IT Services: Q1FY27 Quarterly Results Preview

Sector View: Neutral

Weak Start to FY27 Expected; Growth Expectations Reset

	Change in		
	Estimates	**TP**	**Reco**
COFORGE	✓	✗	✗
HAPPSTMN	✓	✓	✗
HCLT	✓	✓	✓
INFO	✓	✓	✗
LTM	✓	✓	✗
MPHL	✓	✓	✓
PSYS	✓	✓	✓
TCS	✓	✓	✗
TECHM	✓	✓	✓
WPRO	✓	✓	✗
ZENT	✓	✓	✓

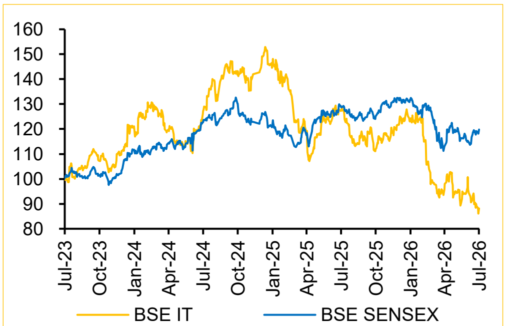
Recommendation

Company (Ticker)	**CMP (INR)**	**TP (INR)**	**Rated**
Coforge (COFORGE)	1,481	1,900	BUY
Happiest Minds (HAPPSTMN)	352	440	BUY
HCL Tech (HCLT)	1,078	1,410	BUY
Infosys (INFO)	1,041	1,360	BUY
LTIMindtree (LTIM)	3,839	4,215	ADD
Mphasis (MPHL)	2,245	2,520	ADD
Persistent Systems (PSYS)	4,581	5,010	ADD
Tata Cons. Services (TCS)	2,068	2,625	BUY
Tech Mahindra (TECHM)	1,421	1,600	ADD
Wipro (WPRO)	174	185	ADD
Zensar Tech (ZENT)	467	560	ADD

**CMP as on July 03, 2026*

Relative Performance (%)

YTD	**3Y**	**2Y**	**1Y**
BSE SENSEX	19.8	(2.4)	(7.1)
BSE IT	(11.9)	(30.8)	(30.8)



Source: Company, Choice Institutional Equities

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Recovery Deferred; Estimate & Multiples Reset

Q1FY27 is shaping up to be another weak print for Indian IT, with demand conditions deteriorating rather than stabilising **and highlights which demand recovery has been pushed further out.** Persistent macro uncertainty, slower enterprise decision-making, elevated AI-led productivity pass-throughs and geopolitical disruption have kept discretionary spending under pressure, resulting in muted sequential growth across the sector. Large-cap IT is expected to report broadly flat to marginally negative constant-currency growth, while mid-tier companies should once again outperform on the back of deal ramp-ups and market share gains**. With H1FY27 growth tracking below the run-rate required to meet annual guidance, we can expect further estimate revision and selective guidance resets in the next few quarters.**

Accordingly, we cut our FY27–28 earnings estimate (0.1%–16.7%) across the sector **to reflect a slower demand recovery,** weaker discretionary spending and **higher AI-led revenue deflation, while reducing target multiples and fair values (0%–21.6%) to incorporate weaker medium-term growth visibility and higher execution risk. Although sector valuations have** corrected meaningfully and downside appears increasingly limited, we believe a sustained re-rating will require a clear evidence of demand stabilisation, accelerating revenue growth and commercial monetisation of GenAI beyond productivity-led cost takeout.

Weak Revenue Print in a Seasonal Strong Q1; Tier II to Outperform

We forecast Tier-I IT companies to report muted sequential USD revenue growth in the range of -0.6% to 1.0% QoQ, reflecting continued weakness in discretionary spending, AI-led productivity pass-throughs to clients and delays in deal ramp-ups. TCS and INFO are expected to deliver modest growth of 0.9% and 1.0% QoQ respectively, while WPRO (-0.3% QoQ) and HCLT (-0.6% QoQ) are likely to be impacted by client-specific headwinds and slower project transitions. TECHM is expected to post 0.6% QoQ USD revenue growth, supported by the ramp-up of a large telecom deal, partly offset by continued softness in the Hi-Tech vertical. In contrast, Tier-II companies are expected to outperform with 2.0–4.5% QoQ USD revenue growth, led by healthy deal momentum, particularly in BFSI. We believe the BFSI vertical will remain the key growth driver across the sector, while geopolitical uncertainty, including the Middle East conflict and emerging AI-led deflationary pressure is likely to keep client decision-making cautious.

Margin Outlook Stable as FX Gains & Efficiency Offset AI Investment

We expect margin across Tier I IT companies to remain broadly stable, supported by AI-led internal productivity gains, favourable FX movements and ongoing cost-optimisation initiatives, offset by continued investments in AI capabilities. TECHM is likely to outperform with 25 bps QoQ margin expansion driven by delivery efficiency and Project Fortius, while LTM may see a modest 10 bps improvement aided by FX gains and operational efficiency despite wage hike. Wage revisions are expected to pressure TCS and WPRO, partially offset by rupee depreciation. Tier II players are likely to report mixed margin, reflecting AI investments, large deal transition costs (for ZENT), improved utilisation and currency tailwinds.

View: Recovery still Elusive, FY27 Recovery Deferred

Q1FY27 is likely to remain another subdued quarter for Indian IT sector, with demand conditions showing only gradual improvements amid persistent macro uncertainty and AI-led pricing pressure. Although deal pipelines remain healthy, longer decision cycles and phased deal ramp-ups are likely to delay revenue conversion, keeping near-term growth modest. The industry is increasingly pivoting towards capability-building through acquisitions, particularly in AI, engineering and platform-led services, reflecting focus strengthening long-term positioning rather than replying on organic demand recovery. **We believe sustained revenue acceleration will require a broader revival in discretionary spending and tangible monetisation of AI investments, both of which are still evolving. Therefore, management commentary is expected to remain constructive on medium-term outlook, but measured on near-term demand, with execution, large deal conversion and AI commercialisation likely to be the key themes over the next few quarters.**

Peer Comparison

Company	CMP (INR)	TP (INR)	Revenue CAGR (FY26-29E)	EPS CAGR (FY26-29E)	EBITM (%)				EPS (INR)				PE (x)			
					FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E
TCS	2,068	2,625	7.9%	9.2%	25.0	25.0	25.0	25.1	136.0	154.1	164.1	177.3	16.2	10.7	10.7	10.9
INFO	1,041	1,360	8.5%	9.8%	20.9	21.2	21.7	21.9	64.5	71.6	79.0	85.4	14.6	13.2	12.2	11.4
WPRO	174	185	7.0%	19.8%	13.2	17.1	17.3	18.2	9.8	14.5	15.5	16.9	17.8	12.1	11.3	10.3
HCLT	1,078	1,410	7.6%	11.9%	17.2	17.4	18.0	18.2	64.1	74.3	83.2	89.8	16.8	14.5	13.0	12.0
TECHM	1,421	1,600	9.0%	23.3%	12.6	14.5	15.0	15.7	54.3	81.2	88.9	101.8	26.2	17.5	16.0	14.0
LTM	3,839	4,215	10.3%	17.0%	15.4	15.4	15.5	16.0	168.4	204.7	234.7	269.5	21.9	18.0	15.7	13.7
PSYS	4,581	5,010	18.4%	19.7%	15.6	16.6	16.9	17.3	123.0	147.9	177.0	211.1	37.5	31.2	26.1	21.9
COFORGE	1,481	1,900	26.0%	23.6%	14.4	14.8	14.6	15.5	44.4	56.7	67.7	83.7	44.2	26.1	21.9	17.7
MPHL	2,245	2,520	11.9%	6.9%	15.3	15.3	15.6	16.0	99.5	116.6	132.1	150.8	22.5	19.2	16.9	14.8
ZENT	467	560	9.1%	10.7%	14.5	13.5	14.4	15.6	33.7	35.2	39.8	45.7	14.0	13.4	11.8	10.3
HAPPSTMN	352	440	12.0%	19.7%	13.6	14.3	14.2	14.9	13.9	16.8	19.4	23.8	25.0	20.6	17.9	14.6

Source: Company, Choice Institutional Equities

Limited Growth Visibility Leads to Estimate Revisions and Lower Valuation Multiples across Coverage

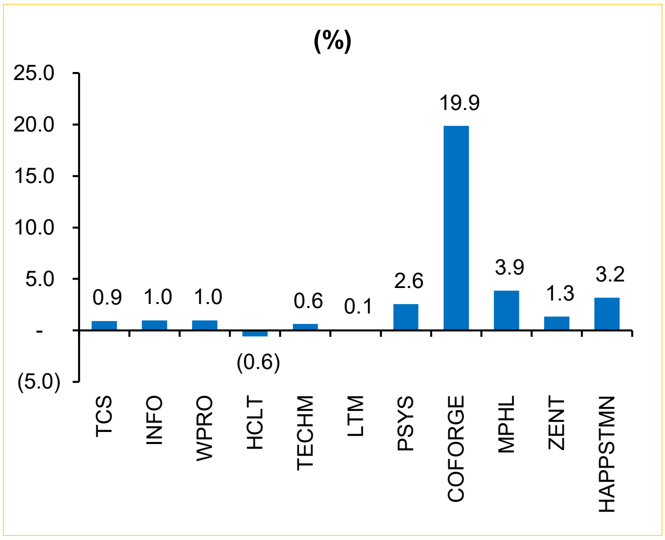
Company	CMP (INR)	Upside (%)	TP (INR)		% change	Target PE Multiple		% change	Recommendation	
			New	Old		New	Old		New	Old
TCS	2,105	24.7	**2,625**	3,350	-21.6	**16**	19	-16	**BUY**	BUY
INFO	1,052	29.3	**1,360**	1,500	-9.3	**16**	18	-11	**BUY**	BUY
WPRO	177	4.3	**185**	215	-14.0	**12**	14	-14	**ADD**	ADD
HCLT	1,140	23.7	**1,410**	1,500	-6.0	**17**	18	-6	**BUY**	ADD
TECHM	1,433	11.7	**1,600**	1,700	-5.9	**18**	20	-10	**ADD**	BUY
LTM	3,839	9.8	**4,215**	4,700	-10.3	**18**	20	-10	**ADD**	ADD
PSYS	4,748	5.5	**5,010**	6,200	-19.2	**28**	35	-20	**ADD**	BUY
COFORGE	1,481	28.4	**1,900**	1,900	0.0	**28**	28	0	**BUY**	BUY
MPHL	2,305	9.3	**2,520**	2,625	-4.0	**19**	20	-5	**ADD**	BUY
ZENT	518	8.0	**560**	650	-13.8	**14**	15	-7	**ADD**	BUY
HAPPSTMN	350	25.7	**440**	560	-21.4	**20**	22	-9	**BUY**	BUY

Source: Choice Institutional Equities

Company	Revenue (USD Mn)			Revenue (INR Mn)			EBIT Margin (%)			EPS (INR)		
	Q1FY27E	QoQ (%)	YoY (%)	Q1FY27E	QoQ (%)	YoY (%)	Q1FY27E	QoQ (Bps)	YoY (Bps)	Q1FY27E	QoQ (%)	YoY (%)
TCS	7,691	0.9	3.6	7,22,986	2.3	14.0	25.4	10	90	38.6	1.9	9.5
INFO	5,089	1.0	3.0	4,78,403	3.1	13.2	20.9	(10)	10	19.2	(8.7)	12.2
WPRO	2,642	(0.3)	2.1	2,49,174	2.7	12.5	17.0	(20)	(20)	3.5	6.1	11.5
HCLT	3,660	(0.6)	3.3	3,44,083	1.3	13.4	16.7	20	40	17.5	5.4	23.1
TECHM	1,634	0.6	4.5	1,53,667	1.9	15.1	14.1	30	300	19.3	26.3	49.9
LTM	1,223	0.1	6.1	1,14,974	1.8	16.8	15.2	10	90	48.5	3.4	14.8
PSYS	447	2.6	14.7	42,034	3.6	26.1	16.5	20	100	35.7	6.3	31.1
COFORGE	586	19.9	32.5	55,103	23.8	49.4	14.3	(230)	290	16.9	(6.4)	131.1
MPHL	473	2.3	8.3	44,489	4.9	19.2	15.1	(30)	(20)	28.0	4.7	20.6
ZENT	161	(0.9)	1.3	14,927	2.9	7.8	12.9	(180)	(60)	8.3	4.0	(10.4)
HAPPSTMN	67	3.2	4.2	6,170	2.1	12.2	13.9	30	90	3.9	2.8	(4.0)
Aggregate		**3.1**	**7.4**		**4.6**	**18.2**		**(31.8)**	**83.0**		**4.2**	**26.3**

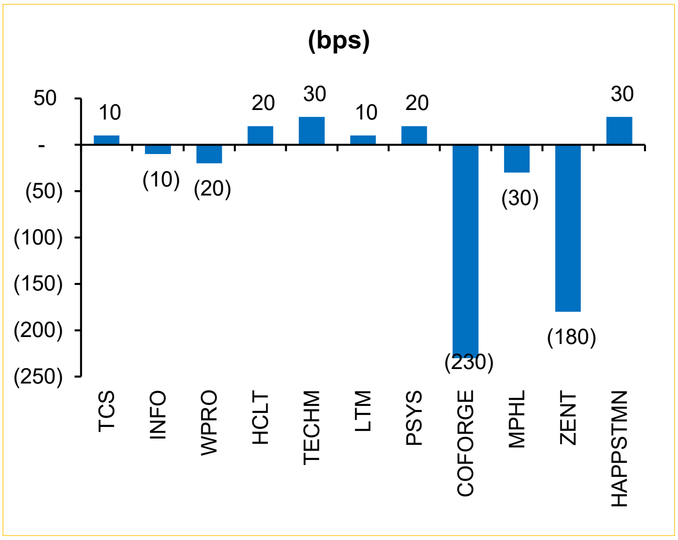
Source: Choice Institutional Equities

Deal Ramp-ups Drive Tier-II Growth, COFORGE to Outperform due to Encora; Tier-I to remain Flat



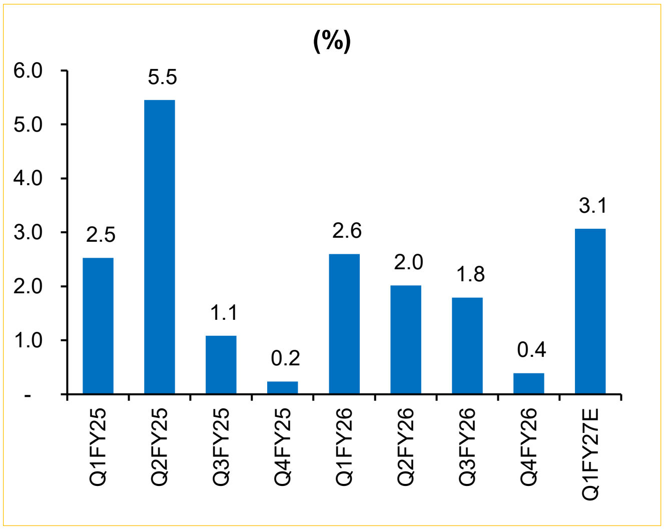
Source: Company, Choice Institutional Equities

Tier-I Margin Displays Greater Stability, continued AI Investments Weigh on Tier-II Margin



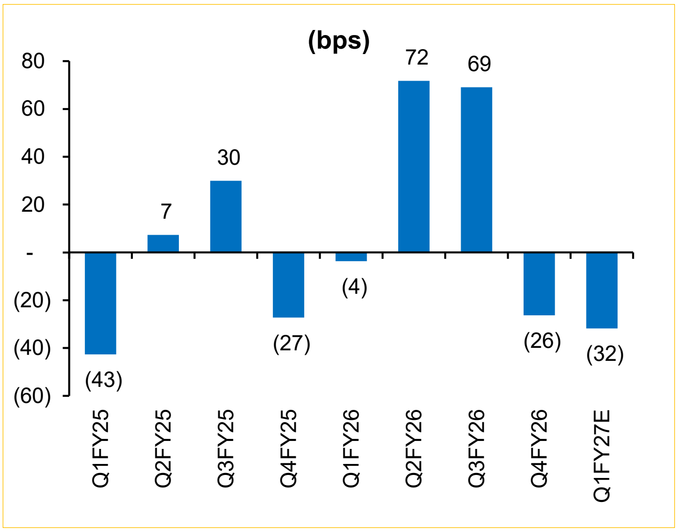
Source: Company, Choice Institutional Equities

Excl. COFORGE, Growth Expected at ~1.4% QoQ across Coverage Universe



Source: Company, Choice Institutional Equities

QoQ Margin to Remain Flat amid AI Investments; Acquisition Drag Partly Offset by FX Tailwinds



Source: Company, Choice Institutional Equities

Change in estimates

TCS						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	2,928.7	2,945.4	(0.6)	3,130.4	3,191.8	(1.9)
EBIT	730.8	746.6	(2.1)	782.9	818.9	(4.4)
EBITM %	25.0	25.3	(30) bps	25.0	25.7	(70) bps
EPS	154.1	159.4	(3.3)	164.1	176.2	(6.9)
INFO						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	1,786.5	1,988.2	(10.1)	1,950	2,125.9	(8.3)
EBIT	373.8	423.3	(11.7)	413.3	457.5	(9.7)
EBITM %	20.9	21.3	(40) bps	21.2	21.5	(30) bps
EPS	71.6	76.9	(6.9)	79	83.0	(4.8)
WPRO						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	1,011.8	1,012.0	(0.0)	1,066.3	1,092.0	(2.4)
EBIT	173.0	162.0	6.8	184.1	179.0	2.8
EBITM %	17.1	16.0	110 bps	17.3	16.4	90 bps
EPS	14.5	13.5	7.4	15.5	15.3	1.3
HCLT						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	1,405.0	1,434.7	-2.1	1,508.0	1,565.7	-3.7
EBIT	244.0	252.5	-3.4	272.0	285.0	-4.6
EBITM %	17.4	17.6	(20) bps	18.0	18.2	(20) bps
EPS	74.3	73.1	1.6	83.2	83.1	0.1
TECHM						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	630.0	624.3	0.9	680.7	675.3	0.8
EBIT	91.6	93.6	(2.1)	102.1	108.6	(6.0)
EBITM %	14.5	15.0	(50) bps	15.0	16.1	(110) bps
EPS	76.7	72.3	6.1	88.9	87.8	1.3
LTM						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	472.9	477.0	(0.9)	516	519.0	(0.6)
EBIT	72.8	75.0	(2.9)	80.2	84.0	(4.5)
EBITM %	15.4	15.7	(30) bps	15.5	16.1	(60) bps
EPS	204.7	203.2	0.7	234.7	235.0	(0.1)

Source: Choice Institutional Equities

Change in estimates

PSYS						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	177.2	179.0	(1.0)	208.7	214.7	(2.8)
EBIT	29.4	29.8	(1.3)	35.3	36.6	(3.6)
EBITM %	16.6	16.6	-	16.9	17.1	(20) bps
EPS	150.8	144.4	4.4	180.4	177.1	1.9
COFORGE						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	244.4	226.5	7.9	285.1	265.5	7.4
EBIT	36.1	35.3	2.3	41.5	41.3	0.5
EBITM %	14.8	15.6	(80) bps	14.6	15.6	(100) bps
EPS	56.7	51.0	11.2	67.7	67.8	(0.1)
MPHL						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	182.7	182.5	0.1	202	205.2	(1.6)
EBIT	34.4	28.4	21.1	38.6	32.9	17.3
EBITM %	18.8	15.6	320 bps	19.1	16.0	310 bps
EPS	117	111.1	5.3	132.6	131.3	1.0
ZENT						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	62.9	63.9	(1.6)	67.8	69.1	(1.9)
EBIT	9.3	9.4	(1.1)	10.7	10.5	1.9
EBITM %	14.8	14.7	10 bps	15.8	15.2	60 bps
EPS	35.2	37.9	(7.1)	39.8	42.2	(5.7)
HAPPSTMN						
	FY27E			FY28E		
INR Bn	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenues	25.5	27.7	(7.9)	28.6	32.0	(10.6)
EBIT	3.6	4.1	(12.2)	4.1	5.0	(18.0)
EBITM %	14.3	14.7	(40) bps	14.2	15.2	(100) bps
EPS	16.8	18.9	(11.1)	19.4	23.3	(16.7)

Source: Choice Institutional Equities

TCS						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	7,691	7,621	0.9	7,421	3.6	▪ We estimate a modest 0.9% QoQ USD revenue growth, constrained by macro headwinds, AI-driven cost pressures and cautious discretionary spending, partly offset by steady execution in BFSI and Consumer segments.
Revenue (INR Mn)	7,22,986	7,06,980	2.3	6,34,370	14.0	
EBITM (%)	25.4	25.3	15 bps	24.5	95 bps	▪ Margin is expected to remain broadly stable at 25.4%, as the impact of annual wage hike is likely to be offset by productivity gains, operational efficiencies and favorable FX.
PAT (INR Mn)	1,39,823	1,37,180	1.9	1,27,600	9.6	▪ **To watch out for:** (1) Commentary on demand environment; (2) AI revenue traction and deal scalability; (3) Outlook across verticals; (4) Data center investment progress; (5) Inorganic growth priorities (6) Margin resilience amid pricing pressure.
EPS (INR)	38.6	37.9	1.9	35.3	9.5	

INFO						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	5,089	5,040	1.0	4,941	3.0	▪ We expect a marginal 1.0% QoQ growth in USD revenue, aided by seasonal billing days but tempered by macro and AI-driven deflation headwinds. Resilient US BFSI should partly offset weakness in Telecom and Manufacturing.
Revenue (INR Mn)	4,78,403	4,64,020	3.1	4,22,790	13.2	
EBITM (%)	20.9	21.0	(10) bps	20.8	10 bps	▪ Margin is expected to remain flat at 20.9%, supported by the absence of wage hikes in Q1FY27 and continued Project Maximus cost efficiencies. EBITM guidance is likely to remain unchanged at 20–22%
PAT (INR Mn)	77,649	85,010	(8.7)	69,210	12.2	▪ **To watch out for:** (1) Growth impact of macro versus AI deflation; (2) Revenue guidance for FY27; (3) Client spending trends amid agentic AI advances; (4) GenAI pipeline conversion and revenue contribution; (5) Margin protection amid persistent pricing pressure
EPS (INR)	19.2	21.0	(8.7)	16.7	12.2	

HCLT						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	3,660	3,682	(0.6)	3,545	3.3	▪ HCLT is expected to report a 0.6% QoQ decline in USD revenue, reflecting client-specific weakness in Telecom and Manufacturing and seasonal softness in Software. Resilient BFSI and Hi-tech performance should partly offset these headwinds.
Revenue (INR Mn)	3,44,083	3,39,810	1.3	3,03,490	13.4	
EBITM (%)	16.7	16.5	15 bps	16.3	40 bps	▪ Margin is expected to remain broadly flat at 16.7%, with operational efficiency and favorable FX movements largely offsetting the impact of continued strategic investments.
PAT (INR Mn)	47,303	44,880	5.4	38,430	23.1	▪ **To watch out for:** (1) Demand commentary and margin outlook; (2) AI-led deflation impact and FY27 growth guidance revisions; (3) Potential drivers of growth acceleration; (4) Execution in cost take-out and vendor consolidation deals; (5) AI-led deal pipeline and revenue conversion.
EPS (INR)	17.5	16.6	5.4	14.2	23.1	

TECHM						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	1,635	1,625	0.6	1,564	4.5	▪ We expect 0.6% QoQ USD revenue growth, supported by ramp-up of a large telecom deal and broad-based growth across verticals, partly offset by weakness in Hi-Tech due to cautious discretionary spending. BFSI should remain healthy, while Mfg is likely to stay stable despite weakness in US auto.
Revenue (INR Mn)	1,53,667	1,50,761	1.9	1,33,512	15.1	
EBITM (%)	14.1	13.8	25 bps	11.1	300 bps	▪ Margin is expected to expand by 25 bps QoQ to 14.1%, supported by delivery efficiencies, gross margin improvement and ongoing Project Fortius initiatives.
PAT (INR Mn)	17,092	13,538	26.3	11,406	49.9	▪ **To watch out for:** (1) Telecom vertical outlook post FY27E revival driven by large deal ramp-ups; (2) Strategic initiatives for underperforming financial services; (3) FY27 growth outlook versus peers; (4) Demand trends in BFSI and Manufacturing; (5) AI-led productivity impact; (6) Progress toward ~15% EBITM target.
EPS (INR)	19.3	15.2	26.3	12.9	49.9	

WPRO						
	Q1FY27E	**Q4FY26**	**QoQ**	**Q1FY26**	**YoY**	**Comments**
Revenue (USD Mn)	2,642	2,651	-0.3	2,587	2.1	▪ We expect WPRO to report a ~0.3% QoQ USD revenue decline, driven by delayed ramp-ups, weakness in a large client, and softer US BFSI, outweighing acquisition benefits. Manufacturing and Healthcare are likely to remain subdued amid tariff uncertainty and seasonal softness.
Revenue (INR Mn)	2,49,174	2,42,68	2.7	2,21,528	12.5	
EBITM (%)	17.1	17.3	(25) Bps	16.1	92 bps	▪ Margin is likely to contract by ~25 bps QoQ to 17.0%, driven by wage hikes, lower-margin deal ramp-ups and AI investments, partly offset by rupee depreciation despite weaker revenues.
PAT (INR Mn)	37,169	35,018	6.1	33,304	11.6	▪ **To watch out for:** (1) AI strategy and measures to offset AI-led deflation; (2) Pricing pressure in renewal deals; (3) Integration plans and synergies from recent acquisitions; (4) TCV conversion and AI-led productivity; (5) Outlook for BFSI and large accounts.
EPS (INR)	3.5	3.3	6.1	3.2	11.6	

LTM						
	Q1FY27E	**Q4FY26**	**QoQ**	**Q1FY26**	**YoY**	**Comments**
Revenue (USD Mn)	1,223	1,222	0.1	1,153	6.1	▪ We expect flat revenue growth, with BFSI and Hi-tech leading, Manufacturing declining, and steady Consumer offsetting product pass-through roll-offs and Middle East softness.
Revenue (INR Mn)	1,14,974	1,12,917	1.8	98,406	16.8	
EBITM (%)	15.2	15.1	10 bps	14.3	90 bps	▪ Margins are expected to rise slightly by 10 bps QoQ to 15.2%, supported by forex gains and operational efficiencies, despite wage hike headwinds.
PAT (INR Mn)	14,386	13869	3.7	12,542	14.7	▪ **To watch out for: (**1) Overall demand environment amid AI-led disruption; (2) Cues on revenue growth and margin trajectory; (3) Demand trends in BFSI and Hi-Tech; (4) Pipeline strength and TCV conversion to revenue.
EPS (INR)	48.5	46.9	3.7	42.3	14.7	

MPHL						
	Q1FY27E	**Q4FY26**	**QoQ**	**Q1FY26**	**YoY**	**Comments**
Revenue (USD Mn)	473	463	2.3	437	8.3	▪ We expect MPHL to deliver 2.3% QoQ USD revenue growth, driven by large deal ramp-ups and continued strength in BFSI, while TMT and Logistics are likely to recover gradually as deal conversions improve.
Revenue (INR Mn)	44,489	42,427	4.9	37,325	19.2	
EBITM (%)	15.1	15.4	(25) bps	15.3	(20) bps	▪ Margin is expected to decline slightly by 25 bps QoQ to 15.1%, due to ongoing AI investments.
PAT (INR Mn)	5,320	5,097	4.4	4,418	20.4	▪ **To watch out for:** (1) Tech spend and wallet share in top accounts, especially BFS; (2) Pipeline-to-TCV and TCV-to-revenue conversion; (3) GenAI strategy to offset revenue deflation; (4) AI-led productivity pass-throughs; (5) BFS growth sustainability.
EPS (INR)	28.0	26.7	4.4	23.2	20.4	

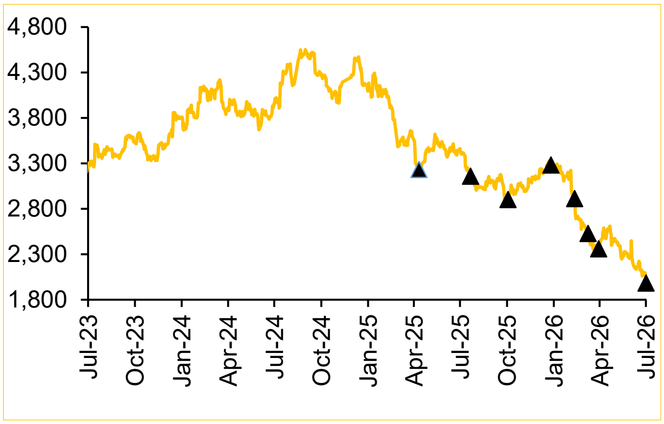
COFORGE						
	Q1FY27E	**Q4FY26**	**QoQ**	**Q1FY26**	**YoY**	**Comments**
Revenue (USD Mn)	586	489	19.9	442	32.5	▪ We expect COFORGE to deliver 19.9% QoQ USD revenue growth, driven by Encora acquisition that will contribute two quarters of revenue to the business.
Revenue (INR Mn)	55,103	44,504	23.8	36,886	49.4	
EBITM (%)	14.3	16.6	(225) bps	11.4	286 bps	▪ We expect margin to contract by 225 bps QoQ at 14.3% due to Encora acquisition drag impacting profits.
PAT (INR Mn)	5,729	6,123	(6.4)	2,505	128.7	▪ **To watch out for:** Large deal outlook, TCV to revenue conversion, client conversation trend, demand outlook across verticals. Commentary on AI-led disruption and demand outlook.
EPS (INR)	16.9	18.2	(6.4)	7.3	131.1	

PSYS						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	447	436	2.6%	390	14.7%	▪ We expect PSYS to deliver 2.6% QoQ USD revenue growth, driven by strong deal ramp-ups, particularly in BFSI and Healthcare vertical. Hi-Tech vertical is expected to grow moderately. PSYS AI-led platforms, including SASVA, iAURA, and AssistX, support higher-value engagements.
Revenue (INR Mn)	42,034	40,559	3.6%	33,336	26.1%	
EBITM (%)	16.5%	16.3%	22 bps	15.5%	93 bps	▪ We expect margin to grow marginally by 22 bps QoQ at 16.5% led by currency tailwinds but may be offset by AI-led investments.
PAT (INR Mn)	5,627	5,293	6.3%	4,249	32.4%	▪ **To watch out for:** Outlook on discretionary spending, deal wins momentum, vertical-wise demand trends, large deals in pipeline, TCV conversion rate and margin levers.
EPS (INR)	35.7	33.8	6.3%	27.4	31.3%	

ZENT						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	161	158	1.3%	162	-0.9%	▪ We expect ZENT to report a 0.9% QoQ revenue decline in USD terms, primarily driven by continued weakness across most verticals, partially offset by resilient growth in BFSI. The order book is likely to remain muted at ~USD 145-150 Mn, while the deal pipeline is expected to stay broadly in line with Q4, with no meaningful improvement anticipated in the near-term.
Revenue (INR Mn)	14,927	14,504	2.9%	13,850	7.8%	
EBITM (%)	12.9%	14.7%	(183) Bps	13.5%	(68) Bps	▪ Margins are expected to decline by 70 bps QoQ led by large deal transition costs that were called out in the previous quarter. ZENT remains committed on sustainable, long-term profitable growth with less headcount addition, leveraging AI and maintaining high utilization rates.
PAT (INR Mn)	1,889	2,107	-10.4%	1,820	3.8%	▪ **To watch out for:** Commentary on large deals and TCV conversion rate, AI led investment outlook, client conversation trend, outlook across verticals specifically TMT, margin trajectory and inorganic growth plans.
EPS (INR)	8.2	9.3	-11.7%	8.0	3.6%	

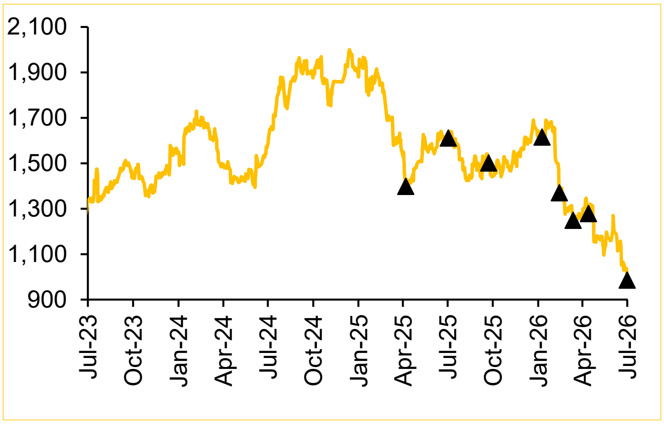
HAPPSTMN						
	Q1FY27E	Q4FY26	QoQ	Q1FY26	YoY	Comments
Revenue (USD Mn)	67	65	3.2%	64	4.2%	▪ We expect HAPPSTMN to deliver a modest 4.2% QoQ USD revenue growth, supported by improved deal momentum in BFSI and Healthcare verticals and normalization of client decision-making. The company remains on track to achieve its FY27 guidance of 12.5% CC growth.
Revenue (INR Mn)	6,170	6,041	2.1%	5,499	12.2%	
EBITM (%)	13.9%	14.1%	(19) Bps	13.0%	85 bps	▪ We expect EBIT margins to expand by 85 bps QoQ to 13.9%, driven by improved utilisation from leaner headcount additions, and efficiency gains from GenAI-led operations. Margin target reiterated at 18.5%.
PAT (INR Mn)	586	577	1.5%	571	2.6%	▪ **To watch out for:** Outlook across verticals, outlook on new product launches, growth in pipeline, new client additions, net new wins, client's conversation trend and margin trajectory.
EPS (INR)	3.9	4.1	-4.4%	3.8	2.4%	

Historical share price chart: TCS



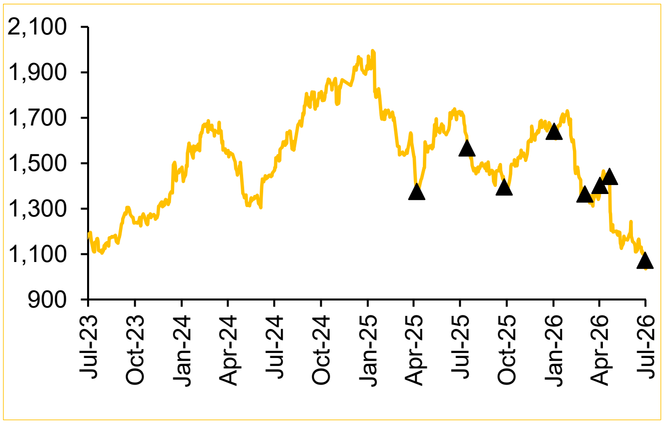
Date	Rating	Target Price
April 11,2025	BUY	3,950
July 11, 2025	BUY	3,950
October 10, 2025	BUY	3,950
January 13, 2026	BUY	3,950
March 02, 2026	BUY	3,275
April 06, 2026	BUY	3,350
April 10, 2026	BUY	3,350
July 03, 2026	BUY	2,625

Historical share price chart: INFO



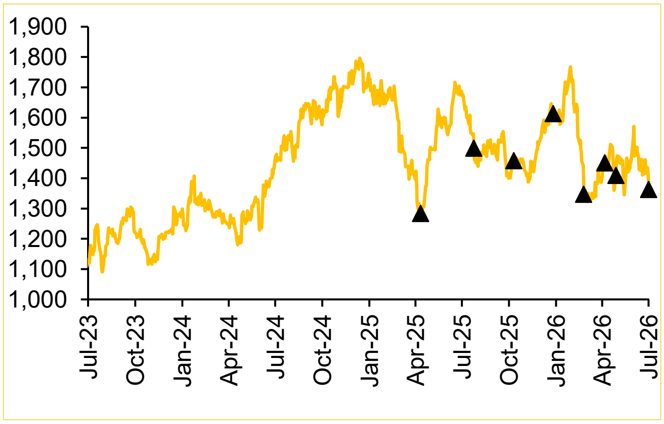
Date	Rating	Target Price
April 21,2025	ADD	1,580
July 24, 2025	BUY	1,810
October 17, 2025	BUY	1,810
January 15, 2026	BUY	1,865
March 02, 2026	BUY	1,580
April 06, 2026	BUY	1,650
April 24, 2026	BUY	1,500
July 03, 2026	BUY	1,360

Historical share price chart: HCLT



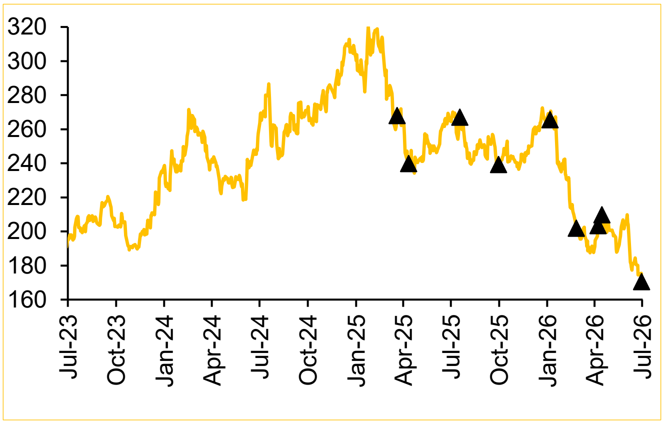
Date	Rating	Target Price
April 23, 2025	ADD	1,580
July 15, 2025	ADD	1,685
October 14, 2025	BUY	1,720
January 13, 2026	ADD	1,800
March 02, 2026	ADD	1,500
April 06, 2026	ADD	1,600
April 22, 2026	ADD	1,500
July 03, 2026	BUY	1,410

Historical share price chart: TECHM



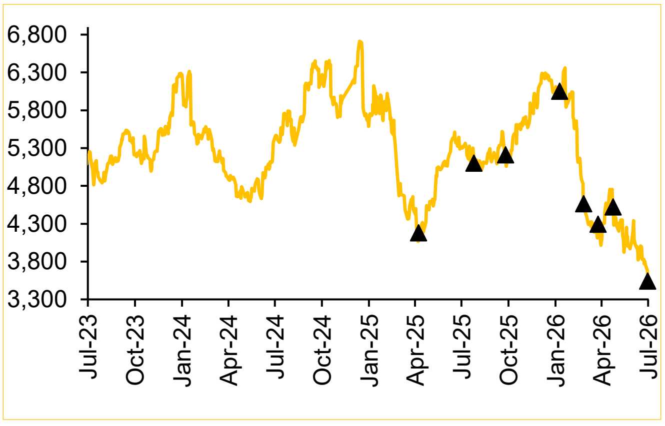
Date	Rating	Target Price
April 25,2025	BUY	1,755
July 17, 2025	BUY	1,931
October 15, 2025	BUY	1,730
January 17, 2026	BUY	1,925
March 02, 2026	BUY	1,600
April 06, 2026	BUY	1,700
April 23, 2026	BUY	1,700
July 03, 2026	ADD	1,600

Historical share price chart: WPRO



Date	Rating	Target Price
March 13, 2025	HOLD	296
April 17, 2025	REDUCE	252
July 18, 2025	REDUCE	252
October 16, 2025	ADD	285
January 17, 2026	ADD	285
March 2, 2026	ADD	215
April 06, 2026	ADD	215
April 17, 2026	ADD	215
July 03, 2026	ADD	185

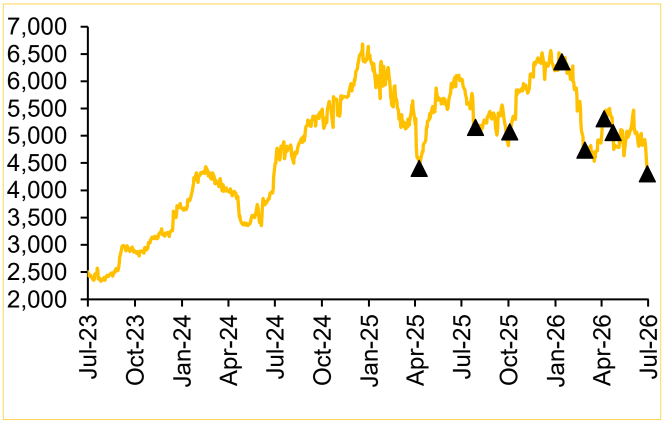
Historical share price chart: LTM



Date	Rating	Target Price
April 24, 2025	REDUCE	4,680
July 18, 2025	REDUCE	5,360
October 17, 2025	ADD	5,800
January 20, 2026	REDUCE	6,150
March 02, 2026	BUY	6,200
April 06, 2026	BUY	5,920
April 24, 2026	ADD	4,700
July 03, 2026	ADD	4,215

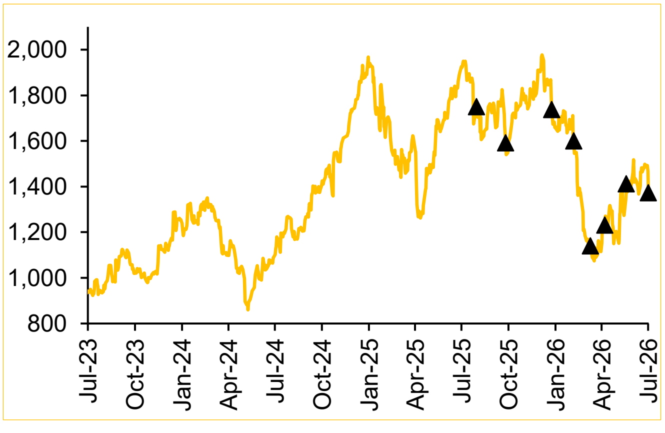
Q1FY27 Quarterly Results Preview

Historical share price chart: PSYS



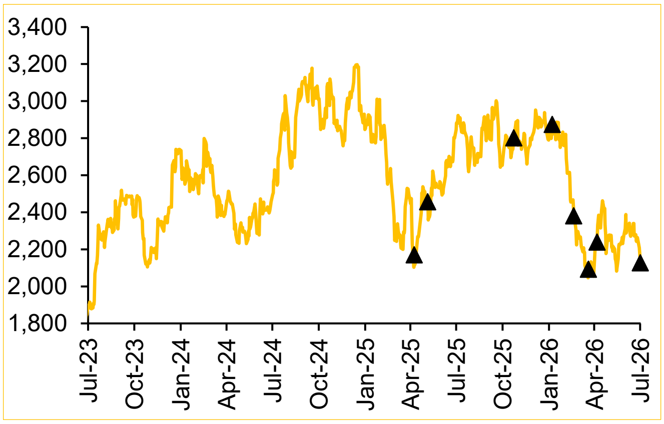
Date	Rating	Target Price
April 24, 2025	ADD	5,770
July 24, 2025	ADD	6,050
October 15, 2025	ADD	6,050
January 21, 2026	ADD	7,000
March 02, 2026	BUY	6,200
April 06, 2026	BUY	6,515
April 22, 2026	BUY	6,200
July 03, 2026	ADD	5,010

Historical share price chart: COFORGE



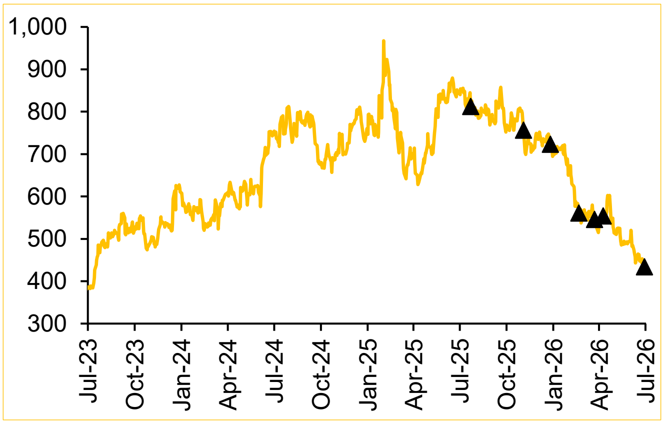
Date	Rating	Target Price
July 24, 2025	BUY	1,930
October 27, 2025	BUY	2,015
December 10, 2025	ADD	2,045
January 25, 2026	BUY	1,900
March 02, 2026	BUY	1,900
April 06, 2026	BUY	2,000
May 06, 2026	BUY	1,900
July 03, 2026	BUY	1,900

Historical share price chart: MPHL



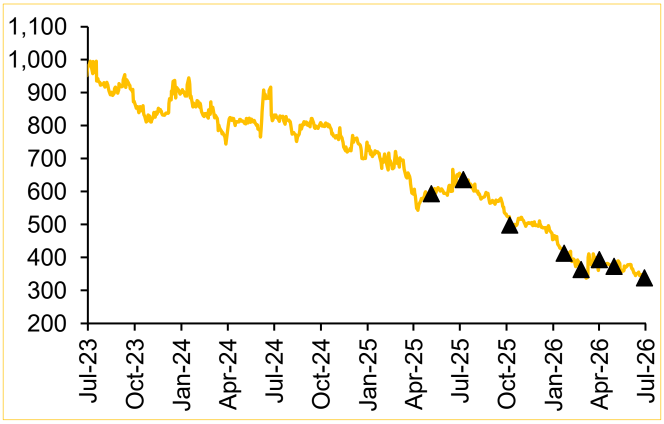
Date	Rating	Target Price
April 28, 2025	ADD	2,805
July 25, 2025	ADD	2,935
November 3, 2025	ADD	2,935
January 23, 2026	ADD	3,040
March 02, 2026	BUY	2,750
April 06, 2026	BUY	2,888
April 30, 2026	BUY	2,625
July 03, 2026	ADD	2,520

Historical share price chart: ZENT



Date	Rating	Target Price
July 23, 2025	BUY	1,130
Novermber 3, 2025	BUY	1,000
January 25, 2026	BUY	880
March 02, 2026	BUY	900
April 06, 2026	BUY	920
April 26, 2026	BUY	650
July 03, 2026	ADD	560

Historical share price chart: HAPPSTMN



Date	Rating	Target Price
May 14, 2025	ADD	655
July 31, 2025	BUY	730
October 29, 2025	BUY	670
February 10, 2026	BUY	585
March 02, 2026	BUY	585
April 06, 2026	BUY	620
May 29, 2026	BUY	560
July 03, 2026	BUY	440

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Large Cap*	
BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months
Mid & Small Cap*	
BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months
Other Ratings	
NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change
Sector View	
POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

*Large Cap: More Than INR 20,000 Cr Market Cap
*Mid & Small Cap: Less Than INR 20,000 Cr Market Cap

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