

India

HOLD (no change)

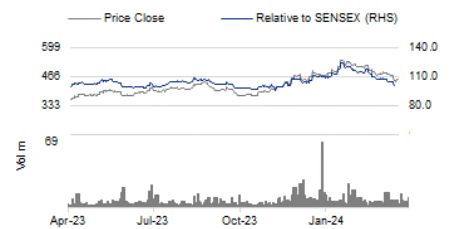
Consensus ratings*: Buy 10 Hold 14 Sell 21

Current price:	Rs453
Target price:	Rs466
Previous target:	Rs466
Up/downside:	2.9%
InCred Research / Consensus:	0.4%
Reuters:	WIPR.NS
Bloomberg:	WPRO IN
Market cap:	US\$28,342m Rs2,365,702m
Average daily turnover:	US\$45.8m Rs3822.9m
Current shares o/s:	5,328.0m
Free float:	27.0%

*Source: Bloomberg

Key changes in this note

- Expect 0.8% IT services revenue CAGR over FY24-26F.
- Expect 9% EBIT CAGR over FY24-26F.
- Expect 9.2% PAT CAGR over FY24-26F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(8.3)	(5.3)	24.8
Relative (%)	(8.6)	(7.4)	1.8

Major shareholders	% held
Foreign Institutions	9.2
LIC	4.1
Mutual Funds	3.3

Research Analyst(s)



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Wipro

Margin execution could limit downgrades

- 1QFY25F revenue guidance (-1.5% to +0.5% qoq) feeble, but better margin execution could limit FY25F downgrades.
- We feel the senior leadership attrition could aid FY25F exit & FY26F margin.
- Superior cash conversion (FY24 OCF at Rs176bn, up 34.9% yoy, OCF/EBITDA at 103.8% vs. 77.3% in FY23) to support valuation.

4QFY24 earnings summary

Wipro's 4QFY24 revenue at US\$2,657.4m (down 0.3% qoq and 6.6% yoy in constant currency or CC terms) was 0.3% below our estimate, but 0.1% above consensus estimate, while IT services' EBIT margin at 16% was encouraging, given revenue weakness and a two-month impact of wage hike. Revenue weakness was led by Technology and Communications verticals while the momentum in Capco aided the FSI vertical (up 2.1% qoq in CC terms). Discretionary spending commentary was consistent with peers and is likely to lead to a feeble qoq growth guidance range (-1.5% to +0.5%) despite continued recovery in the FSI vertical and healthy large deal signings (up 31% qoq & 10% yoy). Although, revenue growth recovery could be fragile, leadership attrition (especially locals hired previously), post CEO change, could aid EBIT margin and limit earnings downgrade.

New CEO has set his priorities

The incoming CEO highlighted that he would retain the current organization structure and his focus areas include a) accelerating large-deal momentum by working closely with clients and partners, b) strengthening large client relationships and investing in accounts having growth potential, c) consulting and AI-infused industry-specific offerings, d) building talent at scale, & e) simplified operating model with a focus on execution rigour with speed.

Leadership attrition could continue to aid margins

IT services' EBIT margin (at 16.4%, up 40bp qoq and 10bp yoy) beat was aided by lower S&M (down 15.6% qoq; 7% of revenue vs. 8.2% in 3QFY24) and G&A expenses (down 20.4% qoq; 5.9% vs. 7.4%) partly offset by revenue weakness and the impact of wage hikes. The previous CEO has significantly invested in hiring locals across geographies and for creating large deals. Although the new CEO aims to retain the structure, potential leadership attrition could aid the EBIT margin. Consequently, we believe the upside to IT services margin exists, despite management commentary of operating in a narrow band.

Retain HOLD rating with an unchanged target price of Rs466

We retain our HOLD rating on Wipro with an unchanged target price of Rs466 as 1) we trim US\$ revenue growth CAGR to 0.8% (vs. 3.3% earlier) but increase EBIT margin CAGR to 9% (vs.7.6% earlier) which helps retain our EPS CAGR, and 2) retain our target PE/G of 1.8x to arrive at a target P/E multiple of ~18.5x. Net cash (Rs55/share), strong cash conversion and 7% FCF yield support our rating. Acceleration in deal velocity and strong execution are upside risks. Order book moderation & sticky attrition are downside risks.

Financial Summary

	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue (Rsm)	790,934	904,876	897,603	908,281	948,589
Operating EBITDA (Rsm)	164,656	168,936	169,830	179,609	196,358
Net Profit (Rsm)	122,191	113,500	110,452	119,793	131,640
Core EPS (Rs)	21.5	20.7	20.4	22.7	25.1
Core EPS Growth	14.7%	(3.8%)	(1.3%)	11.0%	10.9%
FD Core P/E (x)	20.65	21.87	22.16	19.96	18.01
DPS (Rs)	6.0	1.0	1.0	18.3	20.1
Dividend Yield	1.32%	0.22%	0.22%	4.04%	4.44%
EV/EBITDA (x)	14.25	13.31	12.93	11.68	10.35
P/FCFE (x)	30.69	22.75	15.19	19.46	17.51
Net Gearing	(27.3%)	(30.2%)	(33.8%)	(38.1%)	(42.6%)
P/BV (x)	3.79	3.20	3.24	3.08	2.98
ROE	20.0%	15.9%	14.5%	15.8%	16.8%
% Change In Core EPS Estimates				(0.58%)	1.18%
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. (%)
IT services revenue (US\$ m)	2,657	2,840	(6.4)	2,656	0.0	2,664	(0.3)
Revenue (Rs m)	2,22,083	2,31,903	(4.2)	2,22,051	0.0	2,22,101	(0.0)
US\$-Rs realization	83.1	81.6	1.8	83.4	(0.4)	83.0	0.1
EBITDA	43,906	45,053	(2.5)	41,919	4.7	41,977	4.6
EBITDA margin (%)	19.8	19.4	34 bp	18.9	89 bp	18.9	87 bp
EBIT	35,501	36,587	(3.0)	32,603	8.9	32,649	8.7
EBIT margin (%)	16.0	15.8	21 bp	14.7	130 bp	14.7	129 bp
Depreciation	8,405	8,466	(0.7)	9,316	(9.8)	9,328	(9.9)
Net other income	3,323	3,593	(7.5)	2,922	13.7	2,935	13.2
PBT	38,824	40,180	(3.4)	35,525	9.3	35,584	9.1
Provision for tax	10,040	9,249	8.6	8,515	17.9	8,540	17.6
% tax rate	25.9	23.0	284 bp	24.0	189 bp	24.0	186 bp
Net profit	28,346	30,745	(7.8)	26,942	5.2	26,975	5.1
EPS (Rs)	5.4	5.6	(7.8)	5.2	5.2	5.2	5.1

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call takeaways

- **Guidance:** Revenue guidance of -1.5% to +0.5% QoQ in CC terms for 1QFY25F. IT services' EBIT margin likely to remain range-bound in the medium term.
- **Demand commentary:** Economic environment still uncertain and challenging in the short term. However, opportunities for IT services exist due to a major technological shift led by AI. The overall demand environment is similar to the beginning of the calendar year.
- **Vertical commentary**
 - Traction continued in the consulting business, with Capco revenue up 6.6% qoq and order bookings up 43.6% qoq.
 - ENU and Manufacturing vertical has been soft for Wipro, with management focusing to build capabilities and capitalize on a good pipeline. Consumer and Lifesciences verticals impacted by macroeconomic uncertainty.
- **Geography commentary**
 - Americas 1 continue to witness momentum in bookings in 4QFY24. Company won eight large deals in 4QFY24, with TCV of US\$587m. FY24 order bookings up 24.9% yoy.
 - Americas 2 performance was impacted in FY24 (down 6.1% yoy in CC terms) due to the BFSI vertical (~60% of Americas 2 revenue) and Capco acquisition. However, management is witnessing stability in the BFSI vertical and Capco, which aided growth in 4QFY24 (up 1.9% qoq), and conversion from a good deal pipeline could aid growth in the medium term.
 - Wipro won five large deals with a TCV of more than US\$300m in 4QFY24 in the European market. Germany and the UK were impacted due to slowdown, but a recovery was witnessed in Switzerland (up 1.7% qoq) and Southern Europe (up 1.6% qoq).
 - APMEA market's focus would be on high value transformation projects and reduce low-margin accounts. APMEA witnessed 235bp margin improvement in FY24.
- **Deal bookings:** Large deal wins at US\$1.191bn (vs. US\$0.9bn in 3QFY24). Wipro won 18 large deals in 4QFY24 vs. 14 in 3QFY24. LTM deal wins at US\$4.6bn were up 17.3% YoY. Total bookings at US\$3.6bn (vs. US\$3.79bn in 3QFY24). LTM total bookings at US\$14.9bn were down 5.7% yoy in CC terms.
- TCV conversion to revenue is impacted due to ramp-down of deals which are difficult to replenish. Smaller deals' buoyancy has certainly slowed, as per management.
- **IT services' margins likely to remain range-bound**
 - The headwind on margins would be investments to build capabilities, wage inflation and strategic M&A.
 - Tailwinds for margins would be the focus on high-margin business, continuing employee pyramid corrections, operational efficiency and growth acceleration in consulting-heavy Capco acquisition could aid margins.

Figure 2: Operating metric trend

Operating trends	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
IT services revenue (US\$m)	2,722	2,756	2,817	2,821	2,840	2,779	2,713	2,656	2,657
Growth YoY (%)	26.4	14.1	9.2	6.9	4.3	0.8	-3.7	-5.9	-6.4
Growth QoQ (%)	3.1	1.3	2.2	0.1	0.6	-2.1	-2.3	-2.1	0.0
CC growth YoY (%)	28.5	17.2	12.9	10.4	6.5	1.1	-4.8	-6.9	-6.6
CC growth QoQ (%)	3.1	2.1	4.1	0.6	-0.6	-2.8	-2.0	-1.7	-0.3
Revenue (Rsm)	2,08,600	2,15,286	2,25,397	2,32,290	2,31,903	2,28,310	2,25,159	2,22,051	2,22,083
Growth YoY (%)	28.4	17.9	14.6	14.4	11.2	6.0	-0.1	-4.4	-4.2
Growth QoQ (%)	2.7	3.2	4.7	3.1	-0.2	-1.5	-1.4	-1.4	0.0
IT services EBIT margin (%)	17.0	14.9	15.1	16.3	16.3	16.0	16.1	16.0	16.4
US\$-INR realized rate	75.9	77.2	79.4	81.7	81.6	81.9	82.5	83.4	83.1
Headcount	2,43,128	2,62,049	2,62,626	2,62,109	2,58,570	2,49,758	2,44,707	2,40,234	2,34,054
Utilization ex-trainees (%)	85.2	83.8	79.8	79.7	81.7	83.7	84.5	84.0	86.9
LTM attrition (%)	23.8	23.0	22.9	21.2	19.4	17.3	15.5	14.2	14.2
Vertical (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
BFSI	35.4	35.5	35.3	35.0	34.4	33.9	33.6	32.7	33.5
Health	11.5	11.4	11.4	11.9	12.1	12.2	12.7	13.9	14.1
Energy, Resources & Utilities	11.5	11.1	11.2	11.4	12.2	12.0	11.6	11.8	11.9
Communications	4.8	4.9	4.8	4.6	4.5	4.6	4.3	4.0	3.8
Consumer	17.9	18.6	19.0	19.0	18.9	18.7	18.7	18.8	18.7
Manufacturing and Technology	18.9	18.4	18.4	18.1	17.9	18.6	19.1	18.8	18.0
Vertical (US\$m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
BFSI	963	978	995	987	977	942	912	869	890
Health	313	314	321	336	344	339	345	369	375
Energy, Resources & Utilities	313	306	316	322	346	333	315	313	316
Communications	131	135	135	130	128	128	117	106	101
Consumer	487	513	535	536	537	520	507	499	497
Manufacturing and Technology	514	507	518	511	508	517	518	499	478
Vertical yoy (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
BFSI	46.8	21.3	10.8	6.3	1.4	-3.7	-8.3	-12.0	-8.9
Health	11.9	9.4	6.4	7.8	9.8	7.9	7.3	10.0	9.1
Energy, Resources & Utilities	10.2	-3.3	-0.6	4.1	10.7	9.0	-0.3	-2.6	-8.7
Communications	21.4	9.7	4.8	-1.7	-2.2	-5.4	-13.7	-18.1	-21.0
Consumer	33.1	22.7	19.9	14.7	10.2	1.4	-5.2	-6.8	-7.4
Manufacturing and Technology	12.2	9.4	6.3	4.0	-1.2	1.9	-0.0	-2.2	-5.9
Vertical qoq (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
BFSI	3.7	1.5	1.6	-0.7	-1.1	-3.6	-3.2	-4.7	2.5
Health	0.5	0.4	2.2	4.5	2.3	-1.3	1.7	7.1	1.5
Energy, Resources & Utilities	1.3	-2.3	3.1	1.9	7.7	-3.8	-5.6	-0.4	0.9
Communications	-1.0	3.4	0.1	-4.0	-1.5	0.0	-8.7	-8.9	-5.0
Consumer	4.3	5.2	4.4	0.1	0.1	-3.2	-2.3	-1.6	-0.5
Manufacturing and Technology	4.8	-1.4	2.2	-1.5	-0.5	1.7	0.3	-3.6	-4.2
Incremental revenue (US\$m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
BFSI	34	15	16	-7	-11	-35	-30	-43	22
Health	2	1	7	15	8	-5	6	25	5
Energy, Resources & Utilities	4	-7	10	6	25	-13	-19	-1	3
Communications	-1	4	0	-5	-2	0	-11	-10	-5
Consumer	20	25	23	1	1	-17	-12	-8	-2
Manufacturing and Technology	23	-7	11	-8	-2	9	1	-19	-21
Geography (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Americas 1	28.3	28.7	28.8	29.1	28.5	28.8	29.8	31.0	30.4
Americas 2	31.0	31.1	31.1	30.6	30.5	30.0	29.9	30.0	30.7
Europe	29.3	28.2	28.0	28.8	29.3	29.5	28.6	27.7	27.8
APMEA	11.4	12.0	12.1	11.5	11.7	11.7	11.7	11.3	11.1
Geography (US\$m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Americas 1	770	791	811	821	809	800	809	823	808
Americas 2	844	857	876	863	866	834	811	797	816
Europe	797	777	789	813	832	820	776	736	739
APMEA	310	331	341	324	332	325	317	300	295
Geography yoy (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Americas 1	22.6	18.7	14.4	10.3	5.1	1.2	-0.4	0.3	-0.2
Americas 2	33.8	16.4	11.0	7.6	2.6	-2.8	-7.4	-7.7	-5.8
Europe	30.5	6.6	1.2	3.6	4.3	5.5	-1.6	-9.5	-11.2
APMEA	10.0	17.1	12.9	5.1	7.1	-1.7	-6.9	-7.5	-11.2
Geography qoq (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Americas 1	3.5	2.7	2.6	1.2	-1.4	-1.1	1.0	1.8	-1.9
Americas 2	5.1	1.6	2.2	-1.5	0.3	-3.8	-2.7	-1.8	2.4
Europe	1.7	-2.5	1.5	3.0	2.4	-1.5	-5.3	-5.2	0.4
APMEA	0.5	6.6	3.1	-4.8	2.4	-2.1	-2.3	-5.5	-1.7
Incremental revenue (US\$m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Americas 1	26	21	20	10	-12	-9	8	15	-16
Americas 2	41	13	19	-13	3	-32	-22	-14	19
Europe	13	-20	12	24	19	-12	-44	-40	3
APMEA	1	20	10	-16	8	-7	-8	-17	-5
Client (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top	3.2	3.2	3.2	3.2	3.2	3.1	3.0	3.0	3.8
Top 2-5	9.7	9.7	9.8	10.1	9.3	9.4	9.3	9.1	9.6
Top 6-10	7.6	7.9	7.8	7.9	7.7	8.0	8.3	8.4	8.6
Others	79.5	79.2	79.2	78.8	79.8	79.5	79.4	79.5	78.0
Client yoy (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top	30.5	17.8	12.7	6.9	4.3	-2.3	-9.7	-11.7	11.1
Top 2-5	34.8	23.0	13.8	13.6	0.0	-2.3	-8.6	-15.2	-3.4
Top 6-10	31.6	17.1	12.1	12.6	5.7	2.1	2.5	0.1	4.5

Others	24.9	12.7	8.2	5.5	4.7	1.2	-3.5	-5.0	-8.5
Client qoq (%)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top	3.1	1.3	2.2	0.1	0.6	-5.2	-5.5	-2.1	26.7
Top 2-5	5.3	1.3	3.3	3.2	-7.3	-1.1	-3.4	-4.2	5.5
Top 6-10	4.5	5.3	0.9	1.4	-1.9	1.7	1.3	-0.9	2.4
Others	2.7	0.9	2.2	-0.4	1.9	-2.5	-2.5	-2.0	-1.8
Incremental revenue (US\$m)	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Top	3	1	2	0	1	-5	-5	-2	21
Top 2-5	13	3	9	9	-21	-3	-9	-11	13
Top 6-10	9	11	2	3	-4	4	3	-2	5
Others	57	19	49	-8	43	-57	-55	-43	-39
Client metrics	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
No. of active clients	1,369	1,475	1,514	1,530	1,479	1,444	1,393	1,349	1,371
Revenue per active client	7.6	7.3	7.2	7.3	7.6	7.8	8.0	8.1	7.9
No of new customers	116	164	128	80	63	65	49	55	60
100m+	19	20	19	19	19	21	22	22	22
75m+	29	30	29	29	29	28	28	31	32
50m+	50	50	52	52	53	51	51	46	45
20m+	117	120	122	119	117	123	122	121	116
10m+	194	196	199	204	210	207	207	203	205
1m+	679	719	745	755	766	769	774	750	741
Per employee analysis	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24
Revenue (US\$ m) - TTM	10,356	10,698	10,935	11,117	11,234	11,257	11,153	10,987	10,805
Employees (average TTM)	2,26,514	2,39,553	2,49,869	2,57,478	2,61,339	2,58,266	2,53,786	2,48,317	2,42,188
Revenue per employee (TTM)	45,719	44,656	43,763	43,175	42,988	43,586	43,945	44,247	44,615

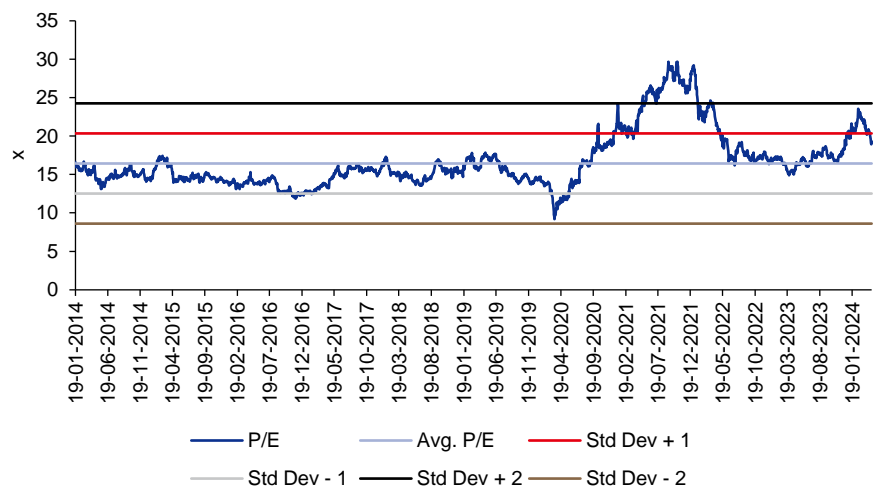
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in earnings estimate

Y/E, Mar (Rs m)	FY25F			FY26F		
	New	Old	% change	New	Old	% change
US\$ IT services revenue	10,766	10,962	-1.8	10,987	11,523	-4.7
Revenue (Rs m)	9,08,281	9,24,467	-1.8	9,48,589	9,94,242	-4.6
EBIT (Rs m)	1,45,774	1,43,292	1.7	1,61,260	1,54,107	4.6
EBIT Margin (%)	16.0	15.5	55 bp	17.0	15.5	150 bp
PAT (Rs m)	1,19,793	1,21,520	-1.4	1,31,640	1,32,383	-0.6
EPS (Rs)	22.9	22.8	0.3	25.1	24.9	1.2

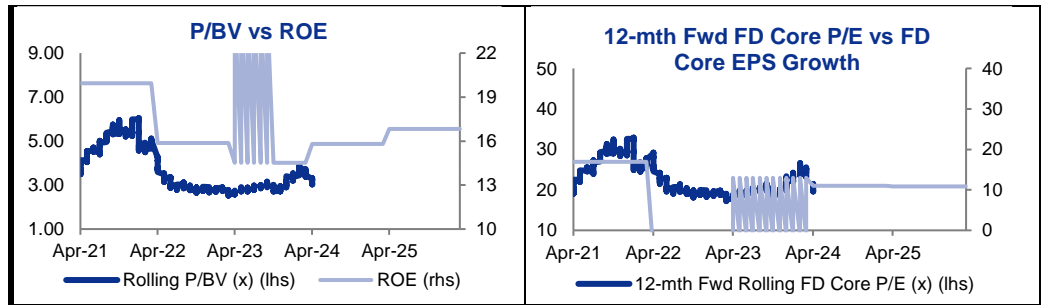
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Wipro trades at a one-year forward P/E of 19.3x



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Total Net Revenues	790,934	904,876	897,603	908,281	948,589
Gross Profit	265,973	293,232	300,177	302,003	321,572
Operating EBITDA	164,656	168,936	169,830	179,609	196,358
Depreciation And Amortisation	(30,911)	(33,802)	(34,071)	(33,835)	(35,098)
Operating EBIT	133,745	135,134	135,759	145,774	161,260
Financial Income/(Expense)	7,789	6,815	6,929	8,476	9,821
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	7,498	5,765	4,755	5,677	5,597
Profit Before Tax (pre-EI)	149,032	147,714	147,443	159,927	176,678
Exceptional Items					
Pre-tax Profit	149,032	147,714	147,443	159,927	176,678
Taxation	(28,946)	(33,992)	(36,089)	(38,383)	(43,286)
Exceptional Income - post-tax	2,186				
Profit After Tax	122,272	113,722	111,354	121,545	133,392
Minority Interests	(81)	(222)	(902)	(1,752)	(1,752)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	122,191	113,500	110,452	119,793	131,640
Recurring Net Profit	120,005	113,500	110,452	119,793	131,640
Fully Diluted Recurring Net Profit	120,005	113,500	110,452	119,793	131,640

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
EBITDA	164,656	168,936	169,830	179,609	196,358
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(36,488)	(14,556)	18,051	(6,102)	(5,426)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(81)	(222)	(902)	(1,752)	(1,752)
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(25,686)	(30,218)	(15,360)	(38,383)	(43,286)
Cashflow From Operations	102,401	123,940	171,619	133,373	145,894
Capex	(20,153)	(14,834)	(10,510)	(10,510)	(10,510)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(204,342)	(69,231)	22,190	27,385	29,311
Cash Flow From Investing	(224,495)	(84,065)	11,680	16,875	18,801
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased			(145,173)		
Dividends Paid	(5,467)	(32,814)	(5,218)	(95,834)	(105,312)
Preferred Dividends					
Other Financing Cashflow	52,053	(28,067)	(32,176)	(13,232)	(13,894)
Cash Flow From Financing	46,586	(60,881)	(182,567)	(109,066)	(119,206)
Total Cash Generated	(75,508)	(21,006)	732	41,182	45,490
Free Cashflow To Equity	82,248	109,106	161,109	122,863	135,384
Free Cashflow To Firm	(122,094)	39,875	183,299	150,248	164,695

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	345,491	401,112	408,124	449,306	494,795
Total Debtors	176,028	186,865	173,822	181,656	189,718
Inventories	1,334	1,188	907	907	907
Total Other Current Assets	97,899	71,931	67,809	67,809	67,809
Total Current Assets	620,752	661,096	650,662	699,678	753,229
Fixed Assets	109,495	107,209	99,317	75,992	51,404
Total Investments	30,738	28,722	32,293	32,293	32,293
Intangible Assets	286,416	346,530	344,197	344,197	344,197
Total Other Non-Current Assets	27,653	27,780	21,437	21,437	21,437
Total Non-current Assets	454,302	510,241	497,244	473,919	449,331
Short-term Debt	95,233	88,821	79,166	79,166	79,166
Current Portion of Long-Term Debt					
Total Creditors	62,522	59,723	57,655	59,387	62,023
Other Current Liabilities	150,574	119,209	115,637	115,637	115,637
Total Current Liabilities	308,329	267,753	252,458	254,190	256,826
Total Long-term Debt	56,463	61,272	62,300	62,300	62,300
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	55,717	65,044	86,478	86,478	86,478
Total Non-current Liabilities	112,180	126,316	148,778	148,778	148,778
Total Provisions					
Total Liabilities	420,509	394,069	401,236	402,968	405,604
Shareholders Equity	654,030	776,679	745,330	769,289	795,617
Minority Interests	515	589	1,340	1,340	1,340
Total Equity	654,545	777,268	746,670	770,629	796,957

Key Ratios

	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue Growth	27.7%	14.4%	(0.8%)	1.2%	4.4%
Operating EBITDA Growth	11.4%	2.6%	0.5%	5.8%	9.3%
Operating EBITDA Margin	20.8%	18.7%	18.9%	19.8%	20.7%
Net Cash Per Share (Rs)	32.59	42.85	47.43	56.14	64.82
BVPS (Rs)	119.35	141.59	139.89	146.95	151.98
Gross Interest Cover	25.12	13.41	10.82	11.02	11.61
Effective Tax Rate	19.4%	23.0%	24.5%	24.0%	24.5%
Net Dividend Payout Ratio	27.4%	4.8%	4.7%	80.0%	80.0%
Accounts Receivables Days	68.63	73.19	73.33	71.43	71.45
Inventory Days	0.83	0.75	0.64	0.55	0.53
Accounts Payables Days	40.57	36.47	35.86	35.23	35.34
ROIC (%)	37.2%	21.4%	18.2%	20.7%	23.6%
ROCE (%)	14.8%	11.8%	11.1%	12.1%	13.0%
Return On Average Assets	12.0%	9.7%	9.2%	9.9%	10.6%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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