13 October 2026
2QFY27 Results Update | Sector: Technology

Tata Elxsi

Estimate change	↓
TP change	↑
Rating change	↔

Bloomberg	TELX IN
Equity Shares (m)	62
M.Cap.(INRb)/(USDb)	213.5 / 2.2
52-Week Range (INR)	5950 / 2996
1, 6, 12 Rel. Per (%)	4/-18/-26
12M Avg Val (INR M)	1532
Free float (%)	56.1

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	37.6	42.5	46.2
EBIT Margin (%)	20.0	21.1	22.5
PAT	6.3	8.0	9.2
EPS (INR)	100.9	127.9	148.3
EPS Gr. (%)	(19.9)	26.8	15.9
BV/Sh. (INR)	488.3	541.2	614.5
Ratios			
RoE (%)	21.3	24.9	25.7
RoCE (%)	15.5	16.8	17.8
Payout (%)	74.3	58.6	50.6
Valuations			
P/E (x)	34.0	26.8	23.1
P/BV (x)	7.0	6.3	5.6
EV/EBITDA (x)	23.3	19.8	17.0
Div Yield (%)	2.2	2.2	2.2

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	43.9	43.9	43.9
DII	11.0	11.4	9.8
FII	9.9	11.1	12.7
Others	35.2	33.6	33.6

FII Includes depository receipts

CMP: INR3,427 **TP: INR2,970 (-13%)** **Sell**

Margins to recover gradually

Growth momentum improves, but Europe remains a key constraint

- Tata Elxsi (TELX) reported revenue of USD110m in 2QFY27, up 2.3% QoQ in CC terms, above our estimate of 1.7% QoQ CC. Growth was led by HLS /Media and Communication/Transportation, up 3.5%/3.4%/2.0% QoQ CC, whereas Others declined 10.2% QoQ CC. EBIT margin was 19.7% (up 70bp QoQ), above our estimate of 19.2%. Adj. PAT declined 0.2% QoQ and rose 10% YoY to INR1,703m (below our est. of INR1,862m).
- For 1HFY27, revenue/EBIT/adj. PAT grew 14.7%/20.8%/13.9% YoY in INR terms. We expect revenue/EBIT/adj. PAT to grow 11.6%/17.8%/14.2% YoY in 2HFY27. We value TELX at 20x FY28E EPS, resulting in a revised TP of INR2,970. We reiterate our Sell rating.

Our view: 2H revenue growth to be better than 1H

- Revenue grew 2.3% QoQ CC in 2QFY27, with growth across **all three major verticals (~98% of revenue).** The **2HFY27 growth outlook** is expected to be better than 1HFY27 on a YoY basis. However, a sustained acceleration will **depend on the conversion of deal wins** into revenue, as new engagements typically take 2-3 quarters to ramp up. Accordingly, a larger contribution from recently closed deals is expected to be **reflected in FY28, where we build in 8.2% YoY CC growth.**
- **European automotive demand is likely to remain a key growth constraint:** Demand across Europe remains subdued, with automotive engineering spending and **deal closures affected by cautious customer** spending and delayed decision-making. The **US and India are expected to remain relatively supportive**, while growth across other verticals and geographies should partly offset continued weakness in Europe.
- EBITDA margin expanded by **70bp QoQ to 21.9% in 2QFY27**. However, the benefit from cross-currency movements was estimated at 60-70bp, suggesting **limited underlying sequential expansion**. Company-wide wage hikes in 2Q were **largely mitigated by reversal in one-offs**, while continued investments in capabilities and delivery are expected to **constrain near-term margin improvement**. We build in a gradual improvement in margin and expect **23.3%/24.7% EBITDA margin** in FY27/FY28.
- **Deal pipeline provides visibility, but conversion and ramp-up remain key monitorable:** Multi-year engagements and a pipeline of opportunities across existing and emerging verticals provide revenue visibility. Aerospace and defense opportunities are progressing, although their near-term revenue contribution is likely to remain modest.
- **Demand remains selective, with growth dependent on execution across verticals rather than a broad-based spending recovery:** Healthcare is expected to improve in 2HFY27, while Media & Communications continues to benefit from project ramp-ups. We expect growth to remain uneven across verticals, with the strength of project ramp-ups and a **recovery in Transportation** determining the extent of any acceleration.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuations and changes to our estimates

- We lowered our FY27/FY28 EPS estimates by ~3%/~1%, reflecting a gradual margin recovery amid continued investments and an uneven demand environment, particularly continued softness in European automotive. We believe meaningful margin expansion is likely to depend on revenue growth, utilization gains and employee-pyramid correction.
- In addition, revenue conversion remains a key monitorable, as new engagements typically take 2-3 quarters to ramp up, limiting the near-term contribution from recently closed deals. We continue to model USD revenue CAGR of ~6.3% over FY26-28E. We value TELX at 20x FY28E EPS, resulting in a revised TP of INR2,970, and reiterate our Sell rating.

Beat on revenue and margins; broad-based growth across all verticals

- USD revenue came in at USD110m, up 2.3% QoQ in CC terms, above our estimate of 1.7% QoQ CC growth.
- Growth was led by HLS/media and communication/Transportation, up 3.5%/3.4%/2.0% QoQ CC, whereas Others declined 10.2% QoQ CC.
- In terms of geographies, America/India grew 7.3%/3.7% QoQ in USD terms, while Europe was down 1.2%.
- EBIT margin was 19.7% (up 70bp QoQ), above our estimate of 19.2%.
- Adj. PAT was down 0.2% QoQ and up 10% YoY at INR1,703m (below our est. of INR1,862m).
- The net headcount decreased by 187 employees to 11,149 (down 1.6% QoQ) in 2QFY27. Attrition (LTM) decreased by 10bp QoQ to 15.9%.

Key highlights from the management commentary

- Global environment remains uncertain, but client priorities around innovation, digital engineering, AI and product modernization offer steady opportunities.
- European OEM issues are systemic (cost base, electrification), so Chinese vehicle import curbs are unlikely to change near-term spending.
- Demand is broad-based across verticals, with Europe auto being the only soft spot.
- Management expects H2 to be better than H1.
- Enterprise AI budgets continue, but are now more ROI-focused after early overspend, a slight qualitative improvement.
- Multi-year deal from a leading auto OEM for next-gen cloud-based telematics and connected vehicle ecosystem, only just started.

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

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Transportation	6.4	3.1	9.8	4.8	8.4	-3.3	-9.3	5.2	-2.0	5.7	1.1	-3.0	2.5
Media and Communications	-0.4	0.8	-11.7	1.1	-1.9	-0.2	-6.6	-3.7	4.5	-2.0	6.9	0.9	3.1
Healthcare and Life Sciences	3.2	4.4	-10.8	-4.5	-10.5	0.5	2.9	-5.5	-4.1	-5.7	-12.5	-2.3	3.6

Source: Company, MOFSL

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

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Europe	10.2	4.0	-1.4	7.0	3.9	-7.7	-11.3	3.9	-1.7	10.7	4.1	-3.1	-1.2
Americas	1.5	-3.0	-4.6	-4.3	-7.7	-0.5	-6.3	-2.0	5.4	3.1	-8.1	8.6	7.3
India	-6.0	8.7	4.5	4.0	9.7	0.7	9.2	-11.9	-3.7	-10.5	2.3	-3.4	3.7
RoW	-4.7	19.5	9.5	5.5	31.1	9.3	-7.5	15.0	2.3	-11.5	21.4	-13.5	0.3

Source: Company, MOFSL

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var. (% /
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	bp)
Revenue (USD m)	**105**	**105**	**107**	**109**	**108**	**110**	**113**	**115**	**426**	**446**	**109**	**1.3**
QoQ (%)	-0.3	0.4	1.8	1.7	-1.0	2.4	2.0	1.9			1.1	130bp
Revenue (INR m)	**8,921**	**9,181**	**9,535**	**9,938**	**10,211**	**10,557**	**10,768**	**10,972**	**37,575**	**42,508**	**10,423**	**1.3**
YoY (%)	-3.7	-3.9	1.5	9.4	14.5	15.0	12.9	10.4	0.8	13.1	13.5	146bp
GPM (%)	**20.9**	**21.1**	**23.3**	**24.6**	**21.2**	**21.9**	**24.5**	**25.5**	**22.5**	**23.3**	**21.4**	**52bp**
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	**1,867**	**1,933**	**2,222**	**2,446**	**2,160**	**2,314**	**2,638**	**2,798**	**8,469**	**9,910**	**2,230**	**3.7**
EBITDA Margin (%)	**20.9**	**21.1**	**23.3**	**24.6**	**21.2**	**21.9**	**24.5**	**25.5**	**22.5**	**23.3**	**21.4**	**52bp**
EBIT	**1,625**	**1,699**	**1,994**	**2,213**	**1,937**	**2,078**	**2,401**	**2,557**	**7,531**	**8,972**	**2,003**	**3.7**
EBIT Margin (%)	**18.2**	**18.5**	**20.9**	**22.3**	**19.0**	**19.7**	**22.3**	**23.3**	**20.0**	**21.1**	**19.2**	**46bp**
Other income	339	448	425	465	387	313	517	527	1,677	1,744	479	-34.6
ETR (%)	26.5	27.9	26.0	17.7	26.6	28.8	24.0	24.0	24.1	25.6	25.0	377bp
Adj PAT	**1,444**	**1,548**	**1,791**	**2,204**	**1,706**	**1,703**	**2,218**	**2,343**	**6,987**	**7,970**	**1,862**	**-8.5**
Exceptional items	0.0	0.0	702	0.0	0.0	0.0	0	0.0	702	0	0.0	
PAT	**1,444**	**1,548**	**1,089**	**2,204**	**1,706**	**1,703**	**2,218**	**2,343**	**6,285**	**7,970**	**1,862**	**-8.5**
QoQ (%)	-16.3	7.2	-29.7	102.4	-22.6	-0.2	30.2	5.7			9.1	
YoY (%)	-21.6	-32.5	-45.3	27.8	18.2	10.0	103.6	6.3	-11.0	14.1	20.3	
EPS (INR)	23.2	24.9	17.5	35.4	27.4	27.3	35.6	37.6	100.9	127.9	29.9	-8.5

Key Performance Indicators

Y/E March	FY26				FY27		FY26
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue (QoQ CC %)	-3.9	1.0	3.2	0.9	1.3	2.3	
Margins (%)							
Gross Margin	20.9	21.1	23.3	24.6	21.2	21.9	22.5
EBIT Margin	18.2	18.5	20.9	22.3	19.0	19.7	20.0
Net Margin	16.2	16.9	18.8	22.2	16.7	16.1	18.6
Operating metrics							
Headcount	12,127	11,951	11,594	11,590	11,336	11,149	12,127
Attrition (%)	15.0	15.4	15.6	15.8	16.0	15.9	15.0
Key Geographies (YoY %)							
Europe	-11.7	-16.4	0.4	17.8	9.9	10.4	-3.4
USA	-15.7	-3.8	-0.3	-2.2	8.4	10.3	-5.8



Highlights from the management commentary

2QFY27 performance and demand outlook

- Global environment remains uncertain, but client priorities around innovation, digital engineering, AI and product modernization offer steady opportunities.
- European OEM issues are systemic (cost base, electrification), so Chinese vehicle import curbs are unlikely to change near-term spending.
- Demand is broad-based across verticals, with Europe auto being the only soft spot.
- Management expects 2H to be better than 1H.

- Enterprise AI budgets remain intact but are now more RoI-focused after early overspend, a slight qualitative improvement.
- A multi-year deal from a leading auto OEM for next-gen cloud-based telematics and connected vehicle ecosystem only just started.
- Large Europe deals are in play and TELX is shortlisted in many, but OEM decision-making remains slow.
- Closure could come in 3Q or 4Q, though timing is hard to call.
- 3Q is seasonally short, with customer-specific furloughs possible.
- Leakage has improved YoY, as multi-year OEM and media deals protect the base and supplier-side attrition has largely played out.
- Large deals typically take 2-3 quarters to fully ramp up, so growth needs both ramp-ups and new wins to offset project closures.
- Collaboration with Sarla Aviation on Shunya, India's first indigenous eVTOL aircraft.
- Aerospace win from a global supplier for test rig development and commercial aircraft system validation.
- End-to-end engineering win from a global renal care leader for next-gen home dialysis systems.
- **Transportation**: Revenue grew ~2% QoQ in CC, driven mainly by auto OEMs, with aerospace adding on a small base. Growth came mostly from US and India, with Japan and the rest of Asia remaining flat.
- Growth came largely from non-group customers, with revenue share of Tata Motors and JLR undisclosed.
- Aerospace growth is not disclosed given the small base, and new deals need ~2-3 quarters to scale.
- JLR is facing business challenges, including layoffs, with clarity expected in 2H.
- **Healthcare & Life Sciences:** Revenue grew ~3.4% QoQ in CC, led by sustained ramp-ups and AI-led wins. Sizable opportunities in the pipeline support continued growth in 2H.
- **Media & Communication:** Revenue grew ~3.5% QoQ in CC, with growth resuming after bottoming out last quarter. Concentration risk is being addressed through new customers and geographies (e.g., Bayer in Germany, Terumo in Japan). Pipeline visibility is good, with 2H expected to be better than 1H.
- **Americas:** US was a key growth driver, supported by new OEM wins and ramp-ups. Management is confident of sustaining momentum.
- **Europe:** Europe remained soft, with auto OEM weakness continuing in 2Q as well. No ramp-downs in signed deals, but ramp-ups are slow and some projects have been closed. Europe's share is falling as other regions grow, though it remains important.
- AI-led wins supported Media & Communication growth, including a GenAI multilingual virtual assistant engagement with a global technology leader.
- Enterprises still earmark AI budgets for transformation, which dilutes discretionary R&D spend, unchanged from last quarter.
- Clients are turning more ROI-focused after early token overspend, a slight qualitative improvement.
- Management sees ROI ownership with function heads, with supply chain and manufacturing being the largest cost areas for OEM clients.
- Pyramid correction is in focus in 2H, shifting engagements from senior experts to junior staff over time.
- Utilization improved to ~78% QoQ vs. a pre-Covid peak of ~81-82%, leaving some headroom.

- Growth in salary per employee has outpaced growth in revenue per employee, as the wage hike came earlier this year than last year's back-ended cycle.

Margin outlook

- EBITDA rose ~7.1% QoQ and ~19.7% YoY to ~INR2.3b, with margin up ~70bp QoQ to ~21.9%.
- Margin walk (QoQ): ~70bp expansion to ~21.9%, driven by ~60-70bp cross-currency benefit and ~10-20bp from operating leverage and absence of one-offs, which together absorbed the wage hike impact.
- The absence of 1Q one-offs and operating leverage offset the wage hike impact.
- Wage hikes are complete for the year, so no material employee cost movement is expected except selective investments.
- Management expects a gradual, calibrated margin improvement over the next 2-3 quarters, with no target given.
- Levers are operating leverage, higher utilization and pyramid correction.
- New deals are led by innovation and product engineering deals, so margins are likely to be flat rather than back-ended.

Valuation and view

- We lowered our FY27/FY28 EPS estimates by ~3%/~1%, reflecting a gradual margin recovery amid continued investments and an uneven demand environment, particularly continued softness in European automotive. We believe meaningful margin expansion is likely to depend on revenue growth, utilization gains and employee-pyramid correction.
- In addition, revenue conversion remains a key monitorable, as new engagements typically take 2-3 quarters to ramp up, limiting the near-term contribution from recently closed deals. We continue to model USD revenue CAGR of ~6.3% over FY26-28E. We value TELX at 20x FY28E EPS, resulting in a revised TP of INR2,970, and reiterate our Sell rating.

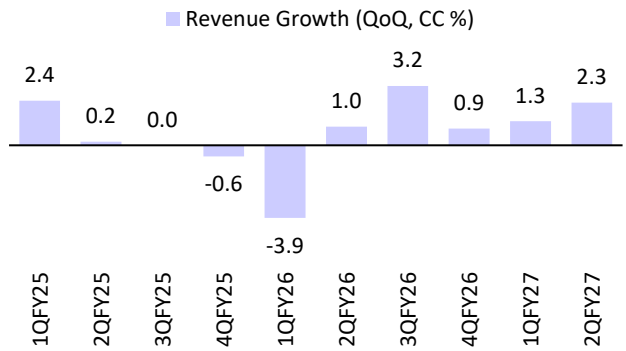
Exhibit 3: Summary of our revised estimates

	Revised		Earlier		Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
INR/USD	95.3	96.0	95.3	96.0	0.0%	0.0%
USD Revenue (m)	446	481	442	476	0.8%	1.1%
Growth (%)	4.6	8.0	3.8	7.7	80bps	30bps
EBIT margin (%)	21.1	22.5	21.5	22.5	-40bps	0bps
Adj. PAT (INR b)	7,970	9,237	8,218	9,337	-3.0%	-1.1%
Adj. EPS	127.9	148.3	131.9	149.9	-3.0%	-1.0%

Source: MOFSL

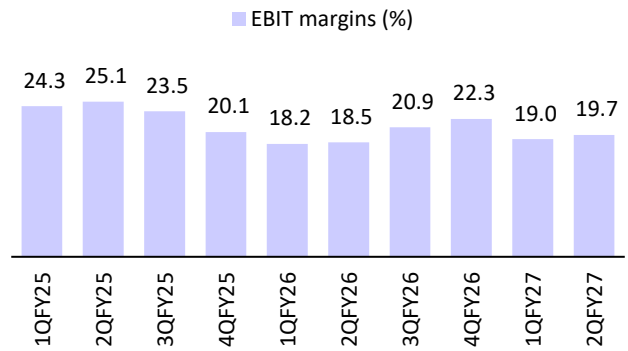
Story in charts

Exhibit 4: Revenue grew 2.3% QoQ CC



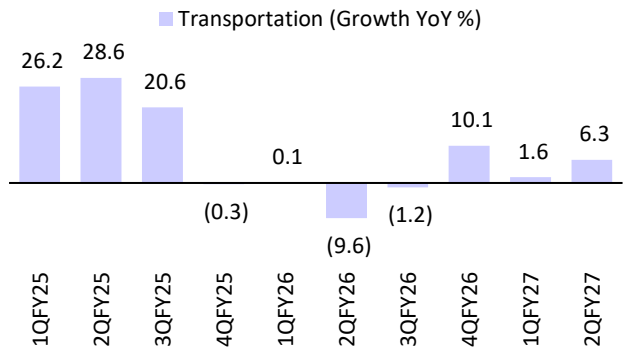
Source: Company, MOFSL

Exhibit 5: EBIT margin expanded 70bp QoQ



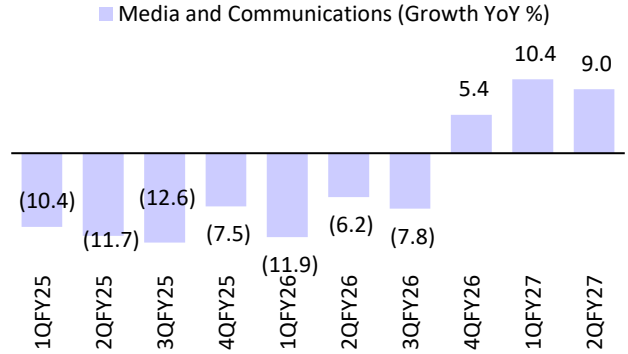
Source: Company, MOFSL

Exhibit 6: Transportation grew 6.3% YoY



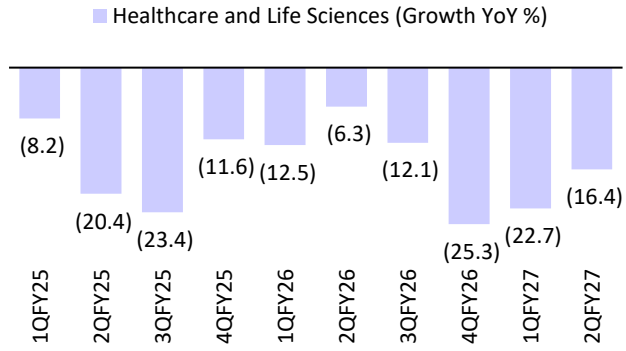
Source: Company, MOFSL

Exhibit 7: Media and Comms grew 9% YoY



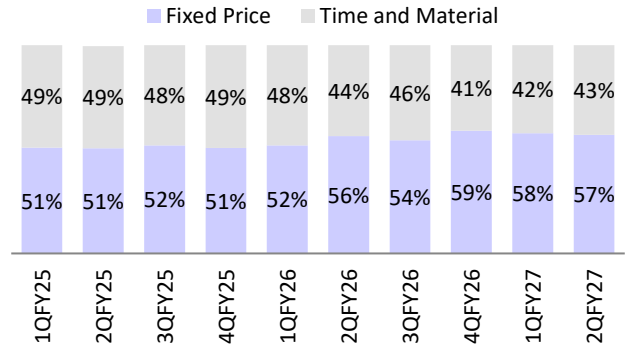
Source: Company, MOFSL

Exhibit 8: HLS declined 16.4% YoY



Source: Company, MOFSL

Exhibit 9: T&M remained stable



Source: Company, MOFSL

Operating metrics

Exhibit 10: Operating metrics

	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Verticals (%)									
Transportation	55.7	55.0	53.4	55.8	54.7	56.6	56.3	55.3	55.3
Media and Communications	31.8	32.4	32.4	31.0	32.4	31.1	32.7	33.4	33.6
Healthcare and Life Sciences	11.5	11.8	13.0	12.2	11.7	10.8	9.3	9.2	9.3
Geographies (%)									
Europe	42.7	40.4	37.9	39.5	38.7	42.1	43.1	42.2	40.7
Americas	30.3	30.9	30.6	30.1	31.6	32.0	28.9	31.7	33.2
India	18.8	19.4	22.4	19.8	19.0	16.7	16.8	16.4	16.6
Row	8.3	9.3	9.1	10.5	10.7	9.3	11.1	9.7	9.5
Segments (%)									
Software Development and Services	97.1	97.5	96.3	97.3	96.9	97.2	97.1	96.9	97.0
System Integration and Support	2.9	2.5	3.7	2.7	3.1	2.8	2.9	3.1	3.0
Project Type (%)									
Fixed Price	50.5	51.9	50.7	51.9	56.3	54.4	58.9	57.8	56.9
Time and Material	49.0	48.1	49.3	48.1	43.7	45.6	41.1	42.2	43.1
Revenue Mix (%)									
Onsite	25.3	25.8	25.9	26.9	26.1	27.0	25.0	25.9	26.0
Offsite	74.7	74.2	74.1	73.1	73.9	73.0	75.0	74.1	74.0
QoQ growth (CC, %)									
Transportation	4.4	0.5	-9.7	0.0	-0.5	7.3	0.2	-0.4	2.0
Media and Communications	-2.6	0.4	-6.3	-5.5	3.7	-1.3	5.6	2.9	3.4
Healthcare and Life Sciences	-11.2	1.1	3.5	-6.7	-4.6	-4.3	-13.1	-0.3	3.5
Client Metrics (%)									
Top 5 Clients	45.1	44.8	46.2	44.7	44.2	49.4	49.6	49.2	48.9
Top 10 Clients	55.6	54.2	55.9	54.6	54.7	59.4	58.8	59.7	59.2
Employee Metrics (%)									
Total Employees	12,793	12,878	12,414	12,127	11,951	11,594	11,590	11,336	11,149
Attrition (%)	12.5	12.4	13.3	15.0	15.4	15.6	15.8	16.0	15.9

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	**24,708**	**31,447**	**35,521**	**37,290**	**37,575**	**42,508**	**46,220**
Change (%)	35.3	27.3	13.0	5.0	0.8	13.1	8.7
Employees Cost	17,050	21,834	25,057	27,561	29,106	32,598	34,818
Total Expenditure	**17,050**	**21,834**	**25,057**	**27,561**	**29,106**	**32,598**	**34,818**
% of Sales	69.0	69.4	70.5	73.9	77.5	76.7	75.3
Gross Profit	**7,658**	**9,613**	**10,464**	**9,730**	**8,469**	**9,910**	**11,402**
SG&A	0	0	0	0	0	0	0
EBITDA	**7,658**	**9,613**	**10,464**	**9,730**	**8,469**	**9,910**	**11,402**
% of Sales	31.0	30.6	29.5	26.1	22.5	23.3	24.7
Depreciation	557	814	994	1,049	938	937	1,017
EBIT	**7,101**	**8,799**	**9,470**	**8,681**	**7,531**	**8,972**	**10,385**
% of Sales	28.7	28.0	26.7	23.3	20.0	21.1	22.5
Other Income	351	576	1,017	1,603	1,677	1,744	1,987
PBT	**7,452**	**9,375**	**10,487**	**10,284**	**9,209**	**10,717**	**12,372**
Total Tax	1,958	1,823	2,564	2,435	2,221	2,747	3,136
Tax Rate (%)	26.3	19.4	24.5	23.7	24.1	25.6	25.3
Adjusted PAT	**5,494**	**7,552**	**7,922**	**7,850**	**6,987**	**7,970**	**9,237**
Change (%)	49.2	37.5	4.9	-0.9	-11.0	14.1	15.9
Margin (%)	22.2	24.0	22.3	21.1	18.6	18.7	20.0
Minority Interest/Exceptional Items	0	0	0	0	702	0	0
Reported PAT	**5,494**	**7,552**	**7,922**	**7,850**	**6,285**	**7,970**	**9,237**

Consolidated - Balance Sheet (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	623	623	623	623	623	623	623
Total Reserves	15,386	20,235	24,434	27,977	29,790	33,088	37,653
Net Worth	**16,009**	**20,858**	**25,057**	**28,600**	**30,413**	**33,711**	**38,276**
Minority Interest	0	0	0	0	0	0	0
Borrowings	1,183	1,537	1,812	1,393	1,037	1,037	1,037
Other long-term liabilities	398	455	542	568	605	647	703
Capital Employed	**17,590**	**22,849**	**27,410**	**30,560**	**32,055**	**35,395**	**40,017**
Net Fixed Assets	**2,512**	**3,174**	**3,825**	**3,092**	**2,542**	**2,880**	**3,250**
Goodwill	203	162	134	88	50	50	50
Capital WIP	221	70	22	16	0	0	0
Other Assets	1,799	1,094	2,521	4,686	7,351	8,520	9,244
Curr. Assets, Loans&Adv.	**16,957**	**23,135**	**25,367**	**27,975**	**29,681**	**30,925**	**34,643**
Account Receivables	6,728	9,764	9,716	9,715	10,794	10,481	11,397
Cash and Bank Balance	1,511	1,339	1,332	1,353	1,945	3,193	5,780
Current Investments	8,294	11,051	12,806	14,992	14,990	15,060	15,084
Other Current Assets	424	981	1,513	1,915	1,953	2,189	2,381
Curr. Liability & Prov.	**4,102**	**4,786**	**4,459**	**5,297**	**7,570**	**6,978**	**7,169**
Account Payables	843	1,032	856	1,230	1,203	1,234	1,318
Other Current Liabilities	3,133	3,498	3,218	3,575	5,044	4,422	4,528
Provisions	126	256	385	492	1,323	1,323	1,323
Net Current Assets	**12,855**	**18,349**	**20,908**	**22,678**	**22,112**	**23,947**	**27,474**
Appl. of Funds	**17,590**	**22,849**	**27,410**	**30,560**	**32,055**	**35,395**	**40,017**

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic EPS (INR)	88.3	121.3	127.2	126.0	100.9	127.9	148.3
Cash EPS	97.2	134.3	143.2	142.8	115.9	143.0	164.6
BV/Share	257.1	334.9	402.3	459.2	488.3	541.2	614.5
DPS	42.5	60.6	70.0	75.0	75.0	75.0	75.0
Payout (%)	48.2	50.0	55.0	59.5	74.3	58.6	50.6
Valuation (x)							
P/E	38.8	28.3	26.9	27.2	34.0	26.8	23.1
Cash P/E	35.2	25.5	23.9	24.0	29.6	24.0	20.8
P/BV	13.3	10.2	8.5	7.5	7.0	6.3	5.6
EV/Sales	8.3	6.4	5.7	5.3	5.3	4.6	4.2
EV/EBITDA	26.7	21.1	19.2	20.4	23.3	19.8	17.0
Dividend Yield (%)	1.2	1.8	2.0	2.2	2.2	2.2	2.2
Return Ratios (%)							
RoE	37.2	41.0	34.5	29.3	21.3	24.9	25.7
RoCE	27.1	29.0	24.3	19.8	15.5	16.8	17.8

Consolidated - Cash Flow Statement (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	7,452	9,375	10,487	10,284	8,252	10,717	12,372
Depreciation	553	814	994	1,049	938	937	1,017
Interest & Finance Charges	94	162	203	190	162	0	0
Direct Taxes Paid	-2,062	-1,848	-2,580	-2,239	-2,240	-2,247	-3,192
(Inc)/Dec in WC	-1,002	-3,097	-1,351	-242	674	-586	-941
Others	-208	-538	-741	-921	-1,145	-1,702	-1,931
CF from Operations	**4,827**	**4,867**	**7,012**	**8,120**	**6,641**	**7,119**	**7,326**
(Inc)/Dec in FA	-712	-637	-830	-162	-103	-1,275	-1,387
Free Cash Flow	**4,116**	**4,230**	**6,182**	**7,959**	**6,537**	**5,844**	**5,939**
(Pur)/Sale of Investments	-656	-1,695	-2,745	-3,741	-1,879	-1,668	-668
Others	285	313	874	820	1,257	1,744	1,987
CF from Investments	**-1,083**	**-2,019**	**-2,701**	**-3,083**	**-725**	**-1,199**	**-67**
Inc/(Dec) in Debt	-271	-381	-498	-612	-659	0	0
Interest Paid	-1	-4	-7	-14	-18	0	0
Dividend Paid	-2,989	-2,647	-3,774	-4,359	-4,671	-4,672	-4,672
CF from Fin. Activity	**-3,261**	**-3,031**	**-4,278**	**-4,986**	**-5,348**	**-4,672**	**-4,672**
Inc/Dec of Cash	**483**	**-183**	**33**	**51**	**567**	**1,248**	**2,587**
Forex Adjustment	20	10	-39	-31	26	0	0
Opening Balance	1,007	1,511	1,338	1,331	1,352	1,945	3,193
Closing Balance	**1,511**	**1,338**	**1,331**	**1,352**	**1,945**	**3,193**	**5,780**

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