

HCL Technologies (HCLT IN)

Rating: BUY | CMP: Rs830 | TP: Rs1,101

Well positioned to capture sectoral tailwinds!

Quick Pointers:

- HCLT impressed us with strong broad based growth, better margin performance, raised revenue/margin guidance & increase in payout ratio.
- HCLT has doubled quarterly dividend rate to Rs 4/share from Rs2/share earlier, payout ratio to ~35% & OCF was strong at US\$643 mn, at 160% of net profit.
- Large deal closures (15) were strong and pipeline expanded 30% QoQ & increased revenue guidance factors ramp up in 2HFY21 & we believe strong pipeline will aid visibility in FY21/22 also.

HCLT reported strong revenue growth of 4.5% QoQ CC (Ple & Cons: 3.7%) & 6.4% QoQ ahead than our & street estimates. HCLT reported broad-based QoQ growth – IT services (+4.9%), ERD (+3.6%) and products (+3.1%) CC terms. HCLT Q2 growth exceeded their mid quarter guidance of ~3% QoQ CC. Margin expansion was strong at 21.6% (+110bps QoQ) which was aided by i) revenue growth, higher utilization & lower travel spends (+150bps QoQ), which was subset by SG&A investments in P&P business, forex & depreciation (- 50-60bps QoQ).

HCLT has increased revenue guidance to 0.5%-1.3% in FY21E from earlier decline of 0.8-2.3%. Quarterly guidance 1.5%-2.5% CQGR CC maintained for next 2 quarters which indicates entire this quarter growth flowed in raising guidance. Guidance implies FY21 growth of 0 to 0.7% YoY cc (vs -2.3 to -0.8% YoY cc earlier). It has raised FY2021 EBIT margin guidance to a band of 20-21% from 19.5-20.5% earlier. Management has indicated that bookings TCV was at record high and 30% higher compared to the previous quarter.

We believe their IMS service line particularly, should see accelerated growth from increasing demand for hybrid cloud adoption and strong volumes from large deals. We have slightly increased our estimates (avg:1.5%) for FY22/23 led by strong revenue growth trajectory & consistent margin performance. We value HCLT at 20X (earlier 19X) on Sep-22 EPS of INR 55.1 to arrive at a changed TP of INR 1101 (Earlier: INR 1029). HCLT is trades at attractive valuations of 15.6/14.6X for FY22/23 at INR 53.3/57 respectively.

- Strong broad-based revenue performance:** HCLT reported strong revenue growth of 4.5% QoQ CC (Ple & Cons: 3.7%) & 6.4% QoQ ahead than our & street estimates. HCLT reported broad-based QoQ growth – IT services (+4.9%), ERD (+3.6%) and products (+3.1%) CC terms. HCLT Q2 growth exceeded their mid quarter guidance of ~3% QoQ CC.

- HCLT reported broad-based growth across verticals and geographies. Growth was led by retail and CPG (8.4% QoQ CC), technology (6.3% QoQ CC) and healthcare (8.6% QoQ CC). BFSI reported a decent recovery at 2.6% QoQ CC. Manufacturing vertical was subdued at 1.5% QoQ CC, but management has mentioned that demand is improving in manufacturing but offshoring of a large client will lead to revenue loss. Management was mentioned strong demand in healthcare, technology, telecom & BFSI in 2HFY21.

October 19, 2020

Q2FY21 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY22E	FY23E	FY22E	FY23E
Rating	BUY		BUY	
Target Price	1,101		1,029	
Sales (Rs. m)	8,43,513	9,36,459	8,35,268	9,30,588
% Chng.	1.0	0.6		
EBITDA (Rs. m)	2,13,034	2,29,296	2,10,953	2,27,846
% Chng.	1.0	0.6		
EPS (Rs.)	53.3	56.9	52.3	56.0
% Chng.	1.9	1.5		

Key Financials - Standalone

Y/e Mar	FY20	FY21E	FY22E	FY23E
Sales (Rs. bn)	707	753	844	936
EBITDA (Rs. bn)	167	194	213	229
Margin (%)	23.6	25.8	25.3	24.5
PAT (Rs. bn)	111	124	145	154
EPS (Rs.)	40.8	45.6	53.3	56.9
Gr. (%)	10.8	11.7	16.9	6.8
DPS (Rs.)	7.0	10.0	12.0	12.0
Yield (%)	0.8	1.2	1.4	1.4
RoE (%)	23.7	21.7	21.5	19.7
RoCE (%)	27.0	26.0	25.2	23.3
EV/Sales (x)	3.0	2.9	2.5	2.1
EV/EBITDA (x)	12.9	11.2	9.8	8.7
PE (x)	20.4	18.2	15.6	14.6
P/BV (x)	4.4	3.6	3.1	2.7

Key Data

HCLT.BO | HCLT IN

52-W High / Low	Rs.914 / Rs.375
Sensex / Nifty	39,983 / 11,762
Market Cap	Rs.2,252bn/ \$ 30,710m
Shares Outstanding	2,714m
3M Avg. Daily Value	Rs.14869.32m

Shareholding Pattern (%)

Promoter's	60.33
Foreign	25.62
Domestic Institution	10.01
Public & Others	4.04
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	5.2	80.5	50.8
Relative	3.4	38.2	45.6

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We would like to highlight that HCLT has completed 1-year post acquiring IBM acqn & the transition has been really smooth. Though there is little softening of seasonality effect (strong Q3) in product business, as its sales processes do not require to incentivize closure in December quarter (unlike IBM), but HCLT management is confident on growth outlook in the products business.

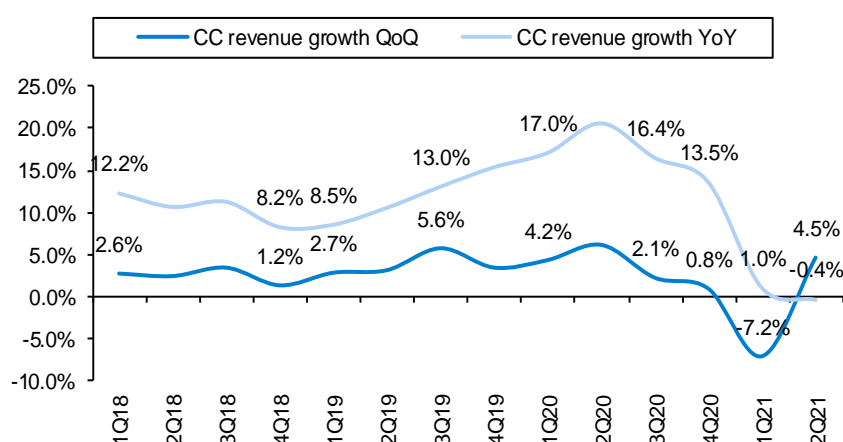
Deal wins have been strong with 15 large net new wins and net-new TCV expanding 35% QoQ (flat YoY). & renewals have been strong.

- **HCLT posted stable performance in ER&D segment** at 3.6% QoQ post sharp decline in 1QFY21. Management mentioned that demand is strong in asset light segment such as Hi-tech, medical devices. HCLT has a capability to bounce back faster in ER&D segment as they are well diversified in it.
- **Sustained performance in Product business:** HCLT product business performance was strong at 3.1% QoQ cc, we would like to highlight this was on high base of earlier quarter. We would like to highlight that HCLT has completed 1-year post acquiring IBM acqn & the transition has been really smooth. Though there is little softening of seasonality effect (strong Q3) in product business, as its sales processes do not require to incentivize closure in December quarter (unlike IBM), but HCLT management is confident on growth outlook in the products business.
- **Strong Margin performance:** Margin expansion was strong at 21.6% (+110bps QoQ) which was aided by i) revenue growth, higher utilization & lower travel spends (+150bps QoQ), which was subset by SG&A investments in P&P business, forex & depreciation (- 50-60bps QoQ). ERD margins increased sharply by 350 bps to 22.2%. HCLT is planning for wage hike in Oct-20 & remaining effective in Jan-21, which may act as headwind to margins. They expect travel costs to increase going forward but not to the extent of pre-covid levels. The company has planned 6% average wage hike for offshore employees and 2.5% average wage hike for onsite employees, similar to FY2020.
- HCLT had originally planned for 12,000 fresher hires in FY2021 compared to 8,100 hires in FY2020. HCLT has on-boarded 1,578 freshers in 2QFY21 and 1,200 freshers in 1QFY21. Fresher hiring has been impacted by Covid on supply side. Fresher hiring was slower than expected due to Covid impact on college final year programs. The company now plans to hire 7,000-9,000 freshers in 2HFY21. Attrition in quarter reduced by 240 bps to 12.2% for IT Services.
- **Revenue & Margin guidance raised:** HCLT has increased revenue guidance to 0.5%-1.3% in FY21E from earlier decline of 0.8-2.3%. Quarterly guidance 1.5%-2.5% CQGR CC maintained for next 2 quarters which indicates entire this quarter growth flowed in raising guidance. Guidance implies FY21 growth of 0 to 0.7% YoY cc (vs -2.3 to -0.8% YoY cc earlier). It has raised FY2021 EBIT margin guidance to a band of 20-21% from 19.5-20.5% earlier. Guidance does not take in any contribution from the DWS acquisition.
- **Strong Deal Wins to help in swift recovery:** Deal wins have been strong with 15 large net new wins and net-new TCV expanding 35% QoQ (flat YoY). & renewals have been strong. The company has developed capabilities in digital consulting, modern applications and data & analytics businesses through organic investments. We believe their IMS service line particularly, should see accelerated growth from increasing demand for hybrid cloud adoption and strong volumes from large deals.
- **Capital allocation is improving:** HCLT has doubled quarterly dividend rate to Rs4/share from Rs2/share earlier, payout ratio to ~35% & OCF was strong at US\$643 mn, at 160% of net profit. HCLT generates ~US\$1.7bn over the next 2-3 years & with limited capex in IT services business & no big acquisitions there surely is a scope for improvement in Payout ratio & will help in re-rating the stock which can provide massive upside from current levels.

Exhibit 1: Q2FY21: Quick view on results

(Rs m)	2Q21	1Q21	QoQ gr.	2Q20	YoY gr.	PL(e)	Var VS PL(e)
Sales (\$ m)	2,507	2,356	6.4%	2,486	0.8%	2,485	0.9%
Sales	18,5940	1,78,410	1.2%	1,75,280	6.1%	1,84,914	0.6%
EBIT Margin	49,510	45,660	8.4%	41,030	20.7%	46,783	5.8%
EBIT Margin	26.6%	25.6%	101 bps	23.4%	319 bps	25%	130 bps
EBIT Margin	40,160	36,600	9.7%	34,970	14.8%	38,462	4.4%
EBIT Margin	21.6%	20.5%	109 bps	20.0%	165 bps	20.8%	80 bps
Adjusted PAT	31,420	29,230	7.5%	26,510	18.5%	29,543	6.4%
EPS	11.6	10.8	7.5%	9.8	18.5%	10.89	6.4%
Average (USD rate)	74.2	75.7	-2.1%	70.5	5.2%	74.4	-0.3%

Source: Company, PL

Exhibit 2: Strong revenue performance


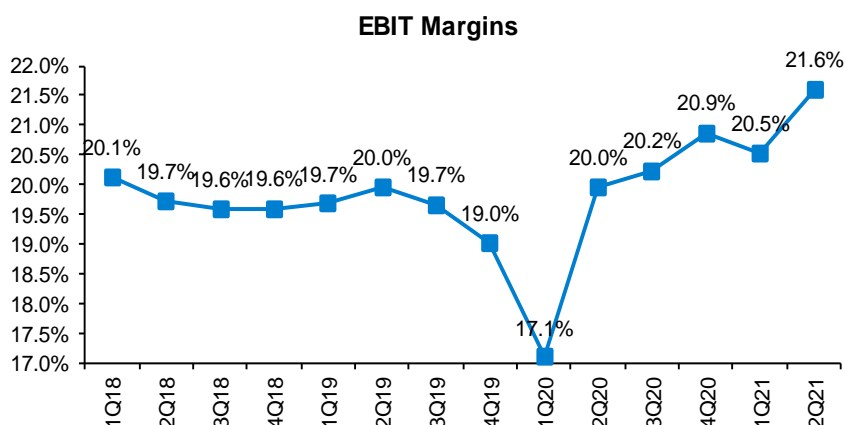
Source: Company, PL

Exhibit 3: Performance Metrics of Mode 1-2-3 business

Revenues (US\$ mn)	Q2FY20	Q1FY21	Q2FY21	QoQ gr.	YoY gr.
Mode 1	1665	1,494	1,587	6.2%	-4.7%
Mode 2	455	479	524	9.4%	15.2%
Mode 3	365	382	396	3.7%	8.5%
Total	2,485	2,355	2,507	6.5%	0.9%
Revenue mix (%)					
Mode 1	67	63.4	63.3	-10 bps	-370 bps
Mode 2	18.3	20.3	20.9	60 bps	260 bps
Mode 3	14.7	16.2	15.8	-40 bps	110 bps
Total	100	100	100		
EBIT margin (%)					
Mode 1	20.0	19.4	20.9	150 bps	90 bps
Mode 2	14.0	17.4	18.5	110 bps	450 bps
Mode 3	27.1	28.9	28.7	-20 bps	160 bps
Total	20.0	20.5	21.6	110 bps	160 bps
Growth (qoqc/c %)					
Mode 1	1.2	-9.5	4.3	1380 bps	310 bps
Mode 2	3.0	-1.6	6.9	850 bps	390 bps
Mode 3	42.0	-4.7	2.1	680 bps	-3990 bps
Total	6.0	-7.2	4.5	1170 bps	-150 bps

Source: Company, PL

Exhibit 4: Margins remained strong



Source: Company, PL

Valuations

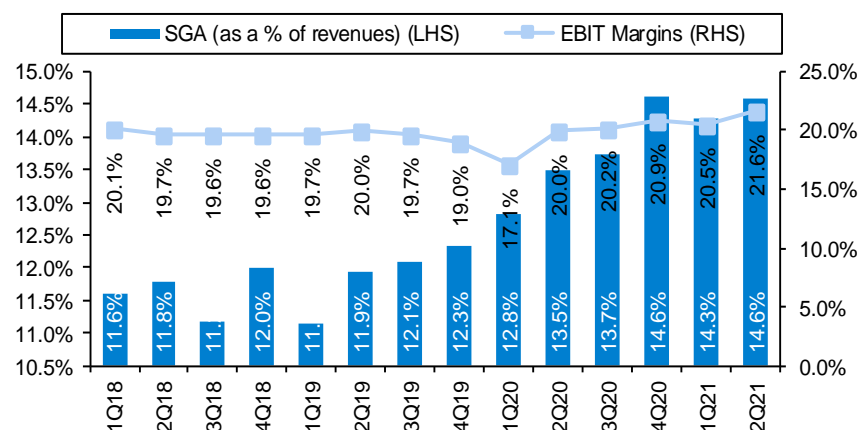
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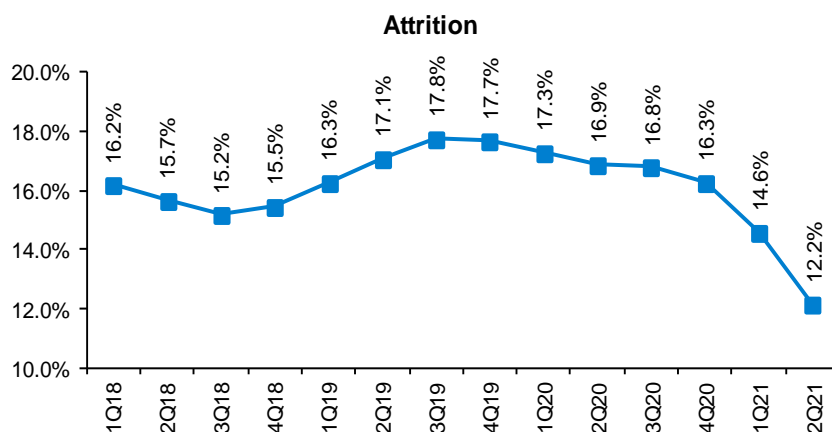
Exhibit 5: Change in Estimates

Particulars	FY21E	FY22E	FY23E
Revenue (US\$m)			
New	10,114	11,247	12,322
Old	10,049	11,153	12,220
Change (%)	0.6%	0.8%	0.8%
USD Revenue growth (%)	1.8%	11.2%	9.6%
EBIT Margins (%)			
- New	21.0%	21.0%	20.2%
- Old	20.6%	21.0%	20.2%
Change (%)	45 bps	0 bps	0 bps
EPS (Rs)			
- New	45.6	53.3	56.9
- Old	44.0	52.3	55.9
Change (%)	3.5%	1.8%	1.7%

Source: Company, PL

Exhibit 6 : SGA expenses to be curtailed


Source: Company, PL

Exhibit 7 : Attrition declined severely


Source: Company, PL

Exhibit 8 : Geography-wise revenues

(US\$ m)	2Q21	1Q21	QoQ gr.	2Q20	YoY gr.
US	1,581.7	1,500.5	5.4%	1,600.7	-1.2%
Europe	711.9	666.6	6.8%	700.9	1.6%
Asia Pacific	213.1	188.4	13.1%	183.9	15.8%
% Total					
US	63.1%	63.7%	-60 bps	64.4%	-130 bps
Europe	28.4%	28.3%	10 bps	28.2%	20 bps
Asia Pacific	8.5%	8.0%	50 bps	7.4%	110 bps

Source: Company, PL

Exhibit 9 : Revenues by project type

(US\$ m)	2Q21	1Q21	QoQ gr.	2Q20	YoY gr.
Fixed Price Projects	1,689.4	1,571.1	7.5%	1,652.9	2.2%
Time & Material	817.2	784.4	4.2%	832.7	-1.9%
% of total Revenue					
Fixed Price Projects	67.4%	66.7%	70 bps	66.5%	90 bps
Time & Material	32.6%	33.3%	-70 bps	33.5%	-90 bps

Source: Company, PL

Exhibit 10: Vertical Wise Break up

	Rev (USDmn)	Growth (%)		Contribution to revenues (%)	C/C growth (%)	
		QoQ	YoY		QoQ	YoY
Total revenues	2,507	6.4	6.1	100	-7.2	1
Geographical split of revenues						
US	1,582	5.4	(1.2)	63.1	4.9	(1.3)
Europe	712	6.8	1.6	28.4	2.2	(2.6)
ROW	213	13.1	15.8	8.5	9.0	15.4
Vertical split of revenues						
Financial services	554	5.0	5.0	22.1	2.6	2.6
Manufacturing (new classification)	444	4.1	4.1	17.7	1.5	1.5
Technology Services	434	7.0	7.0	17.3	6.3	6.3
Retail & CPG	261	10.7	10.7	10.4	8.4	8.4
Telecom, media, publishing, entertainment	193	7.8	7.8	7.7	6.1	6.1
Energy-utilities-public sector	268	3.5	3.5	10.7	0.2	0.2
Service line split of revenues (new classification)						
IT and Business Services	1,775	7.3	7.3	70.8	4.9	(1.6)
Engineering and R&D Services	394	4.4	4.4	15.7	3.6	(6.8)
Products & Platforms	338	4.1	4.1	13.5	3.1	16.2

Source: Company, PL

Exhibit 11: Client Metrics

Particulars	2Q21	1Q21	QoQ gr.	2Q20	YoY gr.
US\$100m	15	15	0	13	2
US\$50m	29	29	0	30	-1
US\$20m	91	93	-2	93	-2
US\$10m	172	173	-1	171	1
US\$5m	317	320	-3	299	18
US\$1m	865	848	17	667	198
(US\$ m)					
Top 5 Clients	343.4	327.4	4.9%	387.8	-11.4%
Top 6-10 Clients	180.5	164.9	9.5%	186.4	-3.2%
Top 10 Clients	523.9	492.3	6.4%	574.2	-8.8%
Top 10-20 Clients	243.1	233.2	4.3%	263.5	-7.7%
Top 20 Clients	767.0	725.5	5.7%	837.6	-8.4%
Non-Top 20 Clients	1,739.6	1,630.0	6.7%	1,648.0	5.6%
New business	142.9	134.3	6.4%	141.7	0.8%
Repeat business	2,363.7	2,221.2	6.4%	2,343.9	0.8%
% of Total Revenue					
Top 5 Clients	13.7%	13.9%	-20 bps	15.6%	-190 bps
Top 10 Clients	20.9%	20.9%	0 bps	23.1%	-220 bps
Top 20 Clients	30.6%	30.8%	-20 bps	33.7%	-310 bps
New Clients Business	5.7%	5.7%	0 bps	5.7%	0 bps
Repeat Business	94.3%	94.3%	0 bps	94.3%	0 bps

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Net Revenues	7,06,800	7,52,997	8,43,513	9,36,459
YoY gr. (%)	17.0	6.5	12.0	11.0
Employee Cost	4,43,080	4,55,608	5,20,823	5,85,424
Gross Profit	2,63,720	2,97,389	3,22,690	3,51,035
Margin (%)	37.3	39.5	38.3	37.5
SG&A Expenses	-	-	-	-
Other Expenses	-	-	-	-
EBITDA	1,66,950	1,94,255	2,13,034	2,29,296
YoY gr. (%)	19.5	16.4	9.7	7.6
Margin (%)	23.6	25.8	25.3	24.5
Depreciation and Amortization	28,400	35,899	35,816	39,756
EBIT	1,38,550	1,58,355	1,77,217	1,89,539
Margin (%)	19.6	21.0	21.0	20.2
Net Interest	-	-	-	-
Other Income	1,790	4,610	4,140	4,140
Profit Before Tax	1,40,340	1,62,965	1,81,357	1,93,679
Margin (%)	19.9	21.6	21.5	20.7
Total Tax	29,380	39,069	36,834	39,299
Effective tax rate (%)	20.9	24.0	20.3	20.3
Profit after tax	1,10,960	1,23,897	1,44,523	1,54,381
Minority interest	320	240	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,10,640	1,23,657	1,44,523	1,54,381
YoY gr. (%)	9.3	11.8	16.9	6.8
Margin (%)	15.7	16.4	17.1	16.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,10,640	1,23,657	1,44,523	1,54,381
YoY gr. (%)	9.3	11.8	16.9	6.8
Margin (%)	15.7	16.4	17.1	16.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,10,640	1,23,657	1,44,523	1,54,381
Equity Shares O/s (m)	2,713	2,714	2,714	2,714
EPS (Rs)	40.8	45.6	53.3	56.9

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Non-Current Assets				
Gross Block	3,56,650	4,18,237	4,33,843	4,49,868
Tangibles	62,440	1,29,827	1,45,433	1,61,458
Intangibles	2,94,210	2,88,410	2,88,410	2,88,410
Acc: Dep / Amortization	-	-	-	-
Tangibles	-	-	-	-
Intangibles	-	-	-	-
Net fixed assets	3,56,650	4,18,237	4,33,843	4,49,868
Tangibles	62,440	1,29,827	1,45,433	1,61,458
Intangibles	2,94,210	2,88,410	2,88,410	2,88,410
Capital Work In Progress	-	-	-	-
Goodwill	-	-	-	-
Non-Current Investments	770	780	780	780
Net Deferred tax assets	-	-	-	-
Other Non-Current Assets	90,500	84,130	84,130	84,130
Current Assets				
Investments	-	-	-	-
Inventories	-	-	-	-
Trade receivables	1,77,720	1,81,544	2,03,367	2,25,776
Cash & Bank Balance	1,53,730	1,05,726	1,90,343	2,84,245
Other Current Assets	52,790	46,686	52,298	58,060
Total Assets	8,32,160	8,37,103	9,64,761	11,02,861
Equity				
Equity Share Capital	1,341	1,341	1,341	1,341
Other Equity	5,15,520	6,18,894	7,24,828	8,40,620
Total Networth	5,16,860	6,20,234	7,26,168	8,41,961
Non-Current Liabilities				
Long Term borrowings	50,920	31,000	31,000	31,000
Provisions	-	-	-	-
Other non current liabilities	50,210	30,120	33,741	37,458
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	2,08,890	1,50,599	1,68,703	1,87,292
Other current liabilities	-	-	-	-
Total Equity & Liabilities	8,32,160	8,37,103	9,64,761	11,02,861

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
PBT	1,40,340	1,62,965	1,81,357	1,93,679
Add. Depreciation	28,400	35,899	35,816	39,756
Add. Interest	-	-	-	-
Less Financial Other Income	1,790	4,610	4,140	4,140
Add. Other	-	-	-	-
Op. profit before WC changes	1,68,740	1,98,865	2,17,174	2,33,436
Net Changes-WC	47,420	(69,731)	(5,711)	(5,865)
Direct tax	(29,380)	(39,069)	(36,834)	(39,299)
Net cash from Op. activities	1,86,780	90,065	1,74,628	1,88,272
Capital expenditures	(1,50,090)	(97,486)	(51,423)	(55,781)
Interest / Dividend Income	-	-	-	-
Others	(420)	(10)	-	-
Net Cash from Invt. activities	(1,50,510)	(97,496)	(51,423)	(55,781)
Issue of share cap. / premium	-	-	-	-
Debt changes	11,060	(19,920)	-	-
Dividend paid	(22,220)	(32,157)	(38,588)	(38,588)
Interest paid	-	-	-	-
Others	11,160	11,504	-	-
Net cash from Fin. activities	-	(40,573)	(38,588)	(38,588)
Net change in cash	36,270	(48,004)	84,617	93,902
Free Cash Flow	36,690	(7,421)	1,23,205	1,32,491

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY20	Q4FY20	Q1FY21	Q2FY21
Net Revenue	1,81,350	1,85,900	1,78,410	1,85,940
YoY gr. (%)	15.5	16.3	8.6	6.1
Raw Material Expenses	1,11,760	1,11,510	1,07,280	1,09,290
Gross Profit	69,590	74,390	71,130	76,650
Margin (%)	38.4	40.0	39.9	41.2
EBITDA	44,700	47,200	45,660	49,510
YoY gr. (%)	22.6	31.2	34.2	20.7
Margin (%)	24.6	25.4	25.6	26.6
Depreciation / Depletion	8,000	8,390	9,060	9,350
EBIT	36,700	38,810	36,600	40,160
Margin (%)	20.2	20.9	20.5	21.6
Net Interest	-	-	-	-
Other Income	670	(130)	2,050	1,360
Profit before Tax	37,370	38,680	38,650	41,520
Margin (%)	20.6	20.8	21.7	22.3
Total Tax	6,910	7,070	9,290	9,990
Effective tax rate (%)	18.5	18.3	24.0	24.1
Profit after Tax	30,460	31,610	29,360	31,530
Minority interest	80	80	130	110
Share Profit from Associates	-	-	-	-
Adjusted PAT	30,380	31,530	29,230	31,420
YoY gr. (%)	16.4	22.8	31.5	18.5
Margin (%)	16.8	17.0	16.4	16.9
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	30,380	31,530	29,230	31,420
YoY gr. (%)	16.4	22.8	31.5	18.5
Margin (%)	16.8	17.0	16.4	16.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	30,380	31,530	29,230	31,420
Avg. Shares O/s (m)	2,714	2,714	2,714	2,714
EPS (Rs)	11.2	11.6	10.8	11.6

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY20	FY21E	FY22E	FY23E
Per Share(Rs)				
EPS	40.8	45.6	53.3	56.9
CEPS	51.2	58.8	66.5	71.5
BVPS	190.5	228.6	267.6	310.3
FCF	13.5	(2.7)	45.4	48.8
DPS	7.0	10.0	12.0	12.0
Return Ratio(%)				
RoCE	27.0	26.0	25.2	23.3
ROIC	45.2	43.7	38.4	31.3
RoE	23.7	21.7	21.5	19.7
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.1)	(0.2)	(0.3)
Debtor (Days)	92	88	88	88
Valuation(x)				
PER	20.4	18.2	15.6	14.6
P/B	4.4	3.6	3.1	2.7
P/CEPS	16.2	14.1	12.5	11.6
EV/EBITDA	12.9	11.2	9.8	8.7
EV/Sales	3.0	2.9	2.5	2.1
Dividend Yield (%)	0.8	1.2	1.4	1.4

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	05-Oct-20	BUY	1,029	813
2	01-Oct-20	BUY	1,029	812
3	20-Jul-20	BUY	751	623
4	04-Jul-20	Hold	591	579
5	08-May-20	Hold	548	512
6	12-Apr-20	Hold	501	469
7	18-Jan-20	BUY	691	599
8	03-Jan-20	BUY	628	585
9	07-Nov-19	BUY	1,258	1,148
10	24-Oct-19	BUY	1,258	1,095

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Coforge	BUY	2,634	2,336
2	Cyient	BUY	456	379
3	HCL Technologies	BUY	1,029	813
4	Hexaware Technologies	BUY	495	466
5	Infosys	BUY	1,436	1,137
6	L&T Technology Services	Hold	1,529	1,587
7	Larsen & Toubro Infotech	BUY	2,839	2,527
8	Mindtree	BUY	1,625	1,438
9	Mphasis	BUY	1,693	1,345
10	Persistent Systems	BUY	1,304	1,304
11	Redington (India)	BUY	146	117
12	Sonata Software	BUY	436	311
13	Tata Consultancy Services	BUY	3,200	2,736
14	TeamLease Services	BUY	2,753	2,265
15	Tech Mahindra	BUY	966	823
16	Wipro	BUY	415	376
17	Zensar Technologies	BUY	216	192

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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