

IIT Madras

ONLINE DEGREE

Pricing Strategies

Pricing Strategy: Objectives

- Long Run Profits
- Short Run Profits
- Increase Sales Volume
- Company Growth
- Match Competitors Price
- Create Interest & Excitement about the Product
- Discourage Competitors From cutting Price
- Social, Ethical & Ideological Objectives
- Discourage New Entrants
- Survival

Decisions in Pricing Strategy

- Fixed & Variable Cost
- Competition
- Company Objectives
- Proposed Positioning Strategies
- Target Group & Willingness to Pay
- External Market Demand
- Internal Factors; Product Cost & Objectives of Company

- Pricing is a market and cost consideration.
- Understand customers' primary goals. Be clear on what the customer wants first, then set pricing and bundling decisions.
- Consider bundling products or services together. Bundle a low- and high-valued product together.
- Understand your value proposition. Have a clear understanding of if and how your product or service is differentiated from the competition.
- Build the customers' perception of value. Constantly build on customer perception. The more subtle the differentiation of the product or service, the more often customers need to be reminded of the value of your product or service.

Factors Affecting Pricing



Pricing Strategies

- **Marketing Skimming**
- **Value Pricing**
- **Loss Leader**
- **Psychological Pricing**
- **Going Rate (Price Leadership)**
- **Tender Pricing**
- **Price Discrimination**
- **Penetration Pricing**
- **Cost Plus Pricing**
- **Contribution Pricing**
- **Target Pricing**
- **Destroyer Pricing**
- **Marginal Cost Pricing**
- **Absorption Cost Pricing**

Market Skimming Pricing

- High Price low volume
- Skim the Profit from the Market
- Suitable for the products that have short life cycle or Which will face competition at some point in future.
- Examples; Play Station, Digital Technology & DVD etc.



Value Pricing

- Based on consumer Perception.
- Price charged according to the Customers Perception.
- Price set by the company as per the perceived value.
- Example; Status Products/ Exclusive Products.



Loss Leader Pricing

- Goods/services deliberately sold below cost to encourage sales elsewhere
- Typical in supermarkets, e.g. at Diwali, selling sweets at lower prices in the hope that people will be attracted to the store and buy other things
- Purchases of other items more than covers ‘loss’ on item sold
- e.g. ‘Free’ mobile phone when taking on contract package



Psychological Pricing

- Used to play on consumer perceptions
- Classic example – Rs. 9.99 instead of Rs.10.99!
- Links with value pricing – high value goods priced according to what consumers THINK should be the price

A photograph of Steve Jobs standing on a stage, gesturing with his right hand. He is wearing a dark turtleneck sweater. Behind him is a large screen displaying a price matrix for an iPhone model. The matrix has four columns labeled '16 GB', '32 GB', and '64 GB'. The top row, labeled 'WiFi', shows prices of '\$499', '\$599', and '\$699' respectively. The bottom row, labeled 'WiFi + 3G', shows prices of '\$629', '\$729', and '\$829' respectively.

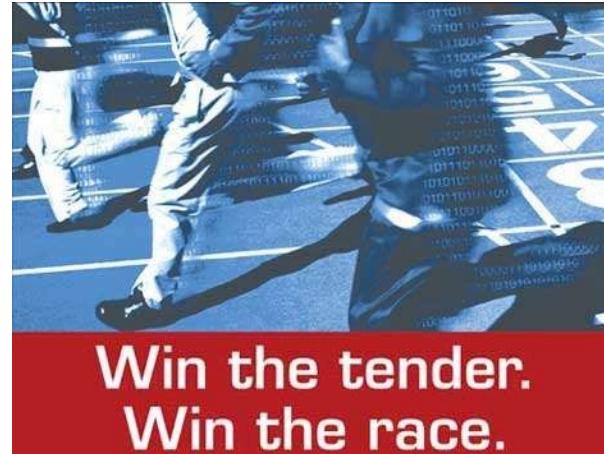
	16 GB	32 GB	64 GB
WiFi	\$499	\$599	\$699
WiFi + 3G	\$629	\$729	\$829

Going Rate Pricing

- In case of price leader, rivals have difficulty in competing on price – too high and they lose market share, too low and the price leader would match price and force smaller rival out of market
- May follow pricing leads of rivals especially where those rivals have a clear dominance of market share
- Where competition is limited, ‘going rate’ pricing may be applicable – banks, petrol, supermarkets, electrical goods – find very similar prices in all outlets

Tender Pricing

- Many contracts awarded on a tender basis
- Firm (or firms) submit their price for carrying out the work
- Purchaser then chooses which represents best value
- Mostly done in secret



Price Discrimination

- Charging a different price for the same good/service in different markets
- Requires each market to be impenetrable
- Requires different price elasticity of demand in each market
- Prices for air travel differ for the same journey at different times of the day



Penetration Pricing

- Price set to ‘penetrate the market’
- ‘Low’ price to secure high volumes
- Typical in mass market products – chocolate bars, food stuffs, household goods, etc.
- Suitable for products with long anticipated life cycles
- May be useful if launching into a new market



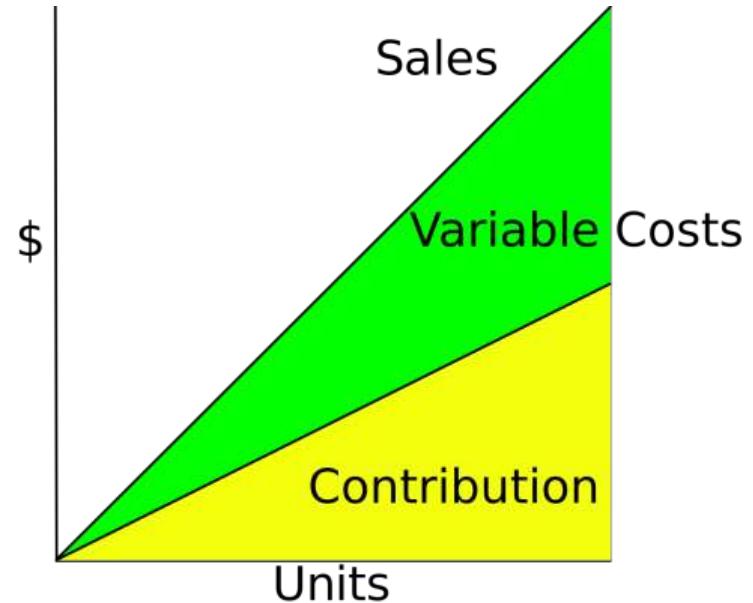
Cost Plus Pricing

- Cost-plus pricing is a pricing strategy that is used to maximize the rates of return of companies.
- Cost-plus pricing is also known as mark-up pricing where cost + mark-up = selling price.
- In practice, most firms use either value- based pricing or cost-plus pricing.



Contribution Pricing

- Contribution = Selling Price – Variable (direct costs)
- Prices set to ensure coverage of variable costs and a ‘contribution’ to the fixed costs
- Similar in principle to marginal cost pricing
- Break-even analysis might be useful in such circumstances



Target Pricing

- Setting price to ‘target’ a specified profit level
- Estimates of the cost and potential revenue at different prices, and thus the break-even have to be made, to determine the mark-up
- $\text{Mark-up} = \frac{\text{Profit}}{\text{Cost}} \times 100$



Marginal Cost Pricing

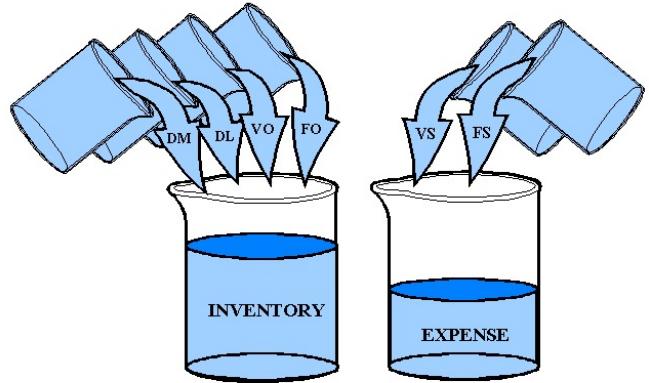
- Marginal cost – the cost of producing ONE extra or ONE fewer item of production
- MC pricing – allows flexibility
- Particularly relevant in transport where fixed costs may be relatively high
- Allows variable pricing structure – e.g. on a flight from London to New York – providing the cost of the extra passenger is covered, the price could be varied a good deal to attract customers and fill the aircraft

$$MC = \frac{\Delta Total\ Cost}{\Delta Output} = \frac{\$80}{2} = \$40$$

Absorption Cost Pricing

- Full Cost Pricing – attempting to set price to cover both fixed and variable costs
- Absorption Cost Pricing – Price set to ‘absorb’ some of the fixed costs of production

ABSORPTION COSTING



Destroyer Pricing

- Deliberate price cutting or offer of ‘free gifts/products’ to force rivals (normally smaller and weaker) out of business or prevent new entrants
- Anti-competitive and illegal if it can be proved



Analyzing Firm Performance

Financial Analysis

- Assessment of the firm's past, present and future financial conditions
- Done to find firm's financial strengths and weaknesses
- Primary Tools:
 - Financial Statements
 - Comparison of financial ratios to past, industry, sector and all firms

Financial Statements

- Balance Sheet
- Income Statement
- Cashflow Statement
- Statement of Retained Earnings

Objectives of Ratio Analysis

- Standardize financial information for comparisons
- Evaluate current operations
- Compare performance with past performance
- Compare performance against other firms or industry standards
- Study the efficiency of operations
- Study the risk of operations

Ratio Analysis

1. **Liquidity** – the ability of the firm to pay its way
2. **Investment/shareholders** – information to enable decisions to be made on the extent of the risk and the earning potential of a business investment
3. **Gearing** – information on the relationship between the exposure of the business to loans as opposed to share capital
4. **Profitability** – how effective the firm is at generating profits given sales and or its capital assets
5. **Financial** – the rate at which the company sells its stock and the efficiency with which it uses its assets

Acid Test

- Also referred to as the ‘Quick ratio’
- **(Current assets – stock) : liabilities**
- 1:1 seen as ideal
- The omission of stock gives an indication of the cash the firm has in relation to its liabilities (what it owes)
- A ratio of 3:1 therefore would suggest the firm has 3 times as much cash as it owes – very healthy!
- A ratio of 0.5:1 would suggest the firm has twice as many liabilities as it has cash to pay for those liabilities. This *might* put the firm under pressure.

Current Ratio

- Looks at the ratio between Current Assets and Current Liabilities
- **Current Ratio = Current Assets : Current Liabilities**
- Ideal level? – 1.5 : 1
- A ratio of 5 : 1 would imply the firm has Rs.5 of assets to cover every Rs.1 in liabilities
- A ratio of 0.75 : 1 would suggest the firm has only 75p in assets available to cover every Rs.1 it owes
- Too high – Might suggest that too much of its assets are tied up in unproductive activities – too much stock, for example?
- Too low - risk of not being able to pay your way

Investment/Shareholders

- **Earnings per share** – profit after tax / number of shares
- **Price earnings ratio** – market price / earnings per share – the higher the better generally for company. Comparison with other firms helps to identify value placed on the market of the business.
- **EV / EBITDA Ratio** - Enterprise Value / EBITDA ratio - the higher the better generally for company . It measures the operational performance of the firm.
- **Dividend yield** – ordinary share dividend / market price x 100 – higher the better. Relates the return on the investment to the share price.

Gearing

- **Gearing Ratio = Long term loans / Capital employed x 100**
- The higher the ratio the more the business is exposed to interest rate fluctuations and to having to pay back interest and loans before being able to re-invest earnings

Profitability

- Profitability measures look at how much profit the firm generates from sales or from its capital assets
- Different measures of profit – gross and net
 - **Gross profit** – effectively total revenue (turnover) – variable costs (cost of sales)
 - **Net Profit** – effectively total revenue (turnover) – variable costs and fixed costs (overheads)

Profitability

- **Gross Profit Margin = Gross profit / turnover x 100**
- The higher the better
- Enables the firm to assess the impact of its sales and how much it cost to generate (produce) those sales
- A gross profit margin of 45% means that for every £1 of sales, the firm makes 45p in gross profit

Profitability

- **Net Profit Margin = Net Profit / Turnover x 100**
- Net profit takes into account the fixed costs involved in production – the overheads
- Keeping control over fixed costs is important – could be easy to overlook for example the amount of waste - paper, stationery, lighting, heating, water, etc.
 - e.g. – leaving a photocopier on overnight uses enough electricity to make 5,300 A4 copies. (1,934,500 per year)
 - 1 ream = 500 copies. 1 ream = Rs.5.00 (on average)
 - Total cost therefore = Rs.19,345 per year – or 1 person's salary

Profitability

- **Return on Capital Employed (ROCE) = Profit / capital employed x 100**
- The higher the better
- Shows how effective the firm is in using its capital to generate profit
- A ROCE of 25% means that it uses every £1 of capital to generate 25p in profit
- Partly a measure of efficiency in organisation and use of capital

Asset Turnover

- **Asset Turnover = Sales turnover / assets employed**
- Using assets to generate profit
- Asset turnover x net profit margin = ROCE

Stock Turnover

- Stock turnover = Cost of goods sold / stock expressed as times per year
- The rate at which a company's stock is turned over
- A high stock turnover might mean increased efficiency?
 - But: dependent on the type of business – supermarkets might have high stock turnover ratios whereas a shop selling high value musical instruments might have low stock turnover ratio
 - Low stock turnover could mean poor customer satisfaction if people are not buying the goods

Debtor Days

- **Debtor Days = Debtors / sales turnover x 365**
- Shorter the better
- Gives a measure of how long it takes the business to recover debts
- Can be skewed by the degree of credit facility a firm offers

Summary of Financial Ratios

- Ratios help to:
 - Evaluate performance
 - Structure analysis
 - Show the connection between activities and performance
- Benchmark with
 - Past for the company
 - Industry
- Ratios adjust for size differences

Limitations of Ratio Analysis

- A firm's industry category is often difficult to identify
- Published industry averages are only guidelines
- Accounting practices differ across firms
- Sometimes difficult to interpret deviations in ratios
- Industry ratios may not be desirable targets
- Seasonality affects ratios

Ultradent

UltraTech Cement – Quarterly performance

	Quarterly performance (Consol.)								(INR m)			
	FY20				FY21				FY20	FY21E	FY21	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE	(%)	
Net Sales	114,197	96,204	103,538	107,456	76,711	103,871	122,541	133,689	421,248	436,812	116,615	5
YoY Change (%)	19.6	4.0	-0.9	-13.1	-32.8	8.0	18.4	24.4	1.2	3.7	12.6	
Total Expenditure	84,704	77,024	82,476	83,056	55,934	76,895	91,599	100,963	327,106	324,994	87,544	5
EBITDA	29,493	19,180	21,062	24,401	20,777	26,977	30,943	32,726	94,142	111,818	29,071	6
Margins (%)	25.8	19.9	20.3	22.7	27.1	26.0	25.3	24.5	22.3	25.6	24.9	
Depreciation	6,884	6,684	6,730	6,724	6,512	6,771	6,739	6,806	27,022	26,828	6,837	-1
Interest	5,029	5,071	4,708	5,048	3,943	3,579	3,563	3,411	19,857	14,495	3,468	3
Other Income	1,347	1,475	1,682	1,979	2,788	1,350	2,679	1,725	6,478	8,542	1,400	91
PBT before EO expense	18,928	8,900	11,306	14,608	13,110	17,977	23,320	24,234	53,742	79,036	20,165	16
Extra-Ord expense	0	0	1,332	-21,120	1,574	3,357	0	0	-19,788		0	
PBT after EO Expense	18,928	8,900	9,973	35,728	11,536	14,620	23,320	24,234	73,530	79,036	20,165	16
Tax	6,118	3,113	2,862	3,320	3,603	5,662	7,474	7,253	15,413	23,991	6,251	20
Rate (%)	32.3	35.0	28.7	9.3	31.2	38.7	32.0	29.9	21.0	30.4	31.0	
Reported PAT	12,810	5,787	7,112	32,408	7,933	8,958	15,846	16,981	58,117	55,045	13,914	14
Minority Interest	1	3	8	14	9	(6)	-3	(7)	32	-5	(10)	
Adj PAT	12,811	5,790	8,069	13,265	9,024	12,310	15,843	16,975	39,935	54,152	13,904	14
YoY Change (%)	92.3	62.2	103.7	24.2	-29.6	112.6	96.3	28.0	60.9	35.6	72.3	

E: MOFSL Estimates

Reference: Motilal Oswal, January 2021

UltraTech Cement – Trend in key operating parameters

INR/ton	3QFY21	3QFY20	YoY (%)	2QFY21	QoQ (%)
Realization	5,132	4,954	4%	5,178	-1%
RM Cost	751	856	-12%	835	-10%
Power & Fuel	1,006	976	3%	920	9%
Staff Cost	256	297	-14%	282	-9%
Freight & Forwarding	1,193	1,121	6%	1,146	4%
Other Expenditure	630	697	-10%	649	-3%
Total Expenditure	3,836	3,946	-3%	3,833	0%
EBITDA	1,296	1,008	29%	1,345	-4%

Reference: Motilal Oswal, January 2021

UltraTech Cement – Valuation

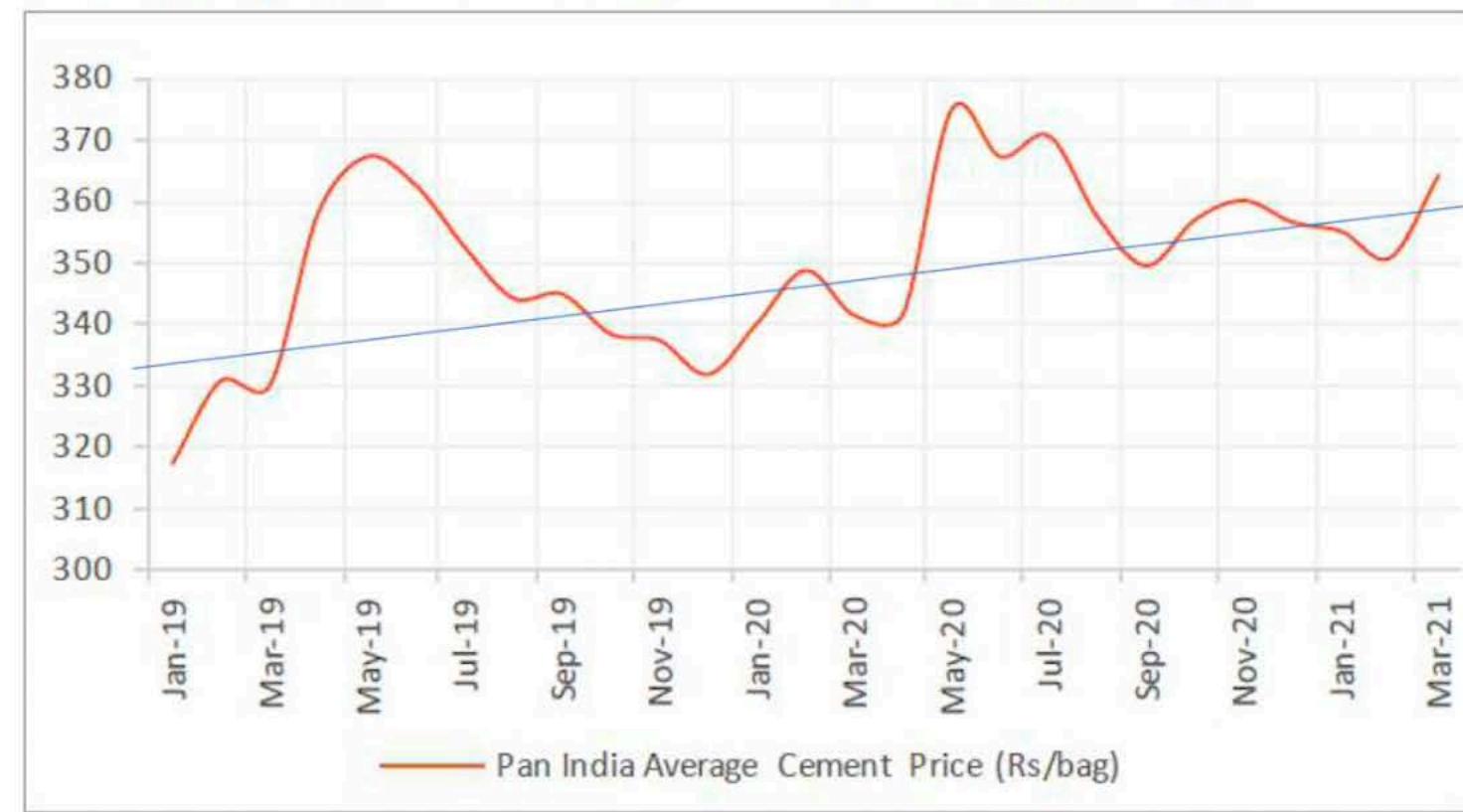
Valuation (Standalone)	FY20	FY21E	FY22E	FY23E	Rs cr
Particulars					
Revenue	40,649	41,131	46,484	52,492	
OPM (%)	23.1%	26.1%	25.5%	25.7%	
Adjusted PAT	3,652	4,687	5,413	6,449	
% YoY growth	44.6%	28.3%	15.5%	19.1%	
Adjusted EPS (Rs.)	126.5	162.4	187.5	223.4	
P/E (x)	53.5	41.7	36.1	30.3	
P/B (x)	5.1	4.6	4.1	3.6	
EV/EBITDA (x)	23.5	20.1	17.8	15.0	
RoNW (%)	10.2%	11.6%	12.0%	12.7%	
RoCE (%)	8.8%	9.5%	10.2%	11.1%	



Reference: Sharekhan, March 2021

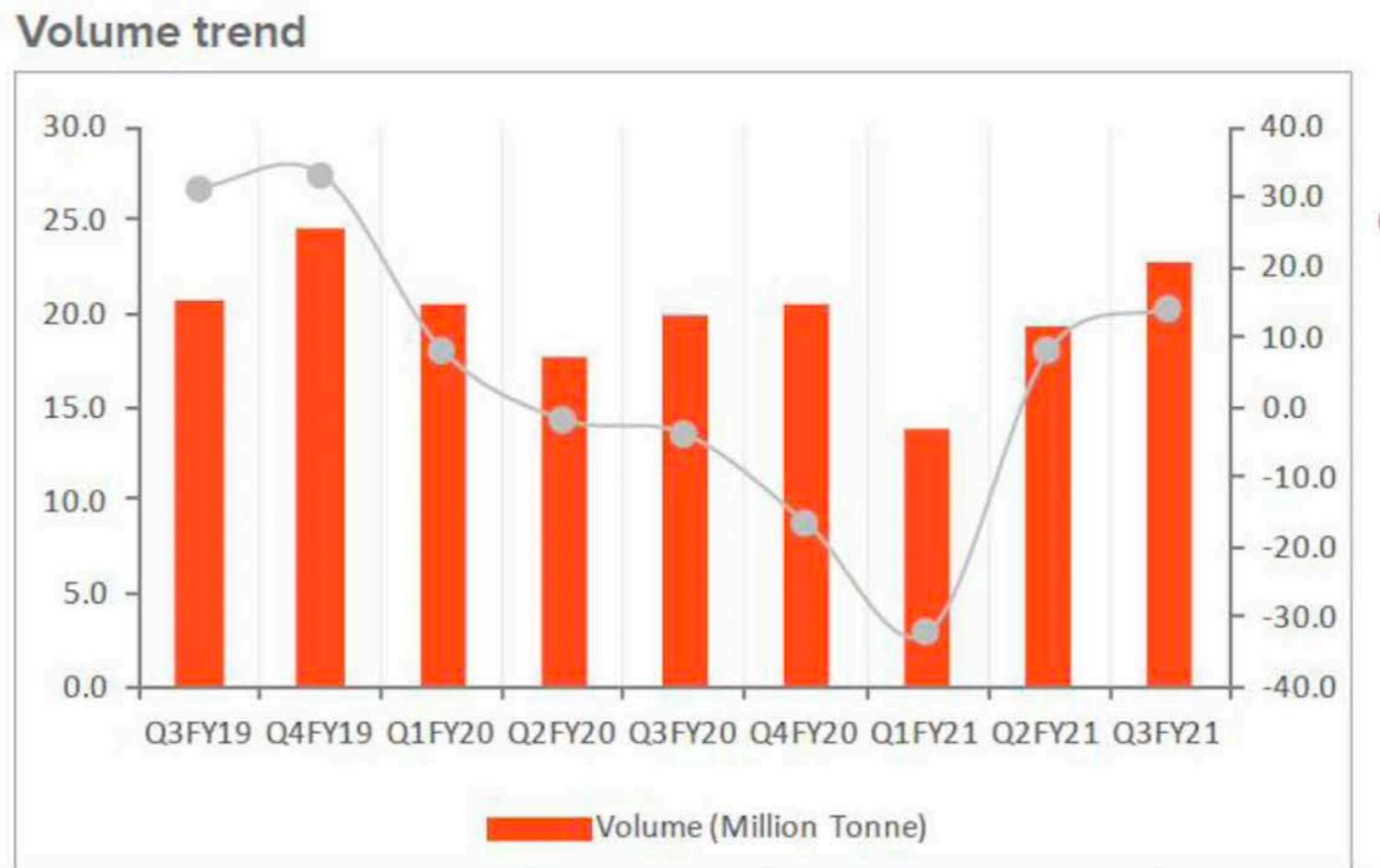
UltraTech Cement – Price trend

Pan-India price 3.9%/-0.3% (Q4FY21 vs. y-o-y/m-o-m)



Reference: Sharekhan, March 2021

UltraTech Cement – Volume trend



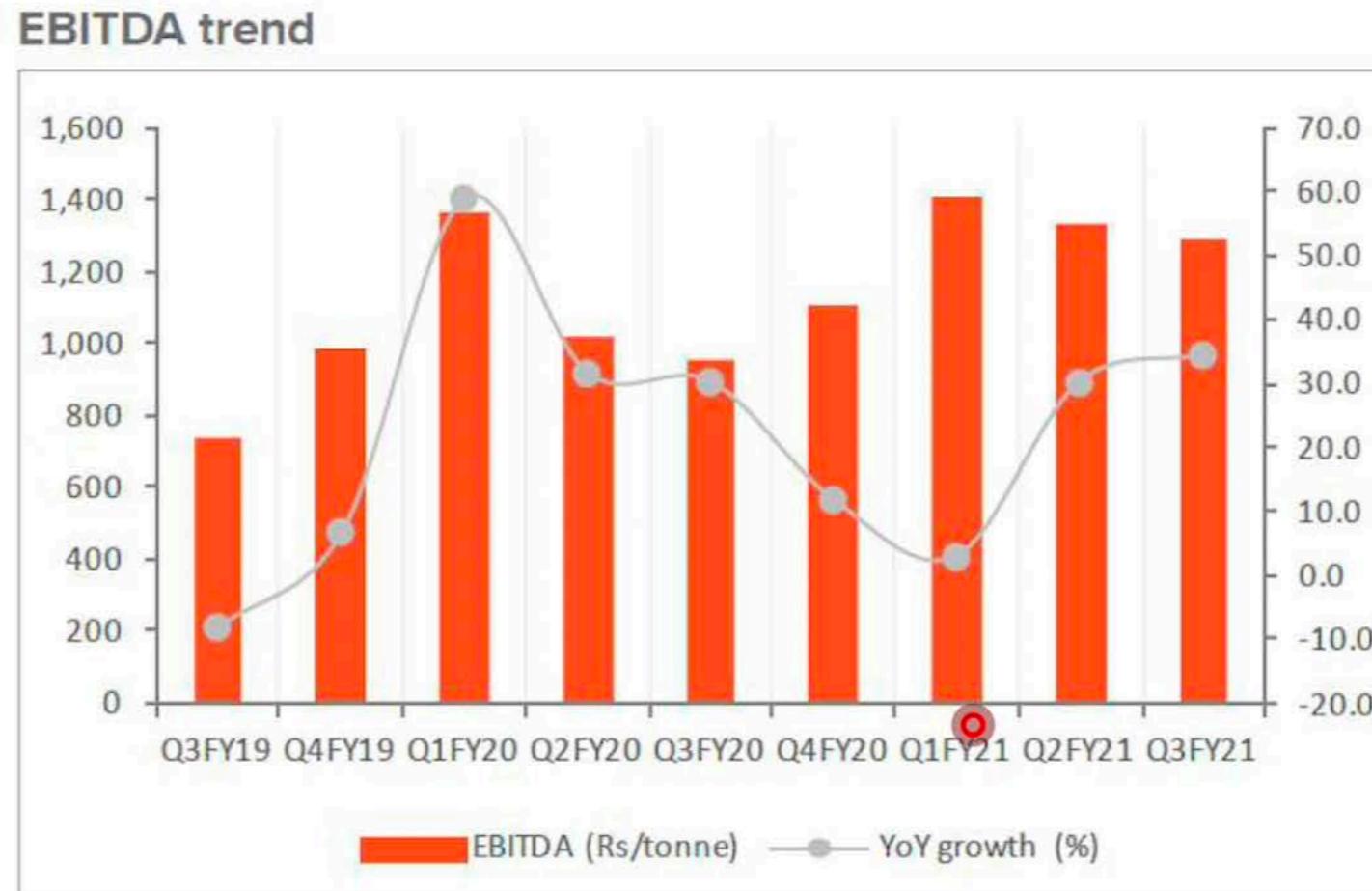
Reference: Sharekhan, March 2021

UltraTech – Profit & Loss

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Total Income from Operations	251,532	253,749	309,786	416,088	421,248	436,812	497,871	547,805
Change (%)	3.3	0.9	22.1	34.3	1.2	3.7	14.0	10.0
Raw Materials	44,175	44,926	52,888	69,831	63,131	66,971	71,959	79,387
Employees Cost	14,450	15,223	18,102	22,911	25,094	23,717	25,919	27,686
Other Expenses	143,898	141,476	177,344	249,877	239,167	234,307	277,067	299,889
Total Expenditure	202,523	201,625	248,335	342,619	327,106	324,994	374,945	406,962
% of Sales	80.5	79.5	80.2	82.3	77.7	74.4	75.3	74.3
EBITDA	49,010	52,124	61,452	73,469	94,142	111,818	122,926	140,843
Margin (%)	19.5	20.5	19.8	17.7	22.3	25.6	24.7	25.7
Depreciation	13,772	13,484	18,479	24,507	27,022	26,828	27,460	28,738
EBIT	35,238	38,640	42,972	48,962	67,121	84,989	95,466	112,105
Int. and Finance Charges	5,663	6,401	12,376	17,779	19,857	14,495	9,723	7,359
Other Income	4,638	6,481	5,886	4,634	6,478	8,542	8,551	11,365
PBT bef. EO Exp.	34,213	38,721	36,482	35,818	53,742	79,036	94,294	116,111
EO Items	0	0	-3,466	-1,139	19,788	-1,574	0	0
PBT after EO Exp.	34,213	38,721	33,016	34,679	73,530	77,462	94,294	116,111
Total Tax	9,417	11,586	10,770	10,681	15,413	23,991	29,178	35,920
Tax Rate (%)	27.5	29.9	32.6	30.8	21.0	31.0	30.9	30.9
Minority Interest	16	-14	24	-37	-32	5	5	5
Reported PAT	24,780	27,149	22,222	24,035	58,148	53,466	65,111	80,186
Adjusted PAT	24,780	27,149	24,557	24,823	38,360	54,552	65,111	80,186
Change (%)	18.1	9.6	-9.5	1.1	54.5	42.2	19.4	23.2
Margin (%)	9.9	10.7	7.9	6.0	9.1	12.5	13.1	14.6

Reference: Motilal Oswal, January 2021

UltraTech Cement – EBITDA trend



Reference: Sharekhan, March 2021

UltraTech – Balance sheet

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Equity Share Capital	2,744	2,745	2,746	2,746	2,886	2,886	2,886	2,886
Total Reserves	216,712	241,171	261,066	334,738	388,269	438,271	499,341	574,331
Net Worth	219,456	243,916	263,812	337,484	391,155	441,157	502,227	577,218
Minority Interest	155	97	160	122	75	80	85	90
Total Loans	106,160	84,745	194,802	253,370	228,979	168,979	108,979	108,979
Deferred Tax Liabilities	24,411	27,824	31,827	63,856	49,120	56,793	66,046	77,409
Capital Employed	350,182	356,582	490,601	654,832	669,329	667,010	677,337	763,697
Gross Block	255,050	274,135	430,455	571,407	602,593	614,235	630,890	672,559
Less: Accum. Deprn.	13,018	25,943	43,665	68,172	95,194	122,022	149,482	178,221
Net Fixed Assets	242,032	248,192	386,790	503,235	507,400	492,213	481,408	494,338
Goodwill on Consolidation	11,062	10,851	10,363	62,989	62,525	62,525	62,525	62,525
Capital WIP	14,691	9,215	15,112	11,486	9,095	13,095	23,095	8,095
Current Investment	23,651	54,110	39,491	15,165	42,437	33,149	33,149	33,149
Non-current Investment	27,301	12,795	14,978	14,048	16,850	19,138	19,138	19,138
Curr. Assets, Loans&Adv.	93,194	86,926	104,677	158,335	144,307	161,653	178,522	271,525
Inventory	24,546	24,006	32,676	40,990	41,483	41,370	47,154	51,848
Account Receivables	19,282	17,571	22,206	27,870	22,383	22,528	25,675	28,183
Cash and Bank Balance	22,670	22,488	2,191	7,397	5,392	20,047	22,209	108,094
Loans and Advances	26,697	22,861	47,604	82,079	75,049	77,708	83,484	83,400
Curr. Liability & Prov.	61,852	65,605	80,904	110,548	119,152	120,632	126,369	130,944
Account Payables	17,173	18,573	23,849	31,671	35,014	36,308	41,383	45,534
Other Current Liabilities	40,292	42,453	50,526	71,206	76,240	76,420	77,076	77,494
Provisions	4,388	4,579	6,529	7,671	7,898	7,904	7,910	7,916
Net Current Assets	31,343	21,321	23,773	47,787	25,155	41,021	52,153	140,581
Deferred Tax assets	102	98	94	121	60	61	61	62
Net Assets held for sale	0	0	0	0	5,808	5,808	5,808	5,808
Appl. of Funds	350,182	356,582	490,601	654,832	669,329	667,010	677,337	763,697

E: MOFSL Estimates

Reference: Motilal Oswal, January 2021

UltraTech – Cash flow

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
OP/(Loss) before Tax	34,213	38,721	33,015	34,685	52,423	77,462	94,294	116,111
Depreciation	13,772	13,484	18,479	24,507	27,022	26,828	27,460	28,738
Interest & Finance Charges	5,042	5,822	12,376	17,779	19,857	14,495	9,723	7,359
Direct Taxes Paid	-8,517	-7,437	-8,429	-7,101	-8,914	-16,319	-19,926	-24,557
(Inc)/Dec in WC	4,293	5,176	-12,554	-6,957	4,503	-1,211	-8,970	-2,543
CF from Operations	48,803	55,765	42,888	62,913	94,889	101,255	102,581	125,108
Others	1,494	-8	-4,010	-3,356	-5,869	-8,542	-8,551	-11,365
CF from Operating incl EO	50,297	55,756	38,877	59,557	89,020	92,713	94,029	113,743
(Inc)/Dec in FA	-21,315	-13,557	-18,828	-16,482	-17,037	-15,641	-26,655	-26,669
Free Cash Flow	28,982	42,199	20,050	43,075	71,983	77,072	67,374	87,074
(Pur)/Sale of Investments	3,537	-11,209	16,246	26,614	-26,266	7,000	0	0
Others	-73	0	21,197	1,007	1,210	8,542	8,551	11,365
CF from Investments	-17,851	-24,766	18,616	11,138	-42,093	-99	-18,104	-15,304
Issue of Shares	27	66	157	52	27	0	0	0
Inc/(Dec) in Debt	-5,503	-22,297	-42,069	-46,482	-26,663	-60,000	-60,000	0
Interest Paid	0	0	-12,099	-16,850	-19,445	-14,495	-9,723	-7,359
Dividend Paid	-2,973	-3,119	-3,340	-3,462	-3,800	-3,464	-4,041	-5,195
Others	9	0	0	-827	-31	0	0	0
CF from Fin. Activity	-8,440	-25,350	-57,351	-67,568	-49,911	-77,959	-73,764	-12,554
Inc/Dec of Cash	24,005	5,640	142	3,127	-2,984	14,655	2,162	85,884
Opening Balance	9,198	33,203	38,843	38,986	42,113	39,129	53,784	55,946
Closing Balance	33,203	38,843	38,986	42,113	39,129	53,784	55,946	141,830

UltraTech Ratios

FY20 current ratio =
 curr assets/curr liab.
 = 144307/119152
 = 1.21

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Basic (INR)								
EPS	90.2	98.9	89.4	90.4	132.9	189.0	225.6	277.8
Cash EPS	140.5	148.0	156.7	179.6	226.5	282.0	320.7	377.4
BV/Share	800.4	889.4	961.4	1,229.8	1,424.9	1,606.5	1,828.7	1,999.9
DPS	8.9	9.4	9.5	10.5	11.0	13.0	13.0	13.0
Payout (%)	11.8	11.5	14.0	14.5	8.6	8.3	6.7	6.7
Valuation (x)								
P/E				61.2	41.6	29.3	24.5	19.9
Cash P/E				30.8	24.4	19.6	17.3	14.7
P/BV				4.5	3.9	3.4	3.0	2.8
EV/Sales				4.2	4.2	3.9	3.3	2.9
EV/Ton (Cap-USD)				221.8	221.0	212.5	199.0	167.0
EV/EBITDA				23.6	18.7	15.2	13.4	11.1
Dividend Yield (%)				0.2	0.2	0.2	0.2	0.2
FCF per share				156.8	249.4	267.0	233.4	301.7
Return Ratios (%)								
RoE	12.1	11.7	9.7	8.3	10.5	13.1	13.8	14.9
RoCE	9.4	9.7	8.4	7.1	9.6	10.5	11.8	13.1
RoIC	9.2	9.7	8.2	6.4	8.6	9.7	11.0	12.8
Working Capital Ratios								
Inventory (Days)	36	35	38	36	36	35	35	35
Debtor (Days)	28	25	26	24	19	19	19	19
Creditor (Days)	25	27	28	28	30	30	30	30
Leverage Ratio (x)								
Current Ratio	1.5	1.3	1.3	1.4	1.2	1.3	1.4	2.1
Interest Cover Ratio	6.2	6.0	3.5	2.8	3.4	5.9	9.8	15.2
Net Debt/Equity	0.3	0.0	0.6	0.7	0.5	0.3	0.1	-0.1

Reference: Motilal Oswal, January 2021



Page Industries



Page Industries – Financial snapshot

Financial Snapshot (Standalone)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	29,454	28,356	37,153	44,764	51,341
EBITDA	5,326	5,292	7,772	10,053	11,712
EBITDA Margin (%)	18.1	18.7	20.9	22.5	22.8
APAT	3,432	3,432	5,308	7,023	8,222
EPS (Rs)	307.7	307.7	475.9	629.6	737.1
EPS (% chg)	(12.9)	0.0	54.7	32.3	17.1
ROE (%)	43.0	40.3	54.8	59.6	56.3
P/E (x)	103.2	103.2	66.8	50.4	43.1
EV/EBITDA (x)	66.3	66.1	45.0	34.7	29.6
P/BV (x)	43.2	40.0	33.7	27.1	22.0

20% CAGR

Reference: Emkay, May 2021

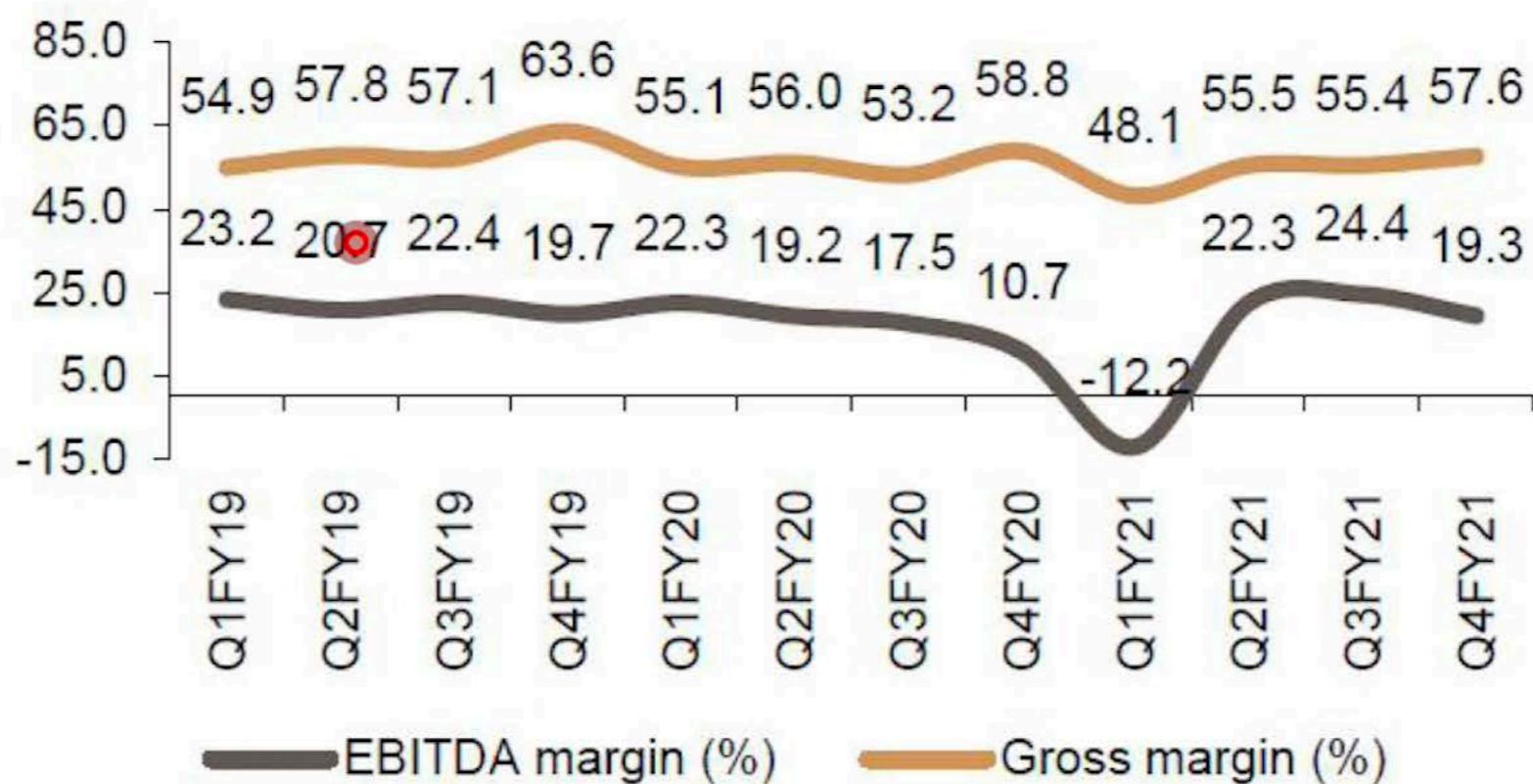


Page Industries – Sales trend



Reference: Emkay, May 2021

Page Industries – EBITDA trend



Reference: Emkay, May 2021

Page Industries – Profit & Loss

Total operating Income	2,945.4	2,679.9	3,613.1	4,203.6
Growth (%)	3.3	(9.0)	34.8	16.3
Raw Material Expenses	1,310.8	1,183.4	1,590.7	1,841.9
Employee Expenses	531.7	538.7	621.4	706.2
Other Expenses	570.3	458.3	625.1	731.4
Total Operating Expenditure	2,412.8	2,180.3	2,837.2	3,279.6
EBITDA	532.6	499.6	775.9	924.0
Growth (%)	(13.7)	(6.2)	55.3	19.1
Depreciation	61.4	65.0	73.5	80.4
EBIT	471.2	434.6	702.3	843.7
Growth (%)	(19.6)	(7.8)	61.6	20.1
Interest	33.9	35.5	36.0	40.5
Other Income	24.6	24.1	28.9	34.5
PBT	462.0	423.2	695.3	837.7
Growth (%)	(23.8)	(8.4)	64.3	20.5
Total Tax	118.8	106.7	175.2	211.1
PAT	343.2	316.6	520.0	626.6
Growth (%)	(12.9)	(7.8)	64.3	20.5
EPS (₹)	307.7	283.8	466.2	561.7

Reference: ICICI Direct, February 2021

(Year-end March)	FY20A	FY21E	FY22E	FY23E
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Page Industries – Balance sheet

(Year-end March)	FY20A	FY21E	FY22E	FY23E
Liabilities				
Equity Capital	11.2	11.2	11.2	11.2
Reserve and Surplus	808.7	851.8	1,033.8	1,253.1
Total Shareholders funds	819.9	862.9	1,044.9	1,264.2
Total Debt	26.8	65.0	45.0	45.0
Deferred Tax Liability	0.2	0.2	0.2	0.2
Other long term liabilities	147.6	149.0	150.5	152.0
Total Liabilities	994.5	1,077.2	1,240.7	1,461.5
Assets				
Gross Block	417.9	487.9	557.9	627.9
Less: Acc Depreciation	120.2	160.2	203.7	252.1
Net Block	297.7	327.7	354.2	375.8
Capital WIP	28.7	25.0	25.0	25.0
Intangible Assets	3.3	3.3	3.3	3.3
Total Fixed Assets	329.8	356.0	382.5	404.1
Investments				
Inventory	718.6	719.5	871.1	978.9
Debtors	73.8	88.1	99.0	115.2
Loans and Advances	-	5.9	5.4	7.2
Cash	116.9	152.7	169.7	265.3
Total Current Assets	1,014.5	1,071.5	1,250.4	1,471.8
Sundry Creditors	93.8	88.1	128.7	149.7
Current Liabilities	397.3	403.3	404.3	405.3
Provisions	27.3	27.6	27.9	28.2
Total Current Liabilities	518.5	519.0	560.9	583.2
Net Current Assets	496.1	552.5	689.5	888.7
Other Non-current Assets	168.7	168.7	168.7	168.7
Application of Funds	994.5	1,077.2	1,240.7	1,461.5

Reference: ICICI Direct, February 2021

Page Industries – Cash flow

Appreciation of Rupee

334.3 1,077.2 1,240.7 1,401.0

(Year-end March)	FY20A	FY21E	FY22E	FY23E
Profit after tax	343.2	316.6	520.0	626.6
Add: Depreciation	61.4	65.0	73.5	80.4
(Inc)/dec in Current Assets	63.1	(21.2)	(161.9)	(125.9)
Inc/(dec) in CL and Provisions	37.3	0.6	41.9	22.3
Others	-	-	-	-
CF from operating activities	505.0	361.0	473.5	603.4
(Inc)/dec in Investments	-	-	-	-
(Inc)/dec in Fixed Assets	(34.9)	(70.0)	(70.0)	(70.0)
(Inc)/dec in CWIP	(21.5)	3.7	-	-
Others	(26.2)	-	-	-
CF from investing activities	(82.6)	(66.3)	(70.0)	(70.0)
Issue/(Buy back) of Equity	-	-	-	-
Inc/(dec) in loan funds	(45.7)	38.2	(20.0)	-
Others	(303.9)	(297.1)	(366.5)	(437.8)
CF from financing activities	(349.6)	(258.9)	(386.5)	(437.8)
Net Cash flow	72.8	35.8	17.0	95.6
Opening Cash	44.1	116.9	152.7	169.7
Closing Cash	116.9	152.7	169.7	265.3

Reference: ICICI Direct, February 2021

Page Industries – Ratios

FY20 current ratio =
 curr assets/curr liab.
 = 1014.5/518.5
 = 1.96

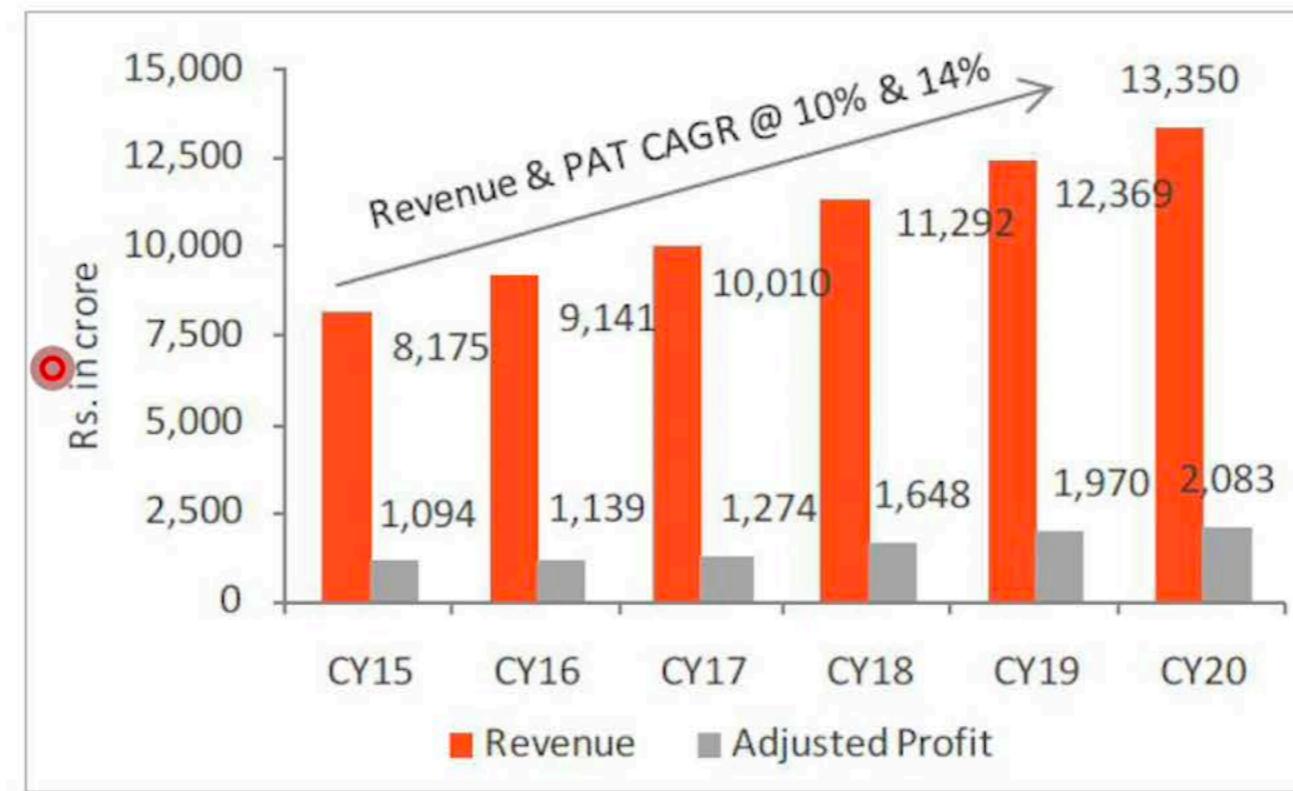
Reference: ICICI Direct, February 2021

(Year-end March)	FY20A	FY21E	FY22E	FY23E
Per share data (₹)				
EPS	307.7	283.8	466.2	561.7
Cash EPS	362.7	342.1	532.2	633.8
BV	735.1	773.7	936.8	1,133.5
DPS	202.0	245.2	303.1	365.1
Cash Per Share	104.8	136.9	152.1	237.8
Operating Ratios				
EBITDA Margin (%)	18.1	18.6	21.5	22.0
PBT Margin (%)	15.7	15.8	19.2	19.9
PAT Margin (%)	11.7	11.8	14.4	14.6
Inventory days	89.0	98.0	88.0	85.0
Debtor days	9.1	12.0	10.0	10.0
Creditor days	11.6	12.0	13.0	13.0
Return Ratios (%)				
RoE	41.9	36.7	49.8	49.6
RoCE	55.7	46.8	64.4	64.4
Valuation Ratios (x)				
P/E	99.1	107.5	65.4	54.3
EV / EBITDA	63.7	67.9	43.7	36.6
EV / Net Sales	11.5	12.7	9.4	8.0
Market Cap / Sales	11.5	12.7	9.4	8.1
Price to Book Value	41.5	39.4	32.6	26.9
Solvency Ratios				
Debt/EBITDA	0.1	0.1	0.1	0.0
Debt / Equity	0.0	0.1	0.0	0.0
Current Ratio	2.0	2.1	2.2	2.5
Quick Ratio	0.6	0.7	0.7	0.8

Nestle



Nestle India Limited – Revenue and PAT trend



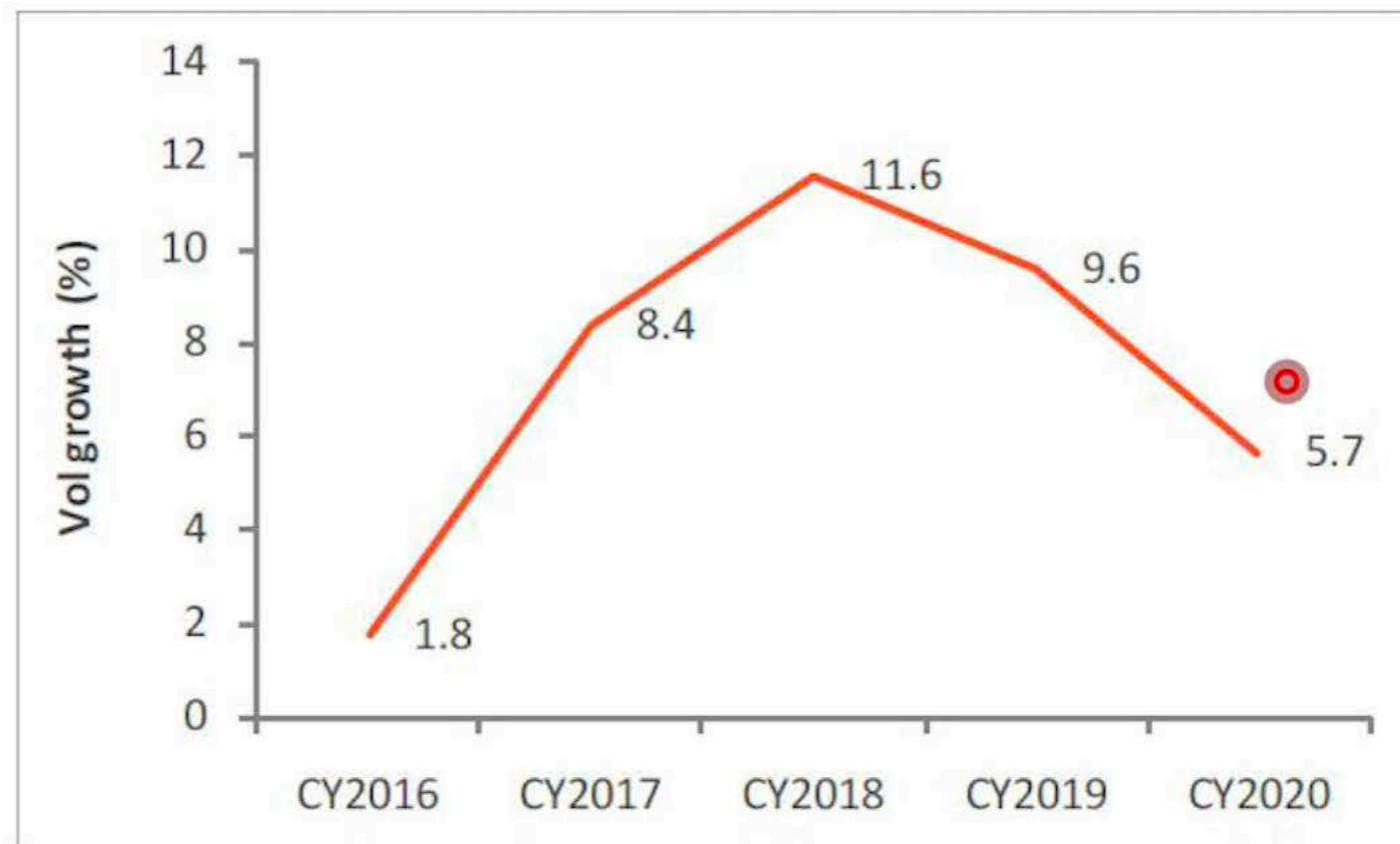
Reference: Sharekhan, February 2021

Nestle India Limited – Valuation

Valuation						Rs cr
Particulars	CY18	CY19	CY20	CY21E	CY22E	
Revenue	11,292	12,369	13,350	15,087	16,878	
OPM (%)	23.6	23.2	24.0	24.5	24.9	
Adjusted PAT	1,648	1,970	2,082	2,559	2,921	
% YoY growth	29.3	19.5	5.7	22.9	14.1	
Adjusted EPS (Rs.)	171.0	204.3	216.0	265.4	303.0	
P/E (x)	100.7	84.3	79.7	64.9	56.8	
P/B (x)	45.2	85.9	82.2	73.6	58.1	
EV/EBIDTA (x)	61.6	57.5	51.4	44.8	39.2	
RoNW (%)	46.5	70.3	105.4	119.7	114.2	
RoCE (%)	42.7	50.2	57.8	63.4	65.3	

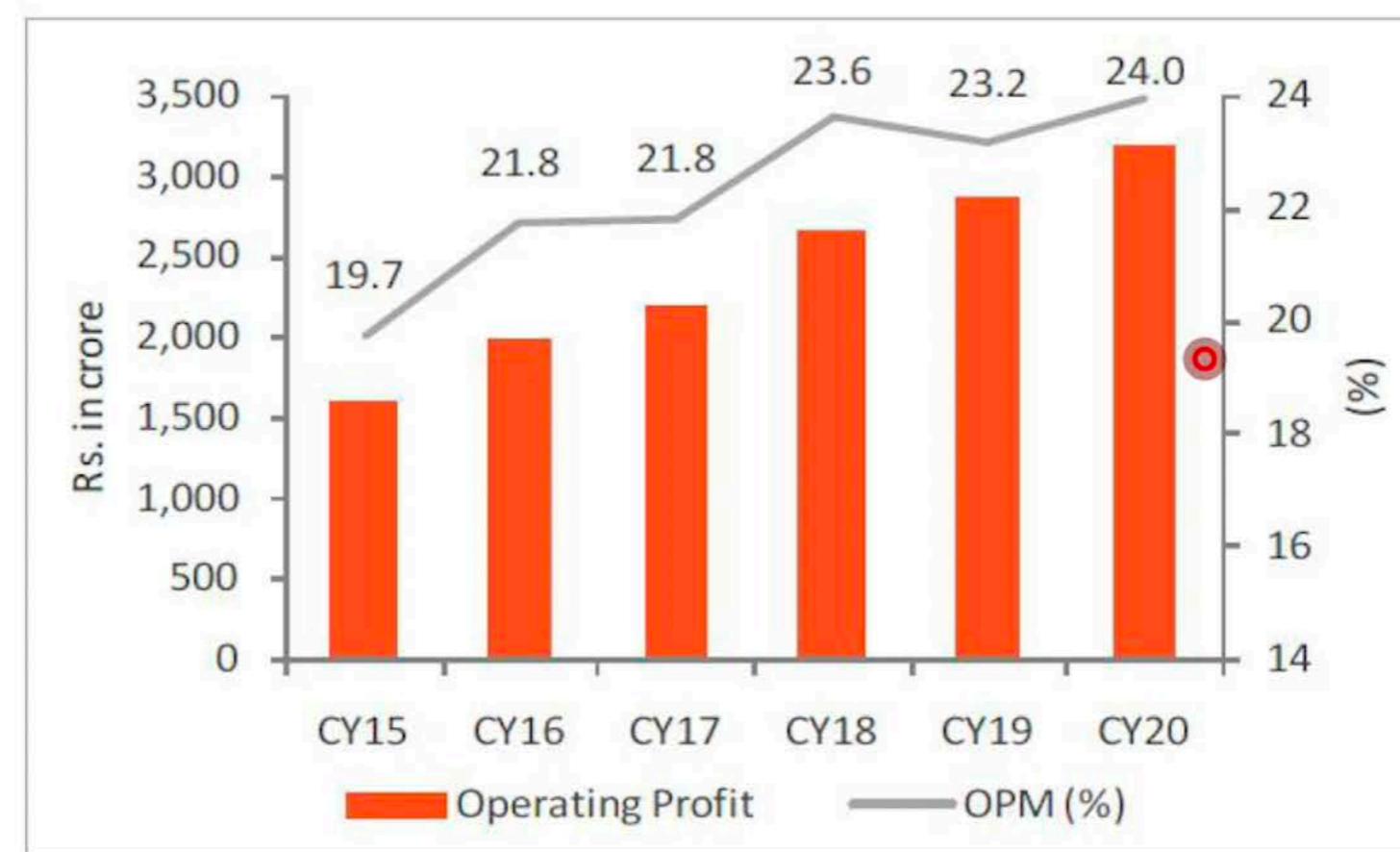
Reference: Sharekhan, February 2021

Nestle India Limited – Volume trend



Reference: Sharekhan, February 2021

Nestle India Limited – Operating profit trend



Reference: Sharekhan, February 2021

Nestle India Limited – Profit & Loss

	2020	2019	2018	2017	2016
Revenue	11,292	12,369	13,350	14,885	16,670
% change	10.8	9.5	7.9	11.5	12.0
EBITDA	2,687	2,926	3,202	3,644	4,135
% change	26.5	8.9	9.4	13.8	13.5
Depreciation	336	370	370	327	336
EBIT	2,351	2,556	2,831	3,317	3,799
Interest	112	129	164	130	173
Other Income	190	247	146	175	196
PBT	2,429	2,673	2,813	3,362	3,822
% change	62.1	10.1	5.2	19.5	13.7
Tax	822	705	730	873	992
Tax Rate (%)	33.8	26.4	26.0	26.0	26.0
Reported PAT	1,607	1,968	2,082	2,489	2,830
Adj*	-	-	-	-	-
Adj PAT	1,607	1,968	2,082	2,489	2,830
% change	31.2	22.5	5.8	19.5	13.7
No. of shares (cr)	9.6	9.6	9.6	9.6	9.6
Adj EPS (Rs.)	166.7	204.2	216.0	258.1	293.5
% change	31.2	22.5	5.8	19.5	13.7
DPS (Rs.)	115.0	342.0	200.0	239.0	272.0
CEPS (Rs.)	201.5	242.6	254.4	292.1	328.3

Reference: GEOJIT, February 2021

Nestle India Limited – Balance Sheet

Reference: GEOJIT, February 2021

Y.E December (Rs. cr)	CY18A	CY19A	CY20A	CY21E	CY22E
Cash	1,610	1,308	1,770	2,345	3,067
Accounts Receivable	125	124	165	169	181
Inventories	966	1,283	1,416	1,631	1,817
Other Cur. Assets	2,037	1,102	834	997	1,199
Investments	733	744	741	741	741
Gross Fixed Assets	3,485	3,637	4,111	4,496	4,926
Net Fixed Assets	2,295	2,198	1,541	1,566	1,628
CWIP	105	143	639	671	704
Intangible Assets	-	-	-	-	-
Def. Tax (Net)	-	-	-	-	-
Other Assets	217	271	794	865	951
Total Assets	8,088	7,173	7,900	8,985	10,288
Current Liabilities	1,855	2,191	2,489	2,984	3,623
Provisions	2,465	2,907	3,268	3,675	4,131
Debt Funds	35	53	35	35	35
Other Liabilities	59	103	88	88	88
Equity Capital	96	96	96	96	96
Reserves & Surplus	3,577	1,822	1,923	2,108	2,315
Shareholder's Fund	3,674	1,919	2,019	2,204	2,411
Minority Interest	-	-	-	-	-
Total Liabilities	8,088	7,173	7,900	8,985	10,288
BVPS (Rs.)	381	199	209	229	250

Nestle India Limited – Ratios

FY20 current ratio =
curr assets/curr liab.
= 4929/2489
= 1.98 

Y.E December	CY18A	CY19A	CY20A	CY21E	CY22E
Profitab. & Return					
EBITDA margin (%)	23.8	23.7	24.0	24.5	24.8
EBIT margin (%)	20.8	20.7	21.2	22.3	22.8
Net profit mgn.(%)	14.2	15.9	15.6	16.7	17.0
ROE (%)	43.7	102.6	103.1	112.9	117.4
ROCE (%)	63.4	129.6	137.8	148.2	155.3
W.C & Liquidity					
Receivables (days)	4.0	3.7	4.5	4.1	4.0
Inventory (days)	76.8	89.6	91.1	94.8	98.4
Payables (days)	98.6	104.2	97.6	93.9	90.3
Current ratio (x)	2.6	1.7	1.7	1.7	1.7
Quick ratio (x)	2.0	1.1	1.1	1.1	1.2
Turnover & Leverage					
Gross asset T.O (x)	3.3	3.5	3.4	3.5	3.5
Total asset T.O (x)	1.5	1.6	1.8	1.8	1.7
Int. coverage ratio (x)	21.0	19.8	17.2	25.5	21.9
Adj. debt/equity (x)	0.0	0.0	0.0	0.0	0.0
Valuation					
EV/Sales (x)	9.3	11.4	13.2	10.5	9.3
EV/EBITDA (x)	39.2	48.3	54.8	42.7	37.4
P/E (x)	66.5	72.4	85.2	63.4	55.8
P/BV (x)	29.1	74.3	87.8	71.6	65.5

Reference: GEOJIT, February 2021

Tata Consultancy
Services

TCS: Marketshare



Exhibit 1: TCS Market Share

Particulars	FY11	FY21
Industry Size (\$Bn)	1,014.0	1,355.0
TCS Size (\$Bn)	8.2	22.2
TCS Market Share (%)	0.8	1.6

Source: DART, Company

TCS: Competitive position

Exhibit 4: Europe Survey Result

Particulars	TCS	Industry Avg
Customer Satisfaction	82%	72%
Service Delivery Quality	82%	73%
Cloud Capability	81%	72%
Account Management	83%	74%
Proactivity	73%	64%
Innovation	71%	62%
Business Understanding	79%	72%

Source: DART, Company, based on studies conducted by whitelane research, pa consulting, quint wellington redwood, navisco and vlerick business school in 2020

TCS: Division performance

Exhibit 9: Vertical Performance Trend

Vertical	Amount (\$ mn)	YoY (%) (CC)	Mix (%)	Incremental Revenue (\$ mn)	% Contribution of Incremental Revenue
BFSI	7,037	2.4	32	328	231
Communication & Media	1,467	(5.9)	7	(75)	(53)
Retail & CPG	3,195	(6.2)	14	(170)	(120)
Manufacturing	2,123	(4.1)	10	(64)	(45)
Technology & Services	1,937	0.2	9	31	22
Life Sciences and Healthcare	2,157	17.1	10	362	255
Regional Markets & Others	4,258	(5.9)	19	(270)	(190)
Total	22,174	(0.8)	100	142	100

Source: DART, Company

TCS: Key cost components

Exhibit 12: Cost of Services/Revenue Analysis

Particulars (INR Mn)	FY21	FY20	FY21 (% of Sales)	FY20 (% of Sales)	Incremental Cost
Salaries, others and PF contribution	7,19,460	6,56,520	43.8	41.8	62,940
Payment to subcontractors	1,26,480	1,25,000	7.7	8.0	1,480
Cost of equipment and software licenses	14,620	19,050	0.9	1.2	(4,430)
Depreciation	30,850	26,870	1.9	1.7	3,980
Travel	8,830	22,910	0.5	1.5	(14,080)
Communication	14,340	12,320	0.9	0.8	2,020
Facility Exp/Rent	14,010	17,980	0.9	1.1	(3,970)
Other costs	42,790	42,570	2.6	2.7	220
Total	9,71,380	9,23,220	59.2	58.8	48,160

Source: DART, Company



TCS: Geographical growth trends

Exhibit 11: Geographic Growth Trend

Geography	Amount (\$ mn)	YoY (%) (CC)	Mix (%)	Incremental Revenue (\$ mn)	% Contribution of Incremental Revenue
North America	11,017	-0.9%	50%	-87	-61%
Latin America	371	-1.2%	2%	-37	-26%
UK	3,468	-4.3%	16%	-18	-13%
Continental Europe	3,603	5.5%	16%	354	249%
India	1,143	-0.5%	5%	-118	-83%
Asia Pacific	2,138	-5.9%	10%	78	55%
MEA	433	-2.7%	2%	-30	-21%
Total	22,174	5.9%	100%	142	100%

Source: DART, Company

TCS: SGA cost analysis

Exhibit 13: SG&A Expense Analysis

Particulars (INR Mn)	FY21	FY20	FY21 (% of Sales)	FY20 (% of Sales)	Incremental Cost
Salaries, others and PF contribution	1,98,680	2,03,000	12.1	12.9	(4,320)
Fees to external consultant	5,690	4,370	0.3	0.3	1,320
Provision of doubtful debts	2,010	1,440	0.1	0.1	570
Depreciation	9,800	8,430	0.6	0.5	1,370
Facility expenses	7,290	9,060	0.4	0.6	(1,770)
Travel	1,980	10,040	0.1	0.6	(8,060)
Communication	4,620	3,600	0.3	0.2	1,020
Other Costs	27,690	20,530	1.7	1.3	7,160
Total	2,57,760	2,60,470	15.7	16.6	(2,710)

Source: DART, Company

Profit and Loss Account

(Rs Mn)	FY20A	FY21A	FY22E	FY23E
Revenue	15,69,490	16,41,770	18,98,127	21,11,189
Total Expense	11,48,390	11,88,490	13,73,792	15,35,310
COGS	8,96,350	9,40,530	10,90,224	12,12,387
Employees Cost	0	0	0	0
Other expenses	2,52,040	2,47,960	2,83,568	3,22,923
EBIDTA	4,21,100	4,53,280	5,24,335	5,75,879
Depreciation	35,300	40,650	45,555	49,184
EBIT	3,85,800	4,12,630	4,78,780	5,26,695
Interest	9,130	6,370	5,316	5,014
Other Income	45,810	31,340	37,723	27,845
Exc. / E.O. items	0	0	0	0
EBT	4,22,480	4,37,600	5,11,187	5,49,526
Tax	98,010	1,11,980	1,28,819	1,38,481
RPAT	3,23,400	3,24,300	3,81,648	4,10,076
Minority Interest	1,070	1,320	720	970
Profit/Loss share of associates	0	0	0	0
APAT	3,23,400	3,24,300	3,81,648	4,10,076

Balance Sheet

(Rs Mn)	FY20A	FY21A	FY22E	FY23E
Sources of Funds				
Equity Capital	3,750	3,700	3,700	3,645
Minority Interest	6,230	6,750	7,470	8,440
Reserves & Surplus	8,37,510	8,60,630	10,20,108	10,75,065
Net Worth	8,41,260	8,64,330	10,23,808	10,78,711
Total Debt	0	0	0	0
Net Deferred Tax Liability	(20,490)	(31,640)	(32,426)	(33,228)
Total Capital Employed	8,27,000	8,39,440	9,98,851	10,53,922
Applications of Funds				
Net Block	2,09,280	2,10,210	2,10,205	2,10,071
CWIP	9,060	9,260	7,760	7,260
Investments	12,360	26,840	26,840	26,840
Current Assets, Loans & Advances	9,50,010	10,21,970	12,15,870	13,03,155
Inventories	50	80	80	80
Receivables	3,66,620	3,69,900	4,14,606	4,54,972
Cash and Bank Balances	86,460	68,580	2,09,567	2,77,825
Loans and Advances	85,040	1,15,010	1,17,304	1,19,645
Other Current Assets	1,50,440	1,76,800	1,83,713	1,85,033
Less: Current Liabilities & Provisions	3,53,710	4,28,840	4,61,824	4,93,404
Payables	1,03,520	1,27,070	1,46,885	1,64,080
Other Current Liabilities	2,50,190	3,01,770	3,14,939	3,29,323
<i>sub total</i>				
Net Current Assets	5,96,300	5,93,130	7,54,046	8,09,751
Total Assets	8,27,000	8,39,440	9,98,851	10,53,922

E – Estimates

FY20 current ratio =
 curr assets/curr liab.
 = 950010/353710
 = 2.69

Important Ratios				
Particulars	FY20A	FY21A	FY22E	FY23E
(A) Margins (%)				
Gross Profit Margin	42.9	42.7	42.6	42.6
EBIDTA Margin	26.8	27.6	27.6	27.3
EBIT Margin	24.6	25.1	25.2	24.9
Tax rate	23.2	25.6	25.2	25.2
Net Profit Margin	20.6	19.8	20.1	19.4
(B) As Percentage of Net Sales (%)				
COGS	57.1	57.3	57.4	57.4
Employee	0.0	0.0	0.0	0.0
Other	16.1	15.1	14.9	15.3
(C) Measure of Financial Status				
Gross Debt / Equity	0.0	0.0	0.0	0.0
Interest Coverage	42.3	64.8	90.1	105.0
Inventory days	0	0	0	0
Debtors days	85	82	80	79
Average Cost of Debt	4150.0			
Payable days	24	28	28	28
Working Capital days	139	132	145	140
FA T/O	7.5	7.8	9.0	10.0
(D) Measures of Investment				
AEPS (Rs)	86.2	87.6	103.1	112.4
CEPS (Rs)	95.6	98.6	115.4	125.9
DPS (Rs)	66.0	38.0	60.0	60.9
Dividend Payout (%)	76.6	43.4	58.2	54.2
BVPS (Rs)	227.2	233.4	276.5	291.3
RoANW (%)	37.3	38.0	40.4	39.0
RoACE (%)	39.0	39.8	42.2	40.5

(E) Valuation Ratios

CMP (Rs)	3082	3082	3082	3082
P/E	35.8	35.2	29.9	27.4
Mcap (Rs Mn)	1,14,12,163	1,14,12,163	1,14,12,163	1,14,12,163
MCap/ Sales	7.3	7.0	6.0	5.4
EV	1,10,64,303	1,10,51,983	1,09,11,997	1,08,68,739
EV/Sales	7.0	6.7	5.7	5.1
EV/EBITDA	26.3	24.4	20.8	18.9
P/BV	13.6	13.2	11.1	10.6
Dividend Yield (%)	2.1	1.2	1.9	2.0

(F) Growth Rate (%)

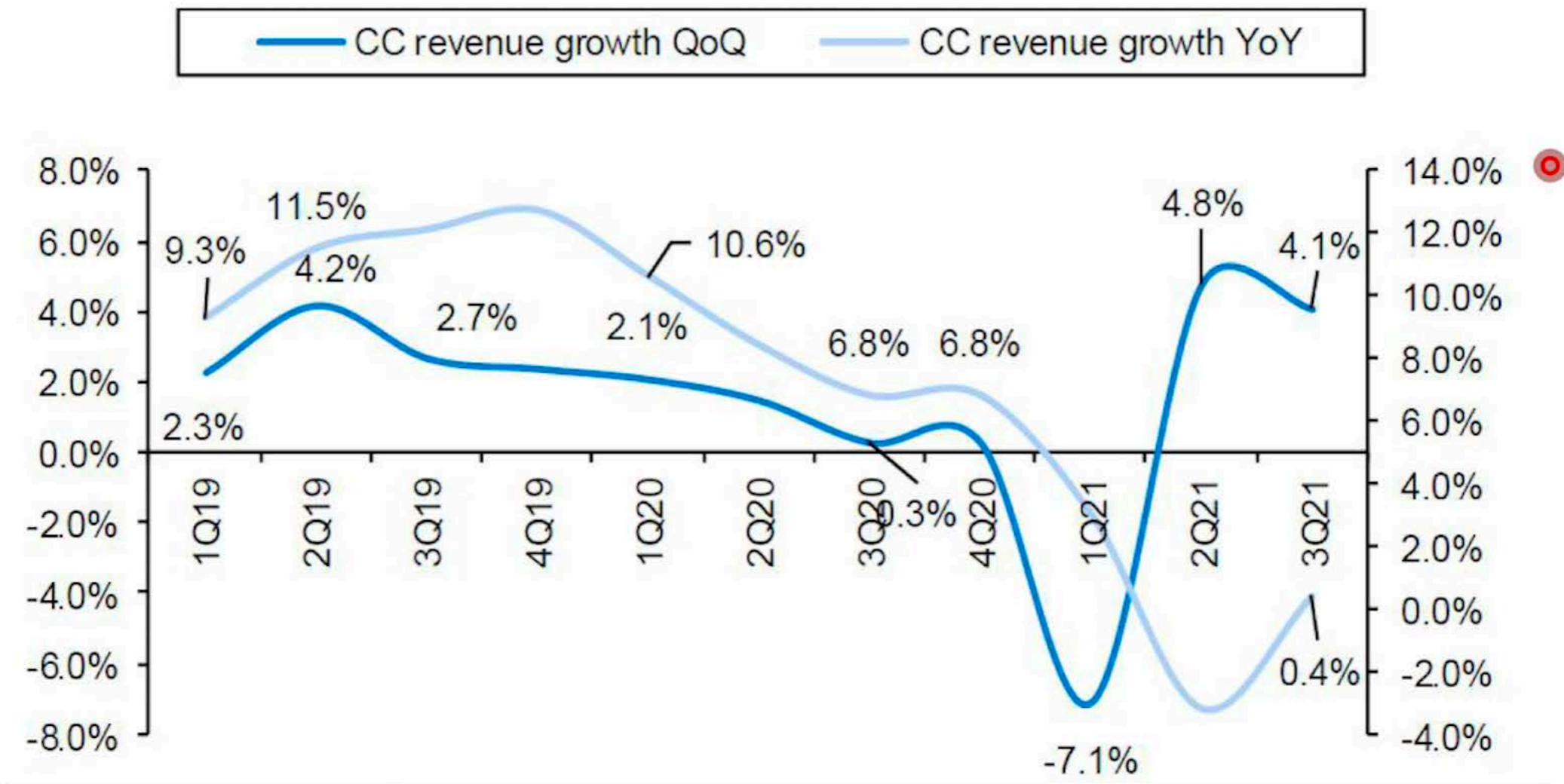
Revenue	7.2	4.6	15.6	11.2
EBITDA	6.6	7.6	15.7	9.8
EBIT	3.0	7.0	16.0	10.0
PBT	1.6	3.6	16.8	7.5
APAT	2.8	0.3	17.7	7.4
EPS	2.8	1.6	17.7	9.1

Revenue growth QoQ \$ Terms	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21
Vertical wise QoQ						
BFSI	1.2%	-0.7%	-4.8%	-2.1%	9.3%	3.1%
Retail & CPG	-0.8%	4.0%	-1.3%	-15.5%	11.8%	4.4%
Comm & media	2.0%	1.3%	0.2%	-8.4%	-1.8%	6.7%
Mfg	0.6%	3.3%	-1.6%	-10.8%	3.9%	7.4%
Life Sc & Healthcare	3.1%	3.8%	3.3%	1.4%	9.4%	5.1%
E&U	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Tech Services	-0.6%	-2.2%	0.9%	-2.8%	4.9%	1.6%
Regional Markets & Others	-0.4%	1.7%	-5.4%	-11.2%	5.5%	9.0%
Geography Wise QoQ						
Americas	0.8%	0.5%	-2.5%	-5.3%	4.2%	3.5%
- North America	0.6%	0.3%	-2.2%	-5.0%	4.1%	3.4%
- Ibero America	6.2%	6.6%	-12.3%	-12.2%	7.2%	5.1%
Europe	0.9%	3.3%	-1.3%	-8.0%	10.3%	5.5%
- UK	-0.7%	3.2%	-1.9%	-11.1%	8.6%	6.5%
- Continental	2.7%	3.3%	-0.6%	-4.6%	12.0%	4.5%
India	-4.4%	1.3%	-6.0%	-27.3%	24.7%	17.7%
Others	1.5%	0.4%	-5.1%	-2.9%	6.3%	5.1%
- AsiaPac	0.6%	0.2%	-2.5%	-2.1%	6.1%	5.1%
- Middle East & Africa	5.4%	1.3%	-15.8%	-7.1%	7.2%	5.1%

Source: Company, PL

Revenue growth QoQ \$ Terms	2QFY20	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21
Vertical wise QoQ						
BFSI	1.2%	-0.7%	-4.8%	-2.1%	9.3%	3.1%
Retail & CPG	-0.8%	4.0%	-1.3%	-15.5%	11.8%	4.4%
Comm & media	2.0%	1.3%	0.2%	-8.4%	-1.8%	6.7%
Mfg	0.6%	3.3%	-1.6%	-10.8%	3.9%	7.4%
Life Sc & Healthcare	3.1%	3.8%	3.3%	1.4%	9.4%	5.1%
E&U	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Tech Services	-0.6%	-2.2%	0.9%	-2.8%	4.9%	1.6%
Regional Markets & Others	-0.4%	1.7%	-5.4%	-11.2%	5.5%	9.0%
Geography Wise QoQ						
Americas	0.8%	0.5%	-2.5%	-5.3%	4.2%	3.5%
- North America	0.6%	0.3%	-2.2%	-5.0%	4.1%	3.4%
- Ibero America	6.2%	6.6%	-12.3%	-12.2%	7.2%	5.1%
Europe	0.9%	3.3%	-1.3%	-8.0%	10.3%	5.5%
- UK	-0.7%	3.2%	-1.9%	-11.1%	8.6%	6.5%
- Continental	2.7%	3.3%	-0.6%	-4.6%	12.0%	4.5%
India	-4.4%	1.3%	-6.0%	-27.3%	24.7%	17.7%
Others	1.5%	0.4%	-5.1%	-2.9%	6.3%	5.1%
- AsiaPac	0.6%	0.2%	-2.5%	-2.1%	6.1%	5.1%
- Middle East & Africa	5.4%	1.3%	-15.8%	-7.1%	7.2%	5.1%

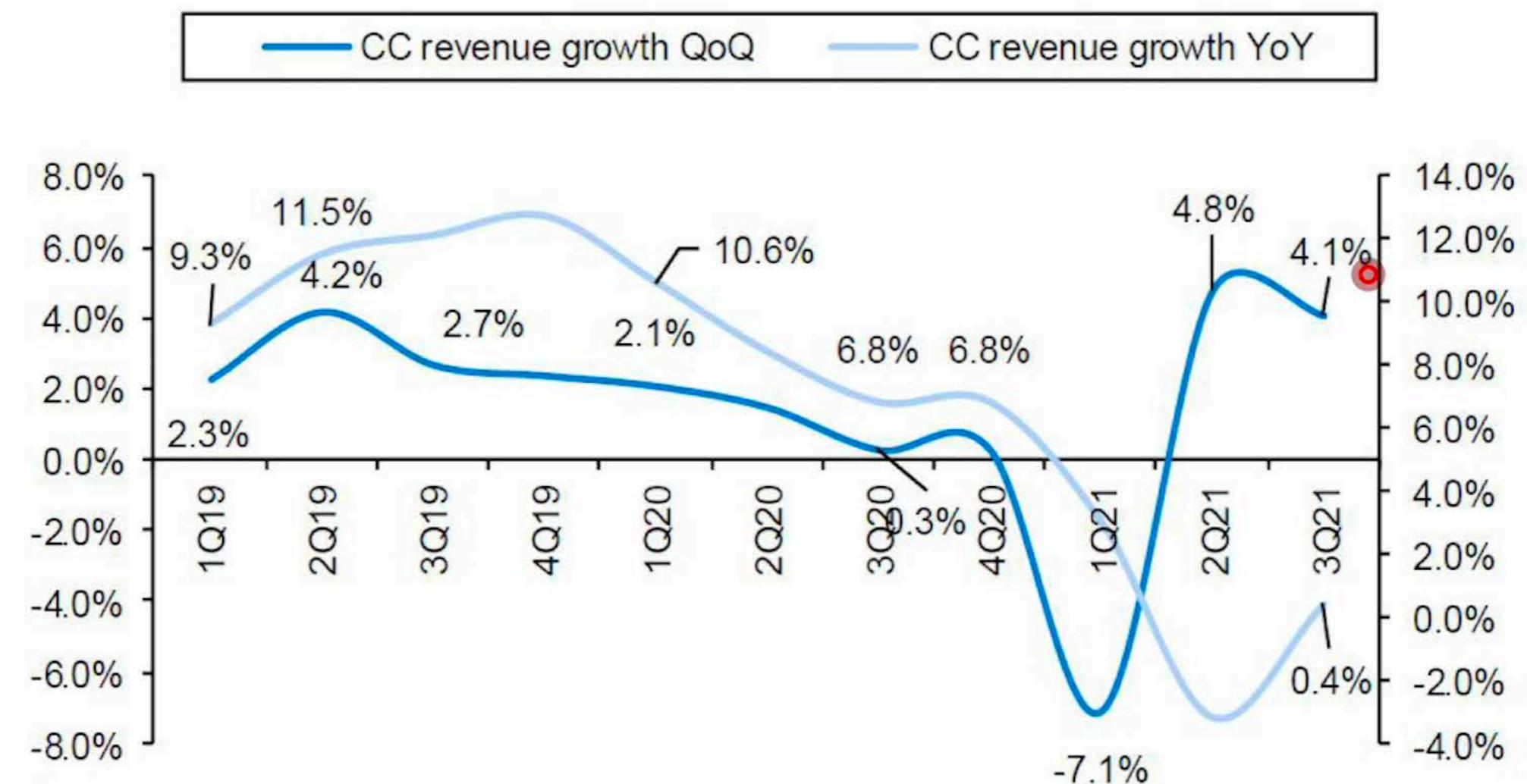
Source: Company, PL



Source: Company, PL

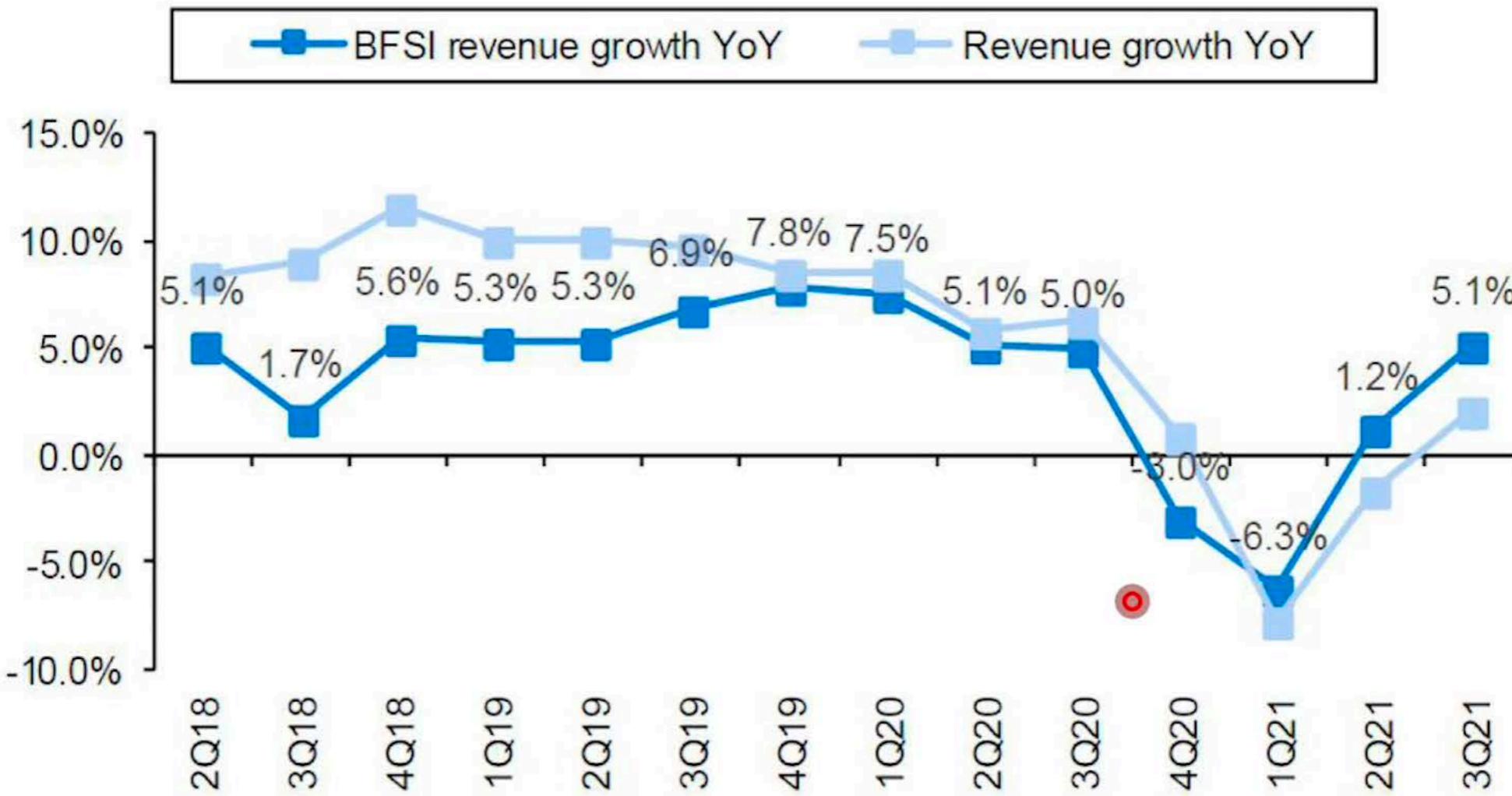
Exhibit 4: BFSI had good growth (+3.1%QoQ USD) in seasonally weak quarter

Exhibit 3: Revenue growth strongest in 3Q in 9 years



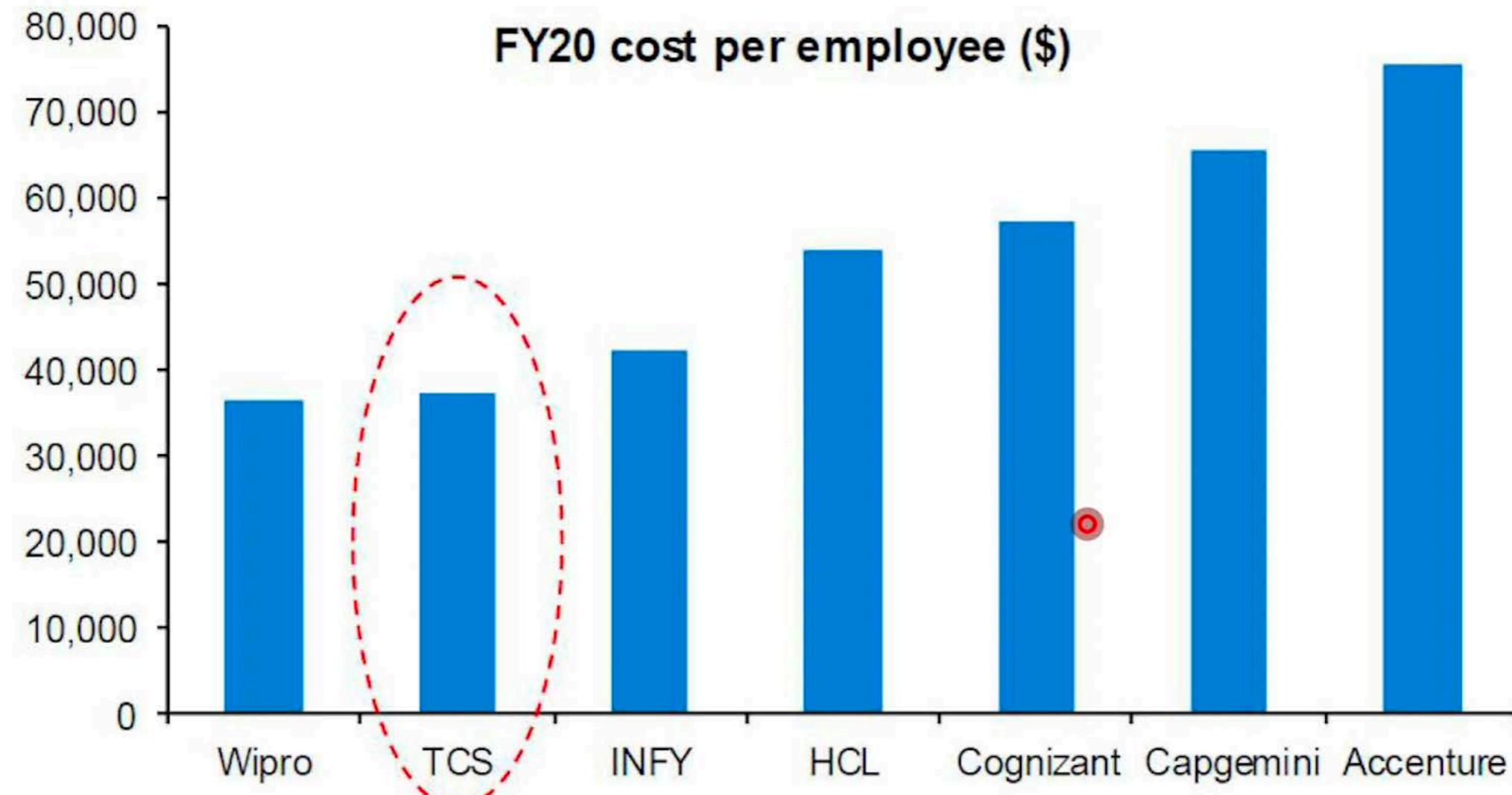
Source: Company, PL

EXHIBIT 4. BFSI revenue growth (YoY %) over three seasons (weak quarter)



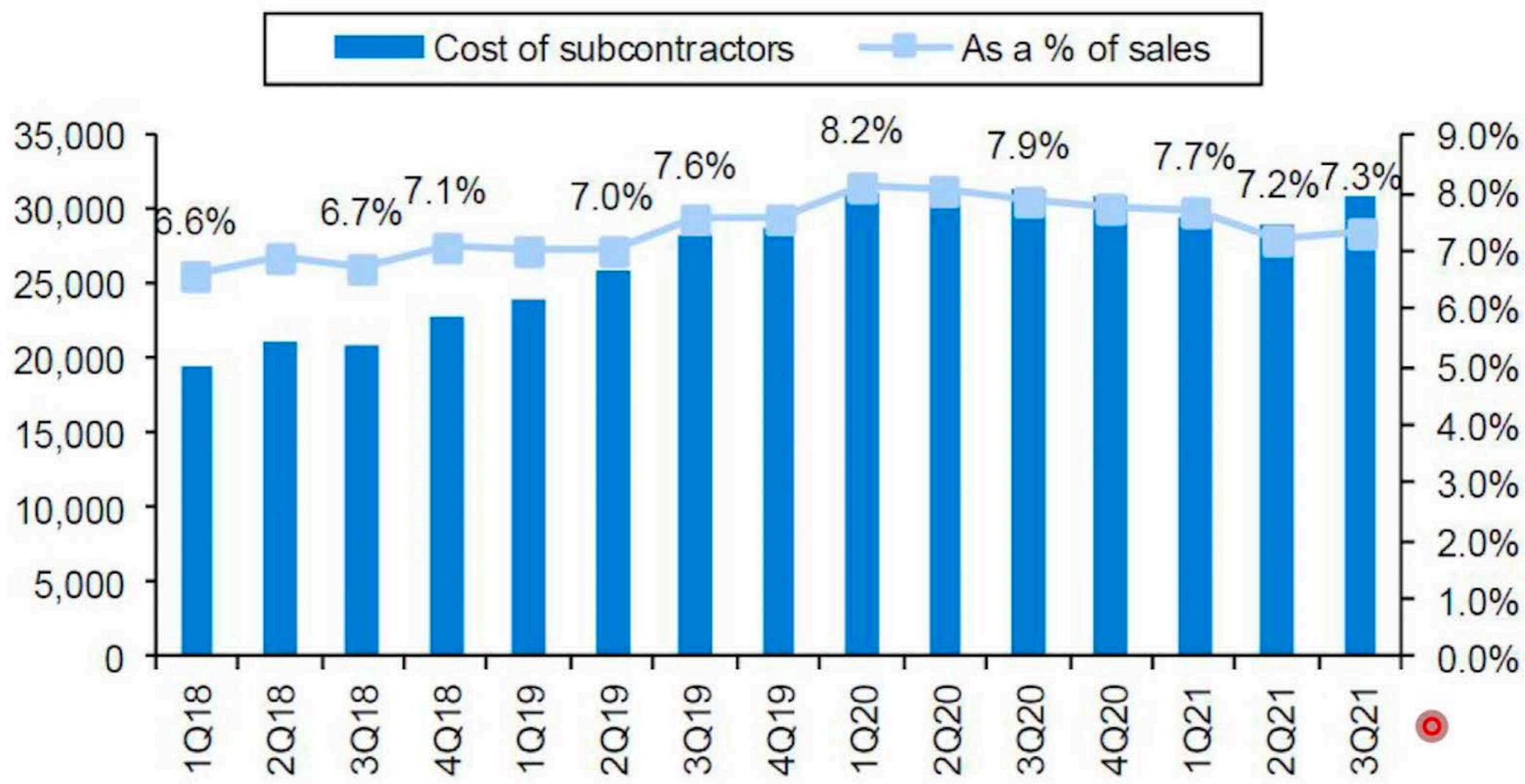
Source: Company, PL

Exhibit 5: TCS has lowest cost / employee



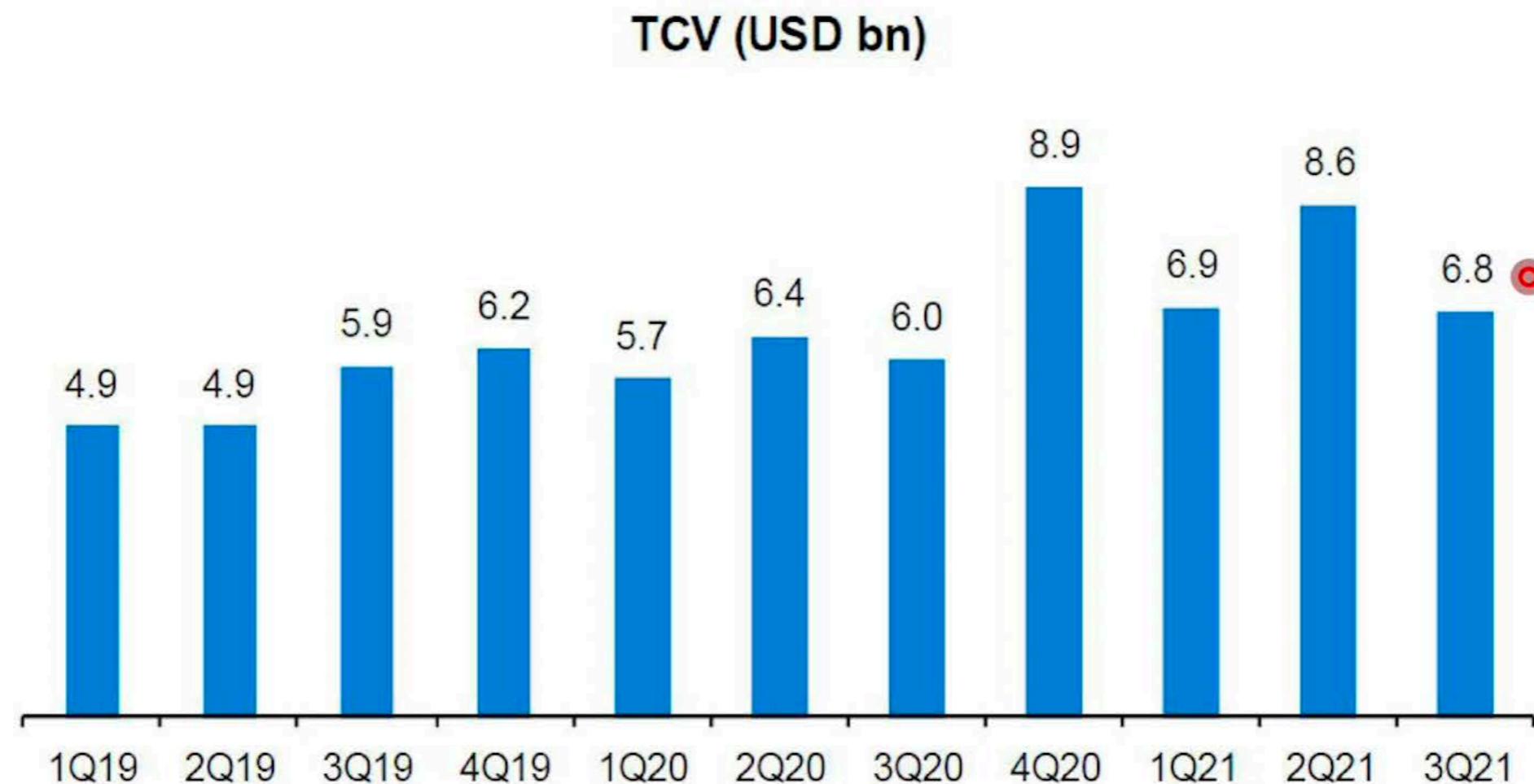
Source: Company, PL

Exhibit 9: Sub-Contracting building new normal level



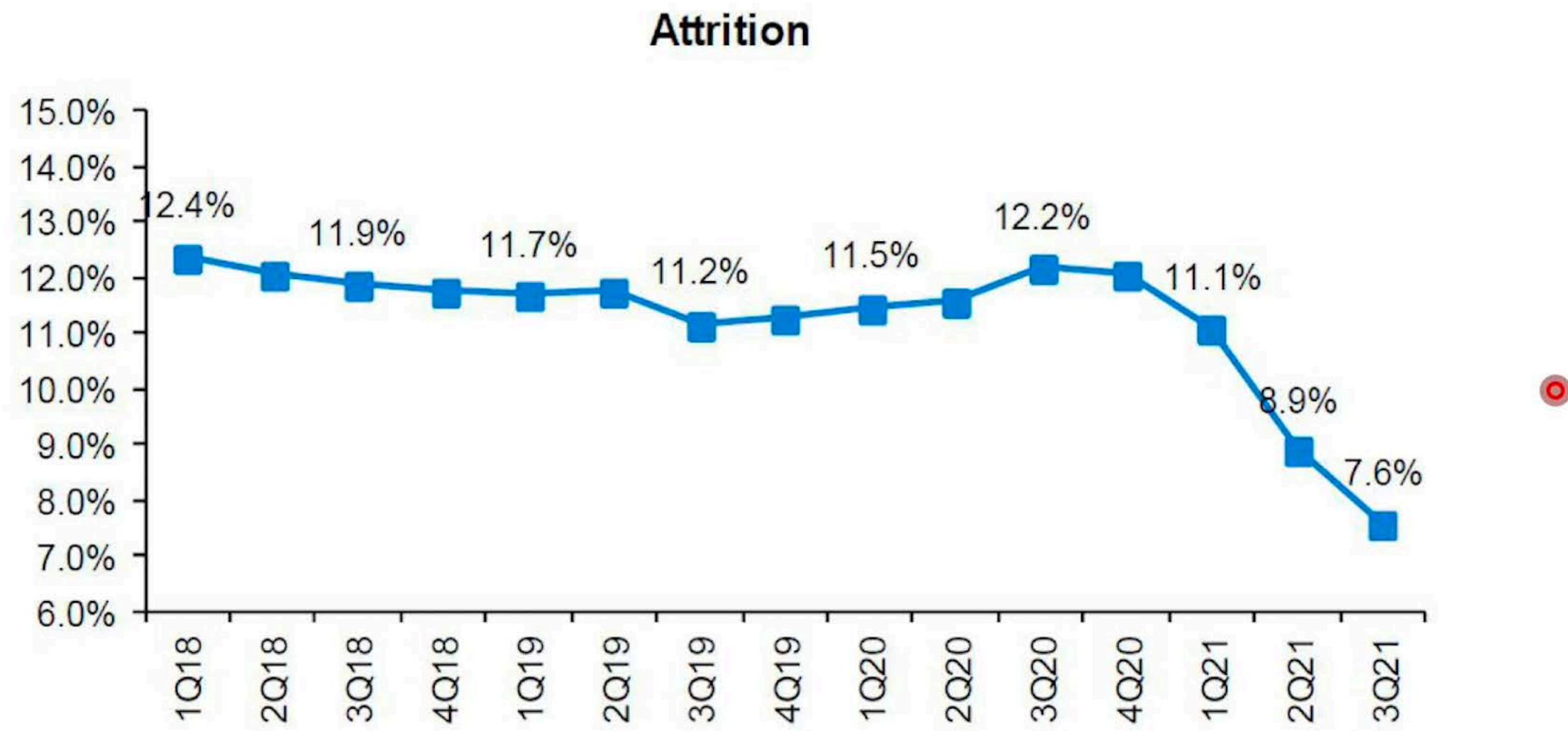
Source: Company, PL

Exhibit 10: TCV Deal Pipeline continues to remain strong



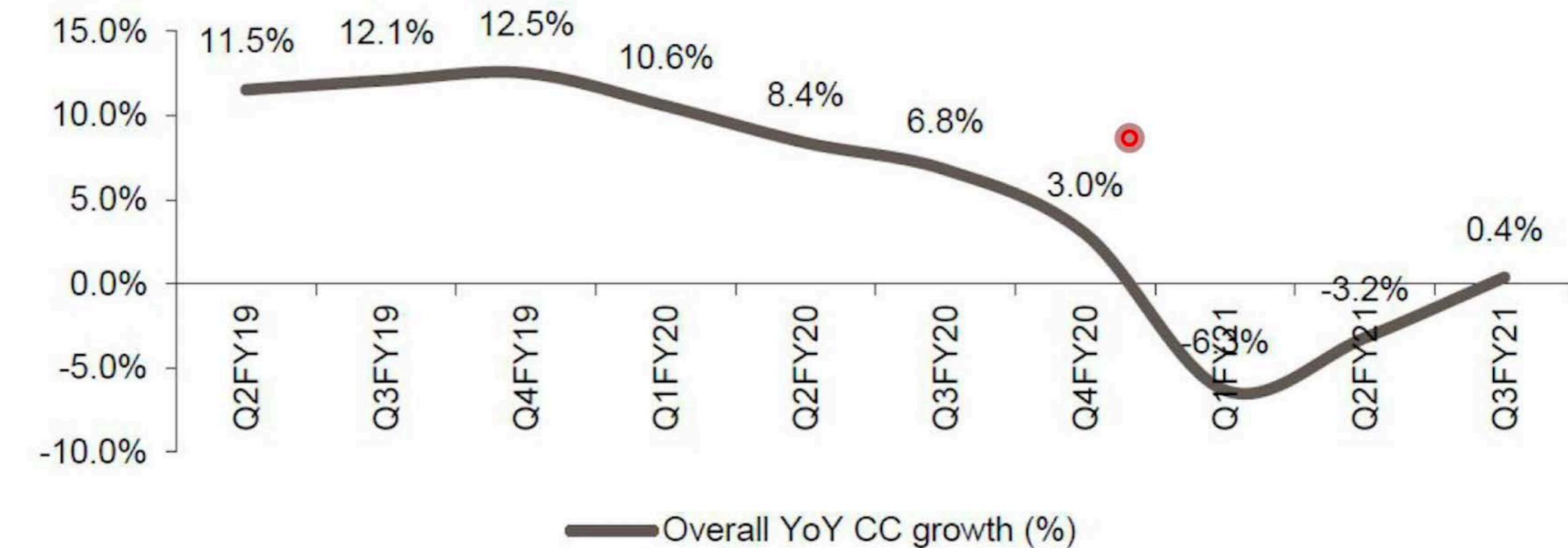
Source: Company, PL

Exhibit 11: Attrition at historical low



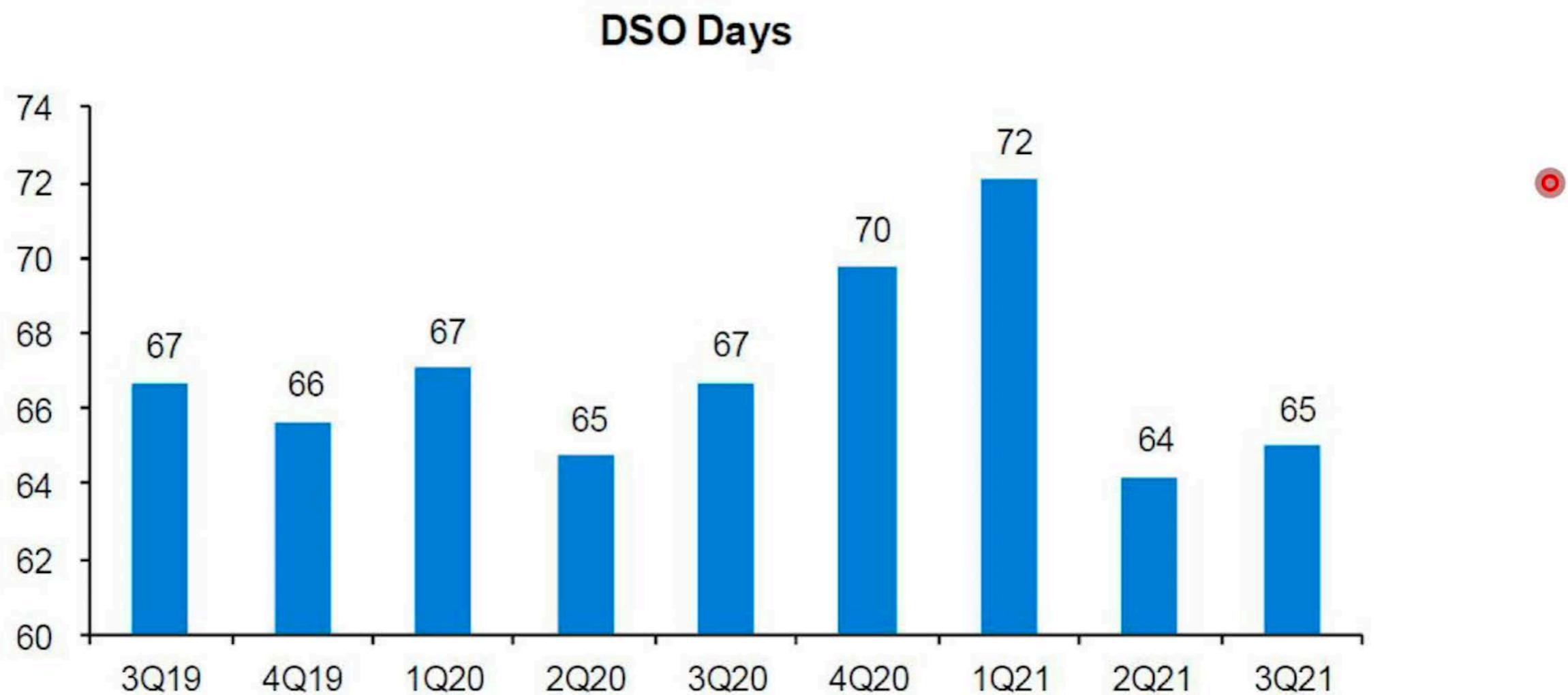
Source: Company, PL

Exhibit 1: Overall YoY CC growth returned to positive territory after two quarters



Source: Company, Emkay Research

Exhibit 12: DSO days maintained



Source: Company, PL

2019 Global Software Outsourcing Rates

Title of Full Time Employee (FTE)	United States	Latin America	Eastern Europe	Asia
Business Analyst	\$110 - \$205	\$45 - \$55	\$40 - \$63	\$30 - \$42
Architect	\$198 - \$292	\$60 - \$72	\$50 - \$77	\$35 - \$48
Project Manager	\$133 - \$233	\$55 - \$66	\$45 - \$70	\$35 - \$48
Jr. Developer	\$105 - \$111	\$35 - \$44	\$25 - \$42	\$18 - \$24
Mid-level Developer	\$132 - \$140	\$30 - \$52	\$35 - \$56	\$24 - \$35
Lead Developer	\$176 - \$187	\$50 - \$61	\$45 - \$70	\$30 - \$42
Sr. Developer	\$154 - \$163	\$45 - \$55	\$45 - \$70	\$30 - \$42
Junior QA	\$77 - \$81	\$30 - \$39	\$25 - \$42	\$15 - \$24
Mid-level QA	\$99 - \$105	\$35 - \$44	\$30 - \$49	\$20 - \$30
Senior QA	\$143 - \$169	\$40 - \$50	\$40 - \$63	\$25 - \$36
Graphic Designer	\$79 - \$163 	\$40 - \$50	\$35 - \$56	\$25 - \$36