

Soft quarter; AI-led scale up continues

Information Technology ▶ Result Update ▶ October 09, 2026

CMP (Rs): 2,076 | TP (Rs): 2,600

TCS's 2Q operating performance was softer than our expectations. Revenue grew 0.2% qoq (0.5% CC) to \$7.6bn. EBITM was flat qoq at 24%, largely due to higher investments. Deal wins were steady at \$9.6bn (book-to-bill of 1.3x), excluding the recently signed deals with MHP and BestBuy. AI revenue in 2Q stood at ~\$775mn (~10% of revenue; up 19% qoq), driven by accelerated enterprise deployments. The management indicated that demand environment has not materially changed sequentially, with discretionary programs lacking near-term value remaining under scrutiny. TCS continues to strengthen capabilities through acquisitions and investments in frontier AI partnerships, talent, and new growth engines such as data center services, GCCs, mid-market, and sovereign cloud, which would weigh on margin in the near term. The management retains its long-term aspirational margin range of 26-28%, factoring in anticipated gain from growing share of AI revenue, which operates at better margins, uptick in revenue growth driving operating leverage, and cost optimization. We cut earnings estimates by 0.6% to 1.6% for FY27-29, factoring in 2Q performance, lower margin assumptions, and M&As (Best Buy's India GCC and MHP). We retain ADD and TP of Rs2,600 at 16x Sep-28E EPS.

Results summary

Revenue was up 0.2% qoq (0.5% CC) at \$7.6bn, a tad below our estimate. EBITM was flat sequentially at 24.0%, below our estimate of 24.5%, due to higher subcon expenses and targeted investments, offset by currency benefits and operational efficiency. Order book TCV stood at \$9.6bn in 2Q. Headcount increased 0.7% qoq to 598,056. TCS announced an interim dividend of Rs12/share. What we like: Broad-based growth in international markets, cash conversion (75.6% OCF/EBITDA), and steady deal intake. What we do not like: Weakness in Consumer Business and Regional Markets.

Growth led by Tech & Services, Manufacturing, BFSI, and UK

Growth was led by Tech & Services (3.1% CC qoq), Manufacturing (3.1%), BFSI (2.5%), Life Sciences and Healthcare (0.3%), and CME (0.1%), offset by declines in Consumer Business (-0.7%), ER&U (-0.5%), and Regional Markets (-5.8%). Among geographies, growth was led by the UK (3.5% CC), Latam (4.3%), APAC (2.0%), North America (0.4%), and Continental Europe (0.4%), while India declined 10.3%.

AI-led delivery continues to scale

1) AI demand is shifting from isolated use cases to scaled programs across three patterns: i) AI-native solutions with business outcomes; ii) AI-led enterprise system transformation; iii) autonomous global business services. 2) AI revenue is growing across every vertical, with BFSI, Manufacturing, and HLS leading. 3) AI is reshaping ERP transformations through process mining and human+AI process redesign. 4) AI governance, agent control planes, and AI token-cost management are emerging as significant new opportunities as enterprises scale agent deployments. 5) TCS helps clients manage AI token costs through benchmarking, model and architecture selection, and token economics advisory, aiming to deliver right level of intelligence at right cost.

TCS: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	2,553,240	2,670,210	2,949,001	3,077,011	3,218,036
EBITDA	674,070	723,980	760,719	800,068	844,862
Adj. PAT	485,530	528,200	555,966	576,273	609,238
Adj. EPS (Rs)	134.2	146.0	153.7	159.3	168.4
EBITDA margin (%)	26.4	27.1	25.8	26.0	26.3
EBITDA growth (%)	6.4	7.4	5.1	5.2	5.6
Adj. EPS growth (%)	5.8	8.8	5.3	3.7	5.7
RoE (%)	51.2	51.2	49.5	48.7	49.0
RoIC (%)	100.3	91.5	81.3	79.8	81.2
P/E (x)	15.5	15.3	13.6	13.0	12.3
EV/EBITDA (x)	10.4	9.7	9.3	8.7	8.2
P/B (x)	7.8	6.9	6.5	6.2	5.9
FCFF yield (%)	6.8	7.2	7.0	7.9	8.4

Source: Company, Emkay Research

Target Price – 12M	Sep-27
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	25.2

Stock Data	TCS IN
52-week High (Rs)	3,350
52-week Low (Rs)	1,976
Shares outstanding (mn)	3,618.1
Market-cap (Rs bn)	7,511
Market-cap (USD mn)	77,605
Net-debt, FY27E (Rs mn)	(474,488.1)
ADTV-3M (mn shares)	4.5
ADTV-3M (Rs mn)	8,544.3
ADTV-3M (USD mn)	88.3
Free float (%)	28.2
Nifty-50	22,231.8
INR/USD	96.8

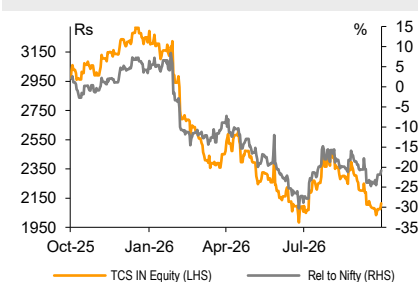
Shareholding, Jun-26

Promoters (%)	71.8
FPIs/MFs (%)	9.1/13.5

Price Performance

(%)	1M	3M	12M
Absolute	(8.0)	0.9	(30.4)
Rel. to Nifty	(2.1)	8.4	(21.6)

1-Year share price trend (Rs)



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Earnings call KTAs

- The management remains confident on growth momentum considering deal TCV, pipeline, and client conversations.
- Per management, AI-led transformation projects are rising in both volume and frequency. Interest is shifting from optimizing token costs toward using AI for business outcomes and tech modernization.
- BFSI was the largest contributor to growth in 2Q, with broad-based momentum across banking, capital markets, and insurance, particularly in the UK, Europe, and APAC.
- Manufacturing recovered strongly in 2Q, with demand improving around factory automation, engineering productivity, product lifecycle modernization, supply chain resilience, predictive maintenance, and industrial AI. The company's investments in AI-led vehicle engineering, smart manufacturing, and physical AI are helping it participate in larger and more strategic programs.
- Tech and Services delivered healthy growth, driven by enterprise software, product engineering, cloud modernization, and increasing agentic AI adoption in traditional application and infra portfolios.
- Consumer Business remains under pressure due to inflation, energy costs, and selective consumer spending, while discretionary spending in travel and hospitality is impacted by cost pressures. The management expects 3Q to be better, given seasonal strength.
- CME remained broadly flat, as growth in media and digital platforms was offset by continued pressure in telecom.
- International business grew 1.2% qoq in CC, led by the UK, while North America lagged. The management expects North America to recover and become healthy soon, based on TCV and client conversations.
- India revenue declined sequentially due to a project deferral, which is not structural and is expected to return in the medium term. The BSNL deal should provide a cushion to regional markets over the next couple of quarters.
- The management is confident of medium-term growth based on TCV, pipeline, and client conversations, and expects to convert opportunities as client spending improves and enterprise AI adoption scales.
- Pricing is broadly stable at the portfolio level, as front-loading of productivity benefits is offset by better pricing on AI deals.
- Gross margin decline in 2Q was primarily driven by higher bench capacity, increased subcontractor costs (to meet mismatch in the skill-delivery requirements), and partnership costs.
- Anticipated headwinds for margins in 2H include a ~50bps impact from the MHP acquisition, normal furlough seasonality, and continued ecosystem investments. Key levers for margin improvement include optimizing subcontractor costs, driving better productivity and utilization, increasing the share of high-margin AI revenue, and managing non-employee expenses.
- The company added ~10k freshers in 2Q and continues demand-led hiring for niche and next-gen skills.

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 1: TCS – Quarterly snapshot

Particular (Rs mn)	2QFY27	1QFY27	qoq (%)	2QFY26	yoy (%)
Net sales (\$ mn)	7,642	7,624	0.2	7,466	2.4
Net sales	731,880	722,750	1.3	657,990	11.2
Operating expenses	543,730	537,190		478,210	
EBITDA	188,150	185,560	1.4	179,780	4.7
- Margin (%)	25.7	25.7	0.0	27.3	-160.0
Depreciation	12,620	12,390		14,130	
EBIT	175,530	173,170	1.4	165,650	6.0
- Margin (%)	24.0	24.0	0.0	25.2	-120.0
Other income (net)	10,850	12,950		6,380	
Exceptional items	0	(5,000)		(8,290)	
Share of profit / (loss) of an associate	0	0		0	
PBT	186,380	181,120	2.9	163,740	13.8
Tax provided	47,040	46,920		42,430	
PAT	139,340	134,200	3.8	121,310	14.9
Non-controlling interest	500	710		560	
Reported net profit	138,840	133,490	4.0	120,750	15.0
Emkay net profit	138,840	138,490	0.3	129,040	7.6
Reported EPS (Rs)	38.4	36.9	4.0	33.4	15.0

Source: Company, Emkay Research

Exhibit 2: Actuals vs Estimates

(Rs mn)	Actual	Estimate		Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Revenue (\$ mn)	7,642	7,662	7,661	-0.3%	-0.2%	Revenues came tad lower than estimates.
Sales	731,880	732,499	731,547	-0.1%	0.0%	
EBIT	175,530	179,462	177,034	-2.2%	-0.8%	EBITM missed our expectations.
EBIT margin	24.0%	24.5%	24.2%	-50 bps	-20 bps	
PAT	138,840	137,517	137,531	1.0%	1.0%	Reported net profit beat estimates due to higher other income.

Source: Company, Emkay Research

Exhibit 3: Changes in estimates

(Rs mn)	FY27E			FY28E			FY29E		
	Old	New	Change	Old	New	Change	Old	New	Change
Revenue	30,910	30,996	0.3%	31,837	32,390	1.7%	32,958	33,521	1.7%
yoy growth (%)	3.0	3.3		3.0	4.5		3.5	3.5	
Revenue	2,923,897	2,949,001	0.9%	3,024,525	3,077,011	1.7%	3,163,930	3,218,036	1.7%
EBIT	719,063	709,557	-1.3%	756,944	746,220	-1.4%	791,907	788,547	-0.4%
EBIT margins (%)	24.6	24.1		25.0	24.3		25.0	24.5	
Net profit	554,132	550,966	-0.6%	585,827	576,273	-1.6%	613,570	609,238	-0.7%
EPS (Rs)	153.2	152.3	-0.6%	161.9	159.3	-1.6%	169.6	168.4	-0.7%

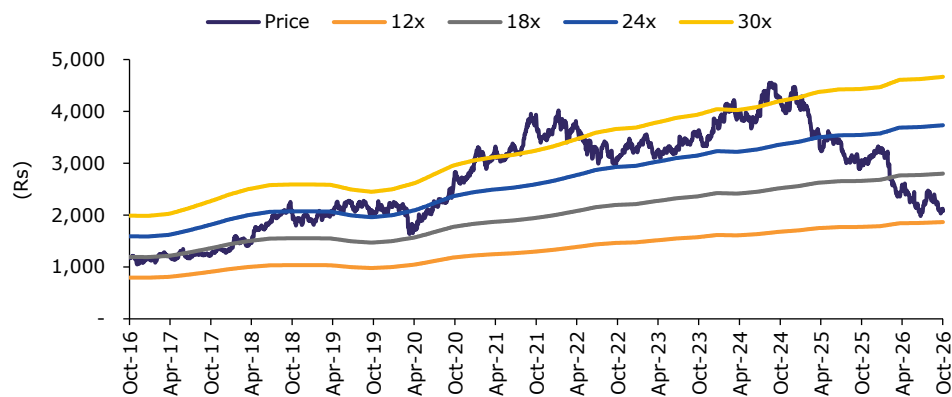
Source: Company, Emkay Research

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Exhibit 4: TCS – Key operating metrics

Metric	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	\$ mn	qoq chg	yoy chg
Revenue (\$ mn)	7,670	7,539	7,465	7,421	7,466	7,509	7,621	7,624	7,642		0.2%	2.4%
Revenue by geography (%)												
North America	47.6	47.7	48.2	48.7	48.8	48.5	48.5	48.3	48.3	3,691	0.2%	1.3%
Latin America	1.8	1.9	1.8	1.9	1.9	2.0	1.9	2.0	2.1	160	5.2%	13.1%
UK	17.0	16.6	16.8	18.0	17.5	16.9	17.2	17.2	17.8	1,360	3.7%	4.1%
Continental Europe	14.6	13.9	14.3	15.0	15.3	15.6	15.6	15.4	15.2	1,162	-1.1%	1.7%
India	8.9	9.8	8.4	5.8	5.8	6.1	6.0	6.2	5.5	420	-11.1%	-2.9%
Asia Pacific	8.0	7.8	8.1	8.4	8.3	8.3	8.3	8.4	8.6	657	2.6%	6.1%
MEA	2.1	2.3	2.4	2.2	2.4	2.6	2.5	2.5	2.5	191	0.2%	6.6%
CC revenue growth yoy by geography (%)												
North America	(2.1)	(2.3)	(1.9)	(2.7)	(0.1)	1.3	2.5	2.0	1.5			
Latin America	6.8	7.0	4.3	3.5	1.8	1.4	(2.9)	(2.1)	1.7			
UK	4.6	4.1	1.2	(1.3)	(1.9)	(3.2)	(1.2)	(0.6)	4.5			
Continental Europe	1.8	(1.5)	1.4	(3.1)	(3.0)	1.4	1.0	4.3	3.3			
India	95.2	70.2	33.0	(21.7)	(33.3)	(34.3)	(23.0)	22.9	6.0			
Asia Pacific	7.5	5.8	6.4	3.6	2.0	3.5	0.4	2.5	4.1			
MEA	7.9	15.0	13.2	9.4	12.7	8.3	7.8	7.6	2.0			
Revenue by vertical (%)												
BFSI	30.8	30.5	31.2	32.0	32.2	31.9	31.6	32.1	32.8	2,507	2.4%	4.3%
Consumer Business	15.1	15.3	15.3	15.6	15.3	15.4	15.7	15.0	14.9	1,139	-0.4%	-0.3%
Communication & Media	5.9	5.8	5.8	5.8	5.9	5.9	5.8	5.8	5.8	443	0.2%	0.6%
Manufacturing	8.6	8.4	8.4	8.7	8.8	8.8	8.8	8.7	9.0	688	3.7%	4.7%
Life Sciences & Healthcare	10.4	10.1	10.1	10.2	10.5	10.5	10.4	10.3	10.3	787	0.2%	0.4%
Technology & Services	8.0	8.0	8.1	8.4	8.5	8.4	8.4	8.5	8.6	657	1.4%	3.6%
Regional Markets & Others	15.5	16.3	15.4	13.4	12.9	13.1	13.0	13.3	12.4	948	-6.5%	-1.6%
Energy, Resources and Utilities	5.7	5.6	5.7	5.9	5.9	6.0	6.3	6.3	6.2	474	-1.4%	7.6%
CC revenue growth yoy by vertical (%)												
BFSI	0.1	0.9	2.5	1.0	1.0	1.6	0.4	2.4	3.9			
Consumer Business	0.1	1.1	(0.2)	(3.1)	(2.9)	(2.7)	0.8	(1.2)	(1.0)			
Life Sciences & Healthcare	0.1	(4.3)	(5.6)	(9.6)	(2.2)	2.2	3.3	3.5	0.5			
Technology & Services	(1.9)	(0.4)	1.1	1.8	2.8	1.7	2.5	3.5	4.8			
Manufacturing	5.3	0.4	(2.9)	(4.0)	(1.1)	1.7	3.1	2.9	4.2			
Communication & Media	(10.3)	(10.6)	(9.8)	(9.6)	(5.1)	(1.6)	(2.1)	1.4	0.5			
Energy, Resources and Utilities	7.0	3.4	4.6	2.8	0.2	2.2	7.3	6.9	5.7			
Regional Markets & Others	50.4	40.9	22.5	(8.6)	(18.1)	(19.4)	(12.8)	9.0	3.6			
Deal wins (\$ bn)												
Deal win TCV	8.6	10.2	12.2	9.4	10.0	9.3	12.0	9.5	9.6			
- BFSI	2.9	3.2	4.0	2.5	3.2	3.8	3.9	2.5	NA			
- Retail & CPG	1.2	1.3	1.7	1.6	1.8	1.4	2.8	1.4	NA			
- North America	4.2	5.9	6.8	4.4	4.3	4.9	5.4	4.7	NA			
Book-to-bill (x)	1.12	1.35	1.63	1.27	1.34	1.24	1.57	1.25	1.26			
TTM book-to-bill (x)	1.28	0.78	0.76	1.34	1.40	1.37	1.36	1.35	0.77			
TTM deal win TCV	38.2	40.3	39.3	40.4	41.8	40.9	40.7	40.8	40.4		-1.0%	-3.3%
AI metrics												
AI services revenue (\$ mn)					375.0	450.0	575.0	650.0	775.0		19.2%	106.7%
AI services revenue (% of revenue)					5.0	6.0	7.5	8.5	10.1			
Non-AI revenue (\$ mn)					7,091.0	7,059.0	7,046.0	6,974.0	6,867.0		-1.5%	-3.2%
Clients' contribution (no of; basis LTM revenue)												
>\$1mn clients	1,307	1,309	1,332	1,336	1,360	1,383	1,397	1,401	1,412		11	52
>\$5mn clients	710	722	723	714	707	721	738	746	752		6	45
>\$10mn clients	491	497	493	495	498	497	499	504	506		2	8
>\$20mn clients	298	294	298	300	302	310	311	307	307		-	5
>\$50mn clients	136	134	130	131	136	136	139	139	137		(2)	1
>\$100mn clients	66	64	64	62	60	62	66	66	65		(1)	5
Currency mix (%)												
USD	49.3	49.4	49.7	49.7	49.8	49.3	49.0	48.7	48.7	3,709	0.3%	0.1%
GBP	14.9	14.4	14.7	15.8	15.2	14.8	15.1	15.1	15.3	1,151	1.4%	3.2%
Euro	11.2	10.6	11.0	11.7	11.7	11.7	11.9	11.9	12.1	906	1.7%	5.1%
Others	24.7	25.5	24.6	22.8	23.3	24.2	24.1	24.4	24.0	1,858	-1.4%	5.2%
Avg INR rate												
USD	83.8	84.9	86.4	85.5	88.1	89.3	92.8	94.8	95.8		1.0%	8.7%
GBP	110.2	107.7	109.7	115.8	118.1	118.9	124.7	126.8	128.2		1.1%	8.6%
Euro	92.4	89.6	91.5	98.0	102.7	104.0	108.1	109.8	109.9		0.1%	7.0%
Employees (no of)												
Total employees (including Indian subsidiaries)	612,724	607,354	607,979	613,069	593,314	582,163	584,519	593,798	598,056		0.7%	0.8%
Net addition	5,726	(5,370)	625	5,090	(19,755)	(11,151)	2,356	9,279	4,258			
Attrition - IT services, LTM (%)	12.3	13.0	13.2	13.8	13.3	13.5	13.7	13.6	13.3			

Source: Company, Emkay Research

Exhibit 5: TCS – One-year forward PER

Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

TCS: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	2,553,240	2,670,210	2,949,001	3,077,011	3,218,036
Revenue growth (%)	6.0	4.6	10.4	4.3	4.6
EBITDA	674,070	723,980	760,719	800,068	844,862
EBITDA growth (%)	6.4	7.4	5.1	5.2	5.6
Depreciation & Amortization	52,420	55,600	51,161	53,848	56,316
EBIT	621,650	668,380	709,557	746,220	788,547
EBIT growth (%)	6.5	7.5	6.2	5.2	5.7
Other operating income	-	-	-	-	-
Other income	39,620	44,020	48,871	40,745	43,050
Financial expense	7,960	8,850	10,050	9,600	9,600
PBT	653,310	703,550	748,379	777,365	821,997
Extraordinary items	0	(36,100)	(5,000)	0	0
Taxes	165,340	172,910	189,809	198,228	209,609
Minority interest	(2,440)	(2,440)	(2,603)	(2,864)	(3,150)
Income from JV/Associates	0	0	0	0	0
Reported PAT	485,530	492,100	550,966	576,273	609,238
PAT growth (%)	5.8	1.4	12.0	4.6	5.7
Adjusted PAT	485,530	528,200	555,966	576,273	609,238
Diluted EPS (Rs)	134.2	146.0	153.7	159.3	168.4
Diluted EPS growth (%)	5.8	8.8	5.3	3.7	5.7
DPS (Rs)	126.0	110.0	136.0	143.0	151.0
Dividend payout (%)	93.9	80.9	89.3	89.8	89.7
EBITDA margin (%)	26.4	27.1	25.8	26.0	26.3
EBIT margin (%)	24.3	25.0	24.1	24.3	24.5
Effective tax rate (%)	25.3	24.6	25.4	25.5	25.5
NOPLAT (pre-IndAS)	464,323	504,114	529,595	555,934	587,467
Shares outstanding (mn)	3,618	3,618	3,618	3,618	3,618

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	3,620	3,620	3,620	3,620	3,620
Reserves & Surplus	965,200	1,090,140	1,149,046	1,207,933	1,270,840
Net worth	968,820	1,093,760	1,152,666	1,211,553	1,274,460
Minority interests	10,150	12,380	14,983	17,847	20,997
Non-current liab. & prov.	(25,600)	(32,220)	(32,220)	(32,220)	(32,220)
Total debt	0	0	0	0	0
Total liabilities & equity	1,047,290	1,188,010	1,250,520	1,313,270	1,380,326
Net tangible fixed assets	129,320	159,320	160,320	161,320	162,320
Net intangible assets	9,400	1,760	1,760	1,760	1,760
Net ROU assets	92,750	92,750	92,750	92,750	92,750
Capital WIP	-	-	-	-	-
Goodwill	-	-	-	-	-
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	472,300	476,210	474,488	510,983	549,318
Current assets (ex-cash)	838,140	957,950	1,023,967	1,067,299	1,114,732
Current Liab. & Prov.	534,860	612,800	637,692	655,769	675,480
NWC (ex-cash)	303,280	345,150	386,275	411,530	439,252
Total assets	1,047,290	1,188,010	1,250,520	1,313,270	1,380,326
Net debt	(472,300)	(476,210)	(474,488)	(510,983)	(549,318)
Capital employed	1,047,290	1,188,010	1,250,520	1,313,270	1,380,326
Invested capital	482,240	619,050	683,282	709,537	738,258
BVPS (Rs)	267.8	302.3	318.6	334.9	352.2
Net Debt/Equity (x)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)
Net Debt/EBITDA (x)	(0.7)	(0.7)	(0.6)	(0.6)	(0.7)
Interest coverage (x)	83.1	80.5	75.5	82.0	86.6
RoCE (%)	69.1	68.3	66.7	65.7	65.9

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	643,830	638,380	550,966	576,273	609,238
Others (non-cash items)	218,610	222,940	53,765	56,711	59,466
Taxes paid	(155,860)	(143,840)	0	0	0
Change in NWC	(36,460)	(27,260)	(41,125)	(25,255)	(27,721)
Operating cash flow	514,260	546,380	563,606	607,729	640,982
Capital expenditure	(39,090)	(40,900)	(74,268)	(54,848)	(57,316)
Acquisition of business	(10,630)	(73,040)	0	0	0
Interest & dividend income	33,430	39,010	33,361	33,545	35,850
Investing cash flow	(56,760)	(162,900)	(77,928)	(54,848)	(57,316)
Equity raised/(repaid)	0	2,000	0	0	0
Debt raised/(repaid)	0	0	0	0	0
Payment of lease liabilities	(16,640)	(18,610)	1,000	1,000	1,000
Interest paid	-	-	-	-	-
Dividend paid (incl tax)	(449,620)	(395,710)	(492,060)	(517,387)	(546,331)
Others	280	0	0	0	0
Financing cash flow	(465,980)	(412,320)	(491,060)	(516,387)	(545,331)
Net chg in Cash	(8,480)	(28,840)	(5,382)	36,495	38,335
OCF	514,260	546,380	563,606	607,729	640,982
Adj. OCF (w/o NWC chg.)	550,720	573,640	604,731	632,985	668,703
FCFF	475,170	505,480	489,338	552,882	583,666
FCFE	500,640	535,640	512,649	576,827	609,916
OCF/EBITDA (%)	76.3	75.5	74.1	76.0	75.9
FCFE/PAT (%)	103.1	108.8	93.0	100.1	100.1
FCFF/NOPLAT (%)	102.3	100.3	92.4	99.5	99.4

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	15.5	15.3	13.6	13.0	12.3
EV/CE(x)	7.2	6.4	6.0	5.7	5.4
P/B (x)	7.8	6.9	6.5	6.2	5.9
EV/Sales (x)	2.8	2.6	2.4	2.3	2.2
EV/EBITDA (x)	10.4	9.7	9.3	8.7	8.2
EV/EBIT(x)	11.3	10.5	9.9	9.4	8.8
EV/IC (x)	14.6	11.4	10.3	9.9	9.4
FCFF yield (%)	6.8	7.2	7.0	7.9	8.4
FCFE yield (%)	6.7	7.1	6.8	7.7	8.1
Dividend yield (%)	6.1	5.3	6.6	6.9	7.3
DuPont-RoE split					
Net profit margin (%)	19.0	19.8	18.9	18.7	18.9
Total asset turnover (x)	2.7	2.6	2.6	2.6	2.6
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	51.2	51.2	49.5	48.7	49.0
DuPont-RoIC					
NOPLAT margin (%)	18.2	18.9	18.0	18.1	18.3
IC turnover (x)	5.5	4.8	4.5	4.4	4.4
RoIC (%)	100.3	91.5	81.3	79.8	81.2
Operating metrics					
Core NWC days	43.4	47.2	47.8	48.8	49.8
Total NWC days	43.4	47.2	47.8	48.8	49.8
Fixed asset turnover	15.2	11.8	10.3	10.3	10.8
Opex-to-revenue (%)	73.6	72.9	74.2	74.0	73.7

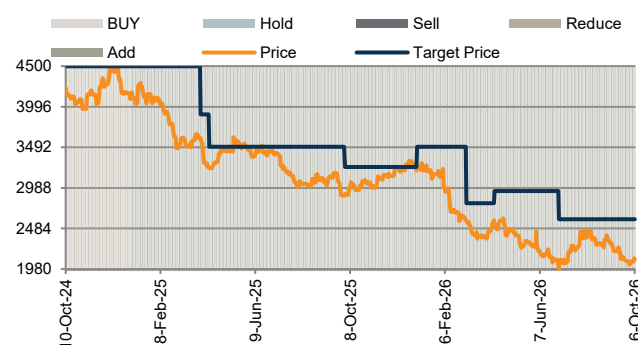
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
01-Oct-26	2,075	2,600	Add	Dipeshkumar Mehta
24-Aug-26	2,284	2,600	Add	Dipeshkumar Mehta
10-Jul-26	2,069	2,600	Add	Dipeshkumar Mehta
01-Jul-26	1,983	2,600	Add	Dipeshkumar Mehta
10-Apr-26	2,524	2,950	Add	Dipeshkumar Mehta
31-Mar-26	2,359	2,800	Add	Dipeshkumar Mehta
05-Mar-26	2,579	2,800	Add	Dipeshkumar Mehta
18-Feb-26	2,695	3,500	Add	Dipeshkumar Mehta
13-Jan-26	3,268	3,500	Add	Dipeshkumar Mehta
01-Jan-26	3,227	3,500	Add	Dipeshkumar Mehta
18-Dec-25	3,281	3,250	Add	Dipeshkumar Mehta
11-Dec-25	3,192	3,250	Add	Dipeshkumar Mehta
21-Nov-25	3,151	3,250	Add	Dipeshkumar Mehta
01-Nov-25	3,058	3,250	Add	Dipeshkumar Mehta
10-Oct-25	3,028	3,250	Add	Dipeshkumar Mehta
01-Oct-25	2,914	3,250	Add	Dipeshkumar Mehta
11-Jul-25	3,266	3,500	Add	Dipeshkumar Mehta
01-Jul-25	3,430	3,500	Add	Dipeshkumar Mehta
11-Apr-25	3,232	3,500	Add	Dipeshkumar Mehta
31-Mar-25	3,606	3,900	Add	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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