

April 25, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	2,860		2,940	
Sales (Rs bn)	154	168	156	174
% Chng.	(1.3)	(3.1)		
EBITDA (Rs bn)	28	32	29	33
% Chng.	(1.7)	(2.9)		
EPS (Rs.)	98.0	109.1	99.5	112.0
% Chng.	(1.5)	(2.6)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. bn)	133	142	154	168
EBITDA (Rs. bn)	24	26	28	32
Margin (%)	18.2	18.6	18.5	18.8
PAT (Rs bn)	16	17	19	21
EPS (Rs.)	82.3	89.6	98.0	109.1
Gr. (%)	(5.4)	9.0	9.3	11.4
DPS (Rs.)	55.0	53.8	58.8	65.5
Yield (%)	2.2	2.2	2.4	2.7
RoE (%)	18.6	18.5	18.6	19.2
RoCE (%)	16.4	15.5	16.1	16.8
EV/Sales (x)	3.4	3.1	2.8	2.5
EV/EBITDA (x)	18.5	16.8	15.3	13.4
PE (x)	30.0	27.5	25.2	22.6
P/BV (x)	5.3	4.9	4.5	4.2

Key Data

MBFL.BO | MPHL IN

52-W High / Low	Rs.3,240 / Rs.2,025
Sensex / Nifty	79,801 / 24,247
Market Cap	Rs.469bn / \$ 5,502m
Shares Outstanding	190m
3M Avg. Daily Value	Rs.1708.33m

Shareholding Pattern (%)

Promoter's	40.14
Foreign	20.61
Domestic Institution	34.91
Public & Others	4.34
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.6)	(20.4)	10.0
Relative	(2.9)	(20.1)	1.8

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Good visibility despite challenging macros

Quick Pointers:

- Strong deal wins of USD 390 mn, highest in last 7 qtrs.
- EBIT margin guidance narrowed to 14.75-15.75% from 14.6-16%

The revenue growth performance (+2.9% QoQ CC) exceeded our estimates (+2.5% QoQ CC). ~80% of its portfolio mix maintained a steady state, while the rest of its business mix (L&T and Others) reported a decline of 8% and 3% QoQ, respectively. The continued improvement in large deal wins (13 large deals in FY25) and meaningful conversion of those deals are supporting the growth within BFSI. Despite having booked record high deal TCV of USD390m (11% QoQ), the deal funnel still looks encouraging (26% QoQ and 86% YoY). Even BFS pipeline remains strong at 70% YoY that comes at the back of 58% YoY and 43% YoY recorded in Q3 and Q2, respectively. More importantly, the conversion rate from TCV to revenue is notable for MPHL, evident through sequential performance, which has been missing across its close peers despite having booked robust deal TCVs in earlier timeframe. The management was cautioning against second-order impact on BFSI which might get triggered in H2FY26 and hit the company-wide performance. However, the company's strong participation in AI-led transformation (65% AI-led deal pipeline) and driving self-funded investments (onset of budget crunch), partly de-risking the inevitable investments in AI even if the adversity falls into H2. Additionally, the mortgage part has largely been stabilized (grew marginally over FY24), while Logistics and Transportation (~12 of revenue) remains the only challenge in its business mix. The margin guidance (14.75%-15.75%) has been narrowed (vs FY25) on account of: (1) prioritizing growth over margins (2) provisioning against large deal ramp ups, (3) cushioning clients against macro adversity and (4) building tech stack. We are baking in revenue growth of 5.5%/7.1% YoY CC with EBIT margin of 15.4%/15.7% for FY26E/FY27E. We are assigning 26x to FY27 EPS, translating to TP of 2,860. Retain BUY.

Strong Revenue growth: MPHL delivered strong revenue of USD 430.4 million, a 2.9% QoQ CC and 2.6% USD increase that beat our and consensus estimates (2.5% QoQ CC and 2.1% QoQ USD). This outperformance was largely driven by deal momentum in BFS (up 5.5% QoQ) and TMT (up 7.5% QoQ), which also mitigated the declines in logistics (down 8% QoQ) and other segments (down 3.2% QoQ).

Flat margin in Q4FY25: Despite strong revenue growth, the EBIT margin remained sequentially flat at 15.3%, falling short of our 15.5% estimate but in line with consensus estimates. The margin remained at the midpoint of 14.6-16% guidance for the second consecutive quarter. Looking ahead, MPHL aims to maintain its EBIT margin within the 14.75-15.75% range in FY26.

Deal Wins Momentum continues: In Q4, MPHL secured new deals with a Total Contract Value (TCV) of USD 390 million, marking an 11% QoQ increase and the highest in the past seven quarters. This strong deal momentum continued for the second successive quarter, with the company reporting total deal wins of USD 741

million in H2 FY25, a significant rise from USD 526 million in H1 FY25. This performance highlights the positive impact of the company's focused investments in enhancing its deal pipeline and improving win conversion rates.

Valuations and outlook: The vertical and service line strengths are shaping up well led by the company's rigorous efforts and strategic initiatives to drive incremental growth. We are factoring in a USD revenue CAGR of 6.2% and an Earnings CAGR of 10.3% between FY25-27E. The stock is currently trading at 25x and 23x its FY26E and FY27E earnings, respectively. We maintain our "BUY" rating with a TP of Rs. 2,860, arrived at by assigning a PE multiple of 26x to our FY27E EPS.

Beat on topline, another quarter of impressive deal TCV

- **Revenue of USD 430 mn, up 2.9% QoQ CC & 2.6% QoQ in USD, above our estimates of 2.5% CC QoQ & consensus estimate of 2.1% QoQ USD growth**
- Direct revenue up 3.8% QoQ CC and 6.8% CC YoY
- **Vertical wise BFS & TMT led the growth with 5.5% & 7.5% QoQ respectively while Logistics declined by 8% QoQ (6th consecutive quarter of weakness), Others segments also declined by 3.2% QoQ**
- Geography wise Americas grew by 3.3% QoQ while EMEA reported muted growth of 0.5% QoQ, India region reported a sharp decline of 12.7% QoQ
- EBIT margin flat QoQ at 15.3% was tad below our estimate of 15.5% and inline of consensus estimate
- Offshore utilization (excl. trainees) was up by 300bps at 78%. Headcount declined by 248 in Q4
- **New TCV saw an uptick at USD 390mn (vs USD 351mn in 3Q), up 11.1% QoQ and 120% YoY**
- PAT was Rs4.5b (up 4.3% QoQ), was tad above our estimates of Rs4.4b
- Declared final dividend of Rs. 57 per share
- **For FY25 reported revenue of USD 1.7 bn, up 4.6% in CC terms & 4.4% in reported terms with EBIT margin of 15.3%, up 20 bps YoY**

Concall Highlights

- Management attributed the strong performance in the BFS sector to the accelerated ramp-up of recently secured new deals. Similarly, the robust growth in the High-tech sector was fueled by the increasing revenue contribution from new clients. They further highlighted that revenue from a new High-tech client had reached an annualized level of USD 60 million, representing a significant surge in Q4.
- Management clarified that the weakness in the logistics segment was not attributable to any specific clients. They further explained that the weak Q4 performance was broad-based, stemming from macroeconomic uncertainty related to tariff wars. However, they expressed confidence in the logistics segment's recovery, supported by recent deal wins and a healthy pipeline.
- Management noted that tariff-related macroeconomic uncertainty has impacted some of its segments, leading to delays in deal wins and revenue conversion due to protracted decision-making processes. However, they expressed confidence that their major business mix, comprising BFS, Insurance, and Healthcare, is currently insulated from tariff uncertainty compared to sectors like Manufacturing, Logistics, and Retail, which have experienced a direct impact. They did, however, express concerns that these verticals could be affected later if the economic environment deteriorates further, potentially leading to a recessionary environment in the US and an increase in interest rates.
- In Q4, MPHL secured two large deals, and despite the strong deal wins in H2, its overall deal pipeline and large deals pipeline remain robust. Management mentioned that the large deal pipeline has grown by 40% QoQ and 154% YoY. They further noted that their pipeline is diversified, with the non-BFS pipeline increasing by 99% YoY in Q4 compared to the BFS pipeline, which grew by 70% YoY. They also observed that despite the current macroeconomic headwinds, their conversion rates for both deal wins, and revenue remain steady, a trend they expect to continue unless the macroeconomic environment deteriorates further. Furthermore, they noted that AI continues to gain traction, with AI-led deals now constituting 65% of the pipeline, up from 55% in Q3 FY25.
- Based on the steady revenue conversion, deal wins, and robust pipeline, management anticipates FY26 revenue growth to surpass that of FY25. They further indicated that the Insurance segment is expected to report strong growth in FY26, supported by recent deal wins and a healthy pipeline. Additionally, they foresee a revival in the Logistics and Healthcare segments in FY26.
- Management stated that they have not observed any significant increase in volume within their mortgage business, which remains stable. They also noted growing traction from mortgage clients interested in leveraging AI agents to enhance productivity, potentially creating new business opportunities for MPHL.
- Management stated that they have narrowed the EBIT guidance band to 14.75-15.75% to account for the increased costs associated with large deal ramp-up & sustained investments in the current uncertain environment.



Exhibit 1: 4QFY25 Results, Revenue grew by 2.9% QoQ CC, EBIT margin flat QoQ

Consolidated (Rs bn)	4QFY25	3QFY25E	% Var.	3QFY25	QoQ gr. (%)	4QFY24	YoY gr. (%)	FY25	FY24	YoY gr. (%)
IT Services Revenue (USD mn)	430.4	428.4	0.5	419.3	2.6	410.7	4.8	1,680.8	1,609.5	4.4
Overall Revenue (Rs bn)	37.2	36.6	1.5	35.6	4.5	34.2	8.9	142.2	133.3	6.7
Gross Profit	12	11	4.6	11	4.4	11	10.8	45	40	11.7
Gross Margin (%)	31.7	30.8	100bps	31.8	0bps	31.2	60bps	31.4	30.0	140bps
SG&A and Other Costs	4.8	4.6	4.1	4.5	5.6	4.3	12.1	18.2	15.8	15.4
% of Rev	12.8	12.5	30bps	12.7	10bps	12.5	40bps	12.8	11.8	100bps
EBITDA	7.0	6.7	4.9	6.8	3.6	6.4	10.0	26.5	24.2	9.3
EBIT Margin (%)	18.9	18.3	60bps	19.1	-20bps	18.7	20bps	18.6	18.2	40bps
Depreciation	1.4	1.0	31.7	1.3	2	1.3	3.4	4.8	4.1	16.0
% of Rev	3.6	2.8	80bps	3.7	-10bps	3.8	-20bps	3.3	3.1	30bps
EBIT	5.7	5.7	0.1	5.5	3.9	5.1	11.7	21.7	20.1	7.9
EBIT Margin (%)	15.3	15.5	-20bps	15.3	-10bps	14.9	40bps	15.3	15.1	20bps
Other Income (net)	0.2	0.2	8.6	0.2	1.7	0.1	67.1	0.9	0.6	56.8
PBT	5.9	5.9	0.4	5.7	3.8	5.2	13.2	22.6	20.7	9.3
Tax	1.4	1.5	-1.1	1.4	2.3	1.3	12.0	5.6	5.1	8.6
Effective tax rate (%)	24.5	24.8	-40bps	24.8	-40bps	24.7	-30bps	24.7	24.8	-10bps
Adjusted PAT	4.5	4.4	0.9	4.3	4.3	3.9	13.6	17.0	15.5	9.5
Exceptional items	0.0	0.0	NA	0.0	NA	0.0	NA	0.0	0.0	NA
Reported PAT	4.5	4.4	0.9	4.3	4.3	3.9	13.6	17.0	15.5	9.5
Reported EPS (Rs)	23.5	23.4	0.6	22.6	4.1	20.8	13.0	89.6	82.3	9.0

Source: Company, PL

Exhibit 2: Geography revenue mix

Geographies	Contr. To rev. (%)	QoQ Gr. (%)
Americas	82.0	3.3
EMEA	9.9	0.5
India	5.1	(12.7)
ROW	2.9	26.6

Source: Company, PL

Exhibit 3: Vertical revenue mix

Verticals	Contr. To rev. (%)	QoQ Gr. (%)
Banking and Financial Services	50.0	5.5
Insurance	11.4	0.2
Technology, Media & Telecom	17.8	7.5
Logistics and Transportation	10.9	(8.0)
Others	9.9	(3.2)

Source: Company, PL

Exhibit 4: Revenue by service mix

Services	Contr. to rev (%)	QoQ Gr (%)
Application Services	71.8	2.9
BPO	15.4	(3.6)
Infrastructure Services	12.7	9.9

Source: Company, PL

Exhibit 5: Top clients performance

	Contr. to rev (%)	QoQ Gr (%)
Top Client	14.0	(4.2)
Top 2-5 Clients	28.0	2.6
Top 6-10 Clients	12.0	23.2

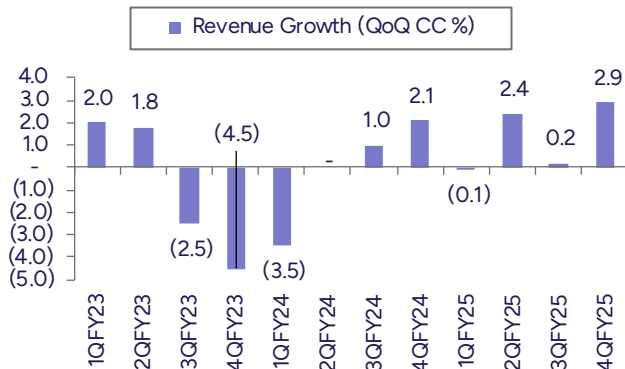
Source: Company, PL

Exhibit 6: Key Performance Indicator

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	FY24*	FY25*
Revenue (QoQ CC %)	-2.5	-4.5	-3.5	0.0	1.0	2.1	-0.1	2.4	0.2	2.9	-6.5	4.6
Margins												
Gross Margin	28.5	29.2	29.1	28.9	31.3	31.2	30.8	31.3	31.7	31.8	30.1	31.4
EBIT Margin	15.3	15.3	15.4	15.5	14.9	14.9	15.0	15.4	15.3	15.3	15.1	15.3
Net Margin	11.8	12.1	12.2	12.0	11.2	11.5	11.8	12.0	12.0	12.0	11.7	12.0
Operating metrics												
Headcount (k)	35.5	34.0	34.0	33.8	34.0	32.7	31.6	31.6	31.2	31.4	32.7	31.4
Utilization Trainees (%)	74.0	79.0	80.0	77.0	74.0	75.0	76.0	76.0	75.0	78.0	75.0	78.0

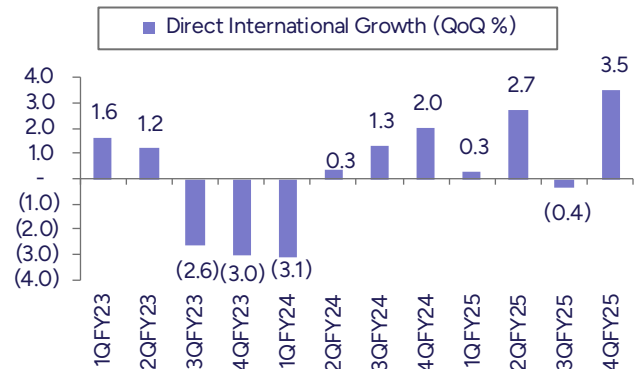
Source: Company, PL, * YoY CC

Exhibit 7: Revenue growth highest in last 12 qtrs.



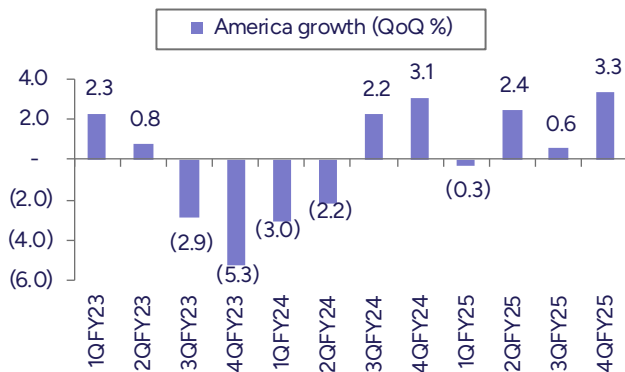
Source: Company, PL

Exhibit 8: Direct Business revenue growth %



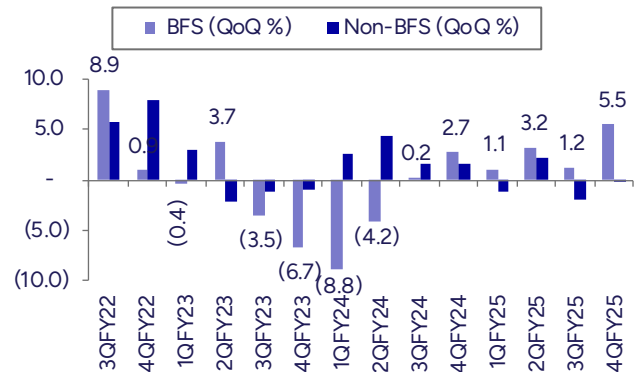
Source: Company, PL

Exhibit 9: Americas region growth %



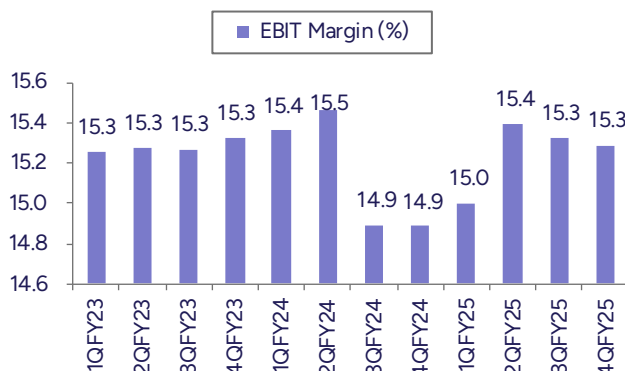
Source: Company, PL

Exhibit 10: BFS segment growth steady



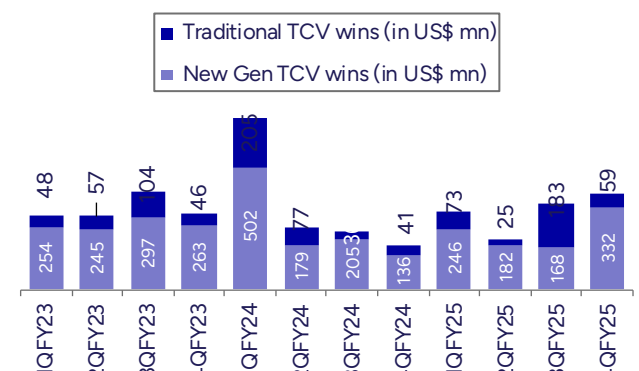
Source: Company, PL

Exhibit 11: EBIT Margin % steady



Source: Company, PL

Exhibit 12: Deal wins highest since Q2FY24



Source: Company, PL

Exhibit 13: Operating metrics

	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Geographical Contribution (%)												
Americas	82.3	82.2	81.8	80.8	81.1	79.2	80.2	81.0	80.9	80.7	81.5	82.0
EMEA	9.7	9.8	10.1	10.7	10.4	12.0	11.6	11.0	11.1	11.0	10.2	9.9
India	5.0	4.9	5.1	5.5	5.7	6.0	5.5	5.3	5.3	5.7	6.0	5.1
RoW	2.9	3.1	3.0	3.0	2.9	2.9	2.7	2.7	2.7	2.6	2.4	2.9
Vertical Contribution (%)												
Banking and Financial Services	52.8	54.2	53.6	52.2	49.3	47.1	46.8	47.1	47.7	47.9	48.7	50.0
Insurance	10.4	8.3	8.3	9.8	10.5	10.8	11.4	11.0	11.3	11.2	11.7	11.4
Technology, Media & Telecom	14.3	12.9	12.9	14.0	15.1	17.3	15.6	16.0	16.0	16.5	17.0	17.8
Logistics & Transportation	13.3	12.7	13.0	13.8	14.2	13.4	13.7	13.7	13.7	13.1	12.2	10.9
Others	9.3	11.8	12.2	10.2	11.0	11.4	12.6	12.3	11.3	11.3	10.5	9.9
Revenue by Project Type (%)												
Time and Material	54.5	56.0	56.8	58.1	57.7	58.5	58.3	58.5	59.6	60.0	57.6	55.4
Transaction Based	15.6	13.9	12.7	11.1	10.2	10.3	10.1	10.1	10.4	10.3	10.6	8.6
Fixed Price	29.9	30.0	30.5	30.8	32.0	31.2	31.6	31.4	30.0	29.7	31.8	36.0
Revenue by Delivery Location (%)												
Onsite	58.3	56.8	55.2	53.5	52.1	52.1	53.2	56.0	57.1	57.3	59.0	59.9
Offshore	41.7	43.2	44.8	46.6	47.9	47.9	46.8	44.0	42.9	42.7	41.0	40.1
Secondary Market Segment (%)												
Direct International	93.5	93.7	93.6	94.6	94.9	95.1	95.4	95.4	95.8	95.8	95.9	96.7
DXC	4.8	4.6	4.8	3.8	3.5	3.2	2.9	3.0	2.6	2.7	2.7	2.5
Others	1.7	1.6	1.7	1.7	1.7	1.7	1.7	1.6	1.6	1.5	1.4	0.8
Service Type (%)												
Application services	66.0	67.4	69.4	70.7	71.0	70.5	70.7	71.2	71.4	71.3	71.7	71.8
BPO	22.2	20.5	17.9	16.4	16.2	16.9	16.6	16.6	16.2	16.4	16.4	15.4
Infrastructure services	11.8	12.1	12.6	12.9	12.8	12.7	12.7	12.3	12.4	12.3	11.9	12.7
Client Contribution (%)												
Top Client	11	16	16	13	17	16	15	14	14	15	15	14
Top 2-5 Clients	34	33	33	31	30	31	31	30	30	28	28	28
Top 6-10 Clients	15	12	12	15	12	11	9	10	9	10	10	12
New Clients added	-	5	4	4	5	5	5	3	2	2	2	3
Clients Contributing More than:												
\$100m+	4	4	4	4	3	3	3	3	3	3	3	3
\$75m+	6	6	6	5	5	4	4	4	4	4	5	5
\$50m+	7	6	6	7	6	6	5	5	5	5	5	5
\$20m+	11	11	12	13	12	11	10	10	9	9	11	11
\$10m+	24	23	22	26	26	26	29	29	30	27	29	29
\$5m+	44	44	45	46	46	46	46	47	48	51	47	50
\$1m+	105	104	106	112	112	115	134	135	135	140	140	139
Headcount												
Onsite - billable												
Tech services	4,652	5,082	4,806	4,669	4,517	4,504	4,664	4,656	4,637	4,788	4,892	4,981
BPO	2,134	2,056	1,828	1,606	1,307	1,319	1,338	1,318	1,374	1,363	1,351	1,281
Offshore - billable												
Tech services	18,788	18,514	17,454	16,799	16,005	15,425	15,393	14,799	14,721	14,576	14,218	14,540
BPO	5,212	5,839	6,176	6,234	6,459	6,418	6,733	6,341	5,984	5,851	5,681	5,545
Total billable headcount	30,786	31,491	30,264	29,308	28,288	27,666	28,128	27,114	26,716	26,578	26,142	26,347
Total headcount	36,899	36,876	35,450	34,042	33,961	33,771	33,992	32,664	31,645	31,601	31,194	31,442

Source: Company, PL

Financials

Income Statement (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	133	142	154	168
YoY gr. (%)	(3.8)	7.2	8.1	9.4
Employee Cost	93	98	106	116
Gross Profit	40	45	48	53
Margin (%)	30.1	31.4	31.2	31.3
SG&A Expenses	16	18	20	21
Other Expenses	-	-	-	-
EBITDA	24	26	28	32
YoY gr. (%)	(0.5)	9.3	7.6	11.1
Margin (%)	18.2	18.6	18.5	18.8
Depreciation and Amortization	4	5	5	5
EBIT	20	22	24	26
Margin (%)	15.1	15.3	15.4	15.7
Net Interest	-	-	-	-
Other Income	1	1	1	1
Profit Before Tax	21	23	25	27
Margin (%)	15.6	15.9	16.0	16.3
Total Tax	5	6	6	7
Effective tax rate (%)	24.8	24.7	24.5	24.5
Profit after tax	16	17	19	21
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	16	17	19	21
YoY gr. (%)	(5.1)	9.5	9.3	11.4
Margin (%)	11.7	12.0	12.1	12.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	16	17	19	21
YoY gr. (%)	(5.1)	9.5	9.3	11.4
Margin (%)	11.7	12.0	12.1	12.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	16	17	19	21
Equity Shares O/s (bn)	0	0	0	0
EPS (Rs)	82.3	89.6	98.0	109.1

Source: Company Data, PL Research

Balance Sheet Abstract (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	19	23	24	25
Tangibles	19	23	24	25
Intangibles	-	-	-	-
Acc: Dep / Amortization	10	15	17	19
Tangibles	10	15	17	19
Intangibles	-	-	-	-
Net fixed assets	9	8	7	6
Tangibles	9	8	7	6
Intangibles	-	-	-	-
Capital Work In Progress	0	-	-	-
Goodwill	42	43	43	43
Non-Current Investments	6	6	6	6
Net Deferred tax assets	2	2	2	2
Other Non-Current Assets	15	19	16	14
Current Assets				
Investments	26	18	26	34
Inventories	-	-	-	-
Trade receivables	24	28	29	32
Cash & Bank Balance	8	16	18	22
Other Current Assets	6	5	6	7
Total Assets	141	149	158	169
Equity				
Equity Share Capital	2	2	2	2
Other Equity	86	94	102	110
Total Network	88	96	104	112
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	7	6	6	6
Current Liabilities				
ST Debt / Current of LT Debt	15	11	11	11
Trade payables	8	10	10	11
Other current liabilities	19	24	25	27
Total Equity & Liabilities	141	149	158	169

Source: Company Data, PL Research



Cash Flow (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	21	23	25	27
Add. Depreciation	4	5	5	5
Add. Interest	1	1	(1)	(1)
Less Financial Other Income	1	1	1	1
Add. Other	(2)	0	-	-
Op. profit before WC changes	24	29	28	32
Net Changes-WC	4	(2)	(1)	(1)
Direct tax	(6)	(7)	(6)	(7)
Net cash from Op. activities	22	19	21	24
Capital expenditures	(13)	(3)	(1)	(1)
Interest / Dividend Income	0	0	1	1
Others	(12)	3	(8)	(8)
Net Cash from Invt. activities	(25)	0	(8)	(8)
Issue of share cap. / premium	0	1	-	-
Debt changes	13	(4)	-	-
Dividend paid	(9)	(10)	(11)	(12)
Interest paid	(1)	(2)	-	-
Others	(2)	(2)	-	-
Net cash from Fin. activities	1	(18)	(11)	(12)
Net change in cash	(2)	2	2	3
Free Cash Flow	21	18	20	23

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	82.3	89.6	98.0	109.1
CEPS	104.0	114.7	123.1	136.6
BVPS	465.3	507.0	546.2	589.8
FCF	110.4	97.1	107.5	120.7
DPS	55.0	53.8	58.8	65.5
Return Ratio(%)				
RoCE	16.4	15.5	16.1	16.8
ROIC	12.9	13.5	13.6	13.7
RoE	18.6	18.5	18.6	19.2
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.2)	(0.3)	(0.4)
Debtor (Days)	67	73	70	70
Valuation(x)				
PER	30.0	27.5	25.2	22.6
P/B	5.3	4.9	4.5	4.2
P/CEPS	102.0	112.6	120.8	134.0
EV/EBITDA	18.5	16.8	15.3	13.4
EV/Sales	3.4	3.1	2.8	2.5
Dividend Yield (%)	2.2	2.2	2.4	2.7

Source: Company Data, PL Research

Quarterly Financials (Rs bn)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	34	35	36	37
YoY gr. (%)	0.3	3.3	0.7	4.2
Raw Material Expenses	24	24	24	25
Gross Profit	11	11	11	12
Margin (%)	30.8	31.3	31.7	31.8
EBITDA	6	6	7	7
YoY gr. (%)	-	-	-	-
Margin (%)	18.1	18.3	19.0	18.9
Depreciation / Depletion	1	1	1	1
EBIT	5	5	5	6
Margin (%)	15.0	15.4	15.3	15.3
Net Interest	-	-	-	-
Other Income	-	-	-	-
Profit before Tax	5	6	6	6
Margin (%)	15.7	15.9	16.0	15.9
Total Tax	1	1	1	1
Effective tax rate (%)	24.7	24.7	24.8	24.5
Profit after Tax	4	4	4	4
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	4	4	4	4
YoY gr. (%)	2.9	4.6	1.1	4.3
Margin (%)	11.8	12.0	12.0	12.0
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	4	4	4	4
YoY gr. (%)	2.9	4.6	1.1	4.3
Margin (%)	11.8	12.0	12.0	12.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4	4	4	4
Avg. Shares O/s (bn)	-	-	-	-
EPS (Rs)	21.3	22.2	22.4	23.4

Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Revenue (in US\$ mn)	1,609	1,681	1,771	1,894

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	03-Apr-25	BUY	2,940	2,474
2	27-Mar-25	BUY	2,940	2,515
3	24-Jan-25	Accumulate	3,200	3,011
4	07-Jan-25	Hold	3,020	2,869
5	17-Oct-24	Hold	3,050	3,080
6	03-Oct-24	Hold	3,020	3,016
7	28-Aug-24	Hold	2,920	3,041

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Cyient	BUY	1,560	1,255
2	HCL Technologies	Hold	1,540	1,480
3	Infosys	BUY	1,630	1,420
4	LTIMindtree	Accumulate	4,980	4,537
5	Mphasis	BUY	2,940	2,474
6	Persistent Systems	BUY	5,910	5,164
7	Tata Consultancy Services	BUY	4,160	3,247
8	Tech Mahindra	Accumulate	1,530	1,445
9	Wipro	Hold	260	248

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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