

Estimate change	
TP change	
Rating change	

Bloomberg	TELX IN
Equity Shares (m)	62
M.Cap.(INRb)/(USDb)	360.9 / 4
52-Week Range (INR)	6735 / 4601
1, 6, 12 Rel. Per (%)	16/-7/-14
12M Avg Val (INR M)	1461
Free float (%)	56.1

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	37.5	41.9	47.3
EBIT Margin (%)	19.5	22.4	25.0
PAT	6.0	8.5	9.8
EPS (INR)	96.0	135.7	156.6
EPS Gr. (%)	(23.8)	41.4	15.4
BV/Sh. (INR)	491.4	552.2	633.8
Ratios			
RoE (%)	20.2	26.0	26.4
RoCE (%)	14.9	17.6	19.8
Payout (%)	60.0	60.0	60.0
Valuations			
P/E (x)	60.4	42.7	37.0
P/BV (x)	11.8	10.5	9.1
EV/EBITDA (x)	41.7	33.0	26.3
Div Yield (%)	1.0	1.4	1.6

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	43.9	43.9	43.9
DII	10.4	9.8	7.4
FII	12.5	12.7	13.6
Others	33.2	33.6	35.1

FII Includes depository receipts

CMP: INR5,793 TP: INR4,700(-19%) Sell
Execution improves; broader recovery yet to follow
Vertical divergence persists in 3Q

- Tata Elxsi (TELX) reported revenue of USD107m in 3QFY26, up 3.2% QoQ in CC terms, above our estimate of 1.8% CC. Growth was led by transportation business (up 7.3% QoQ CC), whereas HLS/Media & Communications declined 4.3%/1.3% QoQ CC. EBIT margin was 20.9% (up 240bp QoQ), above our estimate of 18.8%. Adj. PAT was up 15.7% QoQ and down 10.0% YoY at INR1,791m (above our est. of INR1,701m).
- For 9MFY26, revenue/EBIT/adj. PAT declined 2%/22%/22% YoY in INR terms compared to 9MFY25. We expect revenue/EBIT/adj. PAT to grow by 9.1%/10.5%/10% YoY in 4QFY26.
- While 3Q execution improved, TELX's growth remains uneven and largely reliant on Transportation-led ramp-ups, with Media and Healthcare continuing to lag amid cautious client spending. We value the stock at 30x FY28E EPS, with a TP of INR4,700. We maintain our Sell rating.

Our view: Transportation strength helps; HLS is likely to be bottomed out

- **Growth improving but still uneven across verticals:** 3Q revenue growth of 3.2% QoQ CC was ahead of estimates, largely led by Transportation, which grew 7.3% QoQ CC on the back of SDV-led OEM ramp-ups and normalization at a key strategic client.
- However, growth remains uneven, with Media & Comms and Healthcare & Life Sciences down sequentially due to furloughs and delayed deal awards. While management reiterated its aspiration for double-digit growth in Transportation and HLS in FY27, we think near-term growth continues to depend on deal-specific ramp-ups in selective verticals rather than a broad-based demand recovery.
- **Transportation strength does not fully offset softness elsewhere:** Transportation continues to be the key growth driver, supported by SDV programs, electrification initiatives, and rising traction in off-road vehicles and aerospace & defense. Media continues to be impacted by industry consolidation and cautious client spending. Healthcare appears to have bottomed out following regulatory program run-offs, with growth expected to resume in 4Q. We see early signs of stabilization, but consistency across verticals remains a key monitorable.
- **Margins benefited from utilization and cost control; wage headwinds ahead:** EBIT margin expanded by 240bp QoQ to 20.9%, ahead of expectations, driven by higher utilization, operating leverage, cost discipline, and a modest forex tailwind. Headcount reduction during the quarter further supported margins. However, a portion of this benefit is likely to reverse in 4Q due to the remaining wage hike impact (~65-70bp). While management targets a return to historical margins by FY27 exit through utilization improvement and efficiency gains, we expect margin normalization to be gradual as deal ramp-ups, hiring, and continued investments in GenAI and domain capabilities resume.

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- Overall, we acknowledge improved execution in 3Q and visibility in Transportation. However, TELX's growth trajectory remains dependent on sustained OEM ramp-ups and normalization in Media and Healthcare. With ER&D demand still cautious and margin recovery back-ended, we remain watchful for sustained, broad-based consistency before turning more constructive.

Valuations and changes to our estimates

- While 3Q execution improved, TELX's growth remains uneven and largely reliant on Transportation-led ramp-ups, with Media and Healthcare continuing to lag amid cautious client spending. With demand recovery still selective rather than broad-based, we expect a modest ~6% CAGR in USD revenue over FY25-28.
- We keep our FY27 estimates unchanged but raise our FY26/FY28 by 3%/1%, reflecting stronger-than-expected 3Q execution and better near-term visibility in the Transportation vertical. However, margin expansion is expected to be gradual and back-ended, with EBIT margins improving to 22.4%. This translates into an EPS CAGR of ~7.5% over FY25-28.
- Valuations remain steep at ~43x 12-month forward P/E, which we view as difficult to justify given the lack of sustainable cross-vertical growth visibility. We value the stock at 30x FY28E EPS, with a TP of INR4,700. We maintain our Sell rating.

Beat on revenues and margins; Transportation vertical led growth

- USD revenue came in at USD107m, up 3.2% QoQ CC, above our estimate of 1.8% QoQ CC growth.
- Growth was led by transportation business (up 7.3% QoQ CC), whereas HLS/ Media & Communications declined 4.3%/1.3% QoQ CC.
- In terms of geographies, America/Europe rose 10.7%/3.1% QoQ in USD terms, while India/RoW fell 10.5%/11.5%.
- EBIT margin was 20.9% (up 240bp QoQ), above our estimate of 18.8%.
- Adj. PAT was up 15.7% QoQ and down 10% YoY at INR1,791m (above our est. of INR1,701m). This excluded the one-time impact of INR957m due to new labor code.
- The net headcount decreased by 357 employees to 11,594 (down 2.9% QoQ) in 3QFY26. Attrition (LTM) increased by 20bp QoQ to 15.6%.

Key highlights from the management commentary

- Industry headwinds persist. Customers are making decisions, but they are cautious and carefully calibrated.
- In Automotive and Media, profitability pressures have remained intact, keeping cost takeout and profit improvement as key areas.
- Growth was driven by the Transportation business, aided by accelerated ramp-ups in SDV-led OEM deals won earlier in the year and the normalization of workstreams with a strategic OEM client that was impacted in the last quarter.
- There is scope to improve utilization, with large-scale hiring likely a quarter or two away, though calibrated hiring will continue for select clients.
- The company plans to reach ~80% utilization before initiating broader hiring, compared to ~75% currently.
- Management is confident of returning to historical margin levels by FY27 end.

Exhibit 1: Vertical-wise performance (QoQ, %)

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Transportation	11.4	3.2	2.0	6.4	3.1	9.8	4.8	8.4	-3.3	-9.3	5.2	-2.0	5.7
Media and Communications	-0.8	2.5	0.3	-0.4	0.8	-11.7	1.1	-1.9	-0.2	-6.6	-3.7	4.5	-2.0
Healthcare and Life Sciences	-0.1	0.5	3.6	3.2	4.4	-10.8	-4.5	-10.5	0.5	2.9	-5.5	-4.1	-5.7

Source: Company, MOFSL

Exhibit 2: Region-wise performance (QoQ, %)

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Europe	6.3	4.9	7.0	10.2	4.0	-1.4	7.0	3.9	-7.7	-11.3	3.9	-1.7	10.7
Americas	3.5	-0.8	-1.4	1.5	-3.0	-4.6	-4.3	-7.7	-0.5	-6.3	-2.0	5.4	3.1
India	2.0	9.5	-0.2	-6.0	8.7	4.5	4.0	9.7	0.7	9.2	-11.9	-3.7	-10.5
RoW	7.9	-5.6	-7.2	-4.7	19.5	9.5	5.5	31.1	9.3	-7.5	15.0	2.3	-11.5

Source: Company, MOFSL

Quarterly Performance

Y/E March	FY25								FY25	FY26E	(INR M)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			Est. 3QFY26	Var. (% / bp)
Revenue (USD m)	111	114	111	105	105	105	107	110	441	428	106	0.6
QoQ (%)	2.2	2.7	-2.5	-5.4	-0.3	0.4	1.8	3.2			1.2	59bp
Revenue (INR m)	9,265	9,551	9,392	9,083	8,921	9,181	9,535	9,912	37,290	37,549	9,480	0.6
YoY (%)	9.0	8.3	2.7	0.3	-3.7	-3.9	1.5	9.1	5.0	0.7	0.9	59bp
GPM (%)	27.2	27.9	26.3	22.9	20.9	21.1	23.3	22.8	26.1	22.1	21.5	181bp
SGA (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0bp
EBITDA	2,523	2,664	2,466	2,077	1,867	1,933	2,222	2,260	9,730	8,283	2,038	9.0
EBITDA Margin (%)	27.2	27.9	26.3	22.9	20.9	21.1	23.3	22.8	26.1	22.1	21.5	181bp
EBIT	2,252	2,393	2,207	1,830	1,625	1,699	1,994	2,023	8,681	7,341	1,782	11.9
EBIT Margin (%)	24.3	25.1	23.5	20.1	18.2	18.5	20.9	20.4	23.3	19.5	18.8	212bp
Other income	272	595	352	385	339	448	425	540	1,603	1,753	517	-17.7
ETR (%)	27.1	23.2	22.2	22.1	26.5	27.9	26.0	26.0	23.7	26.5	26.0	-3bp
Adj PAT	1,841	2,294	1,990	1,724	1,444	1,548	1,791	1,897	7,850	6,680	1,701	5.3
Exceptional items	0.0	0.0	0.0	0.0	0.0	0.0	702	0.0	0.0	702		
PAT	1,841	2,294	1,990	1,724	1,444	1,548	1,089	1,897	7,850	5,978	1,701	-36.0
QoQ (%)	-6.5	24.6	-13.3	-13.4	-16.3	7.2	-29.7	74.2			9.9	
YoY (%)	-2.5	14.7	-3.6	-12.4	-21.6	-32.5	-45.3	10.0	-0.9	-14.9	-14.5	
EPS (INR)	29.6	36.8	31.9	27.7	23.2	24.9	17.5	30.4	126.0	96.0	27.3	-36.0

Key Performance Indicators

Y/E March	FY25							FY26			FY25	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q					
Revenue (QoQ CC %)	2.4	0.2	0.0	-0.6	-3.9	1.0	3.2					
Margins (%)												
Gross Margin	27.2	27.9	26.3	22.9	20.9	21.1	23.3					
EBIT Margin	24.3	25.1	23.5	20.1	18.2	18.5	20.9					
Net Margin	19.9	24.0	21.2	19.0	16.2	16.9	18.8					
Operating metrics												
Headcount	13,142	12,793	12,878	12,414	12,127	11,951	11,594					
Attrition (%)	12.3	12.5	12.4	13.3	15.0	15.4	15.6					
Key Geographies (YoY %)												
Europe	21.1	14.1	1.2	-9.0	-11.7	-16.4	0.4					
USA	-10.0	-18.2	-16.2	-17.7	-15.7	-3.8	-0.3					



Highlights from the management commentary

3QFY26 performance and demand outlook

- Industry headwinds persist. Customers are making decisions, but they are cautious and carefully calibrated.
- In Automotive and Media, profitability pressures have remained intact, keeping cost takeout and profit improvement as key areas.
- Growth during the quarter was volume-led, supported by higher utilization.
- Growth was driven by the Transportation business, aided by accelerated ramp-ups in SDV-led OEM deals won earlier in the year and normalization of workstreams with a strategic OEM client that was impacted in the last quarter.
- Media & Communications and Healthcare & Life Sciences were impacted by seasonal furloughs in the last 1-2 weeks of the quarter and delays in some key deal awards.
- The company reiterated its aspiration for double-digit growth in Transportation and Healthcare & Life Sciences in FY27.
- EBIT margins expanded by 240bp QoQ to 20.9%, driven by operational excellence and improved utilization in line with business growth.
- There is scope to improve utilization, with large-scale hiring likely a quarter or two away, though calibrated hiring will continue for select clients.
- Margin included a ~35bp benefit from currency exchange, 200bp from operating leverage including utilization, and ~80-85bp from cost discipline, partially offset by ~110bp headwind from wage hikes for junior staff.
- The remaining wage hike impact is expected in 4Q, estimated at ~60-70% of the current quarter's impact (~65-70bp).
- The company plans to reach ~80% utilization before initiating broader hiring, compared to ~75% currently.
- Management is confident of returning to historical margin levels by FY27 end.
- Continued investments are being made in applying GenAI and AI across innovation and product engineering workflows, tailored to chosen verticals and domains, with scaling adoption across the organization.
- The new labour code may have a 15-20bp margin impact, which is expected to be offset by operational efficiencies.
- **Transportation:** Growth was led by accelerated ramp-ups in SDV-led OEM deals and normalization of programs with a strategic OEM client affected in the previous quarter, pulling in pent-up demand.
- Growth continues to be driven by SDV programs, with Electrification as another large opportunity, while ADAS maintains traction.
- Ramp-ups are nearing steady-state levels, with a meaningful portion already baked into the quarter, though further upside exists from new opportunities.
- A new program was won with a strategic US-based off-highway OEM for development of a complex operator information and control system.
- The company continues to build momentum in the automotive industry.
- Entry into off-road and adjacent businesses supported growth in 3Q. Steady growth is expected next quarter, with acceleration in the next fiscal year.
- Multiple large deals are driving growth in the top five and top 10 customers.
- It may take a quarter or two to return to earlier base levels for one anchor customer, though overall share of wallet has increased.

- Non-passenger vehicle business currently contributes ~7.5-8% of Transportation revenues, with potential to scale toward ~20% over the next 2-3 years, supported by strong logos and increasing industry spend.
- The company is doubling down on the Aerospace and Defense segment.
- **Media and Communication:** Several large deals have already ramped up, while bidding is underway for a couple of large deals expected to close in 4Q, indicating positive momentum.
- No challenges were reported in top accounts.
- The company continues to track technology convergence and invest ahead of demand, which can lead to mixed near-term outcomes for products and platforms.
- Investments such as Neuron, a network automation and orchestration platform, are viewed as ahead of their time but strategically positioned to reduce network management costs through automation rather than labor-intensive models.
- **Healthcare and Life Sciences:** The business bottomed out during the quarter following the runoff of certain large regulatory programs.
- Strong new customer additions were recorded, with confidence expressed in a return to growth in 4Q.
- Investments in GenAI-powered regulatory workflows are gaining traction, including a multi-million, multi-year deal with a European MedTech leader to transform regulatory processes and improve cycle time and quality.

Valuation and view

- While 3Q execution improved, TELX's growth remains uneven and largely reliant on Transportation-led ramp-ups, with Media and Healthcare continuing to lag amid cautious client spending.
- Valuations remain steep at ~43x 12-month forward P/E, which we view as difficult to justify given the lack of sustained, cross-vertical growth visibility. We value the stock at 30x FY28E EPS, with a TP of INR4,700. We maintain our Sell rating.

Exhibit 3: Summary of our revised estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.9	89.7	89.7	87.9	89.7	89.7	0.0%	0.0%	0.0%
USD Revenue (m)	428	467	527	427	464	523	0.2%	0.8%	0.8%
Growth (%)	-3.14	9.31	12.7	(3.3)	8.6	12.7	20bps	70bps	0bps
EBIT margin (%)	19.5	22.4	25.0	18.7	22.7	25.0	90bps	-20bps	0bps
Adj. PAT (INR b)	6,680	8,454	9,753	6,487	8,458	9,674	3.0%	0.0%	0.8%
Adj. EPS	107.2	135.7	156.6	104.1	135.8	155.3	3.0%	0.0%	0.9%

Source: MOFSL

Story in charts

Exhibit 4: Revenue grew 3.2% QoQ CC

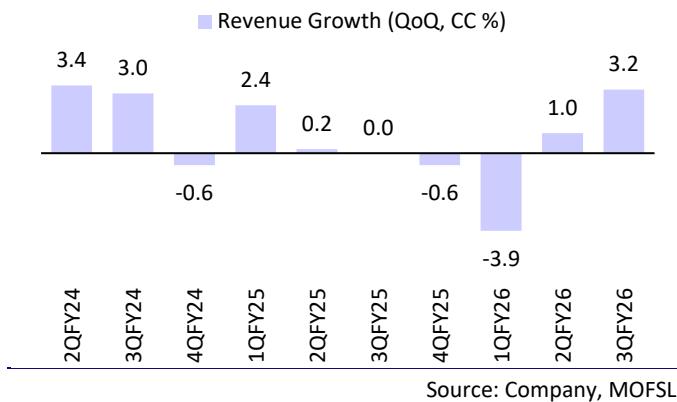


Exhibit 5: EBIT margin was up 240bp QoQ

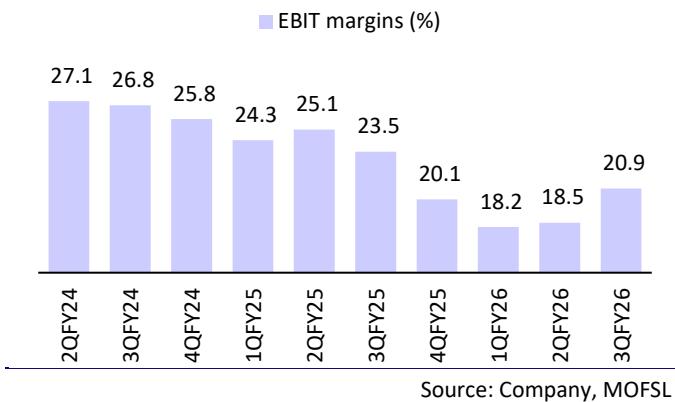


Exhibit 6: Transportation recovered in 3Q after steep decline

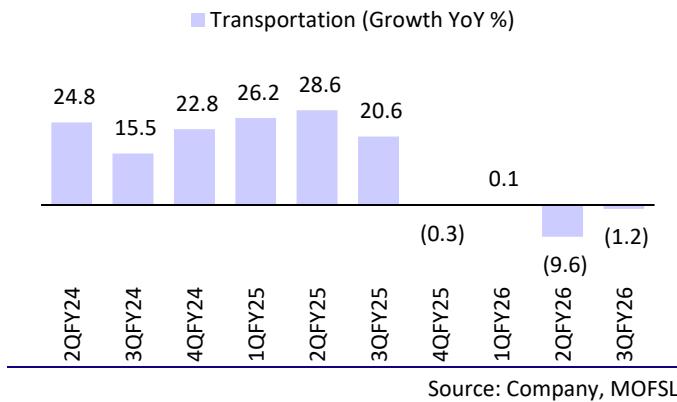


Exhibit 7: Media and comms is expected to recover in 4Q

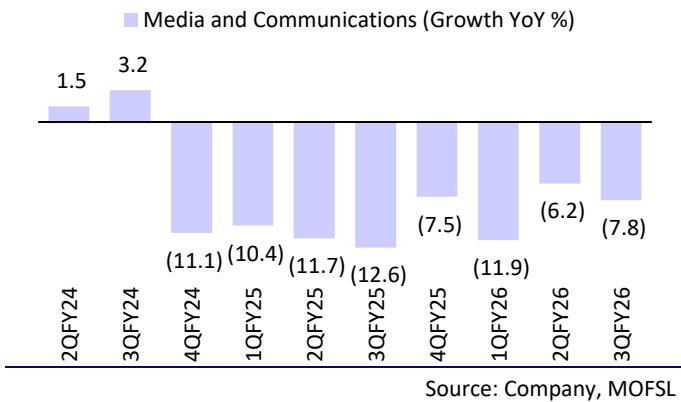


Exhibit 8: HLS bottomed out in 3Q

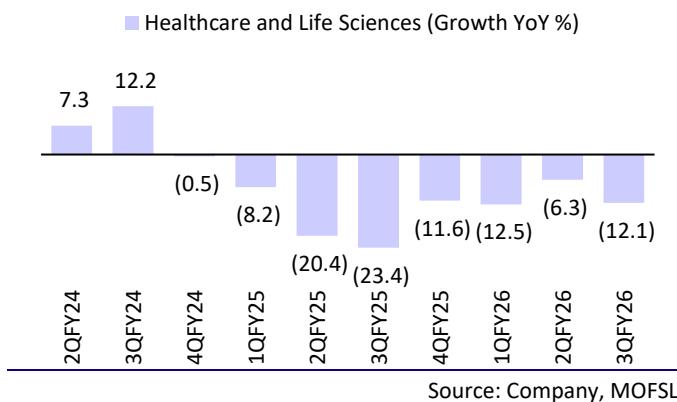
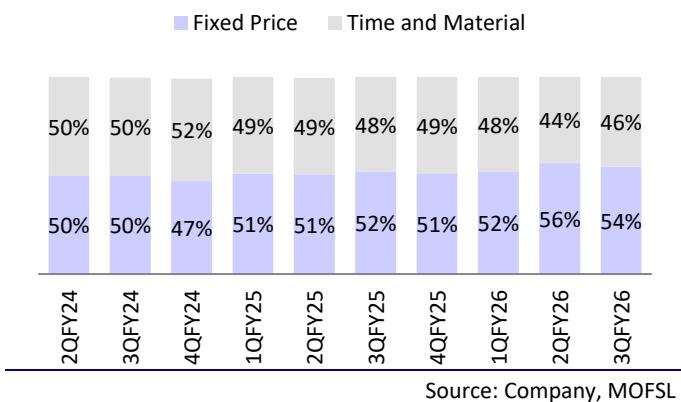


Exhibit 9: T&M contract share increased by 2%



Operating metrics

Exhibit 10: Operating metrics

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Verticals (%)									
Transportation	46.5	51.4	52.8	55.7	55.0	53.4	55.8	54.7	56.6
Media and Communications	37.8	33.6	33.3	31.8	32.4	32.4	31.0	32.4	31.1
Healthcare and Life Sciences	15.7	14.1	13.2	11.5	11.8	13.0	12.2	11.7	10.8
Geographies (%)									
Europe	40.5	40.3	42.2	42.7	40.4	37.9	39.5	38.7	42.1
Americas	37.4	36.0	33.7	30.3	30.9	30.6	30.1	31.6	32.0
India	16.4	17.3	17.6	18.8	19.4	22.4	19.8	19.0	16.7
Row	5.7	6.3	6.5	8.3	9.3	9.1	10.5	10.7	9.3
Segments (%)									
Software Development and Services	97.0	97.2	97.0	97.1	97.5	96.3	97.3	96.9	97.2
System Integration and Support	3.0	2.8	3.0	2.9	2.5	3.7	2.7	3.1	2.8
Project Type (%)									
Fixed Price	49.7	47.1	50.9	50.5	51.9	50.7	51.9	56.3	54.4
Time and Material	50.0	52.1	49.1	49.0	48.1	49.3	48.1	43.7	45.6
Revenue Mix (%)									
Onsite	25.8	26.3	27.2	25.3	25.8	25.9	26.9	26.1	73.1
Offsite	74.2	73.7	72.8	74.7	74.2	74.1	73.1	73.9	26.9
QoQ growth (CC, %)									
Transportation	1.9	1.2	5.3	4.4	0.5	-9.7	0.0	-0.5	7.3
Media and Communications	-0.1	-4.0	0.5	-2.6	0.4	-6.3	-5.5	3.7	-1.3
Healthcare and Life Sciences	3.9	0.2	-4.3	-11.2	1.1	3.5	-6.7	-4.6	-4.3
Client Metrics (%)									
Top 5 Clients	43.8	46.2	47.2	45.1	44.8	46.2	44.7	44.2	49.4
Top 10 Clients	52.5	55.9	58.0	55.6	54.2	55.9	54.6	54.7	59.4
Employee Metrics (%)									
Total Employees	13,221	13,399	13,142	12,793	12,878	12,414	12,127	11,951	11,594
Attrition (%)	12.9	12.4	12.3	12.5	12.4	13.3	15.0	15.4	15.6

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR m) FY28E
Total Income from Operations	18,262	24,708	31,447	35,521	37,290	37,549	41,932	47,271
Change (%)	13.4	35.3	27.3	13.0	5.0	0.7	11.7	12.7
Employees Cost	13,038	17,050	21,834	25,057	27,561	29,266	31,485	34,251
Total Expenditure	13,038	17,050	21,834	25,057	27,561	29,266	31,485	34,251
% of Sales	71.4	69.0	69.4	70.5	73.9	77.9	75.1	72.5
Gross Profit	5,224	7,658	9,613	10,464	9,730	8,283	10,447	13,020
SG&A	0	0	0	0	0	0	0	0
EBITDA	5,224	7,658	9,613	10,464	9,730	8,283	10,447	13,020
% of Sales	28.6	31.0	30.6	29.5	26.1	22.1	24.9	27.5
Depreciation	444	557	814	994	1,049	942	1,048	1,182
EBIT	4,780	7,101	8,799	9,470	8,681	7,341	9,399	11,838
% of Sales	26.2	28.7	28.0	26.7	23.3	19.5	22.4	25.0
Other Income	338	351	576	1,017	1,603	1,753	2,097	1,418
PBT	5,119	7,452	9,375	10,487	10,284	9,093	11,496	13,256
Total Tax	1,437	1,958	1,823	2,564	2,435	2,413	3,041	3,503
Tax Rate (%)	28.1	26.3	19.4	24.5	23.7	26.5	26.5	26.4
Reported PAT	3,681	5,494	7,552	7,922	7,850	6,680	8,454	9,753
Change (%)	43.7	49.2	37.5	4.9	-0.9	-14.9	26.6	15.4
Margin (%)	20.2	22.2	24.0	22.3	21.1	17.8	20.2	20.6
Minority Interest	0	0	0	0	0	702	0	0
Adjusted PAT	3,681	5,494	7,552	7,922	7,850	5,978	8,454	9,753

Consolidated - Balance Sheet								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR m) FY28E
Equity Share Capital	623	623	623	623	623	623	623	623
Total Reserves	12,899	15,386	20,235	24,434	27,977	29,985	33,769	38,851
Net Worth	13,522	16,009	20,858	25,057	28,600	30,608	34,392	39,474
Minority Interest	0	0	0	0	0	0	0	0
Borrowings	605	1,183	1,537	1,812	1,393	1,393	1,393	1,393
Other Long term liabilities	396	398	455	542	568	571	638	719
Capital Employed	14,522	17,590	22,849	27,410	30,560	32,573	36,423	41,587
Net Fixed Assets	1,511	2,512	3,174	3,825	3,092	3,276	3,486	3,722
Goodwill	186	203	162	134	88	88	88	88
Capital WIP	73	221	70	22	16	16	16	16
Other Assets	1,484	1,799	1,094	2,521	4,686	6,208	8,177	9,205
Curr. Assets, Loans&Adv.	13,914	16,957	23,135	25,367	27,975	28,067	30,021	34,179
Account Receivables	4,894	6,728	9,764	9,716	9,715	9,259	10,339	11,656
Cash and Bank Balance	1,004	1,511	1,339	1,332	1,353	1,881	2,500	5,031
Current Investments	7,725	8,294	11,051	12,806	14,992	14,994	15,022	15,057
Other Current Assets	291	424	981	1,513	1,915	1,934	2,160	2,435
Curr. Liability & Prov.	2,645	4,102	4,786	4,459	5,297	5,083	5,365	5,624
Account Payables	561	843	1,032	856	1,230	1,108	1,192	1,296
Other Current Liabilities	1,957	3,133	3,498	3,218	3,575	3,483	3,681	3,836
Provisions	126	126	256	385	492	492	492	492
Net Current Assets	11,269	12,855	18,349	20,908	22,678	22,985	24,656	28,555
Appl. of Funds	14,522	17,590	22,849	27,410	30,560	32,573	36,423	41,587

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic EPS (INR)	59.1	88.3	121.3	127.2	126.0	96.0	135.7	156.6
Cash EPS	66.2	97.2	134.3	143.2	142.8	111.1	152.5	175.5
BV/Share	217.1	257.1	334.9	402.3	459.2	491.4	552.2	633.8
DPS	48.0	42.5	60.6	70.0	75.0	57.6	81.4	93.9
Payout (%)	81.2	48.2	50.0	55.0	59.5	60.0	60.0	60.0
Valuation (x)								
P/E	98.0	65.6	47.8	45.5	46.0	60.4	42.7	37.0
Cash P/E	87.5	59.6	43.1	40.5	40.6	52.1	38.0	33.0
P/BV	26.7	22.5	17.3	14.4	12.6	11.8	10.5	9.1
EV/Sales	19.3	14.2	11.1	9.8	9.3	9.2	8.2	7.2
EV/EBITDA	67.5	46.0	36.4	33.3	35.5	41.7	33.0	26.3
Dividend Yield (%)	0.8	0.7	1.0	1.2	1.3	1.0	1.4	1.6
Return Ratios (%)								
RoE	30.1	37.2	41.0	34.5	29.3	20.2	26.0	26.4
RoCE	22.3	27.1	29.0	24.3	19.8	14.9	17.6	19.8

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	5,119	7,452	9,375	10,487	10,284	9,093	11,496	13,256
Depreciation	444	553	814	994	1,049	942	1,048	1,182
Interest & Finance Charges	59	94	162	203	190	0	0	0
Direct Taxes Paid	-1,237	-2,062	-1,848	-2,580	-2,239	-2,268	-3,095	-3,571
(Inc)/Dec in WC	122	-1,002	-3,097	-1,351	-242	222	-1,053	-1,367
Others	-132	-208	-538	-741	-921	-1,749	-2,030	-1,337
CF from Operations	4,374	4,827	4,867	7,012	8,120	6,240	6,367	8,164
(Inc)/Dec in FA	-388	-712	-637	-830	-162	-1,126	-1,258	-1,418
Free Cash Flow	3,986	4,116	4,230	6,182	7,959	5,114	5,109	6,745
(Pur)/Sale of Investments	-4,244	-656	-1,695	-2,745	-3,741	-1,668	-1,915	-961
Others	255	285	313	874	820	1,753	2,097	1,418
CF from Investments	-4,377	-1,083	-2,019	-2,701	-3,083	-1,042	-1,077	-961
Inc/(Dec) in Debt	-237	-271	-381	-498	-612	0	0	0
Interest Paid	0	-1	-4	-7	-14	0	0	0
Dividend Paid	-1,028	-2,989	-2,647	-3,774	-4,359	-4,671	-4,671	-4,671
CF from Fin. Activity	-1,265	-3,261	-3,031	-4,278	-4,986	-4,671	-4,671	-4,671
Inc/Dec of Cash	-1,268	483	-183	33	51	527	619	2,532
Forex Adjustment	-12	20	10	-39	-31	0	0	0
Opening Balance	2,284	1,007	1,511	1,338	1,331	1,352	1,879	2,498
Closing Balance	1,007	1,511	1,338	1,331	1,352	1,879	2,498	5,030

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NOTES

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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