

Healthy micro, but worsening macro

We calibrate our estimates and target prices for stocks under our coverage, as we bake in potential risks to IT demand given a deteriorating macro, especially across key developed markets of US/EU. While we do not factor in a full blown recession yet, we acknowledge weakening economic indicators even as near-term demand is intact, deal pipeline is strong and no signs of softening are being witnessed by companies. The India IT sector has underperformed broader markets by ~15% YTD and is now implying 9% long-term USD revenue growth. Hence, we believe valuations are attractive for LT investors, while the near term could be marred by noise around macro. We cut our revenue projections by up to 7% while fine tuning margins and assuming USD/INR at 78, resulting in an up to 9% cut in FY22-24ii EPS. Our target multiples now reflect a lower growth trajectory resulting in an up to 21% cut to TPs. But we do not envisage any more material cuts, unless the recession plays out. We prefer INFO, PSYS and MTCL on better growth-adjusted valuations.

Past experience and future risks: We analyse impact on demand in the past three periods of material macro slowdown to conclude that (1) sectoral revenue growth slows down by 12pps (ex GFC) through the periods – we are already building in 6pps for now; (2) vertical exposure analysis suggests COFO, PSYS, MTCL and INFO are best placed, given higher exposure to relatively-insulated verticals; (3) customer analysis suggests CY22 estimates are still intact while CY23 estimates have started seeing some cuts. Also, key economic indicators in US/EU are already witnessing signs of deterioration across the board.

Revenue momentum intact in 1Q: We forecast sectoral revenues to grow at 3.6% QoQ CC in 1QFY23, driven by continued demand momentum, but impacted by a 200bps cross-currency hit. EBIT margins may contract by 80bps QoQ due to wage hikes, visa costs and supply side pressures, partially offset by INR depreciation. Hiring and attrition may start to cool off, while travel and S&M costs may rise. We will watch out for management commentary on demand, deal wins and supply-side pressure, given the increasingly deteriorating macro.

Medium-term growth outlook intact: We uphold our belief that growth rates for the Indian IT sector have sustainably reset to a higher level than pre-COVID, as organisations have realised and accelerated the role of technology for survival and growth. Hence, while we forecast sector growth to slow down to 10% in FY24ii, we believe there would be re-acceleration thereafter. While near-term stock performance will be driven by noise around the developed-market macro, we expect the sector to compound at low teens over the medium term. Valuations are below the 5-yr avg, while growth could be better, in our view. Hence, we keep our positive stance on the sector despite near-term concerns.

Figure 1: India IT – 1QFY23ii preview highlights

Date	1QFY23ii	Revenue (US\$ m)	CC / CC Org	Revenue (Rs m)	EBIT (Rs m)	EBIT Margin	PAT (Rs m)	EPS (Rs)
8-Jul	TCS	6,786	3.6%	523,874	121,685	23.2%	97,559	26.7
	QoQ	1.3%	3.6%	3.6%	-3.6%	(170)	-1.7%	-0.6%
13-Jul	MTCL	398	5.0%	30,700	5,523	18.0%	4,475	27.1
	QoQ	3.6%	5.0%	6.0%	0.6%	(90)	-5.4%	-5.4%
14-Jul	LTI	577	2.6%	44,513	6,855	15.4%	5,553	31.6
	QoQ	1.1%	2.6%	3.5%	-7.9%	(190)	-12.8%	-12.8%
15-Jul	LTTS	238	4.1%	18,360	3,334	18.2%	2,673	25.3
	QoQ	2.5%	4.1%	4.6%	1.8%	(50)	2.0%	2.0%
20-Jul	WPRO	2,745	2.8%	215,098	34,201	15.9%	29,654	5.4
	QoQ	0.8%	2.0%	3.1%	0.5%	(40)	-3.9%	-3.9%
21-Jul	MPHL	441	2.0%	33,967	5,184	15.3%	4,113	21.7
	QoQ	2.3%	2.0%	3.6%	4.2%	10	4.9%	4.9%
21-Jul	PSYS	239	10.0%	18,458	2,522	13.7%	2,021	26.4
	QoQ	10.0%	4.7%	12.7%	9.6%	(40)	0.5%	0.5%
21-Jul	CYL	160	3.2%	12,341	1,451	11.8%	1,145	10.4
	QoQ	2.0%	1.3%	4.5%	-15.1%	(270)	-25.7%	-25.7%
24-Jul	INFO	4,380	3.5%	338,126	72,812	21.5%	57,844	13.8
	QoQ	2.3%	3.4%	4.8%	4.7%	-	1.7%	1.7%
25-Jul	TECHM	1,609	2.7%	124,219	14,283	11.5%	11,434	12.9
	QoQ	0.1%	2.3%	2.5%	-11.0%	(170)	-24.1%	-24.1%
TBD	HCLT	3,035	3.4%	234,321	43,649	18.6%	35,720	13.2
	QoQ	1.4%	3.3%	3.7%	7.3%	60	-0.5%	-0.5%
TBD	COFO	236	4.0%	18,188	2,364	13.0%	1,651	26.6
	QoQ	1.4%	4.0%	4.4%	-12.7%	(250)	-20.5%	-20.5%

Source: Company, IIFL Research; Note: Results dates are tentative

Macro indicators point to signs of a slow down

CY21 saw a strong rebound in growth for IT service companies, driven by both, pent up spending and structural technology upgrades by enterprises. The commentary from IT service managements highlights that growth is more structural in nature and still has multiple legs. However, we believe the demand environment cannot be completely immune to the macro environment, which has started showing signs of

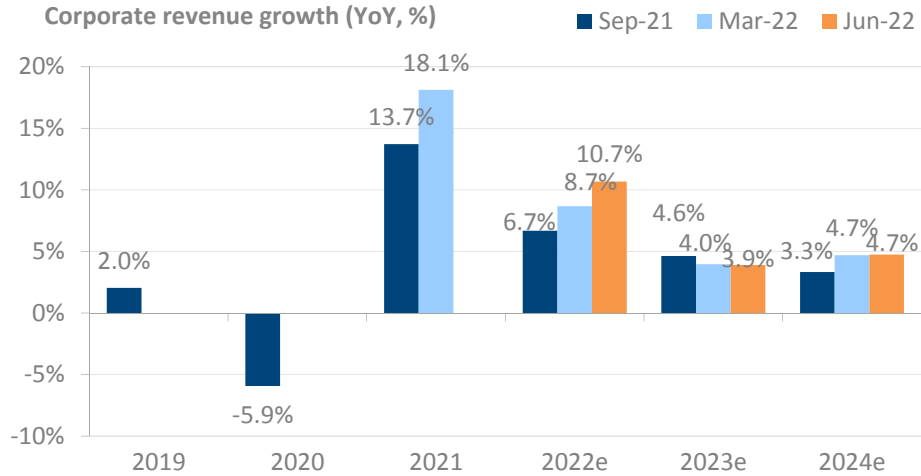
a slowdown. We believe further deterioration in the macro environment could lead to some delayed decision-making or deferral in certain discretionary technology spends by enterprises, particularly in industries that have been impacted more. But the longer-term digitalisation theme is likely to keep growth rates higher than normalised pre-COVID levels. Hence, while we continue to believe long-term growth for the sector is reset to low double digits (from a high single digit), near-term growth could moderate to the extent that the macro continues to weaken.

Figure 2: Global macro indicators have started to reflect a slowdown which can impact IT spending with a lag

Global Macro indicators	Units	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
United States													
USA Real GDP	YoY growth	12.20			4.90			5.50			3.50		
USA 10yr Treasury	%	1.5	1.3	1.3	1.4	1.6	1.6	1.5	1.8	1.9	2.1	2.7	2.9
USA CPI	YoY growth	5.39	5.37	5.25	5.39	6.22	6.81	7.04	7.48	7.87	8.54	8.26	8.58
USA Money Supply (M2) Growth	YoY growth	12.15	13.37	13.23	12.86	12.82	12.19	12.71	11.70	11.09	8.99	7.64	6.97
USA Unemployment Rate	%	6.10	5.70	5.30	4.60	4.30	3.90	3.70	4.40	4.10	3.80	3.30	3.40
USA Exports	YoY growth	41.35	28.11	25.92	17.45	24.64	24.04	20.57	15.60	22.01	18.18	21.04	NA
USA Imports	YoY growth	35.50	18.81	21.09	18.25	14.42	22.20	19.94	21.30	21.32	25.36	20.66	NA
USA Retail Sales	YoY growth	19.41	15.77	15.68	14.32	16.52	18.55	16.84	13.75	17.71	7.07	7.82	8.09
USA Vehicle Sales Growth	YoY growth	17.70	1.58	(14.02)	(25.46)	(19.86)	(17.30)	(23.54)	(9.56)	(10.21)	(24.90)	(22.80)	(25.37)
USA Consumer Confidence Index (University of Michigan)		85.50	81.20	70.30	72.80	71.70	67.40	70.60	67.20	62.80	59.40	65.20	58.40
Europe													
Euro Real GDP Growth YoY	YoY growth	2.10			2.20			0.50			0.70		
Euro 10yr Treasury	%	(0.2)	(0.3)	(0.5)	(0.3)	(0.1)	(0.3)	(0.3)	(0.1)	0.2	0.3	0.8	1.0
Euro CPI	YoY growth	1.90	2.16	2.96	3.36	4.05	4.87	4.96	5.11	5.87	7.44	7.44	8.05
Euro Money Supply (M3) Growth	YoY growth	7.59	7.93	8.02	7.58	7.62	7.38	7.06	6.41	6.29	6.33	6.43	NA
Euro Unemployment Rate	%	7.60	7.50	7.50	7.30	7.30	7.00	6.90	7.20	7.10	6.90	6.80	NA
Euro Exports	YoY growth	24.02	12.17	19.59	10.24	7.40	14.71	14.12	19.72	17.17	14.33	12.62	NA
Euro Imports	YoY growth	28.90	18.23	29.34	22.21	25.40	33.29	38.60	45.31	40.03	35.57	39.41	NA
Euro Retail Sales	YoY growth	3.43	2.41	2.72	2.53	2.95	3.24	2.18	1.89	1.98	7.62	13.65	NA
Euro Consumer Confidence (European Commission)	%	(1.90)	(3.70)	(5.20)	(3.80)	(5.40)	(8.20)	(9.30)	(9.70)	(9.50)	(21.50)	(22.00)	(21.10)

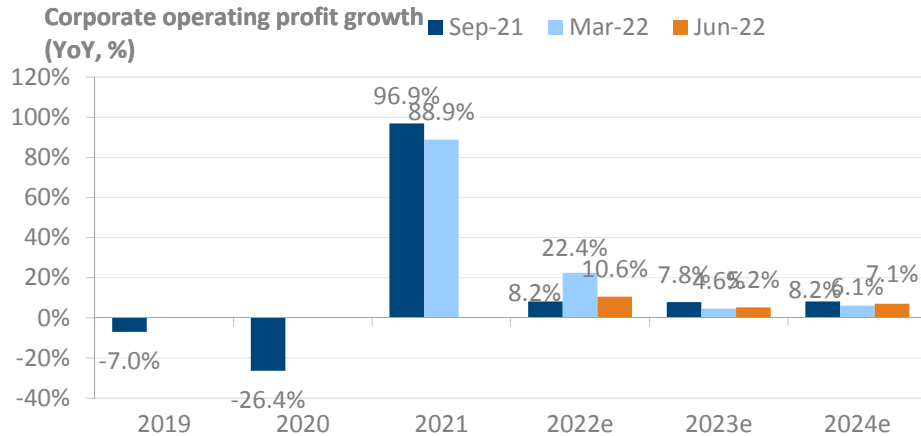
Source: Bloomberg, IIFL Research

Figure 3: Corporate revenue growth expectations for 2022 have continued to increase, driven by select sectors like Energy & Utilities and Transportation, but CY23 has started witnessing marginal cuts



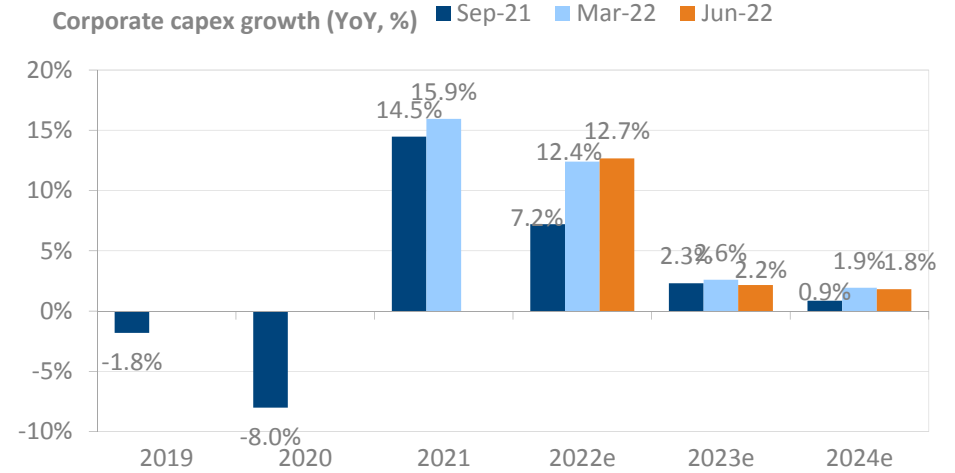
Source: Bloomberg, IIFL Research

Figure 4: Further, estimates for corporate operating profit have declined for both CY22 and CY23 over the last three months



Source: Bloomberg, IIFL Research

Figure 5: After two soft years (2019/2020), corporate capex saw a sharp rebound in 2021 and expectation for 2022 has remained broadly stable, followed by moderation in 2023, as of now



Source: Bloomberg, IIFL Research

Figure 6: All sectors except Energy and Transportation have seen 2022 estimates being revised down over the last 3 months

2022 estimates	Revenue growth		Operating profit		Net profit		Capex	
	YoY	Up grade	YoY	Up grade	YoY	Up grade	YoY	Up grade
Manufacturing	8.1%	0.8%	18.3%	-1.0%	17.9%	-0.2%	4.9%	-1.4%
BFSI	-2.8%	-0.7%	-0.8%	0.0%	-12.2%	0.6%	5.3%	7.1%
Retail & CPG	5.2%	-0.5%	6.9%	-4.6%	-0.4%	-5.3%	9.6%	3.0%
Life sciences	5.8%	-0.6%	49.8%	-1.9%	40.9%	-1.8%	4.0%	-1.8%
E&U	38.1%	6.1%	110.4%	17.0%	94.4%	24.1%	16.9%	1.5%
Transportation	15.8%	4.9%	30.6%	11.5%	32.9%	12.7%	9.9%	0.4%
Communications	-2.2%	-2.4%	1.9%	-3.6%	2.0%	-2.4%	24.2%	-1.0%
Hi-Tech & Media	8.9%	0.2%	25.1%	-0.3%	20.4%	-0.1%	7.0%	-3.2%
Insurance	-3.4%	-6.2%	-27.0%	-5.9%	-5.9%	-4.9%	1.5%	-1.1%

Source: Bloomberg, IIFL Research

Figure 7: We are currently building in a ~600bps slowdown in 2HFY23 revenue growth relative to 1HFY22 which is about half the slowdown seen in previous crises

Sector (USD YoY growth)	Global Financial Crisis (2008-09)			US debt ceiling crisis (2011-12)			COVID (2020)			Current estimates (2022)		
	Normalized growth	Low	Delta	Normalized growth	Low	Delta	Normalized growth	Low	Delta	Normalized growth	3QFY22ii	Delta
BFSI	34%	-4%	-37%	20%	6%	-14%	8%	-3%	-10%	15%	10%	-5%
Retail	29%	15%	-14%	32%	18%	-14%	12%	-9%	-21%	21%	10%	-11%
Manufacturing	43%	-1%	-44%	33%	16%	-17%	10%	-5%	-15%	19%	10%	-9%
Telecom	27%	-24%	-51%	12%	10%	-2%	13%	-6%	-19%	17%	13%	-4%
Energy & Utilities	36%	14%	-22%	40%	4%	-37%	10%	0%	-10%	14%	11%	-2%
Top 4 Indian IT	32%	0%	-32%	20%	9%	-11%	9%	-4%	-13%	16%	10%	-6%

Note: Normalised growth refers to the growth of four quarters prior to the peak of each of the crisis. Revenue by sector for the Top 4 Indian IT companies since FY08

Source: Company, IIFL Research

Figure 8: Given the vertical exposure for our companies, we believe MPHL, CYL, LTTS and LTI may be the most impacted by the current macro concerns, while COFORGE, PSYS, MTCL and INFO are likely to be the least impacted

Revenue by vertical (FY22)											
Company	BFS	Insurance	Retail & CPG	Manufacturing	Hi-tech	Comm & Media	Energy & Utilities	Healthcare	Travel & Hospitality	Others	Zones
COFORGE	25.5%	28.3%	5.4%	5.4%	5.4%	NA	5.4%	5.4%	19.0%	NA	GREEN
PSYS	31.6%		NA	NA	47.6%	NA	NA	20.8%	NA	NA	
MTCL	17.8%		23.6%	NA	43.5%	NA	NA	1.2%	13.8%	NA	
INFO	32.0%		14.6%	10.9%	8.3%	12.5%	11.9%	7.0%	NA	2.8%	AMBER
TCS	32.2%		15.1%	9.9%	8.7%	6.5%	NA	10.0%	NA	17.6%	
WPRO	34.7%		17.5%	6.8%	12.1%	5.0%	12.2%	11.7%	NA	NA	
HCLT	21.3%		9.8%	17.7%	17.6%	8.1%	5.3%	14.8%	NA	5.3%	RED
TECHM	16.4%		7.9%	15.8%	8.9%	40.4%	NA	NA	NA	10.6%	
LTI	32.5%	13.8%	10.3%	16.2%	12.1%	0.0%	8.9%	NA	NA	6.2%	
LTTS	NA	NA	NA	51.4%	NA	21.4%	15.4%	11.8%	NA	NA	
CYL	NA	NA	NA	37.6%	NA	28.3%	7.4%	NA	NA	26.7%	RED
MPHL	53.8%	9.1%	3.6%	3.6%	13.3%	0.0%	0.0%	3.6%	NA	13.1%	
Impact											

Note: HCLT's Public Services split is 50/50 between Energy & Utilities/Others. MPHL's 'Others' split a third each, into Healthcare, Manufacturing, and Retail. COFORGE's Others split into Healthcare, Retail, hi-tech, Manufacturing and Energy & Utilities. CYL's vertical exposure is for services only. We have reclassified/re-categorised revenue segments or made some assumptions in cases where data is not disclosed by companies or where segmentation is not matching. Also, note that client-specific situations or execution capabilities could change the positioning of companies. Hence, eventual outcomes may be different from the ones outlined here. This matrix is only to provide a simplistic and holistic exposure of companies across segments.

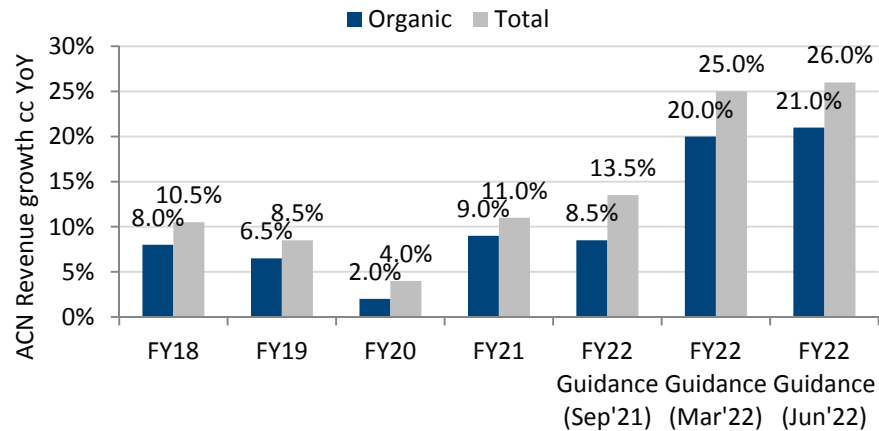
Source: Company, IIFL Research

Figure 9: Mid-caps have seen robust sequential traction in their deal wins, while large-caps moderated due to a strong base; nevertheless, the pipeline remains strong

India IT – Deal win TCV (USD m)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	LTM YoY
TCS	6,900	8,600	6,800	9,200	8,100	7,600	7,600	11,300	10%
Infosys	1,744	3,145	7,129	2,111	2,570	2,150	2,525	2,257	-33%
Wipro					715	580	600	405	
HCL	1,215	1,627	1,302	3,100	1,664	2,245	2,135	2,260	15%
TechM	290	421	455	1,043	815	750	704	1,011	48%
LTI	20	40	278	66	-	30	32	80	-65%
Mphasis	259	360	247	245	505	241	335	347	29%
Mindtree	391	303	312	375	504	360	358	390	17%
Persistent			302	247	245	283	334	361	
Coforge	186	201	192	201	318	285	247	301	48%
Cyient	117	127	195	238	140	156	226	210	8%
Large caps	10,149	13,793	15,686	15,454	13,864	13,325	13,564	17,233	5%
Mid caps	973	1,031	1,526	1,372	1,712	1,355	1,532	1,689	28%

Source: Company, IIFL Research

Figure 10: ACN’s revenue growth guidance for FY22 was further revised upwards, signifying no impact of macro concerns on IT demand as yet



Source: Company, IIFL Research

Figure 11: Deal-win momentum for Indian IT services companies remained strong in 1Q

Deal win announcements in 1QFY23				
Company	Date	Client name	Geography	Vertical
TCS	4-Apr	Stellantis Group	LATAM	Manufacturing
	4-Apr	Payments Canada	North America	BFSI
	4-Apr	Large American company	North America	NA
	5-Apr	Kansas Dept of Labor	North America	Public Services
	14-Apr	The Financial Ombudsman Service, UK	UK	Public Services
	19-Apr	The IRONMAN Group Oceania	APAC	Others
	25-Apr	SBI Cards and Payment Services	India	BFSI
	2-May	Duluth Trading	North America	Retail
	16-Jun	Qiagen	Europe	Lifesciences & Healthcare
	22-Jun	Aadhar Housing Finance	India	BFSI
INFY	7-Apr	Rolls-Royce	UK	Manufacturing
	26-Apr	Nu Skin	North America	Retail
	9-Jun	Tk Elevator	Europe	Manufacturing
	28-Jun	Global Express	APAC	Transportation
HCL	26-May	VELUX Group	Europe	Manufacturing
	10-May	Credit Agricole	Europe	BFSI
Wipro	12-May	Scania	Europe	Manufacturing
	8-Jun	Petrobras	LATAM	Oil & Gas
	16-Jun	Eros Investments	India	Communication & Media
TechM	20-Jun	Communisys	Europe	Communication & Media
PSYS	16-May	GB Bank	UK	BFSI
Coforge	20-Jun	Estes Express Lines	North America	Transportation
LTTS	21-Apr	Jaunt Air Mobility	North America	Transportation

Source: Company, Press Reports, IIFL Research

Key things to look for during 1QFY23 results

TCS (Jul 8): Record-high order book to drive growth – We forecast revenue growth of 3.6% cc QoQ in 1Q, led by the record high order book and continued demand momentum for core transformation. We expect margins to decline by 170bps QoQ, due to the impact of wage hikes, visa costs and increasing travel costs. **Key comments** to watch: 1) deal win momentum and nature of deals; 2) any early signs of current macro environment impacting the demand environment or decision-making; 3) supply-side challenges; and 4) FY23 outlook on growth and margins.

Infosys (Jul 24): Strong start to the year despite high base – We forecast 3.5% cc QoQ revenue growth for INFO, driven by broad-based momentum across verticals. Deal momentum should remain healthy, as clients continue on their digital and cloud journey. We expect margins to be flat QoQ despite wage hikes for junior employees, given the absence of visa costs and one-off client related costs from 4Q. We expect INFO to retain its guidance of 13-15% cc YoY revenue growth and 22-24% EBIT margin for FY23. **Key comments** to watch for: 1) deal wins and pipeline; 2) any changes to FY23 guidance; 3) commentary related to supply-side challenges and attrition trends; and 4) impact of macro concerns on demand.

Wipro (Jul 20): Relatively softer quarter given the lack of large deals – We forecast revenue growth of 2.8% cc QoQ in 3Q (organic growth of +2% cc QoQ), as strength in BFSI and Consumer is offset by weakness in Manufacturing and Health. We expect EBIT margins to contract 40bps QoQ due to increased travel and facility costs. We expect WPRO to guide to 2.5-4.5% QoQ growth in 1QFY23 (including two months contribution from Rizing). **Key comments** to watch: 1) quantum and number of large deal wins; 2) commentary about the deal pipeline for FY23; and 3) commentary about supply-side issues and attrition trends.

HCL Tech (TBD): Strong start to the year – We forecast 3.4% cc QoQ revenue growth for 4Q, led by continued strength in IT services and positive seasonality in Products. We expect margins to expand

by 60bps QoQ, primarily owing to change in business mix. **Key metrics** to watch: 1) FY23 growth outlook across the three segments including potential seasonality in Products business; 2) FY23 margin outlook; 3) impact of on-going macro concerns on demand; and 4) attrition trends and thoughts on supply side.

Tech Mahindra (Jul 25): Decent quarter despite seasonality, but margins a concern – We forecast revenue growth of 2.7% cc QoQ (+2.3% cc QoQ organic) as strength across verticals is partially offset by Comviva seasonality. Deal wins in 1Q should remain elevated. We expect margins to contract by 170bps QoQ due to the impact of wage hikes, visa costs, increasing travel expenses and Comviva seasonality. **Key comments** to watch for: 1) trajectory of deal wins, including colour on 5G deal sizes and quantum; 2) revenue and margin outlook for FY23; 3) comments on capital allocation and integration of acquisitions; and 4) supply-side comments related to attrition trends, sub-contracting costs and employee additions.

Growth differential emerging among mid-caps: We expect **MTCL** (Jul 13) to post revenue growth of 5% cc QoQ, led by broad based momentum across verticals (ex-Retail). **LTI's** (Jul 14) revenue growth is expected to be 2.6% cc QoQ, as growth from previously won deals is partially offset by lower pass through revenues in the Manufacturing vertical. **PSYS** (Jul 21) could log 10% QoQ growth (4.7% QoQ organic), led by growth across verticals and two months' contribution from Data Glove and Media Agility acquisitions. **MPHL** (Jul 21) could see a muted quarter with revenue growth of 2% cc QoQ, and the healthy growth in the Direct Channel offsetting the weakness in DXC and Digital Risk. We forecast **Coforge** (TBD) could post 4% cc QoQ growth, driven by broad-based momentum across the Travel and Banking verticals. **LTTS** (Jul 15) could see revenue growth of 4.1% cc QoQ, led by ramp up of the order book in 4QFY22. **CYL** (Jul 21) could see revenue growth of 3.2% cc QoQ (+1.3% QoQ organic) as strength in its services business is offset by continued pressure on the DLM business. For companies seeing wage hikes, margins could decline 200-250bps sequentially, whereas the others could see a 40-50bps decline sequentially.

Figure 12: India IT 1QFY23ii – Expectations and comments

TCS	1QFY23ii	4QFY22	QoQ	1QFY22	YoY	1QFY23E	IIFL vs.	Result Date: 8-Jul-2022
	IIFL					Consensus	Cons.	IIFL expectations and comments
Revenue (US\$ m)	6,786	6,696	1.3%	6,154	10.3%	NA	NA	<ul style="list-style-type: none"> • We forecast TCS' revenue to grow by 3.6% cc QoQ (+1.3% QoQ), driven by the record high order book in the last quarter and seasonality • We forecast EBIT margins to contract 170bps QoQ due to the impact from wage hikes, visa costs and travel expenses • We would watch out for management commentary on deal wins, FY23 growth outlook, and early signs of demand slowdown and the supply side challenges
Revenue (Rs m)	523,874	505,910	3.6%	454,110	15.4%	523,954	0.0%	
EBIT (Rs m)	121,685	126,280	-3.6%	115,880	5.0%	124,298	-2.1%	
EBIT margin	23.2%	25.0%	(170)	25.5%	(230)	23.7%	(50)	
Net Income (Rs m)	97,559	99,260	-1.7%	90,080	8.3%	100,398	-2.8%	
EPS (Rs)	26.7	26.9	-0.6%	24.4	9.3%	27.0	-1.1%	
Mindtree	1QFY23ii	4QFY22	QoQ	1QFY22	YoY	1QFY23E	IIFL vs.	Result Date: 13-Jul-2022
	IIFL					Consensus	Cons.	IIFL expectations and comments
Revenue (USD)	398	384	3.6%	311	28.1%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 5% cc QoQ (+3.6% QoQ) aided by broad based momentum across verticals (ex-Retail) • We expect margins to contract 90bps QoQ, owing to visa costs, persistent tight supply side and merger related costs • We will watch out for deal wins, colour on FY23 outlook on revenue and margins, progress on merger with LTI and commentary on supply side challenges
Revenue (Rs m)	30,700	28,974	6.0%	22,917	34.0%	28,844	6.4%	
EBIT (Rs m)	5,523	5,487	0.6%	4,063	35.9%	5,179	6.6%	
EBIT margin	18.0%	18.9%	(90)	17.7%	30	18.0%	-	
Net Income (Rs m)	4,475	4,731	-5.4%	3,434	30.3%	4,251	5.3%	
EPS (Rs)	27.1	28.7	-5.4%	20.8	30.2%	26.1	3.7%	
L&T Infotech	1QFY23ii	4QFY22	QoQ	1QFY22	YoY	1QFY23E	IIFL vs.	Result Date: 14-Jul-2022
	IIFL					Consensus	Cons.	IIFL expectations and comments
Revenue (US\$ m)	577	570	1.1%	470	22.6%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 2.6% cc QoQ (+1.1% QoQ) as strength across verticals will be offset by lower pass through revenues in manufacturing • We expect EBIT margins to contract 190bps QoQ due to the impact of wage hikes and merger related costs partly offset by lower pass through revenues • We will watch out for large deal win announcements, progress on merger with MTCL and commentary on the outlook for FY23 as well as on supply side challenges
Revenue (Rs m)	44,513	43,016	3.5%	34,625	28.6%	45,397	-1.9%	
EBIT (Rs m)	6,855	7,445	-7.9%	5,682	20.6%	6,973	-1.7%	
EBIT margin	15.4%	17.3%	(190)	16.4%	(100)	15.4%	-	
Net Income (Rs m)	5,553	6,370	-12.8%	4,963	11.9%	5,805	-4.3%	
EPS (Rs)	31.6	36.3	-12.8%	28.3	11.8%	33.5	-5.8%	
LTTS	1QFY23ii	4QFY22	QoQ	1QFY22	YoY	1QFY23E	IIFL vs.	Result Date: 15-Jul-2022
	IIFL					Consensus	Cons.	IIFL expectations and comments
Revenue (US\$ m)	238	232	2.5%	206	15.6%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 4.1% cc QoQ (+2.5% QoQ), led by growth in the Transportation vertical and record high order book in the previous quarter • We expect EBIT margins to contract 40bps QoQ, owing to supply side challenges and continued investments to drive growth • We will watch out for any changes to FY23 revenue and margin outlook, large deals wins and commentary on impact of ongoing macro concerns on demand
Revenue (Rs m)	18,360	17,561	4.6%	15,184	20.9%	18,443	-0.4%	
EBIT (Rs m)	3,334	3,274	1.8%	2,623	27.1%	3,353	-0.6%	
EBIT margin	18.2%	18.6%	(50)	17.3%	90	18.2%	-	
Net Income (Rs m)	2,673	2,620	2.0%	2,162	23.6%	2,711	-1.4%	
EPS (Rs)	25.3	24.8	2.0%	20.4	23.7%	26.0	-2.7%	

Note: Result dates are tentative

Source: Company, Bloomberg, IIFL Research

Figure 13: (...contd) India IT - 1QFY23ii – Expectations and comments

Wipro	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 20-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	2,745	2,722	0.8%	2,415	13.7%	NA	NA	<ul style="list-style-type: none"> • We forecast IT services revenue to grow 2.8% cc QoQ (+2% cc QoQ organic), as strength in BFSI and Consumer is offset by softness in Manufacturing and Health • We expect EBIT margins to contract 40bps QoQ on increased travel and facility costs and impact of one month contribution from Rizing • We will watch out for large deal wins, commentary around deal pipeline, 2QFY23 guidance and commentary on impact of demand from on-going macro concerns
Revenue (Rs m)	215,098	208,600	3.1%	182,524	17.8%	215,813	-0.3%	
EBIT (Rs m)	34,201	34,029	0.5%	31,410	8.9%	35,965	-4.9%	
EBIT margin	15.9%	16.3%	(40)	17.2%	(130)	16.7%	(80)	
Net Income (Rs m)	29,654	30,873	-3.9%	32,321	-8.3%	30,565	-3.0%	
EPS (Rs)	5.4	5.6	-3.9%	5.9	-8.4%	5.5	-2.0%	
Mphasis	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 21-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	441	431	2.3%	363	21.4%	NA	NA	<ul style="list-style-type: none"> • We forecast gross revenue to grow 2.0% cc QoQ (+1.1% QoQ), with continued strength in the Direct Channel offsetting weakness in Digital Risk and DXC • We expect margins to be broadly flat QoQ as operational improvements are offset by persistent supply challenges • We will watch out for deal wins, colour on FY23 outlook for revenue growth & margins and impact of rising interest rates on Digital Risk business
Revenue(Rs m)	33,967	32,777	3.6%	26,908	26.2%	34,135	-0.5%	
EBIT (Rs m)	5,184	4,973	4.2%	4,270	21.4%	5,407	-4.1%	
EBIT margin	15.3%	15.2%	10	15.9%	(60)	15.8%	(60)	
Net Income (Rs m)	4,113	3,921	4.9%	3,396	21.1%	4,250	-3.2%	
EPS (Rs)	21.7	20.6	4.9%	17.9	20.9%	22.4	-3.4%	
Persistent Systems	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 21-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	239	217	10.0%	167	43.3%	NA	NA	<ul style="list-style-type: none"> • We forecast US\$ revenue growth of 10% QoQ (4.7% QoQ organic), led by growth across verticals driven by the strong order book • We expect EBIT margins to contract 40bps QoQ, owing to the full impact of amortisation in the quarter and continued tight supply side • We will watch out for the FY23 outlook on growth and margins, deal wins and progress on integration of recently acquired entities and commentary on supply
Revenue (Rs m)	18,458	16,379	12.7%	12,299	50.1%	17,964	2.7%	
EBIT (Rs m)	2,522	2,300	9.6%	1,739	45.0%	2,520	0.1%	
EBIT margin	13.7%	14.0%	(40)	14.1%	(50)	14.0%	(40)	
Net Income (Rs m)	2,021	2,010	0.5%	1,512	33.6%	2,084	-3.0%	
EPS (Rs)	26.4	26.3	0.5%	19.8	33.6%	26.9	-1.8%	
Cyient	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 21-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	160	157	2.0%	144	11.4%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 3.2% cc QoQ (+1.3% QoQ organic), as strength in the services business is offset by continued pressure in the DLM business • We expect EBIT margins to contract 270bps QoQ due to impact of wage hikes and M&A related costs • We will watch out for deal wins, any changes to FY23 revenue and margin outlook, colour on impact of demand from on-going macro challenges
Revenue(Rs m)	12,341	11,812	4.5%	10,582	16.6%	12,600	-2.1%	
EBIT (Rs m)	1,451	1,708	-15.1%	1,389	4.4%	1,779	-18.5%	
EBIT margin	11.8%	14.5%	(270)	13.1%	(140)	14.1%	(240)	
Net Income (Rs m)	1,145	1,542	-25.7%	1,151	-0.5%	1,402	-18.3%	
EPS (Rs)	10.4	14.1	-25.7%	10.5	-0.3%	12.5	-16.2%	

Note: Result dates are tentative

Source: Company, Bloomberg, IIFL Research

Figure 14:(...contd) India IT - 1QFY23ii – Expectations and comments

Infosys	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 24-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	4,380	4,280	2.3%	3,782	15.8%	NA	NA	<ul style="list-style-type: none"> • We forecast INFY's revenue to grow 3.5% cc QoQ (+2.3% QoQ), driven by broad-based growth across verticals and the strong order book • We expect flat margins QoQ despite wage hikes to junior employees, given absence of visa costs and one-off client-related costs from 4Q • We will keep a lookout for large deals wins, deal pipeline, any changes to FY23 revenue growth and margin guidance and comments on supply-side challenges
Revenue (Rs m)	338,126	322,760	4.8%	278,960	21.2%	339,586	-0.4%	
EBIT (Rs m)	72,812	69,560	4.7%	66,030	10.3%	73,136	-0.4%	
EBIT margin	21.5%	21.6%	-	23.7%	(210)	21.5%	-	
Net Income (Rs m)	57,844	56,860	1.7%	51,820	11.6%	57,275	1.0%	
EPS (Rs)	13.8	13.5	1.7%	12.2	13.0%	13.7	0.8%	
Tech Mahindra	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: 25-Jul-2022 IIFL expectations and comments
Revenue (US\$ m)	1,609	1,608	0.1%	1,384	16.3%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 2.7% cc QoQ (2.3% cc organic), as strength across verticals is offset by Comviva seasonality • We expect margins to contract 170bps QoQ, due to impact of wage hikes, travel expenses and Comviva seasonality • We will watch out for deal wins, revenue and margin outlook for FY23, impact of on-going macro concerns on 5G spend and comments on capital allocation
Revenue (Rs m)	124,219	121,163	2.5%	101,976	21.8%	125,314	-0.9%	
EBIT (Rs m)	14,283	16,042	-11.0%	15,453	-7.6%	16,083	-11.2%	
EBIT margin	11.5%	13.2%	(170)	15.2%	(370)	12.8%	(130)	
Net Income (Rs m)	11,434	15,056	-24.1%	13,532	-15.5%	13,458	-15.0%	
EPS (Rs)	12.9	16.9	-24.1%	15.3	-16.0%	15.5	-17.0%	
HCL Tech	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: TBD IIFL expectations and comments
Revenue (US\$ m)	3,035	2,993	1.4%	2,720	11.6%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 3.4% cc QoQ (+1.4% QoQ), driven by continued strength in IT services and positive seasonality in Products and Platforms • We expect margins to expand 60bps QoQ, driven by change in business mix • We will keep a lookout for FY23 outlook across three segments, FY23 margin outlook, deal win and commentary on supply side challenges and any impact of macro concerns on demand
Revenue (Rs m)	234,321	225,970	3.7%	200,680	16.8%	234,637	-0.1%	
EBIT (Rs m)	43,649	40,690	7.3%	39,310	11.0%	43,544	0.2%	
EBIT margin	18.6%	18.0%	60	19.6%	(100)	18.6%	10	
Net Income (Rs m)	35,720	35,897	-0.5%	32,159	11.1%	34,300	4.1%	
EPS (Rs)	13.2	13.3	-0.5%	11.9	11.3%	12.7	3.9%	
Coforge	1QFY23ii IIFL	4QFY22	QoQ	1QFY22	YoY	1QFY23E Consensus	IIFL vs. Cons.	Result Date: TBD IIFL expectations and comments
Revenue (US\$ m)	236	232	1.4%	200	18.0%	NA	NA	<ul style="list-style-type: none"> • We forecast revenue growth of 4% cc QoQ (+1.4% QoQ), led by strong growth across the Travel and Banking verticals • We expect EBIT margins to contract 250bps QoQ, due to the impact of wage hikes, travel expense and continued tight supply side • We will watch for any change to FY23 outlook on revenue and margins, deal wins and commentary on the travel and insurance verticals
Revenue (Rs m)	18,188	17,429	4.4%	14,616	24.4%	18,730	-2.9%	
EBIT (Rs m)	2,364	2,709	-12.7%	1,580	49.6%	NA	NA	
EBIT margin	13.0%	15.5%	(250)	10.8%	220	NA	NA	
Net Income (Rs m)	1,651	2,077	-20.5%	1,236	33.6%	NA	NA	
EPS (Rs)	26.6	33.5	-20.5%	19.9	33.4%	NA	NA	

Note: Result dates are tentative

Source: Company, Bloomberg, IIFL Research

Cross-currency headwinds in 1QFY23

Figure 15: Currency exposure and quarterly cross-currency impact for Indian IT firms

Currency	TCS	INFO	WPRO	HCLT	TECHM	LTI	MPHL	MTCL	CYL	COFO	LTTTS	Sector
USD	54%	67%	60%	63%	51%	66%	81%	74%	53%	52%	62%	60%
EUR	11%	5%	9%	11%	11%	15%	5%	9%	17%	11%	15%	10%
GBP	13%	6%	11%	17%	11%	2%	5%	9%	1%	26%	1%	11%
INR	5%	3%	5%	4%	6%	10%	5%	4%	7%	7%	15%	5%
Others	16%	20%	15%	5%	21%	8%	3%	5%	22%	4%	7%	14%
CC impact	-230	-120	-200	-200	-260	-150	-90	-140	-120	-260	-160	-200

Note: The above-mentioned numbers are estimated wherever full disclosures are not available

Source: Company, Bloomberg, IIFL Research

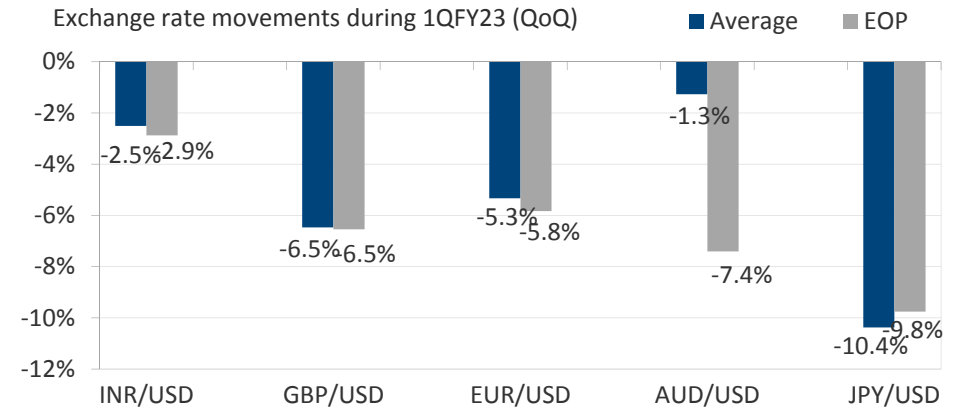
Figure 16: EPS sensitivity to USD/INR and outstanding hedging positions

As of Mar-22	EPS Sensitivity to 1% change in USD/INR	Hedges o/s (US\$ m)	% of USD revenues	
			1QFY23ii	FY23ii
INFO	2.3%	2,500	57%	14%
TCS	2.4%	2,466	36%	9%
WPRO	3.5%	3,500	128%	31%
HCLT	2.6%	2,014	66%	16%
TECHM	3.0%	2,233	139%	33%
LTI	3.4%	1,715	297%	69%
MPHL	3.3%	765	174%	41%
MTCL	3.8%	1,724	434%	102%
CYL	4.1%	154	96%	20%
PSYS	4.0%	192	80%	19%
COFO	2.7%	162	69%	16%
LTTTS	3.4%	904	380%	90%

Note: i) EPS sensitivity assumes no offsetting impact from hedging gains/losses; ii) The above numbers are estimated wherever full disclosures are not available

Source: Company, IIFL Research

Figure 17: Exchange-rate movements during 1QFY23



Source: Company, Bloomberg, IIFL Research

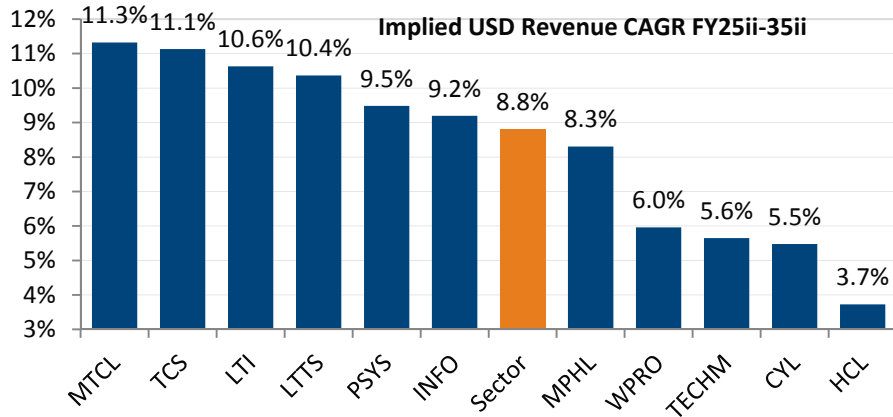
Figure 18: Given the INR's depreciation in 1QFY23, hedging gains in FY23ii are likely to be lower than that in FY22, for most cases

India IT	Hedges (USD m) As of 4QFY22	Forex gains/(losses) (INR m)			
		FY21	FY22	FY23ii	FY24ii
INFO	2,500	2,080	2,750	3,500	4,000
TCS	2,466	2,480	10,450	5,500	8,000
WPRO	3,500	2,995	4,355	3,350	6,814
HCLT	2,014	460	3,280	1,051	3,078
TECHM	2,233	975	5,642	2,711	3,206
LTI	1,715	93	3,025	1,519	2,932
MPHL	765	395	1,490	433	1,113
MTCL	1,724	286	1,530	2,280	2,425
CYL	154	(26)	427	206	490
PSYS	192	34	269	344	746
COFO	162	(137)	386	215	522
LTTTS	904	408	906	588	1,605

Source: Company, IIFL Research

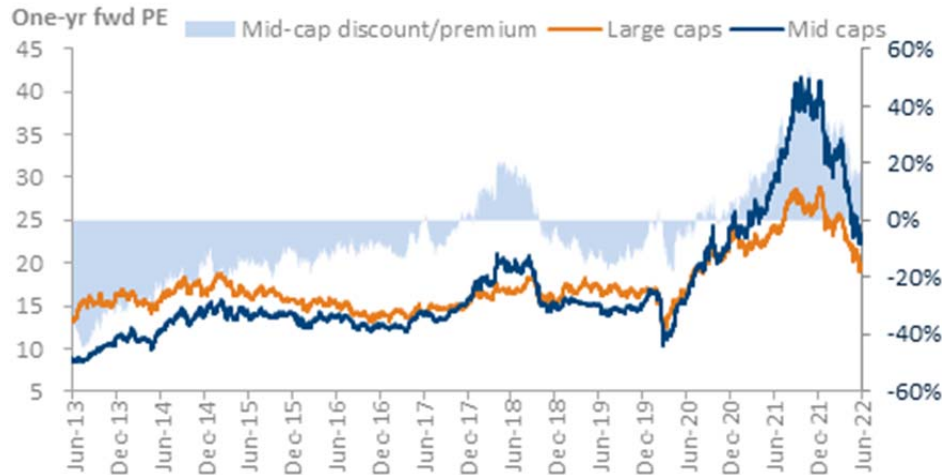
Multiples are nearing pre-COVID levels'

Figure 19: Post the recent correction, our reverse DCF analysis suggests the sector is pricing-in ~9% USD revenue growth over FY25ii-35ii



Source: Company, Bloomberg, IIFL Research

Figure 20: Mid-cap IT service companies are now trading at a ~15% premium to large-cap peers' vs. a peak of 50% recently



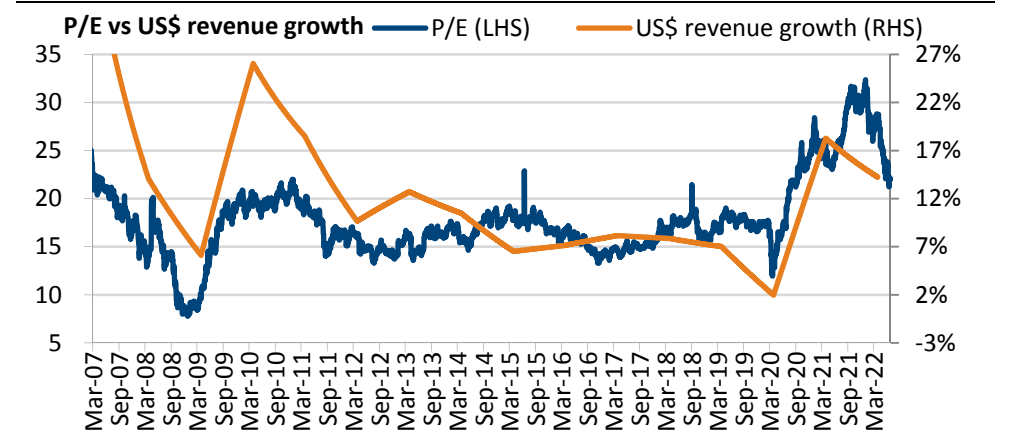
Source: Company, Bloomberg, IIFL Research

Figure 21: Using the last 5-year avg. P/E would imply an ~5% median potential upside from current levels

Company	Avg. 12mth fwd P/E		EPS CAGR		Implied Value (Rs)		Upside/Downside	
	5 yr	10 yr	2017-22	2022-24ii	5yr	10 yr	5yr	10 yr
TCS	24.8	21.9	9%	13%	3,280	2,890	0%	-12%
INFO	20.8	18.5	11%	15%	1,450	1,290	-1%	-12%
WPRO	18.0	16.0	11%	6%	450	400	8%	-4%
HCLT	15.8	14.9	11%	12%	990	940	2%	-3%
TECHM	15.7	14.4	15%	8%	1,140	1,050	14%	5%
LTI	23.9	NA	19%	20%	4,500	NA	13%	NA
MPHL	20.1	15.8	15%	21%	2,220	1,750	-3%	-24%
MTCL	23.5	18.8	32%	19%	3,340	2,670	16%	-8%
COFORGE	22.3	15.6	21%	21%	3,480	2,440	-2%	-31%
PSYS	20.5	17.1	19%	27%	2,970	2,480	-13%	-27%
LTTS	26.0	NA	18%	23%	3,570	NA	18%	NA
CYL	14.2	13.0	9%	13%	870	790	15%	4%
Sector	20.7	15.9	15%	17%			5%	-10%

Source: Company, Bloomberg, IIFL Research

Figure 22: P/E multiples for the sector have a strong correlation with USD revenue growth expectations



Source: Company, Bloomberg, IIFL Research

Figure 23: Key estimate and target price changes for our coverage universe

Company	Rating		CMP Rs	Target Price		Potential Up/Down	Target P/E FY24ii			US\$ Revenue (mn)				US\$ Revenue Growth				EBIT Margin			
	Old	New		Old	New		Old	New	Change	FY23ii	FY24ii	Old	New	Old	New	Old	New	Old	New		
INFO	BUY	BUY	1,462	2,000	1,800	23%	28.0	26.0	-7%	18,433	-3%	20,668	-4%	16.1%	13.0%	14.1%	12.1%	22.7%	22.5%	23.0%	22.5%
HCLT	BUY	BUY	973	1,250	1,150	18%	19.0	18.0	-5%	12,596	-2%	13,706	-3%	12.1%	9.7%	10.3%	8.8%	18.9%	18.8%	19.5%	19.1%
TECHM	BUY	BUY	1,000	1,500	1,250	25%	19.0	17.0	-11%	6,708	-3%	7,340	-5%	15.4%	11.8%	11.4%	9.4%	13.9%	13.7%	14.7%	14.1%
TCS	ADD	ADD	3,267	3,600	3,450	6%	26.0	26.0	0%	28,348	-4%	31,211	-6%	14.4%	10.3%	13.4%	10.1%	25.0%	24.8%	24.9%	24.7%
WPRO	REDUCE	REDUCE	416	460	400	-4%	18.0	16.0	-11%	11,427	-3%	12,321	-5%	13.4%	10.3%	10.8%	7.8%	16.1%	16.0%	16.2%	15.9%
PSYS	BUY	BUY	3,402	5,000	4,350	28%	34.0	30.0	-12%	1,031	-2%	1,206	-4%	36.7%	34.6%	19.4%	17.0%	14.0%	13.7%	14.1%	13.9%
MPHL	BUY	BUY	2,294	3,250	2,750	20%	28.0	25.0	-11%	1,870	-3%	2,133	-6%	20.4%	17.5%	17.3%	13.5%	15.8%	15.5%	16.3%	16.1%
COFO	BUY	BUY	3,539	4,550	3,900	10%	28.0	25.0	-11%	1,004	-3%	1,157	-5%	20.0%	15.9%	17.2%	15.2%	14.5%	14.4%	14.7%	14.6%
MTCL	BUY	BUY	2,887	4,250	3,550	23%	28.0	25.0	-11%	1,694	-2%	1,946	-4%	22.8%	20.1%	16.6%	14.9%	18.0%	18.2%	18.1%	17.8%
LTI	BUY	BUY	3,975	5,750	4,700	18%	28.0	25.0	-11%	2,465	-3%	2,834	-6%	21.4%	17.2%	17.6%	15.0%	17.4%	17.2%	17.6%	17.4%
LTTS	BUY	BUY	3,031	4,900	3,850	27%	34.0	28.0	-18%	1,005	-4%	1,151	-7%	18.5%	14.2%	18.1%	14.5%	18.2%	18.1%	18.3%	18.0%
CYL	BUY	BUY	757	1,010	900	19%	16.0	15.0	-6%	754	-2%	868	-2%	26.7%	24.0%	14.7%	15.1%	13.3%	13.0%	13.3%	13.2%
SECTOR							25.7	23.0	-10%	87,336	-3%	96,540	-5%	19.8%	16.6%	15.1%	12.8%	17.3%	17.1%	17.6%	17.3%

Company	Revenue (INR bn)						EBIT (INR bn)						EPS (INR)						FY22-FY24ii Cagr		
	FY23ii			FY24ii			FY23ii			FY24ii			FY23ii			FY24ii			USD Revenue	EBIT	EPS
	Old	New	Change	Old	New	Change	Old	New	Change	Old	New	Change	Old	New	Change	Old	New	Change			
INFO	1,438.8	1,434.3	0%	1,641.2	1,612.1	-2%	326.0	322.2	-1%	377.9	363.3	-4%	61.8	61.3	-1%	71.5	69.7	-2%	13%	14%	15%
HCLT	978.0	980.0	0%	1,078.8	1,069.0	-1%	184.8	184.1	0%	210.7	204.3	-3%	56.9	56.0	-2%	65.1	63.1	-3%	9%	12%	12%
TECHM	526.2	522.0	-1%	586.1	572.5	-2%	73.1	71.5	-2%	85.9	80.5	-6%	66.4	63.7	-4%	78.2	72.7	-7%	11%	11%	8%
TCS	2,234.3	2,205.7	-1%	2,533.1	2,434.5	-4%	558.6	546.5	-2%	630.5	602.3	-4%	122.4	119.2	-3%	138.1	132.2	-4%	10%	11%	13%
WPRO	905.9	902.6	0%	1,002.4	974.5	-3%	145.5	144.5	-1%	162.0	154.6	-5%	23.1	23.0	0%	25.7	25.1	-2%	9%	8%	6%
PSYS	79.6	80.2	1%	95.0	94.0	-1%	11.1	11.0	-1%	13.4	13.0	-3%	122.2	117.0	-4%	147.2	144.6	-2%	25%	28%	27%
MPHL	147.0	145.5	-1%	172.4	166.4	-4%	23.2	22.5	-3%	28.2	26.8	-5%	94.9	92.4	-3%	116.4	110.4	-5%	15%	20%	21%
COFO	79.0	78.2	-1%	92.6	90.2	-3%	11.5	11.3	-2%	13.7	13.1	-4%	135.5	133.4	-2%	162.2	156.1	-4%	16%	22%	21%
MTCL	131.6	131.8	0%	153.5	151.8	-1%	23.7	23.9	1%	27.8	27.0	-3%	129.9	124.3	-4%	151.7	142.1	-6%	17%	18%	19%
LTI	194.0	191.8	-1%	228.2	221.1	-3%	33.7	32.9	-2%	40.2	38.5	-4%	168.1	152.9	-9%	206.0	187.9	-9%	16%	19%	20%
LTTS	79.3	78.2	-1%	93.7	89.8	-4%	14.4	14.2	-2%	17.2	16.2	-6%	118.0	109.5	-7%	144.9	137.6	-5%	14%	16%	23%
CYL	58.6	58.7	0%	67.2	67.7	1%	7.8	7.6	-2%	8.9	8.9	0%	54.5	52.3	-4%	64.6	60.9	-6%	19%	20%	13%
SECTOR	6,852.3	6,809.0	-1%	7,744.3	7,543.6	-3%	1,413.4	1,392.2	-1%	1,616.4	1,548.8	-4%			-2%			-4%	15%	17%	17%

Source: Company, Bloomberg, IIFL Research

Figure 24:India IT - Comps

Company	Reco	CMP (Rs)	TP (Rs)	Potential Upside	Mkt Cap (USD m)	FY24ii						2Yr Cagr (FY22-24ii)			Price performance		
						EPS (INR)	P/E (x)	EV/Ebitda (x)	P/FCF (x)	P/B (x)	RoE	Revenue (USD)	EBIT (INR)	EPS (INR)	3mth	6mth	1Yr
INFO	BUY	1,462	1,800	23%	77,821	69.7	21.0	13.5	23.7	6.9	35%	13%	14%	15%	-23%	-23%	-8%
HCLT	BUY	973	1,150	18%	33,415	63.1	15.4	9.5	13.3	3.6	25%	9%	12%	12%	-16%	-26%	-1%
TECHM	BUY	1,000	1,250	25%	12,303	72.7	13.8	8.8	15.6	3.1	22%	11%	11%	8%	-33%	-44%	-7%
TCS	ADD	3,267	3,450	6%	151,249	132.2	24.7	16.7	24.1	10.8	47%	10%	11%	13%	-13%	-13%	-2%
WPRO	REDUCE	416	400	-4%	28,858	25.1	16.6	11.0	22.3	3.1	20%	9%	8%	6%	-30%	-42%	-24%
India IT services				14%	303,646		18.3	11.9	19.8	5.5	30%	10%	11%	11%	-23%	-29%	-8%
PSYS	BUY	3,402	4,350	28%	3,289	144.6	23.5	14.7	24.5	5.6	26%	25%	28%	27%	-29%	-31%	16%
MPHL	BUY	2,294	2,750	20%	5,459	110.4	20.8	12.4	15.2	4.9	26%	15%	20%	21%	-32%	-32%	8%
COFORGE	BUY	3,539	3,900	10%	2,728	156.1	22.7	12.2	24.9	5.4	27%	16%	22%	21%	-21%	-40%	-15%
MTCL	BUY	2,887	3,550	23%	6,021	142.1	20.3	13.5	17.1	5.8	32%	17%	18%	19%	-33%	-40%	11%
LTI	BUY	3,975	4,700	18%	8,818	187.9	21.2	14.2	21.7	5.6	30%	16%	19%	20%	-35%	-46%	-2%
CYL	BUY	757	900	19%	1,056	60.9	12.4	6.8	7.0	2.2	19%	19%	20%	13%	-18%	-26%	-12%
LTTS	BUY	3,031	3,850	27%	4,048	137.6	22.0	14.6	53.6	5.3	27%	14%	16%	23%	-41%	-46%	5%
TELX	NA	8,171	6,356	-22%	6,438	125.4	65.1	46.1	NM	20.1	34%	20%	19%	19%	-8%	39%	90%
KPITTECH	NA	518	637	23%	1,795	14.2	36.5	21.1	NM	11.6	23%	16%	22%	18%	-14%	-16%	99%
ZENT	NA	272	400	47%	779	23.4	11.6	6.1	0.1	1.7	17%	-16%	20%	-65%	-26%	-48%	-13%
OFSS	NA	3,098	5,300	71%	3,385	288.7	10.7	6.6	NA	3.4	34%	15%	15%	15%	-14%	-22%	-15%
BSOFT	NA	353	455	29%	1,251	22.8	15.5	9.8	0.2	3.1	21%	18%	14%	16%	-22%	-35%	-12%
FSOL	NA	103	140	36%	907	9.7	10.6	7.4	0.1	2.0	20%	13%	20%	23%	-18%	-44%	-45%
HAPPSTMN	NA	829	1,163	40%	1,540	NA	NA	NA	NA	NA	28%	21%	27%	NA	-22%	-36%	-17%
INDA	NA	633	850	34%	1,082	38.6	16.4	10.9	0.2	3.1	20%	13%	13%	14%	-33%	-15%	-13%
India IT services - midcap				21%	48,597		22.1	14.0	15.0	5.7	26%	15%	20%	13%	-24%	-29%	6%
CTSH	NA	68	91	33%	35,690	5.0	13.7	8.6	13.4	2.4	19%	8%	10%	10%	-24%	-23%	-1%
ACN	NA	280	342	22%	186,115	12.0	23.2	14.8	18.9	6.8	31%	8%	10%	10%	-17%	-33%	-5%
EPAM	NA	307	410	33%	17,567	12.5	24.7	15.4	28.3	4.8	24%	25%	42%	41%	4%	-54%	-40%
GLOB	NA	182	274	50%	7,630	6.0	30.1	16.4	NA	4.2	16%	25%	23%	25%	-31%	-42%	-17%
DAVA	NA	93	135	45%	5,200	2.3	40.1	21.7	NA	10.4	26%	25%	27%	23%	-30%	-44%	-18%
DXC	NA	31	38	24%	7,011	4.9	6.2	4.0	5.2	1.1	20%	1%	7%	11%	-6%	-5%	-22%
ATE	NA	103	157	52%	3,676	8.3	12.3	7.5	13.8	1.8	15%	8%	9%	9%	-25%	-35%	-8%
MNC IT services					262,889		21.5	12.6	15.9	4.5	21%	14%	18%	18%	-18%	-34%	-16%

Source: Company, Bloomberg, IIFL Research

Figure 25: IIFL Summary forecasts for all stocks...

Sector growth (INR, YoY)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23ii	FY24ii	FY25ii
Revenue growth (USD)	12.7%	10.6%	8.0%	7.2%	8.7%	8.1%	6.9%	1.8%	18.8%	11.8%	10.5%	11.4%
Revenue growth (CC)	11.6%	12.3%	10.6%	8.9%	7.1%	10.1%	8.8%	0.7%	18.7%	15.0%	10.6%	11.4%
Revenue growth (CC, organic)	10.9%	10.9%	8.8%	7.0%	5.6%	9.3%	7.6%	-0.1%	16.2%	14.0%	10.5%	11.4%
Revenue growth	24.8%	11.5%	11.6%	13.0%	4.2%	17.0%	8.9%	5.8%	19.6%	16.6%	10.8%	11.4%
EBIT margins	24.0%	23.0%	21.9%	21.0%	20.5%	21.1%	20.0%	22.2%	21.0%	20.4%	20.5%	20.6%
PAT growth	28.8%	14.0%	8.8%	5.9%	2.9%	16.7%	3.4%	10.5%	14.3%	12.8%	12.6%	12.3%
USD/INR average	60.5	61.2	65.5	67.1	64.5	69.9	70.9	74.1	74.6	77.8	78.0	78.0
YoY	11.2%	1.2%	7.0%	2.4%	-3.9%	8.5%	1.4%	4.5%	0.7%	4.3%	0.2%	0.0%
Developed Economies GDP growth		2.1%	2.6%	1.8%	2.5%	2.4%	1.7%	-4.4%	5.2%	3.3%	2.4%	1.7%
Revenue growth (USD, YoY)												
INFO	11.5%	5.6%	9.1%	7.4%	7.2%	7.9%	8.3%	6.1%	20.3%	13.0%	12.1%	12.7%
TCS	16.2%	15.0%	7.1%	6.2%	8.6%	9.6%	5.4%	0.6%	15.9%	10.3%	10.1%	11.3%
WPRO	6.4%	7.0%	3.7%	4.9%	4.6%	1.6%	0.8%	-1.4%	27.3%	10.3%	7.8%	7.9%
HCLT	14.4%	11.1%	7.1%	11.9%	12.4%	10.1%	15.1%	2.4%	12.8%	9.7%	8.8%	9.9%
TECHM	18.3%	19.3%	10.2%	7.8%	9.7%	4.2%	4.3%	-1.4%	17.3%	11.8%	9.4%	10.2%
LTI	14.9%	0.0%	9.0%	9.3%	16.7%	19.1%	13.0%	9.5%	25.9%	17.2%	15.0%	15.8%
MTCL	15.1%	16.4%	22.1%	9.4%	8.6%	18.3%	8.7%	-1.1%	31.0%	20.1%	14.9%	15.9%
CYL	5.3%	23.0%	5.7%	13.9%	12.9%	8.7%	-5.3%	-10.9%	9.2%	24.0%	15.1%	10.8%
MPHL	0.3%	-6.2%	-2.1%	-2.3%	12.1%	9.0%	12.3%	5.7%	22.3%	16.4%	14.0%	15.6%
PSYS	15.2%	12.6%	14.0%	22.0%	9.7%	2.2%	4.3%	12.9%	35.2%	34.6%	17.0%	18.1%
COFORGE	3.2%	1.1%	6.1%	1.5%	10.9%	13.9%	12.3%	5.7%	38.1%	15.9%	15.2%	16.3%
LTTS				3.4%	19.8%	24.6%	8.7%	-6.3%	19.5%	14.2%	14.5%	16.4%
Revenue growth (CC, YoY)												
INFO	12.2%	7.1%	13.1%	8.3%	5.8%	9.0%	9.8%	4.9%	19.8%	15.3%	12.1%	12.7%
TCS	17.4%	16.9%	11.9%	8.1%	6.6%	11.4%	7.1%	-1.0%	15.4%	14.1%	10.1%	11.3%
WPRO	7.9%	8.6%	7.6%	7.1%	3.1%	4.2%	3.5%	-2.4%	27.0%	13.2%	7.8%	7.9%
HCLT	14.3%	14.3%	11.6%	13.8%	10.6%	11.9%	16.9%	1.3%	12.7%	13.1%	8.8%	9.9%
TECHM	19.3%	21.2%	15.0%	9.7%	7.4%	5.9%	5.6%	-2.2%	16.7%	15.7%	9.4%	10.2%
LTI				8.7%	14.8%	21.0%	14.1%	8.9%	25.9%	19.8%	15.0%	15.8%
MTCL		17.4%	26.4%	11.2%	7.4%	19.2%	9.5%	-1.7%	31.3%	22.6%	14.9%	15.9%
CYL		24.4%	9.3%	14.6%	11.3%	9.9%	-4.1%	-11.8%	8.6%	26.4%	15.1%	10.8%
MPHL		-9.4%	1.2%	-3.1%	10.8%	14.1%	11.6%	4.9%	21.3%	17.8%	14.0%	15.6%
PSYS	15.2%	12.6%	14.0%	22.0%	9.7%	2.2%	4.3%	12.9%	35.2%	34.6%	17.0%	18.1%
COFORGE			9.5%	4.9%	13.6%	18.0%	13.4%	6.5%	36.2%	19.8%	15.2%	16.3%
LTTS				2.4%	18.5%	26.5%	9.3%	-6.8%	19.9%	16.8%	14.5%	16.4%

Source: Company, IIFL Research

Figure 26: IIFL Summary forecasts for all stocks (contd.)

		FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23ii	FY24ii	FY25ii	
Revenue growth (CC, organic, YoY)	INFO	10.6%	7.1%	12.6%	8.2%	5.8%	8.9%	8.3%	4.4%	19.4%	15.1%	12.1%	12.7%	
	TCS	16.3%	14.4%	10.0%	8.1%	6.6%	11.4%	7.1%	-1.0%	15.4%	14.1%	10.1%	11.3%	
	WPRO	7.7%	7.0%	6.3%	2.3%	0.9%	3.9%	3.9%	-3.8%	14.5%	9.8%	7.5%	7.9%	
	HCLT	14.7%	14.3%	11.3%	9.3%	5.4%	7.7%	11.2%	-1.3%	11.4%	12.7%	8.8%	9.9%	
	TECHM	11.7%	17.0%	4.8%	6.0%	3.3%	5.1%	4.9%	-4.3%	13.1%	12.5%	9.3%	10.2%	
	LTI				8.7%	14.0%	19.2%	12.8%	8.7%	25.6%	19.7%	15.0%	15.8%	
	MTCL		16.9%	16.3%	6.7%	7.4%	19.2%	9.5%	-1.7%	31.0%	22.5%	14.9%	15.9%	
	CYL		16.4%	4.6%	13.2%	9.9%	7.3%	-4.2%	-12.4%	6.7%	11.4%	10.2%	10.8%	
	MPHL		-13.2%	4.9%	-1.4%	10.8%	14.1%	11.6%	4.9%	19.9%	16.6%	14.0%	15.6%	
	PSYS	11.9%	12.6%	7.2%	5.1%	7.9%	1.4%	3.7%	12.2%	31.6%	23.6%	16.8%	18.1%	
	COFORGE			7.0%	4.7%	12.3%	17.7%	14.8%	6.2%	22.8%	18.9%	15.2%	16.3%	
	LTTTS				0.8%	16.2%	24.2%	8.6%	-7.8%	18.8%	16.8%	14.5%	16.4%	
	EBIT margins	INFO	24.0%	25.9%	25.0%	24.7%	24.3%	22.9%	21.3%	24.5%	23.0%	22.5%	22.5%	22.5%
		TCS	29.1%	27.0%	26.5%	25.7%	24.8%	25.6%	24.6%	25.9%	25.3%	24.8%	24.7%	24.6%
WPRO		20.4%	20.2%	18.8%	16.7%	16.4%	17.1%	17.1%	19.8%	17.4%	16.3%	16.5%	16.6%	
HCLT		24.1%	22.3%	20.4%	20.3%	19.8%	19.6%	19.6%	21.3%	18.9%	18.8%	19.1%	19.4%	
TECHM		18.7%	15.6%	13.3%	11.0%	11.8%	15.0%	11.6%	14.2%	14.6%	13.7%	14.1%	14.4%	
LTI		20.7%	17.0%	14.6%	16.2%	15.0%	18.4%	16.1%	19.3%	17.3%	17.2%	17.4%	17.8%	
MTCL		17.5%	17.1%	14.0%	10.2%	10.4%	12.8%	11.1%	17.5%	18.6%	18.2%	17.8%	18.2%	
CYL		15.3%	12.1%	10.5%	10.6%	11.0%	11.3%	9.1%	9.9%	13.8%	13.0%	13.2%	13.3%	
MPHL		15.0%	13.3%	13.5%	15.0%	15.1%	16.1%	16.0%	16.1%	15.4%	15.5%	16.1%	16.6%	
PSYS		19.6%	15.7%	12.6%	11.0%	10.2%	12.6%	9.2%	12.1%	14.0%	13.7%	13.9%	14.1%	
COFORGE		12.6%	10.7%	13.0%	12.7%	12.5%	14.2%	13.1%	12.9%	13.8%	14.4%	14.6%	15.0%	
LTTTS				15.0%	16.1%	13.0%	16.0%	16.5%	14.5%	18.3%	18.1%	18.0%	18.2%	
EPS (INR, YoY)		INFO	13.0%	15.8%	9.4%	6.5%	2.9%	15.4%	4.5%	17.0%	15.1%	17.0%	13.8%	12.4%
		TCS	37.4%	14.4%	10.3%	8.3%	0.6%	23.8%	3.8%	4.4%	15.1%	15.0%	10.9%	10.7%
	WPRO	26.9%	11.0%	3.0%	-5.1%	4.5%	12.1%	9.0%	16.0%	16.9%	3.3%	9.1%	8.3%	
	HCLT	53.9%	12.5%	2.7%	15.8%	4.4%	17.6%	10.9%	17.6%	4.2%	12.1%	12.8%	12.6%	
	TECHM	32.0%	-0.9%	14.3%	-6.7%	37.8%	13.4%	-0.2%	5.3%	23.5%	1.3%	14.1%	13.5%	
	LTI	24.9%	16.6%	9.9%	16.1%	20.9%	29.1%	0.3%	27.4%	18.6%	16.9%	22.9%	25.1%	
	MTCL	31.5%	18.8%	2.7%	-24.1%	9.7%	67.9%	-10.1%	63.5%	48.6%	24.0%	14.3%	24.4%	
	CYL	16.9%	28.9%	-5.5%	10.7%	14.8%	12.9%	-18.4%	2.4%	33.7%	10.1%	16.4%	17.0%	
	MPHL	-2.2%	-7.2%	-1.6%	21.1%	11.4%	31.1%	13.1%	2.1%	17.4%	22.2%	19.5%	20.2%	
	PSYS	32.9%	16.6%	-4.6%	8.7%	7.2%	8.9%	0.9%	32.9%	53.2%	29.6%	23.5%	21.2%	
	COFORGE	7.5%	-16.0%	39.1%	0.4%	2.3%	44.8%	9.9%	6.9%	38.2%	25.1%	17.0%	22.6%	
	LTTTS				1.4%	19.1%	51.3%	6.9%	-19.0%	44.3%	20.9%	25.7%	16.7%	

Source: Company, IIFL Research

Financial summary - TCS

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	1,641,770	1,917,540	2,205,738	2,434,469	2,710,029
Ebitda	465,460	530,570	594,535	655,246	725,715
Depreciation and amortisation	(40,650)	(46,040)	(48,023)	(52,919)	(58,347)
Ebit	424,810	484,530	546,512	602,326	667,368
Non-operating income	31,340	40,180	46,202	54,108	58,319
Financial expense	(6,370)	(7,840)	(9,800)	(9,800)	(9,800)
PBT	449,780	516,870	582,914	646,634	715,887
Exceptionals	(12,180)	0	0	0	0
Reported PBT	437,600	516,870	582,914	646,634	715,887
Tax expense	(111,980)	(132,380)	(145,729)	(161,659)	(178,972)
PAT	325,620	384,490	437,186	484,976	536,915
Minorities, Associates etc.	(1,320)	(1,220)	(1,392)	(1,540)	(1,706)
Attributable PAT	324,300	383,270	435,794	483,436	535,210

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	90.0	103.6	119.2	132.2	146.4
DPS	38.0	43.0	95.3	105.8	117.1
BVPS	236.8	241.0	267.6	294.0	323.3
Growth ratios (%)					
Revenues	4.6	16.8	15.0	10.4	11.3
Ebitda	10.5	14.0	12.1	10.2	10.8
EPS	4.4	15.1	15.0	10.9	10.7
Profitability ratios (%)					
Ebitda margin	28.4	27.7	27.0	26.9	26.8
Ebit margin	25.9	25.3	24.8	24.7	24.6
Tax rate	25.6	25.6	25.0	25.0	25.0
Net profit margin	19.8	20.1	19.8	19.9	19.8
Return ratios (%)					
ROE	38.5	43.1	46.6	47.1	47.4
ROCE	44.0	47.4	50.2	51.1	51.6
Solvency ratios (x)					
Net debt-equity	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)
Net debt to Ebitda	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Interest coverage	NM	NM	NM	NM	NM

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	499,580	550,830	598,622	692,491	744,189
Inventories	0	0	0	0	0
Receivables	369,900	420,100	486,368	514,099	599,611
Other current assets	137,210	133,250	161,146	176,924	195,787
Creditors	78,600	80,450	96,672	106,753	119,059
Other current liabilities	169,770	201,710	254,563	281,516	313,051
Net current assets	758,320	822,020	894,900	995,245	1,107,478
Fixed assets	197,680	196,150	200,286	204,836	210,355
Intangibles	44,280	28,880	27,920	26,960	26,000
Investments	0	0	0	0	0
Other long-term assets	80,160	85,930	103,205	114,300	126,765
Total net assets	1,080,440	1,132,980	1,226,311	1,341,341	1,470,597
Borrowings	77,950	78,180	78,180	78,180	78,180
Other long-term liabilities	116,940	163,410	169,583	187,925	210,139
Shareholders equity	885,550	891,390	978,549	1,075,236	1,182,278
Total liabilities	1,080,440	1,132,980	1,226,311	1,341,341	1,470,597

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	424,810	484,530	546,512	602,326	667,368
Tax paid	(111,980)	(132,380)	(145,729)	(161,659)	(178,972)
Depreciation and amortization	40,650	46,040	48,023	52,919	58,347
Net working capital change	34,884	29,510	(37,583)	(768)	(52,491)
Other operating items	0	0	0	0	0
Operating cash flow before interest	388,364	427,700	411,224	492,819	494,252
Financial expense	18,750	18,830	24,902	30,308	34,519
Non-operating income	(7,280)	12,290	11,500	14,000	14,000
Operating cash flow after interest	399,834	458,820	447,626	537,126	542,772
Capital expenditure	(39,010)	(44,510)	(51,200)	(56,509)	(62,905)
Long-term investments	(2,950)	15,400	0	0	0
Others	520	320	0	0	0
Free cash flow	358,394	430,030	396,427	480,617	479,866
Equity raising	(159,066)	(218,380)	0	0	0
Borrowings	(4,030)	(1,350)	0	0	0
Dividend	(142,084)	(159,050)	(348,635)	(386,748)	(428,168)
Net chg in cash and equivalents	53,214	51,250	47,792	93,869	51,698

Source: Company data, IIFL Research

Financial summary - INFO

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	1,004,730	1,216,410	1,434,306	1,612,099	1,816,294
Ebitda	278,890	314,910	360,006	402,913	452,929
Depreciation and amortisation	(32,670)	(34,760)	(37,815)	(39,568)	(43,643)
Ebit	246,220	280,150	322,192	363,345	409,286
Non-operating income	20,060	20,820	30,904	38,345	42,024
Financial expense	1,950	2,000	2,000	2,000	2,000
PBT	268,230	302,970	355,096	403,690	453,310
Exceptionals	0	0	0	0	0
Reported PBT	268,230	302,970	355,096	403,690	453,310
Tax expense	(72,050)	(79,640)	(95,336)	(108,456)	(121,854)
PAT	196,180	223,330	259,760	295,234	331,456
Minorities, Associates etc.	(720)	(350)	(360)	(360)	(360)
Attributable PAT	195,460	222,980	259,400	294,874	331,096

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	46.0	52.9	61.8	70.2	78.8
DPS	27.0	31.0	49.1	55.9	62.8
BVPS	180.7	179.6	192.6	206.5	222.2
Growth ratios (%)					
Revenues	10.7	21.1	17.9	12.4	12.7
Ebitda	25.2	12.9	14.3	11.9	12.4
EPS	17.0	14.9	16.8	13.7	12.3
Profitability ratios (%)					
Ebitda margin	27.8	25.9	25.1	25.0	24.9
Ebit margin	24.5	23.0	22.5	22.5	22.5
Tax rate	26.9	26.3	26.8	26.9	26.9
Net profit margin	19.5	18.4	18.1	18.3	18.2
Return ratios (%)					
ROE	27.4	29.2	33.1	35.2	36.8
ROCE	37.3	39.5	45.1	47.9	50.1
Solvency ratios (x)					
Net debt-equity	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Net debt to Ebitda	(1.5)	(1.3)	(1.4)	(1.3)	(1.3)
Interest coverage	(126.3)	(140.1)	(161.1)	(181.7)	(204.6)

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	409,770	400,060	505,302	522,407	599,208
Inventories	0	0	0	0	0
Receivables	274,150	352,070	339,540	411,300	434,645
Other current assets	134,260	163,680	193,905	218,420	245,197
Creditors	157,580	229,490	273,479	307,816	347,065
Other current liabilities	158,460	192,000	228,884	258,147	290,847
Net current assets	502,140	494,320	536,385	586,165	641,138
Fixed assets	184,170	184,020	189,235	198,030	208,876
Intangibles	81,510	79,020	83,220	83,220	83,220
Investments	0	0	0	0	0
Other long-term assets	0	0	0	0	0
Total net assets	767,820	757,360	808,840	867,415	933,234
Borrowings	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0
Shareholders equity	767,820	757,360	808,840	867,415	933,234
Total liabilities	767,820	757,360	808,840	867,415	933,234

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	246,220	280,150	322,192	363,345	409,286
Tax paid	(72,050)	(79,640)	(95,336)	(108,456)	(121,854)
Depreciation and amortization	32,670	34,760	37,815	39,568	43,643
Net working capital change	22,630	(1,890)	63,176	(32,674)	21,827
Other operating items	(1,720)	3,650	0	0	0
Operating cash flow before interest	227,750	237,030	327,847	261,783	352,903
Financial expense	0	0	0	0	0
Non-operating income	19,340	20,470	30,544	37,985	41,664
Operating cash flow after interest	247,090	257,500	358,391	299,768	394,566
Capital expenditure	(38,170)	(34,610)	(43,029)	(48,363)	(54,489)
Long-term investments	(7,930)	(1,160)	(4,200)	0	0
Others	0	0	0	0	0
Free cash flow	200,990	221,730	311,161	251,405	340,077
Equity raising	30,900	(104,130)	0	0	0
Borrowings	0	0	0	0	0
Dividend	(115,030)	(127,310)	(205,920)	(234,299)	(263,277)
Net chg in cash and equivalents	116,860	(9,710)	105,242	17,106	76,801

Source: Company data, IIFL Research

Financial summary - HCLT

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	753,712	856,784	980,023	1,069,031	1,174,372
Ebitda	200,482	200,684	220,371	240,821	264,947
Depreciation and amortisation	(39,850)	(38,740)	(36,294)	(36,491)	(37,060)
Ebit	160,632	161,944	184,078	204,330	227,886
Non-operating income	8,801	11,259	12,707	17,312	21,331
Financial expense	(2,771)	(3,209)	(2,375)	(2,375)	(2,375)
PBT	166,662	169,994	194,410	219,267	246,842
Exceptionals	(4,711)	0	0	0	0
Reported PBT	161,951	169,994	194,410	219,267	246,842
Tax expense	(36,630)	(34,580)	(42,770)	(48,239)	(54,305)
PAT	125,321	135,414	151,640	171,028	192,537
Minorities, Associates etc.	0	0	0	0	0
Attributable PAT	125,321	135,414	151,640	171,028	192,537

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	47.9	49.9	56.0	63.1	71.1
DPS	16.0	44.0	44.0	50.0	56.0
BVPS	229.4	235.4	247.7	260.9	276.0
Growth ratios (%)					
Revenues	6.6	13.7	14.4	9.1	9.9
Ebitda	20.1	0.1	9.8	9.3	10.0
EPS	17.6	4.2	12.1	12.8	12.6
Profitability ratios (%)					
Ebitda margin	26.6	23.4	22.5	22.5	22.6
Ebit margin	21.3	18.9	18.8	19.1	19.4
Tax rate	22.6	20.3	22.0	22.0	22.0
Net profit margin	16.6	15.8	15.5	16.0	16.4
Return ratios (%)					
ROE	22.8	21.5	23.2	24.8	26.5
ROCE	25.4	24.0	26.2	28.1	29.9
Solvency ratios (x)					
Net debt-equity	(0.3)	(0.3)	(0.3)	(0.4)	(0.5)
Net debt to Ebitda	(0.8)	(1.1)	(1.0)	(1.1)	(1.4)
Interest coverage	NM	NM	NM	NM	NM

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	207,713	259,031	258,792	315,105	401,490
Inventories	948	1,077	1,232	1,344	1,476
Receivables	177,527	198,050	242,289	243,900	290,198
Other current assets	74,124	84,261	96,381	105,134	115,494
Creditors	66,825	79,251	91,759	100,040	109,851
Other current liabilities	108,060	147,829	154,988	168,350	183,192
Net current assets	285,426	315,339	351,947	397,092	515,616
Fixed assets	87,492	94,202	102,448	111,292	120,433
Intangibles	295,311	271,281	256,142	237,532	220,690
Investments	0	0	0	0	0
Other long-term assets	45,345	51,546	58,960	64,315	0
Total net assets	713,575	732,368	769,497	810,232	856,739
Borrowings	39,586	39,586	39,586	39,586	39,586
Other long-term liabilities	51,586	54,295	58,916	63,998	69,589
Shareholders equity	622,403	638,487	670,996	706,648	747,564
Total liabilities	713,575	732,368	769,497	810,232	856,739

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	160,632	161,944	184,078	204,330	227,886
Tax paid	(36,630)	(34,580)	(42,770)	(48,239)	(54,305)
Depreciation and amortization	39,850	38,740	36,294	36,491	37,060
Net working capital change	(41,612)	17,913	(39,641)	10,895	37,768
Other operating items	0	0	0	0	0
Operating cash flow before interest	122,241	184,017	137,960	203,478	248,409
Financial expense	(2,771)	(3,209)	(2,375)	(2,375)	(2,375)
Non-operating income	4,090	11,259	12,707	17,312	21,331
Operating cash flow after interest	123,560	192,067	148,292	218,415	267,365
Capital expenditure	(38,065)	(21,420)	(24,013)	(26,726)	(29,359)
Long-term investments	0	0	(5,388)	0	0
Others	0	0	0	0	0
Free cash flow	85,495	170,647	118,892	191,689	238,006
Equity raising	22,655	0	0	0	0
Borrowings	(11,558)	0	0	0	0
Dividend	(43,419)	(119,329)	(119,131)	(135,376)	(151,621)
Net chg in cash and equivalents	53,173	51,318	(239)	56,313	86,385

Source: Company data, IIFL Research

Financial summary - WPRO

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	619,430	790,934	902,555	974,495	1,050,139
Ebitda	147,780	164,656	173,832	185,309	199,533
Depreciation and amortisation	(27,641)	(30,911)	(29,311)	(30,661)	(31,786)
Ebit	120,139	133,745	144,521	154,648	167,747
Non-operating income	23,956	22,855	23,403	27,859	29,288
Financial expense	(5,088)	(5,325)	(7,585)	(7,585)	(7,585)
PBT	139,007	151,275	160,339	174,922	189,450
Exceptionals	0	0	0	0	0
Reported PBT	139,007	151,275	160,339	174,922	189,450
Tax expense	(30,345)	(28,946)	(33,671)	(36,734)	(39,785)
PAT	108,662	122,329	126,668	138,189	149,666
Minorities, Associates etc.	(716)	(138)	(274)	(299)	(323)
Attributable PAT	107,946	122,191	126,394	137,890	149,342

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	19.1	22.3	23.0	25.1	27.2
DPS	1.1	6.0	18.5	20.2	21.8
BVPS	97.9	120.4	124.9	130.0	135.4
Growth ratios (%)					
Revenues	1.5	27.7	14.1	8.0	7.8
Ebitda	20.9	11.4	5.6	6.6	7.7
EPS	16.0	16.9	3.3	9.1	8.3
Profitability ratios (%)					
Ebitda margin	23.9	20.8	19.3	19.0	19.0
Ebit margin	19.4	16.9	16.0	15.9	16.0
Tax rate	21.8	19.1	21.0	21.0	21.0
Net profit margin	17.5	15.5	14.0	14.2	14.3
Return ratios (%)					
ROE	19.4	20.2	18.8	19.8	20.6
ROCE	21.6	20.5	19.4	20.4	21.2
Solvency ratios (x)					
Net debt-equity	(0.5)	(0.3)	(0.3)	(0.3)	(0.3)
Net debt to Ebitda	(1.8)	(1.3)	(1.1)	(1.0)	(1.1)
Interest coverage	23.6	25.1	19.1	20.4	22.1

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	356,076	364,600	345,005	333,608	363,645
Inventories	1,064	1,334	1,522	1,644	1,771
Receivables	125,780	180,793	185,174	225,982	228,598
Other current assets	55,216	97,905	111,722	120,627	129,990
Creditors	113,448	142,259	164,903	178,481	192,364
Other current liabilities	47,035	83,364	92,814	98,398	104,074
Net current assets	377,653	419,009	385,707	404,981	427,566
Fixed assets	101,612	109,768	124,620	138,122	150,498
Intangibles	152,212	290,544	332,568	327,473	322,377
Investments	1,464	774	774	774	774
Other long-term assets	38,010	33,464	37,029	39,920	42,905
Total net assets	670,951	853,559	880,698	911,269	944,120
Borrowings	83,332	151,696	151,696	151,696	151,696
Other long-term liabilities	34,524	43,705	45,565	48,559	51,540
Shareholders equity	553,095	658,158	683,437	711,015	740,883
Total liabilities	670,951	853,559	880,698	911,269	944,120

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	120,139	133,745	144,521	154,648	167,747
Tax paid	(30,345)	(28,946)	(33,671)	(36,734)	(39,785)
Depreciation and amortization	27,641	30,911	29,311	30,661	31,786
Net working capital change	20,989	(32,412)	11,430	(32,139)	5,909
Other operating items	2,759	18,645	3,922	8,384	9,143
Operating cash flow before interest	141,183	121,943	155,513	124,820	174,801
Financial expense	(5,088)	(5,325)	(7,585)	(7,585)	(7,585)
Non-operating income	20,245	18,362	19,779	20,747	21,361
Operating cash flow after interest	156,340	134,980	167,707	137,982	188,578
Capital expenditure	(31,385)	(39,067)	(39,067)	(39,067)	(39,067)
Long-term investments	(4,919)	(137,642)	(47,120)	0	0
Others	0	0	0	0	0
Free cash flow	120,036	(41,729)	81,520	98,915	149,511
Equity raising	(84,359)	14,777	0	0	0
Borrowings	5,290	68,364	0	0	0
Dividend	(28,327)	(32,888)	(101,115)	(110,312)	(119,474)
Net chg in cash and equivalents	12,640	8,524	(19,595)	(11,397)	30,037

Source: Company data, IIFL Research

Financial summary - TECHM

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	378,551	446,460	521,968	572,510	630,710
Ebitda	68,470	80,200	89,881	98,774	109,681
Depreciation and amortisation	(14,577)	(15,204)	(18,394)	(18,227)	(19,163)
Ebit	53,893	64,996	71,486	80,547	90,518
Non-operating income	7,883	11,150	7,031	8,770	10,598
Financial expense	(1,740)	(1,626)	(2,208)	(2,208)	(2,208)
PBT	60,036	74,520	76,309	87,109	98,909
Exceptionals	(507)	0	0	0	0
Reported PBT	59,529	74,520	76,309	87,109	98,909
Tax expense	(15,999)	(18,220)	(19,840)	(22,648)	(25,716)
PAT	43,530	56,300	56,469	64,461	73,192
Minorities, Associates etc.	750	(640)	125	125	125
Attributable PAT	44,280	55,660	56,594	64,586	73,317

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	50.9	62.9	63.7	72.7	82.5
DPS	45.0	45.0	35.0	40.0	45.0
BVPS	285.1	297.2	321.9	351.0	384.4
Growth ratios (%)					
Revenues	2.7	17.9	16.9	9.7	10.2
Ebitda	19.6	17.1	12.1	9.9	11.0
EPS	5.3	23.5	1.3	14.1	13.5
Profitability ratios (%)					
Ebitda margin	18.1	18.0	17.2	17.3	17.4
Ebit margin	14.2	14.6	13.7	14.1	14.4
Tax rate	26.9	24.4	26.0	26.0	26.0
Net profit margin	11.5	12.6	10.8	11.3	11.6
Return ratios (%)					
ROE	19.2	21.9	20.8	21.8	22.7
ROCE	21.3	24.7	23.9	25.1	26.2
Solvency ratios (x)					
Net debt-equity	(0.4)	(0.2)	(0.2)	(0.2)	(0.3)
Net debt to Ebitda	(1.6)	(0.5)	(0.6)	(0.8)	(0.8)
Interest coverage	31.0	40.0	32.4	36.5	41.0

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	124,971	57,591	71,323	92,484	106,185
Inventories	242	242	242	242	242
Receivables	98,034	134,370	151,640	162,064	183,530
Other current assets	29,331	35,717	41,757	45,801	50,457
Creditors	58,528	85,332	98,498	106,827	116,286
Other current liabilities	37,364	44,134	52,066	57,084	62,783
Net current assets	156,686	98,454	114,400	136,680	161,346
Fixed assets	35,887	34,392	32,026	31,379	31,583
Intangibles	54,590	120,572	123,840	123,840	123,840
Investments	6,648	6,648	6,648	6,648	6,648
Other long-term assets	47,077	55,808	65,246	71,564	78,839
Total net assets	300,888	315,874	342,160	370,111	402,256
Borrowings	16,618	16,618	16,618	16,618	16,618
Other long-term liabilities	35,620	38,715	42,539	44,913	47,626
Shareholders equity	248,650	260,541	283,002	308,579	338,012
Total liabilities	300,888	315,874	342,160	370,111	402,256

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	53,893	64,996	71,486	80,547	90,518
Tax paid	(15,999)	(18,220)	(19,840)	(22,648)	(25,716)
Depreciation and amortization	14,577	15,204	18,394	18,227	19,163
Net working capital change	17,138	(9,148)	(2,213)	(1,119)	(10,965)
Other operating items	(297)	(6,276)	(5,489)	(3,819)	(4,437)
Operating cash flow before interest	69,312	46,556	62,338	71,188	68,563
Financial expense	(1,740)	(1,626)	(2,208)	(2,208)	(2,208)
Non-operating income	7,883	11,150	7,031	8,770	10,598
Operating cash flow after interest	75,455	56,080	67,161	77,750	76,953
Capital expenditure	(11,624)	(13,709)	(16,028)	(17,580)	(19,367)
Long-term investments	(5,653)	(65,982)	(3,268)	0	0
Others	612	0	0	0	0
Free cash flow	58,790	(23,611)	47,865	60,170	57,586
Equity raising	29,804	0	0	0	0
Borrowings	(7,664)	0	0	0	0
Dividend	(43,565)	(43,768)	(34,133)	(39,009)	(43,885)
Net chg in cash and equivalents	37,365	(67,380)	13,732	21,161	13,701

Source: Company data, IIFL Research

Financial summary - LTI

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	123,698	156,687	191,799	221,061	256,084
Ebitda	27,251	30,584	37,351	43,596	51,493
Depreciation and amortisation	(3,325)	(3,549)	(4,411)	(5,084)	(5,890)
Ebit	23,926	27,035	32,940	38,512	45,603
Non-operating income	2,744	4,667	3,648	6,264	10,227
Financial expense	(788)	(728)	(756)	(756)	(756)
PBT	25,882	30,974	35,832	44,020	55,074
Exceptionals	0	0	0	0	0
Reported PBT	25,882	30,974	35,832	44,020	55,074
Tax expense	(6,500)	(7,989)	(8,958)	(11,005)	(13,769)
PAT	19,382	22,985	26,874	33,015	41,306
Minorities, Associates etc.	(21)	(17)	(20)	(20)	(20)
Attributable PAT	19,361	22,968	26,854	32,995	41,286

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	110.3	130.8	152.9	187.9	235.1
DPS	40.0	55.0	68.9	94.1	129.5
BVPS	415.9	502.1	586.0	679.9	785.7
Growth ratios (%)					
Revenues	13.7	26.7	22.4	15.3	15.8
Ebitda	34.3	12.2	22.1	16.7	18.1
EPS	27.3	18.6	16.9	22.9	25.1
Profitability ratios (%)					
Ebitda margin	22.0	19.5	19.5	19.7	20.1
Ebit margin	19.3	17.3	17.2	17.4	17.8
Tax rate	25.1	25.8	25.0	25.0	25.0
Net profit margin	15.7	14.7	14.0	14.9	16.1
Return ratios (%)					
ROE	30.5	28.5	28.1	29.7	32.1
ROCE	35.8	35.3	35.0	37.2	40.5
Solvency ratios (x)					
Net debt-equity	(0.5)	(0.4)	(0.4)	(0.5)	(0.4)
Net debt to Ebitda	(1.4)	(1.1)	(1.1)	(1.2)	(1.0)
Interest coverage	30.4	37.1	43.6	NM	NM

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	44,886	42,590	47,597	62,143	61,573
Inventories	0	0	0	0	0
Receivables	26,906	37,368	46,708	47,773	65,887
Other current assets	10,531	12,149	14,871	17,140	19,856
Creditors	8,277	8,028	9,827	11,326	13,121
Other current liabilities	16,438	19,475	22,493	25,074	28,181
Net current assets	57,608	64,604	76,857	90,655	106,014
Fixed assets	10,481	15,733	17,076	18,623	20,416
Intangibles	9,241	10,057	10,057	10,057	10,057
Investments	3	3	3	3	3
Other long-term assets	5,043	6,793	8,076	9,320	10,855
Total net assets	82,376	97,190	112,068	128,659	147,345
Borrowings	7,983	8,355	8,355	8,355	8,355
Other long-term liabilities	1,359	689	797	890	998
Shareholders equity	73,034	88,146	102,916	119,413	137,992
Total liabilities	82,376	97,190	112,068	128,659	147,345

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	23,926	27,035	32,940	38,512	45,603
Tax paid	(6,500)	(7,989)	(8,958)	(11,005)	(13,769)
Depreciation and amortization	3,325	3,549	4,411	5,084	5,890
Net working capital change	1,366	(9,292)	(7,246)	748	(15,929)
Other operating items	(1,890)	(2,457)	(1,214)	(1,192)	(1,467)
Operating cash flow before interest	20,227	10,846	19,933	32,147	20,329
Financial expense	(788)	(728)	(756)	(756)	(756)
Non-operating income	2,744	4,667	3,648	6,264	10,227
Operating cash flow after interest	22,183	14,785	22,825	37,655	29,800
Capital expenditure	(3,258)	(9,617)	(5,754)	(6,632)	(7,683)
Long-term investments	0	0	0	0	0
Others	26	20	20	20	20
Free cash flow	18,951	5,188	17,091	31,043	22,138
Equity raising	6,610	1,772	0	0	0
Borrowings	(1,136)	372	0	0	0
Dividend	(6,977)	(9,628)	(12,084)	(16,497)	(22,707)
Net chg in cash and equivalents	17,448	(2,296)	5,007	14,546	(569)

Source: Company data, IIFL Research

Financial summary - MTCL

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	79,678	105,253	131,848	151,812	175,874
Ebitda	16,567	21,956	26,696	30,146	35,664
Depreciation and amortisation	(2,596)	(2,420)	(2,753)	(3,132)	(3,590)
Ebit	13,971	19,536	23,943	27,013	32,075
Non-operating income	1,517	3,073	4,261	5,162	7,846
Financial expense	(504)	(502)	(484)	(484)	(484)
PBT	14,984	22,107	27,720	31,691	39,437
Exceptionals	0	0	0	0	0
Reported PBT	14,984	22,107	27,720	31,691	39,437
Tax expense	(3,879)	(5,578)	(7,207)	(8,240)	(10,254)
PAT	11,105	16,529	20,513	23,451	29,183
Minorities, Associates etc.	0	0	0	0	0
Attributable PAT	11,105	16,529	20,513	23,451	29,183

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	67.4	100.2	124.3	142.1	176.8
DPS	25.0	37.0	49.8	64.0	88.5
BVPS	262.1	331.8	406.2	484.3	572.7
Growth ratios (%)					
Revenues	2.6	32.1	25.3	15.1	15.9
Ebitda	45.6	32.5	21.6	12.9	18.3
EPS	63.5	48.6	24.0	14.3	24.4
Profitability ratios (%)					
Ebitda margin	20.8	20.9	20.2	19.9	20.3
Ebit margin	17.5	18.6	18.2	17.8	18.2
Tax rate	25.9	25.2	26.0	26.0	26.0
Net profit margin	13.9	15.7	15.6	15.4	16.6
Return ratios (%)					
ROE	29.7	33.8	33.7	31.9	33.5
ROCE	41.4	46.2	46.3	43.8	45.8
Solvency ratios (x)					
Net debt-equity	(0.6)	(0.7)	(0.5)	(0.7)	(0.6)
Net debt to Ebitda	(1.7)	(1.6)	(1.4)	(1.8)	(1.6)
Interest coverage	27.7	38.9	49.5	NM	NM

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	28,065	36,020	36,493	52,814	56,183
Inventories	0	0	0	0	0
Receivables	12,742	17,313	29,646	24,423	38,217
Other current assets	9,474	14,273	13,275	17,639	18,114
Creditors	2,676	5,357	4,428	5,099	5,907
Other current liabilities	17,748	21,477	21,790	23,587	25,753
Net current assets	29,857	40,772	53,196	66,190	80,854
Fixed assets	7,165	7,068	7,200	7,352	7,528
Intangibles	5,817	6,899	6,651	6,403	6,155
Investments	0	0	0	0	0
Other long-term assets	351	0	0	0	0
Total net assets	43,190	54,739	67,047	79,945	94,536
Borrowings	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0
Shareholders equity	43,190	54,739	67,047	79,945	94,536
Total liabilities	43,190	54,739	67,047	79,945	94,536

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	13,971	19,536	23,943	27,013	32,075
Tax paid	(3,879)	(5,578)	(7,207)	(8,240)	(10,254)
Depreciation and amortization	2,596	2,420	2,753	3,132	3,590
Net working capital change	3,160	(3,364)	(11,951)	3,327	(11,295)
Other operating items	1,484	351	0	0	0
Operating cash flow before interest	17,332	13,365	7,538	25,233	14,116
Financial expense	(504)	(502)	(484)	(484)	(484)
Non-operating income	1,517	3,073	4,261	5,162	7,846
Operating cash flow after interest	18,345	15,936	11,315	29,910	21,478
Capital expenditure	(1,018)	(2,377)	(2,637)	(3,036)	(3,517)
Long-term investments	0	(1,076)	0	0	0
Others	0	0	0	0	0
Free cash flow	17,327	12,483	8,678	26,874	17,961
Equity raising	0	0	0	0	0
Borrowings	0	0	0	0	0
Dividend	(2,880)	(4,528)	(8,205)	(10,553)	(14,592)
Net chg in cash and equivalents	14,447	7,955	473	16,321	3,369

Source: Company data, IIFL Research

Financial summary - MPHL

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	97,223	119,614	145,544	166,382	192,324
Ebitda	18,028	21,383	26,069	30,807	36,646
Depreciation and amortisation	(2,419)	(2,906)	(3,548)	(4,056)	(4,688)
Ebit	15,609	18,477	22,521	26,751	31,957
Non-operating income	1,330	1,605	2,030	2,420	2,925
Financial expense	(634)	(744)	(832)	(832)	(832)
PBT	16,305	19,338	23,719	28,339	34,050
Exceptionals	0	(208)	0	0	0
Reported PBT	16,305	19,130	23,719	28,339	34,050
Tax expense	(4,139)	(4,821)	(6,167)	(7,368)	(8,853)
PAT	12,167	14,309	17,552	20,971	25,197
Minorities, Associates etc.	0	0	0	0	0
Attributable PAT	12,167	14,309	17,552	20,971	25,197

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	64.4	74.5	92.4	110.4	132.7
DPS	65.0	46.0	56.1	67.1	80.6
BVPS	345.6	366.9	402.5	446.7	499.7
Growth ratios (%)					
Revenues	9.9	23.0	21.7	14.3	15.6
Ebitda	9.2	18.6	21.9	18.2	19.0
EPS	2.1	15.7	24.0	19.5	20.2
Profitability ratios (%)					
Ebitda margin	18.5	17.9	17.9	18.5	19.1
Ebit margin	16.1	15.4	15.5	16.1	16.6
Tax rate	25.4	25.2	26.0	26.0	26.0
Net profit margin	12.5	12.0	12.1	12.6	13.1
Return ratios (%)					
ROE	19.7	20.9	24.1	26.0	28.0
ROCE	22.3	24.5	27.3	29.3	31.5
Solvency ratios (x)					
Net debt-equity	(0.4)	(0.3)	(0.3)	(0.4)	(0.4)
Net debt to Ebitda	(1.4)	(1.1)	(0.8)	(1.1)	(1.0)
Interest coverage	24.6	24.8	27.1	32.2	38.4

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	29,770	27,812	25,249	40,079	40,913
Inventories	0	0	0	0	0
Receivables	18,021	22,831	34,506	29,312	40,241
Other current assets	14,680	17,346	21,107	24,129	27,891
Creditors	5,964	8,496	10,338	11,818	13,660
Other current liabilities	9,031	13,925	16,944	19,370	22,390
Net current assets	47,476	45,568	53,579	62,332	72,994
Fixed assets	7,858	8,913	10,184	11,638	13,319
Intangibles	22,400	29,043	29,043	29,043	29,043
Investments	0	0	0	0	0
Other long-term assets	1,261	1,616	1,616	1,616	1,616
Total net assets	78,995	85,140	94,423	104,630	116,972
Borrowings	5,135	5,272	5,272	5,272	5,272
Other long-term liabilities	8,592	10,436	12,699	14,517	16,780
Shareholders equity	65,268	69,431	76,452	84,840	94,919
Total liabilities	78,995	85,140	94,423	104,630	116,972

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	15,609	18,477	22,521	26,751	31,957
Tax paid	(4,139)	(4,821)	(6,167)	(7,368)	(8,853)
Depreciation and amortization	2,419	2,906	3,548	4,056	4,688
Net working capital change	(1,706)	(50)	(10,574)	6,078	(9,828)
Other operating items	524	1,281	2,262	1,818	2,264
Operating cash flow before interest	12,707	17,794	11,590	31,334	20,228
Financial expense	(634)	(744)	(832)	(832)	(832)
Non-operating income	1,330	1,605	2,030	2,420	2,925
Operating cash flow after interest	13,403	18,655	12,788	32,922	22,321
Capital expenditure	(2,266)	(3,961)	(4,820)	(5,510)	(6,369)
Long-term investments	(108)	(6,643)	0	0	0
Others	0	0	0	0	0
Free cash flow	11,029	8,050	7,968	27,413	15,952
Equity raising	6,940	(1,528)	0	0	0
Borrowings	(578)	138	0	0	0
Dividend	(12,134)	(8,618)	(10,531)	(12,582)	(15,118)
Net chg in cash and equivalents	5,256	(1,958)	(2,563)	14,830	834

Source: Company data, IIFL Research

Financial summary - LTTS

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	54,497	65,697	78,195	89,771	104,488
Ebitda	10,074	14,149	16,616	18,995	22,315
Depreciation and amortisation	(2,183)	(2,144)	(2,456)	(2,819)	(3,282)
Ebit	7,891	12,005	14,160	16,175	19,033
Non-operating income	1,537	1,523	1,965	3,836	4,240
Financial expense	(455)	(436)	(420)	(420)	(420)
PBT	8,973	13,092	15,706	19,591	22,853
Exceptionals	0	0	0	0	0
Reported PBT	8,973	13,092	15,706	19,591	22,853
Tax expense	(2,308)	(3,486)	(4,083)	(4,996)	(5,827)
PAT	6,665	9,606	11,622	14,595	17,025
Minorities, Associates etc.	(32)	(36)	(48)	(48)	(48)
Attributable PAT	6,633	9,570	11,574	14,547	16,977

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	62.8	90.7	109.5	137.6	160.6
DPS	22.0	35.0	38.4	48.3	56.3
BVPS	329.0	394.7	464.8	554.3	658.7
Growth ratios (%)					
Revenues	(3.0)	20.6	19.0	14.8	16.4
Ebitda	(9.3)	40.5	17.4	14.3	17.5
EPS	(18.9)	44.4	20.6	25.7	16.7
Profitability ratios (%)					
Ebitda margin	18.5	21.5	21.2	21.2	21.4
Ebit margin	14.5	18.3	18.1	18.0	18.2
Tax rate	25.7	26.6	26.0	25.5	25.5
Net profit margin	12.2	14.6	14.9	16.3	16.3
Return ratios (%)					
ROE	21.3	25.1	25.5	27.0	26.5
ROCE	25.4	30.7	31.4	33.4	33.1
Solvency ratios (x)					
Net debt-equity	(0.4)	(0.4)	(0.6)	(0.5)	(0.7)
Net debt to Ebitda	(1.3)	(1.2)	(1.8)	(1.7)	(2.1)
Interest coverage	17.3	27.5	33.7	38.5	45.3

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	17,476	21,521	34,855	36,307	52,443
Inventories	0	0	0	0	0
Receivables	13,959	19,234	13,501	21,916	17,245
Other current assets	3,591	3,357	5,083	5,835	6,792
Creditors	2,352	1,720	2,737	3,142	3,657
Other current liabilities	7,840	11,574	12,769	13,990	15,476
Net current assets	24,834	30,818	37,933	46,926	57,347
Fixed assets	6,379	6,496	6,386	6,260	6,113
Intangibles	6,564	6,430	6,430	6,430	6,430
Investments	0	0	0	0	0
Other long-term assets	2,760	3,872	4,439	5,075	5,885
Total net assets	40,537	47,616	55,187	64,691	75,774
Borrowings	4,805	4,771	4,771	4,771	4,771
Other long-term liabilities	1,001	1,220	1,268	1,316	1,364
Shareholders equity	34,731	41,625	49,148	58,604	69,639
Total liabilities	40,537	47,616	55,187	64,691	75,774

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	7,891	12,005	14,160	16,175	19,033
Tax paid	(2,308)	(3,486)	(4,083)	(4,996)	(5,827)
Depreciation and amortization	2,183	2,144	2,456	2,819	3,282
Net working capital change	3,803	(1,939)	6,219	(7,541)	5,716
Other operating items	(1,405)	(965)	(615)	(685)	(857)
Operating cash flow before interest	10,164	7,759	18,137	5,773	21,345
Financial expense	(455)	(436)	(420)	(420)	(420)
Non-operating income	1,537	1,523	1,965	3,836	4,240
Operating cash flow after interest	11,246	8,846	19,682	9,189	25,165
Capital expenditure	(3,304)	(2,127)	(2,346)	(2,693)	(3,135)
Long-term investments	0	0	0	0	0
Others	32	36	48	48	48
Free cash flow	7,974	6,755	17,385	6,544	22,079
Equity raising	3,177	1,745	0	0	0
Borrowings	541	(34)	0	0	0
Dividend	(2,765)	(4,421)	(4,051)	(5,092)	(5,942)
Net chg in cash and equivalents	8,927	4,045	13,334	1,452	16,137

Source: Company data, IIFL Research

Financial summary - PSYS

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	41,879	57,107	80,200	94,040	111,087
Ebitda	6,830	9,655	13,601	15,732	18,549
Depreciation and amortisation	(1,756)	(1,660)	(2,612)	(2,686)	(2,869)
Ebit	5,075	7,995	10,989	13,046	15,680
Non-operating income	1,020	1,321	1,018	1,785	2,299
Financial expense	0	0	0	0	0
PBT	6,094	9,316	12,007	14,831	17,979
Exceptionals	0	(74)	0	0	0
Reported PBT	6,094	9,243	12,007	14,831	17,979
Tax expense	(1,588)	(2,339)	(3,062)	(3,782)	(4,585)
PAT	4,507	6,904	8,945	11,049	13,394
Minorities, Associates etc.	0	0	0	0	0
Attributable PAT	4,507	6,904	8,945	11,049	13,394

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	59.0	90.3	117.0	144.6	175.3
DPS	20.0	31.0	46.8	65.1	87.6
BVPS	365.8	440.7	509.7	589.2	676.9
Growth ratios (%)					
Revenues	17.4	36.4	40.4	17.3	18.1
Ebitda	38.6	41.4	40.9	15.7	17.9
EPS	32.9	53.2	29.6	23.5	21.2
Profitability ratios (%)					
Ebitda margin	16.3	16.9	17.0	16.7	16.7
Ebit margin	12.1	14.0	13.7	13.9	14.1
Tax rate	26.1	25.3	25.5	25.5	25.5
Net profit margin	10.8	12.1	11.2	11.7	12.1
Return ratios (%)					
ROE	17.4	22.4	24.6	26.3	27.7
ROCE	23.3	28.0	29.7	33.1	36.2
Solvency ratios (x)					
Net debt-equity	(0.7)	(0.4)	(0.3)	(0.5)	(0.5)
Net debt to Ebitda	(2.9)	(1.4)	(1.0)	(1.3)	(1.3)
Interest coverage	0.0	0.0	0.0	0.0	0.0

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	19,831	17,373	16,522	22,103	24,966
Inventories	0	0	0	0	0
Receivables	7,882	12,615	16,609	18,173	23,523
Other current assets	3,214	6,624	9,112	10,670	12,571
Creditors	2,733	4,299	6,050	7,130	8,439
Other current liabilities	5,678	11,589	16,296	19,188	22,699
Net current assets	22,515	20,723	19,897	24,628	29,922
Fixed assets	3,254	4,276	3,572	3,479	3,422
Intangibles	1,230	8,270	13,739	13,346	12,933
Investments	0	0	0	0	0
Other long-term assets	1,245	4,984	5,331	5,677	6,062
Total net assets	28,244	38,253	42,539	47,129	52,340
Borrowings	46	4,325	3,325	1,825	325
Other long-term liabilities	241	246	258	271	284
Shareholders equity	27,957	33,682	38,956	45,033	51,730
Total liabilities	28,244	38,253	42,539	47,129	52,340

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	5,075	7,995	10,989	13,046	15,680
Tax paid	(1,588)	(2,339)	(3,062)	(3,782)	(4,585)
Depreciation and amortization	1,756	1,660	2,612	2,686	2,869
Net working capital change	1,170	(662)	(12)	862	(2,417)
Other operating items	(77)	(159)	(347)	(346)	(385)
Operating cash flow before interest	6,335	6,495	10,181	12,467	11,162
Financial expense	0	0	0	0	0
Non-operating income	1,020	1,321	1,018	1,785	2,299
Operating cash flow after interest	7,355	7,816	11,199	14,252	13,461
Capital expenditure	(1,828)	(13,376)	(2,000)	(2,200)	(2,400)
Long-term investments	0	0	(5,378)	0	0
Others	0	0	0	0	0
Free cash flow	5,527	(5,559)	3,822	12,052	11,061
Equity raising	1,121	1,191	(94)	0	0
Borrowings	(5)	4,279	(1,000)	(1,500)	(1,500)
Dividend	(1,529)	(2,369)	(3,578)	(4,972)	(6,697)
Net chg in cash and equivalents	5,114	(2,458)	(850)	5,580	2,864

Source: Company data, IIFL Research

Financial summary - COFORGE

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	46,628	64,320	78,151	90,241	104,918
Ebitda	7,865	11,154	13,949	16,157	19,149
Depreciation and amortisation	(1,836)	(2,272)	(2,672)	(3,025)	(3,412)
Ebit	6,029	8,882	11,277	13,132	15,737
Non-operating income	(106)	162	160	240	280
Financial expense	219	(428)	93	363	816
PBT	6,142	8,616	11,530	13,735	16,833
Exceptionals	(180)	0	0	0	0
Reported PBT	5,962	8,616	11,530	13,735	16,833
Tax expense	(1,302)	(1,468)	(2,537)	(3,022)	(3,703)
PAT	4,660	7,148	8,993	10,714	13,130
Minorities, Associates etc.	(104)	(530)	(709)	(1,021)	(1,251)
Attributable PAT	4,556	6,618	8,284	9,692	11,878

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	77.1	106.6	133.4	156.1	191.3
DPS	13.0	52.0	54.4	71.6	97.5
BVPS	405.2	463.3	543.3	630.8	728.3
Growth ratios (%)					
Revenues	11.4	37.9	21.5	15.5	16.3
Ebitda	9.3	41.8	25.1	15.8	18.5
EPS	6.9	38.2	25.1	17.0	22.6
Profitability ratios (%)					
Ebitda margin	16.9	17.3	17.8	17.9	18.3
Ebit margin	12.9	13.8	14.4	14.6	15.0
Tax rate	21.8	17.0	22.0	22.0	22.0
Net profit margin	10.0	11.1	11.5	11.9	12.5
Return ratios (%)					
ROE	19.5	25.1	27.1	27.1	28.7
ROCE	24.2	31.7	32.4	32.4	33.3
Solvency ratios (x)					
Net debt-equity	(0.3)	(0.1)	(0.2)	(0.3)	(0.4)
Net debt to Ebitda	(1.0)	(0.2)	(0.5)	(0.7)	(0.9)
Interest coverage	(27.5)	20.8	(120.7)	(36.2)	(19.3)

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	8,246	6,090	10,360	14,836	20,506
Inventories	0	0	0	0	0
Receivables	11,526	14,907	17,210	19,875	23,241
Other current assets	3,606	4,974	5,861	5,414	6,295
Creditors	3,723	5,106	6,166	5,186	6,004
Other current liabilities	6,745	9,251	10,914	15,558	18,011
Net current assets	12,910	11,613	16,350	19,382	26,027
Fixed assets	4,518	8,430	8,285	9,499	9,382
Intangibles	5,690	10,619	10,436	11,966	11,818
Investments	0	0	0	0	0
Other long-term assets	1,548	1,745	3,016	3,593	4,403
Total net assets	24,666	32,407	38,087	44,439	51,630
Borrowings	5	3,755	3,755	3,755	3,755
Other long-term liabilities	0	530	1,239	2,260	3,512
Shareholders equity	24,661	28,122	33,093	38,424	44,363
Total liabilities	24,666	32,407	38,087	44,439	51,630

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	6,029	8,882	11,277	13,132	15,737
Tax paid	(1,302)	(1,468)	(2,537)	(3,022)	(3,703)
Depreciation and amortization	1,836	2,272	2,672	3,025	3,412
Net working capital change	(1,616)	(860)	(467)	1,444	(975)
Other operating items	(390)	(368)	(549)	(781)	(971)
Operating cash flow before interest	4,557	8,458	10,396	13,798	13,500
Financial expense	219	(428)	93	363	816
Non-operating income	0	0	0	0	0
Operating cash flow after interest	4,776	8,030	10,489	14,161	14,316
Capital expenditure	(1,248)	(1,930)	(2,345)	(2,707)	(3,148)
Long-term investments	0	(9,183)	0	(3,061)	0
Others	(246)	333	(561)	444	441
Free cash flow	3,282	(2,750)	7,584	8,837	11,609
Equity raising	(3,069)	0	0	0	0
Borrowings	(347)	3,750	0	0	0
Dividend	(791)	(3,157)	(3,314)	(4,362)	(5,939)
Net chg in cash and equivalents	(925)	(2,156)	4,270	4,476	5,670

Source: Company data, IIFL Research

Financial summary -CYL

Income statement summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Revenues	41,325	45,344	58,674	67,694	75,034
Ebitda	6,025	8,178	9,932	11,814	13,135
Depreciation and amortisation	(1,945)	(1,923)	(2,313)	(2,865)	(3,123)
Ebit	4,080	6,255	7,619	8,949	10,012
Non-operating income	1,399	1,121	709	972	1,226
Financial expense	(433)	(393)	(464)	(768)	(528)
PBT	5,046	6,983	7,864	9,153	10,710
Exceptionals	(274)	0	0	0	0
Reported PBT	4,772	6,983	7,864	9,153	10,710
Tax expense	(1,133)	(1,761)	(2,123)	(2,471)	(2,892)
PAT	3,639	5,222	5,741	6,681	7,818
Minorities, Associates etc.	0	1	1	1	1
Attributable PAT	3,639	5,223	5,742	6,683	7,819

Ratio analysis

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Per share data (Rs)					
Pre-exceptional EPS	35.6	47.5	52.3	60.9	71.3
DPS	17.0	24.0	26.3	30.6	35.8
BVPS	268.8	283.7	310.3	340.8	376.4
Growth ratios (%)					
Revenues	(6.7)	9.7	29.4	15.4	10.8
Ebitda	2.2	35.7	21.4	19.0	11.2
EPS	2.4	33.7	10.1	16.4	17.0
Profitability ratios (%)					
Ebitda margin	14.6	18.0	16.9	17.5	17.5
Ebit margin	9.9	13.8	13.0	13.2	13.3
Tax rate	23.7	25.2	27.0	27.0	27.0
Net profit margin	8.8	11.5	9.8	9.9	10.4
Return ratios (%)					
ROE	14.2	17.2	17.6	18.7	19.9
ROCE	16.1	20.4	19.9	21.3	23.9
Solvency ratios (x)					
Net debt-equity	(0.3)	(0.2)	0.2	0.0	0.0
Net debt to Ebitda	(1.5)	(0.9)	0.8	0.0	0.0
Interest coverage	9.4	15.9	16.4	11.6	19.0

Source: Company data, IIFL Research

Balance sheet summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Cash & cash equivalents	14,650	13,532	4,555	9,047	7,382
Inventories	1,586	2,790	2,790	2,790	2,790
Receivables	10,285	10,319	17,008	14,150	19,975
Other current assets	3,259	3,819	4,942	5,701	6,320
Creditors	4,842	5,499	6,491	7,441	8,243
Other current liabilities	4,771	5,443	6,238	6,700	6,973
Net current assets	20,167	19,518	16,567	17,546	21,251
Fixed assets	8,057	6,921	16,017	14,372	12,571
Intangibles	6,428	6,662	10,390	10,390	10,390
Investments	344	3,582	3,582	3,582	3,582
Other long-term assets	319	248	254	261	267
Total net assets	35,315	36,931	46,810	46,151	48,061
Borrowings	5,774	5,797	12,805	8,805	6,805
Other long-term liabilities	(32)	(32)	(32)	(32)	(32)
Shareholders equity	29,573	31,166	34,037	37,378	41,288
Total liabilities	35,315	36,931	46,810	46,151	48,061

Cash flow summary (Rs m)

Y/e 31 Mar, Consolidated	FY21A	FY22A	FY23ii	FY24ii	FY25ii
Ebit	4,080	6,255	7,619	8,949	10,012
Tax paid	(1,133)	(1,761)	(2,123)	(2,471)	(2,892)
Depreciation and amortization	1,945	1,923	2,313	2,865	3,123
Net working capital change	2,337	(469)	(6,026)	3,512	(5,370)
Other operating items	(197)	71	(6)	(6)	(7)
Operating cash flow before interest	7,032	6,019	1,777	12,849	4,867
Financial expense	(433)	(393)	(464)	(768)	(528)
Non-operating income	1,399	1,122	710	973	1,228
Operating cash flow after interest	7,998	6,748	2,023	13,054	5,566
Capital expenditure	(1,921)	(1,021)	(1,121)	(1,221)	(1,321)
Long-term investments	70	(3,238)	(14,016)	0	0
Others	0	0	0	0	0
Free cash flow	6,147	2,489	(13,113)	11,833	4,245
Equity raising	2,195	(1,005)	0	0	0
Borrowings	(1,340)	23	7,008	(4,000)	(2,000)
Dividend	(1,870)	(2,625)	(2,871)	(3,341)	(3,910)
Net chg in cash and equivalents	5,132	(1,118)	(8,977)	4,492	(1,665)

Source: Company data, IIFL Research

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BUY - Stock expected to give a return 10%+ more than average return on a debt instrument over a 1-year horizon.

SELL - Stock expected to give a return 10%+ below the average return on a debt instrument over a 1-year horizon.

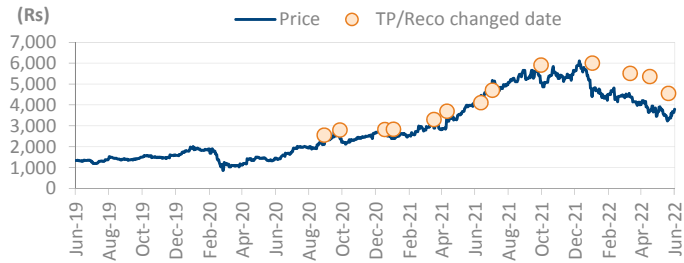
Add - Stock expected to give a return 0-10% over the average return on a debt instrument over a 1-year horizon.

Reduce - Stock expected to give a return 0-10% below the average return on a debt instrument over a 1-year horizon.

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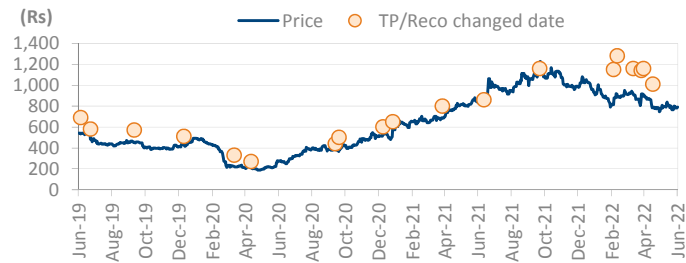
Coforge: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
16 Jun 2022	3234	4550	BUY
13 May 2022	3630	5350	BUY
13 May 2022	3722	4550	BUY
07 Apr 2022	4464	5500	BUY
28 Jan 2022	4401	6000	BUY
26 Oct 2021	5069	5900	BUY
29 Jul 2021	4739	4700	BUY
08 Jul 2021	4245	4100	BUY
07 May 2021	3370	3700	BUY
13 Apr 2021	3118	3300	BUY
29 Jan 2021	2420	2830	BUY
13 Jan 2021	2772	2820	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
23 Oct 2020	2457	2800	BUY
24 Sep 2020	2223	2550	BUY

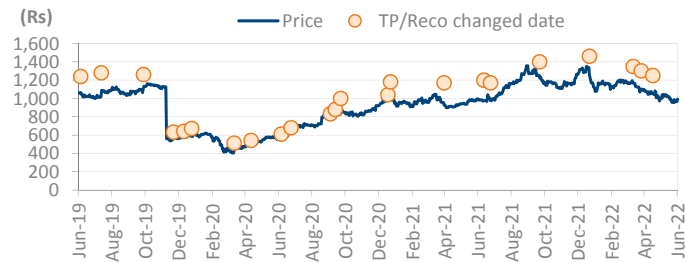
Cyient: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	798	1010	BUY
26 Apr 2022	899	1160	BUY
22 Apr 2022	831	1140	BUY
07 Apr 2022	930	1160	BUY
09 Mar 2022	920	1280	BUY
02 Mar 2022	810	1150	ADD
18 Oct 2021	1160	1160	ADD
08 Jul 2021	849	860	ADD
23 Apr 2021	688	800	BUY
22 Jan 2021	508	650	BUY
04 Jan 2021	513	600	BUY
16 Oct 2020	367	500	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
09 Oct 2020	388	440	BUY
08 May 2020	232	270	BUY
07 Apr 2020	226	330	BUY
06 Jan 2020	437	510	ADD
07 Oct 2019	459	570	ADD
19 Jul 2019	544	580	ADD
01 Jul 2019	542	690	ADD

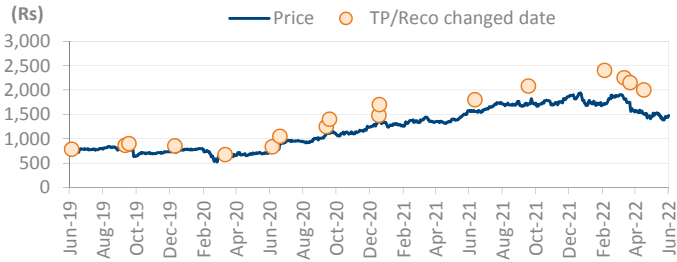
HCL Technologies: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	1061	1250	BUY
22 Apr 2022	1099	1300	BUY
07 Apr 2022	1171	1350	BUY
17 Jan 2022	1338	1460	BUY
18 Oct 2021	1251	1400	BUY
20 Jul 2021	1000	1170	BUY
08 Jul 2021	975	1200	BUY
26 Apr 2021	956	1170	BUY
18 Jan 2021	990	1180	BUY
13 Jan 2021	1062	1040	BUY
19 Oct 2020	860	1000	BUY
09 Oct 2020	850	880	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
30 Sep 2020	813	830	BUY
20 Jul 2020	623	680	BUY
02 Jul 2020	552	610	BUY
08 May 2020	512	540	BUY
07 Apr 2020	406	510	BUY
20 Jan 2020	599	670	BUY
06 Jan 2020	585	640	BUY
18 Dec 2019	549	630	BUY
24 Oct 2019	1096	1260	BUY
08 Aug 2019	1023	1280	BUY
01 Jul 2019	1065	1240	BUY

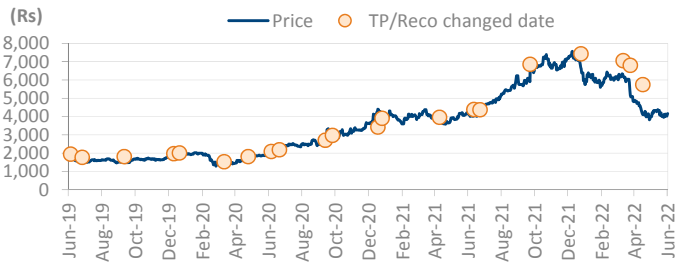
Infosys: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	1527	2000	BUY
18 Apr 2022	1749	2150	BUY
07 Apr 2022	1829	2250	BUY
02 Mar 2022	1877	2400	BUY
14 Oct 2021	1709	2080	BUY
08 Jul 2021	1565	1800	BUY
14 Jan 2021	1388	1700	BUY
13 Jan 2021	1372	1480	BUY
15 Oct 2020	1137	1400	BUY
09 Oct 2020	1094	1250	BUY
16 Jul 2020	831	1050	BUY
02 Jul 2020	732	830	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
07 Apr 2020	586	670	BUY
06 Jan 2020	746	850	BUY
14 Oct 2019	816	900	BUY
07 Oct 2019	793	860	BUY
01 Jul 2019	732	780	BUY
24 Jun 2019	750	800	BUY

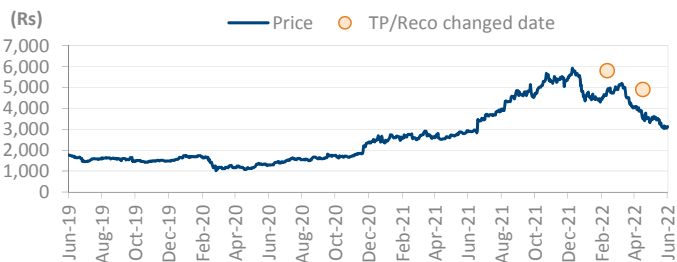
L&T Infotech: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	4251	5750	BUY
20 Apr 2022	5472	6800	BUY
07 Apr 2022	6326	7050	BUY
20 Jan 2022	6692	7420	BUY
19 Oct 2021	5906	6850	BUY
19 Jul 2021	4289	4370	ADD
08 Jul 2021	4035	4380	ADD
06 May 2021	3913	3950	ADD
21 Jan 2021	4091	3900	ADD
13 Jan 2021	4285	3420	ADD
22 Oct 2020	2965	2970	ADD
09 Oct 2020	2861	2700	ADD

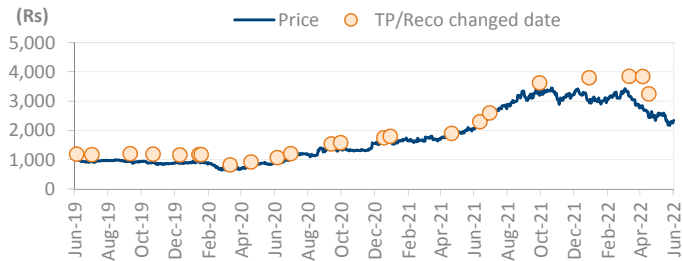
Date	Close price (Rs)	Target price (Rs)	Rating
17 Jul 2020	2291	2180	ADD
02 Jul 2020	1937	2080	ADD
21 May 2020	1784	1800	ADD
07 Apr 2020	1354	1530	ADD
16 Jan 2020	1934	2010	ADD
06 Jan 2020	1813	1960	ADD
07 Oct 2019	1508	1800	ADD
22 Jul 2019	1578	1760	ADD
01 Jul 2019	1829	1940	ADD

L&T Technology: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	3722	4900	BUY
09 Mar 2022	4610	5800	BUY

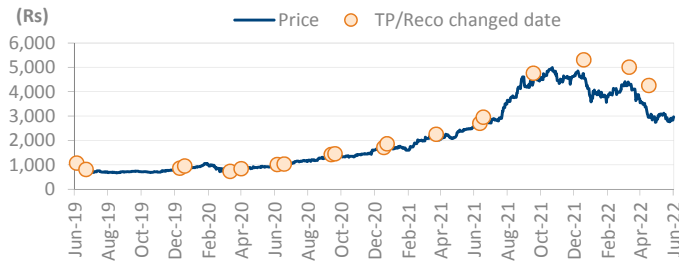
Mphasis: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	2627	3250	BUY
02 May 2022	2796	3840	BUY
07 Apr 2022	3198	3850	BUY
24 Jan 2022	3051	3800	BUY
25 Oct 2021	3396	3620	BUY
26 Jul 2021	2397	2600	BUY
08 Jul 2021	2174	2300	BUY
17 May 2021	1789	1900	BUY
25 Jan 2021	1601	1800	BUY
13 Jan 2021	1657	1750	BUY
26 Oct 2020	1350	1580	BUY
09 Oct 2020	1414	1540	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
27 Jul 2020	980	1200	BUY
02 Jul 2020	882	1070	BUY
15 May 2020	803	920	BUY
07 Apr 2020	672	820	BUY
14 Feb 2020	890	1170	ADD
10 Feb 2020	943	1170	BUY
06 Jan 2020	884	1160	BUY
18 Nov 2019	891	1190	BUY
07 Oct 2019	939	1200	BUY
29 Jul 2019	930	1170	BUY
01 Jul 2019	1004	1190	BUY

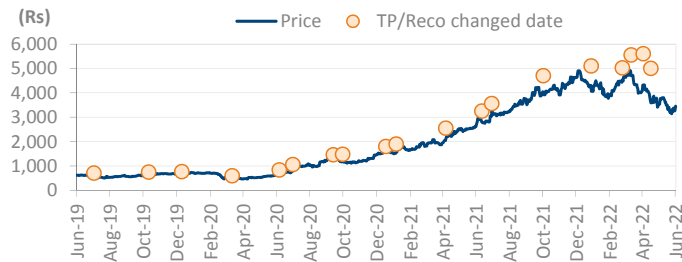
MindTree: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	3043	4250	BUY
07 Apr 2022	4339	5000	BUY
14 Jan 2022	4744	5300	BUY
14 Oct 2021	4364	4750	BUY
14 Jul 2021	2496	2950	BUY
08 Jul 2021	2550	2700	ADD
19 Apr 2021	2068	2250	ADD
19 Jan 2021	1664	1860	ADD
13 Jan 2021	1751	1700	ADD
16 Oct 2020	1425	1440	ADD
09 Oct 2020	1461	1410	ADD
15 Jul 2020	978	1020	ADD

Date	Close price (Rs)	Target price (Rs)	Rating
02 Jul 2020	924	1000	ADD
27 Apr 2020	780	830	ADD
07 Apr 2020	701	720	ADD
15 Jan 2020	864	940	ADD
06 Jan 2020	816	850	ADD
18 Jul 2019	751	800	ADD
01 Jul 2019	927	1060	BUY

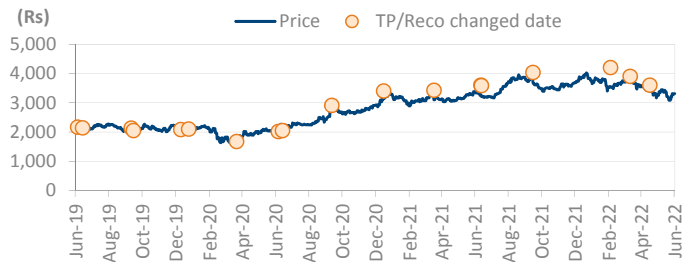
Persistent Systems: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	3837	5000	BUY
29 Apr 2022	4309	5600	BUY
07 Apr 2022	4875	5550	BUY
22 Mar 2022	4485	5020	BUY
24 Jan 2022	4300	5100	BUY
28 Oct 2021	4038	4700	BUY
26 Jul 2021	3039	3560	BUY
08 Jul 2021	2813	3250	BUY
03 May 2021	2038	2550	BUY
01 Feb 2021	1524	1900	BUY
13 Jan 2021	1627	1800	BUY
26 Oct 2020	1172	1470	BUY

Date	Close price (Rs)	Target price (Rs)	Rating
09 Oct 2020	1316	1450	BUY
27 Jul 2020	771	1050	BUY
02 Jul 2020	638	830	BUY
07 Apr 2020	514	590	ADD
06 Jan 2020	695	760	ADD
06 Nov 2019	599	740	ADD
29 Jul 2019	561	700	ADD
14 Jun 2019	624	730	ADD

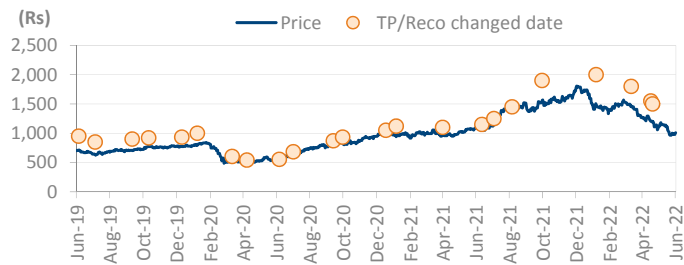
TCS: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
13 May 2022	3412	3600	ADD
07 Apr 2022	3755	3900	ADD
02 Mar 2022	3860	4200	ADD
11 Oct 2021	3936	4030	ADD
09 Jul 2021	3259	3580	ADD
08 Jul 2021	3275	3600	ADD
13 Apr 2021	3247	3420	ADD
11 Jan 2021	3120	3400	ADD
08 Oct 2020	2737	2910	ADD
10 Jul 2020	2204	2050	ADD
02 Jul 2020	2092	2010	ADD
17 Apr 2020	1716	1670	ADD

Date	Close price (Rs)	Target price (Rs)	Rating
20 Jan 2020	2219	2100	ADD
06 Jan 2020	2201	2080	ADD
11 Oct 2019	2004	2050	ADD
07 Oct 2019	2079	2130	ADD
10 Jul 2019	2133	2140	ADD
01 Jul 2019	2227	2160	ADD

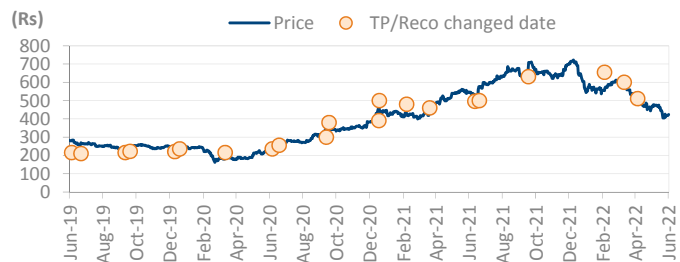
Tech Mahindra: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
16 May 2022	1203	1500	BUY
13 May 2022	1224	1550	BUY
07 Apr 2022	1459	1800	BUY
02 Feb 2022	1506	2000	BUY
26 Oct 2021	1524	1900	BUY
01 Sep 2021	1448	1450	ADD
30 Jul 2021	1128	1250	ADD
08 Jul 2021	1046	1150	ADD
27 Apr 2021	963	1100	ADD
01 Feb 2021	961	1120	ADD
13 Jan 2021	1064	1050	ADD
26 Oct 2020	848	930	ADD

Date	Close price (Rs)	Target price (Rs)	Rating
09 Oct 2020	860	870	ADD
28 Jul 2020	665	680	ADD
04 May 2020	546	540	ADD
07 Apr 2020	521	600	ADD
03 Feb 2020	795	1000	BUY
06 Jan 2020	775	930	BUY
06 Nov 2019	773	920	BUY
07 Oct 2019	708	900	BUY
31 Jul 2019	640	850	BUY
01 Jul 2019	707	950	BUY

Wipro: 3 year price and rating history



Date	Close price (Rs)	Target price (Rs)	Rating
02 May 2022	509	510	REDUCE
07 Apr 2022	594	600	REDUCE
02 Mar 2022	555	655	REDUCE
14 Oct 2021	673	630	REDUCE
16 Jul 2021	576	500	REDUCE
08 Jul 2021	532	495	REDUCE
16 Apr 2021	431	460	ADD
05 Mar 2021	439	480	ADD
14 Jan 2021	459	500	ADD
13 Jan 2021	458	390	ADD
14 Oct 2020	376	380	ADD
09 Oct 2020	359	300	ADD

Date	Close price (Rs)	Target price (Rs)	Rating
15 Jul 2020	225	255	ADD
02 Jul 2020	219	235	ADD
07 Apr 2020	180	215	ADD
15 Jan 2020	257	235	REDUCE
06 Jan 2020	251	220	REDUCE
16 Oct 2019	244	222	REDUCE
07 Oct 2019	238	215	REDUCE
18 Jul 2019	260	210	REDUCE
01 Jul 2019	281	215	REDUCE