



India

ADD (previously HOLD)

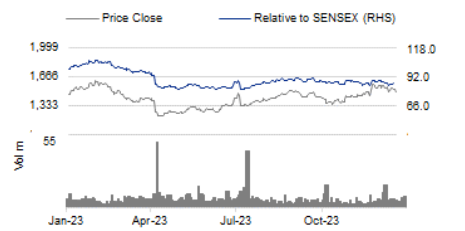
Consensus ratings*: Buy 24 Hold 13 Sell 8

Current price:	Rs1,494
Target price:	Rs1,668
Previous target:	Rs1,496
Up/downside:	11.6%
InCred Research / Consensus:	3.7%
Reuters:	INFY.NS
Bloomberg:	INFO IN
Market cap:	US\$74,688m
	Rs6,201,599m
Average daily turnover:	US\$112.6m
	Rs9350.9m
Current shares o/s:	4,143.0m
Free float:	87.0%

*Source: Bloomberg

Key changes in this note

- Expect 6.8% revenue CAGR over FY24F-26F.
- Expect 11.4% EBIT CAGR over FY24F-26F.
- Expect 12.4% PAT CAGR over FY24F-26F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	1.2	2.0	0.9
Relative (%)	(1.8)	(5.6)	(15.6)

Major shareholders	% held
LIC	9.4
SBI MF	4.9
Govt. of Singapore	2.6

Research Analyst(s)



Abhishek SHINDADKAR
T (91) 22 4161 1543
E abhishek.shindadkr@incredresearch.com



Tushar WAVHAL
T (91) 22 4161 1544
E tushar.wavhal@incredresearch.com

Infosys

The tide is turning

- 3QFY24 revenue decline and the EBIT margin were in line with expectations.
- Stability in the leakage portfolio coupled with deal TCV conversion cushions FY25F growth assumption.
- Upgrade our rating to ADD (from HOLD) with a higher target price of Rs1,668.

3QFY24 earnings summary

Infosys' (INFO IN) constant currency or CC revenue decline (1% qoq vs. 1.5%/1% decline Consensus/InCred estimates, respectively), 20.5% EBIT margin (20.5%/20.3%) and FY24F guidance adjustment were largely in line with expectations. However, large deal TCV was encouraging which, together with stability in the leakage portfolio and conversion of the deals won in 1HFY24 to revenue, imply bottoming of the yoy growth trajectory. This, coupled with a reasonable valuation relative to peers, drives an upgrade in our rating to ADD (from HOLD earlier) with a higher target price of Rs1,668 vs. Rs1,496 earlier.

TCV comforts FY25F growth assumption with a potential upside

Large-deal TCV at US\$3.2bn (vs. US\$7.7bn and US\$2.3bn in 1Q) was down 3% yoy. However, new deal wins stood at 71% (48% in 2Q, 56.1% in 1QFY24) of overall TCV and is the highest as a % of wins vs. the previous 11 quarters while the absolute TCV addition was the second-largest vs. the previous 11 quarters. Infosys signed 23 large deals (including one mega deal), of which eight were from manufacturing, six from FSI, four from energy, resources & services vertical, two from retail, two from communications, and one from others. Conversion of large deals TCV and stability in leakage portfolio drives a modest increase in our FY25F US\$ revenue growth assumption.

EBIT margin in line despite one-off impact

The EBIT margin at 20.5% (down 70bp qoq) had a two-month impact of wage hike (-70bp) and one-off impact of cyber-attack incident (-60bp) offset by cost optimization (+50bp) & currency tailwind (+10bp). Management reiterated that its margin expansion program is gaining traction with the focus on employee pyramid correction, automation, portfolio enhancement, indirect cost optimization & pricing, which together could offset headwinds from a large deal transition. We expect an average 21.4% EBIT margin over FY24F-26F.

Upgrade to ADD from HOLD with a revised target price of Rs1,668

We adjust our estimates to account for 3QFY24 performance & guidance revision and now model in 6.8% US\$ revenue CAGR over FY24F-26F and 12.4% PAT (Rs) CAGR. We upgrade our rating to ADD (from HOLD) despite retaining target PE/G multiple at 1.8x as deal wins, ~17% valuation discount to TCS and sustained payout ratio provide comfort. Better execution, cash conversion (OCF/EBITDA was ~74% over FY19-23), healthy return ratios & payout provide cushion, in our view. Higher leakage portfolio, cancellations within its existing order book, higher insourcing in the FSI vertical and higher-than-anticipated negative impact of large deals on EBIT margin are key downside risks.

Financial Summary

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	1,216,410	1,467,670	1,543,343	1,658,883	1,829,456
Operating EBITDA (Rsm)	314,920	351,310	368,631	404,767	450,046
Net Profit (Rsm)	221,110	240,950	245,174	276,426	309,714
Core EPS (Rs)	52.2	57.3	58.9	66.7	74.8
Core EPS Growth	15.0%	9.8%	2.7%	13.3%	12.0%
FD Core P/E (x)	28.61	26.06	25.38	22.39	19.99
DPS (Rs)	31.0	34.0	50.0	55.4	62.0
Dividend Yield	2.07%	2.27%	3.34%	3.71%	4.15%
EV/EBITDA (x)	19.48	17.54	16.46	14.80	13.24
P/FCFE (x)	31.22	36.08	27.58	24.78	23.52
Net Gearing	(25.8%)	(15.9%)	(19.9%)	(24.1%)	(26.5%)
P/BV (x)	8.36	8.30	7.81	7.38	6.94
ROE	29.2%	32.0%	31.7%	33.9%	35.8%
% Change In Core EPS Estimates			(0.01%)	0.01%	0.01%
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly performance

Y/E Mar (Rs m)	3QFY24	3QFY23	YoY (%)	2QFY24	QoQ (%)	3QFY24F	Var. (%)
Revenue (US\$ m)	4,663	4,659	0.1	4,718	(1.2)	4,685	(0.5)
Revenue (Rs m)	3,88,210	3,83,180	1.3	3,89,940	(0.4)	3,90,297	(0.5)
USD-Rs realization	83.3	82.2	1.2	82.65	0.7	83.3	(0.1)
EBITDA	91,370	93,670	(2.5)	94,400	(3.2)	91,094	0.3
EBITDA margin (%)	23.5	24.4	(91 bp)	24.2	(67 bp)	23.3	20 bp
EBIT	79,610	82,420	(3.4)	82,740	(3.8)	79,385	0.3
EBIT margin (%)	20.5	21.5	(100 bp)	21.2	(71 bp)	20.3	17 bp
Depreciation	11,760	11,250	4.5	11,660	0.9	11,709	0.4
Net other income	6,580	6,890	(4.5)	4,940	33.2	5,169	27.3
PBT	86,190	89,310	(3.5)	87,680	(1.7)	84,554	1.9
Provision for tax	25,060	23,450	6.9	25,530	(1.8)	23,252	7.8
% tax rate	29.1	26.3	282 bp	29.1	(4 bp)	27.5	158 bp
Net profit	61,060	65,860	(7.3)	62,120	(1.7)	61,271	(0.3)
EPS (Rs)	14.7	15.7	(6.1)	15.0	(1.7)	14.8	(0.4)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call takeaways

- Guidance: 1.5-2% constant currency or CC revenue growth in FY24F (vs. 1-2.5% earlier). 9MFY24 CC revenue growth was 1.8%. The EBIT margin guidance retained at 20-22% (9MFY24 at 20.8%).
- 3QFY24 revenue (down 1% qoq and 1% yoy in CC terms) impacted by furloughs, weak discretionary spending, delay in decision-making and one-offs.
- Witnessing lower traction in digital transformation spending but activity in cost transformation is more and rising interest in Generative AI. Infosys continues to win market share in areas like cost efficiency and automation despite macroeconomic uncertainty.
- Client budget decisions are ongoing but not expecting any major change as compared to the last few quarters. Overall, the near-term outlook remains volatile due to a delay in decision-making.
- Macroeconomic uncertainty continues to impact FSI, telco and hi-tech verticals. However, seeing strength in manufacturing, energy and life sciences verticals. Witnessing good traction in ER&D services.
- Generative AI: Strong traction in Generative AI with the company leveraging its TOPAZ platform. Trained 1,00,000+ employees in GenAI. Company witnessing traction in analytics, sales & marketing, software development and self-service segments. Infosys is supporting a large global bank in its risk analysis program using LLM, personalize food experience for FMCG firms and AI first business transformation strategy for a global retail firm.
- Across geographies, 10 deals were from North America, 9 from Europe, 3 from RoW and 1 from India.
- Infosys acquired 100% stake in InSemi (semiconductor design services provider) for Rs2,800m (including earn-outs, management incentives, and retention bonus). InSemi, headquartered in Bengaluru, has a team of 900+ technology specialists offering their expertise in electronic design, platform design, automation, embedded and software technologies, to strategize, innovate, and design smart solutions, powering-up products for high performance and seamless connectivity. InSemi had a revenue of Rs1,536m/Rs1,095m/Rs588m in FY23/22/21, respectively.

Figure 2: Operating metrics trend

Operating trends	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Revenue (\$ m)	4250.0	4280.0	4444.0	4555.0	4659.0	4554.0	4617.0	4718.0	4663.0
Growth yoy (%)	20.9	18.5	17.5	13.9	9.6	6.4	3.9	3.6	0.1
Growth qoq (%)	6.3	0.7	3.8	2.5	2.3	-2.3	1.4	2.2	-1.2
CC growth yoy (%)	21.5	20.6	21.4	18.8	13.7	8.8	4.2	2.5	-1.0
CC growth qoq (%)	7.0	1.2	5.5	4.0	2.4	-3.2	1.0	2.3	-1.0
Revenue (Rs. m)	3,18,670	3,22,760	3,44,700	3,65,380	3,83,180	3,74,410	3,79,330	3,89,940	3,88,210
Growth yoy (%)	22.9	22.7	23.6	23.4	20.2	16.0	10.0	6.7	1.3
Growth qoq (%)	7.7	1.3	6.8	6.0	4.9	-2.3	1.3	2.8	-0.4
EBIT margin (%)	23.5	21.6	20.1	21.5	21.5	21.0	20.8	21.2	20.5
US\$-INR realized rate	75.0	75.4	77.6	80.2	82.2	82.2	82.2	82.6	83.3
Headcount	2,92,067	3,14,015	3,35,186	3,45,218	3,46,845	3,43,234	3,36,294	3,28,764	3,22,663
Utilization ex-trainees (%)	88.5	87.0	84.7	83.6	81.7	80.0	81.1	81.8	82.7
LTM Attrition - IT services (%)	25.5	27.7	28.4	27.1	24.3	20.9	17.3	14.6	12.9
Vertical (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Financial services	31.5	31.3	30.6	30.5	29.3	28.9	28.1	27.5	27.8
Retail	14.5	14.3	14.5	14.2	14.3	14.8	14.5	15.2	14.6
Communications	12.5	12.8	13.0	12.3	12.3	11.8	11.7	11.4	11.4
Energy, Utilities, Resources & Services	11.7	12.0	12.4	12.3	13.0	12.9	12.9	12.7	13.1
Manufacturing	11.3	11.8	12.1	12.8	13.3	13.5	14.1	14.3	14.9
Hi Tech	8.1	8.2	8.2	8.2	8.1	8.0	8.1	7.8	7.7
Life Sciences	7.5	6.6	6.5	6.7	7.0	7.2	7.2	7.8	7.6
Others	2.9	3.0	2.7	3.0	2.7	2.9	3.4	3.3	2.9
Vertical (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Financial services	1,339	1,340	1,360	1,389	1,365	1,316	1,297	1,297	1,296
Retail	616	612	644	647	666	674	669	717	681
Communications	531	548	578	560	573	537	540	538	532
Energy, Utilities, Resources & Services	497	514	551	560	606	587	596	599	611
Manufacturing	480	505	538	583	620	615	651	675	695
Hi Tech	344	351	364	374	377	364	374	368	359
Life Sciences	319	282	289	305	326	328	332	368	354
Others	123	128	120	137	126	132	157	156	135
Vertical yoy (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Financial services	15.0	12.4	9.0	7.6	2.0	-1.8	-4.6	-6.6	-5.0
Retail	19.2	14.5	13.6	10.8	8.1	10.1	3.9	10.9	2.2
Communications	21.9	26.4	25.2	13.0	7.9	-1.9	-6.5	-4.0	-7.2
Energy, Utilities, Resources & Services	13.1	15.6	20.4	18.8	21.8	14.4	8.1	6.9	0.9
Manufacturing	46.9	45.6	46.6	33.8	29.0	21.7	21.1	15.7	12.1
Hi Tech	19.4	19.9	16.1	9.9	9.6	3.8	2.6	-1.5	-4.9
Life Sciences	27.7	15.0	12.3	7.5	2.3	16.1	15.1	20.6	8.7
Others	29.8	4.5	9.4	42.4	2.1	2.9	30.8	13.9	7.5
Vertical qoq (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Financial services	3.7	0.1	1.5	2.2	-1.7	-3.6	-1.4	0.0	-0.1
Retail	5.6	-0.7	5.3	0.4	3.0	1.2	-0.7	7.1	-5.1
Communications	7.2	3.1	5.5	-3.0	2.3	-6.2	0.5	-0.4	-1.2
Energy, Utilities, Resources & Services	5.4	3.3	7.3	1.7	8.1	-3.0	1.4	0.6	1.9
Manufacturing	10.2	5.2	6.5	8.4	6.3	-0.8	5.9	3.6	3.0
Hi Tech	1.3	1.9	3.8	2.5	1.0	-3.5	2.7	-1.6	-2.4
Life Sciences	12.3	-11.4	2.3	5.7	6.9	0.5	1.4	10.7	-3.7
Others	28.4	4.2	-6.6	13.9	-7.9	5.0	18.9	-0.8	-13.1
Incremental revenue (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Financial services	47	1	20	29	-24	-49	-19	0	-1
Retail	33	-4	32	2	19	8	-5	48	-36
Communications	35	17	30	-17	13	-36	3	-2	-6
Energy, Utilities, Resources & Services	25	16	37	9	45	-18	8	4	12
Manufacturing	44	25	33	45	37	-5	36	24	20
Hi Tech	4	7	13	9	4	-13	10	-6	-9
Life Sciences	35	-36	6	16	21	2	5	36	-14
Others	27	5	-8	17	-11	6	25	-1	-20
Geography (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	61.8	61.4	61.8	61.9	62	61	60.8	61.1	59
Europe	24.9	25.2	25	24.8	25.8	27	26.8	26.5	28.2
India	3	3.2	2.6	2.6	2.4	2.6	2.7	2.8	2.4
RoW	10.3	10.2	10.6	10.7	9.8	9.4	9.7	9.6	10.4
Geography (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	2,627	2,628	2,746	2,820	2,889	2,778	2,807	2,883	2,751
Europe	1,058	1,079	1,111	1,130	1,202	1,230	1,237	1,250	1,315
India	128	137	116	118	112	118	125	132	112
RoW	438	437	471	487	457	428	448	453	485
Geography yoy (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	21.3	18.1	17.7	13.9	10.0	5.7	2.2	2.2	-4.8
Europe	25.4	22.3	21.4	13.9	13.6	14.0	11.4	10.7	9.4
India	39.5	26.4	5.3	13.9	-12.3	-13.5	7.9	11.5	0.1
RoW	5.5	9.8	11.2	13.9	4.3	-1.9	-4.9	-7.1	6.2
Geography qoq (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	6.1	0.1	4.5	2.7	2.4	-3.8	1.1	2.7	-4.6
Europe	6.7	1.9	3.0	1.7	6.4	2.3	0.6	1.0	5.2
India	22.7	7.4	-15.6	2.5	-5.6	5.9	5.3	6.0	-15.3
RoW	2.3	-0.3	7.9	3.5	-6.3	-6.2	4.6	1.1	7.1
Incremental revenue (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	152	1	118	73	69	-111	29	76	-132
Europe	67	20	32	19	72	28	8	13	65
India	24	9	-21	3	-7	7	6	7	-20
RoW	10	-1	35	16	-31	-29	20	5	32

Deal wins	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
TCV (US\$ m)	2530	2300	1700	2700	3300	2100	2300	7700	3200
TCV yoy (%)	-64.5	9.5	-34.6	25.6	30.4	-8.7	35.3	185.2	-3.0
TCV qoq (%)	17.7	-9.1	-26.1	58.8	22.2	-36.4	9.5	234.8	-58.4
TTM TCV	9,380	9,580	8,680	9,230	10,000	9,800	10,400	15,400	15,300
Clients (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top 5	12	11.8	13	12.6	13.1	13	13.4	13.3	13.4
Top 6-10	8.2	7.6	7.8	7.6	7.4	7.1	7.0	6.6	6.6
Top 11-25	15.7	16	15.5	15.1	14.8	14.6	14.2	14.2	13.7
Non-top 25	64.1	64.6	63.7	64.7	64.7	65.3	65.4	65.9	66.3
Clients (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top 5	510	505	578	574	610	592	619	627	625
Top 6-10	349	325	347	346	345	323	323	311	308
Top 11-25	667	685	689	688	690	665	656	670	639
Non-top 25	2,724	2,765	2,831	2,947	3,014	2,974	3,020	3,109	3,092
Clients yoy growth(%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top 5	34.3	28.2	35.2	25.9	19.7	17.2	7.1	9.3	2.4
Top 6-10	28.7	21.7	22.2	8.2	-1.1	-0.6	-6.8	-10.1	-10.7
Top 11-25	17.9	19.2	16.8	7.5	3.3	-2.9	-4.8	-2.6	-7.4
Non-top 25	18.5	16.3	14.1	14.1	10.6	7.6	6.7	5.5	2.6
Clients qoq growth (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top 5	11.9	-1.0	14.4	-0.7	6.3	-3.0	4.5	1.4	-0.4
Top 6-10	9.0	-6.7	6.6	-0.1	-0.4	-6.2	0.0	-3.7	-1.2
Top 11-25	4.3	2.6	0.6	-0.1	0.3	-3.6	-1.4	2.2	-4.6
Non-top 25	5.5	1.5	2.4	4.1	2.3	-1.3	1.5	3.0	-0.6
Client metrics	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
No of active clients	1,738	1,741	1,778	1,779	1,850	1,872	1,883	1,884	1,872
TTM revenue per avg active client	9.3	9.5	9.7	10.0	10.0	10.0	10.0	9.9	9.9
US\$ 1 m+	854	853	877	895	912	922	940	951	944
US\$ 10 m+	274	275	278	281	294	298	312	312	308
US\$ 50 m+	64	64	69	77	79	75	79	80	82
US\$ 100 m+	37	38	38	39	38	40	38	39	40
Per employee analysis	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Revenue (US\$ m) - TTM	15,643	16,310	16,972	17,529	17,938	18,212	18,385	18,548	18,552
Employees (average TTM)	2,74,814	2,88,413	3,05,221	3,21,622	3,35,316	3,42,621	3,42,898	3,38,784	3,32,739
Revenue per employee (TTM)	56,922	56,551	55,606	54,502	53,496	53,155	53,617	54,749	55,755

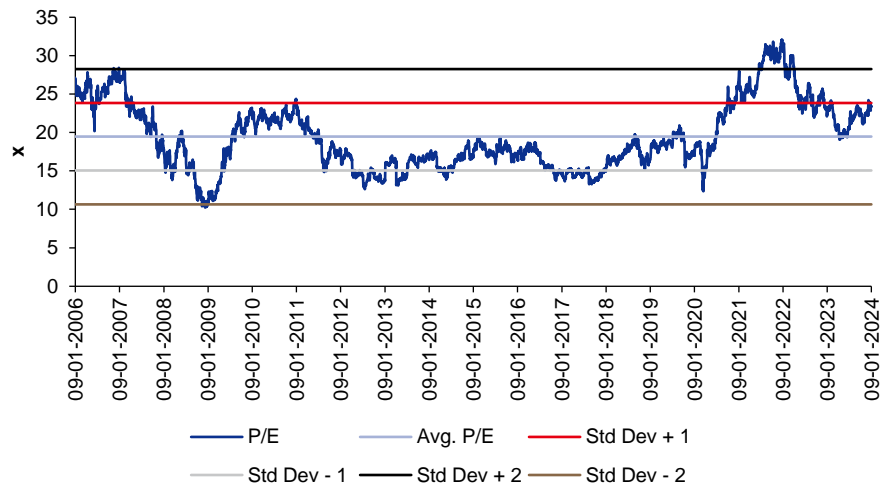
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in earnings estimate

Y/E, Mar (Rs m)	FY24F			FY25F			FY26F		
	New	Old	% change	New	Old	% change	New	Old	% change
US\$ revenue	18,633	18,684	-0.3	19,749	19,611	0.7	21,273	21,050	1.1
Revenue	15,43,343	15,41,976	0.1	16,58,883	16,47,346	0.7	18,29,456	18,10,322	1.1
EBIT	3,21,712	3,24,205	-0.8	3,56,660	3,54,179	0.7	3,99,187	3,95,555	0.9
EBIT Margin (%)	20.8%	21.0%	(0.2) bp	21.5%	21.5%	0.0 bp	21.8%	21.9%	(0.0) bp
Net PAT	2,45,174	2,46,782	-0.7	2,76,426	2,73,404	1.1	3,09,714	3,05,529	1.4
EPS (Rs)	59.2	59.6	-0.7	66.7	66.0	1.1	74.8	73.8	1.4

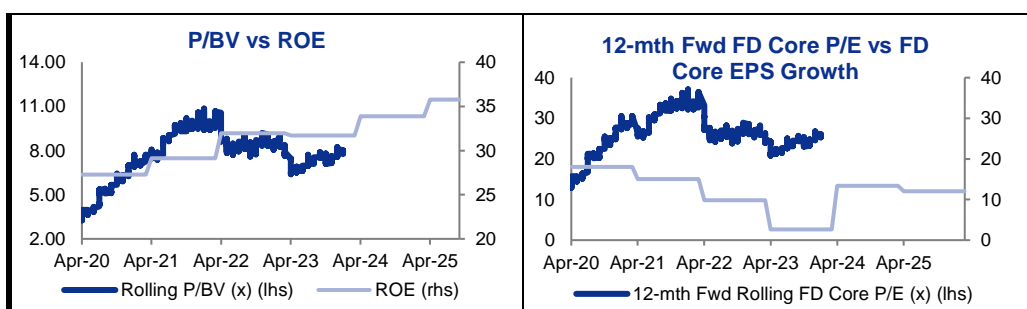
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Infosys trading at a one year forward P/E of ~23x



SOURCE: INCRED RESEARCH, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Total Net Revenues	1,216,410	1,467,670	1,543,343	1,658,883	1,829,456
Gross Profit	431,190	486,390	513,305	555,726	616,527
Operating EBITDA	314,920	351,310	368,631	404,767	450,046
Depreciation And Amortisation	(34,770)	(42,250)	(46,919)	(48,108)	(50,859)
Operating EBIT	280,150	309,060	321,712	356,660	399,187
Financial Income/(Expense)	14,440	15,390	15,115	17,577	20,087
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	6,510	8,770	7,026	7,275	7,858
Profit Before Tax (pre-EI)	301,100	333,220	343,854	381,512	427,132
Exceptional Items					
Pre-tax Profit	301,100	333,220	343,854	381,512	427,132
Taxation	(79,640)	(92,140)	(98,510)	(104,916)	(117,248)
Exceptional Income - post-tax					
Profit After Tax	221,460	241,080	245,344	276,596	309,884
Minority Interests	(350)	(130)	(170)	(170)	(170)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	221,110	240,950	245,174	276,426	309,714
Recurring Net Profit	221,110	240,950	245,174	276,426	309,714
Fully Diluted Recurring Net Profit	221,110	240,950	245,174	276,426	309,714

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
EBITDA	314,920	351,310	368,631	404,767	450,046
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(14,240)	(63,440)	(19,355)	(25,853)	(47,435)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(350)	(130)	(170)	(170)	(170)
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(76,120)	(87,940)	(98,510)	(104,916)	(117,248)
Cashflow From Operations	224,210	199,800	250,597	273,829	285,193
Capex	(21,610)	(25,790)	(25,000)	(24,000)	(22,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(42,560)	13,700	24,241	30,092	33,185
Cash Flow From Investing	(64,170)	(12,090)	(759)	6,092	11,185
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased	(111,250)	(114,990)			
Dividends Paid	(126,520)	(136,310)	(206,942)	(229,434)	(257,063)
Preferred Dividends					
Other Financing Cashflow	(8,650)	(15,650)	(4,900)	(5,240)	(5,240)
Cash Flow From Financing	(246,420)	(266,950)	(211,842)	(234,674)	(262,303)
Total Cash Generated	(86,380)	(79,240)	37,995	45,247	34,075
Free Cashflow To Equity	202,600	174,010	225,597	249,829	263,193
Free Cashflow To Firm	160,040	187,710	249,838	279,920	296,378

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Total Cash And Equivalents	241,450	190,820	228,815	274,062	308,137
Total Debtors	342,660	407,130	430,118	459,137	506,233
Inventories					
Total Other Current Assets	87,740	110,860	110,860	110,860	110,860
Total Current Assets	671,850	708,810	769,794	844,059	925,230
Fixed Assets	183,140	205,160	186,041	161,934	133,075
Total Investments	151,450	154,060	154,060	154,060	154,060
Intangible Assets	79,020	89,970	89,970	89,970	89,970
Total Other Non-Current Assets	93,390	100,160	100,160	100,160	100,160
Total Non-current Assets	507,000	549,350	530,231	506,124	477,265
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	41,340	38,650	42,283	45,449	45,110
Other Current Liabilities	294,690	353,210	353,210	353,210	353,210
Total Current Liabilities	336,030	391,860	395,493	398,659	398,320
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	85,460	108,350	108,350	108,350	108,350
Total Non-current Liabilities	85,460	108,350	108,350	108,350	108,350
Total Provisions					
Total Liabilities	421,490	500,210	503,843	507,009	506,670
Shareholders Equity	753,500	754,070	792,301	839,294	891,945
Minority Interests	3,860	3,880	3,880	3,880	3,880
Total Equity	757,360	757,950	796,181	843,174	895,825

Key Ratios					
	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue Growth	21.1%	20.7%	5.2%	7.5%	10.3%
Operating EBITDA Growth	12.9%	11.6%	4.9%	9.8%	11.2%
Operating EBITDA Margin	25.9%	23.9%	23.9%	24.4%	24.6%
Net Cash Per Share (Rs)	46.34	28.73	38.20	49.12	57.34
BVPS (Rs)	178.66	180.13	191.24	202.58	215.29
Gross Interest Cover	140.07	108.82	65.66	68.06	76.18
Effective Tax Rate	26.4%	27.7%	28.6%	27.5%	27.5%
Net Dividend Payout Ratio	58.9%	58.8%	84.4%	83.0%	83.0%
Accounts Receivables Days	91.65	93.23	99.00	97.83	96.30
Inventory Days					
Accounts Payables Days	15.76	14.88	14.34	14.51	13.63
ROIC (%)	46.4%	49.7%	44.0%	49.6%	55.3%
ROCE (%)	25.5%	27.4%	27.1%	29.0%	30.8%
Return On Average Assets	18.6%	18.9%	18.3%	19.9%	21.5%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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