

India

HOLD (no change)

Consensus ratings*: Buy 13 Hold 12 Sell 12

Current price: Rs7,922
 Target price: ▲ Rs7,920
 Previous target: Rs6,282
 Up/downside: 0.0%
 InCred Research / Consensus: 11.4%

Reuters: PERS.NS
 Bloomberg: PSYS IN
 Market cap: US\$7,336m
 Rs609,365m
 Average daily turnover: US\$32.8m
 Rs2725.6m
 Current shares o/s: 76.9m
 Free float: 69.0%

*Source: Bloomberg

Key changes in this note

- Expect 14.5% revenue CAGR over FY24F-26F.
- Expect 22.6% EBIT CAGR over FY24F-26F.
- Expect 25.3% PAT CAGR over FY24F-26F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	6.6	34.1	83.6
Relative (%)	6.1	22.8	55.8

Major shareholders	% held
Kotak Emerging Equity Scheme	3.9
Axis Midcap Fund	3.6
HDFC Midcap opportunities fund	2.7

Research Analyst(s)



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Persistent Systems Ltd

Compounding machine

- Order book conversion and utilization improvement to drive better execution.
- EBIT margin guidance (~200-300bp) could limit earnings downgrade.
- Adjust our estimates but retain HOLD rating as the valuation is above +2SD.

Earnings summary

Persistent Systems' 3QFY24 revenue was in line with estimate while the EBIT margin beat estimate by 53bp. TCV and ACV deal wins were aided by the momentum in renewals while the new component was soft qoq due to seasonality. The earnings commentary on green shoots in discretionary spending, continued momentum in the healthcare vertical and a recovery in the hi-tech vertical was encouraging. This, coupled with the order book conversion, could help sustain top quartile revenue growth while the EBIT margin execution, driven by utilization improvement, could limit the earnings downgrade. That said, the valuation at ~35x FY26F consensus EPS is significantly above +2SD and likely warrants some caution. We adjust our estimates, raise target price but retain HOLD rating.

Strong deal wins led by seasonal renewals

Total TCV was up 8.8% qoq and 18.4% yoy at US\$521.4m, with renewals up 46.8% qoq and 21.3% yoy at US\$244m while the new wins were down 11.4% qoq but up 16.1% yoy at US\$277.4m. Total ACV was up 24.1% qoq and 20.2% yoy at US\$392.1m, with renewals up 58.8% qoq and 14.6% yoy at US\$209.2m while new wins were down 0.7% qoq but up 27.2% yoy at US\$182.9m. The focus on account mining and large deals, coupled with strong seasonality for renewal, aided strong bookings in 3QFY24.

Margin strength could limit earnings downgrade

The EBIT margin was up 89bp qoq (down 82bp yoy) at 14.5% and beat our estimate by 53bp. The headwinds from furloughs (-60bp) and higher onsite efforts relating to deal ramp-up (-60bp) were offset by intellectual property or IP revenue (+80bp), improvement in utilization (+30bp), optimization in travel expenses (+30bp) and SG&A expenses & headcount optimization (+60bp). The company aims to improve EBIT margin by 200-300bp led by SG&A leverage, utilization improvement led by improving billability of resources hired in FY22 (we had highlighted this as one of the reasons for growth moderation in FY23 in our report dated 10 Oct 2022: [click here](#)), and optimization of sub-contractor expenses.

Retain HOLD rating with a higher target price of Rs7,920

We model a 14.5% US\$ revenue CAGR and a 25.3% PAT (Rs) CAGR over FY24F-26F. We increase target PE/G to 1.42x (vs. 1.2x) to arrive at a target P/E of ~36x to account for superlative execution. Strong cash conversion (FY19-23 average OCF/EBITDA of 81%), dividend payout improving, healthy return ratios and net cash (Rs204/share) are key anchors to valuation. Retain HOLD rating with a higher target price of Rs7,920 (Rs6,282 earlier). M&A-led revenue beat is an upside risk while client-specific ramp-down and senior leadership attrition are key downside risks.

Financial Summary

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	57,107	83,506	98,285	114,193	133,825
Operating EBITDA (Rsm)	9,582	15,191	17,349	20,612	25,025
Net Profit (Rsm)	6,904	9,211	10,869	13,857	17,033
Core EPS (Rs)	90.3	120.5	148.1	180.2	221.5
Core EPS Growth	53.7%	33.4%	22.9%	21.6%	22.9%
FD Core P/E (x)	87.69	65.73	55.88	43.97	35.77
DPS (Rs)	31.0	50.0	47.0	63.1	81.9
Dividend Yield	0.39%	0.62%	0.58%	0.80%	1.03%
EV/EBITDA (x)	62.07	39.27	34.37	28.65	23.26
P/FCFE (x)	136.67	157.68	111.74	54.34	46.01
Net Gearing	(31.7%)	(22.3%)	(23.7%)	(33.4%)	(40.8%)
P/BV (x)	17.97	15.27	12.97	10.89	9.13
ROE	22.4%	25.1%	26.2%	26.9%	27.8%
% Change In Core EPS Estimates			(0.93%)	(0.49%)	1.10%
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)	300.6	264.4	13.7	291.7	3.1	299.6	0.3
Revenue (Rs m)	24,982	21,694	15.2	24,117	3.6	24,957	0.1
US\$-Rs realization	83.1	82.1	1.3	82.7	0.5	83.3	(0.2)
EBITDA	4,418	4,016	10.0	4,052	9.1	4,293	2.9
EBITDA margin (%)	17.7	18.5	(82 bp)	16.8	89 bp	17.2	49 bp
EBIT	3,631	3,332	9.0	3,308	9.8	3,494	3.9
EBIT margin (%)	14.5	15.4	(82 bp)	13.7	82 bp	14.0	53 bp
Depreciation	787	684	15.2	744	5.8	799	(1.4)
Net other income	262	-104	(351.5)	250	4.8	212	23.5
PBT	3,893	3,228	20.6	3,558	9.4	3,706	5.0
Provision for tax	1,032	848	21.6	925	11.5	945	9.2
% tax rate	26.5	26.3	22 bp	26.0	50 bp	25.5	100 bp
Net profit	2,861	2,380	20.2	2,633	8.7	2,761	3.6
EPS (Rs)	37.2	31.1	20.2	34.2	8.7	35.9	3.6

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call takeaways

- The demand environment remains fluid. The focus on account mining and large deals aided bookings in 3QFY24.
- The company has collaborated with AWS to accelerate GenAI. Early access from AWS GenAI resources could help the company to build proof-of-concepts.
- Persistent Systems is working on 75+ proof-of-concepts in Gen AI.
- The discretionary spending is witnessing green shoots, but the environment is not significantly different from the last few quarters.
- The company has invested in GenAI studios across the US, UK and India.
- Persistent Systems believes its business is more non-discretionary, annuity led now vs. a few years ago.
- The healthcare vertical is now more diversified with good traction from medical devices, payer segment and pharmaceuticals (capabilities in data analytics and Salesforce).
- The company has scope to improve blended utilization (~81.5%) driven by an improvement in utilization, including trainee utilization. Every ~1% increase could drive ~30bp increase in margins.

Figure 2: Operating metric trend

Operating trends	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Revenue (US\$ m)	199.1	217.3	241.5	255.6	264.4	274.6	282.9	291.7	300.6
Growth YoY (%)	36.2	42.2	44.8	40.2	32.8	26.4	17.1	14.1	13.7
Growth QoQ (%)	9.2	9.2	11.1	5.8	3.4	3.9	3.0	3.1	3.1
Revenue (Rs m)	14,917	16,379	18,781	20,486	21,694	22,545	23,212	24,117	24,982
Growth YoY (%)	38.7	47.1	52.7	51.6	45.4	37.6	23.6	17.7	15.2
Growth QoQ (%)	10.4	9.8	14.7	9.1	5.9	3.9	3.0	3.9	3.6
EBIT margin (%)	14.0	14.0	14.3	14.6	15.4	15.4	14.9	13.7	14.5
US\$-INR realized rate	74.9	75.4	77.8	80.2	82.1	82.1	82.0	82.7	83.1
Headcount	16,989	18,599	21,638	22,476	22,598	22,889	23,130	22,842	23,336
Utilization - trainees (%)	83.0	80.6	79.5	79.9	77.6	77.3	78.3	80.6	81.5
LTM attrition (%)	26.9	26.6	24.8	23.7	21.6	19.8	15.5	13.5	11.9
Geography (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	79.2	78.6	78.4	78.6	77.1	77.9	79.2	79.2	79.7
Europe	8.3	8.4	8.5	8.3	9.0	10.3	9.7	9.5	8.9
India	10.9	11	11.3	11.5	12.3	10	9.9	9.7	10.0
RoW	1.6	2.0	1.8	1.6	1.6	1.8	1.2	1.6	1.4
Geography (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	157.7	170.8	189.4	200.9	203.8	213.9	224.1	231.0	239.6
Europe	16.5	18.3	20.5	21.2	23.8	28.3	27.4	27.7	26.8
India	21.7	23.9	27.3	29.4	32.5	27.5	28.0	28.3	30.1
RoW	3.2	4.3	4.3	4.1	4.2	4.9	3.4	4.7	4.2
Geography YoY (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	33.0	41.1	43.9	40.0	29.3	25.2	18.3	15.0	17.5
Europe	28.5	19.5	29.6	32.2	44.0	54.9	33.7	30.6	12.4
India	72.7	75.8	67.0	53.5	49.8	14.9	2.6	-3.7	-7.6
RoW	45.3	49.7	44.8	12.2	32.8	13.7	-21.9	14.1	-0.5
Geography QoQ (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	9.9	8.3	10.9	6.1	1.4	5.0	4.7	3.1	3.7
Europe	3.0	10.5	12.5	3.3	12.1	18.9	-3.0	1.0	-3.5
India	13.4	10.2	14.2	7.7	10.6	-15.5	2.0	1.0	6.2
RoW	-12.6	36.4	0.0	-5.9	3.4	16.9	-31.3	37.5	-9.8
Incremental revenue (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
North America	14.2	13.1	18.5	11.5	2.9	10.1	10.1	7.0	8.6
Europe	0.5	1.7	2.3	0.7	2.6	4.5	-0.8	0.3	-1.0
India	2.6	2.2	3.4	2.1	3.1	-5.1	0.5	0.3	1.8

RoW	-0.5	1.2	0.0	-0.3	0.1	0.7	-1.5	1.3	-0.5
Vertical (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
BFSI	32.2	32.4	33.7	32.8	32.6	32.3	33.3	32.3	31.2
Healthcare & Lifesciences	20.7	20.7	19.9	19.7	19.6	19.7	18.6	19.3	21.8
Software, Hitech & Emerging industries	47.1	46.9	46.4	47.5	47.8	48.0	48.1	48.4	47.0
Business unit (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
BFSI	64.1	70.4	81.4	83.8	86.2	88.7	94.2	94.2	93.8
Healthcare & Lifesciences	41.2	45.0	48.1	50.4	51.8	54.1	52.6	56.3	65.5
Software, Hitech & Emerging industries	93.8	101.9	112.1	121.4	126.4	131.8	136.1	141.2	141.3
Business unit YoY (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
BFSI	48.7	53.1	58.4	49.8	34.4	26.0	15.7	12.4	8.8
Healthcare & Lifesciences	47.6	52.5	40.6	30.3	25.7	20.3	9.5	11.8	26.5
Software, Hitech & Emerging industries	24.8	31.8	38.0	38.4	34.7	29.3	21.4	16.3	11.8
Business unit QoQ (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
BFSI	14.5	9.8	15.6	3.0	2.8	2.9	6.2	0.0	-0.5
Healthcare & Lifesciences	6.6	9.2	6.8	4.8	2.9	4.4	-2.7	7.0	16.4
Software, Hitech & Emerging industries	6.9	8.7	10.0	8.3	4.1	4.3	3.2	3.8	0.1
Incremental revenue (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
BFSI	8.1	6.3	11.0	2.4	2.3	2.5	5.5	0.0	-0.4
Healthcare & Lifesciences	2.6	3.8	3.1	2.3	1.5	2.3	-1.5	3.7	9.2
Software, Hitech & Emerging industries	6.1	8.1	10.1	9.3	4.9	5.4	4.3	5.1	0.1
TCV deal wins (US\$m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
New wins TCV	157.6	195.1	230.3	228.3	239	250.3	237.2	313.1	277.4
qoq	5.6	23.8	18.0	-0.9	4.7	4.7	-5.2	32.0	-11.4
yoy	-10.2	41.7	55.9	52.9	51.6	28.3	3.0	37.1	16.1
TTM new wins TCV	592	650	732	811	893	948	955	1,040	1,078
yoy	NA	NA	NA	33.0	50.7	45.9	30.4	28.1	20.8
Renewals TCV	176.7	165.9	163.7	139.5	201.2	171.3	143.1	166.2	244.0
qoq	32.7	-6.1	-1.3	-14.8	44.2	-14.9	-16.5	16.1	46.8
yoy	39.7	52.5	68.6	4.7	13.9	3.3	-12.6	19.1	21.3
TTM renewals TCV	516	573	640	646	670	676	655	682	725
yoy	NA	NA	NA	38.7	30.0	17.9	2.4	5.6	8.1
ACV deal wins (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
New wins ACV	128.6	131	139.8	137	143.8	168.3	144.1	184.2	182.9
qoq	18.2	1.9	6.7	-2.0	5.0	17.0	-14.4	27.8	-0.7
yoy	-8.2	35.2	49.5	25.9	11.8	28.5	3.1	34.5	27.2
TTM new wins ACV	428	462	508	536	552	589	593	640	680
yoy	NA	NA	NA	22.1	28.9	27.5	16.7	19.4	23.2
Renewals ACV	162.7	130.9	123.2	134.2	182.5	142.1	127.8	131.7	209.2
qoq	76.3	-19.5	-5.9	8.9	36.0	-22.1	-10.1	3.1	58.8
yoy	40.4	26.1	29.3	45.4	12.2	8.6	3.7	-1.9	14.6
TTM renewals ACV	454	481	509	551	571	582	587	584	611
yoy	NA	NA	NA	35.3	25.7	20.9	15.2	6.0	7.0
Clients (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top	17.5	14.0	11.7	8.7	7.4	9.3	10.2	10.2	9.3
Top 2-5	18.6	18.5	19.1	18.2	17.3	17.2	17.7	18.1	18.7
Top 6-10	8.9	9.6	9.9	9.8	10.3	10.9	11.7	11.2	11.3
Non-top 10	55	57.9	59.3	63.3	65.0	62.6	60.4	60.5	60.7
Clients (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top	34.8	30.4	28.3	22.2	19.6	25.5	28.9	29.8	28.0
Top 2-5	37.0	40.2	46.1	46.5	45.7	47.2	50.1	52.8	56.2
Top 6-10	17.7	20.9	23.9	25.0	27.2	29.9	33.1	32.7	34.0
Non-top 10	109.5	125.8	143.2	161.8	171.8	171.9	170.9	176.5	182.5
Clients YoY (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top	28.9	11.2	-0.3	-27.8	-43.9	-16.1	2.1	33.8	42.9
Top 2-5	31.3	42.2	41.8	35.0	23.5	17.5	8.5	13.5	22.9
Top 6-10	31.8	37.9	40.5	43.1	53.7	43.5	38.4	30.4	24.8
Non-top 10	41.4	53.3	61.1	62.5	56.9	36.6	19.3	9.1	6.2
Clients QoQ (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top	13.1	-12.7	-7.1	-21.3	-12.0	30.5	13.0	3.1	-6.0
Top 2-5	7.5	8.6	14.7	0.8	-1.7	3.3	6.0	5.4	6.5
Top 6-10	1.2	17.7	14.6	4.8	8.7	9.9	10.6	-1.3	4.0
Non-top 10	10.0	14.9	13.8	13.0	6.2	0.0	-0.6	3.3	3.4
Incremental revenue (US\$ m)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Top	4.0	-4.4	-2.2	-6.0	-2.7	6.0	3.3	0.9	-1.8
Top 2-5	2.6	3.2	5.9	0.4	-0.8	1.5	2.8	2.7	3.4
Top 6-10	0.2	3.1	3.0	1.1	2.2	2.7	3.2	-0.4	1.3
Non-top 10	10.0	16.3	17.4	18.6	10.0	0.1	-1.0	5.6	6.0
Client metrics	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
US\$ 30 m+	2	2	3	3	5	5	5	6	5
US\$ 20-30 m	2	2	1	3	2	4	5	3	6
US\$ 10-20 m	6	6	7	6	9	8	7	7	5
US\$ 5-10 m	14	15	15	18	18	17	21	23	22
US\$ 1-5 m	90	93	104	116	118	126	129	136	136
Per employee analysis	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Revenue (US\$ m) - TTM	701.0	765.5	840.3	913.5	978.8	1036.1	1077.5	1113.6	1149.8
Employees (average TTM)	14,229	15,374	16,951	18,522	19,850	20,853	21,195	21,276	21,452
Revenue per employee (TTM)	49,266	49,796	49,569	49,321	49,309	49,684	50,835	52,340	53,599

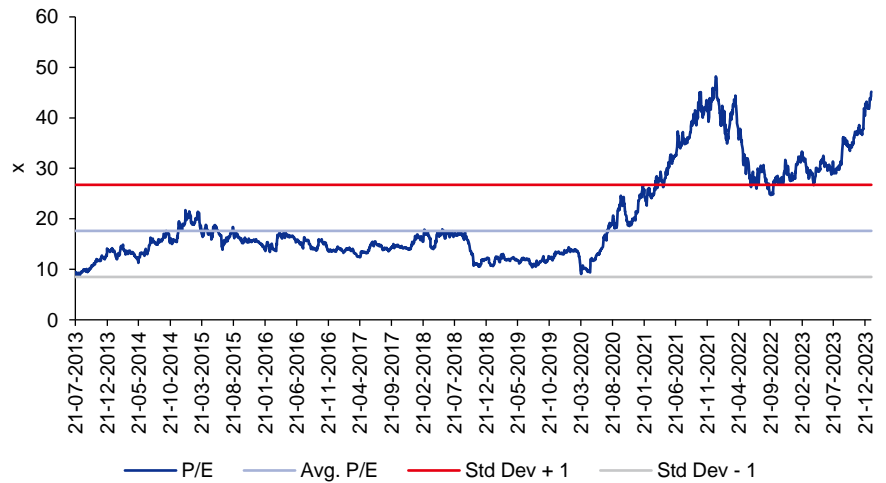
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in our earnings estimates

Y/E Mar (Rs m)	FY24F			FY25F			FY26F		
	New	Old	% change	New	Old	% change	New	Old	% change
US\$ revenue	1,188	1,181	0.6	1,359	1,350	0.7	1,556	1,532	1.6
Revenue	98,285	97,482	0.8	1,14,193	1,13,399	0.7	1,33,824	1,31,746	1.6
EBIT	14,236	14,036	1.4	17,300	16,953	2.0	21,412	20,434	4.8
EBIT margin (%)	14.5	14.4	9 bp	15.2	15.0	20 bp	16.0	15.5	49 bp
Net PAT	10,869	10,976	-1.2	13,857	13,927	-1.8	17,033	16,850	1.1
EPS (Rs)	141.3	142.7	-1.2	180.2	181.0	-1.8	221.5	219.0	1.1

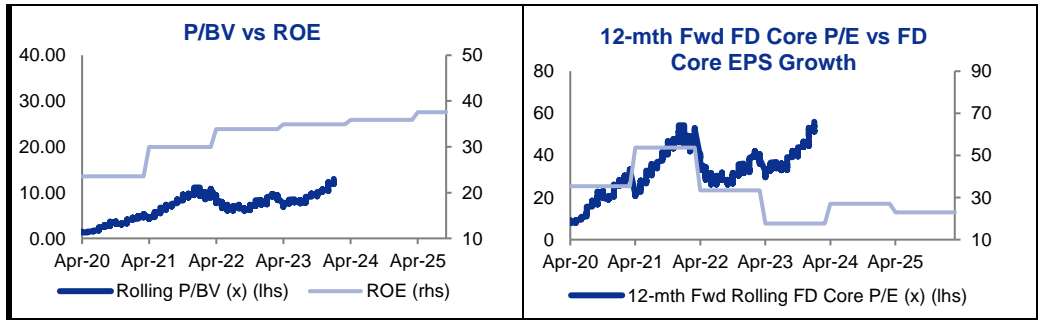
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Persistent Systems trading at ~45x one-year forward P/E



SOURCE: INCRED RESEARCH, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Total Net Revenues	57,107	83,506	98,285	114,193	133,825
Gross Profit	19,212	28,191	33,119	38,483	45,233
Operating EBITDA	9,582	15,191	17,349	20,612	25,025
Depreciation And Amortisation	(1,660)	(2,719)	(3,113)	(3,312)	(3,613)
Operating EBIT	7,921	12,472	14,236	17,300	21,412
Financial Income/(Expense)	1,321	(64)	888	1,176	1,606
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	9,243	12,409	15,124	18,477	23,018
Exceptional Items					
Pre-tax Profit	9,243	12,409	15,124	18,477	23,018
Taxation	(2,339)	(3,198)	(3,769)	(4,619)	(5,985)
Exceptional Income - post-tax			(486)		
Profit After Tax	6,904	9,211	10,869	13,857	17,033
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	6,904	9,211	10,869	13,857	17,033
Recurring Net Profit	6,904	9,211	11,356	13,857	17,033
Fully Diluted Recurring Net Profit	6,904	9,211	11,356	13,857	17,033

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
EBITDA	9,582	15,191	17,349	20,612	25,025
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(407)	(4,377)	(2,218)	(2,280)	(3,298)
(Incr)/Decr in Total Provisions	1,476	827			
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received		(64)			
Tax Paid	(2,367)	(3,405)	(3,769)	(4,619)	(5,985)
Cashflow From Operations	8,284	8,172	11,362	13,713	15,743
Capex	(3,854)	(4,333)	(5,927)	(2,500)	(2,500)
Disposals Of FAs/subsidiaries	46	12			
Acq. Of Subsidiaries/investments	(6,154)	(4,311)			
Other Investing Cashflow	189	4,418	888	1,176	1,606
Cash Flow From Investing	(9,773)	(4,213)	(5,038)	(1,324)	(894)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(1,987)	(2,981)	(3,555)	(4,850)	(6,302)
Preferred Dividends					
Other Financing Cashflow	3,810	(1,059)			
Cash Flow From Financing	1,823	(4,039)	(3,555)	(4,850)	(6,302)
Total Cash Generated	333	(80)	2,769	7,539	8,546
Free Cashflow To Equity	4,430	3,840	5,435	11,213	13,243
Free Cashflow To Firm	(1,490)	4,023	6,323	12,389	14,848

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	13,491	10,912	13,195	20,734	29,280
Total Debtors	12,615	20,376	23,097	26,835	31,449
Inventories					
Total Other Current Assets	2,233	3,891	3,891	3,891	3,891
Total Current Assets	28,339	35,179	40,182	51,460	64,620
Fixed Assets	5,347	7,220	10,033	9,222	8,109
Total Investments	3,878	4,516	4,516	4,516	4,516
Intangible Assets	11,060	16,355	16,355	16,355	16,355
Total Other Non-Current Assets	5,517	2,922	2,922	2,922	2,922
Total Non-current Assets	25,802	31,012	33,826	33,015	31,901
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	4,299	5,689	6,192	7,651	8,966
Other Current Liabilities	9,911	13,892	13,892	13,892	13,892
Total Current Liabilities	14,210	19,581	20,084	21,543	22,858
Total Long-term Debt	2,801	2,058	2,058	2,058	2,058
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	3,203	4,529	4,529	4,529	4,529
Total Non-current Liabilities	6,004	6,587	6,587	6,587	6,587
Total Provisions	246	373	373	373	373
Total Liabilities	20,459	26,541	27,044	28,503	29,818
Shareholders Equity	33,682	39,651	46,965	55,973	66,703
Minority Interests					
Total Equity	33,682	39,651	46,965	55,973	66,703

Key Ratios					
	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue Growth	36.4%	46.2%	17.7%	16.2%	17.2%
Operating EBITDA Growth	40.3%	58.5%	14.2%	18.8%	21.4%
Operating EBITDA Margin	16.8%	18.2%	17.7%	18.1%	18.7%
Net Cash Per Share (Rs)	139.88	115.86	144.79	242.82	353.92
BVPS (Rs)	440.71	518.81	610.60	727.70	867.22
Gross Interest Cover		195.55			
Effective Tax Rate	25.3%	25.8%	24.9%	25.0%	26.0%
Net Dividend Payout Ratio	25.6%	30.1%	23.5%	26.2%	27.4%
Accounts Receivables Days	65.50	72.10	80.72	79.80	79.48
Inventory Days					
Accounts Payables Days	33.87	32.95	33.27	33.37	34.23
ROIC (%)	64.6%	41.0%	34.3%	35.8%	42.0%
ROCE (%)	18.4%	23.7%	23.6%	24.2%	25.0%
Return On Average Assets	18.2%	20.7%	20.6%	22.2%	24.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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