

## India

## ADD (no change)

Consensus ratings\*: Buy 16 Hold 3 Sell 0

|                              |         |
|------------------------------|---------|
| Current price:               | Rs1,091 |
| Target price:                | Rs1,204 |
| Previous target:             | Rs1,193 |
| Up/downside:                 | 10.4%   |
| InCred Research / Consensus: | 8.0%    |

|                         |            |
|-------------------------|------------|
| Reuters:                |            |
| Bloomberg:              | CYL IN     |
| Market cap:             | US\$1,662m |
|                         | Rs120,665m |
| Average daily turnover: | US\$3.9m   |
|                         | Rs285.0m   |
| Current shares o/s:     | 110.0m     |
| Free float:             | 78.0%      |
| *Source: Bloomberg      |            |

## Key changes in this note

- Expect FY23F-25F revenue CAGR of 12.2%.
- Expect FY23F-25F EBIT CAGR of 20.8%.
- Expect FY23F-25F PAT CAGR of 20.3%.



| Price performance | 1M   | 3M   | 12M  |
|-------------------|------|------|------|
| Absolute (%)      | 14.8 | 24.9 | 35.4 |
| Relative (%)      | 11.8 | 26.9 | 31.5 |

| Major shareholders                        | % held |
|---|--------|
| Amansa Holdings Pvt Ltd                   | 8.7    |
| DSP Value Fund                            | 6.6    |
| ICICI Prudential India Opportunities Fund | 3.5    |

## Analyst(s)



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## Cyient Limited

## Improving execution may lead to a rerating

- 4Q beat drives ~1.5% increase in our FY24F US\$ revenue growth assumption.
- We raise FY24F-25F average EBIT margin assumption by ~10bp to 13.9% led by better execution and guidance.
- Retain ADD rating with a higher target price of Rs1,204 vs. Rs1,193 earlier

## 4QFY23 results summary

Cyient's 4QFY23 revenue at US\$213m and normalized EBIT margin at 14.2% were 1.8% and 66bp above our estimates of US\$209.3 and 13.6%, respectively. Growth was driven by services portfolio (2.6% qoq - in constant currency or CC terms and 12% yoy organic, and 3.2% qoq-CC including acquisition contribution) and aided by DLM (26.5% qoq). Transportation vertical led quarterly growth while communication was soft. We tweak our recently adjusted estimates modestly to account for 4Q beat, revised effective tax rate (ETR) and FY24F guidance (CC revenue growth of 15-20% yoy for consolidated services business and 100-200bp yoy improvement in normalized EBIT margin). This, in turn, drives an increase in our target price to Rs1,204 vs. Rs1,193 earlier.

## Services order intake up 14.2% in FY23

At US\$212.7m, services order intake was down 10.3% qoq but up 13.3% yoy and takes the TTM order intake to US\$720.5m (up 14.2% yoy). Cyient signed five large deals in core services during 4QFY23 (18 in FY23) with a total contract potential of US\$185.1m (US\$412.3m in FY23). Please note that reported core services intake excludes the booking of acquisitions and may not accurately reflect the book-to-bill ratio.

## Margin execution was better

EBIT margin, up 105bp qoq but down 11bp yoy to 14.2%, was aided by price increase (+130bp), volume impact on SG&A (+92bp), favourable revenue mix (+39bp) and forex impact (+31bp) offset by higher SG&A spending (-97bp) and lower utilization (-92bp). Services EBIT margin was up 65bp qoq while DLM business EBIT margin was up 230bp qoq. Management commentary suggests that growth leverage, price hikes, automation initiatives, and operational efficiency are key margin tailwinds while wage hike is a key headwind. We adjust our average FY24F-25F EBIT margin assumption by 10bp to 13.9%.

## Retain ADD rating with a higher target price of Rs1,204

We retain ADD rating on Cyient with a higher target price of Rs1,204 (from Rs1,193 earlier) as we adjust our estimates to account for 4QFY23 beat and guidance. We now model in a ~12% US\$ revenue CAGR over FY23F-25F and a 20.3% PAT (Rs) CAGR (modestly lower than 20.7% earlier, given FY23 beat) and maintain our target PE/G multiple at 0.8x (unchanged) to arrive at our target P/E multiple of 16.3x (16.6x earlier). Strong cash conversion and stable dividend payout ratio provide a cushion, in our view. Higher-than-anticipated decline in organic portfolio, miss on integration of acquired entities and margin execution are key downside risks.

| Financial Summary                 | Mar-21A | Mar-22A | Mar-23A | Mar-24F | Mar-25F |
|-----------------------------------|---------|---------|---------|---------|---------|
| Revenue (Rsm)                     | 41,324  | 45,344  | 60,159  | 70,361  | 78,936  |
| Operating EBITDA (Rsm)            | 5,750   | 8,178   | 10,031  | 12,790  | 14,130  |
| Net Profit (Rsm)                  | 3,640   | 5,223   | 5,143   | 7,205   | 8,124   |
| Core EPS (Rs)                     | 33.1    | 47.5    | 50.0    | 65.5    | 73.8    |
| Core EPS Growth                   | (1.6%)  | 43.6%   | 5.2%    | 31.0%   | 12.8%   |
| FD Core P/E (x)                   | 32.98   | 22.97   | 21.83   | 16.66   | 14.78   |
| DPS (Rs)                          | 17.0    | 24.0    | 26.0    | 35.0    | 40.6    |
| Dividend Yield                    | 1.56%   | 2.20%   | 2.38%   | 3.22%   | 3.72%   |
| EV/EBITDA (x)                     | 18.88   | 13.41   | 12.00   | 9.35    | 8.30    |
| P/FCFE (x)                        | 19.66   | 27.51   | 14.82   | 24.51   | 17.52   |
| Net Gearing                       | (38.8%) | (33.0%) | 1.2%    | (1.2%)  | (6.7%)  |
| P/BV (x)                          | 4.06    | 3.85    | 3.46    | 3.16    | 2.88    |
| ROE                               | 13.2%   | 17.2%   | 16.7%   | 19.8%   | 20.4%   |
| % Change In Core EPS Estimates    |         |         |         | 0.80%   | 2.53%   |
| InCred Research/Consensus EPS (x) |         |         |         |         |         |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 1: Quarterly performance**

| YE Mar (Rs m)      | 4QFY23 | 4QFY22 | YoY (%)  | 3QFY23 | QoQ (%)  | 4QFY23F | Var. (%) |
|--------------------|--------|--------|----------|--------|----------|---------|----------|
| Revenue (US\$ m)   | 213.0  | 157    | 35.9     | 197    | 8.1      | 209.3   | 1.8      |
| Revenue (Rs m)     | 17,514 | 11,812 | 48.3     | 16,182 | 8.2      | 17,224  | 1.7      |
| USD-Rs realization | 82.2   | 75.4   | 9.1      | 82.1   | 0.1      | 82.3    | (0.1)    |
| EBITDA             | 3,220  | 2,124  | 51.6     | 2,833  | 13.7     | 3,083   | 4.4      |
| EBITDA Margin (%)  | 18.4   | 18.0   | 40 bp    | 17.5   | 88 bp    | 17.9    | 49 bp    |
| EBIT               | 2,494  | 1,695  | 47.1     | 2,134  | 16.9     | 2,339   | 6.6      |
| EBIT Margin (%)    | 14.2   | 14.3   | (11 bp)  | 13.2   | 105 bp   | 13.6    | 66 bp    |
| Depreciation       | 726    | 429    | 69.2     | 699    | 3.9      | 744     | (2.4)    |
| Net other income   | -258   | 390    | (166.2)  | 13     | (2084.6) | -203    | 27.3     |
| PBT                | 2,236  | 2,085  | 7.2      | 2,147  | 4.1      | 2,136   | 4.7      |
| Provision for tax  | 443    | 543    | (18.4)   | 497    | (10.9)   | 513     | (13.6)   |
| % tax rate         | 19.8   | 26.0   | (623 bp) | 23.1   | (334 bp) | 24.0    | (419 bp) |
| Net Profit         | 1,631  | 1,542  | 5.8      | 1,561  | 4.5      | 1,624   | 0.5      |
| EPS (Rs)           | 14.8   | 14.0   | 5.8      | 14.2   | 4.5      | 14.7    | 0.5      |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

### 4QFY23 conference-call highlights

- Autonomous world, digital enterprise and sustainability could be key growth drivers going ahead.
- Cyient expects double-digit growth in transportation, connectivity and sustainability vertical.
- Network management/testing and network operation & optimization, digitalization and pervasive use of data-driven applications could drive growth momentum in the connectivity business.
- Autonomous and electrification could drive the momentum in the automotive vertical.
- Medical and healthcare vertical's growth could recover in FY24F while it may moderate for the semiconductor vertical, given better momentum on a TTM basis.
- Recovery in the aerospace vertical continued in 4QFY23. Manufacturing and maintenance repair and operations (MRO) segments remain key growth drivers in the aerospace vertical. Management believes the vertical is due for platform upgrade over the next three years which, in turn, could aid the growth momentum.
- Transportation vertical's growth in 4Q was on anticipated lines.
- Cyient believes the rail vertical's challenges are likely behind.
- FY245F effective tax rate (ETR) could be in the 25-26% range.
- The Securities and Exchange Board of India has given its green signal for the Cyient DLM initial public offer.

Figure 2: Operating metric trends

| Operating trends             | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Revenue (US\$ m)             | 141.4  | 149.9  | 143.5  | 150.1  | 157.9  | 156.7  | 161.6  | 174.8  | 197.0  | 213.0  |
| Growth YoY (%)               | -8.9   | 0.5    | 9.9    | 11.2   | 11.7   | 4.5    | 12.6   | 16.5   | 24.8   | 35.9   |
| Growth QoQ (%)               | 4.7    | 6.0    | -4.3   | 4.6    | 5.2    | -0.8   | 3.1    | 8.2    | 12.7   | 8.1    |
| Revenue (Rs. m)              | 10,443 | 10,931 | 10,582 | 11,116 | 11,834 | 11,812 | 12,501 | 13,962 | 16,182 | 17,514 |
| Growth YoY (%)               | -5.6   | 1.8    | 6.7    | 10.8   | 13.3   | 8.1    | 18.1   | 25.6   | 36.7   | 48.3   |
| Growth QoQ (%)               | 4.1    | 4.7    | -3.2   | 5.0    | 6.5    | -0.2   | 5.8    | 11.7   | 15.9   | 8.2    |
| EBIT margin (%)              | 11.0   | 9.7    | 13.0   | 14.0   | 13.8   | 14.3   | 11.4   | 10.1   | 13.2   | 14.2   |
| US\$-INR realized rate       | 73.9   | 72.9   | 73.7   | 74.1   | 74.9   | 75.4   | 77.4   | 79.9   | 82.1   | 82.2   |
| Headcount                    | 12,187 | 12,032 | 12,433 | 12,707 | 12,845 | 13,428 | 14,147 | 15,598 | 15,355 | 15,864 |
| Utilization (%)              | 80.9   | 83.7   | 83.1   | 85.0   | 86.2   | 86.1   | 80.9   | 84.6   | 90.9   | 86.6   |
| Segments (%)                 | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Services                     | 81.5   | 79.8   | 83.1   | 83.0   | 81.8   | 83.3   | 81.7   | 86.4   | 85.2   | 82.7   |
| DLM                          | 18.5   | 20.2   | 16.9   | 17.0   | 18.2   | 16.7   | 18.3   | 13.6   | 14.8   | 17.3   |
| Segments (US\$ m)            | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Services                     | 115.3  | 119.6  | 119.3  | 124.6  | 129.1  | 130.6  | 132.0  | 151.0  | 167.9  | 176.2  |
| DLM                          | 26     | 30.3   | 24.2   | 25.5   | 28.8   | 26.1   | 24.5   | 23.7   | 29.1   | 36.8   |
| Segments YoY (%)             | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Services                     | -17.7  | -9.6   | 6.3    | 9.2    | 12.0   | 9.2    | 10.6   | 21.2   | 30.1   | 34.9   |
| DLM                          | 72.2   | 79.3   | 31.5   | 22.0   | 10.8   | -13.9  | 1.2    | -7.1   | 1.0    | 41.0   |
| Segments QoQ (%)             | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Services                     | 1.1    | 3.7    | -0.3   | 4.4    | 3.6    | 1.2    | 1.1    | 14.4   | 11.2   | 4.9    |
| DLM                          | 24.4   | 16.5   | -20.1  | 5.4    | 12.9   | -9.4   | -6.1   | -3.3   | 22.8   | 26.5   |
| Incremental revenue (US\$ m) | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Services                     | 1.2    | 4.3    | -0.3   | 5.3    | 4.5    | 1.5    | 1.4    | 19.0   | 16.9   | 8.3    |
| DLM                          | 5.1    | 4.3    | -6.1   | 1.3    | 3.3    | -2.7   | -1.6   | -0.8   | 5.4    | 7.7    |
| Services - Client (%)        | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Top 5                        | 35.3   | 35.3   | 36.9   | 33     | 31.5   | 30.6   | 32.1   | 28.9   | 25.9   | 26.8   |
| Top 6-10                     | 11.7   | 11.8   | 12.3   | 12.6   | 12.8   | 12     | 11.5   | 11     | 9.9    | 9.3    |
| Non-top 10                   | 53     | 52.9   | 50.8   | 54.4   | 55.7   | 57.4   | 56.4   | 60.1   | 64.2   | 63.9   |
| Services - Client (US\$ m)   | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Top 5                        | 40.7   | 42.2   | 44.0   | 41.1   | 40.7   | 40.0   | 42.4   | 38.5   | 43.5   | 47.2   |
| Top 6-10                     | 13.5   | 14.1   | 14.7   | 15.7   | 16.5   | 15.7   | 15.2   | 14.7   | 16.6   | 16.4   |
| Non-top 10                   | 61.1   | 63.3   | 60.6   | 67.8   | 71.9   | 75.0   | 74.4   | 80.1   | 107.8  | 112.6  |
| Services - Client YoY (%)    | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Top 5                        | -20.6  | -10.1  | 11.5   | 3.6    | -0.1   | -5.3   | -3.7   | -6.4   | 6.9    | 18.2   |
| Top 6-10                     | -24.2  | -22.1  | 14.7   | 29.8   | 22.5   | 11.0   | 3.4    | -6.7   | 0.6    | 4.6    |
| Non-top 10                   | -14.0  | -5.9   | 1.2    | 8.8    | 17.7   | 18.5   | 22.8   | 18.1   | 49.9   | 50.2   |
| Services - Client QoQ (%)    | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Top 5                        | 2.5    | 3.7    | 4.3    | -6.6   | -1.1   | -1.7   | 6.0    | -9.1   | 12.9   | 8.6    |
| Top 6-10                     | 11.5   | 4.6    | 4.0    | 7.0    | 5.3    | -5.2   | -3.1   | -3.5   | 13.4   | -1.4   |
| Non-top 10                   | -1.9   | 3.5    | -4.2   | 11.8   | 6.1    | 4.2    | -0.7   | 7.5    | 34.6   | 4.5    |
| Incremental revenue (US\$ m) | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Top 5                        | 0.9    | 9.5    | -4.4   | 1.8    | -3.2   | -2.8   | 3.2    | -0.7   | 7.2    | 3.7    |
| Top 6-10                     | 1.6    | 2.3    | 0.5    | 0.9    | 4.2    | -1.7   | -1.0   | 2.2    | 0.1    | -0.2   |
| Non-top 10                   | -1.2   | 2.2    | -2.7   | 7.2    | 4.1    | 3.1    | -0.5   | 5.6    | 27.7   | 4.8    |
| Services - Client metrics    | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| 20 m+                        | 3      | 3      | 3      | 3      | 3      | 3      | 4      | 4      | 6      | 7      |
| 10 m+                        | 8      | 8      | 10     | 10     | 10     | 11     | 11     | 12     | 12     | 14     |
| 5 m+                         | 23     | 23     | 23     | 24     | 27     | 25     | 25     | 30     | 31     | 31     |
| 1 m+                         | 77     | 75     | 74     | 76     | 77     | 78     | 81     | 85     | 84     | 84     |
| Per employee analysis        | 3QFY21 | 4QFY21 | 1QFY22 | 2QFY22 | 3QFY22 | 4QFY22 | 1QFY23 | 2QFY23 | 3QFY23 | 4QFY23 |
| Revenue (US\$ m) - TTM       | 556    | 557    | 570    | 585    | 601    | 608    | 626    | 651    | 690    | 746    |
| Employees (average TTM)      | 12,783 | 12,327 | 12,230 | 12,340 | 12,504 | 12,853 | 13,282 | 14,005 | 14,632 | 15,241 |
| Revenue per employee (TTM)   | 43,510 | 45,179 | 46,591 | 47,400 | 48,096 | 47,319 | 47,155 | 46,485 | 47,164 | 48,973 |

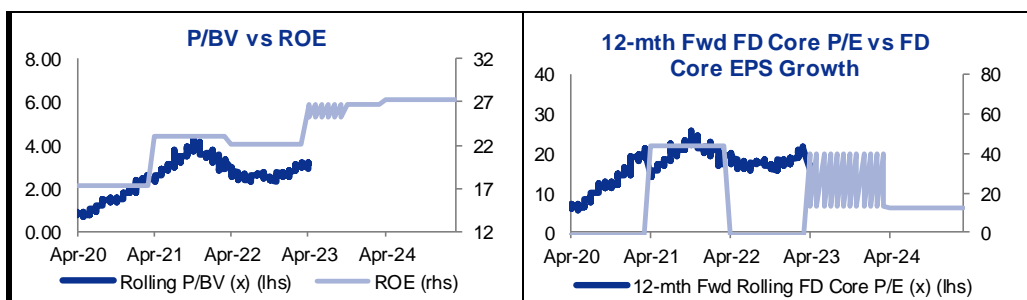
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in our estimates

| Y/E, Mar (Rs m) | FY24F  |        |          | FY25F  |        |          |
|-----------------|--------|--------|----------|--------|--------|----------|
|                 | New    | Old    | % change | New    | Old    | % change |
| US\$ revenue    | 848    | 836    | 1.5      | 940    | 926    | 1.5      |
| Revenue         | 70,361 | 69,348 | 1.5      | 78,936 | 77,800 | 1.5      |
| EBIT            | 9,873  | 9,612  | 2.7      | 10,893 | 10,659 | 2.2      |
| EBIT Margin (%) | 14.0   | 13.9   | 17 bp    | 13.8   | 13.7   | 10 bp    |
| Net PAT         | 7,205  | 7,145  | 0.8      | 8,124  | 7,922  | 2.6      |
| EPS (Rs)        | 65.5   | 65.0   | 0.8      | 73.8   | 72.0   | 2.6      |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## BY THE NUMBERS



### Profit & Loss

| (Rs m)                                    | Mar-21A       | Mar-22A       | Mar-23A       | Mar-24F       | Mar-25F       |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>Total Net Revenue</b>                  | <b>41,324</b> | <b>45,344</b> | <b>60,159</b> | <b>70,361</b> | <b>78,936</b> |
| <b>Gross Profit</b>                       | <b>20,045</b> | <b>23,048</b> | <b>30,505</b> | <b>34,848</b> | <b>38,994</b> |
| <b>Operating EBITDA</b>                   | <b>5,750</b>  | <b>8,178</b>  | <b>10,031</b> | <b>12,790</b> | <b>14,130</b> |
| Depreciation And Amortisation             | (1,945)       | (1,922)       | (2,566)       | (2,917)       | (3,236)       |
| <b>Operating EBIT</b>                     | <b>3,805</b>  | <b>6,256</b>  | <b>7,465</b>  | <b>9,873</b>  | <b>10,893</b> |
| Financial Income/(Expense)                | 25            | 93            | (701)         | (661)         | (574)         |
| Pretax Income/(Loss) from Assoc.          |               |               |               |               |               |
| Non-Operating Income/(Expense)            | 943           | 635           | 514           | 510           | 513           |
| <b>Profit Before Tax (pre-EI)</b>         | <b>4,773</b>  | <b>6,984</b>  | <b>7,278</b>  | <b>9,723</b>  | <b>10,832</b> |
| Exceptional Items                         |               |               | (467)         |               |               |
| <b>Pre-tax Profit</b>                     | <b>4,773</b>  | <b>6,984</b>  | <b>6,811</b>  | <b>9,723</b>  | <b>10,832</b> |
| Taxation                                  | (1,133)       | (1,761)       | (1,668)       | (2,518)       | (2,708)       |
| Exceptional Income - post-tax             |               |               |               |               |               |
| <b>Profit After Tax</b>                   | <b>3,640</b>  | <b>5,223</b>  | <b>5,143</b>  | <b>7,205</b>  | <b>8,124</b>  |
| Minority Interests                        |               |               |               |               |               |
| Preferred Dividends                       |               |               |               |               |               |
| FX Gain/(Loss) - post tax                 |               |               |               |               |               |
| Other Adjustments - post-tax              |               |               |               |               |               |
| <b>Net Profit</b>                         | <b>3,640</b>  | <b>5,223</b>  | <b>5,143</b>  | <b>7,205</b>  | <b>8,124</b>  |
| Recurring Net Profit                      | 3,640         | 5,223         | 5,496         | 7,205         | 8,124         |
| <b>Fully Diluted Recurring Net Profit</b> | <b>3,640</b>  | <b>5,223</b>  | <b>5,496</b>  | <b>7,205</b>  | <b>8,124</b>  |

### Cash Flow

| (Rs m)                           | Mar-21A        | Mar-22A        | Mar-23A         | Mar-24F        | Mar-25F        |
|----------------------------------|----------------|----------------|-----------------|----------------|----------------|
| <b>EBITDA</b>                    | <b>5,750</b>   | <b>8,178</b>   | <b>10,031</b>   | <b>12,790</b>  | <b>14,130</b>  |
| Cash Flow from Invt. & Assoc.    |                |                |                 |                |                |
| Change In Working Capital        | 4,100          | (973)          | (3,485)         | (2,764)        | (1,785)        |
| (Incr)/Decr in Total Provisions  |                |                |                 |                |                |
| Other Non-Cash (Income)/Expense  |                |                |                 |                |                |
| Other Operating Cashflow         |                |                |                 |                |                |
| Net Interest (Paid)/Received     |                |                |                 |                |                |
| Tax Paid                         | (1,292)        | (1,652)        | (1,288)         | (2,518)        | (2,708)        |
| <b>Cashflow From Operations</b>  | <b>8,558</b>   | <b>5,553</b>   | <b>5,258</b>    | <b>7,508</b>   | <b>9,636</b>   |
| Capex                            | (985)          | (647)          | (675)           | (2,610)        | (2,784)        |
| Disposals Of FAs/subsidiaries    | 36             | 21             | 23              |                |                |
| Acq. Of Subsidiaries/investments |                |                |                 |                |                |
| Other Investing Cashflow         | (58)           | (3,197)        | (9,675)         | 897            | 987            |
| <b>Cash Flow From Investing</b>  | <b>(1,007)</b> | <b>(3,823)</b> | <b>(10,327)</b> | <b>(1,713)</b> | <b>(1,797)</b> |
| Debt Raised/(repaid)             | (1,466)        | (545)          | 3,511           |                |                |
| Proceeds From Issue Of Shares    | 37             | 121            | 79              |                |                |
| Shares Repurchased               |                |                |                 |                |                |
| Dividends Paid                   | (10)           | (2,952)        | (2,630)         | (3,860)        | (4,468)        |
| Preferred Dividends              |                |                |                 |                |                |
| Other Financing Cashflow         | (1,087)        | (2,069)        | (2,053)         | (1,048)        | (1,048)        |
| <b>Cash Flow From Financing</b>  | <b>(2,526)</b> | <b>(5,445)</b> | <b>(1,093)</b>  | <b>(4,908)</b> | <b>(5,516)</b> |
| Total Cash Generated             | 5,025          | (3,715)        | (6,162)         | 888            | 2,323          |
| <b>Free Cashflow To Equity</b>   | <b>6,107</b>   | <b>4,361</b>   | <b>8,094</b>    | <b>4,898</b>   | <b>6,853</b>   |
| <b>Free Cashflow To Firm</b>     | <b>7,551</b>   | <b>1,730</b>   | <b>(5,069)</b>  | <b>5,796</b>   | <b>7,839</b>   |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## BY THE NUMBERS...cont'd

| <b>Balance Sheet</b>                 |                |                |                |                |                |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>(Rs m)</b>                        | <b>Mar-21A</b> | <b>Mar-22A</b> | <b>Mar-23A</b> | <b>Mar-24F</b> | <b>Mar-25F</b> |
| Total Cash And Equivalents           | 14,650         | 13,532         | 8,912          | 9,800          | 12,123         |
| Total Debtors                        | 10,285         | 10,319         | 14,671         | 17,157         | 19,247         |
| Inventories                          | 1,586          | 2,790          | 4,358          | 5,205          | 5,839          |
| Total Other Current Assets           | 1,997          | 2,331          | 3,972          | 3,972          | 3,972          |
| <b>Total Current Assets</b>          | <b>28,518</b>  | <b>28,972</b>  | <b>31,913</b>  | <b>36,133</b>  | <b>41,182</b>  |
| Fixed Assets                         | 7,294          | 6,921          | 7,278          | 6,971          | 6,519          |
| Total Investments                    | 344            | 3,582          | 3,463          | 3,463          | 3,463          |
| Intangible Assets                    | 7,191          | 6,662          | 21,413         | 21,413         | 21,413         |
| Total Other Non-Current Assets       | 1,581          | 1,736          | 1,414          | 1,414          | 1,414          |
| <b>Total Non-current Assets</b>      | <b>16,410</b>  | <b>18,901</b>  | <b>33,568</b>  | <b>33,261</b>  | <b>32,809</b>  |
| Short-term Debt                      | 2,731          | 3,241          | 4,397          | 4,397          | 4,397          |
| Current Portion of Long-Term Debt    |                |                |                |                |                |
| Total Creditors                      | 4,532          | 5,259          | 7,142          | 7,711          | 8,651          |
| Other Current Liabilities            | 3,846          | 4,123          | 8,692          | 8,692          | 8,692          |
| <b>Total Current Liabilities</b>     | <b>11,109</b>  | <b>12,623</b>  | <b>20,231</b>  | <b>20,800</b>  | <b>21,740</b>  |
| Total Long-term Debt                 | 453            | 23             | 4,939          | 4,939          | 4,939          |
| Hybrid Debt - Debt Component         |                |                |                |                |                |
| Total Other Non-Current Liabilities  | 3,825          | 4,093          | 5,676          | 5,676          | 5,676          |
| <b>Total Non-current Liabilities</b> | <b>4,278</b>   | <b>4,116</b>   | <b>10,615</b>  | <b>10,615</b>  | <b>10,615</b>  |
| Total Provisions                     |                |                |                |                |                |
| <b>Total Liabilities</b>             | <b>15,387</b>  | <b>16,739</b>  | <b>30,846</b>  | <b>31,415</b>  | <b>32,355</b>  |
| Shareholders Equity                  | 29,573         | 31,166         | 34,667         | 38,012         | 41,668         |
| Minority Interests                   | (32)           | (32)           | (32)           | (32)           | (32)           |
| <b>Total Equity</b>                  | <b>29,541</b>  | <b>31,134</b>  | <b>34,635</b>  | <b>37,980</b>  | <b>41,636</b>  |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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