KPIT Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	KPITTECH IN
Equity Shares (m)	274
M.Cap.(INRb)/(USDb)	175.1 / 1.8
52-Week Range (INR)	1329 / 543
1, 6, 12 Rel. Per (%)	-12/-34/-45
12M Avg Val (INR M)	1449
Free float (%)	61.4

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	64.5	66.7	73.8
EBIT Margin (%)	16.2	13.8	15.1
PAT	6.4	6.9	8.9
EPS (INR)	25.0	25.5	32.8
EPS Gr. (%)	(13.9)	1.9	28.9
BV/Sh. (INR)	130.1	147.8	171.6
Ratios			
RoE (%)	19.7	18.3	20.5
RoCE (%)	16.7	11.9	14.3
Payout (%)	30.0	30.4	27.5
Valuations			
P/E (x)	25.6	25.1	19.5
P/BV (x)	4.9	4.3	3.7
EV/EBITDA (x)	11.9	12.3	10.1
Div Yield (%)	1.2	1.2	1.4

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	38.6	39.4	39.5
DII	23.6	24.7	22.4
FII	13.8	14.0	16.3
Others	24.0	22.0	21.9

FII includes depository receipts

CMP: INR639 TP: INR730 (+14%) Buy

A bumpy ride ahead

Near-term margin pressure to keep recovery under stress

- KPIT Technologies (KPIT) reported revenue of USD177m in 1QFY27, a decline of 3.6% QoQ in CC terms vs. our estimate of 0.8% decline. Both the passenger car/commercial vehicle segments declined 2.4%/12.2% QoQ. EBIT margin was 12.3% (down 360bp QoQ), below our estimate of 16%. Adj. PAT was down 28.5% QoQ/32.3% YoY to INR1,164m (below our est. of INR2,201m).
- For 1QFY27, revenue grew 8.9% while EBIT/adj. PAT declined 21.4%/32.3% YoY in INR terms. We expect revenue/adj. PAT to grow 3.2%/6.2% while EBIT is likely to decline 14.4% YoY in 2QFY27. We factor in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Our view: Weakness to be seen through FY27

- **Incremental impact of negative announcements from European OEMs to be seen in 2Q:** Europe remained flattish in 1Q (+1.2% QoQ) after ~4% sequential impact from delayed conversions. **Further impact is expected to flow into 2Q at the geographical level** as an ongoing European program comes to an end. At the company level, this impact will be mitigated by sequential growth in the US and SIMA geographies. **We expect a 0.5% QoQ CC decline in 2Q.** SIMA saw QoQ decline of 41.1% in 1Q as there was a significant product sale in 4QFY26.
- KPIT's 1HFY27 is expected to remain subdued, **with recovery likely in 2H and sequential growth to be seen from 4Q, where we build in 3% QoQ CC growth.**
- **European automotive industry remains soft:** The auto industry has remained soft due to Chinese competition, geopolitical/tariff-related uncertainty, and elevated input costs stemming from the ongoing war, **with European OEMs disproportionately impacted (~50% of revenue), leading to job cuts, profit warnings, pay cuts, and restructuring across the ecosystem**. While there have been no deal losses in Europe so far, the concern remains with the timing of deal closures and conversion to revenue.
- **We believe FY27 will remain a year of consolidation**, with flat revenue as KPIT absorbs the operating model shift.
- **Products and solutions business:** Management is positive about this business and views this as a key margin-accretive and revenue growth lever, **with several new solutions expected to reach deployment readiness over the next couple of quarters**. In line with the strategy to focus on this business, it has been making investments in AI and software products and invested INR122m in 1Q for the development of AI and software products.
- **We believe there is strength in certain areas of the business:** We are seeing strong performance in the off-highway clients in the US, products and solutions segment, after-sales transformation and autonomous offerings, connected vehicles, and the new in-vehicle gaming platform, which also helped secure the deal win with Tata Motors PV.

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- **Margin recovery a by-product of revenue growth:** Margin recovery is expected to be incremental until revenue growth resumes, as European cost take-out takes longer relative to other geographies. Apart from this, there will be losses from the Qorix acquisition, which will cause some drag in 2Q and 3Q. In 1Q, the loss was INR 140m. **While there will be gradual margin recovery, we expect a 13.8% EBIT margin for FY27 (vs. 16.2% in FY26).**
- **We cut our target multiple to 22x from the earlier 25x** as we have cut our near-term **numbers** due to a notable miss on EBIT margins. We are seeing slower-than-expected recovery in revenue growth and consequently, lower-than-expected EBIT margin.

Valuations and changes to our estimates

- We believe **KPIT will continue to see near-term weakness as it is grappling with global pressure in the automotive industry, along with geography and client-specific weakness.** Near-term demand uncertainty will weigh negatively on the business, leading to weakness in margins and profitability.
- Factoring in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain, we cut our EPS estimates by 23%/15% for FY27/FY28. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Revenue in line, but miss on margins; deal TCV down 26.4% QoQ

- USD revenue came in at USD177m; decline of 3.6% QoQ in CC terms vs. our estimate of a 0.8% decline.
- Both the passenger car/commercial vehicle segments fell 2.4%/12.2% QoQ.
- In terms of geographies, the US was up 10.5% QoQ, while Europe remained flat in USD terms. JKC/SIMA were down 25%/41.1% QoQ.
- EBIT margin was 12.3% (down 370bp QoQ), below our estimate of 16%.
- Deal TCV stood at USD257m, down 26.4% QoQ.
- Adj. PAT was down 28.5% QoQ/32.3% YoY to INR1,164m (below our est. of INR2,201m).
- DSO at the end of 1QFY27 stood at 51 days.
- The net headcount was down 1.7% QoQ to 12,303 in 1QFY27.

Key highlights from the management commentary

- The global automotive industry continued to face pressure from intense Chinese competition, geopolitical/tariff-related uncertainty, and elevated input costs stemming from the ongoing war, with European OEMs disproportionately impacted, leading to job cuts, profit warnings, pay cuts, and restructuring across the ecosystem.
- Management reiterated that 2H will be stronger than 1H, with a return to meaningful growth expected by 4QFY27, as revenue recovery drives the primary lever for margin normalization.
- The commercial vehicle (CV) segment saw the sharper QoQ decline due to a high base from a one-time large license deal in the prior quarter, while the passenger vehicle (PV) segment was largely flat, with expected growth not materializing due to a last-minute European program setback.

- The European pipeline remains strong despite near-term revenue softness; management clarified the issue is one of conversion timing rather than deal loss, with recent European wins expected to ramp with a higher India delivery mix.
- AI adoption is central to the company's fixed-price delivery model transition, though full-scale AI-based delivery is progressing gradually due to client infrastructure constraints and the need for client buy-in.
- Management emphasized that European OEM pressure is viewed as structural rather than transient, with client conversations increasingly centered on cost reduction and speed-to-market rather than incremental pricing.

Valuation and view

- We believe **KPIT will continue to see near-term weakness as it is grappling with global pressure in the automotive industry, along with geography and client-specific weakness.** Near-term demand uncertainty will weigh negatively on the business, leading to weakness in margins and profitability.
- Factoring in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain, we cut our EPS estimates by 23%/15% for FY27/FY28. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY27	(% / bp)
Revenue (USD m)	**178**	**181**	**181**	**185**	**177**	**173**	**175**	**180**	**725**	**706**	**181**	**-2.5**
QoQ (%)	0.5	1.8	0.0	2.2	-4.4	-1.9	1.0	3.0			-1.9	-249bp
Revenue (INR m)	**15,388**	**15,877**	**16,175**	**17,110**	**16,750**	**16,392**	**16,556**	**17,052**	**64,549**	**66,750**	**17,174**	**-2.5**
YoY (%)	12.8	7.9	9.4	12.0	8.9	3.2	2.4	-0.3	10.5	3.4	11.6	-275bp
GPM (%)	**35.2**	**37.3**	**36.8**	**37.4**	**35.7**	**36.0**	**36.4**	**36.5**	**36.7**	**36.1**	**37.2**	**-154bp**
SGA (%)	14.2	16.2	16.2	16.7	18.5	17.5	17.0	17.0	15.8	17.5	16.5	198bp
EBITDA	**3,239**	**3,351**	**3,334**	**3,533**	**2,878**	**3,032**	**3,212**	**3,325**	**13,457**	**12,447**	**3,555**	**-19.1**
EBITDA Margin (%)	**21.0**	**21.1**	**20.6**	**20.6**	**17.2**	**18.5**	**19.4**	**19.5**	**20.8**	**18.6**	**20.7**	**-352bp**
EBIT	**2,610**	**2,604**	**2,524**	**2,713**	**2,052**	**2,229**	**2,434**	**2,524**	**10,451**	**9,239**	**2,748**	**-25.3**
EBIT Margin (%)	**17.0**	**16.4**	**15.6**	**15.9**	**12.3**	**13.6**	**14.7**	**14.8**	**16.2**	**13.8**	**16.0**	**-375bp**
Other income	39	73	108	-100	-146	197	199	205	-1,133	151	206	-170.9
ETR (%)	27.1	26.7	25.1	27.5	27.4	26.0	26.0	26.0	26.6	26.2	25.5	188bp
PAT	**1,719**	**1,691**	**1,334**	**1,630**	**1,164**	**1,795**	**1,948**	**2,019**	**6,374**	**6,926**	**2,201**	**-47.1**
QoQ (%)	-29.7	-1.6	-21.1	22.2	-28.6	54.2	8.5	3.6			35.0	
YoY (%)	-15.8	-17.0	-28.6	-33.4	-32.3	6.2	46.0	23.9	-24.1	8.7	28.0	
Exceptional items	0	0	469	0	0	0	0	0	469.4	0.0	0.0	
Adj. PAT	**1,719**	**1,691**	**1,804**	**1,630**	**1,164**	**1,795**	**1,948**	**2,019**	**6,843**	**6,926**	**2,201**	**-47.1**
EPS (INR)	6.3	6.2	4.9	6.0	4.3	6.6	7.2	7.4	25.0	25.5	8.0	-46.7

Key Performance Indicators

Y/E March	FY26				FY27	FY26
	1Q	2Q	3Q	4Q	1Q	
Revenue (QoQ CC %)	-3.2	0.3	1.5	1.8	-3.6	
Margins (%)						
Gross Margin	35.2	37.3	36.8	37.4	35.7	36.7
EBIT Margin	17.0	16.4	15.6	15.9	12.3	16.2
Net Margin	11.2	10.6	11.2	9.5	6.9	10.6
Operating metrics						
Headcount	12,545	12,879	12,724	12,520	12,303	12,520
DSO	45	49	40	47	51	47.0
Key Geographies (YoY %)						
US	11.6	4.2	4.6	-0.6	4.0	4.9
Europe	-7.2	5.4	12.3	12.7	11.4	5.6

Exhibit 1: US and Europe increased , while JKC and SIMA declined QoQ

QoQ %	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
US	0.6	-1.7	0.9	6.0	-1.6	2.4	-2.5	5.9	5.6	-4.4	-2.1	0.6	10.4
Europe	10.9	12.2	3.2	4.4	3.3	-0.6	-1.5	-7.4	2.4	12.9	4.9	-7.1	1.2
JKC *													-25.0
SIMA *													-41.1

Source: Company, MOFSL

*From 1QFY27 the geographies have been divided from Asia to JKC (Japan, Korea, China) and SIMA (South-East Asia, India, Middle-East, Africa).

Highlights from the management commentary

1QFY27 performance and demand outlook

- The global automotive industry continued to face pressure from intense Chinese competition, geopolitical/tariff-related uncertainty, and elevated input costs stemming from the ongoing war, with European OEMs disproportionately impacted, leading to job cuts, profit warnings, pay cuts and restructuring across the ecosystem.
- Management reiterated that 2H will be stronger than 1H, with a return to meaningful growth expected by 4QFY27, as revenue recovery drives the primary lever for margin normalization.
- The commercial vehicle (CV) segment saw the sharper QoQ decline due to a high base from a one-time large license deal in the prior quarter, while the passenger vehicle (PV) segment was largely flat, with expected growth not materializing due to a last-minute European program setback.
- The European pipeline remains strong despite near-term revenue softness; management clarified the issue is one of conversion timing rather than deal loss, with recent European wins expected to ramp with a higher India delivery mix.
- AI adoption is central to the company's fixed-price delivery model transition, though full-scale AI-based delivery is progressing gradually due to client infrastructure constraints and the need for client buy-in.
- Management emphasized that European OEM pressure is viewed as structural rather than transient, with client conversations increasingly centered on cost reduction and speed-to-market rather than incremental pricing.
- European revenue saw a ~4% QoQ impact from delayed conversions; management flagged further impact to flow into Q2 as an ongoing European

program winds down and a separate Japan vehicle program was cancelled outright.

- US delivered broad-based growth across OEM and off-highway clients, while the newly formed SIMA (Southeast Asia/India/Middle East/Africa) geography also contributed positively, partly offsetting European weakness.
- Vendor consolidation is playing out at the OEM level, with clients increasingly gravitating toward best-in-class solutions and AI-led partners, a trend management believes favors KPIT.
- Won a marquee Tata Motors deal for India's first in-vehicle gaming platform on a per-vehicle licensing model, reinforcing the company's ability to win share even where OEMs have captive/in-house R&D arms.
- **Passenger Cars**: PV revenue was largely flat QoQ, with anticipated growth not coming through due to a last-minute European setback late in the quarter. New passenger car OEM engagements were initiated across Korea, Europe, the US and Japan, forming part of the broader diversification push.
- **Commercial Vehicles**: CV revenue declined sharply QoQ, driven by a high base from a one-time license deal recognized in the prior quarter rather than any underlying demand weakness. Management guided to a CV growth recovery from Q2/Q3, supported by seven new off-highway OEM and four new truck/bus OEM engagements added over recent quarters.
- **US:** Growth was broad-based across OEM and off-highway clients, with strong momentum in both new commercial vehicle relationships and long-standing passenger vehicle accounts; management expects this trend to sustain over coming quarters.
- **JKC:** A Japan vehicle program was cancelled at the client's end, contributing to the quarter's CV/PV softness; this and a separate European program are both expected to be fully reflected in the base by 2Q, with stabilization expected in Q3. China strategy remains intact, with engagement across two OEMs (one nearing a meaningful contract) and early traction for products & solutions; scale-up will take time given industry-wide EV volume pressure in China.
- **Europe:** Revenue saw a ~4% QoQ hit, with further spillover expected in Q2 as one legacy program nears natural completion. European OEMs are increasingly engaging KPIT on structural cost-reduction conversations, targeting 30–40% reduction in product cost and a parallel reduction in production cost, as they respond to Chinese EV competition; European cost take-out for KPIT will take longer than other geographies.
- The Beacon automotive intelligence platform now underpins the company's integrated offering stack, including Technica (validation), iDart (after-sales), Cymotive (cybersecurity), and autonomous driving foundation models; a global go-to-market partnership with Microsoft was announced to scale this ecosystem.
- Products & solutions revenue is viewed as a key margin-accretive growth lever, with several new solutions expected to reach deployment readiness over the next 1–2 quarters.
- Adjacent bets include micro-mobility (early wins in last-mile connectivity), a nascent data center services opportunity (leveraging existing clients such as Cummins), and deep tech (drones, humanoid robotics), though these remain early-stage and are not factored into near-term growth.

- Sodium-ion battery technology remains a long-gestation opportunity, requiring over USD 100m of pilot-plant investment and a 2–3 year runway, with no near-term revenue contribution expected.
- Wage hikes have been deferred this year for the first time in several years, to be rolled out in a staggered manner, with junior grades prioritized first and senior-grade increments linked to performance and growth recovery.
- Beacon, KPIT's AI-led platform, operates on a dual subscription/platform and delivery-embedded model, positioned as a key differentiator in client conversations around cost and speed-to-market.
- The company continues to view mobility as a large and expanding opportunity set, prioritizing broad-based, balanced growth across clients, practices, and geographies over concentration in any single account or region.

Margin performance

- EBITDA margin came in at 17.2% and EBIT margin at 12.3%, with PAT at INR 1.17b, further impacted by forex losses and share of loss from Qorix (INR 140m), partly linked to deferred European revenue.
- Other expenses rose on account of forex impact, acquisition-related provisions, and European subcontracting costs; management characterized these as operational rather than one-off in nature.
- Margin recovery is expected to be incremental until revenue growth resumes, as European cost take-out takes longer relative to other geographies; forex/associate-linked drag is expected to persist for another 1–2 quarters.
- Management reaffirmed the medium-term aspiration of 22–24% EBITDA margin by FY29, underpinned by a rising mix of margin-accretive products & solutions revenue and a gradual shift toward outcome-based commercial models.
- Fixed-price contract mix has risen ~100 bps YoY, supported by growing AI-led delivery productivity, though full AI-based delivery adoption remains gradual due to client infrastructure and governance constraints.

Valuation and view

- We believe **KPIT will continue to see near-term weakness as it is grappling with global pressure in the automotive industry, along with geography and client-specific weakness.** Near-term demand uncertainty will weigh negatively on the business, leading to weakness in margins and profitability.
- Factoring in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain, we cut our EPS estimates by 23%/15% for FY27/FY28. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

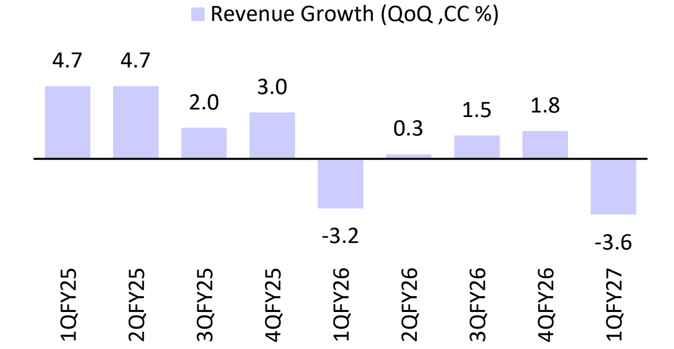
Exhibit 2: Summary of our revised estimates

	Revised		Earlier		Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
INR/USD	94.5	95.0	94.5	94.4	0.0%	0.6%
USD Revenue (m)	706	776	737	812	-4.2%	-4.4%
Growth (%)	-0.4	10.0	4.4	10.1	-480bps	-20bps
EBIT margin (%)	13.8	15.1	16.2	16.9	-230bps	-180bps
Adj. PAT (INR b)	6,926	8,928	9,017	10,494	-23.2%	-14.9%
Adj. EPS	25.5	32.8	32.9	38.3	-22.6%	-14.3%

Source: MOFSL

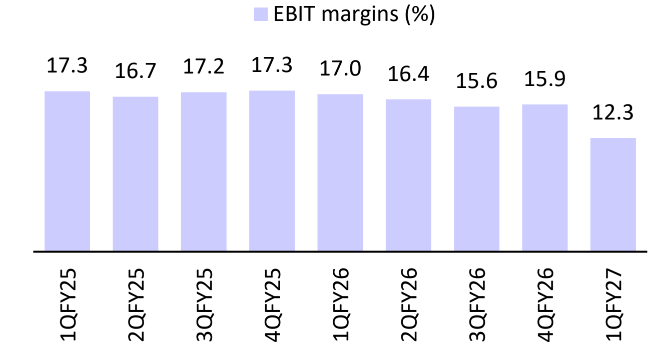
Story in charts

Exhibit 3: Revenue declined 3.6% QoQ CC



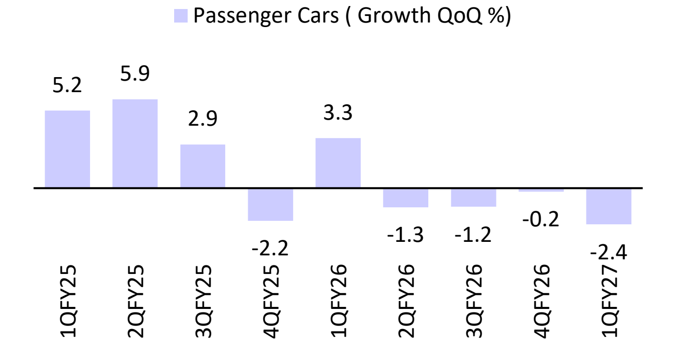
Source: Company, MOFSL

Exhibit 4: EBIT margin dipped 360bp QoQ



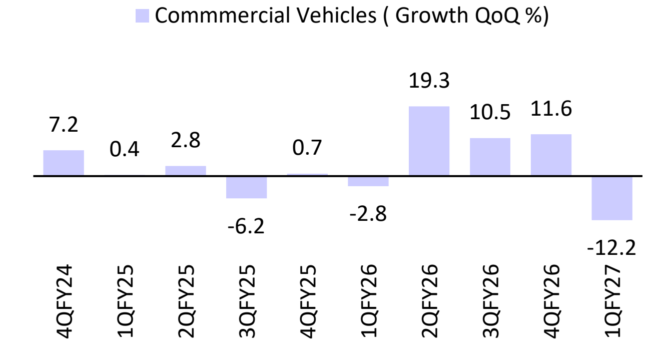
Source: Company, MOFSL

Exhibit 5: Passenger cars declined 2.4% QoQ



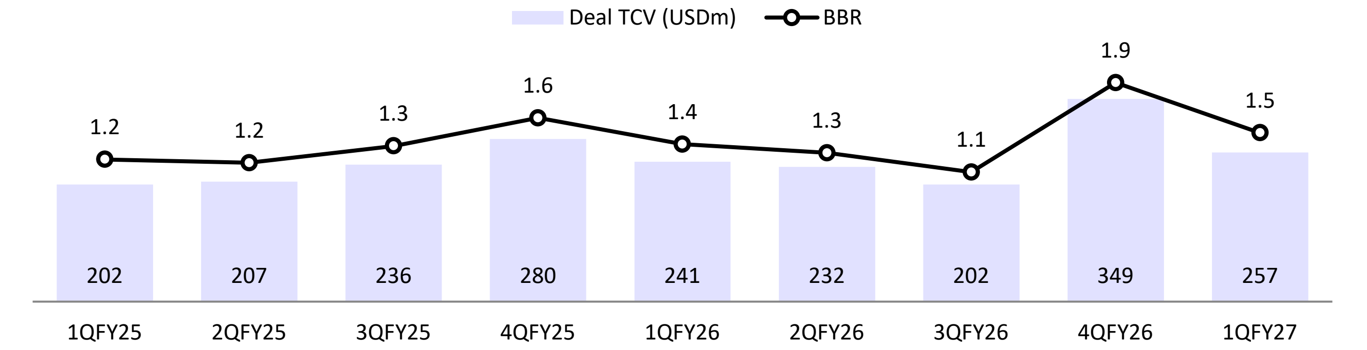
Source: Company, MOFSL

Exhibit 6: CV segment declined to 12.2% in 1QFY27



Source: Company, MOFSL

Exhibit 7: Deal TCV stood at USD257m, down 26.4% YoY; BBR at 1.5x



Source: Company, MOFSL

Operating metrics

Exhibit 8: Operating metrics

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Verticals (%)									
Passenger Cars	80.0	80.8	81.7	79.5	81.8	79.3	78.3	76.5	78.1
Commercial Vehicles	16.9	16.6	15.3	15.3	14.8	17.3	19.2	20.9	19.2
Others	3.1	2.6	3.0	5.2	3.4	3.3	2.5	2.6	2.7
Geographies (%)									
US	28.2	27.5	26.4	27.7	29.2	27.4	26.8	26.4	30.5
Europe	51.5	48.8	47.2	43.4	44.3	49.2	51.5	46.9	49.7
JKC *					22.4			20.2	15.8
SIMA *					4.1			6.4	4.0
Business Mix (%)									
Feature Development & Integration	61.0	59.7	62.0	59.0	59.5	60.7	61.1	57.9	58.2
Architecture & Middleware Consulting	20.5	23.5	20.3	22.8	20.2	17.2	16.8	17.4	18.1
Cloud Based Connected Services	18.5	16.9	17.7	18.3	20.3	22.0	22.2	24.6	23.6
Project Type (%)									
Fixed Price	54%	57%	59%	60%	63%	65%	66%	68%	68%
Time and Material	47%	43%	41%	40%	38%	35%	34%	32%	32%
Client Profile									
Strategic Client Revenue (T-21)	87%	86%	88%	88%	87%	87%	88%	85%	87%
Employee Metrics (%)									
Development	12,438	12,248	11,940	11,993	11,676	12,042	11,893	11,703	11,457
Sales	815	839	855	880	869	837	831	817	846
Total Employees	**13,253**	**13,087**	**12,795**	**12,873**	**12,545**	**12,879**	**12,724**	**12,520**	**12,303**

Source: Company, MOFSL

*From 1QFY27 the geographies have been divided from Asia to JKC(Japan, Korea, China) and SIMA (South-East Asia, India, Middle-East, Africa).

Financials and valuations

Consolidated - Income Statement (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	**24,324**	**33,650**	**48,715**	**58,423**	**64,549**	**66,750**	**73,751**
Change (%)	19.5	38.3	44.8	19.9	10.5	3.4	10.5
Employees Cost	16,106	21,957	31,704	37,550	40,868	42,625	46,925
Total Expenditure	**16,106**	**21,957**	**31,704**	**37,550**	**40,868**	**42,625**	**46,925**
% of Sales	66.2	65.3	65.1	64.3	63.3	63.9	63.6
Gross Profit	**8,218**	**11,693**	**17,012**	**20,873**	**23,681**	**24,125**	**26,826**
SG&A	3,832	5,457	7,159	8,622	10,224	11,677	12,219
EBITDA	**4,385**	**6,236**	**9,852**	**12,251**	**13,457**	**12,447**	**14,607**
% of Sales	18.0	18.5	20.2	21.0	20.8	18.6	19.8
Depreciation	1,196	1,464	1,958	2,250	3,006	3,208	3,466
EBIT	**3,189**	**4,772**	**7,894**	**10,002**	**10,451**	**9,239**	**11,141**
% of Sales	13.1	14.2	16.2	17.1	16.2	13.8	15.1
Other Income	254	204	116	873	-1,133	151	885
PBT	**3,443**	**4,976**	**8,010**	**10,875**	**9,318**	**9,390**	**12,026**
Total Tax	683	1,099	2,019	2,929	2,475	2,463	3,098
Tax Rate (%)	19.8	22.1	25.2	26.9	26.6	26.2	25.8
Adjusted PAT	**2,760**	**3,876**	**5,991**	**7,945**	**6,843**	**6,926**	**8,928**
Change (%)	94.5	40.4	54.5	32.6	-13.9	1.2	28.9
Margin (%)	11.3	11.5	12.3	13.6	10.6	10.4	12.1
Minority Interest/Exceptional items	0	0	0	-450	469	0	0
Reported PAT	**2,760**	**3,876**	**5,991**	**8,395**	**6,374**	**6,926**	**8,928**

Consolidated - Balance Sheet (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	2,700	2,703	2,712	2,717	2,722	2,722	2,722
Total Reserves	10,396	13,812	18,746	26,405	32,687	37,518	44,005
Net Worth	**13,096**	**16,515**	**21,459**	**29,122**	**35,409**	**40,240**	**46,727**
Minority Interest	155	118	171	0	80	80	80
Borrowings	19	2	1	0	1,431	1,431	1,431
Other Long term liabilities	3,015	5,690	4,923	3,990	7,527	7,594	7,809
Capital Employed	**16,285**	**22,325**	**26,553**	**33,112**	**44,447**	**49,345**	**56,046**
Net Fixed Assets	**4,440**	**4,738**	**5,429**	**5,938**	**6,263**	**6,316**	**6,453**
Goodwill	1,679	10,103	11,463	11,729	27,985	27,985	27,985
Capital WIP	4	56	5	94	4	4	4
Other Assets	2,097	4,093	4,617	5,468	9,351	8,718	8,873
Curr. Assets, Loans&Adv.	**15,142**	**15,016**	**20,164**	**27,101**	**28,961**	**34,338**	**41,240**
Account Receivables	4,410	7,748	9,558	8,895	10,748	10,424	11,517
Cash and Bank Balance	3,421	4,542	6,550	12,232	13,184	18,787	24,282
Current Investments	6,863	1,622	2,441	4,012	2,139	2,139	2,139
Other Current Assets	448	1,104	1,615	1,962	2,890	2,989	3,302
Curr. Liability & Prov.	**7,077**	**11,681**	**15,126**	**17,218**	**28,117**	**28,016**	**28,508**
Account Payables	1,372	1,643	2,398	1,782	2,608	2,290	2,521
Other Current Liabilities	5,046	9,520	11,957	14,564	24,546	24,763	25,025
Provisions	658	517	771	871	963	963	963
Net Current Assets	**8,065**	**3,335**	**5,039**	**9,883**	**844**	**6,322**	**12,731**
Appl. of Funds	**16,285**	**22,325**	**26,553**	**33,112**	**44,447**	**49,345**	**56,046**

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic EPS (INR)	10.1	14.2	21.9	29.0	25.0	25.5	32.8
Cash EPS	14.5	19.4	29.1	38.9	34.3	37.3	45.6
BV/Share	48.5	61.1	79.1	107.2	130.1	147.8	171.6
DPS	0.0	4.1	6.7	8.3	7.5	7.7	9.0
Payout (%)	0.0	29.0	30.6	28.7	30.0	30.4	27.5
Valuation (x)							
P/E	63.1	45.1	29.1	22.0	25.6	25.1	19.5
Cash P/E	44.0	32.9	21.9	16.4	18.6	17.1	14.0
P/BV	13.2	10.5	8.1	6.0	4.9	4.3	3.7
EV/Sales	6.7	5.0	3.4	2.7	2.5	2.3	2.0
EV/EBITDA	36.9	26.9	16.7	12.8	11.9	12.3	10.1
Dividend Yield (%)	0.0	0.6	1.0	1.3	1.2	1.2	1.4
Return Ratios (%)							
RoE	21.8	26.1	31.3	33.1	19.7	18.3	20.5
RoCE	21.5	18.5	19.7	21.9	16.7	11.9	14.3

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	2,762	4,968	8,004	10,875	9,318	9,390	12,026
Depreciation	1,196	1,464	1,958	2,250	3,006	3,208	3,466
Interest & Finance Charges	0	183	436	274	591	-454	-885
Direct Taxes Paid	-888	-989	-1,371	-2,049	-2,141	-2,463	-3,098
(Inc)/Dec in WC	875	-1,769	871	2,166	-77	557	-1,276
Others	805	768	119	379	1,251	0	0
CF from Operations	**4,750**	**4,625**	**10,018**	**13,895**	**11,948**	**10,237**	**10,233**
(Inc)/Dec in FA	-685	-1,276	-1,549	-1,273	-1,386	-3,261	-3,603
Free Cash Flow	**4,065**	**3,349**	**8,469**	**12,622**	**10,562**	**6,976**	**6,630**
(Pur)/Sale of Investments	2,720	6,080	3,517	6,049	8,316	0	0
Others	-5,059	-6,827	-7,605	-10,466	-18,790	437	831
CF from Investments	**-3,024**	**-2,024**	**-5,637**	**-5,690**	**-11,861**	**-2,824**	**-2,773**
Issue of shares	27	17	17	5	6	0	0
Inc/(Dec) in Debt	-521	-641	-935	-1,308	3,620	285	475
Interest Paid	-32	-87	-195	-194	-493	0	0
Dividend Paid	-741	-892	-1,287	-1,928	-2,244	-2,095	-2,441
Others	0	-228	0	0	0	0	0
CF from Fin. Activity	**-1,267**	**-1,831**	**-2,400**	**-3,424**	**889**	**-1,810**	**-1,966**
Inc/Dec of Cash	**459**	**770**	**1,981**	**4,781**	**976**	**5,603**	**5,495**
Forex Adjustment	104	352	27	21	-24	0	0
Opening Balance	2,858	3,421	4,542	7,430	12,232	13,185	18,787
Closing Balance	**3,421**	**4,542**	**6,550**	**12,232**	**13,185**	**18,787**	**24,282**

NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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