

# HCL Technologies (HCLT IN)

**Q4FY26 Result Update**

April 22, 2026

 Estimate Change |  Target |  Reco.

## Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	REDUCE		BUY	
Target Price	1,300		1,710	
Sales (INR bn)	1,402	1,488	1,454	1,592
% Chng.	(3.6)	(6.5)		
EBITDA (INR bn)	294	318	310	344
% Chng.	(5.2)	(7.6)		
EPS (INR)	70.9	76.8	76.9	85.6
% Chng.	(7.8)	(10.3)		

## Key Data

HCLT.BO | HCLT IN

BSE Code	532281
NSE Code	HCLTECH
52-W High / Low	INR 1,780 / INR 1,275
Face Value	2
Sensex / Nifty	79,273 / 24,577
Market Cap	INR 3,911 bn / \$ 41,830 mn
Shares Outstanding	2713.67 mn
3M Avg. Daily Value	INR 5,251.42 mn

## Shareholding Pattern (%)

Promoters	60.99
FII	16.22
MF	9.07
DII	9.34
Public	4.38
Promoter's Pledge	-

## Stock Performance (%)

	1M	3M	6M	12M
Absolute	8.1	(14.3)	(3.0)	(2.8)
Relative	1.6	(11.5)	3.3	(2.6)

## Key Financials - Consolidated

Y/e Mar	FY25	FY26	FY27E	FY28E
Sales (INR bn)	1,171	1,301	1,402	1,488
EBITDA (INR bn)	255	276	294	318
Margin (%)	21.8	21.2	21.0	21.3
PAT (INR bn)	174	182	192	208
EV (INR bn)	3,643	3,602	3,590	3,552
Total Debt (INR bn)	23	2	2	2
C&C Eq. (INR bn)	82	83	89	127
EPS (INR)	64.1	67.3	70.9	76.8
Gr. (%)	10.6	5.0	5.4	8.3
DPS (INR)	60.0	60.6	63.8	69.1
Yield (%)	4.2	4.2	4.4	4.8
RoE (%)	25.2	25.2	25.2	26.6
RoCE (%)	22.5	24.1	24.4	25.7
EV/Sales (x)	3.1	2.8	2.6	2.4
EV/EBITDA (x)	14.3	13.0	12.2	11.2
PE (x)	22.5	21.4	20.3	18.8
P/BV (x)	5.6	5.2	5.1	4.9

## Q4 disappoints, cautious FY27 guidance amid headwinds

### Quick Pointers

- Weak Q4 performance due to cancellation of few projects
- FY27 consol rev. guidance of 1-4% & Services guidance of 1.5-4.5%

HCLT's Q4 performance was significantly below expectations, with revenue declining 3.3% QoQ CC versus our estimate of -2.0% and consensus of -1.6%. The miss was driven by weakness in the Services business, impacted by cancellation of discretionary programs in select telecom clients and termination of two SAP modernization engagements, which are expected to weigh on FY27E revenue by ~50 bps. Beyond these specific headwinds, subdued discretionary spending amid geopolitical uncertainty, the near-term deflationary impact of AI, and continued softness in the Software segment are likely to weigh on growth. Consequently, FY27E organic revenue guidance of 1-4% and Services revenue guidance of 1.5-4.5% point to a weaker demand environment, with the upper end contingent on a recovery in macro conditions. Accordingly, we revise our revenue growth estimates downward to 2.6% and 3.8% YoY CC for FY27E and FY28E, respectively (vs. earlier 6.5% and 7.1%). On margins front, while FY26 restructuring impacts (~70 bps) are now behind us, ongoing investments in capability building are expected to keep margins under pressure; we therefore lower our EBIT margin estimates to 17.7% for FY27E and 18.0% for FY28E (vs. earlier 18.0% and 18.3%). We now factor in a USD revenue CAGR of 3.3% and INR EPS CAGR of 6.8% over FY26-28E; consequently, we cut our target PE multiple to 17x (from 20x) on FY28E earnings, leading to a revised target price of INR 1,300 (earlier INR 1,710), and downgrade the stock to REDUCE from BUY.

**Revenue:** HCLT reported revenue of US\$3.68 bn, down 3.3 QoQ CC with Services declining by 0.1% QoQ CC while Software declined by 28.8% QoQ. Segment wise TMPE, Retail, Healthcare & Manufacturing declined by 3%, 1.8%, 1.2% & 0.8% QoQ respectively while Tech Services, FS & Public services grew by 4.5%, 1.7% & 1.3% QoQ respectively. For FY26, HCLT reported cons. Rev. growth of 3.9% YoY CC (guidance of 4-4.5%) and Services rev. growth of 4.8% (guidance of 4.75-5.25%). Advanced AI deal wins for company came at US\$ 155 mn and annualized rev. for FY26 came at US\$ 620 mn

**Operating Margin:** EBIT margin (excluding restructuring expense of 1.22%) came at 17.8%, down 160 bps QoQ due to the headwinds of software seasonality, wage hike, restructuring exp. & Services margin decline partially offset by benefits from project Ascend & rupee dep. For FY26, adj. EBIT margin excl. restructuring & labour code impact came at 17.9%, down 40 bps YoY.

**Deal Wins:** Deal wins in Q4 soft, with TCV of US\$ 1.94 bn compared to 3.01 bn in Q4. For FY26, total new deal wins were muted at US\$ 9.32 bn compared to US\$ 9.26 bn in FY25

### Quarter Summary

Y/e Mar	Q4'26E	Q4'26A	% Var.	Q4'25A	YoY gr. (%)
Net Sales (INR bn)	340	340	-	302	13.0
EBITDA (INR bn)	72	71	-1.0	65	9.0
Margin (%)	21.2	21.0	-20 bps	21.4	-40 bps
PAT (INR bn)	48	53	10.0	43	23.0

Source: Company, PL

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## Miss on revenue, FY27 Guidance disappoints

- USD rev of 3.68 b, down 3.3% QoQ in CC, below our estimate 2% QoQ CC decline and consensus est. of 1.6% CC decline due to weak performance in Services business
- Services business was flat in QoQ CC, with IT services reporting 0.1% QoQ in CC while ER&D was down 1.3% QoQ in CC
- Software segment reported declined by 28.1% QoQ CC and 14.1% YoY CC
- Advanced AI revenue came at US\$ 155 mn, up 6.1% QoQ CC
- **Q4 new Deal TCV at US\$ 1.94 bn, down 35.6% QoQ. For FY26 deal wins came at USD 9.3 bn, up 0.6% YoY**
- Segment wise Tech, Public services & FS grew by 4.5%, 1.3% & 1.7% QoQ respectively while TMPE, Retail & Healthcare declined by 3%, 1.8% & 1.2% QoQ respectively
- Geography wise USA reported flattish growth while Europe declined by 1.9% QoQ
- **HCLT is guiding for FY27 Service rev. growth of 1.5-4.5% CC YoY with Consol rev. growth of 1-4% CC (below last year starting guidance of 2-5%). EBIT margin is expected to be in the range of 17.5-18.5%**
- **Q4 adj. EBIT margin declined by 160 bps to 17.8% was inline of our estimates & slightly above consensus estimates of 17.5%**
- **Net employees declined by 802 QoQ, while fresher additions stood at ~1.7k QoQ during the quarter, LTM Attrition grew by 10 bps QoQ to 17.5%**
- Top 5/10/20 clients declined by 2.2%, 2.8% & 1.8% QoQ respectively
- Adj. PAT came at INR 49 bn, down 3.4 % QoQ
- The Board declared an interim dividend of INR 24/share
- For FY26, revenue growth stood at USD 14.7 bn, 3.9% YoY CC (vs PLe of 4.3%), while adj. EBIT margin came at 17.9%, down 40 bps YoY (vs PLe of 17.9%)

## Conference Call Highlights

- Revenue declined 3.3% QoQ CC, below expectations, driven by sharp pullback in discretionary spending by two large US telecom clients and discontinuation of two SAP modernization programs, with the impact becoming visible late in the quarter and expected to persist into FY27.
- Demand environment remains subdued and uneven, with continued weakness in discretionary spending, particularly in telecom and parts of Europe, where clients are prioritizing cost optimization over transformation. Geopolitical uncertainties and macro volatility are leading to delays in decision-making and project ramp-ups, evident in Q4 deal deferrals and softer software closures. While North America remains relatively resilient, growth is impacted by client-specific issues and budget cuts, and overall visibility remains limited.
- Management highlighted that AI is structurally reshaping the industry, with ~40% of services (traditional areas) at risk of disruption and expected to decline 3–5% CAGR, while ~55% of services (data, cloud, cybersecurity) are AI-augmented and expected to grow at 10%+. AI-native segment (~5% currently) is growing at ~30% and could exceed 20% of mix over five years. For the company, this translates into a ~2–3% deflationary impact (vs. 3–5% industry), with growth increasingly dependent on scaling AI-native and AI-augmented offerings.
- Management indicated that FY27 revenue growth guidance of 1–4% CC (1.5–4.5% for Services) is prudently calibrated, factoring in continued weakness in discretionary spending, telecom-led cuts, and ~50 bps headwind from two client-specific issues, along with the early impact of AI-led deflation; the lower end assumes sustained softness and further client ramp-downs, while the upper end builds in a gradual recovery in discretionary spend and ramp-up of large deals, with no contribution from pending acquisitions.
- Management highlighted that software deal closures were impacted by delays in client decision-making, particularly in March, leading to deferrals with uncertain timing of conversion. While overall bookings remained healthy at the annual level, Q4 TCV moderated, partly reflecting a deflationary impact of AI on deal sizes. The company also emphasized greater selectivity in deal pursuits, walking away from low-margin opportunities while seeing strong traction in AI-led deals.
- Management indicated that deal conversion is becoming more effort-intensive and slower, with AI-led deflation reducing deal sizes, even as execution effort remains similar or higher. Additionally, client decision-making cycles have elongated, leading to delays in closures.
- Management guided to FY27 EBIT margin of 17.5–18.5%, indicating that continued investments in GenAI capabilities and sales, along with a soft discretionary demand environment, are likely to keep margins range-bound, with any currency tailwinds expected to be reinvested rather than driving margin expansion.
- Management indicated that closure of the announced acquisitions has been delayed due to pending regulatory approvals in the US, specifically linked to government department shutdowns.
- Management stated that the capital allocation policy has been extended for another five years, with a continued commitment to return at least 75% of net income to shareholders.

**Exhibit 1 : 4QFY26 Results: Q4 revenue miss our & consensus estimates**

	4QFY26	4QFY26E	% Var.	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	FY26	FY25	YoY gr. (%)
IT Services Revenue (USD m)	3,682	3,730	-1.3	3,793	-2.9	3,498	5.3	14,664	13,840	6.0
Overall Revenue (INR b)	340	340	-0.1	339	0.3	302	12.3	1,301	1,171	11.2
Gross Profit	119	116	2.2	118	0.8	105	12.9	447	409	9.4
Gross Margin (%)	34.9	34.1	80bps	34.7	10bps	34.7	20bps	34.4	34.9	-60bps
SG&A and Other Costs	47.3	43.8	8.0	40.8	15.9	40.2	17.7	171.3	154	11.3
% of Rev	13.9	12.9	110bps	12.1	190bps	13.3	60bps	13.2	13.2	0bps
EBITDA	71	72	-1.3	77	-7.3	65	9.9	276	255	8.3
EBITDA Margin (%)	21.0	21.2	-20bps	22.7	-170bps	21.4	-50bps	21.2	21.8	-60bps
Depreciation	11	12	-5.6	11	-3	10	5.0	44	41	6.6
% of Rev	3.2	3.4	-20bps	3.3	-10bps	3.4	-20bps	3.3	3.5	-10bps
EBIT	60	61	-0.5	66	-8.0	54	10.9	233	214	8.6
EBIT Margin (%)	17.8	17.8	-10bps	19.4	-160bps	18.0	-20bps	17.9	18.3	-40bps
Other Income (net)	1	2	-59.8	2	-54.4	3	-72.0	7	18	-64.1
PBT	61	63	-2.4	67	-9.2	57	6.7	239	233	2.8
Tax	12	16	-22.6	17	-27.2	14	-15.0	57	59	-3.0
Effective tax rate (%)	19.8	25.0	-520bps	24.7	-490bps	24.9	-500bps	23.8	25.2	-140bps
Adjusted PAT	49	47	4.4	51	-3.4	43	13.8	182	174	4.8
Exceptional items	-4	-1	NA	-12	NA	0	NA	-18	0	NA
Reported PAT	45	46	-1.6	38	16.8	43	4.2	164	174	-5.7
Adj. EPS (INR)	18.1	17.4	4.4	14.2	27.5	15.9	14.1	67	64	4.9

Source: Company, PL

**Exhibit 2 : Regional Growth (%)**

Geographies	Contr. To rev. (%)	QoQ Gr. (%)
Americas	56.3	0.2
Europe	27.1	-1.9
ROW	16.6	3.3

Source: Company, PL

**Exhibit 3 : Segment Growth (%)**

Verticals	Contr. To rev. (%)	QoQ Gr. (%)
Financial Services	21.4	1.7
Manufacturing	18.6	-0.8
Technology	14.8	4.5
Life Sciences & Healthcare	14.2	-1.2
Telecom MP&E	12.1	-3.0
Retail & CPG	9.7	-1.8
Public Services	9.2	1.3

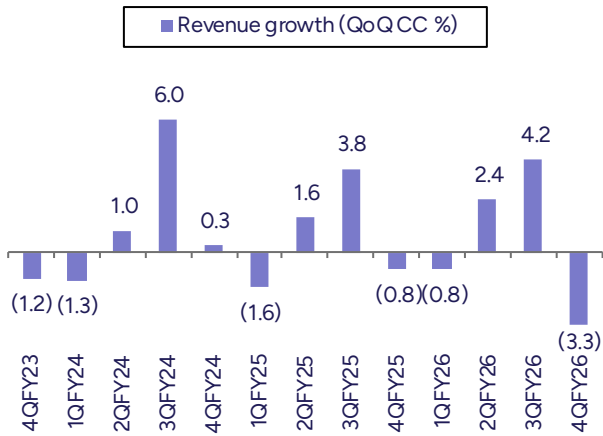
Source: Company, PL

**Exhibit 4 : Key Performance Indicator**

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	FY25*	FY26*
Revenue (QoQ CC %)	0.3	-1.6	1.6	3.8	-0.8	-0.8	2.4	4.2	-3.3	4.7	3.9
<b>Margins</b>											
Gross Margin	35.0	34.5	34.9	35.6	34.7	33.7	34.1	34.7	34.9	34.9	34.4
EBIT Margin	17.6	17.1	18.6	19.5	18.0	16.3	17.9	19.4	17.8	18.3	17.9
Net Margin	14.0	15.2	14.7	15.4	14.2	12.7	13.8	15.0	14.4	14.9	14.0
<b>Operating metrics</b>											
Headcount (k)	227	219	219	221	223	223	227	226	227	223	227
Attrition (%)	12.4	12.8	12.9	13.2	13.0	12.8	12.6	12.4	12.5	13.0	12.5

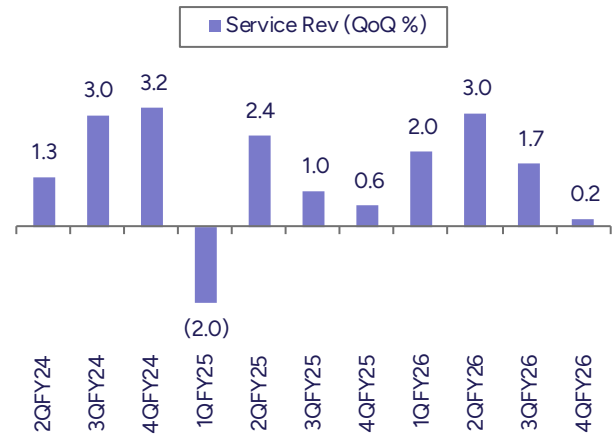
Source: Company, PL \* YoY CC growth

Exhibit 5 : Revenue came below our estimates



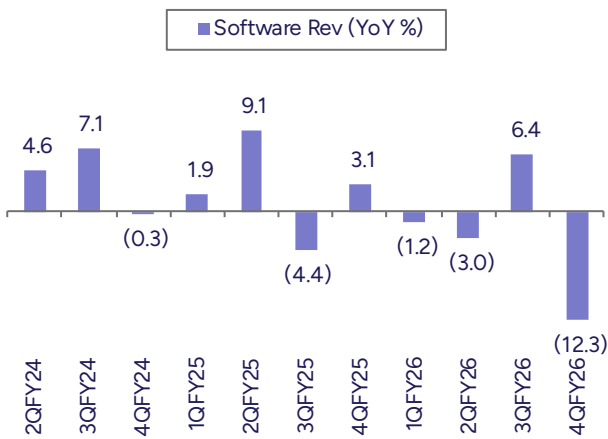
Source: Company, PL

Exhibit 6 : Service Business impacted by projects cancellations



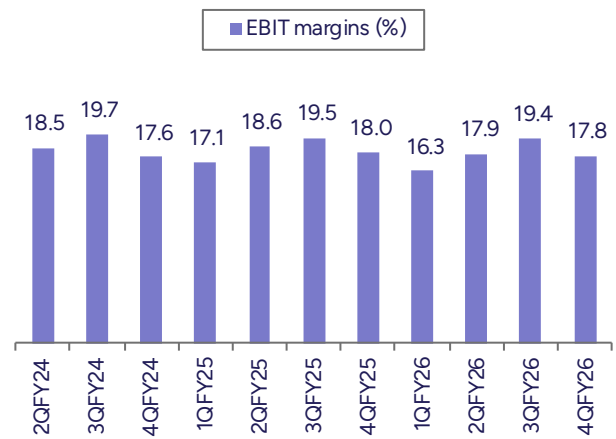
Source: Company, PL

Exhibit 7 : Software impacted by seasonality & delays



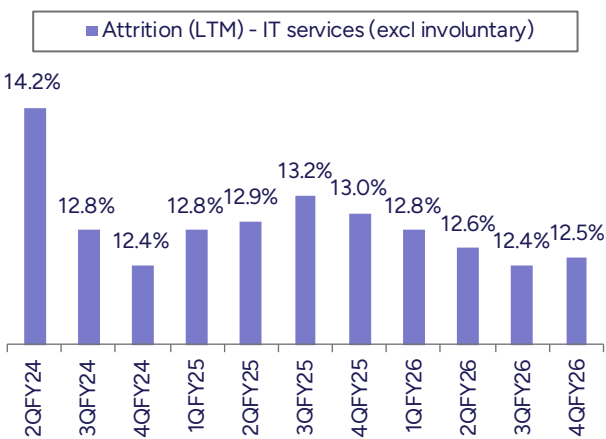
Source: Company, PL

Exhibit 8 : Adj EBIT margin was down 160 bps QoQ



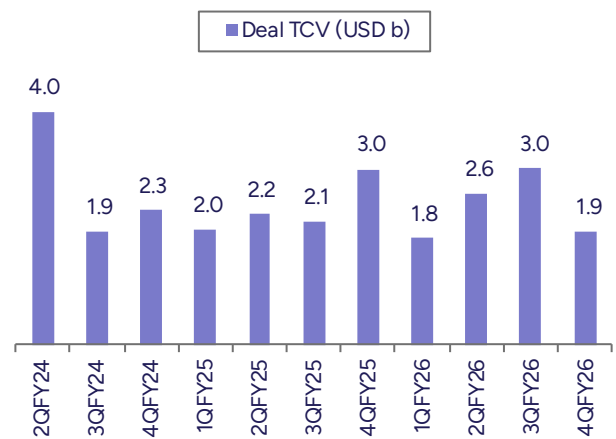
Source: Company, PL

Exhibit 9 : LTM Attrition trend



Source: Company, PL

Exhibit 10 : Deal wins weak in Q4



Source: Company, PL

**Exhibit 11 : Operating Metrics**

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
<b>Service Line wise (%)</b>												
IT and Business Services	74.7	74.6	71.7	74.4	74.5	74.6	73.0	73.3	74.0	74.2	72.3	75.0
Engineering and R&D Services	15.4	16.0	16.4	16.1	15.9	15.8	16.0	17.1	17.0	17.0	16.8	17.0
Products and Platform	9.9	9.4	11.9	9.5	9.6	9.6	11.0	9.6	9.0	8.8	10.9	8.0
<b>Vertical wise (%)</b>												
BFSI	22.6	22.6	21.7	21.6	21.0	20.5	20.3	21.1	21.6	21.7	21.1	21.4
Manufacturing	19.0	19.0	20.1	20.4	19.4	19.5	19.1	18.6	18.6	18.3	18.8	18.6
Technology & Services	14.4	14.4	12.8	12.3	13.0	13.1	13.3	13.4	14.0	14.0	14.2	14.8
Retail & CPG	9.1	9.6	9.6	9.1	9.4	9.6	10.6	9.7	9.7	9.6	9.9	9.7
Telecom MP&E	7.6	8.0	9.7	11.5	12.2	12.1	12.3	13.9	13.1	12.7	12.5	12.1
Life Sciences	17.5	17.5	16.4	16.3	15.9	16.0	15.5	14.7	14.5	14.7	14.4	14.2
Public Services	10.0	9.9	9.7	8.8	9.1	9.2	8.9	8.6	8.5	8.9	9.1	9.2
<b>Geography wise (%)</b>												
US	64.5	64.5	64.5	65.2	59.6	58.5	65.5	57.4	56.5	56.2	56.3	56.3
Europe	28.7	28.5	29.0	28.9	25.9	26.7	28.2	27.5	28.3	28.3	27.7	27.1
India & ROW	6.8	7.0	6.4	5.9	14.5	14.8	6.3	12.0	11.9	15.6	16.1	16.6
<b>Client wise (%)</b>												
Top 5 clients	9.8	9.8	9.8	10.4	11.4	12.1	12.6	12.7	12.6	12.4	12.2	11.9
Top 10 clients	17.2	17.2	17.7	18.8	19.6	20.1	20.3	20.2	20.2	19.9	19.7	19.1
Top 20 clients	27.2	27.3	28.0	29.0	30.1	30.8	30.9	30.4	29.9	29.5	29.1	28.5

Source: Company, PL

## Financials

### Income Statement (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Net Revenues</b>	1,171	1,301	1,402	1,488
YoY gr. (%)	6.5	11.2	7.7	6.1
Cost of Goods Sold	762	854	922	972
Gross Profit	409	448	480	516
Margin (%)	34.9	34.4	34.2	34.7
Employee Cost	-	-	-	-
Other Expenses	-	-	-	-
<b>EBITDA</b>	255	276	294	318
YoY gr. (%)	5.4	8.3	6.4	8.0
Margin (%)	21.8	21.2	21.0	21.3
Depreciation and Amortization	41	44	46	49
<b>EBIT</b>	214	233	248	268
Margin (%)	18.3	17.9	17.7	18.0
Net Interest	-	-	-	-
Other Income	18	7	8	9
<b>Profit Before Tax</b>	233	239	256	277
Margin (%)	19.9	18.4	18.3	18.6
Total Tax	59	57	64	69
Effective Tax Rate (%)	25.2	23.8	25.0	25.0
<b>Profit After Tax</b>	174	182	192	208
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	174	182	192	208
YoY gr. (%)	10.8	4.9	5.2	8.3
Margin (%)	14.9	14.0	13.7	14.0
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	174	164	192	208
YoY gr. (%)	10.8	(5.6)	16.9	8.3
Margin (%)	14.9	12.6	13.7	14.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	174	164	192	208
Equity Shares O/s (m)	3	3	3	3
EPS (INR)	64.1	67.3	70.9	76.8

Source: Company, PL

### Balance Sheet (INR bn)

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	694	750	771	322
Tangibles	408	459	494	60
Intangibles	287	291	277	263
<b>Acc: Dep / Amortization</b>	332	376	422	-
Tangibles	332	376	422	-
Intangibles	-	-	-	-
<b>Net Fixed Assets</b>	362	374	349	322
Tangibles	76	83	72	60
Intangibles	287	291	277	263
Capital Work In Progress	-	-	-	-
Goodwill	-	-	-	-
Non-Current Investments	1	1	1	1
Net Deferred Tax Assets	-	-	-	-
Other Non-Current Assets	71	81	76	80
<b>Current Assets</b>				
Investments	205	221	221	221
Inventories	-	-	-	-
Trade Receivables	258	315	331	351
Cash & Bank Balance	82	83	89	127
Other Current Assets	75	86	93	98
<b>Total Assets</b>	1,055	1,163	1,161	1,203
<b>Equity</b>				
Equity Share Capital	5	5	5	5
Other Equity	691	746	766	787
<b>Total Network</b>	697	752	771	792
<b>Non-Current Liabilities</b>				
Long Term Borrowings	1	-	-	-
Provisions	-	-	-	-
Other Non Current Liabilities	78	92	96	99
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	22	1	1	1
Trade Payables	62	77	74	79
Other Current Liabilities	196	240	217	231
<b>Total Equity &amp; Liabilities</b>	1,055	1,163	1,161	1,203

Source: Company, PL

**Cash Flow (INR bn)**

Y/e Mar	FY25	FY26	FY27E	FY28E
PBT	233	221	192	208
Add. Depreciation	41	44	46	49
Add. Interest	-	-	-	-
Less Financial Other Income	18	7	8	9
Add. Other	(19)	(9)	-	-
Op. Profit before WC Changes	255	256	238	257
Net Changes-WC	(32)	(56)	(38)	(10)
Direct Tax	-	-	-	-
<b>Net Cash from Op. Activities</b>	<b>223</b>	<b>200</b>	<b>200</b>	<b>247</b>
Capital Expenditures	(31)	(16)	(21)	(22)
Interest / Dividend Income	-	-	-	-
Others	(18)	1	-	-
<b>Net Cash from Inv. Activities</b>	<b>(49)</b>	<b>(15)</b>	<b>(21)</b>	<b>(22)</b>
Issue of Share Cap. / Premium	-	-	-	-
Debt Changes	(1)	(23)	-	-
Dividend Paid	(163)	(146)	(173)	(187)
Interest Paid	-	-	-	-
Others	(22)	(24)	-	-
<b>Net Cash from Fin. Activities</b>	<b>(186)</b>	<b>(194)</b>	<b>(173)</b>	<b>(187)</b>
<b>Net Change in Cash</b>	<b>(12)</b>	<b>(9)</b>	<b>7</b>	<b>38</b>
Free Cash Flow	212	186	179	225

Source: Company, PL

**Quarterly Financials (INR bn)**

Y/e Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
<b>Net Revenues</b>	<b>303</b>	<b>319</b>	<b>339</b>	<b>340</b>
YoY gr. (%)	0.3	5.2	6.0	0.3
Raw Material Expenses	201	210	221	221
Gross Profit	102	109	118	119
Margin (%)	33.7	34.1	34.7	34.9
<b>EBITDA</b>	<b>60</b>	<b>68</b>	<b>77</b>	<b>71</b>
YoY gr. (%)	-	-	-	-
Margin (%)	19.9	21.2	22.7	21.0
Depreciation / Depletion	11	10	11	11
<b>EBIT</b>	<b>49</b>	<b>57</b>	<b>66</b>	<b>60</b>
Margin (%)	16.3	17.9	19.4	17.8
Net Interest	-	-	-	-
Other Income	2	2	2	1
<b>Profit before Tax</b>	<b>52</b>	<b>59</b>	<b>67</b>	<b>61</b>
Margin (%)	17.1	18.4	19.9	18.0
Total Tax	13	15	17	12
Effective Tax Rate (%)	25.9	24.9	24.7	19.8
<b>Profit After Tax</b>	<b>38</b>	<b>44</b>	<b>51</b>	<b>49</b>
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>38</b>	<b>46</b>	<b>63</b>	<b>53</b>
YoY gr. (%)	(10.8)	19.3	37.4	(15.6)
Margin (%)	12.7	14.4	18.6	15.6
Extra Ord. Income / (Exp)	-	(2)	(12)	(4)
<b>Reported PAT</b>	<b>38</b>	<b>44</b>	<b>51</b>	<b>49</b>
YoY gr. (%)	(10.8)	14.8	14.9	(3.3)
Margin (%)	12.7	13.8	15.0	14.4
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>38</b>	<b>44</b>	<b>51</b>	<b>49</b>
Avg. Shares O/s (m)	3	3	3	3
<b>EPS (INR)</b>	<b>14.2</b>	<b>16.9</b>	<b>23.3</b>	<b>19.7</b>

Source: Company, PL

**Key Financial Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
<b>Per Share (INR)</b>				
EPS	64.1	67.3	70.9	76.8
CEPS	79.2	83.4	88.0	95.0
BVPS	256.9	277.5	285.0	292.7
FCF	78.1	68.6	66.3	83.1
DPS	60.0	60.6	63.8	69.1
<b>Return Ratio (%)</b>				
RoCE	22.5	24.1	24.4	25.7
ROIC	23.0	22.5	23.0	23.5
RoE	25.2	25.2	25.2	26.6
<b>Balance Sheet</b>				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	61	67	67	67
<b>Valuation (x)</b>				
PER	23.0	22.0	21.0	19.0
P/B	6.0	6.0	5.0	5.0
P/CEPS	19.0	18.0	17.0	16.0
EV/EBITDA	15.0	13.0	13.0	12.0
EV/Sales	4.0	3.0	3.0	3.0
Dividend Yield (%)	5.0	5.0	5.0	5.0
FCFF Yield (%)	6.0	5.0	5.0	6.0
PEG Ratio	3.0	5.0	4.0	3.0

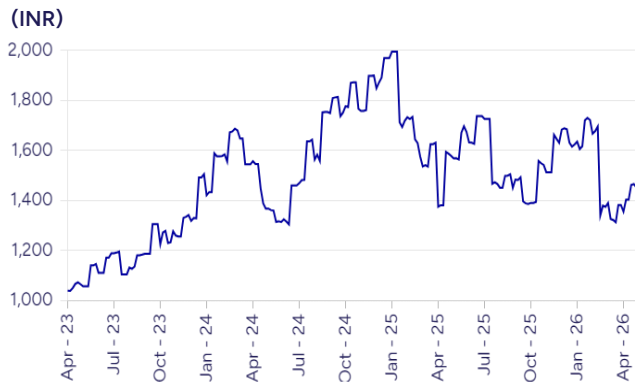
Source: Company, PL

**Key Operating Metrics**

Y/e Mar	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	13,840	14,664	15,075	15,660

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	01-Apr-26	BUY	1710	1354
2	13-Jan-26	BUY	1910	1667
3	02-Jan-26	BUY	1800	1635
4	14-Oct-25	BUY	1760	1495
5	04-Oct-25	Accumulate	1560	1394
6	15-Jul-25	Hold	1550	1620
7	01-Jul-25	Reduce	1530	1729
8	23-Apr-25	Hold	1540	1480
9	03-Apr-25	Accumulate	1740	1528
10	27-Mar-25	Accumulate	1860	1633

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	1870	1154
2	Cyient	BUY	950	780
3	Fractal Analytics	BUY	1110	798
4	HCL Technologies	BUY	1710	1354
5	Infosys	BUY	1740	1276
6	KPIT Technologies	BUY	1020	674
7	L&T Technology Services	BUY	3920	3324
8	Latent View Analytics	BUY	450	261
9	LTM	BUY	5240	4107
10	Mphasis	BUY	3050	2137
11	Persistent Systems	BUY	6570	5049
12	Tata Consultancy Services	BUY	3450	2589
13	Tata Elxsi	BUY	4980	4127
14	Tata Technologies	BUY	610	531
15	Tech Mahindra	BUY	1660	1405
16	Wipro	HOLD	200	210

PL's Recommendation Nomenclature (Absolute Performance)

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

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