

India

**ADD** (no change)

Consensus ratings\*: Buy 9 Hold 5 Sell 0

Current price:	Rs548
Target price: ▲	Rs600
Previous target:	Rs445
Up/downside:	10.0%
InCred Research / Consensus:	12.1%
Reuters:	BIRS.NS
Bloomberg:	BSOFT IN
Market cap:	US\$1,813m
	Rs150,908m
Average daily turnover:	US\$15.5m
	Rs1294.0m
Current shares o/s:	279.9m
Free float:	59.0%

\*Source: Bloomberg

**Key changes in this note**

- Expect 10% revenue CAGR over FY24F-26F.
- Expect 16.9% EBIT CAGR over FY24F-26F.
- Expect 18.2% PAT CAGR over FY24F-26F



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	13.3	26.7	96.9
Relative (%)	16.8	31.9	88.4

<b>Major shareholders</b>	% held
Axis Small Cap fund	5.8
HSBC Small Cap Fund	4.2
Aditya Birla Sunlife Digital India Fund	2.4

**Analyst(s)**



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# Birlasoft

## Encouraging setup

- Reported 2QFY24 revenue and margin beat estimates. CC revenue, adjusted for Invacare settlement, was up 4.5% qoq in constant currency or CC terms.
- Healthy new deals signed, including a milestone 5-year US\$100m+ deal with an existing North American customer.
- Raise our estimates, introduce FY26F and increase the target price to Rs600 from Rs445 earlier.

### 2QFY24 earnings summary

Birlasoft's 2QFY24 results beat estimates. Although 3QFY24F could be soft due to furloughs, management highlighted that 4QFY24F will be business as usual and that growth could recover sharply. Decent exit momentum, coupled with healthy order bookings, implies the FY25F setup is encouraging with a potential double-digit growth and margin expansion on the cards. We introduce FY26F and raise our estimates & target price as we increase our target PE/G multiple to 1.15x vs. 1x earlier to account for superior execution.

### Large deal aids TCV wins and medium-term outlook

New deals TCV was up 108.8% qoq and 21% yoy at US\$167m and commentary suggests the deal pipeline remains strong, with the unfavourable macroeconomic environment as a key headwind. TCV wins, including renewals at US\$271m, were up 85.6% qoq and 63.3% yoy and takes LTM TCV, including renewals, to US\$934m vs. US\$ 829m in 1QFY24 and US\$755m in 2QFY23. Commentary suggests that milestone deal was won against a Tier-1 vendor and is likely to ramp up from Apr 2024F, given the transition period of six months. We model a 10% US\$ revenue CAGR over FY24F-26F driven by improved order wins, commentary & potential M&A.

### Gives guidance of 15.5-17% EBITDA margin range

The EBITDA margin was up 52bp qoq at 15.8%, despite the one-month impact of a wage hike, as operating leverage and efficiency were the key tailwinds. Though 3QFY24F would have a residual two-month impact of wage hikes, management expects to exit 4QFY24F with an EBITDA margin of 16% with ~84-86% as its optimum utilization range. Finally, margins could be in the 15.5-17% range in FY25F and beyond led by growth leverage, moderation in sub-contractor expenses, rising offshore revenue mix and operational efficiency. We expect an average 16% margin over FY24F-26F.

### Retain ADD rating with a higher target price of Rs600

We retain ADD rating on Birlasoft with a higher target price of Rs600 (Rs445 earlier), as we roll forward to FY26F estimates and increase the target PE/G multiple (to 1.15x vs. 1x earlier) to account for superior execution. We model a 10% US\$ revenue CAGR over FY24F-26F and a 18.2% PAT (Rs) CAGR. Strong cash generation, net cash of Rs51 per share and a healthy payout ratio provides cushion, in our view. Client-specific challenges and weak execution are key downside risks..

Financial Summary	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	41,304	47,948	52,849	58,569	66,559
Operating EBITDA (Rsm)	6,401	5,205	8,183	9,377	10,982
Net Profit (Rsm)	4,638	3,316	5,748	6,686	8,031
Core EPS (Rs)	16.4	11.8	20.5	23.9	28.7
Core EPS Growth	42.5%	(27.8%)	73.8%	16.3%	20.1%
FD Core P/E (x)	33.44	46.34	26.67	22.93	19.09
DPS (Rs)	4.5	3.5	5.5	6.5	8.0
Dividend Yield	0.82%	0.64%	1.00%	1.19%	1.46%
EV/EBITDA (x)	22.55	27.65	17.09	14.40	11.79
P/FCFE (x)	109.50	61.61	31.69	24.64	21.78
Net Gearing	(41.7%)	(39.9%)	(46.9%)	(54.6%)	(60.7%)
P/BV (x)	6.03	6.28	5.34	4.57	3.90
ROE	19.5%	13.2%	21.6%	21.5%	22.0%
% Change In Core EPS Estimates			6.42%	4.06%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 1: Quarterly performance**

YE Mar (Rs m)	2QFY24	2QFY23	YoY (%)	1QFY24	QoQ (%)	2QFY24F	Var. (%)
Revenue (US\$ m)	158.3	148.8	6.4	153.6	3.1	156.7	1.0
Revenue (Rs m)	13,099	11,921	9.9	12,628	3.7	12,957	1.1
USD-INR realization	82.7	80.1	3.3	82.2	0.7	82.7	0.1
EBITDA	2,071	1,764	17.5	1,931	7.3	2,008	3.1
EBITDA margin (%)	15.8	14.8	102 bp	15.3	52 bp	15.5	31 bp
EBIT	1,856	1,557	19.2	1,717	8.1	1,789	3.8
EBIT margin (%)	14.2	13.1	111 bp	13.6	57 bp	13.8	37 bp
Depreciation	215	207	4.0	214	0.6	219	(2.0)
Net other income	99	-85	(215.8)	98	0.5	74	32.9
PBT	1,955	1,472	32.9	1,816	7.7	1,863	4.9
Provision for tax	504	321	57.1	440	14.6	470	7.4
% tax rate	25.8	21.8	399 bp	24.3	155 bp	25.2	60 bp
Net profit	1,451	1,151	26.1	1,374	5.6	1,394	4.1
EPS (Rs)	5.2	4.1	26.1	4.9	5.6	5.0	3.9

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## Key takeaways from 2QFY24 earnings call

- Revenue was up 3.1% qoq in CC terms and 5.7% yoy led by ramp-up of large deals and account mining initiatives. Growth, adjusted for Invacare settlement revenue of US\$2m in 1QFY24, stood at 4.4% qoq (4.5% qoq in CC terms).
- 3QFY24F could be muted qoq due to furloughs, primarily in the financial services (FSI) vertical.
- 2QFY24 deal wins include a five-year US\$100m+ milestone deal from an existing North American customer. Commentary suggests the deal was won against a Tier-1 vendor and the work involves application maintenance, modernization and migration to cloud and building capabilities in customer experience, data governance & management and data analytics. A significant component of this deal is new, with margins higher than the current account margins. The deal is likely to ramp up from Apr 2024F.
- Continues to witness good traction in the FSI vertical (21.1% of revenue; up 5.1% qoq). The healthcare vertical has been soft, but can rebound.
- ERP services (32.3% of revenue) witnessed a growth of 2.2% qoq, adjusted for Invacare settlement. Data & analytics services (25.6%) is witnessing signs of a revival.
- Aims to strengthen its leadership in Europe.
- The company appointed Mr. Selvakumaran Manappan as its chief operating officer (COO). He has 29 years of industry experience, with 21 in Cognizant (last six years being the head of delivery for FSI Americas).
- The company would be training 12,000+ employees in GenAI capabilities.
- Employee count was up by 0.7% qoq, but down 3.4% yoy, at 12,322. LTM attrition was at 15% vs. 18.8% in 1QFY24. Utilization was up 160bp qoq at 86.5%.
- Effective tax rate (ETR) is likely to be at ~25%.
- M&A focus remains on strengthening domain, service lines and capabilities.
- OCF at Rs3,837m was up 140.1% yoy in 1HFY24 over 1HFY23; OCF/EBITDA was at 95.9% in 1HFY24 vs. 46.2% in 1HFY23. Net cash & investments stood at Rs14,409m (Rs51 per share). Interim dividend was at Rs2.5 vs. Rs1.5 in 2QFY23.

Figure 2: Operating metric trend

Operating metric trend	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Revenue (US\$ m)	136.9	143.4	146.4	148.6	148.8	148.4	149.1	153.6	158.3
Growth yoy (%)	18.4	20.0	18.7	15.7	8.7	3.5	1.8	3.4	6.4
Growth qoq (%)	6.6	4.7	2.1	1.5	0.1	-0.3	0.5	3.0	3.1
Revenue (INR m)	10,116.9	10,719.1	11,014.4	11,544.1	11,920.8	12,218.9	12,263.9	12,627.7	13,098.8
Growth yoy (%)	18.0	21.7	22.0	22.1	17.8	14.0	11.3	9.4	9.9
Growth qoq (%)	7.0	6.0	2.8	4.8	3.3	2.5	0.4	3.0	3.7
EBIT margin (%)	13.1	13.4	14.0	13.0	13.1	-1.1	11.9	13.6	14.2
US\$-INR realized rate	73.9	74.7	75.2	77.7	80.1	82.3	82.3	82.2	82.7
Headcount	12,065	11,945	12,204	12,565	12,758	12,530	12,193	12,235	12,322
Utilization (%)	85.8	85.4	85.2	82.5	82.4	84.0	84.8	84.9	86.5
LTM attrition (%)	21.5	27.3	29.4	27.9	27.4	25.5	22.1	18.8	15.0
<b>Vertical (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
BFSI	18.1	17.7	17.2	17.8	19.1	20.1	20.5	20.7	21.1
Energy & Utilities	14.3	14.8	15.1	14.3	14.1	13.9	14.9	14.3	13.7
Lifesciences	24.2	22.3	21.6	26.5	25.0	19.9	24.5	24.4	24.0
Manufacturing	43.4	45.2	46.1	41.4	41.8	46.1	40.1	40.7	41.1
<b>Vertical (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
BFSI	24.8	25.4	25.2	26.5	28.4	29.8	30.6	31.8	33.4
Energy & Utilities	19.6	21.2	22.1	21.2	21.0	20.6	22.2	22.0	21.7
Lifesciences	33.1	32.0	31.6	39.4	37.2	29.5	36.5	37.5	38.0
Manufacturing	59.4	64.8	67.5	61.5	62.2	68.4	59.8	62.5	65.1
<b>Vertical yoy (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
BFSI	14.6	13.6	11.6	17.7	14.7	17.5	21.4	20.2	17.5
Energy & Utilities	12.2	20.0	21.1	11.1	7.2	-2.8	0.5	3.4	3.4
Lifesciences	19.4	9.7	4.3	31.1	12.3	-7.7	15.5	-4.8	2.1
Manufacturing	21.5	28.8	29.4	8.4	4.7	5.5	-11.4	1.6	4.6
<b>Vertical qoq (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
BFSI	10.3	2.4	-0.8	5.0	7.4	5.0	2.5	4.0	5.1
Energy & Utilities	2.3	8.4	4.2	-3.9	-1.3	-1.7	7.7	-1.1	-1.3
Lifesciences	10.3	-3.5	-1.1	24.5	-5.5	-20.6	23.7	2.6	1.4
Manufacturing	4.7	9.1	4.1	-8.8	1.1	10.0	-12.6	4.6	4.1
<b>Incremental revenue (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
BFSI	2.3	0.6	-0.2	1.3	2.0	1.4	0.7	1.2	1.6
Energy & Utilities	0.4	1.6	0.9	-0.9	-0.3	-0.4	1.6	-0.3	-0.3
Lifesciences	3.1	-1.2	-0.4	7.8	-2.2	-7.7	7.0	0.9	0.5
Manufacturing	2.7	5.4	2.7	-6.0	0.7	6.2	-8.6	2.7	2.5
<b>Geography (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Americas	82.2	82.9	82.2	84.9	84.1	83.7	85.3	84.0	85.8
Europe	10.5	10.7	11.2	9.2	9.6	10.3	9.0	10.1	8.2
ROW	7.3	6.4	6.6	5.9	6.3	6.0	5.7	6.0	6.0
<b>Geography (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Americas	112.5	118.9	120.3	126.2	125.1	124.2	127.2	129.0	135.8
Europe	14.4	15.3	16.4	13.7	14.3	15.3	13.4	15.5	13.0
ROW	10.0	9.2	9.7	8.8	9.4	8.9	8.5	9.2	9.5
<b>Geography yoy (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Americas	26.3	27.0	23.5	21.8	11.2	4.5	5.7	2.3	8.5
Europe	-6.5	-1.2	6.4	-9.8	-0.6	-0.4	-18.2	13.5	-9.1
ROW	-9.9	-11.7	-7.8	-9.0	-6.2	-3.0	-12.0	5.1	1.3
<b>Geography qoq (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Americas	8.6	5.6	1.2	4.8	-0.8	-0.7	2.4	1.4	5.3
Europe	-5.1	6.7	6.9	-16.6	4.5	7.0	-12.2	15.6	-16.3
ROW	3.8	-8.2	5.3	-9.3	6.9	-5.0	-4.6	8.4	3.1
<b>Incremental revenue (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Americas	8.9	6.3	1.5	5.8	-1.0	-0.9	3.0	1.8	6.8
Europe	-0.8	1.0	1.1	-2.7	0.6	1.0	-1.9	2.1	-2.5
ROW	0.4	-0.8	0.5	-0.9	0.6	-0.5	-0.4	0.7	0.3
<b>New Deal wins (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Order intake	104	121	125	112	138	102	114	80	167
qoq (%)	10.6	16.3	3.3	-10.4	23.2	-26.1	11.8	-29.8	108.8
yoy (%)	-13.3	116.1	-22.8	19.1	32.7	-15.7	-8.8	-28.6	21.0
TTM order intake	416	481	444	462	496	477	466	434	463
<b>Clients (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Top 5	29.7	29.3	29.9	30.7	31.1	31.7	32.8	33.3	33.6
Top 6-10	15.5	16.2	15.8	16.3	16.1	16.2	15.9	16.3	17.4
Top 11-20	16.0	15.6	15.6	16.1	16.5	16.2	15.2	14.3	12.9
Non-top 20	38.8	38.9	38.7	36.9	36.3	35.9	36.1	36.1	36.1
<b>Clients (US\$ m)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Top 5	40.7	42.0	43.8	45.6	46.3	47.0	48.9	51.1	53.2
Top 6-10	21.2	23.2	23.1	24.2	24.0	24.0	23.7	25.0	27.5
Top 11-20	21.9	22.4	22.8	23.9	24.6	24.0	22.7	22.0	20.4
Non-top 20	53.1	55.8	56.7	54.8	54.0	53.3	53.8	55.4	57.1
<b>Clients yoy (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Top 5	10.3	6.9	8.2	16.5	13.8	12.0	11.7	12.1	14.9
Top 6-10	50.5	60.7	52.5	35.7	12.9	3.5	2.5	3.4	15.0
Top 11-20	31.6	27.3	18.7	16.5	12.1	7.5	-0.8	-8.2	-16.8
Non-top 20	10.7	15.8	16.9	7.8	1.7	-4.5	-5.0	1.1	5.8
<b>Clients qoq (%)</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Top 5	3.8	3.3	4.2	4.2	1.4	1.7	4.0	4.6	4.0
Top 6-10	18.9	9.5	-0.4	4.7	-1.1	0.4	-1.4	5.6	10.0
Top 11-20	6.6	2.1	2.1	4.8	2.6	-2.1	-5.7	-3.1	-7.0
Non-top 20	4.5	5.0	1.6	-3.2	-1.5	-1.4	1.0	3.0	3.1

Incremental revenue (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Top 5	1.5	1.4	1.8	1.8	0.7	0.8	1.9	2.2	2.0
Top 6-10	3.4	2.0	-0.1	1.1	-0.3	0.1	-0.3	1.3	2.5
Top 11-20	1.4	0.5	0.5	1.1	0.6	-0.5	-1.4	-0.7	-1.5
Non-top 20	2.3	2.7	0.9	-1.8	-0.8	-0.7	0.5	1.6	1.7
<b>Client metrics</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Active clients	280	285	296	300	301	299	288	285	278
Revenue per active client	1.81	1.87	1.88	1.92	1.95	1.98	2.07	2.10	2.19
US\$ 1 m+	76	77	80	82	76	83	83	86	85
US\$ 5 m+	20	21	25	25	27	24	26	27	27
US\$ 10 m+	12	12	13	13	14	13	13	13	11
<b>Per employee analysis</b>	<b>2QFY22</b>	<b>3QFY22</b>	<b>4QFY22</b>	<b>1QFY23</b>	<b>2QFY23</b>	<b>3QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>2QFY24</b>
Revenue (US\$ m) - TTM	508.1	532.0	555.1	575.3	587.2	592.2	594.9	599.9	609.4
Employees (Average TTM)	11,256	11,642	11,931	12,195	12,368	12,514	12,512	12,429	12,320
Revenue per employee (TTM)	45,141	45,696	46,528	47,176	47,477	47,322	47,548	48,266	49,464

SOURCE: INCRED RESEARCH, COMPANY REPORTS

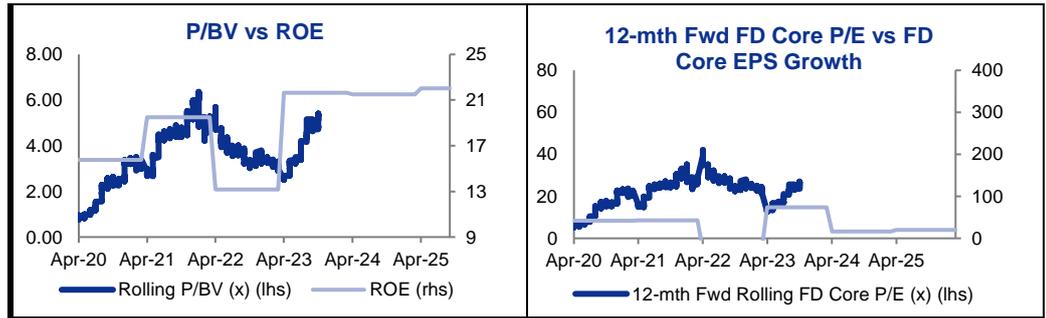
NOTE: VERTICAL-WISE NUMBERS ARE NOT COMPARABLE DUE TO RESTATEMENT IN MANUFACTURING & LIFESCIENCES VERTICAL FROM 1QFY24

**Figure 3: Change in our earnings estimate**

Y/E, Mar (Rs m)	FY24F			FY25F			FY26F
	New	Old	% change	New	Old	% change	New
US\$ revenue	640	626	2.1	697	675	3.4	774
Revenue	52,849	51,864	1.9	58,569	56,662	3.4	66,559
EBIT	7,295	6,757	8.0	8,440	7,988	5.7	9,971
EBIT Margin (%)	13.8	13.0	77 bp	14.4	14.1	31 bp	15.0
Net PAT	5,748	5,394	6.6	6,686	6,416	4.2	8,031
EPS (Rs)	20.5	19.3	6.4	23.9	23.0	4.1	28.7

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>Total Net Revenues</b>	<b>41,304</b>	<b>47,948</b>	<b>52,849</b>	<b>58,569</b>	<b>66,559</b>
<b>Gross Profit</b>	<b>17,614</b>	<b>19,817</b>	<b>21,884</b>	<b>23,843</b>	<b>27,289</b>
<b>Operating EBITDA</b>	<b>6,401</b>	<b>5,205</b>	<b>8,183</b>	<b>9,377</b>	<b>10,982</b>
Depreciation And Amortisation	(765)	(823)	(888)	(937)	(1,012)
<b>Operating EBIT</b>	<b>5,636</b>	<b>4,382</b>	<b>7,295</b>	<b>8,440</b>	<b>9,971</b>
Financial Income/(Expense)	532	42	382	475	738
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
<b>Profit Before Tax (pre-EI)</b>	<b>6,168</b>	<b>4,424</b>	<b>7,677</b>	<b>8,915</b>	<b>10,708</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>6,168</b>	<b>4,424</b>	<b>7,677</b>	<b>8,915</b>	<b>10,708</b>
Taxation	(1,530)	(1,108)	(1,929)	(2,229)	(2,677)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>4,638</b>	<b>3,316</b>	<b>5,748</b>	<b>6,686</b>	<b>8,031</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>4,638</b>	<b>3,316</b>	<b>5,748</b>	<b>6,686</b>	<b>8,031</b>
Recurring Net Profit	4,638	3,316	5,748	6,686	8,031
<b>Fully Diluted Recurring Net Profit</b>	<b>4,638</b>	<b>3,316</b>	<b>5,748</b>	<b>6,686</b>	<b>8,031</b>

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>EBITDA</b>	<b>6,401</b>	<b>5,205</b>	<b>8,183</b>	<b>9,377</b>	<b>10,982</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(2,563)	(800)	(1,060)	(525)	(865)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(1,784)	(1,315)	(1,929)	(2,229)	(2,677)
<b>Cashflow From Operations</b>	<b>2,055</b>	<b>3,090</b>	<b>5,193</b>	<b>6,623</b>	<b>7,440</b>
Capex	(638)	(577)	(350)	(400)	(400)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(2,429)	3,094	595	703	965
<b>Cash Flow From Investing</b>	<b>(3,067)</b>	<b>2,517</b>	<b>245</b>	<b>303</b>	<b>565</b>
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(1,111)	(5,994)	(1,540)	(1,820)	(2,240)
Preferred Dividends					
Other Financing Cashflow	(357)	(368)	(213)	(227)	(227)
<b>Cash Flow From Financing</b>	<b>(1,467)</b>	<b>(6,362)</b>	<b>(1,753)</b>	<b>(2,047)</b>	<b>(2,467)</b>
Total Cash Generated	(2,479)	(755)	3,686	4,879	5,539
<b>Free Cashflow To Equity</b>	<b>1,416</b>	<b>2,512</b>	<b>4,843</b>	<b>6,223</b>	<b>7,040</b>
<b>Free Cashflow To Firm</b>	<b>(1,012)</b>	<b>5,607</b>	<b>5,438</b>	<b>6,926</b>	<b>8,005</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Total Cash And Equivalents	11,689	10,425	14,111	18,990	24,528
Total Debtors	8,488	9,071	10,425	11,232	12,491
Inventories					
Total Other Current Assets	4,156	2,201	2,201	2,201	2,201
<b>Total Current Assets</b>	<b>24,333</b>	<b>21,698</b>	<b>26,738</b>	<b>32,424</b>	<b>39,221</b>
Fixed Assets	2,601	2,390	1,852	1,315	703
Total Investments	703	1,014	1,014	1,014	1,014
Intangible Assets	4,673	5,034	5,034	5,034	5,034
Total Other Non-Current Assets	1,524	1,737	1,737	1,737	1,737
<b>Total Non-current Assets</b>	<b>9,500</b>	<b>10,175</b>	<b>9,637</b>	<b>9,100</b>	<b>8,488</b>
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	2,095	2,313	2,606	2,888	3,282
Other Current Liabilities	4,504	3,927	3,927	3,927	3,927
<b>Total Current Liabilities</b>	<b>6,599</b>	<b>6,240</b>	<b>6,534</b>	<b>6,816</b>	<b>7,210</b>
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	1,404	1,150	1,150	1,150	1,150
<b>Total Non-current Liabilities</b>	<b>1,404</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>
Total Provisions					
<b>Total Liabilities</b>	<b>8,003</b>	<b>7,390</b>	<b>7,683</b>	<b>7,965</b>	<b>8,359</b>
Shareholders Equity	25,831	24,483	28,691	33,558	39,349
Minority Interests					
<b>Total Equity</b>	<b>25,831</b>	<b>24,483</b>	<b>28,691</b>	<b>33,558</b>	<b>39,349</b>

<b>Key Ratios</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Revenue Growth	16.2%	16.1%	10.2%	10.8%	13.6%
Operating EBITDA Growth	21.0%	(18.7%)	57.2%	14.6%	17.1%
Operating EBITDA Margin	15.5%	10.9%	15.5%	16.0%	16.5%
Net Cash Per Share (Rs)	37.86	34.79	48.04	65.47	85.25
BVPS (Rs)	90.75	87.25	102.49	119.87	140.56
Gross Interest Cover	43.30	23.57	34.27	37.11	43.84
Effective Tax Rate	24.8%	25.1%	25.1%	25.0%	25.0%
Net Dividend Payout Ratio	27.6%	29.6%	26.8%	27.2%	27.9%
Accounts Receivables Days	65.42	66.83	67.33	67.48	65.05
Inventory Days					
Accounts Payables Days	26.29	28.60	28.99	28.88	28.68
ROIC (%)	34.6%	22.1%	38.5%	43.0%	50.9%
ROCE (%)	17.1%	12.7%	20.0%	19.9%	20.1%
Return On Average Assets	13.3%	10.0%	16.0%	16.3%	16.8%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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