

India

**HOLD** (previously ADD)

Consensus ratings\*: Buy 14 Hold 10 Sell 11

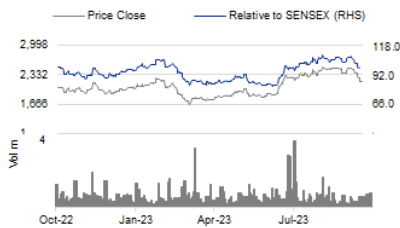
Current price:	Rs2,170
Target price: ▲	Rs2,165
Previous target:	Rs1,981
Up/downside:	-0.2%
InCred Research / Consensus:	-9.2%

Reuters:	MBFL.NS
Bloomberg:	MPHL IN
Market cap:	US\$4,923m
	Rs409,183m
Average daily turnover:	US\$14.6m
	Rs1210.7m
Current shares o/s:	189.9m
Free float:	44.0%

\*Source: Bloomberg

**Key changes in this note**

- Expect 9.9% revenue CAGR over FY24F-26F.
- Expect 13.2% EBIT CAGR over FY24F-26F.
- Expect 13.4% PAT CAGR over FY24F-26F.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	(12.7)	(6.9)	6.2
Relative (%)	(11.9)	(5.1)	(3.7)

<b>Major shareholders</b>	% held
LIC	5.3
FSSA ASIAN EQUITY PLUS FUND	1.8
ICICI Pru Technology Fund	1.8

**Analyst(s)**



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# Mphasis

## Execution continues to be uneven

- Management sees qoq organic growth in 3QFY24F being partly offset by seasonal headwinds. Ramp-up of deals could accelerate growth in 4QFY24F.
- OCF/EBITDA stood at 91.3% in 1HFY24 vs. 68% in 1HFY23. Net cash was at Rs123 per share.
- Downgrade to HOLD rating on the stock (from ADD earlier). Raise target price to Rs2,165 (Rs1,981 earlier), rolling forward the valuation to FY26F estimates.

### 2QFY24 earnings summary

2QFY24 revenue of Mphasis missed our estimate, led by slower ramp-up of deals and persistent weakness in mortgage & DXC business, but direct business (ex-mortgage) posted growth after two consecutive quarters of weakness. Going ahead, improving conversion from the pipeline, stability in mortgage business and ramp-up of deals could aid growth in 2HFY24F, but TCW conversion to revenue remains uneven likely due to portfolio challenges. We have adjusted our estimates, incorporated Silverline acquisition and introduced FY26F estimates, expecting a 9.9% FY24F-26F US\$ revenue growth.

### Ramp-up of large deals could aid growth in 2HFY24F

Direct business new deal wins declined by 63.9% qoq and 15.6% yoy to US\$255m, taking LTM wins to US\$1,672m, up 30% yoy but down 2.7% qoq. The deal pipeline continues to grow (up 33% yoy), led by large deals and revival in the mortgage business. Investments in revenue diversification are likely yielding results, as six large deals signed in 1HFY24 were non-BFS while its contribution to the deal pipeline is 62%. Improving mix of non-BFS verticals & non-top 10 accounts in the deal pipeline could help de-risk medium-term growth.

### Margin likely to remain in a narrow range excluding M&A costs

The EBIT margin at 15.5% was up 10bp qoq and 19bp yoy aided by reversal of excess contingent consideration offset by weakness in revenue, reduction in utilization and 60bp of cash flow hedge losses. Management expects 70-80bp headwind from the integration of Silverline acquisition from 3QFY24F. Pyramid correction (deployment of freshers), likely rise in utilization (down 300bp qoq in 2Q), increase in offshore revenue mix & fixed-price projects are key margin tailwinds. We model an avg. 15.5% EBIT margin over FY24F-26F.

### Downgrade to HOLD rating with a higher target price of Rs2,165

We downgrade our rating on Mphasis to HOLD (from ADD) with a higher target price of Rs2,165 (Rs1,981 earlier), rolling forward to FY26F estimates. We model a 9.9% US\$ revenue CAGR over FY24-26F & a 13.4% PAT (Rs) CAGR, retaining our target PE/G multiple of 1.5x to arrive at a target P/E multiple of ~20x. Strong cash conversion (avg. OCF/EBITDA at ~75% over FY19-23), net cash (Rs127/share) and a high payout ratio (avg. payout as a % of free cash flow was ~60% over FY20-23) provide cushion, in our view. Downside risks: Moderation in deal velocity, and material fall in in digital risks & DXC business. Upside risk: Any sharp recovery in the BFS vertical-led deals and conversion.

### Financial Summary

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	119,614	137,985	135,619	152,601	170,475
Operating EBITDA (Rsm)	21,175	24,340	24,540	27,773	31,078
Net Profit (Rsm)	14,456	16,380	15,948	18,035	20,497
Core EPS (Rs)	76.4	86.3	84.1	95.0	108.0
Core EPS Growth	17.7%	13.0%	(2.6%)	13.0%	13.7%
FD Core P/E (x)	28.39	25.13	25.81	22.84	20.10
DPS (Rs)	46.0	50.0	55.0	57.9	66.9
Dividend Yield	2.10%	2.30%	2.54%	2.67%	3.08%
EV/EBITDA (x)	18.78	16.28	16.34	14.15	12.34
P/FCFE (x)	27.75	35.78	78.93	21.58	19.31
Net Gearing	(18.3%)	(19.4%)	(12.5%)	(20.8%)	(28.5%)
P/BV (x)	5.94	5.18	4.86	4.48	4.13
ROE	21.5%	22.0%	19.4%	20.4%	21.4%
% Change In Core EPS Estimates			(10.09%)	(12.46%)	
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)	398.4	440.3	(9.5)	398.1	0.1	404.4	(1.5)
Revenue (Rs m)	32,765	35,198	(6.9)	32,520	0.8	33,447	(2.0)
USD-INR realization	82.2	79.9	2.9	81.7	0.7	82.7	(0.6)
EBITDA	5,956	6,177	(3.6)	5,869	1.5	6,104	(2.4)
EBITDA Margin (%)	18.2	17.5	63 bp	18.0	13 bp	18.3	(7 bp)
EBIT	5,066	5,376	(5.8)	4,996	1.4	5,201	(2.6)
EBIT Margin (%)	15.5	15.3	19 bp	15.4	10 bp	15.6	(9 bp)
Depreciation	890	801	11.0	874	1.9	903	(1.5)
Net other income	150	174	(13.9)	262	(42.9)	244	(38.5)
PBT	5,216	5,550	(6.0)	5,258	(0.8)	5,445	(4.2)
Provision for tax	1,297	1,366	(5.0)	1,297	0.0	1,361	(4.7)
% tax rate	24.9	24.6	26 bp	24.7	20 bp	25.0	(13 bp)
Net Profit	3,919	4,184	(6.3)	3,961	(1.1)	4,084	(4.0)
EPS (Rs)	20.6	22.1	(6.7)	20.9	(1.5)	21.6	(4.4)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## Key conference-call takeaways

- Mphasis has a strong deal pipeline entering 2HFY24F led by AI, Cloud and Transformation deals. The company continues to witness relentless prioritization in the market.
- Continues to add leadership teams across geographies such as Canada as well as in select verticals like insurance. Also, continues to strengthen coverage in stronger verticals like BFS.
- **Silverline** is a Salesforce implementation partner having 400+ employees and 1,100+ partner certifications. The company has clients like Warner Media, Geico, Hulu, Farm Credit Services of America, Cerner, Axos Bank, etc. Purchase price allocation is in progress. The acquisition could complement key strategic initiative of driving the intersection across customer experience, transformation, contact centre modernization and conversational AI-enabled automation. Mphasis has paid up to US\$132.5m for a 100% stake in cash for Silverline acquisition. CY20/21/22 revenue stood at US\$54.5m/60.8m/75.8m, respectively. Cost of retention bonus, synergy investments and amortization of purchase price allocation could impact margins by ~70-80bp, as per current estimate.
- GenAI comprised 29% of overall deals won in 1HFY24. Mphasis has launched a dedicated business unit called Mphasis.ai to capitalize the opportunity. The company has 40+ pursuits in the pipeline.
- Healthcare vertical deal pipeline is up 3x on a yoy basis. The BFS deal pipeline is up 21% yoy. More than two-thirds of the pipeline comprises application services, reflecting strength in transformation and modern engineering practices. Mphasis continues to have a higher share of pro-active deal wins.
- Mortgage business declined by 7% qoq and the contribution of Digital Risk (DR) is now at ~6% of overall revenue vs. 11% in 2QFY23. Mphasis is witnessing incremental stability led by market share gains from new & existing clients for cost take-out and transformation programs.
- The deal momentum continued in Canada. Exposure to public services is very minimal. Mphasis is not witnessing any major risk from recent global events.

Figure 2: Operating metrics trends

Operating trends	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Gross revenue (US\$ m)	385.2	414.0	431.0	435.9	440.3	429.4	412.0	398.1	398.4
Growth YoY (%)	17.7	24.0	25.9	20.1	14.3	3.7	-4.4	-8.7	-9.5
Growth QoQ (%)	6.1	7.5	4.1	1.1	1.0	-2.5	-4.1	-3.4	0.1
CC growth YoY (%)	17.2	24.2	26.8	22.1	16.8	5.7	-3.1	-8.4	-10.1
CC growth QoQ (%)	6.6	7.8	4.3	2.0	1.8	-2.5	-4.5	-3.5	0.0
Revenue (Rs. m)	28,692	31,237	32,777	34,112	35,198	35,062	33,612	32,520	32,765
Growth YoY (%)	17.8	26.2	29.8	26.8	22.7	12.2	2.5	-4.7	-6.9
Growth QoQ (%)	6.6	8.9	4.9	4.1	3.2	-0.4	-4.1	-3.2	0.8
EBIT margin (%)	15.0	15.1	15.2	15.3	15.3	15.3	15.3	15.4	15.5
US\$-INR realized rate	73.9	74.8	75.3	77.8	80.1	82.3	82.3	82.2	82.7
Headcount	32,295	34,915	36,534	36,899	36,876	35,450	34,042	33,961	33,771
Onsite utilization - trainees (%)	91	89	89	90	87	87	89	89	87
Offshore utilization -trainees (%)	80	73	68	70	68	70	75	75	72
Offshore utilization ex-trainees (%)	82	79	77	74	72	74	79	80	77
Vertical (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
BFS	54.6	55.3	53.6	52.8	54.2	53.6	52.2	49.3	47.1
Insurance	8.8	8.8	9.5	10.4	8.3	8.3	9.8	10.5	10.8
Technology, media & telecom	12.5	13.2	13.3	14.3	12.9	12.9	14.0	15.1	17.3
Logistics & transportation	13.1	12.7	12.8	13.2	12.7	13.0	13.8	14.2	13.4
Others	11.0	10.1	10.7	9.3	11.8	12.2	10.2	11.0	11.4
Vertical (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
BFS	210.2	228.9	231.0	230.1	238.7	230.4	215.0	196.1	187.9
Insurance	33.9	36.4	41.1	45.1	36.6	35.5	40.5	41.9	42.8
Technology, media & telecom	48.2	54.6	57.1	62.4	56.9	55.6	57.7	59.9	68.9
Logistics & transportation	50.4	52.5	55.2	57.8	55.9	55.6	56.8	56.3	53.3
Others	42.5	41.6	46.3	40.5	52.0	52.4	42.0	43.8	45.5
Vertical YoY (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
BFS	20.2	28.6	34.7	23.8	13.6	0.6	-6.9	-14.8	-21.3
Insurance	8.7	12.5	19.3	36.0	8.2	-2.6	-1.5	-7.2	16.9
Technology, media & telecom	24.8	27.0	14.7	21.0	18.1	1.9	1.1	-3.9	21.0
Logistics & transportation	25.3	24.3	20.4	13.7	10.9	6.0	2.9	-2.5	-4.7
Others	0.1	8.7	14.1	-2.2	22.5	25.7	-9.3	8.1	-12.4
Vertical QoQ (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
BFS	13.1	8.9	0.9	-0.4	3.7	-3.5	-6.7	-8.8	-4.2
Insurance	2.1	7.6	12.8	9.8	-18.8	-3.2	14.1	3.4	2.3
Technology, media & telecom	-6.5	13.1	4.6	9.3	-8.7	-2.4	3.7	3.9	15.0
Logistics & transportation	-0.7	4.1	5.3	4.5	-3.2	-0.5	2.2	-0.9	-5.4
Others	2.5	-1.9	11.1	-12.5	28.5	0.7	-19.8	4.3	4.1
Incremental revenue (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
BFS	24.3	18.7	2.1	-0.9	8.6	-8.4	-15.3	-18.9	-8.3
Insurance	0.7	2.6	4.7	4.0	-8.5	-1.2	5.0	1.4	0.9
Technology, media & telecom	-3.3	6.3	2.5	5.3	-5.4	-1.3	2.1	2.3	9.0
Logistics & transportation	-0.4	2.0	2.8	2.5	-1.9	-0.3	1.2	-0.5	-3.1
Others	1.0	-0.8	4.6	-5.8	11.5	0.3	-10.4	1.8	1.8
Geography (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Americas	78.0	80.3	81.5	82.3	82.2	81.8	80.8	81.1	79.2
EMEA	12.1	11.3	10.7	9.7	9.8	10.1	10.7	10.4	12.0
India	5.4	5.1	4.9	5.0	4.9	5.1	5.5	5.7	6.0
ROW	4.5	3.3	3.0	2.9	3.1	3.0	3.0	2.9	2.9
Geography (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Americas	300.6	332.6	351.1	358.9	361.7	351.3	332.8	322.7	315.6
EMEA	46.5	46.8	46.0	42.4	43.3	43.4	44.1	41.4	47.7
India	20.7	20.9	21.0	21.8	21.6	21.8	22.6	22.6	23.8
ROW	17.4	13.6	12.9	12.8	13.7	12.9	12.5	11.4	11.4
Geography YoY (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Americas	17.6	27.9	36.3	29.6	20.3	5.6	-5.2	-10.1	-12.8
EMEA	31.1	17.3	0.4	-3.6	-6.8	-7.3	-4.3	-2.4	10.0
India	39.1	34.7	23.4	28.1	4.3	4.3	7.7	3.6	10.3
ROW	-18.5	-26.1	-40.9	-48.9	-21.6	-5.5	-3.1	-10.8	-16.7
Geography QoQ (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Americas	8.6	10.6	5.6	2.2	0.8	-2.9	-5.3	-3.0	-2.2
EMEA	5.6	0.7	-1.7	-7.9	2.2	0.1	1.5	-6.0	15.2
India	21.4	1.3	0.3	3.9	-1.2	1.2	3.7	-0.1	5.3
ROW	-30.2	-21.7	-5.4	-1.2	7.2	-5.7	-2.9	-9.1	0.1
Incremental revenue (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Americas	24	32	18	8	3	-10	-18	-10	-7
EMEA	2	0.3	-0.8	-3.6	0.9	0.1	0.7	-2.7	6.3
India	4	0.3	0.1	0.8	-0.3	0.3	0.8	0.0	1.2
ROW	-8	-4	-1	0	1	-1	0	-1	0
Segment (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Direct International	91.8	92.8	93.1	93.6	93.7	93.6	94.6	94.9	95.1
HP/DXC Business	6.5	5.4	5.2	4.8	4.6	4.8	3.8	3.5	3.2
Others	1.7	1.8	1.7	1.7	1.6	1.7	1.7	1.7	1.7
Segment (US\$ m)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Direct International	354	384	401	408	413	402	390	378	379
HP/DXC Business	25	22	22	21	20	20	15	14	13
Others	7	7	7	7	7	7	7	7	7
Segment YoY (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24
Direct International	32.1	35.9	36.8	26.3	16.7	4.6	-2.9	-7.4	-8.2
HP/DXC Business	-53.2	-49.3	-45.2	-38.0	-18.1	-8.1	-31.1	-33.6	-36.6
Others	3.1	2.2	-7.9	13.1	7.3	-4.0	-3.5	-10.0	-8.6
Segment QoQ (%)	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24

Direct International	9.5	8.7	4.5	1.6	1.2	-2.7	-3.0	-3.1	0.3
HP/DXC Business	-25.7	-10.6	0.9	-7.5	-1.8	0.3	-24.4	-10.8	-6.2
Others	3.1	11.6	-4.6	3.1	-2.2	-0.2	-4.1	-3.8	-0.7
<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>
Direct International	30.7	30.7	17.1	6.4	4.9	-11.0	-12.1	-12.0	1.2
HP/DXC Business	-8.6	-2.6	0.2	-1.7	-0.4	0.1	-5.0	-1.7	-0.9
Others	0.2	0.8	-0.3	0.2	-0.2	0.0	-0.3	-0.3	0.0
<b>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>
TCV	241	335	347	302	302	401	309	707	255
QoQ	-52.3	39.0	3.6	-13.0	0.0	32.8	-22.9	128.8	-63.9
YoY	-33.1	35.6	41.6	-40.2	25.3	19.7	-11.0	134.1	-15.6
TTM TCV	1,238	1,326	1,428	1,225	1,286	1,352	1,314	1,719	1,672
<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	1,434	1,516	1,607	1,680	1,731	1,739	1,712	1,669	1,626
Employees (Average TTM)	30,335	32,034	33,800	35,161	36,306	36,440	35,817	35,082	34,306
Revenue per employee (TTM)	47,278	47,328	47,532	47,781	47,679	47,725	47,807	47,587	47,399

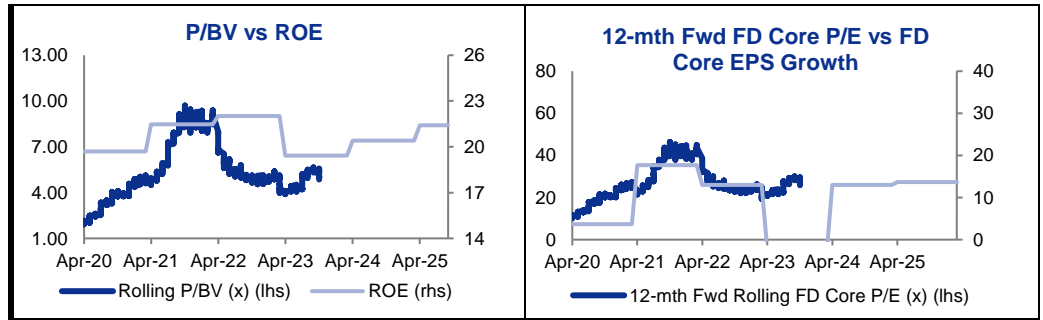
SOURCE: COMPANY REPORTS, INCRED RESEARCH

Figure 3: Change in earnings estimate

Y/E, Mar (Rs m)	FY24F			FY25F			FY26F
	New	Old	% change	New	Old	% change	New
<b>US\$ revenue</b>	1,642	1,757	-6.6	1,817	1,947	-6.7	1,982
<b>Revenue</b>	1,35,619	1,45,866	-7.0	1,52,601	1,63,565	-6.7	1,70,475
<b>EBIT</b>	20,807	22,877	-9.0	23,653	26,318	-10.1	26,645
<b>EBIT Margin (%)</b>	15.3	15.7	(34) bp	15.5	16.1	(59) bp	15.6
<b>Net PAT</b>	15,948	17,761	-10.2	18,035	20,610	-12.5	20,497
<b>EPS (Rs)</b>	84.0	93.5	-10.2	95.0	108.5	-12.5	108.0

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>	119,614	137,985	135,619	152,601	170,475
<b>Gross Profit</b>	34,950	39,857	39,305	44,560	49,830
<b>Operating EBITDA</b>	21,175	24,340	24,540	27,773	31,078
Depreciation And Amortisation	(2,908)	(3,252)	(3,733)	(4,120)	(4,432)
<b>Operating EBIT</b>	18,268	21,088	20,807	23,653	26,645
Financial Income/(Expense)	1,008	643	424	393	684
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
<b>Profit Before Tax (pre-EI)</b>	19,276	21,731	21,231	24,047	27,329
Exceptional Items					
<b>Pre-tax Profit</b>	19,276	21,731	21,231	24,047	27,329
Taxation	(4,820)	(5,351)	(5,283)	(6,012)	(6,832)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	14,456	16,380	15,948	18,035	20,497
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	14,456	16,380	15,948	18,035	20,497
Recurring Net Profit	14,456	16,380	15,948	18,035	20,497
<b>Fully Diluted Recurring Net Profit</b>	14,456	16,380	15,948	18,035	20,497

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>EBITDA</b>	21,175	24,340	24,540	27,773	31,078
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(1,501)	(5,779)	427	(1,868)	(2,109)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(3,686)	(5,926)	(5,283)	(6,012)	(6,832)
<b>Cashflow From Operations</b>	15,989	12,635	19,684	19,894	22,136
Capex	(1,200)	(1,131)	(14,470)	(800)	(800)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(1,620)	2,956	1,686	1,755	2,046
<b>Cash Flow From Investing</b>	(2,820)	1,825	(12,783)	955	1,246
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(12,177)	(8,652)	(10,454)	(11,001)	(12,708)
Preferred Dividends					
Other Financing Cashflow	(1,710)	(5,750)	(1,262)	(1,362)	(1,362)
<b>Cash Flow From Financing</b>	(13,887)	(14,402)	(11,716)	(12,363)	(14,070)
Total Cash Generated	(719)	58	(4,815)	8,486	9,312
<b>Free Cashflow To Equity</b>	14,788	11,503	5,214	19,094	21,336
<b>Free Cashflow To Firm</b>	13,168	14,460	6,901	20,848	23,382

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	23,846	24,213	19,398	27,884	37,196
Total Debtors	22,269	25,206	24,818	27,621	30,686
Inventories					
Total Other Current Assets	11,048	10,111	10,111	10,111	10,111
<b>Total Current Assets</b>	<b>57,164</b>	<b>59,530</b>	<b>54,327</b>	<b>65,615</b>	<b>77,992</b>
Fixed Assets	8,803	9,773	20,510	17,189	13,557
Total Investments	4,776	5,899	5,899	5,899	5,899
Intangible Assets	29,043	31,149	35,538	35,538	35,538
Total Other Non-Current Assets	7,775	9,744	9,744	9,744	9,744
<b>Total Non-current Assets</b>	<b>50,398</b>	<b>56,564</b>	<b>71,690</b>	<b>68,370</b>	<b>64,738</b>
Short-term Debt	5,272	1,985	1,985	1,985	1,985
Current Portion of Long-Term Debt					
Total Creditors	8,496	8,640	8,680	9,614	10,569
Other Current Liabilities	15,332	17,353	18,452	18,452	18,452
<b>Total Current Liabilities</b>	<b>29,100</b>	<b>27,978</b>	<b>29,117</b>	<b>30,051</b>	<b>31,006</b>
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	9,030	8,768	12,058	12,058	12,058
<b>Total Non-current Liabilities</b>	<b>9,030</b>	<b>8,768</b>	<b>12,058</b>	<b>12,058</b>	<b>12,058</b>
Total Provisions					
<b>Total Liabilities</b>	<b>38,130</b>	<b>36,746</b>	<b>41,174</b>	<b>42,109</b>	<b>43,064</b>
Shareholders Equity	69,431	79,348	84,843	91,876	99,665
Minority Interests					
<b>Total Equity</b>	<b>69,431</b>	<b>79,348</b>	<b>84,843</b>	<b>91,876</b>	<b>99,665</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	23.0%	15.4%	(1.7%)	12.5%	11.7%
Operating EBITDA Growth	17.5%	14.9%	0.8%	13.2%	11.9%
Operating EBITDA Margin	17.7%	17.6%	18.1%	18.2%	18.2%
Net Cash Per Share (Rs)	67.04	81.34	55.82	100.51	149.56
BVPS (Rs)	365.56	418.75	446.87	483.92	524.94
Gross Interest Cover	30.64	21.68	16.48	17.37	19.57
Effective Tax Rate	25.0%	24.6%	24.9%	25.0%	25.0%
Net Dividend Payout Ratio	59.7%	57.8%	65.5%	61.0%	62.0%
Accounts Receivables Days	62.21	62.79	67.32	62.71	62.42
Inventory Days					
Accounts Payables Days	31.17	31.87	32.82	30.90	30.53
ROIC (%)	29.1%	28.8%	26.1%	24.1%	27.7%
ROCE (%)	17.5%	18.8%	17.2%	18.3%	19.1%
Return On Average Assets	13.6%	14.2%	12.9%	13.6%	14.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS



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