BUY

Infosys

Weak 1Q; cut in FY27 organic growth guidance disappoints

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Information Technology ▸ Result Update ▸ **July 24, 2026**

CMP (Rs): 1,047 | TP (Rs): 1,300

Infosys (INFO) reported a mixed operating performance in 1Q, with revenue missing estimates, while margins remaining in line. Revenue grew 1.0% CC qoq, with ~1.1% contribution from M&A, well below our estimate of 2.2%. EBITM expanded by 10bps qoq to 21.1%, in line with our expectations. 1Q large-deal TCV remains healthy at $3.6bn, of which 61% was net new and vendor consolidation deals contributing 20% of the TCV. AI Services revenue was 8.2% of 1Q revenue and has been growing in double digits sequentially. Management has revised its FY27 revenue growth guidance to 1.5-3.0% CC (from 1.5-3.5% earlier), implying CQGR of 0.4-1.4% over 2Q-4Q. the revised guidance includes ~1.7% contribution from the Optimum Healthcare and Stratus acquisitions, hence indicating implied organic guidance of ~0.5% at the midpoint compared to ~2.2% earlier; the management attributed the organic guidance cut to the 1Q miss, the earlier softer-than-expected volume growth, one-off impact from program termination by a EURS client, drag from a European manufacturing client (>1% vs 0.75-1% earlier), increased AI-led productivity expectations weighing on realization, and cautious spending by clients amid uncertain macros. The management retains EBITM in the 20-22% band, despite headwinds from wage hikes, productivity pass-throughs, AI investments, and ~50bps impact from acquisitions, offset by Project Maximus and currency movement. INFO has announced leadership transition with appointment of Ashiss Kumar Dash as CEO Designate till 31-Mar-27, succeeding Salil Parekh as MD and CEO wef 1-Apr-27. We cut FY27-29E EPS by 0.9-3%, factoring in the 1Q miss and organic guidance cut. Considering undemanding valuation, we retain BUY and cut TP by ~4% to Rs1,300 from Rs1,350, at 16x Jun-28E EPS.

Results summary

Revenue grew 0.8% qoq (1.0% CC) to $5.0bn, lower than our estimate of 2.2% CC growth. EBITM expanded by 10bps qoq to 21.1%, in line with our expectations, on the back of tailwinds from currency (+70bps), Project Maximus (+20bps), benefit from acquisition amortization in 4Q (+50bps) and one-time cost benefits (+30bps) partially offset by investments in AI and S&M (-50bps), low margin M&A integration (-50bps), project termination (-40bps), and increase in other expenses (-20bps). Headcount was down 0.2% qoq to 328,062. What we like: strong large-deal intake, cash conversion (OCF/EBITDA 86%). What we do not like: Revenue miss, organic growth guidance cut.

Variability across verticals in 1Q; BFSI and EURS to lead growth ahead

Sequential revenue growth was led by Lifesciences (+10.5% qoq; largely driven by the Optimum acquisition), EURS (2.4%), Manufacturing (0.8%), Retail (0.8%), Hi-tech (0.8%), and BFSI (0.5%), partially offset by the decline in Communications (-2.4%) and Others (-14.1%). The management expects BFSI and EURS to grow higher than the company average, Lifesciences to benefit on the back of the acquisition (Optimum Healthcare), while Communication and Retail would see challenges ahead.

Target Price – 12M	Jun-27
Change in TP (%)	**(3.7)**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	24.2

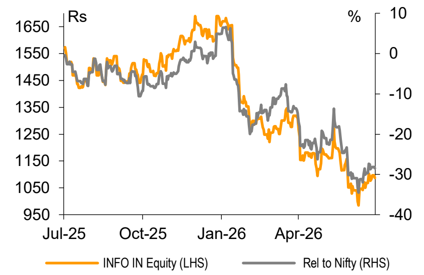
Stock Data	**INFO IN**
52-week High (Rs)	1,728
52-week Low (Rs)	982
Shares outstanding (mn)	4,057.6
Market-cap (Rs bn)	4,250
Market-cap (USD mn)	44,009
Net-debt, FY27E (Rs mn)	(470,254.0)
ADTV-3M (mn shares)	14.7
ADTV-3M (Rs mn)	17,498.6
ADTV-3M (USD mn)	181.2
Free float (%)	86.7
Nifty-50	23,869.6
INR/USD	96.6

Shareholding,Jun-26	
Promoters (%)	12.7
FPIs/MFs (%)	25.0/39.6

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	1.8	(15.6)	(33.5)
Rel. to Nifty	1.6	(14.5)	(29.7)

1-Year share price trend (Rs)



Infosys: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue	1,629,900	1,786,500	1,940,413	2,014,998	2,128,569
EBITDA	392,350	422,790	462,576	482,293	509,471
Adj. PAT	267,130	304,110	311,029	325,284	346,331
Adj. EPS (Rs)	64.3	75.0	76.7	80.2	85.4
EBITDA margin (%)	24.1	23.7	23.8	23.9	23.9
EBITDA growth (%)	7.7	7.8	9.4	4.3	5.6
Adj. EPS growth (%)	1.8	16.6	2.3	4.6	6.5
RoE (%)	28.9	32.1	31.7	30.1	29.5
RoIC (%)	50.1	57.6	56.5	55.2	58.3
P/E (x)	16.3	14.4	13.7	13.1	12.3
EV/EBITDA (x)	9.9	9.0	8.2	7.6	7.0
P/B (x)	4.5	4.6	4.1	3.8	3.5
FCFF yield (%)	8.9	8.7	7.4	8.9	9.7

Source: Company, Emkay Research

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AI revenue seeing sequential double-digit revenue growth

The company is seeing strong traction across six areas of its AI strategy: AI strategy and engineering, data, process reimagination using agents, agentic legacy modernization, physical AI, and AI trust. Management indicated that AI revenue is growing in double digits sequentially and reached 8.2% of revenue in 1Q. Enterprises are becoming more model-optimization sensitive, mixing smaller, older, or cheaper models for simpler tasks with the latest models for high-end tasks. The Topaz Fabric platform runs 15 foundation models, letting clients use any closed, open, cloud, or on-server model while optimizing token cost and retaining data sovereignty. The management plans to build a team of 6,000 frontier engineers over the next few years. AI-led deflation is a headwind on renewals across both large and non-large deals, currently offset by net-new business. Client productivity demands and intensifying competition led to softer price increases, leading to new pricing structures. AI-productivity demand is broad-based across industries, with the highest usage seen in telcos, financial services, and retail utilities, per management.

Other earnings call KTAs

1) Clients are prioritizing AI modernization, cloud, and productivity initiatives while staying selective on discretionary spending.

2) Large deal pipeline is healthy; however, decision cycles continue to be longer.

3) Banking, payments, capital markets, and wealth management continue to see momentum shaping up.

4) Manufacturing remained impacted by lower revenue from a large client, with elongated decision-making, especially in European auto amid tariffs, geopolitical uncertainty, and energy costs.

5) Communications remained challenging on discretionary discipline, while telecom is undergoing consolidation and M&A with increased investment, especially for OEMs.

6) Retail and CPG consumer spending is muted, on tightly controlled budgets. The partnerships with hyperscaler and AI-native companies are enabling faster experimentation.

7) The management reiterated it will compete aggressively, albeit not underwrite uneconomic productivity assumptions, and select commercially unviable deals.

8) Headcount reduced by 532 despite >2,000 additions via acquisitions. The company plans to hire 20k college graduates in FY27 (same as in FY26), with >4,000 onboarded in 1Q, and expects headcount to grow with revenue over time.

9) Attrition rose to 13% from 12.6%, in line with 1Q seasonality.

10) The relative wage-hike drag is lower in FY27 than FY26, as FY26 carried the full-year impact of both January and April hikes, while FY27 sees only half-year of the October hike and a quarter of the Jan-27 hike.

11) ETR for FY27 would be ~29-30%.

Exhibit 1: INFO – Quarterly snapshot

Particular (Rs mn)	1QFY27	4QFY26	qoq (%)	1QFY26	yoy (%)
Net sales ($ mn)	5,082	5,040	0.8%	4,941	2.9%
Net sales	482,110	464,020	3.9%	422,790	14.0%
Operating expenses	368,020	352,350		323,360	
EBITDA	114,090	111,670	2.2%	99,430	14.7%
- Margin (%)	23.7	24.1	(40)	23.5	10
Depreciation	12460	14240		11400	
EBIT	101,630	97,430	4.3%	88,030	15.4%
- Margin (%)	21.1	21.0	10	20.8	30
Other income (net)	8,650	10,540		9,370	
Exceptional items	0	0		0	
Share of profit / (loss) of an associate	0	0		0	
PBT	110,280	107,970	2.1%	97,400	
Tax provided	32,530	22,880		28,160	
PAT	77,750	85,090		69,240	
Non-controlling interest	60	80		30	
Reported net profit	77,690	85,010		69,210	
Emkay net profit	77,690	85,010	-8.6%	69,210	12.3%
Reported EPS (Rs)	19.2	21.0	-8.6%	16.7	15.0%

Source: Company, Emkay Research

Exhibit 2: Actuals vs estimates

(Rs mn)	Actual	Estimate		Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Revenue ($ mn)	5,082	5,147	5,133	-1.3%	-1.0%	Revenue came in below our expectations.
Revenue (Rs mn)	482,110	487,911	486,000	-1.2%	-0.8%	
EBIT	101,630	102,815	102,546	-1.2%	-0.9%	Margin came in line with expectations.
EBIT margin	21.1%	21.1%	21.1%	0 bps	0 bps	
PAT	77,750	77,208	79,218	0.7%	-1.9%	Net profit beat expectations due to higher other income.

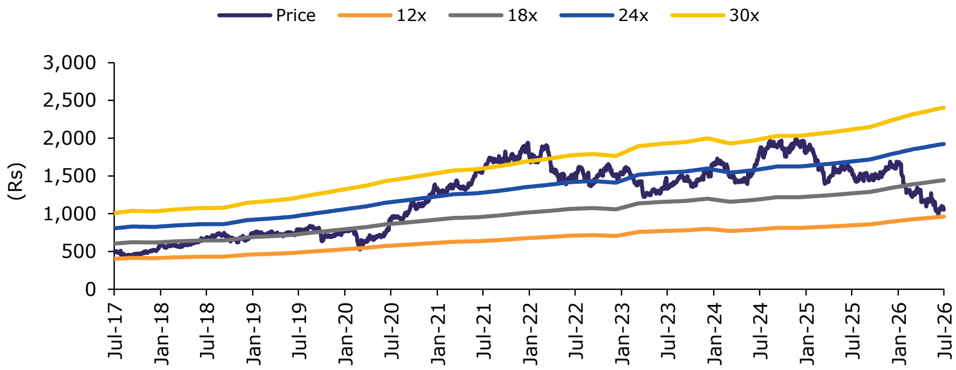
Source: Company, Bloomberg, Emkay Research

Exhibit 3: Changes in estimates

(Rs mn)	FY27E			FY28E			FY29E		
	Old	New	Change	Old	New	Change	Old	New	Change
Revenue ($ mn)	21,041	20,707	-1.6%	21,984	21,436	-2.5%	22,964	22,406	-2.4%
YoY growth	4.4%	2.7%		4.5%	3.5%		4.5%	4.5%	
Revenue	1,966,048	1,940,413	-1.3%	2,066,542	2,014,998	-2.5%	2,181,569	2,128,569	-2.4%
EBIT	414,457	407,831	-1.6%	437,609	422,958	-3.3%	461,382	446,556	-3.2%
EBIT margin	21.1	21.0		21.2	21.0		21.1	21.0	
Net profit	313,748	311,029	-0.9%	335,375	325,284	-3.0%	356,890	346,331	-3.0%
EPS (Rs)	77.4	76.7	-0.9%	82.7	80.2	-3.0%	88.0	85.4	-3.0%

Source: Company, Emkay Research

Exhibit 4: Infosys – One-year forward PER



Source: Company, Emkay Research

Exhibit 5: Key operating metrics - Infosys

Metric	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	$mn	qoq chg	yoy chg
Revenue ($ mn)	**4,714**	**4,894**	**4,939**	**4,730**	**4,941**	**5,076**	**5,099**	**5,040**	**5,082**		0.8%	2.9%
Revenue by industry (%)												
Financial Services	27.5	27.2	27.8	28.4	27.9	27.7	28.2	28.0	27.9	1,418	0.5%	2.9%
Retail	13.8	13.3	13.8	13.3	13.4	12.7	12.8	12.8	12.8	650	0.8%	-1.8%
Communications	12.1	11.9	11.2	11.7	12.0	12.1	12.1	12.4	12.0	610	-2.4%	2.9%
Energy, Utilities, Resources & Services	13.3	13.5	13.5	13.0	13.6	13.4	13.2	13.2	13.4	681	2.4%	1.3%
Manufacturing	14.7	15.7	15.5	15.9	16.1	16.5	16.7	15.9	15.9	808	0.8%	1.6%
Hi Tech	8.0	8.0	7.9	8.3	7.8	8.3	7.4	7.7	7.7	391	0.8%	1.5%
Life Sciences	7.3	7.3	7.6	6.8	6.5	6.4	7.2	7.3	8.0	407	10.5%	26.6%
Others	3.3	3.1	2.7	2.6	2.7	2.9	2.4	2.7	2.3	117	-14.1%	-12.4%
CC growth yoy (%) - industry												
Financial Services	0.3	2.3	6.1	12.6	5.6	5.4	3.9	2.9	2.4			
Retail	(3.0)	(9.6)	0.1	(2.6)	0.4	(2.3)	(5.5)	0.5	(1.8)			
Communications	5.4	7.0	4.0	-	4.0	4.7	9.9	9.0	1.3			
Energy, Utilities, Resources & Services	6.3	10.9	8.6	1.5	6.4	2.1	0.5	6.7	1.3			
Manufacturing	6.0	12.3	10.7	14.0	12.2	6.6	6.6	1.3	1.0			
Hi Tech	2.1	6.0	8.4	(1.1)	1.7	8.6	(2.2)	(1.2)	2.4			
Life Sciences	2.9	(3.5)	6.3	(3.4)	(7.9)	(10.5)	(5.4)	11.6	24.0			
Others	4.5	(1.2)	3.2	(2.8)	(15.3)	(2.4)	(9.3)	14.0	(9.9)			
Revenue by geography (%)												
North America	58.9	57.4	58.4	57.1	56.5	56.3	55.9	55.7	56.4	2,866	2.1%	2.7%
Europe	28.4	29.8	29.8	31.2	31.5	31.7	32.7	32.6	32.1	1,631	-0.7%	4.8%
India	3.1	3.1	3.1	2.9	2.9	3.1	2.8	2.6	2.5	127	-3.0%	-11.3%
Rest of the world	9.6	9.7	8.7	8.8	9.1	8.9	8.6	9.1	9.0	457	-0.3%	1.7%
CC growth yoy (%) - geography												
North America	(1.2)	(2.7)	4.8	(0.4)	0.4	2.0	(1.0)	4.1	3.2			
Europe	9.1	15.5	12.2	15.0	12.3	6.3	7.2	4.1	2.8			
India	19.9	16.0	40.1	43.7	(1.0)	6.8	(1.8)	-	(4.2)			
Rest of the world	2.3	3.8	(11.1)	(2.2)	0.4	(3.9)	2.5	5.0	(1.6)			
Revenue by currency (%)												
USD	64.6	63.6	64.9	63.7	63.8	62.6	62.7	62.4	63.3	3,217	2.3%	2.0%
GBP	3.7	3.7	3.8	4.0	4.2	4.3	4.8	4.8	4.9	249	2.9%	20.0%
EUR	16.0	17.6	16.7	17.0	17.1	17.6	17.5	17.3	17.1	869	-0.3%	2.9%
AUD	5.0	4.9	4.3	4.2	4.6	4.7	4.3	4.7	5.0	254	7.3%	11.8%
Others	10.7	10.2	10.3	11.1	10.3	10.8	10.6	10.8	9.7	493	-9.4%	-3.1%
Large deals												
Large deal TCV ($ mn)	4,085.0	2,430.0	2,495.0	2,637.0	3,797.0	3,063.0	4,846.0	3,242.0	3,635.0		12.1%	-4.3%
Net new (%)	57.6	40.9	62.6	63.4	54.9	67.2	56.6	39.6	61.2			
Renewal (%)	42.4	59.1	37.4	36.6	45.1	32.8	43.4	60.4	38.8			
Net new TCV ($ mn)	2,353.0	993.9	1,561.9	1,671.9	2,084.6	2,058.3	2,742.8	1,283.8	2,224.6		73.3%	6.7%
Renewal TCV ($ mn)	1,732.0	1,436.1	933.1	965.1	1,712.4	1,004.7	2,103.2	1,958.2	1,410.4		-28.0%	-17.6%
Number of large deals	34	21	17	24	28	23	26	19	22			
Large deals by geography (#)												
North America	21	12	11	12	20	14	16	5	11			
Europe	12	5	6	12	6	7	9	11	8			
India	-	3	-	-	-	1	-	-	-			
Rest of the world	1	1	-	-	2	1	1	3	3			
Large deals by industry (#)												
Financial Services	5	7	5	7	4	6	10	5	5			
Retail	8	2	2	1	2	4	4	4	2			
Communications	8	3	4	3	9	4	2	2	5			
Energy, Utilities, Resources & Services	6	1	2	5	6	3	2	1	4			
Manufacturing	4	3	3	4	5	4	3	5	3			
Hi Tech	2	1	1	2	2	1	2	-	1			
Life Sciences	1	1	-	2	-	-	3	2	1			
Others	-	3	-	-	-	1	-	-	1			
Client metrics												
Active clients	1,867	1,870	1,876	1,869	1,861	1,896	1,949	1,965	2,027			
Clients added during the quarter	87	86	101	91	93	118	121	111	155			
$1mn+ clients	987	985	997	992	1,011	1,012	1,012	1,018	1,026			
$10mn+ clients	309	307	301	309	317	322	326	328	333			
$50mn+ clients	84	86	89	85	85	85	84	88	85			
$100mn+ clients	40	41	41	39	41	41	41	41	41			
Client contribution to revenue (%)												
Top 5 clients	13.5	13.7	12.7	13.1	13.2	13.0	12.8	12.6	12.1	615	-3.2%	-5.7%
Top 10 clients	20.9	20.9	19.9	20.7	20.8	20.7	20.6	20.2	19.9	1,011	-0.7%	-1.6%
Employees												
Software professionals	298,123	300,774	306,528	306,599	306,706	314,500	319,364	310,887	310,039		-0.3%	1.1%
Sales & support	17,209	17,014	16,851	16,979	17,082	17,491	17,670	17,707	18,023		1.8%	5.5%
Total employees	315,332	317,788	323,379	323,578	323,788	331,991	337,034	328,594	328,062		-0.2%	1.3%
Net addition	(1,908)	2,456	5,591	199	210	8,203	5,043	(8,440)	(532)			
Voluntary attrition LTM - IT services (%)	12.7	12.9	13.7	14.1	14.4	14.3	12.3	12.6	13.0			
Effort mix (%)												
Onsite	23.9	24.1	24.0	23.6	23.6	23.2	23.1	22.8	22.8			
Offshore	76.1	75.9	76.0	76.4	76.4	76.8	76.9	77.2	77.2			
Utilization - IT services & consulting (%)												
Including trainees	83.9	84.3	83.4	81.9	82.7	82.2	80.0	79.7	82.1			
Excluding trainees	85.3	85.9	86.0	84.9	85.2	85.1	84.1	83.0	84.9			
Account receivables - LTM (days)	72	73	74	69	70	71	74	67	63			

Source: Company, Emkay Research

Infosys: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	1,629,900	1,786,500	1,940,413	2,014,998	2,128,569
Revenue growth (%)	6.1	9.6	8.6	3.8	5.6
EBITDA	392,350	422,790	462,576	482,293	509,471
EBITDA growth (%)	7.7	7.8	9.4	4.3	5.6
Depreciation & Amortization	48,110	49,010	54,745	59,335	62,915
EBIT	344,240	373,780	407,831	422,958	446,556
EBIT growth (%)	8.4	8.6	9.1	3.7	5.6
Other operating income	-	-	-	-	-
Other income	31,830	39,060	29,049	32,338	38,194
Financial expense	0	0	0	0	0
PBT	376,070	412,840	436,880	455,295	484,749
Extraordinary items	0	(9,710)	0	0	0
Taxes	108,570	108,390	125,611	129,759	138,154
Minority interest	(370)	(340)	(240)	(252)	(265)
Income from JV/Associates	-	-	-	-	-
Reported PAT	267,130	294,400	311,029	325,284	346,331
PAT growth (%)	1.8	10.2	5.6	4.6	6.5
Adjusted PAT	267,130	304,110	311,029	325,284	346,331
Diluted EPS (Rs)	64.3	75.0	76.7	80.2	85.4
Diluted EPS growth (%)	1.8	16.6	2.3	4.6	6.5
DPS (Rs)	48.8	46.0	52.5	56.5	61.5
Dividend payout (%)	75.9	63.4	68.5	70.4	72.0
EBITDA margin (%)	24.1	23.7	23.8	23.9	23.9
EBIT margin (%)	21.1	20.9	21.0	21.0	21.0
Effective tax rate (%)	28.9	26.3	28.8	28.5	28.5
NOPLAT (pre-IndAS)	244,859	275,645	290,572	302,415	319,287
Shares outstanding (mn)	4,153	4,056	4,056	4,056	4,056

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	20,730	20,240	20,240	20,240	20,240
Reserves & Surplus	941,300	912,730	1,010,840	1,106,984	1,203,896
Net worth	962,030	932,970	1,031,080	1,127,224	1,224,136
Minority interests	-	-	-	-	-
Non-current liab. & prov.	6,140	(5,850)	(5,420)	(5,420)	(5,420)
Total debt	0	0	0	0	0
Total liabilities & equity	968,170	927,120	1,025,660	1,121,804	1,218,716
Net tangible fixed assets	117,780	126,510	128,338	132,558	135,479
Net intangible assets	27,660	28,250	42,443	30,598	18,637
Net ROU assets	-	-	-	-	-
Capital WIP	10,220	6,800	6,500	6,500	6,500
Goodwill	101,060	121,170	157,410	157,410	157,410
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	479,960	440,810	470,254	567,663	665,461
Current assets (ex-cash)	678,160	751,720	806,833	836,850	882,557
Current Liab. & Prov.	509,780	609,910	648,852	671,330	705,556
NWC (ex-cash)	168,380	141,810	157,981	165,520	177,000
Total assets	968,170	927,120	1,025,660	1,121,804	1,218,716
Net debt	(479,960)	(440,810)	(470,254)	(567,663)	(665,461)
Capital employed	968,170	927,120	1,025,660	1,121,804	1,218,716
Invested capital	477,990	479,510	548,906	547,640	546,755
BVPS (Rs)	231.6	230.0	254.2	277.9	301.8
Net Debt/Equity (x)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Net Debt/EBITDA (x)	(1.2)	(1.0)	(1.0)	(1.2)	(1.3)
Interest coverage (x)	0	0	0	0	0
RoCE (%)	40.7	43.6	44.5	42.2	41.2

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	323,520	381,220	436,640	455,043	484,485
Others (non-cash items)	162,430	173,040	180,356	189,095	201,069
Taxes paid	(56,020)	(86,480)	(125,611)	(129,759)	(138,154)
Change in NWC	(6,050)	(23,060)	(15,741)	(7,539)	(11,480)
Operating cash flow	367,860	358,240	350,033	377,080	397,766
Capital expenditure	(22,370)	(27,270)	(71,430)	(50,530)	(50,550)
Acquisition of business	(31,550)	(6,500)	(36,240)	0	0
Interest & dividend income	27,480	29,410	27,679	31,138	36,994
Investing cash flow	(30,380)	1,080	(107,320)	(50,530)	(50,550)
Equity raised/(repaid)	(5,340)	(183,090)	0	0	0
Debt raised/(repaid)	0	0	0	0	0
Payment of lease liabilities	(23,550)	(28,240)	0	0	0
Interest paid	0	0	0	0	0
Dividend paid (incl tax)	(202,870)	(186,530)	(212,919)	(229,141)	(249,419)
Others	(9,850)	0	0	0	0
Financing cash flow	(241,610)	(397,860)	(212,919)	(229,141)	(249,419)
Net chg in Cash	95,870	(38,540)	29,794	97,409	97,797
OCF	367,860	358,240	350,033	377,080	397,766
Adj. OCF (w/o NWC chg.)	373,910	381,300	365,774	384,620	409,246
FCFF	345,490	330,970	278,603	326,550	347,216
FCFE	372,970	360,380	306,281	357,688	384,210
OCF/EBITDA (%)	93.8	84.7	75.7	78.2	78.1
FCFE/PAT (%)	139.6	122.4	98.5	110.0	110.9
FCFF/NOPLAT (%)	141.1	120.1	95.9	108.0	108.7

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	16.3	14.4	13.7	13.1	12.3
EV/CE(x)	4.0	4.1	3.7	3.3	2.9
P/B (x)	4.5	4.6	4.1	3.8	3.5
EV/Sales (x)	2.4	2.1	1.9	1.8	1.7
EV/EBITDA (x)	9.9	9.0	8.2	7.6	7.0
EV/EBIT(x)	11.2	10.2	9.3	8.7	8.0
EV/IC (x)	8.1	7.9	6.9	6.7	6.6
FCFF yield (%)	8.9	8.7	7.4	8.9	9.7
FCFE yield (%)	8.8	8.5	7.2	8.4	9.0
Dividend yield (%)	4.7	4.4	5.0	5.4	5.9
DuPont-RoE split					
Net profit margin (%)	16.4	17.0	16.0	16.1	16.3
Total asset turnover (x)	1.7	1.9	2.0	1.9	1.8
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	28.9	32.1	31.7	30.1	29.5
DuPont-RoIC					
NOPLAT margin (%)	15.0	15.4	15.0	15.0	15.0
IC turnover (x)	3.3	3.7	3.8	3.7	3.9
RoIC (%)	50.1	57.6	56.5	55.2	58.3
Operating metrics					
Core NWC days	37.7	29.0	29.7	30.0	30.4
Total NWC days	37.7	29.0	29.7	30.0	30.4
Fixed asset turnover	2.9	2.8	2.7	2.6	2.6
Opex-to-revenue (%)	75.9	76.3	76.2	76.1	76.1

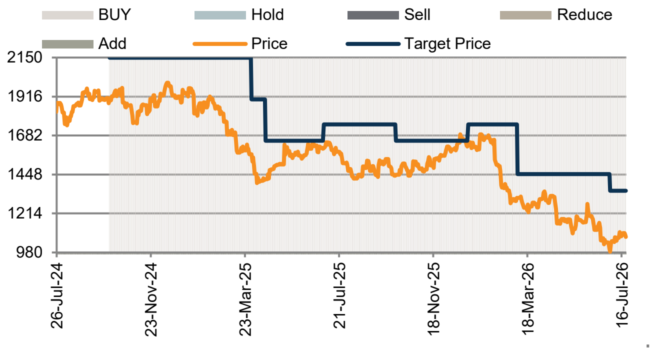
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
01-Jul-26	985	1,350	Buy	Dipeshkumar Mehta
24-Apr-26	1,155	1,450	Buy	Dipeshkumar Mehta
31-Mar-26	1,251	1,450	Buy	Dipeshkumar Mehta
26-Mar-26	1,279	1,450	Buy	Dipeshkumar Mehta
05-Mar-26	1,306	1,450	Buy	Dipeshkumar Mehta
18-Feb-26	1,374	1,750	Buy	Dipeshkumar Mehta
15-Jan-26	1,600	1,750	Buy	Dipeshkumar Mehta
01-Jan-26	1,630	1,750	Buy	Dipeshkumar Mehta
17-Oct-25	1,441	1,650	Buy	Dipeshkumar Mehta
01-Oct-25	1,446	1,650	Buy	Dipeshkumar Mehta
24-Jul-25	1,553	1,750	Buy	Dipeshkumar Mehta
01-Jul-25	1,607	1,750	Buy	Dipeshkumar Mehta
18-Apr-25	1,420	1,650	Buy	Dipeshkumar Mehta
31-Mar-25	1,571	1,900	Buy	Dipeshkumar Mehta
17-Jan-25	1,815	2,150	Buy	Dipeshkumar Mehta
01-Jan-25	1,883	2,150	Buy	Dipeshkumar Mehta
18-Oct-24	1,880	2,150	Buy	Dipeshkumar Mehta
01-Oct-24	1,904	2,150	Buy	Dipeshkumar Mehta

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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