

January 18, 2024



Current Price: ₹ 6277.65

STOCK DATA

BSE Code	540005
NSE Symbol	LTIM
Reuters	LRTI BO
Bloomberg	LTIM IN

VALUE PARAMETERS

52 W H/L(Rs)	6442.65/4120.00
Mkt. Cap.(Rs Cr)	185921.00
Latest Equity(Subscribed)	29.62
Latest Reserve (cons.)	18035
Latest EPS (cons.) -Unit Curr.	149.5
Latest P/E Ratio -cons	41.99
Latest Bookvalue(cons.) -Unit Curr.	609.95
Latest P/BV - cons	10.29
Dividend Yield -%	0.96
Face Value	1.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 30/09/2023
Foreign	10.22
Institutions	12.96
Non Promoter Corp. Hold.	0.29
Promoters	68.66
Public & Others	7.87

Consolidated Results

	Qtr Ending	Qtr Ending	Var. (%)	Qtr Ending	In Cr.
	Dec. 23	Sep. 23		Dec. 22	Var. (%)
Sales	9016.60	8905.40	1.25	8620.00	4.60
OPM (%)	17.58	18.32	-74bps	15.95	163bps
OP	1584.90	1631.30	-2.84	1374.80	15.28
Other income	219.50	143.20	53.28	151.80	44.60
PBIDT	1804.40	1774.50	1.68	1526.60	18.20
Interest	60.70	47.00	29.15	37.90	60.16
PBDT	1743.70	1727.50	0.94	1488.70	17.13
Depreciation	199.00	208.20	-4.42	178.10	11.73
PBT	1544.70	1519.30	1.67	1310.60	17.86
Tax	375.40	357.00	5.15	309.90	21.14
PAT	1169.30	1162.30	0.60	1000.70	16.85
Minority interest	0.40	0.50	-20.00	0.20	100.00
Net profit	1168.90	1161.80	0.61	1000.50	16.83
EPS (Rs)	39.49	39.25		33.80	

LTI Mindtree Q3 FY24 earnings- Net Sales up 1.25% QoQ but OPM declined from 18.32% to 17.58%, Miss Estimate.

Quarter ended December 2023 compared with Quarter ended September 2023.

Net sales (including other operating income) of LTIMindtree has increased 1.25% to Rs 9016.6 crore.

Operating profit margin has declined from 18.32% to 17.58%, leading to 2.84% decline in operating profit to Rs 1,584.90 crore. Employee cost decreased from 63.79% to 62.47%. Other expenses rose from 17.89% to 19.95%. Expenses from contract fell from 7.54% to 7.23%.

Other income rose 53.28% to Rs 219.5 crore. PBIDT rose 1.68% to Rs 1804.4 crore. Provision for interest rose 29.15% to Rs 60.7 crore.

PBDT rose 0.94% to Rs 1743.7 crore. Provision for depreciation fell 4.42% to Rs 199 crore.

Profit before tax grew 1.67% to Rs 1,544.70 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 375.4 crore, compared to Rs 357 crore. Effective tax rate was 24.30% compared to 23.50%.

Minority interest decreased 20% to Rs 0.40 crore. Net profit attributable to owners of the company increased 0.61% to Rs 1,168.90 crore.

Quarter ended December 2023 compared with Quarter ended December 2022.

Net sales (including other operating income) of LTIMindtree has increased 4.60% to Rs 9016.6 crore. Sales of Banking Financial Services segment has gone down 0.22% to Rs 3,206.70 crore (accounting for 35.56% of total sales). Sales of Manufacturing segment has gone up 21.41% to Rs 1,833.60 crore (accounting for 20.34% of total sales). Sales of High Tech Media & Entertainment segment has gone up 1.07% to Rs 2,060.50 crore (accounting for 22.85% of total sales). Sales of CPG Retail Pharma segment has gone up 1.47% to Rs 1,328.30 crore (accounting for 14.73% of total sales). Sales of Health & Public Services segment has gone up

Segmental Performance : LTIMindtree : Consolidated Segment Results

In Cr.

	Qtr Ending Dec. 2023	Qtr Ending Dec. 2022	Var.(%)	% of (Total)
Sales				
Banking Financial Services	3,206.70	3,213.90	-0.22	35.56
Manufacturing	1,833.60	1,510.30	21.41	20.34
High Tech Media & Entertainment	2,060.50	2,038.70	1.07	22.85
CPG Retail Pharma	1,328.30	1,309.10	1.47	14.73
Health & Public Services	587.5	548	7.21	6.52
Total Reported Sales	9,016.60	8,620.00	4.60	100.00
PBIT				
Banking Financial Services	546.50	537.10	1.75	34.48
Manufacturing	248.20	172.10	44.22	15.66
High Tech Media & Entertainment	449.70	360.30	24.81	28.37
CPG Retail Pharma	245.80	258.10	-4.77	15.51
Health & Public Services	94.70	47.20	100.64	5.98
Total PBIT	1584.90	1374.80	15.28	100.00
Less : Interest	60.70	37.90	60.16	
Add: Other un-allocable	20.50	-26.30	LP	
PBIT Margin(%)				
Banking Financial Services	17.04	16.71	33bps	
Manufacturing	13.54	11.40	214bps	
High Tech Media & Entertainment	21.82	17.67	415bps	
CPG Retail Pharma	18.50	19.72	-122bps	
Health & Public Services	16.12	8.61	751bps	
PBT	1544.70	1310.60		

7.21% to Rs 587.50 crore (accounting for 6.52% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has jumped 15.28% to Rs 1,584.90 crore. PBIT of Banking Financial Services segment rose 1.75% to Rs 546.50 crore (accounting for 34.48% of total PBIT). PBIT of Manufacturing segment rose 44.22% to Rs 248.20 crore (accounting for 15.66% of total PBIT). PBIT of High Tech Media & Entertainment segment rose 24.81% to Rs 449.70 crore (accounting for 28.37% of total PBIT). PBIT of CPG Retail Pharma segment fell 4.77% to Rs 245.80 crore (accounting for 15.51% of total PBIT). PBIT of Health & Public Services segment rose 100.64% to Rs 94.70 crore (accounting for 5.98% of total PBIT).

PBIT margin of Banking Financial Services segment rose from 16.71% to 17.04%. PBIT margin of Manufacturing segment rose from 11.40% to 13.54%. PBIT margin of High Tech Media & Entertainment segment rose from 17.67% to 21.82%. PBIT margin of CPG Retail Pharma segment fell from 19.72% to 18.50%. PBIT margin of Health & Public Services segment rose from 8.61% to 16.12%. Overall PBIT margin rose from 15.95% to 17.58%.

Operating profit margin has jumped from 15.95% to 17.58%, leading to 15.28% rise in operating profit to Rs 1,584.90 crore. Employee cost decreased from 63.48% to 62.47%. Other expenses fell from 20.57% to 19.95%. Expenses from contract fell from 8.75% to 7.23%.

Other income rose 44.60% to Rs 219.5 crore. PBDIT rose 18.20% to Rs 1804.4 crore. Provision for interest rose 60.16% to Rs 60.7 crore.

PBDT rose 17.13% to Rs 1743.7 crore. Provision for depreciation rose 11.73% to Rs 199 crore.

Profit before tax grew 17.86% to Rs 1,544.70 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 375.4 crore, compared to Rs 309.9 crore. Effective

tax rate was 24.30% compared to 23.65%.

Minority interest increased 100% to Rs 0.40 crore. Net profit attributable to owners of the company increased 16.83% to Rs 1,168.90 crore.

Year-to-date (YTD) results analysis.

Net sales (including other operating income) of LTIMindtree has increased 8.71% to Rs 26624.1 crore. Sales of Banking Financial Services segment has gone up 8.94% to Rs 9,718.80 crore (accounting for 36.50% of total sales). Sales of Manufacturing segment has gone up 20.71% to Rs 4,934.10 crore (accounting for 18.53% of total sales). Sales of High Tech Media & Entertainment segment has gone up 2.20% to Rs 6,235.90 crore (accounting for 23.42% of total sales). Sales of CPG Retail Pharma segment has gone up 6.24% to Rs 4,013.30 crore (accounting for 15.07% of total sales). Sales of Health & Public Services segment has gone up 7.33% to Rs 1,722.00 crore (accounting for 6.47% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has jumped 4.75% to Rs 4,851.70 crore. PBIT of Banking Financial Services segment rose 2.76% to Rs 1,674.40 crore (accounting for 34.51% of total PBIT). PBIT of Manufacturing segment rose 16.61% to Rs 756.80 crore (accounting for 15.60% of total PBIT). PBIT of High Tech Media & Entertainment segment rose 6.49% to Rs 1,433.60 crore (accounting for 29.55% of total PBIT). PBIT of CPG Retail Pharma segment fell 0.04% to Rs 760.50 crore (accounting for 15.67% of total PBIT). PBIT of Health & Public Services segment fell 8.00% to Rs 226.40 crore (accounting for 4.67% of total PBIT).

PBIT margin of Banking Financial Services segment fell from 18.27% to 17.23%. PBIT margin of Manufacturing segment fell from 15.88% to 15.34%. PBIT margin of High Tech Media & Entertainment segment rose from 22.06% to 22.99%. PBIT margin of CPG Retail Pharma segment fell from 20.14% to 18.95%. PBIT margin of Health & Public Services segment fell from 15.34% to 13.15%. Overall PBIT margin fell from 18.91% to 18.22%.

Operating profit margin has declined from 18.39% to 18.22%, leading to 7.72% rise in operating profit to Rs 4,851.70 crore. Employee cost increased from 62.47% to 63.52%. Other expenses fell from 19.14% to 18.25%. Expenses from contract fell from 8.81% to 7.38%.

Other income rose 0.77% to Rs 494.3 crore. PBIDT rose 7.04% to Rs 5346 crore. Provision for interest rose 43.91% to Rs 153.7 crore.

PBDT rose 6.23% to Rs 5192.3 crore. Provision for depreciation rose 9.53% to Rs 591.9 crore.

Profit before tax grew 5.82% to Rs 4,600.40 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 1116.5 crore, compared to Rs 1051.1 crore. Effective tax rate was 24.27% compared to 24.18%.

Minority interest increased 6.25% to Rs 1.70 crore. Net profit attributable to owners of the company increased 5.69% to Rs 3,482.20 crore.

Management Comment:

Commenting on the performance Mr Debashis Chatterjee CEO and MD said: "Our strong operational performance in a seasonally weak quarter speaks about the organization's resilience amid the continuing macro challenges. For the quarter, we reported a revenue of USD 1.08 billion, a 3.5% YoY growth in USD terms, an EBIT margin of 15.4%, an increase of 150 bps YoY, and a PAT margin of 13%, an increase of 140 bps YoY.

We have booked our highest-ever order inflow at USD 1.5 billion, representing a 21% increase YoY, and our strong cash flow metrics helped us cross INR 10,000 crore in cash and investment balance. These strong indicators make us confident to deliver on our path to success as we enter the new year."

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