

Valuation Pulse – IT and ITeS industry

Q1 FY 22



Foreword



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We are pleased to present **Valuation Pulse** for the first quarter ending Financial Year 2022 (Q1 FY 22).

Indian IT and ITeS companies witnessed a sequential revenue growth and healthy deal wins, driven by broad-based demand of IT services across sectors, primarily in cloud-led digital transformation, data analytics and artificial intelligence (AI). Technology has become a necessity for organisations to survive post the pandemic. Majority of the IT spends have now become a survival investment for efficient operations of businesses. Companies that were primarily operating in an old economy are now focusing on modernising their core operations, which has accelerated initial phases of strong technology upcycle in both Indian and global IT sectors.

With accelerated demand and liquidity in the markets, the valuations of global tech and Indian IT and ITeS companies have surged to highest levels in last five years. The industry has outperformed the overall market indices, with NIFTY IT up by 17.9% since 31 March 2021, while NIFTY 50 is up by only 7.3%. Within the Indian IT sector, the valuations of small and mid-cap IT companies and engineering services have seen the biggest upside in Q1.

Key trends observed in the industry during Q1:

- Strong growth in revenue, primarily led by BFSI, retail and trade, life sciences and health-care verticals.
- Deal wins, supported by accelerated hiring to meet the demand, have continued to remain strong in this quarter for all the IT companies, which provides a good visibility of revenue in the near-term
- Strong demand in areas of digital engineering, electric autonomous and connected vehicle (EACV), 5G and medical technology has supported revenue growth in the engineering IT sector
- Margins were impacted by wage hikes, higher hiring costs to backfill attrition and fulfill strong order book, increased sub-contracting and visa costs, offset partly by increase in offshore mix and operating leverage

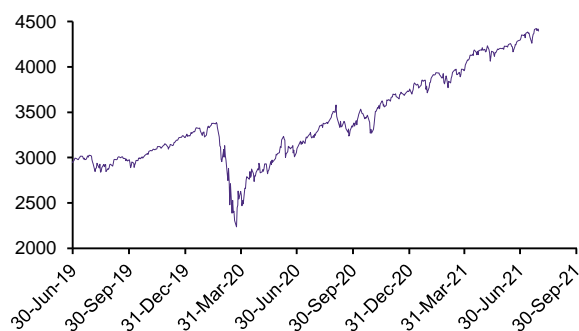
On the transactions front [mergers and acquisitions (M&A) and funding], the sector witnessed a record transaction activity in Q1 FY 22, both in value and volume in the last three years. IT companies focused on acquiring technologies (such as cyber-security platforms) and IT consultancy companies are offering digital transformation, data and business analytics and business process management solutions. Further, funding by private equity (PE)/venture capital (VC) saw good activity, predominantly in the area of digital payments and analytics/AI.

We hope you will find this publication insightful and informative.

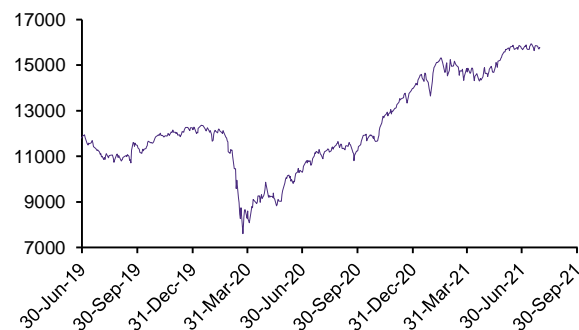
Note: Market data has been updated till 30 July 2021 and the earnings release of majority of the companies used for our analysis is up to 30 June 2021

Executive summary – Market indices

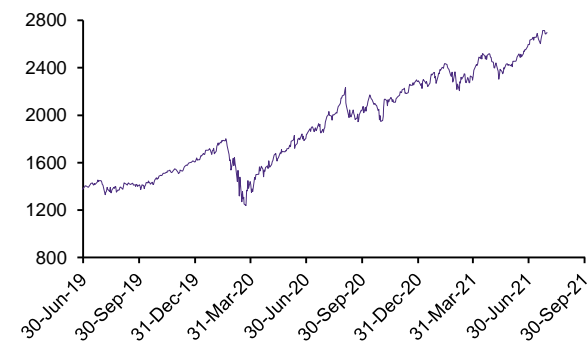
S&P 500*



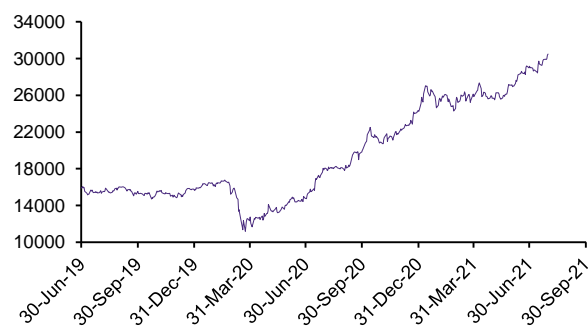
NIFTY 50*



S&P 500 IT*



NIFTY IT*



% change in market indices

Market index	31 Mar 2021 to 30 July 2021
S&P 500	10.6%
S&P 500 IT	15.6%
NIFTY 50	7.3%
NIFTY IT	17.9%

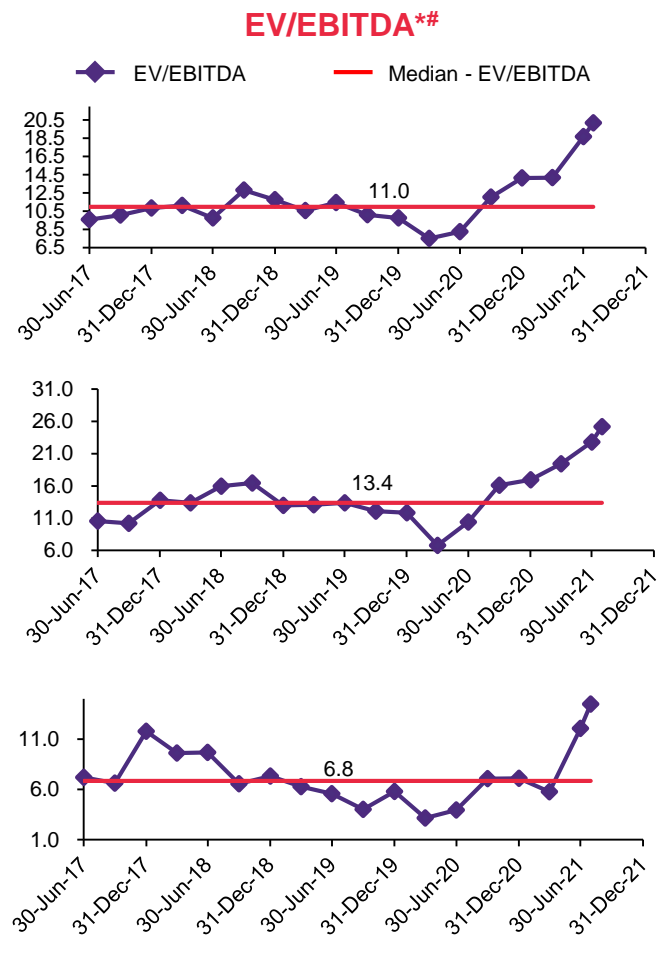
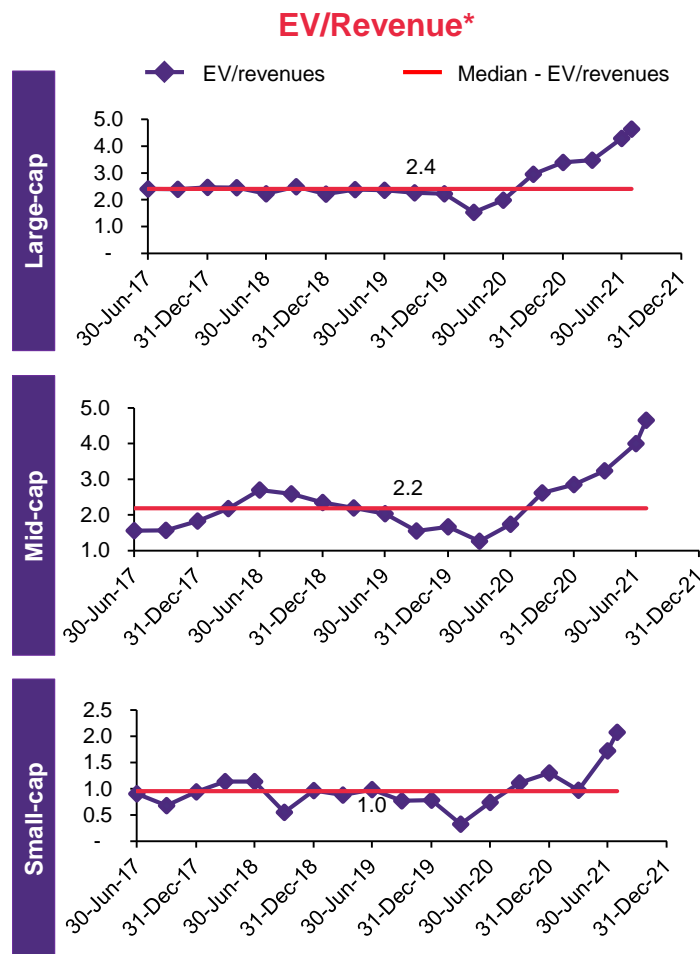
% change in market cap of segments

Segments#	31 Mar 2021 to 30 July 2021
Global IT Services	12.0%
Global Tech	20.7%
Large-cap IT Services	9.4%
Mid-cap IT Services	31.2%
Small-cap IT Services	76.5%
IT Engineering	43.3%
Software	35.5%

*Closing prices have been presented till 30 July 2021, in order to capture the results of Q1 FY 22.

#Refer Appendix 1 to 3 for the list of IT companies considered for our analysis in each of the segments

Executive summary – Large, mid and small-cap IT services

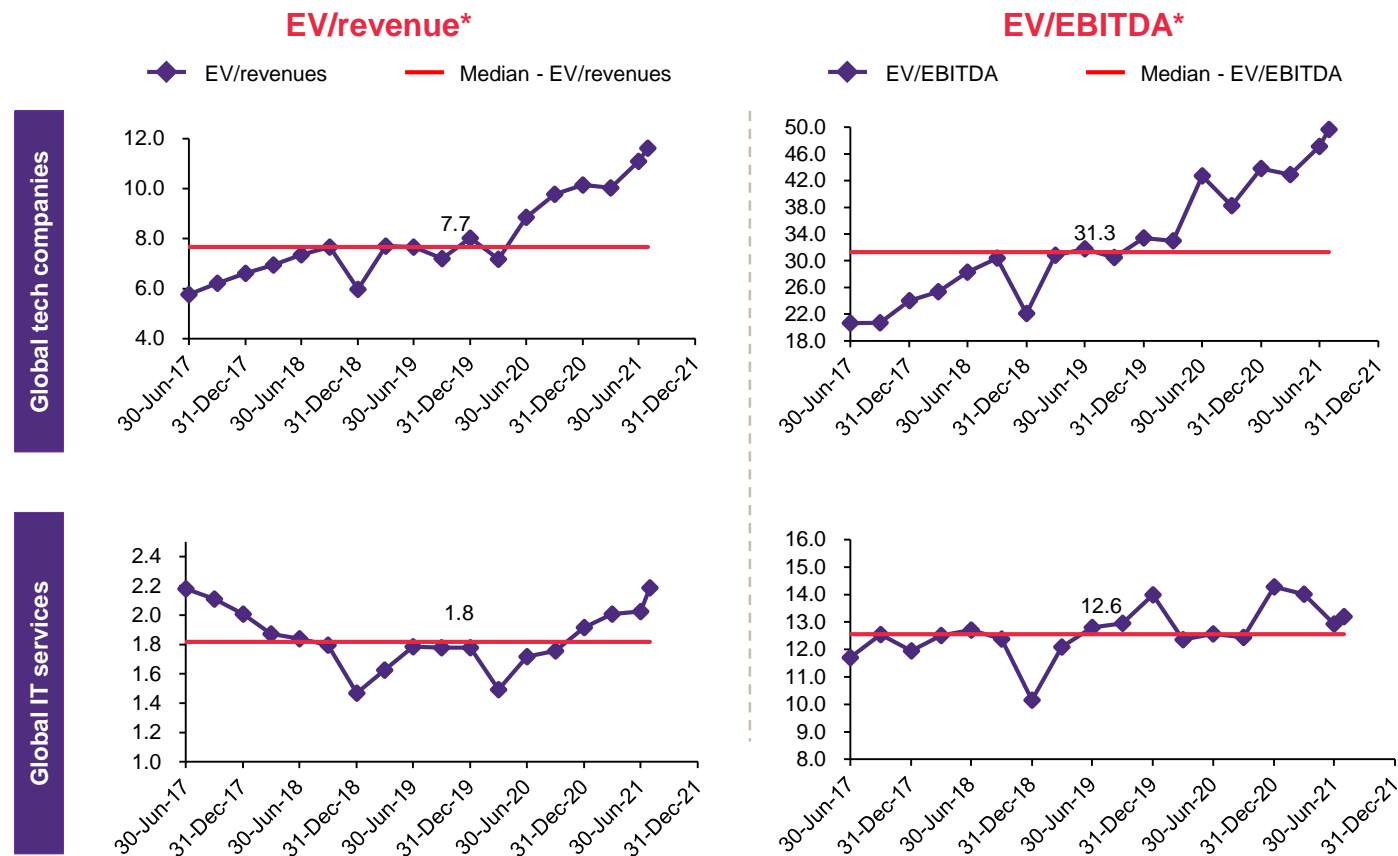


Low Fair High



- Multiples have been presented till 30 July 2021 in order to capture the results of Q1 FY 22
- # EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation.

Executive summary – Global IT services and global technology**



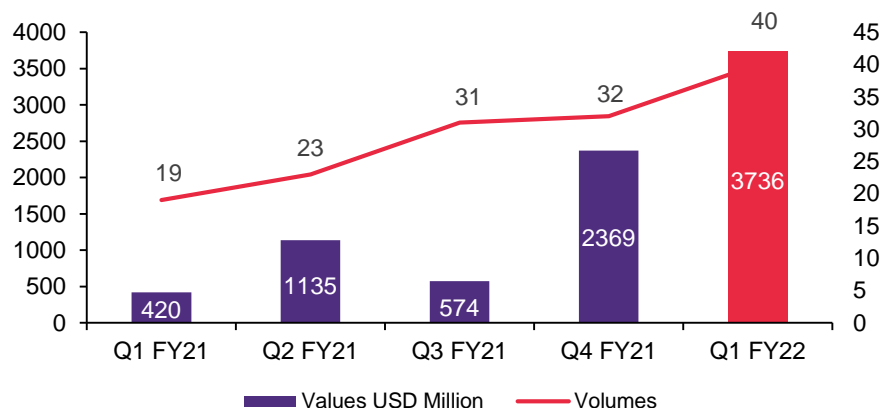
Low Fair High



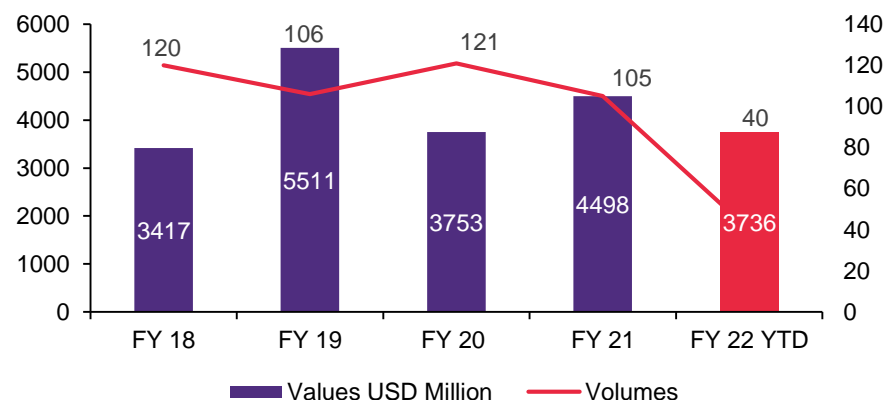
*Multiples have been presented till 30 July 2021 in order to capture the results of Q1 FY 22.
 **Please refer Appendix 3 for the list of companies considered

Executive summary – Transactions

Quarterly deal values and volumes for Q1 FY 21 to Q1 FY 22



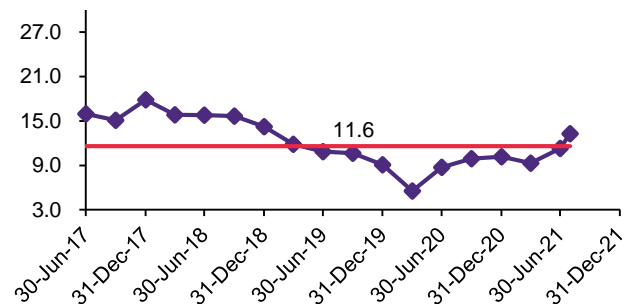
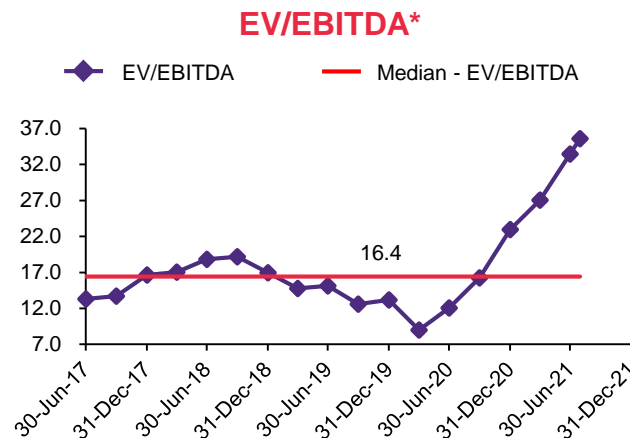
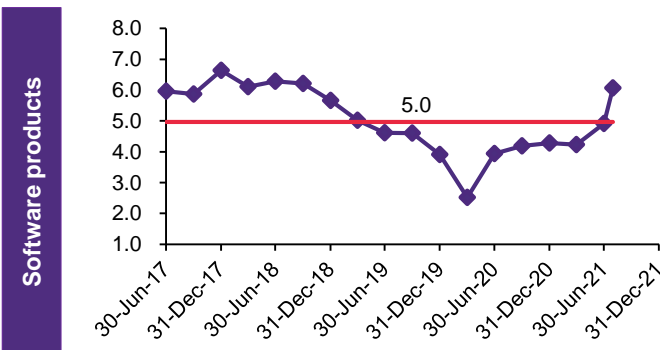
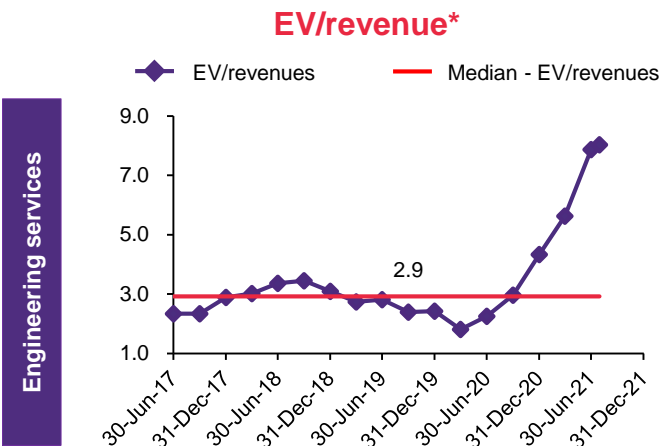
Yearly deal values and volumes for FY 18 - FY 22 YTD



* Represents deal values and volumes for Quarter 1 FY 22

- On sequential basis, overall transaction values [Mergers and Acquisitions (M&A) and Private Equity (PE)] have increased from USD 2,369 million in Q4 FY 21 to USD 3,736 million in Q1 FY 22 with volumes increasing from 32 to 40 transactions during the same period.
- On year-on-year (y-o-y) basis, overall transaction values (M&A and PE) have increased from USD 420 million in Q1 FY 21 to USD 3,736 million in Q1 FY 22 with increase in volume from 19 to 40 transactions during the same period.
- During the quarter, PE transaction values was primarily led by the transfer of holding stake in Mphasis Ltd. by Blackstone from its existing fund to two new funds.
- In Q1 FY 22, IT companies focused on acquiring technologies such as cyber-security platforms and IT consultancy companies focused on offering digital transformation, data and business analytics and business process management solutions. Further, funding by PE/VC saw good activity, predominantly in the area of digital payments and analytics/artificial intelligence (AI).

Executive summary – Other IT and ITeS segments



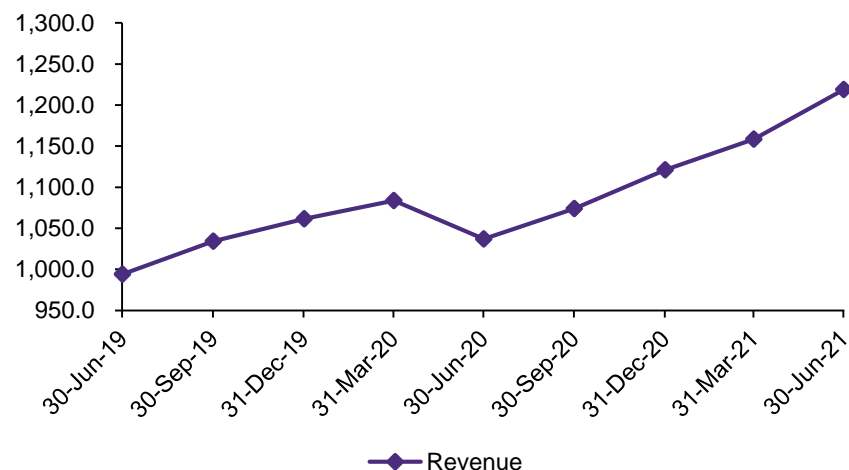
Low Fair High



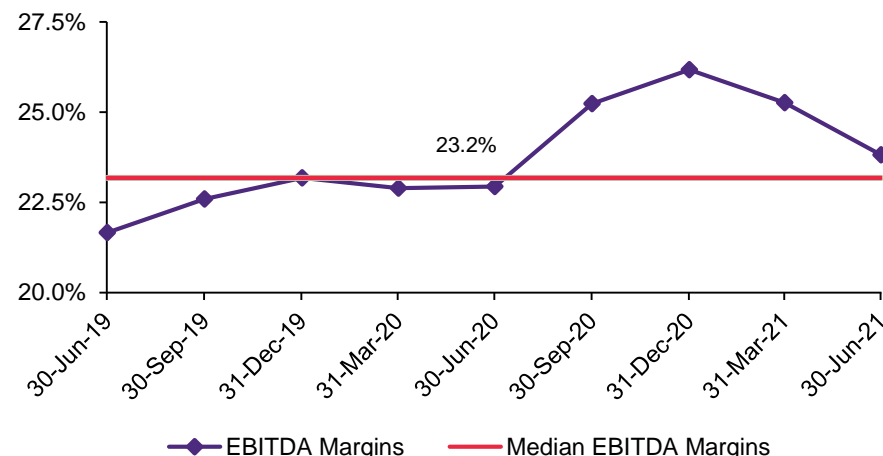
* Multiples have been presented till 30 July 2021 in order to capture the results of Q1 FY 22.

Large-cap – Revenue and EBITDA margin trend

Q-o-q revenue (INR billion)



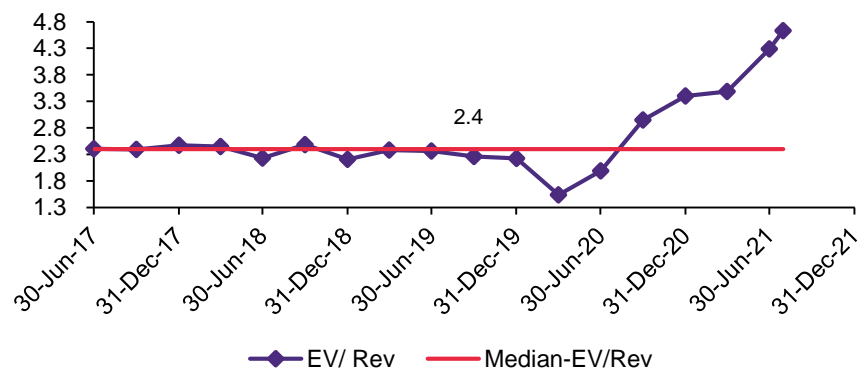
Q-o-q EBITDA margins (%)



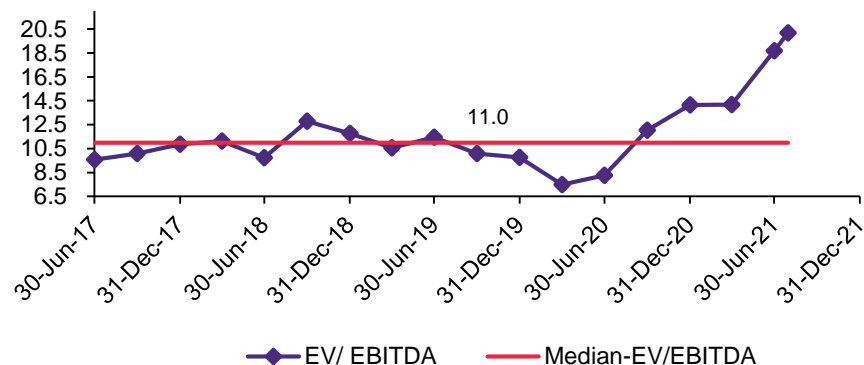
- On a sequential basis, revenues increased from INR 1,158.4 billion (USD 15.6 billion) in Q4 FY 21 to INR 1,219.0 billion (USD 16.4 billion) in Q1 FY 22 at a rate of 5.2%. Further, the EBITDA margins decreased from 25.3% to 23.8% during the same period.
- On y-o-y basis, the revenues increased from INR 1,037.1 billion (USD 13.9 billion) in Q1 FY 21 to INR 1,219.0 billion (USD 16.4 billion) in Q1 FY 22 at a growth rate of 17.5%. Further, the EBITDA margins increased from 22.9% to 23.8% during the same period.
- All large-cap IT companies have shown growth in revenue on account of robust demand for transformational and digital projects, along with strong deals in pipeline during the quarter. The growth was a function of outperformance primarily in BFSI, retail and life sciences sector.
- Cost rationalisation has been the common theme for the last couple of quarters. However, during the quarter, return of discretionary cost, increase in subcontracting expenses and employee cost have led to a slight decline in margins.
- IT companies saw some margins improvement because of favorable currency movements.

Large-cap – Historical multiples**

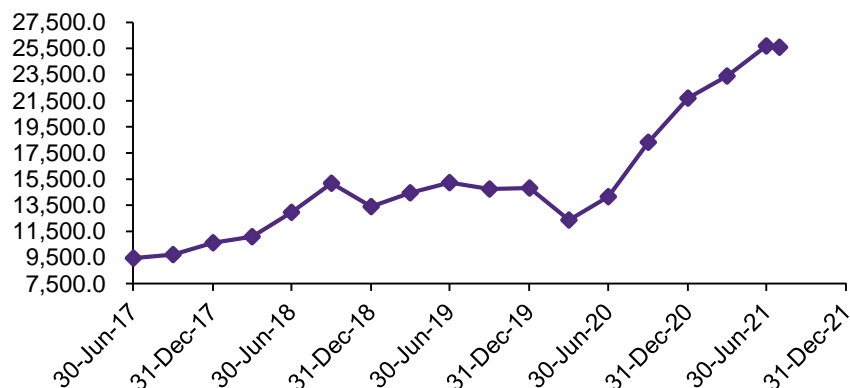
EV/Revenue*



EV/EBITDA*



Market cap (INR billion)*



The valuation multiples of large-cap IT companies have reached an all time high on account of pent-up demands and new opportunities due to positive impact by the COVID-19 pandemic.

IT spends have increased and are expected to grow as clients across all sectors continue to invest aggressively in their digital transformation journey.

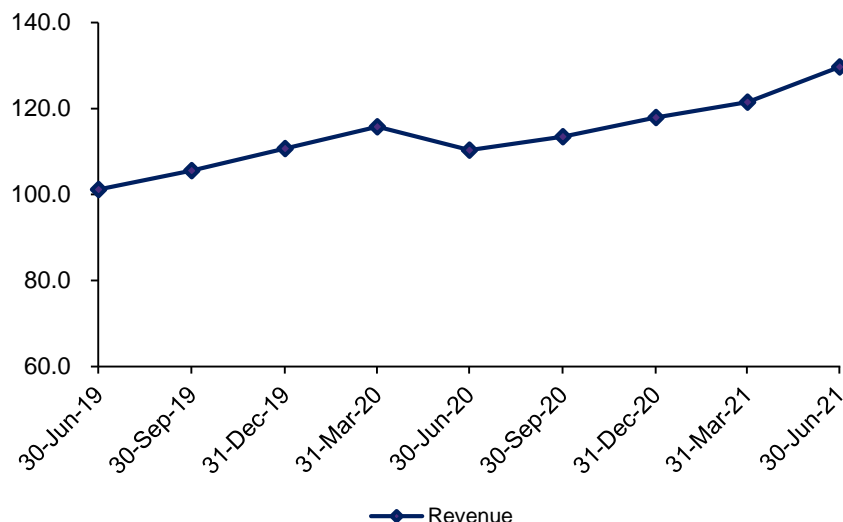
IT sector is expected to witness strong growth as organisations tend to modernise their core operations, migrate to cloud and move towards adoption of technology (such as data analytics, AI, etc.)

* Market cap and multiples have been presented till 30 July 2021 in order to capture the reported results of Q1 FY 22.

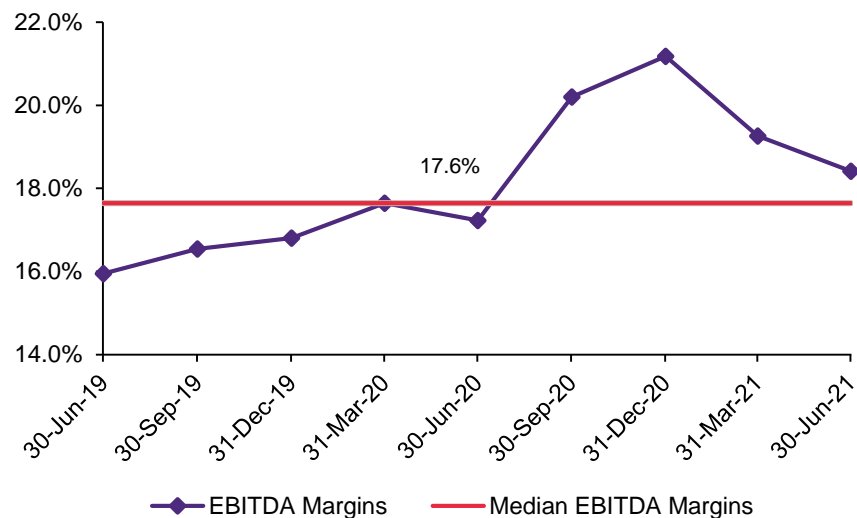
** Please refer Appendix 1 for the list of companies considered.

Mid-cap – Revenue and EBITDA margin trend

Q-o-q revenue (INR billion)



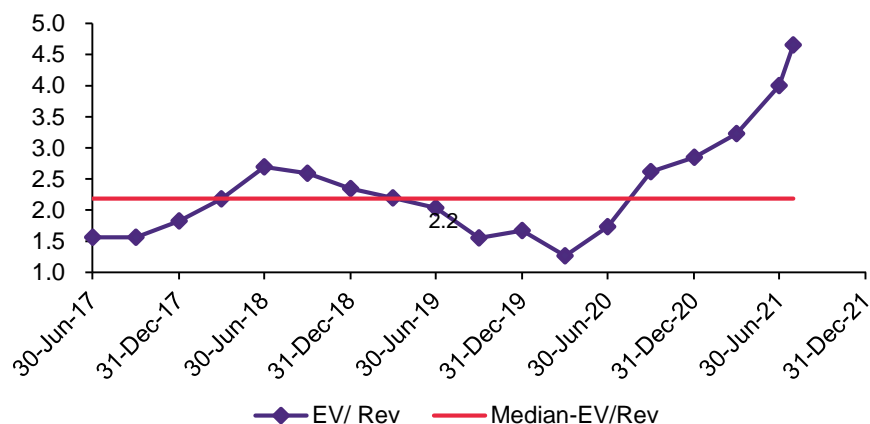
Q-o-q EBITDA margins (%)



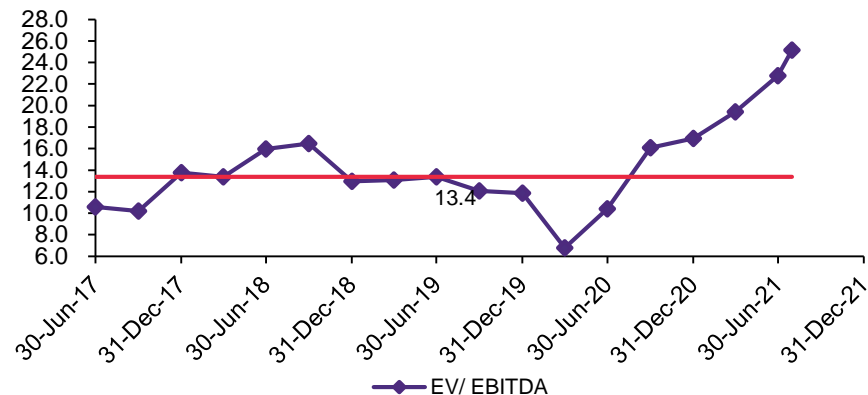
- On sequential basis, the revenues increased from INR 121.5 billion (USD 1.63 billion) in Q4 FY 21 to INR 129.7 billion (USD 1.74 billion) in Q1 FY 22 at a rate of 6.7%. However, the EBITDA margins decreased from 19.3% to 18.4% in the same period.
- On y-o-y basis, the revenues increased from INR 110.4 billion (USD 1.5 billion) in Q1 FY 21 to INR 129.7 billion (USD 1.74 billion) in Q1 FY 22 at a growth rate of 17.5%. Further, the EBITDA margins increased from 17.2% to 18.4% for the same period.
- It has been a positive quarter for the mid-cap segment. Growth in revenue is driven by demand for digital transformation and public/private cloud adoption, along with strong deals in pipeline. The growth was a function of outperformance, primarily in BFSI, Hi-Tech and Media, Retail and Lifesciences sector.
- Margins have declined slightly during the quarter because of wage hike and drop in utilisation due to a lag between hiring and deployment.

Mid-cap – Historical multiples**

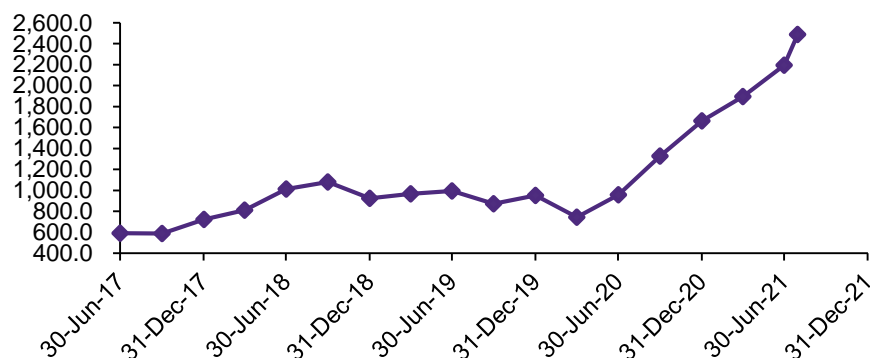
EV/revenue*



EV/EBITDA*



Market-cap (INR billion)*



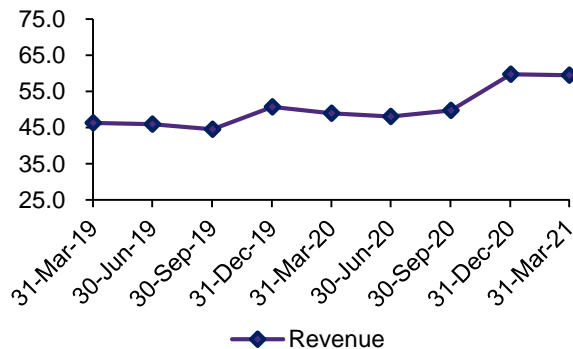
- Like large-cap companies, mid-cap companies have also seen an upside on the multiples on account of demand for public/private cloud adoption, data modernisation and the creation of digital platforms.
- Companies in mid-cap vertical have healthy order book in hand and strong deal pipeline, which indicates a positive future outlook.

** Market cap and multiples have been presented till 30 July 2021 in order to capture the results of Q1 FY 22.

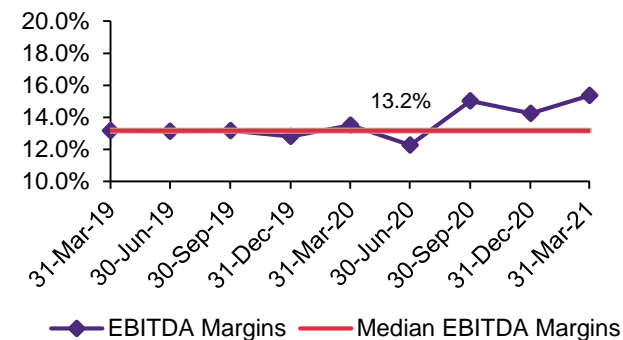
** Please refer Appendix 1 for the list of companies considered.

Small-cap – Revenue and EBITDA margin and multiples trends**

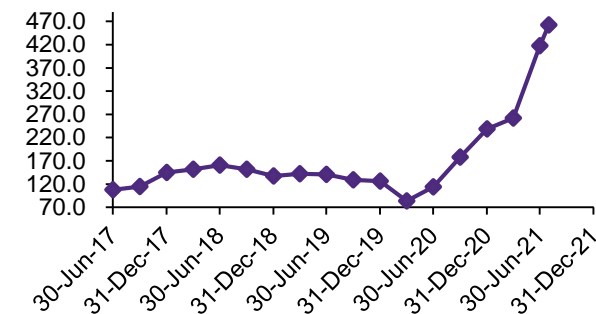
Q-o-q revenue (INR billion)



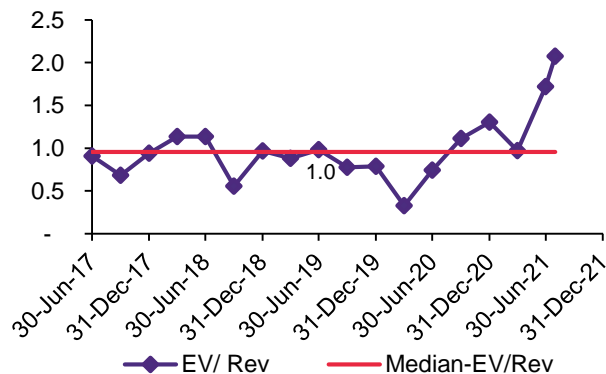
Q-o-q EBITDA margins (%)



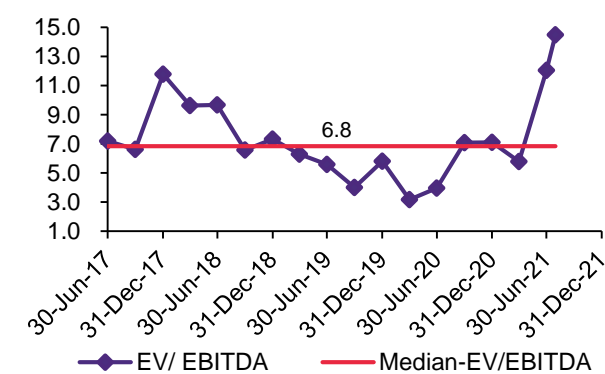
Market cap (INR billion)*



EV/revenue*



EV/EBITDA*



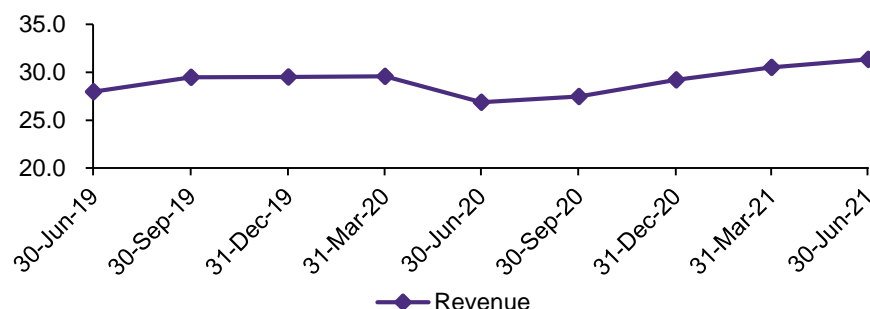
After lagging behind large/mid-cap companies, small-cap companies have rallied during the current quarter on the back of the ongoing economic recovery and the surge of liquidity flowing around equity markets.

*Market cap and multiples have been presented till 30 July 2021 in order to capture the financial results of Q1 FY 22.

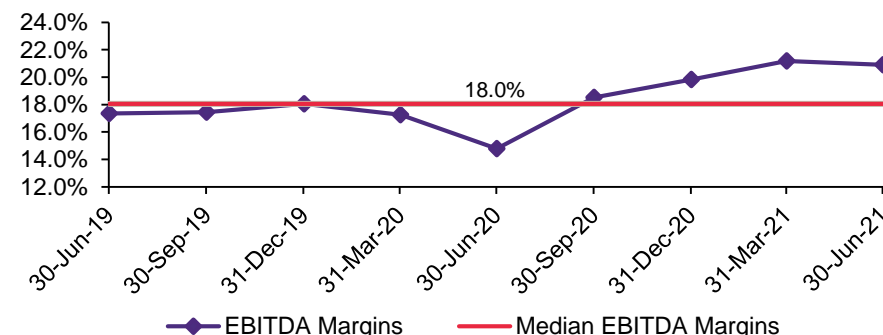
**Please refer Appendix 1 for the list of companies considered

IT engineering – Revenue and EBITDA margin trend

Q-o-q revenue (INR billion)



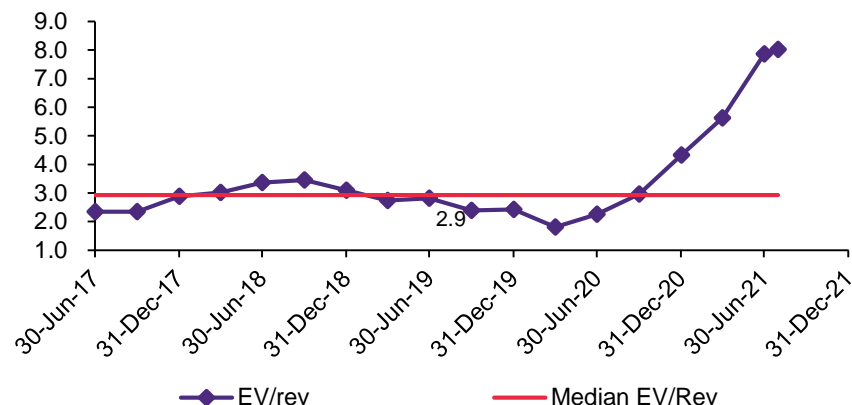
Q-o-q EBITDA margins (%)



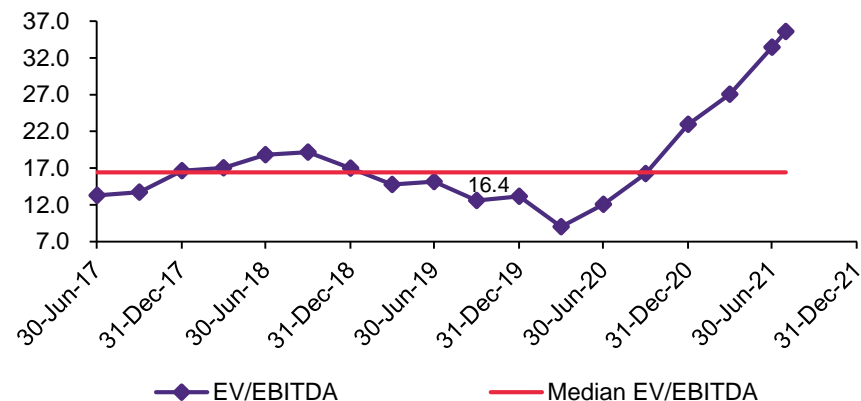
- On sequential basis, revenues increased from INR 30.5 billion (USD 0.41 billion) in Q4 FY 21 to INR 31.3 billion (USD 0.42 billion) in Q1 FY 22 at a rate of 2.7%. However, during the same period, EBITDA margins decreased from 21.2% to 20.9%.
- On an annual basis, revenues increased from INR 26.9 billion (USD 0.36 billion) in Q1 FY 21 to INR 31.3 billion (USD 0.42 billion) in Q1 FY 22 at a rate of 16.7%. During the same period, EBITDA margins increased from 14.8% to 20.9%.
- IT engineering companies have witnessed growth in revenue in verticals, such as media and communication, industrial products/design and transportation, which are offset by a flat growth/decline in revenue on account of slow recovery of aerospace vertical and revenue impact on manpower supply due to the second wave of COVID-19 in India.
- The accelerated deployment of the 5G network and an increase in demand for OTT platforms, connected devices, automation, AI and analytics led to a growth in the media and communication vertical. The transportation vertical has seen growth on account of shift of major auto players towards shared, autonomous and electrical vehicles. Further, engineering companies are witnessing an increased demand for electrification and platform development across auto, trucks and off-highway vehicles. The medical device and healthcare vertical showed growth, led by digital engineering demand in products, platform and optimisation of manufacturing processes.
- However, the aerospace vertical continued to struggle with commercial aviation still showing uncertainty as only 65% of the domestic travel and 40% of the international travel has resumed, as compared to the pre-pandemic period. A U-shaped recovery (and not a V-shaped recovery) is expected in this segment.
- The Q1 FY 22 EBITDA margins were positively impacted on account of operational efficiencies, cost optimisation, productivity improvements and portfolio shift towards higher margin segments, which was, however, offset due to wage hikes, higher subcontracting expenses and one time special bonus.

IT engineering – Historical multiples**

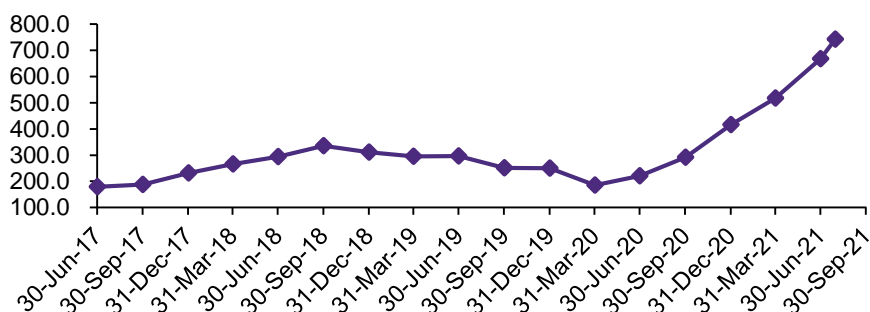
EV/revenue*



EV/EBITDA*



Market cap (INR billion)*



Like IT services companies, IT engineering companies have also shown an increase in valuation multiples based on the expected positive outlook, primarily in the media and communications and medical and healthcare devices. These companies, primarily Tata Elxsi, has shown a huge increase in the market-cap, supported by healthy revenue growth and margin improvements.

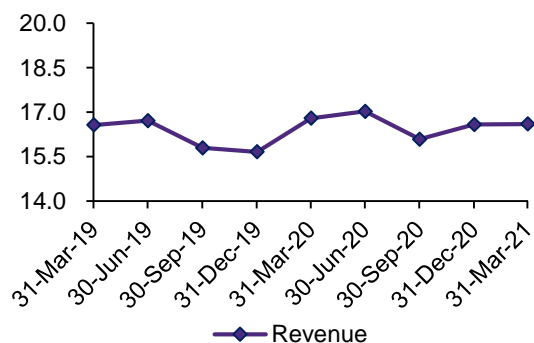
*Multiples represent weighted average multiples calculated based on the market capitalization weights. Therefore, the multiples are affected by the large players in this segment and may not be used for valuation of smaller companies.

*Market cap and multiples have been presented till 30 July 2021 in order to capture the financial results of Q1 FY 22.

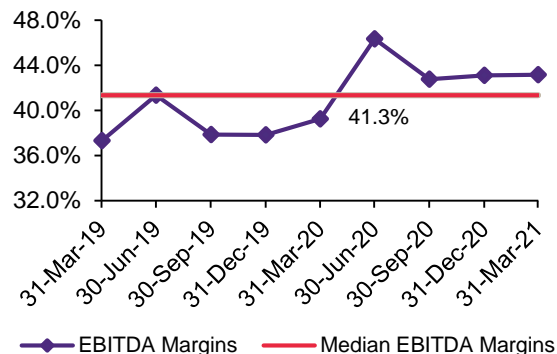
**Please refer Appendix 2 for the list of companies considered.

Software products – Revenue and EBITDA margin and multiples trend**

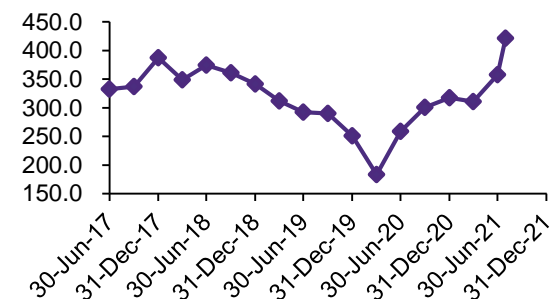
Q-o-q revenue (INR billion)



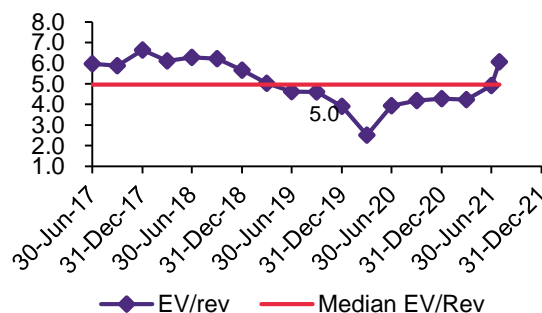
Q-o-q EBITDA margins (%)



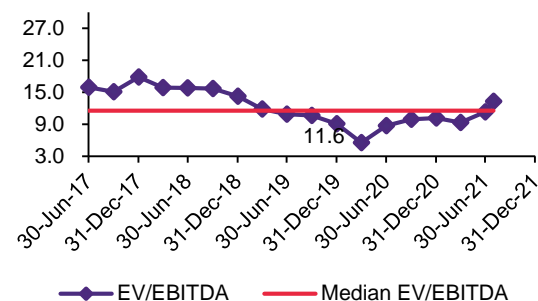
Market cap (INR billion)*



EV/Revenue*



EV/EBITDA*



*Majority of the software companies have not released their Q1 FY 22 results. Therefore, we have provided Q-o-q revenue and EBITDA margins till 31 March 2021. However, multiples have been considered till 30 July 2021 based on LTM financial metrics as of 31 March 2021.

*Multiples represent weighted average multiples, calculated based on the market capitalisation weights. Therefore, the multiples are affected by large players in this segment and may not be used for valuation of smaller companies.

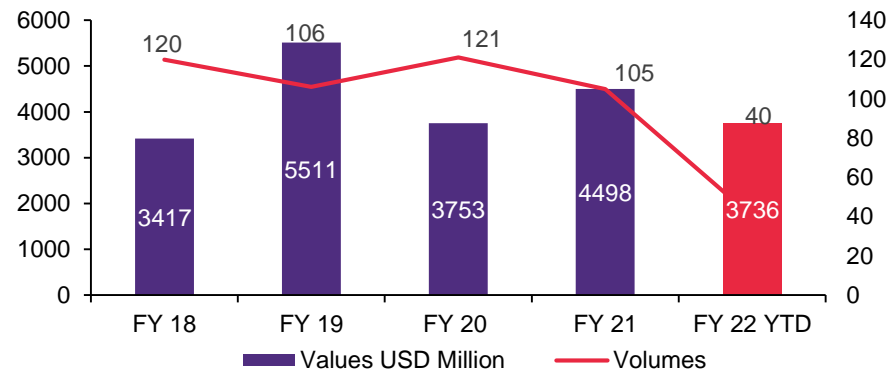
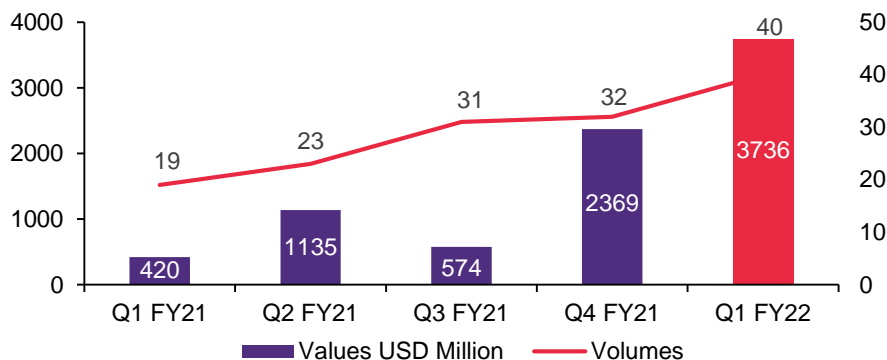
*Market cap and multiples have been presented till 30 July 2021 in order to capture the financial results of Q1 FY 22.

**Please refer Appendix 2 for the list of companies considered.

Deals – IT and ITeS industry (quarterly trends)

Quarterly deal values and volumes for Q1 FY 21 to Q1 FY 22

Yearly deal values and volumes for FY 18 - FY 22 YTD



*The above data covers deals which have happened in all sub-segments of the IT and ITeS industry, such as IT solutions, product development, analytics and business intelligence.

** ■ Represents deal values and volumes for Quarter 1 FY 22

Break-up of the above deal values and deal volumes Q1 FY 21 – Q1 FY 22

Deal values (USD billion)

Year	Domestic	Merger and internal restructuring	Inbound	Outbound	PE/VC
Q1 FY 21	0.04	-	0.1	0.1	0.2
Q2 FY 21	0.01	-	0.2	0.2	0.7
Q3 FY 21	0.03	-	0.02	0.3	0.3
Q4 FY 21	0.2	-	0.3	1.6	0.4
Q1 FY 22	0.1	-	0.01	0.4	3.3

Deal volumes

Year	Domestic	Merger and internal restructuring	Inbound	Outbound	PE/VC
Q1 FY 21	3	-	2	6	8
Q2 FY 21	3	-	1	9	10
Q3 FY 21	5	-	4	9	13
Q4 FY 21	8	-	5	9	10
Q1 FY 22	10	-	2	10	18

IT and ITeS industry transactions: An overview

- On sequential basis, overall transaction values (M&A and PE) have increased from USD 2,369 million in Q4 FY 21 to USD 3,736 million in Q1 FY 22 with volumes increase from 32 to 40 transactions during the same period.
- On y-o-y basis, overall transaction values (M&A and PE) have increased from USD 420 million in Q1 FY 21 to USD 3,736 million in Q1 FY 22 with increase in volumes from 19 to 40 transactions during the same period.
- M&A transaction values were higher at USD 2,016 million in Q4 FY 21 primarily led by the big-ticket acquisition of Capco by Wipro Limited for USD 1,450 million. The transaction value in Q1 FY 22 was USD 477 million.
- PE transaction values increased from USD 353 million in Q4 FY 21 to USD 3,259 million in Q1 FY 22, primarily led by the transfer of holding stake in Mphasis Ltd. by Blackstone from its existing fund to two new funds.
- In Q1 FY 22, IT companies focused on acquiring technologies, such as cyber-security platform and IT consultancy companies offering digital transformation, data and business analytics and business process management solutions. Further, funding by PE/VC saw good activity, predominantly in the area of digital payments and Analytics/AI.

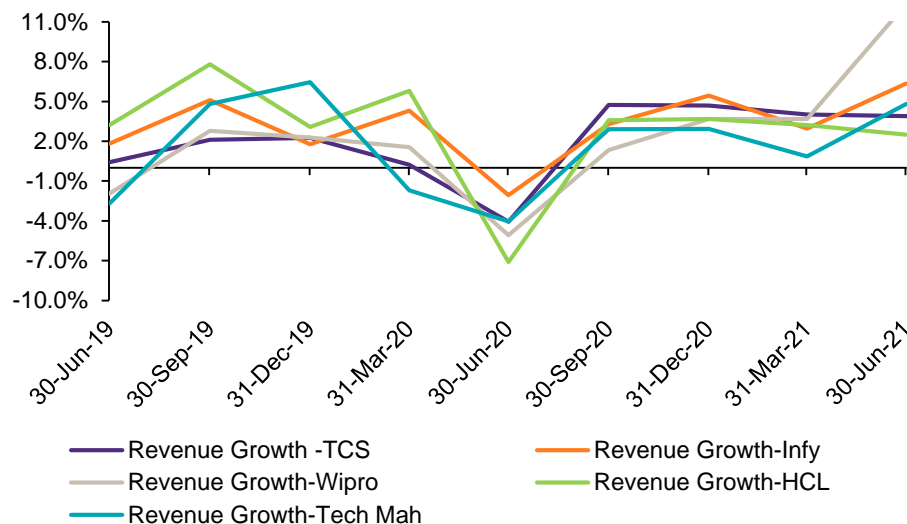
Top transactions: Q1 FY 22

Transaction month	Acquirer	Country (Acquirer)	Target	Country (Target)	Segment	Transaction type	Transaction value (USD million)
Apr-21	Multiple Funds	NA*	Mphasis Ltd	India	IT consultancy	PE investment	2,084.5
May-21	Multiple Funds	NA*	Pine Labs Pvt. Ltd	India	Digital payments	PE investment	285.0
Apr-21	Multiple Funds	NA*	Uniphore Software Systems Pvt Ltd	India	Predictive analytics/AI	PE investment	210.0
Jun-21	Multiple Funds	NA*	Browserstack Software Pvt Ltd	India	SaaS/PaaS/VaaS	PE investment	200.0
Apr-21	Multiple Funds	NA*	Razorpay Software Pvt Ltd	India	Digital payments	PE investment	160.0
Apr-21	Multiple Funds	NA*	Druva Software Pvt Ltd	India	Data management	PE investment	147.0
Apr-21	Coforge Limited	India	SLK Global Solutions Pvt Ltd	India	IT consultancy	Controlling stake	125.8
Apr-21	Tech Mahindra Ltd	India	DigitalOnUs, Inc	US	Others	Acquisition	120.0
May-21	Multiple Funds	NA*	RoboticWares Pvt. Ltd- FarEye	India	SaaS/PaaS/VaaS	PE investment	100.0
Apr-21	Pine Labs Pvt. Ltd	India	Fave Asia Technologies Sdn. Bhd	Malaysia	SaaS/PaaS/VaaS	Acquisition	45.0

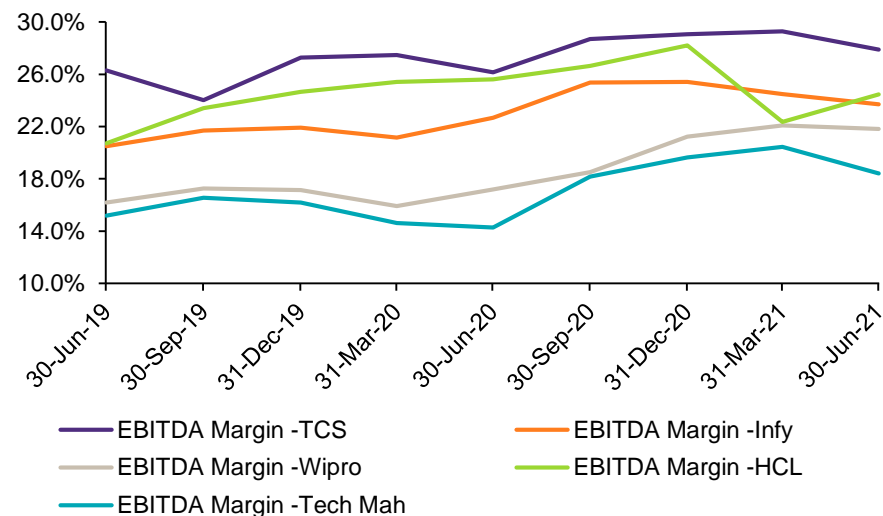
*NA: Not applicable

Company-specific analysis of large-cap companies

Q-o-q revenue growth (%)



Quarter wise EBITDA margins (%)

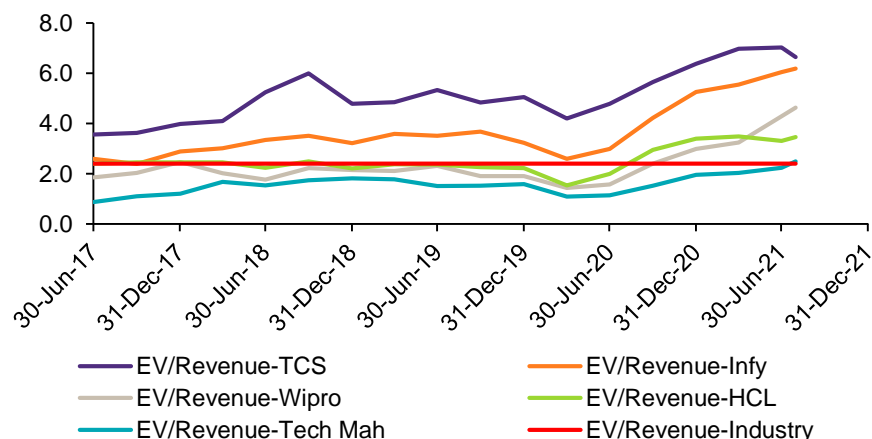


Company	Two-year CAGR (%)	Two-year median margins (%)
TCS	9.1%	27.5%
Infosys	14.1%	22.7%
Wipro	11.4%	17.3%
HCL	11.4%	24.7%
Tech Mahindra	8.6%	16.5%

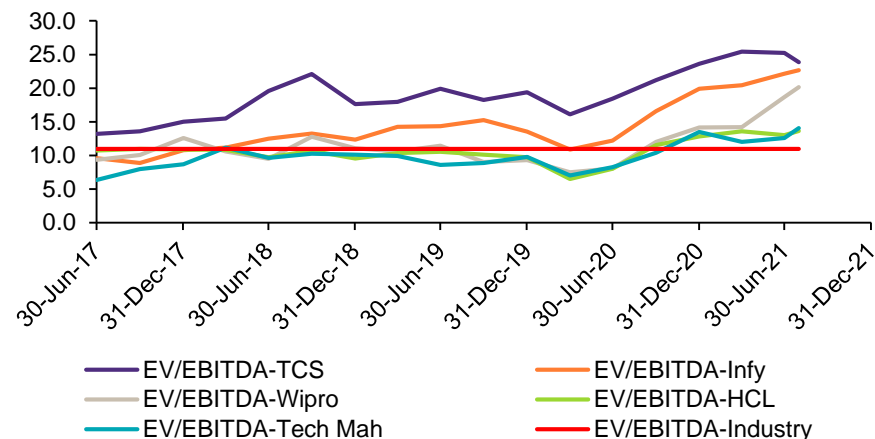
Wipro recorded the highest revenue growth in Q1 FY 22 (in reported rupee terms) followed by Infosys and TCS.

Company-specific analysis of large-cap companies

EV/Revenue



EV/EBITDA

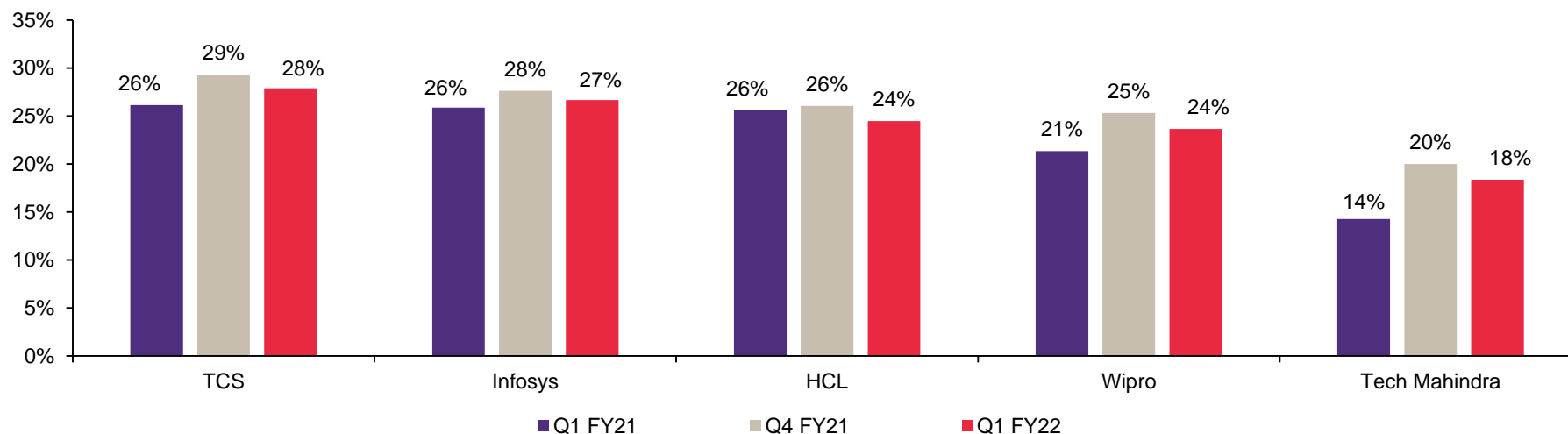


	Five-year median EV/revenue	Premium/discount on 2.4x	EV/LTM revenue	Premium/(discount) on LTM multiple(4.6x)	EV/one-year forward revenue	EV/Two-year forward revenue	Five-year median EV/EBITDA	Premium/Discount on 10.9x	EV/LTM EBITDA	Premium/Discount on LTM Multiple(20.2x)	EV/one-year forward EBITDA	EV/two-year forward EBITDA
Large-cap companies	2.40		4.63				10.95		20.16			
TCS	4.94	106.08%	6.64	43.33%	5.74	5.17	18.91	72.77%	23.85	18.32%	20.30	18.51
Infosys	3.43	42.83%	6.18	33.44%	5.30	4.72	13.37	22.17%	22.66	12.42%	20.05	17.83
HCL	2.43	1.22%	3.46	-25.30%	3.08	2.77	10.71	-2.12%	13.64	-32.33%	12.38	11.21
Wipro	2.13	-11.29%	4.63	0.00%	3.77	3.41	10.82	-1.16%	20.16	0.00%	16.95	15.32
Tech Mahindra	1.56	-34.78%	2.49	-46.24%	2.16	1.94	9.83	-10.16%	14.04	-30.35%	11.52	10.45

* Multiples have been presented till 30th July 2021 in order to capture the results of Q1 FY22.

Company-specific analysis of large-cap companies

Quarter-wise EBITDA margins (%)

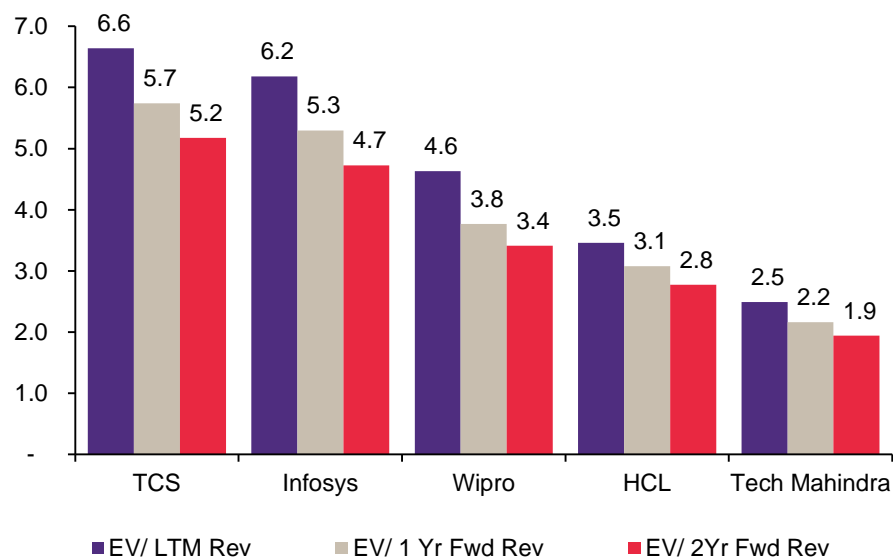


Company	Contract value won in Q1 FY 21	Contract value won in Q4 FY 21	Contract value won in Q1 FY 22
TCS	USD 6.9 billion	USD 9.2 billion	USD 8.1 billion
Infosys	USD 1.7 billion	USD 2.1 billion	USD 2.6 billion
HCL	11 transformational deals signed in Q1 FY21**	USD 3.1 billion	USD 1.7 billion
Wipro	_*	USD 1.4 billion	USD 0.7 billion
Tech Mahindra	USD 0.3 billion	USD 1 billion	USD 0.8 billion

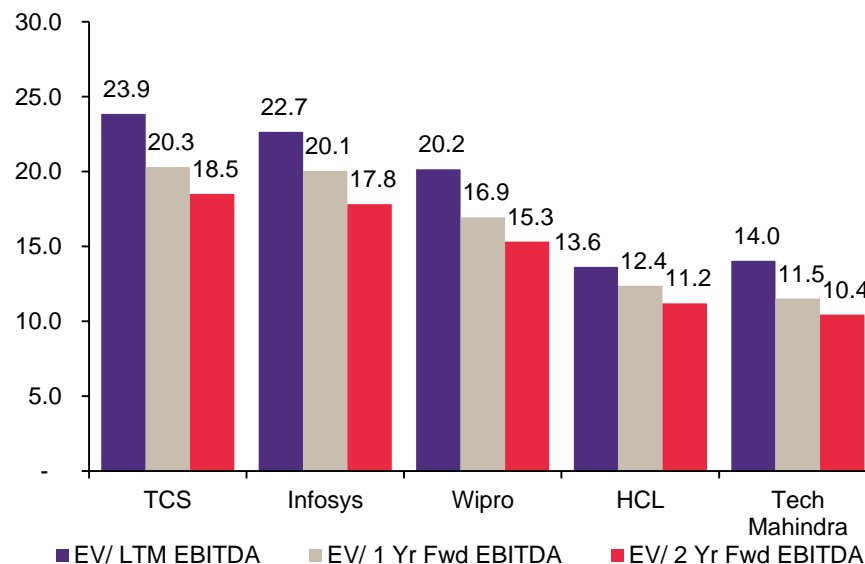
* Amount not disclosed by the company in the earnings call.

Forward estimates of large-cap companies

LTM and forward EV/revenue



LTM and forward EV/EBITDA

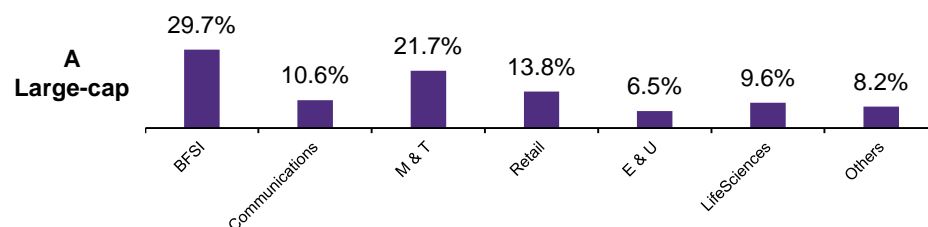


EV/revenue and EV/EBITDA are estimated on the following information:

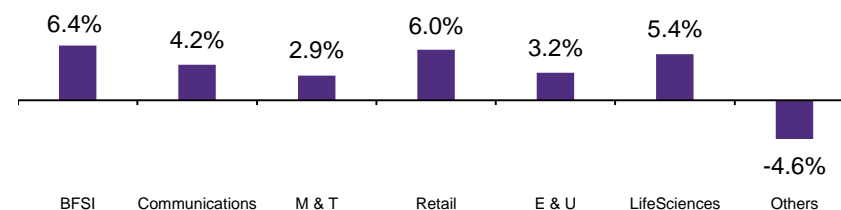
- Enterprise value as on 30 July 2021
- Last 12-month (LTM) revenue and EBITDA as on 30 July 2021 (reported currency)
- One-year and two-year forward estimates of revenue and EBITDA as on 30 July 2021

Revenue contribution and growth (reported USD currency) in verticals for Q1 FY 22

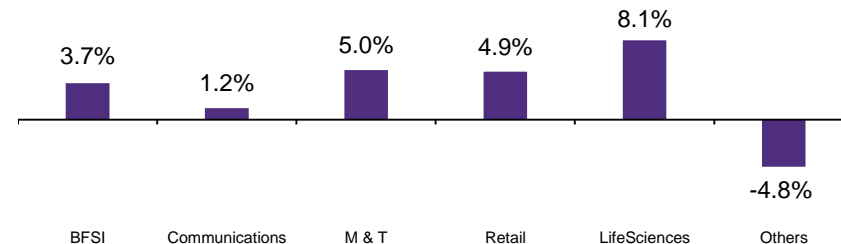
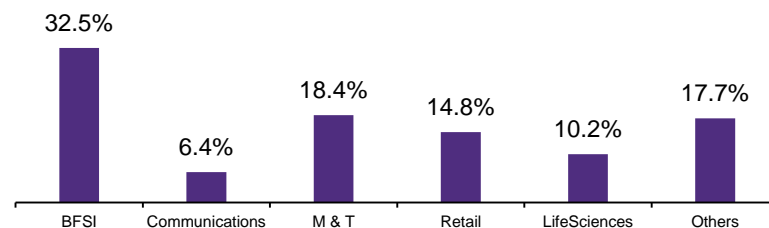
Revenue contribution in verticals for Q1 FY 22



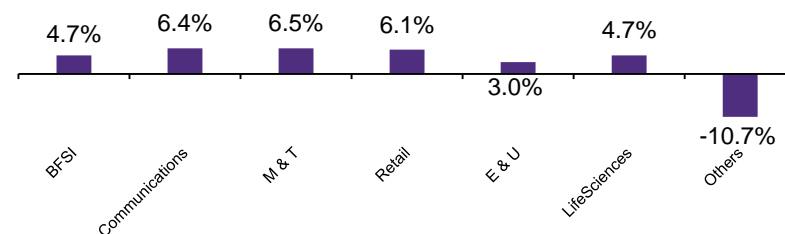
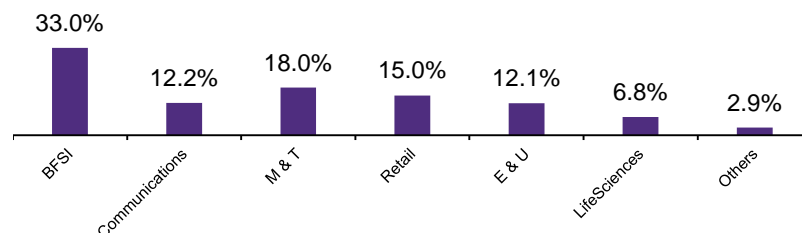
Revenue growth in verticals for Q1 FY 22 (Q-o-q%)



B TCS



C Infosys

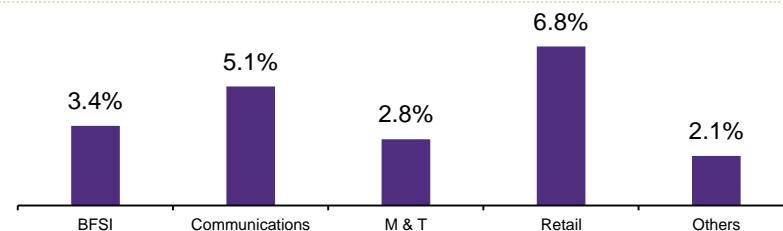
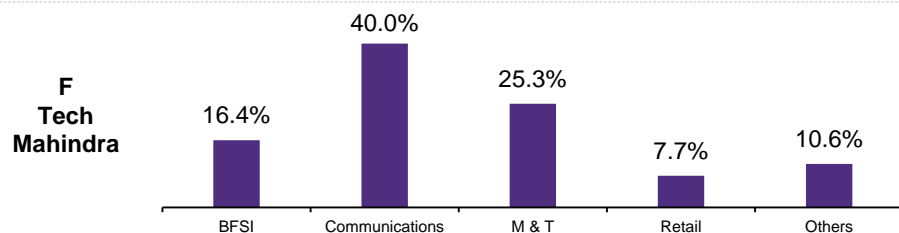
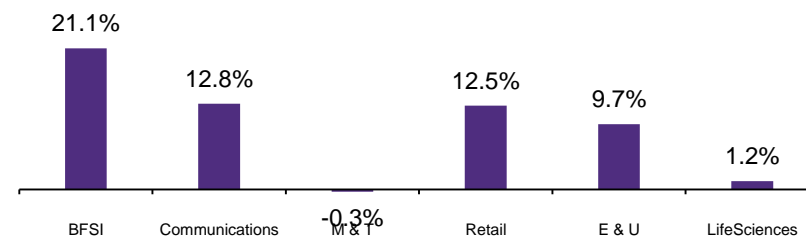
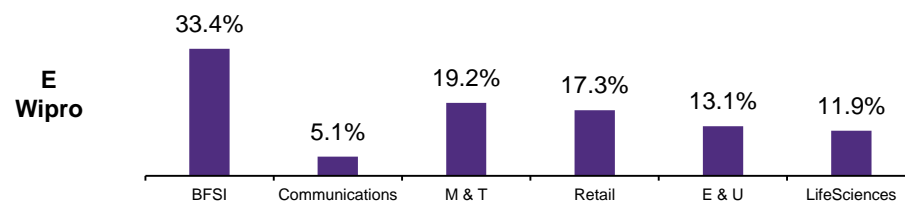
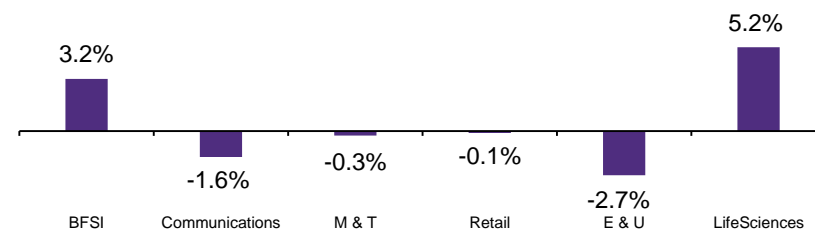
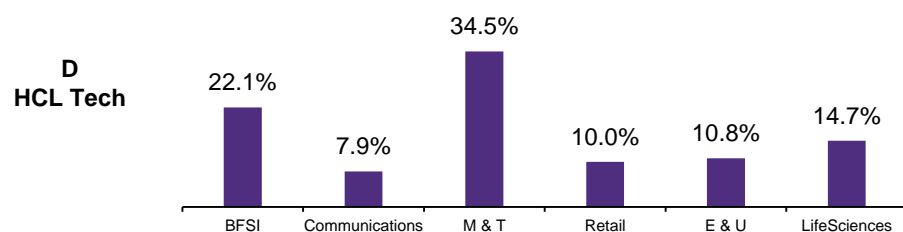


Segments: i) BFSI, ii) Communications, iii) M&T = manufacturing and technology, iv) Retail, v) E&U= energy and utilities, vi) Life sciences, vii) Others

Revenue contribution and growth (reported USD currency) in verticals for Q1 FY 22

Revenue contribution in verticals for Q1 FY 22

Revenue growth in verticals for Q1 FY 22 (Q-o-q%)



Segments: i) BFSI, ii) Communications, iii) M&T = manufacturing and technology, iv) Retail, v) E&U = energy and utilities, vi) Life sciences, vii) Others

Appendix 1 – IT services companies

- We have analysed the valuation multiples of IT services companies and have segregated the companies into large, mid and small-cap categories based on their current market capitalisation.

Large-cap companies	Mid-cap companies	Small-cap companies
<ul style="list-style-type: none">• Tata Consultancy Services (TCS)• Infosys• Wipro• HCL Technologies• Tech Mahindra	<ul style="list-style-type: none">• Mphasis• WNS (holdings)• Mindtree• Zensar Technologies Limited• L&T Infotech Limited• Persistent Systems• eClerx Services	<ul style="list-style-type: none">• Sonata Software• Firstsource Solutions• Hinduja Global Solutions• NIIT• Mastek• Genesys International Corporation• Datamatics Global Services• Cigniti Technologies• Kellton Tech Solutions• Expleo Solutions• R Systems International

- For our analysis, we have considered only those companies that were listed five years before Q1 FY 22. Further, we have removed certain outlier companies based on various parameters.
- We have carried out the analysis based on the financial numbers of these companies in reported rupee currency. Further, for comparison purposes, we have presented the corresponding dollar numbers that are converted based on the 30 June 2021 exchange rate. These do not represent reported dollar financial numbers.
- Kindly note that from Q1 FY 20, all companies accounted for leases in accordance with the transition guidelines of the relevant new accounting standard Ind AS 116/IFRS 16. This adjustment had a marginal impact on the EBITDA margins of all quarters from Q1 FY 20 onwards. However, the same adjustments are not reflected in the previous years' margins.

Appendix 2 – IT engineering and software product companies

We have analysed the valuation multiples of listed engineering and software companies in India over the last five years.

IT engineering companies*	Software product companies*/**
<ul style="list-style-type: none">• Tata Elxsi Limited• Cyient Limited• L&T Technology Services Limited	<ul style="list-style-type: none">• ABM Knowledgeware Limited• AurionPro Solutions Limited• Nucleus Software Exports Limited• Oracle Financial Services Software Limited• Ramco Systems Limited

* For our analysis, we have considered only those companies which were listed five years before Q1 FY 22. Further, we have removed certain outlier companies based on various parameters.

* We have carried out the analysis based on the financial numbers of these companies in reported rupee currency. Further, for comparison purposes, we have presented the corresponding dollar numbers, which are converted based on the 30 June 2021 exchange rate and do not represent reported dollar financial numbers.

* Kindly note that from Q1 FY 20, all companies are accounted for leases in accordance with the transition guidelines of the relevant new accounting standard Ind AS 116/IFRS 16. This adjustment had a marginal impact on the EBITDA margins of all quarters from Q1 FY 20 onwards. However, the same adjustments are not reflected in the previous years' margins.

** Companies primarily into developing software products.

Appendix 3 – Global IT services and technology companies

- We have analysed the valuation multiples of the following global IT services companies over the last five years:

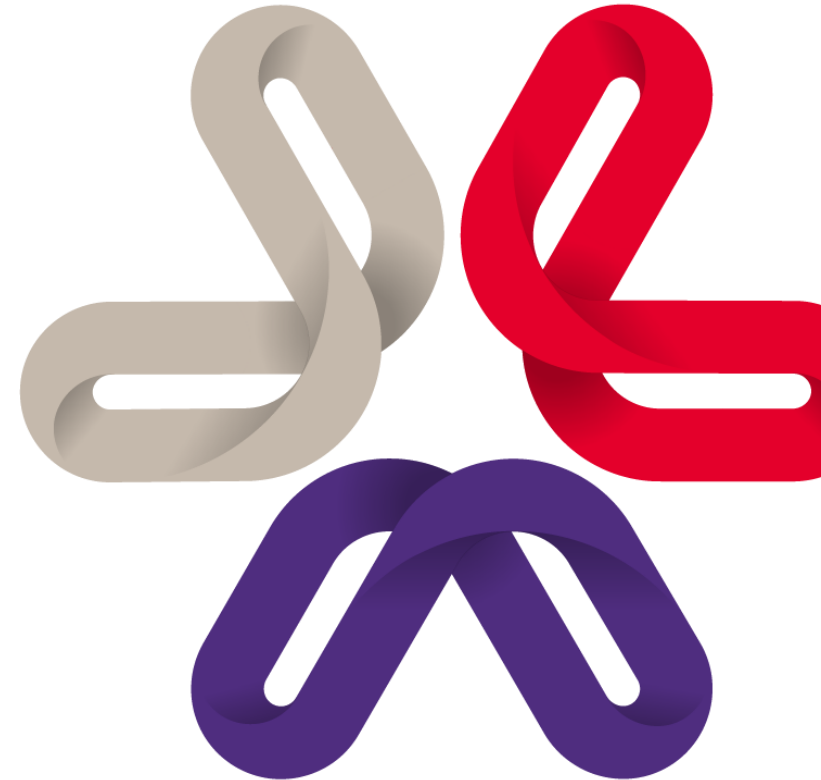
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- | | |
|---|---|
| • Capgemini SE | • Leidos Holding Incorporated |
| • EPAM Systems Incorporated | • Accenture plc |
| • CACI International Corporation | • Cognizant Technology Solutions Corporation |
| • Amdocs Limited | • DXC Technology Company |
| • Booz Allen Hamilton Holding Corporation | • International Business Machines (IBM) Corporation |
-

- We have analysed the valuation multiples of the following global technology companies over the last five years:

-
- | | |
|---------------------------|---|
| • Microsoft Corporation | • Synopsys Incorporated |
| • Adobe Incorporated | • ANSYS Incorporated |
| • Oracle Corporation | • Fortinet Incorporated |
| • Salesforce Incorporated | • Paycom Software Incorporated |
| • VMware Incorporated | • SS&C Technologies Holdings Incorporated |
-

References

- S&P Capital IQ database
- Annual fillings of IT services companies
- Earnings call transcripts of IT services companies
- Dealtracker published by Grant Thornton Bharat



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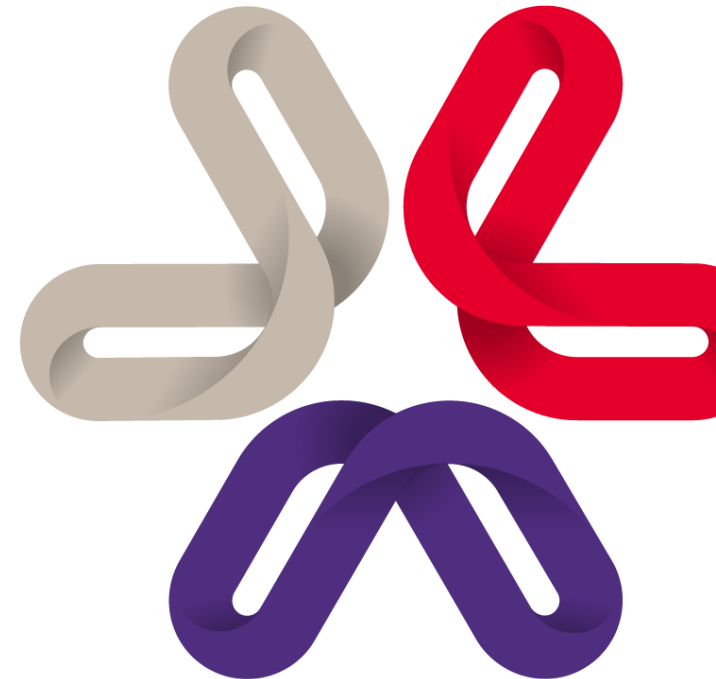
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