RATING ACCUMULATE | CMP INR 5,575 | TP INR 5,860

PL Capital
PRABHUDAS LILLADHER

Persistent Systems (PSYS IN)

Q1FY27 Result Update

August 03, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		BUY	
Target Price	5,860		5,570	
Sales (INR bn)	185	222	184	222
% Chng.	0.5	-		
EBITDA (INR bn)	35	42	35	42
% Chng.	-	-		
EPS (INR)	143.9	183.0	152.9	185.8
% Chng.	(5.9)	(1.5)		

Key Data PERS.BO | PSYS IN

BSE Code	533179
NSE Code	PERSISTENT
52-W High / Low	INR 6,599 / INR 4,242
Face Value	5
Sensex / Nifty	78,639 / 24,774
Market Cap	INR 879 bn / $ 9,225 mn
Shares Outstanding	157.75 mn
3M Avg. Daily Value	INR 4,088.25 mn

Shareholding Pattern (%)

Promoters	30.29
FIIs	20.79
MF	21.32
DII	8.92
Public	18.68
Promoter's Pledge	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	19.1	16.1	(11.2)	10.1
Relative	17.7	13.6	(5.4)	12.9

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	119	147	185	222
EBITDA (INR bn)	21	28	35	42
Margin (%)	*17.2*	*19.0*	*18.9*	*18.9*
PAT (INR bn)	14	20	23	29
EV (INR bn)	851	852	843	824
Total Debt (INR bn)	-	-	-	-
C&C Eq. (INR bn)	7	11	26	45
EPS (INR)	90.2	124.7	144.0	183.0
Gr. (%)	*21.7*	*38.2*	*15.4*	*27.1*
DPS (INR)	35.0	40.0	38.9	40.7
Yield (%)	*0.6*	*0.7*	*0.7*	*0.7*
RoE (%)	*24.8*	*27.6*	*26.2*	*27.2*
RoCE (%)	*23.8*	*26.4*	*26.7*	*26.2*
EV/Sales (x)	7.1	5.8	4.5	3.7
EV/EBITDA (x)	41.4	30.5	24.1	19.6
PE (x)	61.8	44.7	38.7	30.5
P/BV (x)	13.7	11.1	9.3	7.5

Strong Q1, Large Deals Support FY27 Growth

Quick Pointers

- Strong deal wins of USD 1.15bn in Q1
- Target 16%-17% operating margin band for FY27

PSYS reported revenue growth of 4.1% QoQ CC (vs. our estimate of 3.8%), aided by healthy growth within Hi-Tech vertical and ramp-up of large deals. The company also reported record quarterly bookings (TCV of USD1.15bn), including a USD650mn+ multi-year strategic engagement, providing confidence in sustaining strong growth over the coming quarters despite sequential weakness in the Top 6–10 and 11–20 client cohorts, attributed to project completion and closure activities. Management expects the momentum within Hi-Tech vertical to continue on the back of large deal (USD650m) ramp up, while Healthcare vertical is expected to recover over the coming quarters following a weak Q1 performance. EBIT margin of 16.0% missed our estimate of 16.5%, primarily due to proactive hiring ahead of anticipated deal ramp-ups (60bps utilization impact) and continued investments in AI capabilities. Management indicated that the annual wage revision, effective from Q2FY27, will pose a 180–200bps headwind to margins. However, the impact would largely be mitigated through operating leverage, improving utilization and offshoring, We therefore maintain our FY27E/FY28E CC revenue growth estimates of 19.9%/18.1% and EBIT margin estimates of 16.3%/16.4%. The underlying fundamentals remain strong while the valuations have stretched over the past few sessions. Hence, downgrading PSYS to ACCUMULATE (BUY earlier). We assign 32x (30x earlier) to FY28E EPS to arrive at a TP of INR 5,860.

Revenue: PSYS reported Q1 revenue of USD 452mn, up 4.1% QoQ CC and 3.8% QoQ in reported terms, above our estimate of 3.5% QoQ CC. Tech segment led the quarter with 7.7% QoQ growth, while BFSI growth was steady at 2.3% QoQ and the Healthcare segment remained flat after 3 quarters of strong growth. Geography wise, the growth was broad based.

Operating Margin: Q1 operating margin came in at 16.0%, down ~30 bps QoQ inline with consensus estimate & below our estimate of 16.5%, impacted by headwinds lower utilisation rate (-60 bps) and investments in AI led delivery models (-20 bps), partly offset by tailwinds from lower doubtful debts provision (+20 bps) and favourable currency (+30 bps).

Deal Wins: Total TCV deal wins in Q1 came in at USD 1.1bn (+91% QoQ) aided by a 6.5 year strategic deal win of USD 650mn, while new TCV wins came in at USD 952mn (+133% QoQ). ACV stood at USD 537mn (+21% QoQ), with new ACV at USD 386mn (+42% QoQ), indicating continued strength in deal wins.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR bn)	43	43	-	33	*30.0*
EBITDA (INR bn)	8	8	-	6	*33.0*
Margin (%)	*19.1*	*18.6*	*-50 bps*	*18.3*	*30 bps*
PAT (INR bn)	6	5	*-17.0*	4	*25.0*

Source: Company, PL

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Strong revenue & TCV performance, slight miss on margins

- Revenue of USD 452 mn, up 4.1% QoQ CC & 3.8% QoQ in USD, above our estimates of 3.5% QoQ CC growth
- Segment wise Hitech reported strong growth of 7.7% QoQ while BFSI reported growth of 2.3% & Healthcare remained flat QoQ.
- Geography wise growth was broad based with of North America, Europe & APAC reporting growth of 0.8%, 8.9% & 22.5% QoQ respectively
- **EBIT margin came at 16.0%, down ~30 bps QoQ, inline with consensus estimate & below our estimate of 16.5% largely due to lower gross margins.**
- Reported strong TCV wins of USD 1.15 bn, increasing ~91% QoQ while NN was up 133% QoQ. ACV came at USD 537 mn, up ~21% QoQ while NN ACV was up 42% QoQ.
- Net Headcount increased by 1,138 with net addition of 1,056 Software employees. Utilization incl. trainees declined by 150 bps QoQ to 86.5% while attrition declined by 70 bps QoQ to 12.3%
- **Top 5 & 10 clients grew by 9.4% & 6.0% QoQ respectively, while non-top 10 accounts grew by 2.1% QoQ**

Conference Call Highlights

- Management maintained a constructive demand outlook, highlighting that enterprises are increasingly moving from AI experimentation to enterprise-scale deployments. Demand continues to be driven by AI-led transformation, digital engineering, cloud modernization, platform engineering and data modernization initiatives, with customers increasingly focusing on integrating AI into enterprise workflows rather than deploying standalone models.
- Management elaborated that the new USD 650 mn strategic deal won with a leading global technology company encompasses product development, support, cloud operations across multiple SaaS products, leveraging advanced AI-powered platforms and capabilities, with deal ramp up underway from Q2.
- Cash flow was temporarily impacted by working capital timing issues, with management attributing the weaker cash conversion to delayed customer collections to the tune of USD 23mn and slower receipt of tax refunds of USD 10mn rather than any deterioration in the underlying business. Management indicated that collections remained healthy and there were no concerns regarding customer credit quality, while both the receivable collections and tax refunds are expected to normalize over the coming quarters, supporting a recovery in operating cash flow and cash conversion.
- Management remained constructive on Healthcare, noting that the vertical continues to benefit from strong demand across payer and provider clients, supported by AI adoption, enterprise modernization and data transformation initiatives. Given the healthy pipeline and broad-based spending environment, management expects Healthcare to remain one of the key growth drivers going forward.
- Management believes that the next phase of enterprise AI be defined by how effectively enterprises combine foundation models with their own business knowledge, operational data processes, human interactions, and governance to deliver trusted business outcomes at scale.

- PSYS continues to invest in the enterprise context layer and the platforms that enable it, while maintaining an open ecosystem through partnerships with NVIDIA, Microsoft, Google, Databricks, Snowflake, Sniff, Salesforce & DigitalOcean. The AI intellectual property portfolio stands at 239 patent filings including 18 new filings added in the quarter.

- Management updated that the Nagarro acquisition open offer is currently under BAFIN review in Germany & has been submitted to RBI for approval, and expects the deal to close by Q4CY26 or Q1CY27.

- Management highlighted that organisation wide wage hike has been implemented effective July 1, 2026, and expects an impact of 180-200 bps on margins in Q2, but expects some portion of that to be recouped back in Q2 itself

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	43,032	*29.1*	45,386	*26.7*	47,523	*25.8*	49,373	*21.7*
EBIT	6,869	*32.7*	7,103	*21.7*	7,936	*25.6*	8,302	*25.9*
Margin (%)	*16.0*	*40bps*	*15.7*	*-70bps*	*16.7*	*0bps*	*16.8*	*60bps*
Adj. PAT	4,830	*13.7*	5,086	*7.9*	6,253	*18.3*	6,540	*23.6*

Source: Company, PL

Exhibit 2: 1QFY27 Results: Beat on revenue, slight miss on margins

	1QFY27	1QFY27E	*% Var.*	4QFY26	*QoQ gr. (%)*	1QFY26	*YoY gr. (%)*	FY27E	FY26	*YoY gr. (%)*
IT Services Revenue (USD m)	**452**	**451**	***0.3***	**436**	***3.8***	**390**	***16.1***	**1,982**	**1,654**	***19.8***
Overall Revenue (INR b)	**43**	**43**	***0.8***	**41**	***6.1***	**33**	***29.1***	**185**	**147**	***25.6***
Gross Profit	15	15	*-0.2*	14	*5.6*	12	*28.5*	65	53	*24.0*
Gross Margin (%)	*35.1*	*35.5*	*-40bps*	*35.3*	*-20bps*	*35.3*	*-10bps*	*35.2*	*35.7*	*-50bps*
SG&A and Other Costs	7.1	7.0	*1.4*	6.6	*6.9*	5.6	*25.7*	30	25	*22.8*
% of Rev	*16.5*	*16.4*	*10bps*	*16.4*	*10bps*	*16.9*	*-40bps*	*16.3*	*16.7*	*-40bps*
EBITDA	**8**	**8**	***-1.6***	**8**	***4.5***	**6**	***31.2***	**35**	**28**	***25.0***
EBITDA Margin (%)	*18.6*	*19.1*	*-50bps*	*18.9*	*-30bps*	*18.3*	*30bps*	*18.9*	*19.0*	*-10bps*
Depreciation	1	1	*4*	1	*6*	1	*22.9*	5	4	*17.4*
% of Rev	*2.7*	*2.6*	*10bps*	*2.7*	*0bps*	*2.8*	*-10bps*	*2.6*	*2.7*	*-20bps*
EBIT	**7**	**7**	***-2.5***	**7**	***4.2***	**5**	***32.7***	**30**	**24**	***26.3***
EBIT Margin (%)	*16.0*	*16.5*	*-50bps*	*16.3*	*-30bps*	*15.5*	*40bps*	*16.3*	*16.2*	*10bps*
Other Income (net)	-1	0	*-286.8*	0	*-530*	0	*-269.6*	-1	1	*-156.4*
PBT	**6**	**7**	***-15.6***	**7**	***-7.6***	**6**	***12.2***	**30**	**25**	***18.4***
Tax	1	2	*-19.3*	1	*-3.2*	1	*7.4*	7	5	*26.2*
Effective tax rate (%)	*22.5*	*23.5*	*-100bps*	*21.5*	*100bps*	*23.5*	*-100bps*	*23.3*	*21.8*	*140bps*
Adjusted PAT	**4.8**	**5.6**	***-14.5***	**5.3**	***-8.7***	**4**	***13.7***	**23**	**20**	***16.2***
Exceptional items	0	0	*NA*	0	*NA*	0	*NA*	0	1	*NA*
Reported PAT	**4.8**	**5.6**	***-14.5***	**5.3**	***-8.7***	**4**	***13.7***	**23**	**19**	***21.8***
Reported EPS (INR)	**30.6**	**36.1**	***-15.2***	**33.8**	***-9.5***	**27.4**	***11.6***	**144.0**	**125.5**	***14.7***

Source: Company, PL

Exhibit 3: Regional Growth (%)

Geographies	Contri. To Rev (%)	Growth (QoQ %)
North America	79.1	0.8
Europe	8.5	8.9
India	9.8	22.5
RoW	2.6	22.6

Source: Company, PL

Exhibit 4: Vertical Growth (%)

Verticals	Contri. To Rev (%)	Growth (QoQ %)
BFSI	34.0	2.3
Healthcare & Life Science	25.3	-0.2
Tech. Cos. & Emerging Verticals	40.7	7.7

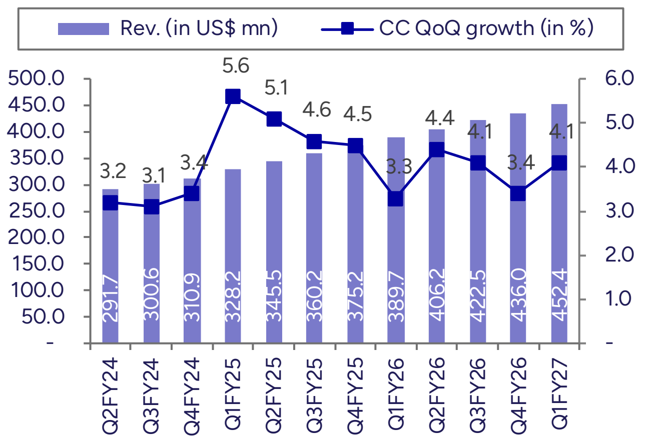
Source: Company, PL

Exhibit 5: Key Performance Indicator

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	FY26*	FY27E*
Revenue growth (QoQ CC%)	5.6	5.1	4.6	4.5	3.3	4.4	4.1	3.4	4.1	17.4	19.9
Margins (%)											
Gross Margin	33.0	33.4	34.7	34.9	35.3	36.0	36.1	35.3	35.1	35.7	35.2
EBIT Margin	14.0	14.0	14.9	15.6	15.5	16.3	16.7	16.3	16.0	16.2	16.3
Net Margin	11.2	11.2	12.2	12.2	12.7	13.2	14.0	13.0	11.2	13.2	12.3
Operating metrics											
Headcount	23,519	23,237	23,942	24,594	25,340	26,224	26,711	27,502	28,640	27,502	-
Utilization (%)	82.1	84.8	87.4	88.1	88.7	88.2	88.4	88.0	86.5	88.0	-
LTM Attrition (%)	11.9	12	12.6	12.9	13.9	13.8	13.5	13.0	12.3	13.0	-
Effort Mix (%)											
Global Delivery Centers	15.2%	15.8%	15.1%	14.8%	14.5%	14.1%	14.2%	14.6%	15.2%	14.4%	-
India	84.8%	84.2%	84.9%	85.2%	85.5%	85.9%	85.8%	85.4%	84.8%	85.6%	-

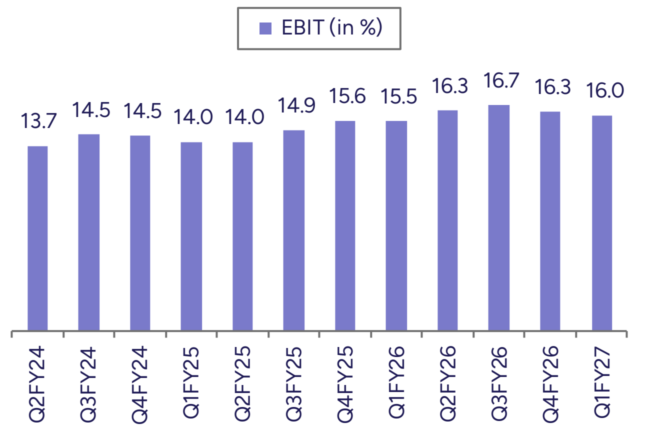
Source: Company, PL ** YoY growth*

Exhibit 6: Revenue growth was above estimate



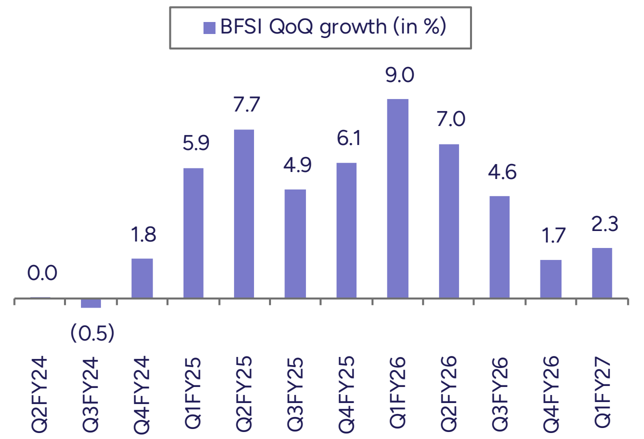
Source: Company, PL

Exhibit 7: Margin declined by 30 bps QoQ



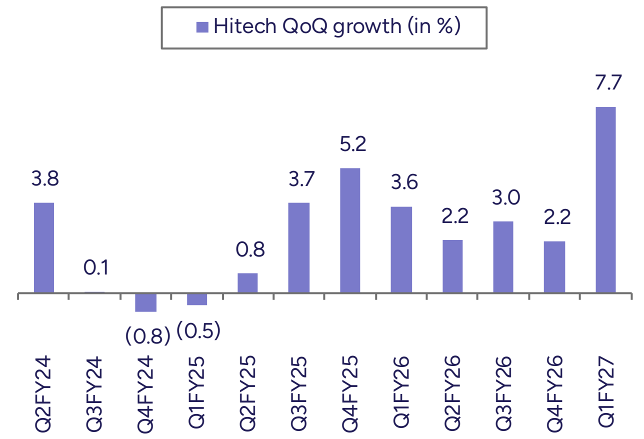
Source: Company, PL

Exhibit 8: BFSI growth steady



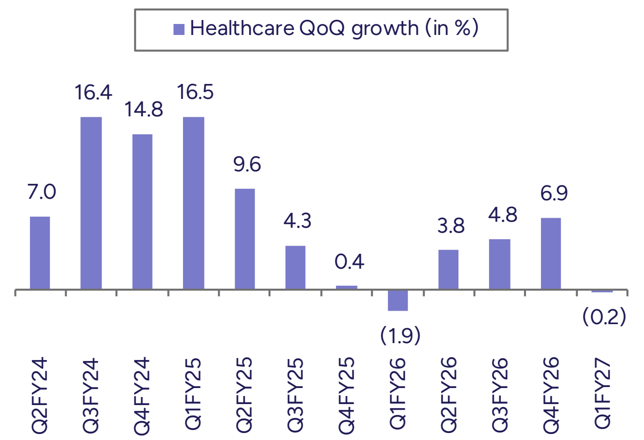
Source: Company, PL

Exhibit 9: Hitech reported strong growth



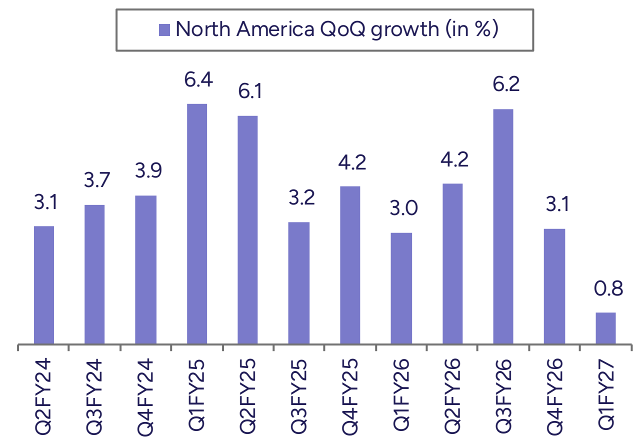
Source: Company, PL

Exhibit 10: Healthcare momentum moderates



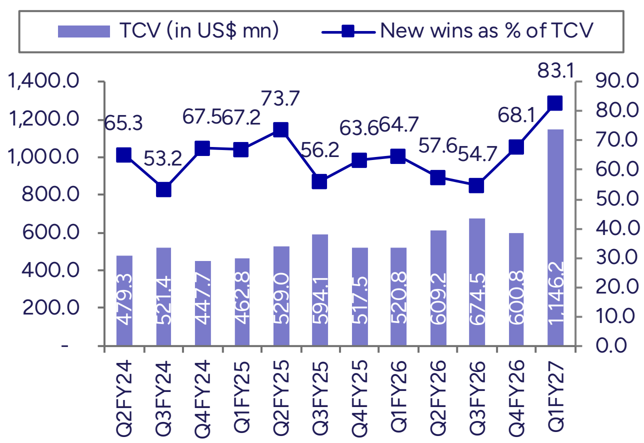
Source: Company, PL

Exhibit 11: North America QoQ Growth



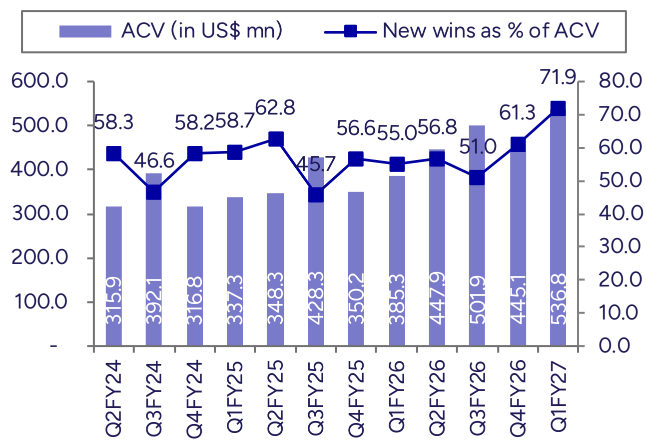
Source: Company, PL

Exhibit 12: TCV wins crosses USD 1 bn in Q1



Source: Company, PL

Exhibit 13: ACV increases QoQ in Q1



Source: Company, PL

Exhibit 14: Operating Metrics

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Geography (%)													
North America	79.2	79.2	79.7	80.1	80.7	81.3	80.5	80.5	79.8	79.8	81.5	81.4	79.1
Europe	9.7	9.5	8.9	7.8	7.8	7.9	8.2	8.4	9.0	9.3	8.5	8.1	8.5
RoW	11.1	11.3	11.4	12.1	11.5	10.8	11.3	11.1	11.2	10.9	10.0	10.5	12.4
Vertical Mix (%)													
BFSI	33.3	32.3	31.2	30.7	30.8	31.5	31.7	32.3	33.9	34.8	35.0	34.5	34.0
Healthcare & Life Science	18.6	19.3	21.8	24.2	26.7	27.8	27.8	26.8	25.3	25.2	25.4	26.3	25.3
Tech. Cos. & Emerging Verticals	48.1	48.4	47.0	45.1	42.5	40.7	40.5	40.9	40.8	40.0	39.6	39.2	40.7
Client Metrics (%)													
Top 5 Clients	27.9	28.3	28.0	29.2	30.7	31.4	30.8	32.7	31.8	32.9	32.9	31.5	33.2
Top 10 Clients	39.6	39.5	39.3	40.0	41.5	41.5	40.0	42.2	42.0	43.2	43.7	42.1	43.0
Employee Metrics													
Technical People	21,511	21,263	21,738	22,224	21,866	21,675	22,407	23,072	23,787	24,608	25,077	25,849	26,905
Sales & BD	428	443	465	484	510	492	489	485	496	510	520	543	579
Others	1,191	1,136	1,133	1,142	1,143	1,070	1,046	1,037	1,057	1,106	1,114	1,110	1,156
Total	23,130	22,842	23,336	23,850	23,519	23,237	23,942	24,594	25,340	26,224	26,711	27,502	28,640
Effort Mix (%)													
- Global Delivery Centers	13.1%	12.7%	13.8%	14.8%	15.2%	15.8%	15.1%	14.8%	14.5%	14.1%	14.2%	14.6%	15.2%
- India	86.9%	87.3%	86.2%	85.2%	84.8%	84.2%	84.9%	85.2%	85.5%	85.9%	85.8%	85.4%	84.8%
Linear Utilization %	78.3	80.6	81.5	80.0	82.1	84.8	87.4	88.1	88.7	88.2	88.4	88.0	86.5
Attrition (%)	15.5	13.5	11.9	11.5	11.9	12.0	12.6	12.9	13.9	13.8	13.5	13.0	12.3

Source: Company, PL

Financials

Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**119**	**147**	**185**	**222**
YoY gr. (%)	*21.6*	*23.5*	*25.6*	*19.8*
Cost of Goods Sold	79	95	120	144
Gross Profit	41	53	65	78
Margin (%)	*34.0*	*35.7*	*35.2*	*36.0*
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
EBITDA	**21**	**28**	**35**	**42**
YoY gr. (%)	*19.4*	*35.8*	*25.0*	*20.1*
Margin (%)	*17.2*	*19.0*	*18.9*	*18.9*
Depreciation and Amortization	3	4	5	6
EBIT	**18**	**24**	**30**	**36**
Margin (%)	*14.7*	*16.2*	*16.3*	*16.4*
Net Interest	-	-	-	-
Other Income	1	1	(1)	1
Profit Before Tax	**18**	**25**	**30**	**38**
Margin (%)	*15.3*	*17.0*	*16.0*	*17.0*
Total Tax	4	5	7	9
Effective Tax Rate (%)	*23.2*	*21.8*	*23.3*	*23.5*
Profit After Tax	**14**	**20**	**23**	**29**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**14**	**20**	**23**	**29**
YoY gr. (%)	*22.6*	*39.6*	*16.2*	*27.1*
Margin (%)	*11.7*	*13.2*	*12.3*	*13.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**14**	**19**	**23**	**29**
YoY gr. (%)	*28.0*	*33.2*	*21.8*	*27.1*
Margin (%)	*11.7*	*12.6*	*12.3*	*13.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	14	19	23	29
Equity Shares O/s (bn)	**-**	**-**	**-**	**-**
EPS (INR)	**90.2**	**124.7**	**144.0**	**183.0**

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**37**	**43**	**46**	**49**
Tangibles	22	27	30	33
Intangibles	16	16	16	16
Acc: Dep / Amortization	**24**	**28**	**32**	**38**
Tangibles	12	16	21	27
Intangibles	11	11	11	11
Net Fixed Assets	**14**	**15**	**13**	**11**
Tangibles	9	11	9	6
Intangibles	5	5	5	5
Capital Work In Progress	-	-	-	-
Goodwill	12	14	14	14
Non-Current Investments	6	7	8	10
Net Deferred Tax Assets	2	3	4	5
Other Non-Current Assets	2	3	4	5
Current Assets				
Investments	7	11	11	11
Inventories	-	-	-	-
Trade Receivables	18	21	27	32
Cash & Bank Balance	7	11	26	45
Other Current Assets	18	28	28	29
Total Assets	**87**	**114**	**135**	**162**
Equity				
Equity Share Capital	1	1	1	1
Other Equity	62	78	94	117
Total Networth	**63**	**78**	**95**	**117**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	-	-	-	-
Other Non Current Liabilities	3	6	8	9
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	9	11	14	17
Other Current Liabilities	12	18	18	18
Total Equity & Liabilities	**87**	**114**	**135**	**162**

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	18	24	30	38
Add. Depreciation	3	4	5	6
Add. Interest	-	-	-	-
Less Financial Other Income	1	1	(1)	1
Add. Other	2	1	-	-
Op. Profit before WC Changes	23	30	34	43
Net Changes-WC	(6)	(6)	(2)	(3)
Direct Tax	(5)	(6)	(7)	(9)
Net Cash from Op. Activities	**12**	**18**	**25**	**31**
Capital Expenditures	(2)	(2)	(3)	(3)
Interest / Dividend Income	1	-	-	-
Others	(3)	(5)	(1)	(2)
Net Cash from Invt. Activities	**(4)**	**(6)**	**(4)**	**(5)**
Issue of Share Cap. / Premium	2	-	-	-
Debt Changes	(3)	(2)	-	-
Dividend Paid	(5)	(6)	(6)	(6)
Interest Paid	-	-	-	-
Others	-	-	-	-
Net Cash from Fin. Activities	**(6)**	**(7)**	**(6)**	**(6)**
Net Change in Cash	**1**	**4**	**15**	**19**
Free Cash Flow	9	16	23	28

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**36**	**38**	**41**	**43**
YoY gr. (%)	*7.4*	*5.5*	*7.4*	*6.1*
Raw Material Expenses	23	24	26	28
Gross Profit	13	14	14	15
Margin (%)	*36.0*	*36.1*	*35.3*	*35.1*
EBITDA	**7**	**7**	**8**	**8**
YoY gr. (%)	-	-	-	-
Margin (%)	*19.1*	*19.4*	*18.9*	*18.6*
Depreciation / Depletion	1	1	1	1
EBIT	**6**	**6**	**7**	**7**
Margin (%)	*16.3*	*16.7*	*16.3*	*16.0*
Net Interest	-	-	-	-
Other Income	-	-	-	(1)
Profit before Tax	**6**	**7**	**7**	**6**
Margin (%)	*17.2*	*17.3*	*16.6*	*14.5*
Total Tax	1	1	1	1
Effective Tax Rate (%)	*23.6*	*19.2*	*21.5*	*22.5*
Profit After Tax	**5**	**5**	**5**	**5**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**5**	**5**	**5**	**5**
YoY gr. (%)	*10.9*	*12.1*	*0.2*	*(8.7)*
Margin (%)	*13.2*	*14.0*	*13.0*	*11.2*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**5**	**4**	**5**	**5**
YoY gr. (%)	*10.9*	*(6.8)*	*20.4*	*(8.7)*
Margin (%)	*13.2*	*11.6*	*13.0*	*11.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**5**	**4**	**5**	**5**
Avg. Shares O/s (bn)	-	-	-	-
EPS (INR)	**30.1**	**33.8**	**33.6**	**30.6**

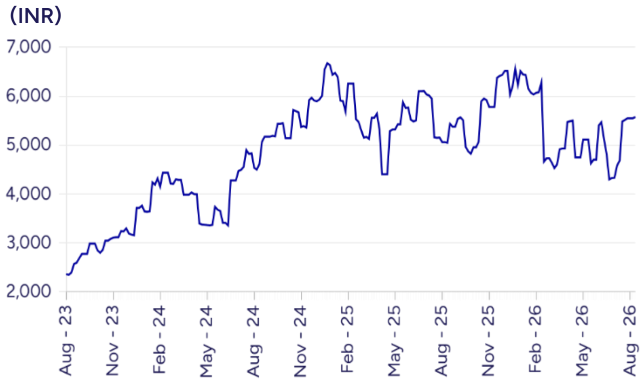
Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	90.2	124.7	144.0	183.0
CEPS	110.0	150.4	174.0	218.2
BVPS	407.2	500.2	601.9	744.2
FCF	59.3	99.5	143.0	175.0
DPS	35.0	40.0	38.9	40.7
Return Ratio (%)				
RoCE	23.8	26.4	26.7	26.2
ROIC	18.7	19.6	20.4	20.3
RoE	24.8	27.6	26.2	27.2
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	29	25	25	25
Valuation (x)				
PER	61.7	44.6	38.7	30.4
P/B	13.6	11.1	9.2	7.4
P/CEPS	50.6	37.0	32.0	25.5
EV/EBITDA	41.3	30.4	24.1	19.6
EV/Sales	7.1	5.7	4.5	3.7
Dividend Yield (%)	0.6	0.7	0.6	0.7
FCFF Yield (%)	1.0	1.7	2.5	3.1
PEG Ratio	2.8	1.1	2.5	1.1

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	02-Jul-26	BUY	5570	4581
2	29-Jun-26	BUY	6400	4842
3	22-Apr-26	Buy	6400	5330
4	01-Apr-26	BUY	6570	5049
5	21-Jan-26	BUY	7360	6343
6	02-Jan-26	BUY	7060	6283
7	15-Oct-25	BUY	6280	5338
8	04-Oct-25	BUY	5970	5069
9	24-Jul-25	Hold	5890	5606
10	01-Jul-25	Hold	5890	6042

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	SELL	460	639
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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