RATING BUY | CMP INR 836 | TP INR 1,060

Fractal Analytics (FRACTAL IN)

Q2FY27 Result Update

November 04, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		BUY	
Target Price	1,060		1,020	
Sales (INR mn)	46,834	55,267	46,944	55,383
% Chng.	*(0.2)*	*(0.2)*		
EBITDA (INR mn)	8,668	10,660	8,442	10,341
% Chng.	*2.7*	*3.1*		
EPS (INR)	29.9	37.8	29.1	36.4
% Chng.	*2.7*	*3.8*		

Key Data	FRAL.BO | FRACTAL IN
BSE Code	544700
NSE Code	FRACTAL
52-W High / Low	INR 1,119 / INR 696
Face Value	1
Sensex / Nifty	77,301 / 23,961
Market Cap	INR 145 bn / $ 1,537 mn
Shares Outstanding	174.1 mn
3M Avg. Daily Value	INR 468.72 mn

Shareholding Pattern (%)

Promoters	16.81
FIIs	40.22
Mutual Fund	7.85
Domestic Institutions	5.44
Public & Others	29.68
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	14.9	4.7	(15.8)	0.0
Relative	6.9	6.3	(15.8)	0.0

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	32,997	39,314	46,834	55,267
EBITDA (INR mn)	5,082	6,880	8,668	10,660
Margin (%)	*15.4*	*17.5*	*18.5*	*19.3*
PAT (INR mn)	3,032	3,822	5,146	6,504
EV (INR mn)	117,325	122,844	118,569	113,192
Total Debt (INR mn)	2,860	2,860	2,860	2,860
C&C Eq. (INR mn)	11,652	15,070	19,427	24,887
EPS (INR)	18.8	22.2	29.9	37.8
Gr. (%)	*47.5*	*18.3*	*34.6*	*26.4*
DPS (INR)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	*12.3*	*11.3*	*13.4*	*14.7*
RoCE (%)	*12.7*	*10.5*	*12.1*	*13.2*
EV/Sales (x)	3.6	3.1	2.5	2.0
EV/EBITDA (x)	23.1	17.9	13.7	10.6
PE (x)	44.5	37.6	27.9	22.1
P/BV (x)	4.2	4.0	3.5	3.0

Balancing the growth equation, fuelling investments

Quick Pointers

- Expect Fractal Alpha to reach breakeven in FY28
- Licenses revenue formed 4% of total revenues in Q2, reaching annual run-rate of INR 1500mn

Fractal delivered a steady Q2FY27 performance, with rev. growth of 3.8% QoQ CC and 10.3% YoY CC broadly in line with our est., while EBITDA margin remained flat QoQ, outperforming our expectation of a 130bps decline. Growth was led by HLS (+79% YoY) and BFSI (+30% YoY), while TMT returned to sequential growth (+5.6%) after five qtrs. of degrowth, with management expecting a gradual recovery through H2FY27. In contrast, CPG declined 7.1% QoQ amid vendor consolidation and macro-related challenges, although management expects sequential growth to resume from Q3. The products business continued to gain traction, with license revenues growing 39% YoY to INR380mn (~4% of rev.), taking the annualized run rate to over INR1.5bn, while product RPO exceeded INR2.0bn. Management is targeting an annualized product rev. run rate of ~USD100mn over the next 12 quarters. On profitability, GM declined 225bps YoY to 44%, due to investments in senior AI engineering/FDE talent (-279bps) and wage hike (-216bps), partly offset by currency benefits (+270bps). However, operating leverage in SG&A helped protect EBITDA margins. Management expects GM to recover meaningfully in H2FY27 as wage-hike impacts normalize and incremental AI engineering capacity gets deployed. While strong momentum in BFSI and HLS to support growth in H2, management expects TMT to maintain steady state. Accordingly, we maintain our FY27E/FY28E/FY29E CC rev. growth est. at 11.3%/16.5%/15.3%. However, we raise EBITDA margin est. to 17.5%/18.5%/19.3% from 17.0%/18.0%/18.7%, factoring in the Q2 beat and scope of improving billable FTE. We continue to value the company at 17x EV/EBITDA to arrive at a target price of INR 1,060 and maintain our BUY rating.

Revenue: Revenue stood at USD 100.1 mn, up 3.7% QoQ & 9.4% YoY and above our estimate of USD 99.8 mn. Fractal.ai segment (~98% of revenue), grew 3.6% QoQ & 10.2% YoY while Fractal Alpha USD revenue grew by 40.1% QoQ & 28.5% YoY. Within the Fractal.ai segment, YoY growth was driven by HLS and BFSI, which grew by 12.8% and 11.0% QoQ. TMT segment reported 5.6% QoQ growth after five consecutive quarters of degrowth. CPG segment declined by 7.1% QoQ due to vendor consolidation and macro situations.

Margin: EBITDA margin for Q2FY27 stood at 15.7 %, compared to our estimate of 14.4%, up 360 bps YoY and flat QoQ Margins were impacted by annual merit increase (-216 bps) & investment in the AI engineering talent (-279 bps) partly mitigated by currency tailwinds (+270 bps) & operating leverages.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	9,539	9,565	*0.3*	7,985	*19.8*
EBITDA (INR mn)	1,378	1,501	*8.9*	970	*54.7*
Margin (%)	*14.4*	*15.7*	*130 bps*	*12.1*	*360 bps*
PAT (INR mn)	716	811	*13.3*	392	*106.9*

Source: Company, PL

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Revenues in line, strong beat on margins

- Reported revenue CC growth of 10% YoY and 3.8% QoQ, in line with our estimates of 3.7% QoQ CC. In INR terms, revenue came in at Rs. 9.57 bn, up 4.8% QoQ & 20% YoY
- Fractal.ai segment (97.8% of revenue mix) grew (in USD) by 3.6% QoQ & 10.2% YoY while Fractal Alpha USD revenue grew 40.1% QoQ
- Segment wise, sequentially all segments (except CPG down 7.1% QoQ) reported growth in USD. Growth was driven by HLS and BFSI, which grew by 12.8% and 11.0% QoQ, respectively. **TMT segment growth turned positive (+5.6% QoQ) after reporting negative growth for five consecutive quarters.**
- Geography wise, Europe & US grew by 5.9% & 3.5% QoQ in USD, respectively. APAC & Other region was flat QoQ.
- Top-client buckets remain strong, Top-10/Top-20/ex-Top20 were up 3.3%/4.2%/2.4% in USD. Added one account each in USD20m+ and USD5m+ buckets.
- **Adjusted EBITDA margin came at 16.2% (PLe est. of 15.5%), down 60 bps QoQ**, while reported EBITDA was flat QoQ at 15.7%. Fractal.ai reported segment margin of 17.7%, down 110 bps QoQ & up 20 bps YoY, while Fractal alpha segment margin improved to -30.6% vs -58.3% in Q1FY27 and -34.6% in Q2FY26.
- Adj. PAT before exceptional items & after minority interest came at Rs 811 mn above our estimates of Rs 716 bn due to beat in margins and higher other income.

Conference Call Highlights

- highlighted that the CPG segment was affected by vendor consolidations done by some of the large players and macroeconomic challenges, while healthcare continues to see strong demand, benefitting significantly from AI. Management expects TMT segment to sustain its growth momentum after 5 quarters of QoQ degrowth.
- Management expects Fractal Alpha to reach breakeven by the end of FY27, driven by products demand. The company aims to reach USD 100 mn in annualised product revenue in ~3 years
- Management highlighted that products revenue was INR 380 mn for the quarter (4% of overall revenue), reaching an annual run-rate of INR 1500 mn and having remaining performance obligations of over INR 2000 mn. Qure.ai revenue was INR 280 mn in Q2, growing 82% YoY
- Management highlighted that R&D investments rose to INR 600 mn in Q2 (~6.3% of revenues), out of which ~INR 400 mn was expensed in P/L and remaining being capitalised.
- Management indicated that M&A pipeline remains healthy, with the company building the capability to win larger multi-year programs. Management expects M&A deals to be around deep AI engineering talent with strong local presence in various geographies.
- Management is actively looking to make Cogentiq the default way to deliver all services, identifying it as a significant growth lever over the next years.
- 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.
- Management highlighted that deal size are getting larger because the complexity of what enterprises are trying to solve and reimagine their workflows is much larger in scope than building out a set of models that power decisions in one aspect.

- Management highlighted that ~40% of revenues come from growth and transformation initiatives, ~30% from productivity improvements impacting bottom line, ~10–15% from R&D and innovation, ~10–15% from day-to-day business operations, and less than 5% from long-term growth and sustainability initiatives

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	9,125	20.0	9,565	19.8	10,151	18.8	10,473	18.2
EBIT	1,031	42.1	1,028	62.0	1,432	54.3	1,632	13.7
Margin (%)	*11.3*	*180bps*	*10.7*	*280bps*	*14.1*	*320bps*	*15.6*	*-60bps*
Adj. PAT	673	79.9	811	107.1	1,094	6.7	1,244	0.2

Source: Company, PL

Exhibit 2: Q2FY27 Result: Inline Revenue & beat on Margins

	2QFY27	2QFY27E	% Var.	1QFY27	QoQ (%)	2QFY26	YoY (%)	1HFY27	1HFY26	YoY (%)
Overall Revenue (INR mn)	**9,565**	**9,539**	**0.3**	**9,125**	**4.8**	**7,985**	**19.8**	**18,690**	**15,590**	**19.9**
Gross Profit	4,205	4,266	-1.4	4,170	0.8	3,690	13.9	8,375	7,144	17.2
Gross Margin (%)	*44.0*	*44.7*	*-80bps*	*45.7*	*-170bps*	*46.2*	*-230bps*	*44.8*	*45.8*	*-100bps*
SG&A and Other Costs	2,704.4	2,887.9	-6.4	2,741.2	-1.3	2,720.8	-0.6	5,445.7	5,148.0	5.8
% of Rev	*28.3*	*30.3*	*-200bps*	*30.0*	*-180bps*	*34.1*	*-580bps*	*29.1*	*33.0*	*-390bps*
EBITDA	**1,501**	**1,378**	**8.9**	**1,429**	**5.0**	**970**	**54.8**	**2,930**	**1,996**	**46.8**
EBITDA Margin (%)	*15.7*	*14.4*	*120bps*	*15.7*	*0bps*	*12.1*	*350bps*	*15.7*	*12.8*	*290bps*
Depreciation	472	410	15	398	19	335	41.1	870	635	37.0
% of Rev	*4.9*	*4.3*	*60bps*	*4.4*	*60bps*	*4.2*	*70bps*	*4.7*	*4.1*	*60bps*
EBIT	**1028**	**968**	**6.2**	**1031**	**-0.3**	**635**	**62.0**	**2060**	**1361**	**51.3**
EBIT Margin (%)	*10.7*	*10.1*	*60bps*	*11.3*	*-60bps*	*8.0*	*280bps*	*11.0*	*8.7*	*230bps*
Other Income (net)	3	-38	-107.5	-126	-102	-128	-102.2	-123	-325	-62.1
PBT	**1,031**	**930**	**10.9**	**905**	**13.9**	**507**	**103.5**	**1,936**	**1,036**	**86.9**
Tax	240	232	3.3	251	-4.4	126	90.5	491	279	76.0
Effective tax rate (%)	*23.3*	*25.0*	*-170bps*	*27.7*	*-440bps*	*24.9*	*-160bps*	*25.4*	*26.9*	*-160bps*
Adjusted PAT	**811.1**	**716.4**	**13.2**	**673.3**	**20.5**	**391.6**	**107.1**	**1,484**	**766**	**93.8**
Exceptional items	0	0	NA	69	NA	-48	NA	69	-48	NA
Reported PAT	**811.1**	**716.4**	**13.2**	**742.3**	**9.3**	**343.6**	**136.0**	**1,553**	**718**	**116.4**
Reported EPS (INR)	**4.7**	**4.2**	**13.2**	**3.9**	**20.5**	**2.2**	**119.4**	**8.6**	**4.6**	**88.1**

Source: Company, PL

Exhibit 3: Segmental Revenue Growth (%)

Segment	Contribution to revenue (%)	YoY growth (%)
CPG & Retail	33.9	1.8
TMT	18.3	-24.5
HLS	25.6	63.3
BFSI	13.9	18.6
Others	8.3	43.7

Source: Company, PL

Exhibit 4: Region Wise Growth (%)

Geography	Contribution to revenue (%)	YoY growth (%)
America	67.3	12.3
Europe	21.8	10.1
APAC & Others	10.9	-1.2

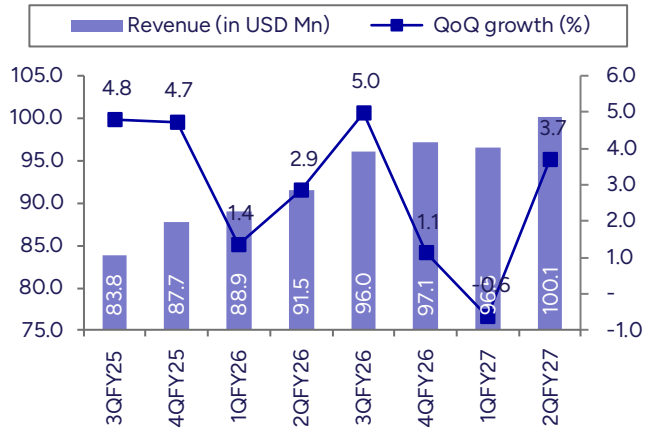
Source: Company, PL

Exhibit 5: Key Performance Indicator

	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	FY26*	FY27E*
Revenue (in USD mn)	89	91	96	97	97	100	374	414
QoQ growth (%)	*1.4*	*2.9*	*5.0*	*1.1*	*-0.6*	*3.7*	*14.3*	*10.6*
Fractal.ai Rev. (in USD mn)	87	89	94	95	95	98	364	402
Fractal Alpha Rev. (in USD mn)	2	3	2	3	3	4	10	14
EBITDA Margin (%)	*13.5*	*12.1*	*15.0*	*20.3*	*15.7*	*15.7*	*15.4*	*17.5*
Fractal.ai segment margin (%)	*16.4*	*17.5*	*19.2*	*24.5*	*18.8*	*17.7*	*16.8*	*17.8*
Fractal Alpha segment margin (%)	*-20.8*	*-34.5*	*-39.5*	*-46.0*	*-58.3*	*-30.6*	*10.0*	*-18.7*

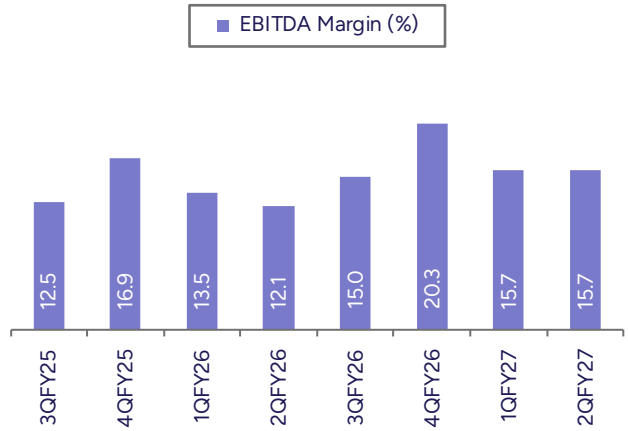
*Source: Company, PL, *YoY growth*

Exhibit 6: Strong growth in Q2



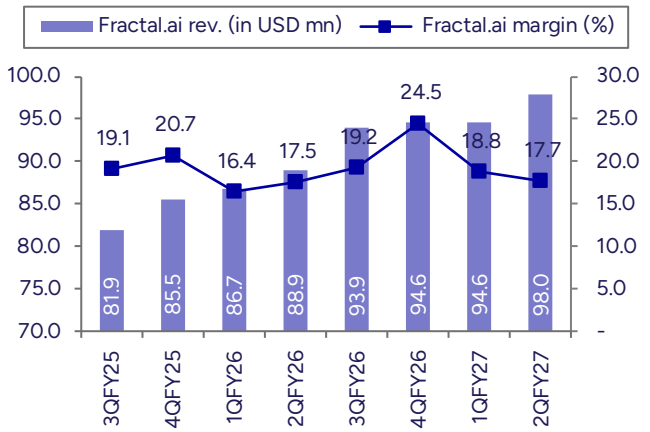
Source: Company, PL

Exhibit 7: Margins remain flat QoQ



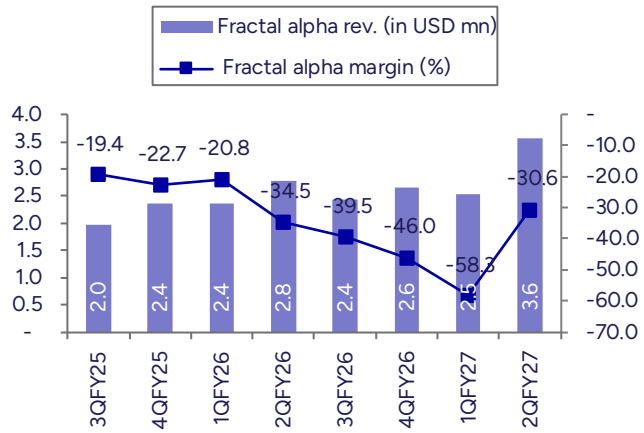
Source: Company, PL

Exhibit 8: Fractal.ai revenue growth resumes



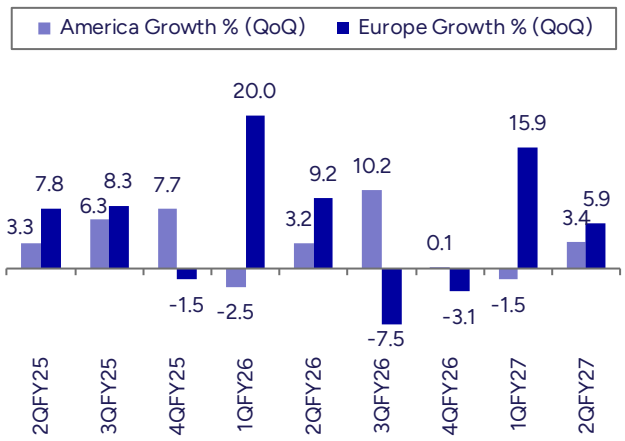
Source: Company, PL

Exhibit 9: Alpha business margins improve QoQ & YOY



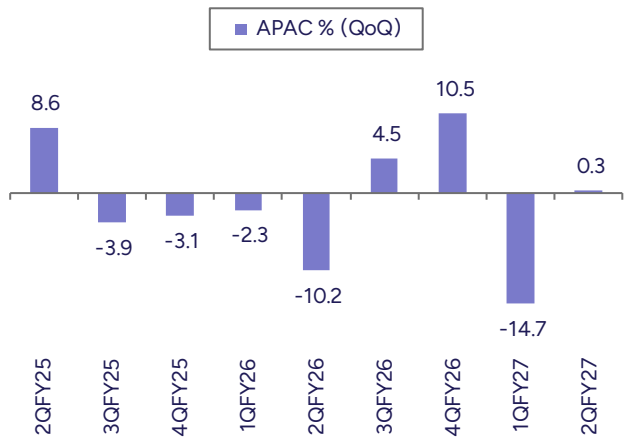
Source: Company, PL

Exhibit 10: America region strong rebound



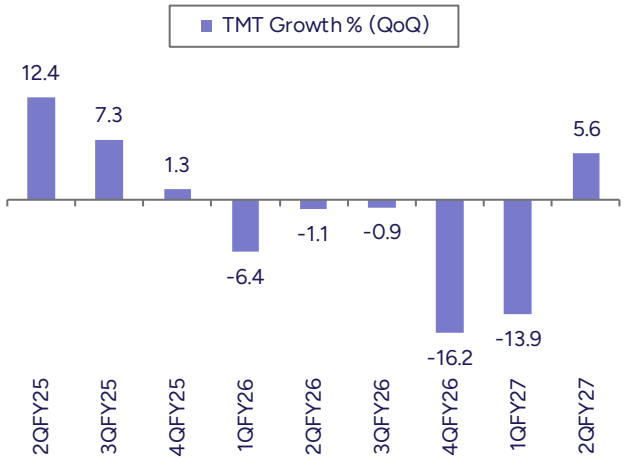
Source: Company, PL

Exhibit 11: APAC remains muted QoQ



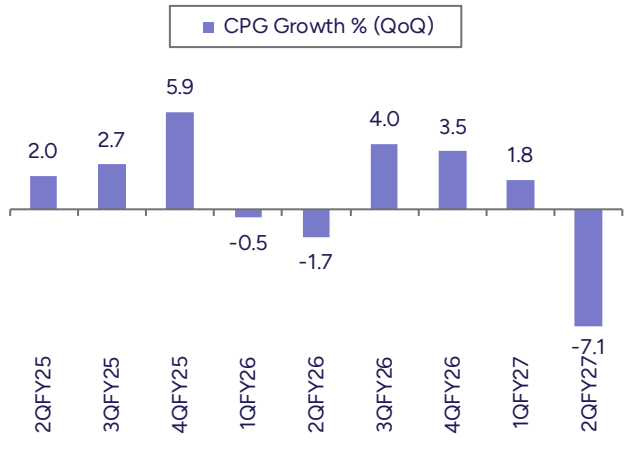
Source: Company, PL

Exhibit 12: TMT expected to sustain growth after bottoming out



Source: Company, PL

Exhibit 13: CPG affected by vendor consolidations & macro situation



Source: Company, PL

Exhibit 14: Operating Metrics

	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Segment Mix (in %)								
CPGR	38.5	39.0	38.3	36.7	36.1	37.1	37.8	33.9
TMT	30.9	30.0	27.7	26.7	25.1	20.9	18.0	18.3
HLS	13.7	14.5	16.7	17.3	20.2	22.5	23.5	25.6
BFSI	11.3	10.3	11.5	12.9	11.8	12.5	13.0	13.9
Others	5.6	6.1	5.8	6.4	6.8	7.0	7.7	8.3
Geography Mix (in %)								
Americas	66.1	68.3	65.6	66.0	68.9	68.4	67.4	67.3
Europe	18.4	17.3	20.5	21.9	19.1	18.4	21.4	21.8
APAC and others	15.5	14.4	13.9	12.1	12.0	13.2	11.2	10.9
Client Metrics								
>US$20mn	4	5	4	4	6	6	5	6
>US$10mn	6	6	6	7	8	9	9	8
>US$5mn	14	15	18	17	18	19	19	20
>US$1mn	50	53	54	52	58	59	58	58
NRR (%)	114.5	113.9	108.5	112.3	113.5	111.7	117.3	115.2
Top Clients								
Top 10 revenue mix (%)	52.6	54.6	55.9	53.1	52.7	51.9	51.8	51.7
Top 20 revenue mix (%)	69.2	72.1	72.2	72.3	70.7	69.2	70.6	71.1
No. of MWC	126	113	120	122	127	104	112	119
MWC revenue mix (%)	80.9	78.8	79.0	80.2	83.3	83.5	85.3	84.8
Employee Metrics								
No. of employees	5,036	5,254	5,298	5,722	5,919	5,868	6,029	6,173
Attrition (%)	15.9	16.3	17.3	15.7	15.0	15.2	15.6	15.9

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**32,997**	**39,314**	**46,834**	**55,267**
YoY gr. (%)	*19.3*	*19.1*	*19.1*	*18.0*
Cost of Goods Sold	17,549	20,708	24,093	27,618
Gross Profit	15,448	18,606	22,741	27,649
Margin (%)	*46.8*	*47.3*	*48.6*	*50.0*
Employee Cost	711	353	328	387
Other Expenses	18	19	23	28
EBITDA	**5,082**	**6,880**	**8,668**	**10,660**
YoY gr. (%)	*45.3*	*35.4*	*26.0*	*23.0*
Margin (%)	*15.4*	*17.5*	*18.5*	*19.3*
Depreciation and Amortization	1,358	1,757	2,014	2,376
EBIT	**3,725**	**5,123**	**6,655**	**8,283**
Margin (%)	*11.3*	*13.0*	*14.2*	*15.0*
Net Interest	-	-	-	-
Other Income	155	611	538	608
Profit Before Tax	**3,177**	**5,000**	**6,752**	**8,562**
Margin (%)	*9.6*	*12.7*	*14.4*	*15.5*
Total Tax	199	1,257	1,688	2,141
Effective Tax Rate (%)	*6.3*	*25.1*	*25.0*	*25.0*
Profit After Tax	**2,978**	**3,743**	**5,064**	**6,422**
Minority Interest	(54)	(79)	(82)	(82)
Share Profit from Associate	-	-	-	-
Adjusted PAT	**3,032**	**3,822**	**5,146**	**6,504**
YoY gr. (%)	*54.7*	*26.1*	*34.6*	*26.4*
Margin (%)	*9.2*	*9.7*	*11.0*	*11.8*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**2,922**	**3,891**	**5,146**	**6,504**
YoY gr. (%)	*31.0*	*33.2*	*32.3*	*26.4*
Margin (%)	*8.9*	*9.9*	*11.0*	*11.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,032	3,822	5,146	6,504
Equity Shares O/s (mn)	**161**	**172**	**172**	**172**
EPS (INR)	**18.8**	**22.2**	**29.9**	**37.8**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**8,587**	**10,749**	**13,090**	**15,854**
Tangibles	5,574	7,736	10,077	12,841
Intangibles	3,013	3,013	3,013	3,013
Acc: Dep / Amortization	**4,792**	**6,548**	**8,562**	**10,939**
Tangibles	3,149	4,905	6,919	9,296
Intangibles	1,643	1,643	1,643	1,643
Net Fixed Assets	**3,795**	**4,200**	**4,528**	**4,915**
Tangibles	2,425	2,830	3,158	3,545
Intangibles	1,370	1,370	1,370	1,370
Capital Work In Progress	356	356	356	356
Goodwill	3,854	3,854	3,854	3,854
Non-Current Investments	4,180	4,180	4,180	4,180
Net Deferred Tax Assets	531	531	531	531
Other Non-Current Assets	338	338	338	338
Current Assets				
Investments	8,741	8,741	8,741	8,741
Inventories	-	-	-	-
Trade Receivables	7,102	7,429	8,733	10,350
Cash & Bank Balance	11,652	15,070	19,427	24,887
Other Current Assets	2,125	2,377	2,832	3,357
Total Assets	**44,071**	**48,542**	**55,134**	**63,293**
Equity				
Equity Share Capital	172	172	172	172
Other Equity	31,677	35,568	40,714	47,218
Total Networth	**31,849**	**35,740**	**40,886**	**47,390**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	69	69	69	69
Other Non Current Liabilities	408	408	408	408
Current Liabilities				
ST Debt / Current of LT Debt	2,860	2,860	2,860	2,860
Trade Payables	1,356	1,486	1,888	2,238
Other Current Liabilities	5,906	6,277	7,240	8,463
Total Equity & Liabilities	**44,071**	**48,542**	**55,134**	**63,293**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	3,067	5,148	6,834	8,644
Add. Depreciation	1,358	1,757	2,014	2,376
Add. Interest	462	-	-	-
Less Financial Other Income	155	611	538	608
Add. Other	812	(611)	(538)	(608)
Op. Profit before WC Changes	5,699	6,294	8,310	10,413
Net Changes-WC	(861)	(146)	(542)	(740)
Direct Tax	(748)	(1,257)	(1,688)	(2,141)
Net Cash from Op. Activities	**4,090**	**4,890**	**6,080**	**7,533**
Capital Expenditures	(2,187)	(2,162)	(2,342)	(2,763)
Interest / Dividend Income	(9,406)	611	538	608
Others	(2,630)	-	-	-
Net Cash from Invt. Activities	**(14,223)**	**(1,551)**	**(1,804)**	**(2,155)**
Issue of Share Cap. / Premium	10,785	79	82	82
Debt Changes	(595)	-	-	-
Dividend Paid	-	-	-	-
Interest Paid	(273)	-	-	-
Others	(539)	-	-	-
Net Cash from Fin. Activities	**9,378**	**79**	**82**	**82**
Net Change in Cash	**(755)**	**3,418**	**4,357**	**5,459**
Free Cash Flow	1,903	2,728	3,738	4,769

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**8,544**	**8,863**	**9,125**	**9,565**
YoY gr. (%)	*20.8*	*17.0*	*20.0*	*19.8*
Raw Material Expenses	4,513	4,589	4,955	5,360
Gross Profit	4,031	4,274	4,170	4,205
Margin (%)	*47.2*	*48.2*	*45.7*	*44.0*
EBITDA	**1,285**	**1,801**	**1,429**	**1,501**
YoY gr. (%)	*45.3*	*40.7*	*39.2*	*54.8*
Margin (%)	*15.0*	*20.3*	*15.7*	*15.7*
Depreciation / Depletion	357	366	398	472
EBIT	**928**	**1,436**	**1,031**	**1,028**
Margin (%)	*10.9*	*16.2*	*11.3*	*10.7*
Net Interest	-	-	-	-
Other Income	(95)	130	108	235
Profit before Tax	**647**	**1,494**	**905**	**1,031**
Margin (%)	*7.6*	*16.9*	*9.9*	*10.8*
Total Tax	(353)	273	251	240
Effective Tax Rate (%)	*(54.6)*	*18.3*	*27.7*	*23.3*
Profit After Tax	**1,000**	**1,221**	**654**	**791**
Minority Interest	(25)	(20)	(19)	(20)
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,025**	**1,241**	**673**	**811**
YoY gr. (%)	*161.7*	*21.1*	*(45.7)*	*20.5*
Margin (%)	*12.0*	*14.0*	*7.4*	*8.5*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,024**	**1,304**	**604**	**811**
YoY gr. (%)	*132.9*	*27.4*	*(53.7)*	*34.2*
Margin (%)	*12.0*	*14.7*	*6.6*	*8.5*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,025**	**1,241**	**673**	**811**
Avg. Shares O/s (mn)	160	172	172	172
EPS (INR)	**6.4**	**7.2**	**3.9**	**4.7**

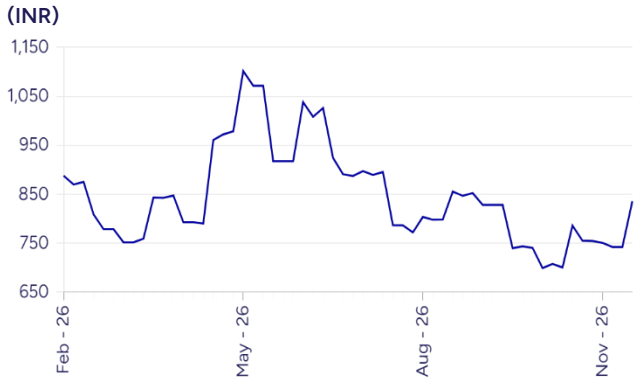
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	18.8	22.2	29.9	37.8
CEPS	27.2	32.4	41.6	51.6
BVPS	197.4	207.8	237.8	275.6
FCF	11.8	15.9	21.7	27.7
DPS	-	-	-	-
Return Ratio (%)				
RoCE	12.7	10.5	12.1	13.2
ROIC	9.5	9.3	10.5	11.1
RoE	12.3	11.3	13.4	14.7
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	63	60	54	53
Valuation (x)				
PER	44.5	37.6	27.9	22.1
P/B	4.2	4.0	3.5	3.0
P/CEPS	30.7	25.8	20.1	16.2
EV/EBITDA	23.1	17.9	13.7	10.6
EV/Sales	3.6	3.1	2.5	2.0
Dividend Yield (%)	-	-	-	-
FCFF Yield (%)	1.4	1.9	2.6	3.3
PEG Ratio	0.9	2.1	0.8	0.8

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	03-Oct-26	BUY	1020	727
2	31-Aug-26	Buy	1010	845
3	25-Jul-26	BUY	1010	787
4	02-Jul-26	Accumulate	1020	897
5	13-May-26	Hold	1040	1034
6	01-Apr-26	BUY	1110	798
7	06-Mar-26	BUY	1110	798
8	16-Feb-26	BUY	1260	900

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	2300	1901
2	Cyient	Accumulate	1310	1233
3	Firstsource Solutions	BUY	350	307
4	Fractal Analytics	BUY	1020	727
5	HCL Technologies	HOLD	1230	1223
6	Infosys	Accumulate	1200	1154
7	KPIT Technologies	REDUCE	520	553
8	L&T Technology Services	HOLD	3390	3611
9	Latent View Analytics	BUY	270	203
10	LTM	HOLD	4240	4390
11	Mphasis	BUY	2920	2250
12	Persistent Systems	Accumulate	6550	5840
13	Sagility	BUY	60	45
14	Tata Consultancy Services	BUY	2390	2076
15	Tata Elxsi	Accumulate	3790	3427
16	Tata Technologies	REDUCE	670	746
17	Tech Mahindra	BUY	1910	1650
18	Wipro	HOLD	166	174

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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