Hexaware Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	HEXT IN
Equity Shares (m)	611
M.Cap.(INRb)/(USDb)	329 / 3.5
52-Week Range (INR)	808 / 400
1, 6, 12 Rel. Per (%)	11/24/-12
12M Avg Val (INR M)	625
Free float (%)	25.7

Financials & Valuations (INR b)

Y/E Dec	CY25	CY26E	CY27E
Sales	134.3	153.0	164.2
Adj. EBIT Margin (%)	14.0	13.4	13.7
Adj. PAT	14.3	14.4	17.2
Adj. EPS (INR)	23.1	23.4	28.1
EPS Gr. (%)	19.6	1.3	20.2
BV/Sh. (INR)	103.7	115.5	129.6
Ratios			
RoE (%)	23.5	22.4	23.1
RoCE (%)	19.6	17.8	19.0
Payout (%)	49.0	50.0	50.0
Valuations			
P/E (x)	23.1	22.8	19.0
P/BV (x)	5.1	4.6	4.1
EV/EBITDA (x)	13.5	12.4	10.8
Div Yield (%)	2.1	2.2	2.6

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	74.3	74.3	74.6
DII	16.1	16.1	11.1
FII	3.5	3.4	8.3
Others	6.1	6.3	6.0

FII Includes depository receipts

CMP: INR538 **TP: INR630 (+18%)** **Buy**

Near-term growth remains soft; deal ramp-ups pushed out

Slower deal ramp-ups and GSE client weakness weigh on 3Q growth

- Hexaware Technologies (HEXT) reported revenue of USD412m in 3QCY26, rising 1.7% QoQ in CC terms vs. our estimate of 3.0% QoQ CC. Technology/Banking/ Financial Services grew 7.1%/6.6%/3.0%, whereas Travel declined 3.6% QoQ. Adj. EBIT margin stood at 13.8%, broadly in line with our estimate of 13.8%. Adj. PAT rose 20%/7.2% QoQ/YoY to INR3.9b (our est. of INR4.0b).
- For 9MCY26, revenue/Adj. EBIT increased 14.5%/6.1%, while PAT declined 2.7% YoY (in INR terms). In 4QCY26, we expect revenue/Adj. EBIT/PAT to grow 12.5%/18.5%/11.7% YoY (in INR terms). **We reiterate our BUY rating with a TP of INR630 (based on 22x CY27E EPS), implying ~18% potential upside**.

Our view: Execution on delayed deals will shape the CY27 growth outlook

- **HEXT reported revenue growth of 1.7% QoQ CC in 3QCY26, below our estimate of 3.0%, as softness at a large GSE client** and slower-than-expected deal ramp-ups weighed on performance. Following the CEO transition, management has chosen not to provide guidance for now. Achieving the lower end of its earlier CY26 revenue growth guidance of 6–7% YoY in USD terms would require a steep recovery in 4Q, which, in our view, appears challenging given the usual seasonality, lower working days, and the continued GSE client headwind. **HEXT is likely to deliver CY26 revenue growth of ~5.1% YoY in USD terms**, below its earlier guidance.
- **4Q growth outlook has weakened; deal ramp-ups remain a key monitorable:** Earlier, management expected delayed deal ramp-ups to support growth in 4Q despite seasonal furloughs. However, the latest commentary suggests that some deals may ramp up only in 1QCY27, while the GSE client headwind is expected to continue.
- **Management indicated that the deals remain active, with delays largely related to timing rather than lost deals.** We believe the pace of deal conversion and ramp-ups will be key to the growth outlook over the next few quarters.
- **Margins to remain broadly range-bound in the near term:** Adjusted EBIT margin stood at 13.8% in 3QCY26, in line with our estimate. **Management narrowed its CY26 margin guidance to 13.0–13.5%. Seasonal weakness and merit hikes effective October are likely to weigh on 4Q margins, partly offset by operational improvements and benefits from the Netherlands restructuring**. The restructuring is expected to provide around 40bp of annual margin benefit. We believe the company's ability to offset near-term cost pressures through operational improvements will remain a key monitorable. We estimate CY26/CY27 EBIT margin of 13.4%/13.7%.

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **Performance remains mixed across verticals; Banking and H&I expected to support growth:** Banking grew 6.6% QoQ and 13.5% YoY, with broad-based growth across geographies, while Healthcare & Insurance remained healthy on a YoY basis despite a marginal sequential decline due to lower asset revenue. In contrast, Travel & Transportation declined 3.5% QoQ and 8.5% YoY, and the **company expects continued weakness through CY26.** Financial Services grew 3.0% QoQ, although a client-led cost-optimization exercise is expected to remain a headwind in 4Q. **We expect growth to remain uneven across verticals, with Banking and H&I partly offsetting weakness in Travel and Financial Services**.

Valuation and view

- While HEXT has discontinued providing revenue guidance following the CEO transition, the softer-than-expected 3Q performance and continued client-specific headwinds point to CY26 growth of ~5.1%, below its earlier guidance of 6–7%. We have cut our estimates by ~3% to factor in slower deal ramp-ups and continued weakness in the GSE client. However, management indicated that delayed deals remain active, with some ramp-ups likely to extend into 1QCY27. We expect deal ramp-ups and continued strength in Banking and H&I to support growth over the coming quarters.
- HEXT's adjusted EBIT margin remained in line with our estimates at 13.8% in 3QCY26, while the CY26 margin outlook is now 13.0–13.5%. We estimate EBIT margins of 13.4%/13.7% for CY26/CY27. **We reiterate our BUY rating with a TP of INR650 based on 22x CY27E EPS (earlier 23x), implying ~18% upside**.

Miss on revenue and margins in-line with our estimates; headcount up 4% QoQ

- HEXT's USD revenue came in at USD412m, rising 1.7% QoQ in CC terms vs. our estimates of 3.0% QoQ CC.
- Technology/Banking/ Financial Services grew 7.1%/6.6%/3.0%, whereas Travel declined 3.6% QoQ.
- In terms of geographies, the Americas/Europe grew 1.5%/3.1% QoQ, whereas Asia declined 1.7% QoQ in USD terms.
- Adj. EBIT margin stood at 13.8%, broadly in line with our estimate of 13.8%.
- Adj. PAT rose 20%/7.2% QoQ/YoY to INR3.9b (our est. of INR4.0b).
- The headcount rose to 35,887 (up 4% QoQ) in 3QCY26. Attrition (LTM) decreased 10bp QoQ to 11.1%. Utilization rose 10bp QoQ to 84.9%.

Key highlights from the management commentary

- Vendor consolidation remains structural, with ~13 large clients having undergone the process. Most outcomes have been favorable, with one pending and one negative.
- Deal decisions were delayed by client-side leadership changes (new CIO/CTO), mainly in healthcare and insurance and travel and transportation.
- Deals remain active, with delays reflecting timing issue rather than deal losses. Some are expected to close in 4Q, with the rest likely to convert in 1Q. Management sees no change in underlying pipeline momentum, attributing the delays to client-specific factors rather than systemic issues.

- HEXT is a challenger in most accounts and tends to gain share when incumbents are rebid on price. The miss reflected softness at one GSI client and slower ramp-up in select large deals, including one rebadging deal.
- No 4Q outlook was given. The quarter is expected to follow the usual seasonal decline, with the GSI client headwind continuing.
- Asset revenue accounts for ~2% of annual revenue (1.5-2.5% in a quarter). While it was a sequential headwind, it was not the cause of the miss.
- A net earn-out write-back of ~420bp lifted reported PAT margin to 10.9% versus 9.4% on an adjusted basis.
- 4Q faced seasonality headwinds and a ~100bp merit increase (effective 1st October), partly offset by better realization, operational gains, and the Netherlands exit.
- The full-year adjusted EBIT margin range was narrowed to 13-13.5%; hedge and translation losses are expected at ~USD 4m and ~USD 3m over the next two quarters.

Quarterly Performance (INR Million)

Y/E December	CY25				CY26E				CY25	CY26E	Est.	Var. (% /
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QCY26	bp)
Revenue (USD m)	**372**	**382**	**395**	**389**	**389**	**405**	**412**	**410**	**1,537**	**1,616**	**417**	**-1.2**
QoQ (%)	-0.2	2.9	3.3	-1.4	-0.1	4.4	1.6	-0.5			2.8	-121bp
Revenue (INR m)	**32,079**	**32,607**	**34,836**	**34,782**	**36,130**	**38,452**	**39,331**	**39,132**	**1,34,304**	**1,53,045**	**39,830**	**-1.3**
YoY (%)	16.7	11.1	11.1	10.3	12.6	17.9	12.9	12.5	12.2	14.0	14.3	-143bp
GPM (%)	**41.9**	**42.5**	**43.1**	**41.3**	**40.6**	**41.1**	**41.5**	**41.0**	**42.2**	**41.1**	**42.0**	**-46bp**
Other (%)	25.5	25.1	25.8	25.5	24.8	25.3	25.5	25.5	25.5	25.3	25.3	20bp
EBITDA	**5,278**	**5,676**	**6,013**	**5,498**	**5,708**	**6,053**	**6,311**	**6,065**	**22,465**	**24,138**	**6,652**	**-5.1**
EBITDA Margin (%)	**16.5**	**17.4**	**17.3**	**15.8**	**15.8**	**15.7**	**16.0**	**15.5**	**16.7**	**15.8**	**16.7**	**-65bp**
EBIT	**4,543**	**4,924**	**5,124**	**4,261**	**4,801**	**5,236**	**5,440**	**5,048**	**18,852**	**20,525**	**5,497**	**-1.0**
EBIT Margin (%)	**14.2**	**15.1**	**14.7**	**12.3**	**13.3**	**13.6**	**13.8**	**12.9**	**14.0**	**13.4**	**13.8**	**3bp**
Other income	-180	-196	-157	-409	-337	-829	-423	-39	-942	-1,628	-40	
PBT	**4,363**	**4,728**	**4,967**	**3,852**	**4,464**	**4,407**	**5,017**	**5,009**	**17,910**	**18,897**	**5,457**	
ETR (%)	25.0	18.9	25.5	10.4	27.2	25.1	21.0	23.0	20.4	23.9	25.0	-400bp
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	
Reported PAT	**3,271**	**3,798**	**3,699**	**2,916**	**3,516**	**3,302**	**4,293**	**3,857**	**13,684**	**14,968**	**4,093**	**4.9**
QoQ (%)	2.0	17.2	-3.5	-6.7	-5.8	1.5	20.0	-2.7			23.9	
YoY (%)	17.2	39.6	23.4	7.6	-0.6	-13.9	7.2	11.7	21.4	0.8	10.6	
Extra-ordinary items	0	36	0	535	-264	0	-329	0	571	-593	0	
Adj. PAT	**3,271**	**3,834**	**3,699**	**3,451**	**3,252**	**3,302**	**3,964**	**3,857**	**14,256**	**14,374**	**4,093**	
EPS (INR)	**5.3**	**6.2**	**6.0**	**5.6**	**5.3**	**5.3**	**7.0**	**6.3**	**23.1**	**23.4**	**6.6**	**5.8**

Exhibit 1: Banking/Financial Services/Manufacturing increased sequentially in 3Q

Verticals(QoQ, %)	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26	3QCY26
Financial Services	5.3	3.9	4.6	1.2	2.0	0.1	-1.8	1.2	3.0
Healthcare and Insurance	8.5	-2.3	-1.5	2.2	11.3	-9.0	10.1	6.5	-0.4
Manufacturing and Consumer	-4.4	-6.9	0.2	-0.7	16.5	-0.7	-1.7	3.8	1.8
Hi-Tech and Professional Services	15.9	1.3	-22.4	25.3	-8.7	-19.2	1.0	13.5	0.3
Banking	1.4	5.0	-11.4	13.5	4.1	11.1	-7.9	4.0	6.6
Travel and Transportation	14.2	-7.5	9.2	7.1	-9.9	5.2	-8.6	-1.2	-3.6

Source: Company, MOFSL

Exhibit 2: Europe grew 3.1% QoQ in 3Q

Geography(QoQ, %)	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26	3QCY26
America	5.5	2.3	0.5	1.7	3.7	-2.9	0.1	3.0	1.5
Europe	11.5	-8.1	-2.2	8.1	2.2	0.2	1.1	6.8	3.1
APAC	1.6	-9.0	-2.6	1.8	1.4	13.8	-6.6	14.0	-1.7

Source: Company, MOFSL

Highlights from the management commentary

Performance and demand outlook:

- Management described the market as buyer-favorable, with pricing pressure in select pockets expected to be offset by AI-led productivity gains over the project life cycle.
- Vendor consolidation remains structural, with ~13 large clients having undergone the process. Most outcomes were favorable, with one pending and one negative.
- Deal decisions were delayed by client-side leadership changes (new CIO/CTO), mainly in healthcare and insurance and travel and transportation. Deals remain active and the issue is timing, not losses; some deals may close in 4Q and the rest in 1Q.
- Management sees no change in the underlying pipeline momentum; the delays are client-specific, not systemic. HEXT is a challenger in most accounts and tends to gain share when incumbents are rebid on price.
- Revenue grew ~1.6% QoQ and ~4.3% YoY to ~USD 412m (CC: +1.7% QoQ, +4.5% YoY), below management expectations. INR revenue rose ~2.3% QoQ and ~12.9% YoY to ~INR 39.3b, helped by a weaker INR (avg. rate ~95.5).
- The miss reflected softness at one GSI client and slower ramp-up in select large deals, including one rebadging deal.
- No 4Q outlook was given; the quarter is expected to follow the usual seasonal decline, with the GSI client headwind continuing. Asset revenue is ~2% of annual revenue (1.5-2.5% in a quarter); it was a sequential headwind but not the cause of the miss.
- Clients above USD20m rose to 17 (15 YoY); clients above USD10m were 32 (30 YoY, 34 QoQ); top 5 clients fell to ~24.7% of revenue.
- Wins spanned legacy and data modernization, enterprise applications, customer experience, and regulated industry transformation, with a mix of expansions and new logos.
- Eight clients have moved workloads under Zero License; one mortgage enterprise saved over USD10m in license costs.
- **Healthcare & Insurance:** Revenue declined ~0.4% QoQ but grew ~6.3% YoY to ~USD 93m, with the sequential dip due to lower asset revenue. Growth was supported by ramp-ups and broad-based gains in Europe. Some deal decisions were delayed, but management expects it to be among the fastest-growing verticals for the full year.
- Wins included AI and agentic development for a global pharma player and an S4HANA upgrade for a US biopharma client.
- **Manufacturing and Consumer:** Revenue grew ~1.8% QoQ and ~3% YoY to ~USD 66m, the fifth consecutive quarter of YoY growth.
- Earlier deal wins have started converting into revenue, with broad-based growth across sub-sectors and geographies.
- Growth came from both existing clients and new logos.
- **Hi-Tech and Professional Services:** Professional services was broadly stable at ~0.3% QoQ and grew ~7.8% YoY to ~USD56m. The sequential flatness reflects seasonality, as the largest client's July-June fiscal year makes 2Q the strongest quarter.
- Share of revenue stood at ~13.6%, up from ~13.2% a year ago. Professional services was one of the YoY growth drivers in the Americas.
- **Travel and Transportation:** Revenue declined ~3.5% QoQ and ~8.5% YoY to ~USD 28m, the weakest vertical.

- Softness reflects weak demand and the ongoing Middle East conflict, which also delayed deal decisions. The vertical is expected to remain soft for the full year
- **Americas:** Revenue grew ~1.5% QoQ and ~1.1% YoY to ~USD 303m, ~74% of revenue. Growth was hurt by GSI client softness and a high base that included a large asset deal in healthcare and insurance a year ago. Adjusted for the asset deal, healthcare and insurance growth in North America is well ahead of the regional and company average. Financial services, the largest vertical in the region, is growing slower on the GSI client cost optimization.
- **Europe**: Growth was driven by ramp-ups in existing clients and new logos, and was broad-based across verticals. Healthcare and insurance, the largest vertical in Europe, was the primary driver on new wins and wallet share gains. Netherlands' restructuring is not expected to have a material revenue impact, as work had already shifted offshore.
- AI strategy rests on three pillars: AI for IT, AI for business, and AI foundation.
- AI for IT is anchored on Zero Friction Enterprise, covering zero tech debt, zero license, and zero tickets, with Zero Routine as the enterprise AI platform.
- AI for business projects include agentic cross-border payment routing for a bank and root cause analysis agents for a semiconductor firm, cutting resolution time by ~90%.
- HEXT became a preferred partner in the Claude Partner Network, gaining early roadmap access and a dedicated Anthropic unit. AI is being embedded across modernization, data platforms, and customer operations, helping win share in existing and new accounts.
- This was the new CEO, Vivek Jetli's first call. Over the next 90 days, his focus is on strategic clients, people and execution, and capability and investment choices.
- A strategic plan will follow, along with a tighter sales-to-forecast process and wider safety margins on future guidance.
- Banking grew ~6.6% QoQ and ~13.5% YoY to ~USD39m, with growth across all three geographies, and is expected to have a strong full year.
- Financial services grew ~3% QoQ and ~2.4% YoY, as one GSI client gained traction after consolidation while another is cutting costs, which has weighed on 4Q.
- Americas grew ~1.5% QoQ and ~1.1% YoY to ~USD 303m (~74% of revenue), hurt by GSI client softness and a high asset deal base.

Margin performance and outlook

- Adjusted EBIT margin was ~13.8%, up ~17bp QoQ but down ~88bp YoY, as calendar and FX gains were offset by investments and a higher onshore mix.
- Reported EBIT margin was 12.2% (down ~146bp QoQ) after ~160bp of adjustments for a customer contract impairment (~140 bps) and CEO exit costs (~20bp).
- Netherlands' restructuring cost ~USD6m (~150bp at PAT level) and should add ~40bp to annual margins.
- A net earn-out write-back of ~420bp lifted reported PAT margin to 10.9% versus 9.4% adjusted.
- 4Q faces seasonality and a ~100bp merit increase (effective 1st October), partly offset by better realization, operational gains, and the Netherlands exit.
- Full-year adjusted EBIT margin range was narrowed to 13-13.5%; hedge and translation losses are expected at ~USD4m and ~USD3m over the next two quarters.

Valuation and view

- While HEXT has discontinued providing revenue guidance following the CEO transition, the softer-than-expected 3Q performance and continued client-specific headwinds point to CY26 growth of ~5.1%, below its earlier guidance of 6–7%. We have cut our estimates by ~3% to factor in slower deal ramp-ups and continued weakness in the GSE client. However, management indicated that delayed deals remain active, with some ramp-ups likely to extend into 1QCY27. We expect deal ramp-ups and continued strength in Banking and H&I to support growth over the coming quarters.
- HEXT's adjusted EBIT margin remained in line with our estimates at 13.8% in 3QCY26, while the CY26 margin outlook is now 13.0–13.5%. We estimate EBIT margins of 13.4%/13.7% for CY26/CY27. **We reiterate our BUY rating with a TP of INR650 based on 22x CY27E EPS (earlier 23x), implying ~18% upside.**

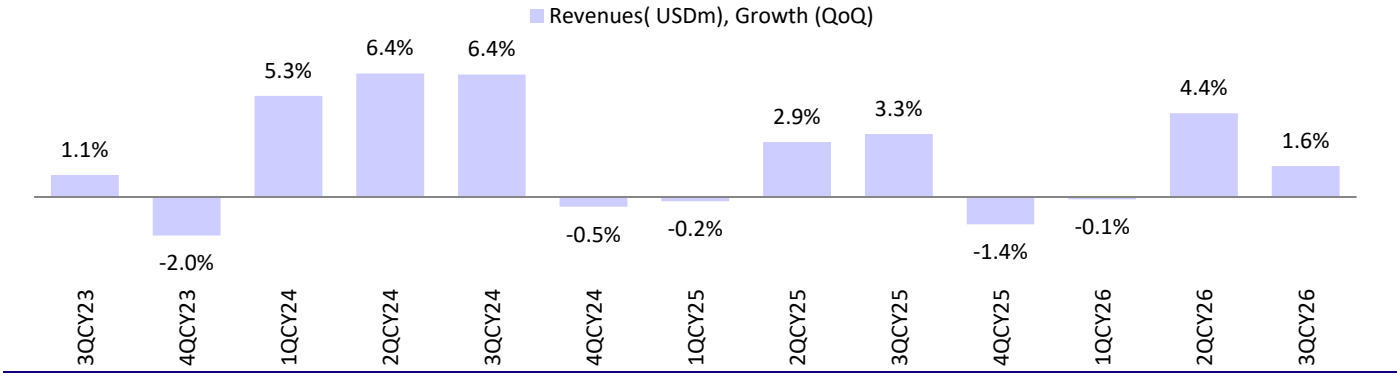
Exhibit 3: Revisions to our estimates

	Revised		Earlier		Change	
	CY26E	CY27E	CY26E	CY27E	CY26E	CY27E
INR/USD	94.7	96.0	94.6	96.0	0.1%	0.0%
USD Revenue (m)	1,616	1,711	1,638	1,798	-1.4%	-4.9%
Growth (%)	5.1	5.9	6.6	9.8	-150bps	-390bps
EBIT margin (%)	13.4	13.7	13.7	13.9	-30bps	-20bps
PAT (INR m)	14,374	17,208	14,872	17,781	-3.3%	-3.2%
EPS	23.4	28.1	24.2	29.0	-3.3%	-3.2%

Source: MOFSL

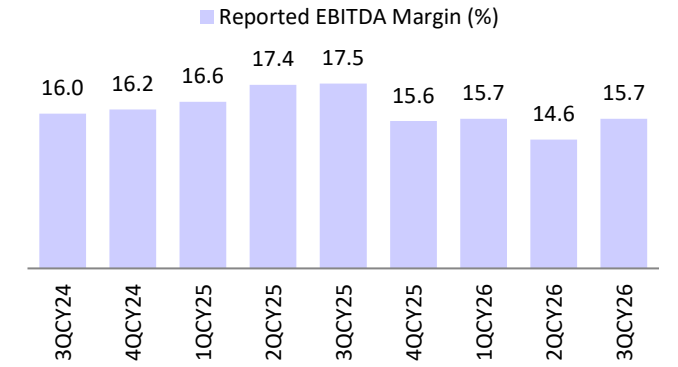
Story in charts

Exhibit 4: Revenue grew 1.6% QoQ below our estimate, as softness at a large GSE client and slower-than-expected deal ramp-ups weighed on performance



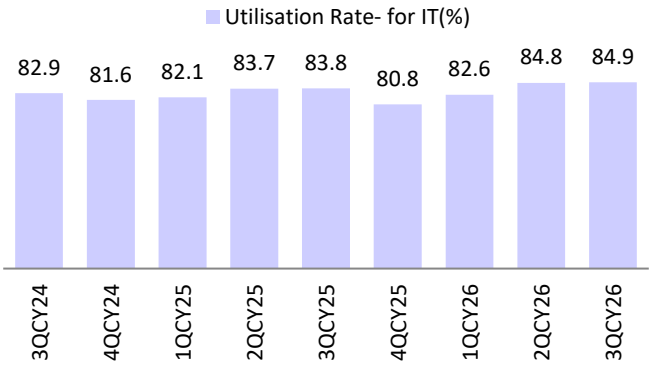
Source: Company, MOFSL

Exhibit 5: EBITDA increased 110bp



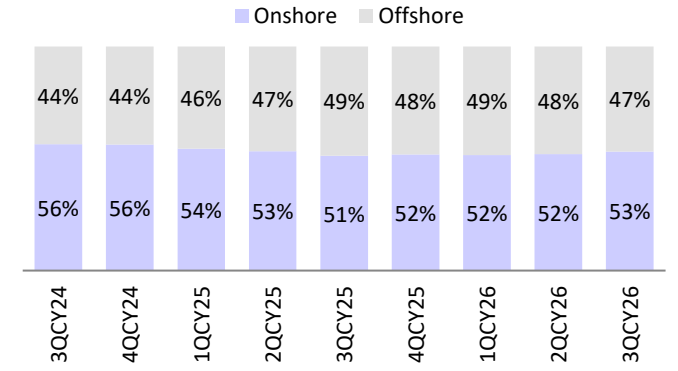
Source: Company, MOFSL

Exhibit 6: Utilization increased 10bp sequentially



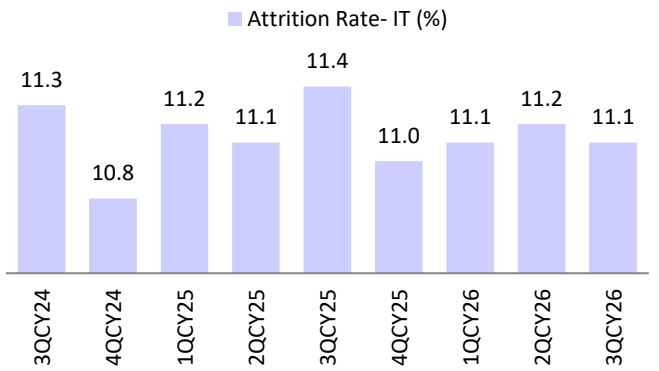
Source: Company, MOFSL

Exhibit 7: Offshore mix remained stable



Source: Company, MOFSL

Exhibit 8: Attrition declined 10bp QoQ



Source: Company, MOFSL

Operating metrics

Exhibit 9: Operating metrics

	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26	3QCY26
Revenue by Verticals (%)							
Financial Services	30.5%	30.0%	29.6%	30.1%	29.6%	28.7%	29.1%
Healthcare and Insurance	20.8%	20.7%	22.3%	20.6%	22.7%	23.1%	22.7%
Manufacturing and Consumer	14.9%	14.4%	16.2%	16.3%	16.1%	16.0%	16.0%
Hi-Tech and Professional Services	14.2%	17.3%	15.3%	12.6%	12.7%	13.8%	13.6%
Banking	7.8%	8.6%	8.7%	9.8%	9.0%	9.0%	9.5%
Travel and Transportation	8.6%	9.0%	7.8%	8.4%	7.7%	7.2%	6.9%
Revenue - Geography (%)							
America	76.1%	75.3%	75.6%	74.4%	74.6%	73.6%	73.5%
Europe	18.2%	19.1%	19.0%	19.3%	19.5%	19.9%	20.2%
APAC	5.6%	5.6%	5.5%	6.3%	5.9%	6.5%	6.3%
Revenue Mix- IT, BPS, and Others							
IT Services	84.8%	85.8%	83.8%	85.5%	84.6%	85.2%	85.9%
BPS	12.4%	12.2%	11.7%	11.8%	12.2%	11.4%	11.8%
Others	2.8%	2.0%	4.6%	2.8%	3.2%	3.3%	2.3%
Client Profile							
>1m	195	197	199	192	198	206	205
>5m	66	66	65	59	66	65	67
>10m	30	31	30	32	34	34	32
>20m	15	15	15	16	15	16	17
>50m	3	4	4	4	4	4	4
>75m	3	3	3	3	3	2	2
Total Headcount	**31,564**	**32,410**	**33,590**	**33,844**	**33,798**	**34,506**	**35,887**
Utilisation Rate- for IT	82.1%	83.7%	83.8%	80.8%	82.6%	84.8%	84.9%
Attrition Rate- IT	11.2%	11.1%	11.4%	11.0%	11.1%	11.2%	11.1%
DSO(Billed)	**39**	**40**	**37**	**38**	**44**	**39**	**41**

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement						(INR m)
Y/E March	**CY22**	**CY23**	**CY24**	**CY25**	**CY26E**	**CY27E**
Total Income from Operations	**91,996**	**1,03,803**	**1,19,744**	**1,34,304**	**1,53,045**	**1,64,246**
Change (%)	28.2	12.8	15.4	12.2	14.0	7.3
Employees Cost	55,582	61,282	69,649	77,610	90,200	95,825
Total Expenditure	**55,582**	**61,282**	**69,649**	**77,610**	**90,200**	**95,825**
% of Sales	60.4	59.0	58.2	57.8	58.9	58.3
Gross Profit	**36,414**	**42,521**	**50,095**	**56,694**	**62,845**	**68,421**
SG&A	24,197	26,710	31,793	34,229	38,707	41,229
EBITDA	**12,217**	**15,811**	**18,302**	**22,465**	**24,138**	**27,192**
% of Sales	13.3	15.2	15.3	16.7	15.8	16.6
Depreciation	2,444	2,836	2,788	3,613	3,612	4,679
EBIT	**9,773**	**12,975**	**15,514**	**18,852**	**20,525**	**22,513**
% of Sales	10.6	12.5	13.0	14.0	13.4	13.7
Other Income	1,457	-290	89	-942	-1,628	-164
PBT	**11,230**	**12,685**	**15,603**	**17,910**	**18,897**	**22,348**
Total Tax	2,388	2,709	3,863	3,654	4,523	5,140
Tax Rate (%)	21.3	21.4	24.8	20.4	23.9	23.0
Reported PAT	**8,842**	**9,976**	**11,740**	**13,684**	**14,968**	**17,208**
Change (%)	18.1	12.8	17.7	16.6	9.4	15.0
Margin (%)	9.6	9.6	9.8	10.2	9.8	10.5
Minority Interest	0	0	0	0	0	0
Adjusted PAT	**8,842**	**9,976**	**11,740**	**14,256**	**14,374**	**17,208**
Tax Rate (%)	18.1	12.8	17.7	21.4	0.8	19.7

Consolidated - Balance Sheet						(INR m)
Y/E March	**CY22**	**CY23**	**CY24**	**CY25**	**CY26E**	**CY27E**
Equity Share Capital	604	607	608	609	609	609
Total Reserves	40,626	45,745	52,961	62,549	69,736	78,340
Net Worth	**41,230**	**46,352**	**53,569**	**63,158**	**70,345**	**78,949**
Minority Interest	0	0	-23	-32	-32	-32
Borrowings	0	0	0	0	0	0
Other Long term liabilities	4,363	4,111	7,678	10,817	11,266	11,535
Capital Employed	**45,593**	**50,463**	**61,224**	**73,943**	**81,580**	**90,452**
Net Fixed Assets	**9,863**	**9,018**	**10,358**	**12,905**	**15,720**	**17,938**
Goodwill	14,205	14,290	23,871	35,768	35,768	35,768
Capital WIP	63	552	1,308	505	505	505
Other Assets	6,490	6,144	8,897	9,391	9,514	9,587
Curr. Assets, Loans&Adv.	**34,519**	**42,017**	**45,511**	**50,477**	**56,015**	**63,088**
Account Receivables	18,818	18,458	19,755	20,556	22,223	22,499
Cash and Bank Balance	12,916	17,734	19,766	19,708	23,579	30,376
Current Investments	291	2,724	711	2,395	2,395	2,395
Other Current Assets	2,494	3,101	5,279	7,818	7,818	7,818
Curr. Liability & Prov.	**19,547**	**21,558**	**28,721**	**35,103**	**35,942**	**36,434**
Account Payables	5,357	6,595	9,140	10,069	11,163	11,859
Other Current Liabilities	12,369	12,676	17,165	22,401	22,146	21,942
Provisions	1,821	2,287	2,416	2,633	2,633	2,633
Net Current Assets	**14,972**	**20,459**	**16,790**	**15,374**	**20,073**	**26,655**
Appl. of Funds	**45,593**	**50,463**	**61,224**	**73,943**	**81,580**	**90,452**

Financials and valuations

Ratios

Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
Basic EPS (INR)	14.5	16.4	19.3	23.1	23.4	28.1
Cash EPS	18.5	21.1	23.9	28.9	29.2	35.7
BV/Share	68.3	76.4	88.1	103.7	115.5	129.6
DPS	11.0	8.8	8.7	11.3	11.7	14.1
Payout (%)	75.7	53.3	45.3	49.0	50.0	50.0
Valuation (x)						
P/E	36.8	32.5	27.7	23.1	22.8	19.0
Cash P/E	28.8	25.3	22.4	18.5	18.3	14.9
P/BV	7.8	7.0	6.1	5.1	4.6	4.1
EV/Sales	3.4	2.9	2.5	2.3	2.0	1.8
EV/EBITDA	25.3	18.9	16.6	13.5	12.4	10.8
Dividend Yield (%)	2.1	1.6	1.6	2.1	2.2	2.6
Return Ratios (%)						
RoE	22.4	22.8	23.5	23.5	22.4	23.1
RoCE	16.6	20.4	19.9	19.6	17.8	19.0

Consolidated - Cash Flow Statement (INR m)

Y/E March	CY22	CY23	CY24	CY25	CY26E	CY27E
OP/(Loss) before Tax	11,230	12,685	15,603	17,268	18,897	22,348
Depreciation	2,444	2,836	2,788	3,613	3,612	4,679
Interest & Finance Charges	322	315	284	485	1,628	164
Direct Taxes Paid	-2,435	-2,579	-3,122	-3,681	-4,523	-5,140
(Inc)/Dec in WC	-3,824	1,223	-628	104	-573	420
Others	469	676	555	-398	0	0
CF from Operations	**8,206**	**15,156**	**15,480**	**17,391**	**19,042**	**22,471**
(Inc)/Dec in FA	-1,190	-634	-1,312	-1,635	-6,427	-6,897
Free Cash Flow	**7,016**	**14,522**	**14,168**	**15,756**	**12,615**	**15,574**
(Pur)/Sale of Investments	9,054	3,778	19,696	12,725	0	0
Others	-8,015	-6,140	-25,074	-21,052	-1,751	-238
CF from Investments	**-151**	**-2,996**	**-6,690**	**-9,962**	**-8,178**	**-7,135**
Issue of Shares	1	3	1	599	0	0
Inc/(Dec) in Debt	-59	-1,870	-1,370	-1,668	194	65
Interest Paid	-56	-136	-136	-244	0	0
Dividend Paid	-6,637	-5,308	-5,314	-6,995	-7,187	-8,604
Others	-460	-190	0	0	0	0
CF from Fin. Activity	**-7,211**	**-7,501**	**-6,819**	**-8,308**	**-6,993**	**-8,539**
Inc/Dec of Cash	**844**	**4,659**	**1,971**	**-879**	**3,871**	**6,797**
Forex Adjustment	285	159	61	821	0	0
Opening Balance	11,787	12,916	17,734	19,766	19,708	23,579
Closing Balance	**12,916**	**17,734**	**19,766**	**19,708**	**23,579**	**30,376**

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