PL Capital
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Q1FY27 Result Update

Tata Elxsi (TELX IN)

July 15, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	REDUCE		HOLD	
Target Price	3,350		3,790	
Sales (INR mn)	41,115	45,324	40,949	45,554
% Chng.	*0.4*	*(0.5)*		
EBITDA (INR mn)	9,121	10,614	9,749	11,288
% Chng.	*(6.4)*	*(6.0)*		
EPS (INR)	122.8	145.5	136.5	157.7
% Chng.	*(10.0)*	*(7.7)*		

Key Data TTEX.BO | TELX IN

BSE Code	500408
NSE Code	TATAELXSI
52-W High / Low	INR 6,439 / INR 3,558
Face Value	10
Sensex / Nifty	77,055 / 24,052
Market Cap	INR 230 bn / $ 2,394 mn
Shares Outstanding	62.3 mn
3M Avg. Daily Value	INR 1,500.82 mn

Shareholding Pattern (%)

Promoters	43.90
FIIs	11.09
MF	1.17
DII	10.22
Public	33.62
Promoter's Pledge	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(9.0)	(16.2)	(32.8)	(40.2)
Relative	(10.8)	(16.4)	(27.3)	(36.1)

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR mn)	37,290	37,574	41,115	45,324
EBITDA (INR mn)	9,729	8,468	9,121	10,614
Margin (%)	*26.1*	*22.5*	*22.2*	*23.4*
PAT (INR mn)	7,849	6,986	7,654	9,066
EV (INR mn)	216,173	215,280	207,174	204,269
Total Debt (INR mn)	1,961	1,642	1,135	1,251
C&C Eq. (INR mn)	1,353	1,945	6,549	6,571
EPS (INR)	126.0	112.1	122.9	145.5
Gr. (%)	*(1.0)*	*(11.0)*	*9.6*	*18.4*
DPS (INR)	75.0	75.0	75.0	75.0
Yield (%)	*2.0*	*2.0*	*2.0*	*2.0*
RoE (%)	*29.3*	*23.7*	*24.0*	*25.5*
RoCE (%)	*22.9*	*18.2*	*18.6*	*20.0*
EV/Sales (x)	5.8	5.7	5.0	4.5
EV/EBITDA (x)	22.2	25.4	22.7	19.2
PE (x)	29.3	33.0	30.1	25.4
P/BV (x)	8.1	7.6	6.9	6.1

Powering investments to drive future growth

Quick Pointers

- Weak margin performance in Q1
- Expect low single digit revenue growth for FY27

TELX delivered a mixed Q1FY27 performance. Revenue grew by 1.3% QoQ CC, while EBIT margin declined sharply by 330 bps QoQ to 19.0%, below our and consensus estimates. Revenue growth was driven by the ramp-up of earlier wins in M&C vertical, which grew +2.9% QoQ CC vs +5.6% QoQ CC in Q4FY26. Transportation continued to show weak performance, attributed to European auto market (Germany) due to slower decision-making and weaker OEM spending. The management expects Transportation growth to be supported by Americas and APAC regions on the back strategic large wins, which is expected to see ramps in the coming quarters. Large deal ramps require higher upfront investments through increased onsite presence, elevated subcon costs and transition expenses, which impacted margins by ~150 bps QoQ in Q1 and are expected to recover by Q4FY27. Margins were further impacted by 220–230 bps QoQ owing to structural investments in: (1) Onsite sales and delivery personnel, (2) AI infra and tools, (3) higher provisioning related to a client bankruptcy, and (4) elevated visa-related costs, which should recoup gradually over medium to long-term. Factoring in the weak margin performance and continued investments, we reduce our FY27E/FY28E EBIT margin estimates by 130 bps/110 bps to 20.0%/21.3%, respectively. We largely maintain our FY27E revenue growth estimate at 6.0% CC but lower our FY28E growth estimate to 8.8% CC (from 10.0%), reflecting slower recovery in the European auto market. Considering the growth uncertainty and incremental margin pressure, we downgrade the stock to REDUCE (HOLD Earlier). We revise our target multiple to 23x FY28E EPS (24x earlier), that translates our revised target price of INR 3,350.

Revenue: TELX reported decent growth of 1.3% QoQ CC in Q1. Growth was subdued as the 2.9% QoQ CC increase in Media & Comms. was offset by Transportation and Healthcare & Life Sciences, declining by 0.4% and 0.3% QoQ CC respectively. Geographically, Americas had strong growth, increasing 10.3%, sequentially, while other regions saw sequential decline.

Operating Margin: Margin came below our estimates, with EBIT margin declining by 330 bps QoQ, following a 140-bps improvement in Q4. Margins contracted despite a ~50 bps tailwind from currency benefit, impacted majorly by one off item related to transaction costs and employee retention costs (~150 bps), and investments in people and capabilities (~220 bps).

Hiring & Attrition: Net headcount declined by 204 in Q1, marking the sixth consecutive quarter of decline, taking total employee strength to ~11.3k. LTM attrition increased for the sixth consecutive quarter to reach 16%.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	*% Var.*	Q1'26A	*YoY gr. (%)*
Net Sales (INR mn)	10,173	10,211	*0.4*	8,921	*14.5*
EBITDA (INR mn)	2,494	2,160	*-13.4*	1,867	*15.7*
Margin (%)	*24.5*	*21.2*	*-336 bps*	*20.9*	*22 bps*
PAT (INR mn)	2,174	1,706	*-21.5*	1,444	*18.2*

Source: Company, PL

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Weak results with miss in margins

- Reported revenue growth of 1.3% QoQ CC slightly above our estimate of 1% QoQ CC
- Segment-wise within the SDS business, Media & Comms grew by 2.9% QoQ CC after reporting strong 5.6% QoQ CC growth in last quarter while Transportation & Healthcare declined by 0.4% & 0.3% QoQ CC.
- Region wise Americas grew by 10.3% QoQ while RoW, India & Europe declined by 12.1%, 1.8% & 1.5% respectively
- Reported EBIT margin of 19% (down 330bps QoQ) below our estimates of 22.1% & consensus estimates of 21.5%
- Top 5 clients declined by 0.2% QoQ while Top 10 clients grew by 2.1% QoQ
- Net employees declined by 204 to 11.3k during the quarter (6th consecutive quarter of decline), LTM Attrition was up by 20 bps QoQ to 16%
- PAT came at Rs. 1.7 bn below our estimates of Rs. 2.2 bn

Conference Call Highlights

- The company has incurred additional cost of deploying power teams, specialist 3rd party contractors to help accelerate transitions, and mitigate visa delays for engineers which is reflecting in the on-site offshore ratio and bottom-line performance, but management stated that it should be normalised in the next 2-3 quarters
- Management stated that large automotive OEM engagements and strategic off-road and aerospace deal wins continue to strengthen pivots towards OEM, with ~78% of automotive revenues coming from OEM customers
- Management highlighted its forward-looking investment strategy is focused on specialised talent, platform led offerings, AI powered platforms, tools, and infrastructure that strengthens the human plus AI plus domain proposition.
- Management highlighted that wage hike in Q2 will be headwind for margins which will be largely offset with absence of one-off exp. incurred in Q1. They further emphasized that margin improvement should start from Q3 onwards, further elaborating that the wage hikes will be enterprise wide
- Demand for AI-ready engineering talent and niche digital skills remains robust, requiring continued investments in talent retention and capability building.
- Management maintains its aspiration of low single digit growth for FY27 & emphasized the need for healthcare business to pick up
- Management highlighted that R&D spends are being made under both strategic & discretionary budgets, further highlighting that enterprises are currently focusing their budget towards AI spends
- Management highlighted that Enterprises are increasingly reallocating budgets toward AI initiatives, leading to relatively lower spending on traditional ER&D and R&D programs.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27E	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	10,211	*14.5*	10,172	*10.8*	10,263	*7.6*	10,469	*5.3*
EBIT	1,937	*19.3*	1,971	*16.0*	2,112	*5.9*	2,199	*(0.6)*
Margin (%)	*19.0*	*80bps*	*19.4*	*90bps*	*20.6*	*-30bps*	*21.0*	*-130bps*
Adj. PAT	1,706	*18.2*	1,884	*21.7*	1,995	*11.4*	2,069	*(6.1)*

Source: Company, PL

Exhibit 2: 1QFY27 Results: Weak performance in Q1

	1QFY27	1QFY27E	% Var.	4QFY26	QoQ gr. (%)	1QFY26	YoY gr. (%)	FY27E	FY26	YoY gr. (%)
Services Revenue (USD m)	**108**	**107**	***0.2***	**107**	***0.6***	**104**	***3.2***	**440**	**424**	***3.8***
Overall Revenue (INR m)	**10,211**	**10,173**	***0.4***	**9,938**	***2.8***	**8,921**	***14.5***	**41,115**	**37,574**	***9.4***
Gross Profit	3,507	3,735	*-6.1*	3,561	*-1.5*	2,964	*18.3*	14,218	12,975	*9.6*
Gross Margin (%)	*34.3*	*36.7*	*-240bps*	*35.8*	*-150bps*	*33.2*	*110bps*	*34.6*	*34.5*	*0bps*
SG&A and Other Costs	1,347.0	1,241.2	*8.5*	1,115	*20.8*	1,097	*22.8*	5,096	4,506	*13.1*
% of Rev	13.2	12.2	*100bps*	11.2	*200bps*	12.3	*90bps*	12.4	12.0	*40bps*
EBITDA	**2,160**	**2,494**	***-13.4***	**2,446**	***-11.7***	**1,867**	***15.7***	**9,121**	**8,468**	***7.7***
EBITDA Margin (%)	*21.2*	*24.5*	*-340bps*	*24.6*	*-350bps*	*20.9*	*20bps*	*22.2*	*22.5*	*-40bps*
Depreciation	223	244	*-8.8*	233	*-4*	243	*-8.3*	902	938	*-3.8*
% of Rev	2.2	2.4	*-20bps*	2.3	*-20bps*	2.7	*-50bps*	2.2	2.5	*-30bps*
EBIT	**1937**	**2250**	***-13.9***	**2213**	***-12.5***	**1624**	***19.3***	**8219**	**7530**	***9.1***
EBIT Margin (%)	*19.0*	*22.1*	*-310bps*	*22.3*	*-330bps*	*18.2*	*80bps*	*20.0*	*20.0*	*-10bps*
Other Income (net)	387	610	*-36.5*	465	*-16.7*	339	*14.2*	1,933	1,677	*15.2*
PBT	**2,325**	**2,860**	***-18.7***	**2,677.7**	***-13.2***	**1,963.5**	***18.4***	**10,151**	**9,208**	***10.2***
Tax	619	686	*-9.9*	474	*30.4*	520	*19.0*	2,497	2,222	*12.4*
Effective tax rate (%)	*26.6*	*24.0*	*260bps*	*17.7*	*890bps*	*26.5*	*10bps*	*24.6*	*24.1*	*50bps*
Adjusted PAT	**1,706**	**2,174**	***-21.5***	**2,204**	***-22.6***	**1,444**	***18.2***	**7,654**	**6,986**	***9.6***
Exceptional items	0.0	0.0	*NA*	0.0	*NA*	0.0	*NA*	0	702	*NA*
Reported PAT	**1,706**	**2,174**	***-21.5***	**2,204**	***-22.6***	**1,444**	***18.2***	**7,654**	**6,284**	***21.8***
Adj. EPS (INR)	**27**	**35**	***-21.5***	**35**	***-22.6***	**23**	***18.1***	**123**	**112**	***9.6***

Source: Company, PL

Exhibit 3: Regional Growth (%)

Geographies	Contri. To Rev. (%)	QoQ Growth (%)
Americas	31.7	10.3
Europe	42.2	(1.5)
India	16.4	(1.8)
RoW	9.7	(12.1)

Source: Company, PL

Exhibit 4: Vertical Growth (%)

Verticals	Contri. To Rev. (%)	QoQ CC Growth (%)
Transportation	55.3	(0.4)
Media and Comms	33.4	2.9
Healthcare& Life Sciences	9.2	(0.3)
Others	2.1	21.0

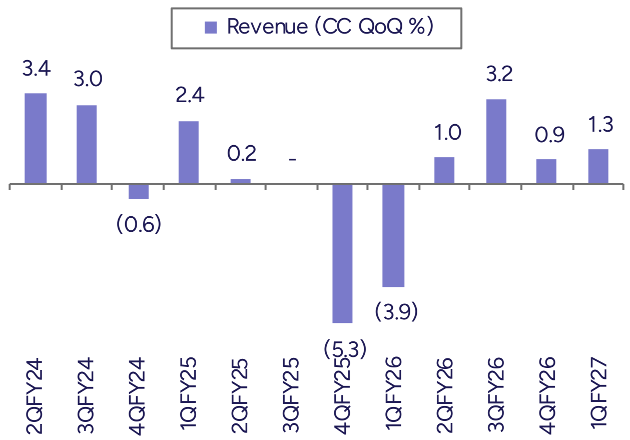
Source: Company, PL

Exhibit 5: Key Performance indicator

Y/E March	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	FY26*	FY27E*
Revenue (QoQ CC %)	2.4	0.2	0.0	-5.3	-3.9	1.0	3.2	0.9	1.3	-5.5	6.0
Margins (%)											
Gross Margin	40.7	39.9	39.2	34.9	33.2	33.4	35.5	35.8	34.3	34.5	34.6
EBIT Margin	24.3	25.0	23.5	20.1	18.2	18.5	20.9	22.3	19.0	20.0	20.0
Net Margin	19.9	24.0	21.2	19.0	16.2	16.9	18.8	22.2	16.7	18.6	18.6
Operating metrics											
Headcount	13,142	12,793	12,878	12,414	12,127	11,951	11,594	11,540	11,336	11,540	-
Attrition (%)	12.3	12.5	12.4	13.3	15.0	15.4	15.6	15.8	16.0	15.8	-

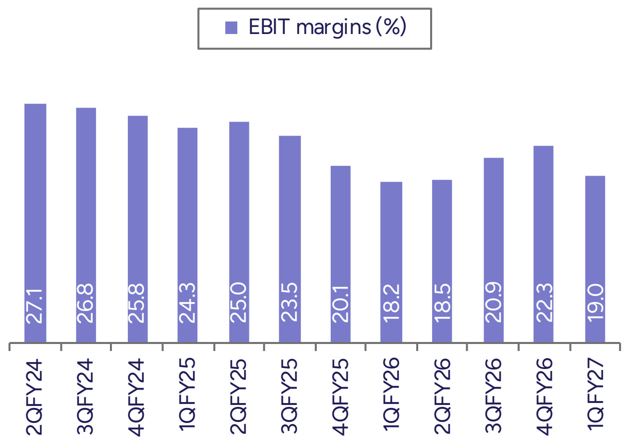
Source: Company, PL ** YoY growth*

Exhibit 6: Q1 growth slightly above estimates



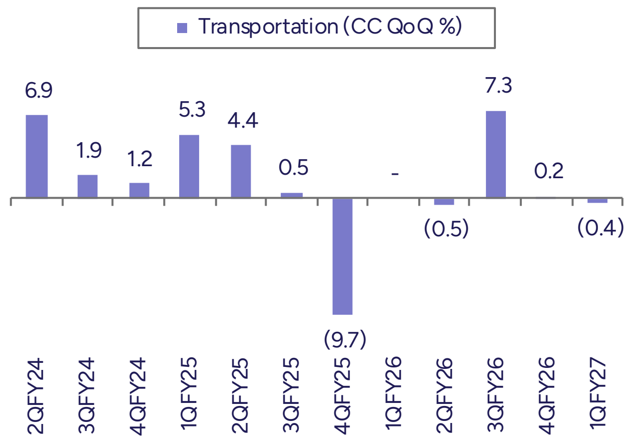
Source: Company, PL

Exhibit 7: EBIT margin declines 330 bps QoQ



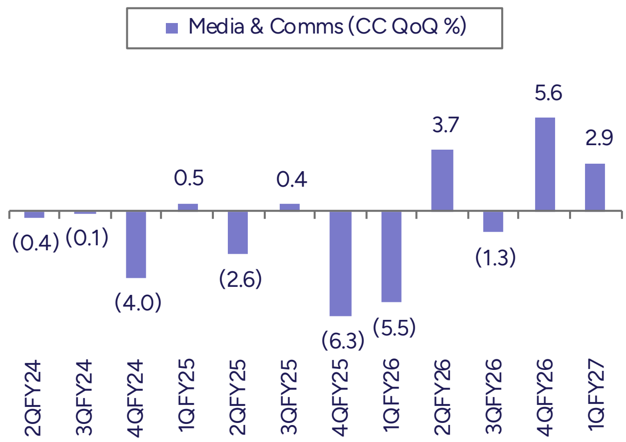
Source: Company, PL

Exhibit 8: Macro headwinds impact growth



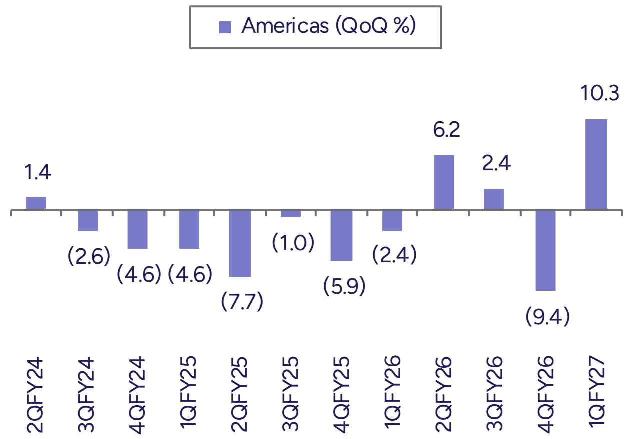
Source: Company, PL

Exhibit 9: Media & Comms growth driven by deal ramp up



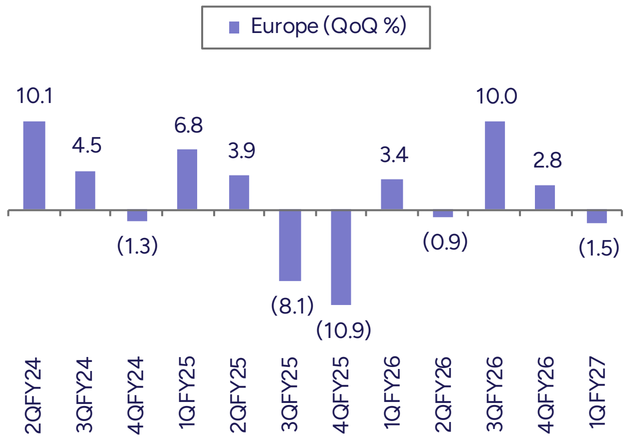
Source: Company, PL

Exhibit 10: North America growth strong



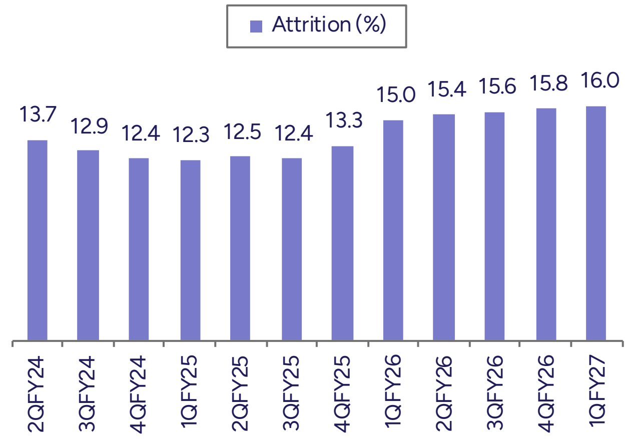
Source: Company, PL

Exhibit 11: Europe degrowth in Q1



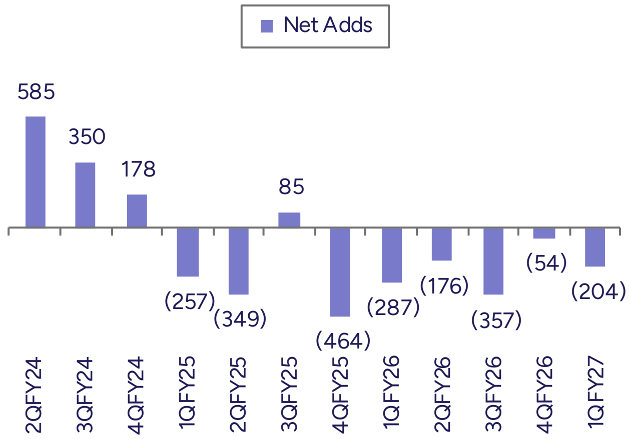
Source: Company, PL

Exhibit 12: Attrition continue to increase



Source: Company, PL

Exhibit 13: Attrition continue to increase



Source: Company, PL

Exhibit 14: Operating Metrics

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Revenue by Verticals (%)												
Transportation	46.2	46.5	51.4	52.8	55.7	55.0	53.4	55.8	54.7	56.6	56.3	55.3
Media & Communications	38.4	37.8	33.6	33.3	31.8	32.4	32.4	31.0	32.4	31.1	32.7	33.4
Healthcare & Lifesciences	15.4	15.7	14.1	13.2	11.5	11.8	13.0	12.2	11.7	10.8	9.3	9.2
Revenue by Services (%)												
SDS	97.3	97.0	97.2	97.0	97.1	97.5	96.3	97.3	96.9	97.2	97.1	96.9
SIS	2.7	3.0	2.8	3.0	2.9	2.5	3.7	2.7	3.1	2.8	2.9	3.1
Revenue by Geographies (%)												
North America	39.6	37.4	36.0	33.7	30.3	30.9	30.6	30.1	31.6	32.0	28.9	31.7
Europe	40.0	40.5	40.3	42.2	42.7	40.4	37.9	39.5	38.7	42.1	43.1	42.2
India	15.5	16.4	17.3	17.6	18.8	19.4	22.4	19.8	19.0	16.7	16.8	16.4
RoW	4.9	5.7	6.4	6.5	8.3	9.3	9.1	10.5	10.7	9.3	11.1	9.7
Client Metrics												
Top 5 Clients	44.5	43.8	46.2	47.2	45.1	44.8	45.6	44.7	45.1	49.4	49.6	49.2
Top 10 Clients	53.2	52.5	55.9	58.0	55.6	54.2	54.5	54.6	55.6	59.4	58.8	59.7
Revenue Mix												
Onsite	25.8%	25.3%	26.3%	27.2%	25.3%	25.8%	25.9%	26.9%	26.1%	26.9%	25.0%	25.9%
Offshore	74.2%	74.7%	73.7%	72.8%	74.7%	74.2%	74.1%	73.1%	73.9%	73.1%	75.0%	74.1%
Contract Mix												
Onsite	50.3%	49.7%	47.9%	50.9%	50.5%	51.9%	50.7%	51.9%	56.3%	54.4%	58.9%	57.8%
Offshore	49.7%	50.3%	52.1%	49.1%	49.5%	48.1%	49.3%	48.1%	43.7%	45.6%	41.1%	42.2%
Employee Metrics												
Total Employees	12,871	13,221	13,399	13,142	12,793	12,878	12,414	12,127	11,951	11,594	11,540	11,336
Attrition (%)	13.7	12.9	12.4	12.3	12.5	12.4	13.3	15.0	15.4	15.6	15.8	16.0

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	**37,290**	**37,574**	**41,115**	**45,324**
YoY gr. (%)	*5.0*	*0.8*	*9.4*	*10.2*
Cost of Goods Sold	22,862	24,599	26,898	29,271
Gross Profit	14,428	12,975	14,218	16,053
Margin (%)	*38.7*	*34.5*	*34.6*	*35.4*
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
EBITDA	**9,729**	**8,468**	**9,121**	**10,614**
YoY gr. (%)	*(7.0)*	*(13.0)*	*7.7*	*16.4*
Margin (%)	*26.1*	*22.5*	*22.2*	*23.4*
Depreciation and Amortization	1,049	938	902	952
EBIT	**8,681**	**7,530**	**8,219**	**9,662**
Margin (%)	*23.3*	*20.0*	*20.0*	*21.3*
Net Interest	-	-	-	-
Other Income	1,603	1,677	1,933	2,266
Profit Before Tax	**10,284**	**9,208**	**10,151**	**11,928**
Margin (%)	*27.6*	*24.5*	*24.7*	*26.3*
Total Tax	2,435	2,222	2,497	2,863
Effective Tax Rate (%)	*23.7*	*24.1*	*24.6*	*24.0*
Profit After Tax	**7,849**	**6,986**	**7,654**	**9,066**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**7,849**	**6,986**	**7,654**	**9,066**
YoY gr. (%)	*-*	*(11.0)*	*9.6*	*18.4*
Margin (%)	*21.0*	*18.6*	*18.6*	*20.0*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**7,849**	**6,284**	**7,654**	**9,066**
YoY gr. (%)	*-*	*(19.9)*	*21.8*	*18.4*
Margin (%)	*21.0*	*16.7*	*18.6*	*20.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	7,849	6,986	7,654	9,066
Equity Shares O/s (mn)	**62**	**62**	**62**	**62**
EPS (INR)	**126.0**	**112.1**	**122.9**	**145.5**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	**7,046**	**7,084**	**7,197**	**8,104**
Tangibles	6,631	6,699	6,812	7,719
Intangibles	415	385	385	385
Acc: Dep / Amortization	**3,866**	**4,492**	**5,394**	**6,346**
Tangibles	3,539	4,157	5,059	6,011
Intangibles	327	335	335	335
Net Fixed Assets	**3,180**	**2,593**	**1,803**	**1,758**
Tangibles	3,092	2,542	1,753	1,708
Intangibles	88	50	50	50
Capital Work In Progress	16	-	-	-
Goodwill	-	-	-	-
Non-Current Investments	-	-	-	-
Net Deferred Tax Assets	376	787	164	181
Other Non-Current Assets	4,309	6,564	2,549	2,810
Current Assets				
Investments	14,711	14,741	17,741	20,741
Inventories	-	-	-	-
Trade Receivables	9,715	10,794	11,039	12,169
Cash & Bank Balance	1,353	1,945	6,549	6,571
Other Current Assets	2,196	2,201	2,302	2,538
Total Assets	**35,857**	**39,625**	**42,149**	**46,769**
Equity				
Equity Share Capital	623	623	623	623
Other Equity	27,977	29,790	32,772	37,165
Total Networth	**28,600**	**30,413**	**33,395**	**37,788**
Non-Current Liabilities				
Long Term Borrowings	1,961	1,642	1,135	1,251
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	1,230	1,203	1,253	1,363
Other Current Liabilities	4,067	6,366	6,366	6,366
Total Equity & Liabilities	**35,857**	**39,625**	**42,149**	**46,769**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	7,849	6,284	10,151	11,928
Add. Depreciation	1,049	938	902	952
Add. Interest	(1,165)	(1,375)	-	-
Less Financial Other Income	1,603	1,677	1,933	2,266
Add. Other	2,868	2,358	-	-
Op. Profit before WC Changes	10,602	8,206	11,054	12,880
Net Changes-WC	(242)	674	3,834	(1,417)
Direct Tax	(2,239)	(2,240)	(2,497)	(2,863)
Net Cash from Op. Activities	**8,120**	**6,640**	**12,390**	**8,600**
Capital Expenditures	(162)	(103)	(113)	(906)
Interest / Dividend Income	820	1,257	-	-
Others	(3,741)	(1,879)	(3,000)	(3,000)
Net Cash from Invt. Activities	**(3,083)**	**(725)**	**(3,113)**	**(3,906)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	-	-	-	-
Dividend Paid	(4,359)	(4,671)	(4,673)	(4,673)
Interest Paid	(14)	(18)	-	-
Others	(612)	(659)	-	-
Net Cash from Fin. Activities	**(4,986)**	**(5,348)**	**(4,673)**	**(4,673)**
Net Change in Cash	**51**	**567**	**4,604**	**21**
Free Cash Flow	7,956	6,533	12,277	7,694

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**9,181**	**9,535**	**9,938**	**10,211**
YoY gr. (%)	*2.9*	*3.9*	*4.2*	*2.8*
Raw Material Expenses	6,112	6,154	6,377	6,704
Gross Profit	3,069	3,381	3,561	3,507
Margin (%)	*33.4*	*35.5*	*35.8*	*34.3*
EBITDA	**1,933**	**2,222**	**2,446**	**2,160**
YoY gr. (%)	-	-	-	-
Margin (%)	*21.1*	*23.3*	*24.6*	*21.2*
Depreciation / Depletion	234	228	233	223
EBIT	**1,699**	**1,994**	**2,213**	**1,937**
Margin (%)	*18.5*	*20.9*	*22.3*	*19.0*
Net Interest	-	-	-	-
Other Income	448	425	465	387
Profit before Tax	**2,147**	**2,420**	**2,678**	**2,325**
Margin (%)	*23.4*	*25.4*	*26.9*	*22.8*
Total Tax	599	629	474	619
Effective Tax Rate (%)	*27.9*	*26.0*	*17.7*	*26.6*
Profit After Tax	**1,548**	**1,791**	**2,204**	**1,706**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**1,548**	**1,791**	**2,204**	**1,706**
YoY gr. (%)	*7.2*	*15.7*	*23.0*	*(22.6)*
Margin (%)	*16.9*	*18.8*	*22.2*	*16.7*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**1,548**	**1,089**	**2,204**	**1,706**
YoY gr. (%)	*7.2*	*(29.7)*	*102.4*	*(22.6)*
Margin (%)	*16.9*	*11.4*	*22.2*	*16.7*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**1,548**	**1,791**	**2,204**	**1,706**
Avg. Shares O/s (mn)	62	62	62	62
EPS (INR)	**24.9**	**28.7**	**35.4**	**27.4**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	126.0	112.1	122.9	145.5
CEPS	142.9	127.2	137.4	160.8
BVPS	459.2	488.2	536.1	606.6
FCF	127.7	104.9	197.1	123.5
DPS	75.0	75.0	75.0	75.0
Return Ratio (%)				
RoCE	22.9	18.2	18.6	20.0
ROIC	21.3	17.7	15.7	16.8
RoE	29.3	23.7	24.0	25.5
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	83	93	87	87
Valuation (x)				
PER	29.3	32.9	30.0	25.4
P/B	8.0	7.5	6.8	6.0
P/CEPS	25.8	29.0	26.9	22.9
EV/EBITDA	22.2	25.4	22.7	19.2
EV/Sales	5.7	5.7	5.0	4.5
Dividend Yield (%)	2.0	2.0	2.0	2.0
FCFF Yield (%)	3.4	2.8	5.3	3.3
PEG Ratio	(30.7)	(3.0)	3.1	1.3

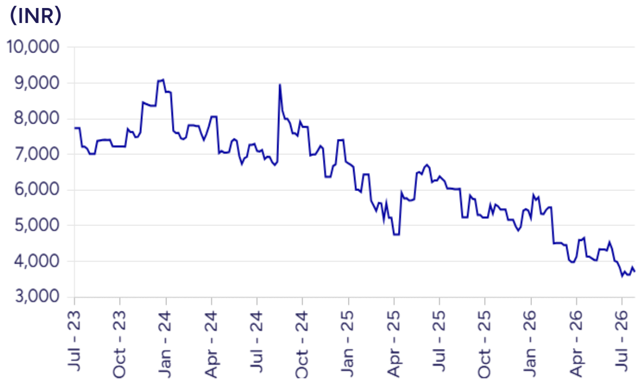
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (in US$ mn)	441	424	440	477

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	02-Jul-26	HOLD	3790	3671
2	22-Apr-26	HOLD	4800	4651
3	01-Apr-26	BUY	4980	4127.1
4	14-Jan-26	Hold	5500	5793
5	02-Jan-26	Hold	5470	5212
6	11-Dec-25	Hold	5010	4861
7	10-Oct-25	Reduce	5010	5580
8	04-Oct-25	Sell	4390	5356
9	11-Jul-25	Sell	4750	6138
10	01-Jul-25	Sell	4830	6310

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	1980	1442
2	Cyient	HOLD	900	879
3	Fractal Analytics	Accumulate	1020	897
4	HCL Technologies	HOLD	1160	1221
5	Infosys	BUY	1350	1041
6	KPIT Technologies	HOLD	580	559
7	L&T Technology Services	HOLD	3130	3167
8	Latent View Analytics	BUY	350	279
9	LTM	Accumulate	4200	4037
10	Mphasis	BUY	2990	2245
11	Persistent Systems	BUY	5570	4581
12	Tata Consultancy Services	BUY	2500	2050
13	Tata Elxsi	HOLD	3790	3671
14	Tata Technologies	Sell	510	712
15	Tech Mahindra	BUY	1650	1421
16	Wipro	HOLD	170	174

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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