Result Update Q1FY27
5th August 2026

Coforge Ltd.

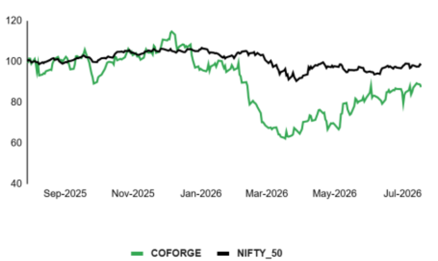
Record Order Book and AI-Led Growth Underpin Strong Start to FY27

CMP: INR 1,780	
Rating: Accumulate	
Target Price: INR 2,125	
Stock Info	
BSE	532541
NSE	COFORGE
Bloomberg	COFORGE:IN
Reuters	COFORGE.BO
Sector	Computers-Software
Face Value (INR)	2
Equity Capital (INR mn)	672
Mkt Cap (INR Bn)	788.60
52w H/L (INR)	1,989/ 1,008
Avg Yearly Vol (in 000')	3,310

Shareholding Pattern % *(As on April , 2026)*	
FII	24.31
DII	42.62
Public	33.07

	1m	3m	12m
Coforge	12.05	32.68	-3.11
Nifty 50	0.30	-0.67	-3.25

Coforge Vs Nifty 50



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Coforge reported Q1 FY27 revenue of INR 55,277 Mn (USD 592.2 Mn), above our estimate of INR 52,877.8 Mn, growing 24.2% QoQ and 49.2% YoY in INR terms (21.1% QoQ and 33.3% YoY in USD terms; 22.3% QoQ CC). The quarter included USD 100.7 Mn from Encora, while underlying organic growth remained strong at 5.2% QoQ CC after excluding planned India government and data-center exits. Healthcare & Hi-Tech led growth, while EBITDA of INR 11,233 Mn exceeded our estimate with a 20.3% margin and 16.0% EBIT margin, despite Encora dilution, USD 10 Mn hedge losses and acquisition-related costs; standalone EBIT margin remained strong at 16.7%. PAT of INR 5,186 Mn missed our estimate due to the absence of the prior quarter's one-off tax gain but increased 109.8% YoY. Order intake stood at USD 691 Mn, taking the 12-month executable order book to a record USD 2,228 Mn (+44.2% YoY, +27% QoQ), while headcount rose to 46,228 and LTM attrition improved to 10.4%.

Structural growth reacceleration led by AI and a record order book

Coforge enters FY27 with its strongest growth visibility, supported by a USD 2,228 Million executable order book, up 44.2% YoY and 27% QoQ, and USD 691 Million of Q1 order intake, excluding the Encora pipeline and certain UK framework agreements, implying further upside. Underlying organic growth of 5.2% QoQ CC, excluding planned exits from low-margin India government and data-center contracts, highlights accelerating core demand. Q2 is expected to witness one of the strongest large-deal signing quarters, with most deals contributing from Q3 FY27. With AI-led Engineering, Data and Cloud already contributing 86% of revenue, Coforge is well positioned to benefit from rising enterprise AI adoption through its Neuron platform.

Structural margin improvement despite Encora integration:

Consolidated EBIT margin reached 16.0% in Q1 FY27, already exceeding the FY27 guidance of 15.5% or higher, while standalone EBIT margin remained strong at 16.7%. Margins are expected to remain resilient with potential for further expansion, supported by operating leverage, portfolio rationalisation and faster-than-expected Encora synergies, including a ~40% reduction in Encora's G&A costs. FY27 guidance of 20.5–21.0% consolidated EBITDA margin and 16.5–17.0% standalone EBIT margin was maintained, with consolidated EBIT expected to remain above 15.5%, aided by continued synergy realization, operating leverage and limited wage-hike pressure, as broad-based salary revisions are not expected before Q4 FY27. We forecast EBIT margins of 15.7% for both FY27E and FY28E.

AI-led capabilities reinforce long-term growth:

With 86% of revenue generated from AI-led Engineering, Data and Cloud services, Coforge is well positioned to benefit from rising enterprise AI spending. Supported by 11,000+ AI and data professionals, eight AI platforms and 100+ reusable AI agents, the company is well placed to sustain above-industry growth while supporting long-term margin expansion.

Outlook and Valuation: Outlook and Valuation: Coforge enters the rest of FY27 with strong growth visibility, supported by a record USD 2,228 Million executable order book, up 44.2% YoY, while Q2 is expected to witness one of the strongest large-deal signing quarters, with most deals contributing from Q3 FY27 onwards. Q1 FY27 EBIT margin of 16.0% has already surpassed the full-year guidance of 15.5%, and further Encora synergies, along with the tapering of one-time hedge and acquisition costs by Q3, are expected to support additional margin expansion. Strong 95.3% FCF-to-PAT conversion, an AI-led revenue mix of 86%, and robust order visibility provide confidence in sustained earnings growth through FY27 and beyond.**We value Coforge at a PE of 23x its FY29E EPS of INR 92.39, which yields a target price of INR 2,125 per share. . We maintain our rating of Accumulate on the stock**

Exhibit 1: Quarterly Performance (Consolidated)

Particulars (in INR Mn)	Q1FY27	Q4FY26	Q1FY26	*Q-o-Q%*	*Y-o-Y*
Revenue (Mn USD)	*592.2*	*489.1*	*442.4*	*21.1%*	*33.9%*
Gross Revenue (INR Mn)	55,277	44,504	36,886	*24.2%*	*49.9%*
Direct People Cost	26,208	19,592	17,266	*33.8%*	*51.8%*
Third Party Cost	5,921	5,017	3,887	*18.0%*	*52.3%*
Other Direct Cost	4,214	4,595	3,174	*-8.3%*	*32.8%*
Direct Cost (INR Mn)	36,343	29,204	24,326	*24.4%*	*49.4%*
Gross Profit	18,934	15,300	12,560	*23.8%*	*50.8%*
GM %	34.3%	34.4%	34.1%	*-13bps*	*20bps*
Sales People Cost	3,331	2,630	2505	*26.7%*	*33.0%*
Marketing Cost	227	98	117	*131.6%*	*94.0%*
Provision for Bad Debts	295	276	40	*NA*	*637.5%*
Other S&M Cost	193	139	137	*38.8%*	*40.9%*
Sales & Marketing	4,046	3,143	2,799	*28.7%*	*44.6%*
G&A People Cost	1,977	1,527	1,511	*29.5%*	*30.8%*
ESOPS	457	381	593	*19.9%*	*-22.9%*
Other G&A Cost	1,220	1,081	1,215	*12.9%*	*0.4%*
General & Administration	3,654	2,989	3,319	*22.2%*	*10.1%*
Selling / General And Administration	7,700	6,132	6,118	*25.6%*	*25.9%*
SG&A to Revenue %	13.9%	13.8%	16.6%	*15bps*	*-266bps*
EBITDA	11,234	9,168	6,442	*22.5%*	*74.4%*
EBITDA margin %	20.3%	20.6%	17.5%	*-28bps*	*286bps*
Depreciation and Amortization	1,294	1,308	1104	*-1.1%*	*17.2%*
Amoritization of Intangibles (acquired assets)	1,117	492	488	*127.0%*	
Other Income	268	221	8		
Acquisition related Expenses		-			
EBIT	8,823	7,368	4,858	*19.7%*	*81.6%*
EBIT margin %	16.0%	16.6%	13.2%	*-59bps*	*279bps*
Fx Gain/Loss (Net)	-653	-403	-44	*62.0%*	*1384.1%*
Net Interest Income	-598	-179	-412	*234.1%*	*45.1%*
Profit Before Tax (Before exceptional items)	7,572	6,786	4,402	*11.6%*	*72.0%*
PBT % (Before exceptional items)	13.70%	15.25%	11.93%	*-155bps*	*177bps*
Exceptional items*	550	536	747.7	*2.6%*	*NA*
PBT	7,022	6,250	3,654	*12.4%*	*92.2%*
PBT %	12.70%	14.04%	9.91%	*-134bps*	*280bps*
Provision for Tax	1,704	-412	792	*-513.6%*	*115.2%*
Minority Interest	131	539	390	*-75.7%*	*-66.4%*
PAT (Continuing Business)	5,187	6,123	2,472	*-15.3%*	*109.8%*
PAT %	9.38%	13.76%	6.70%	*-31.8%*	*40.0%*
Income from discontinued operations		-	702		
PAT	5,187	6,123	3,174	*-15.3%*	*63.4%*
PAT %			8.6%	*0bps*	*-860bps*
Basic EPS (INR) - Continued operations	12	18	7.4	*-32.4%*	*66.2%*
Basic EPS (INR) - Continued operations and discontinued operations	12	18	9.5	*-32.4%*	*29.5%*
Particulars (in INR million)	Q1FY27	Q4FY26	Q1FY26	*Q-o-Q*	*Y-o-Y*
Americas	34,178	25245	20924	*35.4%*	*63.3%*
Europe , Midd le East and Africa	14,924	12584	10999	*18.6%*	*35.7%*
Asia Pacific	6,175	6675	3228	*-7.5%*	*91.3%*
India			1735		
Total	**55,277**	**44,504**	**36,886**	***24.2%***	***49.9%***

Source: Arihant Research, Company Filings

Coforge Q1 FY27 — Key Takeaways

Revenue

Q1 FY27 revenue stood at INR 55,277 Million (USD 592.2 Million), growing 24.2% QoQ and 49.2% YoY in INR terms and 21.1% QoQ and 33.3% YoY in USD terms, aided by USD 100.7 Million of Encora revenue from two months of consolidation. Excluding Encora, revenue grew 1.1% QoQ CC, while excluding the planned India government and data-center exits, underlying organic growth was 5.2% QoQ CC, ahead of earlier expectations. Revenue growth is expected to accelerate from Q3 FY27 as recently signed large deals ramp up.

Geography

The Americas contributed 61.8% of revenue, followed by EMEA (27.0%) and Rest of World (11.2%). Organically, EMEA grew 8.4% QoQ CC, Americas 3.5%, while Rest of World declined 22.0% due to planned portfolio exits. Fresh order intake stood at USD 364 Million from the Americas, USD 260 Million from EMEA and USD 67 Million from Rest of World. Growth is expected to remain driven by Europe and the Americas as the portfolio mix improves.

Segment

Healthcare & HiTech delivered the strongest growth at 11.6% QoQ CC and contributed 17.3% of revenue, followed by Insurance (4.6%, 13.6%), BFS (2.9%, 24.7%) and Travel, Transportation & Hospitality (1.7%, 21.3%). The Others segment declined 8.0% QoQ CC due to the exit from lower-margin India government and data-center work. By service line, AI-led Engineering increased to 50.4% of revenue, Data & Integration remained at 20.9%, Cloud declined to 14.8%, while Intelligent Automation and Business Process Management each contributed 7.0%.

Margin

EBITDA increased to INR 11,233 Million, with margin at 20.3%, while EBIT rose to INR 8,822 Million with a 16.0% margin, already above the FY27 consolidated target. Standalone EBIT margin was 16.7%, while Encora delivered 19.1% EBIT and 20.3% EBITDA margins. PAT reached INR 5,186 Million, with EPS at INR 12.3. Margins are expected to improve further as Encora synergies increase and acquisition- and hedge-related costs reduce.

Guidance

FY27 EBITDA margin is expected at 20.5%-21.0%, while consolidated EBIT margin is expected to be 15.5% or higher and standalone EBIT margin at 16.5%-17.0%. Free cash flow conversion is expected to exceed 100% of PAT. Q2 growth is expected to remain strong, with a larger revenue acceleration anticipated from Q3 as large deal ramp-ups begin.

Pipeline

Q1 order intake stood at USD 691 Million, up 6.5% QoQ, with four large deal wins across North America, Europe and Latin America. The figure excludes Encora's order book and certain UK framework agreements. The 12-month executable order book reached a record USD 2,228 Million, up 27% QoQ and 44.2% YoY. A USD 230 Million+, five-year AI-led European transformation deal signed in early Q2 is also excluded from Q1 numbers and has already started ramping up. Top 5 clients contributed 18.0% of revenue, Top 10 contributed 26.1%, 8 new clients were added and the repeat business ratio remained high at 95.7%. Large deal activity is expected to remain exceptionally strong through Q2, with revenue contribution mainly from Q3 onwards.

AI

AI-led Engineering, Data and Cloud accounted for 86% of consolidated revenue, while nearly 30% of active engagements already leverage AI. During the quarter, Coforge launched Neuron, its enterprise AI operating system, along with NEXA Agentic AI Platform for insurance and Aeronova.AI for the airline industry. The company now has 11,000+ AI professionals, 8 AI platforms, 22 AI assets, 100+ reusable AI agents, and invested around USD 58 Million in AI innovation during FY26. Continued AI investments are expected to drive larger transformation programs, productivity gains and recurring high-margin revenue.

Encora

Encora was consolidated from May 1, 2026, with operational integration completed from day one. All 45 legal entities migrated onto a common S/4HANA ERP, integrating finance, planning and reporting. Combined G&A reduced to 6.6% from Encora's standalone 10%, with additional savings expected in Q2. The acquisition was valued at USD 1,490 Million (INR 139,815 Million), resulting in USD 1,328 Million (INR 124,651 Million) of goodwill and USD 480 Million of customer relationship intangibles amortized over 12 years. Integration costs are expected to remain within the previously indicated EUR 15 Million budget, with minimal costs in Q2 and none from Q3 onward.

Employees

Headcount increased to 46,228, with a net addition of 10,451 employees, including 9,256 from Encora and 1,195 organic additions. IT billable headcount increased to 34,061, while BPS billable headcount reached 9,360. Utilization remained healthy at 82.5%, while attrition declined to 10.4%, among the lowest in the industry. Broad-based wage hikes are not expected before January 2027, if at all during FY27.

Cashflow

Free cash flow improved to USD 52.9 Million, with 95.3% FCF-to-PAT conversion, versus negative conversion a year ago. Operating cash flow stood at USD 57.6 Million, while investing outflows primarily reflected the USD 503.1 Million Encora acquisition. The acquisition was funded through a USD 550 Million term loan with a 2.99% post-tax interest cost and a repayment schedule extending to Q1 FY30. Closing cash balance stood at USD 146.7 Million, while consolidated net worth increased to INR 218,766 Million (USD 2,311 Million). Free cash flow conversion is expected to exceed 100% of PAT in FY27 despite ongoing debt repayments.

Exhibit 3: Business Matrix

Vertical Mix	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**Q3FY26**	**Q4FY26**	**Q1FY27**
Vertical Mix									
BFS	31.8%	29.4%	27.5%	30.2%	27.7%	27.6%	26.0%	24.9%	24.7%
Insurance	21.4%	19.1%	18.8%	18.2%	15.5%	15.1%	14.8%	14.8%	13.6%
Travel and Transport	18.1%	18.1%	18.1%	18.8%	22.9%	23.3%	22.9%	23.4%	21.3%
Healthcare & HiTech			8.2%			10.0%	10.5%	11.5%	17.3%
Government (Overseas)	7.8%	7.6%	6.9%	7.3%	7.2%	6.9%	6.3%	7.5%	6.0%
Others	21.0%	25.9%	28.7%	25.5%	26.7%	17.0%	19.5%	17.9%	17.1%
Total	100.1%	100.0%	108.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Horizontal Mix									
Engineering	32.1%	42.4%	41.9%	45.4%	45.9%	46.1%	44.4%	45.1%	50.4%
Intelligent Automation	11.7%	9.1%	8.9%	8.7%	8.4%	7.9%	7.8%	8.4%	7.0%
Data and Integration	27.4%	23.2%	22.4%	22.1%	20.4%	21.2%	22.2%	20.9%	20.9%
Cloud and Infrastructure Management (CIMS)	20.0%	17.2%	19.1%	16.2%	17.9%	17.1%	17.7%	17.7%	14.8%
Business Process Management (BPM)	9.4%	8.1%	7.6%	7.7%	7.5%	7.7%	7.9%	8.0%	7.0%
Geography Mix									
Americas	49.9%	55.1%	56.0%	53.8%	56.7%	57.9%	56.8%	56.7%	61.8%
EMEA	38.7%	33.8%	34.2%	33.3%	29.8%	28.9%	28.5%	28.3%	27.0%
ROW	11.4%	11.1%	9.8%	12.9%	13.5%	13.2%	14.7%	15.0%	11.2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Billable People									
Onsite	49.90%	46.20%	46.90%	46.60%	47.70%	47.70%	47.20%	47.60%	49.00%
Offshore	38.70%	53.80%	53.10%	53.40%	52.30%	54.10%	52.80%	52.40%	51.00%
Client Data	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**Q3FY26**	**Q4FY26**	**Q1FY27**
New Clients Added									
Americas	7	7	7	6	3	4	3	3	6
EMEA	2	6	7	-	2	2	3	1	
Rest of World	1	-	-	4	1	3	3	3	2
Total	10	13	14	10	6	9	9	7	8
Repeat Business %	96.5%	95.5%	94.5%	93.5%	94.5%	95.0%	94.0%	95.5%	95.7%
Client Concentration (% of Revenue)	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**Q3FY26**	**Q4FY26**	**Q1FY27**
Top 5	**21%**	**23%**	**20%**	**18%**	**21%**	**21%**	**21.0%**	**21.8%**	**18.0%**
Top 10	**33%**	**34%**	**30%**	**28%**	**29%**	**31%**	**30.7%**	**31.4%**	**26.1%**
No. of Clients (by Client Engagement Size)									
Above USD 100 Mn							**1**	**1**	**1**
USD 50- 100 Mn				**2**			**3**	**3**	**3**
USD 20- 50 Mn				**8**			**7**	**9**	**14**
USD 10- 20 Mn				**21**			**25**	**23**	**29**
USD 5-10 Mn	**23**	**29**	**31**	**37**	**40**	**45**	**42**	**42**	**52**
USD 1-5 Mn	**150**	**173**	**176**	**163**	**170**	**164**	**167**	**173**	**280**
People Data	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**Q3FY26**	**Q4FY26**	**Q1FY27**
By Role									
Billable Personnel									
IT	17,920	22,886	23,015	23,068	24,097	24,375	24,673	25,062	34,061
BPS	7,117	7,548	7,966	7,820	7,916	8,335	8,505	8,581	9,360
Total Billable	**25,037**	**30,434**	**30,981**	**30,888**	**32,013**	**32,710**	**33,178**	**33,643**	**43,421**
Sales and Marketing	442	575	583	569	594	622	617	577	687
Others	1,133	1,474	1,530	1,566	1,580	1,564	1,546	1,557	2,120
Total	**26,612**	**32,483**	**33,094**	**33,023**	**34,187**	**34,896**	**35,341**	**35,777**	**46,228**
Utilization/Attrition (Excl BPS)	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**Q3FY26**	**Q4FY26**	**Q1FY27**
Utilization	81.60%	82.20%	81.30%	82.00%	82.10%	82.30%	81.70%	82.50%	82.50%
Attrition Rate	11.40%	11.70%	11.90%	10.90%	11.30%	11.40%	10.90%	10.80%	10.40%
Days Sales Outstanding (DSO)	59	60	60	60	64	63	67	69	63
Order Book (USD Mn)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26			
Fresh Order Intake	501	2,126	507	514	593	648			
Americas	294	1,828	272	281	304	437			
EMEA	93	170	140	122	194	156			
ROW	114	128	95	110	95	55			
Executable Order Book over Next 12 Months	1,365	1,505	1,545	1,635	1,717	1,752			
Cash Flow	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26			
OCF ($ Mn) excl QIP related exp	48.4	73.8	43.8	47.2	48.7	63.1			
INR / USD Rate	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26			
Period Closing Rate	85.60	85.40	85.80	88.80	89.87	93.80			

Source: Arihant Research, Company Filings

Financials Analysis…. (Consolidated INR Mn)

Exhibit 4: Revenue Trend (USD Mn)

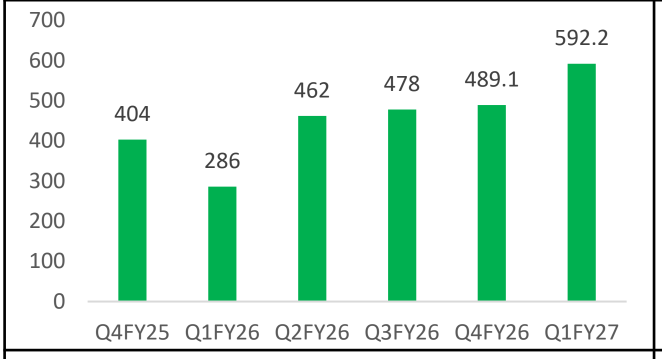


Exhibit 5: Vertical Mix %

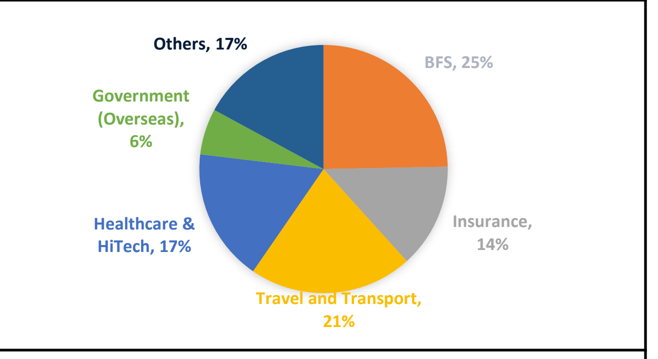


Exhibit 6: Geography Mix %

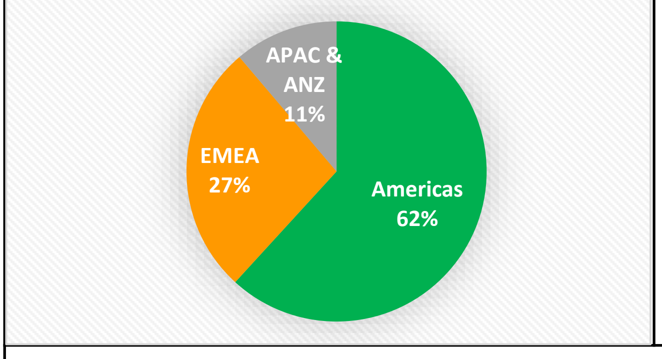


Exhibit 7: Margin Trajectory

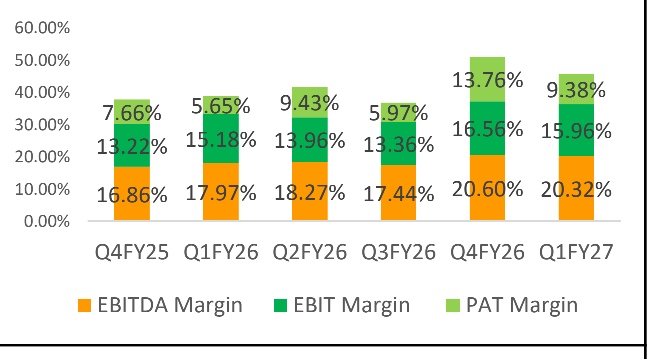


Exhibit 8:Horizontal Mix

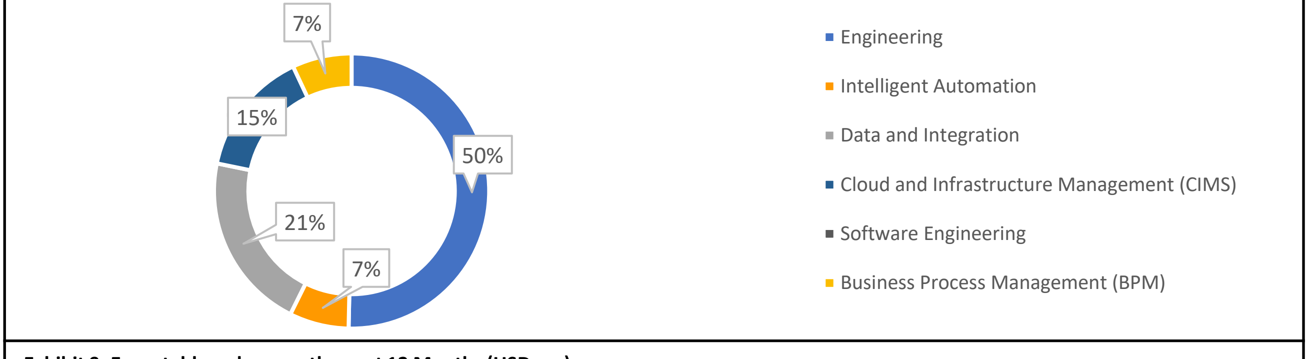
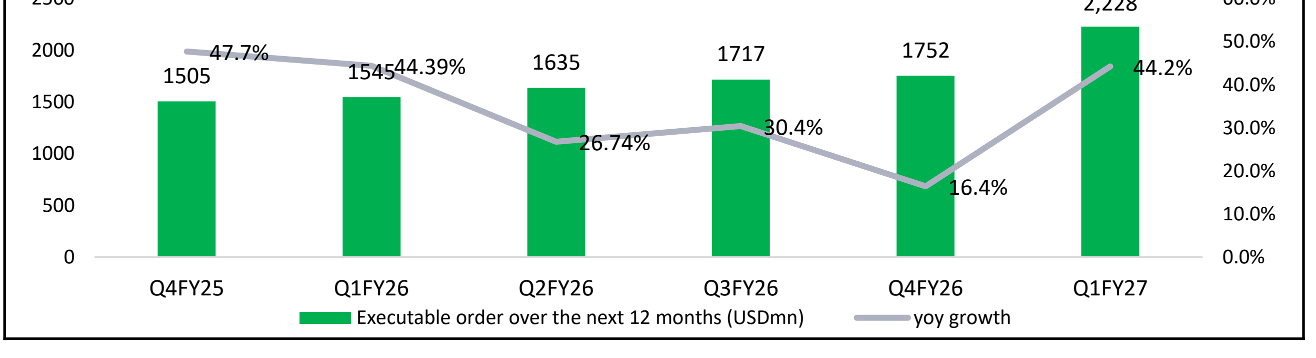


Exhibit 9: Executable order over the next 12 Months (USD mn)



Source: Company, Arihant Research

Key Financials

Income Statement (INR Mn)					
Year End-March	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue (Mn USD)	**1454**	**1870**	**2350**	**2699**	**3161**
Change (%)	**31.5%**	**28.6%**	**25.6%**	**14.9%**	**17.1%**
Revenues	120,733	164,027	215,833	254,553	298,695
Change (%)	33.8%	35.9%	31.6%	17.9%	17.3%
Direct Cost	80,017	108,527	141,661	166,755	195,417
Direct Cost to revenue %	66.4%	66.2%	65.6%	65.5%	65.4%
Gross Profit	**40,490**	**55,500**	**74,172**	**87,797**	**103,277**
GM%	33.5%	33.8%	34.4%	34.5%	34.6%
Selling / General And Administration	18,777	25036	30405	36084	42181
SG&A to Revenue %	15.6%	15.3%	14.1%	14.2%	14.1%
Cost ESOP	1,731	1,979	2,105	2,315	2,547
EBITDA	19,982	30,464	43,768	51,713	61,097
EBITDA Margin	16.6%	18.6%	20.3%	20.3%	20.5%
Depreciation and Amortization	4,278	4,892	7,983	8,937	10,833
EBIT	15,704	23,645	30,601	37,593	44,924
EBIT Margin	13.03%	14.42%	14.18%	14.77%	15.04%
PBT	**12,961**	**21,588**	**31,792**	**39,908**	**47,471**
PBT %	**10.7%**	**13.16%**	**14.73%**	**15.68%**	**15.89%**
Provision for Tax	3,326	2,583	7,419	9,778	11,629
PAT (Excl Minority)	**9,635**	**16,745**	**22,572**	**30,130**	**35,842**
PAT%	8.0%	10.2%	10.5%	11.8%	12.0%
Adj. PAT (Excl Minority)	10,873	18,635	21,012	25,330	31,042
Adj. PAT%	9.0%	11.4%	9.7%	10.0%	10.4%
EPS	**25**	**44**	**63**	**75**	**92**

Balance Sheet (INR Mn)					
Year End-March	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Sources of Funds					
Share Capital	669	672	672	672	672
Reserves & Surplus	63,123	94,704	109,332	128,278	121,894
Net Worth	**63,792**	**95,376**	**110,004**	**128,950**	**122,566**
Loan Funds	**67**	**1,167**	**1,216**	**1,268**	**1,321**
MI, Deferred Tax & other Liabilities	12,903	6,816	8,283	9,576	9,577
Capital Employed	**76,762**	**103,359**	**116,619**	**134,025**	**124,846**
Application of Funds					
Gross Block	**22,532**	**25,924**	**28,516**	**31,368**	**34,505**
Less: Depreciation	**4,276**	**6,819**	**7,699**	**8,469**	**9,316**
Net Block	**18,256**	**19,105**	**20,817**	**22,899**	**25,189**
CWIP	**24**	**33**	**33**	**33**	**33**
Deferred Tax Assets	**5,470**	**6,870**	**6,870**	**6,870**	**6,870**
Net Fixed Assets	**29,663**	**31,809**	**33,521**	**35,603**	**37,893**
Investments	-	-	-	-	-
Debtors	**29,682**	**48,177**	**48,489**	**57,187**	**67,104**
Inventories	-	-	-	-	-
Cash & Bank Balance	**7,956**	**10,936**	**29,056**	**44,459**	**33,111**
Loans & Advances & other CA	6,638	9,402	9,402	9,402	9,402
Total Current Assets	**44,276**	**68,515**	**86,947**	**111,048**	**109,617**
Current Liabilities	35,607	45,455	53,219	62,766	73,651
Provisions	-	-	-	-	-
Net Current Assets	**8,669**	**23,060**	**33,727**	**48,282**	**35,967**
Total Assets	**76,762**	**103,359**	**116,619**	**134,025**	**124,846**

Cash Flow Statement (INR Mn)					
Year End-March	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
PBT	**12,961**	**33,886**	**49,816**	**58,368**	**69,253**
Depreciation	4,276	6,819	7,699	8,469	9,316
Interest & others	940	2,844	(239)	(429)	(653)
Cash flow before WC changes	18,177	43,549	57,277	66,409	77,916
(Inc)/dec in working capital	**5,787**	**(11,411)**	**7,453**	**849**	**967**
Operating CF after WC changes	23,964	32,138	64,729	67,257	78,883
Less: Taxes	1,934	(3,231)	0	0	0
Operating Cash Flow	**25,898**	**28,907**	**64,729**	**67,257**	**78,883**
(Inc)/dec in F.A + CWIP	(44,149)	(14,740)	(10,292)	(11,321)	(12,420)
Cash Flow from Investing	**(42,502)**	**(14,008)**	**(8,198)**	**(8,852)**	**(9,523)**
Free Cash Flow (FCF)	**10,873**	**18,696**	**54,437**	**55,936**	**66,463**
Loan raised/(repaid)	(4,299)	1,100	49	51	53
Equity raised	51.00	3.00	-	-	-
Interest & others	29,957	(6,638)	(32,076)	(36,669)	(74,378)
Dividend	(6,356)	(6,384)	(6,384)	(6,384)	(6,384)
Cash Flow from Financing Activities	**19,353**	**(11,919)**	**(38,411)**	**(43,002)**	**(80,708)**
Net inc /(dec) in cash	**2,749**	**2,980**	**18,120**	**15,403**	**(11,348)**
Opening balance of cash	5,207	7,956	10,936	29,056	44,459
Closing balance of cash	7,956	10,936	29,056	44,459	33,111

Key Ratios					
Year End-March	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Per share (INR)					
Pre-Excepational-EPS	25.4	44.3	62.5	75.4	92.4
CEPS	45.3	65.4	93.1	110.3	130.1
BVPS	190.7	283.9	327.4	383.8	364.8
DPS	19.0	19.0	19.0	19.0	20.0
Div. Payout (%)	0.7	0.3	0.3	0.2	0.2
P/E	65.8	37.8	26.8	22.2	18.1
P/CEPS	41.0	23.2	17.0	14.4	12.1
P/BV	8.8	5.9	5.1	4.4	4.6
EV/EBITDA	32.6	18.8	12.8	10.5	9.0
Dividend Yield (%)	1.1%	1.1%	1.1%	1.1%	1.2%
Return ratio (%)					
EBIDTA Margin	14.03%	17.90%	19.30%	19.41%	19.71%
EBIT Margin	10.5%	13.7%	13.7%	15.7%	16.1%
PAT Margin	7.8%	12.0%	11.7%	12.0%	12.4%
ROE	14.7%	20.7%	23.0%	23.7%	30.3%
ROCE	16.5%	21.8%	29.1%	30.5%	39.7%
Turnover Ratios					
Asset Turnover (x)	1.6	1.6	1.9	1.9	2.4
Inventory Days	0	0	0	0	0
Receivable Days	90	90	82	82	82
Payable days	108	90	90	90	90

Source: Arihant Research, Company Filings

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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