

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	LTIM IN
Equity Shares (m)	296
M.Cap.(INRb)/(USDb)	1666.6 / 19
52-Week Range (INR)	6768 / 3802
1, 6, 12 Rel. Per (%)	3/22/-14
12M Avg Val (INR M)	1769

Financials & Valuations (INR b)			
Y/E Mar	FY26E	FY27E	FY28E
Sales	419.0	464.5	513.3
EBIT Margin (%)	15.5	15.8	16.2
PAT	55.0	61.3	69.3
EPS (INR)	185.8	207.1	234.1
EPS Gr. (%)	19.6	11.5	13.0
BV/Sh. (INR)	874.3	995.5	1,131.7
Ratios			
RoE (%)	22.6	22.1	22.0
RoCE (%)	18.3	18.6	18.6
Payout (%)	41.8	41.8	41.8
Valuations			
P/E (x)	30.3	27.1	24.0
P/BV (x)	6.4	5.6	5.0
EV/EBITDA (x)	20.2	17.9	15.4
Div Yield (%)	1.4	1.5	1.7

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	68.6	68.6	68.6
DII	16.2	15.6	14.2
FII	6.6	7.0	7.3
Others	8.6	8.8	9.9

FII Includes depository receipts

<b>CMP: INR5,623</b>	<b>TP: INR6,650(+18%)</b>	<b>Buy</b>
<b>Kick-starting progress</b>		

#### Breakthrough quarter on growth and margins

- LTIMindtree (LTIM) reported revenue of USD1.1b in 2QFY26, up 2.4% QoQ CC, above our estimate of 2.0% QoQ CC growth. EBIT margin at 15.9% was above our estimate of 14.9%. PAT stood at INR13.8b, up 10.1% QoQ/10.4% YoY and in line with our estimate of INR13b.
- In INR terms, revenue/EBIT/PAT grew 8.9%/8.0%/10.4% YoY in 1HFY26. In 2HFY26, we expect revenue/EBIT/PAT to grow 11.5%/28.4%/29.4% YoY. With improving revenue visibility and earnings growth potential of 13-15% over the medium term, we upgrade our estimates by 5.1%/3.8% for FY26/FY27. We value LTIM at 31x Jun'27E EPS with a TP of INR6,650, implying an 18% upside potential.

#### Our view: Growth momentum finds its footing

- Revenue visibility strong for the next three quarters:** Management guided for sustained revenue momentum over the next two quarters. A 2.5% CQGR in 2H is expected to bring LTIM's USD growth exit rate closer to 9%. If the deal win momentum continues, we expect this pace to sustain into FY27E as well; we expect a double-digit growth rate in FY27.
- Margin improvement ahead of expectations:** EBIT margin stood at 15.9%, up 160 bps QoQ, ahead of management expectations. The improvement was driven by the 'Fit4Future' program (contributing ~80 bps) and currency tailwinds (another 80 bps). Management also guided for a further margin expansion in 3Q. We expect margins to expand by 100/30bps in FY26/FY27.
- Strong deal win performance:** Since Mr. Venu has taken over, LTIM's large deal wins have certainly received a shot in the arm, and we saw further evidence of that this quarter. Deal TCV at USD1.59b was up 22% YoY. The new management is doing a commendable job and improving win rates in an uncertain macro.
- In summary, revenue growth has regained momentum, and margin expansion now seems sustainable. This could lead to earnings growth of 13-15% over the medium term, leading to a potential re-rating.

#### Valuation and changes to our estimates

- We reiterate our BUY rating on LTIM, supported by its capabilities in data engineering and ERP modernization. The company's broad-based vertical momentum and sustained deal pipeline support our confidence in ~6% CC revenue growth for FY26E. Margin performance has been ahead of expectations, aided by the 'Fit4Future' program, and we expect further expansion over 2H. With improving revenue visibility and earnings growth potential of 13-15% over the medium term, we upgrade our estimates by 5.1%/3.8% for FY26/FY27. We value LTIM at **31x Jun'27E EPS**, arriving at a **TP of INR6,650**, implying ~18% upside.

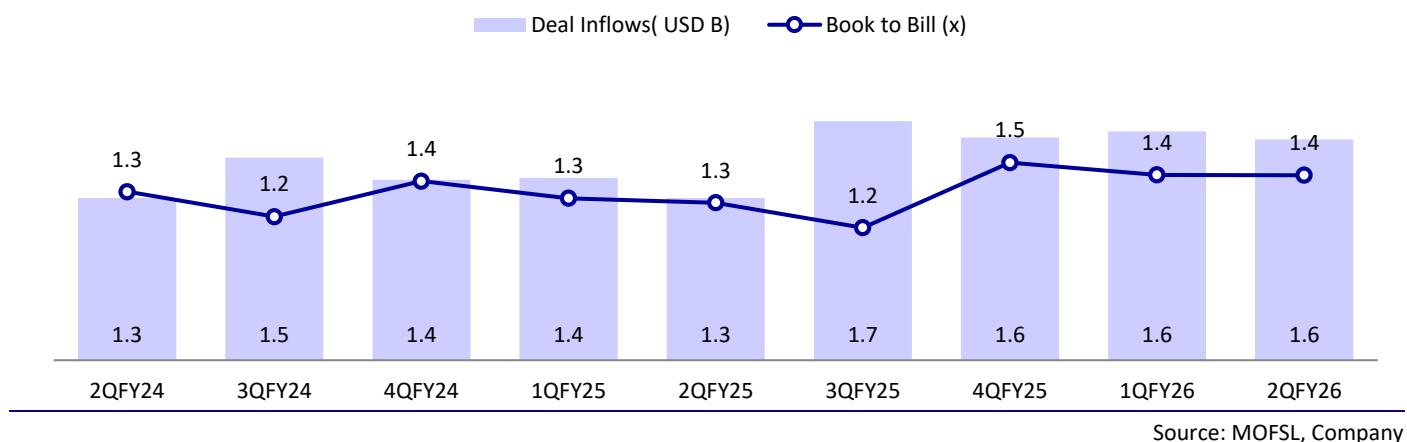
## Beat on revenue and margins; Consumer and Healthcare-led vertical growth

- Revenue stood at USD1.1b, up 2.4% QoQ CC above our estimate of 2.0% QoQ CC growth. Reported USD revenue rose 2.3%/4.8% QoQ /YoY.
- Order inflows stood at USD 1.59b, up 22% YoY.
- Consumer Business, Healthcare, and Life Sciences grew 9.1%/10.2% QoQ. BFSI and Technology were flat QoQ.
- EBIT margin at 15.9% was above our estimate of 14.9%.
- Employee metrics: Software headcount increased ~2,600 (3% QoQ), utilization was flat QoQ at 88.1%, while attrition declined 20bp QoQ at 14.2%.
- PAT came in at INR13.8b, up 10.1% QoQ/10.4% YoY and above our estimates of INR13b.

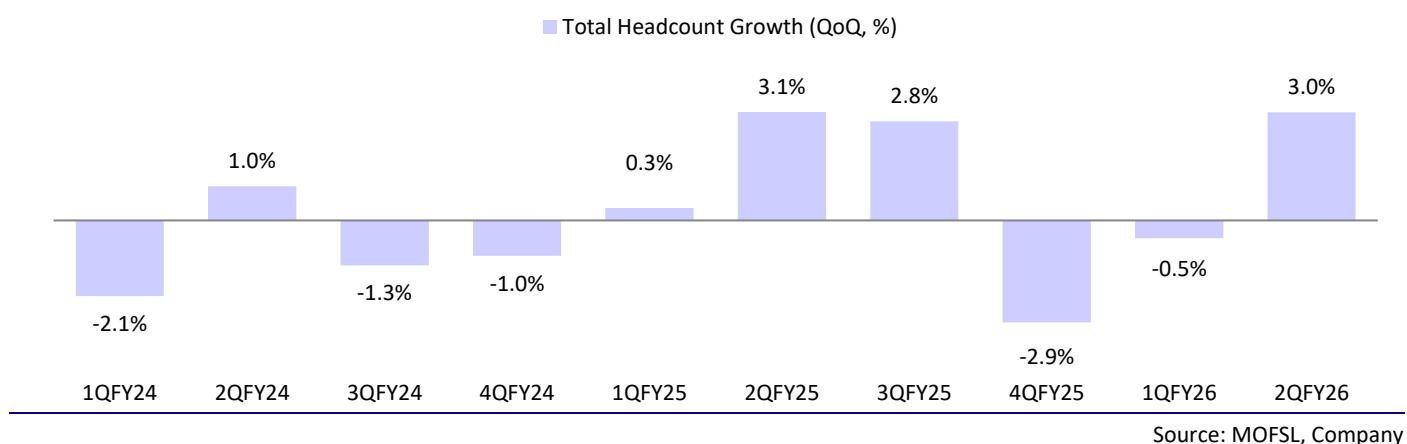
## Key highlights from the management commentary

- LTIM remains confident of sustaining growth momentum through 2H, aided by its large deal pipeline and ongoing transformation programs.
- Management highlighted that legacy modernization is witnessing renewed client interest. Market priorities have shifted—clients now seek modernization of data, technology, and infrastructure through vendor consolidation-led large deals.
- The company expects revenue growth to accelerate in the coming quarters and aims to achieve high single-digit to low double-digit growth by FY26-end (in USD terms).
- Total order inflow stood at USD1.59b, up 22% YoY, marking the fourth consecutive quarter of TCV exceeding USD1.5b. The BFSI vertical was a key contributor to the deal momentum.
- LTIM also secured a significant government contract with the Department of Direct Taxes to modernize the 'PAN 2.0' infrastructure, which has already begun ramping up and will scale further in 3QFY26.
- Wage hikes are being staggered across two quarters (January and April 2026). The company emphasized cross-skilling and upskilling initiatives instead of a single annual hike cycle.
- Management reiterated confidence in further margin expansion in the coming quarters despite seasonal headwinds.
- Most new deals continue to leverage vendor consolidation opportunities, though net-new deal activity also remains healthy.
- Large accounts are undergoing AI-led recalibration, where productivity commitments are built into contracts. Management emphasized that productivity is now the 'new normal' until the industry transitions to the next phase of growth.

**Exhibit 1: Deal win at USD1.6b, up 22% YoY; book-to-bill at 1.4x**



**Exhibit 2: Headcount was up 3.0% QoQ.**



**Exhibit 3: All regions reported growth**

Geographies	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	1QFY26	2QFY26
North America	6.1	1.6	0.5	1.8	2.0	-0.2	0.2	4.3	2.6	0.7	-0.9	1.8	2.0
Europe	-0.4	4.5	4.4	-1.2	2.3	-4.5	-0.6	1.1	2.8	-3.1	-2.1	10.2	2.3
RoW	0.3	4.9	0.2	-7.8	-1.9	14.1	-10.6	-7.2	3.8	9.7	2.8	-5.7	3.3

Source: MOFSL, Company

**Exhibit 4: Consumer and healthcare led growth in 2QFY26**

Verticals	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	1QFY26	2QFY26
BFSI	4.6	5.8	2.7	-1.2	-1.1	-1.7	-2.7	2.8	3.9	3.3	1.2	1.7	0.1
Manufacturing	3.7	10.6	1.0	-1.0	5.1	14.3	-9.6	2.0	0.6	7.8	2.4	0.4	1.8
CPG, Retail & Pharma	2.3	1.1	2.4	-1.8	2.9	-3.2	1.4	-1.6	2.8	-0.3	-2.1	5.6	9.3
Technology, Media & Communication	3.9	-4.5	-1.5	3.2	2.0	-3.0	4.7	8.0	2.0	-5.7	-1.9	1.1	0.1
Healthcare	7.5	-5.1	-2.2	5.0	3.2	0.8	4.8	-7.9	6.1	-0.5	-13.3	3.8	9.6

Source: MOFSL, Company

Quarterly Performance										(INR m)		
Y/E March	FY25					FY26E			FY25	FY26E	Est. 2QFY26	Var. (%) / bp
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue (USD m)	1,096	1,127	1,139	1,131	1,153	1,180	1,211	1,247	4,493	4,792	1,180	0.0
QoQ (%)	2.5	2.8	1.1	-0.7	2.0	2.3	2.6	3.0	4.8	6.7	2.3	3
Revenue (INR B)	91	94	97	98	98	104	107	110	380	419	103	1.1
YoY (%)	5.1	5.9	7.1	9.9	7.6	10.2	10.5	12.5	7.0	10.2	9.0	123
GPM (%)	30.3	30.8	28.8	27.9	29.1	30.3	30.2	29.5	29.4	29.8	29.5	81
SGA (%)	12.7	12.8	12.3	11.6	12.3	11.7	11.5	11.5	12.3	11.7	12.1	(36)
EBITDA	16	17	16	16	16	19	20	20	65	76	18	7.9
EBITDA Margin (%)	17.6	18.0	16.5	16.3	16.8	18.6	18.7	18.0	17.1	18.0	17.4	117
EBIT	14	15	13	13	14	16	17	17	55	65	15	7.6
EBIT Margin (%)	15.0	15.5	13.8	13.8	14.3	15.9	16.2	15.5	14.5	15.5	14.9	96
Other income	1.5	2.3	1.4	1.8	3.2	2.3	1.9	2.0	7	9	2	25
ETR (%)	25.6	25.8	26.2	26.2	27.3	26.5	25.0	25.0	25.9	25.9	25.0	
Adj PAT	11	13	11	11	13	14	14	14	46	55	13	7.3
QoQ (%)	3.1	10.3	-13.2	3.9	11.2	10.1	4.3	-1.0			2.6	
YoY (%)	-1.5	7.7	-7.1	2.5	10.5	10.4	32.6	26.4	0.4	19.6	2.9	
EPS (INR)	38.2	42.2	36.6	38.0	42.3	47.2	49.3	48.8	155.0	187.7	43.4	8.7

### Key Performance Indicators

Y/E March	FY25						FY26E		FY25	
	1Q	2Q	3Q	4Q	1Q	2Q				
Revenue (QoQ CC %)	2.6	2.3	1.8	-0.6	0.8	2.4				
<b>Margins (%)</b>										
Gross Margin	30.3	30.8	28.8	27.9	29.1	30.3				29.4
EBIT Margin	15.0	15.5	13.8	13.8	14.3	15.9				14.5
Net Margin	12.4	13.3	11.2	11.5	12.7	13.3				12.1
<b>Operating metrics</b>										
Headcount	81,934	84,438	86,800	84,307	83,889	86,447				84,307
Attrition (%)	14.4	14.5	14.3	14.4	14.4	14.2				14.4
Utilization (excl. trainees)	88.3	87.7	85.4	85.8	88.1	88.1				86.8
<b>Key Verticals (QoQ %)</b>										
BFSI	2.8	3.9	3.3	1.2	1.7	0.1				4.5
CMT	8.0	2.0	-5.7	-1.9	1.1	0.1				8.5
MFG	2.0	0.6	7.8	2.4	0.4	1.8				7.2
Healthcare	-7.9	6.1	-0.5	-13.3	3.8	9.6				-2.8
CPG, Retail and Pharma	-1.6	2.8	-0.3	-2.1	5.6	9.3				-0.1
<b>Key Geographies (QoQ %)</b>										
North America	4.3	2.6	0.7	-0.9	1.8	2.0				7.0
Europe	1.1	2.8	-3.1	-2.1	10.2	2.3				-1.2



## Key highlights from the management commentary

### Demand and industry outlook

- LTIM remains confident of sustaining growth momentum through 2H, aided by its large deal pipeline and ongoing transformation programs.
- The management highlighted that legacy modernization is witnessing renewed client interest. Market priorities have shifted — clients now seek modernization of data, technology, and infrastructure through vendor consolidation-led large deals.
- The company expects revenue growth to accelerate in the coming quarters and aims to achieve high single-digit to low double-digit growth by FY26-end (in USD terms).
- Management remains confident that the momentum will continue, with growth expected to be slightly higher than 2Q.
- The company emphasized that deal execution and delivery efficiencies remain key drivers of growth.
- Total order inflow stood at USD1.59b, up 22% YoY, marking the fourth consecutive quarter of TCV exceeding USD1.5b. The BFSI vertical was a key contributor to deal momentum.
- Key wins included a strategic engagement with a large media company, which will take longer to ramp up due to multi-vendor transitions (after couple of quarters).
- Order booking patterns are influenced by three factors: 1) transition periods determining when deals move into steady-state execution, 2) renewal deals that are being recalibrated and clubbed with vendor consolidation programs (e.g., a large media deal), and 3) renewal contracts being reset to new pricing benchmarks in a productivity-focused market.
- LTIM also secured a significant government contract with the Department of Direct Taxes to modernize the “PAN 2.0” infrastructure, which has already begun ramping up and will scale further in 3QFY26.
- Most new deals continue to leverage vendor consolidation opportunities, though net-new deal activity also remains healthy.
- Large accounts are undergoing AI-led recalibration, where productivity commitments are built into contracts. Management emphasized that productivity is now the “new normal” until the industry transitions to the next phase of growth.
- **BFSI:** The vertical entered FY26 on the back of strong FY25 growth but faced some recalibration due to vendor transitions. Growth is expected to improve over the next couple of quarters, with management optimistic about 2H recovery.
- **Technology, Media & Communications:** Post-productivity recalibrations are largely behind, and the company expects growth to resume as renewals normalize. The pipeline remains healthy.
- **Consumer Business:** Revenue grew 9.1% QoQ, led by strong demand across key accounts.
- Around 80,000 employees have completed the GenAI foundation program, underscoring the company’s focus on AI-led capability building.

### Margin performance

- EBIT margin stood at 15.9%, up 160 bps QoQ, ahead of management expectations. The improvement was driven by the “Fit4Future” program (contributing ~80 bps) and currency tailwinds (another 80 bps).
- 1Q typically sees higher seasonal costs, the absence of which supported SG&A rationalization in 2Q.
- Wage hikes are being staggered across two quarters (January and April 2026). The company emphasized cross-skilling and upskilling initiatives instead of a single annual hike cycle.
- The Fit4Future program—focused on productivity through AI adoption, pyramid correction (via fresher hiring), optimizing span of control, and lowering overheads—continues to yield results.
- Management reiterated confidence in further margin expansion in the coming quarters despite seasonal headwinds.
- LTIM aims to maintain an OCF to PAT ratio near 90%. Free cash flow generation will remain impacted in the near term due to investments in new delivery hubs and internal IT modernization.
- Utilization remained flat during the quarter (at highs of 88%), but management aims to take it to 85–86% over the next few quarters.
- The fresher hiring program remains intact, and subcontractors may be used selectively for initial deal ramp-ups.

### Exhibit 5: Top client contribution

Clients	Contribution to revenue (%)	QoQ growth (%)	YoY growth (%)
Top five clients	25.3	-5.2	-6.7
Top 10 clients	32.8	-2.2	-1.8
Top 20 clients	43.5	0.0	-0.5

Source: MOFSL, Company

### Exhibit 6: Changes to our estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	87.4	88.1	88.1	87.2	88.1	88.1	0.3%	0.0%	0.0%
USD Revenue (m)	4,792	5,271	5,825	4,766	5,133	5,559	0.5%	2.7%	4.8%
Growth (%)	6.7	10.0	10.5	6.1	7.7	8.3	60bps	230bps	220bps
EBIT margin (%)	15.5	15.8	16.2	14.8	15.6	16.1	70bps	20bps	10bps
PAT (INR m)	55,028	61,302	69,293	52,347	59,139	65,792	5.1%	3.7%	5.3%
EPS	185.8	207.1	234.1	176.7	199.5	222.0	5.1%	3.8%	5.5%

Source: MOFSL, Company

### Valuation and view

- We maintain our BUY rating on LTIM, supported by its capabilities in data engineering and ERP modernization. The company's broad-based vertical momentum and sustained deal pipeline support our confidence in ~6% CC revenue growth for FY26E. Margin performance has been ahead of expectations, aided by the ‘Fit4Future’ program, and we expect further expansion through 2H. With improving revenue visibility and earnings growth potential of 13-15% over the medium term, we upgrade our estimates by 5.1%/3.8% for FY26/FY27. We value LTIM at **31x Jun'27E EPS**, arriving at a **TP of INR6,650**, implying **~18% upside**.

## Story in charts

Exhibit 7: Revenue grew 2.4% QoQ

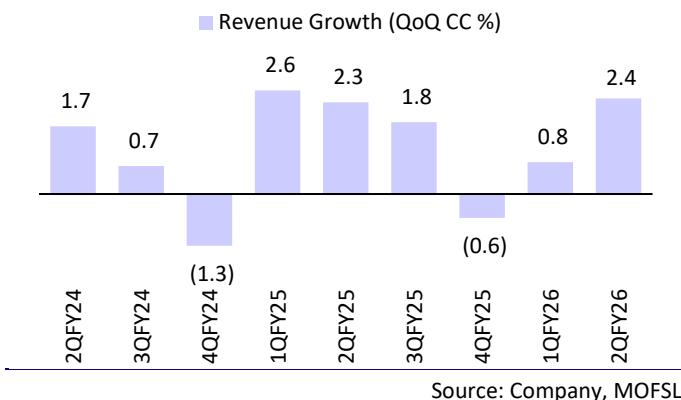


Exhibit 8: EBIT margins grew 160bp QoQ

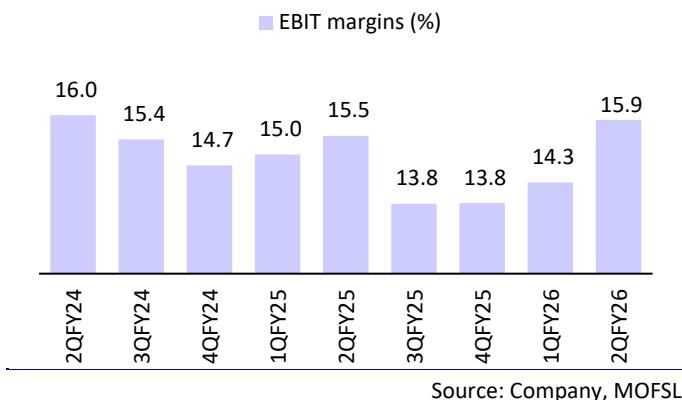


Exhibit 9: Attrition dropped 20bp QoQ

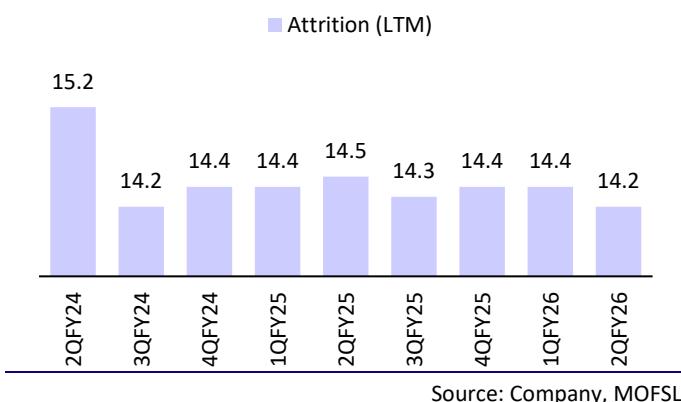


Exhibit 10: BFSI growth was muted sequentially

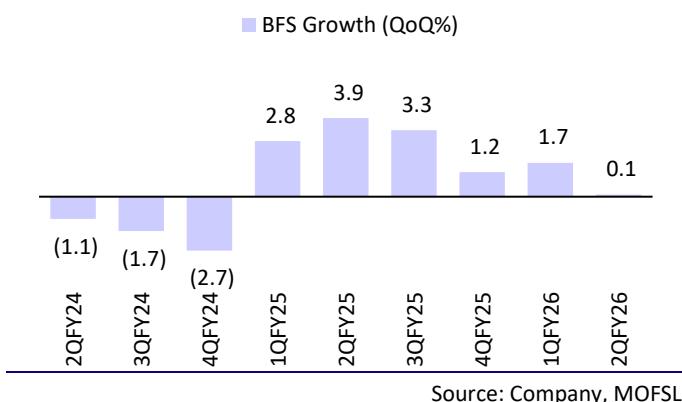


Exhibit 11: Utilization remained flat and is at 88%

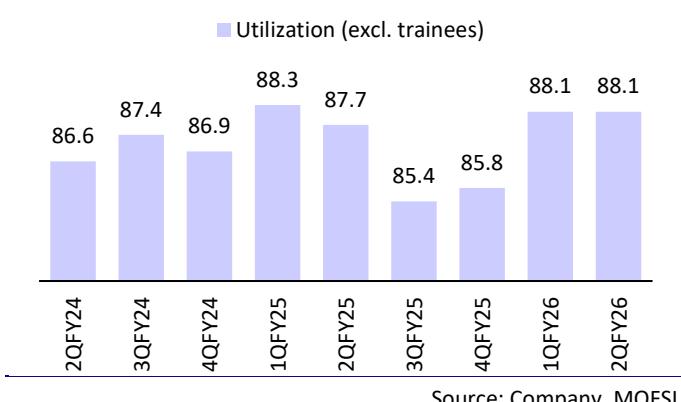
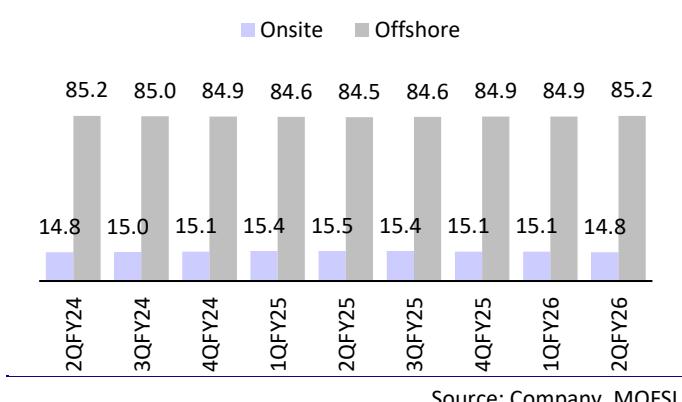


Exhibit 12: Effort mix remained stable



## Operating metrics

### Exhibit 13: Operating metrics

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
<b>Revenue by verticals (%)</b>									
BFSI	36.5	35.6	35.1	35.2	35.6	36.4	37.1	37.0	36.2
Manufacturing	17.9	20.3	18.6	18.5	18.1	19.3	19.9	19.6	19.5
CPG, retail & pharma	15.3	14.7	15.1	14.5	14.5	14.3	14.1	14.6	15.6
High tech, media & entertainment	23.8	22.9	24.3	25.6	25.4	23.7	23.4	23.2	22.7
Healthcare, Life, Public Science	6.5	6.5	6.9	6.2	6.4	6.3	5.5	5.6	6.0
<b>Revenue by geography (%)</b>									
North America	73.4	72.7	73.8	75.1	75.0	74.7	74.5	74.4	74.2
Europe	15.3	14.5	14.6	14.4	14.4	13.8	13.6	14.7	14.7
ROW	11.3	12.8	11.6	10.5	10.6	11.5	11.9	11.0	11.1
<b>Client metrics (% of revenues)</b>									
Top 5 client	26.8	27.5	28.3	28.8	28.4	27.9	27.7	27.3	25.3
Top 10 client	34.3	35.3	35.5	35.7	35.0	34.5	34.3	34.3	32.8
Top 20 client	45.2	45.9	45.9	46.2	45.8	45.5	44.8	44.5	43.5
Top 40 client	57.6	58.5	58.0	58.9	58.2	58.1	57.2	56.8	56.1
Non-Top 20 clients	54.8	54.1	54.1	53.8	54.2	54.5	55.2	55.5	56.5
Number of active clients	737	739	738	748	742	742	741	741	749
New clients added in the period	30	23	30	27	22	23	26	17	23
<b>Million \$ clients</b>									
5 Million \$ clients	146	149	153	148	154	152	154	159	158
10 Million \$ clients	90	89	91	87	88	90	89	90	93
20 Million \$ clients	41	40	40	43	42	39	40	41	45
50 Million \$ clients	14	12	13	12	12	13	14	14	14
100 Million \$ clients	2	2	2	2	2	2	2	2	2
<b>Employee metrics</b>									
Development	78,276	77,203	76,460	76,837	79,374	81,641	79,081	78,729	81,355
Sales and support	5,256	5,268	5,190	5,097	5,064	5,159	5,226	5,160	5,092
<b>Total employees</b>	<b>83,532</b>	<b>82,471</b>	<b>81,650</b>	<b>81,934</b>	<b>84,438</b>	<b>86,800</b>	<b>84,307</b>	<b>83,889</b>	<b>86,447</b>
<b>Efforts mix</b>									
Onsite	14.8	15.0	15.1	15.4	15.5	15.4	15.1	15.1	14.8
Offshore	85.2	85.0	84.9	84.6	84.5	84.6	84.9	84.9	85.2
<b>Utilization measures</b>									
Excluding trainees	86.6	87.4	86.9	88.3	87.7	85.4	85.8	88.1	88.1
<b>Attrition LTM (%)</b>	<b>15.2</b>	<b>14.2</b>	<b>14.4</b>	<b>14.4</b>	<b>14.5</b>	<b>14.3</b>	<b>14.4</b>	<b>14.4</b>	<b>14.2</b>

Source: Company, MOFSL

## Financials and valuations

Income Statement							(INR m)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Sales</b>	<b>2,61,086</b>	<b>3,31,830</b>	<b>3,55,170</b>	<b>3,80,081</b>	<b>4,18,998</b>	<b>4,64,457</b>	<b>5,13,282</b>
Change (%)	(8.8)	27.1	7.0	7.0	10.2	10.8	10.5
Cost of Services	1,78,271	2,32,037	2,46,214	2,68,217	2,94,236	3,26,653	3,59,298
<b>Gross Profit</b>	<b>82,815</b>	<b>99,793</b>	<b>1,08,956</b>	<b>1,11,864</b>	<b>1,24,761</b>	<b>1,37,804</b>	<b>1,53,985</b>
SG&A Expenses	30,330	37,915	45,082	46,915	49,223	54,209	59,027
<b>EBITDA</b>	<b>52,485</b>	<b>61,878</b>	<b>63,874</b>	<b>64,949</b>	<b>75,539</b>	<b>83,594</b>	<b>94,957</b>
% of Net Sales	20.1	18.6	18.0	17.1	18.0	18.0	18.5
Depreciation	5,971	7,227	8,189	9,915	10,665	10,218	11,805
<b>EBIT</b>	<b>46,514</b>	<b>54,651</b>	<b>55,685</b>	<b>55,034</b>	<b>64,874</b>	<b>73,376</b>	<b>83,152</b>
% of Net Sales	17.8	16.5	15.7	14.5	15.5	15.8	16.2
Other Income	6,426	4,065	4,802	7,108	9,408	8,360	9,239
<b>PBT</b>	<b>52,940</b>	<b>58,716</b>	<b>60,487</b>	<b>62,142</b>	<b>74,281</b>	<b>81,736</b>	<b>92,391</b>
Tax	13,439	13,812	14,641	16,122	19,253	20,434	23,098
Rate (%)	25.4	23.5	24.2	25.9	25.9	25.0	25.0
Minority Interest	0	11	25	27	0	0	0
Extraordinary	0	800	0	0	0	0	0
<b>Adjusted PAT</b>	<b>39,501</b>	<b>44,904</b>	<b>45,846</b>	<b>46,020</b>	<b>55,028</b>	<b>61,302</b>	<b>69,293</b>
Change (%)	-11	14	2	0	20	11	13
Balance Sheet							(INR m)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	296	296	296	296	296	296	296
Reserves	1,42,576	1,65,625	1,99,876	2,26,687	2,58,700	2,94,363	3,34,675
<b>Net Worth</b>	<b>1,42,872</b>	<b>1,65,921</b>	<b>2,00,172</b>	<b>2,26,983</b>	<b>2,58,996</b>	<b>2,94,659</b>	<b>3,34,971</b>
Minority Interest	57	71	92	132	132	132	132
Other liabilities	11,972	14,143	17,934	19,526	19,507	19,561	19,618
<b>Capital Employed</b>	<b>1,54,901</b>	<b>1,80,135</b>	<b>2,18,198</b>	<b>2,46,641</b>	<b>2,78,635</b>	<b>3,14,352</b>	<b>3,54,721</b>
<b>Net Block</b>	<b>13,772</b>	<b>17,823</b>	<b>21,224</b>	<b>25,406</b>	<b>22,741</b>	<b>20,523</b>	<b>16,717</b>
Intangibles	14,861	15,452	15,078	14,212	14,212	14,212	14,212
Other LT Assets	27,805	29,789	50,798	57,303	50,630	53,948	57,513
<b>Curr. Assets</b>	<b>1,49,386</b>	<b>1,71,897</b>	<b>1,88,530</b>	<b>2,09,379</b>	<b>2,44,822</b>	<b>2,84,121</b>	<b>3,29,760</b>
Current Investments	57,882	53,349	77,494	88,999	1,08,999	1,28,999	1,48,999
Debtors	56,271	72,284	70,387	76,882	73,468	81,439	90,000
Cash & Bank Balance	14,462	23,389	18,200	20,623	30,289	38,435	52,095
Other Current Assets	20,771	22,875	22,449	22,875	32,066	35,248	38,666
<b>Current Liab. &amp; Prov</b>	<b>50,923</b>	<b>54,826</b>	<b>57,432</b>	<b>59,659</b>	<b>53,770</b>	<b>58,452</b>	<b>63,481</b>
Trade payables	13,250	12,938	14,939	15,499	10,475	11,611	12,832
Other liabilities	31,381	33,754	34,007	34,469	33,604	37,150	40,958
Provisions	6,292	8,134	8,486	9,691	9,691	9,691	9,691
<b>Net Current Assets</b>	<b>98,463</b>	<b>1,17,071</b>	<b>1,31,098</b>	<b>1,49,720</b>	<b>1,91,052</b>	<b>2,25,668</b>	<b>2,66,279</b>
<b>Application of Funds</b>	<b>1,54,901</b>	<b>1,80,135</b>	<b>2,18,198</b>	<b>2,46,641</b>	<b>2,78,635</b>	<b>3,14,352</b>	<b>3,54,721</b>

## Financials and valuations

### Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>EPS</b>	<b>133.5</b>	<b>151.8</b>	<b>154.8</b>	<b>155.3</b>	<b>185.8</b>	<b>207.1</b>	<b>234.1</b>
Cash EPS	153.7	173.5	182.5	188.8	221.8	241.6	274.0
Book Value	483.0	560.9	676.0	766.2	874.3	995.5	1,131.7
DPS	63.9	60.0	65.0	65.0	77.7	86.6	97.9
Payout (%)	47.9	39.5	42.0	41.8	41.8	41.8	41.8
<b>Valuation (x)</b>							
P/E ratio	42.1	37.0	36.3	36.2	30.3	27.1	24.0
Cash P/E ratio	36.6	32.4	30.8	29.8	25.4	23.3	20.5
EV/EBITDA ratio	30.3	25.6	24.6	24.0	20.2	17.9	15.4
EV/Sales ratio	6.1	4.8	4.4	4.1	3.6	3.2	2.9
Price/Book Value ratio	11.6	10.0	8.3	7.3	6.4	5.6	5.0
Dividend Yield (%)	1.1	1.1	1.2	1.2	1.4	1.5	1.7
<b>Profitability Ratios (%)</b>							
RoE	36.6	26.1	24.4	23.3	22.6	22.1	22.0
RoCE	29.5	24.9	21.2	19.0	18.3	18.6	18.6
<b>Turnover Ratios</b>							
Debtors (Days)	79	80	72	74	64	64	64
Fixed Asset Turnover (x)	19.0	18.6	16.7	15.0	18.4	22.6	30.7

### Cash Flow Statement

(INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	44,695	48,591	50,720	50,261	65,694	71,520	81,099
Cash for Working Capital	-12,188	-17,645	5,975	-4,803	-5,012	-9,735	-10,456
<b>Net Operating CF</b>	<b>32,507</b>	<b>30,946</b>	<b>56,695</b>	<b>45,458</b>	<b>60,681</b>	<b>61,785</b>	<b>70,642</b>
Net Purchase of FA	-10,529	-9,346	-8,330	-9,336	-8,000	-8,000	-8,000
<b>Free Cash Flow</b>	<b>21,978</b>	<b>21,600</b>	<b>48,365</b>	<b>36,122</b>	<b>52,681</b>	<b>53,785</b>	<b>62,642</b>
Net Purchase of Invest.	-5,924	6,037	-30,791	-8,046	-20,000	-20,000	-20,000
<b>Net Cash from Invest.</b>	<b>-16,453</b>	<b>-3,309</b>	<b>-39,121</b>	<b>-17,382</b>	<b>-28,000</b>	<b>-28,000</b>	<b>-28,000</b>
Proc. from equity issues	2	12	0	0	0	0	0
Proceeds from LTB/STB	-3,529	-3,702	-4,947	-6,498	0	0	0
Dividend Payments	-13,277	-15,627	-17,753	-19,246	-23,015	-25,639	-28,982
<b>Cash Flow from Fin.</b>	<b>-16,804</b>	<b>-19,317</b>	<b>-22,700</b>	<b>-25,744</b>	<b>-23,015</b>	<b>-25,639</b>	<b>-28,982</b>
Exchange difference	21	607	-63	91	0	0	0
<b>Net Cash Flow</b>	<b>-729</b>	<b>8,927</b>	<b>-5,189</b>	<b>2,423</b>	<b>9,666</b>	<b>8,146</b>	<b>13,661</b>
<b>Opening Cash Bal.</b>	<b>15,191</b>	<b>14,462</b>	<b>23,389</b>	<b>18,200</b>	<b>20,623</b>	<b>30,289</b>	<b>38,435</b>
Add: Net Cash	-729	8,927	-5,189	2,423	9,666	8,146	13,661
<b>Closing Cash Bal.</b>	<b>14,462</b>	<b>23,389</b>	<b>18,200</b>	<b>20,623</b>	<b>30,289</b>	<b>38,435</b>	<b>52,095</b>

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