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Sharekhan
Your guide to the financial jungle

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Reliance Industries

Reco: Buy

Stock Update

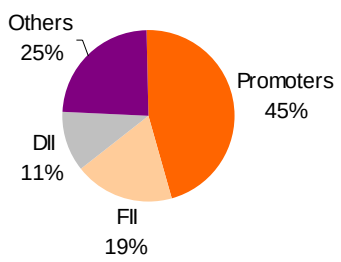
Steady quarter; better times ahead (price target revised to Rs1,060)

CMP: Rs959

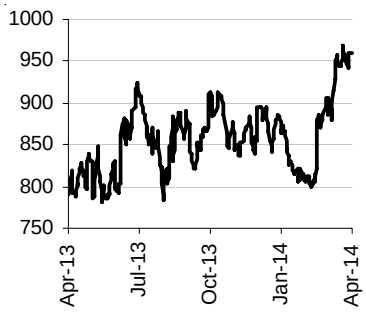
Company details

Price target:	Rs1,060
Market cap:	Rs310,084 cr
52 week high/low:	Rs973/765
NSE volume: (no. of shares)	29.2 lakh
BSE code:	500325
NSE code:	RELIANCE
Sharekhan code:	RELIANCE
Free float: (no. of shares)	176.8 cr

Shareholding pattern



Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	8.2	8.4	8.9	25.3
Relative to Sensex	4.3	0.7	-2.1	2.0

Result highlights

- Reliance Industries Ltd (RIL) has reported a sales growth of 13% YoY to Rs95,193 crore for Q4FY2014. The sales growth was largely driven by the petchem (a 10% Y-o-Y growth) and refining (a 12.5% Y-o-Y growth) segments which benefited from the depreciation in the rupee. Though the growth of 6.5% in the operating profit was ahead of expectations, but a lower other income resulted in a flat PAT of Rs5,631 crore during the quarter.
- The key positives of the Q4 results are a healthy refining margin of $9.3/bbl and ramp-up in the production volume of the US-based shale gas operations. On the negative side, the demand in the petchem business remained weak and there was a delay in expansion projects in the petchem segment.
- Though there is uncertainty regarding gas price revision and ramp-up in the production from the KG-D6 block, but the improvement in the production volume of the US-based shale gas operations is positive for the upstream business. Moreover, the expansion in the petchem business ($12 billion capex) would drive the growth and improve the integrated petchem margins. Thus, we retain our Buy rating on RIL. We also introduce our FY2016 estimate and roll over our valuation multiple to arrive at a revised (SOTP-based) price target of Rs1,060 (earlier Rs1,010).

Results Rs cr

Particulars	Q4FY14	Q4FY13	YoY %	Q3FY14	QoQ %
Net sales	**95,193**	**84,198**	**13.1**	**103,521**	**-8.0**
Total expenditure					
Raw material consumed	81,095	70,982	14.2	86,124	-5.8
Stock adjustment	(1,236)	(1,289)	-4.1	2,579	-147.9
Purchase of finished goods	13	222	-94.1	3	NA
Employee expenses	948	792	19.7	715	32.6
Other expenses	6,042	5,666	6.6	6,478	-6.7
Operating profit	**8,331**	**7,825**	**6.5**	**7,622**	**9.3**
Other income	2,036	2,243	-9.2	2,305	-11.7
EBITDA	**10,367**	**10,068**	**3.0**	**9,927**	**4.4**
Interest	799	709	12.7	792	0.9
Depreciation	2,275	2,239	1.6	2,143	6.2
PBT	**7,293**	**7,120**	**2.4**	**6,992**	**4.3**
Exceptional item	-	-		-	
Tax	1,662	1,531	8.6	1,481	12.2
PAT	**5,631**	**5,589**	**0.8**	**5,511**	**2.2**
Extraordinary items	-	-		-	
Reported PAT	5,631	5,589	0.8	5,511	2.2
EPS	17.4	17.3		17.1	
Margin (%)					
OPM	8.8	9.3	(54)	7.4	139
PATM	5.9	6.6	(72)	5.3	59
Tax rate	22.8	21.5	129	21.2	161

Segmental performance

- **Refining:** During the quarter, the company refined 16.3 million tonne of crude oil (110% utilisation continued), which is flat year on year (YoY) but 4% lower sequentially due to a planned maintenance related shutdown. In Q4FY2014 the gross refining margin (GRM) improved substantially quarter on quarter (QoQ) to $9.3 per barrel (against our estimate of $8.7) but was lower YoY. This reflects a spread of $2.1 per barrel over that of the Singapore GRM during the quarter. Sequentially, the Singapore GRM also witnessed a jump of 67% due to the widening Arab heavy-light spread. Going forward, we also expect a firm GRM in FY2015 led by a marginally better emerging market demand and a moderating pace of capacity additions in some regions. For FY2014 RIL reported a GRM of $8.1 per barrel ($9.2 per barrel in FY2013); however, we expect a gradual improvement in the GRM in FY2015 and FY2016 to $8.5 per barrel and $8.7 per barrel respectively. We believe the benefit of the upcoming petcoke gasification project would fully reflect as an improvement in the GRM from FY2017.

Refining

Particulars	Q4FY14	Q4FY13	YoY %	Q3FY14	QoQ %
GRM (US/bbl)	9.3	10.1	-8	7.6	22
Crude refined (mn tonne)	16.3	16.1	1	17	-4
Revenue (Rs cr)	87,624	77,872	13	95,432	-8
EBIT (Rs cr)	3,954	3,520	12	3,141	26
EBIT margin (%)	4.5	4.5	-0.78	3.3	122.11

- **Petchem:** The petrochemical (petchem) division reported production volume of 5.3 million tonne in Q4FY2014 (in line with our estimate) which is 2% lower YoY and 5% lower QoQ. The deltas for the polyester chain weakened in Q4FY2014, with weak polymer demand owing to a weak demand from the automobile and construction sectors. Going forward, we believe that the petchem margins will be subdued over the medium term. However, with an additional ethylene capacity of 1.8mt, delta could expand and support the margin of RIL from FY2017.

Petchem

Particulars	Q4FY14	Q4FY13	YoY %	Q3FY14	QoQ %
Production (mn ton)	5.3	5.4	-2	5.6	-5
Revenue (Rs cr)	24,343	22,158	10	25,280	-4
EBIT (Rs cr)	2,096	1,895	11	2,124	-1
EBIT margin (%)	8.6	8.6	5.81	8.4	20.84

- **E&P:** For Q4FY2014, the declining trend of gas production from the Krishna-Godavari (KG) D6 basin continued, with the company producing 43 billion cubic feet (around 14 mmscmd). Panna-Mukta and Tapti fields witnessed a decline in volume on both a year-on-year (Y-o-Y) and quarter-on-quarter (Q-o-Q) bases due to a 17-day shutdown (of which three days were in April 2014) for field maintenance activities, the commissioning of a new single-point mooring (SPM) system and natural decline. However, the positive surprise was from the international exploration (shale

Segment-wise results

Particulars	Q4FY14	Q4FY13	YoY %	Q3FY14	QoQ %	FY14	FY13	YoY %
Revenues								
Petrochemicals	24,343	22,158	9.9	25,280	-3.7	96,465	88,108	9.5
Refining	87,624	77,872	12.5	95,432	-8.2	361,970	333,774	8.4
Oil & gas	1,417	1,597	-11.3	1,733	-18.2	6,068	8,280	-26.7
Others	394	359	9.7	209	88.5	1,549	952	62.7
Total (gross)	**113,778**	**101,986**	**11.6**	**122,654**	**-7.2**	**466,052**	**431,114**	**8.1**
Less: segment transfer	15,971	15,368	3.9	16,271	-1.8	64,750	59,997	7.9
Turnover	**97,807**	**86,618**	**12.9**	**106,383**	**-8.1**	**401,302**	**371,117**	**8.1**
Less: excise duty	2,614	2,420	8.0	2,862	-8.7	11,185	10,822	3.4
Net sales	**95,193**	**84,198**	**13.1**	**103,521**	**-8.0**	**390,117**	**360,295**	**8.3**
EBIT								
Petrochemicals	2,096	1,895	10.6	2,124	-1.3	8,612	7,328	17.5
Refining	3,954	3,520	12.3	3,141	25.9	13,220	12,788	3.4
Oil & gas	378	460	-17.8	540	-30.0	1,626	2,887	-43.7
Others	199	48	314.6	94	111.7	419	255	64.3
Total	**6,627**	**5,923**	**11.9**	**5,899**	**12.3**	**23,877**	**23,258**	**2.7**
EBIT margins (%)	**7.0**	**7.0**	**(7)**	**5.7**	**126**	**6.1**	**6.5**	**(33)**
Petrochemicals	8.6	8.6	6	8.4	21	8.9	8.3	61
Refining	4.5	4.5	(1)	3.3	122	3.7	3.8	(18)
Oil & gas	26.7	28.8	(213)	31.2	(448)	26.8	34.9	(807)
Others	50.5	13.4	3,714	45.0	553	27.0	26.8	26

gas) business, which witnessed a healthy production growth of 22% YoY and 2% QoQ to 44.2 billion cubic feet equivalent (bcfe) in Q4FY2014. During the quarter a higher number of wells turned online in shale properties (653 wells put on production in Q4FY2014 against 440 in Q4FY2013) is supportive of volume improvement. Further, we expect the improvement in the shale gas business to continue for some time as there is 43% reserve accretion with the proved reserves at 2.66tcfe at the end of CY2013. However, the natural decline in the Panna-Mukta-Tapti (PMT) is expected to continue and there could be a gradual but insignificant growth in the volume from the Krishna-Godavari (KG)-D6 block in the next two years. Gas price revision would be the key monitorable for the segment which could affect the performance of the segment significantly.

Annual results

In FY2014 the stand-alone revenues of RIL grew by 8% and the earnings before interest and tax (EBIT) grew by 3% only as the benefit enjoyed by the petchem segment (which also had a better margin) was offset by a decline in the profit of the upstream segment with a falling output. The refining segment's EBIT remained stagnant with a 3% growth YoY in FY2014. However, there are signs of a firm GRM in the coming quarters.

Other highlights

- **Balance sheet:** The outstanding debt at the end of Q4FY2014 stood at Rs89,968 crore (up 24% YoY and 11% QoQ) and the cash and cash equivalents were at Rs88,190 crore, with the company maintaining a very low net cash position. During FY2014, the net addition of fixed assets was Rs35,210 crore, mainly on account of the ongoing expansion project in the petchem and refining segments at Jamnagar, Dahej, Silvaasa and Hazira.
- RIL and its partners announced two significant hydrocarbon discoveries (D55 and CY-D5) during the year which could add to the hydrocarbon resources in the KG-D6 block. The company also signed a memorandum of understanding (MoU) with Oil and Natural Gas Corporation to explore the possibility of sharing RIL's infrastructural facility in the east coast; however, uncertainty related to the timing and quantum of the gas price revision would be an overhang for some time.
- **Retail:** During FY2014, the retail segment's turnover grew by 34% to Rs14,496 crore with earnings before interest, tax, depreciation and amortisation (EBITDA) of Rs363 crore. The company added 225 stores and 2.7 million operating square feet in the year across sectors.
- **Broadband:** Reliance Jio Infocomm received the unified licence for all 22 service areas across India in October 2013 and became the first telecommunications (telecom) company in the country to become a pan-India telecom operator. Further, during the year the company announced telecom infrastructure sharing arrangements with Reliance Communications, Bharti Airtel, Bharti Infratel and Viom Networks and made public its aim to make a significant impact in the 4G service space in India.

Valuation

We believe incremental capacity in the downstream business would drive the earnings of RIL in next two to three years. While the uncertainty regarding price revision and production from the KG-D6 basin remains, the signs of improvement in the shale gas volume are a positive for the upstream business. Based on our expectations of better margins (in the refining and petchem businesses) and incremental capacity in the downstream business, we retain our Buy rating on RIL. In this note, we have introduced our FY2016 estimates and rolled over our valuation multiples to arrive at a revised price target (sum-of-the-parts [SOTP based]) of Rs1,060 (vs Rs1,010 earlier).

Valuation

Particulars	FY2012	FY2013	FY2014	FY2015E	FY2016E
Net sales (Rs cr)	358,501.0	397,062.0	434,460.0	407,324.3	423,320.2
Operating Profit (Rs cr)	34,508.0	33,045.0	34,799.0	35,093.0	40,058.9
OPM (%)	9.6	8.3	8.0	8.6	9.5
Net profit (Adjusted) (Rs cr)	19,724.0	20,879.0	22,493.0	24,391.0	27,002.0
Adj. EPS (Rs)	60.3	64.7	69.6	75.5	83.5
Y-o-Y change (%)	*2.7*	*7.2*	*7.6*	*8.4*	*10.7*
PER (x)	15.9	14.8	13.8	12.7	11.5
EV/EBIDTA (x)	11.6	12.1	11.5	11.4	10.0
Dividend yield (%)	0.9	0.9	1.0	1.0	1.1
RoCE (%)	10.7	10.5	9.4	9.4	9.7
RoNW (%)	11.6	11.5	11.3	11.0	11.0

SoTP valuation

Particulars	Mltip base	Mltip year	Mltip value (Rs)	Multiple (x)	Value (Rs cr)
Refining	EBITDA	FY2016	17,801	6.0	106,803.6
Petrochem	EBITDA	FY2016	14,723	5.5	80,976.7
KG-D6 gas (60% stake)					41,850.0
NEC-25 (60% stake)					4,500.0
CBM - Sohagpur (100% stake)					4,200.0
PMT field (30% stake)					4,140.0
KG-D6 MA					23,400.0
New E&P Blocks					76,800.0
Marcellus shale gas JV					12,658.6
Eagle Ford Share (pioneer)					12,800.0
Business EV					368,128.8
Less—net debt					90,806.90
Equity value					277,321.9
Investment (20% discount)					34,278.4
No. of shares (treasury shared adjusted)					294.0
Fair value per share					**1,060.0**

Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

Persistent Systems

Reco: Buy

Stock Update

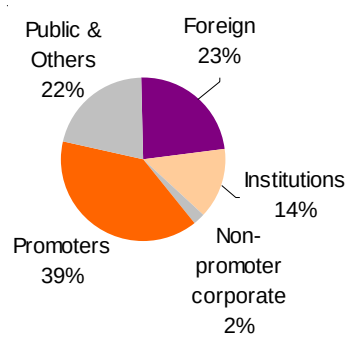
Impressive growth outlook, retain Buy

CMP: Rs1,059

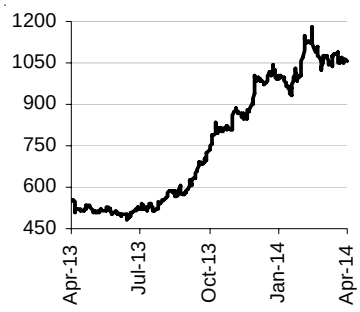
Company details

Price target:	Rs1,200
Market cap:	Rs4,235 cr
52 week high/low:	Rs1,220/477
NSE volume: (no. of shares)	73,280
BSE code:	533179
NSE code:	PERSISTENT
Sharekhan code:	PERSISTENT
Free float: (no. of shares)	2.4 cr

Shareholding pattern



Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	-0.6	8.5	53.2	98.2
Relative to Sensex	-4.2	0.8	37.7	61.4

Result highlights

- Persistent Systems Ltd (PSL) revenues for Q4FY2014 were reported at $72.6 million which grew by 3.9% sequentially led by an impressive 14% sequential rise in the revenues of the intellectual property business. The revenues of the IT services business grew by a modest 1.6% QoQ because of an 11.7% sequential decline in the telecom vertical due to a sudden ramp-down by a client. The blended volume fell by 1.1% QoQ whereas the realisation rose by 2.7% QoQ in Q4FY2014.
- PSL has delivered yet another quarter of strong execution on the margin front, with an EBITDA margin of 27% (which was down by 66BPS QoQ, a positive surprise). The net income for the quarter rose by 4.7% QoQ to Rs67 crore. For the quarter, the revenues from the top client and the top five clients grew by 10.7% and 10.9% QoQ respectively. PSL added 255 employees during the quarter and plans to add another 800 employees in FY2015.
- For FY2014 PSL has delivered a 15.2% Y-o-Y growth in the revenues (among the top quadrant in the IT sector) coupled with an impressive exit rate of EBITDA margin at 27%. The company continues to be our top mid-cap IT pick, given its distinctive advantage of a SMAC-oriented business model and superior margin profile. We continue to remain confident about PSL's earnings visibility and margin performance in FY2015 and FY2016. We maintain our Buy rating on the stock with a price target of Rs1,200.

Results Rs cr

Particulars	Q4FY14	Q4FY13	Q3FY14	YoY %	QoQ %
Revenues ($ mn)	**72.6**	**62.1**	**69.9**	**17.0**	**3.9**
Derived exch. rate (Rs/$)	61.5	53.8	61.9	14.4	-0.6
Net sales	**446.7**	**334.0**	**432.8**	**33.8**	**3.2**
Direct costs	255.4	191.6	243.3	33.3	5.0
SG&A	70.7	59.3	69.8	19.3	1.4
EBITDA	**120.7**	**83.1**	**119.7**	**45.2**	**0.8**
Depreciation & amortisation	26.4	21.1	26.2	25.0	0.9
EBIT	**94.2**	**61.9**	**93.5**	**52.2**	**0.8**
Forex gain/(loss)	-8.7	4.2	-14.7	NA	NA
Other income	6.8	6.1	7.7	11.0	-11.8
PBT	**92.3**	**72.2**	**86.5**	**28.0**	**6.7**
Tax provision	25.1	20.3	22.3	23.9	12.5
PAT	**67.2**	**51.9**	**64.2**	**29.5**	**4.7**
Minority interest	0.0	0.0	0.0		
Net profit	**67.2**	**51.9**	**64.2**	**29.5**	**4.7**
Equity capital (FV Rs10/-)	40.0	40.0	40.0		
EPS (Rs)	16.8	13.0	16.0	29.5	4.7
Margin (%)					
EBITDA	27.0	24.9	27.7		
EBIT	21.1	18.5	21.6		
NPM	15.0	15.5	14.8		
Tax rate	27.2	28.1	25.8		

Valuation: PSL remains best placed to leverage on the spending surge in the digital technologies space, given its early mover advantage and strong domain expertise. Also, the confidence of its management regarding comfortably beating the NASSCOM guidance for FY2015 augurs well for the earnings predictability. At the current market price of Rs1,059 the stock trades at 13x FY2015 and 11x FY2016 estimates. We maintain our Buy rating on the stock with a price target of Rs1,200.

Valuations

Particulars	FY13	FY14	FY15E	FY16E
Net sales (Rs cr)	1,294.5	1,669.2	1,939.6	2,231.4
Net profit (Rs cr)	187.7	249.3	321.7	373.7
EBITDA margin (%)	25.9	25.8	26.6	26.8
EPS (Rs)	46.9	62.3	80.4	93.4
Chg. YoY (%)	*32.4*	*32.8*	*29.0*	*16.2*
PER (x)	22.6	16.9	13.2	11.3
EV/EBITDA (x)	11.5	8.5	6.5	5.1
Price/BV (x)	4.1	3.5	2.9	2.4
RoCE (%)	27.2	29.8	33.5	32.0
RoE (%)	20.2	22.4	24.1	23.4

Result highlights

- **Revenue growth broadly in line with estimates driven by IP business:** PSL's Q4FY2014 revenue growth in dollar terms came in at 3.9% QoQ (against our estimate of a 4.4% growth QoQ) to $72.6 million. After a soft Q3FY2014 (when its revenues had declined by 4.9%) the intellectual property (IP) business led revenues (accounting for 19.6% of the total revenues) bounced back strongly in Q4FY2014, as was expected. The IP-led revenues grew by 14.4% sequentially to $14.2 million during the quarter. The revenues of the information technology (IT) services business (accounting for 80% of the total revenues) grew albeit at a modest pace of 1.6% sequentially to $58.4 million. The modest growth could be attributed to a ramp-down by a client in India in the telecommunication (telecom) vertical (down 11.7% QoQ). The blended volume for the quarter was down by 1.1% sequentially whereas the realisation was up by 2.7% QoQ. The revenue growth in rupee terms came in at 3.2% to Rs446.7 crore.
- **Strong execution drives outperformance on the margin front:** The company reported a second consecutive quarter of outperformance on the margin front. For the quarter the EBITDA margin declined by 66BPS QoQ to 27% (we had expected a decline of 120BPS for the quarter). Despite a shift in the business mix towards onsite projects (the onsite revenues grew by 8.4% sequentially) coupled with a 410-BPS quarter-on-quarter (Q-o-Q) decline in the offshore utilisation on account of a ramp-down by a client, PSL managed to keep its margin at around 27% led by a 14.4% Q-o-Q jump in the revenues of the IP business.
- **Net income broadly in line with estimates; higher than expected forex loss restricts upside:** The company's net income for the quarter grew by 4.7% QoQ to Rs67.2 crore (versus our estimate of Rs69.8 crore for the quarter). It reported a higher than expected foreign exchange (forex) loss of Rs8.7 crore against our estimate of Rs6 crore which restricted the net income growth.
- **Sharpens its focus on product development solutions through 'Accelerite':** During the quarter, the company formed a specialised business unit called Accelerite in order to take its products and product related solutions to the market. Accelerite will be a separate business unit of PSL, headquartered in Silicon Valley, USA. The unit will focus on creating software products in traditional as well as new areas of SMAC. Product development accounts for about 60% of the total revenues of the company and given that the business is distinct from the traditional IT services business in terms of sales approach, talent required, nature of investments and the returns on the same (returns on products tend to be lumpy as compared with the annuity nature of the returns on IT services), it only makes sense to have a distinct focus on product development in terms of clients and management bandwidth.

Key takeaways from management commentary: moving ahead with confidence

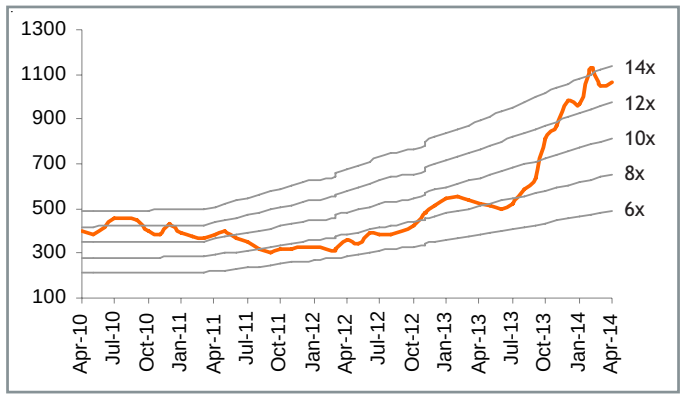
- The overall commentary around the demand environment and three core lines of business, products, platforms and IP, continues to be robust. Given that SMAC is now rapidly evolving into mainstream components of enterprises IT spending, the management is fairly confident of outpacing the upper end of the NASSCOM growth guidance (15%) for FY2015.
- The management expects the traditional product development solutions business (accounting for about 60% of the total revenues) to grow at steady double digits rate (despite there being some industry specific issues, like shrinkage in product development cycle). The platform business (accounting for about 20% of the total revenues) should see a growth in the high teens going into FY2015. Overall, the services portfolio should see a steady growth (of 14-15%) in FY2015 as indicated by the management.

- On the IP-led business (accounting for 20% of the total revenues) the management has indicated that FY2015 shall be better as compared with FY2014 (PSL has reported a 20% growth in the IP business for FY2014). The company continues to look at acquisitions and developing products internally to accelerate the growth in the coming fiscal.
- The management continues to foresee the PBT margin at 18-20% in FY2015 (notwithstanding the quarterly volatility due to forex movement). PSL will continue to make investments in technology (SMAC), sales and the other front-end initiatives.
- Persistent Ventures will look at an investment ticket size of $100,000-250,000 per deal going ahead. It will look to invest in 8-10 ideas per year and is looking at an investment horizon of two to three years.
- The company made a senior level addition to its team during the quarter. It inducted Sundar Sarangan as the chief marketing officer of the company. Mr Sarangan was the regional head, Marketing (USA), for Infosys previously.

Other result highlights

- The cash and cash equivalents for the quarter stood at Rs631 crore versus Rs595 crore in the previous quarter.
- The company has hedges worth $91 at the rate of Rs64.68 per dollar as compared with $82 million at the rate of Rs61.89 per dollar in the preceding quarter.
- The DSO days remained steady at 63 days for the quarter.
- The company added 255 employees during the quarter (it had added 145 employees in the previous quarter) taking the total headcount to 7,857 employees as on March 2014. The hiring guidance for FY2015 stands at 800 employees at the net level.
- Attrition increased only marginally, by 20BPS, QoQ to 13.4% in the quarter. The blended utilisation rate for the quarter fell by 370BPS sequentially to 69.2% during the quarter.

One-year forward PE band



Operating matrix

Particulars	Q4FY14	Q4FY13	Q3FY14	YoY %	QoQ %	Remarks
Revenues ($ mn)	**72.6**	**62.1**	**69.9**	**17.0**	**3.9**	➢ Growth driven by USA (6.7% Q-o-Q growth) and Europe (5.6% Q-o-Q growth)
Geography:						
North Americas (%)	*85.4*	*85.1*	*83.1*	*17.4*	*6.7*	
$ mn	62.0	52.9	58.1			
Europe (%)	*6.1*	*5.7*	*6.0*	*25.2*	*5.6*	
$ mn	4.4	3.5	4.2			
RoW (%)	*8.5*	*9.2*	*10.9*	*8.1*	*-19.0*	
$ mn	6.2	5.7	7.6			
Industry verticals						
Telecom (%)	*15.3*	*22.8*	*18.0*	*-21.5*	*-11.7*	➢ Revenues of infra systems vertical grew by 8% QoQ while that of telecom vertical declined by 11.7% sequentially due to an unexpected ramp-down in one of its customers in India
$ mn	11.1	14.2	12.6			
Infrastructure systems (%)	*71.6*	*66.5*	*68.9*	*25.9*	*7.9*	
$ mn	52.0	41.3	48.2			
Life science (%)	*13.1*	*10.7*	*13.1*	*43.2*	*3.9*	
$ mn	9.5	6.6	9.2			
Mix						
Onsite (%)	*21.4*	*18.8*	*20.5*	*33.1*	*8.4*	➢ Onsite revenues picked up by 8.4% QoQ indicating fresh ramp ups of new large projects for the company
$ mn	15.5	11.7	14.3			
Offshore (%)	*59.0*	*63.7*	*61.7*	*8.3*	*-0.7*	
$ mn	42.9	39.6	43.2			
IP led (%)	*19.6*	*17.5*	*17.8*	*31.0*	*14.4*	
$ mn	14.2	10.9	12.4			
Services lines						
Product engineering and Platform solutions (%)	*80.4*	*82.5*	*82.2*	*14.0*	*1.6*	➢ After having a soft Q3FY2014, IP business came back strongly to post a 14.4% sequential growth in revenues for the quarter
$ mn	58.4	51.2	57.5			
IP driven (%)	*19.6*	*17.5*	*17.8*	*31.0*	*14.4*	
$ mn	14.2	10.9	12.4			
Clients' contribution						
Top clients (%)	*21.1*	*21.6*	*19.8*	*14.2*	*10.7*	➢ All the top client brackets reported a robust growth for the quarter
$ mn	15.3	13.4	13.8			
Top 5 clients (%)	*39.4*	*36.7*	*36.9*	*25.6*	*10.9*	
$ mn	28.6	22.8	25.8			
Top 10 clients (%)	*48.5*	*47.9*	*46.9*	*18.4*	*7.4*	
$ mn	35.2	29.8	32.8			
Other than top 10 clients (%)	*51.5*	*52.1*	*53.1*	*15.6*	*0.7*	
$ mn	37.4	32.4	37.1			
Headcount	**7857**	**6970**	**7602**			➢ The company made 255 net additions for the quarter
Attrition (%)	*13.4*	*14.4*	*13.2*			
Utilisation (blended)	69.2	72.5	72.9			
DSO	63	65	63			

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