

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	COFORGE IN
Equity Shares (m)	334
M.Cap.(INRb)/(USDb)	560.7 / 6.5
52-Week Range (INR)	2005 / 1120
1, 6, 12 Rel. Per (%)	-10/-18/30
12M Avg Val (INR M)	4182

Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	120.5	165.4	200.9
EBIT Margin (%)	13.0	13.5	14.0
PAT	8.4	15.0	19.9
EPS (INR)	30.2	46.4	58.9
Adj. PAT	10.0	15.7	19.9
Adj. EPS (INR)	25.2	44.2	58.9
Adj. EPS Gr. (%)	-8.7	75.5	33.3
BV/Sh. (INR)	193.4	214.5	243.8

Ratios

RoE (%)	13.9	17.1	20.7
RoCE (%)	16.3	16.7	17.9
Payout (%)	60.3	50.0	50.0

Valuations

P/E (x)	66.5	37.9	28.4
P/BV (x)	8.7	7.8	6.9
EV/EBITDA (x)	27.2	18.6	14.9
Div Yield (%)	0.9	1.3	1.8

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	52.3	49.9	47.3
FII	37.4	40.2	41.4
Others	10.3	9.9	11.3

FII Includes depository receipts

CMP: INR1676 **TP: INR2,240 (34%)** **BUY**

Consistent growth delivery

Cash flow conversion a key monitorable

- COFORGE reported strong 1QFY26 revenue growth of 8.0% QoQ in CC terms, above our estimate of 7.0% QoQ CC. The company reported an order intake of USD507m(+61% YoY) in 1Q with five large deals, resulting in a robust 12-month executable order book of USD1.55b. EBIT margin stood at 13.2%, below our estimate of 14%. PAT stood at INR3.1b (up 21.2%/142% QoQ/YoY). M&A expenses stood at INR19m compared to INR148m in 4QFY25.
- The company's revenue/EBIT/adj. PAT grew 8.2%/35.7%/138% YoY. We expect revenue/EBIT/adj. PAT to grow 33.1%/54.1%/61.8% YoY in 2QFY26.
- COFORGE's strong executable order book and resilient client spending across verticals bode well for its organic business. That said, softer cash flow performance during the quarter may exert pressure on the return profile. We now value COFORGE at 38x (vs 40x earlier) FY7 EPS, arriving at a TP of INR 2,240, implying 34% potential upside.

Our view: TTH momentum to sustain on continued Sabre ramp-up

- **Consistent revenue traction; Sabre ramp-up gives TTH a solid lift:** COFORGE reported yet another quarter of high single-digit (8%) sequential CC growth. The TTH vertical accounted for ~62% of incremental growth, led by the ongoing ramp-up of the Sabre deal, with further acceleration expected in 2Q. BFSI is also set for a growth rebound next quarter, with the large-deal pipeline remaining robust.
- **Deal TCV funnel remains firm:** COFORGE's executable order book for the next 12 months rose 46% YoY to USD1.55b. While deal TCV (ex-Sabre) has remained range-bound at ~USD500m in recent quarters, cross-sell initiatives with Cigniti are beginning to yield results, enabling COFORGE to win large deals. Management aims to close 20 large deals in FY26 (vs. 14 in FY25).
- **EBIT margin (ex one-offs) was flat QoQ:** EBIT margins were maintained in 1Q despite ramp-up costs, higher depreciation (AI data centers), and visa costs typically incurred in 1Q. Third party costs(sub-con costs) were 10.5% in 1QFY26 (vs 9.4% in 4QFY25) as deals ramped-up. We expect margins to improve sequentially, driven by the unwinding of ESOP costs. However, we do note that large deal ramp-ups could lead to a flatter margin recovery curve. We estimate FY26 EBIT margin at 13.5% (vs the company's guidance of 14%).
- **Free cash flow conversion:** Management reiterated its OCF/EBITDA conversion guidance of 65-70%; we believe this is par for a high-growth IT services company. However, FCF was **negative** this quarter, primarily due to elevated capex related to AI data center investments tied to a large deal. Owning an AI data center asset outright may provide long-term value to COFORGE; however, continued elevated capex could hurt the company's return profile. That said, management expects capex to normalize going forward, with major investments now largely behind.

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Valuation and changes to our estimates

- We believe COFORGE's strong executable order book and resilient client spending across verticals bode well for its organic business. Cross-sell opportunities in Cigniti remain highly synergistic for the company. That said, softer cash flow performance during the quarter may exert pressure on the return profile. We have cut our EPS estimates for FY26 by 5%, while largely maintaining our FY27 EPS estimates. We value COFORGE at 38x (earlier 40x) FY27E EPS with a TP of INR2,240, **implying a 34% potential upside. We reiterate our BUY rating on the stock.**

Beat on revenues and miss on margins; TTH leads growth; deal TCV up 61% YoY

- COFORGE's revenue grew 8.0% QoQ CC (est. 7.0% CC). Reported USD growth was 9.6% QoQ.
- Growth was led by the TTH vertical (+31.2% QoQ), followed by Others (Healthcare, Retail, and Hi-Tech), which rose 12.8% QoQ.
- Order intake stood at USD507m (up 61% YoY). The company signed five large deals during the quarter. The 12-month executable order book rose 46.9% YoY to USD1.55b. The company added six new logos during the quarter.
- EBIT margin stood at 13.2%, below our estimate of 14%.
- Adj. EBITDA (pre-RSU) rose 10.5%QoQ/63.8% YoY to INR7.0b.
- Utilization grew 10bp QoQ to 82.1%. Net employee addition stood at 1,164, up 3.5% QoQ. Attrition was up 40bp QoQ at 11.3%.
- PAT stood at INR3.1b (up 21.2%/142% QoQ/YoY). M&A expenses stood at INR19m compared to INR148m in 4QFY25.

Key highlights from the management commentary

- Budget continues to remain similar to last quarter, given the overhang of discussions around macro and tariffs.
- The discretionary nature of spending for the firm remains abated.
- Execution intensity remains a key differentiator, evident across every aspect, including sales, solutions, and M&A, with execution-led metrics becoming central.
- 1) Sustained large deal proposal submissions by the sales team are seen as a better approach with TCV/ACV already signed.
- 2) Execution spans across geo play, vertical play, and partnership scale.
- 3) Hyper-specialization in a few select verticals is essential to create differentiation. AI budgets are increasing at a double-digit rate; industry specialization will remain a key metric in the AI era.
- Real-world AI implementation demands robust infrastructure, data foundation, and AI Ops processors, enabling clients to scale effectively.
- The Sabre deal will continue to ramp up in 2Q; 3Q is expected to witness headcount stabilization. Sales execution rewards are credited only to net-new deals; renewals are excluded from incentive metrics.
- EBIT margin was impacted by amortisation from recent acquisitions and higher depreciation due to AI-powered team investments, large deal ramp-up, and visa costs (typically 1Q-loaded).

Valuation and view

- We believe COFORGE's strong executable order book and resilient client spending across verticals bode well for its organic business. Cross-sell opportunities in Cigniti remain highly synergistic for the company. However, slightly poor cash flow metrics during the quarter weigh on margins due to higher amortization. We have cut our EPS estimates for FY26 by 5%, while largely maintaining our FY27 EPS estimates. We value COFORGE at 38x (earlier 40x) FY27E EPS with a TP of INR2,240, **implying a 34% potential upside. We reiterate our BUY rating on the stock.**

Quarterly Performance (IND-AS)

(IND-AS)

Y/E March (Consolidated)	FY25				FY26E				FY25	FY26E	Est. 1QFY26	Var. (%/bp)
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE				
Rev. (USD m)	286	369	391	404	442	470	494	518	1,445	1,924	438	1.1
QoQ (%)	2.0	29.0	5.7	3.3	9.6	6.2	5.0	5.0	31.5	33.1	8.5	116bp
Revenue (INR m)	23,751	30,623	32,581	34,099	36,886	40,762	42,801	44,941	1,20,507	1,65,390	37,450	-1.5
YoY (%)	6.9	34.5	40.2	47.1	55.3	33.1	31.4	31.8	33.8	37.2	56.0	-69bp
GPM (%)	32.2	32.4	33.4	34.1	34.1	34.2	33.5	34.2	33.6	34.0	35.0	-90bp
SGA (%)	13.4	15.9	15.7	15.4	15.0	15.1	15.3	15.3	15.6	15.2	15.3	-30bp
EBITDA (INRm)	4,275	4,840	5,072	5,761	6,451	7,256	7,362	8,044	19,960	29,113	6,741	-4.3
EBITDA Margin (%)	18.0	15.8	15.6	16.9	17.5	17.8	17.2	17.9	16.6	17.6	18.0	-51bp
EBIT (INRm)	3,558	3,597	3,907	4,507	4,859	5,544	5,650	6,269	15,684	22,322	5,243	-7.3
EBIT Margin (%)	15.0	11.7	12.0	13.2	13.2	13.6	13.2	14.0	13.0	13.5	14.0	-83bp
Other income	-516	-173	-329	-300	246	-122	-128	-135	-1,080	-140	-112	-319.0
ETR (%)	34.4	25.5	25.5	22.2	18.2	23.0	23.0	24.0	25.7	22.3	24.5	-25.8
Minority Interest	-61.0	-314.0	-404.0	-461.0	-390.0	-433.6	-433.6	-433.6	-1,240.0	-1,690.8	-25.7	1419.4
Reported PAT	1,310	2,021	2,142	2,611	3,174	3,741	3,818	4,229	8,372	14,962	3,848	-17.5
QoQ (%)	-41.6	54.3	6.0	21.9	21.6	17.8	2.1	10.8			47.4	
YoY (%)	-21.4	11.7	-10.0	16.3	142.3	85.1	78.2	62.0	0.9	78.7	186.4	
Extra-ordinary items	953	290	162	261	749	0	0	0	1,666	1,462	0.0	
Adj. PAT	2,263	2,311	2,304	2,872	3,923	3,741	3,818	4,229	9,750	15,711	3,848.0	
EPS (INR)	4.2	6.0	6.3	7.7	9.4	11.1	11.3	12.5	25.2	44.2	11.3	-17.3

Key Performance Indicators

Y/E March	FY25				FY26E	FY25
	1Q	2Q	3Q	4Q	1Q	
Revenue (QoQ CC %)	1.6	26.3	8.4	3.4	8.0	
Margins						
Gross Margin	32.2	32.4	33.4	34.1	34.1	33.6
EBIT Margin	15.0	11.7	12.0	13.2	13.2	13.0
Net Margin	5.5	6.6	6.6	7.7	8.6	6.9
Operating metrics						
Headcount	26,612	32,483	33,094	33,497	34,187	33,497
Attrition (%)	11.4	11.7	11.9	10.9	11.3	10.9
Deal Win TCV (USD b)	314	516	501	2,126	507	3,457
Key Verticals (YoY USD %)						
BFS	11.3	23.6	18.3	30.9	30.2	21.3
Insurance	(5.1)	12.3	18.3	11.7	17.7	9.3
Travel and Transport	6.6	30.0	40.8	55.9	88.9	33.2
Key Geographies (YoY USD %)						
North America	9.6	48.2	66.4	64.7	69.5	47.1
Europe	4.2	15.7	18.4	15.3	20.6	13.5



Key highlights from the management commentary

Demand outlook

- Budget continues to remain similar compared to the last quarter, given the overhang of discussions around macro and tariffs.
- The discretionary nature of spending for the firm remains abated.
- Execution intensity remains a key differentiator, evident across every aspect, including sales, solutions, and M&A, with execution-led metrics becoming central.
- 1) Sustained large deal proposal submissions by the sales team are seen as a better approach with TCV/ACV already signed.
- 2) Execution spans across geo play, vertical play, and partnership scale.
- 3) Hyper-specialization in a few select verticals is essential to create differentiation. AI budgets are increasing at a double-digit rate; industry specialization will remain a key metric in the AI era.
- Real-world AI implementation demands robust infrastructure, data foundation, and AI Ops processors, enabling clients to scale effectively.
- The company reported growth of 8.0% QoQ CC. 2H is expected to be much stronger than 1H.
- Organically, 1Q saw 6% CC growth; 2Q is expected to be equally robust.
- The company reported an order intake of USD507m during the quarter; it signed five large deals and added six new logos.
- The 12-month executable order book stood at USD1.55b, up 46.9% YoY.
- 1Q growth was led by large deal ramp-up. The company aims to close 20 large deals in the current fiscal.
- The Sabre deal will continue to ramp up in 2Q; 3Q is expected to see headcount stabilization.
- Sales execution rewards are credited only to net-new deals; renewals are excluded from incentive metrics.
- Growth in the top 6-10 client buckets is expected to resume from 2Q.
- Integration with Cigniti is targeted for completion by December-January.
- **BFSI** reported YoY growth of 32%, with strong traction in large deals. BFSI growth is expected to bounce back in 2Q; pipeline remains strong.
- BFS clients are under pressure to improve ROE due to macro conditions and higher interest rates.
- The company has seen positive momentum in regulatory compliance, customer retention, and advanced risk management.
- Additionally, it has witnessed strong demand across lending, commercial banking, and regulation-focused services.
- The cloud-native infrastructure has become essential and is non-discretionary for banks.
- The medium-term outlook remains positive; large-deal pipeline remains solid.
- BFSI is expected to remain at ~27% of revenue and continues to pace ahead at the current run-rate.
- **TTH**: The Sabre deal ramp up led growth in 1Q. 2Q is expected to see growth due to a further ramp up.
- The company launched Coforge AgentSphere, a platform with 100+ foundational agents targeting specific industry pain-points across Travel, Financial Services, and Healthcare.
- Net employee addition: 1,164 in the quarter, up 3.5% QoQ.

Margin performance and other comments

- FY26 EBIT margin target: 14% (according to management factsheet).
- The company's focus is shifting from adjusted EBITDA to EBIT margin commentary.
- EBIT margin was impacted by amortisation from recent acquisitions and higher depreciation due to AI-powered team investments, large deal ramp-up, and visa costs (typically 1Q-loaded).
- One-off impact of USD8.4m from AdvantageGo investment was offset by provisions for cybersecurity incident and a one-time employee bonus of USD5-5.5m.
- FCF was negative this quarter due to capex for a data center deal.
- Discounting on long-term contracts: For every USD100 billed, USD90 is booked as revenue and USD10 as other income. This unwinding is treated as accounting notional interest.
- Capex (~USD85m) was largely incurred in 4Q and 1Q—linked to the data center deal (of which USD62m has been completed).
- ESOP costs are expected to decline in coming quarters.
- Ramp-up expenses on large deals typically precede billing. Post 1Q, similar deal ramp-ups will help margin as operating leverage kicks in.
- Wage hikes are scheduled for 3Q and will be offset by lower ESOP costs.
- OCF/EBITDA is expected to remain in the 65-70% range, with the remaining allocated to working capital to support growth.
- Capex levels will taper down to normalized levels going forward.
- Depreciation and amortisation will normalize from here.
- Data center capex: The company owns and controls the asset; it is not client-dedicated.
- FCF for the quarter was weighed down by elevated capex.

Exhibit 1: TTH led growth on the back of deal ramp-up

Verticals (QoQ, USD%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
BFS	9.4	11.1	0.0	4.7	3.1	4.0	3.3	4.3	-0.6	15.4	-1.1	15.4	-1.1
Insurance	-7.7	3.9	-2.9	5.5	4.7	2.3	-1.3	-2.2	-3.9	21.1	4.1	-7.7	1.2
Transportation	-0.9	2.9	1.9	2.3	1.2	2.3	-2.4	-1.5	8.5	24.7	5.7	9.0	31.5
Govt Outside													
India									9.2	20.4	-4.0	10.8	6.7
Others	8.5	-4.7	8.7	7.0	2.1	0.5	4.0	-30.6	13.3	53.5	17.6	-6.4	12.6

Source: Company, MOFSL.

Exhibit 2: US and APAC contributed to growth

Geography (QoQ, USD%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
US	5.6	3.4	-2.2	3.1	5.8	1.7	-4.3	2.0	10.5	37.5	7.4	0.9	13.6
EMEA	-4.8	7.9	6.7	3.2	0.2	2.8	4.5	-0.1	-3.0	14.3	7.0	-2.7	1.5
APAC	18.7	-11.3	4.9	21.1	-0.6	3.2	15.2	-9.3	-1.4	21.3	-6.7	38.1	13.0

Source: Company, MOFSL

Valuation and view:

- We believe COFORGE's strong executable order book and resilient client spending across verticals bode well for its organic business. Cross-sell opportunities in Cigniti remain highly synergistic for the company. However, slightly poor cash flow metrics during the quarter weigh on margins due to higher amortization. We have cut our EPS estimates for FY26 by 5%, while largely maintaining our FY27 EPS estimates. We value COFORGE at 38x (earlier 40x) FY27E EPS with a TP of INR2,240, **implying a 34% potential upside. We reiterate our BUY rating on the stock.**

Exhibit 3: Summary of our revised estimates

	Revised		Earlier		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
INR/USD	86.4	86.7	86.4	86.7	0.0%	0.0%
USD Revenue - m	1,924	2,317	1,905	2,306	1.0%	0.5%
Growth (%)	33.1	20.4	31.8	21.0	130bps	-60bps
EBIT margin (%)	13.5	14.0	13.8	14.0	-30bps	0bps
Adj. PAT (INR M)	15,711	19,943	16,606	20,436	-5.4%	-2.4%
EPS	46.4	58.9	48.9	60.2	-5.1%	-2.2%

Source: MOFSL

Exhibit 4: Operating metrics

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue mix Geography-wise (%)									
Americas	49.7	49.4	46.6	47.7	50.8	55.1	56.0	54.7	56.7
EMEA	38.6	38.8	40.0	40.1	37.5	33.8	34.2	32.2	29.8
RoW	11.7	11.8	13.4	12.2	11.6	11.1	9.8	13.1	13.5
Revenue mix Vertical-wise (%)									
BFS	31.1	31.6	32.2	33.7	32.3	29.4	27.5	30.7	27.7
Insurance	22.6	22.6	22.0	21.6	20.0	19.1	18.8	16.8	15.5
Transportation	18.5	18.5	17.8	17.6	18.4	18.1	18.1	19.1	22.9
Manufacturing/Media/Others	27.8	27.3	28.0	19.5	21.3	25.9	28.7	25.9	26.7
Revenue mix (%)									
Top Clients contribution (%)									
Top – 5	25.1	23.5	22.7	23.0	21.0	18.7	19.8	18.0	20.7
Top -10	37.7	35.2	34.3	34.4	32.9	28.2	30.0	27.7	29.3
Fresh order Intake - USD m									
USA	155	118	110	627	126	245	294	1828	272
EMEA	346	138	172	102	96	184	93	170	140
RoW	30	57	72	46	92	86	114	128	95
Deals signed - USD m	531	313	354	774	314	516	501	2126	507
Executable Order Book (NTM) - USD m	897	935	974	1019	1070	1105	1365	1505	1550
Employee metrics									
Billable Personnel	22762	23131	23107	23243	25037	30434	30981	31354	32013
Sales and Marketing	363	360	368	388	442	575	583	586	594
Others	1099	1147	1132	1095	1133	1474	1530	1557	1580
Total	24224	24638	24607	24726	26612	32483	33094	33497	34187
Utilization	81	80	79.4	81.7	81.6	82.2	81.3	82	82.1
Attrition	13.3	13.0	12.1	11.5	11.4	11.7	11.9	10.9	11.3

Source: Company, MOFSL

Financials and valuations

Income Statement						(INR m)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Sales	46,628	64,320	80,146	90,089	1,20,507	1,65,390	2,00,916
Change (%)	11.5	37.9	24.6	12.4	33.8	37.2	21.5
Cost of revenue	31,692	43,736	54,059	60,179	80,017	1,09,163	1,33,096
Gross Profit	14,936	20,584	26,087	29,910	40,490	56,227	67,821
SGA expenses	6,545	8,527	11,438	13,694	18,799	25,113	30,137
RSU costs	480	633	587	1,046	1,731	2,000	1,819
EBITDA	7,911	11,424	14,062	15,170	19,960	29,113	35,865
% of Net Sales	17.0	17.8	17.5	16.8	16.6	17.6	17.9
Depreciation	1,836	2,272	2,585	2,972	4,276	6,791	7,827
EBIT	6,075	9,152	11,477	12,198	15,684	22,322	28,038
% of Net Sales	13.0	14.2	14.3	13.5	13.0	13.5	14.0
Other Income	113	-266	-630	-1,153	-1,080	-140	-522
PBT	6,188	8,886	10,847	11,045	14,604	22,182	27,516
Tax	1,302	1,468	2,208	2,209	3,326	4,781	6,879
Rate (%)	21.0	16.5	20.4	20.0	22.8	21.6	25.0
Extraordinary Items	226	269	1,188	261	1,666	749	0
Minority Interest	104	530	513	276	1,240	1,691	694
Adjusted PAT	4,782	6,888	8,126	8,560	10,038	15,711	19,943
Change (%)	1.4	44.0	18.0	5.3	17.3	56.5	26.9

Balance Sheet						(INR m)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Share Capital	606	609	611	618	669	669	669
Reserves	24,055	26,722	30,214	35,648	63,123	71,220	81,060
Net Worth	24,661	27,331	30,825	36,266	63,792	71,889	81,729
Loans	5	3,365	3,382	3,399	67	67	67
Minority Interest	0	983	874	1,003	19,498	19,498	19,498
Other liabilities	2,043	6,073	4,360	5,094	13,750	18,871	22,925
Capital Employed	26,709	37,752	39,441	45,762	97,107	1,10,326	1,24,218
Net Block	3,902	4,452	4,455	4,470	7,682	5,249	1,988
CWIP	2	86	46	232	24	24	24
Intangibles	5,690	14,821	16,299	16,133	49,726	48,368	46,802
Investments	0	0	0	0	0	0	0
Deferred tax assets	4,245	7,976	9,970	14,217	19,860	27,257	33,112
Curr. Assets	21,295	22,209	26,064	26,025	43,508	62,046	79,103
Debtors	8,895	13,894	16,131	18,039	25,771	30,812	37,431
Cash & Bank Balance	7,999	4,468	5,699	3,213	7,956	18,679	26,921
Investments	247	67	88	139	2,333	2,333	2,333
Other Current Assets	4,154	3,780	4,146	4,634	7,448	10,222	12,418
Current Liab. & Prov	8,425	11,792	17,393	15,315	27,375	36,301	40,492
Trade payables	3,398	6,160	6,481	8,062	9,883	18,546	22,529
Other liabilities	4,802	5,316	10,552	6,836	16,786	16,786	16,786
Provisions	225	316	360	417	706	969	1,177
Net Current Assets	12,870	10,417	8,671	10,710	16,133	25,746	38,611
Application of Funds	26,709	37,752	39,441	45,762	97,107	1,10,326	1,24,218

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
EPS	15.5	22.2	26.1	27.6	25.2	44.2	58.9
Cash EPS	20.7	28.6	30.6	37.5	38.1	64.3	82.1
Book Value	81.4	89.7	101.0	122.5	193.4	214.5	243.8
DPS	4.1	10.4	12.8	15.2	15.2	22.1	29.5
Payout %	26.5	46.9	49.0	55.1	60.3	50.0	50.0

Valuation (x)

P/E	108.3	75.5	64.2	60.7	66.5	37.9	28.4
Cash P/E	81.0	58.5	54.8	44.7	44.0	26.1	20.4
EV/EBITDA	63.1	44.6	36.2	32.7	27.2	18.6	14.9
EV/Sales	10.7	7.9	6.4	5.5	4.5	3.3	2.7
Price/Book Value	20.6	18.7	16.6	13.7	8.7	7.8	6.9
Dividend Yield (%)	0.2	0.6	0.8	0.9	0.9	1.3	1.8

Profitability Ratios (%)

RoE	19.7	26.0	27.1	24.1	13.9	17.1	20.7
RoCE	18.0	23.7	23.7	22.8	16.3	16.7	17.9

Turnover Ratios

Debtors (Days)	68	65	68	69	66	62	62
Fixed Asset Turnover (x)	11.8	15.4	18.0	20.2	19.8	25.6	55.5

Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
CF from Operations	7,121	9,089	10,532	11,834	15,060	22,337	27,741
Cash for Working Capital	502	-1,433	-1,027	-2,800	-2,689	-1,165	-6,424
Net Operating CF	7,623	7,656	9,505	9,034	12,371	21,171	21,317
Net Purchase of FA	-757	-1,475	-1,537	-2,598	-5,572	-3,000	-3,000
Free Cash Flow	6,866	6,181	7,968	6,436	6,799	18,171	18,317
Net Purchase of Invest.	-1,597	-8,089	-1,179	120	-18,911	0	0
Net Cash from Invest.	-2,354	-9,564	-2,716	-2,478	-24,483	-3,000	-3,000
Proceeds from Equity	18	51	18	-3,516	21,831	0	0
Proceeds from LTB/STB	-697	2,139	-1,315	-573	19	33	-103
Dividend Payments	-4,852	-3,748	-4,285	-4,781	-5,097	-7,481	-9,972
Cash Flow from Fin.	-5,531	-1,558	-5,582	-8,870	16,753	-7,448	-10,075
Net Cash Flow	-262	-3,466	1,207	-2,314	4,641	10,723	8,242
Exchange difference	66	-65	24	-172	102	0	0
Opening Cash Bal.	8,194	7,998	4,467	5,698	3,212	7,955	18,678
Add: Net Cash	-196	-3,531	1,231	-2,486	4,743	10,723	8,242
Closing Cash Bal.	7,998	4,467	5,698	3,212	7,955	18,678	26,920

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Investment Rating	Expected return (over 12-month)
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SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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