INSTITUTI (O) NAL
R E S E A R C H

IT Sector

Resilience amidst challenges

The IT sector is expected to post mixed revenue growth in Q1, with tier-1 reporting muted CC revenue growth while mid-tier is expected to deliver strong growth. There is a huge cross-currency tailwind in the quarter which will result in strong USD growth QoQ. The companies will maintain their full-year FY26E guidance amid the ongoing global economic uncertainty. Factors such as US tariff measures and broader macroeconomic challenges may limit discretionary spending, but the demand deterioration has been lower vs expectation at the start of the quarter. The deal pipeline remains robust, particularly in areas like cost optimization, infrastructure modernization, and AI initiatives. Gen AI continues to unlock new opportunities, with strong demand driving many projects beyond the PoC stage into full-scale deployment—evidenced by Accenture's solid Gen AI bookings. We remain cautiously optimistic and continue to take a selective approach to the sector, with a preference for Infosys among tier-1 companies and Persistent Systems, Sonata, and Mastek in the mid-tier segment.

Q1FY26E expectations: The cross-currency impact for the sector is ranging between +50-300bps and will result in strong reported USD revenue growth. Within tier-1, only two out of six companies will report positive QoQ CC, while the rest will report revenue decline. The tier-1 QoQ CC growth will range between -2.8% to +1.5%, and YoY CC growth will be between -3.4% to +4.5%. INFY and LTIM are expected to lead growth within tier-1, with +1.5% and +1.0% QoQ CC, respectively, while WPRO will report a -2.8% QoQ CC revenue decline, followed by -1.1%, -0.8%, and -0.3% QoQ declines for HCLT, TECHM, and TCS, respectively. For mid-tier companies, growth ranges from +3.7% to -3.4% QoQ in CC terms. Within mid-tier IT, growth is expected to be led by Persistent, with +3.7% QoQ CC (BFSI and Healthcare), Mphasis with +1.2% QoQ CC (BFSI-led growth), and Happiest Minds with +2.2% QoQ CC (Healthcare). The growth laggards in mid-tier will be L&T Tech (weak mobility and SWC seasonality), Tata Elxsi (weak transportation and communications), Cyient (weak sustainability and aerospace verticals), and Birlasoft (slower ramp-up). Mastek (UK Govt) and Zensar (BFSI) will report ~1% QoQ CC growth, while Sonata will have a soft quarter with +0.8% QoQ CC.

Guidance—no major changes: We anticipate Infosys will revise its FY26E revenue growth guidance at the lower end to 1-3% (from the earlier 0-3%), while HCL Tech is expected to retain its guidance of 2-5% for FY26E. Wipro is likely to guide -1% to +1% QoQ for Q2FY26E, and L&T Tech is expected to uphold its double-digit growth outlook for FY26E. Margin guidance across companies is expected to remain stable, with most firms operating at peak utilization levels. Infosys is likely to maintain a margin band of 20-22%, HCL Tech at 18-19%, and TCS at 26-28%. For FY26E, we have factored in a margin improvement of approximately 50 basis points, supported by rupee depreciation and easing supply-side pressures amid a soft demand environment. TCV are expected to remain steady, with a strategic focus on cost optimization and AI initiatives (TCS at ~USD 9bn and Infosys at ~USD 3bn).

Outlook and valuation: The IT index is down 10% YTD but up ~3% in the last month. The quarter started with heightened uncertainty due to disruptions caused by the Trump administration's reciprocal tariff measures, but the demand deceleration has been lower than expected. We have maintained our FY26/27E revenue estimates, factoring in a recovery in Q2/Q3 FY26E. Growth for ER&D companies is also expected to soften, primarily due to a potential slowdown in the transportation vertical, particularly among global OEMs. Growth dispersion across companies is likely to remain significant through FY26E. We project revenue growth for the Indian IT sector at 3.2% for FY26E, mirroring the pace seen in FY25. We cut our EPS estimates by ~0.9%/0.2% for FY26/27E, keep multiples stable for most companies, and roll over target prices to June-27E. The valuations for tier-1 IT companies appear reasonable, while mid-tier valuations continue to be elevated. The IT sector valuation at 25x is ~2% below the 5Y average (26x) but 19% above the 10Y average (21x).

Company	CMP* (INR)	RECO	TP (INR)
TCS	3,423	ADD	4,070
INFO	1,611	ADD	1,725
HCLT	1,719	ADD	1,800
WPRO	267	REDUCE	245
LTIM	5,305	ADD	5,430
TECHM	1,677	REDUCE	1,410
PSYS	6,015	ADD	6,050
MPHL	2,889	REDUCE	2,675
LTTS	4,324	ADD	4,830
TELX	6,185	REDUCE	5,500
ZENT	852	ADD	900
CYL	1,296	ADD	1,400
BSOFT	442	ADD	430
SSOF	406	ADD	430
HAPPSTMN	646	ADD	685
MAST	2,449	BUY	3,100

*CMP as on 2nd Jul 2025

Amit Chandra
amit.chandra@hdfcsec.com
+91-22-6171-7345

Vinesh Vala
vinesh.vala@hdfcsec.com
+91-22-6171-7332

Maitreyee Vaishampayan
maitreyee.vaishampayan@hdfcsec.com
+91-22-6171-7308

HDFC securities | 25 YEARS
Powering India's Investments

Exhibit 1: IT Services: Q1FY26E Quarterly Financial Summary

| Company	NET SALES (USD mn)			NET SALES (INR bn)			EBIT (INR bn)			EBIT Margin (%)			APAT (INR bn)			Adj. EPS (INR)		
	Q1 FY26E	QoQ (%)	YoY (%)	Q1 FY26E	QoQ (%)	YoY (%)	Q1 FY26E	QoQ (%)	YoY (%)	Q1 FY26E	QoQ (bps)	YoY (bps)	Q1 FY26E	QoQ (%)	YoY (%)	Q1 FY26E	Q4 FY25	Q1 FY25
TCS	7,586	1.6	1.1	649.35	0.7	3.7	157.86	1.2	2.2	24.3	12	(35)	123.54	1.1	2.6	34.1	33.8	33.3
INFO	4,888	3.3	3.7	418.37	2.2	6.4	88.23	2.9	6.5	21.1	14	1	69.55	(1.1)	9.2	16.8	16.9	15.3
HCLT	3,545	1.3	5.4	303.47	0.3	8.2	53.43	(1.8)	11.4	17.6	(39)	51	43.51	1.0	13.7	16.0	15.9	14.1
WPRO	2,562	(1.3)	(2.4)	219.43	(2.5)	(0.1)	37.74	(2.9)	4.0	17.2	(7)	68	32.25	(9.7)	7.4	3.1	3.4	2.9
LTIM	1,151	1.8	5.0	98.98	1.3	8.3	14.27	6.0	4.1	14.4	65	(58)	11.95	5.9	5.3	40.4	38.2	38.4
TECHM	1,565	1.0	0.4	133.93	0.1	3.0	14.93	6.2	35.4	11.1	64	267	12.34	1.5	44.9	14.0	13.7	9.6
PSYS	392	4.5	19.5	33.52	3.4	22.5	5.26	4.0	36.9	15.7	10	165	4.23	6.8	38.0	27.5	25.7	19.9
MPHL	439	2.0	7.1	37.54	1.2	9.7	5.69	0.4	10.9	15.2	(12)	16	4.45	(0.2)	10.1	23.8	23.8	21.6
LTTS	338	(2.0)	14.6	28.92	(3.0)	17.5	3.90	(1.0)	1.6	13.5	27	(210)	3.18	2.5	1.3	30.1	29.4	29.7
TELX	106	0.7	(4.9)	9.03	(0.6)	(2.5)	1.86	1.6	(17.5)	20.6	44	(373)	1.66	(3.6)	(9.7)	26.7	27.7	29.6
ZENT	160	2.3	3.9	13.74	1.1	6.7	1.88	(0.4)	9.5	13.7	(22)	36	1.75	(0.6)	11.0	7.6	7.7	6.9
CYL	169	(0.8)	(0.5)	14.46	(1.8)	2.2	1.88	(2.1)	(1.5)	13.0	(4)	(48)	1.47	(9.9)	4.0	13.3	14.8	12.8
BSOFT	151	(1.0)	(5.3)	12.96	(1.6)	(2.4)	1.45	(4.8)	(17.2)	11.2	(38)	(199)	1.24	1.5	(17.5)	4.5	4.4	5.5
SSOF	83	2.0	0.3	7.11	1.2	3.3	1.19	2.5	(7.9)	16.7	22	(204)	1.11	3.4	5.2	4.0	3.8	3.8
HAPPSTMN	65	2.9	16.6	5.54	1.7	19.4	0.67	10.1	7.5	12.2	93	(135)	0.49	16.4	(12.0)	3.3	2.3	3.4
MAST	109	4.3	12.1	9.34	3.2	14.9	1.29	7.5	24.3	13.8	56	104	0.91	2.0	27.3	28.8	28.2	22.6
Aggregate	**23,307**	*1.5*	*2.6*	**1,995.69**	*0.6*	*5.2*	**391.52**	*1.1*	*5.9*	*19.6*	*10*	*13*	**313.63**	*(0.4)*	*7.7*			

Source: HSIE Research, WPRO USD Rev is IT services, CYL is DET business and SSOF is IITS USD rev & IITS EBITDA margin

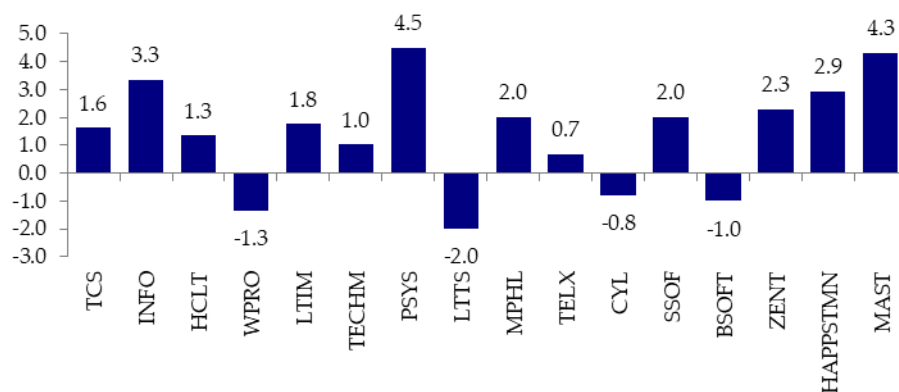## Exhibit 2: Q1FY26E revenue growth expectation (QoQ CC)
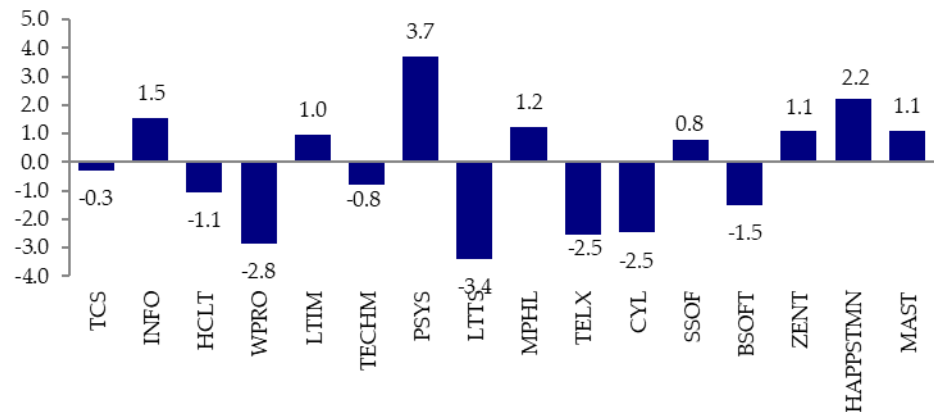
Source: HSIE Research; Inorganic growth for Infosys is 0.3% QoQ CC (MRE & Missing Link) and Happiest Minds is 1.5% QoQ CC (Gavs Tech)

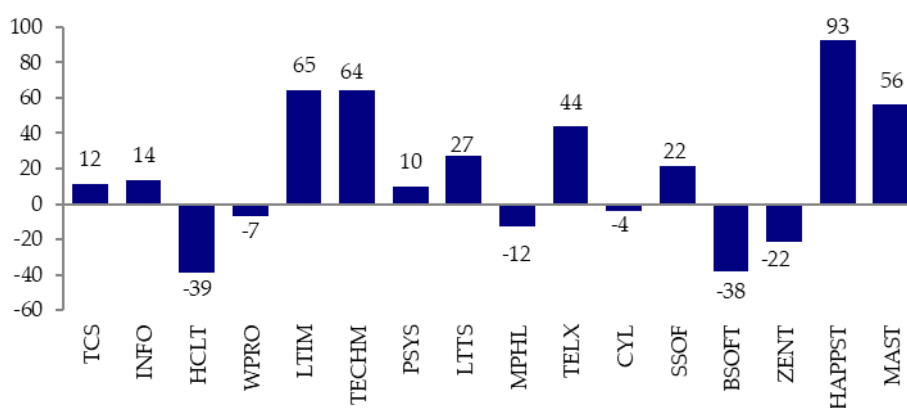## Exhibit 3: Q1FY26E cross currency impact (QoQ bps)
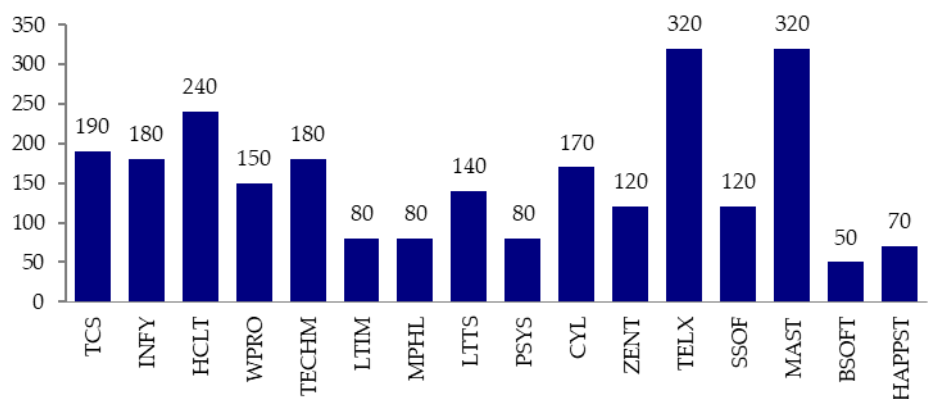
Source: HSIE Research

Exhibit 4: Q1FY26E revenue growth expectation (QoQ USD)

Source: HSIE Research

Exhibit 5: Q1FY26E EBITM QoQ bps expectation

Source: HSIE Research; Sonata is IITS EBITDA margin and Cyient is DET EBIT margin

Exhibit 6: IT Services: valuations

| Company	MCap (INR bn)	CMP (INR)	TP INR)	RECO	EPS (INR)				P/E (x)				RoE (%)				USD Rev CAGR% FY25-28E	EPS CAGR% FY25-28E
					FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E		
TCS	12,386	3,423	4,070	ADD	134.2	143.6	159.1	173.7	25.5	23.8	21.5	19.7	52.4	54.5	58.9	61.7	5.9	9.0
Infosys	6,686	1,611	1,725	ADD	64.3	68.4	76.0	84.7	25.0	23.5	21.2	19.0	29.0	28.9	30.7	32.7	6.2	9.6
HCL Tech	4,664	1,719	1,800	ADD	62.5	69.6	78.4	88.1	27.5	24.7	21.9	19.5	24.6	26.6	28.6	29.9	6.9	12.1
Wipro	2,801	267	245	REDUCE	12.5	12.5	13.5	14.6	21.3	21.4	19.8	18.3	16.6	15.5	16.0	16.6	3.4	5.3
LTIMindtree	1,569	5,305	5,430	ADD	155.6	172.5	212.5	250.6	34.1	30.7	25.0	21.2	21.5	21.1	22.8	23.5	10.6	17.2
TechM	1,486	1,677	1,410	REDUCE	49.4	61.0	74.2	88.1	34.0	27.5	22.6	19.0	16.2	19.4	22.3	24.7	6.0	21.3
Persistent	925	6,015	6,050	ADD	91.0	112.4	142.6	174.6	66.1	53.5	42.2	34.4	24.8	25.3	27.3	28.1	16.8	24.3
Mphasis	541	2,889	2,675	REDUCE	91.0	101.2	117.4	140.4	31.7	28.5	24.6	20.6	18.5	18.9	20.3	22.2	10.0	15.5
L&T Tech	457	4,324	4,830	ADD	119.9	136.9	167.8	191.5	36.0	31.6	25.8	22.6	22.2	22.3	24.0	24.0	11.5	16.9
Tata Elxsi	385	6,185	5,500	REDUCE	122.9	136.5	167.5	195.0	50.3	45.3	36.9	31.7	29.3	28.0	30.5	31.4	11.3	16.6
Zensar	195	852	900	ADD	28.4	30.7	36.3	41.5	30.0	27.8	23.4	20.5	16.6	15.8	16.8	17.1	10.1	13.4
Cyient	143	1,296	1,400	ADD	56.3	60.1	73.8	91.4	23.0	21.5	17.6	14.2	13.0	12.1	13.9	16.0	9.1	17.5
Birlasoft	122	442	430	ADD	18.8	19.2	22.4	27.0	23.5	23.1	19.7	16.3	15.8	14.5	15.4	16.7	5.9	12.9
Sonata	114	406	430	ADD	15.1	17.3	20.6	24.3	26.8	23.5	19.7	16.7	27.3	26.5	27.6	28.3	10.2	17.1
Happiest Minds	98	646	685	ADD	12.7	16.9	21.9	26.3	50.8	38.2	29.5	24.6	12.7	15.8	18.7	20.5	17.4	27.4
Mastek	77	2,449	3,100	BUY	116.4	124.6	149.3	171.5	21.0	19.6	16.4	14.3	16.2	15.0	15.9	16.0	12.3	13.8
IT AVG									**32.9**	**29.0**	**24.2**	**20.8**	**22.3**	**22.5**	**24.4**	**25.6**	**9.6**	**15.6**
IT Median									**28.7**	**26.1**	**22.3**	**19.6**	**20.0**	**20.2**	**22.6**	**23.7**	**10.0**	**16.1**

Source: HSIE Research, CMP as on 2nd Jul 2025

Exhibit 7: Global IT Peers: valuations

Company	MCap (USD bn)	CMP USD	TP	RECO	EPS				P/E (x)				RoE (%)				USD Rev CAGR% FY25-28E	EPS CAGR% FY25-28E
					FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E		
Accenture	186,34	299	NA	NR	12.9	13.8	14.9	16.0	23.2	21.7	20.1	18.7	27.6	25.9	24.5	23.4	5.5	7.4
Cognizant	39.2	80	NA	NR	4.8	5.1	5.5	5.9	16.8	15.6	14.6	13.5	16.2	16.6	15.9	15.5	8.1	7.6
Capgemini^	25.0	145	NA	NR	12.2	11.3	12.0	12.9	11.8	12.9	12.1	11.2	15.0	15.1	14.8	14.6	3.5	1.8
EPAM	10.1	179	NA	NR	10.9	10.9	12.1	13.5	16.5	16.5	14.8	13.2	12.8	14.6	14.8	14.4	15.5	7.6
Globant	4.1	92	NA	NR	6.4	6.1	6.7	7.5	14.3	14.9	13.7	12.2	9.0	12.4	11.7	11.9	10.1	5.6
TietoEVRY^	1.9	16	NA	NR	NA	1.1	1.5	1.7	NA	14.3	10.6	9.7	NA	8.5	13.9	16.0	NA	NA
Global IT AVG									16.5	16.3	15.0	13.8	16.1	16.9	16.3	15.9	8.5	6.0
Global IT Median									16.5	15.6	14.6	13.2	15.0	15.1	14.8	14.6	8.1	7.4

Source: Bloomberg consensus, HSIE Research, CMP as on 2nd Jul 2025, ^ in EUR, Global IT AVG and Median excludes TietoEVRY

Exhibit 8: NIFTY IT Index re-rated from June'24 but now trending near 5yr average
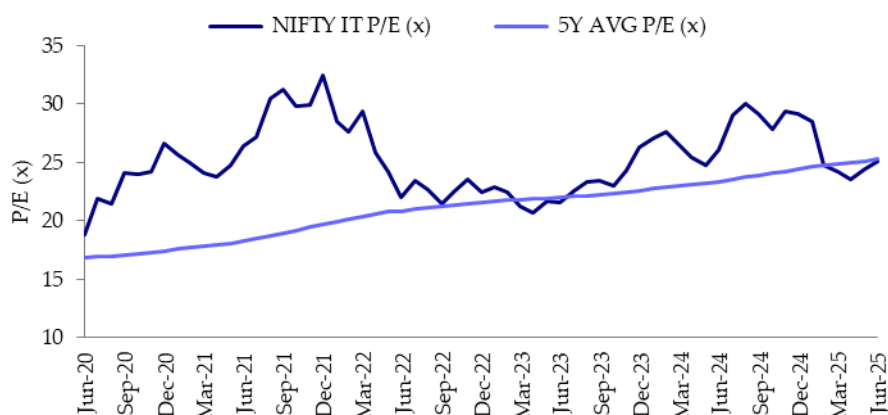
Source: Bloomberg, HSIE Research

Exhibit 9: Change in estimates

Company	Revenue USD Mn (NEW)		Change (%)		EBIT % (NEW)		Change (bps)		EPS (INR) NEW		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
TCS	30,826	33,053	-0.7%	-0.9%	25.1	25.7	-3	7	143.6	159.1	-0.9%	-0.9%
INFO	19,913	21,459	-0.2%	-0.4%	21.1	21.4	-25	7	68.4	76.0	-1.4%	-0.1%
HCLT	14,492	15,663	0.6%	0.7%	18.8	19.3	1	34	69.6	78.4	-0.8%	0.2%
WPRO*	10,413	11,015	0.8%	0.8%	17.1	17.3	6	12	12.5	13.5	1.0%	1.3%
LTIM	4,787	5,384	0.3%	0.3%	14.9	16.3	-8	-5	172.5	212.5	-0.3%	-0.1%
TECHM	6,429	6,949	-0.2%	-0.2%	12.0	13.5	-3	-10	61.0	74.2	-0.2%	-0.8%
PSYS	1,660	1,946	1.1%	1.1%	15.1	16.2	8	7	112.4	142.6	1.7%	1.6%
MPHL	1,826	2,028	0.1%	0.2%	15.5	16.0	-2	14	101.2	117.4	0.0%	1.0%
LTTS	1,405	1,576	0.5%	0.4%	14.9	16.0	-50	-10	136.9	167.8	-2.2%	-0.3%
TELX	460	539	-4.7%	-4.7%	25.2	26.5	4	18	136.5	167.5	-1.7%	-1.6%
ZENT	666	749	0.5%	0.5%	13.1	13.9	-53	-30	30.7	36.3	-2.8%	-1.3%
CYL	892	992	-2.9%	-3.5%	11.8	12.8	-20	-27	60.1	73.8	-4.7%	-5.6%
BSOFT	628	687	-0.6%	-0.5%	11.4	12.2	0	0	19.2	22.4	-0.6%	-0.5%
SSOF*	353	395	0.0%	0.0%	17.3	18.4	-131	-86	17.3	20.6	-1.4%	0.5%
HAPPSTMN	279	337	-1.3%	-1.3%	15.1	15.7	-45	15	16.9	21.9	-4.4%	-0.3%
MAST	457	512	0.6%	0.4%	14.1	14.5	30	28	124.6	149.3	0.4%	1.3%
IT-Median			0.1%	0.1%			(3)	7			-0.9%	-0.2%

Source : Company, HSIE Research; * Wipro is IT Services USD revenue and Sonata is IITS revenue & IITS EBITDA margin

Exhibit 10: Change in TP & Rating

Companies	M-cap (INR bn)	CMP (INR)	TP Old (INR)	New TP (INR)	Old Rating	New Rating	Old multiple (x)	New multiple (x)	5Y Avg (x)	10Y Avg (x)	Prem/Disc. to 10Y Avg
TCS	12,386	3,423	4,000	4,070	ADD	ADD	25	25	28	24	5%
INFY	6,686	1,611	1,600	1,725	ADD	ADD	22	22	25	21	6%
HCLT	4,664	1,719	1,720	1,800	ADD	ADD	22	22	21	17	28%
WPRO	2,801	267	240	245	REDUCE	REDUCE	18	18	21	18	3%
LTIM	1,569	5,305	5,100	5,430	ADD	ADD	24	24	31	24	-1%
TECHM	1,486	1,677	1,350	1,410	REDUCE	REDUCE	18	18	21	17	5%
PSYS	925	6,015	5,610	6,050	ADD	ADD	40	40	37	25	58%
MPHL	541	2,889	2,560	2,675	REDUCE	REDUCE	22	22	25	20	10%
LTTS	457	4,324	4,800	4,830	ADD	ADD	28	28	34	28	1%
TELX	385	6,185	5,450	5,500	REDUCE	REDUCE	32	32	50	36	-10%
ZENT*	195	852	810	900	ADD	ADD	22	24	19	16	52%
CYL	143	1,296	1,400	1,400	ADD	ADD	18	18	19	16	13%
BSOFT	122	442	410	430	ADD	ADD	18	18	21	14	28%
SSOF	114	406	390	430	ADD	ADD	20	20	21	16	22%
HAPPSTMN	98	646	660	685	ADD	ADD	30	30	49	NA	NA
MAST	77	2,449	2,950	3,100	ADD	BUY	20	20	19	15	33%

Source : Company, HSIE Research, CMP as on 2nd Jul 2025, * Multiple upgraded

Exhibit 11: IT Sector stock performance (%) – TELX, ZENT, LTIM, TECHM and SSOF ouperformed in last 3M

Company	M-cap (USD bn)	CMP (INR)	1W (%)	1M (%)	3M (%)	6M (%)	1Y (%)	3Y (%)	5Y (%)	YTD (%)
TCS	144.6	3,423	1.2	(1.0)	(3.4)	(16.6)	(13.8)	3.5	63.9	(16.2)
INFO	78.1	1,611	1.6	2.8	5.3	(14.6)	1.0	8.6	119.5	(14.5)
HCLT	54.4	1,719	1.6	5.0	12.3	(10.1)	17.0	76.2	211.4	(10.4)
WPRO	32.7	267	(0.2)	6.0	0.7	(11.9)	0.3	25.4	141.5	(12.4)
LTIM	18.4	5,305	(0.6)	4.6	19.8	(6.5)	(2.6)	32.6	173.8	(5.0)
TECHM	19.2	1,677	(0.4)	6.2	19.8	(1.9)	13.5	65.4	206.1	(2.1)
PSYS	11.0	6,015	(0.7)	7.1	15.9	(6.2)	34.3	264.4	1,792.2	(6.5)
MPHL	6.4	2,889	7.4	12.6	17.8	0.9	15.5	28.6	226.7	1.2
LTTS	5.3	4,324	0.5	(0.3)	(4.6)	(7.3)	(13.6)	45.8	235.3	(8.1)
TELX	4.5	6,185	(0.9)	(3.6)	22.5	(7.9)	(12.2)	(23.8)	588.2	(8.7)
ZENT	2.3	852	0.7	0.9	21.5	12.5	11.4	211.4	573.1	11.8
CYL	1.7	1,296	(1.1)	(3.9)	4.8	(28.3)	(29.8)	70.2	362.4	(29.5)
BSOFT	1.4	442	3.7	9.4	12.9	(22.2)	(38.9)	25.4	399.4	(21.8)
SSOF	1.3	406	4.2	0.2	17.6	(32.3)	(34.0)	65.0	358.3	(31.6)
HAPPSTMN	1.1	646	1.3	9.5	9.9	(10.2)	(21.9)	(20.2)	292.0	(11.4)
MAST	0.9	2,449	(2.4)	4.2	14.3	(19.7)	(13.6)	15.9	520.0	(18.6)
NSE IT Index			1	4	8	-10	5	38	164	-10
NIFTY			2	3	10	8	6	62	145	8
Nasdaq			2	7	17	5	14	83	101	5

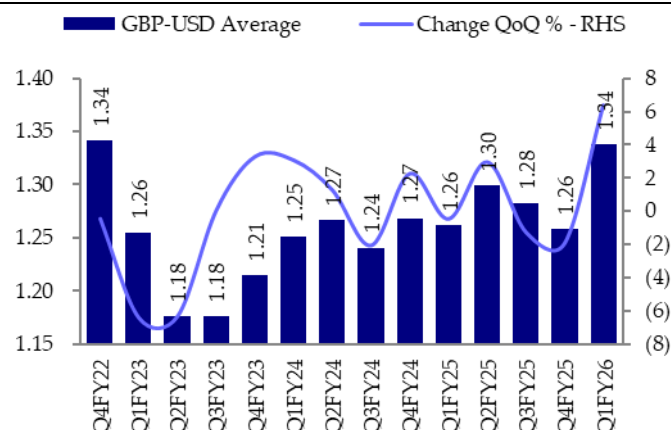Source: Bloomberg, HSIE Research, CMP as on 2nd Jul 2025

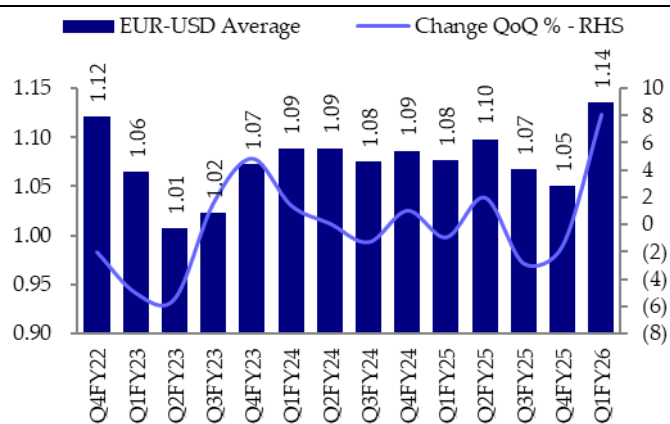### Exhibit 12: USD-INR vs IT index trend
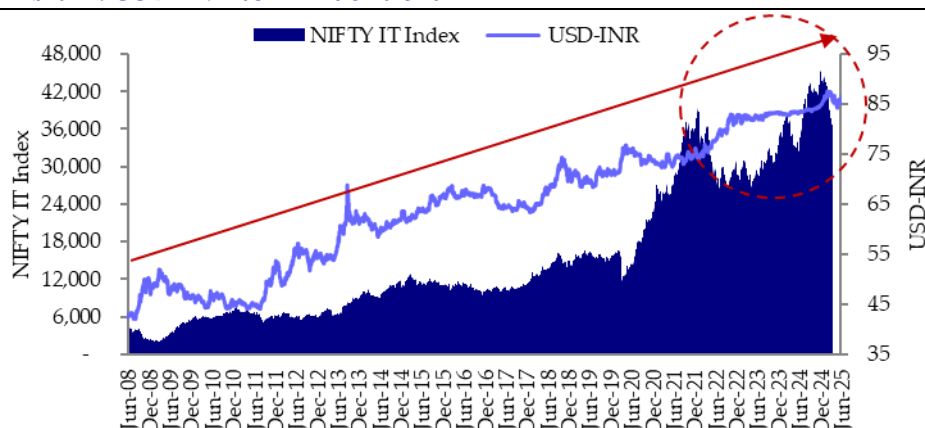
Source: Bloomberg

Exhibit 13: Currency trends - GBP, EUR and AUD improvement led positive cross currency impact in Q1
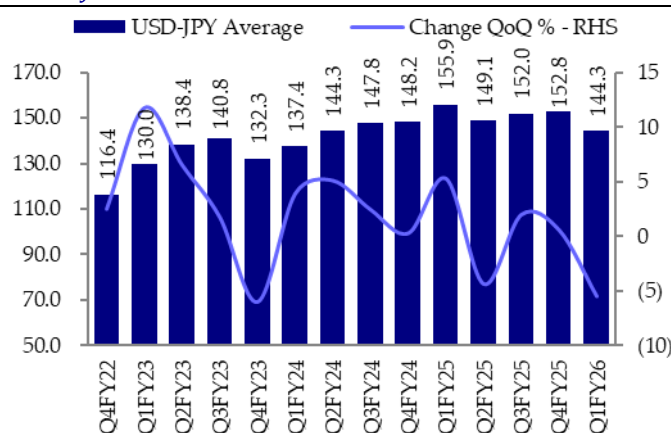
USD-INR trend
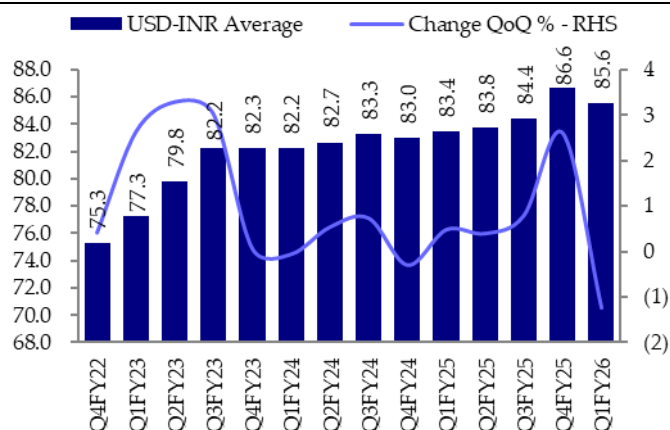
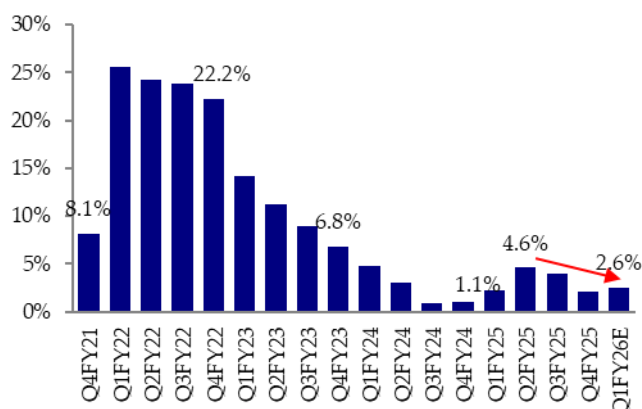Source: NSE, Bloomberg, HSIE Research

GBP-USD trend

Source: NSE, Bloomberg, HSIE Research
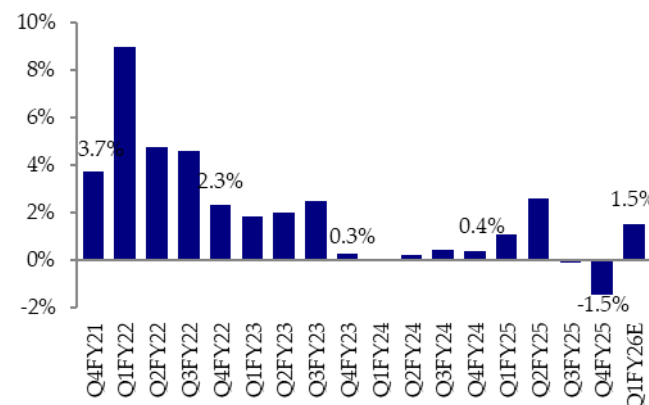
EUR-USD trend

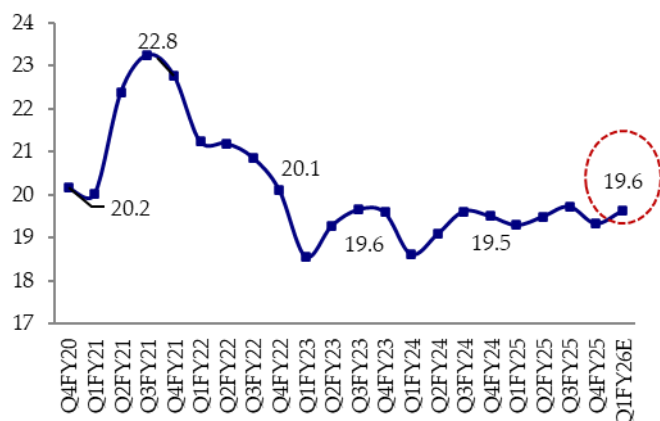Source: NSE, Bloomberg, HSIE Research

USD-JPY trend

Source: NSE, Bloomberg, HSIE Research
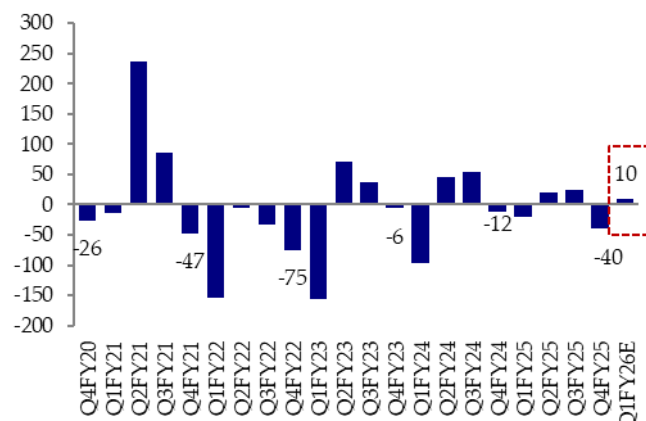
Exhibit 14: IT Sector YoY revenue growth trending down

Source: Company, HSIE Research

Exhibit 15: IT Sector QoQ revenue growth supported by FX tailwinds

Source: Company, HSIE Research

Exhibit 16: Slight margin uptick

Source: Company, HSIE Research

Exhibit 17: Sequential margin improvement

Source: Company, HSIE Research

Exhibit 18: H2FY26E YoY recovery expected with some cautiousness in spending - IT Sector aggregate revenue growth and EBITM trend
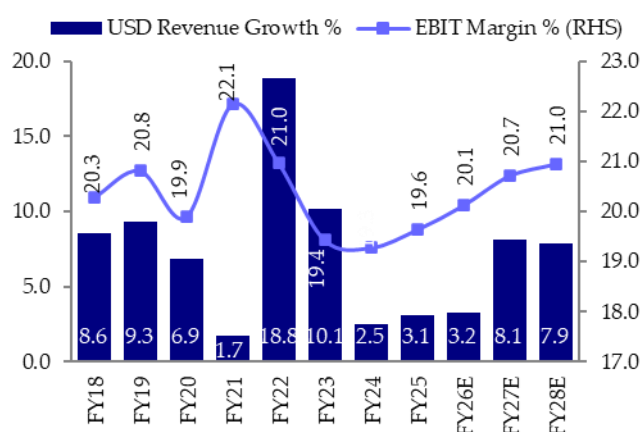
Source: Company, HSIE Research

Exhibit 19: Tier -1 IT revenue growth and margin trend
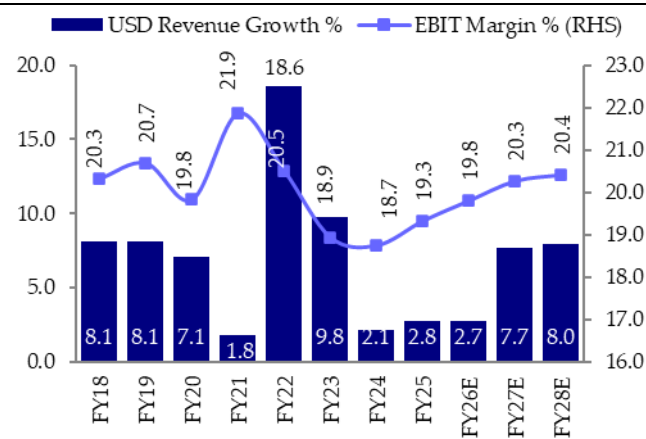
Source: Company, HSIE Research; Tier 1 includes TCS, INFO, HCLT, WPRO, LTIM & TECHM

Exhibit 20: Tier -2 IT revenue growth and margin trend
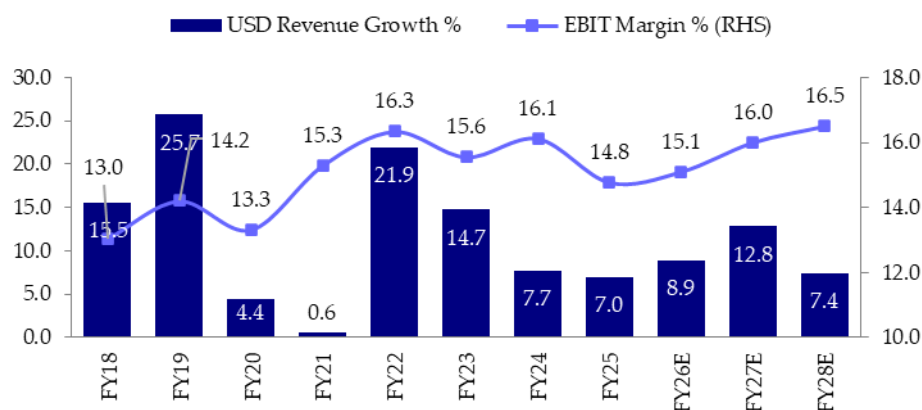
Source: Company, HSIE Research; Tier 2 includes PSYS, MPHL, LTTS, TELX, ZENT, CYL, BSOFT, SSOF, HAPPSTMN, MAST

Exhibit 21: Key deals announced in Q1FY26

Company	Client	Vertical	Region	Services
TCS	Schneider Electric Marathon de Paris	Regional Markets & Others	Europe	AI, data analytics and digital innovation
	ICICI Securities	BFSI	India	Modernisation of retail trading and brokerage platform
	Jazeera Airways	Retail & CPG	Kuwait	Agentic AI and platform engineering
	Dhofar Insurance Company	BFSI	Oman	TCS BaNCS for insurance implementation
	Khan Bank	BFSI	Mongolia	Platform modernisation
	BSNL	Communication & Media	India	Engineering, testing, commissioning and maintenance of 4G mobile network
	DNA	Communication & Media	Finland	Cloud transformation
	Virgin Atlantic	Retail & CPG	UK	Digital transformation
	Salling Group	Retail & CPG	Denmark	AI-led cloud migration
Infosys	AIB	Financial Services	UK	App development and maintenance using AI
	Spark New Zealand	Communication	New Zealand	Implementation of Topaz and Cobalt
	Yorkshire Building Society	Financial Services	UK	Digital transformation
	International Tennis Hall of Fame	Others	US	AI-led transformation
	Lawn Tennis Association	Others	UK	AI and Innovation Partner
	DNB Bank	Financial Services	Norway	Digital transformation
	Bank of Sydney	Financial Services	Australia	Finacle Digital Banking Suite
	E.ON	Energy, Utilities, Resources & Services	Europe	AI-powered digital workplace transformation - Topaz
	Zoetis	Life sciences	US	Advanced AI solutions and automation services
HCL Tech	Taylor Wimpey	Public Services	UK	AI capabilities, app and infra management, network services, cybersecurity and workplace solutions
	Standard Insurance Company	Financial Services	US	AI-driven infrastrucure and application services
	Volvo Cars	Mfg	Europe	Engineering solutions
	E.ON	Public Services	Germany	Cloud and network management
	ASISA	Financial Services	Spain	Platform modernisation and AI solutions
	Just Energy	Public Services	US	Digital Process Outsourcing solutions suite and GenAI platform AI Force
	AMD	Technology & Services	US	Enterprise digital transformation
Wipro	Vorwerk	Consumer Business Unit	Germany	AI-powered IT transformation
	Hachette	Consumer Business Unit	UK	SAP S/4HANA
	Entrust	Technology	US	Gen-AI solutions
	Metro AG	Consumer Business Unit	Germany	Engineering and digital services
Tech Mahindra	KOGO AI	Technology, Media & Entertainment	India	Enterprise AI solutions
	Hanab	Others	Netherlands	IT modernisation
LTIM	Phinia	Manufacturing	US	AI-led IT transformation
	ADM	Consumer Business	US	AI-powered app management, infra support & cybersecurity
LTTS	Tennant Company	Sustainability	US	Set up Offshore Development Center
	thyssenkrupp Steering	Mobility	Europe	Set up Software Development Center
Mphasis	Sixfold	Banking, Capital Market and Insurance	US	AI platform integration
Tata Elxsi	European College of Sport and Exercise Physicians	Healthcare & Medical Devices	Europe	Establishing Global Engineering Centre
	Mercedes Benz Research and Development India	Transportation	India	Vehicle software engineering and SDV development
Zensar	ManageEngine	Hi-Tech	India	IT enterprise transformation
Cyient	Vodafone	Communications	US	AI-powered network configuration management solution
Mastek	Zulekha Healthcare Group	Healthcare	UAE	Oracle Fusion cloud
	NHS England	Healthcare	UK	Cybersecurity training

Source: Company, HSIE Research

Exhibit 22: Quarterly USD revenue growth trend (QoQ CC %)

USD Rev (QoQ CC %)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
TCS	3.5	4.0	2.3	0.6	0.0	0.1	1.0	1.1	2.2	1.1	0.0	-0.8	-0.3
INFO	5.5	4.0	2.4	-3.2	0.4	2.3	-1.0	-2.2	3.6	3.1	1.7	-3.5	1.5
HCLT	2.7	3.8	5.0	-1.2	-1.3	1.0	6.0	0.3	-1.6	1.6	3.8	-0.8	-1.1
WPRO	2.1	4.1	0.6	-0.6	-2.8	-2.0	-1.7	-0.3	-1.0	0.6	0.1	-0.8	-2.8
LTIM	5.0	5.5	1.9	0.7	0.1	1.7	0.7	-1.3	2.6	2.3	1.8	-0.6	1.0
TECHM	3.5	2.9	0.2	0.3	-4.2	-2.4	1.1	-0.8	0.7	0.7	1.2	-1.5	-0.8
PSYS	12.0	6.6	3.5	3.5	2.9	3.2	3.1	3.4	5.6	5.3	3.2	3.2	3.7
MPHL	2.0	1.8	-2.5	-4.5	-3.5	0.0	1.0	2.1	-0.1	2.4	0.2	2.9	1.2
LTTS	4.7	4.5	0.0	2.2	-2.9	3.2	0.9	5.1	-3.1	3.4	3.1	10.5	-3.4
TELX	6.5	4.7	3.5	1.6	1.2	3.4	3.0	-0.6	2.4	0.2	0.0	-3.3	-2.5
ZENT	3.1	1.6	-5.3	0.4	1.3	0.2	-3.2	2.0	4.3	0.3	0.7	0.9	1.1
CYL	6.5	12.3	11.9	3.2	0.3	1.0	1.1	-0.5	-5.0	1.3	2.4	-1.9	-2.5
BSOFT	2.3	1.1	0.0	3.1	1.7	3.0	1.8	1.6	-2.7	2.2	-1.1	-5.3	-1.5
SSOF	3.9	3.3	3.9	8.0	17.4	5.2	3.0	-2.2	1.4	1.5	4.4	-7.2	0.8
HAPPSTMN	5.9	5.0	2.1	1.4	3.6	3.3	0.8	1.4	11.4	12.7	0.8	1.1	2.2
MAST	-0.1	10.7	3.1	5.3	0.4	4.4	2.7	-1.4	4.1	4.7	0.1	2.9	1.1

Source: Company, HSIE Research, Wipro is IT services rev and Sonata is IITS Rev, HAPPSTMN is USD rev growth from Q1FY23 to Q2FY23; Inorganic growth for Infosys is 0.3% QoQ CC (MRE & Missing Link) and Happiest Minds is 1.5% QoQ CC (Gavs Tech)

Exhibit 23: Quarterly EBIT Margin trend (%)

EBIT Margin (%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
TCS	23.1	24.0	24.5	24.5	23.2	24.3	25.0	26.0	24.7	24.1	24.5	24.2	24.3
INFO	20.1	21.5	21.5	21.0	20.8	21.2	20.5	20.1	21.1	21.1	21.3	21.0	21.1
HCLT	17.0	17.9	19.6	18.2	17.0	18.5	19.7	17.6	17.1	18.6	19.5	18.0	17.6
WPRO	15.0	15.1	16.3	17.0	16.0	16.1	16.0	16.4	16.5	16.8	17.5	17.5	17.2
LTIM	17.4	17.5	13.9	16.4	16.7	16.0	15.4	14.7	15.0	15.5	13.8	13.8	14.4
TECHM	11.0	11.4	12.0	11.2	6.8	4.7	5.4	7.4	8.5	9.6	10.2	10.5	11.1
PSYS	14.3	14.6	15.4	15.4	14.9	13.7	14.5	14.5	14.0	14.0	14.9	15.6	15.7
MPHL	15.3	15.3	15.3	15.3	15.4	15.5	14.9	14.9	15.0	15.4	15.3	15.3	15.2
LTTS	18.3	18.1	18.7	18.7	17.2	17.1	17.2	16.9	15.6	15.1	15.9	13.2	13.5
TELX	30.5	26.8	27.6	27.3	27.1	27.1	26.8	25.8	24.3	25.1	23.5	20.1	20.6
ZENT	7.2	4.6	7.1	11.6	15.3	15.7	14.6	14.6	13.3	13.1	13.8	13.9	13.7
CYL	11.5	11.9	12.9	14.2	14.7	14.6	14.3	14.4	11.9	12.5	11.4	12.3	11.7
BSOFT	13.0	13.1	-1.1	11.9	13.6	14.2	14.4	14.7	13.1	10.5	10.4	11.5	11.2
SSOF	24.5	23.5	21.8	20.7	21.1	23.1	22.6	17.3	18.7	18.2	14.6	16.5	16.7
HAPPSTMN	23.5	22.7	21.7	21.0	19.2	16.7	16.1	16.4	13.5	13.2	13.7	11.3	12.2
MAST	17.2	14.4	14.3	14.9	14.8	13.3	14.2	12.5	12.8	14.2	14.3	13.3	13.8

Source: Company, HSIE Research, WPRO is IT services margin and SSOF is IITS EBITDA Margin

Exhibit 24: Financial Snapshot

TCS

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	25,707	27,927	29,080	30,179	30,826	33,053	35,814
Revenue	1,917.54	2,254.58	2,408.93	2,553.24	2,647.98	2,875.65	3,151.61
EBIT	484.53	542.37	593.11	621.65	664.20	738.73	806.03
APAT	383.27	421.47	466.35	485.53	519.72	575.54	628.37
AEPS (INR)	105.9	116.5	128.9	134.2	143.6	159.1	173.7
EBIT margin (%)	25.3	24.1	24.6	24.3	25.1	25.7	25.6
USD Revenue growth (%)	15.9	8.6	4.1	3.8	2.1	7.2	8.4
EPS growth (%)	14.9	10.0	10.6	4.1	7.0	10.7	9.2
P/E (x)	32.3	29.4	26.6	25.5	23.8	21.5	19.7
EV/EBITDA (x)	22.3	20.1	18.6	17.7	16.6	15.0	13.8
RoE (%)	43.7	46.9	51.6	52.4	54.5	58.9	61.7

Infosys

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	16,310	18,212	18,562	19,277	19,913	21,459	23,076
Revenue	1,216.41	1,467.67	1,536.71	1,629.90	1,710.58	1,866.96	2,030.68
EBIT	280.15	309.06	317.47	344.24	360.89	400.17	439.83
APAT	221.11	240.95	247.50	267.13	284.01	315.70	351.81
AEPS (INR)	53.3	58.0	59.6	64.3	68.4	76.0	84.7
EBIT margin (%)	23.0	21.1	20.7	21.1	21.1	21.4	21.7
USD Revenue growth (%)	20.3	11.7	1.9	3.9	3.3	7.8	7.5
EPS growth (%)	14.3	9.0	2.7	7.9	6.3	11.2	11.4
P/E (x)	30.2	27.7	27.0	25.0	23.5	21.2	19.0
EV/EBITDA (x)	20.0	18.2	17.3	15.8	15.1	13.7	12.5
RoE (%)	29.2	32.0	30.3	29.0	28.9	30.7	32.7

HCL Tech

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	11,537	12,586	13,270	13,840	14,492	15,663	16,904
Revenue	856.51	1,014.56	1,099.13	1,170.55	1,244.89	1,362.67	1,487.57
EBIT	162.04	184.84	200.27	214.03	233.50	263.11	295.36
APAT	134.99	148.52	157.02	169.61	188.89	212.81	239.12
AEPS (INR)	49.7	54.7	57.9	62.5	69.6	78.4	88.1
EBIT margin (%)	18.9	18.2	18.2	18.3	18.8	19.3	19.9
USD Revenue growth (%)	13.4	9.1	5.4	4.3	4.7	8.1	7.9
EPS growth (%)	8.3	10.0	5.7	8.0	11.4	12.7	12.4
P/E (x)	34.5	31.4	29.7	27.5	24.7	21.9	19.5
EV/EBITDA (x)	22.0	19.8	18.2	17.2	16.2	14.3	12.7
RoE (%)	22.1	23.3	23.5	24.6	26.6	28.6	29.9

Wipro

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
ITS Revenue (USD mn)	10,356	11,147	10,805	10,512	10,413	11,015	11,632
Revenue	790.93	904.88	897.60	890.88	898.67	958.92	1,024.15
EBIT	133.75	135.13	135.76	151.24	153.39	165.52	179.39
APAT	122.19	113.50	110.45	131.35	131.19	141.60	153.42
AEPS (INR)	11.7	10.8	10.5	12.5	12.5	13.5	14.6
IT Services EBIT margin (%)	17.8	15.7	16.1	17.1	17.1	17.1	17.1
USD Revenue growth (%)	27.3	7.6	(3.1)	(2.7)	(0.9)	5.8	5.6
EPS growth (%)	13.2	(7.1)	(2.7)	18.7	(0.1)	7.9	8.4
P/E (x)	22.9	24.6	25.3	21.3	21.4	19.8	18.3
EV/EBITDA (x)	15.9	15.2	15.0	13.6	13.3	12.2	11.2
RoE (%)	20.2	15.8	14.4	16.6	15.5	16.0	16.6

LTIMindtree

INR bn	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	4,106	4,287	4,493	4,787	5,384	6,079
Revenue	331.83	355.17	380.08	411.66	468.39	534.96
EBIT	53.85	55.69	55.03	61.16	76.38	90.79
APAT	44.10	45.85	46.02	51.03	62.85	74.13
AEPS (INR)	149.1	155.0	155.6	172.5	212.5	250.6
EBIT margin (%)	16.2	15.7	14.5	14.9	16.3	17.0
USD Revenue growth (%)	17.2	4.4	4.8	6.6	12.5	12.9
EPS growth (%)	11.6	4.0	0.4	10.9	23.2	17.9
P/E (x)	35.6	34.2	34.1	30.7	25.0	21.2
EV/EBITDA (x)	24.5	23.1	22.5	20.0	16.0	13.2
RoE (%)	28.6	25.0	21.5	21.1	22.8	23.5

Tech Mahindra

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	5,998	6,606	6,277	6,264	6,429	6,949	7,463
Revenue	446.46	532.90	519.96	529.88	552.24	604.57	656.72
EBIT	65.00	60.72	31.47	51.38	66.25	81.42	93.00
APAT	55.66	50.10	26.98	43.76	54.00	65.71	78.04
AEPS (INR)	62.8	56.6	30.5	49.4	61.0	74.2	88.1
EBIT margin (%)	14.6	11.4	6.1	9.7	12.0	13.5	14.2
USD Revenue growth (%)	17.3	10.1	(5.0)	(0.2)	2.6	8.1	7.4
EPS growth (%)	24.7	(10.0)	(46.1)	62.2	23.4	21.7	18.8
P/E (x)	26.8	29.3	52.6	34.7	27.5	22.6	19.0
EV/EBITDA (x)	17.7	17.8	28.7	20.3	16.3	13.6	11.9
RoE (%)	21.5	18.3	9.9	16.2	19.4	22.3	24.7

Persistent Systems

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	766	1,036	1,186	1,409	1,660	1,946	2,243
Revenue	57.11	83.51	98.22	119.39	142.57	169.27	197.35
EBIT	7.92	12.47	14.15	17.51	21.56	27.45	33.02
APAT	6.90	9.43	11.30	14.00	17.30	21.94	26.87
AEPS (INR)	44.9	61.3	73.4	91.0	112.4	142.6	174.6
EBIT margin (%)	13.9	14.9	14.4	14.7	15.1	16.2	16.7
USD Revenue growth (%)	35.2	35.3	14.5	18.8	17.8	17.2	15.3
EPS growth (%)	53.2	36.6	19.8	23.9	23.5	26.8	22.5
P/E (x)	134.0	98.1	81.9	66.1	53.5	42.2	34.4
EV/EBITDA (x)	94.4	59.8	52.7	44.0	34.0	27.7	23.0
RoE (%)	22.4	25.1	24.5	24.8	25.3	27.3	28.1

Mphasis

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	1,593	1,718	1,609	1,681	1,826	2,028	2,236
Revenue	119.62	137.99	132.79	142.30	156.82	176.41	196.78
EBIT	18.27	21.09	20.11	21.71	24.36	28.15	32.48
APAT	14.46	16.38	15.55	17.02	18.93	21.96	26.26
AEPS (INR)	77.3	87.6	83.1	91.0	101.2	117.4	140.4
EBIT margin (%)	15.3	15.3	15.1	15.3	15.5	16.0	16.5
USD Revenue growth (%)	21.7	7.8	(6.3)	4.4	8.6	11.0	10.3
EPS growth (%)	18.9	13.2	(5.1)	9.5	11.2	16.0	19.6
P/E (x)	37.4	33.0	34.7	31.7	28.5	24.6	20.6
EV/EBITDA (x)	24.6	21.2	21.5	19.5	17.3	15.0	12.7
RoE (%)	21.5	22.0	18.6	18.5	18.9	20.3	22.2

L&T Technology Services

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	880	990	1,164	1,259	1,405	1,576	1,747
Revenue	65.70	80.14	96.47	106.70	120.64	137.09	153.75
EBIT	12.01	14.79	16.47	15.87	17.99	21.99	25.01
APAT	9.57	11.70	13.04	12.66	14.45	17.70	20.20
AEPS (INR)	90.7	110.8	123.5	119.9	136.9	167.8	191.5
EBIT margin (%)	18.3	18.5	17.1	14.9	14.9	16.0	16.3
USD Revenue growth (%)	19.5	12.4	17.6	8.2	11.6	12.2	10.9
EPS growth (%)	52.7	22.2	11.4	(2.9)	14.2	22.5	14.1
P/E (x)	47.7	39.0	35.0	36.0	31.6	25.8	22.6
EV/EBITDA (x)	30.8	25.1	22.4	22.8	19.7	15.9	13.7
RoE (%)	25.1	25.7	25.4	22.2	22.3	24.0	24.0

Tata Elxsi

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	331	390	429	441	460	539	607
Revenue	24.71	31.45	35.52	37.29	39.49	46.88	53.43
EBIT	7.10	8.80	9.47	8.68	9.94	12.43	14.49
APAT	5.50	7.55	7.92	7.85	8.50	10.43	12.14
AEPS (INR)	88.3	121.3	127.2	122.9	136.5	167.5	195.0
EBIT margin (%)	28.8	28.0	26.7	23.3	25.2	26.5	27.1
USD Revenue growth (%)	34.3	17.7	9.9	2.8	4.3	17.2	12.7
EPS growth (%)	49.3	37.4	4.9	(3.4)	11.1	22.7	16.4
P/E (x)	70.1	51.0	48.6	50.3	45.3	36.9	31.7
EV/EBITDA (x)	48.9	38.8	35.4	37.6	32.9	26.3	22.4
RoE (%)	37.2	41.0	34.5	29.3	28.0	30.5	31.4

Zensar Technologies

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	569	604	592	624	666	749	833
Revenue	42.44	48.48	49.02	52.81	57.26	65.15	73.35
EBIT	4.72	3.69	7.38	7.15	7.49	9.04	10.42
APAT	4.16	3.28	6.65	6.50	7.00	8.31	9.48
AEPS (INR)	18.2	14.3	29.1	28.4	30.7	36.3	41.5
EBIT margin (%)	11.1	7.6	15.0	13.5	13.1	13.9	14.2
USD Revenue growth (%)	15.3	6.1	(2.0)	5.4	6.7	12.4	11.3
EPS growth (%)	19.0	(21.3)	103.0	(2.2)	7.8	18.6	14.2
P/E (x)	46.8	59.4	29.3	30.0	27.8	23.4	20.5
EV/EBITDA (x)	27.5	31.8	19.5	20.5	19.0	15.5	13.0
RoE (%)	16.3	11.3	20.0	16.6	15.8	16.8	17.1

Cyient

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	504	632	714	688	677	723	798
Revenue	45.34	60.16	71.47	73.60	76.65	86.28	99.49
EBIT	6.30	7.67	10.36	8.84	9.05	11.05	13.50
APAT	5.22	5.65	7.41	6.22	6.64	8.14	10.09
AEPS (INR)	47.3	51.2	67.1	56.3	60.1	73.8	91.4
EBIT margin (%)	13.9	12.8	14.5	12.0	11.8	12.8	13.6
USD Revenue growth (%)	9.2	25.6	12.9	(3.7)	(1.6)	6.8	10.4
EPS growth (%)	40.5	8.2	31.1	(16.1)	6.8	22.6	23.9
P/E (x)	27.4	25.3	19.3	23.0	21.5	17.6	14.2
EV/EBITDA (x)	16.3	14.1	10.6	11.4	10.7	8.8	7.2
RoE (%)	17.2	17.2	19.2	13.0	12.1	13.9	16.0

Birlasoft

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	555	595	637	635	628	687	754
Revenue	41.30	47.95	52.78	53.75	54.02	59.80	67.85
EBIT	5.64	4.38	7.51	6.12	6.17	7.31	8.92
APAT	4.64	4.50	6.11	5.17	5.28	6.18	7.44
AEPS (INR)	16.8	16.3	22.2	18.8	19.2	22.4	27.0
EBIT margin (%)	13.6	9.1	14.2	11.4	11.4	12.2	13.1
USD Revenue growth (%)	15.7	7.2	7.1	(0.3)	(1.1)	9.4	9.7
EPS growth (%)	44.5	(3.0)	36.0	(15.5)	2.1	17.1	20.5
P/E (x)	26.2	27.1	19.9	23.5	23.1	19.7	16.3
EV/EBITDA (x)	17.1	21.2	12.5	14.2	13.8	11.3	8.9
RoE (%)	19.5	17.9	22.3	15.8	14.5	15.4	16.7

Sonata Software

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	203	241	324	336	353	395	449
Revenue	55.53	74.49	86.13	101.57	108.91	119.23	131.21
EBIT	4.16	5.45	5.96	5.68	6.28	7.46	8.80
APAT	3.76	4.52	4.83	4.25	4.84	5.78	6.81
AEPS (INR)	13.4	16.1	17.2	15.1	17.3	20.6	24.3
IITS EBITDA margin (%)	23.0	20.9	21.0	17.0	17.3	17.3	17.3
EBIT margin (%)	7.5	7.3	6.9	5.6	5.8	6.3	6.7
USD Revenue growth (%)	26.6	18.7	34.3	3.7	5.1	11.9	13.8
EPS growth (%)	54.3	20.0	6.9	(12.1)	14.1	19.3	17.9
P/E (x)	30.2	25.2	23.5	26.8	23.5	19.7	16.7
EV/EBITDA (x)	23.4	20.0	16.9	17.4	15.8	13.2	11.1
RoE (%)	37.6	37.7	35.7	27.3	26.5	27.6	28.3

Happiest Minds Technologies

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	147	178	196	244	279	337	394
Revenue	10.94	14.29	16.25	20.61	23.95	29.32	34.67
EBIT	2.25	3.17	2.78	2.66	3.62	4.62	5.49
APAT	1.86	2.36	2.38	1.93	2.58	3.33	4.00
AEPS (INR)	12.2	15.5	15.6	12.7	16.9	21.9	26.3
EBIT margin (%)	20.6	22.2	17.1	12.9	15.1	15.7	15.8
USD Revenue growth (%)	41.0	21.3	10.3	24.2	14.5	20.9	16.9
EPS growth (%)	14.3	26.9	1.0	(18.7)	33.1	29.4	20.2
P/E (x)	52.9	41.7	41.3	50.8	38.2	29.5	24.6
EV/EBITDA (x)	36.4	26.8	26.6	27.0	21.0	16.6	13.9
RoE (%)	30.6	31.3	20.5	12.7	15.8	18.7	20.5

Mastek

INR bn	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	293	318	368	408	457	512	579
Revenue	21.84	25.63	30.55	34.55	39.25	44.54	49.18
EBIT	4.20	3.88	4.19	4.71	5.52	6.47	7.31
APAT	2.95	2.68	3.06	3.68	3.94	4.72	5.43
AEPS (INR)	96.6	86.6	96.2	116.4	124.6	149.3	171.5
EBIT margin (%)	19.2	15.2	13.7	13.6	14.1	14.5	14.9
USD Revenue growth (%)	26.3	8.6	15.8	10.9	11.9	12.0	13.0
EPS growth (%)	31.5	(10.4)	11.2	21.0	7.0	19.8	14.9
P/E (x)	25.3	28.3	25.4	21.0	19.6	16.4	14.3
EV/EBITDA (x)	14.9	16.8	15.3	14.1	11.4	9.4	7.9
RoE (%)	30.6	19.4	16.1	16.2	15.0	15.9	16.0

Exhibit 25: Valuation charts

NIFTY IT Index Valuation Trend (P/E 1-yr fwd)
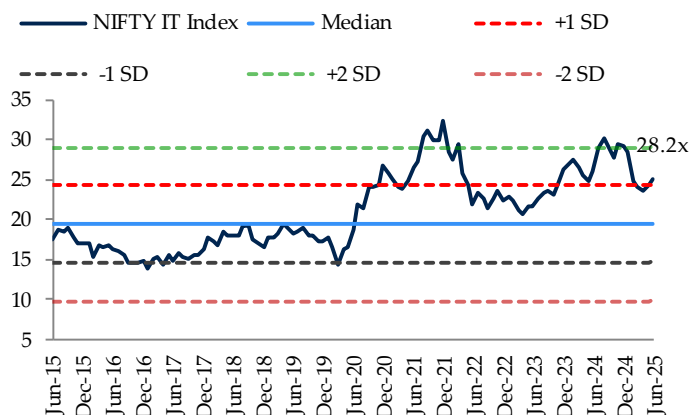
Source: Bloomberg, HSIE Research

IT Index Valuation Trend vs NIFTY
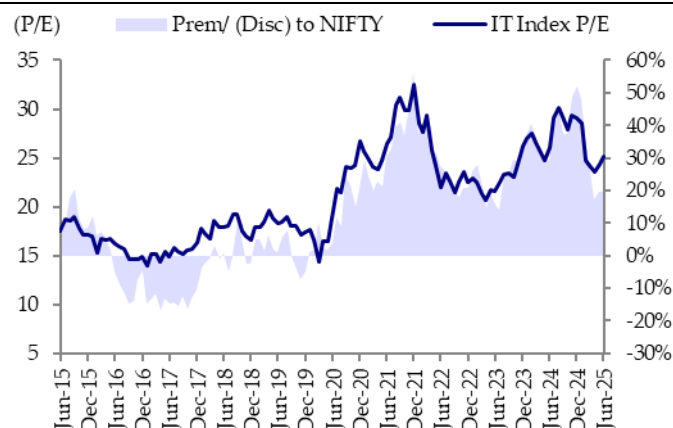
Source: Bloomberg, HSIE Research

TCS P/E (1-yr fwd) Trend
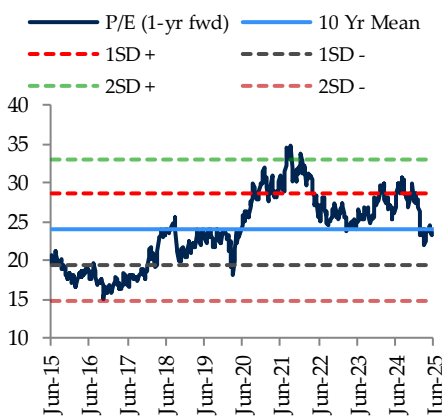
INFO P/E (1-yr fwd) Trend

HCLT P/E (1-yr fwd) Trend
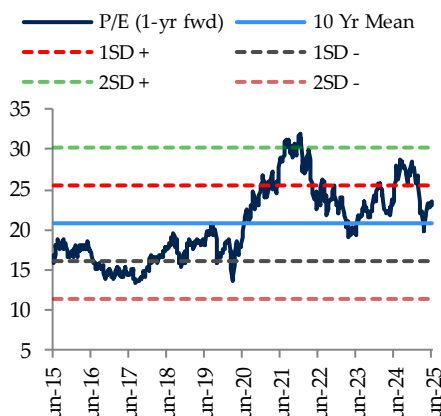
Source: Bloomberg, HSIE Research
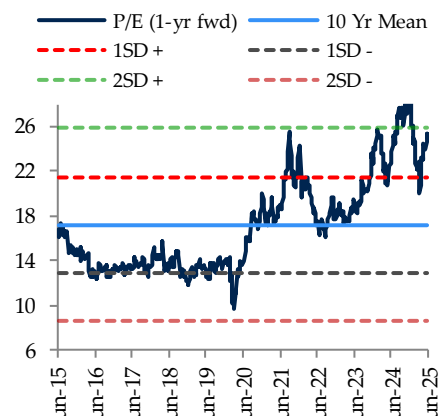
WPRO P/E (1-yr fwd) Trend
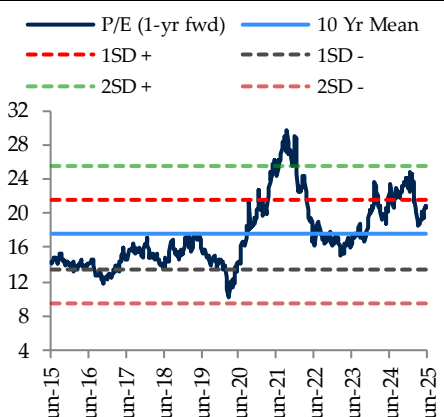
LTIM P/E (1-yr fwd) Trend
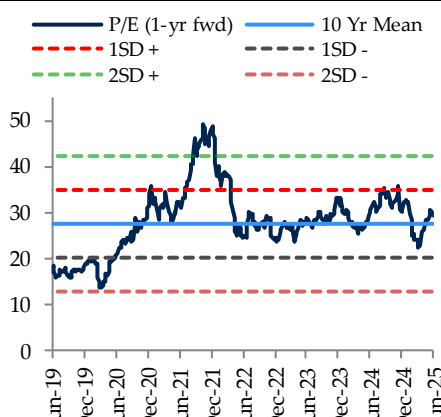
TECHM P/E (1-yr fwd) Trend
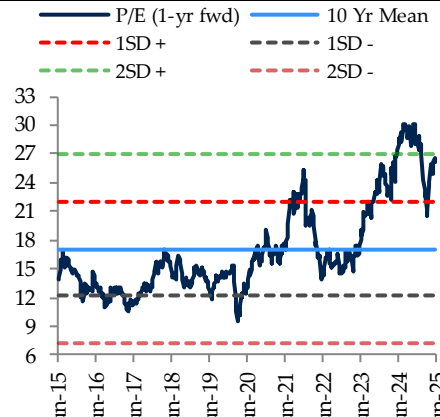
Source: Bloomberg, HSIE Research

PSYS P/E (1-yr fwd) Trend
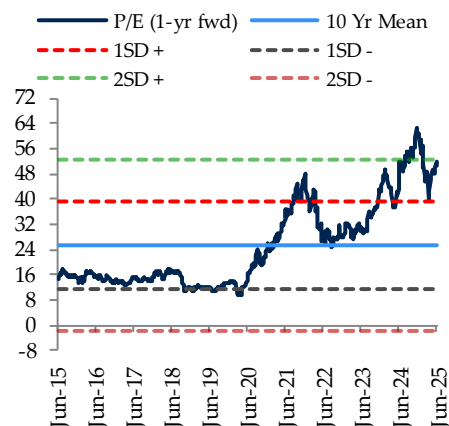
MPHL P/E (1-yr fwd) Trend
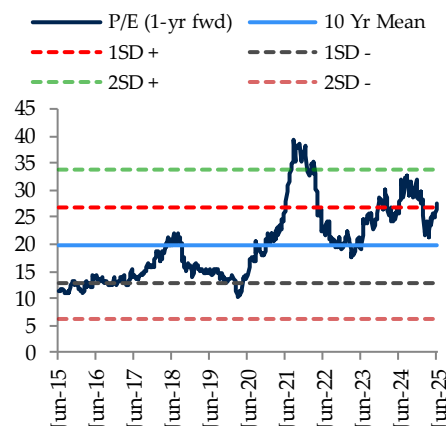
LTTS P/E (1-yr fwd) Trend
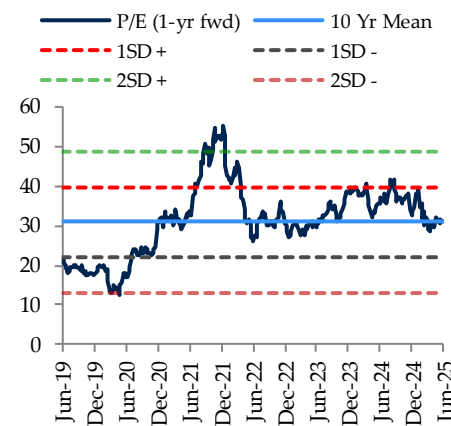
TELX P/E (1-yr fwd) Trend
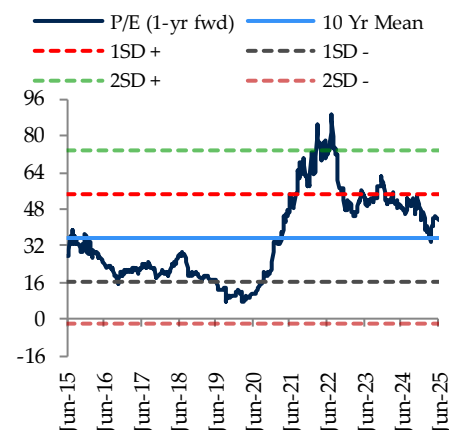
ZENT P/E (1-yr fwd) Trend
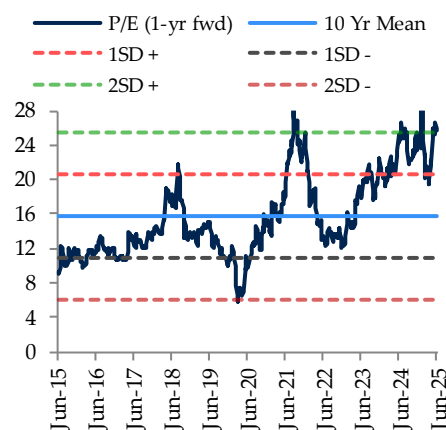
CYL P/E (1-yr fwd) Trend
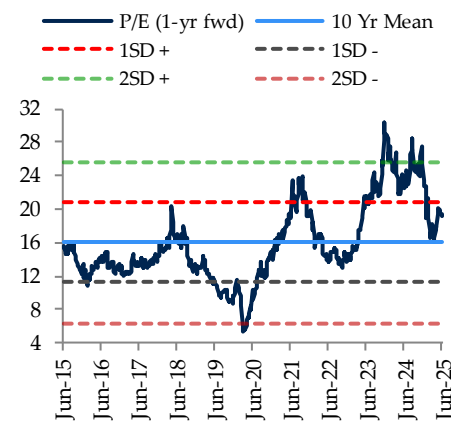
BSOFT P/E (1-yr fwd) Trend
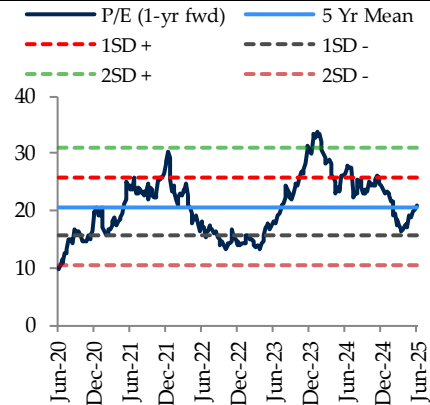
SSOF P/E (1-yr fwd) Trend
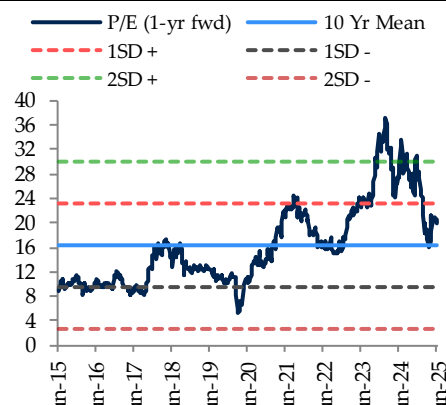
HAPPSTMN P/E (1-yr fwd) Trend
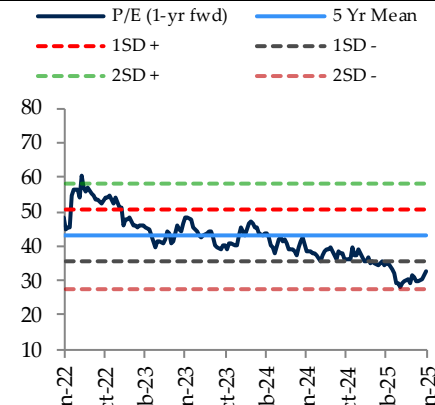
MAST P/E (1-yr fwd) Trend
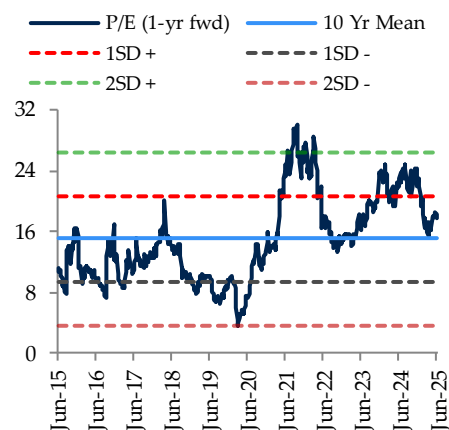
Source: Bloomberg, HSIE Research

Price history
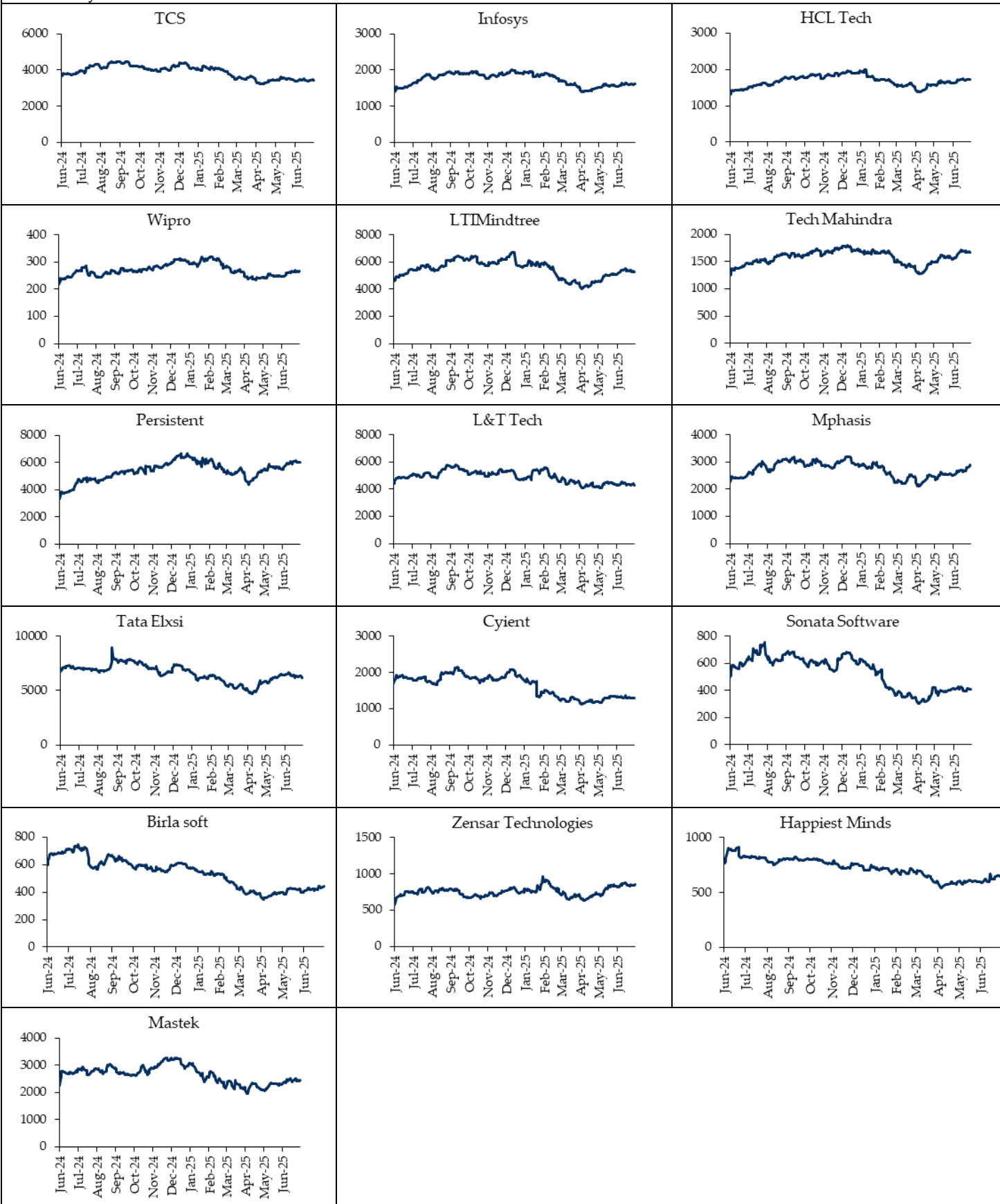
Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

Disclosure:
We, **Amit Chandra, MBA, Vinesh Vala, MBA & Maitreyee Vaishampayan, MSc** authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does have/does not have any material conflict of interest.

Any holding in stock:

Amit Chandra	No
Vinesh Vala	No
Maitreyee Vaishampayan	Yes

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

Disclaimer:
This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. This report may have been refined using AI tools to enhance clarity and readability.

Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.