

Institutional Equity Research

TCS

IT | India

1QFY18 Result Update | July 14, 2017

CMP* (Rs)	2,444
Upside/ (Downside) (%)	(8)
Bloomberg Ticker	TCS IN
Market Cap. (Rs bn)	4,679
Free Float (%)	27
Shares O/S (mn)	1,970

**REDUCE** 

Target Price: Rs2,240

**Revenue in Line, But Margins at 9-Year Low**

Tata Consultancy Services has delivered largely an in-line performance in 1QFY18 with its USD revenue growing by 3.1% QoQ (+2% QoQ in CC terms). While volume grew by 3.5% QoQ, CC pricing declined by 1.5% QoQ. EBIT margin declined steeply by 236bps QoQ, which was well below our estimate by 74bps, which led net profit to decline by 10% QoQ to Rs59.45bn (7.8% below our estimate). From vertical perspective, the key BFSI vertical grew in-line with company average by 3.1% QoQ, while Communication & Media grew by 4.6%, Manufacturing 4.5%, Technology & Services 4.4%, Life Sciences & Healthcare 6.1%, Travel & Hospitality 6.2% and Energy & Utilities 11.5% QoQ. Thus, decent traction was seen in some key verticals.

TCS has reclassified its verticals, separating volatile and project-centric businesses like India, MEA, APAC ex-Australia and Products & Platforms. These are now classified as 'Regional Markets and Others' to give an idea about the proportion of revenue that comes from these markets. This vertical clocked a 1.4% QoQ revenue decline. Geographically, Europe saw healthy growth of 6.8% QoQ, while the UK and Continental Europe clocked QoQ revenue growth of 4.6% and 9.2% QoQ, respectively. Revenue from North America grew by 1.6% QoQ after a decline in 4QFY17.

**Margin Decline Disappointing**

While TCS managed to perform in-line on revenue with some positive signs in key verticals, higher-than-expected decline in margins was a major negative. Its EBIT margin of 23.4% was the lowest in 9 years (36 quarters since 1QFY09), impacted by wage hike and INR appreciation. Thus, we believe that it will be a steep challenge for the IT major to hit its preferred margin band of 26-28% in FY18E. With investments still required to be made to drive digital growth, this we believe will make it even more of a herculean task to achieve those margin levels at least in FY18E.

**Outlook & Valuation**

Post 1QFY18 performance, we marginally cut EPS estimates by 2-3% for FY18E and FY19E, adjusting for share buy-back. We expect FY18E to be the third successive year of single-digit USD revenue growth for TCS, which will be followed by an improvement to double-digit growth in FY19E. At te CMP, the stock currently trades at 16.4x FY19E EPS. In light of the headwinds being faced by the IT sector, we believe the stock is likely to continue to under-perform the broader market. **We retain our REDUCE recommendation on the stock with a Target Price of Rs2,240.**

Share price (%)	1 mth	3 mth	12 mth
Absolute performance	(0.5)	4.5	0.4
Relative to Nifty	(3.4)	(3.6)	(18.4)

Shareholding Pattern (%)	Dec'16	Mar'17
Promoter	73.3	73.3
Public	26.7	26.7



Note: \* CMP as on July 13, 2017

Key Financials (Rs mn)	FY15	FY16	FY17	FY18E	FY19E
Net Sales	946,484	1,086,462	1,179,660	1,242,649	1,384,217
EBIT	227,965	287,901	303,240	310,179	349,594
RPAT	196,484	242,149	262,890	263,187	292,307
Diluted EPS (Rs)	100.5	123.8	134.4	134.6	149.5
P/E (x)	24.3	19.7	18.2	18.2	16.4
EV / EBITDA (x)	18.8	15.4	14.8	13.9	12.1
RoE (%)	34.8	37.1	33.0	28.2	27.1
Dividend Yield (%)	3.0	1.7	1.9	2.2	2.4

Source: Company, RSec Research

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**Conference Call – Key Takeaways**

- ▶ Revenue from Digital business (18.9% of total) grew by a healthy 8.9% QoQ.
- ▶ Retail continues to witness headwinds with clients undergoing restructuring process, which could lead to continuing volatility, going forward.
- ▶ CC pricing saw a sequential decline of 1.5%.
- ▶ Though Management expects to maintain EBIT margin within a 26-28% range over the longer-term in CC terms, this is highly unlikely in FY18E given that EBIT margin came in at just 23.4% in 1QFY18.
- ▶ The IT major saw a 150bps impact on margins from wage hikes, while INR appreciation further eroded margins by 80bps.

**Key Risks**

- ▶ Event-specific risks such as BREXIT could impact IT budgets, cutting discretionary spend and delaying new deals.
- ▶ With Donald Trump as the US President, there is a high likelihood of heightened scrutiny of H1B visas and possibility of cost escalation, which could impact project execution and pressurise margins.
- ▶ Cannibalisation of existing revenue particularly on ADM and ERP side due to shift to cloud architecture.
- ▶ Currency risks.

**Exhibit 1: Consolidated Financial Performance (Rs mn)**

Particulars (Rs mn)	1QFY18	4QFY17	QoQ (%)	1QFY17	YoY (%)
Net Revenues (US\$ mn)	<b>4,591</b>	<b>4,452</b>	<b>3.1</b>	<b>4,362</b>	<b>5.2</b>
<b>Net Revenues</b>	<b>295,840</b>	<b>296,420</b>	<b>(0.2)</b>	<b>293,050</b>	<b>1.0</b>
Employee Expenses	161,830	156,920	3.1	153,740	5.3
SG&A and Other Operating Expenses	59,880	58,180	2.9	60,940	(1.7)
<b>EBITDA</b>	<b>74,130</b>	<b>81,320</b>	<b>(8.8)</b>	<b>78,370</b>	<b>(5.4)</b>
Depreciation	4,990	5,050	(1.2)	4,900	1.8
<b>EBIT</b>	<b>69,140</b>	<b>76,270</b>	<b>(9.3)</b>	<b>73,470</b>	<b>(5.9)</b>
Interest Cost	270	80	237.5	120	125.0
Other Income	9,590	9,970	(3.8)	9,750	(1.6)
<b>PBT</b>	<b>78,460</b>	<b>86,160</b>	<b>(8.9)</b>	<b>83,100</b>	<b>(5.6)</b>
Minority Interest	50	140	(64.3)	10	400.0
Tax	18,960	19,940	(4.9)	19,920	(4.8)
<b>APAT</b>	<b>59,450</b>	<b>66,080</b>	<b>(10.0)</b>	<b>63,170</b>	<b>(5.9)</b>
E/o (adj for tax)	0	0	-	0	-
RPAT	59,450	66,080	(10.0)	63,170	(5.9)
<b>EPS (Rs)</b>	<b>30.4</b>	<b>33.5</b>	<b>(9.4)</b>	<b>32.1</b>	<b>(5.2)</b>

Source: Company, RSec Research

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**Exhibit 2: Margin break-up**

Particulars	1QFY18	4QFY17	QoQ (bps)	1QFY17	YoY (bps)
Employee Expenses % Net Revenues	54.7	52.9	176	52.5	224
SG&A and Other Expenses % Net Revenues	20.2	19.6	61	20.8	(55)
EBITDA Margin (%)	25.1	27.4	(238)	26.7	(169)
EBIT Margin (%)	23.4	25.7	(236)	25.1	(170)
Tax Rate (%)	24.2	23.1	102	24.0	19
APAT Margin (%)	20.1	22.3	(220)	21.6	(146)

Source: Company, RSec Research

**Exhibit 3: 1QFY18 results snapshot, comparison with RSec estimates**

	Actuals	RSec estimates	% variation from RSec estimates
Revenue (US\$ mn)	4,591	4,563	0.6
Revenue (Rs mn)	295,840	294,104	0.6
EBIT (Rs mn)	69,140	70,906	(2.5)
EBIT margin (%)	23.4	24.1	(74) bps
Net profit (Rs mn)	59,450	64,508	(7.8)

Source: Company, RSec Research

**Exhibit 4: Earlier, revised estimates**

Particulars	FY18E			FY19E		
	Earlier estimates	Revised estimates	% change	Earlier estimates	Revised estimates	% change
Revenue (US\$ mn)	19,042	19,157	0.6	21,167	21,296	0.6
Revenue (Rs mn)	1,235,200	1,242,649	0.6	1,375,866	1,384,217	0.6
EBIT (Rs mn)	312,803	310,179	(0.8)	347,923	349,594	0.5
EBIT margin (%)	25.3	25.0	(36)bps	25.3	25.3	(3)bps
EPS (Rs)	138.4	134.6	(2.8)	152.3	149.5	(1.9)

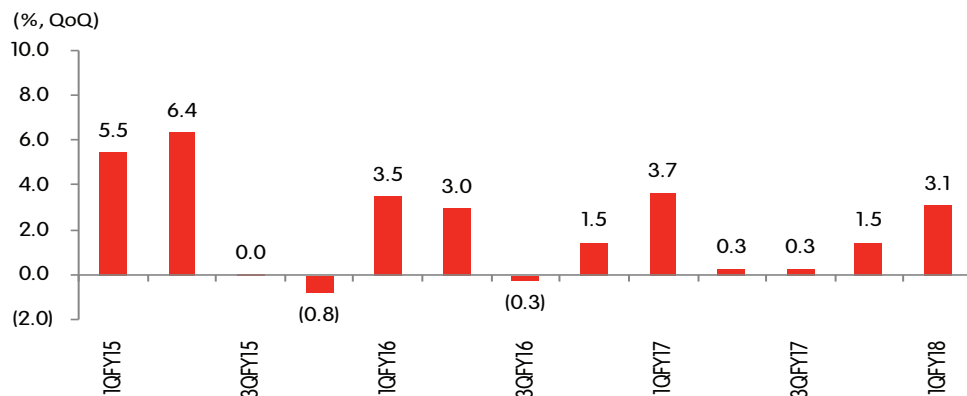
Source: Company, RSec Research

**Exhibit 5: Key Assumptions**

Particulars	FY15	FY16	FY17	FY18E	FY19E
Volume growth (%)	16.2	12.8	9.4	10.2	11.2
Pricing change (%)	(1.1)	(5.1)	(2.9)	(1.1)	0.0
USD revenue growth (%)	15.0	7.1	6.2	9.0	11.2
USD/INR rate	61.24	65.67	67.12	64.87	65.00
EBIT margin (%)	24.1	26.5	25.7	25.0	25.3

Source: Company, RSec Research

**Exhibit 6: QoQ USD revenue growth trend**



Source: Company, RSec Research

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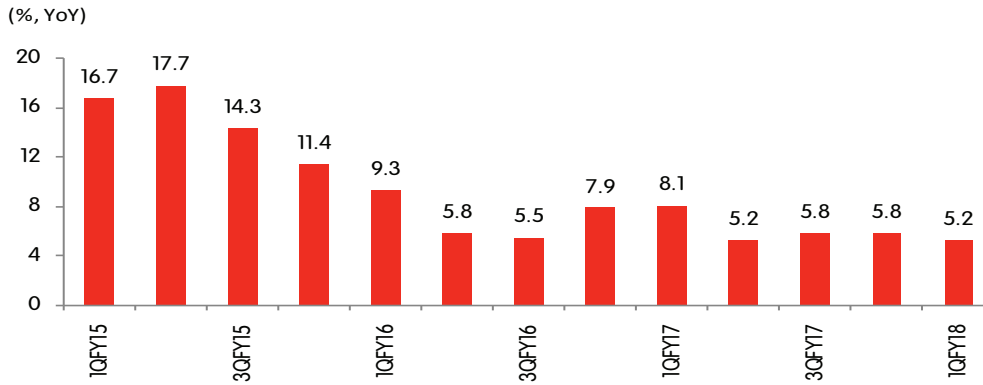
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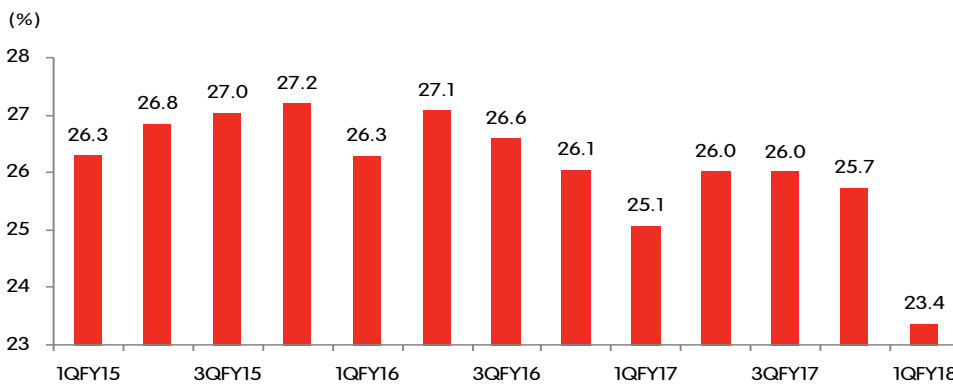
Target Price: Rs2,240

Exhibit 7: YoY USD revenue growth trend



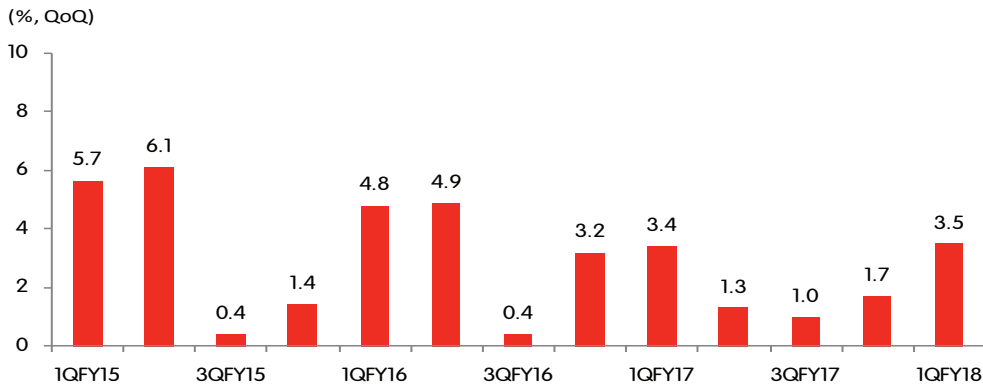
Source: Company, RSec Research

Exhibit 8: EBIT margin trend



Source: Company, RSec Research

Exhibit 9: Volume growth trend



Source: Company, RSec Research

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**Exhibit 10: Vertical contribution**

(% of revenue)	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18
BFSI	40.5	40.9	33.3	40.4	40.4	32.9	32.9
Communication & Media	8.4	8.3	7.0	16.7	16.0	7.2	7.3
Retail & Consumer	13.8	14.7	13.5	17.4	17.3	12.3	12.2
Manufacturing	9.9	10.4	7.3	10.7	10.6	7.4	7.5
Technology & Services	6.0	5.6	7.8			7.8	7.9
Life Sciences & Healthcare	7.3	7.3	6.8	7.6	7.4	6.9	7.1
Travel & Hospitality	3.6	3.7	3.2			3.4	3.5
Energy & Utilities	4.1	4.1	3.6	4.3	4.5	3.7	4.0
Media & Entertainment	2.5	2.5					
Regional Markets & Others	3.9	2.5	17.5	2.9	3.8	18.4	17.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Company, RSec Research; \* Note: From 1QFY18, TCS has reclassified its verticals, extracting out volatile, project-centric businesses such as India, MEA, APAC ex-Australia and products and platforms into a separate line item called 'Regional Markets & Others'.

**Exhibit 11: Vertical growth**

(QoQ, %)	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18
BFSI	(0.2)	2.6	N.A.	N.A.	0.5	N.A.	3.1
Communication & Media	(0.3)	0.3	N.A.	N.A.	(4.1)	N.A.	4.6
Retail & Consumer	(0.5)	8.0	N.A.	N.A.	0.0	N.A.	2.3
Manufacturing	1.2	6.3	N.A.	N.A.	(0.6)	N.A.	4.5
Technology & Services	1.4	(5.3)	N.A.	N.A.		N.A.	4.4
Life Sciences & Healthcare	4.0	1.5	N.A.	N.A.	(2.3)	N.A.	6.1
Travel & Hospitality	(0.3)	4.3	N.A.	N.A.		N.A.	6.2
Energy & Utilities	2.2	1.5	N.A.	N.A.	5.0	N.A.	11.5
Media & Entertainment	3.9	1.5					
Regional Markets & Others	(15.9)	(34.7)	N.A.	N.A.	28.4	N.A.	(1.4)
<b>Total</b>	<b>(0.3)</b>	<b>1.5</b>	<b>3.7</b>	<b>0.3</b>	<b>0.3</b>	<b>1.5</b>	<b>3.1</b>

Source: Company, RSec Research; \* Note: From 1QFY18, TCS has reclassified its verticals, extracting out volatile, project-centric businesses such as India, MEA, APAC ex-Australia and products and platforms into a separate line item called 'Regional Markets & Others'.

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**Exhibit 12: Geographic revenue break-up**

(% of revenue)	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18
Americas	55.6	56.0	55.5	56.0	57.2	55.4	54.6
North America	53.5	54.0	53.5	54.0	55.0	53.3	52.5
Latin America	2.1	2.0	2.0	2.0	2.2	2.1	2.1
Europe	26.8	26.1	26.3	25.6	24.4	25.5	26.4
UK	15.9	14.9	14.8	13.8	13.3	13.7	13.9
Continental Europe	10.9	11.2	11.5	11.8	11.1	11.8	12.5
India	6.0	5.9	6.2	5.8	6.3	6.8	7.0
Asia-Pacific	9.4	9.6	9.6	10.2	9.6	9.7	9.5
Middle East and Africa	2.2	2.4	2.4	2.4	2.5	2.6	2.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Company, RSec Research

**Exhibit 13: Geographic revenue growth**

(QoQ, %)	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18
Americas	1.7	2.2	2.8	1.2	2.4	(1.7)	1.6
North America	1.2	2.4	2.7	1.2	2.2	(1.7)	1.6
Latin America	16.4	(3.4)	3.7	0.3	10.3	(3.1)	3.1
Europe	(1.7)	(1.2)	4.5	(2.4)	(4.4)	6.1	6.8
UK	(3.3)	(4.9)	3.0	(6.5)	(3.3)	4.5	4.6
Continental Europe	0.7	4.3	6.5	2.9	(5.7)	7.9	9.2
India	(7.9)	(0.2)	9.0	(6.2)	8.9	9.5	6.2
Asia-Pacific	(0.3)	3.6	3.7	6.5	(5.6)	2.5	1.0
Middle East and Africa	(8.6)	10.7	3.7	0.3	4.5	5.5	(0.8)
<b>Total</b>	<b>(0.3)</b>	<b>1.5</b>	<b>3.7</b>	<b>0.3</b>	<b>0.3</b>	<b>1.5</b>	<b>3.1</b>

Source: Company, RSec Research

**Exhibit 14: Headcount, utilisation data**

(Nos.)	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17	4QFY17	1QFY18
<b>Total headcount</b>	<b>344,691</b>	<b>353,843</b>	<b>362,079</b>	<b>371,519</b>	<b>378,497</b>	<b>387,223</b>	<b>385,809</b>
Gross additions	22,118	22,576	17,792	22,665	18,362	20,093	11,202
Trainee additions	7,593	8,623	5,038	11,884	10,950	11,556	1,659
India lateral additions	10,451	10,659	9,877	7,486	4,804	5,733	6,289
Overseas additions	4,074	3,294	2,877	3,295	2,608	2,804	3,254
<b>Net additions</b>	<b>9,071</b>	<b>9,152</b>	<b>8,236</b>	<b>9,440</b>	<b>6,978</b>	<b>8,726</b>	<b>(1,414)</b>
Consolidated LTM attrition (%)	15.9	15.8	14.0	13.3	12.6	11.8	12.6
Quarterly annualised attrition (%)	15.3	15.2	10.6	14.2	12.0	11.7	13.1
Utilisation including trainees (%)	80.9	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Utilisation excluding trainees (%)	84.9	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Company, RSec Research

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**Profit and Loss Statement**

Y/E March (Rs mn)	FY15	FY16	FY17	FY18E	FY19E
<b>Net Revenues (US\$ mn)</b>	<b>15,454</b>	<b>16,545</b>	<b>17,575</b>	<b>19,157</b>	<b>21,296</b>
Growth (%)	15.0	7.1	6.2	9.0	11.2
<b>Net Revenues</b>	<b>946,484</b>	<b>1,086,462</b>	<b>1,179,660</b>	<b>1,242,649</b>	<b>1,384,217</b>
Growth (%)	15.7	14.8	8.6	5.3	11.4
Employee Expenses	507,287	553,495	616,210	660,283	736,673
SG&A & Other Opert. Expenses	192,533	226,187	240,340	250,786	275,180
<b>EBITDA</b>	<b>246,664</b>	<b>306,780</b>	<b>323,110</b>	<b>331,580</b>	<b>372,364</b>
EBITDA (%)	26.1	28.2	27.4	26.7	26.9
EBITDA Growth (%)	(1.9)	24.4	5.3	2.6	12.3
Depreciation	18,699	18,879	19,870	21,401	22,770
<b>EBIT</b>	<b>227,965</b>	<b>287,901</b>	<b>303,240</b>	<b>310,179</b>	<b>349,594</b>
Other Income	32,532	30,833	42,210	38,333	41,518
Interest	1,135	331	320	695	552
<b>PBT</b>	<b>259,362</b>	<b>318,403</b>	<b>345,130</b>	<b>347,817</b>	<b>390,560</b>
Tax (incl deferred)	60,830	75,027	81,560	83,606	97,640
Minority Int. and associate profit	2,048	1,227	680	1,024	614
<b>RPAT</b>	<b>196,484</b>	<b>242,149</b>	<b>262,890</b>	<b>263,187</b>	<b>292,307</b>
RPAT Growth (%)	2.8	23.2	8.6	0.1	11.1
<b>EPS</b>	<b>100.5</b>	<b>123.8</b>	<b>134.4</b>	<b>134.6</b>	<b>149.5</b>

**Balance Sheet**

Y/E March (Rs mn)	FY15	FY16	FY17	FY18E	FY19E
<b>SOURCES OF FUNDS</b>					
Share Capital - Equity	1,959	1,970	1,970	1,956	1,956
Reserves	572,808	729,929	860,170	1,000,186	1,155,693
<b>Total Shareholders' Funds</b>	<b>574,767</b>	<b>731,899</b>	<b>862,140</b>	<b>1,002,141</b>	<b>1,157,649</b>
Minority Interest	9,136	3,542	3,660	4,684	5,298
<b>Total Debt</b>	<b>3,577</b>	<b>2,448</b>	<b>2,710</b>	<b>2,710</b>	<b>2,710</b>
Deferred Tax Liabilities (Net)	5,474	8,051	9,190	9,190	9,190
Long Term Provisions & Others	13,634	12,118	11,700	11,700	11,700
Trade Payables	88,318	75,408	62,790	69,890	83,166
Other Current Liab. & Provns	55,963	78,660	80,330	75,472	82,286
<b>Total Current Liabilities</b>	<b>144,282</b>	<b>154,068</b>	<b>143,120</b>	<b>145,362</b>	<b>165,452</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>750,868</b>	<b>912,128</b>	<b>1,032,520</b>	<b>1,175,788</b>	<b>1,351,998</b>
<b>APPLICATION OF FUNDS</b>					
Net Block	88,052	90,236	100,570	104,022	105,476
CWIP	27,664	27,664	15,410	15,410	15,410
Goodwill & Other Intan. Assets	39,308	39,463	16,440	16,440	16,440
Investments	7,535	7,831	3,440	3,440	3,440
LT Loans & Advances, Others	73,150	86,225	63,120	63,120	63,120
Deferred Tax Assets (Net)	26,150	28,819	28,280	28,280	28,280
<b>Total Non Current Assets</b>	<b>261,858</b>	<b>280,237</b>	<b>227,260</b>	<b>230,712</b>	<b>232,166</b>
Debtors	204,399	240,728	226,840	245,125	284,428
Cash & Bank	182,451	67,481	41,490	155,249	276,136
Liquid Investments	15,009	224,540	416,360	416,360	416,360
Other Current Assets	87,151	99,141	120,570	128,341	142,908
<b>Total Current Assets</b>	<b>489,011</b>	<b>631,890</b>	<b>805,260</b>	<b>945,075</b>	<b>1,119,832</b>
<b>TOTAL APPLICATION OF FUNDS</b>	<b>750,868</b>	<b>912,128</b>	<b>1,032,520</b>	<b>1,175,788</b>	<b>1,351,998</b>

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**Cash Flow Statement**

Y/E March (Rs mn)	FY15	FY16	FY17	FY18E	FY19E
PAT	196,484	242,149	262,890	263,187	292,307
Depreciation	18,699	18,879	19,870	21,401	22,770
<b>Working Capital Change</b>	<b>14,576</b>	<b>(29,000)</b>	<b>(10,276)</b>	<b>(23,814)</b>	<b>(33,780)</b>
Cash Flow from Operations (a)	229,758	232,027	272,485	260,774	281,297
Capex	(30,771)	(21,063)	(17,951)	(24,853)	(24,224)
<b>Investments</b>	<b>20,452</b>	<b>(221,021)</b>	<b>(199,416)</b>	<b>0</b>	<b>0</b>
Cash Flow from Investing (b)	(10,319)	(242,084)	(217,366)	(24,853)	(24,224)
Debt Issuance/(Repaid)	608	(1,129)	262	0	0
Share capital Issuance	0	12	(0)	(14)	0
<b>Dividend</b>	<b>(169,868)</b>	<b>(94,320)</b>	<b>(109,470)</b>	<b>(123,172)</b>	<b>(136,800)</b>
<b>Cash Flow from Financing (c)</b>	<b>(169,260)</b>	<b>(95,437)</b>	<b>(109,209)</b>	<b>(123,186)</b>	<b>(136,800)</b>
NET CASH FLOW (a+b+c)	50,179	(105,493)	(54,091)	112,735	120,274
EO items, others	(12,170)	(9,477)	28,100	1,024	613
<b>Closing Cash Balance</b>	<b>182,451</b>	<b>67,481</b>	<b>41,490</b>	<b>155,249</b>	<b>276,136</b>
<b>Free Cash Flow</b>	<b>198,987</b>	<b>210,965</b>	<b>254,534</b>	<b>235,921</b>	<b>257,073</b>

**Key Ratios**

Y/E March	FY15	FY16	FY17	FY18E	FY19E
<b>Profitability (%)</b>					
EBITDA Margin	26.1	28.2	27.4	26.7	26.9
APAT Margin	20.8	22.3	22.3	21.2	21.1
RoE	34.8	37.1	33.0	28.2	27.1
RoIC	31.5	35.5	40.3	39.0	39.8
RoCE	30.8	33.5	29.0	25.2	24.2
<b>Efficiency</b>					
Tax Rate (%)	23.5	23.6	23.6	24.0	25.0
Fixed Asset Turnover (x)	5.4	5.5	5.2	4.9	5.0
Debtors + Unbilled rev. (days)	94	95	87	90	95
Payables (days)	46	35	27	28	30
Cash Conversion Cycle (days)	48	59	60	62	65
Net Debt/EBITDA (x)	(0.8)	(0.9)	(1.4)	(1.7)	(1.9)
Net Debt/Equity (x)	(0.3)	(0.4)	(0.5)	(0.6)	(0.6)
Interest Coverage (x)	200.8	870.1	947.6	446.5	633.2
<b>Per Share Data (Rs)</b>					
EPS	100.5	123.8	134.4	134.6	149.5
CEPS	110.0	133.5	144.6	145.5	161.1
DPS	73.7	41.0	46.3	53.8	59.8
Book Value	293.9	374.3	440.9	512.4	592.0
<b>Valuation</b>					
P/E (x)	24.3	19.7	18.2	18.2	16.4
P/BV (x)	8.3	6.5	5.5	4.8	4.1
EV/EBITDA (x)	18.8	15.4	14.8	13.9	12.1
OCF/EV (%)	5.0	4.9	5.7	5.6	6.2
FCF/EV (%)	4.3	4.5	5.3	5.1	5.7
FCFE/mkt cap (%)	4.1	4.4	5.3	4.9	5.4
Dividend Yield (%)	3.0	1.7	1.9	2.2	2.4



Institutional Equity Research

TCS

IT | India

CMP* (Rs)	2,444
Upside/ (Downside) (%)	(8)
Bloomberg Ticker	TCS IN

**REDUCE** 

Target Price: Rs2,240

Rating Guides

Rating	Expected absolute returns (%) over 12 months
BUY	>10%
HOLD	-5% to 10%
REDUCE	>-5%

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