

## Tata Consultancy Services (TCS)

### Performance highlights

(` cr)	2QFY18	1QFY18	% chg (qoq)	2QFY17	% chg (yoy)
<b>Net revenue</b>	<b>30,541</b>	<b>29,584</b>	<b>3.2</b>	<b>29,284</b>	<b>4.3</b>
Adj. EBITDA	7,065	7,413	(4.7)	7,965	(11.4)
Adj. EBITDA margin (%)	26.8	25.1	171bp	27.2	(94.1)bp
<b>Adj. PAT</b>	<b>6,460</b>	<b>5,950</b>	<b>8.6</b>	<b>6,603</b>	<b>(2.2)</b>

Source: Company, Angel Research

For 2QFY2018, TCS posted above expectation results on the EBIT and net profit fronts. The company posted 3.2% sequential growth in USD revenues to US\$4,739mn v/s. US\$4,738mn expected, mostly driven by volume (3.2% qoq growth). In Constant Currency (CC) terms, the company posted a 1.7% qoq growth. EBIT margins came in at 25.1% v/s. 24.1% expected, posting a qoq expansion of 171bps. Consequently, PAT came in at `6,460cr v/s. `6,314cr expected, growing 8.6% qoq. **We maintain our Neutral rating.**

**Quarterly highlights:** Company posted 3.2% sequential growth in USD revenues to US\$4,739mn v/s. US\$4,738mn expected, mostly volume led (3.2% qoq growth). In CC terms, the company posted a 1.7% qoq growth. Geographically, performance was mixed within USA (North America posted 1.4% vs Latin America's 5.7% qoq CC), Europe (UK posted a 2.5% qoq CC growth vs 5.3% for Continental Europe), and Asia Pacific (posted a 3.0% qoq CC growth). In terms of verticals, BFSI, Communication & Media, Manufacturing, Life Sciences & healthcare, and Energy & Utilities posted qoq CC growth of 1.9%, 1.4%, 1.9%, 3.6%, and 7.2% respectively. Retail & CPG growth dipped marginally by 0.9% qoq CC. In profitability terms, the EBIT margins came in at 25.1% v/s. 24.1% expected, posting a qoq expansion of 171bps. Consequently, PAT came in at `6,460cr v/s. `6,314cr expected, a growth of 8.6% qoq.

**Outlook and valuation:** The Company has been cautiously optimistic regarding its outlook for FY2018, with key verticals like BFSI and Hi-Tech expected to post a recovery. We expect TCS to post revenue CAGR of 8.5% and 6.8% in USD & INR terms respectively over FY2017-19E. **Hence, maintain our Neutral recommendation.**

### Key financials (Consolidated, IFRS)

Y/E March (` cr)	FY2016	FY2017	FY2018E	FY2019E
<b>Net sales</b>	<b>1,08,646</b>	<b>1,17,966</b>	<b>1,23,384</b>	<b>1,34,488</b>
% chg	14.8	8.6	4.6	9.0
<b>Net profit</b>	<b>24,215</b>	<b>26,289</b>	<b>26,063</b>	<b>28,116</b>
% chg	11.6	8.6	(0.9)	7.9
EBITDA margin (%)	28.3	27.5	26.1	26.1
<b>EPS (`)</b>	<b>123.7</b>	<b>134.3</b>	<b>133.2</b>	<b>143.7</b>
P/E (x)	20.9	19.3	19.4	18.0
P/BV (x)	6.9	5.7	5.4	5.0
RoE (%)	33.1	29.8	27.6	27.8
RoCE (%)	31.6	28.8	26.6	27.0
EV/Sales (x)	4.3	3.8	3.7	3.3
EV/EBITDA (x)	15.1	13.8	14.0	12.6

Source: Company, Angel Research; Note: CMP as of October 23, 2017

## NEUTRAL

CMP ₹2,586  
 Target Price -

Investment Period 12 Months

### Stock Info

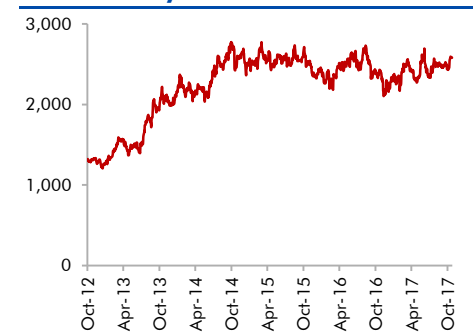
Sector	IT
Market Cap (₹ cr)	4,95,025
Net Debt (₹ cr)	-45,288
Beta	0.5
52 Week High / Low	2,834/2,055
Avg. Daily Volume	52,445
Face Value (₹)	1
BSE Sensex	32,507
Nifty	10,185
Reuters Code	TCS.BO
Bloomberg Code	TCS@IN

### Shareholding Pattern (%)

Promoters	73.6
MF / Banks / Indian Fls	5.7
FII / NRIs / OCBs	16.8
Indian Public / Others	4.0

Abs.(%)	3m	1yr	3yr
Sensex	0.8	15.4	21.1
TCS	2.1	6.5	4.9

### 3-Year Daily Price Chart



Source: Company, Angel Research

### Sarabjit kour Nangra

+91 22 3935 7800 Ext: 6806

sarabjit@angelbroking.com

**Exhibit 1: 2QFY2018 performance (Consolidated, IFRS)**

(` cr)	2QFY2018	1QFY2018	% chg (qoq)	2QFY2017	% chg (yoy)	1HFY2018	1HFY2017	% chg(yoy)
<b>Net revenue</b>	<b>30,541</b>	<b>29,584</b>	<b>3.2</b>	<b>29,284</b>	<b>4.3</b>	<b>60,125</b>	<b>58,589</b>	<b>2.6</b>
Cost of revenue	17,097	16,792	1.8	16,038	6.6	33,889	32,350	4.8
Gross profit	13,444	12,792	5.1	13,246	1.5	26,236	26,239	(0.0)
SG&A expense	5,270	5,379	(2.0)	5,133	2.7	10,649	10,289	3.5
<b>EBITDA</b>	<b>8,174</b>	<b>7,413</b>	<b>10.3</b>	<b>8,113</b>	<b>0.8</b>	<b>15,587</b>	<b>15,950</b>	<b>(2.3)</b>
Dep. and amortisation	514	499	3.0	496	3.6	1,013	986	2.7
EBIT	7,660	6,914	10.8	7,617	0.6	14,574	14,964	(2.6)
Other income	812	932	(12.9)	1,052	(22.8)	1,744	2,015	(13.4)
PBT	8,472	7,846	8.0	8,669	(2.3)	16,318	16,979	(3.9)
Income tax	2,012	1,896	6.1	2,066	(2.6)	3,908	4,058	(3.7)
<b>PAT</b>	<b>6,460</b>	<b>5,950</b>	<b>8.6</b>	<b>6,603</b>	<b>(2.2)</b>	<b>12,410</b>	<b>12,921</b>	<b>(4.0)</b>
Earnings in affiliates	-	-	-	-	-	-	-	-
Minority interest	-	-	-	-	-	-	-	-
<b>Reported PAT</b>	<b>6,460</b>	<b>5,950</b>	<b>8.6</b>	<b>6,603</b>	<b>(2.2)</b>	<b>12,410</b>	<b>12,921</b>	<b>(4.0)</b>
<b>Adj. PAT</b>	<b>6,460</b>	<b>5,950</b>	<b>8.6</b>	<b>6,603</b>	<b>(2.2)</b>	<b>12,410</b>	<b>12,921</b>	<b>(4.0)</b>
<b>EPS</b>	<b>33.7</b>	<b>30.4</b>	<b>8.6</b>	<b>33.4</b>	<b>(2.2)</b>	<b>64.0</b>	<b>65.5</b>	<b>(4.0)</b>
Gross margin (%)	44.0	43.2	78bp	45.2	(121)bp	43.6	44.8	(115)bp
EBITDA margin (%)	26.8	25.1	171bp	27.7	(94)bp	25.9	27.2	(130)bp
EBIT margin (%)	25.1	23.4	171bp	26.0	(93)bp	24.2	25.5	(130)bp

Source: Company, Angel Research

**Exhibit 2: Actual v/s Angel estimates**

(` cr)	Actual	Estimate	Var. (%)
<b>Net revenue</b>	<b>30,541</b>	<b>30,465</b>	<b>0.3</b>
EBIT margin (%)	25.1	24.1	100bps
<b>Adj. PAT</b>	<b>6,460</b>	<b>6,314</b>	<b>2.3</b>

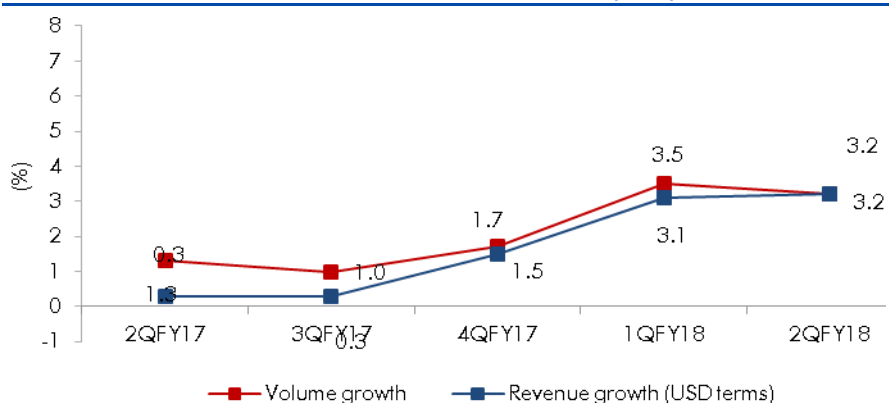
Source: Company, Angel Research

**Numbers just in-line with expectations**

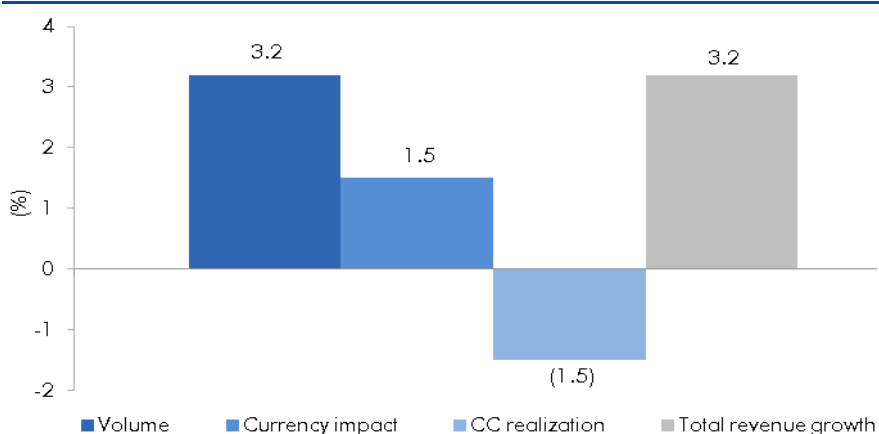
The company posted 3.2% sequential growth in USD revenues to US\$4,739mn v/s. US\$4,738mn expected, mostly volume driven (3.2% qoq growth). Constant Currency terms, the company posted a 1.7% qoq growth. In Rupee terms, revenues are expected to come in at `30,541cr v/s. `30,465cr expected, up 3.2% qoq.

In terms of verticals, on CC basis, the growth registered by the company in respective segments was, BFSI (1.9% qoq), Retail & CPG (-0.9% qoq), Communication & Media (1.4% qoq), Manufacturing (1.9% qoq), Life Sciences & Healthcare (3.6% qoq), Hi-Tech (3.4% qoq), Energy Utilities (7.2% qoq), Travel & Hospitality (8.0% qoq).

In terms of geography, on CC basis, qoq growth was North America (1.4%), Latin America (5.7%), UK (2.5%), Continental Europe (5.3%), India (-6.8%), Asia Pacific (3.0%), MEA (1.0%).

**Exhibit 3: Trend in volume and revenue growth (qoq)**


Source: Company, Angel Research

**Exhibit 4: Revenue drivers for 2QFY2018**


Source: Company, Angel Research

Overall growth has been bogged down by relative weakness in the verticals of BFSI and Retail, similar to 1QFY2018. In BFSI, TCS will assess visibility in the next quarter by when spending is likely to revive. In Retail, TCS believes it has now bottomed out and should see improvement going forward. Revenue from Digital grew by 5.9% qoq, and it now constitutes to 19.7% of total revenue.

**Exhibit 5: Revenue growth (Industry wise on CC basis)**

	% to revenue	% chg (CC qoq)	% chg (yoy)
BFSI	33.0	1.9	4.7
Manufacturing	7.5	1.9	9.6
Communication & Media	7.3	1.4	9.5
Life sciences and healthcare	7.2	3.6	10.3
Retail and CPG	11.9	(0.9)	(1.4)
Transportation & Hospitality	3.8	3.4	23.2
Energy and utilities	4.2	7.2	22.7
Technology & Services	8.1	3.4	10.1
Regional Markets & Others	17.0	(0.6)	6.9

Source: Company, Angel Research

Geography wise growth in INR sales in key geographies was as follows: USA (1.4% qoq on CC basis), Latin America (5.7% qoq on CC basis), UK (2.5% qoq on CC basis), India (-6.8% qoq on CC basis), and MEA (1.0% qoq on CC basis). However, Continental Europe and Asia Pacific posted growth of 5.3% qoq and 3.0% qoq on CC basis respectively.

#### Exhibit 6: Revenue growth (Geography wise in INR terms)

	% of revenue	% chg (CC qoq)	% chg (yoy)
U.S.	51.9	1.4	3.6
Latin America	2.2	5.7	13.6
U.K.	14.0	2.5	9.2
Continental Europe	13.4	5.3	18.2
India	6.3	(6.8)	14.3
Asia Pacific	9.8	3.0	4.1
MEA	2.4	1.0	7.6

Source: Company, Angel Research

#### Attrition rate dips

In 2QFY2018, TCS witnessed a gross addition of 15,868 employees and net addition of 3,404 employees, taking its total employee base to 3,89,213. During the quarter, the attrition rate (last twelve month [LTM] basis) for the company increased to 11.3% from 12.4% in 1QFY2018.

#### Exhibit 7: Hiring and attrition trend

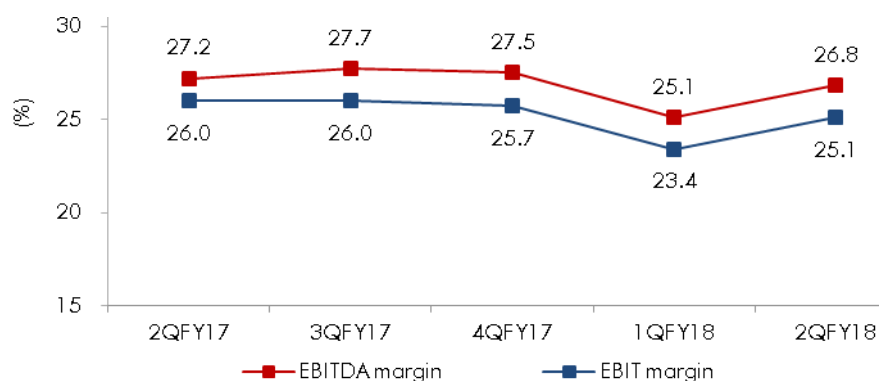
Particulars	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18
Gross addition	22,665	18,362	20,093	11,202	15,868
Net addition	9,440	6,978	8,726	(1,414)	3,404
<b>Total employee base</b>	<b>3,71,519</b>	<b>3,78,497</b>	<b>3,87,223</b>	<b>3,85,809</b>	<b>3,89,213</b>
Attrition (%) - LTM basis	12.9	12.2	11.5	12.4	11.3

Source: Company, Angel Research

#### Margin expands

On the operating front, the company reported EBITDA and EBIT margins at 26.8% and 25.1%, i.e. an expansion of 171bps and 171bps qoq respectively. While 50bps of this was on account of favorable ` movement against the GBP and EUR, 120bps was led by an improvement in operational efficiencies and cost rationalization.

**Exhibit 8: Adj. Margin profile**



Source: Company, Angel Research

**Client metrics**

The client pyramid during the quarter witnessed a qualitative improvement with client additions seen in the higher revenue brackets. The clients in US\$100mn+ revenue band increased by 1 and in US\$50mn+ revenue band increased by 5.

**Exhibit 9: Client pyramid**

	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18
US\$1mn–5mn	410	426	438	441	463
US\$5mn–10mn	154	154	149	142	142
US\$10mn–20mn	110	114	120	132	132
US\$20mn–50mn	107	106	106	105	105
US\$50mn–100mn	42	46	49	49	54
US\$100mn plus	36	34	35	36	37

Source: Company, Angel Research

## Investment Argument

**Guidance – Stability visible:** While management has not given any guidance for FY2018, however it expects its key verticals like BFSI, Communications and Hi-Tech to stabilize as we move. Digital also continues to see a good traction, constituting 19.7% of total revenue, and having grown by 5.9% qoq CC and 31% yoy. Overall the volume growth has been robust according to us for the 1HFY2018, in spite of the challenges. On EBIT front, the company expects to manage its margins in 26-28% range over medium term. For FY2018, we have estimated the EBIT margins of 24.3% V/s 24.2% in 1HFY2018. On sales front, we expect the company to post a US\$ revenue CAGR of 8.5% over FY2017-19E.

**Management Reggie:** With Mr. Natarajan Chandrasekaran being the Chairman of Tata Sons since February 21, 2017, CFO Mr. Rajesh Gopinathan has taken charge as the CEO of the company. He started his professional career with TCS in 2001 and was appointed as the CFO in February 2013. TCS also announced N G Subramanian as the COO of the company. Thus, the new targets under the new CEO will have a bearing on the performance of the company.

## Outlook and valuation

Over FY2017-19E, we expect TCS to post revenue CAGR of 8.5% and 6.8% in USD and INR terms, respectively. The company highlighted that it stands comfortable in sustaining the EBIT margin in the range of 26-28%. On the EBIT and PAT fronts, we expect the company to post 3.8% and 3.4% CAGR over FY2017-19E respectively. The stock is trading at 18.0x FY2019E EPS of ₹143.7.

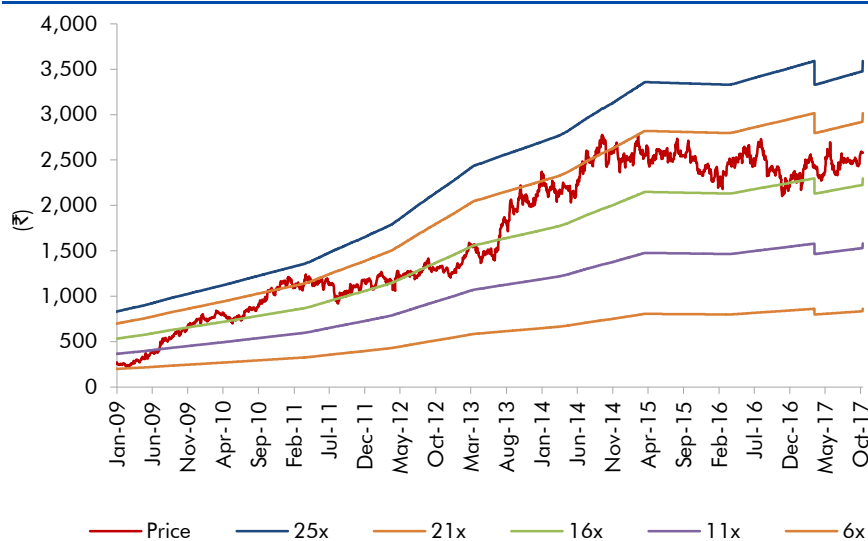
**We maintain our Neutral recommendation.**

### Exhibit 10: Key assumptions

	FY2018E	FY2019E
Revenue growth (USD)	8.0	9.0
USD-INR rate (realized)	65.0	65.0
Revenue growth (₹)	4.6	9.0
EBITDA margin (%)	26.1	26.1
Tax rate (%)	23.5	23.5
EPS growth (%)	(0.9)	7.9

Source: Company, Angel Research

**Exhibit 11: One-year forward PE chart**



Source: Company, Angel Research

**Exhibit 12: Recommendation summary**

Company	Reco	CMP (₹)	Tgt. price (₹)	Upside (%)	FY2019E EBITDA (%)	FY2019E P/E (x)	FY2017-19E EPS CAGR (%)	FY2019E EV/Sales (x)	FY2019E RoE (%)
HCL Tech	Accumulate	935	1,014	8.4	20.9	13.2	6.2	1.8	20.6
Infosys	Under Review	940	-	-	26.0	13.4	5.3	2.1	19.6
<b>TCS</b>	<b>Neutral</b>	<b>2,586</b>	-	-	<b>26.1</b>	<b>18.0</b>	<b>3.4</b>	<b>3.3</b>	<b>27.8</b>
Tech Mahindra	Buy	462	533	15.4	15.0	12.1	8.6	1.3	16.3
Wipro	Neutral	297	-	-	20.3	15.2	4.4	1.5	13.4

Source: Company, Angel Research

## **Company background**

TCS is Asia's largest IT services provider and is amongst the top 10 technology firms in the world. The company has a global footprint with an employee base of over 3lakh professionals, offering services to more than 1,000 clients across various industry segments. The company has one of the widest portfolios of service offerings, spanning across the entire IT service value chain – from traditional application development and maintenance to consulting and package implementation to products and platforms.



**Profit & Loss statement (Consolidated, IFRS)**

Y/E March (₹ cr)	FY2015	FY2016	FY2017	FY2018E	FY2019E
<b>Net sales</b>	<b>94,648</b>	<b>1,08,646</b>	<b>1,17,966</b>	<b>1,23,384</b>	<b>1,34,488</b>
Cost of revenue	50,599	58,952	64,764	68,478	74,641
<b>Gross profit</b>	<b>44,049</b>	<b>49,695</b>	<b>53,202</b>	<b>54,906</b>	<b>59,847</b>
% of net sales	46.5	45.7	45.1	44.5	44.5
SGA expenses	17,353	18,956	20,755	22,703	24,746
% of net sales	18.3	17.4	17.6	18.4	18.4
<b>EBITDA</b>	<b>26,696</b>	<b>30,738</b>	<b>32,447</b>	<b>32,203</b>	<b>35,101</b>
% of net sales	28.2	28.3	27.5	26.1	26.1
Dep. and amortization	1272	1948	2123	2221	2421
% of net sales	1.3	1.8	1.8	1.8	1.8
<b>EBIT</b>	<b>25,424</b>	<b>28,790</b>	<b>30,324</b>	<b>29,982</b>	<b>32,681</b>
% of net sales	26.9	26.5	25.7	24.3	24.3
Other income, net	3140	3050	4189	4189	4189
Profit before tax	28,564	31,840	34,513	34,171	36,870
Provision for tax	6,083	7,503	8,156	8,030	8,664
% of PBT	21.3	23.6	23.6	23.5	23.5
<b>PAT</b>	<b>22,481</b>	<b>24,338</b>	<b>26,357</b>	<b>26,141</b>	<b>28,205</b>
Minority interest	205	123	68	78	89
Extra-ordinary (Exp.)/ Inc.	-2627.9				
Reported PAT	<b>19,648</b>	<b>24,215</b>	<b>26,289</b>	<b>26,063</b>	<b>28,116</b>
Adj. PAT	<b>21,696</b>	<b>24,215</b>	<b>26,289</b>	<b>26,063</b>	<b>28,116</b>
<b>Diluted EPS (₹)</b>	<b>110.9</b>	<b>123.7</b>	<b>134.3</b>	<b>133.2</b>	<b>143.7</b>

**Balance sheet (Consolidated, IFRS)**

Y/E March (` cr)	FY2015	FY2016	FY2017	FY2018E	FY2019E
<b>Assets</b>					
Cash and cash equivalents	1,862	1,862	3,597.0	3,477.2	3,356.1
Other current financial assets	16,383	4,833	-	-	-
Accounts receivable	20,440	24,073	22,684	31,694	31,695
Unbilled revenues	3,827	3,992	5,351	5,348	5,349
Other current assets	6,414	5,975	7,258	7,258	7,258
Property and equipment	11,572	11,790	11,741	12,741	13,741
Intangible assets and goodwill	3,931	3,946	3,768	3,768	3,768
Investments	9,619	22,822	41,980	39,267	46,761
Other non current assets	906	11,919	8,974	8,974	8,974
<b>Total assets</b>	<b>74,954</b>	<b>91,212</b>	<b>1,05,353</b>	<b>1,12,527</b>	<b>1,20,901</b>
<b>Liabilities</b>					
Current liabilities	14,428	15,407	14,294	14,806	16,139
Short term borrowings	243	162	218	218	218
Redeemable preference shares	-	(0)	-	1	2
Long term debt	114	83	71	71	71
Other non current liabilities	1,778	2,017	2,089	2,431	2,650
Minority interest	914	354	366	444	533
Shareholders funds	57,477	73,190	88,315	94,557	1,01,291
<b>Total liabilities</b>	<b>74,954</b>	<b>91,212</b>	<b>1,05,353</b>	<b>1,12,527</b>	<b>1,20,901</b>

**Cash flow statement (Consolidated, IFRS)**

Y/E March (₹ cr)	FY2015	FY2016	FY2017	FY2018E	FY2019E
Pre-tax profit from oper.	22,481	24,338	26,357	26,141	28,205
Depreciation	1,272	1,948	2,123	2,221	2,421
Exp. (deferred)/written off	160	174	-	-	-
Pre tax cash from oper	23,913	26,460	28,480	28,362	30,626
Other inc./prior period ad	1,272	1,948	2,123	2,221	2,421
Net cash from operations	25,185	28,408	30,604	30,583	33,047
Tax	6,083	7,503	8,156	8,030	8,664
<b>Cash profits</b>	<b>19,102</b>	<b>20,905</b>	<b>22,448</b>	<b>22,553</b>	<b>24,382</b>
(Inc)/dec in acc. recv.	(2,210)	(3,633)	1,389	(9,010)	(1)
(Inc)/dec in unbilled rev.	179	(165)	(1,359)	3	(1)
(Inc)/dec in oth. current asst.	(6,414)	439	(1,283)	-	-
Inc/(dec) in current liab.	(1,207)	(218)	49	(1,000)	(1,000)
Net trade working capital	(9,652)	(3,577)	(1,204)	(10,007)	(1,002)
<b>Cash flow from oper. actv.</b>	<b>9,450</b>	<b>17,328</b>	<b>21,243</b>	<b>12,546</b>	<b>23,380</b>
(Inc)/dec in fixed assets	(1,207)	(218)	49	(1,000)	(1,000)
(Inc)/dec in investments	(4,446)	(1,653)	(14,325)	2,713	(7,494)
(Inc)/dec in intangible asst.	(226)	16	(178)	-	-
(Inc)/dec in non-cur.asst.	(906)	(11,013)	2,945	-	-
<b>Cash flow from invt. actv.</b>	<b>(6,786)</b>	<b>(12,869)</b>	<b>(11,509)</b>	<b>1,713</b>	<b>(8,494)</b>
Inc/(dec) in debt	61	(113)	44	-	-
Inc/(dec) in equity	223	(559)	12	78	89
Inc/(dec) in minority int.	(19,923)	(18,415)	(19,993)	(19,821)	(21,382)
Dividends	16,976	14,629	10,202	5,484	6,406
<b>Cash flow from finan. actv.</b>	<b>(2,664)</b>	<b>(4,459)</b>	<b>(9,735)</b>	<b>(14,259)</b>	<b>(14,887)</b>
<b>Cash generated/(utilized)</b>	<b>393</b>	<b>-</b>	<b>1,735</b>	<b>(120)</b>	<b>(121)</b>
<b>Cash at start of the year</b>	<b>1,469</b>	<b>1,862</b>	<b>1,862</b>	<b>3,597</b>	<b>3,477</b>
<b>Cash at end of the year</b>	<b>1,862</b>	<b>1,862</b>	<b>3,597</b>	<b>3,477</b>	<b>3,356</b>

**Key ratios**

Y/E March	FY2015	FY2016	FY2017	FY2018E	FY2019E
<b>Valuation ratio(x)</b>					
P/E (on FDEPS)	23.3	20.9	19.3	19.4	18.0
P/CEPS	24.2	19.4	17.8	17.9	16.6
P/BVPS	8.8	6.9	5.7	5.4	5.0
Dividend yield (%)	1.7	1.6	1.7	1.7	1.8
EV/Sales	4.9	4.3	3.8	3.7	3.3
EV/EBITDA	17.5	15.1	13.8	14.0	12.6
EV/Total assets	6.2	5.1	4.3	4.0	3.7
<b>Per share data (₹)</b>					
EPS	110.9	123.7	134.3	133.2	143.7
Cash EPS	106.8	133.6	145.1	144.4	155.9
Dividend	43.5	40.2	43.6	43.2	46.6
Book value	294	374	451	483	518
<b>Dupont analysis</b>					
Tax retention ratio (PAT/PBT)	0.8	0.8	0.8	0.8	0.8
Cost of debt (PBT/EBIT)	1.1	1.1	1.1	1.1	1.1
EBIT margin (EBIT/Sales)	0.3	0.3	0.3	0.2	0.2
Asset turnover ratio (Sales/Assets)	1.3	1.2	1.1	1.1	1.1
Leverage ratio (Assets/Equity)	1.3	1.2	1.2	1.2	1.2
Operating ROE	39.1	33.3	29.8	27.6	27.8
<b>Return ratios (%)</b>					
RoCE (pre-tax)	33.9	31.6	28.8	26.6	27.0
Angel RoIC	54.0	46.7	50.7	43.0	46.2
RoE	34.2	33.1	29.8	27.6	27.8
<b>Turnover ratios(x)</b>					
Asset turnover (fixed assets)	8.2	9.2	10.0	9.7	9.8
Receivables days	79	81	70	94	86

Research Team Tel: 022 - 39357800

 E-mail: [research@angelbroking.com](mailto:research@angelbroking.com)

 Website: [www.angelbroking.com](http://www.angelbroking.com)

## DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Pvt. Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Pvt. Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Pvt. Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Pvt. Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.

### Disclosure of Interest Statement

	TCS
1. Financial interest of research analyst or Angel or his Associate or his relative	No
2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

**Ratings (Based on expected returns over 12 months investment period):**

Buy (> 15%)

Accumulate (5% to 15%)  
Reduce (-5% to -15%)

Neutral (-5 to 5%)  
Sell (< -15)