

Information Technology

Q4FY26
Result Preview

April 01, 2026

Coverage Universe

Name of the Company	Rating	CMP (INR)	TP (INR)
Coforge	BUY	1,154	1,870
Cyient	BUY	780	950
Fractal Analytics	BUY	798	1,110
HCL Technologies	BUY	1,354	1,710
Infosys	BUY	1,276	1,740
KPIT Technologies	BUY	674	1,020
Latent View Analytics	BUY	261	450
LTMindtree	BUY	4,107	5,240
L&T Technology Services	BUY	3,324	3,920
Mphasis	BUY	2,137	3,050
Persistent Systems	BUY	5,049	6,570
Tata Consultancy Services	BUY	2,408	3,520
Tata Technologies	BUY	531	610
Tech Mahindra	BUY	1,405	1,660
Tata Elxsi	BUY	4,127	4,980
Wipro	BUY	191	230

Muted Q4, FY27 outlook in focus

Quick Pointers

- Moderate growth of 0.5% Tier 1 & 1.2% QoQ in Tier 2 in CC
- FY27 outlook will be in focus amid macro headwinds & AI impact

4QFY26 is expected to be soft and slightly discouraging in an otherwise progressive quarter, after Q3 seasonality and furloughs overhang. Beyond the continued macro softness in few pockets, the cloud of Geo-political conflicts is affecting enterprise spending decisions for few names within our coverage universe. The Middle East tension is directly or indirectly impacting industries around Travel, Transport, Logistics, Energy, O&G and few adjacent areas. The smaller short-burst deals see execution deferrals and delayed closures, leading to elongated sales cycle and slower revenue conversion. We expect median revenue growth of 1.0% QoQ in CC terms & 1.2% QoQ in USD. The currency tailwind is limited (-10 to 70 bps QoQ) in Q4, major currencies like EUR and GBP have strengthened against USD by 1.5% and 0.7% QoQ, respectively, while INR depreciated by 2.4% QoQ against USD.

Vertical-wise, BFSI should recover and reach steady state in Q4 from Q3 seasonality. Healthcare, Retail (essentials) and Manufacturing (beyond Automotive) should relatively perform better and contribute to the growth. However, challenges continue to persist within Communications and Hi-Tech, while recent moving parts around Travel, Logistics, Energy and O&G adding further weakness to the growth. Middle East presence for our coverage universe is relatively lower at 1-2%, while LTM stands around mid-single digit. Deal TCv should see sequential growth, aided by multiple deal activities carried through the quarter and structural reset to prioritize AI-led spending. Given, 9MFY26 turned out to be better vs 9MFY25, in terms of TCv growth (~17-18% YoY), we expect INFY/HCLT to guide 4-6%/5-7% CC revenue growth for FY27E.

Tier I & II operating performance: We expect another quarter of outperformance by Tier II and small-cap companies over Tier I companies. Tier II firms are likely to deliver 1.2% QoQ CC revenue growth, led by PSYS & MPHL. Within Tier I, TCS, LTM & WPRO are expected to post growth higher than the median Tier I growth of 0.5% QoQ CC. Among small caps, we expect FRACTAL to report robust growth of 7.9% QoQ in USD terms aided by Q4 seasonality.

On margins, we expect pressure across in Tier I companies with margin movement in the band of 40 to -150 bps QoQ, while Tier II companies will witness movement in the band of 330 to -30 bps. In Tier I companies TECHM will continue its margin improvement trajectory while HCLT will witness sharp decline due to software business seasonality. Among Tier II companies all companies in our coverage except PSYS, MPHL and LTTS will report margin improvement in Q4.

Valuation and View

The sectorial growth is dominated by few key verticals, while other pockets continue to see softness due to prolonged macro factors. The geo-political conflict on top has created a near-term jerk and would likely be short-term in nature, we don't see any notable business risk within our coverage universe due to lower on-ground presence (clients and effort mix) in the Middle East. However, on the progress of advanced AI, we see a certain cannibalization risk (more towards early FY28E) and hence we are trimming our assigned PE multiples. Although the investments and progress towards building AI Infra, chip and computation power are substantially higher, when it comes to enterprise ecosystem the outcome is yet not convincing. IT services vendors are required to deliver tailored enterprise-specific offerings, which delays the realization of immediate AI benefits. The pessimism is reflected in the IT Index (down 24% over last 3m). Even a two-year forward PE has come off substantially, at 15X for Tier-1 and 18x for Tier-2, which is below the 10-year median of 20x.

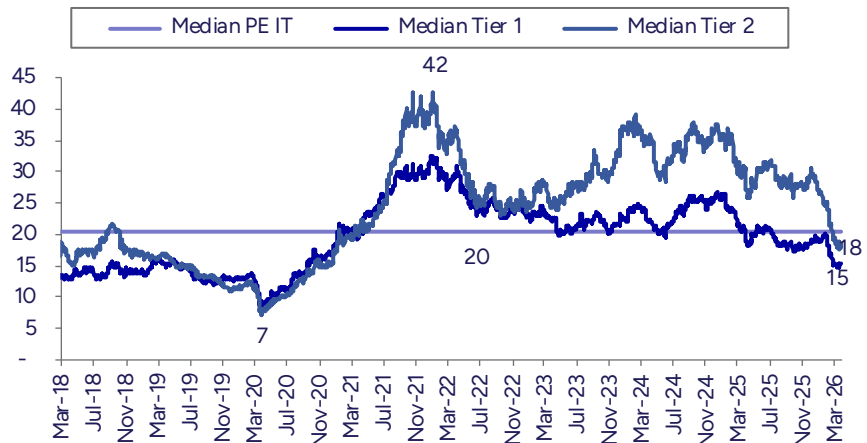
We maintain our positive view on IT Sector, we continue to prefer mid-cap over a large-cap, given the mid-caps names are more resilient and adaptive to the change in technology landscape. Secondly, the talent debt for Tier-1 is relatively higher in terms of re-skilling and up-skilling standpoint, while mid-cap names are quick and easy to turnaround due to scale benefits. Thirdly, we don't see any significant change in the EPS for FY27E/FY28E, we might see 20-30 bps of incremental impact on margins due to spending towards AI capabilities and doubling-down on employee re-skilling programs. However, the margins impact would largely be offset by INR depreciation, we have revised our FY27E/FY28E USD/INR rate upward to 93/95 (earlier 90/93). We prefer, Persistent, Mphasis and Coforge, given their PEG ratios are at 1.2x, 1.0x and 0.8x, respectively over FY26E-28E, which is very attractive. Within Tier-1, we prefer INFY, HCLT and TechM due to better revenue visibility and steady execution. Within Small cap, we prefer Fractal, LatentView and KPIT.

Exhibit 1: Change in PE & Rating

Company Name	Current Target P/E	Previous Target P/E	Current Rating	Previous Rating
Coforge	28	32	BUY	BUY
Cyient - DET	13	15	BUY	HOLD
HCL Tech	20	22	BUY	BUY
Infosys	20	22	BUY	BUY
KPIT Technologies	28	30	BUY	HOLD
L&T Technology Services	24	25	BUY	HOLD
Latent View Analytics	30	32	BUY	BUY
LTIMindtree	22	25	BUY	HOLD
Mphasis	23	26	BUY	BUY
Persistent Systems	35	40	BUY	BUY
Tata Consultancy Services	20	23	BUY	BUY
Tata Elxsi	30	33	BUY	HOLD
Tata Technologies	25	27	BUY	HOLD
Tech Mahindra	19	21	BUY	ACCUMULATE
Wipro	15	17	BUY	HOLD
Fractal Analytics	40	40	BUY	BUY

Source: PL

Exhibit 2: 2-year forward PE multiples of Tier I- & Tier II companies



Source: Company, PL

Exhibit 3: Quarterly snapshot of Tier I companies

Company	Revenue (US\$ mn)					Revenue (INR bn)				
	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)
TCS	7,618	7,509	1.4	7,465	2.0	695	671	3.6	645	7.8
Infosys	5,086	5,099	-0.2	4,730	7.5	464	455	2.0	409	13.4
Wipro*	2,667	2,635	1.2	2,597	2.7	246	236	4.4	225	9.3
HCLT	3,730	3,793	-1.7	3,498	6.6	340	339	0.5	302	12.5
TechM	1,620	1,610	0.6	1,549	4.6	148	144	2.7	134	10.4
LTIM	1,224	1,208	1.3	1,131	8.2	112	108	3.5	98	14.2

Company	EBIT Margin (%)					PAT (INR bn)				
	4QFY26E	3QFY26	QoQ (bps)	4QFY25	YoY (bps)	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)
TCS	25.3	25.2	10	24.2	110	140	134	3.9	122	14.2
Infosys	21.0	21.2	-20	21.0	-	76	76	-0.8	70	7.4
Wipro*	17.3	17.6	-30	17.4	-10	37	34	7.5	36	3.1
HCLT	17.8	19.4	-150	18.0	-20	47	51	-7.3	41	14.1
TechM	13.5	13.1	40	10.5	300	16	14	13.5	12	35.6
LTIM	14.9	16.1	-120	13.8	120	14	14	1.7	11	26.2

Source: Company, PL, * IT Services

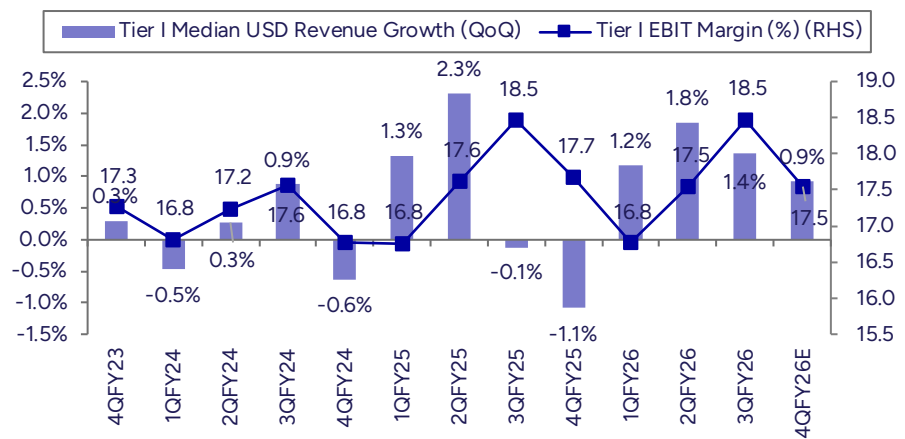
Exhibit 4: Quarterly snapshot of Tier II companies

Company	Revenue (US\$ mn)					Revenue (INR bn)				
	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)
Cyient - DET	168.6	167.0	0.9	161.3	4.5	15.4	14.9	3.3	14.0	10.1
Coforge	487.0	478.2	1.8	403.5	20.7	44.4	41.9	6.1	34.1	30.3
Fractal	101.4	95.9	5.8	87.5	15.9	9.3	8.5	8.3	7.6	22.1
Persistent	441.2	422.5	4.4	375.2	17.6	40.2	37.8	6.5	32.4	24.1
Mphasis	462.7	451.4	2.5	430.4	7.5	42.2	40.4	4.5	37.2	13.5
KPIT	184.3	181.3	1.7	177.3	4.0	16.8	16.2	3.9	15.3	10.0
LTTS	321.9	326.3	-1.4	345.1	-6.7	29.4	29.2	0.4	29.8	-1.6
Tata Elxsi	107.9	106.7	1.1	105.2	2.6	9.8	9.5	3.3	9.1	8.4
Tata Technologies	164.8	152.7	7.9	148.3	11.1	15.0	13.7	10.1	12.9	16.9
Latent View	31.5	31.3	0.8	26.9	17.4	2.9	2.8	3.5	2.3	23.9

Company	EBIT Margin (%)					PAT (INR bn)				
	4QFY26E	3QFY26	QoQ (bps)	4QFY25	YoY (bps)	4QFY26E	3QFY26	QoQ gr. (%)	4QFY25	YoY gr. (%)
Cyient - DET	12.5	12.4	10	12.6	-10	1.5	1.5	-0.7	1.5	-2.2
Coforge	14.6	13.4	120	13.2	140	4.5	4.0	13.6	2.9	58.1
Fractal	14.1	10.9	330	12.4	170	0.5	1.0	-49.8	0.8	-37.1
Persistent	16.5	16.7	-20	15.6	90	5.3	5.3	0.8	4.0	34.6
Mphasis	15.0	15.1	-10	15.3	-30	5.0	4.8	5.3	4.5	12.7
KPIT	15.6	15.6	-	17.3	-170	1.7	1.5	13.9	2.1	-16.0
LTTS	14.4	14.6	-30	13.2	110	3.4	3.3	2.4	3.1	8.3
Tata Elxsi	21.1	20.9	20	20.1	100	1.8	1.8	-1.2	1.7	2.6
Tata Technologies	13.3	11.5	180	15.7	-240	1.9	1.7	13.4	1.9	2.4
Latent View	22.0	20.9	100	20.5	140	0.6	0.6	2.5	0.5	14.2

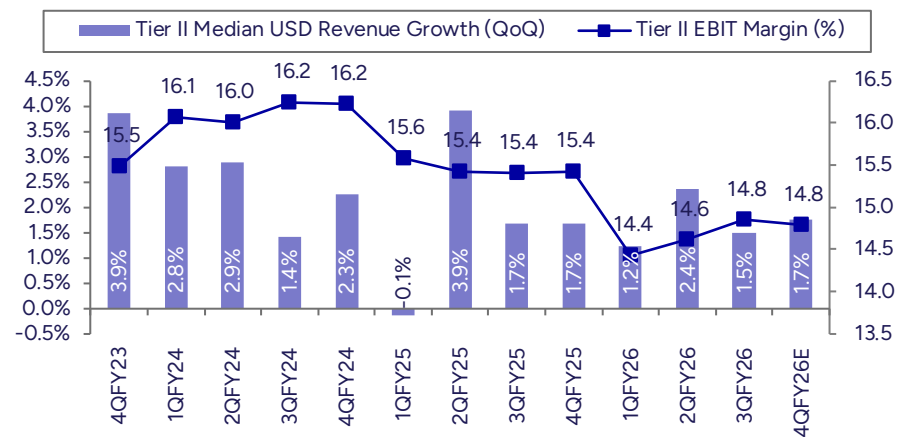
Source: Company, PL

Exhibit 5: Tier I revenue growth & margin trend



Source: Company, PL

Exhibit 6: Tier II revenue growth & margin trend



Source: Company, PL

Exhibit 7: Cross currency impact

	CC USD growth QoQ (%)	USD growth QoQ (%)	Cross currency impact (in bps)
TCS	1.3%	1.4%	10
Infosys	-0.6%	-0.2%	40
Wipro	0.8%	1.2%	40
HCLT	-2.0%	-1.7%	30
TechM	0.1%	0.6%	40
LTIM	1.2%	1.3%	10
Cyient	0.2%	0.9%	70
Coforge	1.8%	1.8%	10
Persistent	4.3%	4.4%	10
Mphasis	2.5%	2.5%	-10
KPIT	1.5%	1.7%	20
LTTS	-1.2%	-1.4%	-10
Tata Elxsi	1.2%	1.1%	-10
Latent View	0.8%	0.8%	-

Source: Company, PL

Exhibit 8: Currency movement against INR

	Rates (INR)				Change (QoQ)			
	USD	EUR	GBP	AUD	USD	EUR	GBP	AUD
Average	91.22	106.93	123.11	63.41	2.4%	3.1%	3.9%	8.3%
Closing	93.94	108.34	125.07	65.49	4.5%	2.7%	3.5%	9.2%

Source: Company, PL

Exhibit 9: Currency movement against USD

	Rates (USD)			Change (QoQ)		
	EUR	GBP	AUD	EUR	GBP	AUD
Average	1.17	1.35	0.70	1.5%	0.7%	-1.7%
Closing	1.15	1.33	0.70	-0.9%	-1.7%	0.0%

Source: Company, PL

Exhibit 10: Change in estimates

	Revised EPS (in INR)			Earlier EPS (in INR)			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Coforge	45.7	55.5	66.9	45.8	55.2	67.1	-0.2%	0.6%	-0.3%
Fractal	15.2	20.9	27.7	15.2	20.9	27.7	0.2%	0.1%	0.0%
HCLT	66.6	77.0	85.6	66.8	75.4	85.9	-0.3%	2.1%	-0.4%
Infosys	71.3	79.3	87.0	70.9	77.6	86.5	0.5%	2.2%	0.5%
KPIT	24.0	30.3	36.4	23.8	29.6	36.3	0.6%	2.3%	0.2%
Latent View	10.4	12.5	15.2	10.2	12.4	15.4	1.5%	1.2%	-1.1%
LTIM	185.0	211.6	238.3	184.4	208.5	239.4	0.3%	1.5%	-0.5%
LTTS	123.7	142.9	163.3	123.5	140.8	162.7	0.2%	1.5%	0.4%
Mphasis	99.0	115.8	132.7	99.0	115.3	134.2	0.0%	0.4%	-1.1%
Persistent	125.2	152.5	187.6	124.7	147.9	184.1	0.4%	3.1%	1.9%
Tata Elxsi	105.2	140.2	166.0	109.3	140.0	166.4	-3.8%	0.2%	-0.2%
Tata Tech	17.3	20.6	24.6	17.1	20.0	24.1	1.1%	2.9%	2.2%
TCS	146.7	162.5	175.9	134.1	159.2	175.8	9.4%	2.1%	0.1%
TechM	60.0	78.4	87.3	59.2	78.2	88.5	1.4%	0.3%	-1.4%
Wipro	13.0	14.0	15.0	13.0	13.8	15.1	0.0%	1.6%	-0.9%

Source: Company, PL

Exhibit 11: Valuation matrix

	Rating	Price (INR)	Market Cap (US\$bn)	Target Price (INR)	EPS			PE			Rev growth (%) (CC)			EBIT Margin (%)			PEG FY26-28E
					FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	
Coforge	BUY	1,154	4	1,870	45.7	55.5	66.9	25.2	20.8	17.3	29.9%	42.0%	20.9%	13.7%	13.8%	14.0%	0.8
Cyient	BUY	780	1	950	54.1	63.6	72.0	14.4	12.3	10.8	-0.1%	4.9%	5.7%	12.3%	13.5%	14.2%	0.7
Fractal	BUY	798	1	1,110	15.2	20.9	27.7	52.6	38.2	28.8	17.1%	15.3%	20.1%	10.8%	12.1%	13.1%	0.8
HCL Tech	BUY	1,354	44	1,710	66.5	76.9	85.5	20.4	17.6	15.8	4.3%	6.5%	7.1%	17.9%	18.0%	18.3%	1.2
Infosys	BUY	1,276	63	1,740	71.3	79.3	87.0	17.9	16.1	14.7	3.3%	6.0%	6.5%	21.0%	21.2%	21.5%	1.4
KPIT	BUY	674	2	1,020	24.0	30.3	36.4	28.1	22.2	18.5	2.4%	6.4%	11.0%	16.1%	16.5%	17.0%	0.8
Latent View	BUY	261	1	450	10.4	12.5	15.2	25.2	20.9	17.2	19.8%	17.1%	19.7%	20.0%	20.6%	20.8%	0.8
LTM	BUY	4,107	15	5,240	185.0	211.6	238.3	22.2	19.4	17.2	5.2%	8.1%	9.1%	15.3%	15.5%	15.7%	1.3
LTTS	BUY	3,324	4	3,920	123.7	142.9	163.3	26.9	23.3	20.4	4.7%	3.2%	9.0%	13.9%	15.0%	15.5%	1.4
Mphasis	BUY	2,137	5	3,050	99.0	115.8	132.7	21.6	18.4	16.1	6.9%	9.0%	10.7%	15.2%	15.4%	15.6%	1.0
Persistent	BUY	5,049	9	6,570	125.2	152.5	187.6	40.3	33.1	26.9	17.7%	17.9%	18.9%	16.3%	16.4%	16.6%	1.2
TCS	BUY	2,408	102	3,520	146.7	162.5	175.9	16.4	14.8	13.7	-2.4%	5.1%	5.4%	25.0%	25.5%	25.8%	1.4
Tata Tech	BUY	531	2	610	17.3	20.6	24.6	30.8	25.8	21.6	0.4%	14.1%	11.9%	13.1%	14.1%	14.9%	1.1
TechM	BUY	1,405	14	1,660	60.0	78.4	87.3	23.4	17.9	16.1	0.8%	4.8%	5.8%	12.5%	14.3%	14.7%	0.8
Tata Elxsi	BUY	4,127	3	4,980	105.2	140.2	166.0	39.2	29.4	24.9	-5.3%	8.4%	11.4%	19.7%	21.3%	22.4%	1.0
Wipro	BUY	191	24	230	13.0	14.0	15.0	14.7	13.7	12.7	-1.3%	3.6%	4.2%	17.4%	16.9%	17.1%	1.7

Source: Company, PL

Exhibit 13: Q4FY26E Result Preview (Rs bn)

Company Name		Q4FY26E	Q4FY25	YoY gr. (%)	Q3FY26	QoQ gr. (%) Remark
Coforge	Sales (US\$ mn)	487.0	403.5	20.7	478.2	1.8
	Sales	44.4	34.1	30.3	41.9	6.1
	EBIT	6.5	4.5	44.1	5.6	15.8
	Margin (%)	14.6	13.2	140 bps	13.4	122 bps
	PBT	6.3	4.2	51.2	5.3	19.3
	Adj. PAT	4.5	2.9	58.1	4.0	13.6
Cyient	Sales (US\$ mn)	225.0	211.8	6.2	207.3	8.5
	Sales	20.5	19.1	7.5	18.5	11.0
	EBIT	2.3	2.4	-1.9	1.7	31.9
	Margin (%)	11.2	12.3	-108 bps	9.5	178 bps
	PBT	2.3	2.6	-8.6	1.9	22.6
	Adj. PAT	1.7	1.7	-1.2	1.3	31.2
Fractal Analytics	Sales (US\$ mn)	101.4	87.5	15.9	95.9	5.8
	Sales	9.3	7.6	22.1	8.5	8.3
	EBIT	1.3	0.9	38.8	0.9	40.7
	Margin (%)	14.1	12.4	169 bps	10.9	325 bps
	PBT	1.1	0.8	36.6	0.6	74.4
	Adj. PAT	0.8	0.5	59.1	1.0	-20.1
HCL Technologies	Sales (US\$ mn)	3,730.1	3,498.2	6.6	3,793.0	-1.7
	Sales	340.3	302.5	12.5	338.7	0.5
	EBIT	60.6	54.4	11.4	65.6	-7.6
	Margin (%)	17.8	18.0	-18 bps	19.4	-155 bps
	PBT	62.7	57.4	9.3	67.4	-7.0
	Adj. PAT	48.3	43.1	12.2	63.0	-23.3
Infosys	Sales (US\$ mn)	5,086.3	4,730.0	7.5	5,099.0	-0.2
	Sales	464.0	409.3	13.4	454.8	2.0
	EBIT	97.2	85.8	13.4	96.4	0.8
	Margin (%)	21.0	21.0	1 bps	21.2	-25 bps
	PBT	106.5	96.6	10.2	105.2	1.3
	Adj. PAT	75.7	70.4	7.6	76.4	-0.8
KPIT Technologies	Sales (US\$ mn)	184.3	177.3	4.0	181.3	1.7
	Sales	16.8	15.3	10.0	16.2	3.9
	EBIT	2.6	2.7	-1.0	2.5	4.0
	Margin (%)	15.6	17.3	-173 bps	15.6	1 bps
	PBT	2.4	2.8	-13.7	2.2	10.6
	Adj. PAT	1.7	2.4	-28.8	1.3	30.6
Latent View Analytics	Sales (US\$ mn)	31.5	26.9	17.4	31.3	0.8
	Sales	2.9	2.3	23.9	2.8	3.5
	EBIT	0.6	0.5	32.6	0.6	8.6
	Margin (%)	22.0	20.5	143 bps	20.9	103 bps
	PBT	0.8	0.6	25.6	0.7	9.7
	Adj. PAT	0.6	0.5	14.6	0.5	12.1
LTIMindtree	Sales (US\$ mn)	1,223.7	1,131.0	8.2	1,208.0	1.3
	Sales	111.6	97.7	14.2	107.8	3.5
	EBIT	16.7	13.5	23.8	17.4	-4.1
	Margin (%)	14.9	13.8	115 bps	16.1	-119 bps
	PBT	19.2	15.3	25.7	18.9	1.4
	Adj. PAT	14.2	11.3	26.2	14.0	1.7

Company Name		Q4FY26E	Q4FY25	YoY gr. (%)	Q3FY26	QoQ gr. (%) Remark
L&T Technology Services	Sales (US\$ mn)	321.9	345.1	-6.7	326.3	-1.4
	Sales	29.4	29.8	-1.6	29.2	0.4
	EBIT	4.2	3.9	7.0	4.3	-1.3
	Margin (%)	14.4	13.2	115 bps	14.6	-26 bps
	PBT	4.7	4.3	8.9	4.5	4.5
	Adj. PAT	3.4	3.1	8.3	3.0	11.3
Mphasis	Sales (US\$ mn)	462.7	430.4	7.5	451.4	2.5
	Sales	41.9	37.1	12.8	40.0	4.6
	EBIT	6.3	5.7	11.6	6.1	3.9
	Margin (%)	15.1	15.3	-17 bps	15.2	-9 bps
	PBT	6.6	5.9	12.0	6.3	5.3
	Adj. PAT	5.0	4.5	12.7	4.4	13.8
Persistent Systems	Sales (US\$ mn)	441.2	375.2	17.6	422.5	4.4
	Sales	40.2	32.4	24.1	37.8	6.5
	EBIT	6.6	5.1	31.4	6.3	5.1
	Margin (%)	16.5	15.6	92 bps	16.7	-22 bps
	PBT	7.0	5.1	37.8	6.5	6.5
	Adj. PAT	5.3	4.0	34.6	5.3	0.8
Tata Consultancy Services	Sales (US\$ mn)	7,617.5	7,465.0	2.0	7,509.0	1.4
	Sales	694.9	644.8	7.8	670.9	3.6
	EBIT	175.6	156.0	12.6	168.9	4.0
	Margin (%)	25.3	24.2	108 bps	25.2	10 bps
	PBT	188.1	164.0	14.7	178.1	5.6
	Adj. PAT	139.6	122.2	14.2	134.4	3.9
Tata Technologies	Sales (US\$ mn)	164.8	148.3	11.1	152.7	7.9
	Sales	15.0	12.9	16.9	13.7	10.1
	EBIT	2.0	2.0	-0.9	1.6	27.7
	Margin (%)	13.3	15.7	-240 bps	11.5	184 bps
	PBT	2.5	2.5	-1.8	1.8	39.2
	Adj. PAT	1.9	1.9	2.4	0.1	2,811.4
Tech Mahindra	Sales (US\$ mn)	1,620.1	1,548.8	4.6	1,610.0	0.6
	Sales	147.8	133.8	10.4	143.9	2.7
	EBIT	20.0	14.1	42.3	18.9	5.7
	Margin (%)	13.5	10.5	304 bps	13.1	39 bps
	PBT	21.5	14.6	46.7	17.8	20.9
	Adj. PAT	15.8	11.7	35.6	13.9	13.5
Tata Elxsi	Sales (US\$ mn)	107.9	105.2	2.6	106.7	1.1
	Sales	9.8	9.1	8.4	9.5	3.3
	EBIT	2.1	1.8	13.7	2.0	4.4
	Margin (%)	21.1	20.1	99 bps	20.9	22 bps
	PBT	2.3	2.2	5.1	2.4	-3.8
	Adj. PAT	1.8	1.7	2.6	1.8	-1.2
Wipro	Sales (US\$ mn)	2,667.5	2,596.5	2.7	2,635.4	1.2
	Sales	246.0	225.0	9.3	235.6	4.4
	EBIT	42.5	39.1	8.7	41.4	2.7
	Margin (%)	17.3	17.4	-9 bps	17.6	-29 bps
	PBT	48.7	47.4	2.6	47.0	3.5
	Adj. PAT	36.8	35.7	3.1	31.6	16.5

Source: Company, PL

Exhibit 14: Valuation Summary

Company Name	C/S	Rating	CMP (Rs)	TP (Rs)	Mcap (Rs bn)	Sales (Rs bn)				EBITDA (Rs bn)				Adj. PAT (Rs bn)				EPS (Rs)				RoE (%)				PE (x)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Coforge	C	BUY	1,154	1,870	390.6	120.5	163.0	244.3	301.3	20.0	29.2	46.0	56.9	10.1	15.5	23.2	29.5	30.5	45.7	55.5	66.9	20.1	23.1	14.4	11.4	37.8	25.2	20.8	17.3
Cyient	C	BUY	780	950	86.6	73.6	73.9	82.5	91.0	11.5	10.1	13.1	14.8	6.2	5.8	7.8	8.9	56.0	52.1	70.0	80.0	13.0	10.6	13.5	14.4	13.9	15.0	11.1	9.8
Fractal Analytics	C	BUY	798	1,110	137.3	27.7	33.4	40.6	49.8	3.5	4.9	6.5	8.4	2.0	2.6	3.6	4.8	12.7	15.2	20.9	27.7	12.4	10.9	11.2	13.2	62.7	52.6	38.2	28.8
HCL Technologies	C	BUY	1,354	1,710	3,668.6	1,170.6	1,301.9	1,453.8	1,592.4	255.1	277.3	309.9	344.2	173.9	180.4	208.3	231.7	64.1	66.6	77.0	85.6	25.2	25.6	28.7	31.0	21.1	20.3	17.6	15.8
Infosys	C	BUY	1,276	1,740	5,268.3	1,629.9	1,786.4	1,982.5	2,155.2	392.4	423.9	479.9	528.9	267.1	294.5	326.2	358.2	64.5	71.3	79.3	87.0	29.0	30.7	33.9	37.1	19.8	17.9	16.1	14.7
KPIT Technologies	C	BUY	674	1,020	183.5	58.4	64.3	71.8	81.8	12.3	13.4	15.2	17.6	7.7	6.5	8.3	9.9	28.4	24.0	30.3	36.4	30.3	21.0	23.3	24.4	23.8	28.1	22.2	18.5
Latent View Analytics	C	BUY	261	450	53.8	8.5	10.6	13.1	16.0	2.0	2.5	3.2	3.9	1.8	2.1	2.6	3.1	9.0	10.4	12.5	15.2	12.7	13.0	13.8	14.5	28.9	25.2	20.9	17.2
LTIMindtree	C	BUY	4,107	5,240	1,216.9	380.1	421.8	476.9	530.9	64.9	75.5	86.5	97.4	46.0	54.8	62.7	70.6	155.3	185.0	211.6	238.3	21.5	22.8	23.0	22.7	26.4	22.2	19.4	17.2
L&T Technology Services	C	BUY	3,324	3,920	352.2	106.7	117.0	125.6	139.3	19.0	19.7	22.3	25.4	12.7	13.1	15.1	17.3	119.7	123.7	142.9	163.3	22.3	20.3	20.9	21.1	27.8	26.9	23.3	20.4
Mphasis	C	BUY	2,137	3,050	408.3	142.3	158.2	180.2	203.8	26.5	29.6	33.8	38.7	17.0	18.9	22.1	25.4	89.3	99.0	115.8	132.7	18.5	18.9	20.5	21.6	23.9	21.6	18.4	16.1
Persistent Systems	C	BUY	5,049	6,570	789.4	119.4	147.2	181.5	220.4	20.6	28.0	34.1	41.9	14.0	19.6	23.8	29.3	90.2	125.2	152.5	187.6	24.8	28.7	29.9	30.8	56.0	40.3	33.1	26.9
Tata Consultancy Services	C	BUY	2,408	3,520	8,713.1	2,553.2	2,658.1	2,912.4	3,131.1	672.8	721.4	803.8	872.9	485.5	530.6	587.9	636.3	134.2	146.7	162.5	175.9	51.8	55.8	59.7	60.8	17.9	16.4	14.8	13.7
Tata Technologies	C	BUY	531	610	218.0	51.7	54.4	64.2	72.8	9.3	8.5	10.8	12.8	6.8	7.1	8.5	10.2	16.7	17.3	20.6	24.6	19.9	19.4	22.1	24.3	31.8	30.8	25.8	21.6
Tech Mahindra	C	BUY	1,405	1,660	1,244.4	529.9	565.2	617.8	667.5	69.9	89.7	108.5	120.3	42.5	53.1	69.4	77.3	48.0	60.0	78.4	87.3	15.1	18.4	23.6	25.6	29.3	23.4	17.9	16.1
Tata Elxsi	C	BUY	4,127	4,980	257.1	37.3	37.5	42.1	47.9	9.7	8.3	10.0	11.9	7.8	6.6	8.7	10.3	126.0	105.2	140.2	166.0	29.3	22.1	26.5	27.1	32.7	39.2	29.4	24.9
Wipro	C	BUY	191	230	2,006.5	890.9	929.9	1,017.1	1,081.1	180.9	190.3	202.5	217.3	131.4	136.8	147.0	157.8	12.5	13.0	14.0	15.0	16.4	16.4	17.2	18.1	15.3	14.7	13.7	12.7

Source: Company, PL C = Consolidated / S = Standalone

Exhibit 15: Change in Estimates

	Rating		Target Price			Sales						PAT						EPS					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Coforge	BUY	BUY	1,870	2,150	-13.0%	244.3	242.4	0.8%	301.3	302.0	-0.2%	23.2	23.0	0.6%	29.5	29.6	-0.4%	55.5	55.2	0.6%	66.9	67.1	-0.4%
Cyient	BUY	HOLD	950	1,070	-11.2%	82.5	84.8	-2.7%	91.0	94.3	-3.5%	7.8	8.1	-4.6%	8.9	9.3	-4.4%	70.0	73.4	-4.6%	80.0	83.7	-4.4%
Fractal Analytics	BUY	BUY	1,110	1,110	0.0%	40.6	40.6	0.0%	49.8	49.8	0.0%	3.6	3.6	0.0%	4.8	4.8	0.0%	20.9	20.9	0.0%	27.7	27.7	0.0%
HCL Technologies	BUY	BUY	1,710	1,910	-10.5%	1,453.8	1,420.0	2.4%	1,592.4	1,580.7	0.7%	208.3	204.1	2.0%	231.7	232.5	-0.3%	77.0	75.4	2.0%	85.6	85.9	-0.3%
Infosys	BUY	BUY	1,740	1,900	-8.4%	1,982.5	1,932.9	2.6%	2,155.2	2,131.6	1.1%	326.2	319.2	2.2%	358.2	356.1	0.6%	79.3	77.6	2.2%	87.0	86.5	0.6%
KPIT Technologies	BUY	HOLD	1,020	1,090	-6.4%	71.8	70.0	2.6%	81.8	80.5	1.7%	8.3	8.1	2.3%	9.9	9.9	0.2%	30.3	29.6	2.3%	36.4	36.3	0.2%
Latent View Analytics	BUY	BUY	450	490	-8.2%	13.1	13.0	0.5%	16.0	16.2	-1.3%	2.6	2.5	1.3%	3.1	3.2	-1.3%	12.5	12.4	1.3%	15.2	15.4	-1.3%
LTIMindtree	BUY	Hold	5,240	6,000	-12.7%	476.9	468.5	1.8%	530.9	529.4	0.3%	62.7	61.7	1.6%	70.6	70.9	-0.4%	211.6	208.5	1.5%	238.3	239.4	-0.5%
L&T Technology Services	BUY	HOLD	3,920	4,070	-3.7%	125.6	123.0	2.1%	139.3	137.7	1.2%	15.1	14.9	1.5%	17.3	17.2	0.4%	142.9	140.8	1.5%	163.3	162.7	0.4%
Mphasis	BUY	BUY	3,050	3,480	-12.4%	180.2	175.2	2.9%	203.8	200.2	1.8%	22.1	22.0	0.8%	25.4	25.6	-0.8%	115.8	115.3	0.4%	132.7	134.2	-1.2%
Persistent Systems	BUY	BUY	6,570	7,360	-10.7%	181.5	176.1	3.1%	220.4	216.3	1.9%	23.8	23.1	3.1%	29.3	28.8	1.9%	152.5	147.9	3.1%	187.6	184.1	1.9%
Tata Consultancy Services	BUY	BUY	3,520	4,040	-12.9%	2,912.4	2,839.5	2.6%	3,131.1	3,100.8	1.0%	587.9	576.1	2.1%	636.3	636.1	0.0%	162.5	159.2	2.1%	175.9	175.8	0.0%
Tata Technologies	BUY	HOLD	610	660	-7.6%	64.2	62.0	3.4%	72.8	70.7	2.9%	8.5	8.3	2.9%	10.2	10.0	2.1%	20.6	20.0	2.9%	24.6	24.1	2.1%
Tech Mahindra	BUY	Accumulate	1,660	1,860	-10.8%	617.8	608.2	1.6%	667.5	665.1	0.4%	69.4	69.3	0.2%	77.3	78.4	-1.4%	78.4	78.2	0.2%	87.3	88.5	-1.4%
Tata Elxsi	BUY	HOLD	4,980	5,500	-9.5%	42.1	41.8	0.9%	47.9	47.9	0.0%	8.7	8.7	0.1%	10.3	10.4	-0.2%	140.2	140.0	0.1%	166.0	166.4	-0.2%
Wipro	BUY	HOLD	230	260	-11.5%	1,017.1	992.2	2.5%	1,081.1	1,069.0	1.1%	147.0	144.4	1.8%	157.8	158.6	-0.5%	14.0	13.8	1.6%	15.0	15.1	-0.7%

Source: PL C = Current / P = Previous

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Coforge	BUY	2150	1636
2	Cyient	Hold	1070	1109
3	Fractal Analytics	BUY	1110	798
4	HCL Technologies	BUY	1910	1667
5	Infosys	BUY	1900	1391
6	KPIT Technologies	Hold	1090	1047
7	L&T Technology Services	Hold	4070	4244
8	Latent View Analytics	BUY	490	327
9	LTIMindtree	Hold	6000	6407
10	Mphasis	BUY	3480	2800
11	Persistent Systems	BUY	7360	6343
12	Tata Consultancy Services	BUY	4040	3240
13	Tata Elxsi	Hold	5500	5793
14	Tata Technologies	Hold	660	651
15	Tech Mahindra	Accumulate	1860	1671
16	Wipro	Hold	260	267

PL's Recommendation Nomenclature (Absolute Performance)

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

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