

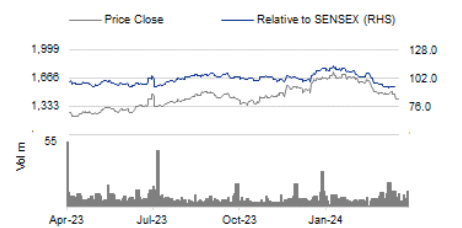
India

HOLD (previously ADD)

Consensus ratings*: Buy 31 Hold 8 Sell 7	
Current price:	Rs1,419
Target price:	Rs1,424
Previous target:	Rs1,668
Up/downside:	0.4%
InCred Research / Consensus:	-16.5%
Reuters:	INFY.NS
Bloomberg:	INFO IN
Market cap:	US\$70,515m
	Rs5,891,119m
Average daily turnover:	US\$121.4m
	Rs10139.1m
Current shares o/s:	4,143.4m
Free float:	87.0%
*Source: Bloomberg	

Key changes in this note

- Expect 3.8% revenue CAGR over FY24-26F
- Expect 8.7% EBIT CAGR over FY24-26F
- Expect 10.9% adjusted PAT CAGR over FY24-26F



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(11.4)	(13.6)	12.7
Relative (%)	(12.0)	(14.6)	(7.4)

Major shareholders	% held
LIC	9.9
SBI MF	4.9
ICICI MF	2.9

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Infosys

Downgrade to HOLD

- Feeble FY25F constant currency (CC) revenue growth (1-3%) guidance drives 3.5%/5.6% cut in our FY25F US\$ revenue/EPS (Rs) estimates, respectively.
- Earnings cut drives a downgrade in our rating to HOLD (from ADD) with a lower target price of Rs1,424.
- 1H growth critical to FY25F growth assumptions, given the global national elections calendar in the second half of this year.

4QFY24 earnings summary

Infosys' 4QFY24 revenue missed estimate, despite adjusting for the one-time FSI customer contract renegotiation impact of 1%, while margins, adjusted for the same, could have been 20bp/50bp higher than consensus/InCred estimates, respectively. That said, feeble guidance and commentary drives a 3%/5.8% cut in FY25F-26F US\$ revenue/EPS (Rs) CAGR, respectively, and, in turn, a downgrade in our rating to HOLD from ADD.

1H critical to FY25F estimates; weak 1H could drive further cuts

Large-deal TCW at US\$4.5bn was healthy, up 40.6% qoq and 114.3% yoy, with a new component at 44% (71% in 3Q). Infosys signed 30 large deals (including two mega deals), in 4QFY24, of which eight were from communication, six each from FSI and retail, four each from manufacturing and life sciences, and two from energy, resources & services verticals. Although, the new component (~52% of FY24 TCW win vs. average ~40% over FY22-23) was encouraging, we believe that 1H growth is critical to FY25F estimates (we estimate it requires an average 2.1% qoq growth in 1H assuming flat 2H to achieve midpoint) pending the global national elections calendar in the second half of this year.

Project Maximus could aid FY26F EBIT margin

The EBIT margin at 20.1% (down by 40bp qoq) was impacted by headwinds comprising ~100bp from one-time contract renegotiation and 80bp from a partial wage hike, higher brand building & visa costs offset by tailwinds from lower customer support & lower provision for receivables (60bp), project Maximus (40bp) and a cyber security-related incident (40bp). Management reiterated that the Maximus program is gaining traction and the focus remains on employee pyramid correction, automation, utilization, & pricing, which together could offset headwinds from a large deal transition. We have revised our margin assumption lower by ~30bp to an average 21.4% EBIT margin over FY25F-26F.

Downgrade to HOLD with a lower target price of Rs1,424

We trim our estimates to account for weak 4QFY24 results & FY25F guidance and now model in a 3.8% US\$ revenue CAGR over FY24-26F and 10.9% adjusted PAT (Rs) CAGR. This, in turn, drives a cut in our target price to Rs1,424 (Rs1,668 earlier) and our rating to HOLD (from ADD) despite retaining target PE/G multiple at 1.8x. Cash conversion (OCF/EBITDA was ~73% over FY19-24), healthy return ratios and payout provide cushion. Ramp-up of deal wins and improvement in discretionary spending are key upside risks. Delay in decision-making and weak margin execution is a key downside risk.

Financial Summary

	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue (Rsm)	1,216,410	1,467,670	1,536,710	1,600,675	1,720,237
Operating EBITDA (Rsm)	314,920	351,310	364,250	385,828	424,898
Net Profit (Rsm)	221,110	240,950	262,320	260,867	298,202
Core EPS (Rs)	52.2	57.3	63.0	63.0	72.0
Core EPS Growth	15.0%	9.8%	9.8%	0.0%	14.3%
FD Core P/E (x)	27.17	24.75	22.53	22.54	19.72
DPS (Rs)	31.0	34.0	46.0	56.0	61.2
Dividend Yield	2.18%	2.39%	3.24%	3.94%	4.31%
EV/EBITDA (x)	18.47	16.64	15.65	14.70	13.23
P/FCFE (x)	29.66	34.27	29.71	24.10	21.79
Net Gearing	(25.8%)	(15.9%)	(24.1%)	(23.2%)	(27.4%)
P/BV (x)	7.94	7.88	6.67	6.46	6.16
ROE	29.2%	32.0%	32.1%	29.1%	32.0%
% Change In Core EPS Estimates				(0.06%)	(0.04%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly performance

YE Mar (Rs m)	4QFY24	4QFY23	YoY (%)	3QFY24	QoQ (%)	4QFY24F	Var. (%)
Revenue (US\$ m)	4,564	4,554	0.2	4,663	(2.1)	4,646	(1.8)
Revenue (Rs m)	3,79,230	3,74,410	1.3	3,88,210	(2.3)	3,85,845	(1.7)
USD-Rs realization	83.1	82.2	1.1	83.25	(0.2)	83.0	0.1
EBITDA	87,840	89,980	(2.4)	91,370	(3.9)	91,445	(3.9)
EBITDA Margin (%)	23.2	24.0	(87 bp)	23.5	(37 bp)	23.7	(54 bp)
EBIT	76,210	78,770	(3.2)	79,610	(4.3)	79,600	(4.3)
EBIT Margin (%)	20.1	21.0	(94 bp)	20.5	(41 bp)	20.6	(53 bp)
Depreciation	11,630	11,210	3.7	11,760	(1.1)	11,845	(1.8)
Net other income	26,190	5,890	344.7	6,580	298.0	6,065	331.8
PBT	1,02,400	84,660	21.0	86,190	18.8	85,665	19.5
Provision for tax	22,650	23,320	(2.9)	25,060	(9.6)	23,558	(3.9)
% tax rate	22.1	27.5	(543 bp)	29.1	(696 bp)	27.5	(538 bp)
Net Profit	79,690	61,280	30.0	61,060	30.5	62,037	28.5
EPS (Rs)	19.2	14.8	30.0	14.7	30.5	15.0	28.5

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call takeaways

- **Guidance:** FY25F revenue growth guidance at 1-3% and the EBIT margin guidance at 20-22%.
- **Demand commentary:** Rescoping and renegotiation of one of the large contracts in the financial services segment led to one-time impact of ~100bp in 4QFY24. However, nearly 85% of the scope of the contract continues with the company. Discretionary and digital transformation spending trend is at a similar level as compared to the last three months. Witnessing good traction in cost efficiency and consolidation deals. Large deal wins in FY24 could aid FY25F revenue.
- **Vertical-wise commentary**
 - **Financial services and insurance (FSI):** Macroeconomic effects of high inflation and higher interest rates are leading to cautious spending. Clients investing in services like data, digital, AI and cloud. Clients are actively looking to move workload to cloud. Pipeline and deal wins remains strong. BFSI revenue growth likely to be better than in FY24 based on large deal wins.
 - **Retail:** Clients leveraging GenAI to deliver business value. Productive engagements in S/4 HANA along with infra, apps process and enterprise modernization. Cost takeout remains the primary focus area.
 - **Manufacturing:** Increased traction in areas like engineering, IoT, supply chain, smart manufacturing and digital transformation. Differentiated approach to AI helped to gain market share and the Topaz offering is resonating well with clients. The company has a healthy pipeline of large and mega deals, but healthy growth in FY24 and macroeconomic uncertainty could lead to lower growth in FY25F vs. FY24.
 - **Communication:** Clients continue to be cautious due to growth challenges. Capex allocation remains under scrutiny among clients while budgets remain tight. The company is witnessing opportunities in cost takeouts, AI and database initiatives. Growth in the coming quarters would be led by a ramp-up of the earlier deals that were won. Communication vertical's revenue growth is likely to be better than FY24 based on large deal wins.
 - **Hi-tech:** Macroeconomic uncertainty continues to impact clients with a delay in deal closure and decision-making, discretionary programs being put on hold and repurposing of spending. Hitech vertical is likely to remain soft in FY25F.
- Discretionary portfolios have become larger, in terms of overall portfolio mix, over the last few years, thereby leading to lower visibility as compared to prior years.
- Infosys announced a definitive agreement to acquire in-tech Holding GmbH (100% of its equity) by paying cash of EUR 450m (includes upfront and earnouts, excluding management incentives, and retention bonus). Founded

in 2002, in-tech is one of the fastest-growing engineering R&D services providers that shape digitization in the automotive, rail transport and smart industry sectors. In-tech develops solutions in e-mobility, connected and autonomous driving, electric vehicles, off-road vehicles and railroad. In-tech has 2,200 employees. Last three years' revenue (fiscal year ending 31 Dec 2023) - FY23: EUR 169.8m, FY22: EUR140.5m and FY21: EUR115.2m.

- The company has declared a final dividend of Rs20 per share and additionally a special dividend of Rs8 per share. "Effective from FY25, the company expects to continue its policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends, share buyback and special dividends."

Figure 2: Operating metrics trend

Operating trends	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Revenue (\$ m)	4,280	4,444	4,555	4,659	4,554	4,617	4,718	4,663	4,564
Growth yoy (%)	18.5	17.5	13.9	9.6	6.4	3.9	3.6	0.1	0.2
Growth qoq (%)	0.7	3.8	2.5	2.3	-2.3	1.4	2.2	-1.2	-2.1
CC Growth yoy (%)	20.6	21.4	18.8	13.7	8.8	4.2	2.5	-1.0	0.0
CC Growth qoq (%)	1.2	5.5	4.0	2.4	-3.2	1.0	2.3	-1.0	-2.2
Revenue (Rs. m)	3,22,760	3,44,700	3,65,380	3,83,180	3,74,410	3,79,330	3,89,940	3,88,210	3,79,230
Growth yoy (%)	22.7	23.6	23.4	20.2	16.0	10.0	6.7	1.3	1.3
Growth qoq (%)	1.3	6.8	6.0	4.9	-2.3	1.3	2.8	-0.4	-2.3
EBIT Margin (%)	21.6	20.1	21.5	21.5	21.0	20.8	21.2	20.5	20.1
US\$-INR realized rate	75.4	77.6	80.2	82.2	82.2	82.2	82.6	83.3	83.1
Headcount	3,14,015	3,35,186	3,45,218	3,46,845	3,43,234	3,36,294	3,28,764	3,22,663	3,17,240
Utilization ex-trainees (%)	87.0	84.7	83.6	81.7	80.0	81.1	81.8	82.7	83.5
LTM Attrition - IT services (%)	27.7	28.4	27.1	24.3	20.9	17.3	14.6	12.9	12.6
Vertical (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Financial service	31.3	30.6	30.5	29.3	28.9	28.1	27.5	27.8	26.4
Retail	14.3	14.5	14.2	14.3	14.8	14.5	15.2	14.6	14.3
Communication	12.8	13.0	12.3	12.3	11.8	11.7	11.4	11.4	12.3
Energy, Utilities, Resources & Services	12.0	12.4	12.3	13.0	12.9	12.9	12.7	13.1	13.4
Manufacturing	11.8	12.1	12.8	13.3	13.5	14.1	14.3	14.9	14.7
Hi Tech	8.2	8.2	8.2	8.1	8.0	8.1	7.8	7.7	8.7
Life Sciences	6.6	6.5	6.7	7.0	7.2	7.2	7.8	7.6	7.3
Others	3.0	2.7	3.0	2.7	2.9	3.4	3.3	2.9	2.9
Vertical (US\$ m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Financial service	1,340	1,360	1,389	1,365	1,316	1,297	1,297	1,296	1,205
Retail	612	644	647	666	674	669	717	681	653
Communication	548	578	560	573	537	540	538	532	561
Energy, Utilities, Resources & Services	514	551	560	606	587	596	599	611	612
Manufacturing	505	538	583	620	615	651	675	695	671
Hi Tech	351	364	374	377	364	374	368	359	397
Life Sciences	282	289	305	326	328	332	368	354	333
Others	128	120	137	126	132	157	156	135	132
Vertical yoy (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Financial service	12.4	9.0	7.6	2.0	-1.8	-4.6	-6.6	-5.0	-8.4
Retail	14.5	13.6	10.8	8.1	10.1	3.9	10.9	2.2	-3.2
Communication	26.4	25.2	13.0	7.9	-1.9	-6.5	-4.0	-7.2	4.5
Energy, Utilities, Resources & Services	15.6	20.4	18.8	21.8	14.4	8.1	6.9	0.9	4.1
Manufacturing	45.6	46.6	33.8	29.0	21.7	21.1	15.7	12.1	9.1
Hi Tech	19.9	16.1	9.9	9.6	3.8	2.6	-1.5	-4.9	9.0
Life Sciences	15.0	12.3	7.5	2.3	16.1	15.1	20.6	8.7	1.6
Others	4.5	9.4	42.4	2.1	2.9	30.8	13.9	7.5	0.2
Vertical qoq (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Financial service	0.1	1.5	2.2	-1.7	-3.6	-1.4	0.0	-0.1	-7.1
Retail	-0.7	5.3	0.4	3.0	1.2	-0.7	7.1	-5.1	-4.1
Communication	3.1	5.5	-3.0	2.3	-6.2	0.5	-0.4	-1.2	5.6
Energy, Utilities, Resources & Services	3.3	7.3	1.7	8.1	-3.0	1.4	0.6	1.9	0.1
Manufacturing	5.2	6.5	8.4	6.3	-0.8	5.9	3.6	3.0	-3.4
Hi Tech	1.9	3.8	2.5	1.0	-3.5	2.7	-1.6	-2.4	10.6
Life Sciences	-11.4	2.3	5.7	6.9	0.5	1.4	10.7	-3.7	-6.0
Others	4.2	-6.6	13.9	-7.9	5.0	18.9	-0.8	-13.1	-2.1
Incremental revenue (US\$ m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Financial service	1	20	29	-24	-49	-19	0	-1	-91
Retail	-4	32	2	19	8	-5	48	-36	-28
Communication	17	30	-17	13	-36	3	-2	-6	30
Energy, Utilities, Resources & Services	16	37	9	45	-18	8	4	12	1
Manufacturing	25	33	45	37	-5	36	24	20	-24
Hi Tech	7	13	9	4	-13	10	-6	-9	38
Life Sciences	-36	6	16	21	2	5	36	-14	-21
Others	5	-8	17	-11	6	25	-1	-20	-3
Geography (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
North America	61.4	61.8	61.9	62	61	60.8	61.1	59	59.6
Europe	25.2	25	24.8	25.8	27	26.8	26.5	28.2	28.6

India	3.2	2.6	2.6	2.4	2.6	2.7	2.8	2.4	2.2
ROW	10.2	10.6	10.7	9.8	9.4	9.7	9.6	10.4	9.6
Geography (US\$ m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
North America	2,628	2,746	2,820	2,889	2,778	2,807	2,883	2,751	2,720
Europe	1,079	1,111	1,130	1,202	1,230	1,237	1,250	1,315	1,305
India	137	116	118	112	118	125	132	112	100
ROW	437	471	487	457	428	448	453	485	438
Geography yoy (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
North America	18.1	17.7	13.9	10.0	5.7	2.2	2.2	-4.8	-2.1
Europe	22.3	21.4	13.9	13.6	14.0	11.4	10.7	9.4	6.2
India	26.4	5.3	13.9	-12.3	-13.5	7.9	11.5	0.1	-15.2
ROW	9.8	11.2	13.9	4.3	-1.9	-4.9	-7.1	6.2	2.4
Geography qoq (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
North America	0.1	4.5	2.7	2.4	-3.8	1.1	2.7	-4.6	-1.1
Europe	1.9	3.0	1.7	6.4	2.3	0.6	1.0	5.2	-0.7
India	7.4	-15.6	2.5	-5.6	5.9	5.3	6.0	-15.3	-10.3
ROW	-0.3	7.9	3.5	-6.3	-6.2	4.6	1.1	7.1	-9.7
Incremental revenue (US\$ m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
North America	1	118	73	69	-111	29	76	-132	-31
Europe	20	32	19	72	28	8	13	65	-10
India	9	-21	3	-7	7	6	7	-20	-12
ROW	-1	35	16	-31	-29	20	5	32	-47
Deal wins	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
TCV (US\$ m)	2300	1700	2700	3300	2100	2300	7700	3200	4500
TCV yoy (%)	9.5	-34.6	25.6	30.4	-8.7	35.3	185.2	-3.0	114.3
TCV qoq (%)	-9.1	-26.1	58.8	22.2	-36.4	9.5	234.8	-58.4	40.6
TTM TCV	9,580	8,680	9,230	10,000	9,800	10,400	15,400	15,300	17,700
Clients (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top 5	11.8	13	12.6	13.1	13	13.4	13.3	13.4	13.6
Top 6-10	7.6	7.8	7.6	7.4	7.1	7.0	6.6	6.6	6.8
Top 11-25	16	15.5	15.1	14.8	14.6	14.2	14.2	13.7	13.9
Non top 25	64.6	63.7	64.7	64.7	65.3	65.4	65.9	66.3	65.7
Clients (US\$ m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top 5	505	578	574	610	592	619	627	625	621
Top 6-10	325	347	346	345	323	323	311	308	310
Top 11-25	685	689	688	690	665	656	670	639	634
Non-top 25	2,765	2,831	2,947	3,014	2,974	3,020	3,109	3,092	2,999
Clients yoy growth(%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top 5	28.2	35.2	25.9	19.7	17.2	7.1	9.3	2.4	4.8
Top 6-10	21.7	22.2	8.2	-1.1	-0.6	-6.8	-10.1	-10.7	-4.0
Top 11-25	19.2	16.8	7.5	3.3	-2.9	-4.8	-2.6	-7.4	-4.6
Non-top 25	16.3	14.1	14.1	10.6	7.6	6.7	5.5	2.6	0.8
Clients qoq growth (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top 5	-1.0	14.4	-0.7	6.3	-3.0	4.5	1.4	-0.4	-0.7
Top 6-10	-6.7	6.6	-0.1	-0.4	-6.2	0.0	-3.7	-1.2	0.8
Top 11-25	2.6	0.6	-0.1	0.3	-3.6	-1.4	2.2	-4.6	-0.7
Non-top 25	1.5	2.4	4.1	2.3	-1.3	1.5	3.0	-0.6	-3.0
Client metrics	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
No of active clients	1,741	1,778	1,779	1,850	1,872	1,883	1,884	1,872	1,882
TTM revenue per avg active client	9.5	9.7	10.0	10.0	10.0	10.0	9.9	9.9	9.9
US\$ 1 m+	853	877	895	912	922	940	951	944	959
US\$ 10 m+	275	278	281	294	298	312	312	308	315
US\$ 50 m+	64	69	77	79	75	79	80	82	83
US\$ 100 m+	38	38	39	38	40	38	39	40	40
Per employee analysis	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Revenue (US\$ m) - TTM	16,310	16,972	17,529	17,938	18,212	18,385	18,548	18,552	18,562
Employees (average TTM)	2,88,413	3,05,221	3,21,622	3,35,316	3,42,621	3,42,898	3,38,784	3,32,739	3,26,240
Revenue per employee (TTM)	56,551	55,606	54,502	53,496	53,155	53,617	54,749	55,755	56,897

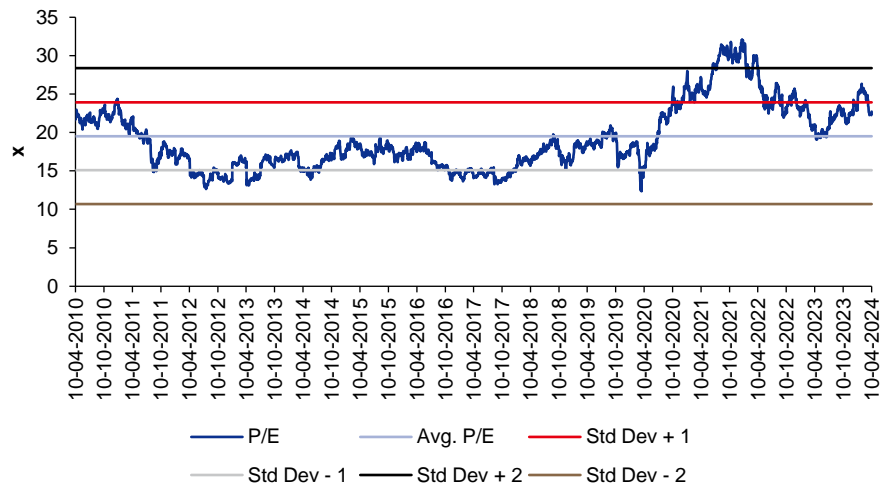
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in earnings estimate

Y/E, Mar (Rs m)	FY25F			FY26F		
	New	Old	% change	New	Old	% change
US\$ revenue	19,056	19,749	-3.5	20,003	21,273	-6.0
Revenue	16,00,675	16,58,883	-3.5	17,20,237	18,29,456	-6.0
EBIT	3,36,966	3,56,660	-5.5	3,75,012	3,99,187	-6.1
EBIT Margin (%)	21.1%	21.5%	(0.4) bp	21.8%	21.8%	(0.0) bp
Net PAT	2,60,867	2,76,426	-5.6	2,98,202	3,09,714	-3.7
EPS (Rs)	63.0	66.7	-5.6	72.0	74.8	-3.7

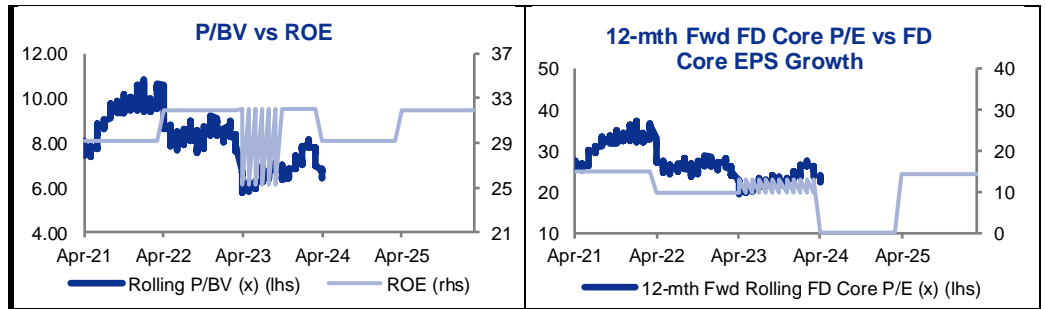
SOURCES: INCRED RESEARCH

Figure 4: Infosys trades at a one-year forward P/E of ~21.5x



SOURCE: COMPANY REPORTS, INCRED RESEARCH

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Total Net Revenues	1,216,410	1,467,670	1,536,710	1,600,675	1,720,237
Gross Profit	431,190	486,390	509,350	533,475	578,000
Operating EBITDA	314,920	351,310	364,250	385,828	424,898
Depreciation And Amortisation	(34,770)	(42,250)	(46,780)	(48,862)	(49,887)
Operating EBIT	280,150	309,060	317,470	336,966	375,012
Financial Income/(Expense)	14,440	15,390	15,980	19,610	21,771
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	6,510	8,770	26,440	10,404	12,042
Profit Before Tax (pre-EI)	301,100	333,220	359,890	366,981	408,824
Exceptional Items					
Pre-tax Profit	301,100	333,220	359,890	366,981	408,824
Taxation	(79,640)	(92,140)	(97,410)	(105,874)	(110,383)
Exceptional Income - post-tax					
Profit After Tax	221,460	241,080	262,480	261,107	298,442
Minority Interests	(350)	(130)	(160)	(240)	(240)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	221,110	240,950	262,320	260,867	298,202
Recurring Net Profit	221,110	240,950	262,320	260,867	298,202
Fully Diluted Recurring Net Profit	221,110	240,950	262,320	260,867	298,202

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
EBITDA	314,920	351,310	364,250	385,828	424,898
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(14,240)	(63,440)	(50,820)	(11,670)	(22,448)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(350)	(130)	(160)	(240)	(240)
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(76,120)	(87,940)	(92,310)	(105,874)	(110,383)
Cashflow From Operations	224,210	199,800	220,960	268,044	291,828
Capex	(21,610)	(25,790)	(22,010)	(24,000)	(22,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(42,560)	13,700	(28,080)	(8,835)	38,213
Cash Flow From Investing	(64,170)	(12,090)	(50,090)	(32,835)	16,213
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased	(111,250)	(114,990)			
Dividends Paid	(126,520)	(136,310)	(146,920)	(231,808)	(253,471)
Preferred Dividends					
Other Financing Cashflow	(8,650)	(15,650)	(28,120)	(4,400)	(4,400)
Cash Flow From Financing	(246,420)	(266,950)	(175,040)	(236,208)	(257,871)
Total Cash Generated	(86,380)	(79,240)	(4,170)	(999)	50,169
Free Cashflow To Equity	202,600	174,010	198,950	244,044	269,828
Free Cashflow To Firm	160,040	187,710	170,870	235,209	308,041

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Total Cash And Equivalents	241,450	190,820	277,010	276,011	326,180
Total Debtors	342,660	407,130	429,610	442,927	466,585
Inventories					
Total Other Current Assets	87,740	110,860	187,700	187,700	187,700
Total Current Assets	671,850	708,810	894,320	906,637	980,464
Fixed Assets	183,140	205,160	192,150	210,538	182,651
Total Investments	151,450	154,060	148,470	148,470	148,470
Intangible Assets	79,020	89,970	87,000	87,000	87,000
Total Other Non-Current Assets	93,390	100,160	56,200	56,200	56,200
Total Non-current Assets	507,000	549,350	483,820	502,208	474,321
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	41,340	38,650	39,560	41,207	42,417
Other Current Liabilities	294,690	353,210	348,380	348,380	348,380
Total Current Liabilities	336,030	391,860	387,940	389,587	390,797
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	85,460	108,350	105,590	105,590	105,590
Total Non-current Liabilities	85,460	108,350	105,590	105,590	105,590
Total Provisions					
Total Liabilities	421,490	500,210	493,530	495,177	496,387
Shareholders Equity	753,500	754,070	881,160	910,219	954,949
Minority Interests	3,860	3,880	3,450	3,450	3,450
Total Equity	757,360	757,950	884,610	913,669	958,399

Key Ratios

	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue Growth	21.1%	20.7%	4.7%	4.2%	7.5%
Operating EBITDA Growth	12.9%	11.6%	3.7%	5.9%	10.1%
Operating EBITDA Margin	25.9%	23.9%	23.7%	24.1%	24.7%
Net Cash Per Share (Rs)	46.34	28.73	51.41	51.17	63.28
BVPS (Rs)	178.66	180.13	212.67	219.68	230.47
Gross Interest Cover	140.07	108.82	67.69	76.58	85.23
Effective Tax Rate	26.4%	27.7%	27.1%	28.9%	27.0%
Net Dividend Payout Ratio	58.9%	58.8%	72.6%	88.9%	85.0%
Accounts Receivables Days	91.65	93.23	99.37	99.48	96.49
Inventory Days					
Accounts Payables Days	15.76	14.88	13.89	13.81	13.36
ROIC (%)	46.4%	49.7%	44.4%	42.5%	46.0%
ROCE (%)	25.5%	27.4%	26.1%	24.9%	27.4%
Return On Average Assets	18.6%	18.9%	19.0%	17.7%	19.7%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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