% QoQ

- USD revenue grew 0.9% QoQ to USD4.9b. In CC, it was up 1.7% QoQ, beating our estimate of 1.0% QoQ.
- The company upgraded its FY25 CC revenue growth guidance to 4.5-5% (3.75-4.5% earlier). The top end of guidance implied a QoQ decline of ~1% for 4Q.
- Growth was led by: Life sciences (up 5.1% QoQ), Retail (up 4.7% QoQ), and BFSI (up 3.1% QoQ), whereas communications declined 5.0% QoQ. Manufacturing & Hi-tech were muted for the quarter.
- EBIT margin was at 21.3%, beating our estimates of 20.8%. Employee count was up 1.8% QoQ.
- EBIT margin guidance was maintained in the range of 20-22%.
- Large deal TCV stood at USD2.5b vs. USD2.4b in 2Q, up 4.2% QoQ. The book-to-bill ratio was 0.5x. Net new TCV was up 57% QoQ.
- LTM attrition was up 80bp QoQ at 13.7%. Utilization was flat QoQ to 86% (ex-trainees).
- Adj. net profit grew 4.7% QoQ to INR68b, in-line with our estimate.

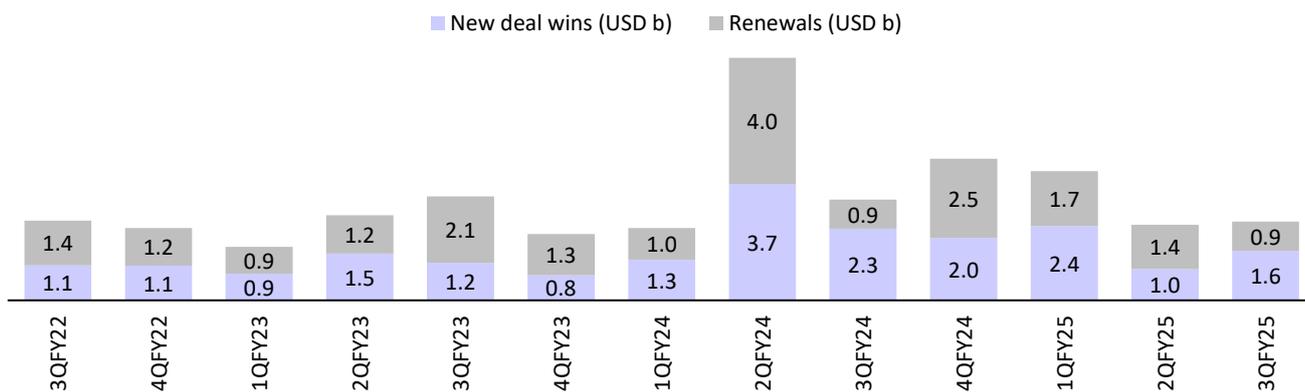
Key highlights from the management commentary

- Clients continue to prioritize cost take-out over discretionary spending. The company has observed strong momentum in BFSI, with Europe joining the growth trajectory alongside US, and in the retail sector in the US.
- While the focus of clients remains on cost optimization, there is increased spending in emerging growth areas such as AI, cloud adoption, and cybersecurity.
- Strong growth was seen across all verticals, driven by effective execution despite a seasonally weak quarter. AI-driven productivity gains are being shared with clients.
- The revenue growth guidance has been upgraded to 4.5-5.0% from the earlier range of 3.75-4.5%. Furloughs are expected in 4Q.
- New deals were robust, accounting for 63% of the TCV. These deals are witnessing good traction in areas such as cloud, generative AI, SAP S/4HANA, and cost take-outs. The small deal pipeline remains stable compared to the previous quarter.
- Trends in third-party costs will depend on deal structures with clients.
- Wage hikes will be implemented in two phases, starting in January and followed by the second phase in April. Wage growth in India is expected to be 6-8%, while overseas growth will be in the low single digits.
- Utilization stood at 86%, slightly above the comfortable range of 83-85% preferred by the company.

Valuation and view

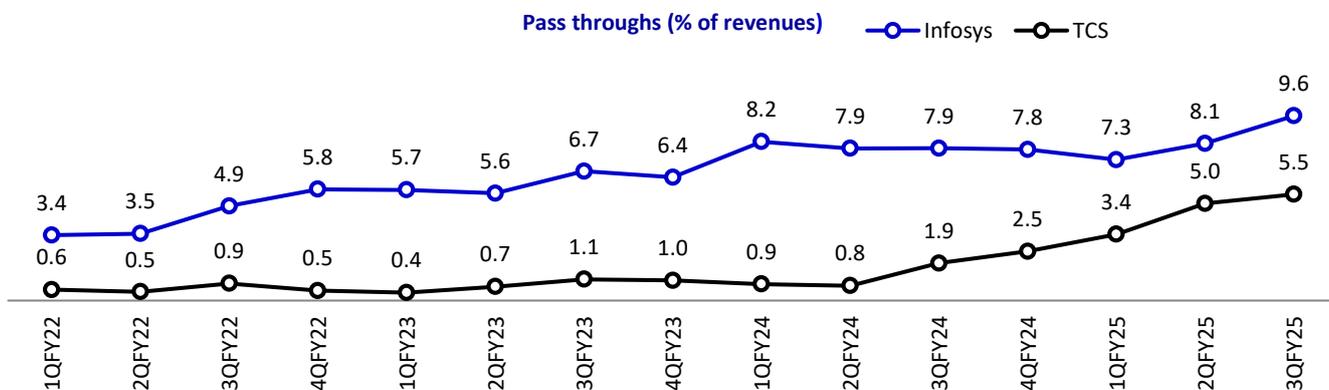
- We have marginally tweaked our estimates for FY25/FY26/FY27E, reflecting the anticipated QoQ revenue decline in 4Q needed to meet the upper end of guidance, alongside the cautious commentary. Nonetheless, INFO has maintained its margin guidance of 20-22%, which we view as encouraging. We expect INFO to be a key beneficiary of the acceleration in IT spending in the medium term. We value INFO at 28x FY27E EPS. This yields a rounded TP of INR2,200, implying a 14% upside. We reiterate our **BUY** rating.

Exhibit 1: Net new deal wins stood robust at 63% of total deal wins



Source: Company, MOFSL

Exhibit 2: Pass-through revenues have steadily increased for both INFO and TCS over the last couple of years



Source: Company, MOFSL

Quarterly Performance (IFRS)

Y/E March	FY24				FY25E				FY24	FY25E	Est. 3QFY25	Var. (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Revenue (USD m)	4,617	4,718	4,663	4,564	4,714	4,894	4,939	4,873	18,562	19,420	4,913	0.5
QoQ (%)	1.4	2.2	-1.2	-2.1	3.3	3.8	0.9	-1.3	1.9	4.6	0.4	53bp
Revenue (INR b)	379	390	388	379	393	410	418	419	1,537	1,640	414	0.8
YoY (%)	10.0	6.7	1.3	1.3	3.6	5.1	7.6	10.5	4.7	6.7	6.7	86bp
GPM (%)	30.5	30.7	29.8	29.5	30.9	30.5	30.3	29.5	30.1	30.3	30.4	-10bp
SGA (%)	9.6	9.5	9.3	9.4	9.8	9.4	8.9	9.4	9.4	9.4	9.5	-60bp
EBITDA	90	95	91	88	93	98	100	96	364	387	98	3.0
EBITDA Margin (%)	23.8	24.3	23.6	23.1	23.8	23.8	24.0	22.8	23.7	23.6	23.5	50bp
EBIT	79	83	80	76	83	86	89	84	317	343	86	3.2
EBIT Margin (%)	20.8	21.2	20.5	20.1	21.1	21.1	21.3	20.1	20.7	20.9	20.8	50bp
Other income	5	5	7	7	7	6	8	6	23	27	7	2.8
ETR (%)	28.9	29.1	29.1	26.8	29.3	29.6	29.5	27.0	28.5	28.9	27.0	245bp
PAT	59	62	61	61	64	65	68	66	243	263	68	-0.5
QoQ (%)	-3.0	4.5	-1.7	-0.5	4.8	2.2	4.6	-2.7			5.1	-53bp
YoY (%)	10.9	3.2	-7.3	-0.9	7.1	4.7	11.5	9.0	1.0	8.1	12.0	-56bp
EPS (INR)	14.4	15.0	14.7	14.7	15.4	15.7	16.4	16.0	58.4	63.4	16.5	-0.6

Key Performance Indicators

Y/E March	FY24				FY25			FY24
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	
Revenue (QoQ CC %)	1.0	2.3	-1.0	-2.2	3.6	3.1	1.7	
Margins								
Gross Margin	30.5	30.7	29.8	29.5	30.9	30.5	30.3	30.1
EBIT Margin	20.8	21.2	20.5	20.1	21.1	21.1	21.3	20.7
Net Margin	15.7	15.9	15.7	16.0	16.2	15.9	16.3	15.8
Operating metrics								
Headcount	336	329	323	317	315	318	323	317
Voluntary Attrition (%)	17.3	14.6	12.9	12.6	12.7	12.9	13.7	12.6
Deal Win TCV (USD b)	2.3	7.7	3.2	4.5	4.1	2.4	2.5	4.5
Key Verticals (YoY CC %)								
BFSI	(4.2)	(7.3)	(5.9)	(8.5)	0.3	2.3	6.1	-6.5
Retail	4.0	9.2	0.4	(3.7)	(3.0)	(9.6)	0.1	2.2
Key Geographies (YoY CC%)								
North America	2.1	1.0	(4.9)	(2.2)	(1.2)	(2.7)	4.8	-1.1
Europe	10.1	5.4	5.0	4.9	9.1	15.5	12.2	6.3

**Highlights from the management commentary****Performance in 3QFY25 and demand outlook**

- Clients continue to prioritize cost take-out over discretionary spending. The company observed strong momentum in BFSI, with Europe joining the growth trajectory alongside US, and in the retail sector in the US.
- While the focus of clients remains on cost optimization, there is increased spending in emerging growth areas such as AI, cloud adoption, and cybersecurity.
- Strong growth was seen across all verticals, driven by effective execution despite a seasonally weak quarter. AI-driven productivity gains are being shared with clients.
- Large deal TCV stood at USD2.5b, with a stronger large deal pipeline. New deals were robust, accounting for 63% of the TCV. These deals are witnessing good traction in areas such as cloud, generative AI, SAP S4HANA, and cost take-outs.
- The small deal pipeline remains stable compared to the previous quarter.
- Trends in third-party costs will depend on deal structures with clients.
- The revenue growth guidance has been upgraded to 4.5-5.0% from the earlier range of 3.75-4.5%. Factors such as third-party pass-throughs and fewer working days in Q4 have been considered in the guidance.
- Furloughs are expected in 4Q.
- **BFSI:** Revival in Europe's financial segment contributed to growth. Deals signed in areas such as cloud and vendor consolidation are expected to support growth in the coming quarters. Capital markets, mortgages, and payments have shown increased activity.
- **Retail and CPG:** Discretionary pressure in the US is easing, with improved consumer sentiment and a strong holiday season. The company closed several good deals during the quarter.
- **Manufacturing:** Clients in this vertical are prioritizing cost take-out initiatives over transformational projects. The automotive sector in Europe continues to experience slow demand.

- **Communication and Media:** The demand environment remains challenging, with opex issues persisting. Discretionary spending remains muted, and deals in this vertical are primarily focused on efficiency and consolidation.
- **Energy & Utilities, Resources, and Services:** Growth in demand for electricity to support data centers is expected to drive increased investments in the energy sector.

Margin performance

- EBIT margin stood at 21.3% in 3Q, an increase of 20bp QoQ.
- **Margin Walk:** Tailwinds: 40bp from favorable currency, 30bp from Project Maximus, and 20bp from lower credit costs and provisions. Headwinds: 70bp due to furloughs and fewer working days.
- Wage hikes will be implemented in two phases, starting in January and followed by the second phase in April. Wage growth in India is expected to be 6-8%, while overseas growth will be in the low single digits.
- Utilization stood at 86%, slightly above the comfortable range of 83%-85% preferred by the company.
- EBIT margin guidance remains at 20-22%.

Exhibit 3: Manufacturing, BFSI, and Hi-tech grew YoY

Verticals (YoY in CC)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25
Financial Services	15.5	14.1	12.1	11.5	5.5	0.4	-4.2	-7.3	-5.9	-8.5	0.3	2.3	6.1
Retail	19.8	16.5	17.8	15.4	12.7	12.6	4.0	9.2	0.4	-3.7	-3.0	-9.6	0.1
Communications	22.2	29.2	30	18.4	12.7	0.3	-5.6	-4.3	-8.0	4.5	5.4	7.0	4.0
Energy, Utilities, Resources	13.6	17.8	24.6	24.3	25.9	17.1	8.6	5.1	0.3	3.3	6.3	10.9	8.6
Manufacturing	48.4	50.6	55.2	45	36.8	26.5	20.7	12.6	10.6	8.7	6.0	12.3	10.7
Hi Tech	18.9	20.9	16.4	9.9	10.4	3.7	2.3	-0.6	-5.1	9.7	2.1	6.0	8.4
Life Sciences	29.2	16.2	15.8	10.3	5	15.7	13.9	18.4	6.3	1.0	2.9	-3.5	6.3
Others	36	7.3	15.4	56.6	8.1	13.4	32.9	15.3	7.0	0.5	4.5	-1.2	3.2

Source: Company, MOFSL

Exhibit 4: India and Europe continue to report growth

Geographies (YoY in CC)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25
North America	21.4	18.5	18.4	15.6	10.5	6	2.1	1.0	-4.9	-2.2	-1.2	-2.7	4.8
Europe	27.2	28.3	33.2	28.5	25.3	20.3	10.1	5.4	5.0	4.9	9.1	15.5	12.2
India	40.1	29.5	5.8	36.4	-5.4	-7.1	13.7	2.6	-1.0	-15.4	19.9	16.0	40.1
ROW	6.7	13.9	17.8	11.9	11.9	3.4	-0.5	3.9	7.8	4.5	2.3	3.8	-11.1

Source: Company, MOFSL

Valuation and view

- We have marginally tweaked our estimates for FY25/FY26/FY27E, reflecting the anticipated QoQ revenue decline in 4Q needed to meet the upper end of guidance, alongside the cautious commentary. Nonetheless, INFO has maintained its margin guidance of 20-22%, which we view as encouraging. We expect INFO to be a key beneficiary of the acceleration in IT spending in the medium term. We value INFO at 28x FY27E EPS. This yields a rounded TP of INR2,200, implying a 14% upside. We reiterate our **BUY** rating.

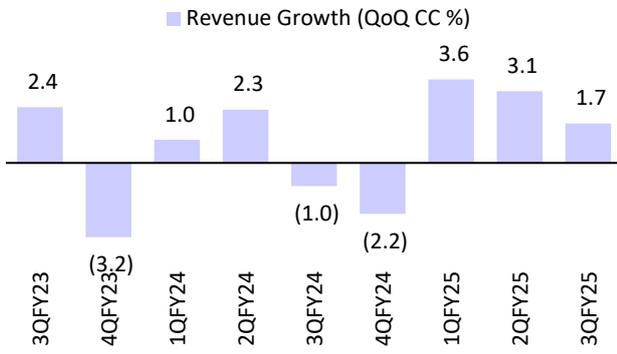
Exhibit 5: Revisions to our estimates

	Revised			Earlier			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
INR/USD	84.4	86.0	86.0	84.1	85.0	85.0	0.4%	1.2%	1.2%
Revenue (USD m)	19,420	20,732	22,458	19,455	21,046	22,971	-0.2%	-1.5%	-2.2%
Growth (%)	4.6	6.8	8.3	4.8	8.2	9.1	-20bps	-140bps	-80bps
EBIT margin (%)	20.9	20.9	21.5	20.7	21.0	21.3	20bps	-10bps	20bps
PAT (INR m)	263	290	322	264	297	333	-0.2%	-2.2%	-3.2%
EPS	63.5	70.1	77.7	63.7	71.7	80.3	-0.2%	-2.2%	-3.2%

Source: MOFSL

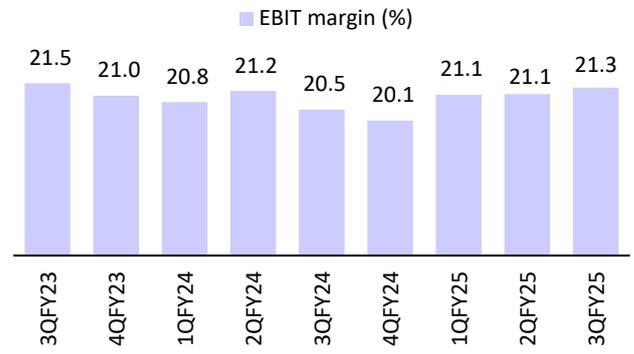
Story in charts

Exhibit 1: Good revenue growth despite furloughs



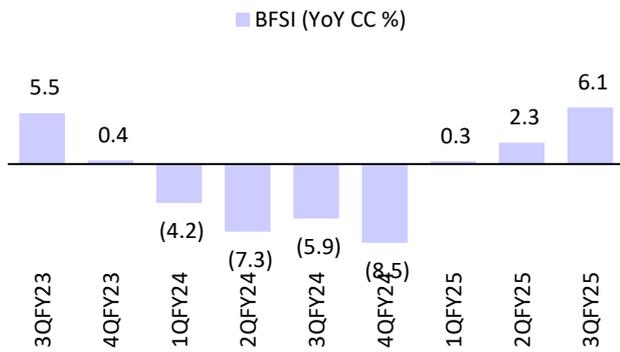
Source: Company, MOFSL

Exhibit 2: EBIT margin (%) clocked at 21.3%



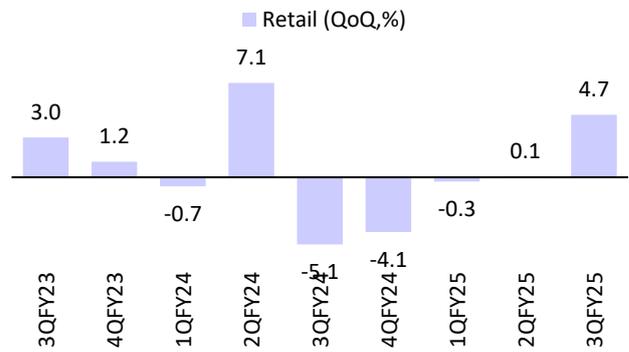
Source: Company, MOFSL

Exhibit 3: Europe aligns with the US in driving BFSI recovery



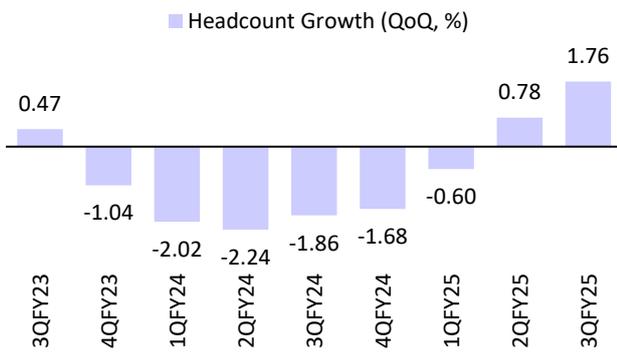
Source: Company, MOFSL

Exhibit 4: Retail recovered due to positive consumer sentiment in the US



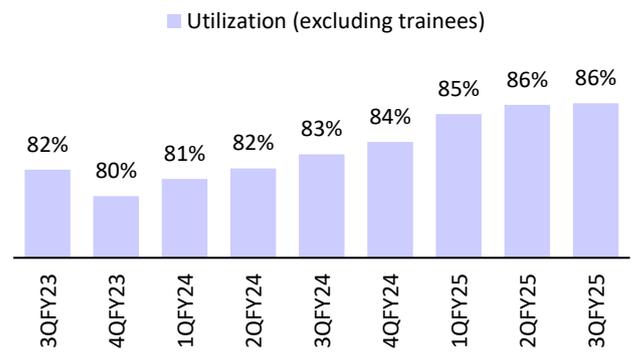
Source: Company, MOFSL

Exhibit 5: INFO continues to add workforce



Source: Company, MOFSL

Exhibit 6: Utilization now at 86%; above the comfortable range of ~83-85%



Source: Company, MOFSL

Exhibit 7: Operating metrics

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25
Effort (IT Services and Consulting)									
Onsite	25%	25%	25%	25%	24%	24%	24%	24%	24%
Offshore	76%	75%	75%	75%	76%	76%	76%	76%	76%
Utilization (IT Services and Consulting)									
Including trainees	77%	77%	79%	80%	82%	82%	84%	84%	83%
Excluding trainees	82%	80%	81%	82%	83%	84%	85%	86%	86%
Employee Metrics									
Total Employees (Consolidated, in k)	347	343	336	329	323	317	315	318	323
S/W professional (k)	329	325	318	310	305	300	298	301	307
Support and sales (k)	18	18	19	18	18	17	17	17	17
Revenues by Client Geography									
North America	62%	61%	61%	61%	59%	60%	59%	57%	58%
Europe	26%	27%	27%	27%	28%	29%	28%	30%	30%
India	2%	3%	3%	3%	2%	2%	3%	3%	3%
ROW	10%	9%	10%	10%	10%	10%	10%	10%	9%
Revenues by Business Segments									
Financial Services	29%	29%	28%	28%	28%	26%	28%	27%	28%
Retail	14%	15%	15%	15%	15%	14%	14%	13%	14%
Communications	12%	12%	12%	11%	11%	12%	12%	12%	11%
Energy, Utilities, Resources, and Services	13%	13%	13%	13%	13%	13%	13%	14%	14%
Manufacturing	13%	14%	14%	14%	15%	15%	15%	16%	16%
Hi-Tech	8%	8%	8%	8%	8%	9%	8%	8%	8%
Life Sciences	7%	7%	7%	8%	8%	7%	7%	7%	8%
Others	3%	3%	3%	3%	3%	3%	3%	3%	3%
Geography YoY % CC									
North America	11%	6%	2%	1%	-5%	-2%	-1%	-3%	5%
Europe	25%	20%	10%	5%	5%	5%	9%	16%	12%
India	-5%	-7%	14%	3%	-1%	-15%	20%	16%	40%
ROW	12%	3%	-1%	4%	8%	5%	2%	4%	-11%
Business Segments YoY % CC									
Financial Services	6%	0%	-4%	-7%	-6%	-9%	0%	2%	6%
Retail	13%	13%	4%	9%	0%	-4%	-3%	-10%	0%
Communications	13%	0%	-6%	-4%	-8%	5%	5%	7%	4%
Energy, Utilities, Resources, and Services	26%	17%	9%	5%	0%	3%	6%	11%	9%
Manufacturing	37%	27%	21%	13%	11%	9%	6%	12%	11%
Hi-Tech	10%	4%	2%	-1%	-5%	10%	2%	6%	8%
Life Sciences	5%	16%	14%	18%	6%	1%	3%	-4%	6%
Others	8%	13%	33%	15%	7%	1%	5%	-1%	3%
DSO	68	62	63	67	72	71	72	73	74
Large Deal TCV (USD m)	3,300	2,076	2,300	7,700	3,200	4,454	4,100	2,400	2,500
Client (% of revenues)									
Top 10 client	20.5%	20.1%	20.4%	19.9%	20.0%	20.4%	20.9%	20.9%	19.9%
Top 25 client	35.3%	34.7%	34.6%	34.1%	33.7%	34.3%	34.9%	34.7%	34.2%
Number of active clients	1,850	1,872	1,883	1,884	1,872	1,882	1,867	1,884	1,876
New clients added in the period	134	115	99	100	88	98	87	86	101

Source: Company, MOFSL

Financials and valuations

Income Statement									(INR b)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	
Sales	908	1,005	1,216	1,468	1,537	1,640	1,783	1,931	
Change (%)	9.8	10.7	21.1	20.7	4.7	6.7	8.7	8.3	
Software Develop. Exp.	607	654	820	1,024	1,074	1,143	1,241	1,333	
Selling and Mktg. Exp.	0	0	0	0	0	0	0	0	
Gross Profit	301	351	396	444	463	497	542	598	
SGA Expenses	107	104	116	135	145	154	169	183	
EBITDA	223	279	315	351	364	387	432	479	
% of Net Sales	24.5	27.8	25.9	23.9	23.7	23.6	24.2	24.8	
Depreciation	29	33	35	42	47	44	59	64	
EBIT	194	246	280	309	317	343	373	415	
% of Net Sales	21.3	24.5	23.0	21.1	20.7	20.9	20.9	21.5	
Interest	0	0	0	0	0	0	0	0	
Other Income	26	20	21	24	23	27	30	29	
PBT	220	266	301	333	341	370	403	444	
Tax	54	72	80	92	97	107	113	122	
Rate (%)	24.4	27.0	26.4	27.7	28.5	28.9	28.0	27.5	
Minority Interest	0	1	0	0	0	0	0	0	
Extraordinary Items	0	0	0	0	-19	0	0	0	
Adjusted PAT	166	194	221	241	243	263	290	322	
Change (%)	2.9	16.7	14.2	9.0	1.0	8.1	10.4	10.8	

Balance Sheet									(INR b)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	
Share Capital	21	21	21	21	21	21	21	21	
Reserves	633	742	733	733	860	862	864	867	
Net Worth	655	764	754	754	881	883	885	888	
Capital Employed	719	845	843	866	990	1,002	1,014	1,027	
Gross Block	428	479	511	587	618	659	714	774	
Less: Depreciation	181	213	248	290	337	381	440	504	
Net Block	247	266	263	297	281	277	274	270	
Investments & Other Assets	134	211	244	253	203	250	257	264	
Curr. Assets	546	607	672	709	894	900	936	973	
Debtors	240	268	343	407	430	404	440	476	
Cash & Bank Balance	186	247	175	122	148	268	260	251	
Investments	47	23	67	69	129	129	129	129	
Other Current Assets	73	69	88	111	188	98	107	116	
Current Liab. & Prov	209	239	336	392	388	426	453	480	
Net Current Assets	337	369	336	317	506	474	482	492	
Application of Funds	719	845	843	866	990	1,001	1,013	1,026	

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)								
EPS	38.9	45.6	52.4	57.6	63.3	63.4	70.0	77.5
Cash EPS	45.7	53.3	60.7	67.7	74.6	74.0	84.1	92.9
Book Value	153.7	180.0	179.0	180.4	212.9	213.2	213.7	214.3
DPS	17.5	27.0	31.0	33.5	46.0	53.9	59.5	65.9
Payout %	44.9	106.7	59.0	96.7	78.2	85.0	85.0	85.0
Valuation (x)								
P/E	49.5	42.3	36.8	33.5	30.5	30.4	27.6	24.9
Cash P/E	42.2	36.2	31.8	28.5	25.9	26.0	22.9	20.8
EV/EBITDA	36.9	29.3	25.8	22.9	21.9	20.6	18.5	16.7
EV/Sales	9.0	8.1	6.7	5.5	5.2	4.9	4.5	4.1
Price/Book Value	12.5	10.7	10.8	10.7	9.1	9.0	9.0	9.0
Dividend Yield (%)	0.9	1.4	1.6	1.7	2.4	2.8	3.1	3.4
Profitability Ratios (%)								
RoE	25.5	27.3	29.2	32.0	29.8	29.8	32.8	36.3
RoCE	21.2	23.0	24.4	26.2	24.5	24.5	26.7	29.5
Turnover Ratios								
Debtors (Days)	96	97	103	101	102	90	90	90
Fixed Asset Turnover (x)	3.7	3.8	4.6	4.9	5.5	5.9	6.5	7.2

Cash Flow Statement

(INR b)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
CF from Operations	205	235	261	295	312	307	338	374
Cash for Working Capital	-19	6	-12	-65	-52	115	-14	-15
Net Operating CF	186	241	250	230	261	422	325	359
Net Purchase of FA	-34	-21	-22	-26	-22	-41	-45	-48
Free Cash Flow	152	220	228	204	239	381	280	311
Net Purchase of Invest.	16	-63	-53	8	-37	0	0	0
Net Cash from Invest.	-18	-84	-75	-18	-59	-41	-45	-48
Proceeds from Equity	0	0	0	0	0	0	0	0
Others	-6	-7	-8	-15	-28	0	0	0
Dividend Payments	-95	-91	-127	-137	-147	-261	-288	-319
Buyback of Shares	-75	0	-111	-115	0	0	0	0
Cash Flow from Fin.	-176	-98	-246	-267	-175	-261	-288	-319
Net Cash Flow	-8	60	-72	-54	27	120	-8	-8
Effect of Forex on Cash Flow	-1	1	-1	1	-1	0	0	0
Opening Cash Bal.	196	186	247	175	122	148	268	260
Add: Net Cash	-9	61	-72	-53	26	120	-8	-8
Closing Cash Bal.	186	247	175	122	148	268	260	251

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