

Strategy

February 26, 2026

Don't expect dollars when you deal in quarters

The recent implosion in the stock prices of domestic IT services companies and global software product companies shows the 'quarterly' trap that parts of the investment industry may have fallen into. In our view, excessive focus on quarterly results has resulted in a diluted focus on more material factors. One can only hope for a more balanced investment approach in the future.

Implosion in software stocks on AI-led deflation or devastation—lessons learnt?

Domestic IT services and global IT product prices have seen a steep correction in their stock prices (see Exhibits 1-2) on concerns about AI models reducing the relevance of (1) coders and (2) enterprise software. The jury may be out on the implications of the fast-paced developments in the AI industry for several sectors. However, the investment industry must take cognizance of 'disruption' threats and price in the risks to the best extent it can through a higher cost of equity or lower multiples. The bulk of the investment community has been loath to price in even 'known' risks. As recent events have shown, the 'unknown' risks (geopolitical, policy, technological) have increased dramatically.

Both sides of the investment 'wall' missed the big picture?

The sharp correction in stock prices of the domestic and global software stocks would suggest that the investment industry was not sufficiently plugged-in (pun intended) into the developments in the AI space. We would attribute this 'miss' to excessive focus on quarterly results and low focus on more material factors. As we have written previously, perverse incentives on 'both' sides of the investment industry resulted in (1) the distraction of quarterly results taking mindshare from more relevant issues, (2) the hostility to different viewpoints and (3) groupthink, leading to linear thinking and extrapolatory 'research'.

Companies focused too much on Street reaction to their actions?

The market's sudden concerns around the longevity of business models of IT services companies, as reflected in a sharp drop in their multiples (see Exhibit 3), show the perils of (1) investors relying on traditional financial and valuation models and (2) companies 'listening' overly to minority investors. It seems that the market is overly focused on financial returns and cash flows of companies while deciding on appropriate multiples for stocks and a section of companies is basing investment and strategic decisions on cues from the stock market, leading to under-investment in innovation and R&D.

Could more sectors go through a similar 'AI' moment?

The high and inexplicable multiples of many parts of the Indian market (see Exhibits 4-8) would suggest that many other sectors and stocks could have their own 'AI' (A-ha!) moments, as and when investors realize that (1) the business models of companies are getting weaker and (2) the multiples do not factor any disruption risks. The odd thing is that it is difficult to justify the multiples of cement and consumer companies based on even the current benign assumptions of growth and profitability, let alone weaker assumptions.

Key estimates summary

	2026E	2027E	2028E
Nifty estimates			
Earnings growth (%)	8.3	16.4	14.8
Nifty EPS (Rs)	1,070	1,247	1,433
Nifty P/E (X)	23.8	20.4	17.8
Macro data			
Real GDP (%)	7.8	6.5	6.5
Avg CPI inflation (%)	2.1	4.1	4.0

Source: Company data, Kotak Institutional Equities estimates

Quick Numbers

IT Index is down 21% since February 3, 2026

US\$80 bn decline in market capitalization of the 18 IT service companies under KIE's coverage since February 3, 2026

P/E multiples of large-cap. (top-six above US\$10 bn market cap.) and mid-cap. IT services (rest 12) sector are down 5X on average and 7X on average since February 3, 2026

[Full sector coverage on KINSITE](#)

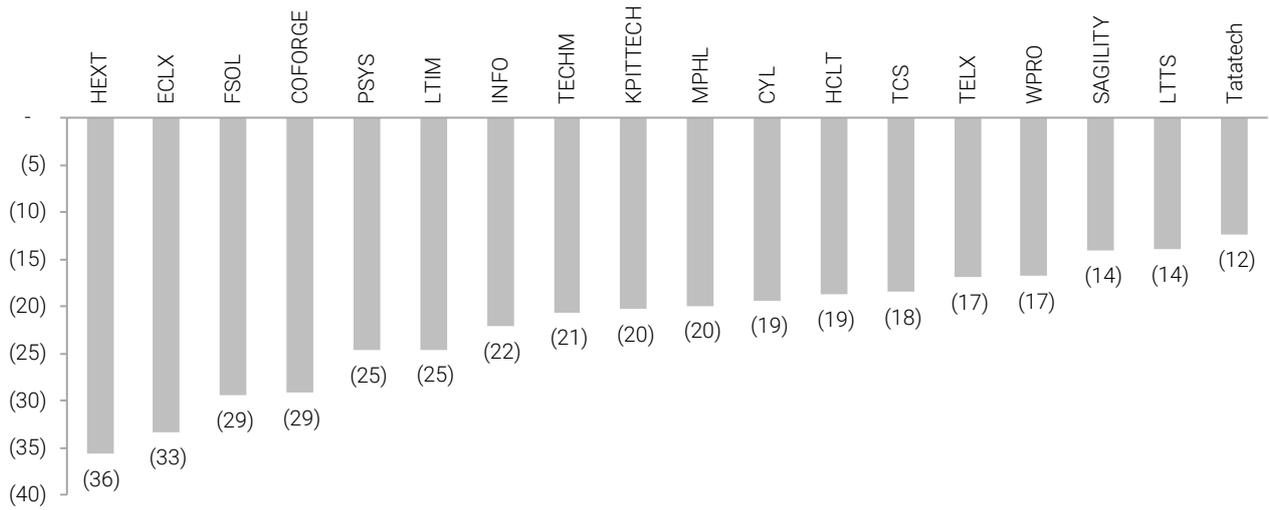
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Sharp correction in the stock prices of IT stocks since February 3, 2026

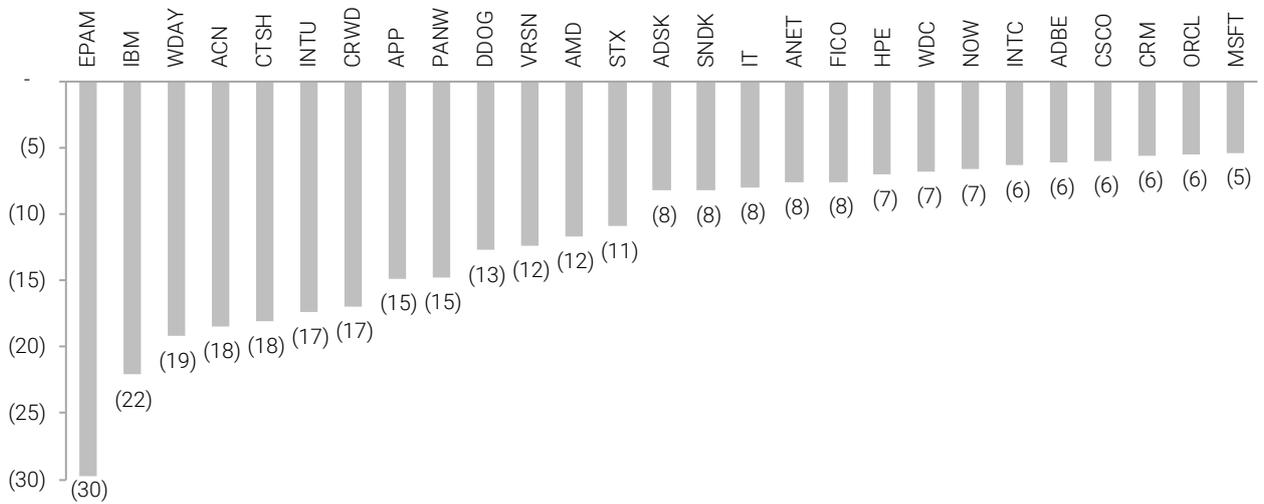
Exhibit 1: Performance of Indian IT stocks since the launch of Anthropic’s AI legal tool (%)



Source: Bloomberg, Kotak Institutional Equities

Sharp correction in the stock prices of global IT software stocks since February 3, 2026

Exhibit 2: Performance of global IT stocks since the launch of Anthropic’s AI legal tool (%)



Source: Bloomberg, Kotak Institutional Equities

IT stocks saw a sharp correction in valuation multiples

Exhibit 3: 12-m forward P/E multiple of outsourcing stocks in KIE universe, March fiscal year-ends, 2011-26E

Company	Sector	12-m forward P/E multiple (X)															Current
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
Coforge	IT Services	6	7	7	9	9	10	9	15	16	13	29	32	22	30	39	23
Cyient	IT Services	10	8	8	11	14	12	12	17	14	5	16	18	16	25	17	14
eClerx Services	IT Services	13	11	9	11	17	13	15	14	17	6	12	16	12	19	20	18
Firstsource Solutions	IT Services	6	4	4	6	7	7	9	10	8	4	15	13	13	21	29	17
HCL Technologies	IT Services	16	13	14	15	18	13	14	14	14	10	18	21	18	24	23	19
Hexaware Technologies	IT Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	28	19
Infosys	IT Services	22	17	16	15	19	18	15	16	18	15	26	30	21	23	22	17
KPIT Technologies	IT Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	4	20	48	52	53	39	26
L&T Technology Services	IT Services	NA	NA	NA	NA	NA	NA	16	23	21	14	31	46	28	38	31	23
LTIMindtree	IT Services	NA	NA	NA	NA	NA	NA	12	18	17	15	32	38	27	27	25	22
Mphasis	IT Services	10	11	10	11	11	13	14	17	15	10	23	36	18	25	25	20
Persistent Systems	IT Services	11	8	10	13	17	18	13	14	12	11	27	42	29	43	49	33
Sagility	IT Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	25	18
Tata Elxsi	IT Services	NA	NA	10	21	30	28	22	23	18	14	39	88	44	51	35	35
Tata Technologies	IT Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	50	35	30
TCS	IT Services	23	18	20	19	20	18	17	19	22	20	30	31	24	28	24	17
Tech Mahindra	IT Services	11	10	11	13	15	13	12	16	14	11	16	21	16	23	23	18
Wipro	IT Services	18	15	14	15	16	14	14	15	15	11	20	24	15	21	20	15
Aurobindo Pharma	Pharmaceuticals	9	7	7	12	18	17	14	12	15	8	15	12	12	17	15	17
Cipla	Pharmaceuticals	21	18	18	19	30	20	24	20	22	18	24	25	20	27	23	24
Divis Laboratories	Pharmaceuticals	20	17	17	19	23	20	16	25	28	31	39	40	36	44	57	55
Dr Reddy's Laboratories	Pharmaceuticals	19	18	17	18	23	20	21	19	21	21	24	21	18	19	16	24
Emcure Pharmaceuticals	Pharmaceuticals	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	23	24
JB Chemicals & Pharma	Pharmaceuticals	NA	NA	NA	8	11	13	15	NA	13	13	22	24	28	36	31	35
Lupin	Pharmaceuticals	18	20	20	20	31	20	20	19	21	21	27	22	24	32	23	23
Mankind Pharma	Pharmaceuticals	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	41	43	38
Sun Pharmaceuticals	Pharmaceuticals	22	23	23	20	29	24	21	25	23	17	23	26	24	35	31	32
Torrent Pharmaceuticals	Pharmaceuticals	14	13	12	15	22	17	21	22	30	29	30	32	33	43	43	53
SRF	Specialty Chemicals	3	3	5	7	14	14	15	16	18	16	24	38	29	37	48	34

Source: FactSet, Kotak Institutional Equities

Most large-cap. consumption stocks are trading at expensive valuations

Exhibit 4: 12-m forward P/E multiple of large-cap. consumption stocks in KIE universe, March fiscal year-ends, 2011-26E

Company	Sector	12-m forward P/E multiple (X)															Current
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
Bajaj Auto	Automobiles & Components	14	14	14	16	15	16	18	17	17	12	19	18	17	30	22	26
Eicher Motors	Automobiles & Components	15	14	16	24	38	33	33	29	21	17	29	25	23	25	29	35
Hero Motocorp	Automobiles & Components	14	15	14	16	16	17	17	18	13	10	16	14	13	20	15	20
Mahindra & Mahindra	Automobiles & Components	14	14	14	15	19	18	20	19	15	9	20	18	16	21	23	25
Maruti Suzuki	Automobiles & Components	14	16	13	17	21	18	22	26	23	18	28	30	23	28	22	26
Samvardhana Motherson	Automobiles & Components	17	13	14	19	28	21	25	25	19	11	25	22	15	20	27	27
TVS Motor	Automobiles & Components	11	7	7	15	22	23	28	30	23	19	32	24	27	40	35	43
Asian Paints	Commodity Chemicals	23	27	33	36	38	38	45	44	51	48	64	65	54	48	49	48
Berger Paints	Commodity Chemicals	17	17	25	27	36	35	45	44	49	58	81	61	49	52	47	42
Ambuja Cements	Construction Materials	18	18	14	24	23	29	34	29	26	16	25	20	26	38	31	32
Shree Cement	Construction Materials	NA	NA	14	22	46	34	36	31	37	34	44	32	41	34	57	43
UltraTech Cement	Construction Materials	18	18	16	24	23	28	34	31	32	20	32	26	30	31	37	36
Havells India	Consumer Durables & Apparel	13	16	16	20	31	32	42	36	46	32	56	49	49	59	52	46
LG Electronics	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	46
Polycab	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	13	22	31	30	39	33	40
Britannia Industries	Consumer Staples	21	28	24	23	39	33	39	49	53	41	45	41	47	49	50	51
Colgate-Palmolive (India)	Consumer Staples	24	30	28	32	40	32	40	38	40	37	41	38	36	52	42	42
Dabur India	Consumer Staples	23	24	26	29	35	30	33	36	40	43	48	44	44	41	43	43
Godrej Consumer Products	Consumer Staples	20	22	30	31	31	35	37	43	38	29	39	36	45	52	49	49
Hindustan Unilever	Consumer Staples	26	29	28	33	40	39	41	47	50	56	58	47	52	46	47	49
Marico	Consumer Staples	24	26	27	25	35	37	41	42	39	31	40	43	40	39	46	50
Nestle India	Consumer Staples	35	37	34	35	44	41	47	50	51	63	65	62	63	72	62	67
Tata Consumer Products	Consumer Staples	14	18	17	18	19	16	18	26	23	31	50	53	46	61	56	59
Varun Beverages	Consumer Staples	NA	NA	NA	NA	NA	NA	32	36	42	28	36	39	45	67	52	44
United Spirits	Consumer Staples	22	16	37	59	90	57	53	58	43	33	41	53	48	57	58	52
Apollo Hospitals	Health Care Services	25	29	30	31	43	41	40	41	43	33	59	54	50	61	49	48
Max Healthcare	Health Care Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	35	34	34	51	58	52
Indian Hotels	Hotels & Restaurants	26	23	39	48	66	67	47	51	54	28	100	70	40	51	53	42
Avenue Supermarts	Retailing	NA	NA	NA	NA	NA	NA	54	77	73	78	90	100	71	86	75	70
Titan Company	Retailing	30	28	25	28	33	31	41	56	54	44	68	75	57	74	56	64
Trent	Retailing	NA	45	43	36	40	27	44	56	53	59	169	112	79	109	88	65
Pidilite Industries	Specialty Chemicals	21	22	27	26	42	34	37	43	54	49	64	74	62	69	60	57

Source: FactSet, Kotak Institutional Equities

Most mid-cap. consumption stocks are trading at expensive valuations

Exhibit 5: 12-m forward P/E multiple of mid-cap. consumption stocks in KIE universe, March fiscal year-ends, 2011-26E

Company	Sector	12-m forward P/E multiple (X)														Current	
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24		Mar-25
Baikrishna Industries	Automobiles & Components	6	8	7	9	11	11	17	21	20	15	26	24	24	27	25	29
Exide Industries	Automobiles & Components	17	19	17	19	21	18	24	22	20	12	17	13	14	20	24	22
Schaeffler India	Automobiles & Components	11	14	12	17	31	27	31	29	30	25	35	37	42	41	45	NA
SKF	Automobiles & Components	15	15	14	19	28	26	28	26	27	18	30	35	32	33	31	33
Timken	Automobiles & Components	NA	NA	NA	NA	40	24	31	34	29	23	39	44	41	49	42	49
Indigo Paints	Commodity Chemicals	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	93	47	32	33	28	25
Kansai Nerolac	Commodity Chemicals	20	19	26	24	31	36	38	43	41	32	47	37	30	27	26	23
Aditya Birla Fashion and Retail	Consumer Durables & Apparel	NA	NA	NA	NA	NA	55	92	61	55	43	103	98	56	NA	NA	NA
Campus Activewear	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	50	49	42	41
Cello World	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	41	27	23
Crompton Greaves Consumer	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	39	36	31	24	40	33	29	29	33	28
Eureka Forbes	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	36	51	47	37
Page Industries	Consumer Durables & Apparel	24	26	26	36	58	46	48	59	54	40	64	72	53	51	58	43
Vedant Fashions	Consumer Durables & Apparel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	78	52	44	38	23
Voltas	Consumer Durables & Apparel	14	13	9	20	24	23	28	31	32	23	44	51	41	49	45	53
Whirlpool	Consumer Durables & Apparel	NA	15	14	21	34	28	41	43	38	35	46	42	44	45	29	24
United Breweries	Consumer Staples	47	54	58	68	63	51	51	51	52	35	51	55	56	64	67	61
Dr Lal Pathlabs	Health Care Services	NA	NA	NA	NA	NA	53	39	35	36	38	67	57	44	45	41	41
Metropolis Healthcare	Health Care Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	33	50	41	34	49	38	38
Narayana Hrudayalaya	Health Care Services	NA	NA	NA	NA	NA	136	47	44	37	34	39	39	26	31	38	35
Chalet Hotels	Hotels & Restaurants	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	146	29	45	37	28
Devyani International	Hotels & Restaurants	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	89	53	86	104	214
Jubilant Foodworks	Hotels & Restaurants	36	48	41	40	54	52	54	58	48	45	75	58	51	69	102	70
Lemon Tree Hotels	Hotels & Restaurants	NA	NA	NA	NA	NA	NA	NA	NA	64	33	NA	173	39	36	36	28
Sapphire Foods	Hotels & Restaurants	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	106	54	88	103	204
Westlife Foodworld	Hotels & Restaurants	NA	NA	NA	119	264	139	120	107	69	49	113	94	67	91	135	224
Metro Brands	Retailing	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	68	41	66	58	51

Source: FactSet, Kotak Institutional Equities

Most investment stocks are trading at expensive valuations

Exhibit 6: 12-m forward P/E multiple of investment stocks in KIE universe, March fiscal year-ends, 2011-26E

Company	Sector	12-m forward P/E multiple (X)														Current	
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24		Mar-25
ABB	Capital Goods	41	48	32	60	67	60	51	43	53	42	64	69	73	87	56	65
Bharat Electronics	Capital Goods	14	12	10	11	22	20	21	18	13	10	15	19	21	35	39	45
BHEL	Capital Goods	15	10	8	16	21	27	26	20	17	7	28	28	28	78	34	32
Carborundum Universal	Capital Goods	13	13	13	17	21	18	23	24	25	13	30	32	37	42	37	36
Cochin Shipyard	Capital Goods	NA	NA	NA	NA	NA	NA	NA	16	11	5	NA	6	14	37	44	42
Cummins India	Capital Goods	18	21	18	25	29	26	28	23	24	13	35	32	36	50	39	51
IRB Infrastructure	Capital Goods	13	12	7	7	13	12	11	8	6	4	8	26	17	32	19	18
Kalpataru Projects	Capital Goods	9	8	6	7	15	15	16	19	16	5	10	10	12	20	17	18
KEC International	Capital Goods	8	8	7	9	13	12	15	19	13	7	15	13	18	23	20	14
L&T	Capital Goods	21	16	15	22	28	21	23	23	19	11	19	21	22	31	26	28
Siemens	Capital Goods	28	28	29	53	75	50	50	37	37	30	52	52	59	76	58	58
Thermax	Capital Goods	16	15	18	24	33	28	36	35	27	23	43	48	43	65	49	44
Amber Enterprises	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	31	19	19	51	43	29	48	62	56
Avalon Technologies	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	36	50	43
Cyient DLM	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	49	32	24
Dixon Technologies	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	37	27	25	64	63	40	70	64	53
Kaynes Technology	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	75	73	44
Syrma SGS Technology	Electronic Manufacturing Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	25	42	36	42

Source: FactSet, Kotak Institutional Equities

Tier-1 banks are fairly valued in general and expensive in a few cases; tier-2 and tier-3 banks and NBFCs are trading at attractive valuations

Exhibit 7: 12-m forward P/B multiple of banks in KIE universe, March fiscal year ends, 2011-26E

Company	Sector	12-m forward P/B multiple (X)															Current
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
AU Small Finance Bank	Banks	NA	NA	NA	NA	NA	NA	NA	7.0	4.6	3.0	5.9	4.6	3.1	2.6	2.1	3.3
Axis Bank	Banks	2.6	1.8	1.7	1.6	2.6	1.8	2.1	1.9	2.7	1.1	1.9	1.9	1.8	1.9	1.7	1.9
Bandhan Bank	Banks	NA	NA	NA	NA	NA	NA	NA	5.2	4.9	1.7	2.7	2.6	1.4	1.2	0.9	1.1
Bank of Baroda	Banks	1.7	1.1	0.8	0.9	0.9	1.0	1.2	0.9	0.9	0.4	0.5	0.7	0.8	1.1	0.9	1.0
Canara Bank	Banks	1.3	0.9	0.7	0.5	0.6	0.5	0.9	0.9	1.3	0.2	0.6	0.6	0.7	1.2	0.8	1.2
City Union Bank	Banks	1.5	1.4	1.4	1.3	2.0	1.7	2.3	2.6	2.8	1.6	1.9	1.4	1.2	1.1	1.2	1.8
DCB Bank	Banks	1.3	1.3	1.0	1.2	1.9	1.2	2.2	1.8	2.0	0.8	0.9	0.6	0.7	0.7	0.6	0.9
Equitas Small Finance Bank	Banks	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.8	1.4	1.5	1.6	0.9	1.2
Federal Bank	Banks	1.3	1.2	1.2	1.1	1.3	0.9	1.7	1.4	1.4	0.5	NA	NA	NA	1.1	1.3	1.7
HDFC Bank	Banks	3.8	3.5	3.5	3.5	3.6	3.2	3.8	3.8	3.8	2.5	3.6	3.0	2.8	2.2	2.6	2.3
ICICI Bank	Banks	2.2	1.6	1.7	1.8	2.1	1.5	1.8	1.7	2.3	1.7	2.5	2.7	2.7	2.9	3.0	2.7
Indusind Bank	Banks	2.8	2.8	2.5	2.6	3.8	2.9	3.7	4.0	3.4	0.6	1.6	1.4	1.3	1.7	0.7	1.1
Karur Vysya Bank	Banks	1.7	1.3	1.4	1.1	1.5	1.1	1.4	1.3	1.0	0.3	0.7	0.5	0.9	1.3	1.3	2.0
Punjab National Bank	Banks	1.6	1.1	0.7	0.8	0.7	0.6	1.0	0.6	1.0	0.4	0.5	0.4	0.6	1.3	0.8	1.0
State Bank of India	Banks	1.9	1.7	1.4	1.3	1.6	1.2	1.5	1.2	1.4	0.8	1.3	1.5	1.3	1.7	1.5	1.9
Ujjivan Small Finance Bank	Banks	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.4	1.6	0.9	1.0	1.4	1.0	1.6
Utkarsh Small Finance Bank	Banks	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.4	0.9	0.9
Union Bank	Banks	1.4	0.9	0.8	0.5	0.6	0.6	0.7	0.5	0.6	0.3	0.5	0.4	0.6	1.1	0.8	1.1
Yes Bank	Banks	2.3	2.2	2.0	1.7	2.5	2.2	3.1	2.4	1.9	0.5	1.2	0.9	1.0	1.5	1.0	1.2

Source: FactSet, Kotak Institutional Equities

NBFCs are trading at fair valuations

Exhibit 8: 12-m forward P/B multiple of financial stocks in KIE universe, March fiscal year ends, 2011-26E

Company	Sector	12-m forward P/B multiple (X)															Current	
		Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25		
Aadhar Housing Finance	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	2.5	2.3	
Aavas Financiers	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.7	3.9	7.0	6.4	3.4	2.4	3.3	1.8
Aptus Value Housing Finance	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	5.2	3.1	3.6	3.0	2.2
Bajaj Finance	Diversified Financials	1.6	1.4	1.5	1.9	3.5	4.2	5.7	5.3	7.3	3.4	7.1	8.4	5.2	5.0	5.0	4.8	
Bajaj Housing Finance	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.4	2.9
Cholamandalam	Diversified Financials	1.6	1.6	1.8	1.6	2.6	2.8	3.2	3.8	3.2	1.3	4.1	4.5	3.9	4.3	4.5	4.4	
Five Star Business Finance	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	3.4	3.5	2.9	1.5	
Home First Finance	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	2.7	3.9	3.2	3.3	3.0	2.7	
India Shelter	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	2.5	2.8	2.1
L&T Finance	Diversified Financials	NA	1.6	2.1	1.8	1.4	1.5	2.6	2.8	2.0	0.6	1.2	0.9	0.9	1.6	1.4	2.5	
LIC Housing Finance	Diversified Financials	2.2	2.1	1.5	1.4	2.3	2.3	2.5	1.9	1.6	0.6	1.0	0.8	0.7	1.0	0.8	0.7	
Mahindra & Mahindra Financial	Diversified Financials	2.7	2.0	2.2	2.5	2.3	2.2	2.7	3.1	2.3	0.8	1.6	1.2	1.6	1.7	1.6	2.0	
Muthoot Finance	Diversified Financials	NA	1.1	1.3	1.4	1.5	1.2	2.1	1.9	2.4	1.7	2.7	2.5	1.6	2.1	2.9	3.2	
SBFC	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	3.0	2.8	2.6	
Shriram Finance	Diversified Financials	3.0	1.9	1.8	1.8	2.4	2.0	2.0	2.3	1.7	0.7	1.6	1.1	1.0	1.6	2.0	2.4	
Tata Capital	Diversified Financials	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	2.8	
12-m forward P/E multiple (X)																		
360 One	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	23	26	23	20	27	31	32	
ABSL AMC	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	22	13	18	19	23
Angel One	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	17	10	19	16	19
Billionbrains Garage Ventures	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	8.9
CAMS	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	37	34	29	35	36	32	
CRISIL	Capital Markets	20	27	22	31	41	37	33	36	25	22	34	45	40	50	38	36	
HDFC AMC	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	34	31	41	29	23	38	31	35
ICRA	Capital Markets	16	18	16	24	41	39	45	34	22	20	36	32	27	31	27	25	
Kfin Technologies	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	25	36	44	38
Nippon AMC	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	24	24	34	26	17	27	25	35
UTI AMC	Capital Markets	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	19	20	14	15	16	15	

Source: FactSet, Kotak Institutional Equities

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ADD. We expect this stock to deliver 5-15% returns over the next 12 months.

REDUCE. We expect this stock to deliver -5+5% returns over the next 12 months.

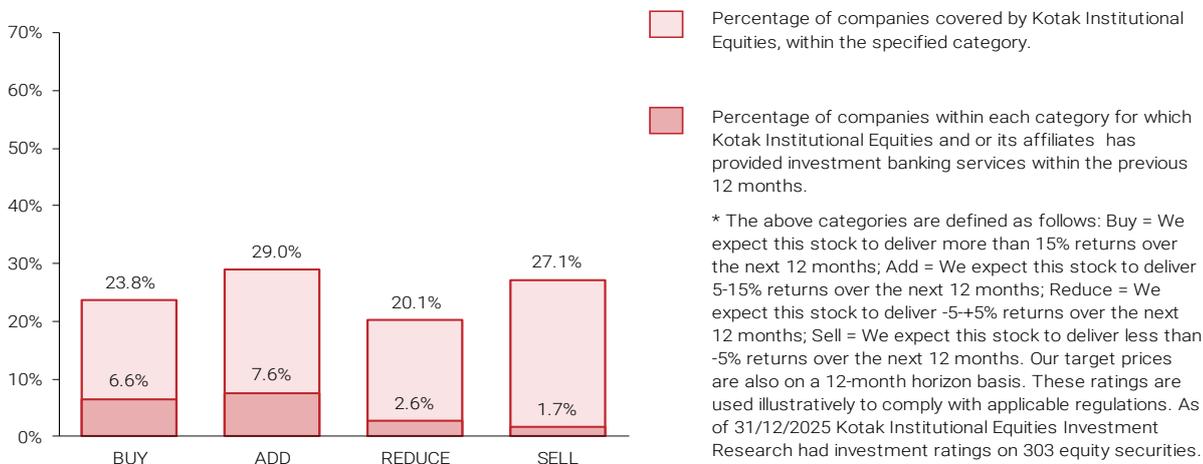
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