

# KPIT Technologies (KPITTECH IN)

**Q4FY26 Result  
Update**

May 08, 2026

 Estimate Change |  Target |  Reco.

## Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	880		1,020	
Sales (INR mn)	69,536	78,498	71,782	81,800
% Chng.	(3.1)	(4.0)		
EBITDA (INR mn)	14,497	16,615	15,241	17,618
% Chng.	(4.9)	(5.7)		
EPS (INR)	28.2	33.9	30.3	36.3
% Chng.	(6.9)	(6.6)		

## Key Data

KPIE.BO | KPITTECH IN

BSE Code	542651
NSE Code	KPITTECH
52-W High / Low	INR 1,434 / INR 624
Face Value	10
Sensex / Nifty	77,845 / 24,327
Market Cap	INR 198 bn / \$ 2,102 mn
Shares Outstanding	274.14 mn
3M Avg. Daily Value	INR 1,704.03 mn

## Shareholding Pattern (%)

Promoters	39.42
FIIs	13.25
Mutual Funds	12.09
Domestic Institutions	12.56
Public & Others	22.68
Promoter's Pledge (INR bn)	-

## Stock Performance (%)

	1M	3M	6M	12M
Absolute	2.1	(24.6)	(37.3)	(43.7)
Relative	(2.1)	(19.0)	(33.0)	(41.6)

## Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	58,423	64,549	69,536	78,498
EBITDA (INR mn)	12,251	13,457	14,497	16,615
Margin (%)	21.0	20.8	20.8	21.2
PAT (INR mn)	7,697	6,419	7,685	9,240
EV (INR mn)	181,036	187,422	181,162	173,692
Total Debt (INR mn)	15	4,622	4,622	4,622
C&C Eq. (INR mn)	12,232	13,184	19,531	27,001
EPS (INR)	28.4	23.6	28.2	33.9
Gr. (%)	29.3	(16.8)	19.7	20.2
DPS (INR)	9.0	8.0	13.0	16.0
Yield (%)	1.2	1.0	1.8	2.2
RoE (%)	30.3	19.9	20.5	22.0
RoCE (%)	28.4	22.2	19.7	20.6
EV/Sales (x)	3.1	2.9	2.6	2.2
EV/EBITDA (x)	14.8	13.9	12.5	10.5
PE (x)	25.5	30.6	25.6	21.3
P/BV (x)	6.7	5.6	5.0	4.4

## Near term headwinds to continue amid strategic reset

### Quick Pointers

- Aspire for double digit rev. growth & EBITDA margin of 22-24% in mid-term
- Deal wins of US\$ 359 mn in Q4 highest since Q4FY23

KPIT's Q4FY26 performance of 1.8% QoQ CC growth came slightly ahead of our estimate of 1.5%; however, FY26 ended on a subdued note with 1.3% YoY CC growth, impacted by delays in OEM vehicle spends, weakness in middleware programs, and near-term AI-led cannibalization in certain services. However, while outlining its medium-term growth strategy, management remained confident of a demand revival while simultaneously pivoting toward a solutions and products-led model, and reiterated its aspiration to deliver sustainable double-digit growth from FY28 onwards, along with targeting EBITDA margin expansion to 22–24% by 2029, although near-term margins are expected to remain in the 20.5–21.2% range. That said, management acknowledged near-term volatility arising from delayed OEM programs and the completion of two large SDV programs, which are likely to weigh on near-term growth; accordingly, we revise our CC revenue growth estimates to 4.0% and 10.0% for FY27E and FY28E, respectively, from our earlier estimates of 6.4% and 11.0%, while lowering our EBITDA margin estimates to 20.8% and 21.2% from 21.2% and 21.5%, respectively, factoring in sustained investments in technology and R&D. We assign a P/E multiple of 26x (earlier 28x) to FY28E EPS to arrive at a revised target price of INR 880 (earlier INR 1,020) and maintain our BUY rating.

**Mid-term growth strategy:** Management reiterated that the long-term automotive software opportunity remains structurally strong, particularly across ADAS/autonomous driving, infotainment, connected services, and E/E architecture, which are expected to witness multifold growth by CY30. KPIT is also transitioning from a pure-play engineering services company toward a “solutions + products”-led model, with such offerings already contributing ~21% of its current pipeline, and management targeting this mix to scale to ~60% of revenues by 2029. In parallel, the company is diversifying beyond passenger vehicles into trucks, off-highway, micromobility, and eventually deep-tech adjacencies, while also expanding geographically beyond its traditional markets into India (currently 4% of rev), China, Southeast Asia, and eventually the Middle East & Africa.

**Margin aspiration & levers:** Company is targeting EBITDA margin expansion to 22–24% while continuing to sustain elevated R&D investments (~5% of revenue), supported by tailwinds from a higher products & solutions mix, an increasing share of fixed-price projects, AI-led productivity improvements, enhanced employee productivity, and SG&A optimization.

### Quarter Summary

Y/e Mar	Q4'26E	Q4'26A	% Var.	Q4'25A	YoY gr. (%)
Net Sales (INR mn)	16,813	17,110	2.0	15,283	12.0
EBITDA (INR mn)	3,466	3,533	2.0	3,230	9.0
Margin (%)	20.6	20.6	-	21.1	-50 bps
PAT (INR mn)	1,743	1,630	-6.0	2,447	-33.0

Source: Company, PL

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## Steady quarter with strong exit deal wins

- Revenue came at USD 185 mn, up 1.8% QoQ CC & up 1.9% QoQ in USD, above our estimates of 1.5% QoQ CC growth
- Segment wise Commercial vehicles grew by 11.6% QoQ while Passenger cars declined by 0.2% QoQ (3<sup>rd</sup> consecutive qtr. Decline). Function wise, Architecture & Middleware consulting and Cloud based services grew by 5.8% & 12.9% QoQ respectively while Feature development declined by 3.1%
- Geography wise growth was driven by Asia region which reported strong growth of 25.1% QoQ while US region reported muted growth 0.6%. Europe region declined by 7.1% QoQ
- Revenue from Strategic clients declined by 1.9% QoQ
- EBITDA margin came inline of our estimate of 20.6% while EBIT margin came at 15.9%, up 30 bps QoQ, above our estimate of 15.6% due to lower depreciation & amortization
- Net Headcount declined by 204 QoQ to 12.5k
- Deal wins were strong at USD 359 mn (highest in last 12 qtrs.) taking FY26 TCV wins to USD 1.03 bn, up 11.8% YoY
- Adj. Reported PAT came at Rs 1.63 bn (up 6.5% QoQ) below our estimate due higher forex losses
- Declared final dividend of INR 5.25 per share
- Announced acquisition of Cymotive, a specialist in end-to-end vehicle lifecycle cybersecurity, for a consideration of USD 60–120 mn based on milestone achievement, implying a valuation of ~3x–6x of CY25 revenue
- For FY26, reported revenue of USD 725 mn, up 4.8% YoY with EBIT margin of 16.2%, down 90 bps YoY
- Company expects FY27 outlook better than FY26 but expects revenue headwinds of USD 6-7 mn in H1 due to completion of 2 large SDV program. EBITDA margin is expected in the band of 20.5-21.2%

## Conference Call Highlights

- Management stated that they have not yet seen any impact from the ongoing macroeconomic environment headwind in client conversations, with OEMs currently focused on rationalizing costs and creating funds for future programs.
- Management highlighted that there was a 9% YoY growth within OEM clients, while Tier-1 revenues declined, with the company strengthening its China presence through two new engagements with Chinese OEMs as part of its long-term market expansion strategy.
- SDV adoption is accelerating across passenger vehicles, trucks and off-highway segments, with OEMs increasingly investing in centralized architectures, middleware, validation and AI-based development programs. KPIT is positioning itself as a strategic partner in software defined mobility through capabilities across vehicle architecture, integration, validation, simulation and AI infused solutions.
- Management guided for better FY27 outlook compared to FY26 driven by doubling India business, growing trucks and off-highway vertical, and 30% YoY growth for products and solutions vertical, with EBITDA margin in the range of ~20.5-21.2%.
- KPIT is transitioning from a pure engineering services model toward “solutions + products,” with these offerings already contributing ~21% of the pipeline. The company expects solutions/products to grow 30%+ annually, aided by proprietary AI platform “Beacon,” validation platforms, middleware, cybersecurity, and SDV accelerators.
- For the medium term, KPIT expects to sustain annualized double-digit growth, due to increased contribution from products and services business forming 60% of revenues and expects EBITDA margin to be ~22-24% driven by reusable assets, fixed-price models and internal AI-led efficiencies across SG&A and delivery.
- KPIT added 13 new clients during the year across three segments, including 4 truck OEMs and 6 off-highway OEMs across four countries, marking significantly higher client additions than prior years as the company expanded beyond its existing client base.
- Management indicated that its vehicle engineering capabilities were strengthened through the Caresoft acquisition, helping OEMs in cost reduction, manufacturing efficiency and software benchmarking, while enabling KPIT to address overall vehicle cost optimization beyond software.
- The company is shifting from time and material to fixed price and outcome-based contracts, with more than 80% of new contracts now fixed price in nature to enable AI infused solutions and better value creation for clients.
- Company reiterated that AI is not merely a productivity tool but a transformation driver for automotive software lifecycle management. KPIT believes AI will significantly accelerate code generation, but the real challenge will shift toward integration, validation, observability, and safety-critical testing — areas where KPIT sees strong differentiation.

## Exhibit 1 : 4QFY26 Result: Steady Q4 results

	4QFY26	4QFY26E	% Var.	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	FY26	FY25	YoY gr. (%)
IT Services Revenue (USD m)	185	184	0.3	181	1.9	177	4.3	725	691	4.8
Overall Revenue (INR m)	17,110	16,813	1.8	16,175	5.8	15,283	12.0	64,549	58,423	10.5
Gross Profit	6,394	6,173	3.6	5,949	7.5	5,520	15.8	23,681	20,873	13.5
Gross Margin (%)	37.4	36.7	70bps	36.8	60bps	36.1	120bps	36.7	35.7	100bps
SG&A and Other Costs	2,861.1	2,706.9	5.7	2,614.6	9.4	2,290.5	24.9	10,224.3	8,621.9	18.6
% of Rev	16.7	16.1	60bps	16.2	60bps	15.0	170bps	15.8	14.8	110bps
EBITDA	3,533	3,466	1.9	3,334	6.0	3,230	9.4	13,457	12,251	9.8
EBITDA Margin (%)	20.6	20.6	0bps	20.6	0bps	21.1	-50bps	20.8	21.0	-10bps
Depreciation	820	841	-2.5	810	1	579	41.5	3006	2250	33.6
% of Rev	4.8	5.0	-20bps	5.0	-20bps	3.8	100bps	4.7	3.9	80bps
EBIT	2,713	2,625	3.3	2,524	7.5	2,651	2.4	10,451	10,002	4.5
EBIT Margin (%)	15.9	15.6	20bps	15.6	30bps	17.3	-150bps	16.2	17.1	-90bps
Other Income (net)	-467	-270	72.6	-389	19.9	139	-436.4	-1,558	625	-349.5
PBT	2,246	2,355	-4.6	2,135	5.2	2,789	-19.5	8,893	10,626	-16.3
Tax	617	612	0.7	604	2.1	715	-13.7	2,475	2,929	-15.5
Effective tax rate (%)	27.5	26.0	150bps	28.3	-90bps	25.6	180bps	27.8	27.6	30bps
Adjusted PAT	1,630	1,743	-6.5	1,530	6.5	2,075	-21.5	6,418	7,697	-16.6
Exceptional items	0.0	0.0	NA	196.0	NA	-372.0	NA	-44.0	699.0	NA
Reported PAT	1,630	1,743	-6.4	1,334	22.2	2,447	-33.4	6,374	8,396	-24.1
Reported EPS (INR)	6	6	-6.4	5	22.2	9	-33.5	24	28	-16.8

Source: Company, PL

## Exhibit 2 : Regional Growth (%)

Geographies	Contri. To Rev. (%)	QoQ Growth (%)
US	26.4	0.6
Europe	46.9	(7.1)
Asia	26.6	25.1

Source: Company, PL

## Exhibit 3 : Vertical Growth (%)

Verticals	Contri. To Rev. (%)	QoQ CC Growth (%)
Passenger Cars	76.7	(0.2)
Commercial Vehicles	21.0	11.6
Others	2.3	(13.9)

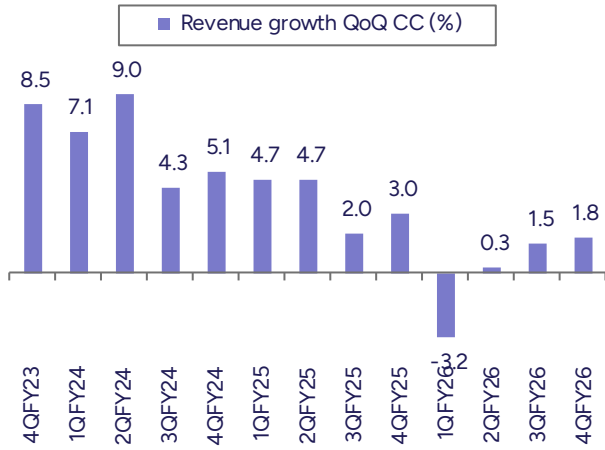
Source: Company, PL

## Exhibit 4 : Key Performance Indicator

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	FY25*	FY26*
Revenue (QoQ CC %)	5.1	4.7	4.7	2.0	3.0	-3.2	0.3	1.5	1.8	18.7	1.3
Margins (%)											
EBIT Margin	16.7	17.3	16.7	17.2	17.3	17.0	16.4	15.6	15.9	17.1	16.2
Net Margin	12.5	12.6	13.8	12.7	13.6	11.2	9.7	9.5	9.5	13.2	9.9
Operating metrics											
Headcount	12,856	13,001	13,087	12,795	12,873	12,545	12,879	12,724	12,520	12,873	12,520
Strategic clients revenue mix (%)	86.4	86.5	85.5	87.6	87.8	87.4	86.8	87.7	84.6	86.9	86.6

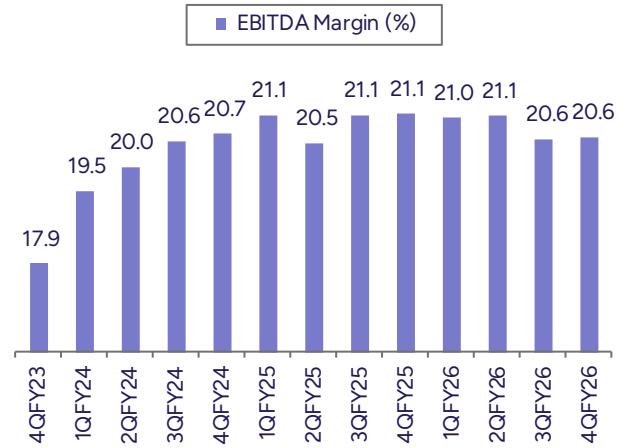
Source: Company, PL, \*YoY CC

Exhibit 5 : Rev. growth slightly ahead of our estimate



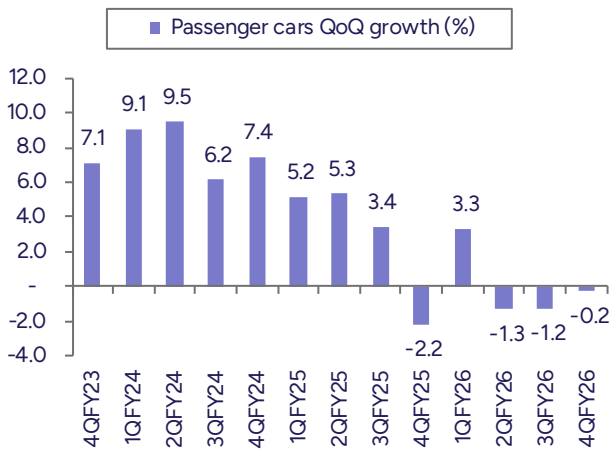
Source: Company, PL

Exhibit 6 : Margin were steady in Q4



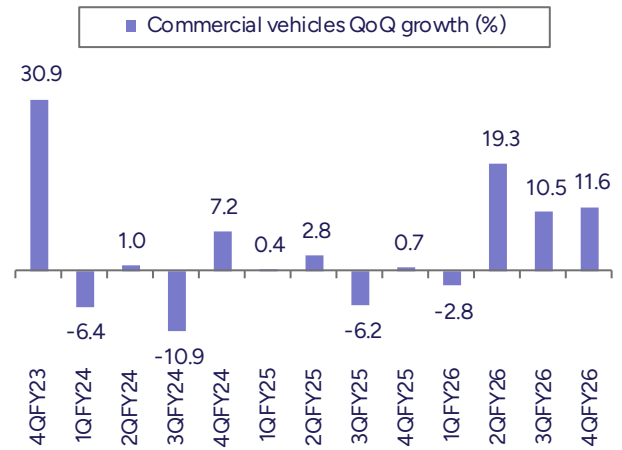
Source: Company, PL

Exhibit 7 : Client spending in PV remains weak



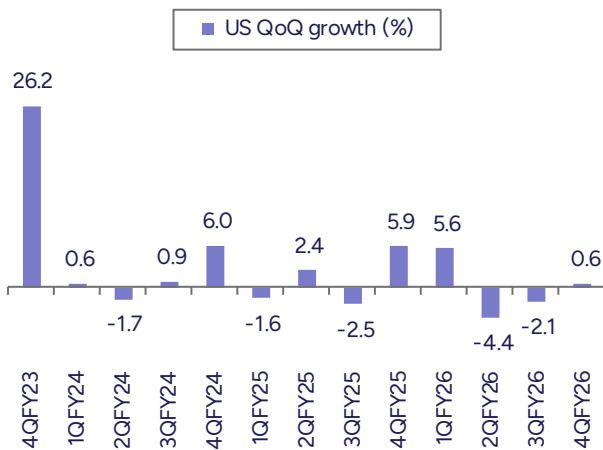
Source: Company, PL

Exhibit 8 : CV performance momentum continues



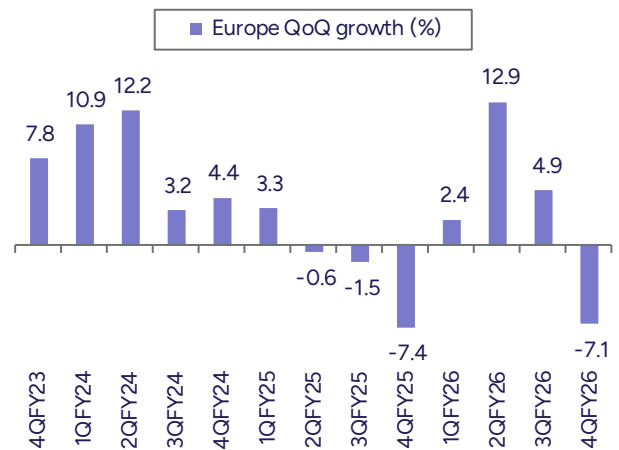
Source: Company, PL

Exhibit 9 : US region on path to revival

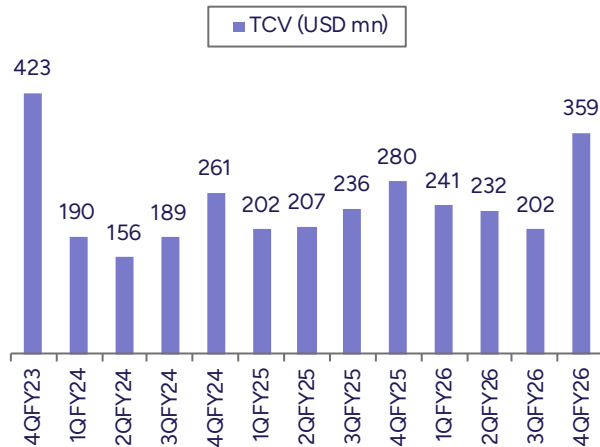


Source: Company, PL

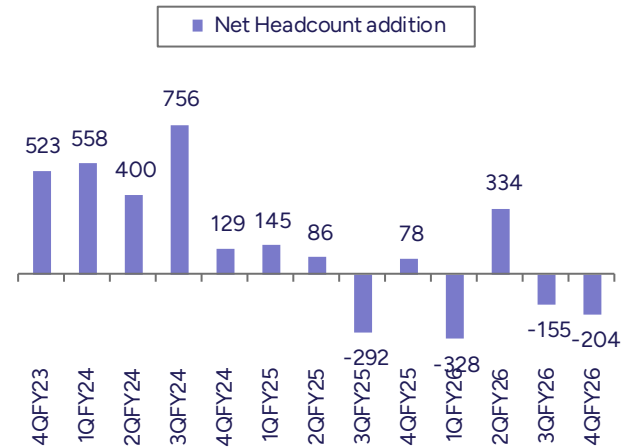
Exhibit 10 : Europe growth trend



Source: Company, PL

**Exhibit 11 : Deal wins were highest since Q4FY24**


Source: Company, PL

**Exhibit 12 : Net empl. continue to decline**


Source: Company, PL

**Exhibit 13 : Operating Metrics**

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
<b>Revenue by Segment (%)</b>												
Passenger cars	75.1	75.8	78.4	79.0	80.1	80.3	81.7	79.4	81.8	79.4	78.2	76.5
Commerical vehicles	21.5	20.0	17.4	17.5	16.9	16.5	15.3	15.3	14.8	17.4	19.1	20.9
Others	3.5	4.2	4.3	3.6	3.0	3.1	3.0	5.3	3.4	3.3	2.7	2.5
<b>Revenue by Services (%)</b>												
Feature Development & Integration	61.3	61.8	62.4	62.0	61.0	59.7	62.0	58.9	59.5	60.8	61.0	57.9
Architecture & Middleware Consulting	20.9	20.2	18.5	18.7	20.5	23.4	20.3	22.8	20.2	17.3	16.8	17.5
Cloud Based Connected Services	17.7	18.0	19.1	19.3	18.5	16.9	17.7	18.3	20.3	22.0	22.2	24.6
<b>Revenue by Geographies (%)</b>												
US	33.5	30.4	29.9	29.7	28.2	27.5	26.4	27.7	29.2	27.4	26.8	26.4
Europe	50.8	52.6	52.8	51.7	51.5	48.8	47.2	43.4	44.3	49.2	51.5	46.9
Asia	15.6	17.0	17.3	18.6	20.3	23.7	26.4	28.9	26.5	23.4	21.7	26.6
TCV wins (in USD mn)	190	156	189	261	202	207	236	280	241	232	202	359
<b>Client Metrics</b>												
Strategic Clients revenue mix (%)	82.6	84.0	85.0	86.4	86.5	85.5	87.6	87.8	87.4	86.8	87.7	84.6
DSO	50	47	46	51	46	45	42	44	45	49	40	47
<b>Contract Mix (%)</b>												
T&M	55.0	48.6	46.0	49.2	46.5	43.3	40.8	40.4	37.5	35.2	34.0	31.7
FP	45.0	51.4	54.0	50.8	53.5	56.7	59.2	59.6	62.5	64.8	66.0	68.3
<b>Employee Metrics</b>												
Total Employees	11,571	11,971	12,727	12,856	13,001	13,087	12,795	12,873	12,545	12,879	12,724	12,520
Revenue per Devp. Employee (in US\$)	49,439	51,773	49,926	52,725	53,018	56,558	58,992	59,138	60,901	60,083	60,980	63,177
R&D Expenditure (USD MN)	3.01	3.31	3.51	3.7	3.29	2.7	3.15	3.14	2.98	3.2	3.76	3.7

Source: Company, PL

## Financials

### Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Net Revenues</b>	<b>58,423</b>	<b>64,549</b>	<b>69,536</b>	<b>78,498</b>
YoY gr. (%)	19.9	10.5	7.7	12.9
Cost of Goods Sold	37,550	40,868	44,330	49,952
Gross Profit	20,873	23,681	25,206	28,546
Margin (%)	35.7	36.7	36.2	36.4
Employee Cost	-	-	-	-
Other Expenses	8,622	10,224	10,709	11,932
<b>EBITDA</b>	<b>12,251</b>	<b>13,457</b>	<b>14,497</b>	<b>16,615</b>
YoY gr. (%)	24.4	9.8	7.7	14.6
Margin (%)	21.0	20.8	20.8	21.2
Depreciation and Amortization	2,250	3,006	3,319	3,571
<b>EBIT</b>	<b>10,002</b>	<b>10,451</b>	<b>11,178</b>	<b>13,044</b>
Margin (%)	17.1	16.2	16.1	16.6
Net Interest	-	-	-	-
Other Income	738	(1,183)	(765)	(785)
<b>Profit Before Tax</b>	<b>10,739</b>	<b>9,268</b>	<b>10,413</b>	<b>12,259</b>
Margin (%)	18.4	14.4	15.0	15.6
Total Tax	2,929	2,475	2,700	3,247
Effective Tax Rate (%)	27.3	26.7	25.9	26.5
<b>Profit After Tax</b>	<b>7,810</b>	<b>6,794</b>	<b>7,713</b>	<b>9,012</b>
Minority Interest	-	(1)	-	-
Share Profit from Associate	(113)	(376)	(28)	228
<b>Adjusted PAT</b>	<b>7,697</b>	<b>6,419</b>	<b>7,685</b>	<b>9,240</b>
YoY gr. (%)	29.5	(16.6)	19.7	20.2
Margin (%)	13.2	9.9	11.1	11.8
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>7,697</b>	<b>6,419</b>	<b>7,685</b>	<b>9,240</b>
YoY gr. (%)	29.5	(16.6)	19.7	20.2
Margin (%)	13.2	9.9	11.1	11.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	7,697	6,419	7,685	9,240
<b>Equity Shares O/s (mn)</b>	<b>271</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>EPS (INR)</b>	<b>28.4</b>	<b>23.6</b>	<b>28.2</b>	<b>33.9</b>

Source: Company, PL

### Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>15,641</b>	<b>22,581</b>	<b>24,117</b>	<b>25,851</b>
Tangibles	10,637	17,632	19,168	20,902
Intangibles	5,004	4,950	4,950	4,950
<b>Acc: Dep / Amortization</b>	<b>7,652</b>	<b>10,658</b>	<b>13,977</b>	<b>17,548</b>
Tangibles	4,699	7,704	11,024	14,594
Intangibles	2,954	2,954	2,954	2,954
<b>Net Fixed Assets</b>	<b>7,988</b>	<b>11,923</b>	<b>10,140</b>	<b>8,303</b>
Tangibles	5,938	9,927	8,144	6,307
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
<b>Current Assets</b>				
Investments	2,382	492	492	492
Inventories	847	881	949	1,072
Trade Receivables	7,548	9,278	9,995	11,283
Cash & Bank Balance	12,681	13,408	19,755	27,225
Other Current Assets	1,115	2,009	2,164	2,443
<b>Total Assets</b>	<b>50,329</b>	<b>72,564</b>	<b>78,290</b>	<b>86,013</b>
<b>Equity</b>				
Equity Share Capital	2,717	2,722	2,722	2,722
Other Equity	26,405	32,687	36,833	41,719
<b>Total Networth</b>	<b>29,122</b>	<b>35,409</b>	<b>39,556</b>	<b>44,441</b>
<b>Non-Current Liabilities</b>				
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
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	15	3,191	3,191	3,191
Trade Payables	1,782	2,608	2,810	3,172
Other Current Liabilities	15,420	22,318	23,696	26,172
<b>Total Equity &amp; Liabilities</b>	<b>50,330</b>	<b>72,564</b>	<b>78,290</b>	<b>86,013</b>

Source: Company, PL

**Cash Flow (INR mn)**

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	11,325	8,721	7,685	9,240
Add. Depreciation	2,250	3,006	3,319	3,571
Add. Interest	274	591	765	785
Less Financial Other Income	738	(1,183)	(765)	(785)
Add. Other	(71)	1,848	2,700	3,247
Op. Profit before WC Changes	13,778	14,166	14,469	16,843
Net Changes-WC	2,167	(77)	417	749
Direct Tax	(2,049)	(2,141)	(2,700)	(3,247)
<b>Net Cash from Op. Activities</b>	<b>13,895</b>	<b>11,948</b>	<b>12,186</b>	<b>14,345</b>
Capital Expenditures	(1,273)	(8,416)	(1,536)	(1,734)
Interest / Dividend Income	101	186	(765)	(785)
Others	(4,517)	(3,631)	-	-
<b>Net Cash from Inv. Activities</b>	<b>(5,690)</b>	<b>(11,861)</b>	<b>(2,301)</b>	<b>(2,519)</b>
Issue of Share Cap. / Premium	5	6	-	-
Debt Changes	(393)	4,542	-	-
Dividend Paid	(1,928)	(2,244)	(3,539)	(4,355)
Interest Paid	(378)	(493)	-	-
Others	(731)	(922)	-	-
<b>Net Cash from Fin. Activities</b>	<b>(3,424)</b>	<b>889</b>	<b>(3,539)</b>	<b>(4,355)</b>
<b>Net Change in Cash</b>	<b>4,781</b>	<b>976</b>	<b>6,346</b>	<b>7,471</b>
Free Cash Flow	12,600	10,522	10,650	12,611

Source: Company, PL

**Quarterly Financials (INR mn)**

Y/e Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
<b>Net Revenues</b>	<b>15,388</b>	<b>15,877</b>	<b>16,175</b>	<b>17,110</b>
YoY gr. (%)	0.7	3.2	1.9	5.8
Raw Material Expenses	9,964	9,962	10,226	10,716
Gross Profit	5,423	5,915	5,949	6,394
Margin (%)	35.2	37.3	36.8	37.4
<b>EBITDA</b>	<b>3,239</b>	<b>3,351</b>	<b>3,334</b>	<b>3,533</b>
YoY gr. (%)	-	-	-	-
Margin (%)	21.0	21.1	20.6	20.6
Depreciation / Depletion	629	747	810	820
<b>EBIT</b>	<b>2,610</b>	<b>2,604</b>	<b>2,524</b>	<b>2,713</b>
Margin (%)	17.0	16.4	15.6	15.9
Net Interest	-	-	-	-
Other Income	(201)	(223)	(347)	(411)
<b>Profit before Tax</b>	<b>2,409</b>	<b>2,381</b>	<b>2,177</b>	<b>2,302</b>
Margin (%)	15.7	15.0	13.5	13.5
Total Tax	639	615	604	617
Effective Tax Rate (%)	26.5	25.8	27.8	26.8
<b>Profit After Tax</b>	<b>1,770</b>	<b>1,766</b>	<b>1,572</b>	<b>1,685</b>
Minority Interest	-	-	-	(1)
Share Profit from Associate	(51)	(227)	(42)	(55)
<b>Adjusted PAT</b>	<b>1,719</b>	<b>1,691</b>	<b>1,334</b>	<b>1,630</b>
YoY gr. (%)	(29.7)	(1.6)	(21.1)	22.2
Margin (%)	11.2	10.6	8.2	9.5
Extra Ord. Income / (Exp)	-	(152)	196	-
<b>Reported PAT</b>	<b>1,719</b>	<b>1,539</b>	<b>1,530</b>	<b>1,630</b>
YoY gr. (%)	(17.2)	(10.5)	-	6.6
Margin (%)	11.2	9.7	9.5	9.5
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>1,719</b>	<b>1,691</b>	<b>1,334</b>	<b>1,630</b>
Avg. Shares O/s (mn)	272	272	272	272
<b>EPS (INR)</b>	<b>6.3</b>	<b>6.2</b>	<b>5.0</b>	<b>6.0</b>

Source: Company, PL

**Key Financial Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Per Share (INR)</b>				
EPS	28.4	23.6	28.2	33.9
CEPS	36.7	34.6	40.4	47.1
BVPS	107.3	130.1	145.3	163.3
FCF	46.4	38.7	39.1	46.3
DPS	9.0	8.0	13.0	16.0
<b>Return Ratio (%)</b>				
RoCE	28.4	22.2	19.7	20.6
ROIC	16.2	11.5	11.4	11.9
RoE	30.3	19.9	20.5	22.0
<b>Balance Sheet</b>				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	36	38	38	38
<b>Valuation (x)</b>				
PER	25.4	30.6	25.5	21.2
P/B	6.7	5.5	4.9	4.4
P/CEPS	19.7	20.8	17.8	15.3
EV/EBITDA	14.7	13.9	12.4	10.4
EV/Sales	3.0	2.9	2.6	2.2
Dividend Yield (%)	1.1	1.0	1.7	2.2
FCFF Yield (%)	6.4	5.3	5.4	6.4
PEG Ratio	0.8	(1.9)	1.3	1.0

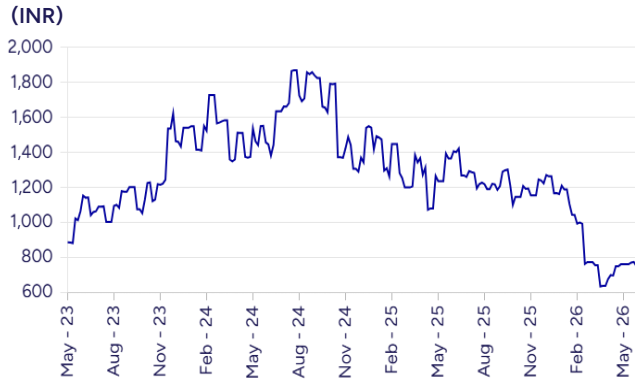
Source: Company, PL

**Key Operating Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (in US\$ mn)	691	725	748	826

Source: Company, PL

Price Chart



Recommendation History

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

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	2020	1169
2	Cyient	BUY	950	780
3	Fractal Analytics	BUY	1110	798
4	HCL Technologies	Reduce	1300	1441
5	Infosys	BUY	1570	1241
6	KPIT Technologies	BUY	1020	674
7	L&T Technology Services	Hold	3610	3550
8	Latent View Analytics	BUY	450	261
9	LTM	Hold	4560	4532
10	Mphasis	BUY	3000	2277
11	Persistent Systems	Buy	6400	5330
12	Tata Consultancy Services	BUY	3450	2589
13	Tata Elxsi	HOLD	4800	4651
14	Tata Technologies	HOLD	560	591
15	Tech Mahindra	Buy	1660	1463
16	Wipro	HOLD	200	210

PL's Recommendation Nomenclature (Absolute Performance)

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

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