

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	INFO IN
Equity Shares (m)	4154
M.Cap.(INRb)/(USD\$)	6113.2 / 69.6
52-Week Range (INR)	2007 / 1307
1, 6, 12 Rel. Per (%)	-4/-5/-26
12M Avg Val (INR M)	12021

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	1,763	1,856	1,953
EBIT Margin (%)	21.0	20.9	21.0
PAT	287	301	318
EPS (INR)	69.1	72.4	76.7
EPS Gr. (%)	8.3	4.7	5.9
BV/Sh. (INR)	232	232	233

Ratios

RoE (%)	29.9	31.3	33.1
RoCE (%)	24.7	25.6	26.9
Payout (%)	85.0	85.0	85.0

Valuations

P/E (x)	21.3	20.3	19.2
P/BV (x)	6.4	6.3	6.3
EV/EBITDA (x)	14.5	13.6	12.8
Div Yield (%)	4.0	4.2	4.4

Shareholding Pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	13.1	13.1	13.3
DII	33.8	32.1	31.0
FII	39.8	41.4	41.1
Others	13.3	13.4	14.6

FII includes depository receipts

CMP: INR1,472 TP: INR1,650 (+12%) Neutral

Still not out of the woods

Upgraded revenue guidance still points to slow 2H

- Infosys (INFO) reported 2QFY26 revenue of USD5.0b, up 2.2% QoQ in CC/ 2.9% YoY in CC vs. our estimate of 2.4% QoQ in CC. EBIT margin stood at 21.0% vs. our estimate of 21.2%. EBIT increased 6% QoQ/8% YoY to INR93.5b (est. INR94b). PAT came in at INR74b, up 6.4% QoQ/13.2% YoY, above our estimate of INR72b.
- Management upgraded the lower end of its FY26 CC revenue growth guidance from 1% to 2%, now expecting growth in the 2-3% range. Large deal TCV stood at USD3.1b, down 18.4% QoQ. The book-to-bill ratio was 0.6x. Net new TCV was down 34% QoQ. For 1HFY26, revenue/EBIT/PAT grew 8%/7%/11% YoY in INR terms. We expect INFO's revenue/EBIT/PAT to grow 8%/8%/6% YoY in 2HFY26. **We reiterate our NEUTRAL rating on INFO with a TP of INR1,650, implying a 12% potential upside.**

Our view: 2H growth to remain subdued

- 2Q growth was decent in a seasonally strong quarter, but the top end of guidance was maintained:** 2Q growth was a decent 2.4% QoQ CC, led by hi-tech and manufacturing. That said, the top end of the guidance was maintained, pointing to continued macro uncertainty and a slower-than-expected pickup in discretionary demand. While the company highlighted pockets of BFSI where discretionary spending was returning, the overall picture remained unchanged. The ask rate for the top end of guidance is negative 0.2% for the next two quarters, suggesting similar seasonality to previous years: we expect 3Q to remain flat, whereas 4Q revenue is anticipated to decline sequentially by 1.5%.
- Margins protected in the short term:** EBIT margin stood at 21.0% (up 20bp QoQ), below our estimate of 21.2%. Currency tailwinds and Project Maximus contributed 90bp, partially offset by 70bp due to higher post-sales customer support. Despite a few large deals ramping up, management indicated that it would largely be able to defend margins in the short term. We expect flat margins across the next three years for the industry as well as INFO, as pricing pressures in a muted demand environment and deflationary pressures could create headwinds. Currency is a mitigating factor, but risks skew to the downside.
- Deal bookings strong, but revenue conversion still elusive:** Deal bookings came in robust, up 29% YoY. However, revenue conversion still remains elusive. Despite an upgrade to the lower end of the guidance, the top end was retained, pointing to continued macro uncertainty and a slower-than-expected pickup in discretionary spending.

Valuation and changes to our estimates

- Our estimates are unchanged. We value INFO at 22x Jun'27E EPS. This yields a rounded TP of INR1,650, implying a 12% potential upside. We reiterate our **NEUTRAL** rating on the stock, citing continued macro uncertainty as well as low appetite for transformation spends from clients.

Miss on revenue and margins; bottom end of FY26 guidance upgraded; ask rate (CQGR) for top end of guidance: -0.2%

- USD revenue increased 2.7% QoQ to USD5.0b. In CC, it was up 2.2% QoQ, below our estimate of 2.4% QoQ.
- The company guided for FY26 CC revenue growth between 2% and 3%, increasing the lower end of the guidance from 1% to 2%. The ask rate (CQGR) for the top end of guidance was -0.2%.
- In 2QFY26, Hi-Tech/Manufacturing/Communications grew 9.3%/5.3%/3.6% QoQ, BFSI rose 2.0% QoQ, whereas Retail declined 2.6% QoQ.
- EBIT margin was at 21.0%, below our estimates of 21.2%. EBIT margin guidance was maintained in the 20-22% range.
- PAT was up 6.4% QoQ/ 13.2% YoY at INR74b (above our est. of INR72b).
- Employee count was up 2.5% QoQ, standing at 3,31,991.
- Large deal TCV stood at USD3.1b, down 18.4% QoQ. The book-to-bill ratio was 0.6x.
- LTM attrition was down 10bp QoQ at 14.3%. Utilization declined 10bp QoQ to 85.1% vs 85.2% in 1Q (ex-trainees).

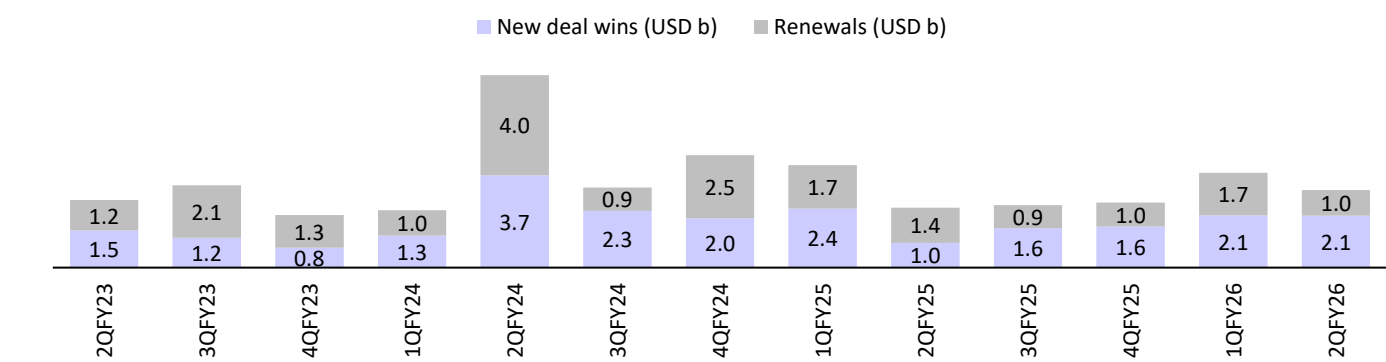
Key highlights from the management commentary

- Enterprise AI companies are increasingly building modernization solutions for clients, and INFO is partnering with several of them, leveraging its deep knowledge of enterprise IT landscapes.
- The company continues to make strategic investments in its sales engine, technology capabilities, and workforce.
- Volumes remained soft; most growth came from better pricing realization, aided by more working days and value-based engagements under Project Maximus, which helped enhance effective pricing.
- Furlough patterns are expected to be similar to last year.
- INFO revised its FY26 CC revenue growth guidance to 2-3%, raising the lower end from 1% earlier.
- The lower end of the guidance reflects elevated uncertainty, while the higher end assumes a stable demand environment.
- The company expects third-party expenses to remain lower than last year and sees no abnormal elevation ahead.

Valuation and view

- Despite an upgrade to the lower end of the guidance, the top end was retained—pointing to continued macro uncertainty and a slower-than-expected pickup in discretionary spending. Our estimates are unchanged. We value INFO at 22x Jun'27E EPS. This yields a rounded TP of INR1,650, implying a 12% potential upside. We reiterate our **NEUTRAL** rating on the stock.

Exhibit 1: Net new deal wins stood at 67% of total deal wins



Source: Company, MOFSL

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E	(INR Bn)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			Est. 2QFY26	Var. (%/bp)
Revenue (USD m)	4,714	4,894	4,939	4,730	4,941	5,076	5,071	5,020	19,277	20,108	5,082	-0.1
QoQ (%)	3.3	3.8	0.9	-4.2	4.5	2.7	-0.1	-1.0	3.9	4.3	2.8	-12bp
Revenue (INR b)	393	410	418	409	423	445	450	445	1,630	1,763	444	0.3
YoY (%)	3.6	5.1	7.6	7.9	7.5	8.5	7.7	8.8	6.1	8.2	8.2	34bp
GPM (%)	30.9	30.5	30.3	30.2	30.9	30.8	30.5	30.5	30.5	30.7	31.0	-23bp
SGA (%)	9.8	9.4	8.9	9.2	10.1	9.7	9.2	9.6	9.3	9.6	9.8	-5bp
EBITDA	94	99	101	98	100	107	109	106	392	422	107	-0.4
EBITDA Margin (%)	24.0	24.1	24.3	23.9	23.7	23.9	24.3	23.8	24.1	23.9	24.1	-18bp
EBIT	83	86	89	86	88	94	96	93	344	371	94	-0.5
EBIT Margin (%)	21.1	21.1	21.3	21.0	20.8	21.0	21.3	20.9	21.1	21.0	21.2	-18bp
Other income	7	6	8	8	9	9	6	6	29	31	6	41.1
ETR (%)	29.3	29.6	29.5	27.0	28.9	27.9	28.5	28.5	28.9	28.4	28.5	-60bp
PAT	64	65	68	68	69	74	73	71	265	287	72	2.8
QoQ (%)	4.8	2.2	4.6	0.0	1.7	6.4	-0.7	-2.9			3.5	285bp
YoY (%)	7.1	4.7	11.5	12.1	8.7	13.2	7.5	4.3	8.8	8.4	10.2	303bp
EPS (INR)	15.4	15.7	16.4	16.4	16.7	17.7	17.6	17.1	63.9	69.1	17.3	2.7

Key Performance Indicators

Y/E March	FY25				FY26E		FY25
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue (QoQ CC %)	3.6	3.1	1.7	-3.5	2.6	2.2	
Margins							
Gross Margin	30.9	30.5	30.3	30.2	30.9	30.8	30.5
EBIT Margin	21.1	21.1	21.3	21.0	20.8	21.0	21.1
Net Margin	16.2	15.9	16.3	16.6	16.4	16.6	16.3
Operating metrics							
Headcount	315	318	323	324	324	332	324
Voluntary Attrition (%)	12.7	12.9	13.7	14.1	14.4	14.3	14
Deal Win TCV (USD b)	4.1	2.4	2.5	2.6	3.8	3.1	3
Key Verticals (YoY CC %)							
BFSI	0.3	2.3	6.1	12.6	5.6	5.4	12.6
Retail	(3.0)	(9.6)	0.1	(2.6)	6.4	(2.3)	-2.6
Key Geographies (YoY CC%)							
North America	(1.2)	(2.7)	4.8	(0.4)	0.4	2.0	-0.4
Europe	9.1	15.5	12.2	15.0	12.3	6.3	15.0



Highlights from the management commentary

Performance in 2QFY26 and demand outlook

- Enterprise AI companies are increasingly building modernization solutions for clients, and INFO is partnering with several of them, leveraging its deep knowledge of enterprise IT landscapes.
- INFO delivered a strong performance in 2QFY26, gaining market share with revenue growth of 2.2% QoQ in CC.
- Four out of five industry verticals recorded sequential growth during the quarter.
- The company continues to make strategic investments in its sales engine, technology capabilities, and workforce.
- Volumes remained soft; most growth came from better pricing realization, aided by higher working days and value-based engagements under Project Maximus, which helped enhance effective pricing.
- Furlough patterns are expected to be similar to last year.
- INFO continues to partner across the AI value chain—from chips to infrastructure to model deployment—through multiple strategic collaborations. The joint venture with Tesla is expected to close in the current fiscal year.
- INFO revised its FY26 CC revenue growth guidance to 2-3%, raising the lower end from 1% earlier.
- The lower end of guidance reflects elevated uncertainty, while the higher end assumes a stable demand environment.
- The company expects third-party expenses to remain lower than last year and sees no abnormal elevation ahead.
- Operating margin guidance remains unchanged at 20-22%.
- INFO announced a mega deal worth USD1.6b by the end of the quarter and signed 23 large deals during the quarter, with the majority focused on cost optimization, automation, and vendor consolidation
- The newly announced mega deal is entirely net new and expected to ramp up through FY26.
- Smaller deal momentum remains stable, while overall ACV levels were broadly similar to the previous quarter.
- **BFSI:** Strong momentum continues across mortgages, capital markets, commercial banking, and wealth management. The recent decline in interest rates has aided a pickup in mortgage activity. Banks have also made substantial investments to build AI infrastructure.
- **Hi-Tech:** Clients remain focused on aggressive cost reduction, leading to budget tightening and project deferrals.
- **Communications & Media:** The sector remains under pressure from high capex and subdued discretionary spending. AI-driven automation continues to be prioritized.
- **Energy, Utilities, Resources, and Services:** The company is focused on cost optimization and operational efficiency, unfolding consolidation opportunities across sub-segments.
- Total employee count stood at 331,991, up 2.5% QoQ, driven by strong execution and higher deployment needs.

- With utilization already at elevated levels, INFO hired ~8,000 employees during the quarter to support growth and ongoing projects.
- The adoption of Agentic AI continues to expand across technology operations to drive cost efficiencies.
- INFO is developing a new AI-driven services stack, emphasizing co-creation with clients and building forward-engineering talent.
- Growth opportunities are emerging in two key areas: (1) enabling clients to deploy AI for business growth and (2) improving efficiency and productivity through AI-led modernization.
- The company noted that as clients shift from cost-control mode to growth-focused investments, AI adoption will accelerate further.

Margin performance

- EBIT margin for the quarter improved 20bp to 21%, supported by multiple levers.
- **Margin walk:** +60 bps from currency tailwinds, +30 bps from Project Maximus (value-based pricing and lean automation), partially offset by -70 bps from higher post-sales customer support, subcontracting costs, and lower onsite utilization.
- Long-term margin levers remain intact. The company continues to deepen localization efforts across all non-India geographies, strengthening nearshore centers in Canada and Mexico to ensure consistent delivery.
- Over time, a higher share of work is expected to be offshored.
- Subcontractor dependency has declined from 11% to around 7-8%, and management does not expect any structural increase from current levels.

Exhibit 2: Hi-Tech and BFSI were up 8.6%/5.4% YoY CC

Verticals (YoY in CC)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Financial Services	11.5	5.5	0.4	-4.2	-7.3	-5.9	-8.5	0.3	2.3	6.1	12.6	5.6	5.4
Retail	15.4	12.7	12.6	4.0	9.2	0.4	-3.7	-3.0	-9.6	0.1	-2.6	6.4	-2.3
Communications	18.4	12.7	0.3	-5.6	-4.3	-8.0	4.5	5.4	7.0	4.0	0.0	4.0	4.7
Energy, Utilities, Resources	24.3	25.9	17.1	8.6	5.1	0.3	3.3	6.3	10.9	8.6	1.5	6.4	2.1
Manufacturing	45	36.8	26.5	20.7	12.6	10.6	8.7	6.0	12.3	10.7	14.0	12.2	6.6
Hi Tech	9.9	10.4	3.7	2.3	-0.6	-5.1	9.7	2.1	6.0	8.4	-1.1	1.7	8.6
Life Sciences	10.3	5	15.7	13.9	18.4	6.3	1.0	2.9	-3.5	6.3	-3.4	-7.9	-10.5
Others	56.6	8.1	13.4	32.9	15.3	7.0	0.5	4.5	-1.2	3.2	-2.8	-15.3	-2.4

Source: Company, MOFSL

Exhibit 3: Europe grew 6.3% YoY CC

Geographies (YoY in CC)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
North America	15.6	10.5	6	2.1	1.0	-4.9	-2.2	-1.2	-2.7	4.8	-0.4	0.4	2.0
Europe	28.5	25.3	20.3	10.1	5.4	5.0	4.9	9.1	15.5	12.2	15.0	12.3	6.3
India	36.4	-5.4	-7.1	13.7	2.6	-1.0	-15.4	19.9	16.0	40.1	43.7	-1.0	6.8
ROW	11.9	11.9	3.4	-0.5	3.9	7.8	4.5	2.3	3.8	-11.1	-2.2	0.4	-3.9

Source: Company, MOFSL

Valuation and view

- Despite an upgrade to the lower end of the guidance, the top end was retained—pointing to continued macro uncertainty and a slower-than-expected pickup in discretionary spending. Our estimates are unchanged. We value INFO at 22x Jun'27E EPS. This yields a rounded TP of INR1,650, implying a 12% potential upside. We reiterate our **NEUTRAL** rating on the stock.

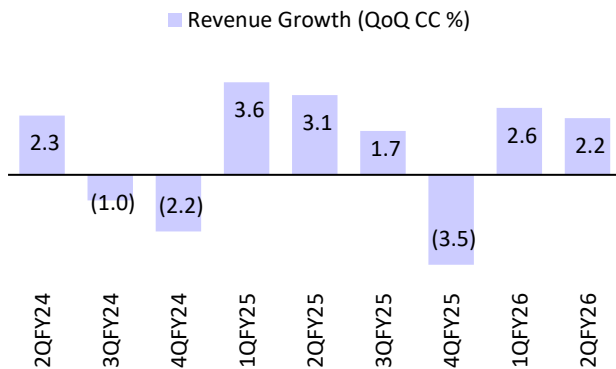
Exhibit 4: Revisions to our estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.6	88.7	88.7	87.6	88.7	88.7	0.1%	0.0%	0.0%
USD Revenue (m)	20,108	20,919	22,013	20,125	20,940	22,036	-0.1%	-0.1%	-0.1%
Growth (%)	4.3	4.0	5.2	4.4	4.1	5.2	-10bps	0bps	0bps
EBIT margin (%)	21.0	20.9	21.0	21.1	20.9	21.0	0bps	0bps	0bps
PAT (INR b)	287	301	318	285	301	319	0.6%	-0.1%	-0.1%
EPS	69.3	72.5	76.8	68.8	72.6	76.9	0.6%	-0.1%	-0.2%

Source: MOFSL

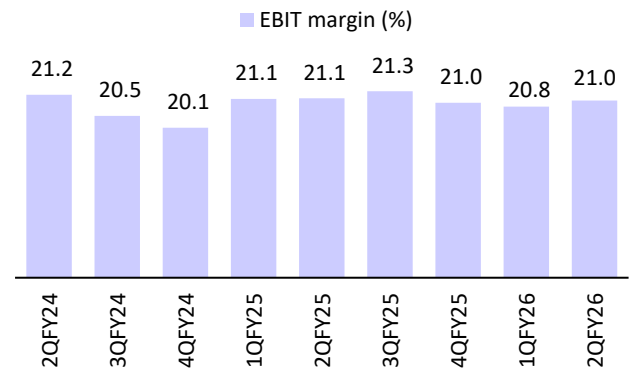
Story in charts

Exhibit 5: Strong 2.2% QoQ CC growth in 2QFY26



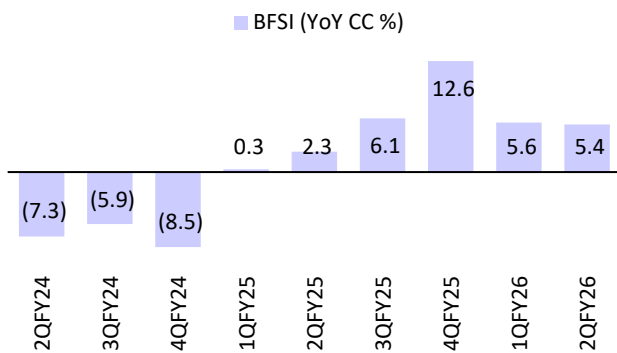
Source: Company, MOFSL

Exhibit 6: EBIT margin expanded 20bp to 21.0%



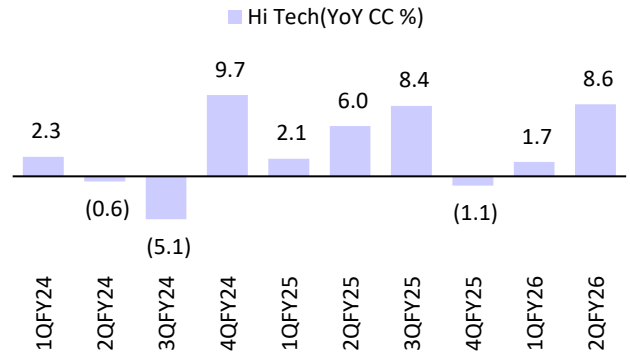
Source: Company, MOFSL

Exhibit 7: BFSI continued to show growth amid macro uncertainty



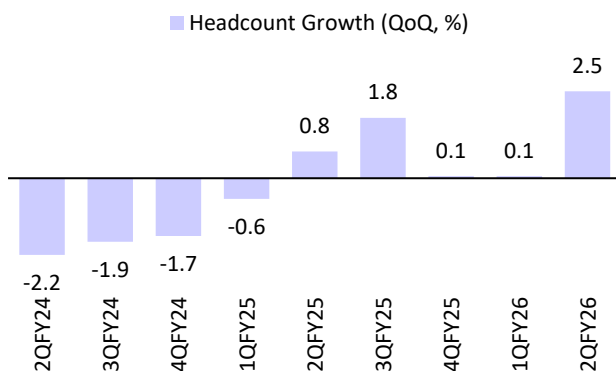
Source: Company, MOFSL

Exhibit 8: Hi-Tech growth was up 8.6% YoY CC



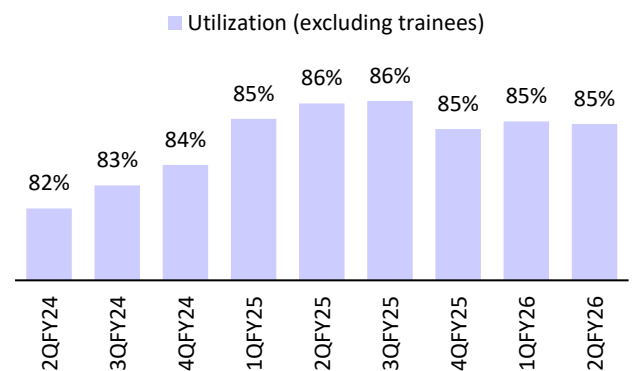
Source: Company, MOFSL

Exhibit 9: Headcount growth was healthy at 2.5%



Source: Company, MOFSL

Exhibit 10: Utilization was stable at 85%



Source: Company, MOFSL

Exhibit 11: Operating metrics

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Effort (IT Services and Consulting)									
Onsite	25%	24%	24%	24%	24%	24%	24%	24%	23%
Offshore	75%	76%	76%	76%	76%	76%	76%	76%	77%
Utilization (IT Services and Consulting)									
Including trainees	80%	82%	82%	84%	84%	83%	82%	83%	82%
Excluding trainees	82%	83%	84%	85%	86%	86%	85%	85%	85%
Employee Metrics									
Total Employees (Consolidated, in k)	329	323	317	315	318	323	324	324	332
S/W professional (k)	310	305	300	298	301	307	307	307	315
Support and sales (k)	18	18	17	17	17	17	17	17	17
Revenues by Client Geography									
North America	61%	59%	60%	59%	57%	58%	57%	57%	56%
Europe	27%	28%	29%	28%	30%	30%	31%	32%	32%
India	3%	2%	2%	3%	3%	3%	3%	3%	3%
ROW	10%	10%	10%	10%	10%	9%	9%	9%	9%
Revenues by Business Segments									
Financial Services	28%	28%	26%	28%	27%	28%	28%	28%	28%
Retail	15%	15%	14%	14%	13%	14%	13%	13%	13%
Communications	11%	11%	12%	12%	12%	11%	12%	12%	12%
Energy, Utilities, Resources, and Services	13%	13%	13%	13%	14%	14%	13%	14%	13%
Manufacturing	14%	15%	15%	15%	16%	16%	16%	16%	17%
Hi-Tech	8%	8%	9%	8%	8%	8%	8%	8%	8%
Life Sciences	8%	8%	7%	7%	7%	8%	7%	7%	6%
Others	3%	3%	3%	3%	3%	3%	3%	3%	3%
Geography YoY % CC									
North America	1%	-5%	-2%	-1%	-3%	5%	0%	0%	2%
Europe	5%	5%	5%	9%	16%	12%	15%	12%	6%
India	3%	-1%	-15%	20%	16%	40%	44%	-1%	7%
ROW	4%	8%	5%	2%	4%	-11%	-2%	0%	-4%
Business Segments YoY % CC									
Financial Services	-7%	-6%	-9%	0%	2%	6%	13%	6%	5%
Retail	9%	0%	-4%	-3%	-10%	0%	-3%	6%	-2%
Communications	-4%	-8%	5%	5%	7%	4%	0%	4%	5%
Energy, Utilities, Resources, and Services	5%	0%	3%	6%	11%	9%	2%	6%	2%
Manufacturing	13%	11%	9%	6%	12%	11%	14%	12%	7%
Hi-Tech	-1%	-5%	10%	2%	6%	8%	-1%	2%	9%
Life Sciences	18%	6%	1%	3%	-4%	6%	-3%	-8%	-11%
Others	15%	7%	1%	5%	-1%	3%	-3%	-15%	-2%
DSO	67	72	71	72	73	74	69	70	73
Large Deal TCV (USD m)	7,700	3,200	4,454	4,100	2,400	2,500	2,600	3,800	3,100
Client (% of revenues)									
Top 10 client	19.9%	20.0%	20.4%	20.9%	20.9%	19.9%	20.7%	20.8%	20.9%
Top 25 client	34.1%	33.7%	34.3%	34.9%	34.7%	34.2%	34.8%	35.2%	34.7%
Number of active clients	1,884	1,872	1,882	1,867	1,884	1,876	1,869	1,861	1,870
New clients added in the period	100	88	98	87	86	101	91	93	86

Source: Company, MOFSL

Financials and valuations

Income Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Sales	1,005	1,216	1,468	1,537	1,630	1,763	1,856	1,953
Change (%)	10.7	21.1	20.7	4.7	6.1	8.2	5.3	5.2
Software Develop. Exp.	654	820	1,024	1,074	1,133	1,222	1,281	1,353
Selling and Mktg. Exp.	0	0	0	0	0	0	0	0
Gross Profit	351	396	444	463	496	541	575	600
SGA Expenses	104	116	135	145	152	170	187	189
EBITDA	279	315	351	364	392	422	449	475
% of Net Sales	27.8	25.9	23.9	23.7	24.1	23.9	24.2	24.3
Depreciation	33	35	42	47	48	51	61	64
EBIT	246	280	309	317	344	371	388	411
% of Net Sales	24.5	23.0	21.1	20.7	21.1	21.0	20.9	21.0
Interest	0	0	0	0	0	0	0	0
Other Income	20	21	24	23	29	31	30	31
PBT	266	301	333	341	373	401	417	442
Tax	72	80	92	97	108	114	117	124
Rate (%)	27.0	26.4	27.7	28.5	28.9	28.4	28.0	28.0
Minority Interest	1	0	0	0	0	0	0	0
Extraordinary Items	0	0	0	-19	0	0	0	0
Adjusted PAT	194	221	241	243	265	287	301	318
Change (%)	16.7	14.2	9.0	1.0	8.8	8.4	4.7	5.9

Balance Sheet

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	21	21	21	21	21	21	21	21
Reserves	742	733	733	860	937	939	941	943
Net Worth	764	754	754	881	958	960	962	964
Capital Employed	845	843	866	990	1,061	1,088	1,096	1,105
Gross Block	479	511	587	618	703	751	808	869
Less: Depreciation	213	248	290	337	385	437	498	562
Net Block	266	263	297	281	318	314	311	307
Investments & Other Assets	211	244	253	203	200	249	251	254
Curr. Assets	607	672	709	894	971	973	996	1,020
Debtors	268	343	407	430	440	435	458	482
Cash & Bank Balance	247	175	122	148	245	308	302	296
Investments	23	67	69	129	125	125	125	125
Other Current Assets	69	88	111	188	162	106	111	117
Current Liab. & Prov	239	336	392	388	429	448	462	475
Net Current Assets	369	336	317	506	542	525	534	545
Application of Funds	845	843	866	990	1,061	1,088	1,096	1,105

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
EPS	45.6	52.4	57.6	63.3	63.8	69.1	72.4	76.7
Cash EPS	53.3	60.7	67.7	74.6	75.4	81.6	87.2	92.2
Book Value	180.0	179.0	180.4	212.9	231.4	231.6	232.0	232.5
DPS	27.0	31.0	33.5	46.0	43.0	58.8	61.6	65.2
Payout %	106.7	59.0	96.7	78.2	67.2	85.0	85.0	85.0
Valuation (x)								
P/E	32.3	28.1	25.6	23.2	23.1	21.3	20.3	19.2
Cash P/E	27.6	24.3	21.8	19.7	19.5	18.0	16.9	16.0
EV/EBITDA	22.4	19.7	17.5	16.7	15.5	14.5	13.6	12.8
EV/Sales	6.2	5.1	4.2	4.0	3.7	3.5	3.3	3.1
Price/Book Value	8.2	8.2	8.2	6.9	6.4	6.4	6.3	6.3
Dividend Yield (%)	1.8	2.1	2.3	3.1	2.9	4.0	4.2	4.4
Profitability Ratios (%)								
RoE	27.3	29.2	32.0	29.8	28.8	29.9	31.3	33.1
RoCE	23.0	24.4	26.2	24.5	23.9	24.7	25.6	26.9
Turnover Ratios								
Debtors (Days)	97	103	101	102	99	90	90	90
Fixed Asset Turnover (x)	3.8	4.6	4.9	5.5	5.1	5.6	6.0	6.4

Cash Flow Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	235	261	295	312	360	335	351	371
Cash for Working Capital	6	-12	-65	-52	-3	58	-11	-12
Net Operating CF	241	250	230	261	357	392	340	359
Net Purchase of FA	-21	-22	-26	-22	-22	-44	-46	-49
Free Cash Flow	220	228	204	239	335	348	293	310
Net Purchase of Invest.	-63	-53	8	-37	3	0	0	0
Net Cash from Invest.	-84	-75	-18	-59	-19	-44	-46	-49
Proceeds from Equity	0	0	0	0	0	0	0	0
Others	-7	-8	-15	-28	-39	0	0	0
Dividend Payments	-91	-127	-137	-147	-203	-285	-299	-316
Buyback of Shares	0	-111	-115	0	0	0	0	0
Cash Flow from Fin.	-98	-246	-267	-175	-242	-285	-299	-316
Net Cash Flow	60	-72	-54	27	96	63	-5	-6
Effect of Forex on Cash Flow	1	-1	1	-1	1	0	0	0
Opening Cash Bal.	186	247	175	122	148	245	308	302
Add: Net Cash	61	-72	-53	26	97	63	-5	-6
Closing Cash Bal.	247	175	122	148	245	308	302	296

Investment in securities market is subject to market risks. Read all the related documents carefully before investing.

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)

- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai - 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email

Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI:

ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.