RATING BUY | CMP INR 787 | TP INR 1,010

PL Capital PRABHUDAS LILLADHER

Fractal Analytics (FRACTAL IN)

Q1FY27 Result Update

July 25, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		Accumulate	
Target Price	1,010		1,020	
Sales (INR mn)	38,773	45,939	39,311	46,779
% Chng.	*(1.4)*	*(1.8)*		
EBITDA (INR mn)	6,582	8,289	6,690	8,422
% Chng.	*(1.6)*	*(1.6)*		
EPS (INR)	21.0	28.6	22.4	29.2
% Chng.	*(6.2)*	*(2.1)*		

Key Data	FRAL.BO | FRACTAL IN
BSE Code	544700
NSE Code	FRACTAL
52-W High / Low	INR 1,119 / INR 732
Face Value	1
Sensex / Nifty	76,060 / 23,767
Market Cap	INR 135 bn / $ 1,401 mn
Shares Outstanding	171.97 mn
3M Avg. Daily Value	INR 691.90 mn

Shareholding Pattern (%)

Promoters	16.97
FIIs	40.87
Mutual Fund	6.95
Domestic Institutions	5.31
Public & Others	29.90
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(16.9)	(17.0)	-	-
Relative	(15.9)	(16.3)	-	-

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	27,654	32,997	38,773	45,939
EBITDA (INR mn)	3,499	5,082	6,582	8,289
Margin (%)	*12.7*	*15.4*	*17.0*	*18.0*
PAT (INR mn)	1,960	3,032	3,616	4,922
EV (INR mn)	115,342	109,435	114,670	110,571
Total Debt (INR mn)	2,662	2,860	2,860	2,860
C&C Eq. (INR mn)	2,883	11,652	14,832	19,007
EPS (INR)	12.7	18.8	21.0	28.6
Gr. (%)	*(561.7)*	*47.5*	*11.9*	*36.1*
DPS (INR)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	*12.4*	*12.3*	*10.7*	*13.0*
RoCE (%)	*12.4*	*12.7*	*10.0*	*11.6*
EV/Sales (x)	4.2	3.3	3.0	2.4
EV/EBITDA (x)	33.0	21.5	17.4	13.3
PE (x)	61.8	41.9	37.4	27.5
P/BV (x)	6.9	4.0	3.8	3.3

TMT overhang; staying structurally constructive

Quick Pointers

- Expect TMT to grow sequentially from Q2
- Licenses revenue formed 3% of total revenues for Q1

Fractal's revenue growth was muted (-0.4% QoQ CC) in Q1 below our estimate of +0.9% QoQ CC, while EBITDA margin declined sharply by 460 bps QoQ (below of our est. of 320 bps QoQ decline). The rev. miss was largely attributable to weakness in Fractal.ai business due to continued softness in TMT vertical (-14% QoQ in USD). Ex-TMT, the company reported decent USD growth of 3.5% QoQ/23.7% YoY in Q1FY27, implying healthy growth within other pockets. Additionally, Q1 had regular seasonality in Alpha segment (~3% of revenue) that resulted in moderate USD growth (7.4% YoY), otherwise Q1 revenue of Asper stood at USD9m (ARR up 59% YoY), should translate into better growth for H2 on hitting renewals. The weakness in TMT is largely behind and should either stabilize or contribute to growth in Q2, while continued momentum in other verticals should support the overall growth for FY27E. On the margins front, the 1-month wage hike impact (75bps) and talent investments (160bps) aggravated additional margin pressure, again Q2 will have residual (2-month) merit increase impact. In its normal business course, H2 tends to have broader margin recovery due to improving business mix and better operating leverage. However, considering Q1FY27 revenue miss and challenges in TMT segment, we reduce our FY27E/FY28E CC rev. growth estimates to 11.3%/16.6% (12.7%/17.0% earlier). However, we maintain our EBITDA margin estimates of 17.0%/18.0%, on anticipation of better H2 execution. We value the company at 19x EV/EBITDA to arrive at a target price of INR 1,010 and upgrade the stock to BUY (ACCUMULATE earlier).

Revenue: In INR terms, revenue stood at Rs. 9.13 bn, up 27.0% YoY & 3% QoQ but below our estimate of Rs. 9.29 bn. Fractal.ai segment (~98% of revenue), grew 3.6% QoQ & 20.6% while Fractal Alpha reported revenue of Rs. 240 mn, compared to Rs. 241 mn in Q4FY26 and Rs. 201 mn in Q1FY26. Within the Fractal.ai segment, YoY growth was driven by HLS, BFSI and CPG, while the TMT segment declined due to certain client-specific issues.

Margin: EBITDA margin for Q1FY27 stood at 15.7 %, compared to our estimate of 17.1%, down 460 bps QoQ and up 220 bps YoY, on account of lower gross margins. Margins were impacted by annual merit increase (-75 bps YoY) & increase in number of people to support future growth (-169 bps YoY) partly mitigated by currency tailwinds (+273 bps YoY).

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	9,278	9,125	-2.0	7,605	20.0
EBITDA (INR mn)	1,588	1,429	-10.0	1,026	39.0
Margin (%)	*17.1*	*15.7*	*-140 bps*	*13.5*	*220 bps*
PAT (INR mn)	919	673	-27.0	374	80.0

Source: Company, PL

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Miss on Revenue & Margins

- Reported revenue growth of 9% YoY in CC terms. In INR terms, revenue came at Rs. 9.13 bn, up 3% QoQ & 20.0% YoY, compared to our estimate of Rs. 9.29 bn.
- **Fractal.ai segment (97.6% of revenue mix) grew by 3.5% QoQ & 20.5% YoY while Fractal alpha segment reported revenue of Rs. 240 mn compared to Rs. 241 mn in Q4FY26 and Rs. 201 mn in Q1FY26**
- Segment wise, all segment except TMT segment reported growth on YoY basis. Growth was driven by HLS, BFSI & CPG which grew by 69%, 36% & 19% YoY respectively while TMT declined by 22%
- Geography wise, Europe & US grew by 25% & 24% YoY respectively during the quarter while APAC and other region declined by 2%
- **Reported EBITDA margin came at 15.7%, compared to our estimate of 17.1%, up 220 bps YoY & down 460 bps QoQ on account of lower gross margins. Fractal.ai reported segment margin of 18.8%, down 490 bps QoQ & up 290 bps YoY, while Fractal alpha segment margin declined to -58.5%, declining 12.2% QoQ & 37.4% YoY**
- Adj. PAT before exceptional items & after minority interest came at Rs. 0.65 bn compared to Rs. 1.22 bn in Q4FY26 & 0.38 bn in Q1FY26.

Conference Call Highlights

- Management expects healthy sequential growth in the TMT vertical in the next quarter, as the headwinds are bottoming out, driven by new deals from existing clients. Growth for Q1 excluding TMT was 37% YoY for Q1. The APAC region weakness was due to TMT vertical & the Middle East uncertainties.
- Within the Alpha segment, Analytics Vidhya grew by 57% YoY and Asper was flat. Although Asper's ARR grew by 59% YoY in dollar terms, time lag between signing of contracts and revenue kept reported revenue broadly flat YoY. Management further explained that increased loss in the Alpha segment was largely due to the integration of Iqigai and EdTech teams from Fracta.ai segment into Fractal Analytics Vidhya
- License revenues, currently 3% of total revenue, are expected to increase, with Cogentiq becoming a significant part of the business.
- Management expects deal sizes to increase and larger RFPs to become more common, with the vast opportunities in AI-led transformation, foundations, and workforce reimagination more than compensating for any compressed existing work
- The company plans to increase R&D spends as a percentage of revenue, potentially up to 10%, contingent on expanded gross margins, and aims to accelerate the conversion of R&D to revenue.
- Management highlighted that while AI compresses work and reduces costs, the overall market opportunity is expanding significantly due to companies increasing tech spending and the multiplication of AI use cases, further elaborating that companies are increasing tech spending budgets from ~4.5% to potentially ~6% of revenues.
- Management is actively shifting its revenue mix towards outcome, output, and license based pricing, which currently accounts for ~42% of revenue, with a goal to reach 60% in the coming quarters.
- Management indicated that the company remains focused on “must win clients” defined as revenues from these clients went up from 79% in Q1FY26 to 85% inQ1FY27, and out of the 21% YoY growth in Fractal ai, 17% growth came from existing clients.

- The Company is bringing in new leadership across segments & regions and undertaking internal talent upgrades to meet the rapidly changing shape of demand and accelerate growth across all verticals. Further, management stated that Fractal have made significant progress in identifying the new CFO successor.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27E	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	9,125	20.0	9,324	16.8	9,917	16.1	10,408	17.4
EBIT	1,031	42.1	942	48.3	1,263	36.0	1,674	16.6
Margin (%)	*11.3*	*180bps*	*10.1*	*220bps*	*12.7*	*190bps*	*16.1*	*-10bps*
Adj. PAT	673	79.9	697	78.0	958	(6.6)	1,288	3.8

Source: Company, PL

Exhibit 2: Q1FY27 Result: Miss on Revenue & Margins

	1QFY27	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	1QFY26	YoY gr. (%)	FY27E	FY26	YoY gr. (%)
Overall Revenue (INR mn)	**9,125**	**9,278**	**-1.6**	**8,863**	**3.0**	**7,605**	**20.0**	**38,773**	**32,997**	**17.5**
Gross Profit	4,170	4,374	-4.7	4,274	-2.4	3,453	20.8	18,226	15,448	18.0
Gross Margin (%)	*45.7*	*47.1*	*-140bps*	*48.2*	*-250bps*	*45.4*	*30bps*	*47.0*	*46.8*	*20bps*
SG&A and Other Costs	2,741.2	2,786.4	-1.6	2,472.4	10.9	2,427.2	12.9	11,644.1	10,366.2	12.3
% of Rev	*30.0*	*30.0*	*0bps*	*27.9*	*210bps*	*31.9*	*-190bps*	*30.0*	*31.4*	*-140bps*
EBITDA	**1,429**	**1,588**	**-10.0**	**1,801**	**-20.7**	**1,026**	**39.2**	**6,582**	**5,082**	**29.5**
EBITDA Margin (%)	*15.7*	*17.1*	*-150bps*	*20.3*	*-470bps*	*13.5*	*220bps*	*17.0*	*15.4*	*160bps*
Depreciation	398	399	0	366	9	300	32.4	1672	1358	23.2
% of Rev	*4.4*	*4.3*	*10bps*	*4.1*	*20bps*	*3.9*	*40bps*	*4.3*	*4.1*	*20bps*
EBIT	**1031**	**1189**	**-13.2**	**1436**	**-28.2**	**726**	**42.1**	**4910**	**3725**	**31.8**
EBIT Margin (%)	*11.3*	*12.8*	*-150bps*	*16.2*	*-490bps*	*9.5*	*180bps*	*12.7*	*11.3*	*140bps*
Other Income (net)	-126	9	-1,458.0	58	-316	-197	-36.0	-155	-548	-71.7
PBT	**905**	**1,198**	**-24.4**	**1,494**	**-39.4**	**529**	**71.1**	**4,755**	**3,177**	**49.7**
Tax	251	299	-16.2	273	-8.1	153	64.1	1213	199	509.7
Effective tax rate (%)	*27.7*	*25.0*	*270bps*	*18.3*	*950bps*	*28.9*	*-120bps*	*25.5*	*6.3*	*1930bps*
Adjusted PAT	**673.3**	**919.2**	**-26.7**	**1,241.0**	**-45.7**	**374.2**	**79.9**	**3,616**	**3,032**	**19.3**
Exceptional items	69	0	NA	-63	NA	0	NA	69	-110	NA
Reported PAT	**742.3**	**919.2**	**-19.2**	**1,178.0**	**-37.0**	**374.2**	**98.4**	**3,685**	**2,922**	**26.1**
Reported EPS (INR)	**3.9**	**5.3**	**-26.7**	**7.1**	**-44.6**	**2.4**	**60.5**	**21.0**	**18.2**	**15.5**

Source: Company, PL

Exhibit 3: Segmental Revenue Growth (%)

Segment	Contribution to revenue (%)	YoY growth (%)
CPG & Retail	37.8	19.0
TMT	18.0	-21.9
HLS	23.5	69.1
BFSI	13.0	36.1
Others	7.8	62.4

Source: Company, PL

Exhibit 4: Region Wise Growth (%)

Geography	Contribution to revenue (%)	YoY growth (%)
America	67.4	23.8
Europe	21.4	25.4
APAC & Others	11.2	-2.4

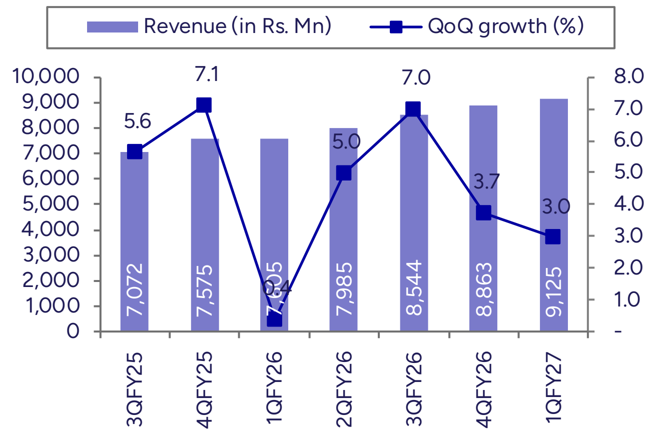
Source: Company, PL

Exhibit 5: Key Performance Indicator

	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	FY26*	FY27E*
Revenue (in Rs mn)	7,575	7,605	7,985	8,544	8,863	9,125	32,997	38,773
QoQ growth (%)	7.1	0.4	5.0	7.0	3.7	3.0	19.3	17.5
Fractal.ai Rev. (in Rs mn)	7,382	7,415	7,758	8,355	8,637	8,942	32,190	38,342
Fractal Alpha Rev. (in Rs mn)	203	201	243	216	241	240	908	1,128
EBITDA Margin (%)	16.9	13.5	12.1	15.0	20.3	15.7	15.4	17.0
Fractal.ai segment margin (%)	20.7	16.4	17.5	19.2	24.5	18.8	16.8	17.2
Fractal Alpha segment margin (%)	-22.7	-20.8	-34.5	-39.5	-46.0	-58.3	10.0	-18.7

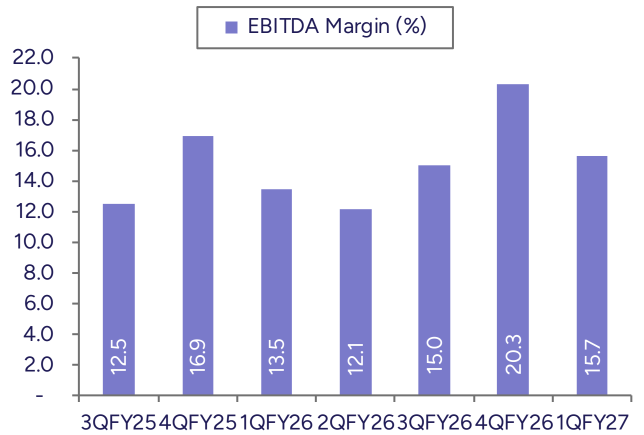
*Source: Company, PL, *YoY growth*

Exhibit 6: Muted growth in Q1



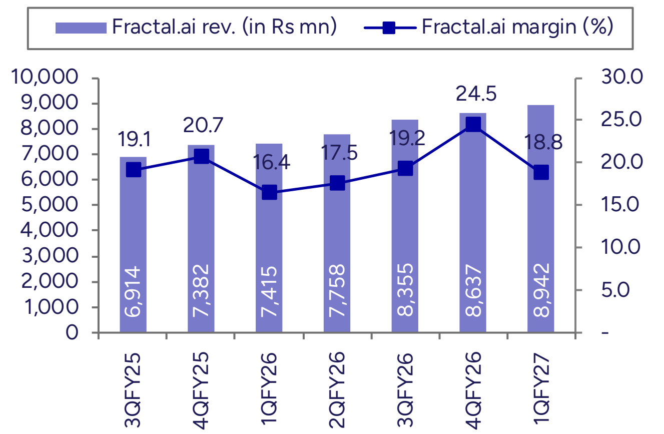
Source: Company, PL

Exhibit 7: Margins affected by wage hikes & continued investments



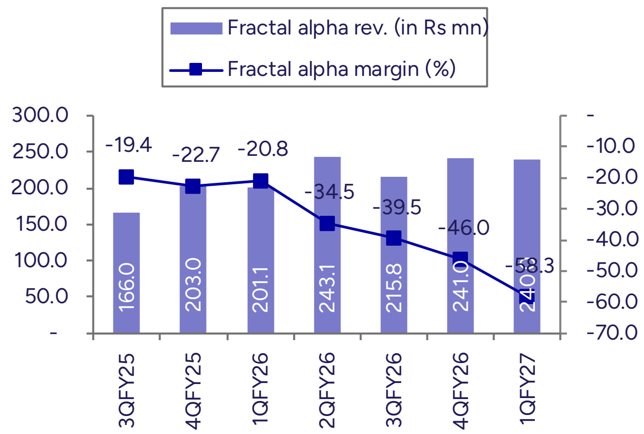
Source: Company, PL

Exhibit 8: Fractal.ai impacted by TMT weakness



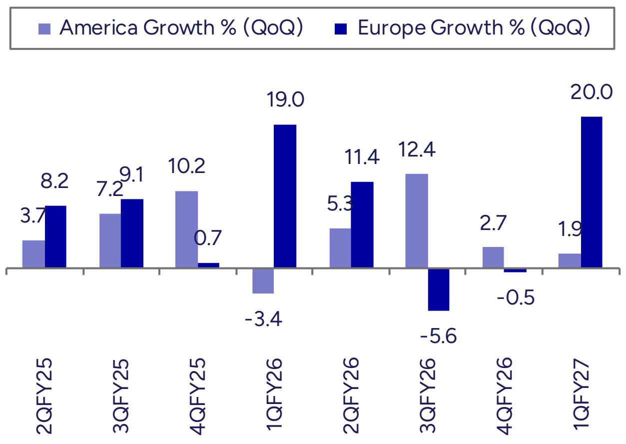
Source: Company, PL

Exhibit 9: Alpha business margins impacted by reclassification



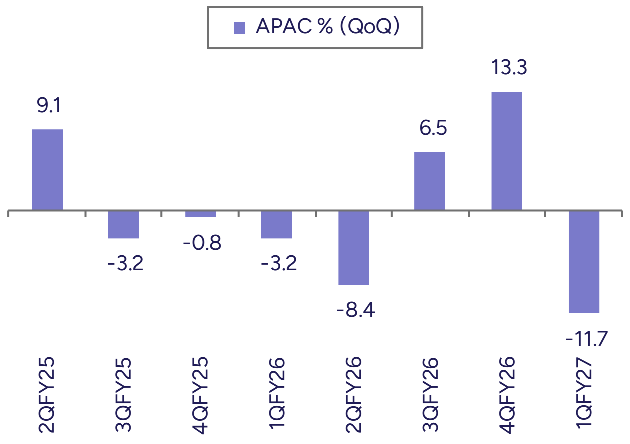
Source: Company, PL

Exhibit 10: Europe region strong rebound



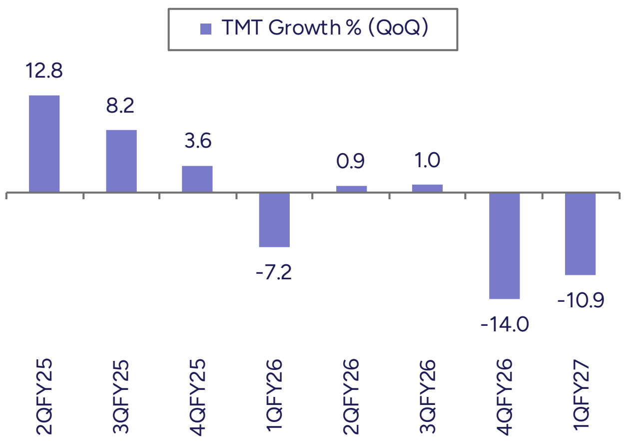
Source: Company, PL

Exhibit 11: APAC weakness on account of TMT & Middle east crisis



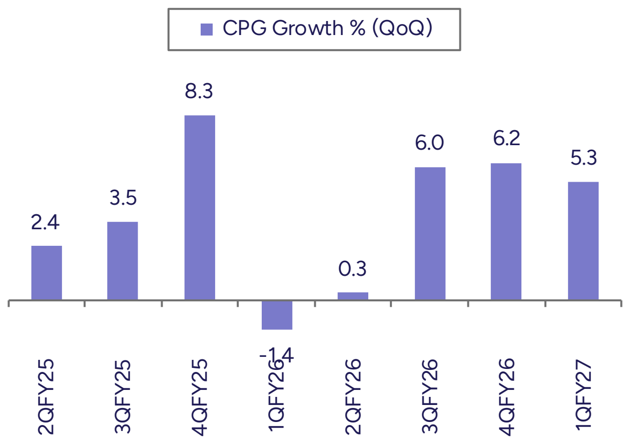
Source: Company, PL

Exhibit 12: TMT expected to bottom out in Q1



Source: Company, PL

Exhibit 13: CPG growth steady



Source: Company, PL

Exhibit 14: Operating Metrics

	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Segment Mix (in %)								
CPGR	39.3	38.5	39.0	38.3	36.7	36.1	37.1	37.8
TMT	30.3	30.9	30.0	27.7	26.7	25.1	20.9	18.0
HLS	13.3	13.7	14.5	16.7	17.3	20.2	22.5	23.5
BFSI	11.2	11.3	10.3	11.5	12.9	11.8	12.5	13.0
Others	5.9	5.6	6.1	5.8	6.4	6.8	7.0	7.8
Geography Mix (in %)								
Americas	65.2	66.1	68.3	65.6	66.0	68.9	68.4	67.4
Europe	17.8	18.4	17.3	20.5	21.9	19.1	18.4	21.4
APAC and others	16.9	15.5	14.4	13.9	12.1	12.0	13.2	11.2
Client Metrics								
>US$20mn	4	4	5	4	4	6	6	5
>US$10mn	6	6	6	6	7	8	9	9
>US$5mn	15	14	15	18	17	18	19	19
>US$1mn	47	50	53	54	52	58	59	58
NRR (%)	120.6	114.5	113.9	108.5	112.3	113.5	111.7	117.3
Top Clients								
Top 10 revenue mix (%)	54.6	52.6	54.6	55.9	53.1	52.7	51.9	51.8
Top 20 revenue mix (%)	70.6	69.2	72.1	72.2	72.3	70.7	69.2	70.6
No. of MWC	120	126	113	120	122	127	104	112
MWC revenue mix (%)	80.3	80.9	78.8	79.0	80.2	83.3	83.5	85.3
Employee Metrics								
No. of employees	4,755	5,036	5,254	5,298	5,722	5,919	5,868	6,029
Attrition (%)	16.1	15.9	16.3	17.3	15.7	15.0	15.2	15.6

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**27,654**	**32,997**	**38,773**	**45,939**
YoY gr. (%)	*25.9*	*19.3*	*17.5*	*18.5*
Cost of Goods Sold	14,964	17,549	20,547	24,023
Gross Profit	12,690	15,448	18,226	21,916
Margin (%)	*45.9*	*46.8*	*47.0*	*47.7*
Employee Cost	1,029	711	406	322
Other Expenses	293	18	22	23
EBITDA	**3,499**	**5,082**	**6,582**	**8,289**
YoY gr. (%)	*376.2*	*45.3*	*29.5*	*25.9*
Margin (%)	*12.7*	*15.4*	*17.0*	*18.0*
Depreciation and Amortization	1,023	1,358	1,672	1,975
EBIT	**2,476**	**3,725**	**4,910**	**6,314**
Margin (%)	*9.0*	*11.3*	*12.7*	*13.7*
Net Interest	-	-	-	-
Other Income	(69)	155	503	527
Profit Before Tax	**2,110**	**3,177**	**4,755**	**6,461**
Margin (%)	*7.6*	*9.6*	*12.3*	*14.1*
Total Tax	174	199	1,213	1,615
Effective Tax Rate (%)	*8.2*	*6.3*	*25.5*	*25.0*
Profit After Tax	**1,936**	**2,978**	**3,541**	**4,846**
Minority Interest	(24)	(54)	(75)	(76)
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,960**	**3,032**	**3,616**	**4,922**
YoY gr. (%)	*(567.3)*	*54.7*	*19.3*	*36.1*
Margin (%)	*7.1*	*9.2*	*9.3*	*10.7*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**2,230**	**2,922**	**3,685**	**4,922**
YoY gr. (%)	*(570.1)*	*31.0*	*26.1*	*33.6*
Margin (%)	*8.1*	*8.9*	*9.5*	*10.7*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,960	3,032	3,616	4,922
Equity Shares O/s (mn)	**154**	**161**	**172**	**172**
EPS (INR)	**12.7**	**18.8**	**21.0**	**28.6**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**6,722**	**8,587**	**10,719**	**13,016**
Tangibles	3,709	5,574	7,706	10,003
Intangibles	3,013	3,013	3,013	3,013
Acc: Dep / Amortization	**3,434**	**4,792**	**6,464**	**8,439**
Tangibles	1,791	3,149	4,821	6,796
Intangibles	1,643	1,643	1,643	1,643
Net Fixed Assets	**3,288**	**3,795**	**4,255**	**4,577**
Tangibles	1,918	2,425	2,885	3,207
Intangibles	1,370	1,370	1,370	1,370
Capital Work In Progress	137	356	356	356
Goodwill	3,582	3,854	3,854	3,854
Non-Current Investments	4,512	4,180	4,180	4,180
Net Deferred Tax Assets	(127)	531	531	531
Other Non-Current Assets	250	338	338	338
Current Assets				
Investments	5,614	8,741	8,741	8,741
Inventories	-	-	-	-
Trade Receivables	5,848	7,102	7,374	8,587
Cash & Bank Balance	2,883	11,652	14,832	19,007
Other Current Assets	1,862	2,125	2,360	2,785
Total Assets	**28,576**	**44,071**	**48,279**	**54,554**
Equity				
Equity Share Capital	31	172	172	172
Other Equity	17,501	31,677	35,362	40,285
Total Networth	**17,532**	**31,849**	**35,534**	**40,457**
Non-Current Liabilities				
Long Term Borrowings	2,577	-	-	-
Provisions	188	69	69	69
Other Non Current Liabilities	450	408	408	408
Current Liabilities				
ST Debt / Current of LT Debt	85	2,860	2,860	2,860
Trade Payables	620	1,356	1,475	1,857
Other Current Liabilities	5,042	5,906	6,235	7,129
Total Equity & Liabilities	**28,576**	**44,071**	**48,279**	**54,554**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	2,380	3,067	4,899	6,537
Add. Depreciation	1,023	1,358	1,672	1,975
Add. Interest	572	462	-	-
Less Financial Other Income	(69)	155	503	527
Add. Other	456	812	(503)	(527)
Op. Profit before WC Changes	4,431	5,699	6,068	7,985
Net Changes-WC	96	(861)	(121)	(502)
Direct Tax	(557)	(748)	(1,213)	(1,615)
Net Cash from Op. Activities	**3,970**	**4,090**	**4,735**	**5,869**
Capital Expenditures	(828)	(2,187)	(2,133)	(2,297)
Interest / Dividend Income	(156)	(9,406)	503	527
Others	(826)	(2,630)	-	-
Net Cash from Invt. Activities	**(1,810)**	**(14,223)**	**(1,630)**	**(1,770)**
Issue of Share Cap. / Premium	501	10,785	75	76
Debt Changes	(411)	(595)	-	-
Dividend Paid	-	-	-	-
Interest Paid	(314)	(273)	-	-
Others	-	(539)	-	-
Net Cash from Fin. Activities	**(224)**	**9,378**	**75**	**76**
Net Change in Cash	**1,936**	**(755)**	**3,180**	**4,175**
Free Cash Flow	3,142	1,903	2,602	3,572

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**7,985**	**8,544**	**8,863**	**9,125**
YoY gr. (%)	*#DIV/0!*	*20.8*	*17.0*	*20.0*
Raw Material Expenses	4,295	4,513	4,589	4,955
Gross Profit	3,690	4,031	4,274	4,170
Margin (%)	*46.2*	*47.2*	*48.2*	*45.7*
EBITDA	**970**	**1,285**	**1,801**	**1,429**
YoY gr. (%)	*#DIV/0!*	*45.3*	*40.7*	*39.2*
Margin (%)	*12.1*	*15.0*	*20.3*	*15.7*
Depreciation / Depletion	335	357	366	398
EBIT	**635**	**928**	**1,436**	**1,031**
Margin (%)	*8.0*	*10.9*	*16.2*	*11.3*
Net Interest	-	-	-	-
Other Income	94	(95)	130	108
Profit before Tax	**507**	**647**	**1,494**	**905**
Margin (%)	*6.3*	*7.6*	*16.9*	*9.9*
Total Tax	126	(353)	273	251
Effective Tax Rate (%)	*24.9*	*(54.6)*	*18.3*	*27.7*
Profit After Tax	**381**	**1,000**	**1,221**	**654**
Minority Interest	(11)	(25)	(20)	(19)
Share Profit from Associate	-	-	-	-
Adjusted PAT	**392**	**1,025**	**1,241**	**673**
YoY gr. (%)	*4.6*	*161.7*	*21.1*	*(45.7)*
Margin (%)	*4.9*	*12.0*	*14.0*	*7.4*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**440**	**1,024**	**1,304**	**604**
YoY gr. (%)	*17.5*	*132.9*	*27.4*	*(53.7)*
Margin (%)	*5.5*	*12.0*	*14.7*	*6.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**392**	**1,025**	**1,241**	**673**
Avg. Shares O/s (mn)	160	160	172	172
EPS (INR)	**2.5**	**6.4**	**7.2**	**3.9**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	12.7	18.8	21.0	28.6
CEPS	19.4	27.2	30.8	40.1
BVPS	113.9	197.4	206.6	235.3
FCF	20.4	11.8	15.1	20.8
DPS	-	-	-	-
Return Ratio (%)				
RoCE	12.4	12.7	10.0	11.6
ROIC	10.4	9.5	9.0	10.1
RoE	12.4	12.3	10.7	13.0
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	74	63	60	54
Valuation (x)				
PER	61.7	41.8	37.4	27.4
P/B	6.9	3.9	3.8	3.3
P/CEPS	40.5	28.9	25.5	19.6
EV/EBITDA	32.9	21.5	17.4	13.3
EV/Sales	4.1	3.3	2.9	2.4
Dividend Yield (%)	-	-	-	-
FCFF Yield (%)	2.5	1.4	1.9	2.6
PEG Ratio	-	0.8	3.1	0.7

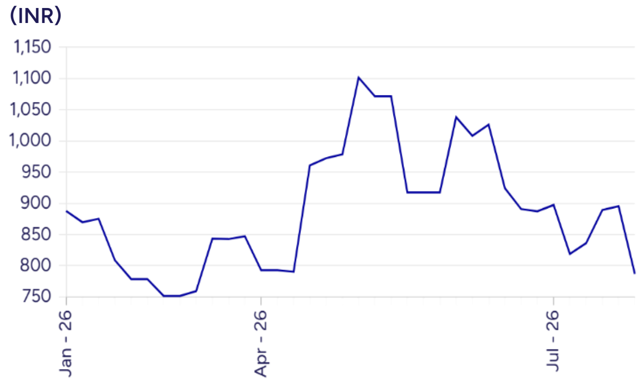
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (in US$ mn)	327	374	415	484

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	02-Jul-26	Accumulate	1020	897
2	13-May-26	Hold	1040	1034
3	01-Apr-26	BUY	1110	798
4	06-Mar-26	BUY	1110	798
5	16-Feb-26	BUY	1260	900

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	1980	1442
2	Cyient	HOLD	900	879
3	Fractal Analytics	Accumulate	1020	897
4	HCL Technologies	HOLD	1160	1221
5	Infosys	BUY	1240	1047
6	KPIT Technologies	HOLD	580	559
7	L&T Technology Services	HOLD	3350	3293
8	Latent View Analytics	BUY	350	279
9	LTM	Accumulate	4200	4037
10	Mphasis	BUY	2990	2245
11	Persistent Systems	BUY	5570	4581
12	Tata Consultancy Services	BUY	2500	2050
13	Tata Elxsi	Reduce	3350	3697
14	Tata Technologies	SELL	610	758
15	Tech Mahindra	BUY	1780	1510
16	Wipro	Reduce	165	178

PL's Recommendation Nomenclature (Absolute Performance)

BUY : > 15%
Accumulate : 5% to 15%
Hold : +5% to -5%
Reduce : -5% to -15%
Sell : < -15%
Not Rated (NR) : No specific call on the stock
Under Review (UR) : Rating likely to change shortly

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