

CMP: ₹ 1128

Target: ₹ 1375 (22%)

Target Period: 12 months

July 30, 2021

BUY

## Margins steady, healthy order book...

**About the stock:** Tech Mahindra (TechM) has over 1.2 lakh employees across 90 countries serving 1000+ clients with higher exposure to Telecom (40% of revenues).

- Apart from telecom, the company caters to BFSI, manufacturing & retail
- TechM has grown organically and inorganically (dollar revenue CAGR of 5.6% over the past five years)

**Q1FY22 Results:** TechM reported healthy Q1FY22 results.

- Dollar revenues increased 4.1% QoQ to US\$1383.6 million
- EBIT margin declined 81 bps QoQ to 15.2%
- Order book was at US\$815 million in Q1FY22

**What should investors do?** TechM's share price has grown by ~2x over the past five years (from ~₹ 495 in July 2016 to ~₹ 1,128 levels in July 2021).

- We continue to remain positive and retain our BUY rating on the stock

**Target Price and Valuation:** We value TechM at ₹ 1375 i.e. 18x P/E on FY23E EPS

**Key triggers for future price performance:**

- Healthy deal wins, traction in communication segment led by legacy modernisation, 5G, customer care, automation, network and cloud to drive revenues
- Pruning of low return geographies, acceleration in Europe and improving demand from lift & shift deals to drive 12% CAGR growth over FY21-23E
- A 210 bps improvement in margins over FY21-23E led by higher offshoring, synergies in portfolio companies, automation & operating leverage

**Alternate Stock Idea:** Apart from TechM, in our IT coverage we also like Infosys.

- Key beneficiary of improved digital demand, industry leading revenue growth and healthy capital allocation prompt us to be positive
- BUY with a target price of ₹ 1,825

## Tech Mahindra

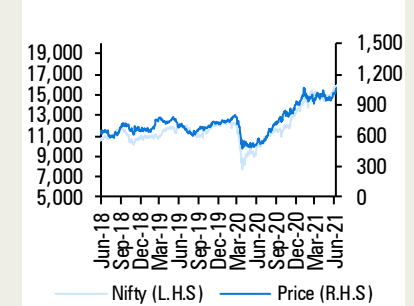
### Particulars

| Particular                | Amount     |
|---------------------------|------------|
| Market Cap (₹ Crore)      | 1,08,993.8 |
| Total Debt (₹ Crore)      | 1,661.8    |
| Cash and Invest (₹ Crore) | 12,497.1   |
| EV (₹ Crore)              | 98,158.5   |
| 52 week H/L               | 1152 / 643 |
| Equity capital            | 437.0      |
| Face value                | ₹ 5        |

### Shareholding pattern

|           | Sep-20 | Dec-20 | Mar-21 | Jun-21 |
|-----------|--------|--------|--------|--------|
| Promoters | 36     | 36     | 36     | 36     |
| FII       | 38     | 39     | 38     | 36     |
| DII       | 14     | 14     | 14     | 17     |
| Public    | 12     | 12     | 12     | 12     |

### Price Chart



### Recent event & key risks

- Order book remains healthy
- **Key Risk:** (i) Deceleration in deal pipeline, (ii) Inability to sustain cost savings.

### Research Analyst

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### Key Financial Summary

| Key Financials    | FY19   | FY20   | FY21   | 5 Year CAGR (FY16-21) | FY22E  | FY23E  | 2 years CAGR (FY21-23E) |
|-------------------|--------|--------|--------|-----------------------|--------|--------|-------------------------|
| Net sales         | 34,742 | 36,868 | 37,855 | 7.4%                  | 43,263 | 48,227 | 12.9%                   |
| EBITDA            | 6,337  | 5,726  | 6,847  | 9.9%                  | 8,177  | 9,356  | 16.9%                   |
| EBITDA Margin (%) | 18.2   | 15.5   | 18.1   |                       | 18.9   | 19.4   |                         |
| Net Profit        | 4,298  | 3,816  | 4,428  | 8.1%                  | 5,711  | 6,583  | 21.9%                   |
| EPS (₹)           | 47.7   | 59.5   | 50.2   |                       | 64.7   | 74.6   |                         |
| P/E               | 23.6   | 19.0   | 22.5   |                       | 17.4   | 15.1   |                         |
| RoNW (%)          | 21.2   | 17.5   | 17.8   |                       | 20.4   | 20.8   |                         |
| RoCE (%)          | 23.6   | 18.3   | 19.8   |                       | 22.8   | 23.7   |                         |

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q1FY22 Earnings Conference Call highlights

- The company reported a healthy Q1FY22 despite seasonally weak mobility revenues. Hence, we expect Q2FY22E to be healthier than Q1
- The company has seen improving order book, client mining (added one client in US\$50 million and another in US\$20 million) and large deal traction. In terms of verticals, healthcare (led by large deal won), manufacturing and hi tech is seeing healthy traction on enterprise side. In hi tech, TechM is seeing healthy traction in product engineering, hyperscalers and semiconductors
- The company is seeing healthy traction in cloud, customer experience, data, AI as key enablers of growth. TechM is also seeing healthy partner system led by M&A
- Communication is also back on strong growth trajectory led by from legacy modernisation (Telefonica deal was similar), 5G (the company is seeing 60-70% new signing in 5G), customer care, automation, network and cloud. In 5G, the company is seeing healthy growth in cloud ecosystem, 5G for enterprise (is yet to play out) and network modernisation. TechM has said that it will not focus on high volume low margin business. Deal TCV is healthy led by large deals and is expected to see healthy traction
- Telecom pipeline is at all-time high and qualified pipeline is also healthy. This coupled with traction in enterprise segment gives the company to drive double digit organic growth
- The current quarter margins were impacted by salary increase, visa cost, higher sub-contracting cost and seasonal weakness in mobility. Going forward, the company expects margins to improve led by rationalising G&A (due to centralisation of back offices in portfolio companies), revenue growth, automation and higher offshoring. Hence, we expect margins to improve 210 bps to 16.2% over FY21-23E
- The communication order book increased ~3x YoY to US\$352 million. Enterprise order increased 2.5x YoY to US\$463 million. The company is seeing improving funnel in communication across a broad range of holistic transformation of telecom service providers led by better traction in network, 5G stack, digital transformation while it is in advanced stages with many customers in communication segment
- TechM added 5209 employees in Q1FY22 leading to total employees of 1,26,263. The company expects similar addition in coming quarters. It added 1450 software professional and 3543 BPO employees
- DSO days increased from 92 in Q4FY21 to 93 days in Q1FY22. The company expects DSO days to slightly inch up in coming quarters
- Tech Mahindra plans to acquire Brainscale Inc. for a consideration of up to US\$28.8 million including earn-outs. Brainscale is a Cloud focused asset having expertise in Cloud Consulting, Enablement, Application Development and Data Analytics. The acquisition is subject to regulatory approval

**Exhibit 1: Variance Analysis**

|                              | Q1FY22   | Q1FY22E  | Q1FY21  | YoY (%) | Q4FY21  | QoQ (%)  | Comments  |
|------------------------------|----------|----------|---------|---------|---------|----------|---|
| Revenue                      | 10,197.6 | 10,064.8 | 9,106.0 | 12.0    | 9,729.9 | 4.8      | Dollar revenues increased 4.1% QoQ driven by enterprise and communication segment |
| Employee expenses            | 6,968.2  | 6,824.0  | 6,510.5 | 7.0     | 6,449.7 | 8.0      |   |
| Gross Margin                 | 3,229.4  | 3,240.9  | 2,595.5 | 24.4    | 3,280.2 | -1.5     |   |
| Gross margin (%)             | 31.7     | 32.2     | 28.5    | 317 bps | 33.7    | -204 bps |   |
| SG&A expenses                | 1,353.0  | 1,348.7  | 1,295.3 | 4.5     | 1,332.1 | 1.6      |   |
| EBITDA                       | 1,876.4  | 1,892.2  | 1,300.2 | 44.3    | 1,948.1 | -3.7     |   |
| EBITDA Margin (%)            | 18.4     | 18.8     | 14.3    | 413 bps | 20.0    | -162 bps | The decline in margins were due to higher employee expenses                       |
| Depreciation & amortisation  | 331.1    | 429.7    | 383.2   | -13.6   | 395.1   | -16.2    |   |
| EBIT                         | 1,545.3  | 1,462.5  | 917.0   | 68.5    | 1,553.0 | -0.5     |   |
| EBIT Margin (%)              | 15.2     | 14.5     | 10.1    | 508 bps | 16.0    | -81 bps  |   |
| Other income (less interest) | 249.2    | 24.6     | 365.8   | -31.9   | -9.1    | NA       |   |
| PBT                          | 1,794.5  | 1,487.1  | 1,282.8 | 39.9    | 1,543.9 | 16.2     |   |
| Tax paid                     | 428.6    | 379.2    | 327.6   | 30.8    | 499.8   | -14.2    |   |
| PAT                          | 1,353.2  | 1,145.2  | 972.0   | 39.2    | 1,081.4 | 25.1     |   |
| Adjusted PAT                 | 1,353.2  | 1,145.2  | 972.0   | 39.2    | 1,081.4 | 25.1     | Higher other income led to robust growth in PAT                                   |

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

| (₹ Crore)         | FY22E  |        |          | FY23E    |        |          | Comments   |
|-------------------|--------|--------|----------|----------|--------|----------|--|
|                   | Old    | New    | % Change | Old      | New    | % Change |  |
| Revenue           | 42,449 | 43,263 | 1.9      | 47,370.0 | 48,227 | 1.8      | Traction in 5G and improving deal pipeline prompt us to revise revenue estimates upwards                                   |
| EBITDA            | 7,895  | 8,177  | 3.6      | 9,142.0  | 9,356  | 2.3      |  |
| EBITDA Margin (%) | 18.6   | 18.9   | 30 bps   | 19.3     | 19.4   | 10 bps   | Higher offshoring, synergies in portfolio companies, reduction of sub-contracting cost and revenue growth to drive margins |
| PAT               | 5,301  | 5,711  | 7.7      | 6,196.0  | 6,583  | 6.3      |  |
| EPS (₹)           | 60.1   | 64.7   | 7.7      | 70.2     | 74.6   | 6.3      |  |

Source: Company, ICICI Direct Research

## Key Metrics

### Exhibit 3: Geography wise break-up

|                                 | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 |
|---------------------------------|--------|--------|--------|--------|--------|
| <b>Revenue by geography (%)</b> |        |        |        |        |        |
| Americas                        | 49.3   | 48.4   | 46.8   | 45.5   | 46.7   |
| Europe                          | 25.8   | 25.2   | 26.2   | 26.5   | 27.2   |
| Rest of World                   | 24.9   | 26.4   | 26.8   | 28.0   | 26.1   |
| <b>Growth QoQ (%)</b>           |        |        |        |        |        |
| Americas                        | -3.6   | 2.9    | 0.0    | -1.2   | 6.8    |
| Europe                          | -9.2   | 2.4    | 7.5    | 2.8    | 6.8    |
| Rest of World                   | -10.0  | 11.1   | 5.0    | 6.1    | -3.0   |

Source: Company, ICICI Direct Research

Growth in revenues led by US and Europe

### Exhibit 4: Industry wise break-up

|   | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 |
|---|--------|--------|--------|--------|--------|
| <b>Revenue by verticals (%)</b>         |        |        |        |        |        |
| Telecom                                 | 40.7   | 39.3   | 39.7   | 40.4   | 40.0   |
| Manufacturing                           | 16.9   | 16.1   | 16.3   | 16.4   | 16.5   |
| Technology, media & entertainment       | 8.2    | 9.8    | 9.4    | 8.5    | 8.8    |
| Banking, financial services & insurance | 15.7   | 16.4   | 16.0   | 16.4   | 16.4   |
| Retail, transport & logistics           | 7.6    | 7.5    | 7.9    | 7.7    | 7.7    |
| Others                                  | 10.9   | 10.9   | 10.8   | 10.6   | 10.6   |
| <b>Growth QoQ (%)</b>                   |        |        |        |        |        |
| Telecom                                 | -7.0   | 1.2    | 4.5    | 3.4    | 3.0    |
| Manufacturing                           | -10.9  | -0.2   | 4.7    | 2.2    | 4.7    |
| Technology                              | 3.4    | 25.2   | -0.8   | -8.1   | 7.7    |
| Banking, financial services & insurance | -4.3   | 9.5    | 0.9    | 4.1    | 4.1    |
| Retail, transport & logistics           | -2.9   | 3.4    | 8.9    | -1.0   | 4.1    |
| Others                                  | -11.6  | 4.8    | 2.5    | -0.3   | 4.1    |

Source: Company, ICICI Direct Research

Manufacturing, Telecom, Technology and BFSI segment registered healthy QoQ growth

### Exhibit 5: Client & human resource matrix

|  | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 |
|--|--------|--------|--------|--------|--------|
| <b>Client Metrics</b>                    |        |        |        |        |        |
| ≥ \$1 million clients                    | 451    | 460    | 454    | 451    | 466    |
| ≥ \$5 million clients                    | 161    | 165    | 162    | 169    | 168    |
| ≥ \$10 million clients                   | 81     | 82     | 83     | 85     | 86     |
| ≥ \$20 million clients                   | 48     | 50     | 50     | 50     | 51     |
| ≥ \$50 million clients                   | 21     | 21     | 21     | 21     | 22     |
| <b>Headcount, Attrition, Utilization</b> |        |        |        |        |        |
| Total Employees                          | 123416 | 124258 | 121901 | 121054 | 126263 |
| IT Attrition (LTM)                       | 17.0   | 14.0   | 12.0   | 13.0   | 17.0   |
| IT Utilization % (Excluding Trainees)    | 82.0   | 85.0   | 87.0   | 87.0   | 89.0   |

Source: Company, ICICI Direct Research

Attrition increased sharply by 4% QoQ

## Financial summary

| Exhibit 6: Profit and loss statement |               |               |               |               |
|--------------------------------------|---------------|---------------|---------------|---------------|
|                                      | ₹ crore       |               |               |               |
| (Year-end March)                     | FY20          | FY21          | FY22E         | FY23E         |
| <b>Net sales</b>                     | <b>36,868</b> | <b>37,855</b> | <b>43,263</b> | <b>48,227</b> |
| Growth (%)                           | 6             | 3             | 14            | 11            |
| COGS (employee expenses)             | 25,974        | 25,856        | 29,419        | 32,553        |
| Gross profit                         | 10,893        | 12,000        | 13,844        | 15,674        |
| S,G&A expenses                       | 5,167         | 5,153         | 5,667         | 6,318         |
| Total Operating Expenditure          | 31,142        | 31,008        | 35,087        | 38,871        |
| <b>EBITDA</b>                        | <b>5,726</b>  | <b>6,847</b>  | <b>8,177</b>  | <b>9,356</b>  |
| Growth (%)                           | (10)          | 20            | 19            | 14            |
| Depreciation                         | 1,663         | 1,508         | 1,384         | 1,543         |
| Interest                             | 192           | 174           | 152           | 152           |
| Other Income                         | 1,192         | 787           | 950           | 1,101         |
| PBT                                  | 5,063         | 5,952         | 7,590         | 8,761         |
| Total Tax                            | 1,160         | 1,600         | 1,935         | 2,234         |
| Exceptional item                     | -             | -             | -             | -             |
| <b>PAT</b>                           | <b>3,816</b>  | <b>4,428</b>  | <b>5,711</b>  | <b>6,583</b>  |
| Growth (%)                           | (11)          | 16            | 29            | 15            |
| EPS (₹)                              | 59.5          | 50.2          | 64.7          | 74.6          |

Source: Company, ICICI Direct Research

| Exhibit 8: Balance sheet    |               |               |               |               |
|-----------------------------|---------------|---------------|---------------|---------------|
|                             | ₹ crore       |               |               |               |
| (Year-end March)            | FY20          | FY21          | FY22E         | FY23E         |
| <b>Liabilities</b>          |               |               |               |               |
| Equity Capital              | 436           | 437           | 437           | 437           |
| Share application money     | -             | -             | -             | -             |
| Reserve and Surplus         | 21,377        | 24,428        | 27,569        | 31,190        |
| Total Shareholders funds    | 21,813        | 24,865        | 28,006        | 31,627        |
| Minority Interest           | 393           | 380           | 325           | 270           |
| Total Debt                  | 2,428         | 1,662         | 1,662         | 1,662         |
| Other long term liabilities | 4,043         | 3,990         | 3,990         | 3,990         |
| <b>Total Liabilities</b>    | <b>28,677</b> | <b>30,897</b> | <b>33,982</b> | <b>37,548</b> |
| <b>Assets</b>               |               |               |               |               |
| Net Block                   | 3,834         | 3,470         | 3,734         | 3,746         |
| Capital WIP                 | 50            | 118           | 118           | 118           |
| Investments                 | 5,848         | 10,238        | 11,239        | 12,240        |
| Deferred tax assets         | 844           | 913           | 913           | 913           |
| Goodwill on consolidation   | 3,388         | 4,008         | 4,008         | 4,008         |
| Debtors                     | 7,581         | 6,475         | 7,571         | 8,440         |
| Loans and Advances (short)  | -             | -             | -             | -             |
| Other non-current assets    | 4,175         | 3,794         | 3,795         | 3,796         |
| Cash                        | 3,148         | 2,835         | 3,920         | 5,934         |
| Other current assets        | 6,799         | 6,261         | 7,156         | 7,977         |
| Total Current Assets        | 23,176        | 25,258        | 29,333        | 34,036        |
| Trade payables              | 3,257         | 2,785         | 3,183         | 3,548         |
| Current liabilities         | 4,983         | 5,465         | 6,246         | 6,963         |
| Provisions                  | 436           | 531           | 607           | 677           |
| Total Current Liabilities   | 8,676         | 8,782         | 10,036        | 11,187        |
| <b>Application of Funds</b> | <b>28,677</b> | <b>30,897</b> | <b>33,982</b> | <b>37,548</b> |

Source: Company, ICICI Direct Research

| Exhibit 7: Cash flow statement      |                |                |                |                |
|-------------------------------------|----------------|----------------|----------------|----------------|
|                                     | ₹ crore        |                |                |                |
| (Year-end March)                    | FY20           | FY21           | FY22E          | FY23E          |
| Profit before Tax                   | 5,058          | 5,953          | 7,590          | 8,761          |
| Add: Depreciation                   | 1,663          | 1,508          | 1,384          | 1,543          |
| (Inc)/dec in Current Assets         | (2,335)        | 1,646          | (1,991)        | (1,690)        |
| Inc/(dec) in CL and Provisions      | 1,813          | (83)           | 1,255          | 1,151          |
| Taxes paid                          | (1,513)        | (1,415)        | (1,935)        | (2,234)        |
| <b>CF from operating activities</b> | <b>4,358</b>   | <b>8,094</b>   | <b>5,705</b>   | <b>6,783</b>   |
| (Inc)/dec in Investments            | 1,298          | (5,149)        | (1,000)        | (1,000)        |
| (Inc)/dec in Fixed Assets           | (829)          | (573)          | (1,298)        | (1,206)        |
| Others                              | 253            | 221            | 750            | 901            |
| <b>CF from investing activities</b> | <b>1,029</b>   | <b>(5,450)</b> | <b>(1,548)</b> | <b>(1,305)</b> |
| Issue/(Buy back) of Equity          | 47             | 57             | -              | -              |
| Inc/(dec) in loan funds             | 193            | (795)          | -              | -              |
| Dividend paid & dividend tax        | (2,492)        | (1,759)        | (2,570)        | (2,963)        |
| Inc/(dec) in debentures             | -              | -              | -              | -              |
| Finance charges                     | (426)          | (558)          | (152)          | (152)          |
| <b>CF from financing activities</b> | <b>(4,466)</b> | <b>(2,987)</b> | <b>(3,072)</b> | <b>(3,465)</b> |
| Net Cash flow                       | 921            | (343)          | 1,085          | 2,014          |
| Cash by acquisition                 | -              | -              | -              | -              |
| Opening Cash                        | 2,043          | 3,017          | 2,835          | 3,920          |
| <b>Cash carried to B/S</b>          | <b>3,148</b>   | <b>2,835</b>   | <b>3,920</b>   | <b>5,934</b>   |

Source: Company, ICICI Direct Research

| Exhibit 9: Key ratios       |         |       |       |       |
|-----------------------------|---------|-------|-------|-------|
|                             | ₹ crore |       |       |       |
| (Year-end March)            | FY20    | FY21  | FY22E | FY23E |
| <b>Per share data (₹)</b>   |         |       |       |       |
| EPS                         | 59.5    | 50.2  | 64.7  | 74.6  |
| Cash EPS                    | 85.4    | 67.3  | 80.4  | 92.1  |
| BV                          | 340.0   | 281.8 | 317.4 | 358.5 |
| DPS                         | 15.0    | 45.0  | 29.1  | 33.6  |
| Cash Per Share              | 49.1    | 32.1  | 44.4  | 67.3  |
| <b>Operating Ratios (%)</b> |         |       |       |       |
| EBITDA Margin               | 15.5    | 18.1  | 18.9  | 19.4  |
| PAT Margin                  | 10.3    | 11.7  | 13.2  | 13.7  |
| <b>Return Ratios (%)</b>    |         |       |       |       |
| RoE                         | 17.5    | 17.8  | 20.4  | 20.8  |
| RoCE                        | 18.3    | 19.8  | 22.8  | 23.7  |
| RoIC                        | 20.5    | 29.2  | 35.2  | 39.4  |
| <b>Valuation Ratios (x)</b> |         |       |       |       |
| P/E                         | 19.0    | 22.5  | 17.4  | 15.1  |
| EV / EBITDA                 | 17.9    | 14.3  | 11.7  | 9.9   |
| EV / Net Sales              | 2.8     | 2.6   | 2.2   | 1.9   |
| Market Cap / Sales          | 3.0     | 2.9   | 2.5   | 2.3   |
| Price to Book Value         | 3.3     | 4.0   | 3.6   | 3.1   |
| <b>Solvency Ratios</b>      |         |       |       |       |
| Debt/EBITDA                 | 0.4     | 0.2   | 0.2   | 0.2   |
| Debt/Equity                 | 0.1     | 0.1   | 0.1   | 0.1   |
| Current Ratio               | 1.7     | 1.5   | 1.5   | 1.5   |
| Quick Ratio                 | 1.7     | 1.5   | 1.5   | 1.5   |

Source: Company, ICICI Direct Research

**Exhibit 10: ICICI Direct coverage universe (IT)**

| Company            | Cmp (₹) | TP (₹) | Rating | Mcap (₹ Cr) | EPS (₹) |       |       |       | P/E (x) |      |        |        | RoCE (%) |      |       |       | RoE (%) |      |       |       |
|--------------------|---------|--------|--------|-------------|---------|-------|-------|-------|---------|------|--------|--------|----------|------|-------|-------|---------|------|-------|-------|
|                    |         |        |        |             | FY20    | FY21  | FY22E | FY23E | FY20    | FY21 | FY22 E | FY23 E | FY20     | FY21 | FY22E | FY23E | FY20    | FY21 | FY22E | FY23E |
| HCL Tech (HCLTEC)  | 1,008   | 1,110  | Hold   | 2,73,443    | 40.8    | 45.8  | 50.6  | 60.9  | 25      | 22   | 20     | 17     | 23.0     | 23.5 | 24.1  | 25.7  | 21.6    | 20.8 | 20.5  | 21.4  |
| Infosys (INFTEC)   | 1,617   | 1,825  | Buy    | 6,88,775    | 38.9    | 45.5  | 54.8  | 64.3  | 42      | 36   | 29     | 25     | 30.8     | 31.7 | 34.0  | 37.0  | 25.2    | 25.2 | 27.8  | 30.3  |
| TCS (TCS)          | 3,197   | 3,800  | Buy    | 11,82,890   | 86.2    | 86.7  | 108.3 | 127.2 | 37      | 37   | 30     | 25     | 44.4     | 45.9 | 50.9  | 54.0  | 38.4    | 37.5 | 43.0  | 45.3  |
| Tech M (TECMAH)    | 1,128   | 1,375  | Buy    | 1,08,994    | 59.5    | 50.2  | 64.7  | 74.6  | 19      | 22   | 17     | 15     | 18.3     | 19.8 | 22.8  | 23.7  | 17.5    | 17.8 | 20.4  | 20.8  |
| Wipro (WIPRO)      | 591     | 670    | Hold   | 3,23,989    | 16.6    | 19.1  | 21.1  | 25.7  | 36      | 31   | 28     | 23     | 19.3     | 21.3 | 22.8  | 27.5  | 17.4    | 19.5 | 21.6  | 26.3  |
| Mindtree (MINCON)  | 2,805   | 3,065  | Buy    | 46,231      | 38.3    | 67.4  | 81.1  | 95.8  | 73      | 42   | 35     | 29     | 23.0     | 32.5 | 33.1  | 33.1  | 20.0    | 25.7 | 25.9  | 25.7  |
| LTI (LTINFC)       | 4,640   | 5,065  | Buy    | 81,071      | 86.6    | 110.3 | 125.4 | 145.5 | 54      | 42   | 37     | 32     | 30.7     | 31.9 | 30.9  | 30.6  | 28.1    | 26.5 | 25.7  | 25.4  |
| Coforge (NIITEC)   | 5,177   | 5,500  | Hold   | 31,374      | 71.4    | 73.3  | 106.3 | 139.1 | 73      | 71   | 49     | 37     | 23.0     | 23.3 | 26.8  | 29.8  | 18.5    | 18.5 | 23.4  | 26.2  |
| Infoedge (INFEDG)  | 5,207   | 5,740  | Buy    | 66,954      | 26.8    | 21.2  | 33.3  | 47.1  | 194     | 246  | 156    | 111    | 18.0     | 7.7  | 12.4  | 16.2  | 13.5    | 6.0  | 9.3   | 12.2  |
| Teamlease (TEASER) | 3,940   | 4,550  | Buy    | 6,736       | 20.5    | 45.3  | 68.9  | 100.3 | 193     | 87   | 57     | 39     | 15.0     | 14.2 | 16.4  | 19.8  | 6.5     | 11.6 | 15.8  | 18.6  |

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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