

**CMP: INR 1,281**

**Rating: Accumulate**

**Target Price: INR 1,484**

**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)	501
52w H/L (INR)	1,994 / 1,008
Avg Yearly Vol (in 000')	2243

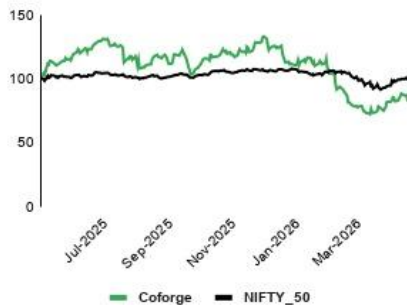
**Shareholding Pattern %**

(As on April, 2026)

FII	23.32
DII	44.42
Public	32.26

	1m	3m	12m
Coforge	-5.6	-4.5	-23.2
Nifty 50	6.5	-6.1	-0.6

**Coforge Vs Nifty 50**



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Coforge's reported revenue for the quarter stood at USD 489.1 Mn, above our estimate of USD 486 Mn, growing 2.0% QoQ and 28.7% YoY in CC terms. In INR terms, revenue came in at INR 44,504 Mn, up 5.2% QoQ and 29.2% YoY. Growth was led by Healthcare & Hi-tech, up 8.5% QoQ and 98% YoY, TTH up 1.6% QoQ and 62% YoY, followed by Others (Retail, Media, Utilities, Manufacturing) up 18.3% QoQ and 27% YoY. BFS declined 2.4% QoQ but was up 12% YoY, while Government outside India was down 5.7% QoQ and up 17.5% YoY. EBITDA margins expanded to 20.6%, up 232 bps QoQ, above our estimate of 19%. EBIT margin stood at 16.6%, up 231 bps QoQ, above our estimate of 15%, with the sequential expansion driven by SG&A leverage, forex tailwinds, third-party cost reduction and lower marketing spends, partially offset by provisions for doubtful debts. Reported PAT stood at INR 6,123 Mn, up 144.8% QoQ, aided by a one-time non-cash deferred tax liability reversal of ~INR 1,810 Mn consequent to the Signity amalgamation. Order intake was strong at USD 648 Mn for the quarter with five large deals signed across geographies. The executable order book over the next 12 months stood at USD 1.75 Bn, up 16.4% YoY, with a high degree of repeat business. Headcount stood at 35,777 with a net addition of 436 sequentially. LTM attrition edged down 10 bps to 10.8%.

**Full-year revenue growth of ~29% in USD terms positions Coforge as a clear mid-cap IT outperformer:** In an environment where large-cap IT peers have guided cautiously, Coforge delivered USD 1.87 billion in FY26 revenue, growing 29.2% year-on-year in dollar terms — a growth rate that materially outpaces the sector. PAT for FY26 rose 91.6% in INR terms to INR 15,557 million, reflecting the combined tailwind of revenue scale and margin improvement.

**Record profitability inflection validates a structurally higher margin regime:** Q4 FY26 marked a decisive profitability inflection for Coforge, with EBITDA margins reaching 20.6% in Q4, up 232 bps sequentially, while EBIT margins touched 16.6% — the highest quarterly level in the company's history. Critically, this is not a one-quarter aberration. For the full year FY26, EBIT margins expanded 370 bps to 14.4% and EBITDA margins widened 431 bps, driven by operating leverage, Cigniti integration synergies, and disciplined cost management. With management guiding for EBITDA margins above 20.5% on a sustained basis in FY27.

**Record order book and large deal momentum provide multi-quarter revenue visibility:** The revenue growth story is well underpinned by pipeline quality. Coforge exited FY26 with a 12-month executable order book of USD 1.75 billion, up 16.4% year-on-year, with Q4 order intake of USD 648 million including five large deal signings. The depth of the deal pipeline is particularly noteworthy: the top 10 client revenue grew 40.4% for the year, and the top 5 accounts delivered 45.8% growth, demonstrating both wallet-share expansion within existing relationships and successful hunting of new logos. With five large deals closed in a single quarter alone, Coforge's deal velocity provides strong near-term revenue assurance.

**Outlook and Valuation:** Coforge enters FY27 from a position of considerable strength — a record executable order book of USD 1.75 billion, five large deal wins in Q4 alone, and a management commitment to sustaining EBITDA margins above 20.5%. The structural margin re-rating achieved in FY26, combined with improving free cash flow conversion, provides a durable earnings foundation that we expect to compound through the year. With domain-led differentiation in high-spend verticals and an AI-native delivery model gaining client traction, Coforge remains one of the more compelling growth stories within the mid-cap IT universe. **We value Coforge at a PE of 17x its FY29E EPS of INR 87.27, which yields a target price of INR 1,484 per share. We maintain our rating of Accumulate on the stock.**

## Exhibit 1: Quarterly Performance (Consolidated)

Particulars (in INR Mn)	Q4FY26	Q3FY26	Q4FY25	Q-o-Q%	Y-o-Y
Revenue (Mn USD)	489.1	478.2	403.5	2.3%	21.2%
CC Growth	-	-	-	2.0%	28.7%
Gross Revenue (INR Mn)	44,504	42,315	34,222	5.2%	30.0%
Direct People Cost	19,592	18,828	15,914	4.1%	23.1%
Third Party Cost	5,017	4,480	3,218	12.0%	55.9%
Other Direct Cost	4,595	4,804	3,351	-4.4%	37.1%
Direct Cost (INR Mn)	29,204	28,112	22,483	3.9%	29.9%
Gross Profit	15,300	14,203	11,739	7.7%	30.3%
GM %	34.4%	33.6%	34.3%	81bps	8bps
Sales People Cost	2,630	2621	2209	0.3%	19.1%
Marketing Cost	98	418	207	-76.6%	-52.7%
Provision for Bad Debts	276	-2	53	NA	420.8%
Other S&M Cost	139	169	140	-17.8%	-0.7%
Sales & Marketing	3,143	3,206	2,609	-2.0%	20.5%
G&A People Cost	1,527	1,534	1,309	-0.5%	16.7%
ESOPS	381	444	616	-14.2%	-38.1%
Other G&A Cost	1,081	1,283	1,333	-15.7%	-18.9%
General & Administration	2,989	3,261	3,258	-8.3%	-8.3%
Selling / General And Administration	6,132	6,467	5,867	-5.2%	4.5%
SG&A to Revenue %	13.8%	15.3%	17.1%	-150bps	-337bps
EBITDA	9,168	7,736	5,872	18.5%	56.1%
EBITDA margin %	20.6%	18.3%	17.2%	232bps	344bps
Depreciation and Amortization	1,308	1229	845	6.4%	54.8%
Amortization of Intangibles (acquired assets)	492	479	409	2.7%	
Other Income	221	207	315		
Acquisition related Expenses	-	-	422		
EBIT	7,368	6,028	4,196	22.2%	75.6%
EBIT margin %	16.6%	14.2%	12.3%	231bps	429bps
Fx Gain/Loss (Net)	-403	-502	-170	-19.7%	137.1%
Net Interest Income	-179	-208	-92	-13.9%	94.6%
Profit Before Tax (Before exceptional items)	6786	5318	3933	27.6%	72.5%
PBT % (Before exceptional items)	15.25%	12.57%	11.49%	268bps	376bps
Exceptional items*	536	1476	-	-63.7%	NA
PBT	6,250	3,842	3,933	62.7%	58.9%
PBT %	14.04%	9.08%	11.49%	496bps	255bps
Provision for Tax	-412	875	874	-147.1%	-147.1%
Minority Interest	539	465	461	15.9%	16.9%
PAT (Continuing Business)	6,123	2,502	2,598	144.7%	135.7%
PAT %	13.76%	5.91%	7.59%	132.7%	81.2%
Income from discontinued operations	-	-	14		
PAT	6,123	2,502	2,612	144.7%	134.4%
PAT %		5.9%	7.6%	-591bps	-763bps
Basic EPS (INR) - Continued operations	18	7.5	7.5	142.7%	142.7%
Basic EPS (INR) - Continued operations and discontinued operations	18	7.5	7.5	142.7%	142.7%
Particulars (in INR million)	Q4FY26	Q3FY26	Q4FY25	Q-o-Q	Y-o-Y
Americas	25,245	23,969	18,756	5.3%	34.6%
Europe , Midd le East and Africa	12,584	11,951	11,013	5.3%	14.3%
Asia Pacific	6,675	6,395	4,453	4.4%	49.9%
India					
<b>Total</b>	<b>44,504</b>	<b>42,315</b>	<b>34,222</b>	<b>5.2%</b>	<b>30.0%</b>

Source: Arihant Research, Company Filings

## Coforge Q4 FY26 — Key Takeaways

### Revenue Performance

Coforge delivered full-year FY26 revenue growth of 29.2% in USD terms, with INR revenue growing 36% year on year. Q4 FY26 sequential growth came in at 2% in constant currency terms and 1.7% in USD terms, following a strong run of 8%, 5.9%, and 4.4% sequential CC growth across Q1–Q3. INR revenue grew 5.2% sequentially in Q4.

### Vertical Performance

Across verticals, healthcare and high-tech led with 98% USD growth in FY26, followed by travel at 62%, other emerging verticals (retail and manufacturing) at 27%, government outside India at 17.5%, and BFS at 12%. The BFS vertical's relatively moderate growth was attributed to one top-three banking client that did not grow during the year — an account now under renewed senior leadership focus, with management guiding for improved BFS trajectory in FY27.

### Client Concentration and Wallet Share

Top-10 accounts collectively contributed 30.8% of total revenue and grew 40.4% year on year. The top-5 accounts grew 45.8% and accounts ranked 6–10 grew 30%. The client pyramid as of Q4 FY26 stands at one client above USD 100 million, three between USD 50–100 million, nine between USD 20–50 million, 23 between USD 10–20 million, 42 between USD 5–10 million, and 167 between USD 1–5 million.

### Order Book and Deal Wins

The executable order book stood at a record USD 1.75 billion at end of Q4, up 16.4% year on year. Total order intake for Q4 was USD 648 million. Coforge signed 21 large deals through FY26, with 11 in H2. Management separately flagged material framework agreements — primarily from the UK public sector — that are not captured in the executable order book figure but are expected to contribute meaningfully to FY27 revenues. A sole-award UK public sector deal of GBP/USD 150 million TCV over five years has already been signed, with revenue expected at approximately USD 4–5 million per quarter from Q1 FY27.

### Margin Expansion

Q4 FY26 EBIT margin came in at a record 16.6%, up from 12.3% in Q4 FY25 and up approximately 235 bps quarter on quarter. The sequential improvement was driven by SG&A leverage (+100 bps), favourable forex (+80 bps), third-party cost reduction (+50 bps), lower marketing spend (+40 bps), and lower ESOP cost (+20 bps), partially offset by provisions for doubtful debts (-60 bps). Full-year FY26 EBIT margin came in at 14.4% versus 10.7% in FY25, with EBITDA margin at 18.6% versus 14.3%. Management characterised the Q4 exit rate as a structural reset, not a one-time improvement.

## Free Cash Flow

FY26 free cash flow came in at USD 135 million, up 68% year on year versus USD 80 million in FY25. Q4 FCF of USD 73.7 million was the highest quarterly FCF in the company's history. FCF-to-PAT guidance has been upgraded from 70–80% to 100%-plus on a sustained basis from FY27 onwards, driven by improved collections discipline, payables management, and contract structuring.

## India Portfolio Discontinuation

Management announced the planned closure of approximately USD 20 million of low-margin India business (pass-through in nature) in Q1 FY27. This portfolio contributed approximately USD 40–45 million in FY26, with USD 40 million concentrated in the last two quarters. The revenue impact of approximately USD 15–20 million in Q1 is expected to be offset by deal ramp-ups from the signed order book, resulting in broadly flat reported sequential revenue in Q1 FY27, with a sharper growth trajectory expected from Q2 onwards.

## FY27 Margin Guidance

Management guided for EBITDA margins of 20.5–21% on a consolidated basis in FY27. EBIT margins are guided at 16.5–17% on a standalone basis and 15.5% on a consolidated basis, with the approximately 100–150 bps gap between standalone and consolidated attributable entirely to acquisition-related intangibles amortisation from the Encora deal, estimated at approximately USD 40 million per annum.

## AI Strategy

Management articulated six strategic moats — deep domain expertise, client intimacy, reinvented delivery models, agility at scale, a scalable AI platform, and an AI-enabled workforce. Operationally, Coforge's "Mod Squads" (hybrid human-agent delivery pods priced on outcomes) and forward-deployed engineers are live with clients. The proprietary One AI platform features 100-plus domain-specific solutions and 75-plus horizontal capabilities. Internal AI adoption is delivering 40–60% lower effort on financial analysis and 30–40% lower recruitment screening costs. The firm has over 30,000 AI-trained employees, 11,000 data and AI practitioners, and 600-plus advanced AI practitioners.

## People and Utilisation

Total headcount at end of Q4 stood at 35,777, with net addition of 436 during the quarter. Utilisation was 82.5% and trailing twelve-month attrition remained at 10.8%, which management described as among the lowest in the industry.

Exhibit 3: Business Matrix

Vertical Mix	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
<b>Vertical Mix</b>									
BFS	33.7%	31.8%	29.4%	27.5%	30.2%	27.7%	27.6%	26.0%	24.9%
Insurance	21.6%	21.4%	19.1%	18.8%	18.2%	15.5%	15.1%	14.8%	14.8%
Travel and Transport	17.6%	18.1%	18.1%	18.1%	18.8%	22.9%	23.3%	22.9%	23.4%
Healthcare & HiTech				8.2%			10.0%	10.5%	11.5%
Government (Overseas)	7.6%	7.8%	7.6%	6.9%	7.3%	7.2%	6.9%	6.3%	7.5%
Others	19.5%	21.0%	25.9%	28.7%	25.5%	26.7%	17.0%	19.5%	17.9%
<b>Total</b>	<b>100.0%</b>	<b>100.1%</b>	<b>100.0%</b>	<b>108.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Horizontal Mix</b>									
Engineering	35.1%	32.1%	42.4%	41.9%	45.4%	45.9%	46.1%	44.4%	45.1%
Intelligent Automation	11.2%	11.7%	9.1%	8.9%	8.7%	8.4%	7.9%	7.8%	8.4%
Data and Integration	25.2%	27.4%	23.2%	22.4%	22.1%	20.4%	21.2%	22.2%	20.9%
Cloud and Infrastructure Management (CIMS)	19.1%	20.0%	17.2%	19.1%	16.2%	17.9%	17.1%	17.7%	17.7%
Business Process Management (BPM)	9.4%	9.4%	8.1%	7.6%	7.7%	7.5%	7.7%	7.9%	8.0%
<b>Geography Mix</b>									
Americas	47.7%	49.9%	55.1%	56.0%	53.8%	56.7%	57.9%	56.8%	56.7%
EMEA	40.1%	38.7%	33.8%	34.2%	33.3%	29.8%	28.9%	28.5%	28.3%
ROW	12.2%	11.4%	11.1%	9.8%	12.9%	13.5%	13.2%	14.7%	15.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Billable People</b>									
Onsite	47.7%	49.90%	46.20%	46.90%	46.60%	47.70%	47.70%	47.20%	47.60%
Offshore	40.1%	38.70%	53.80%	53.10%	53.40%	52.30%	54.10%	52.80%	52.40%
<b>Client Data</b>	<b>Q4FY24</b>	<b>Q1FY25</b>	<b>Q2FY25</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>
<b>New Clients Added</b>									
Americas	5	7	7	7	6	3	4	3	3
EMEA	2	2	6	7	-	2	2	3	1
Rest of World	1	1	-	-	4	1	3	3	3
<b>Total</b>	<b>8</b>	<b>10</b>	<b>13</b>	<b>14</b>	<b>10</b>	<b>6</b>	<b>9</b>	<b>9</b>	<b>7</b>
Repeat Business %	93.0%	96.5%	95.5%	94.5%	93.5%	94.5%	95.0%	94.0%	95.5%
<b>Client Concentration (% of Revenue)</b>	<b>Q4FY24</b>	<b>Q1FY25</b>	<b>Q2FY25</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>
<b>Top 5</b>	<b>23%</b>	<b>21%</b>	<b>23%</b>	<b>20%</b>	<b>18%</b>	<b>21%</b>	<b>21%</b>	<b>21.0%</b>	<b>21.8%</b>
<b>Top 10</b>	<b>34%</b>	<b>33%</b>	<b>34%</b>	<b>30%</b>	<b>28%</b>	<b>29%</b>	<b>31%</b>	<b>30.7%</b>	<b>31.4%</b>
<b>No. of Clients (by Client Engagement Size)</b>									
<b>Above USD 100 Mn</b>								<b>1</b>	<b>1</b>
<b>USD 50- 100 Mn</b>					<b>2</b>			<b>3</b>	<b>3</b>
<b>USD 20- 50 Mn</b>					<b>8</b>			<b>7</b>	<b>9</b>
<b>USD 10- 20 Mn</b>					<b>21</b>			<b>25</b>	<b>23</b>
<b>USD 5-10 Mn</b>	<b>24</b>	<b>23</b>	<b>29</b>	<b>31</b>	<b>37</b>	<b>40</b>	<b>45</b>	<b>42</b>	<b>42</b>
<b>USD 1-5 Mn</b>	<b>112</b>	<b>150</b>	<b>173</b>	<b>176</b>	<b>163</b>	<b>170</b>	<b>164</b>	<b>167</b>	<b>173</b>
<b>People Data</b>	<b>Q4FY24</b>	<b>Q1FY25</b>	<b>Q2FY25</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>
<b>By Role</b>									
<b>Billable Personnel</b>									
IT	16,930	17,920	22,886	23,015	23,068	24,097	24,375	24,673	25,062
BPS	6,313	7,117	7,548	7,966	7,820	7,916	8,335	8,505	8,581
<b>Total Billable</b>	<b>23,243</b>	<b>25,037</b>	<b>30,434</b>	<b>30,981</b>	<b>30,888</b>	<b>32,013</b>	<b>32,710</b>	<b>33,178</b>	<b>33,643</b>
Sales and Marketing	388	442	575	583	569	594	622	617	577
Others	1,095	1,133	1,474	1,530	1,566	1,580	1,564	1,546	1,557
<b>Total</b>	<b>24,726</b>	<b>26,612</b>	<b>32,483</b>	<b>33,094</b>	<b>33,023</b>	<b>34,187</b>	<b>34,896</b>	<b>35,341</b>	<b>35,777</b>
<b>Utilization/Attrition (Excl BPS)</b>	<b>Q4FY24</b>	<b>Q1FY25</b>	<b>Q2FY25</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>
Utilization	81.70%	81.60%	82.20%	81.30%	82.00%	82.10%	82.30%	81.70%	82.50%
Attrition Rate	11.50%	11.40%	11.70%	11.90%	10.90%	11.30%	11.40%	10.90%	10.80%
Days Sales Outstanding (DSO)	57	59	60	60	60	64	63	67	69
<b>Order Book (USD Mn)</b>	<b>Q4FY24</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>		
Fresh Order Intake	774	501	2,126	507	514	593	648		
Americas	627	294	1,828	272	281	304	437		
EMEA	102	93	170	140	122	194	156		
ROW	46	114	128	95	110	95	55		
Executable Order Book over Next 12 Months	1,019	1,365	1,505	1,545	1,635	1,717	1,752		
<b>Cash Flow</b>	<b>Q4FY24</b>	<b>Q3FY25</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>		
OCF (\$ Mn) excl QIP related exp	75.4	48.4	73.8	43.8	47.2	48.7	63.1		
INR / USD Rate	Q4FY24	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26		
Period Closing Rate	85.43	85.60	85.40	85.80	88.80	89.87	93.80		

Source: Arihant Research, Company Filings

Financials Analysis.... (Consolidated INR Mn)

<p><b>Exhibit 4: Revenue Trend (USD Mn)</b></p>	<p><b>Exhibit 5: Vertical Mix %</b></p>																																				
<table border="1"> <thead> <tr> <th>Quarter</th> <th>Revenue (USD Mn)</th> </tr> </thead> <tbody> <tr> <td>Q3FY25</td> <td>365</td> </tr> <tr> <td>Q4FY25</td> <td>404</td> </tr> <tr> <td>Q1FY26</td> <td>286</td> </tr> <tr> <td>Q2FY26</td> <td>462</td> </tr> <tr> <td>Q3FY26</td> <td>478</td> </tr> <tr> <td>Q4FY26</td> <td>489.1</td> </tr> </tbody> </table>	Quarter	Revenue (USD Mn)	Q3FY25	365	Q4FY25	404	Q1FY26	286	Q2FY26	462	Q3FY26	478	Q4FY26	489.1	<table border="1"> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>BFS</td> <td>25%</td> </tr> <tr> <td>Insurance</td> <td>15%</td> </tr> <tr> <td>Transport</td> <td>23%</td> </tr> <tr> <td>Healthcare &amp; HiTech</td> <td>12%</td> </tr> <tr> <td>Others</td> <td>18%</td> </tr> <tr> <td>Government (Overseas)</td> <td>8%</td> </tr> </tbody> </table>	Category	Percentage	BFS	25%	Insurance	15%	Transport	23%	Healthcare & HiTech	12%	Others	18%	Government (Overseas)	8%								
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Source: Company, Arianth Research

## Key Financials

Income Statement (INR Mn)					
Year End-March	FY25	FY26	FY27E	FY28E	FY29E
<b>Revenue (Mn USD)</b>	<b>1454</b>	<b>1870</b>	<b>2161</b>	<b>2526</b>	<b>2896</b>
Change (%)	31.5%	28.6%	15.5%	16.9%	14.6%
<b>Revenues</b>	1,20,733	1,64,027	1,90,129	2,22,265	2,60,597
Change (%)	33.8%	35.9%	15.9%	16.9%	17.2%
<b>Direct Cost</b>	80,017	1,08,527	1,24,743	1,45,600	1,70,434
Direct Cost to revenue %	66.4%	66.2%	65.6%	65.5%	65.4%
<b>Gross Profit</b>	<b>40,490</b>	<b>55,500</b>	<b>65,386</b>	<b>76,665</b>	<b>90,163</b>
GM%	33.5%	33.8%	34.4%	34.5%	34.6%
<b>Selling / General And Administration</b>	18,777	25036	30521	35676	41835
SG&A to Revenue %	15.6%	15.3%	16.1%	16.1%	16.1%
Cost ESOP	1,731	1,979	2,300	2,530	2,783
EBITDA	19,982	30,464	34,865	40,989	48,328
EBITDA Margin	16.6%	18.6%	18.3%	18.4%	18.5%
Depreciation and Amortization	4,278	4,892	7,313	7,826	8,456
EBIT	15,704	23,645	27,060	32,671	39,872
EBIT Margin	13.03%	14.42%	14.23%	14.70%	15.30%
<b>PBT</b>	<b>12,961</b>	<b>21,588</b>	<b>29,360</b>	<b>35,201</b>	<b>42,655</b>
<b>PBT %</b>	<b>10.7%</b>	<b>13.16%</b>	<b>15.44%</b>	<b>15.84%</b>	<b>16.37%</b>
Provision for Tax	3,326	2,583	8,808	8,782	8,531
<b>PAT (Excl Minority)</b>	<b>9,635</b>	<b>16,745</b>	<b>20,552</b>	<b>26,419</b>	<b>34,124</b>
PAT%	8.0%	10.2%	10.8%	11.9%	13.1%
<b>Adj. PAT (Excl Minority)</b>	<b>10,873</b>	<b>18,635</b>	<b>18,472</b>	<b>21,619</b>	<b>29,324</b>
Adj. PAT%	9.0%	11.4%	9.7%	9.7%	11.3%
<b>EPS</b>	<b>25</b>	<b>44</b>	<b>55</b>	<b>64</b>	<b>87</b>

Cash Flow Statement (INR Mn)					
Year End-March	FY25	FY26	FY27E	FY28E	FY29E
<b>PBT</b>	<b>12,961</b>	<b>33,886</b>	<b>40,474</b>	<b>46,823</b>	<b>54,448</b>
Depreciation	4,276	6,819	7,414	8,156	8,971
Interest & others	940	1,781	-363	-674	-1,046
Cash flow before WC changes	18,177	42,486	47,526	54,304	62,374
<b>(Inc)/dec in working capital</b>	<b>5,787</b>	<b>-11,411</b>	<b>6,889</b>	<b>704</b>	<b>840</b>
Operating CF after WC changes	23,964	31,075	54,415	55,009	63,214
Less: Taxes	1,934	-3,231	0	0	0
<b>Operating Cash Flow</b>	<b>25,898</b>	<b>27,844</b>	<b>54,415</b>	<b>55,009</b>	<b>63,214</b>
(Inc)/dec in F.A + CWIP	-44,149	-14,740	-10,007	-11,007	-12,075
<b>Cash Flow from Investing</b>	<b>-42,502</b>	<b>-13,149</b>	<b>-8,162</b>	<b>-8,851</b>	<b>-9,547</b>
<b>Free Cash Flow (FCF)</b>	<b>10,873</b>	<b>17,633</b>	<b>44,408</b>	<b>44,001</b>	<b>51,139</b>
Loan raised/(repaid)	-4,299	1,100	49	51	53
Equity raised	51.00	3.00	-	-	-
Interest & others	20,272	-11,547	-24,901	-28,276	-58,811
Dividend	-1,271	-1,271	-1,271	-1,271	-1,271
<b>Cash Flow from Financing Activities</b>	<b>14,753</b>	<b>-11,715</b>	<b>-26,123</b>	<b>-29,496</b>	<b>-60,029</b>
<b>Net inc / (dec) in cash</b>	<b>-1,851</b>	<b>2,980</b>	<b>20,130</b>	<b>16,661</b>	<b>-6,362</b>
Opening balance of cash	9,807	7,956	10,936	31,065	47,727
Closing balance of cash	7,956	10,936	31,065	47,727	41,364

Balance Sheet (INR Mn)					
Year End-March	FY25	FY26	FY27E	FY28E	FY29E
<b>Sources of Funds</b>					
Share Capital	669	672	672	672	672
Reserves & Surplus	63,123	94,704	1,11,905	1,32,253	1,30,982
<b>Net Worth</b>	<b>63,792</b>	<b>95,376</b>	<b>1,12,577</b>	<b>1,32,925</b>	<b>1,31,654</b>
<b>Loan Funds</b>	<b>67</b>	<b>1,167</b>	<b>1,216</b>	<b>1,268</b>	<b>1,321</b>
MI, Deferred Tax & other Liabilities	12,903	6,816	8,283	9,576	9,577
<b>Capital Employed</b>	<b>76,762</b>	<b>1,03,359</b>	<b>1,19,192</b>	<b>1,38,000</b>	<b>1,33,935</b>
<b>Application of Funds</b>					
Gross Block	22,532	25,924	28,516	31,368	34,505
Less: Depreciation	4,276	6,819	7,414	8,156	8,971
Net Block	18,256	19,105	21,102	23,212	25,534
CWIP	24	33	33	33	33
Deferred Tax Assets	5,470	6,870	6,870	6,870	6,870
<b>Net Fixed Assets</b>	<b>29,663</b>	<b>31,809</b>	<b>33,806</b>	<b>35,916</b>	<b>38,238</b>
<b>Investments</b>	-	-	-	-	-
Debtors	29,682	48,177	42,714	49,933	58,545
Inventories	-	-	-	-	-
Cash & Bank Balance	7,956	10,936	31,065	47,727	41,364
Loans & Advances & other CA	6,638	9,402	9,402	9,402	9,402
<b>Total Current Assets</b>	<b>44,276</b>	<b>68,515</b>	<b>83,181</b>	<b>1,07,062</b>	<b>1,09,312</b>
Current Liabilities	35,607	45,455	46,881	54,805	64,257
Provisions	-	-	-	-	-
<b>Net Current Assets</b>	<b>8,669</b>	<b>23,060</b>	<b>36,300</b>	<b>52,257</b>	<b>45,055</b>
<b>Total Assets</b>	<b>76,762</b>	<b>1,03,359</b>	<b>1,19,192</b>	<b>1,38,000</b>	<b>1,33,935</b>

Key Ratios					
Year End-March	FY25	FY26	FY27E	FY28E	FY29E
<b>Per share (INR)</b>					
Pre-Exceptional-EPS	25.4	44.3	55.0	64.3	87.3
CEPS	226.5	328.6	369.6	437.4	518.6
BVPS	953.5	1425.7	1682.8	1986.9	1967.9
DPS	19.0	19.0	19.0	19.0	20.0
Div. Payout (%)	0.1	0.1	0.1	0.1	0.1
P/E	50.4	28.9	23.3	19.9	14.7
P/CEPS	6.2	3.8	3.6	3.1	2.6
P/BV	1.3	0.9	0.8	0.6	0.7
EV/EBITDA	4.5	3.0	1.9	1.1	1.1
Dividend Yield (%)	1.5%	1.5%	1.5%	1.5%	1.6%
<b>Return ratio (%)</b>					
EBITDA Margin	14.22%	15.40%	15.20%	15.40%	15.40%
EBIT Margin	10.7%	11.2%	11.2%	11.3%	11.7%
PAT Margin	7.9%	9.5%	8.5%	8.9%	9.1%
ROE	15.0%	16.4%	14.4%	14.9%	18.1%
ROCE	16.8%	17.8%	18.0%	18.9%	23.3%
<b>Turnover Ratios</b>					
Asset Turnover (x)	1.6	1.6	1.6	1.6	1.9
Inventory Days	0	0	0	0	0
Receivable Days	90	90	82	82	82
Payable days	108	90	90	90	90

Source: Arianth 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%

**Research Analyst  
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