

July 10, 2018

Result Report

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY19E	FY20E	FY19E	FY20E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	2,080		2,010	
Sales (Rs. m)	14,15,815	15,45,658	14,14,240	15,32,391
% Chng.			14.9	8.4
EBITDA (Rs. m)	3,83,339	4,07,865	3,74,430	3,94,964
% Chng.			26.5	25.8
EPS (Rs.)	79.9	85.1	77.7	82.0
% Chng.			15.2	5.5

Key Financials

	FY17	FY18	FY19E	FY20E
Sales (Rs. bn)	1,180	1,231	1,416	1,546
EBITDA (Rs. bn)	323	325	383	408
Margin (%)	27.4	26.4	27.1	26.4
PAT (Rs. bn)	263	258	306	326
EPS (Rs.)	66.7	67.5	79.9	85.1
Gr. (%)	8.6	1.1	18.4	6.6
DPS (Rs.)	23.4	25.0	29.6	31.5
Yield (%)	1.2	1.3	1.6	1.7
RoE (%)	32.6	29.4	31.9	28.8
RoCE (%)*	37.4	34.6	37.9	34.2
EV/Sales (x)	5.9	5.5	4.7	4.2
EV/EBITDA (x)	21.5	20.8	17.2	15.8
PE (x)	28.1	27.8	23.5	22.0
P/BV (x)	8.4	8.2	6.9	5.9

* Pre-Tax

Key Data

TCS.BO | TCS IN

52-W High / Low	Rs.1,930 / Rs.1,167
Sensex / Nifty	36,240 / 10,947
Market Cap	Rs.7,179bn / \$ 1,04,347m
Shares Outstanding	3,829m
3M Avg. Daily Value	Rs.14856.29m

Shareholding Pattern (%)

Promoter's	71.87
Foreign	16.59
Domestic Institution	6.86
Public & Others	4.58
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	7.3	33.6	54.0
Relative	5.0	27.0	34.8

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Broad-based growth across verticals

TCS delivered a strong set of performance for 1QFY19 with a beat on constant currency revenues, steady EBIT margins and PAT beat. **However, USD revenues missed our estimates owing to strong headwinds from cross currency movements (~USD250bps for the quarter)**, Revenues at USD5051mn were up 1.6% QoQ and 10% YoY and below our estimates (PLe: USD5071mn). Constant currency growth for the stood at 4.1% and above our estimates (PLe: 3.5%). EBIT margin for the quarter came at 25% down 40 bps QoQ and in line with our estimates (PLe: 25%). PAT for the quarter came at Rs73.2bn which is 1.6% above our estimates led by higher other income (PLe: Rs72.2bn). BFSI vertical revenues were up 3.7% QoQ in constant currency and 4.1% YoY and showed recovery. Management cited that BFSI revenues grew solid even excluding the platform led deal wins in Insurance vertical (Platform deal win revenues are reported in Regional markets vertical). Developed markets delivered strong traction led by new deal wins. Revenues from North America region were up a 3.7% QoQ. Traction in Europe remain strong with revenues from UK and Continental; Europe up 8.2/5.3% QoQ in constant currency respectively. Digital Revenues contributed to 25% of total revenues and were up 9% QoQ in constant currency and 45% YoY.

Owing to cross currency headwinds, we expect TCS' USD revenues to grow at 9.8% USD revenue growth for FY19E (vs 11.3% growth modelled earlier). TCS delivered 6.7% constant currency revenue growth for FY18 (8.6% USD revenue growth for FY18). Hence, FY19 remains a year of growth acceleration (vs FY18). **Despite its large revenue base (TCS annual revenues at USD19bn for FY18 which is 2.5x the annual revenues of HCL Tech), TCS is delivering strong growth among Tier 1 IT vendors. TCS is outpacing Accenture also on the organic revenue growth front. Accenture revenues set to grow 9.5-10% YoY in local currency for FY18 of which Accenture organic revenue growth would be 6.5-7% YoY. TCS FCF at USD4.2bn for FY18 is only 11% lower than Accenture FCF (post acquisition spend) for FY18E (please see table in page 8). TCS is likely to continue trading at premium P/E multiples (vs Accenture). While rupee depreciation could aid margins in FY19, we believe TCS might have to gradually pass on the benefits to clients. Hence, we desist from steep upgrade in FY20 margin assumptions.**

We reset our USD/INR assumptions lower to which leads to us drive margin and EPS upgrades (USD vs INR estimates at 67/67 for FY19/FY20E vs 65/65 earlier). We model EBIT margins at 25.7/25.1% for FY19/FY20E (vs 24.8% in FY18). Our EPS estimates are upgrades by 4/4% for FY19/FY20E to Rs 80/85/sh. TCS stock trades at 23x one year forward EPS (vs 19.3x traded four months ago). **TCS trades at 22.2x FY20E EPS. TCS now trades at 5% premium to Accenture. Upgrades TP by 4% to Rs2080/sh (24x FY20E EPS) led by EPS upgrade. Retain Accumulate.**



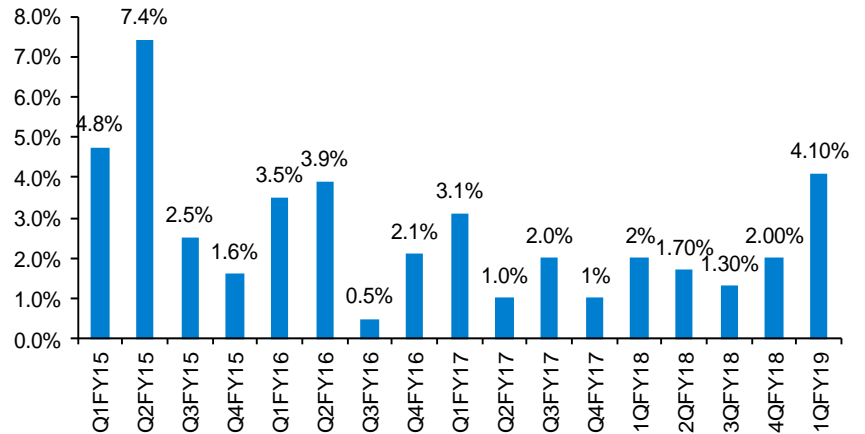
Exhibit 1: Consolidated P&L

(Rs mn)	1QFY19	4QFY18	QoQ Growth	1QFY18	YoY Growth	PI Estimates	Variance(PL VS ACTUAL)
Total Operating Income (USD)	5,051	4,972	1.6%	4,591	10.0%	5,071	-0.4%
Total Operating Income	342,610	320,750	6.8%	295,840	15.8%	342,322	0.1%
EBITDA	90,710	86,530	4.8%	74,130	22.4%	90,715	0.0%
EBITDA Margins	26.5%	27.0%	-50 bps	25.1%	142 bps	26.5%	
Pre -Tax Income	97,860	91,300	7.2%	78,460	24.7%	95,081	2.9%
Tax	24,240	22,040	10.0%	18,960	27.8%	22,819	6.2%
Tax- Rate	24.8%	24.1%	63 bps	24.2%	60 bps	24.0%	
PAT	73,400	69,050	6.3%	59,495	23.4%	72,111	1.8%
EPS	19.2	18.0	6.3%	15.2	26.1%	37.7	-49.1%

Source: Company, PL

- USD Revenues below estimates:** Revenues at USD5051mn were up 1.6% QoQ and 10.0% YoY and above our estimates (PLe: USD5071mn). Constant currency growth for the stood at 4.1% and above our ests (Ple: 3.5%).
- Digital revenues stood at USD1263mn up 6.7% QoQ and 45.5% YoY in USD. In Constant currency, Digital revenues for 1QFY19 were up 9.1% QoQ in and 44.8% YoY. Traditional Business (Revenues–Ex Digital) revenue came at USD3788mn flat QoQ and up a 1.7% YoY. Hence, Digital remains the key driver for incremental growth

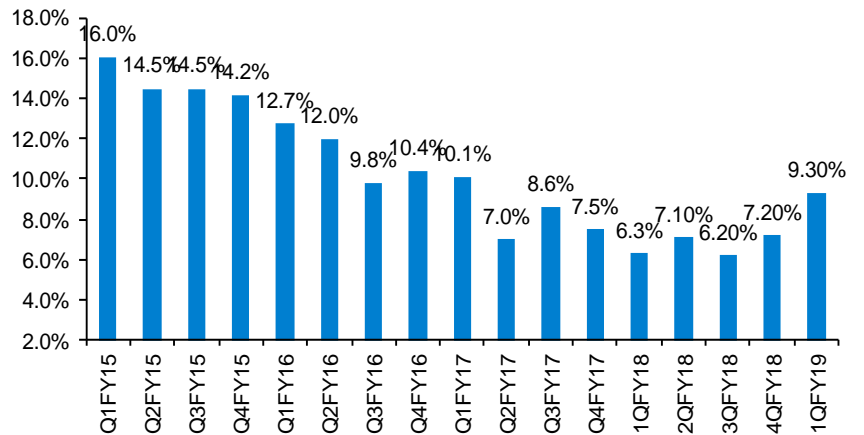
Exhibit 2: Revenue Growth in Constant Currency (QoQ)



Source: Company, PL

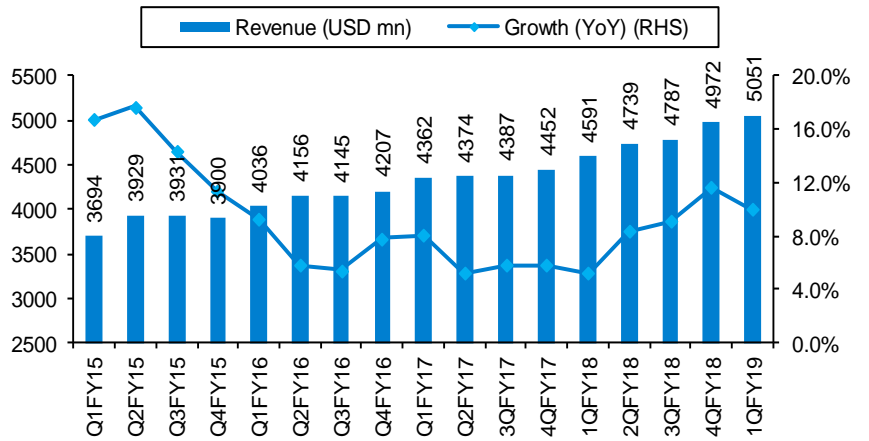
Constant currency revenue growth was the strongest over the past eleven quarters led by multiple deal wins and traction in Digital. TCS' cited that its unique competency in executing complex engagements is enabling deal wins.

Exhibit 3: Revenue growth in cc (YoY)



Source: Company, PL

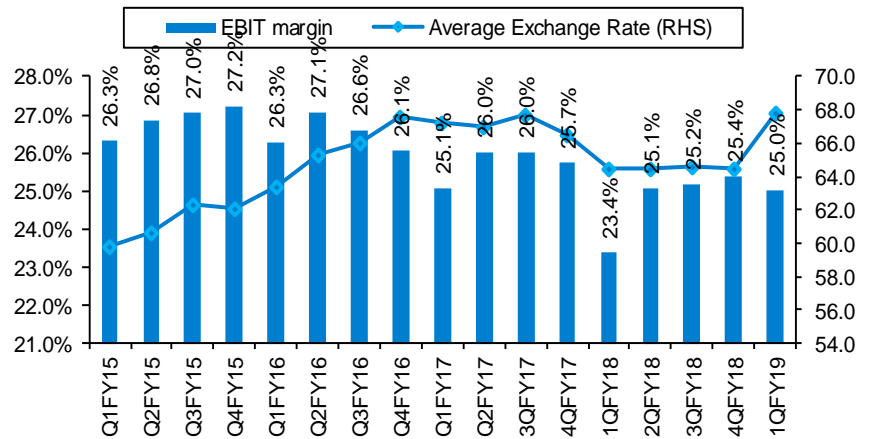
Exhibit 4: USD Revenue growth (YoY)



Source: Company, PL

- Margin in line our estimates:** EBITDA Margin for the quarter came at 26.5% down 50bps QoQ and inline with our estimates (PLe: 26.5%). EBIT margin for the quarter came at 25% down 40 bps QoQ and in line with our estimates (PLe: 25%). Headwinds from wage hikes (180bps) were negated by tailwinds from gains in operational efficiency (70bps) and rupee depreciation (70bps). Hence, reported margins have dropped by 40bps QoQ. PAT for the quarter came at Rs73.2bn which is above our estimates (PLe: Rs72.2bn).

Exhibit 5: EBIT Margin vs Average exchange rate



Source: PL, Company



Key Metrics

Exhibit 6: Geographical Mix of Revenues

Geography Mix in %	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19
North America	53.5	54	55	53	52.5	51.9	52	50.2	51.0
Latin America	2.0	2.0	2.2	2.1	2.1	2.2	2.2	2	1.9
UK	14.8	13.8	13.3	13.7	13.9	14	14.1	15.2	15.5
Continental Europe	11.5	11.8	11.1	11.8	12.5	13.4	13.5	14.2	14.0
India	6.2	5.8	6.3	6.8	7	6.3	6.3	6.2	5.8
APAC	9.6	10.2	9.6	9.7	9.5	9.8	9.5	9.7	9.6
MEA	2.4	2.4	2.5	2.6	2.5	2.4	2.4	2.5	2.2

Source: Company, PL

Exhibit 7: Revenue contribution by Geography and cc growth in geographies

Geography (CC Growth)	Revenue Contribution (%)	QoQ (CC growth)	YoY (CC Growth)
North America	51.0%	3.7%	7.0%
Latin America	1.9%	2.6%	5.2%
UK	15.5%	8.2%	18.7%
Continental Europe	14.0%	5.3%	18.6%
India	5.8%	-1.0%	-4.7%
Asia	9.6%	3.6%	10.8%
MEA	2.2%	-4.6%	-3.6%
Total	100.0%	4.1%	9.3%

Source: PL, Company

Exhibit 8: Headcount Details

Employee Details	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19
Total number of employees	362,079	371,519	378,497	387,223	385,809	389,213	390,880	394,988	400,875
Net additions	8,236	9,440	6,978	8,726	-1,414	3,404	1,667	4,118	5,877
Attrition	13.6%	12.9%	11.3%	11.3%	11.6%	11.3%	11.1%	11.0%	10.9%

Source: Company, PL

Company has restated the Retail and CPG vertical to include travel and hospitality vertical. Revenues from Retail and CPG vertical were up 3.6% QoQ.

Communication and Media (up 5.1% QoQ), Energy and Utilities (up 5.2% QoQ) and Regional markets (up 5.9% QoQ in cc) also delivered strong growth.

Exhibit 9: Revenue by vertical and growth (QoQ & YoY)

Verticals (CC Growth)	Revenue contribution (%)	QoQ (CC Growth)	YoY (CC Growth)
BFSI	31.10%	3.70%	4.10%
Retail & CPG	16.60%	3.60%	12.70%
Communication & Media	7.10%	5.10%	9.50%
Manufacturing	7.30%	2.30%	6.90%
Life Sciences & Healthcare	7.30%	4.30%	12.10%
Energy & Utilities	4.80%	5.20%	30.90%
Technology and services	7.70%	2.40%	6.70%
Regional markets and others	18.10%	5.90%	11.80%
Total	100.00%	4.10%	9.30%

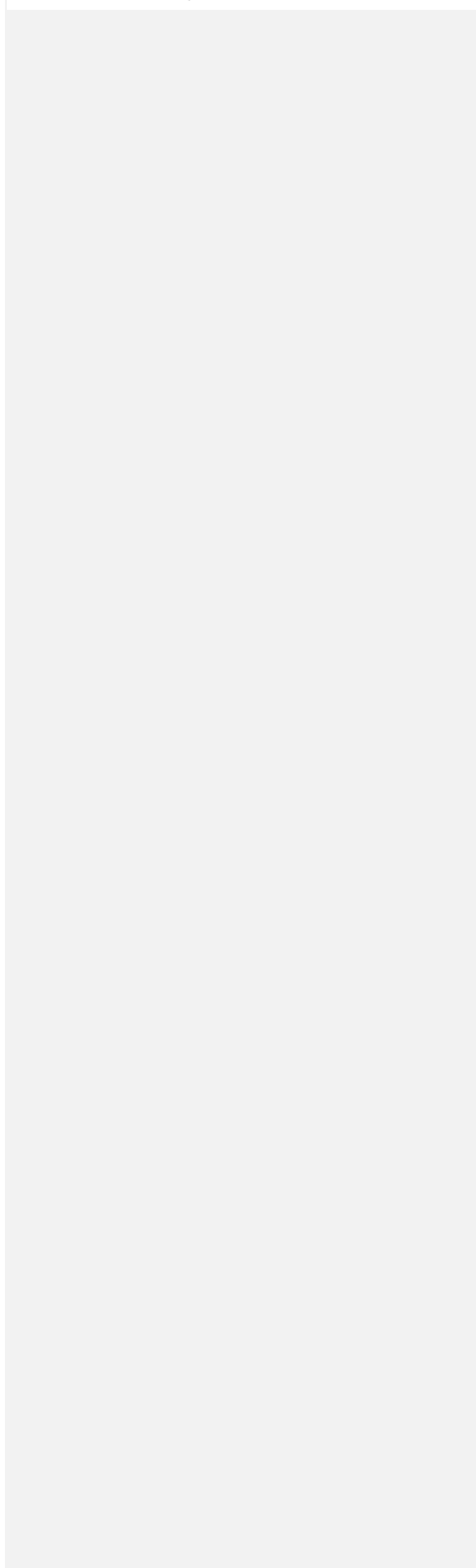
Source: Company, PL



Exhibit 10: Client Details

Client Bucket	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19
USD 1mn	838	829	847	859	880	897	905	933	941	963	978
USD 5mn	413	429	439	449	454	459	464	470	485	495	508
USD10 mn	281	298	298	295	300	310	322	328	337	350	355
USD20 mn	173	173	179	185	186	190	190	196	203	207	206
USD50 mn	65	73	77	78	80	84	85	91	94	97	97
USD100 mn	34	37	37	36	34	35	36	37	37	38	40

Source: Company, PL



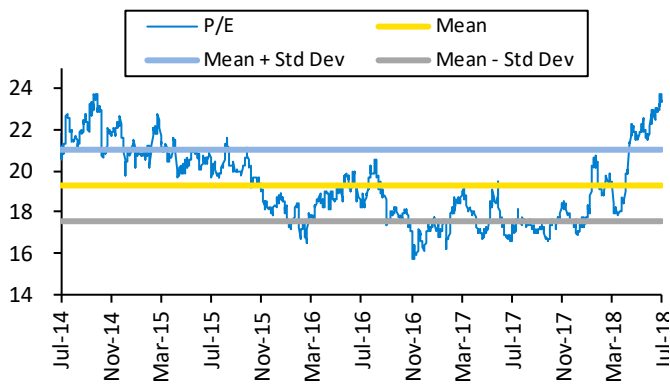
Valuations

Global peers Accenture (Annual Revenues at USD39bn for FY18) has guided for 9.5-10% YoY local currency revenue growth for FY18E (6.5-7% organic growth). Accenture has been delivering stable EBIT margin (~15% for FY18) and also showing strong headcount addition in global delivery centers.

We expect TCS (annual revenues of USD19bn for FY18) to grow by 10% YoY in for FY19. **TCS is showing acceleration in organic revenue growth in FY19E (vs Accenture).** TCS is likely to generate ~Rs291bn free cash flow in FY19 (~4% FCF yield).

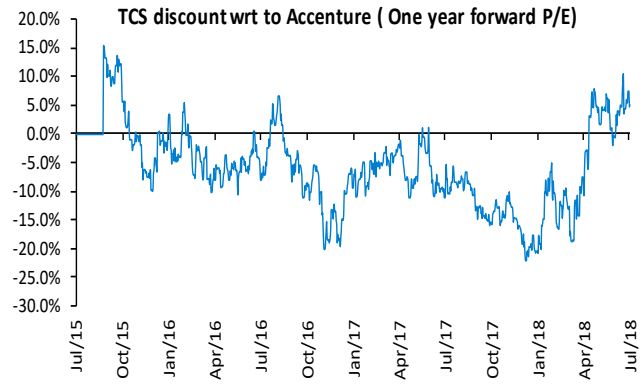
TCS Market capitalization as of today is at USD105bn while Accenture Market capitalization is at USD112bn. Hence, Accenture Mcap is 6% higher than that of TCS. TCS has narrowed its discount with respect to Accenture on the valuation and now trades at 6% premium to Accenture (vs 18% discount six month ago). Accenture trades at 23x one year forward P/E while TCS is trading at 24.5x one year forward EPS. Retain Accumulate on Tata Consultancy Services.

Exhibit 11: TCS one-year forward P/E Chart



Source: Company, PL

Exhibit 12: TCS vs. Accenture one-year forward P/E dis./prem.



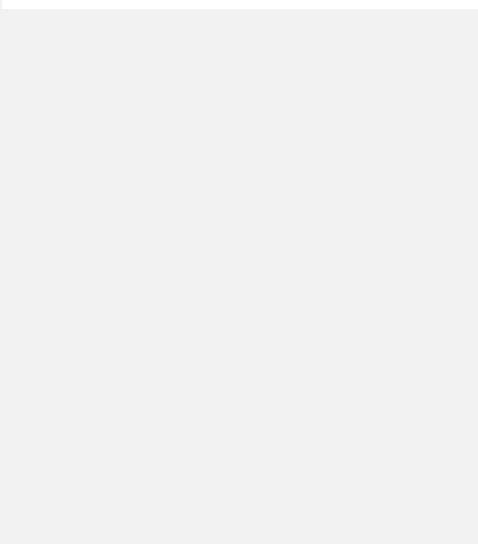
Source: Company, PL



Exhibit 13: Tata Consultancy Services vs Accenture (Key Metrics in USD bn)

Tata Consultancy Services	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Revenues (USD bn)	10.2	11.6	13.4	15.5	16.5	17.6	19.1	21.0	23.0
YoY Growth (%)	24.2%	13.7%	16.2%	15.0%	7.1%	6.2%	8.6%	10.2%	9.4%
Local currency growth (%)	23.0%	16.2%	17.3%	17.0%	11.9%	8.3%	6.7%		
EBIT (USD bn)	2.8	3.1	3.9	4.2	4.4	4.5	4.7	5.2	5.6
EBIT Margin (%)	27.7%	26.9%	29.1%	26.9%	26.5%	25.7%	24.8%	24.7%	24.1%
Headcount of TCS	238,583	276,196	300,464	319,656	353,843	387,223	394,988		
Growth (%)	20.1%	15.8%	8.8%	6.4%	10.7%	9.4%	2.0%		
Net Employee additions in the year	39,969	37,613	24,268	19,192	34,187	33,380	7,765		
Revenue per employee per year (USD)	42,630	44,944	46,624	49,842	49,129	47,432	48,808		
Free Cash of flow of TCS (post capex and acquisition spends)(USD bn)	1.1	1.8	2.0	2.9	2.9	3.7	4.1	4.6	4.3
Accenture*	FY12	FY13	FY14	FY15	FY16	FY17	FY18E	FY19E	FY20E
Revenues (USD bn)	27.9	28.6	30	31	32.9	34.9	39.09	41.85	44.3
YoY Growth (%)	9.3%	2.5%	5.1%	3.4%	5.9%	6.0%	12.0%	7.1%	5.9%
Local currency growth (%)	11.0%	4.0%	5.0%	11.0%	10.5%	7.0%	9%	NA	NA
EBIT (USD bn)	3.9	4.3	4.3	4.4	4.8	5.1	5.89	6.3	6.8
EBIT Margin (%)	13.9%	15.2%	14.3%	14.3%	14.6%	14.7%	15.1%	15.1%	15.3%
Headcount of Accenture	256,938	274,884	305,882	358,458	380,735	424,869	450,000		
Growth (%)	8.9%	7.0%	11.3%	17.2%	7.1%	10.7%	5.9%		
Net Employee addition	21,063	17,946	30,998	52,576	25,777	41,134	25,131		
Revenue per employee per year (USD)	108,587	107,555	103,312	93,326	89,016	86,643	89,362		
Free Cash Flow (post capex) (USD bn)	3.88	2.94	3.14	3.7	4.16	4.47	5.0	5.2	5.7
Free Cash Flow of Accenture (post capex and acquisitions)	3.71	2.14	2.4	2.91	3.23	2.73	4.6	5.2	5.7

Source: Company, PL * Accenture follows August 31 as year end



Financials

Income Statement (Rs m)

Y/e Mar	FY17	FY18	FY19E	FY20E
Net Revenues	11,79,660	12,31,040	14,15,815	15,45,658
YoY gr. (%)	8.6	4.4	15.0	9.2
Employee Cost	6,50,320	6,88,760	8,03,188	8,80,766
Gross Profit	5,29,340	5,42,280	6,12,626	6,64,892
Margin (%)	44.9	44.1	43.3	43.0
SG&A Expenses	2,06,230	2,17,110	2,29,287	2,57,027
Other Expenses	-	-	-	-
EBITDA	3,23,110	3,25,170	3,83,339	4,07,865
YoY gr. (%)	5.3	0.6	17.9	6.4
Margin (%)	27.4	26.4	27.1	26.4
Depreciation and Amortization	19,870	20,140	19,955	20,094
EBIT	3,03,240	3,05,030	3,63,384	3,87,771
Margin (%)	25.7	24.8	25.7	25.1
Net Interest	-	-	-	-
Other Income	41,890	35,900	43,080	42,000
Profit Before Tax	3,45,130	3,40,930	4,06,464	4,29,771
Margin (%)	29.3	27.7	28.7	27.8
Total Tax	81,560	82,120	99,848	1,03,145
Effective tax rate (%)	23.6	24.1	24.6	24.0
Profit after tax	2,63,570	2,58,810	3,06,616	3,26,626
Minority interest	680	495	820	800
Share Profit from Associate	-	-	-	-
Adjusted PAT	2,62,890	2,58,315	3,05,796	3,25,826
YoY gr. (%)	8.6	(1.7)	18.4	6.6
Margin (%)	22.3	21.0	21.6	21.1
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,62,890	2,58,315	3,05,796	3,25,826
YoY gr. (%)	8.6	(1.7)	18.4	6.6
Margin (%)	22.3	21.0	21.6	21.1
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,62,890	2,58,315	3,05,796	3,25,826
Equity Shares O/s (m)	3,940	3,828	3,828	3,828
EPS (Rs)	66.7	67.5	79.9	85.1

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY17	FY18	FY19E	FY20E
Non-Current Assets				
Gross Block	2,14,380	2,32,760	2,51,760	2,73,760
Tangibles	2,13,910	2,32,640	2,51,640	2,73,640
Intangibles	470	120	120	120
Acc: Dep / Amortization	96,500	1,16,640	1,36,595	1,56,688
Tangibles	96,500	1,16,640	1,36,595	1,56,688
Intangibles	-	-	-	-
Net fixed assets	1,17,880	1,16,120	1,15,165	1,17,072
Tangibles	1,17,410	1,16,000	1,15,045	1,16,952
Intangibles	470	120	120	120
Capital Work In Progress	-	-	-	-
Goodwill	37,210	38,840	38,840	38,840
Non-Current Investments	11,780	29,680	31,680	33,680
Net Deferred tax assets	18,860	22,530	22,530	22,530
Other Non-Current Assets	53,350	49,770	52,770	53,770
Current Assets				
Investments	4,16,360	3,57,070	3,57,070	3,57,070
Inventories	53,510	69,130	67,959	74,192
Trade receivables	2,26,840	2,50,370	2,75,405	3,00,662
Cash & Bank Balance	40,270	69,390	2,25,511	3,80,804
Other Current Assets	22,970	26,100	29,100	30,100
Total Assets	10,53,530	10,84,090	12,71,120	14,63,810
Equity				
Equity Share Capital	3,940	3,828	3,828	3,828
Other Equity	8,79,210	8,68,586	10,38,269	12,19,067
Total Network	8,83,150	8,72,414	10,42,097	12,22,895
Non-Current Liabilities				
Long Term borrowings	710	540	540	540
Provisions	4,540	5,030	5,230	5,430
Other non current liabilities	4,710	9,210	10,110	11,010
Current Liabilities				
ST Debt / Current of LT Debt	2,180	1,930	1,930	1,930
Trade payables	62,790	50,940	62,063	67,755
Other current liabilities	80,150	1,25,410	1,29,510	1,33,610
Total Equity & Liabilities	10,53,530	10,84,094	12,71,120	14,63,810

Source: Company Data, PL Research



Cash Flow (Rs m)

Y/e Mar	FY17	FY18	FY19E	FY20E
PBT	3,45,130	3,40,920	4,06,464	4,29,771
Add. Depreciation	19,870	20,140	19,955	20,094
Add. Interest	-	-	-	-
Less Financial Other Income	41,890	35,900	43,080	42,000
Add. Other	(4,560)	(3,000)	-	-
Op. profit before WC changes	3,60,440	3,58,060	4,26,419	4,49,865
Net Changes-WC	(11,060)	(310)	(15,741)	(24,798)
Direct tax	(79,460)	(76,090)	(99,848)	(1,03,145)
Net cash from Op. activities	2,69,920	2,81,660	3,10,830	3,21,922
Capital expenditures	(19,540)	(18,040)	(19,000)	(22,000)
Interest / Dividend Income	-	-	-	-
Others	(1,65,670)	15,510	-	-
Net Cash from Inv. activities	(1,85,210)	(2,530)	(19,000)	(22,000)
Issue of share cap. / premium	(540)	(1,60,420)	-	-
Debt changes	870	(190)	400	400
Dividend paid	(1,09,730)	(1,07,600)	(1,36,113)	(1,45,029)
Interest paid	-	-	-	-
Others	(660)	(240)	-	-
Net cash from Fin. activities	(1,10,060)	(2,68,450)	(1,35,713)	(1,44,629)
Net change in cash	(25,350)	10,680	1,56,117	1,55,293
Free Cash Flow	2,50,030	2,63,040	2,91,830	2,99,922

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY17	FY18	FY19E	FY20E
Per Share(Rs)				
EPS	66.7	67.5	79.9	85.1
CEPS	71.8	72.7	85.1	90.4
BVPS	224.1	227.9	272.2	319.5
FCF	63.5	68.7	76.2	78.3
DPS	23	25	30	31
Return Ratio(%)				
RoCE	37.4	34.6	37.9	34.2
ROIC	53.9	51.6	59.3	60.5
RoE	32.6	29.4	31.9	28.8
Balance Sheet				
Net Debt : Equity (x)	(0.5)	(0.5)	(0.6)	(0.6)
Debtor (Days)	70	74	71	71
Valuation(x)				
PER	28.1	27.8	23.5	22.0
P/B	8.4	8.2	6.9	5.9
P/CEPS	72.8	73.8	86.4	91.7
EV/EBITDA	21.5	20.8	17.2	15.8
EV/Sales	5.9	5.5	4.7	4.2
Dividend Yield (%)	1.2	1.3	1.6	1.7

Source: Company Data, PL Research

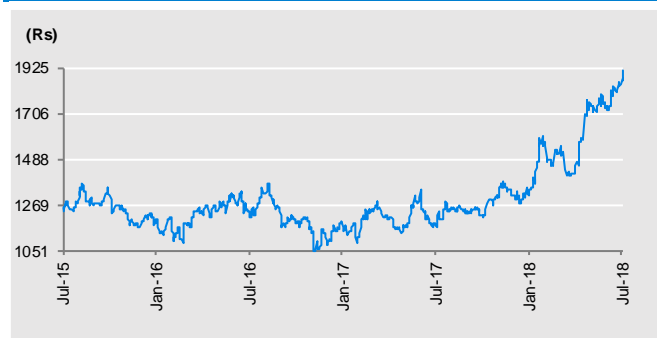
Quarterly Financials (Rs m)

Y/e Mar	Q3FY18	Q4FY18	Q1FY19
Net Revenue	3,09,040	3,20,750	3,42,610
YoY gr. (%)	3.9	8.2	15.8
Employee Cost	1,74,610	1,81,240	1,96,850
Gross Profit	1,34,430	1,39,510	1,45,760
Margin (%)	43.5	43.5	42.5
EBITDA	82,880	86,530	90,710
YoY gr. (%)	1.5	4.4	4.8
Margin (%)	26.8	27.0	26.5
Depreciation / Depletion	5,070	5,050	4,930
EBIT	77,810	81,480	85,780
Margin (%)	25.2	25.4	25.0
Net Interest	-	-	-
Other Income	8,640	9,820	12,080
Profit before Tax	86,450	91,300	97,860
Margin (%)	28.0	28.5	28.6
Total Tax	21,000	22,040	24,240
Effective tax rate (%)	24.3	24.1	24.8
Profit after Tax	65,450	69,260	73,620
Minority interest	-	-	-
Share Profit from Associates	(140)	(210)	(220)
Adjusted PAT	65,310	69,050	73,400
YoY gr. (%)	(3.6)	4.5	23.4
Margin (%)	21.1	21.5	21.4
Extra Ord. Income / (Exp)	-	-	-
Reported PAT	65,310	69,050	73,400
YoY gr. (%)	(3.6)	4.5	23.4
Margin (%)	21.1	21.5	21.4
Other Comprehensive Income	-	-	-
Total Comprehensive Income	65,310	69,050	73,400
Avg. Shares O/s (m)	3,829	3,829	3,829
EPS (Rs)	17.1	18.0	19.2

Source: Company Data, PL Research



Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	11-Jul-17	Accumulate	1300	1220.5
2	13-Jul-17	Accumulate	1275	1222
3	09-Oct-17	Accumulate	1275	1222.5
4	12-Oct-17	Accumulate	1300	1274.5
5	10-Jan-18	Accumulate	2600	2708
6	11-Jan-18	Accumulate	2770	2788
7	13-Apr-18	Accumulate	2770	3151
8	19-Apr-18	Accumulate	3380	3191

PL's Recommendation Nomenclature (Absolute Performance)

BUY	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly



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