RATING REDUCE | CMP INR 178 | TP INR 165

PL Capital PRABHUDAS LILLADHER

Q1FY27 Result Update

Wipro (WPRO IN)

July 17, 2026

☑ Estimate Change | ☑ Target | ☑ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	REDUCE		HOLD	
Target Price	165		170	
Sales (INR bn)	980	1,015	1,001	1,042
% Chng.	*(2.1)*	*(2.6)*		
EBITDA (INR bn)	193	202	199	208
% Chng.	*(3.0)*	*(2.9)*		
EPS (INR)	13.0	13.8	13.5	14.3
% Chng.	*(3.7)*	*(3.5)*		

Key Data WIPR.BO | WPRO IN

BSE Code	507685
NSE Code	WIPRO
52-W High / Low	INR 273 / INR 168
Face Value	2
Sensex / Nifty	77,187 / 24,073
Market Cap	INR 1,760 bn / $ 18,270 mn
Shares Outstanding	9904.14 mn
3M Avg. Daily Value	INR 5,593.95 mn

Shareholding Pattern (%)

Promoters	72.59
FIIs	11.14
Mutual Funds	1.83
Domestic Institutions	3.39
Public & Others	11.05
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(2.7)	(15.5)	(33.5)	(32.4)
Relative	(3.2)	(14.6)	(28.0)	(27.6)

Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	891	926	980	1,015
EBITDA (INR bn)	181	190	193	202
Margin (%)	*20.3*	*20.5*	*19.7*	*19.9*
PAT (INR bn)	131	135	137	145
EV (INR bn)	1,494	1,493	1,504	1,463
Total Debt (INR bn)	162	168	158	148
C&C Eq. (INR bn)	122	106	60	71
EPS (INR)	12.5	12.9	13.1	13.8
Gr. (%)	*20.9*	*2.8*	*1.5*	*5.9*
DPS (INR)	6.0	11.0	9.0	9.0
Yield (%)	*3.4*	*6.2*	*5.1*	*5.1*
RoE (%)	*16.6*	*15.8*	*15.3*	*15.8*
RoCE (%)	*12.1*	*12.1*	*11.7*	*12.2*
EV/Sales (x)	1.7	1.6	1.5	1.4
EV/EBITDA (x)	8.3	7.9	7.8	7.2
PE (x)	14.2	13.8	13.6	12.8
P/BV (x)	2.2	2.1	2.1	2.0

Growth remains elusive, Margins under pressure

Quick Pointers

- Margin declined sharply below our & consensus estimates
- Revenue guidance of -1.5% to 0.5% QoQ CC for Q2FY27

WPRO Q1FY27 performance was broadly in line with our rev. est., with IT Services revenue declining 1.2% QoQ CC (vs. our estimate of -1.3%), while EBIT margin at 16.0% missed our est. of 16.7% due to the combined impact of wage hikes, large deal ramp-up costs and continued investments in AI capabilities. Management highlighted encouraging traction in BFSI, particularly in Europe and APMEA. It expects the vertical to recover in Q2 supported by ramp-up of earlier wins and increasing AI-led spending. The management reiterated that AI is expanding the addressable market, it also acknowledged that clients are increasingly reallocating discretionary budgets from traditional IT toward AI, governance & compliance initiatives, resulting in slower conversion of legacy spending in the near term. Despite steady deal momentum (USD 3.4 bn bookings including USD 1.6 bn large deal TCV), Q2 revenue guidance of -1.5% to +0.5% QoQ CC was discouraging. Consequently, we lower our IT Services rev. est. to flat CC in FY27E (1.5% CC earlier) and 1.6% CC growth in FY28E (2.5% CC earlier). We also reduce our IT Services EBIT margin est. to 16.7%/17.0% for FY27E/FY28E (from 17.0%/17.1%) following the Q1 margin miss. We believe slower revenue conversion and continued investments in AI capabilities would continue to weigh on margins, making it difficult for the company to achieve the aspirational band (17.0–17.5%). Our revised estimate translates to an EPS downgrade of ~3.5% for both FY27E and FY28E. We assign a PE of 12x to FY28E EPS to arrive a TP of INR 165 (earlier INR 170) and downgrade to REDUCE (HOLD earlier).

Revenue: IT Services revenue was USD 2.61 bn, down 1.2% QoQ in CC, largely in line with our and consensus est. of 1.3% QoQ CC decline. Growth was muted due to weakness in EM&R and Healthcare segments particularly in America region. Segment wise Health. EM&R and BFSI declined by 2.6%, 3.6% & 1.2% QoQ CC respectively while Tech & Consumer grew by 0.2% & 0.7% QoQ CC. Geography wise APMEA grew by 4.4% QoQ CC while Americas 1, Americas 2 & Europe declined by 2.3%, 2.5% & 0.9% respectively.

Operating Margin: IT Services EBIT margin declined by 130 bps QoQ to 16.0%, below our and consensus est. of 16.7%. Margin declined due to the headwinds of wage hike, slow ramp up of large deals, and ongoing investments in AI, which was partially offset by rupee depreciation benefits and other operational efficiencies.

Deal Wins: Deal wins were steady, with TCV of USD 3.37 bn compared to 3.46 bn in Q4. During the quarter WPRO won 13 large deal wins with TCV of USD 1.63 bn, up 12.9% QoQ CC.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
Net Sales (INR bn)	250	245	-2.0	221	11.0
EBITDA (INR bn)	49	47	-4.0	45	4.0
Margin (%)	*19.6*	*19.3*	*-30 bps*	*20.3*	*-100 bps*
PAT (INR bn)	35	34	-3.0	31	10.0

Source: Company, PL

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Mixed result with inline revenue but miss on margins

- IT Services USD rev stood at USD 2.61 bn, down 1.2% QoQ in CC & 1.4% in reported terms, largely in line our/consensus estimate of 1.3% QoQ CC decline.
- Guided for Revenue growth of -1.5% to +0.5% QoQ in CC terms for Q2FY27
- IT Services EBIT margin came in at 16% (down 130 bps QoQ) below of our estimate & consensus est. of 16.7%
- Segment wise Consumer & Tech grew by 0.7% & 0.2% QoQ CC respectively while EMR, Health & BFSI declined by 3.6%, 2.6% & 1.2% respectively
- Geo. Wise APMEA grew by 4.4% QoQ CC while Americas 1, Americas 2 & Europe declined by 2.3%, 2.5% & 0.9% respectively
- Net headcount increased by 888 while Net utilization (excl. trainees) improved by 10 bps QoQ to 83.6%
- LTM Attrition (IT Service) increased by 10 bps QoQ to 13.9%
- Deal wins came at USD 3.37 bn compared to 3.46 bn in Q4, while large deal TCV came at USD 1.63 bn
- Declared interim dividend of INR 2 per share

Conference Call Highlights

- Management clarified that the reported headcount increase includes employees from the MindSprint acquisition. Excluding MindSprint, net headcount declined sequentially by around 2500 employees, reflecting continued focus on workforce optimization.
- Management stated that the margin decline was primarily driven by the impact of MSI, continued investments in AI, and recent acquisitions moving into execution mode. While these investments weighed on near-term margins, the company reiterated its commitment to returning to the 17-17.5% margin band over time.
- Management stated that the macro environment remains resilient, however uncertainty continues to shape decision making. Technology investments have become more focussed, with clients continuing to invest in AI, data, cloud, modernisation, cyber security and productivity-led transformation, while spending is measured with more rigour and longer decision cycles.
- Management attributed the healthcare slowdown to continued pressure across the US healthcare ecosystem, resulting in flattish budgets, cost takeout initiatives and budget reallocation towards AI and compliance spending, particularly in the payer segment, with company staying focused on regulatory mandates such as Medicare, Medicaid and ACA, supported by its existing healthcare platform
- Management stated that AI is a structural opportunity, with success dependent on client context, domain expertise, process understanding, data, security and change management, rather than models alone
- Management noted that sovereign AI is gaining traction across enterprises, alongside opportunities in ModelOps. The company is increasingly engaged in conversations around AI security, responsible AI and governance, creating new opportunities beyond traditional AI implementation

- Management reiterated that it will continue investing in AI-native businesses despite near-term margin pressure, including AI-native platforms, specialised talent, infrastructure, Wipro Ventures and client innovation networks

- Management highlighted healthy traction in Europe and APMEA, with Europe BFSI benefiting from ramp-up of previously announced large deals and APMEA witnessing continued momentum from both existing engagements and new deal wins.

- Management reiterated that key levers for margin improvement include automation, AI-led productivity, operational efficiencies, higher bench utilisation, pyramid restructuring and increasing the use of agents across projects, while continuing to invest in AI-native businesses

- Management indicated that large AI-led transformation deals will remain competitive with forward productivity baked into pricing. However, AI advisory, data modernisation and newer AI offerings are expected to drive higher rate realisation and be incrementally margin positive.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	*YoY gr. (%)*	Q2FY27E	*YoY gr. (%)*	Q3FY27E	*YoY gr. (%)*	Q4FY27E	*YoY gr. (%)*
Sales	2,44,786	*10.6*	2,43,149	*7.1*	2,44,939	*4.0*	2,46,779	*1.8*
EBIT	39,206	*2.7*	39,895	*2.4*	41,168	*(0.5)*	42,450	*0.5*
Margin (%)	*16.0*	*-120bps*	*16.4*	*-80bps*	*16.8*	*-80bps*	*17.2*	*-20bps*
Adj. PAT	33,563	*0.6*	33,462	*2.6*	34,639	*0.5*	35,825	*1.0*

Source: Company, PL

Exhibit 2: 1QFY27 Results: Q1 revenue mixed result on revenue & margins

	1QFY27	1QFY27E	*% Var.*	4QFY26	*QoQ gr. (%)*	1QFY26	*YoY gr. (%)*	FY27E	FY26	*YoY gr. (%)*
IT Services Revenue (USD m)	**2,615**	**2,609**	***0.2***	**2,651**	***-1.4***	**2,587**	***1.0***	**10,482**	**10,478**	***1.1***
Overall Revenue (INR b)	**244.8**	**249.8**	***-2.0***	**242.4**	***1.0***	**221.3**	***10.6***	**980**	**926**	***6.9***
Gross Profit	69.9	74.4	*-6.1*	70.7	*-1.2*	66.6	*5.0*	284	276	*4.1*
Gross Margin (%)	*28.5*	*29.8*	*-130bps*	*29.2*	*-60bps*	*30.1*	*-150bps*	*29.0*	*29.8*	*-80bps*
SG&A and Other Costs	30.7	33.0	*-6.9*	28.5	*7.7*	28.4	*8.1*	92	86	*14.8*
% of Rev	*12.5*	*13.2*	*-70bps*	*11.8*	*80bps*	*12.8*	*-30bps*	*9.4*	*9.3*	*70bps*
EBITDA	**47.3**	**49.0**	***-3.5***	**49.5**	***-4.6***	**45.0**	***4.9***	**193**	**190**	***-0.7***
EBITDA Margin (%)	*19.3*	*19.6*	*-30bps*	*20.4*	*-110bps*	*20.3*	*-100bps*	*19.7*	*20.5*	*-150bps*
Depreciation	8.0	7.5	*7.3*	7.3	*10.4*	6.9	*17.3*	30	29	*4.5*
% of Rev	*3.3*	*3.0*	*30bps*	*3.0*	*30bps*	*3.1*	*20bps*	*3.1*	*3.1*	*-10bps*
EBIT	**39.2**	**41.5**	***-5.5***	**42.2**	***-7.2***	**38.2**	***2.7***	**163**	**161**	***-1.6***
EBIT Margin (%)	*16.0*	*16.6*	*-60bps*	*17.4*	*-140bps*	*17.3*	*-120bps*	*16.6*	*17.4*	*-140bps*
Other Income (net)	4.1	4.2	*-2.5*	4.7	*-12.2*	6.9	*-39.7*	17	22	*-17.4*
PBT	**43.3**	**45.7**	***-5.2***	**46.9**	***-7.7***	**42.6**	***1.8***	**180**	**177**	***-0.1***
Tax	9.8	11.0	*-10.9*	11.5	*-14.6*	9.2	*6.1*	43	41	*2.4*
Effective tax rate (%)	*22.6*	*24.0*	*-140bps*	*24.4*	*-180bps*	*21.6*	*90bps*	*23.7*	*23.1*	*60bps*
Adjusted PAT	**33.6**	**34.8**	***-3.4***	**35.5**	***-5.4***	**33.4**	***0.6***	**137**	**135**	***-0.8***
Exceptional items	0.0	0.0	*NA*	-0.3	*NA*	0.0	*NA*	0	-3	*NA*
Reported PAT	**33.6**	**34.8**	***-3.4***	**35.2**	***-4.7***	**33.4**	***0.6***	**137**	**132**	***1.7***
Adj. EPS (INR)	**3.2**	**3.3**	***-2.6***	**3.4**	***-4.6***	**3.2**	***1.0***	**13.1**	**12.9**	***-0.6***

Source: Company, PL

Exhibit 3: Regional growth during the quarter

Geographies	Contri. To Rev. (%)	CC Growth (QoQ %)
Americas 1	35.2	-2.3
Americas 2	25.4	-2.5
Europe	27.2	-0.9
APMEA	12.2	4.4

Source: Company, PL

Exhibit 4: Segment growth during the quarter

Verticals	Contri. To Rev. (%)	CC Growth (QoQ %)
BFSI	34.1	-1.2
Consumer Business Unit	18.8	0.7
Energy, Manufacturing & Resources	16.1	-3.6
Technology & Communications	17.0	0.2
Health Business Unit	14.0	-2.6

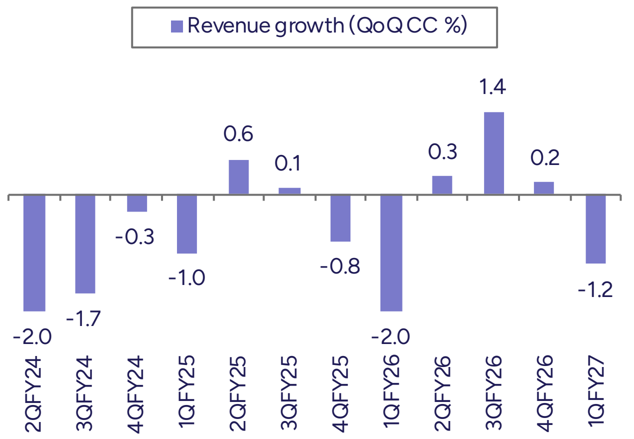
Source: Company, PL

Exhibit 5: Key Performance Indicator

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	FY26*	FY27E*
Revenue (QoQ CC %)	**-1.0**	**0.6**	**0.1**	**-0.8**	**-2.0**	**0.3**	**1.4**	**0.2**	**-1.2**	**-1.3**	**-0.1**
Margins											
Gross Margin	30.2	30.5	31.0	30.9	30.1	29.6	30.3	29.2	28.5	29.8	29.0
EBIT Margin	16.4	16.7	17.5	17.4	17.3	17.2	17.6	17.4	16.0	17.4	16.6
Net Margin	13.7	14.4	15.0	15.9	15.0	14.3	14.5	14.6	13.7	14.6	14.0
Operating metrics											
Headcount (k)	233	234	233	233	233	235	242	242	243	242	-
Attrition (%)	14.1	14.5	15.3	15.0	15.1	14.9	14.2	13.8	13.9	13.8	-
Utilization (%)	87.7	86.4	83.5	84.6	85.0	86.4	83.1	83.5	83.6	83.5	-

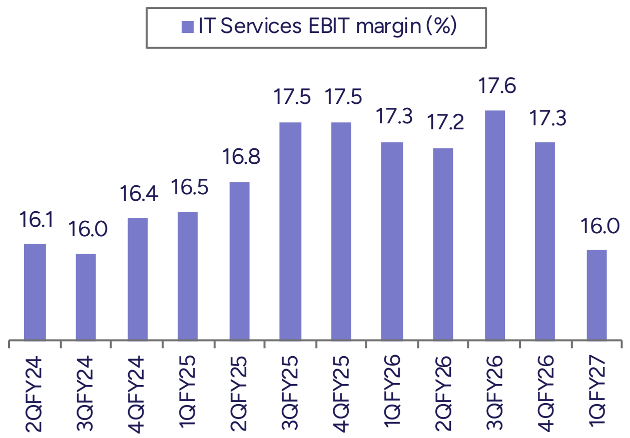
Source: Company, PL   ** YoY CC growth*

Exhibit 6: IT Services reported decline of 1.2% QoQ CC



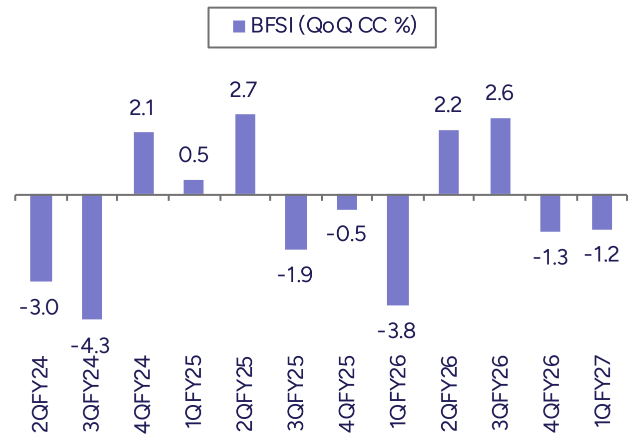
Source: Company, PL

Exhibit 7: IT Services EBIT margin (%) declined by 130 bps QoQ



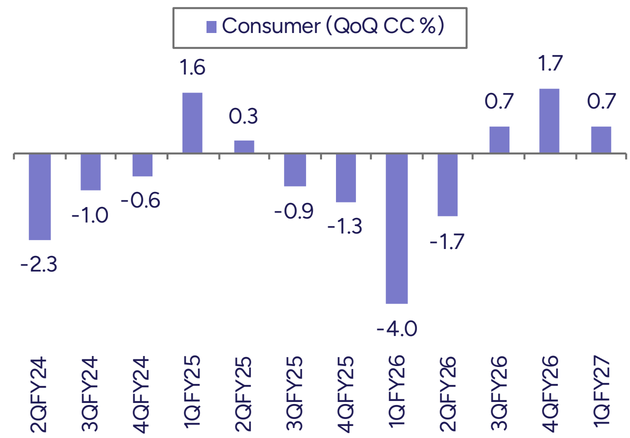
Source: Company, PL

Exhibit 8: BFSI growth (QoQ CC %)



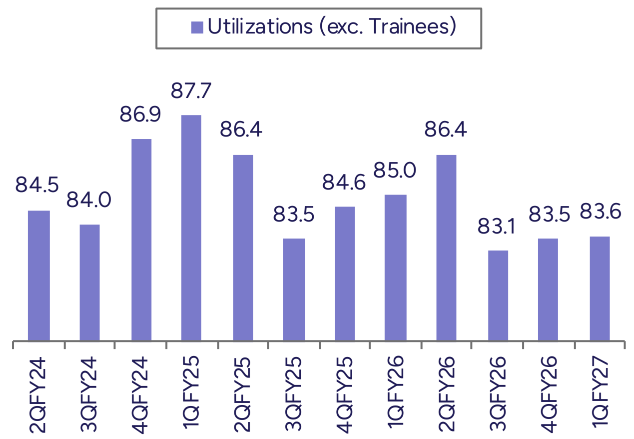
Source: Company, PL

Exhibit 9: Consumer (QoQ CC %)



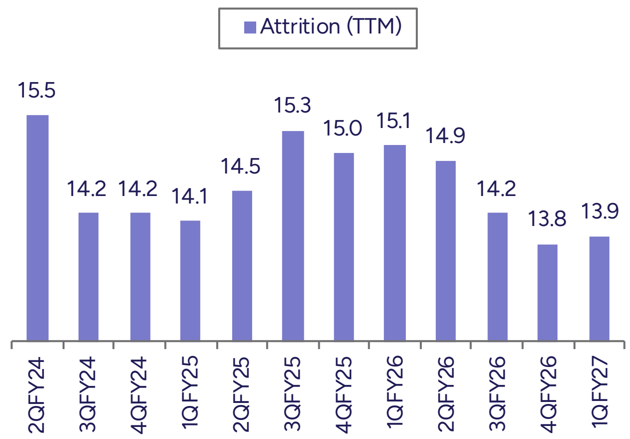
Source: Company, PL

Exhibit 10: Utilization (Ex. trainees %)



Source: Company, PL

Exhibit 11: Attrition (TTM %)



Source: Company, PL

Exhibit 1 : **Operating Metrics**

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Verticals (%)													
BSFI	33.9	33.6	32.7	33.5	34.0	34.8	34.1	34.2	33.6	34.3	34.6	34.1	34.1
Health	12.2	12.7	13.9	14.1	13.9	13.6	14.7	14.4	14.6	14.5	14.9	14.2	14.0
Consumer	18.7	18.7	18.8	18.7	19.2	19.2	19.0	18.9	18.6	18.2	18.2	18.4	18.8
Energy, Manufacturing and Resources	19.3	18.6	18.5	18.5	17.6	17.0	16.9	17.3	17.7	17.4	16.3	16.5	16.1
Technology and Communications	15.9	16.4	16.1	15.2	15.3	15.4	15.3	15.2	15.5	15.6	16.0	16.8	17.0
Geography (%)													
Americas 1	28.8	29.8	31.0	30.4	30.9	30.8	32.3	32.8	33.1	33.0	33.2	33.2	35.2
Americas 2	30.0	29.9	30.0	30.7	30.8	30.6	30.6	30.6	30.4	29.6	29.0	28.1	25.4
Europe	29.5	28.6	27.7	27.8	27.6	27.9	26.7	26.1	25.7	26.3	26.7	27.2	27.2
APMEA	11.7	11.7	11.3	11.2	10.7	10.7	10.4	10.5	10.8	11.1	11.1	11.5	12.2
Customer size distribution (TTM)													
> $100M	21	22	22	22	22	21	18	17	16	16	16	16	16
> $75M	28	28	31	32	29	30	30	28	27	29	31	29	32
> $50M	51	51	46	45	43	42	42	44	47	45	45	45	45
> $20M	123	122	121	116	117	117	114	111	109	104	103	106	110
> $10M	207	207	203	205	192	186	187	181	180	177	177	183	184
> $5M	319	313	305	301	301	297	290	289	281	272	281	289	287
> $3M	444	437	430	409	407	411	403	398	397	393	390	391	394
> $1M	769	774	750	741	735	733	722	716	725	730	722	715	714
Customer metrics													
Revenue from Existing customers %	99.6	99.1	98.8	97.8	99.7	99.4	98.8	98.1	99.6	98.6	96.5	94.7	98.9
Number of new customers	65	49	55	60	43	28	63	63	49	45	92	30	49
Total Number of active customers	1444	1393	1349	1371	1364	1342	1299	1282	1266	1257	1272	1233	1233
EMPLOYEE METRICS													
Closing Headcount - IT Services (k)	250	245	240	233	233	234	233	233	233	235	242	242	243
Sales & Support staff - IT Services (k)	17	17	16	16	16	15	15	15	15	15	15	15	15
Utilization													
Net Utilization (excl trainees) (%)	83.7	84.5	84.0	86.9	87.7	86.4	83.5	84.6	85.0	86.4	83.1	83.5	83.6
Attrition													
Voluntary TTM	17.3	15.5	14.2	14.2	14.1	14.5	15.3	15.0	15.1	14.9	14.2	13.8	13.9
BPO - Post training	9.2	9.8	8.3	8.9	8.3	7.9	7.1	7.8	8.2	8.2	8.5	9.7	9.9
Customer Concentration (%)													
Top customer	3.1	3.0	3.0	3.8	4.0	4.1	4.5	4.4	4.7	4.8	4.7	4.3	4.4
Top 5	12.5	12.3	12.1	13.4	13.6	14.0	14.3	14.5	14.7	14.4	14.4	13.8	14.3
Top 10	20.5	20.6	20.5	22.0	22.5	22.9	23.7	24.2	24.5	24.0	23.7	23.1	23.6

Source: Company, PL

Financials

Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Net Revenues	891	926	980	1,015
YoY gr. (%)	-	4.0	5.8	3.6
Cost of Goods Sold	618	650	695	720
Gross Profit	273	276	284	295
Margin (%)	30.7	29.8	29.0	29.1
Employee Cost	-	-	-	-
Other Expenses	-	(2)	(1)	-
EBITDA	181	190	193	202
YoY gr. (%)	6.3	5.0	1.5	4.7
Margin (%)	20.3	20.5	19.7	19.9
Depreciation and Amortization	30	29	30	30
EBIT	151	161	163	171
Margin (%)	17.0	17.4	16.6	16.9
Net Interest	-	-	-	-
Other Income	24	22	17	20
Profit Before Tax	175	177	180	192
Margin (%)	19.6	19.1	18.4	18.9
Total Tax	43	41	43	46
Effective Tax Rate (%)	24.5	23.1	23.7	24.0
Profit After Tax	132	136	137	146
Minority Interest	1	1	1	1
Share Profit from Associate	-	-	-	-
Adjusted PAT	131	135	137	145
YoY gr. (%)	18.9	3.0	1.3	5.9
Margin (%)	14.7	14.6	14.0	14.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	131	132	137	145
YoY gr. (%)	18.9	0.5	3.8	5.9
Margin (%)	14.7	14.2	14.0	14.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	131	132	137	145
Equity Shares O/s (bn)	10	10	10	10
EPS (INR)	12.5	12.9	13.1	13.8

Source: Company, PL

Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
Non-Current Assets				
Gross Block	266	298	313	328
Tangibles	216	246	261	276
Intangibles	50	52	52	52
Acc: Dep / Amortization	158	187	217	248
Tangibles	135	164	194	225
Intangibles	23	23	23	23
Net Fixed Assets	136	141	126	111
Tangibles	108	112	97	81
Intangibles	27	29	29	29
Capital Work In Progress	-	-	-	-
Goodwill	325	387	387	387
Non-Current Investments	-	-	-	-
Net Deferred Tax Assets	-	-	-	-
Other Non-Current Assets	48	64	61	62
Current Assets				
Investments	411	438	458	478
Inventories	2	1	2	2
Trade Receivables	182	213	207	214
Cash & Bank Balance	122	106	60	71
Other Current Assets	60	70	69	71
Total Assets	1,287	1,419	1,369	1,396
Equity				
Equity Share Capital	21	21	21	21
Other Equity	807	864	883	911
Total Networth	828	885	904	932
Non-Current Liabilities				
Long Term Borrowings	64	2	2	2
Provisions	-	-	-	-
Other Non Current Liabilities	89	109	69	71
Current Liabilities				
ST Debt / Current of LT Debt	98	166	156	146
Trade Payables	88	95	97	100
Other Current Liabilities	100	142	120	122
Total Equity & Liabilities	1,287	1,419	1,369	1,396

Source: Company, PL

Cash Flow (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	132	133	137	145
Add. Depreciation	30	29	30	30
Add. Interest	-	-	-	-
Less Financial Other Income	24	22	17	20
Add. Other	(19)	(13)	-	-
Op. Profit before WC Changes	143	149	167	175
Net Changes-WC	10	(14)	(50)	(1)
Direct Tax	17	15	-	-
Net Cash from Op. Activities	**169**	**149**	**117**	**174**
Capital Expenditures	(14)	(41)	(15)	(15)
Interest / Dividend Income	26	29	-	-
Others	(93)	(21)	(20)	(20)
Net Cash from Invt. Activities	**(81)**	**(33)**	**(35)**	**(35)**
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	18	(7)	(10)	(10)
Dividend Paid	(63)	(115)	(110)	(110)
Interest Paid	(9)	(8)	(8)	(8)
Others	(10)	(12)	-	-
Net Cash from Fin. Activities	**(64)**	**(141)**	**(128)**	**(128)**
Net Change in Cash	**25**	**(25)**	**(45)**	**11**
Free Cash Flow	155	134	103	159

Source: Company, PL

Quarterly Financials (INR bn)

Y/e Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Net Revenues	**227**	**236**	**242**	**245**
YoY gr. (%)	*2.5*	*3.8*	*2.9*	*1.0*
Raw Material Expenses	160	164	172	175
Gross Profit	67	71	71	70
Margin (%)	*29.6*	*30.3*	*29.2*	*28.5*
EBITDA	**46**	**49**	**50**	**47**
YoY gr. (%)	-	-	-	-
Margin (%)	*20.2*	*21.0*	*20.4*	*19.3*
Depreciation / Depletion	7	8	7	8
EBIT	**39**	**41**	**42**	**39**
Margin (%)	*17.2*	*17.6*	*17.4*	*16.0*
Net Interest	-	-	-	-
Other Income	5	6	5	4
Profit before Tax	**43**	**44**	**47**	**43**
Margin (%)	*18.9*	*18.8*	*19.4*	*17.7*
Total Tax	10	10	11	10
Effective Tax Rate (%)	*23.8*	*22.3*	*24.4*	*22.6*
Profit After Tax	**33**	**34**	**35**	**34**
Minority Interest	-	-	-	-
Share Profit from Associate	(1)	(3)	-	-
Adjusted PAT	**31**	**32**	**35**	**34**
YoY gr. (%)	*1.6*	*0.8*	*11.7*	*(4.8)*
Margin (%)	*13.8*	*13.4*	*14.6*	*13.7*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**31**	**32**	**35**	**34**
YoY gr. (%)	*1.6*	*0.8*	*11.7*	*(4.8)*
Margin (%)	*13.8*	*13.4*	*14.6*	*13.7*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**31**	**32**	**35**	**34**
Avg. Shares O/s (bn)	10	10	10	10
EPS (INR)	**3.0**	**3.0**	**3.4**	**3.2**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Per Share (INR)				
EPS	12.5	12.9	13.1	13.8
CEPS	15.4	15.7	15.9	16.7
BVPS	79.0	84.3	86.3	88.9
FCF	14.8	12.7	9.8	15.2
DPS	6.0	11.0	9.0	9.0
Return Ratio (%)				
RoCE	12.1	12.1	11.7	12.2
ROIC	9.7	9.5	9.9	10.2
RoE	16.6	15.8	15.3	15.8
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	39	47	42	42
Valuation (x)				
PER	14.1	13.7	13.5	12.8
P/B	2.2	2.1	2.0	1.9
P/CEPS	11.5	11.3	11.1	10.6
EV/EBITDA	8.2	7.8	7.8	7.2
EV/Sales	1.6	1.6	1.5	1.4
Dividend Yield (%)	3.3	6.1	5.0	5.0
FCFF Yield (%)	8.3	7.1	5.5	8.5
PEG Ratio	0.6	4.8	9.2	2.1

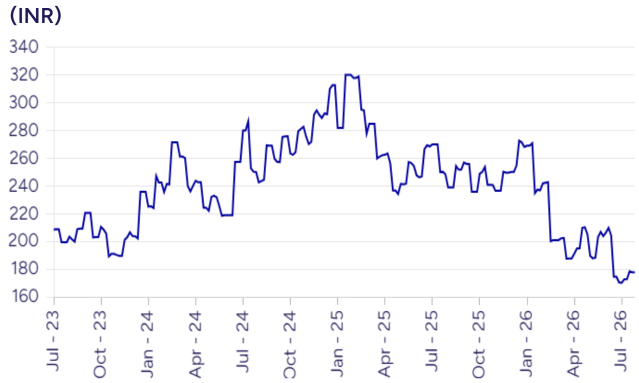
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	10,512	10,478	10,482	10,638

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	02-Jul-26	HOLD	170	174
2	17-Apr-26	HOLD	200	210
3	01-Apr-26	BUY	230	192
4	17-Jan-26	Hold	260	267
5	02-Jan-26	Hold	270	267
6	17-Oct-25	Hold	250	254
7	04-Oct-25	Hold	250	241
8	18-Jul-25	Hold	260	261
9	01-Jul-25	Reduce	250	266
10	17-Apr-25	Hold	260	248

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	3350	3293
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	Reduce	3350	3697
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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