PL Capital
PRABHUDAS LILLADHER

Q4FY26 Result Update

Tech Mahindra (TECHM IN)

April 23, 2026

☑ Estimate Change | ■ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	1,660		1,660	
Sales (INR bn)	621	670	618	668
% Chng.	*0.5*	*0.3*		
EBITDA (INR bn)	111	123	108	120
% Chng.	*2.8*	*2.5*		
EPS (INR)	78.6	87.4	78.3	87.2
% Chng.	*0.4*	*0.2*		

Key Data	TEML.BO | TECHM IN
BSE Code	532755
NSE Code	TECHM
52-W High / Low	INR 1,854 / INR 1,304
Face Value	5
Sensex / Nifty	78,516 / 24,378
Market Cap	INR 1,433 bn / $ 15,278 mn
Shares Outstanding	979.84 mn
3M Avg. Daily Value	INR 3,509.95 mn

Shareholding Pattern (%)

Promoters	34.97
FIIs	18.59
MF	19.06
DII	18.27
Public	9.11
Promoter's Pledge	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	5.6	(13.3)	1.0	6.3
Relative	0.3	(9.1)	8.6	7.7

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	530	568	621	670
EBITDA (INR bn)	70	90	111	123
Margin (%)	*13.2*	*15.9*	*17.8*	*18.3*
PAT (INR bn)	43	51	70	78
EV (INR bn)	1,226	1,214	1,208	1,199
Total Debt (INR bn)	5	1	1	1
C&C Eq. (INR bn)	43	50	54	57
EPS (INR)	48.0	57.3	78.6	87.4
Gr. (%)	*17.4*	*19.4*	*37.2*	*11.2*
DPS (INR)	44.9	50.9	70.6	78.5
Yield (%)	*3.1*	*3.5*	*4.8*	*5.4*
RoE (%)	*15.1*	*17.1*	*22.4*	*24.3*
RoCE (%)	*13.2*	*17.7*	*21.2*	*23.0*
EV/Sales (x)	2.3	2.1	1.9	1.8
EV/EBITDA (x)	17.5	13.4	10.9	9.8
PE (x)	30.5	25.5	18.6	16.7
P/BV (x)	4.5	4.2	4.1	4.0

Strong Margin Improvement, Await Revenue Acceleration

Quick Pointers

- Margin improvement trajectory continues
- Deal wins of US$ 1.07 bn, 2nd straight qtr, of USD 1bn+ TCV

The revenue growth (+0.6% CC QoQ) exceeded our estimates (+0.1% CC QoQ), aided by Comviva seasonality. The growth performance was balanced even beyond communications vertical, ex-Comm USD growth was 0.5% QoQ. The management also delved into three-year strategic initiatives (undertook in FY24), while mapping the progress on stabilizing growth and improving margins in FY26. On successfully achieving the milestone, the company is now gearing up to deliver industry average growth and achieve the last mile of margin improvement in FY27E. The earlier efforts of integrating portfolio companies, scaling the must-have accounts, hiring senior leaders and expanding high-margin service lines are largely concluded in FY26. These initiatives have resulted in shaping multi-tower quality deals and growing engagements with potential accounts. Additionally, the overdependency on Communications seems to have reduced largely with senior domain experts hiring within key sub-verticals, further derisking the dominance of Communications. The FY26 deal TCV looks encouraging at USD3.8b (+41.5% YoY), which is coming over and above 42.5% YoY TCV growth delivered in FY25. We believe the restructuring exercise has largely calibrated margins to a comfort band, now it requires paddling more on the revenue conversions. On margins, we believe since operational stability has achieved, the incremental engagement on FP contracts would an additional support to margin levers beyond the operating leverage achieving through growth acceleration in FY27E. We are keeping our revenue growth unchanged at +4.8%/5.8% CC YoY while improving margins by 20bps each to 14.5% and 15.0% YoY in FY27E/FY28E. We assign 19x to arrive at a TP of Rs. 1,660. Retain BUY.

Project Helix: Management highlighted Project Helix as a core AI pillar, integrating human and agentic AI capabilities to deliver scalable, end-to-end solutions, driving modernization and differentiated AI-led services.

FY27 growth strategy: TechM sees FY27 as a transition year amid macro and AI-led disruption, while focusing on AI (Project Helix), large deals, and key account mining to drive growth; the strategy also emphasizes GCC/nearshore expansion and domain-led offerings to support margins.

Growth in focused metrics: TechM delivered solid FY26 execution with strong deal wins (US$3.8bn, +41.6% YoY), improved large account traction and geographic mix, alongside better margin discipline and talent metrics; notably, ~95% of key clients are now infused with AI, highlighting progress on its AI-led transformation.

Quarter Summary

Y/e Mar	Q4'26E	Q4'26A	*% Var.*	Q4'25A	*YoY gr. (%)*
Net Sales (INR bn)	148	151	*2.0*	134	*13.0*
EBITDA (INR bn)	25	26	*4.0*	19	*37.0*
Margin (%)	*16.9*	*17.0*	*10 bps*	*14.0*	*300 bps*
PAT (INR bn)	16	14	*-13.0*	12	*17.0*

Source: Company, PL

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Strong margin improvement continues, marginal revenue beat a surprise

- Rev. came at US$ 1.62 bn, up 0.6% QoQ CC (+0.9% QoQ in USD), above our and consensus est. of 0.1% QoQ CC & consensus estimate of 0.3% QoQ growth
- Segment wise growth was driven by BFSI, TME & Comms which grew by 8%, 2.5% & 1.8% QoQ respectively offset by decline in Retail & Healthcare which declined by 5.3% & 0.8% QoQ respectively
- Geography-wise Europe & RoW grew by 2.7% QoQ each while Americas declined by 0.8% QoQ
- **EBIT margin improved by 70bps QoQ to 13.8% above our and consensus estimates of 13.5% & 13.7% respectively**
- Net employees decreased by 1.99k QoQ with software, BPO & sales support employees declining by 817, 1.1k & 56 respectively
- Utilization declined by 50 bps QoQ to 86.1%, LTM attrition was declined by 20bps QoQ to 12.1%
- **NN Deal TCV came at US$ 1,073 mn compared (2nd successive qtr. Of US$ 1 bn+ win). For FY26 TCV wins came at US$ 3.79 bn, up 41.5% YoY**
- Announced final dividend of INR 36 per share
- For FY26, rev. came at US$ 6.4 bn, up 0.6 YoY CC while EBIT margin came at 12.6%, up 290 bps YoY

Conference Call Highlights

- Management stated that Communications growth was driven by stabilization and increased spending from large US clients, with added momentum from Comviva which saw double digit growth. Healthcare was impacted by regulatory pressures and weaker discretionary spending despite increasing AI-led engagements.

- Management indicated that Europe remains a strong growth region supported by traction in aerospace and manufacturing along with currency tailwinds, while the Americas continued to see mixed trends due to auto-specific softness.

- Management highlighted that while frontier AI models are being developed by ecosystem players, the company is focusing on leveraging its domain expertise to build and orchestrate interoperable AI agents, further reiterating that Orion was built not just to create an agent, but to orchestrate the agent workflow as well.

- Management articulated a platform-led AI strategy to progress as an AI first organization, structured around three strategic pillars: Industry and Sovereign AI platforms, ecosystem partnerships and stack orchestration, and applied AI across manufacturing, agriculture, education and inclusion.

- Management highlighted that despite rapid advancements in AI models, there has been no meaningful delay in deal closures. While some clients are taking a pragmatic view based on current productivity and efficiency, no significant pricing pressure or behavioral change has been witnessed.

- Management indicated that a strategic transformation is underway to be positioned as a strategic partner rather than a traditional outsourcing vendor, repositioning itself toward AI-led, consulting-driven and platform-enabled services.

- Management indicated that margins are improving through ongoing operational transformation initiatives including cost discipline, delivery simplification and capability optimization, enhancing overall efficiency.

- Management stated that gap in margins between TMM & fixed price projects is close to 8%, reiterating that it is the biggest opportunity.

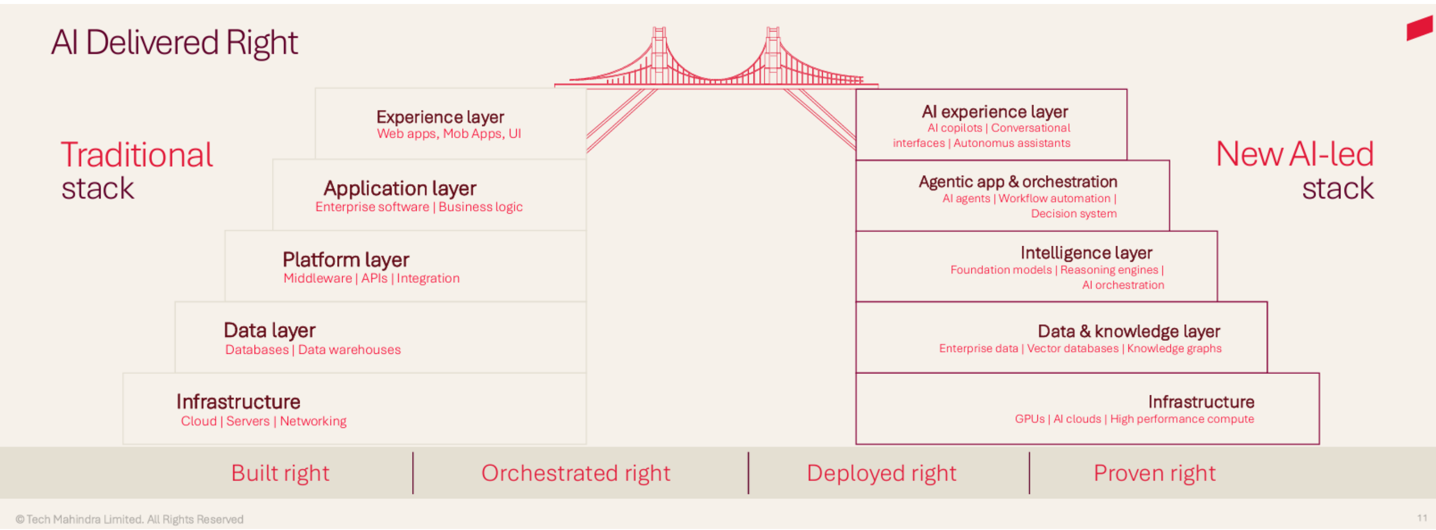
- Management indicated that deal pipeline remains strong across geographies, with increasing share of large deals and multi-year engagements providing better revenue visibility over the next few quarters.

Exhibit 1 : Result: Strong margin expansion with slight beat in revenue

	4QFY26	4QFY26E	% Var.	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	FY26	FY25	YoY gr. (%)
IT Services Revenue (USD m)	1,625	1,620	0.3	1,610	0.9	1,549	4.9	6,385	6,264	1.9
Overall Revenue (INR b)	151	148	2.0	144	4.7	134	12.6	568	530	7.2
Gross Profit	47	45	3.2	44	7.1	39	19.7	169	149	13.7
Gross Margin (%)	31.0	30.6	40bps	30.3	70bps	29.2	180bps	29.8	28.1	170bps
SG&A and Other Costs	21.1	20.2	4.2	20.0	5.5	20.4	3.6	79	79	0.0
% of Rev	14.0	13.7	30bps	13.9	10bps	15.2	-120bps	13.9	14.9	-100bps
EBITDA	26	25	2.5	24	8.4	19	37.4	90	70	29.2
EBITDA Margin (%)	17.0	16.9	10bps	16.4	60bps	14.0	310bps	18.8	18.5	30bps
Depreciation	5	5	-4.3	5	2	5	4.1	19	19	1.5
% of Rev	3.2	3.4	-20bps	3.3	-10bps	3.5	-30bps	3.3	3.5	-20bps
EBIT	21	20	4.2	19	10.2	14	48.3	72	51	39.2
EBIT Margin (%)	13.8	13.5	30bps	13.1	70bps	10.5	330bps	12.6	9.7	290bps
Other Income (net)	-3	1	-298.6	-1.1	156.6	1	-598.3	-3	5	-159.6
PBT	18	21	-16.6	18	0.7	15	22.3	68	56.5	21.1
Tax	4	6	-23.7	4	12.3	3	34.7	18	14	26.2
Effective tax rate (%)	24.2	26.5	-230bps	21.7	250bps	22.0	220bps	25.8	24.8	110bps
Adjusted PAT	14	16	-14.4	14	-2.9	12	16.0	51	43	19.6
Exceptional items	0.0	0.0	NA	-2.7	NA	0.0	NA	-3	0	NA
Reported PAT	14	16	-14.8	11	20.1	12	13.4	48	43	13.2
Reported EPS (INR)	15.2	17.9	-14.7	12.6	20.5	13.2	15.5	57	48	19.3

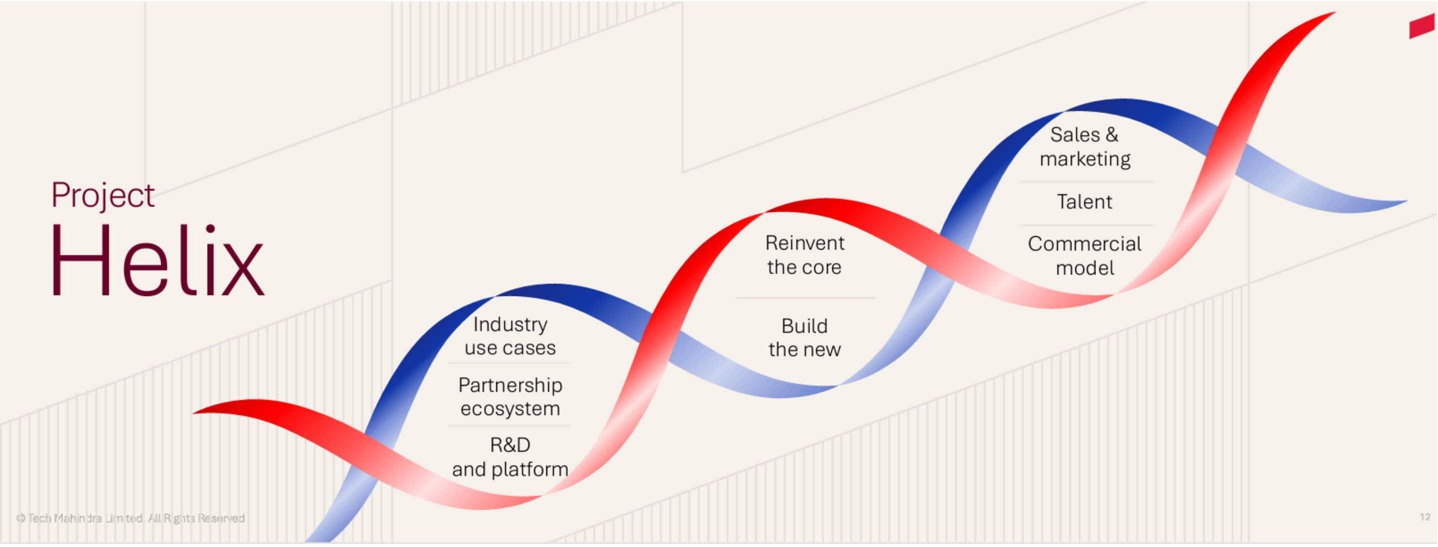
Source: Company, PL

Exhibit 2 : Bridging Legacy to AI-Native: The Dual-Stack Transformation



Source: Company, PL

Exhibit 3 : Project Helix: Integrating AI Across Capabilities and Growth Levers



Source: Company, PL

Exhibit 4 : Balancing Macro Headwinds with AI-Led Opportunities in FY27

Source: Company, PL

Exhibit 5 : FY26 Execution Strong; Metrics Reflect Improving Fundamentals

FY 2026 Metrics

Strategic Actions	Metric	2026	Change
Growth	• Growth in account > $20M	7.7%	+540 bps
	• Contribution from NA, Europe, prioritized pockets in APJ	83.0%	+170 bps
	• Net new deals ($Bn)	$3.8	+41.6%
	• Industry mix (Enterprise)	66.7%	-0.2%
Margin Excellence	• Entry level workforce as a % of total	28.6%	+80 bps
	• C&B as a % of Revenue	64.4%	-250 bps
	• % of Revenue from Key service lines*	31.9%	+110 bps
Organization & Talent	• % of employees upskilled/ futuristic technologies	80.0%	+15%
	• Gender diversity	34.6%	+20 bps
	• % of Turbocharge clients infused with GenAI/AI offerings	~95%	

*Key Service lines include – DEA, CIS, ES and TMC. CIS has been added since NGS has been split into CIS and TMC.

Source: Company, PL

Exhibit 6 : Regional Growth (%)

Geographies	Contribution to rev (%)	Growth (QoQ %)
Americas	49.7	-0.7
Europe	26.0	2.5
Rest of World	24.3	2.6

Source: Company, PL

Exhibit 7 : Vertical Growth (%)

Verticals	Contribution to rev (%)	Growth (QoQ %)
Comm., Media & Ent.	33.4	1.8
Manufacturing	18.1	-0.2
Technology	13.5	3.2
BFSI	16.6	8.1
Retail, Transport & Logistics	8.2	-4.9
Healthcare	7.3	-0.4
Others	2.9	-20.9

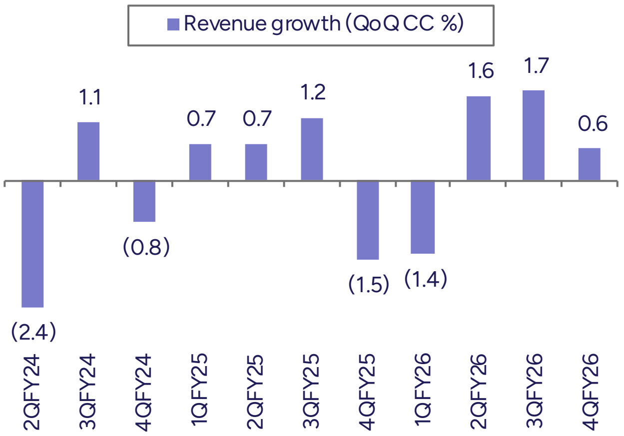
Source: Company, PL

Exhibit 8 : Key performance Indicator

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	FY25*	FY26*
Revenue (QoQ CC %)	**-0.8**	**0.7**	**0.7**	**1.2**	**-1.5**	**-1.4**	**1.6**	**1.7**	**0.6**	**0.3**	**0.6**
Margins (%)											
Gross Margin	27.0	26.5	27.9	28.8	29.2	28.7	29.1	30.3	31.0	28.1	29.8
EBITDA margin	10.9	12.0	13.1	13.6	14.0	14.5	15.5	16.4	17.0	13.2	15.9
EBIT Margin	7.4	8.5	9.6	10.2	10.5	11.1	12.1	13.1	13.8	9.7	12.6
Net Margin	7.5	6.5	9.4	7.4	8.7	8.5	8.5	9.7	9.0	8.0	8.9
Operating Metrics											
Headcount (k)	145.5	147.6	154.3	150.5	148.7	148.5	152.7	149.6	147.6	148.7	147.6
Util excl. trainees (%)	86.0	86.1	86.3	85.6	86.4	85.0	84.4	86.6	86.1	86.4	86
Attrition (%)	10.0	10.1	10.6	11.2	11.8	12.0	12.8	12.3	12.1	11.8	12
Deal TCV (USD m)	500	534	603	745	798	809	816	1096	1073	2680	3,793

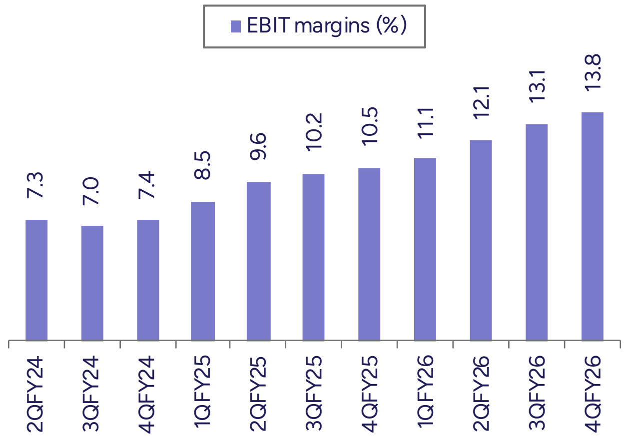
Source: Company, PL   ** YoY CC*

Exhibit 9 : Revenue Growth steady in Q4



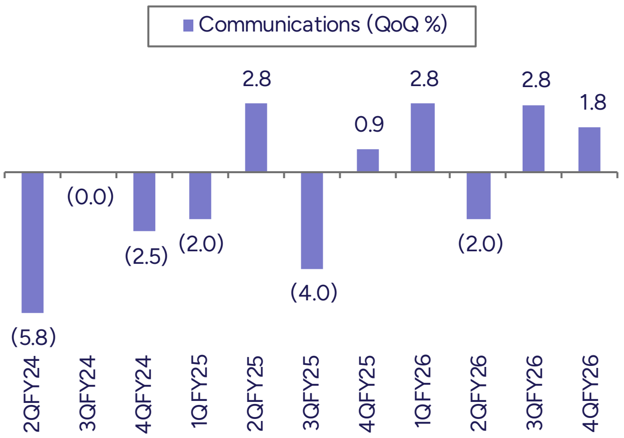
Source: Company, PL

Exhibit 10 : EBIT margin (%) continues to improve



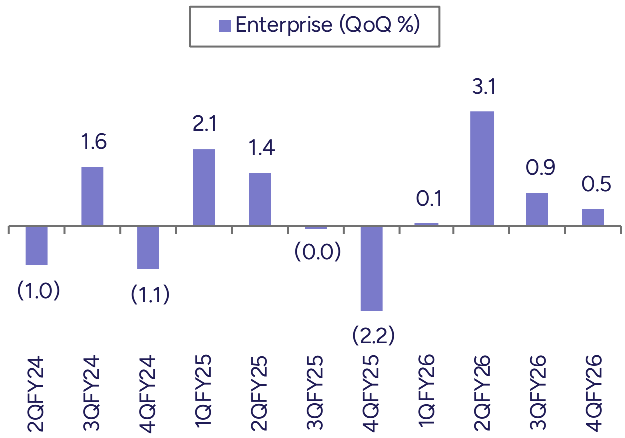
Source: Company, PL

Exhibit 11 : Communications trend (QoQ %)



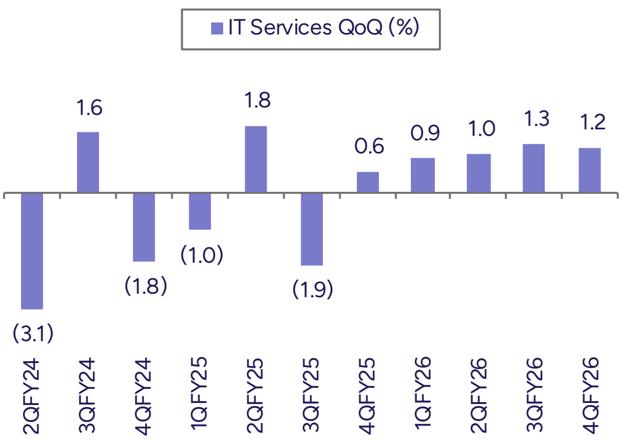
Source: Company, PL

Exhibit 12 : Enterprise trend (QoQ CC %)



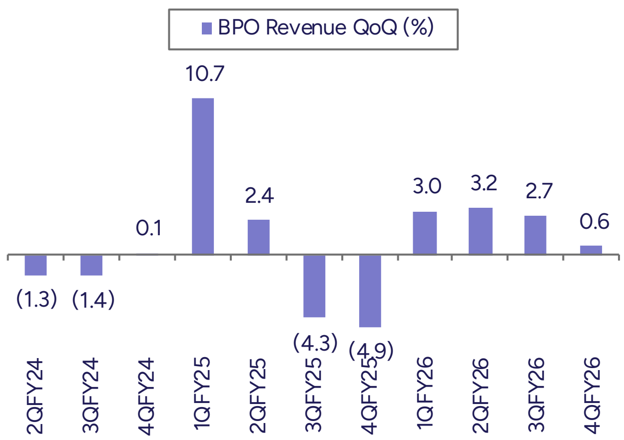
Source: Company, PL

Exhibit 13 : IT Service Performance



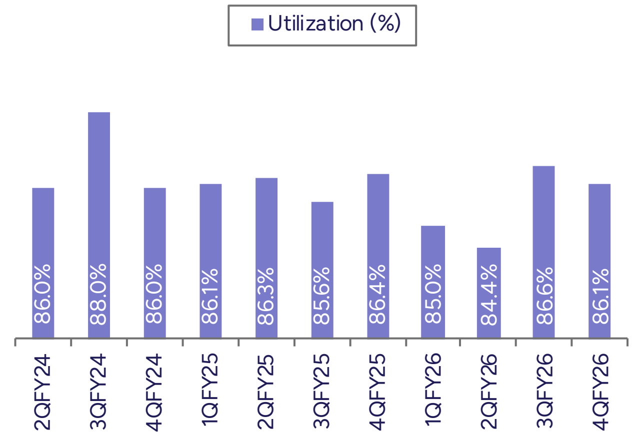
Source: Company, PL

Exhibit 14 : BPO Performance



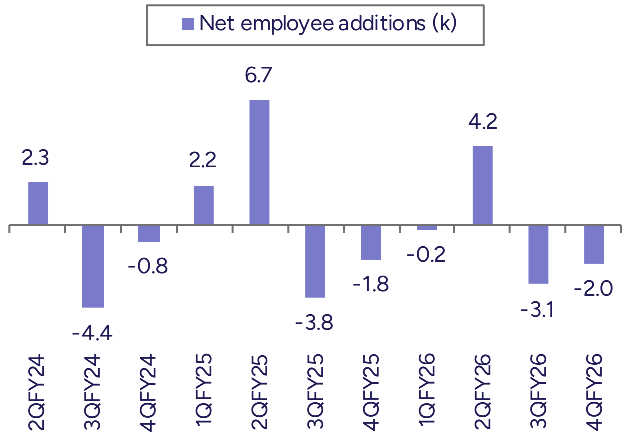
Source: Company, PL

Exhibit 15 : Utilization (%)



Source: Company, PL

Exhibit 16 : Net Employee Addition (k)



Source: Company, PL

Exhibit 17 : Operating Metrics

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Revenue by Geography (%)													
Americas	49.6	51.4	53.3	51.9	50.8	52.4	51.1	50.8	48.4	49.2	49.8	50.5	49.7
Europe	25.3	24.6	23.6	23.8	24.2	23.4	24.0	23.6	25.4	26.0	25.4	25.6	26.0
Rest of World	25.1	24.0	23.2	24.3	25.0	24.2	24.9	25.6	26.2	24.8	24.8	23.9	24.3
Vertical Split (%)													
Telecom	40.1	35.8	34.7	34.3	34.0	33.1	33.4	32.5	33.2	33.8	32.7	33.1	33.4
Manufacturing	15.9	16.7	17.5	18.0	18.0	18.3	17.2	16.8	17.0	17.5	18.1	18.3	18.1
Tech | Media | Entertainment	10.3	13.9	14.3	13.7	13.8	13.8	14.3	14.3	13.2	13.3	13.1	13.2	13.5
BFSI	15.9	15.5	15.4	14.8	15.7	15.7	15.8	16.1	16.7	16.4	16.8	15.5	16.6
Retail | Transport | Logistics	7.6	7.1	7.7	8.1	7.3	7.7	7.9	8.1	8.1	7.9	8.5	8.7	8.2
Others	10.2	4.0	10.4	11.0	4.0	3.7	4.0	4.5	4.5	3.9	3.9	3.7	2.9
No. of Million $ clients													
USD1m+	582	580	568	558	553	545	545	540	540	529	520	521	512
USD5m+	186	190	186	185	190	191	195	191	195	193	194	196	194
USD10m+	112	115	114	118	114	113	109	104	106	108	106	111	112
USD20m+	65	62	61	63	63	61	61	61	59	60	63	64	66
USD50m+	24	26	26	26	23	24	25	25	25	26	26	28	29
Client concentration (%)													
Top 5 Clients	18.0	17.4	16.6	16.1	15.8	15.5	15.1	14.8	15.5	15.6	15.6	15.2	14.9
Top 6-10	9.0	27.3	27.1	26.2	25.9	25.1	24.9	24.2	24.5	25.2	24.3	24.3	24.3
Top 11-20	13.0	39.4	39.5	38.6	38.8	38.4	38.6	38.0	38.2	39.0	37.1	37.7	38.0
Headcount (in 000's)													
Software professionals	83.8	81.5	81.2	81.7	80.9	80.4	80.6	80.9	80.6	80.0	78.5	76.2	75.4
BPO	60.1	58.1	61.0	56.2	55.5	58.2	64.9	61.1	59.6	60.3	66.1	65.5	64.3
Sales and support	8.5	8.7	8.4	8.3	9.0	9.0	8.7	8.6	8.5	8.3	8.1	8.0	7.9
Total	152.4	148.3	150.6	146.3	145.5	147.6	154.3	150.5	148.7	148.5	152.7	149.6	147.6
IT Attrition (LTM %)	15	13	11	10	10	10	11	11	12	12	13	12	12
IT Utilization (%)	86	87	86	88	86	86	86	86	86	85	84	87	86
IT Utilization (excl. trainees)	86	87	86	88	86	86	86	86	86	-	-	-	-
DSO - incl. unbilled	96	98	97	91	92	93	94	88	88	95	94	90	89
Borrowings (USD m)	192.0	185.0	116	181	184	127	116	109	55	29	30	14	7
Cash and Cash Equivalent (USD m)	905.0	939.0	784	843	949	966	784	799	896	941	821	853	892
Capital Expenditure (USD m)	32	25	26	21	24	13	16	20	20	18	21	25	14

Source: Company, PL

Financials

Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**530**	**568**	**621**	**670**
YoY gr. (%)	*1.9*	*7.2*	*9.2*	*8.0*
Cost of Goods Sold	381	399	432	464
Gross Profit	149	169	189	206
Margin (%)	*28.1*	*29.8*	*30.4*	*30.8*
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
EBITDA	**70**	**90**	**111**	**123**
YoY gr. (%)	*21.2*	*29.2*	*22.5*	*10.8*
Margin (%)	*13.2*	*15.9*	*17.8*	*18.3*
Depreciation and Amortization	19	19	20	22
EBIT	**51**	**72**	**90**	**100**
Margin (%)	*9.7*	*12.6*	*14.5*	*15.0*
Net Interest	-	-	-	-
Other Income	5	(3)	5	5
Profit Before Tax	**57**	**68**	**95**	**106**
Margin (%)	*10.7*	*12.0*	*15.3*	*15.8*
Total Tax	14	18	25	28
Effective Tax Rate (%)	*24.8*	*25.8*	*27.0*	*27.0*
Profit After Tax	**43**	**51**	**70**	**78**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**43**	**51**	**70**	**78**
YoY gr. (%)	*17.4*	*19.6*	*37.4*	*11.2*
Margin (%)	*8.0*	*8.9*	*11.3*	*11.6*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**43**	**51**	**70**	**78**
YoY gr. (%)	*80.3*	*19.6*	*37.4*	*11.2*
Margin (%)	*8.0*	*8.9*	*11.3*	*11.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	43	51	70	78
Equity Shares O/s (m)	**1**	**1**	**1**	**1**
EPS (INR)	**48.0**	**57.3**	**78.6**	**87.4**

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**229**	**253**	**264**	**275**
Tangibles	157	181	192	203
Intangibles	72	72	72	72
Acc: Dep / Amortization	**166**	**189**	**209**	**232**
Tangibles	118	137	157	179
Intangibles	48	52	52	52
Net Fixed Assets	**63**	**64**	**54**	**43**
Tangibles	39	44	34	24
Intangibles	23	20	20	20
Capital Work In Progress	-	-	-	-
Goodwill	77	85	85	85
Non-Current Investments	3	1	1	1
Net Deferred Tax Assets	19	22	22	23
Other Non-Current Assets	47	47	55	59
Current Assets				
Investments	31	34	39	44
Inventories	-	1	1	1
Trade Receivables	65	75	83	90
Cash & Bank Balance	43	50	54	57
Other Current Assets	42	52	50	54
Total Assets	**445**	**494**	**511**	**531**
Equity				
Equity Share Capital	4	4	4	4
Other Equity	281	304	311	319
Total Networth	**286**	**308**	**316**	**324**
Non-Current Liabilities				
Long Term Borrowings	-	-	-	-
Provisions	14	17	18	19
Other Non Current Liabilities	14	18	20	22
Current Liabilities				
ST Debt / Current of LT Debt	5	1	1	1
Trade Payables	23	30	28	30
Other Current Liabilities	99	114	123	132
Total Equity & Liabilities	**445**	**494**	**511**	**531**

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	57	66	95	106
Add. Depreciation	19	19	20	22
Add. Interest	1	2	-	-
Less Financial Other Income	5	(3)	5	5
Add. Other	(1)	6	-	-
Op. Profit before WC Changes	75	93	116	128
Net Changes-WC	(3)	(15)	(9)	(10)
Direct Tax	(15)	(17)	(25)	(28)
Net Cash from Op. Activities	**58**	**62**	**81**	**90**
Capital Expenditures	(5)	(5)	(11)	(11)
Interest / Dividend Income	2	1	-	-
Others	3	-	(5)	(5)
Net Cash from Invt. Activities	**-**	**(4)**	**(16)**	**(16)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(11)	(4)	-	-
Dividend Paid	(38)	(40)	(63)	(70)
Interest Paid	(3)	(2)	-	-
Others	(6)	(5)	-	-
Net Cash from Fin. Activities	**(58)**	**(51)**	**(63)**	**(70)**
Net Change in Cash	**-**	**6**	**3**	**4**
Free Cash Flow	52	55	71	78

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Net Revenues	**134**	**140**	**144**	**151**
YoY gr. (%)	*-*	*4.8*	*2.8*	*4.7*
Raw Material Expenses	95	99	100	104
Gross Profit	38	41	44	47
Margin (%)	*28.7*	*29.1*	*30.3*	*31.0*
EBITDA	**19**	**22**	**24**	**26**
YoY gr. (%)	*-*	*-*	*-*	*-*
Margin (%)	*14.5*	*15.5*	*16.4*	*17.0*
Depreciation / Depletion	5	5	5	5
EBIT	**15**	**17**	**19**	**21**
Margin (%)	*11.1*	*12.1*	*13.1*	*13.8*
Net Interest	-	-	-	-
Other Income	1	-	(1)	(3)
Profit before Tax	**16**	**17**	**18**	**18**
Margin (%)	*12.1*	*11.9*	*12.3*	*11.9*
Total Tax	5	5	4	4
Effective Tax Rate (%)	*30.2*	*27.6*	*21.7*	*24.2*
Profit After Tax	**11**	**12**	**14**	**14**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**11**	**12**	**14**	**14**
YoY gr. (%)	*(2.2)*	*4.7*	*16.7*	*(2.9)*
Margin (%)	*8.5*	*8.5*	*9.7*	*9.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**11**	**12**	**11**	**14**
YoY gr. (%)	*(2.2)*	*4.7*	*(6.1)*	*20.7*
Margin (%)	*8.5*	*8.5*	*7.8*	*9.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**11**	**12**	**11**	**14**
Avg. Shares O/s (m)	1	1	1	1
EPS (INR)	**12.9**	**13.5**	**15.7**	**15.3**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	48.0	57.3	78.6	87.4
CEPS	68.9	78.5	101.7	112.3
BVPS	322.7	347.6	355.3	364.3
FCF	58.6	61.7	79.7	88.2
DPS	44.9	50.9	70.6	78.5
Return Ratio (%)				
RoCE	13.2	17.7	21.2	23.0
ROIC	11.0	13.1	16.0	17.2
RoE	15.1	17.1	22.4	24.3
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	30	30	33	33
Valuation (x)				
PER	31.0	26.0	19.0	17.0
P/B	5.0	5.0	5.0	4.0
P/CEPS	22.0	19.0	15.0	13.0
EV/EBITDA	18.0	14.0	11.0	10.0
EV/Sales	3.0	3.0	2.0	2.0
Dividend Yield (%)	3.0	4.0	5.0	6.0
FCFF Yield (%)	4.0	5.0	6.0	6.0
PEG Ratio	2.0	2.0	1.0	2.0

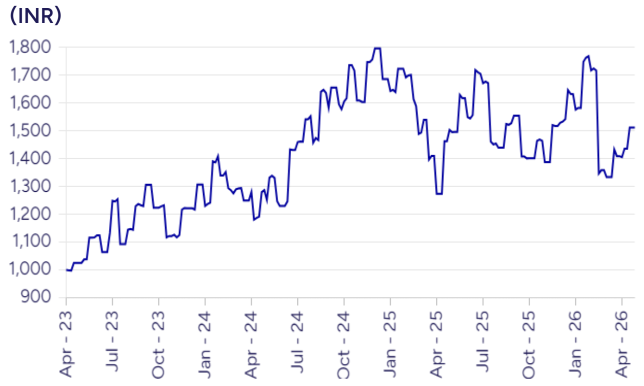
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	6,264	6,385	6,673	7,054

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	01-Apr-26	BUY	1660	1405
2	17-Jan-26	Accumulate	1860	1671
3	02-Jan-26	Hold	1570	1607
4	15-Oct-25	Hold	1500	1468
5	04-Oct-25	Hold	1470	1401
6	17-Jul-25	Reduce	1470	1608
7	01-Jul-25	Reduce	1490	1687
8	25-Apr-25	Accumulate	1530	1445
9	03-Apr-25	Accumulate	1540	1423
10	27-Mar-25	Accumulate	1540	1416

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	BUY	3920	3324
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	1405
16	Wipro	HOLD	200	210

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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