

Salary Growth Rate and Discount Rate Assumption of NSE 50 Companies

The following table depicts the Salary Growth Rate (SGR) and Discount Rate (DR) assumptions adopted by the companies in different sectors in the NSE50 Index over the past two years:

S. No.	Company Name	Industry	31 March 2020		31 March 2021	
			SGR	DR	SGR	DR
1	Adani Ports & Special Economic Zone Ltd.	SERVICES	8.00%	6.70%	8.00%	6.70%
2	Asian Paints Ltd.	CONSUMER GOODS	All Grades - 9% for first 2 years and 8% thereafter	6.67%	All Grades - 10% for first year 9% for second year and 8% thereafter	6.87%
3	Axis Bank Ltd.	FINANCIAL SERVICES	7.00%	6.45%	5.80% until year 1, 7.00% thereafter	6.55%
4	Bajaj Auto Ltd.	AUTOMOBILE	10.00%	6.80%	10.00%	6.80%
5	Bajaj Finance Ltd.	FINANCIAL SERVICES	11.00%	6.80%	11.00%	6.80%
6	Bajaj Finserv Ltd.	FINANCIAL SERVICES	10.00%	6.80%	10.00%	6.80%
7	Bharat Petroleum Corporation Ltd.	OIL & GAS	8.00%	6.87%	8.00%	6.82%
8	Bharti Airtel Ltd.	TELECOM	7.50%	6.90%	7.50%	6.79%
9	Britannia Industries Ltd.	CONSUMER GOODS	7.00%	6.00%	7.00%	6.60%
10	Cipla Ltd.	PHARMA	5.00%	6.84%	7% p.a. until year 1, then 5.00% thereafter	6.87%
11	Coal India Ltd.	METALS	9% for executives 6.25% for non-executives	6.60%	9% for executives 6.25% for non-executives	6.85%
12	Divi's Laboratories Ltd.	PHARMA	6.00%	6.77%	6.00%	6.88%
13	Dr. Reddy's Laboratories Ltd.	PHARMA	7.50%	6.65%	8.00%	6.00%
14	Eicher Motors Ltd.	AUTOMOBILE	6.50%	6.85%	6.50%	6.85%
15	Grasim Industries Ltd.	CEMENT & CEMENT PRODUCTS	5.5% - 8%	6.75%	5.5% - 8%	6.40%
16	HCL Technologies Ltd.	IT	8.00%	6.60%	8.00%	6.45%
17	HDFC Bank Ltd.	FINANCIAL SERVICES	7.00%	6.60%	7.00%	6.50%
18	HDFC Life Insurance Company Ltd.	FINANCIAL SERVICES	6% for Front Line Staff & For Non front Line, Staff at 8% for service period up to one year and at 7.5% thereafter	6.80%	6% for Front Line Staff & For Non front Line, Staff at 8% for service period up to one year and at 7.5% thereafter	6.50%
19	Hero MotoCorp Ltd.	AUTOMOBILE	6.50%	6.60%	6.50%	6.70%
20	Hindalco Industries Ltd.	METALS	7.50%	6.50%	7.50%	6.25%
21	Hindustan Unilever Ltd.	CONSUMER GOODS	Management- 8% non-management- 8%	6.70%	Management- 8% non-management- 8%	6.70%
22	Housing Development Finance Corporation Limited	FINANCIAL SERVICES	6.00%	6.84%	6.00%	6.82%
23	ICICI Bank Ltd.	FINANCIAL SERVICES	7.00%	6.60%	7.00%	6.55%
24	ITC Ltd.	CONSUMER GOODS	Between 4% to 5%	6.25%	Between 4% to 5%	6.25%
25	Indian Oil Corporation Ltd.	OIL & GAS	8.00%	6.86%	8.00%	6.90%

S. No.	Company Name	Industry	31 March 2020		31 March 2021	
			SGR	DR	SGR	DR
26	IndusInd Bank Ltd.	FINANCIAL SERVICES	5.00%	6.84 - 6.90%	5.00%	6.75 - 6.77%
27	Infosys Ltd.	IT	6.00%	6.20%	6.00%	6.10%
28	JSW Steel Ltd.	METALS	6.00%	6.84%	5.10%	6.80%
29	Kotak Mahindra Bank Ltd.	FINANCIAL SERVICES	5.50% (IBA) and 0.00% until year 1 inclusive, then 7.00% (Others)	6.40% to 6.59%	5.50% (IBA) and 7.00% (Others)	6.20% to 6.37%
30	Larsen & Toubro Ltd.	CONSTRUCTION	6.00%	6.63%	6.00%	6.44%
31	Mahindra & Mahindra Ltd.	AUTOMOBILE	NA	6.85%	NA	6.30%
32	Maruti Suzuki India Ltd.	AUTOMOBILE	7.00%	6.85%	7.00%	6.85%
33	NTPC Ltd.	POWER	6.50%	6.75%	6.50%	6.75%
34	Nestle India Ltd.	CONSUMER GOODS	7.7%-12.6% for first 5 years, and 5.5% thereafter	6.75%	7.7%-11.3% for first 5 years, and 5.5% thereafter	6.75%
35	Oil & Natural Gas Corporation Ltd.	OIL & GAS	7.50%	6.80%	7.50%	6.81%
36	Power Grid Corporation of India Ltd.	POWER	6.50%	6.75%	6.50%	6.75%
37	Reliance Industries Ltd.	OIL & GAS	4.00% p.a. for the next 2 years, 6.00% p.a. thereafter	6.84%	4.00% p.a. for the next 1 years, 6.00% p.a. thereafter	6.95%
38	SBI Life Insurance Company Ltd.	FINANCIAL SERVICES	10% p.a. up to 5 years and 6% p.a. thereafter	5.45%	10% p.a. up to 5 years and 6% p.a. thereafter	5.18%
39	Shree Cement Ltd.	CEMENT & CEMENT PRODUCTS	12.46%	6.95%	12.15%	6.50%
40	State Bank of India	FINANCIAL SERVICES	5.40%	6.83%	5.60%	6.90%
41	Sun Pharmaceutical Industries Ltd.	PHARMA	9.38%-10%	6.50%	9.00%	6.25%
42	Tata Consultancy Services Ltd.	IT	6.00%	6.50%	6.00%	6.50%
43	Tata Consumer Products Ltd.	CONSUMER GOODS	8% for management staff 7% for workers/staff	6.50%	8% for management staff 7% for workers/staff	6.40%
44	Tata Motors Ltd.	AUTOMOBILE	5% - 10%	6.10% - 6.90%	5.75% - 10%	6.10% - 6.90%
45	Tata Steel Ltd.	METALS	7.5% to 10%	6.50%	7% to 12%	6.50%
46	Tech Mahindra Ltd.	IT	4% to 10%	6.40%	4% to 10%	6.20%
47	Titan Company Ltd.	CONSUMER GOODS	7% for non-management and 8% for Management	6.90%	7% for non-management and 8% for Management	6.90%
48	UPL Ltd.	FERTILISERS & PESTICIDES	7.50%	6.80%	7.50%	6.20%
49	UltraTech Cement Ltd.	CEMENT & CEMENT PRODUCTS	8.00%	6.65%	8.00%	7.05%
50	Wipro Ltd.	IT	7.40%	5.69%	7.41%	5.31%

Source: Annual reports of various companies, as available on the respective Companies' website.