

INDUSTRY IT

CMP (as on 23 May 2018) Rs 1,594

Target Price Rs 1,720

Nifty 10,430

Sensex 34,345

KEY STOCK DATA

Bloomberg LTI IN

No. of Shares (mn) 172

MCap (Rs bn) / (\$ mn) 274/4,010

6m avg traded value (Rs mn) 282

STOCK PERFORMANCE (%)
52 Week high / low Rs 1,755/725

3M 6M 12M

Absolute (%) 9.9 60.9 105.7

Relative (%) 9.3 58.9 92.4

SHAREHOLDING PATTERN (%)

Promoters 82.96

FIs & Local MFs 2.19

FPIs 6.92

Public & Others 7.93

Source : BSE

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Growth momentum continues

L&T Infotech (LTI) delivered strong quarter with rev at USD 309mn, 4.5/18.7% QoQ/YoY CC with FY18 revenue growth at 14.7% CC. While the growth in 4Q was BFS-led (~60% of incremental growth), FY18 performance was more balanced across verticals. EBITDA% came at 17.7% (adj for one-time settlement exp of Rs 617mn), +61bps QoQ supported by higher offshore-mix. APAT stood at Rs 3.38bn, 19.5/32.8% QoQ/YoY.

Management provided rev outlook of 'industry leading' growth for FY19. We re-iterate our positive stance on LTI based on (1) Strong deal pipeline and deal-win momentum (USD 50mn NN TCV from 2 accounts in Mfg-Exxon Mobil and BFS verticals), (2) Increase in digital (33% of rev) penetration (digital growth at 42% YoY), (3) Recovery in Insurance (18.3% of rev) and Manufacturing (17.3% of rev) verticals ahead, (4) Momentum in top 11 to 20 accounts (6.1% CQGR in TTM), and (5) Strong leadership bandwidth (continued S&M investments).

Financial Summary

YE March (Rs bn)	4QFY18	4QFY17	YoY (%)	3QFY18	QoQ (%)	FY16	FY17	FY18	FY19E	FY20E
Net Sales	20.01	16.77	19.3	18.84	6.2	58.46	65.01	73.06	87.41	100.33
EBITDA	2.92	3.19	(8.5)	3.22	(9.2)	10.25	12.30	11.87	15.07	18.97
APAT	3.38	2.55	32.8	2.83	19.5	8.37	9.71	11.61	12.29	14.76
Diluted EPS (Rs)	19.7	14.9	31.7	16.5	19.4	49.3	56.9	64.7	71.5	85.8
P/E (x)						32.4	28.0	24.7	22.3	18.6
EV / EBITDA (x)						26.4	21.0	21.6	16.8	13.1
RoE (%)						40.8	36.9	33.5	29.9	30.7

Source: Company, HDFC sec Inst Research # Consolidated

Revise earnings est higher by 2%. Factored USD rev growth at 18.8/14.8% and EBITDA% at 17.2/18.9% for FY19/20E respectively, implying rev CQGR of 3.5/3.4% for FY19/20 (5% for FY18). Expect rev/EPS growth of 17/15% CAGR with profitability impact of higher margins offset by lower other income (forex). Maintain BUY with TP of Rs 1,720, 20x FY20E.

Highlights of the quarter

- Onsite and offshore revenue grew 4.1% and 6.3% QoQ with onshore and offshore volume growth of 1.9% and 4% QoQ, respectively. Top-5 accounts decelerated, impacted by Insurance/Mfg verticals and is expected to recover ahead. Large deal TCV of USD 350mn in past seven quarters to supplement growth.
- Within service-lines, growth was driven by IMS which grew 15.3% QoQ CC. Among geographies, RoW and India led the growth at 15.6% QoQ and 6.6% QoQ.
- Near-term outlook:** Growth momentum expected to continue with ramp-up of large deals.

Quarterly Financials Snapshot (Consolidated)

Particulars (Rs bn)	4QFY18	4QFY17	YoY (%)	3QFY18	QoQ (%)
Revenue USD mn	309.0	254.1	21.6	293.5	5.3
Revenue	20.01	16.77	19.3	18.84	6.2
Direct cost	13.92	10.77	29.3	12.57	10.7
SG&A Expenses	3.17	2.82	12.7	3.05	3.9
EBITDA	2.92	3.19	(8.5)	3.22	(9.2)
Depreciation	0.36	0.42	(13.7)	0.40	(10.7)
EBIT	2.56	2.77	(7.7)	2.81	(9.0)
Other Income	0.21	0.00	5100.0	0.11	87.4
Interest Cost	0.05	0.01	271.4	0.04	48.6
FX Gains / (Loss)	0.91	0.50	82.4	0.77	17.9
PBT	3.68	3.28	12.2	3.70	(0.5)
Tax	0.78	0.73	7.4	0.87	(9.5)
RPAT	2.89	2.55	13.6	2.83	2.3
EO Items (Adj For Tax)	(0.49)	-	NA	-	NA
APAT	3.38	2.55	32.8	2.83	19.5

Source: Company, HDFC Sec Inst Research

Margin Analysis (%)

	4QFY18	4QFY17	YoY (bps)	4QFY18	QoQ (bps)
Direct cost % Net Sales	69.6	64.2	536	66.7	283
SG&A Expenses % Net Sales	15.9	16.8	(93)	16.2	(35)
Gross Margin %	30.4	35.8	(536)	33.3	(283)
EBITDA Margin (%)	14.6	19.0	(443)	17.1	(248)
EBIT Margin (%)	12.8	16.5	(375)	14.9	(214)
Tax Rate (%)	21.3	22.3	(96)	23.4	(212)
APAT Margin (%)	16.9	15.2	171	15.0	187

Source: Company, HDFC Sec Inst Research

Revenue came at USD 309mn,
5.3/21.6% QoQ/YoY
(4.5/18.7% CC)

FY18 revenue grew 14.7% CC
YoY and digital (33% of rev)
growth stood at 42% YoY

EBITDA% stood at 17.7%
(adjusted for one-time
expense of Rs 617mn towards
commercial settlement with a
customer), +61bps QoQ

BFS (28.7% of rev) led the growth at 9% QoQ CC

In FY18, BFS, CPG Retail Pharma, Hi-tech M&E and E&U verticals grew above company avg

Revenue Mix By Vertical

(% of revenue)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
BFS	26.0	26.0	26.9	26.8	27.3	27.1	28.7
Insurance	21.4	20.8	20.7	20.6	20.6	19.5	18.3
Manufacturing	18.0	17.8	19.1	16.6	16.0	17.3	17.3
Energy & Utilities	10.8	11.3	11.1	11.7	12.0	11.9	11.5
CPG, Retail & Pharma	7.8	8.0	8.2	8.5	9.0	9.2	9.0
High-Tech, Media & Entertainment	10.7	10.5	10.2	10.5	11.1	10.6	10.6
Others	5.3	5.7	3.9	5.3	4.0	4.6	4.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Company, HDFC Sec Inst Research

Vertical Revenue Growth

(QoQ, %)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
BFS	7.2	2.3	7.1	1.8	6.3	7.5	11.7
Insurance	1.6	(0.9)	3.2	1.8	4.4	2.4	(0.9)
Manufacturing	3.1	0.8	11.6	(11.3)	0.6	16.9	5.6
Energy & Utilities	(0.9)	7.0	1.8	7.5	7.1	7.1	2.2
CPG, Retail & Pharma	(0.1)	4.9	6.3	5.7	10.5	10.9	3.0
High-Tech, Media & Entertainment	(0.9)	0.3	0.7	5.0	10.4	3.6	5.3
Others	27.8	10.0	(29.1)	38.6	(21.2)	24.7	5.3
Total	3.7	2.3	3.7	2.0	4.4	8.5	5.3

Source: Company, HDFC Sec Inst Research

Revenue Mix By Service-Lines

(% of revenue)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Application Development Maintenance	38.2	36.3	36.5	36.2	34.6	33.5	32.8
Enterprise Solutions	23.0	23.2	23.7	22.9	24.1	26.4	27.0
Infrastructure Management Services	10.4	11.4	11.4	12.3	10.9	10.8	11.7
Testing	9.5	9.0	9.1	9.0	8.9	8.3	8.4
Analytics, AI & Cognitive	8.7	9.6	9.5	9.7	10.9	10.8	10.7
Enterprise Integration & Mobility	6.2	6.6	6.0	6.4	6.8	6.7	6.5
Platform Based Solutions	4.0	4.0	3.9	3.6	3.8	3.5	3.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Company, HDFC Sec Inst Research

Service-Line Revenue Growth

(QoQ, %)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Application Development Maintenance	2.9	(3.0)	4.2	1.2	(0.1)	5.0	2.9
Enterprise Solutions	(1.0)	2.9	5.9	(1.4)	10.1	18.8	7.5
Infrastructure Management Services	1.8	12.1	3.7	10.1	(7.5)	7.5	13.6
Testing	(0.5)	(3.1)	4.8	0.9	3.2	1.2	6.5
Analytics, AI & Cognitive	23.6	12.8	2.6	4.2	17.3	7.5	3.8
Enterprise Integration & Mobility	14.8	8.8	(5.8)	8.8	10.9	6.9	2.1
Platform Based Solutions	3.7	2.3	1.1	(5.8)	10.2	(0.1)	(6.8)
Total	3.7	2.3	3.7	2.0	4.4	8.5	5.3

Source: Company, HDFC Sec Inst Research

Geography Revenue Break-up

(% of revenue)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
North America	68.9	68.4	68.7	68.8	70.4	67.3	66.0
Europe	18.4	18.3	18.2	17.9	17.5	18.0	18.6
RoW	6.8	5.3	5.7	6.3	6.7	6.4	7.4
India	5.9	8.0	7.5	7.1	5.5	8.4	8.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Company, HDFC Sec Inst Research

Geography Revenue Growth

(QoQ, %)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
North America	3.0	1.5	4.1	2.2	6.8	3.7	3.3
Europe	6.0	1.7	2.8	0.3	2.1	11.6	9.1
RoW	2.2	(20.3)	11.5	12.7	11.0	3.6	21.7
India	7.4	38.6	(2.8)	(3.4)	(19.1)	65.7	0.3
Total	3.7	2.3	3.7	2.0	4.4	8.5	5.3

Source: Company, HDFC Sec Inst Research

IMS (11.7% of rev) and enterprise solutions (27% of rev) led the growth at 15.3% and 6.3% QoQ

In FY18, all service-lines ex-ADM, Testing grew above 20% YoY

NorthAm grew in-line with co avg in FY18

Offshore revenue grew 6.3% QoQ and onsite revenue grew 4.1% QoQ

Revenue Mix By Delivery

(% of revenue)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Onsite	48.8	47.7	48.7	46.8	46.6	46.2	45.7
Offshore	51.2	52.3	51.3	53.2	53.4	53.8	54.3

Source: Company, HDFC Sec Inst Research

Revenue Growth By Delivery

(QoQ, %)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Onsite	5.2	(0.1)	5.8	(2.0)	4.0	7.5	4.1
Offshore	2.3	4.4	1.7	5.8	4.8	9.3	6.3
Total	3.7	2.3	3.7	2.0	4.4	8.5	5.3

Source: Company, HDFC Sec Inst Research

Client-wise Revenue Break-up

(% of revenue)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Top Client	14.0	15.1	15.5	NA	NA	NA	NA
Top-5 Clients	37.1	38.3	38.5	38.1	38.0	36.4	35.2
Top-10 Clients	51.8	52.1	53.1	50.9	50.9	50.8	49.6
Top-20 Clients	67.6	68.3	68.0	66.3	66.0	66.1	65.1

Source: Company, HDFC Sec Inst Research

Client-wise Revenue Growth

(QoQ, %)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Top Client	9.2	10.3	6.4	NA	NA	NA	NA
Top-5 Clients	4.9	5.6	4.2	0.9	4.1	3.9	1.8
Top-10 Clients	4.7	2.8	5.7	(2.2)	4.4	8.2	2.8
Top-20 Clients	3.6	3.3	3.2	(0.5)	3.9	8.6	3.7

Source: Company, HDFC Sec Inst Research

Utilisation moderated to 79.9% from 80.3% in 3Q

Headcount, Utilisation Data

(Nos.)	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Total headcount	19,751	20,605	21,023	22,321	22,554	23,394	24,139
<i>Development</i>	<i>18,428</i>	<i>19,234</i>	<i>19,627</i>	<i>20,899</i>	<i>21,147</i>	<i>21,979</i>	<i>22,655</i>
<i>Sales & support</i>	<i>1,323</i>	<i>1,371</i>	<i>1,396</i>	<i>1,422</i>	<i>1,407</i>	<i>1,415</i>	<i>1,484</i>
Net additions	459	854	418	1,298	233	840	745
Attrition rate (%)	18.5	18.1	16.9	14.7	15.0	14.6	14.8
Utilisation - incl trainees (%)	78.7	78.1	78.3	77.7	79.6	80.3	79.9
Utilisation - excl trainees (%)	80.6	80.5	79.3	78.2	80.7	81.5	81.1

Source: Company, HDFC Sec Inst Research

Key Assumptions

Particulars	FY16	FY17	FY18	FY19E	FY20E
Onsite Revenue growth (%)	9.9	9.3	11.8	19.0	17.2
Offshore Revenue growth (%)	9.2	9.4	21.3	18.6	12.7
Total USD revenue growth (%)	9.5	9.3	16.7	18.8	14.8
USD/INR rate	65.9	67.0	64.5	65.0	65.0
EBITDA margin (%)	17.5	18.9	16.3	17.2	18.9
APAT margin (%)	14.3	14.9	15.9	14.1	14.7

Source: Company, HDFC Sec Inst Research

Factored forex gain of Rs 2.03/1.70bn (Rs 3.39bn) at realisation of USD-INR 65

OCF/EBITDA at 75% impacted by increase in working capital (increase in unbilled revenue linked to large projects)

Change In Estimates

Particulars	Earlier estimates	Revised estimates	% change
FY19E			
Revenue (USD mn)	1,326	1,345	1.4
Revenue (Rs bn)	86.18	87.41	1.4
EBITDA (Rs bn)	15.36	15.07	(1.9)
EBITDA Margin (%)	17.8%	17.2%	(58)bps
EPS (Rs)	73.9	71.5	(3.3)
FY20E			
Revenue (USD mn)	1,511	1,544	2.1
Revenue (Rs bn)	98.23	100.33	2.1
EBITDA (Rs bn)	18.56	18.97	2.2
EBITDA Margin (%)	18.9%	18.9%	
EPS (Rs)	84.2	85.8	1.9

Source: HDFC sec Inst Research

Peer Valuation

Company	Mcap (Rs bn)	CMP (Rs)	Reco.	TP (Rs)	EPS (Rs)				P/E (x)				RoE (%)			
					FY17	FY18E	FY19E	FY20E	FY17	FY18E	FY19E	FY20E	FY17	FY18E	FY19E	FY20E
L&T Infotech	274	1,594	BUY	1,720	56.9	64.7	71.5	85.8	28.0	24.7	22.3	18.6	36.9	33.5	33.5	29.9
Mphasis	209	1,081	BUY	1,060	38.8	43.8	50.3	59.0	27.9	24.7	21.5	18.3	13.4	14.6	17.0	18.3
Mindtree	169	1,034	BUY	970	24.9	29.4	39.6	48.6	41.6	35.2	26.1	21.3	16.8	21.4	22.3	24.2
L&T Tech	134	1,311	BUY	1,500	41.8	46.4	55.1	68.0	31.4	28.2	23.8	19.3	33.3	27.7	26.1	26.2
Hexaware *	126	424	BUY	490	13.9	16.9	19.7	23.5	30.5	25.2	21.6	18.0	26.7	26.9	27.1	28.0
Cyient	88	786	BUY	755	32.9	38.6	42.8	50.4	23.9	20.4	18.4	15.6	17.4	18.1	19.4	20.5
Persistent	66	827	BUY	840	37.7	40.4	43.6	52.3	22.0	20.5	19.0	15.8	17.0	16.0	15.5	16.7
Zensar	58	1,271	BUY	1,350	51.6	53.1	69.3	84.3	24.6	23.9	18.3	15.1	16.7	15.1	17.2	18.2
eClerx	51	1,325	NEU	1,285	87.8	69.4	75.5	91.7	15.1	19.1	17.6	14.4	30.8	24.1	23.3	26.5
KPIT Tech	51	258	NEU	202	11.1	12.1	13.3	16.8	23.3	21.3	19.4	15.3	14.8	14.5	14.3	16.2
Sonata	36	338	BUY	375	15.1	18.6	20.8	23.9	22.4	18.2	16.2	14.1	29.3	31.0	31.2	32.0

Source: HDFC sec Inst Research, * Dec Y-E

Income Statement(Consolidated)

YE March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
Net Revenues (USD mn)	887	970	1,132	1,345	1,544
Growth (%)	9.5%	9.3%	16.7%	18.8%	14.8%
Net Revenues	58.46	65.01	73.06	87.41	100.33
Growth (%)	17.4%	11.2%	12.4%	19.6%	14.8%
Employee Expenses	35.27	37.76	43.29	51.36	57.94
Other operating expenses	12.95	14.95	17.90	20.98	23.42
EBITDA	10.25	12.30	11.87	15.07	18.97
EBITDA Margin (%)	17.5%	18.9%	16.3%	17.2%	18.9%
EBITDA Growth (%)	2.0%	20.0%	-3.5%	26.9%	25.8%
Depreciation	1.74	1.78	1.56	2.19	2.51
EBIT	8.51	10.52	10.31	12.89	16.46
Other Income (Including EO Items)	1.90	1.87	4.26	3.14	3.03
Interest	0.06	0.03	0.16	0.06	0.06
PBT	10.35	12.36	14.41	15.97	19.42
Tax (Incl Deferred)	1.98	2.65	3.29	3.67	4.66
RPAT	8.37	9.71	11.12	12.29	14.76
APAT	8.37	9.71	11.61	12.29	14.76
APAT Growth (%)	10.2%	16.1%	19.6%	5.9%	20.1%
Adjusted EPS (Rs)	49.3	56.9	64.7	71.5	85.8
EPS Growth (%)	4.6%	15.6%	13.6%	10.5%	20.1%

Source: Company, HDFC sec Inst Research

Balance Sheet (Consolidated)

YE March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
SOURCES OF FUNDS					
Share Capital - Equity	0.17	0.17	0.17	0.17	0.17
Reserves	21.08	31.27	37.72	44.12	51.79
Total Shareholders' Funds	21.25	31.44	37.90	44.29	51.96
Total Debt	0.55	-	1.04	1.04	1.04
Net Deferred Taxes	(1.97)	(1.26)	(1.79)	(1.79)	(1.79)
Long Term Provisions & Others	0.24	0.29	0.28	0.33	0.38
TOTAL SOURCES OF FUNDS	20.07	30.47	37.44	43.89	51.61
APPLICATION OF FUNDS					
Net Block	2.79	2.58	2.51	3.75	4.05
Goodwill & intangibles	3.77	2.85	4.36	4.90	5.36
Investments	1.75	3.47	2.70	2.70	2.70
LT Loans & Advances	0.89	0.72	0.39	0.46	0.53
Total Non-current Assets	9.21	9.62	9.96	11.83	12.65
Debtors	11.66	11.70	13.96	16.70	19.17
Other Current Assets	4.67	5.71	8.60	10.29	11.81
Cash & Equivalents	3.87	15.88	18.67	21.53	26.88
Total Current Assets	20.20	33.29	41.24	48.53	57.86
Creditors	3.41	3.37	3.89	4.65	5.34
Other Current Liabilities & Prov.	5.94	9.07	9.87	11.81	13.56
Total Current Liabilities	9.34	12.44	13.76	16.46	18.90
Net Current Assets	10.86	20.85	27.48	32.06	38.96
TOTAL APPLICATION OF FUNDS	20.07	30.47	37.44	43.89	51.61

Source: Company, HDFC sec Inst Research

Cash Flow(Consolidated)

YE March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
Reported PBT	10.35	12.36	14.41	15.97	19.42
Interest expenses	0.06	0.03	0.16	0.06	0.06
Depreciation	1.74	1.78	1.56	2.19	2.51
Working Capital Change	(0.94)	2.02	(3.83)	(1.73)	(1.56)
Tax Paid	(1.98)	(2.65)	(3.29)	(3.67)	(4.66)
OPERATING CASH FLOW (a)	8.63	14.46	8.82	12.79	15.76
Capex	(1.14)	(0.75)	(0.98)	(1.14)	(1.30)
<i>Free cash flow (FCF)</i>	<i>7.49</i>	<i>13.70</i>	<i>7.84</i>	<i>11.66</i>	<i>14.45</i>
Investments	0.57	(0.58)	(0.68)	(1.79)	(0.76)
INVESTING CASH FLOW (b)	(0.57)	(1.34)	(1.66)	(2.92)	(2.06)
Debt Issuance/(Repaid)	(1.64)	(0.40)	1.04	-	-
Interest Expenses	(0.06)	(0.03)	(0.16)	(0.06)	(0.06)
<i>FCFE</i>	<i>5.79</i>	<i>13.27</i>	<i>8.72</i>	<i>11.59</i>	<i>14.39</i>
Share Capital Issuance	0.01	0.00	0.00	-	-
Dividend	(5.47)	(3.38)	(4.67)	(5.90)	(7.09)
FINANCING CASH FLOW (c)	(7.16)	(3.81)	(3.79)	(5.96)	(7.15)
NET CASH FLOW (a+b+c)	0.91	9.31	3.38	3.91	6.55
Closing Cash & Equivalents	3.87	15.88	18.67	21.53	26.88

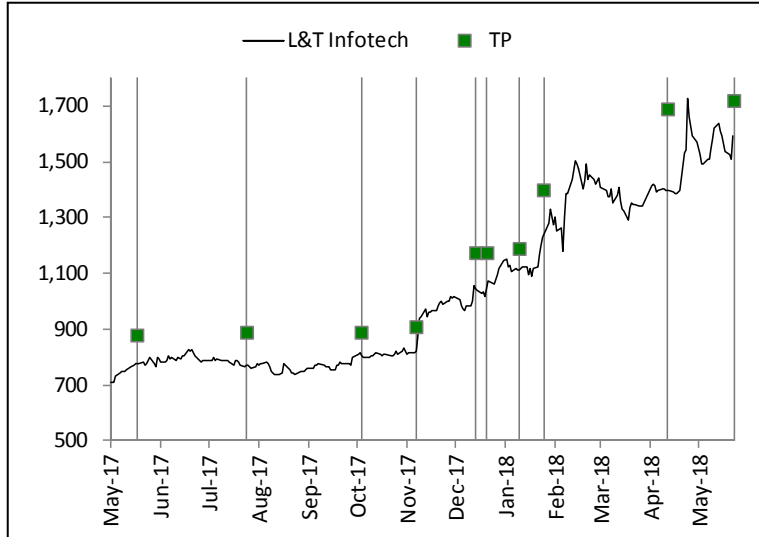
Source: Company, HDFC sec Inst Research

Key Ratios(Consolidated)

YE March	FY16	FY17	FY18	FY19E	FY20E
PROFITABILITY (%)					
GPM	39.7	41.9	40.8	41.2	42.3
EBITDA Margin	17.5	18.9	16.3	17.2	18.9
APAT Margin	14.3	14.9	15.9	14.1	14.7
RoE	40.8	36.9	33.5	29.9	30.7
RoIC (or Core RoCE)	42.3	53.7	47.7	48.3	53.1
RoCE	40.7	38.5	34.6	30.4	31.0
EFFICIENCY					
Tax Rate (%)	19.2	21.4	22.8	23.0	24.0
<i>Fixed Asset Turnover (x)</i>	<i>4.1</i>	<i>4.3</i>	<i>4.1</i>	<i>4.4</i>	<i>4.7</i>
<i>Debtors (days)</i>	<i>73</i>	<i>66</i>	<i>70</i>	<i>70</i>	<i>70</i>
<i>Payables (days)</i>	<i>21</i>	<i>19</i>	<i>19</i>	<i>19</i>	<i>19</i>
Cash Conversion Cycle (days)	44	28	44	44	44
Debt/EBITDA (x)	0.1	-	0.1	0.1	0.1
Net D/E (x)	(0.2)	(0.5)	(0.5)	(0.5)	(0.5)
Interest Coverage (x)	147	329	65	205	261
PER SHARE DATA (Rs)					
EPS	49.3	56.9	64.7	71.5	85.8
CEPS	59.5	67.6	77.6	85.2	101.7
Dividend	33	17	22	29	35
Book Value	125	185	223	261	306
VALUATION					
P/E (x)	32.4	28.0	24.7	22.3	18.6
P/BV (x)	12.7	8.6	7.1	6.1	5.2
EV/EBITDA (x)	26.4	21.0	21.6	16.8	13.1
OCF/EV (%)	3.2	5.6	3.4	5.0	6.3
FCF/EV (%)	2.8	5.3	3.1	4.6	5.8
FCFE/Mkt Cap (%)	2.1	4.8	3.2	4.2	5.2
Dividend Yield (%)	2.0	1.0	1.3	1.8	2.2

Source: Company, HDFC sec Inst Research

RECOMMENDATION HISTORY



Date	CMP	Reco	Target
22-May-17	778	BUY	880
25-Jul-17	773	BUY	890
4-Oct-17	812	BUY	890
7-Nov-17	820	BUY	910
14-Dec-17	1,044	BUY	1,175
21-Dec-17	1,017	BUY	1,175
10-Jan-18	1,109	BUY	1,190
26-Jan-18	1,228	BUY	1,400
12-Apr-18	1,397	BUY	1,690
24-May-18	1,594	BUY	1,720

Rating Definitions

- BUY : Where the stock is expected to deliver more than 10% returns over the next 12 month period
- NEUTRAL : Where the stock is expected to deliver (-)10% to 10% returns over the next 12 month period
- SELL : Where the stock is expected to deliver less than (-)10% returns over the next 12 month period

INSTITUTIONAL RESEARCH
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