

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 2021		31 March 2022	
			SGR	DR	SGR	DR
1	Adani Enterprises Ltd.	Metals & Mining	8.00%	6.70%	8.00%	6.90%
2	Adani Ports and Special Economic Zone Ltd.	Logistics	8.00%	6.70%	10.00%	6.90%
3	Apollo Hospitals Enterprise Ltd.	Healthcare	Hospital - 5% for year 1 and 6% thereafter, Pharmacy - 5% for year 1 and 6% thereafter.	5.58%	6.00%	6.09%
4	Asian Paints Ltd.	Consumer Durables	All grades - 10% for first year, 9% for the second year and 8% thereafter	6.87%	All grades - 9% for first 2 years and 8% thereafter	7.27%
5	Axis Bank Ltd.	Financial Services	5.80% p.a. until year 1 and 7.00% p.a. thereafter	6.55%	7.00%	6.80%
6	Bajaj Auto Ltd.	Automobile and Auto Components	10.00%	6.80%	10.00%	7.25%
7	Bajaj Finance Ltd.	Financial Services	11.00%	6.80%	11.00%	7.25%
8	Bajaj Finserv Ltd.	Financial Services	10.00%	6.80%	10.00%	7.25%
9	Bharat Petroleum Corporation Ltd.	Oil Gas & Consumable Fuels	8.00%	6.82%	8.00%	7.25%
10	Bharti Airtel Ltd.	Telecommunication	7.50%	6.79%	7.00%	7.20%
11	Britannia Industries Ltd.	Fast Moving Consumer Goods	7.00%	6.60%	7.00%	7.20%
12	Cipla Ltd.	Healthcare	7% for next 1 year and 5% thereafter	6.87%	7% for next 1 year and 5% thereafter	7.21%
13	Coal India Ltd.	Oil Gas & Consumable Fuels	9% for executives; 6.25% for non-executives	6.85%	Executives: 9%; Non Executives: 6.25%	6.80%
14	Divi's Laboratories Ltd.	Healthcare	6.00%	6.88%	6.00%	7.39%
15	Dr. Reddy's Laboratories Ltd.	Healthcare	8.00%	6.00%	8.50%	6.45%
16	Eicher Motors Ltd.	Automobile and Auto Components	6.50%	6.85%	7.00%	7.25%
17	Grasim Industries Ltd.	Construction Materials	5.50% - 8.00%	6.40%	6.00% - 8.00%	6.70%
18	HCL Technologies Ltd.	Information Technology	8.00%	6.45%	8.00%	6.75%
19	HDFC Bank Ltd.	Financial Services	7.00%	6.50%	7.00%	6.80%
20	HDFC Life Insurance Company Ltd.	Financial Services	Front Line: 6% for first year and 7.5% thereafter and Non front Line: 8% for first year and 7.5% thereafter	6.50%	Front Line: 6% for first year and 8% thereafter and Non front Line: 8% for first year and 8% thereafter	7.00%
21	Hero MotoCorp Ltd.	Automobile and Auto Components	6.50%	6.70%	6.50%	6.90%
22	Hindalco Industries Ltd.	Metals & Mining	7.50%	6.25%	7.50%	7.00%

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			SGR	DR	SGR	DR
23	Hindustan Unilever Ltd.	Fast Moving Consumer Goods	8.00%	6.70%	8.00%	6.90%
24	Housing Development Finance Corporation Ltd.	Financial Services	6.00%	6.82%	6.00%	7.25%
25	ICICI Bank Ltd.	Financial Services	7.00%	6.55%	7.00%	6.85%
26	ITC Ltd.	Consumer Goods	Between 4% to 5%	6.25%	Between 4% to 5.50%	6.75%
27	IndusInd Bank Ltd.	Financial Services	5.00%	6.75 - 6.77%	5.00%	6.90 - 7.30%
28	Infosys Ltd.	Information Technology	6.00%	6.10%	6.00%	6.50%
29	JSW Steel Ltd.	Metals & Mining	5.10%	6.80%	8.80%	6.98%
30	Kotak Mahindra Bank Ltd.	Financial Services	5.50% (IBA) and 7.00% (Others)	6.20% to 6.37%	5.50% (IBA) and 12% in year 1 inclusive and 7% thereafter (Others)	6.70% to 6.79%
31	Larsen & Toubro Ltd.	Construction	6.00%	6.47%	6.00%	7.05%
32	Mahindra & Mahindra Ltd.	Automobile and Auto Components	NA	6.30%	NA	6.95%
33	Maruti Suzuki India Ltd.	Automobile and Auto Components	7.00%	6.85%	7.00%	7.30%
34	NTPC Ltd.	Power	6.50%	6.75%	6.50%	7.00%
35	Nestle India Ltd.	Fast Moving Consumer Goods	7.7% -11.3% for first 5 years and 5.5% thereafter	6.75%	6.2% -13.7% for first 5 years 3.6% - 9.3% beyond 5 years	6.75%
36	Oil & Natural Gas Corporation Ltd.	Oil Gas & Fuels	7.50%	6.81%	7.50%	7.25%
37	Power Grid Corporation of India Ltd.	Power	6.50%	6.75%	6.50%	7.00%
38	Reliance Industries Ltd.	Oil Gas & Consumable Fuels	4.00% p.a. for the next 1 year and 6.00% p.a. thereafter	6.95%	6.00%	7.09%
39	SBI Life Insurance Company Ltd.	Financial Services	10% p.a. up to 5 years & 6% p.a. thereafter	5.18%	10% p.a. up to 5 years & 6% p.a. thereafter	5.66%
40	State Bank of India	Financial Services	5.60%	6.82%	5.80%	7.27%
41	Sun Pharmaceutical Industries Ltd.	Healthcare	9.00%	6.25%	10.00%	6.75%
42	Tata Consultancy Services Ltd.	Information Technology	6.00%	6.50%	6.00%	7.00%
43	Tata Consumer Products Ltd.	Fast Moving Consumer Goods	8% for management staff 7% for workers/staff	6.40%	8% for management staff, 7% for workers/staff	6.95%
44	Tata Motors Ltd.	Automobile	5.75% to 10.00%	6.10% to 6.90%	6.00% to 9.00%	6.50% to 7.10%
45	Tata Steel Ltd.	Metals & Mining	5.00% to 12.00%	6.5% to 6.83%	7.00% to 10.50%	7.00%
46	Tech Mahindra Ltd.	Information Technology	4.00% to 10.00%	6.20%	4.00% to 10.00%	6.20%
47	Titan Company Ltd.	Consumer Durables	Management: 8% ; Non Management: 7%	6.90%	7.00%	7.20%
48	UPL Ltd.	Chemicals	7.50%	6.20%	7.50%	6.80%
49	UltraTech Cement Ltd.	Construction Materials	8.00%	7.05%	8.00%	6.85%
50	Wipro Ltd.	Information Technology	7.41%	5.31%	7.52%	5.54%

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