RATING SELL | CMP INR 639 | TP INR 460

KPIT Technologies (KPITTECH IN)

Q1FY27 Result Update

July 30, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	SELL		HOLD	
Target Price	460		580	
Sales (INR mn)	65,933	70,717	66,085	73,095
% Chng.	*(0.2)*	*(3.3)*		
EBITDA (INR mn)	11,430	13,555	12,920	14,809
% Chng.	*(11.5)*	*(8.5)*		
EPS (INR)	18.4	25.4	23.2	29.1
% Chng.	*(20.7)*	*(12.7)*		

Key Data KPIE.BO | KPITTECH IN

BSE Code	542651
NSE Code	KPITTECH
52-W High / Low	INR 1,328 / INR 543
Face Value	10
Sensex / Nifty	77,655 / 24,250
Market Cap	INR 175 bn / $ 1,831 mn
Shares Outstanding	274.14 mn
3M Avg. Daily Value	INR 2,179.93 mn

Shareholding Pattern (%)

Promoters	38.60
FIIs	13.22
Mutual Funds	11.91
Domestic Institutions	11.70
Public & Others	24.57
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(10.3)	(13.7)	(38.7)	(47.6)
Relative	(11.4)	(13.9)	(34.9)	(45.1)

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	58,423	64,549	65,933	70,717
EBITDA (INR mn)	12,251	13,457	11,430	13,555
Margin (%)	*21.0*	*20.8*	*17.3*	*19.2*
PAT (INR mn)	7,697	6,419	5,058	6,964
EV (INR mn)	158,271	164,594	162,506	157,767
Total Debt (INR mn)	15	4,622	4,622	4,622
C&C Eq. (INR mn)	12,681	13,408	16,813	21,552
EPS (INR)	28.4	23.6	18.4	25.4
Gr. (%)	*29.3*	*(16.8)*	*(21.8)*	*37.7*
DPS (INR)	9.0	8.0	13.0	16.0
Yield (%)	*1.3*	*1.2*	*2.0*	*2.5*
RoE (%)	*30.3*	*19.9*	*14.0*	*18.2*
RoCE (%)	*28.4*	*22.2*	*15.0*	*17.7*
EV/Sales (x)	2.7	2.5	2.5	2.2
EV/EBITDA (x)	12.9	12.2	14.2	11.6
PE (x)	22.5	27.1	34.6	25.1
P/BV (x)	6.0	4.9	4.7	4.4

Near term headwinds, recovery hinges on H2 execution

Quick Pointers

- EBIT margin down 360 bps QoQ due to rev. decline & higher SG&A exp
- Deal wins of US$ 257 mn in Q1, up 6.6% YoY

KPIT's revenue declined 3.6% QoQ CC, marginally better than our estimate of 4.1% decline; however, profitability disappointed materially, with EBIT margin at 12.3% (vs. our estimate of 14.4%) due to missing operating leverage and continued investments in products & solutions. Deal wins were steady, with TCV of US$257mn led by connected, autonomous and after-sales engagements, although revenue conversion continues to be impacted by prolonged customer decision-making and weakness across European OEMs. Management reiterated its expectation of an H2FY27 recovery (largely towards Q4), aided by cost reduction programs across European OEMs, leveraging adjacencies through off-highways and scaling to newer geographies (JKC and SIMA). However, the revenue impact from the completion of a large European OEM program, which was initially expected in Q1FY27, has now shifted to Q2FY27. While management expects this headwind is Europe dominated and can be offset against growth within US and APAC regions. Further, Qorix losses widened sequentially due to deferred customer programs that are expected to remain a drag over the next 1-2 quarters, although management expects to recoup the revenue losses sooner than later. Margin recovery will largely be a function of revenue growth, which is unlikely to materialize in the immediate near term. Accordingly, we revise our FY27E/FY28E CC revenue growth estimates to -0.6%/5.6% (from 0.7%/9.2%) and lower our EBIT margin estimates to 12.3%/14.0% (from 14.8%/15.7%). We assign a P/E multiple of 18x (earlier 20x) to FY28E EPS to arrive at a revised target price of INR 460 (earlier INR 580). With strategic programs increasingly unwinding and fewer opportunities available to fill the resulting gaps, growth is likely to remain challenging in the near to medium term. Hence, downgrade to SELL (earlier HOLD).

Revenue: KPIT reported revenue of USD 176.8 mn, with 3.6% QoQ CC decline and 4.3% QoQ USD decline, ahead of our 4.1% QoQ CC decline estimate. The CV segment declined 12.2% QoQ on account of a high Q4 base, while the PV segment declined 2.4% QoQ (4th consecutive qtr. decline). Geography wise, America & Europe region reported growth of 10.5% & 1.2% QoQ respectively while JKC & SIMA regions declined by 25% & 41.1% QoQ respectively.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR mn)	16,650	16,750	*1.0*	15,388	*9.0*
EBITDA (INR mn)	3,210	2,878	*-10.0*	3,239	*-11.0*
Margin (%)	*19.3*	*17.2*	*-210 bps*	*21.0*	*-380 bps*
PAT (INR mn)	1,483	1,172	*-21.0*	1,719	*-32.0*

Source: Company, PL

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Margin: EBITDA margin declined by 360 bps QoQ to 17.2%, compared to our estimate of 19.3% due to revenue contraction, certain provisions created for acquisitions, forex impact, & subcontracting costs incurred in European regions for clients. EBIT margin came at 12.3%, down 360 bps QoQ compared to our estimate of 14.4%.

Deal Wins: KPIT reported healthy deal wins, with TCV of USD 257 mn, down 28.4% QoQ but up 6.6% YoY, in line with historic trend. Deal wins were mainly driven by connected cars, sales transformation and autonomous deals.

Miss on margins, Adj. PAT impacted by EBITDA miss & higher loss from JV

- **Revenue came at USD 176.8 mn, down 3.6% QoQ CC & 4.3% QoQ in USD, slightly above our estimates of 4.1% QoQ CC decline.**
- Segment wise Commercial vehicles declined by 12.2% QoQ while Passenger cars declined by 2.4% QoQ (4th consecutive qtr. Decline). Function wise, Architecture & Middleware consulting, Cloud based services and Feature development declined by 0.6%, 8.3% & 3.9% QoQ respectively.
- **Geography wise America & Europe region reported growth of 10.5% & 1.2% QoQ respectively while JKC region (Japan,Korea,China) reported decline of 25.0% QoQ & SIMA region (South-East Asia, India, Middle East, Africa) declined 41.1% QoQ on account of normalising product sale in Q1 vs Q4FY26**
- Revenue from Strategic clients declined by 1.3% QoQ
- **EBITDA margin came in at 17.2%, below our estimate of 19.3% on account of revenue contraction & higher SG&A expenses due to higher USD R&D exp (up 18% QoQ), while EBIT margin came at 12.3%, down 360 bps QoQ & below our estimate of 14.4%. Company expects margins to improve sequentially from Q2, aided by revenue mix and growth and AI led productivity gains,**
- Net Headcount declined by 217 QoQ to 12.3k
- Deal wins were healthy at USD 257 mn in line with historic trend, up 6.6% YoY.
- Adj. PAT came at Rs 1.16 bn (down 28.6% QoQ) below our estimate of 1.48 bn due to miss on EBITDA and higher losses from JV.

Conference Call Highlights

- Management indicated that European OEMs continue to face structural headwinds from rising Chinese competition, US tariff uncertainty and elevated input costs, leading to a ~4% impact on the Europe geography in Q1, with the weakness expected to persist into Q2.
- Management expects commercial vehicle business to resume growth from the next quarter, with recent weakness attributed to project timing rather than deterioration in demand, having multiple new logos across the US, Europe and Asia as software-defined machines (SDM) adoption expands beyond passenger vehicles.
- Management expects H2FY27 to outperform H1, with meaningful growth returning by Q4, supported by existing deal wins, broader client additions and new solution offerings already under implementation.
- Management stated that client conversations have shifted meaningfully to enable OEM's reduce cost of production by 30%-40%, in order to remain competitive.
- KPIT continues expanding beyond traditional automotive engineering into deep-tech mobility adjacencies, including drones, humanoids, data-center infrastructure, hydrogen technologies and micro-mobility, although these are not yet expected to contribute materially to near-term growth

- Within existing OEMs, KPIT is expanding wallet share through new engineering offerings, particularly leveraging the CareSoft acquisition for vehicle cost reduction and after-sales transformation initiatives.

- The Management expects products, AI platforms and outcome-based solutions to become increasingly margin-accretive, supporting medium-term profitability independent of traditional engineering services

- Management highlighted that vendor consolidation is underway across OEMs and believes the client engagement model will evolve beyond traditional consolidation, with customers choosing the best solutions, products and AI capabilities to compete more effectively.

- The company is actively targeting new passenger vehicle OEMs in Japan, Korea and Europe where relationships have been nurtured over several years and are now approaching commercialization.

- Management indicated that wage hikes were deferred, but will be done in phased manner during the years, starting from the younger grade employees followed by senior employees.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	16,750	*8.9*	16,306	*2.7*	16,355	*1.1*	16,521	*(3.4)*
EBIT	2,052	*(21.4)*	1,945	*(25.3)*	2,048	*(18.9)*	2,133	*(21.4)*
Margin (%)	*12.3*	*-470bps*	*11.9*	*-450bps*	*12.5*	*-310bps*	*12.9*	*-290bps*
Adj. PAT	1,172	*(31.8)*	1,202	*(21.9)*	1,305	*(14.7)*	1,380	*(15.4)*

Source: Company, PL

Exhibit 2: 1QFY27 Result: Revenue slightly above estimates, miss on margins

	1QFY27	1QFY27E	*% Var.*	4QFY26	*QoQ gr. (%)*	1QFY26	*YoY gr. (%)*	FY27E	FY26	*YoY gr. (%)*
IT Services Revenue (USD m)	177	176	*0.5*	185	*-4.3*	178	*-0.5*	706	725	*-2.6*
Overall Revenue (INR m)	**16,750**	**16,650**	***0.6***	**17,110**	***-2.1***	**15,388**	***8.9***	**65,933**	**64,549**	***2.1***
Gross Profit	5,973	5,774	*3.4*	6,394	*-6.6*	5,423	*10.1*	23,263	23,681	*-1.8*
Gross Margin (%)	*35.7*	*34.7*	*100bps*	*37.4*	*-170bps*	*35.2*	*40bps*	*35.3*	*36.7*	*-140bps*
SG&A and Other Costs	3,095.4	2,564.1	*20.7*	2,861.1	*8.2*	2,184.3	*41.7*	11,832.9	10,224.3	*15.7*
% of Rev	*18.5*	*15.4*	*310bps*	*16.7*	*180bps*	*14.2*	*430bps*	*17.9*	*15.8*	*210bps*
EBITDA	**2,878**	**3,210**	***-10.4***	**3,533**	***-18.5***	**3,239**	***-11.2***	**11,430**	**13,457**	***-15.1***
EBITDA Margin (%)	*17.2*	*19.3*	*-210bps*	*20.6*	*-350bps*	*21.0*	*-390bps*	*17.3*	*20.8*	*-350bps*
Depreciation	825	816	*1.2*	820	*1*	629	*31.3*	3252	3006	*8.2*
% of Rev	*4.9*	*4.9*	*0bps*	*4.8*	*10bps*	*4.1*	*80bps*	*4.9*	*4.7*	*30bps*
EBIT	**2,052**	**2,394**	***-14.3***	**2,713**	***-24.4***	**2,610**	***-21.4***	**8,178**	**10,451**	***-21.7***
EBIT Margin (%)	*12.3*	*14.4*	*-210bps*	*15.9*	*-360bps*	*17.0*	*-470bps*	*12.4*	*16.2*	*-380bps*
Other Income (net)	-449	-390	*15.3*	-467	*-3.7*	-252	*78.2*	-1,324	-1,558	*-15.0*
PBT	**1,603**	**2,004**	***-20.0***	**2,246**	***-28.6***	**2,358**	***-32.0***	**6,854**	**8,893**	***-22.9***
Tax	439	521	*-15.8*	617	*-28.8*	639	*-31.3*	1,804	2,475	*-27.1*
Effective tax rate (%)	*27.4*	*26.0*	*140bps*	*27.5*	*-10bps*	*27.1*	*30bps*	*26.3*	*27.8*	*-150bps*
Adjusted PAT	**1,164**	**1,483**	***-21.5***	**1,630**	***-28.6***	**1,719**	***-32.3***	**5,050**	**6,418**	***-21.3***
Exceptional items	0.0	0.0	*NA*	0.0	*NA*	0.0	*NA*	0.0	-44.0	*NA*
Reported PAT	**1,172**	**1,483**	***-21.0***	**1,630**	***-28.1***	**1,719**	***-31.8***	**5,050**	**6,374**	***-20.8***
Reported EPS (INR)	**4**	**5**	***-21.1***	**6**	***-28.2***	**6**	***-32.0***	**18**	**24**	***-21.8***

Source: Company, PL

Exhibit 3: Regional Growth (%)

Geographies	Contri. To Rev. (%)	QoQ Growth (%)
US	30.5	10.4
Europe	49.7	1.2
JKC	15.8	(25.0)
SIMA	4.0	(41.1)

Source: Company, PL

Exhibit 4: Vertical Growth (%)

Verticals	Contri. To Rev. (%)	QoQ CC Growth (%)
Passenger Cars	78.1	(2.4)
Commercial Vehicles	19.2	(12.2)
Others	2.7	1.1

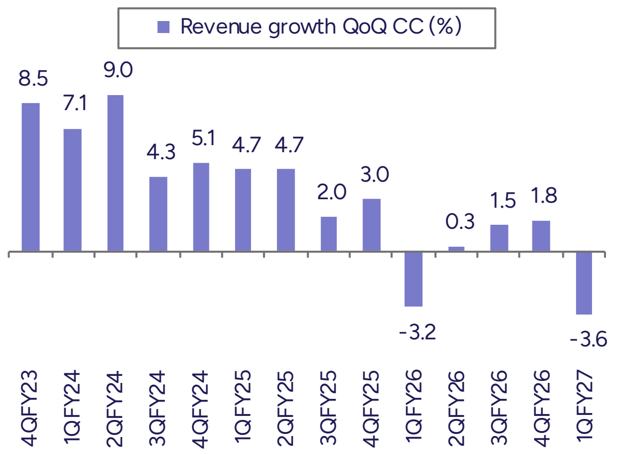
Source: Company, PL

Exhibit 5: Key Performance Indicator

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	FY26*	FY27E*
Revenue (QoQ CC %)	**4.7**	**4.7**	**2.0**	**3.0**	**-3.2**	**0.3**	**1.5**	**1.8**	**-3.6**	**1.3**	**-0.6**
Margins (%)											
EBIT Margin	17.3	16.7	17.2	17.3	17.0	16.4	15.6	15.9	12.3	16.2	12.4
Net Margin	12.6	13.8	12.7	13.6	11.2	9.7	9.5	9.5	7.0	9.9	7.7
Operating metrics											
Headcount	13,001	13,087	12,795	12,873	12,545	12,879	12,724	12,520	12,303	12,520	-
Strategic clients revenue mix (%)	86.5	85.5	87.6	87.8	87.4	86.8	87.7	84.6	87.3	84.6	-

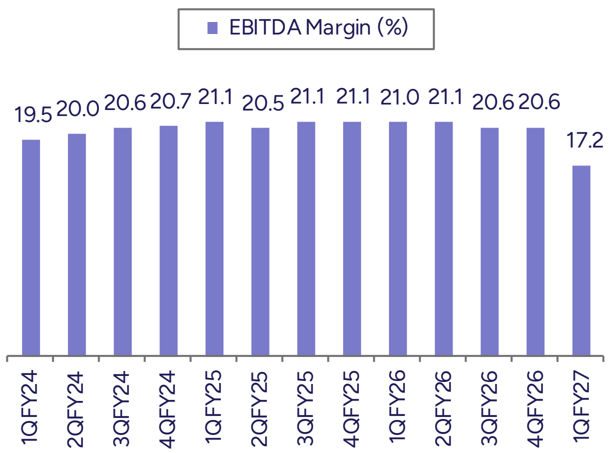
*Source: Company, PL, *YoY CC*

Exhibit 6: Rev. decline slightly ahead of our estimate



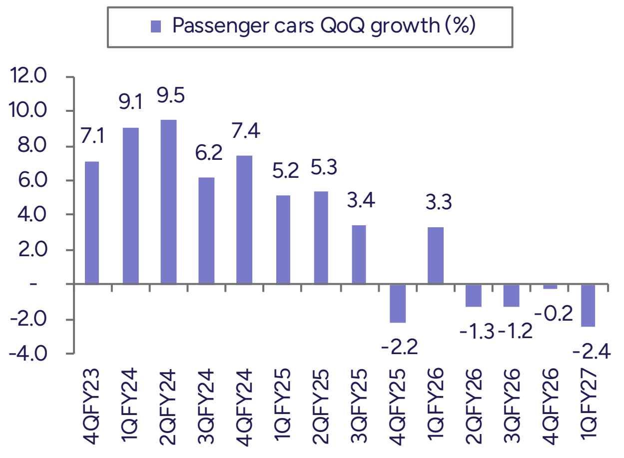
Source: Company, PL

Exhibit 7: Margin impacted by revenue weakness



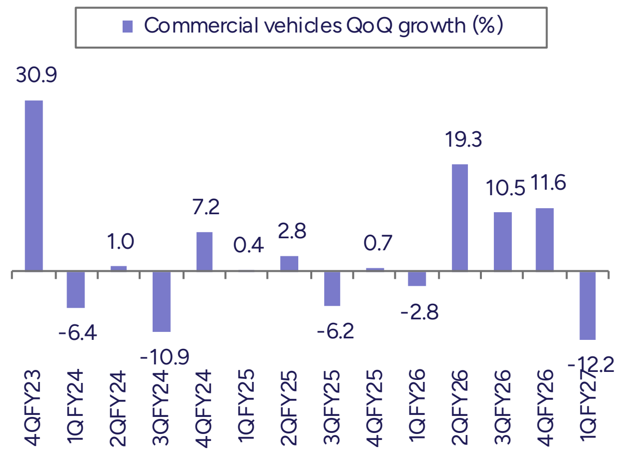
Source: Company, PL

Exhibit 8: Client spending in PV remains weak



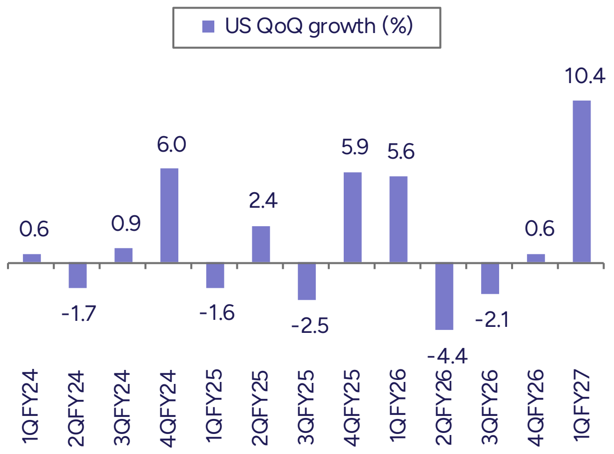
Source: Company, PL

Exhibit 9: CV declines after strong base



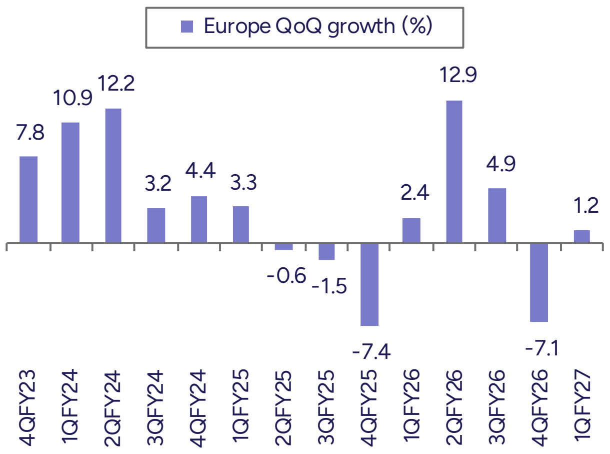
Source: Company, PL

Exhibit 10: US region strong growth



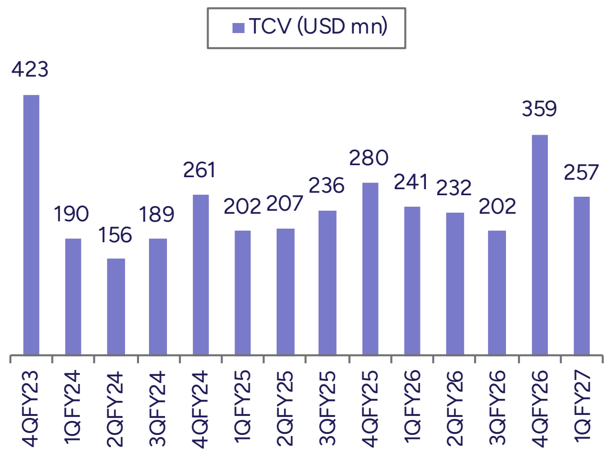
Source: Company, PL

Exhibit 11: Europe growth trend



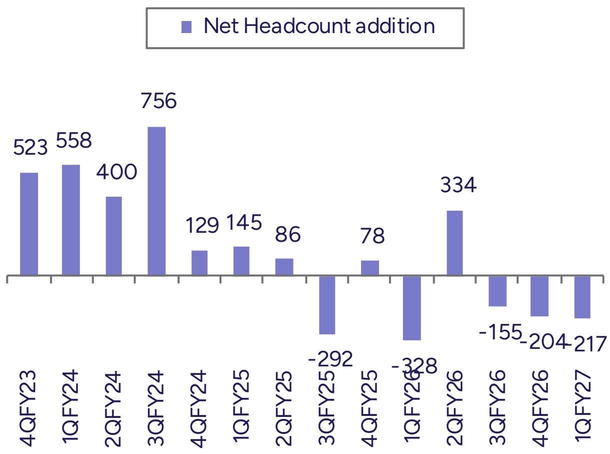
Source: Company, PL

Exhibit 12: Deal wins as per historic trend



Source: Company, PL

Exhibit 13: Net employees continue to decline



Source: Company, PL

Exhibit 14: Operating Metrics

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Revenue by Segment (%)												
Passenger cars	75.8	78.4	79.0	80.1	80.3	81.7	79.4	81.8	79.4	78.2	76.5	78.1
Commerical vehicles	20.0	17.4	17.5	16.9	16.5	15.3	15.3	14.8	17.4	19.1	20.9	19.2
Others	4.2	4.3	3.6	3.0	3.1	3.0	5.3	3.4	3.3	2.7	2.5	2.7
Revenue by Services (%)												
Feature Development & Integration	61.8	62.4	62.0	61.0	59.7	62.0	58.9	59.5	60.8	61.0	57.9	58.3
Architecture & Middleware Consulting	20.2	18.5	18.7	20.5	23.4	20.3	22.8	20.2	17.3	16.8	17.5	18.1
Cloud Based Connected Services	18.0	19.1	19.3	18.5	16.9	17.7	18.3	20.3	22.0	22.2	24.6	23.6
Revenue by Geographies (%)												
US	30.4	29.9	29.7	28.2	27.5	26.4	27.7	29.2	27.4	26.8	26.4	30.5
Europe	52.6	52.8	51.7	51.5	48.8	47.2	43.4	44.3	49.2	51.5	46.9	49.7
Asia	17.0	17.3	18.6	20.3	23.7	26.4	28.9	26.5	23.4	21.7	26.6	19.8
TCV wins (in USD mn)	156	189	261	202	207	236	280	241	232	202	359	257
Client Metrics												
Strategic Clients revenue mix (%)	84.0	85.0	86.4	86.5	85.5	87.6	87.8	87.4	86.8	87.7	84.6	87.3
DSO	47	46	51	46	45	42	44	45	49	40	47	51
Contract Mix (%)												
T&M	48.6	46.0	49.2	46.5	43.3	40.8	40.4	37.5	35.2	34.0	31.7	32.3
FP	51.4	54.0	50.8	53.5	56.7	59.2	59.6	62.5	64.8	66.0	68.3	67.7
Employee Metrics												
Total Employees	11,971	12,727	12,856	13,001	13,087	12,795	12,873	12,545	12,879	12,724	12,520	12,303
Revenue per Devp. Employee (in US$)	51,773	49,926	52,725	53,018	56,558	58,992	59,138	60,901	60,083	60,980	63,177	61,716
R&D Expenditure (USD MN)	3.31	3.51	3.7	3.29	2.7	3.15	3.14	2.98	3.2	3.76	3.7	4.37

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**58,423**	**64,549**	**65,933**	**70,717**
YoY gr. (%)	*19.9*	*10.5*	*2.1*	*7.3*
Cost of Goods Sold	37,550	40,868	42,670	45,212
Gross Profit	20,873	23,681	23,263	25,505
Margin (%)	*35.7*	*36.7*	*35.3*	*36.1*
Employee Cost	-	-	-	-
Other Expenses	8,622	10,224	11,833	11,950
EBITDA	**12,251**	**13,457**	**11,430**	**13,555**
YoY gr. (%)	*24.4*	*9.8*	*(15.1)*	*18.6*
Margin (%)	*21.0*	*20.8*	*17.3*	*19.2*
Depreciation and Amortization	2,250	3,006	3,252	3,324
EBIT	**10,002**	**10,451**	**8,178**	**10,232**
Margin (%)	*17.1*	*16.2*	*12.4*	*14.5*
Net Interest	-	-	-	-
Other Income	738	(1,183)	(997)	(849)
Profit Before Tax	**10,739**	**9,268**	**7,181**	**9,383**
Margin (%)	*18.4*	*14.4*	*10.9*	*13.3*
Total Tax	2,929	2,475	1,804	2,447
Effective Tax Rate (%)	*27.3*	*26.7*	*25.1*	*26.1*
Profit After Tax	**7,810**	**6,794**	**5,377**	**6,936**
Minority Interest	-	(1)	(8)	-
Share Profit from Associate	(113)	(376)	(326)	29
Adjusted PAT	**7,697**	**6,419**	**5,058**	**6,964**
YoY gr. (%)	*29.5*	*(16.6)*	*(21.2)*	*37.7*
Margin (%)	*13.2*	*9.9*	*7.7*	*9.8*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**7,697**	**6,419**	**5,058**	**6,964**
YoY gr. (%)	*29.5*	*(16.6)*	*(21.2)*	*37.7*
Margin (%)	*13.2*	*9.9*	*7.7*	*9.8*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	7,697	6,419	5,058	6,964
Equity Shares O/s (mn)	**271**	**272**	**274**	**274**
EPS (INR)	**28.4**	**23.6**	**18.4**	**25.4**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**15,641**	**22,581**	**24,038**	**25,600**
Tangibles	10,637	17,632	19,088	20,650
Intangibles	5,004	4,950	4,950	4,950
Acc: Dep / Amortization	**7,652**	**10,658**	**13,910**	**17,233**
Tangibles	4,699	7,704	10,956	14,280
Intangibles	2,954	2,954	2,954	2,954
Net Fixed Assets	**7,988**	**11,923**	**10,128**	**8,366**
Tangibles	5,938	9,927	8,132	6,370
Intangibles	2,050	1,996	1,996	1,996
Capital Work In Progress	95	4	4	4
Goodwill	11,729	27,985	27,985	27,985
Non-Current Investments	2,302	1,725	1,725	1,725
Net Deferred Tax Assets	783	1,355	1,355	1,355
Other Non-Current Assets	331	609	609	609
Current Assets				
Investments	2,382	492	492	492
Inventories	847	881	900	965
Trade Receivables	7,548	9,278	9,477	10,165
Cash & Bank Balance	12,681	13,408	16,813	21,552
Other Current Assets	1,115	2,009	2,052	2,201
Total Assets	**50,329**	**72,564**	**74,496**	**78,589**
Equity				
Equity Share Capital	2,717	2,722	2,722	2,722
Other Equity	26,405	32,687	34,181	36,759
Total Networth	**29,122**	**35,409**	**36,903**	**39,481**
Non-Current Liabilities				
Long Term Borrowings	-	1,431	1,431	1,431
Provisions	1,325	2,877	2,877	2,877
Other Non Current Liabilities	-	1,975	1,975	1,975
Current Liabilities				
ST Debt / Current of LT Debt	15	3,191	3,191	3,191
Trade Payables	1,782	2,608	2,664	2,857
Other Current Liabilities	15,420	22,318	22,700	24,022
Total Equity & Liabilities	**50,330**	**72,564**	**74,496**	**78,589**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	11,325	8,721	5,058	6,964
Add. Depreciation	2,250	3,006	3,252	3,324
Add. Interest	274	591	997	849
Less Financial Other Income	738	(1,183)	(997)	(849)
Add. Other	(71)	1,848	1,804	2,447
Op. Profit before WC Changes	13,778	14,166	11,111	13,584
Net Changes-WC	2,167	(77)	116	400
Direct Tax	(2,049)	(2,141)	(1,804)	(2,447)
Net Cash from Op. Activities	**13,895**	**11,948**	**9,422**	**11,536**
Capital Expenditures	(1,273)	(8,416)	(1,456)	(1,562)
Interest / Dividend Income	101	186	(997)	(849)
Others	(4,517)	(3,631)	-	-
Net Cash from Invt. Activities	**(5,690)**	**(11,861)**	**(2,454)**	**(2,411)**
Issue of Share Cap. / Premium	5	6	-	-
Debt Changes	(393)	4,542	-	-
Dividend Paid	(1,928)	(2,244)	(3,564)	(4,386)
Interest Paid	(378)	(493)	-	-
Others	(731)	(922)	-	-
Net Cash from Fin. Activities	**(3,424)**	**889**	**(3,564)**	**(4,386)**
Net Change in Cash	**4,781**	**976**	**3,405**	**4,739**
Free Cash Flow	12,600	10,522	7,966	9,974

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**15,877**	**16,175**	**17,110**	**16,750**
YoY gr. (%)	*3.2*	*1.9*	*5.8*	*(2.1)*
Raw Material Expenses	9,962	10,226	10,716	10,777
Gross Profit	5,915	5,949	6,394	5,973
Margin (%)	*37.3*	*36.8*	*37.4*	*35.7*
EBITDA	**3,351**	**3,334**	**3,533**	**2,878**
YoY gr. (%)	-	-	-	-
Margin (%)	*21.1*	*20.6*	*20.6*	*17.2*
Depreciation / Depletion	747	810	820	825
EBIT	**2,604**	**2,524**	**2,713**	**2,052**
Margin (%)	*16.4*	*15.6*	*15.9*	*12.3*
Net Interest	-	-	-	-
Other Income	(223)	(347)	(411)	(309)
Profit before Tax	**2,381**	**2,177**	**2,302**	**1,743**
Margin (%)	*15.0*	*13.5*	*13.5*	*10.4*
Total Tax	615	604	617	439
Effective Tax Rate (%)	*25.8*	*27.8*	*26.8*	*25.2*
Profit After Tax	**1,766**	**1,572**	**1,685**	**1,305**
Minority Interest	-	-	(1)	(8)
Share Profit from Associate	(227)	(42)	(55)	(140)
Adjusted PAT	**1,691**	**1,334**	**1,630**	**1,172**
YoY gr. (%)	*(1.6)*	*(21.1)*	*22.2*	*(28.1)*
Margin (%)	*10.6*	*8.2*	*9.5*	*7.0*
Extra Ord. Income / (Exp)	(152)	196	-	-
Reported PAT	**1,539**	**1,530**	**1,630**	**1,172**
YoY gr. (%)	*(10.5)*	-	*6.6*	*(28.1)*
Margin (%)	*9.7*	*9.5*	*9.5*	*7.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,691**	**1,334**	**1,630**	**1,172**
Avg. Shares O/s (mn)	272	272	272	274
EPS (INR)	**6.2**	**5.0**	**6.0**	**4.3**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	28.4	23.6	18.4	25.4
CEPS	36.7	34.6	30.3	37.5
BVPS	107.3	130.1	134.6	144.0
FCF	46.4	38.7	29.1	36.4
DPS	9.0	8.0	13.0	16.0
Return Ratio (%)				
RoCE	28.4	22.2	15.0	17.7
ROIC	16.2	11.5	8.9	10.4
RoE	30.3	19.9	14.0	18.2
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	36	38	38	38
Valuation (x)				
PER	22.5	27.0	34.6	25.1
P/B	5.9	4.9	4.7	4.4
P/CEPS	17.4	18.4	21.0	17.0
EV/EBITDA	12.9	12.2	14.2	11.6
EV/Sales	2.7	2.5	2.4	2.2
Dividend Yield (%)	1.3	1.1	2.0	2.5
FCFF Yield (%)	7.2	6.0	4.5	5.6
PEG Ratio	0.7	(1.7)	(1.6)	0.6

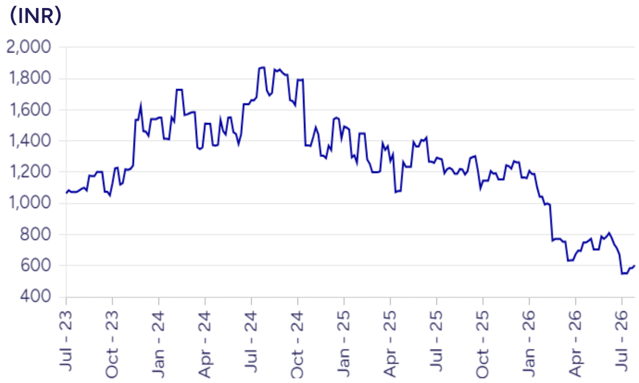
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (in US$ mn)	691	725	706	744

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	02-Jul-26	HOLD	580	559
2	08-May-26	BUY	880	723
3	01-Apr-26	BUY	1020	674
4	31-Jan-26	Hold	1090	1047
5	02-Jan-26	BUY	1380	1168
6	11-Nov-25	BUY	1380	1193
7	04-Oct-25	BUY	1360	1158
8	30-Jul-25	Accumulate	1390	1269
9	01-Jul-25	Accumulate	1390	1259
10	19-May-25	Hold	1410	1365

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	2120	1686
2	Cyient	HOLD	900	879
3	Fractal Analytics	BUY	1010	787
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	2820	2288
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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