

Hexaware Technologies

Estimate change

TP change

Rating change



Bloomberg	HEXT IN
Equity Shares (m)	609
M.Cap.(INRb)/(USDb)	392 / 4.3
52-Week Range (INR)	900 / 590
1, 6, 12 Rel. Per (%)	-11/-16/-
12M Avg Val (INR m)	807
Free float (%)	25.7

Financials & Valuations (INR b)

Y/E Mar	CY25	CY26E	CY27E
Sales	134.3	148.4	170.6
Adj. EBIT Margin (%)	14.0	13.0	13.1
Adj. PAT	14.3	15.1	17.5
Adj. EPS (INR)	23.1	24.4	28.3
EPS Gr. (%)	19.6	5.6	16.1
BV/Sh. (INR)	103.7	116.1	130.4

Ratios

RoE (%)	23.5	22.5	23.3
RoCE (%)	19.6	17.4	19.3
Payout (%)	49.0	50.0	50.0

Valuations

P/E (x)	27.8	26.3	22.7
P/BV (x)	6.2	5.5	4.9
EV/EBITDA (x)	16.4	15.3	13.4
Div Yield (%)	1.8	1.9	2.2

Shareholding pattern (%)

As On	Dec-25	Sep-25
Promoter	74.3	74.6
DII	11.3	11.1
FII	8.4	8.3
Others	6.0	6.0

FII Includes depository receipts

CMP: INR642

TP: INR770 (+20%)

Buy

A weak quarter

Margin reset amid ramp-up investments; recovery 2H-weighted

- Hexaware Technologies (HEXT) reported revenue of USD389m in 4QCY25, down 1.4% QoQ in CC terms vs. our estimate of 2.6% QoQ CC. In CY25, revenue grew 7.6%/7.1% YoY in USD/CC. Healthcare and Insurance declined 9% QoQ, whereas Banking/Travel grew 11.1%/5.1% QoQ. The Adj. EBIT margin stood at 12.3%, below our estimate of 14.3%. Adj. PAT declined 6.7% QoQ/rose 7.0% YoY to INR3.4b (our est. of INR3.7b).
- HEXT expects CY26 revenue growth to be better than CY25 USD growth of 7.6%. The company guided for 13-14% EBIT margin guidance in CY26.
- For the full year (CY25), revenue/EBIT/PAT increased 12.2%/21.5%/16.6% YoY (in INR terms). In 1QFY26, we expect revenue/PAT to grow 8.6%/flat YoY, while EBIT is expected to decline 7.2% YoY.
- We expect near-term growth softness driven by delayed deal closures, seasonal weakness, and margin reset amid ramp-up investments, with recovery likely 2H-weighted. Visibility into CY26 should improve as client budgets are finalized over Mar-Apr. We reiterate our BUY rating with a TP of INR770 (based on 27x CY27E EPS), implying ~20% potential upside.

Our view: Continued pressure in the near term

- **Near-term growth visibility remains soft; margin outlook reset lower:** HEXT reported a decline of 1.4% QoQ CC due to furloughs, lower license revenue, fewer billing days, and FX headwinds. While management commentary suggests an improvement in client decision-making, visibility remains limited with uneven demand environment. The company indicated seasonally weak trends ahead, and we expect 1QCY26 to remain soft, modeling ~1.1% QoQ organic decline. We expect visibility to improve into CY26 as client budgets close out over Mar-Apr.
- While management guides for higher growth in CY26 vs CY25 (7.6% USD YoY), we currently estimate broadly similar growth (~7.3% YoY USD), with organic YoY CC growth of 4.8% in CY26.
- **Deal wins progressing, but key consolidation deal slip a negative:** Most expected deal closures were achieved in 4Q except one large consolidation deal with a top client, which has been under pursuit for some time and was earlier expected to close in 4QCY25. The delay is a key near-term negative for growth visibility. That said, the company secured another large consolidation deal in software engineering, and the pipeline crossed USD4b, indicating steady underlying demand despite stretched conversion timelines.
- **AI push continues through proprietary IPs:** HEXT continues to push AI-led offerings through platforms such as Tenzai and RapidX, alongside new service launches and workforce reskilling. Management expects AI to create new revenue streams over time; however, renewal work could see a 30–40% impact if the scope remains unchanged, particularly across software engineering, testing, and IT operations.

- In our view, accelerated AI-led productivity gains impacting ADM, testing, and potentially ERP implementation raise the risk of near-term revenue deflation. Similar to the early cloud cycle, legacy work may compress before new AI-led opportunities scale, making the timing gap between deflation and revenue acceleration the key monitorable.
- **Margin guidance reset lower amid ramp-up investments:** Adj. EBIT margin contracted to 12.3% in 4Q, with pressures from utilization, wage hikes, and calendar-related impacts. The company guided for CY26 EBIT margins (incl. other income) of 13–14%, which implies a lower baseline vs CY25 adj. EBIT levels (excl. other income) of 14%. Management expects margin pressure in 1H due to large deal ramp-ups and rebadging, with recovery skewed toward 2H. We model EBIT margins of ~13.4% (incl. other income) in CY26.

Valuation and view

- Near-term growth visibility remains soft amid delayed deal closures, seasonal weakness, and an uneven demand environment. However, pipeline momentum and consolidation wins support medium-term positioning.
- Margin guidance has also been reset lower, reflecting ramp-up investments and utilization pressures, with recovery expected to be 2H-weighted. We trim our growth expectations by ~13% and factor in slower conversion timelines, modeling broadly stable CY26 growth vs CY25. However, a strong pipeline and AI-led capabilities should support a gradual recovery beyond near-term softness. **We reiterate our BUY rating with a TP of INR770 (based on 27x CY27E EPS), implying ~20% upside.**

Beat on revenue and miss on margins; HEXT guides for higher growth in CY26, with 13–14% EBIT margins

- HEXT's USD revenue came in at USD389m, down 1.4% QoQ in CC terms vs. our estimates of a decline of 2.6% QoQ CC. In CY25, revenue grew 7.6%/7.1% in YoY USD/CC.
- HEXT expects CY26 revenue growth to be better than CY25 USD growth of 7.6%.
- In terms of geographies, Americas was down 3.3% QoQ, and Europe grew 1.1% QoQ in USD terms.
- Healthcare and Insurance declined 9% QoQ, whereas Hi-tech and Professionals services declined 4.5% QoQ. Financial services were flat QoQ and Banking/Travel grew 11.1%/5.1% QoQ.
- Adj. EBIT margin stood at 12.3%, below our estimate of 14.3%. For CY25, Adj. EBIT margin stood at 14.0%. The company guided for 13-14% EBIT margin guidance in CY26.
- Adj. PAT was down 6.7% QoQ/up 7.0% YoY to INR3.4b (our est. of INR3.7b). This excludes the one-time impact of labor codes amounting to INR1,111m.
- The headcount rose to 33,844 (up 0.7% QoQ) in 4QCY25. Attrition (LTM) decreased 40bp QoQ to 11.0%. Utilization was down 200bp QoQ to 80.8%.

Key highlights from the management commentary

- The demand environment is improving, with better decision-making by clients.
- AI will create several new growth avenues but will also act as a dampener in certain existing areas, such as software engineering, testing, and IT operations. Renewal business could see a 30–40% impact if the scope remains unchanged. The company continues to launch at least one major new service every quarter, and growth from these new services is expected to drive net positive growth over time.

- Legacy modernization is a key growth accelerator, with 2–3 projects expected to be completed in CY26. Management believes the largest opportunity still lies ahead.
- The GSE has not yet finalized the design of the consolidation deal.
- The deal pipeline crossed USD4b for the first time.
- CY26 growth could improve based on deal ramp-ups (including consolidation deals with a bank and a tech company), execution of deals won in 2HCY25, and new wins in CY26.
- 1Q is seasonally weak, and the company is currently experiencing an unusually weak patch due to multiple unrelated one-offs.
- CY26 EBIT margin guidance is 13.0–14.0%, lower than CY25. 1H will see pressure due to large deal ramp-ups, while calendar effects are expected to recover sharply in 2H. The 2H exit margin is expected to be better than 2HCY25, while the full-year margin remains within the guided band.

Quarterly Performance

Y/E March	CY24				CY25E				CY24	CY25	(INR M)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			Est. 4QCY25	Var. (% / bp)
Revenue (USD m)	331	352	374	372	372	382	395	389	1,429	1,537	386	0.9
QoQ (%)	5.3	6.4	6.4	-0.5	-0.2	2.9	3.3	-1.4			-2.3	84bp
Revenue (INR m)	27,488	29,355	31,357	31,544	32,079	32,607	34,836	34,782	1,19,744	1,34,304	34,604	0.5
YoY (%)	9.6	12.7	18.3	20.6	16.7	11.1	11.1	10.3		12.2	9.7	57bp
GPM (%)	41.4	41.2	42.3	42.3	41.9	42.5	43.1	41.3	41.8	42.2	42.5	-116bp
Other (%)	26.2	26.6	26.6	26.8	25.5	25.1	25.8	25.5	26.6	25.5	25.8	-27bp
EBITDA	4,176	4,311	4,911	4,904	5,278	5,676	6,013	5,498	18,302	22,465	5,779	-4.9
EBITDA Margin (%)	15.2	14.7	15.7	15.5	16.5	17.4	17.3	15.8	15.3	16.7	16.7	-89bp
EBIT	3,576	3,624	4,173	4,141	4,543	4,924	5,124	4,261	15,514	18,852	4,948	-13.9
EBIT Margin (%)	13.0	12.3	13.3	13.1	14.2	15.1	14.7	12.3	13.0	14.0	14.3	-205bp
Other income	2	172	-114	29	-180	-196	-157	-409	89	-942	-69	491.0
PBT	3,578	3,796	4,059	4,170	4,363	4,728	4,967	3,852	15,603	17,910	4,879	
ETR (%)	22.0	27.7	26.2	23.1	25.0	18.9	25.5	10.4	24.8	20.4	24.8	-1440bp
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	
Reported PAT	2,790	2,746	2,997	3,207	3,271	3,798	3,699	2,916	11,740	13,684	3,669	-20.5
QoQ (%)	45.8	-1.6	9.1	7.0	2.0	16.1	-2.6	-21.2			-0.8	
YoY (%)	NA	NA	NA	67.6	17.2	38.3	23.4	-9.1	17.7	21.4	14.4	
Extra-ordinary items	0	0	0	0	0	36	0	535	0	571	0	
Adj. PAT	2,790	2,746	2,997	3,207	3,271	3,834	3,699	3,451	11,740	14,256	3,669	
Adj. EPS (INR)	4.6	4.5	5.0	5.2	5.3	6.2	6.0	5.6	19.3	23.1	5.9	-5.9

Exhibit 1: Healthcare and Hi-tech declined sequentially in 4Q

Verticals(QoQ, %)	1QCY24	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25
Financial Services	8.6	5.2	5.3	3.9	4.6	1.2	2.0	0.1
Healthcare and Insurance	3.1	6.3	8.5	-2.3	-1.5	2.2	11.3	-9.0
Manufacturing and Consumer	4.0	7.2	-4.4	-6.9	0.2	-0.7	16.5	-0.7
Hi-Tech and Professional Services	7.9	9.2	15.9	1.3	-5.4	2.7	-8.7	-4.5
Banking	3.7	4.2	1.4	5.0	-11.4	13.5	4.1	11.1
Travel and Transportation	-0.9	6.3	14.2	-7.5	9.2	7.1	-9.9	5.2

Source: Company, MOFSL

Exhibit 2: America declined due to lower calendar but volumes remain high

Geography(QoQ, %)	1QCY24	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25
America	5.4	9.1	5.5	2.3	0.5	1.7	3.7	-3.3
Europe	4.8	-4.2	11.5	-8.1	-2.2	8.0	2.2	1.1
APAC	5.1	11.4	1.6	-9.0	-2.9	2.1	1.4	15.1

Source: Company, MOFSL



Highlights from the management commentary

Performance and demand outlook:

- The demand environment is improving, with better decision-making by clients.
- AI will create several new growth avenues but will also act as a dampener in certain existing areas such as software engineering, testing, and IT operations. Renewal business could see a 30–40% impact if scope remains unchanged.
- The company continues to launch at least one major new service every quarter, and growth from these new services is expected to drive net positive growth over time.
- Four key AI-led initiatives are positively impacting customers: 1) Building AI into platforms (Tenzai, RapidX); 2) Creating and launching new AI-enabled services and revenue streams; 3) Workforce training; and 4) Redesigning processes for AI adoption (e.g., reworking the SDLC).
- HEXT is approaching clients with a proposition to define guardrails and allow AI to execute work, particularly in IT operations and data engineering.
- **AI for IT:** RapidX was launched as the first product for legacy reverse engineering, a critical first step in coding. AI for outsourcing is enabled through the Tenzai platform, which has ~400 atomic agents.
- Software products are increasingly being replaced by agentic AI.
- AI for business: Across the industries where HEXT operates, the AI impact is categorized across levels 1 to 5, depending on process complexity.
- Legacy modernization is a key growth accelerator, with 2–3 projects expected to be completed in CY26. Management believes the largest opportunity still lies ahead.
- HEXT's revenue came in at USD389m, down 1.4% QoQ in constant currency terms. For CY25, revenue grew 7.6% YoY in USD terms and 7.1% in constant currency.
- Revenues were slightly lower than expected due to: 1) A GSE-related cut with a ~70 bp annualized impact, which will also affect 1Q, 2) Furloughs at one client, which is atypical, and 3) Lower pass-through revenues.
- License revenues relate to third-party licenses.
- 1Q will continue to face headwinds from calendar-related issues and furloughs.
- License revenues were lower than historical levels, while volume growth resulted in headcount additions that impacted utilization.
- CY26 growth could improve based on deal ramp-ups (including consolidation deals with a bank and a tech company), execution of deals won in 2HCY25, and new wins in CY26.
- Banking and Healthcare & Insurance are expected to lead growth in CY26 (above company average), followed by Financial Services and GTT (around company average).
- Manufacturing & Consumer is expected to resume growth. Both M&C and HTPS (to be split into PS and TPP in CY26) are expected to grow, though they may trail company growth.
- 1Q is seasonally weak, and the company is currently experiencing an unusually weak patch due to multiple unrelated one-offs.
- Growth is expected to accelerate sequentially after 1Q, with higher ask rates in 2Q and 3Q.
- Progress on deal wins remains strong, with all expected deals in 4QCY25 closed except for one major consolidation deal with a GSE, which remains a work-in-progress. Wins include another major consolidation deal in software engineering.

- The GSE has not yet finalized the design of the consolidation deal.
- The deal pipeline crossed USD4b for the first time. The company won a large consolidation deal with a big tech client, which provides access to a significant pool of spend.
- ACV performance in CY25 was better than CY24.

Margin performance and outlook

- Adjusted EBIT margin stood at 12.3% in Q4. For CY25, adjusted EBIT margin was 14.0%.
- Normalized EBITDA margins were at 15%, reflecting a sequential decline of 250bp. The key contributors were FX headwinds (20 bps), calendar/furloughs (60 bps), utilization (80 bps), and wage hikes (80 bps).
- Earnout reversals were one-off in nature following impairment testing as part of the annual exercise; one-offs reversals will occur in the future.
- Additional expected credit loss provisions were taken due to observed credit risks over recent years. If collections improve, these provisions could reverse.
- One-time reversals had a 160bps impact on EBITDA.
- Accelerated amortization of leases in Europe resulted in a 64bps impact at the EBIT level.
- Ongoing labor code impact is estimated at ~20bps for CY26.
- CY26 EBIT margin guidance is 13.0–14.0%, lower than CY25. 1H will see pressure due to large deal ramp-ups, while calendar effects are expected to recover sharply in 2H. The 2H exit margin is expected to be better than 2HCY25, while the full-year margin remains within the guided band.
- 1QCY26 EBIT is expected to be lower than 4QCY25 due to higher seasonality and calendar impact.
- 2HCY26 EBIT is expected to be better than 1H, with 1H weakness driven by large ramp-ups, including rebadging deals.
- Offshore mix dipped in 4Q due to deal constructs, with SMC contributing ~100 bps to the offshore mix.
- ETR for CY26 is expected to be 25–26%.

Valuation and view

- Near-term growth visibility remains soft amid delayed deal closures, seasonal weakness, and an uneven demand environment. However, pipeline momentum and consolidation wins support medium-term positioning.
- Margin guidance has also been reset lower, reflecting ramp-up investments and utilization pressures, with recovery expected to be 2H-weighted. We trim our growth expectations by ~13% and factor in slower conversion timelines, modeling broadly stable CY26 growth vs CY25. However, strong pipeline and AI-led capabilities should support gradual recovery beyond near-term softness. **We reiterate our BUY rating with a TP of INR770 (based on 27x CY27E EPS), implying ~20% upside.**

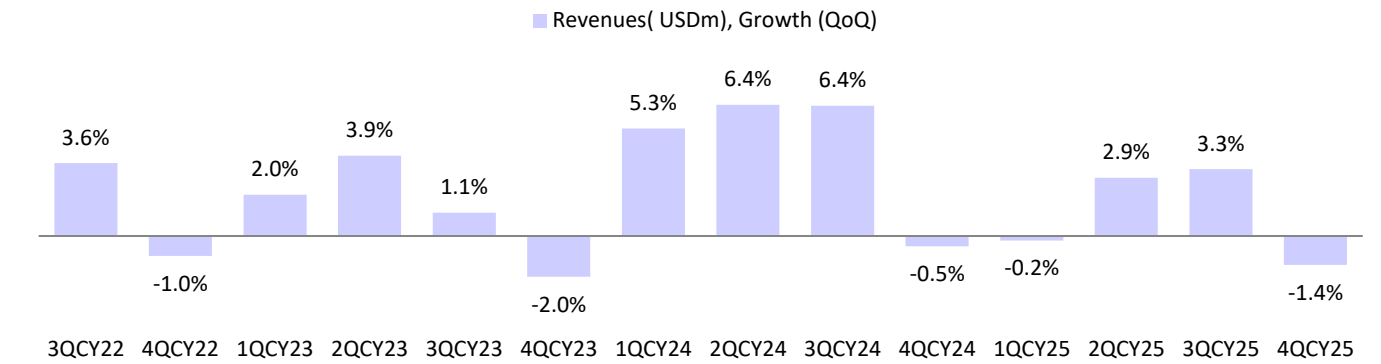
Exhibit 3: Revisions to our estimates

	Revised		Earlier		Change	
	CY26E	CY27E	CY26E	CY27E	CY26E	CY27E
INR/USD	90.0	92.0	90.0	92.0	0.0%	0.0%
USD Revenue (m)	1,649	1,854	1,697	1,942	-2.9%	-4.6%
Growth (%)	7.3	12.4	10.7	14.4	-340bps	-200bps
Adj. EBIT margin (%)	13.0	13.1	14.8	15.2	-180bps	-210bps
Adj. PAT (INR b)	15,054	17,479	17,303	21,033	-13.0%	-16.9%
Adj. EPS	24.4	28.3	28.0	34.1	-13.0%	-16.9%

Source: MOFSL

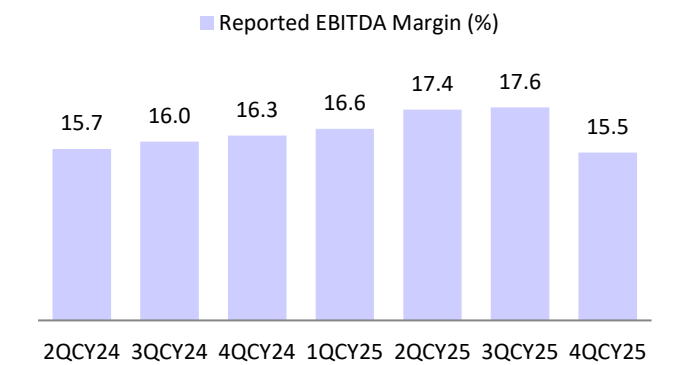
Story in charts

Exhibit 4: USD revenue declined 1.4% QoQ CC due to furloughs and lower license revenues



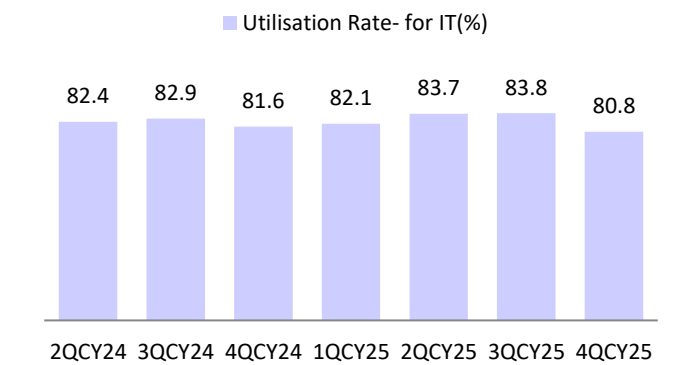
Source: Company, MOFSL

Exhibit 5: EBIDA declined 210bp sequentially



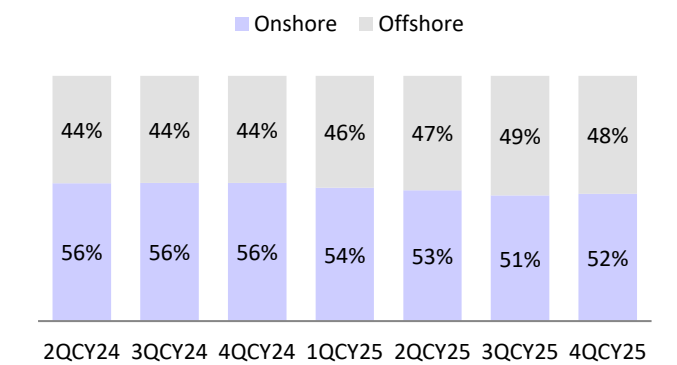
Source: Company, MOFSL

Exhibit 6: Utilization dipped 300bp sequentially



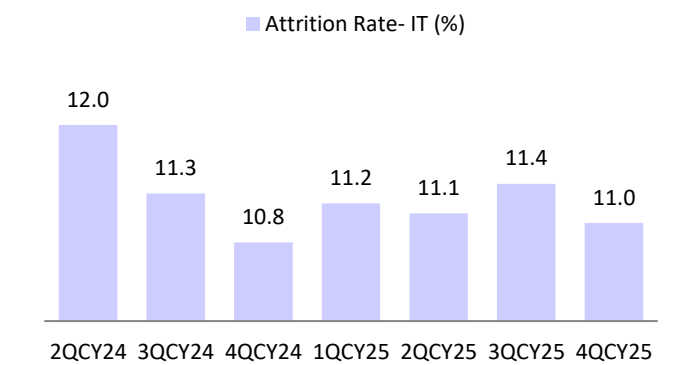
Source: Company, MOFSL

Exhibit 7: Offshore mix remained stable



Source: Company, MOFSL

Exhibit 8: Attrition declined 40bp QoQ



Source: Company, MOFSL

Operating metrics

Exhibit 9: Operating metrics

	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25
Revenue by Verticals (%)							
Financial Services	28.2%	27.9%	29.1%	30.5%	30.0%	29.6%	30.1%
Healthcare and Insurance	21.0%	21.5%	21.1%	20.8%	20.7%	22.3%	20.6%
Manufacturing and Consumer	17.6%	15.9%	14.8%	14.9%	14.4%	16.2%	16.3%
Hi-Tech and Professional Services	16.5%	18.0%	18.3%	17.3%	17.3%	15.3%	14.8%
Banking	8.7%	8.3%	8.8%	7.8%	8.6%	8.7%	9.8%
Travel and Transportation	7.9%	8.5%	7.9%	8.6%	9.0%	7.8%	8.4%
Revenue - Geography (%)							
America	74.2%	73.6%	75.6%	76.1%	75.3%	75.6%	74.2%
Europe	19.2%	20.1%	18.6%	18.2%	19.1%	19.0%	19.4%
APAC	6.6%	6.3%	5.8%	5.6%	5.6%	5.5%	6.4%
Revenue Mix- IT, BPS, and Others							
IT Services	84.2%	84.9%	84.3%	84.8%	85.8%	83.8%	85.5%
BPS	12.7%	12.2%	12.9%	12.4%	12.2%	11.7%	11.8%
Others	3.2%	2.9%	2.8%	2.8%	2.0%	4.6%	2.8%
Client Profile							
>1m	177	186	186	195	197	199	192
>5m	56	59	61	66	66	65	59
>10m	30	31	31	30	31	30	32
>20m	14	15	15	15	15	15	16
>50m	3	3	3	3	4	4	4
>75m	3	3	3	3	3	3	3
Total Headcount	31,870	32,536	32,309	31,564	32,410	33,590	33,844
Utilisation Rate- for IT	82.4%	82.9%	81.6%	82.1%	83.7%	83.8%	80.8%
Attrition Rate- IT	12.0%	11.3%	10.8%	11.2%	11.1%	11.4%	11.0%
DSO(Billed)	42	40	38	39	40	37	38

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement

	(INR m)					
Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
Total Income from Operations	91,996	1,03,803	1,19,744	1,34,304	1,48,396	1,70,562
Change (%)	28.2	12.8	15.4	12.2	10.5	14.9
Employees Cost	55,582	61,282	69,649	77,610	86,303	99,202
Total Expenditure	55,582	61,282	69,649	77,610	86,303	99,202
% of Sales	60.4	59.0	58.2	57.8	58.2	58.2
Gross Profit	36,414	42,521	50,095	56,694	62,092	71,360
SG&A	24,197	26,710	31,793	34,229	38,341	44,687
EBITDA	12,217	15,811	18,302	22,465	23,752	26,673
% of Sales	13.3	15.2	15.3	16.7	16.0	15.6
Depreciation	2,444	2,836	2,788	3,613	4,452	4,264
EBIT	9,773	12,975	15,514	18,852	19,300	22,409
% of Sales	10.6	12.5	13.0	14.0	13.0	13.1
Other Income	1,457	-290	89	-942	0	0
PBT	11,230	12,685	15,603	17,910	19,300	22,409
Total Tax	2,388	2,709	3,863	3,654	4,246	4,930
Tax Rate (%)	21.3	21.4	24.8	20.4	22.0	22.0
Reported PAT	8,842	9,976	11,740	13,684	15,054	17,479
Change (%)	18.1	12.8	17.7	16.6	10.0	16.1
Margin (%)	9.6	9.6	9.8	10.2	10.1	10.2
Minority Interest	0	0	0	0	0	0
Adjusted PAT	8,842	9,976	11,740	14,256	15,054	17,479
Tax Rate (%)	18.1	12.8	17.7	21.4	5.6	16.1

Consolidated - Balance Sheet

	(INR m)					
Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
Equity Share Capital	604	607	608	609	609	609
Total Reserves	40,626	45,745	52,961	62,549	70,076	78,815
Net Worth	41,230	46,352	53,569	63,158	70,685	79,424
Minority Interest	0	0	-23	-32	-32	-32
Borrowings	0	0	0	0	0	0
Other Long term liabilities	4,363	4,111	7,678	10,817	11,155	11,687
Capital Employed	45,593	50,463	61,224	73,943	81,808	91,079
Net Fixed Assets	9,863	9,018	10,358	12,905	14,685	17,583
Goodwill	14,205	14,290	23,871	35,768	35,768	35,768
Capital WIP	63	552	1,308	505	505	505
Other Assets	6,490	6,144	8,897	9,391	9,483	9,628
Curr. Assets, Loans&Adv.	34,519	42,017	45,511	50,477	56,826	64,446
Account Receivables	18,818	18,458	19,755	20,556	21,548	23,365
Cash and Bank Balance	12,916	17,734	19,766	19,708	25,065	30,868
Current Investments	291	2,724	711	2,395	2,395	2,395
Other Current Assets	2,494	3,101	5,279	7,818	7,818	7,818
Curr. Liability & Prov.	19,547	21,558	28,721	35,103	35,459	36,852
Account Payables	5,357	6,595	9,140	10,069	10,680	12,277
Other Current Liabilities	12,369	12,676	17,165	22,401	22,146	21,942
Provisions	1,821	2,287	2,416	2,633	2,633	2,633
Net Current Assets	14,972	20,459	16,790	15,374	21,367	27,594
Appl. of Funds	45,593	50,463	61,224	73,943	81,808	91,079

Financials and valuations

Ratios

Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
Basic EPS (INR)	14.5	16.4	19.3	23.1	24.4	28.3
Cash EPS	18.5	21.1	23.9	28.9	31.6	35.2
BV/Share	68.3	76.4	88.1	103.7	116.1	130.4
DPS	11.0	8.8	8.7	11.3	12.2	14.2
Payout (%)	75.7	53.3	45.3	49.0	50.0	50.0
Valuation (x)						
P/E	44.2	39.1	33.3	27.8	26.3	22.7
Cash P/E	34.6	30.4	26.9	22.2	20.3	18.2
P/BV	9.4	8.4	7.3	6.2	5.5	4.9
EV/Sales	4.1	3.5	3.1	2.7	2.4	2.1
EV/EBITDA	30.6	23.0	20.1	16.4	15.3	13.4
Dividend Yield (%)	1.7	1.4	1.4	1.8	1.9	2.2
Return Ratios (%)						
RoE	22.4	22.8	23.5	23.5	22.5	23.3
RoCE	16.6	20.4	19.9	19.6	17.4	19.3

Consolidated - Cash Flow Statement

(INR m)

Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
OP/(Loss) before Tax	11,230	12,685	15,603	17,268	19,300	22,409
Depreciation	2,444	2,836	2,788	3,613	4,452	4,264
Interest & Finance Charges	322	315	284	485	0	0
Direct Taxes Paid	-2,435	-2,579	-3,122	-3,681	-4,246	-4,930
(Inc)/Dec in WC	-3,824	1,223	-628	104	-381	-221
Others	469	676	555	-398	0	0
CF from Operations	8,206	15,156	15,480	17,391	19,125	21,522
(Inc)/Dec in FA	-1,190	-634	-1,312	-1,635	-6,232	-7,163
Free Cash Flow	7,016	14,522	14,168	15,756	12,893	14,360
(Pur)/Sale of Investments	9,054	3,778	19,696	12,725	0	0
Others	-8,015	-6,140	-25,074	-21,052	-92	-145
CF from Investments	-151	-2,996	-6,690	-9,962	-6,324	-7,308
Issue of Shares	1	3	1	599	0	0
Inc/(Dec) in Debt	-59	-1,870	-1,370	-1,668	83	328
Interest Paid	-56	-136	-136	-244	0	0
Dividend Paid	-6,637	-5,308	-5,314	-6,995	-7,527	-8,739
Others	-460	-190	0	0	0	0
CF from Fin. Activity	-7,211	-7,501	-6,819	-8,308	-7,444	-8,412
Inc/Dec of Cash	844	4,659	1,971	-879	5,357	5,803
Forex Adjustment	285	159	61	821	0	0
Opening Balance	11,787	12,916	17,734	19,766	19,708	25,065
Closing Balance	12,916	17,734	19,766	19,708	25,065	30,868

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NOTES

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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