kotak neo

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

Cyient (CYL)

Current Market Price	Fair Value (FV)
Rs.1032	Rs.1100

Date: 26 August 2026

Previous Rating: REDUCE **Current Rating:** ADD **Change:** Upgrade

Ratings Rationale

- Cyient has laid out an ambitious roadmap to revive revenue growth and expand profitability in the DET segment over the medium term.
- The turnaround plan includes portfolio interventions; people refresh and tightening internal processes.
- Management expects these initiatives would help deliver sustained growth outperformance and achieve EBIT margin of ~15%.
- In CSPL, the company expects multiple tailwinds would enable the business to scale pro forma revenues by 4x until FY31.
- Improved execution can help in delivering better performance.
- We see early signs of progress on the turnaround journey.

(DET: Digital, Engineering, and Technology, EPS: Earnings Per Share, PAT: Profit After Tax, EBIT: Earnings Before Interest and Tax, CSPL: Cyient Semiconductors Private Limited)

Valuation

We recommend an ADD rating & with a Fair Value of Rs 1100.
Our FV implies 15x Jun 2028E EPS for the consolidated entity

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	**Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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NA	–	**Not Available or Not Applicable.** The information is not available for display or is not applicable
NM	–	**Not Meaningful.** The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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