

# Infosys (INFO IN)

**Q4FY26 Result Update**

April 24, 2026

Estimate Change |  Target |  Reco.

## Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	1,570		1,740	
Sales (INR bn)	1,964	2,132	1,983	2,155
% Chng.	(1.0)	(1.1)		
EBITDA (INR bn)	477	523	480	529
% Chng.	(0.6)	(1.1)		
EPS (INR)	80.1	87.4	79.2	87.0
% Chng.	1.1	0.5		

## Key Data

INFY.BO | INFO IN

BSE Code	500209
NSE Code	INFY
52-W High / Low	INR 1,728 / INR 1,215
Face Value	5
Sensex / Nifty	77,664 / 24,173
Market Cap	INR 5,031 bn / \$ 53,462 mn
Shares Outstanding	4055.62 mn
3M Avg. Daily Value	INR 19,164.59 mn

## Shareholding Pattern (%)

Promoters	14.38
FII	28.45
MF	23.52
DII	19.86
Public	13.79
Promoter's Pledge	-

## Stock Performance (%)

	1M	3M	6M	12M
Absolute	(1.3)	(25.7)	(18.8)	(15.9)
Relative	(7.6)	(22.0)	(11.6)	(13.2)

## Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	1,630	1,787	1,964	2,132
EBITDA (INR bn)	392	424	477	523
Margin (%)	24.1	23.8	24.3	24.5
PAT (INR bn)	267	304	324	354
EV (INR bn)	4,768	4,751	4,661	4,653
Total Debt (INR bn)	-	-	-	-
C&C Eq. (INR bn)	245	222	229	237
EPS (INR)	64.5	73.9	80.2	87.5
Gr. (%)	10.0	14.6	8.5	9.1
DPS (INR)	43.0	62.5	67.5	74.2
Yield (%)	3.5	5.0	5.4	6.0
RoE (%)	29.0	32.2	34.8	37.9
RoCE (%)	26.6	29.3	31.9	34.8
EV/Sales (x)	2.9	2.7	2.4	2.2
EV/EBITDA (x)	12.2	11.2	9.8	8.9
PE (x)	19.2	16.8	15.5	14.2
P/BV (x)	5.4	5.5	5.4	5.4

## Conservative outlook misaligns deal TCV

### Quick Pointers

- Organic Rev. Guidance to 1.5-3.5% YoY CC for FY27
- Deal wins of USD 14.9 bn with ~55% NN component in FY26

The revenue growth performance (-1.2% CC QoQ) was below our estimates (-0.6% QoQ CC), attributed to seasonality and slower deal ramp ups. Geo-political conflicts and AI deflationary impact pose incremental risk to FY27E growth, which is reflected in the organic revenue guidance (1.5%-3.5% CC). However, the number of large deals wins at 96 (including 3 mega deals) and NN large deal TCV at USD8.2b (+24% YoY) are encouraging, which appears to have misaligned to growth anticipation in FY27E. The guidance is factoring-in around ~75-100bps impact of planned ramp down with a European client and right-shoring impact of ~40-50bps, otherwise each of these would have contributed additionally to FY27E growth. The management re-iterated BFSI and ER&U to contribute substantially to the topline on the back of notable large wins (80% NN ER&U) in each of these verticals. On margins, we are keeping a tight band due to company's higher appetite for investments in S&M and hiring/re-skilling AI talents, which partly get offset by project Maximus. We are baking CC organic revenue growth of 3.3% in FY27E which translates to overall CC growth of 5.0%/6.3% CC YoY in FY27E/FY28E, respectively, while keeping our margins largely unchanged. We assign PE of 18x (20x earlier) to FY28 EPS with a TP of Rs. 1,570. Retain BUY.

**Revenue:** INFO reported Q4 revenue decline of 1.3% QoQ (CC), below our and consensus estimates of a ~0.6% QoQ decline, primarily due to seasonality and delays in client decision-making, particularly in March. Segment-wise, weakness was led by Manufacturing (-5.9% QoQ), with FS, EURS and Retail also declining by 1.9%, 1.2% and 1.2% QoQ, respectively. For FY26, INFO reported revenue of US\$20.2bn, up 3.1% YoY in CC terms, driven by above-company growth in FS, Manufacturing, EURS and Communications, partially offset by decline in Retail and Life Sciences.

**Operating Margin:** Q4 EBIT margin stood at 21.0% (down ~20 bps QoQ), with headwinds from acquisition-related amortization (~50 bps), normalization of prior one-offs (~30 bps), and compensation costs (~20 bps), partially offset by currency tailwinds (~40 bps) and Project Maximus-led efficiencies. For FY26, INFO reported adj. EBIT margin of 21%, down 10 bps YoY.

**Deal Wins:** Large deal wins in Q4 stood at US\$3.2bn, down 33% QoQ, comprising 19 deals with a net-new component of ~40%. For FY26, INFO reported large deal TCV of US\$14.9bn, up ~24% YoY, with a net-new mix of ~55%, taking the total number of large deals to 96 for the year.

### Quarter Summary

Y/e Mar	Q4'26E	Q4'26A	% Var.	Q4'25A	YoY gr. (%)
Net Sales (INR bn)	464	464	-	409	13.0
EBITDA (INR bn)	111	112	1.0	99	13.0
Margin (%)	24.0	24.1	10 bps	24.1	-
PAT (INR bn)	76	85	12.0	70	21.0

Source: Company, PL

## Miss in Q4 revenue, FY27 guidance slightly discouraging

- USD rev of USD 5.04bn, down 1.3% QoQ in CC (1.2% QoQ USD), below our estimate & consensus estimate of 0.6% QoQ CC decline
- Segment wise drag was due to Manufacturing which declined by 5.9% QoQ with FS, EURS & Retail declined by 1.9%, 1.2% & 1.2% QoQ respectively
- Geography wise North America & Europe declined by 1.5% QoQ each
- **Announced FY27 organic revenue guidance of 1.5-3.5% YoY CC compared to 0-3% YoY CC guidance set at the start of FY26. EBIT margin guidance maintained at the band of 20-22%**
- EBIT margin came at 21%, down 20 bps QoQ, in line of our estimates & slightly below consensus estimate 21.3%
- Net headcount declined sharply by 8.44k in Q4 while Attrition (LTM) increased by 30 bps QoQ to 12.6%
- **Large deal TCW came USD 3.24 bn compared to USD 4.8 bn in Q3 with book to bill of 0.6x**
- Adj. Net profit of INR 85.1 b, up 11.6% QoQ, above our estimates of INR 74 bn due to lower taxes
- For FY26, reported revenue of USD 20.1 bn, up 3.1 YoY CC while EBIT margin came at 21%, down 10 bps YoY

## Conference Call Highlights

- Demand environment remains cautious, with flat-to-negative budgets, lower discretionary spend and selective AI-led investments.
- Financial Services outperformed, growing above company average, driven by large deal ramp-ups, AI-led transformation, legacy modernization and vendor consolidation.
- Manufacturing remains weak, with management highlighting cautious client behavior amid softer demand, tariff-related uncertainty and geopolitical risks, leading to delayed decision-making and constrained discretionary spending.
- AI deal momentum accelerating, particularly in productivity automation, platform-led modernization, IT operations, software replacement and mainframe migration. AI opportunity expanding across six focus areas—AI strategy & engineering, data, process, legacy modernization, physical AI and trust—with differentiation anchored in the Topaz platform.
- AI engagements carry premium pricing, supporting margins, though partially offset by higher cost of specialized talent.
- Management highlighted that FY27 guidance includes a ~0.75–1% reduction due to ramp down from a large European manufacturing client driven by weak macro and decision to not pursue certain deals, and a further ~0.75–1% impact from continued reduction in onsite mix as part of delivery optimization.
- Management highlighted that onsite mix is expected to further reduce, with combination of environment, visa situations and initiative to deliver more from offshore impacting delivery mix.
- Management plans to add 20,000 freshers to the headcount in FY27

Exhibit 1 : 4QFY26 Result: Mixed result with miss in revenue with in line operating margin

	4QFY26	4QFY26E	% Var.	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	FY26	FY25	YoY gr. (%)
IT Services Revenue (USD m)	5,040	5,086	-0.9	5,099	-1.2	4,730	6.6	20,156	19,277	4.6
Overall Revenue (INR b)	464	464	0.0	455	2.0	409	13.4	1,787	1,630	9.6
Gross Profit	143	142	0.8	141	1.6	124	16.1	552	496	11.2
Gross Margin (%)	30.9	30.7	30bps	31.0	-10bps	30.2	70bps	30.9	30.5	40bps
SG&A and Other Costs	31.8	31.1	2.2	33.2	-4.2	24.8	28.3	128	104	22.6
% of Rev	6.8	6.7	10bps	7.3	-40bps	6.1	80bps	7.1	6.4	80bps
EBITDA	112	111	0.5	108	3.4	99	13.1	424	392	8.2
EBITDA Margin (%)	24.1	24.0	10bps	23.7	30bps	24.1	-10bps	23.8	24.1	-30bps
Depreciation	14	14	2.3	12	23	13	9.6	49	48	1.9
% of Rev	3.1	3.0	10bps	2.5	50bps	3.2	-10bps	2.7	3.0	-20bps
EBIT	97	97	0.2	96	1.0	86	13.6	375	344	9.1
EBIT Margin (%)	21.0	21.0	0bps	21.2	-20bps	21.0	0bps	21.0	21.1	-10bps
Other Income (net)	11	9	13.6	9	20.6	11	-3.1	37	32	17.5
PBT	108	107	1.4	105	2.7	97	11.7	413	376	9.8
Tax	23	31	-25.9	29	-20.9	26	-12.8	109	109	-0.1
Effective tax rate (%)	21.2	29.0	-780bps	27.5	-630bps	27.2	-600bps	26.3	28.9	-260bps
Adjusted PAT	85	76	12.5	76	11.6	70	20.9	304	267	13.8
Exceptional items	0	0	NA	-10	NA	0.0	NA	-9.6	0	NA
Reported PAT	85	76	12.5	67	27.6	70	20.9	294	267	10.2
Reported EPS (INR)	21	18	14.5	18	13.6	17	23.8	74	65	14.7

Source: Company, PL

Exhibit 2 : Regional growth during the quarter

Geographies	Contri. To Rev. (%)	CC Growth (QoQ %)
North America	55.7	-1.5
Europe	32.6	-1.5
India	2.6	-8.2
ROW	9.1	4.6

Source: Company, PL

Exhibit 3 : Segment growth during the quarter

Verticals	Contri. To Rev. (%)	CC Growth (QoQ %)
Financial Services	28.0	-1.9
Retail	12.8	-1.2
Communications	12.4	1.3
Energy, Utilities, Resources	13.2	-1.2
Manufacturing	15.9	-5.9
Hi Tech	7.7	2.9
Life Sciences	7.3	0.2
Others	2.7	11.2

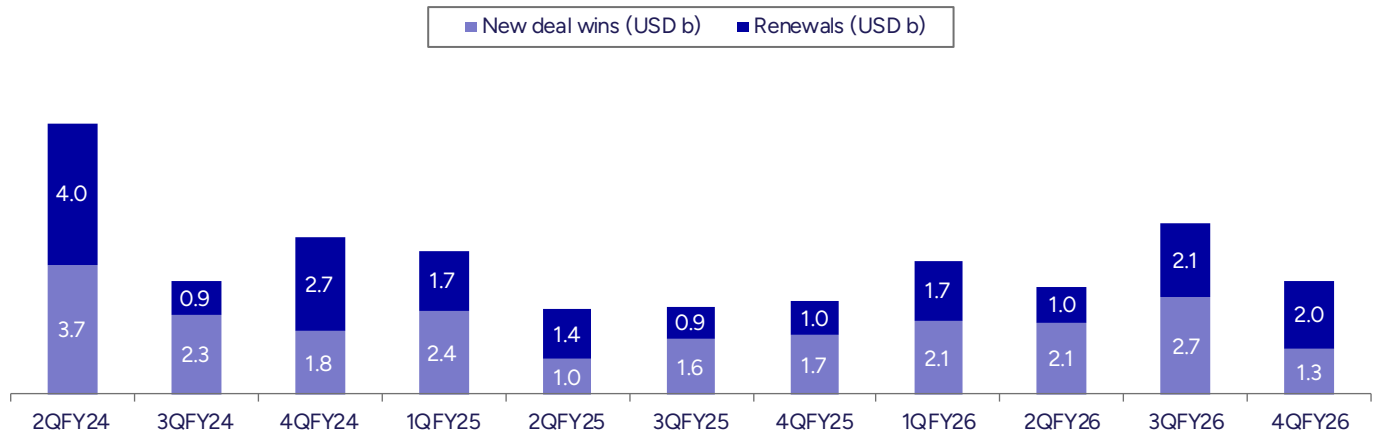
Source: Company, PL

Exhibit 4 : KPI

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	FY25*	FY26*
Revenue (QoQ CC %)	-2.2	3.6	3.1	1.7	-3.5	2.6	2.2	0.6	-1.3	4.2	3.1
<b>Margins</b>											
Gross Margin	29.5	30.9	30.5	30.3	30.2	30.9	30.8	31.0	30.9	30.5	30.9
EBIT Margin	20.1	21.1	21.1	21.3	21.0	20.8	21.0	21.2	21.0	21.1	21.0
Net Margin	15.8	16.2	15.9	16.3	17.2	16.4	16.6	16.7	18.3	16.4	17.0
<b>Operating metrics</b>											
Headcount	317	315	318	323	324	324	332	337	329	324	329
Voluntary Attrition (%)	12.6	12.7	12.9	13.7	14.1	14.4	14.3	12.3	12.6	14.1	12.6
Deal Win TCV (USD b)	4.5	4.1	2.4	2.5	2.6	3.8	3.1	4.8	3.2	11.6	14.9

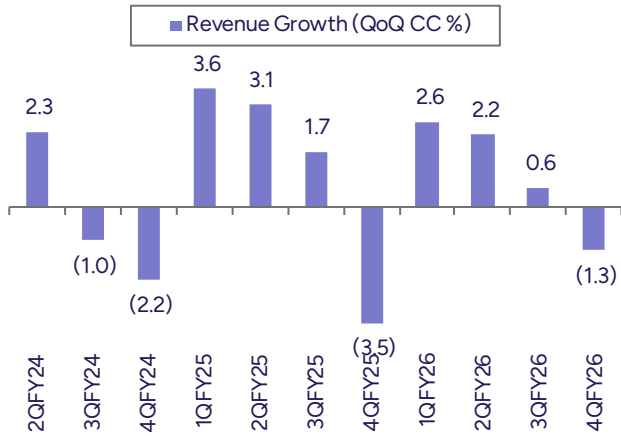
Source: Company, PL \* YoY CC

Exhibit 5 : Deal win momentum continues, NN wins of ~40% in Q4



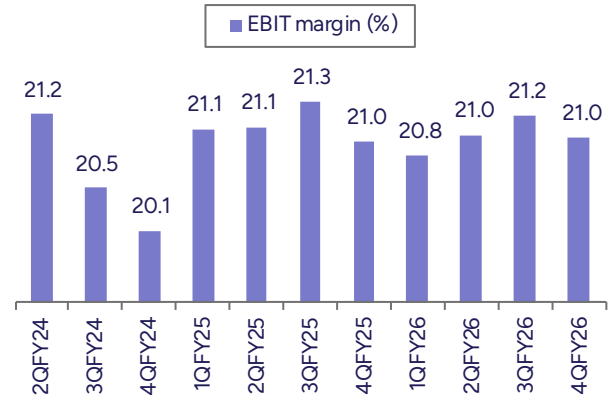
Source: Company, PL

Exhibit 6 : Revenue came below estimates



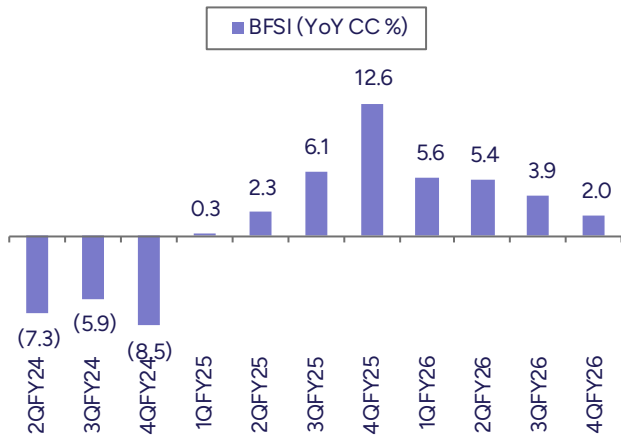
Source: Company, PL

Exhibit 7 : EBIT margin came in line of estimate



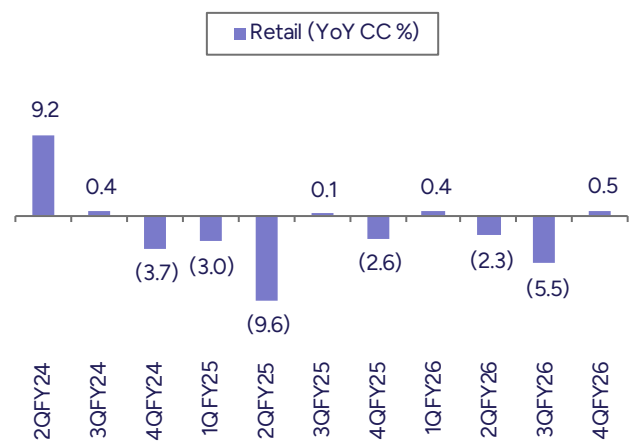
Source: Company, PL

Exhibit 8 : BFSI growth trend



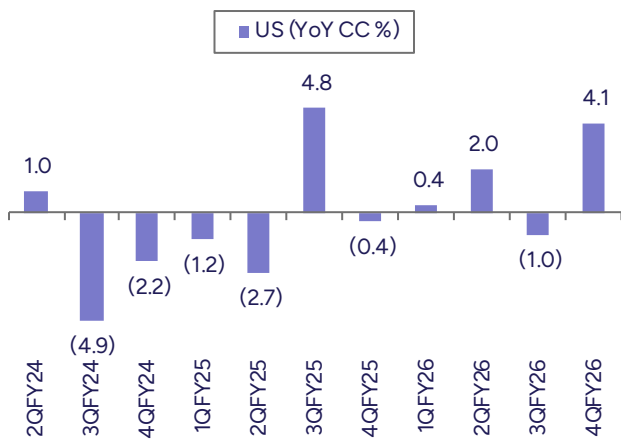
Source: Company, PL

Exhibit 9 : Retail growth trend



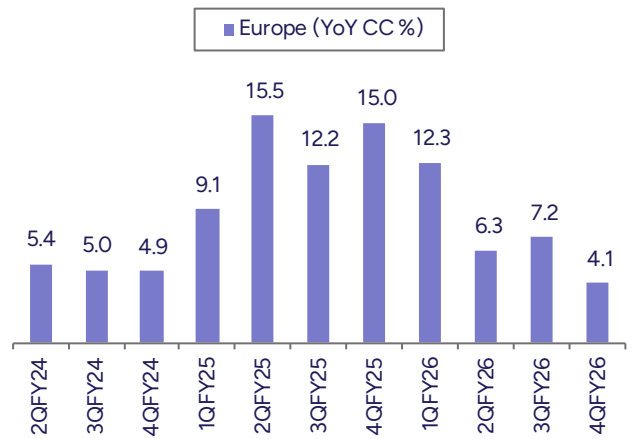
Source: Company, PL

Exhibit 10 : US growth trend



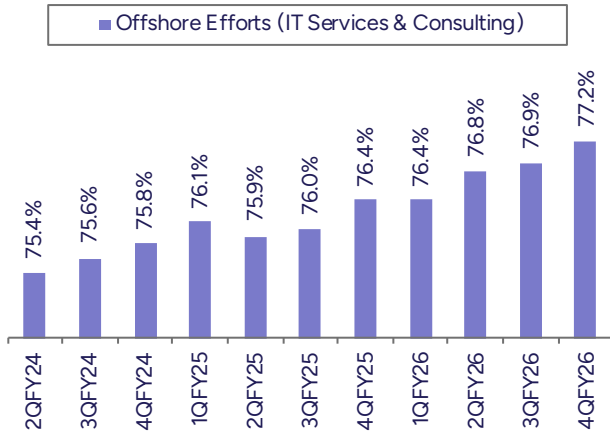
Source: Company, PL

Exhibit 11 : Europe growth trend



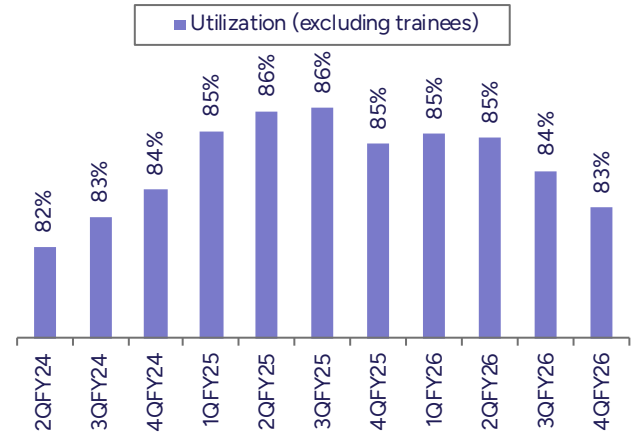
Source: Company, PL

Exhibit 12 : Offshore efforts growth trend



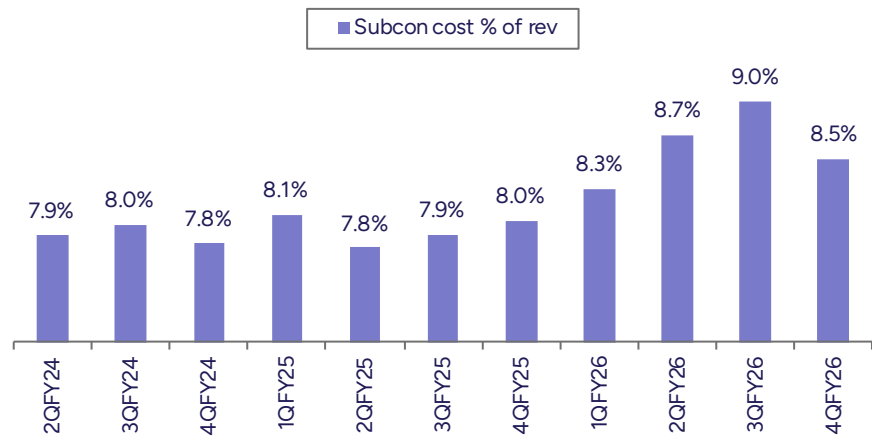
Source: Company, PL

Exhibit 13 : Utilization growth trend



Source: Company, PL

Exhibit 14 : Subcon % of rev moderates in Q4



Source: Company, PL

**Exhibit 15 : Operating Metrics**

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
<b>Effort (IT Services and Consulting)</b>													
Onsite	24.6%	24.7%	24.6%	24.4%	24.2%	23.9%	24.1%	24.0%	23.6%	23.6%	23.2%	23.1%	22.8%
Offshore	75.4%	75.3%	75.4%	75.6%	75.8%	76.1%	75.9%	76.0%	76.4%	76.4%	76.8%	76.9%	77.2%
<b>Utilization (IT Services and Consulting)</b>													
Including trainees	76.9%	78.9%	80.4%	81.7%	82.0%	83.9%	84.3%	83.4%	81.9%	82.7%	82.2%	80.0%	79.7%
Excluding trainees	80.0%	81.1%	81.8%	82.7%	83.5%	85.3%	85.9%	86.0%	84.9%	85.2%	85.1%	84.1%	83.0%
<b>Employee Metrics</b>													
Total Employees (Consolidated, in k)	343.2	336.3	328.8	322.7	317.2	315.3	317.8	323.4	323.6	323.8	332.0	337.0	328.6
S/W professional (k)	324.8	317.6	310.4	304.6	299.8	298.1	300.8	306.5	306.6	306.7	314.5	319.4	310.9
Support and sales (k)	18.4	18.7	18.4	18.1	17.4	17.2	17.0	18.1	17.0	17.1	17.5	17.7	17.7
<b>Revenues by client geography</b>													
North America	61.0%	60.8%	61.1%	59.0%	59.6%	58.9%	57.4%	58.4%	57.1%	56.5%	56.3%	55.9%	55.7%
Europe	27.0%	26.8%	26.5%	28.2%	28.6%	28.4%	29.8%	29.8%	31.2%	31.5%	31.7%	32.7%	32.6%
India	2.6%	2.7%	2.8%	2.4%	2.2%	3.1%	3.1%	3.1%	2.9%	2.9%	3.1%	2.8%	2.6%
ROW	9.4%	9.7%	9.6%	10.4%	9.6%	9.6%	9.7%	8.7%	8.8%	9.1%	8.9%	8.6%	9.1%
<b>Revenues by Business segments</b>													
Financial Services	28.9%	28.1%	27.5%	27.8%	26.4%	27.5%	27.2%	27.8%	28.4%	27.9%	27.7%	28.2%	28.0%
Retail	14.8%	14.5%	15.2%	14.6%	14.3%	13.8%	13.3%	13.8%	13.3%	13.4%	12.7%	12.8%	12.8%
Communications	11.8%	11.7%	11.4%	11.4%	12.3%	12.1%	11.9%	11.2%	11.7%	12.0%	12.1%	12.1%	12.4%
Energy, Utilities, Resources and Services	12.9%	12.9%	12.7%	13.2%	13.4%	13.3%	13.5%	13.5%	13.0%	13.6%	13.4%	13.2%	13.2%
Manufacturing	13.5%	14.1%	14.3%	14.9%	14.7%	14.7%	15.7%	15.5%	15.9%	16.1%	16.5%	16.7%	15.9%
Hi Tech	8.0%	8.1%	7.8%	7.7%	8.7%	8.0%	8.0%	7.9%	8.3%	7.8%	8.3%	7.4%	7.7%
Life Sciences	7.2%	7.2%	7.8%	7.6%	7.3%	7.3%	7.3%	7.6%	6.8%	6.5%	6.4%	7.2%	7.3%
Others	2.9%	3.4%	3.3%	2.8%	2.9%	3.3%	3.1%	2.7%	2.6%	2.7%	2.9%	2.4%	2.7%
<b>Geography YoY % CC</b>													
North America	6.0%	2.1%	1.0%	-4.9%	-2.2%	-1.2%	-2.7%	4.8%	-0.4%	0.4%	2.0%	-1.0%	4.1%
Europe	20.3%	10.1%	5.4%	5.0%	4.9%	9.1%	15.5%	12.2%	15.0%	12.3%	6.3%	7.2%	4.1%
India	-7.1%	13.7%	2.6%	-1.0%	-15.4%	19.9%	16.0%	40.1%	43.7%	-1.0%	6.8%	-1.8%	0.0%
ROW	3.4%	-0.5%	3.9%	7.8%	4.5%	2.3%	3.8%	-11.1%	-2.2%	0.4%	-3.9%	2.5%	5.0%
<b>Business Segments YoY % CC</b>													
Financial Services	0.4%	-4.2%	-7.3%	-5.9%	-8.5%	0.3%	2.3%	6.1%	12.6%	5.6%	5.4%	3.9%	2.0%
Retail	12.6%	4.0%	9.2%	0.4%	-3.7%	-3.0%	-9.6%	0.1%	-2.6%	0.4%	-2.3%	-5.5%	0.5%
Communications	0.3%	-5.6%	-4.3%	-8.0%	4.5%	5.4%	7.0%	4.0%	0.0%	4.0%	4.7%	9.9%	9.0%
Energy, Utilities, Resources and Services	17.1%	8.6%	5.1%	0.3%	3.3%	6.3%	10.9%	8.6%	1.5%	6.4%	2.1%	0.5%	6.7%
Manufacturing	26.5%	20.7%	12.6%	10.6%	8.7%	6.0%	12.3%	10.7%	14.0%	12.2%	6.6%	6.6%	1.3%
Hi Tech	3.7%	2.3%	-0.6%	-5.1%	9.7%	2.1%	6.0%	8.4%	-1.1%	1.7%	8.6%	-2.2%	-1.2%
Life Sciences	15.7%	13.9%	18.4%	6.3%	1.0%	2.9%	-3.5%	6.3%	-3.4%	-7.9%	-10.5%	-5.4%	11.6%
Others	13.4%	32.9%	15.3%	7.0%	0.5%	4.5%	-1.2%	3.2%	-2.8%	-15.3%	-2.4%	-9.3%	14.0%
DSO	62	63	67	72	71	72	73	74	69	70	70	74	67
Large deal TCY (USD m)	2,076	2,285	7,684	3,241	4,454	4,085	2,430	2,495	2,637	3,797	3,063	4,846	3,242
<b>Client (% of revenues)</b>													
Top 10 client	20.1%	20.4%	19.9%	20.0%	20.4%	20.9%	20.9%	19.9%	20.7%	20.8%	20.8%	20.6%	20.2%
Top 25 client	34.7%	34.6%	34.1%	33.7%	34.3%	34.9%	34.7%	34.2%	34.8%	35.2%	35.2%	35.0%	34.5%
Number of active clients	1,872	1,883	1,884	1,872	1,882	1,867	1,870	1,876	1,869	1,861	1,861	1,949	1,965
New clients added in the period	115	99	100	88	98	87	86	101	91	93	93	121	111

Source: Company, PL

## Financials

### Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Net Revenues</b>	1,630	1,787	1,964	2,132
YoY gr. (%)	6.1	9.6	9.9	8.6
Cost of Goods Sold	1,133	1,234	1,373	1,486
Gross Profit	496	552	591	646
Margin (%)	30.5	30.9	30.1	30.3
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
<b>EBITDA</b>	<b>392</b>	<b>424</b>	<b>477</b>	<b>523</b>
YoY gr. (%)	7.7	8.2	12.4	9.5
Margin (%)	24.1	23.8	24.3	24.5
Depreciation and Amortization	48	49	59	64
<b>EBIT</b>	<b>344</b>	<b>375</b>	<b>418</b>	<b>459</b>
Margin (%)	21.1	21.0	21.3	21.5
Net Interest	-	-	-	-
Other Income	32	37	39	41
<b>Profit Before Tax</b>	<b>376</b>	<b>413</b>	<b>458</b>	<b>499</b>
Margin (%)	23.1	23.1	23.3	23.4
Total Tax	109	109	133	145
Effective Tax Rate (%)	28.9	26.3	29.0	29.0
<b>Profit After Tax</b>	<b>268</b>	<b>304</b>	<b>325</b>	<b>354</b>
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>267</b>	<b>304</b>	<b>324</b>	<b>354</b>
YoY gr. (%)	10.1	13.8	6.7	9.1
Margin (%)	16.4	17.0	16.5	16.6
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>267</b>	<b>294</b>	<b>324</b>	<b>354</b>
YoY gr. (%)	1.8	10.2	10.2	9.1
Margin (%)	16.4	16.5	16.5	16.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	267	294	324	354
Equity Shares O/s (m)	4	4	4	4
EPS (INR)	64.5	73.9	80.2	87.5

Source: Company, PL

### Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>454</b>	<b>508</b>	<b>538</b>	<b>571</b>
Tangibles	384	438	468	500
Intangibles	70	70	70	70
<b>Acc: Dep / Amortization</b>	<b>(237)</b>	<b>(286)</b>	<b>(345)</b>	<b>(409)</b>
Tangibles	(195)	(244)	(303)	(367)
Intangibles	(42)	(42)	(42)	(42)
<b>Net Fixed Assets</b>	<b>327</b>	<b>311</b>	<b>282</b>	<b>251</b>
Tangibles	300	283	254	222
Intangibles	28	28	28	28
Capital Work In Progress	-	-	-	-
Goodwill	101	121	121	121
Non-Current Investments	-	-	-	-
Net Deferred Tax Assets	(6)	6	5	5
Other Non-Current Assets	79	70	89	97
<b>Current Assets</b>				
Investments	125	130	130	130
Inventories	-	-	-	-
Trade Receivables	312	352	387	421
Cash & Bank Balance	245	222	229	237
Other Current Assets	290	331	354	384
<b>Total Assets</b>	<b>1,489</b>	<b>1,560</b>	<b>1,616</b>	<b>1,665</b>
<b>Equity</b>				
Equity Share Capital	21	20	20	20
Other Equity	937	908	913	916
<b>Total Network</b>	<b>958</b>	<b>929</b>	<b>933</b>	<b>936</b>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	-	-	-	-
Provisions	-	-	-	-
Other Non Current Liabilities	81	87	95	103
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	42	47	52	57
Other Current Liabilities	387	476	512	544
<b>Total Equity &amp; Liabilities</b>	<b>1,489</b>	<b>1,560</b>	<b>1,616</b>	<b>1,665</b>

Source: Company, PL

**Cash Flow (INR bn)**

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	268	295	324	354
Add. Depreciation	48	49	59	64
Add. Interest	-	-	-	-
Less Financial Other Income	32	37	39	41
Add. Other	44	124	-	-
Op. Profit before WC Changes	360	468	383	418
Net Changes-WC	(3)	(23)	(27)	(26)
Direct Tax	-	(86)	-	-
<b>Net Cash from Op. Activities</b>	<b>357</b>	<b>358</b>	<b>357</b>	<b>392</b>
Capital Expenditures	(22)	(27)	(30)	(33)
Interest / Dividend Income	-	-	-	-
Others	3	28	-	-
<b>Net Cash from Invst. Activities</b>	<b>(19)</b>	<b>1</b>	<b>(30)</b>	<b>(33)</b>
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(24)	(28)	-	-
Dividend Paid	(203)	(187)	(320)	(351)
Interest Paid	-	-	-	-
Others	(15)	(183)	-	-
<b>Net Cash from Fin. Activities</b>	<b>(242)</b>	<b>(398)</b>	<b>(320)</b>	<b>(351)</b>
<b>Net Change in Cash</b>	<b>96</b>	<b>(39)</b>	<b>7</b>	<b>8</b>
Free Cash Flow	335	331	327	360

Source: Company, PL

**Quarterly Financials (INR bn)**

Y/e Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
<b>Net Revenues</b>	<b>423</b>	<b>445</b>	<b>455</b>	<b>464</b>
YoY gr. (%)	7.5	8.5	8.9	13.4
Raw Material Expenses	292	308	314	321
Gross Profit	131	137	141	143
Margin (%)	30.9	30.8	31.0	30.9
<b>EBITDA</b>	<b>99</b>	<b>105</b>	<b>108</b>	<b>112</b>
YoY gr. (%)	5.4	7.4	6.8	13.1
Margin (%)	23.5	23.7	23.7	24.1
Depreciation / Depletion	11	12	12	14
<b>EBIT</b>	<b>88</b>	<b>94</b>	<b>96</b>	<b>97</b>
Margin (%)	20.8	21.0	21.2	21.0
Net Interest	-	-	-	-
Other Income	9	9	9	11
<b>Profit before Tax</b>	<b>97</b>	<b>102</b>	<b>105</b>	<b>108</b>
Margin (%)	23.0	23.0	23.1	23.3
Total Tax	28	29	29	23
Effective Tax Rate (%)	28.9	27.9	27.5	21.2
<b>Profit After Tax</b>	<b>69</b>	<b>74</b>	<b>76</b>	<b>85</b>
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>69</b>	<b>74</b>	<b>76</b>	<b>85</b>
YoY gr. (%)	8.6	13.2	11.7	20.9
Margin (%)	16.4	16.6	16.8	18.4
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>69</b>	<b>74</b>	<b>67</b>	<b>85</b>
YoY gr. (%)	8.6	13.2	(2.3)	20.9
Margin (%)	16.4	16.6	14.7	18.4
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>69</b>	<b>74</b>	<b>67</b>	<b>85</b>
Avg. Shares O/s (m)	4	4	4	4
<b>EPS (INR)</b>	<b>16.7</b>	<b>17.8</b>	<b>18.6</b>	<b>21.1</b>

Source: Company, PL

**Key Financial Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Per Share (INR)</b>				
EPS	64.5	73.9	80.2	87.5
CEPS	76.1	85.8	94.8	103.3
BVPS	231.4	225.8	230.7	231.3
FCF	80.8	80.5	80.8	88.9
DPS	43.0	62.5	67.5	74.2
<b>Return Ratio (%)</b>				
RoCE	26.6	29.3	31.9	34.8
ROIC	19.4	20.5	21.4	22.8
RoE	29.0	32.2	34.8	37.9
<b>Balance Sheet</b>				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	60	62	62	62
<b>Valuation (x)</b>				
PER	20.0	17.0	16.0	15.0
P/B	6.0	6.0	6.0	6.0
P/CEPS	17.0	15.0	13.0	12.0
EV/EBITDA	13.0	12.0	10.0	9.0
EV/Sales	3.0	3.0	3.0	3.0
Dividend Yield (%)	4.0	5.0	6.0	6.0
FCFF Yield (%)	7.0	7.0	7.0	8.0
PEG Ratio	2.0	2.0	2.0	2.0

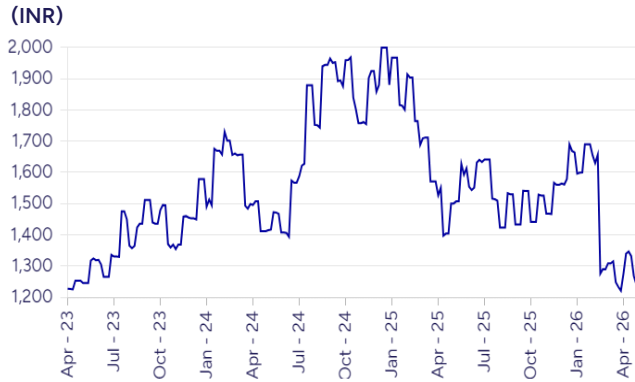
Source: Company, PL

**Key Operating Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	19,277	20,156	21,120	22,447

Source: Company, PL

**Price Chart**



**Recommendation History**

No.	Date	Rating	TP (INR)	Share Price (INR)
1	01-Apr-26	BUY	1740	1276
2	18-Feb-26	BUY	1900	1391
3	15-Jan-26	BUY	1900	1600
4	02-Jan-26	BUY	1900	1630
5	17-Oct-25	BUY	1780	1472
6	04-Oct-25	BUY	1760	1447
7	24-Jul-25	Accumulate	1750	1575
8	01-Jul-25	Accumulate	1680	1602
9	21-Apr-25	BUY	1630	1420
10	03-Apr-25	BUY	2020	1550

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	1870	1154
2	Cyient	BUY	950	780
3	Fractal Analytics	BUY	1110	798
4	HCL Technologies	Reduce	1300	1441
5	Infosys	BUY	1740	1276
6	KPIT Technologies	BUY	1020	674
7	L&T Technology Services	Hold	3610	3550
8	Latent View Analytics	BUY	450	261
9	LTM	BUY	5240	4107
10	Mphasis	BUY	3050	2137
11	Persistent Systems	Buy	6400	5330
12	Tata Consultancy Services	BUY	3450	2589
13	Tata Elxsi	HOLD	4800	4651
14	Tata Technologies	BUY	610	531
15	Tech Mahindra	Buy	1660	1463
16	Wipro	HOLD	200	210

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- 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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