



DALAL & BROACHA
STOCK BROKING PVT. LTD.

Analyst: Mayank Babla (022) 67141412

Q4FY20 Result Update@ Dalal&Broacha

Buy on Dips

Current Price	1784
Target Price	1,897
Upside	5.5%
52 Week Range	1208/2049

Key Share Data

Market Cap (Rs.Bn)	310.57
Market Cap (US\$ Mn)	4111.33
No of o/s shares (Mn)	174.13
Face Value	1
Monthly Avg.	
Vol(BSE+NSE)'000	159.11
BSE Code	540005
NSE Code	LTI
Bloomberg	LTI:IN

Price performance



% Shareholding

	Mar-20	Dec-19
Promoters	74.53	74.58
Public	25.47	25.42
Others	0.00	0.00
Total	100	100

Consolidated Financials (in INR Mn)

INR Mn	Net Sales	Growth (%)	EBITDA	EBITDA Margin (%)	PAT	PAT Margin (%)	EPS	Growth (%)	ROE (%)	ROCE (%)	P/E
FY18	73,065	12%	11,874	16.3%	11,111	15%	63.4	14%	31.7%	31.6%	28.1
FY19	94,458	29%	18,833	19.9%	15,147	16%	86.4	36%	34.6%	34.0%	20.6
FY20	108,786	15%	20,292	18.7%	15,200	14%	86.4	0%	29.5%	29.6%	20.6
FY21E	120,627	11%	22,350	18.5%	16,236	13%	92.3	7%	27.7%	26.3%	19.3
FY22E	134,400	11%	26,168	19.5%	18,918	14%	107.6	17%	27.7%	26.4%	16.6

LTI's Q4FY20 performance was a big beat on our and street's estimates on revenue as well as profitability front

- Dollar revenue at 409.9 Mn, +3.9% qoq / +15.8% yoy and 5% above our est. of \$390 Mn
- Rupee revenue came in at INR 30119 Mn, +7.1% qoq / +21.2% yoy and 6.6% above our est.
- EBITDA at INR 5782 Mn, +9.6% qoq / +21% yoy and 12.5% above our estimates
- EBITDA margin stood at 19.2% in Q4FY20 vs 18.8% / 19.2% in Q3FY20 / Q4FY19 respectively. EBITDA margin beat our estimates by 100 bps.
- EBIT came at INR 5035 Mn, +10.3% qoq / +14.6% yoy and 13.8% above our estimate
- EBIT margin at 16.7% in Q4FY20 vs 16.2% / 17.7% in Q3FY20 / Q4FY19 respectively and 100 bps above our expectations
- PAT came in at INR 4275 Mn in Q4FY20, +13.5% qoq / +12.9% yoy and 8.2% above our est.
- EPS at 24.5 in Q4FY20 vs 21.7 / 21.8 in Q3FY20 / Q4FY19 and above our est. of INR 22.8

Segment Analysis

- Pass through related revenues contributed 2% to topline growth in Q4FY20
- **'Others' (4% of revenue)** led the growth pack in Q4FY20 with a 12.4% qoq growth on the back of a 14.6% qoq growth in Q3FY20. **Manufacturing (18% of topline)** reported a strong quarter with 6.9% qoq growth in Q4. **Hi-Tech & Media (11% of revenue)** closely followed with a 5.9% qoq growth in Q4FY20 on the back of strong 8.4% qoq growth in Q3FY20. **Energy & Utilities (11.4% of revenue)** reported a 4.8% qoq growth.
- **BFS (27.6% of revenue)** also reported a strong quarter with a 3.2% qoq growth on the back a solid 11.2% qoq growth in Q3FY20.
- **Insurance (16.8% of revenue)** reported a relatively soft quarter with a de-growth of (1.4)% qoq
- **Services-wise: Enterprise Solutions (30% of topline), IMS (12.6% of topline) and Enterprise Integration and Mobility (8.7% of revenue) outperformed in Q4FY20** with a qoq growth of 8.6%, 13.9% and 6.4% respectively

Concall KTAs

- **Signed 2 large deals with total TCV of \$113 Mn** during Q4FY20. Out of which, **\$73 Mn TCV** was signed with a key government ministry for digital transformation by implementing new micro-services based application and 2nd deal with **TCV of \$40 Mn** in Energy & Utility vertical to manage end to end services for IT applications and infrastructure operations.
- **BFS growth** was on account of strong execution of order book post a revival of the segment in H2FY20 after a weak H1FY20 as well as top receding of top client specific challenges. Q4 also saw engagement with Standard Chartered Bank for implementation of Temenos software
- **Manufacturing and Energy & Utility** registered a robust growth mainly backed by ramp up of large deal won in Q3 and pass through revenues.
- **CPG, Retail & Pharma** reported a robust quarter due to the staple nature of clients in this segment. Expect this segment to report above company average growth in FY21e.
- **Hi-Tech and Media** have delivered strong growth due to healthy demand and will deliver above company average growth in FY21e



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Other Vertical registered a strong growth and the large deal win in Q4 with Government Ministry will ensure strong performance in the coming quarters as well.

- **High impact sectors: Manufacturing & Energy industries** to be impacted due to automotive factory shutdowns related to COVID and Oil & Gas Segment respectively.
- **H2FY21e may see negative impact** of COVID related mortgage and loan defaults may **hit BFS segment**. **Insurance** vertical may be hit due to higher claims and thereby cause restrictions on discretionary IT spends
- **Gepgraphy-wise:** Europe and Middle East saw a greater impact due to COVID compared to North America and India for LTI
- Effective Tax rate will be around 25% as FY21 will consider MAT Credit for the full year. FY22 will adopt the new tax regime hence the ETR will remain at 25%.

FY21 Outlook

- Considering a strong orderbook and healthy pipeline, LTI will still manage to post industry leading revenue growth
- Expect COVID impact to be similar to peers in Q1 with a recovery in Q2FY21e
- Management has not witnessed any signs which may lead to loss of business from the top client in FY21e. However, challenging times may push the top client to reprioritize spends and therefore is cautiously optimistic.
- Cloudification and Digital business to come under focus in FY21e

Quarterly Trend and Deviation Analysis

INR mn	Consolidated financial results						
	Q4FY20	Q4FY19	YoY Growth	Q3FY20	QoQ Growth	Q4FY20E	Deviation
Revenue (US\$)	410	354	15.8%	394	3.9%	390	5%
Revenue (INR)	30,119	24,860	21.2%	28,111	7.1%	28,258	7%
Direct costs	20,251	16,417	23.4%	19,188	5.5%	19,449	4%
Gross profit	9,868	8,443	16.9%	8,923	10.6%	8,809	12%
S,G&A	4,087	3,678	11.1%	3,649	12.0%	3,668	11%
Total expenses	24,338	20,095	21.1%	22,837	6.6%	23,117	5%
EBITDA	5,781	4,765	21.3%	5,274	9.6%	5,141	12%
D&A	747	371	101.3%	709	5.4%	718	4%
EBIT	5,034	4,394	14.6%	4,565	10.3%	4,423	14%
Other income	700	676	3.6%	645	8.5%	838	-16%
Net profit before tax and exceptional items	5,513	5,042	9.3%	4,998	10.3%	5,260	5%
Provision for tax on above	1,239	1,255	-1.3%	1,231	0.6%	1,309	-5%
Net profit pre-exceptionals	4,274	3,787	12.9%	3,767	13.5%	3,951	8%
Reported net profit	4,274	3,787	12.9%	3,767	13.5%	3,951	8%
Margins (%)							
Gross margins	32.8%	34.0%	-120	31.7%	102	31.2%	159
EBITDA margin	19.2%	19.2%	3	18.8%	43	18.2%	100
PAT margin	14.2%	15.2%	-104	13.4%	79	14.0%	21

Source: Company, Dalal & Broacha Research

- Revenue was a big beat on our estimates on the back of good execution of deal wins in H2FY20
- Margins beat our estimates by 100 bps and were aided by a weak rupee, higher working days and operational efficiencies
- Hi-Tech, Media & Entertainment margins reported a sharp increase during the quarter. However, there was a one-off insurance claims settlement included to the tune of 5% margins in Q4. Adjusting for that, nominal margins stand at 15% going ahead.
- Forex income to remain stable in FY21 and management does not expect big gains
- In lieu of COVID, management did not give any guidance for revenue growth and margins but one can expect industry leading performance



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Industry-wise Quarterly Trends

Reclassified Vertical revenue contribution %	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
BFS	30.9%	29.9%	29.1%	27.7%	27.7%	27.1%	27.8%	27.6%
Insurance	18.2%	17.9%	17.8%	17.8%	18.1%	18.7%	17.7%	16.8%
Manufacturing	15.7%	15.4%	15.6%	16.6%	15.2%	16.4%	17.5%	18.0%
Energy & Utilities	10.1%	10.7%	10.8%	11.0%	10.7%	12.1%	11.3%	11.4%
CPG, Retail & Pharma	9.1%	10.2%	10.6%	10.6%	11.1%	11.5%	11.2%	11.2%
High-Tech, Media & Entertainment	11.3%	11.2%	11.3%	12.4%	12.5%	10.8%	10.8%	11.0%
Others	4.5%	4.7%	4.6%	3.9%	4.6%	3.5%	3.7%	4.0%

Vertical wise	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
BFS	99	98	101	98	99	99	110	113
Q-o-Q (%)	11.5%	-0.6%	2.8%	-2.9%	0.7%	-0.2%	11.2%	3.2%
Y-o-Y (%)	42.3%	33.0%	26.9%	10.5%	-0.1%	0.4%	8.6%	15.4%
Insurance	58	59	62	63	65	68	70	69
Q-o-Q (%)	3.0%	1.0%	5.0%	2.0%	2.4%	5.4%	2.6%	-1.4%
Y-o-Y (%)	9.0%	5.5%	8.4%	11.4%	10.8%	15.7%	13.1%	9.3%
Manufacturing	50	51	54	59	54	60	69	74
Q-o-Q (%)	-6.0%	0.7%	7.0%	8.6%	-7.8%	10.1%	15.7%	6.9%
Y-o-Y (%)	16.7%	16.8%	7.2%	9.9%	7.9%	17.9%	27.5%	25.6%
Energy & Utilities	32	35	37	39	38	44	45	47
Q-o-Q (%)	-9.1%	8.8%	6.6%	3.9%	-2.0%	15.4%	1.2%	4.8%
Y-o-Y (%)	6.5%	8.2%	8.2%	9.6%	18.1%	25.2%	19.0%	20.0%
CPG, Retail & Pharma	29	34	37	38	40	42	44	46
Q-o-Q (%)	4.7%	15.1%	9.7%	2.0%	5.5%	5.7%	5.6%	3.9%
Y-o-Y (%)	32.1%	37.6%	36.2%	34.9%	35.9%	24.9%	20.1%	22.4%
High-Tech, Media & Entertainment	36	37	39	44	45	39	43	45
Q-o-Q (%)	10.4%	1.8%	6.5%	11.9%	1.5%	-11.8%	8.4%	5.9%
Y-o-Y (%)	32.8%	22.5%	26.0%	34.0%	23.3%	6.8%	8.7%	2.7%
Others	14	15	16	14	16	13	15	16
Q-o-Q (%)	1.3%	7.3%	3.4%	-13.5%	18.8%	-22.4%	14.6%	12.4%
Y-o-Y (%)	4.8%	42.6%	18.2%	-2.9%	13.9%	-17.5%	-8.6%	18.8%

BFS: H2FY20 reported a strong performance in line with expectations. Orderbook and pipeline indicate a stable growth for H1FY21. H2FY21 may be relatively weaker due to COVID impact

Insurance: Q4 was relatively softer with a cautiously positive outlook for FY21

HiTech, Media & Ent.: strong quarter coupled with a strong outlook. Expect above company average growth in FY21e

CPG, Retail & Pharma: Staple nature of client business ensure strong growth in tumultuous times and will outperform in FY21e

Although **Mfg. and E&U** verticals reported a robust performance, they will be high impact sectors for FY21e

Geography-wise trends

Geography revenue contribution (%)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
North America	66.6%	67.4%	66.8%	66.4%	68.7%	68.7%	69.5%	68.9%
Europe	17.9%	17.1%	16.7%	16.4%	16.0%	16.4%	15.6%	15.1%
India	6.4%	6.4%	7.8%	9.1%	6.9%	6.0%	7.6%	7.8%
RoW	9.1%	9.2%	8.8%	8.2%	8.5%	8.9%	7.4%	8.1%

Geography revenue (US\$ m)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
North America	213	221	232	235	245	250	274	282
Q-o-Q (%)	4.5%	3.9%	4.7%	1.4%	4.2%	2.0%	9.7%	3.0%
Y-o-Y (%)	19.6%	16.2%	17.3%	15.2%	15.0%	12.9%	18.3%	20.2%
Europe	57	56	58	58	57	60	62	62
Q-o-Q (%)	-0.4%	-1.9%	3.1%	0.2%	-1.7%	4.6%	3.1%	0.6%
Y-o-Y (%)	24.1%	18.6%	9.7%	1.0%	-0.4%	6.2%	6.2%	6.6%
India	20	21	27	32	25	22	30	32
Q-o-Q (%)	-17.2%	2.7%	28.7%	19.0%	-23.6%	-11.3%	37.3%	6.7%
Y-o-Y (%)	11.3%	41.3%	9.8%	30.3%	20.1%	3.8%	10.8%	-0.7%
RoW	29	30	31	29	30	32	29	33
Q-o-Q (%)	27.3%	3.8%	1.0%	-4.9%	4.4%	6.8%	-9.9%	13.8%
Y-o-Y (%)	78.3%	66.7%	62.5%	26.9%	4.1%	7.1%	-4.4%	14.4%

COVID related impact was highest in Europe and Middle East

North America and India business saw least COVID related impact



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Service-Wise Quarterly Trends

Service Offering (%)	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Application Development Maintenance	34.0%	32.0%	30.8%	29.7%	38.1%	36.1%	35.8%	34.7%
Enterprise Solutions	26.3%	25.2%	27.8%	29.2%	28.4%	29.5%	28.7%	30.0%
Infrastructure Management Services	11.5%	11.7%	11.4%	11.0%	10.9%	11.1%	11.5%	12.6%
Analytics, AI & Cognitive	10.3%	12.2%	11.3%	10.7%	11.2%	11.3%	12.8%	11.6%
Enterprise Integration & Mobility	6.5%	8.0%	7.6%	8.0%	8.2%	9.0%	8.5%	8.7%
Platform based solutions	3.1%	3.0%	3.2%	3.2%	3.1%	3.0%	2.7%	2.5%

Service Offering Trends	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
ADAM	109	105	107	105	136	131	141	142
Q-o-Q (%)	7.3%	-3.4%	1.6%	-1.6%	29.2%	-3.3%	7.5%	0.7%
Y-o-Y (%)	15.9%	12.3%	8.7%	3.7%	24.9%	24.9%	32.1%	35.3%
Enterprise Solutions	84	83	96	103	101	107	113	123
Q-o-Q (%)	0.8%	-1.6%	16.5%	7.2%	-2.0%	6.0%	5.5%	8.6%
Y-o-Y (%)	41.7%	26.9%	24.5%	23.9%	20.3%	29.6%	17.4%	19.0%
IMS	37	38	40	39	39	40	45	52
Q-o-Q (%)	1.8%	4.5%	2.9%	-1.6%	-0.2%	3.9%	12.3%	13.9%
Y-o-Y (%)	15.4%	30.3%	24.8%	7.7%	5.6%	5.1%	14.7%	32.7%
Analytics, AI & Cognitive	33	40	39	38	40	41	50	48
Q-o-Q (%)	-0.3%	21.6%	-2.2%	-3.4%	5.4%	3.0%	22.8%	-5.8%
Y-o-Y (%)	31.1%	35.9%	23.7%	14.5%	21.2%	2.6%	28.8%	25.6%
Enterprise Integration & Mobility	21	26	26	28	29	33	34	36
Q-o-Q (%)	3.5%	26.4%	0.3%	7.4%	3.3%	12.0%	2.4%	6.4%
Y-o-Y (%)	25.3%	42.8%	34.1%	41.0%	40.6%	24.6%	27.2%	26.0%
Platform based solutions	10	10	11	11	11	11	11	10
Q-o-Q (%)	3.5%	-0.6%	12.6%	2.0%	-2.4%	-1.2%	-2.4%	-3.8%
Y-o-Y (%)	6.3%	-4.2%	8.1%	18.2%	11.4%	10.7%	-4.1%	-9.5%
LTI \$ Revenue	320	329	347	354	357	364	394	410
Q-o-Q (%)	3.5%	2.7%	5.6%	2.0%	0.7%	2.0%	8.4%	3.9%
Y-o-Y (%)	23.4%	21.4%	18.2%	14.5%	11.4%	10.7%	13.7%	15.8%
Digital	109	127	132	134	139	147	162	167
Q-o-Q (%)	6.7%	16.9%	3.7%	1.7%	3.4%	5.7%	10.3%	3.2%
Y-o-Y (%)	43.1%	46.1%	37.3%	31.5%	27.5%	15.3%	22.7%	24.4%

Enterprise Solutions, IMS and Enterprise Integration, & Mobility outperformed during the quarter

LTI has achieved the status of **Gold Partner with Pega** and status of **Premier Partner with Mulesoft**.

Signed 1 large deal (\$73 Mn) for Digital transformation by implementing micro-services-based applications in (**in Enterprise Solutions**) and 1 Managed services deal (\$40 Mn) with end to end IMS during the quarter

Valuation & Outlook

LTI reported the best in-class performance in Q4FY20 and beat our expectations on all fronts. Commentary for FY21e was also encouraging and largely positive across verticals except Manufacturing and E&U segments in H1FY21e and a cautiously positive outlook for BFSI in H2FY22. Considering above expected results, our EPS estimates for FY21e witness a marginally positive uptick from INR 87.5 to INR 92.3 whereas FY22e EPS estimates remain the same at INR 107.6.

LTI is currently trading at 19.3x /16.6x FY21e / FY22e EPS. Since LTI has minimal exposure to COVID impacted sectors, recalibrated its approach and operations and delivered industry leading performance in-line with its guidance, we remain positive on this stock. However, the stock has given a massive rally of 23% in the last 1 month itself and factors in many of these positive elements. **Therefore, we recommend a BUY ON DIPS strategy on the stock and maintain our TP of INR 1,897.**



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P&L Statement						
INR mn	FY17	FY18	FY19	FY20	FY21E	FY22E
Revenue	65,009	73,065	94,458	108,786	120,627	134,400
Growth (%)	11%	12%	29%	15%	11%	11%
Gross Profit	22,885	23,939	32,814	35,197	38,031	43,640
EBITDA	12,302	11,874	18,833	20,292	22,350	26,168
EBITDA Margin (%)	18.9%	16.3%	19.9%	18.7%	18.5%	19.5%
Depreciation	1,779	1,563	1,472	2,730	3,194	3,628
EBIT	10,523	10,311	17,361	17,562	19,155	22,540
EBIT Margin (%)	16.2%	14.1%	18.4%	16.1%	15.9%	16.8%
Other Income	1,867	4,261	3,023	3,289	2,461	2,648
Exceptional items	0	0	0	0	0	0
PBT	12,358	14,415	20,278	20,025	21,616	25,188
Reported PAT	9,701	11,111	15,147	15,200	16,236	18,918
Adj PAT	9,701	11,111	15,147	15,200	16,236	18,918
PAT Margin (%)	15%	15%	16%	14%	13%	14%
EPS (Rs.)	55.6	63.4	86.4	86.4	92.3	107.6
EPS Growth (%)	3%	14%	36%	0%	7%	17%

Valuation metrics						
Fully Diluted Shares (mn)	174	175	175	176	176	176
Market cap (Rs.mn)	311,100	312,524	312,778	313,778	313,778	313,778
P/E (x)	32.1	28.1	20.6	20.6	19.3	16.6
EV (Rs.mn)	308,982	310,188	309,564	310,145	311,824	308,072
EV/ EBITDA (x)	25.1	26.1	16.4	15.3	14.0	11.8
FCF Yield	4.1%	2.5%	3.8%	7.5%	3.3%	5.4%
P/BV (x)	9.9	8.1	6.4	5.8	5.0	4.2
Dividend pay-out (%)	19.5%	31.8%	35.3%	38.1%	44.6%	43.8%
Dividend yield (%)	0.5%	1.0%	1.5%	1.6%	2.0%	2.2%

Cash Flow Statement						
INR Mn	FY17	FY18	FY19	FY20E	FY21E	FY22E
PAT	9701	11111	15147	15200	16236	18918
Less: Non Operating Income	-1867	-4261	-3023	-3289	-2461	-2648
Add: Depreciation	1779	1563	1472	2730	3194	3628
Operating Profit before WC Changes	9645	8570	13702	15467	16969	19899
(Inc)/Dec in Current Assets	-7777	-8521	-9539	-10487	2021	-6183
Inc/(Dec) in Current Liabilities	680	997	3029	6849	-9576	249
Net Cash From Operations	2548	1046	7192	11829	9415	13965
Cash Flow from Investing Activities						
(Inc)/Dec in Fixed Assets	-1565	-1493	-2016	-3922	-3401	-3494
(Inc)/Dec in Investment (Strategic)	780	1233	-955	-6632	-2694	-1223
Add: Non Operating Income Income	1,867	4,261	3,023	3,289	2,461	2,648
Cash From Investing Activities	2,007	2,488	-1,943	-8,170	-3,852	-1,935
Cash Flow from Financing Activities						
Dividend Paid	-1610	-3034	-4499	-4881	-6101	-6972
Tax Paid on Dividend	-278	-500	-842	-913	-1142	-1305
Net Cash from Financing Activities	-2796	-3703	-4726	-1974	-7243	-8277
Net Inc/Dec in cash equivalents	1,760	-169	523	1,685	-1,680	3,752
Opening Balance	2034	3796	3632	4150	5838	4158
Closing Cash and Cash Equivalents	3793	3627	4155	5835	4158	7910

Free Cash Flow Statement						
INR Mn	FY17	FY18	FY19	FY20	FY21E	FY22E
EBITDA	12,302	11,874	18,833	20,292	22,350	26,168
FC Investment	-1565	-1493	-2016	-3922	-3401	-3494
WC Changes	-7097	-7524	-6510	-3638	-7554	-5934
Depreciation Tax Shield	381	357	372	658	795	903
Tax Expenses	2637	2711	4758	4889	5563	6514
FCF	15578	15551	18941	15777	21736	22999

Balance Sheet						
INR Mn	FY17	FY18	FY19	FY20	FY21E	FY22E
Share capital	171	172	174	174	174	174
Reserves and surplus	31,272	38,426	48,764	53,866	62,859	73,500
Net Worth	31,443	38,598	48,938	54,040	63,033	73,674
Non Current Liabilities						
Deferred Tax liabilities	171	132	56	7,672	7,672	7,672
Total debt	0	1,042	936	3,204	3,204	3,204
Other liabilities and provisions	293	292	299	341	341	341
Current Liabilities						
Trade payables	3,366	3,792	4,669	14,961	5,385	5,634
Other current liabilities	7,300	7,798	9,686	5,362	5,362	5,362
Short-term provisions	1,771	1,844	2,108	2,669	2,669	2,669
Total Network and Liabilities	44344	53498	66692	88249	87666	98556
Assets						
Non Current Assets						
Gross Fixed assets	6800	4483	5692	7770	8997	10015
Accumulated Depreciation	-4222	-1975	-2640	-3526	-4547	-5700
Net fixed assets	2578	2508	3052	4244	4450	4315
Intangible Assets	2841	4299	6247	7153	7371	7237
Capital Work in Progress	9	10	32	32	32	32
Investments	9406	14492	20120	24317	27744	31584
Intangible assets under development	4	58	83	83	83	83
Deferred tax assets	2156	2743	2386	3039	3039	3039
Long-term loans and advances	3469	387	473	7692	7692	7692
Current Assets						
Cash and bank balances	3796	3632	4150	5838	4158	7910
Loans & advances	8388	11407	11886	8311	8311	8311
Trade Receivables	11697	13962	18263	27541	24786	28353
Total assets	44344	53498	66692	88249	87666	98556

Ratio Analysis						
	FY17	FY18	FY19	FY20	FY21E	FY22E
Margin ratios						
Gross	35.2%	32.8%	34.7%	32.4%	31.5%	32.5%
EBITDA	18.9%	16.3%	19.9%	18.7%	18.5%	19.5%
Adj PAT	14.9%	15.2%	16.0%	14.0%	13.5%	14.1%
Performance ratios						
Pre-tax OCF/EBITDA	131.5%	101.2%	99.3%	143.0%	74.8%	93.8%
OCF/IC (%)	49.6%	24.2%	29.7%	47.1%	18.3%	26.5%
RoE (%)	37.5%	31.7%	34.6%	29.5%	27.7%	27.7%
ROCE (%)	37.4%	31.6%	34.0%	29.6%	26.3%	26.4%
RoCE (Pre-tax)	47.6%	41.0%	45.5%	38.9%	35.0%	35.2%
RoIC (Pre-tax)	38.1%	28.6%	38.0%	34.2%	30.9%	32.7%
Return on Total Assets	23.7%	19.3%	26.0%	19.9%	21.9%	22.9%
Fixed asset turnover (x)	14.5	28.7	34.0	29.8	27.7	30.7
Total asset turnover (x)	1.7	1.5	1.6	1.4	1.4	1.4
Financial stability ratios						
Net Debt to Equity (x)	-0.1	-0.1	-0.1	-0.0	-0.0	-0.1
Net Debt to EBITDA (x)	-0.3	-0.2	-0.2	-0.1	-0.0	-0.2



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