

# SOBHA

## Q4FY Result Beat; Scale-up prospects ahead

India Equity Research | Real Estate

We expect Sobha's operations to scale up in view of steady execution of ongoing projects and expected uptick in Bangalore residential demand driven by strong office space leasing in past few years coupled with better affordability. The company also has a well-diversified land bank, quality management, stable balance sheet and earns steady cash flows from contractual business. We have raised our FY18E real estate NAV to INR640 (INR573 earlier) and our new TP is INR520 (INR410 earlier). The revision is led by improved demand outlook, lowering of discount rate and tailwinds from affordable housing benefits. Maintain 'BUY'.

### Q4FY17 result beat

For Q4FY17, Sobha reported revenue of INR5.9bn (up 7% YoY and 8.5% QoQ), driven by first-time recognition of new wings of *Dream Acres* and *Silicon Oasis* projects (INR631mn) and POCM-based revenue recognition in other ongoing projects. Real estate revenue was INR3.7bn (down 1.4% YoY, up 11.3% QoQ), with balance from contractual + manufacturing business. EBITDA margin remained largely flat YoY at 20.4% (expanded 220bps QoQ). This, along with lower effective tax rate led to 68% YoY rise in net profit to INR466mn (up 18% QoQ) versus our estimate of INR371mn. For FY17, revenue stood at INR22.5bn (up 15% YoY), EBITDA was INR4.6bn (down 4% YoY) and net profit was INR1.6bn (up 17% YoY). Net debt remained flat QoQ at INR20.7bn, while net gearing fell by 200bps to 78%.

### Sobha's thoughts on RERA and affordable housing incentives

Of Sobha's ongoing projects, ~80% qualify under CLSS area criteria and good demand is expected from customers availing benefits under this scheme. It plans to launch an affordable housing project (~1msf) in north Bangalore in FY18 to avail tax exemption under section 80IB. Implementation of RERA is a big positive for the sector. New launches in Bangalore could slowdown meaningfully in near term until Karnataka RERA becomes operational. Sobha has deferred new launches until RERA gets functional.

### Outlook and valuations: Scale up ahead; maintain 'BUY'

We expect Sobha's new sales to pick up going forward and cash flows to improve. Key stock catalysts include: 1) launch of planned projects; 2) rise in Bangalore residential demand; 3) steady sales momentum in *Dream Acres* project and 4) balance sheet improvement. At CMP, stock valuation appears reasonable — trades at 33% discount to our FY18E NAV of INR640. We maintain 'BUY/SO'.

#### Financials

(INR Mn)

Year to March	Q4FY17	Q4FY16	% chg	Q3FY17	% chg	FY16	FY17E	FY18E
Revenues	5888	5512	6.8	5425	8.5	18,651	21,818	24,280
EBITDA	1202	1176	2.2	989	21.5	5,034	4,108	5,509
Net Profit	466	277	68.2	396	17.7	1,533	1,521	2,125
EPS (INR)	4.88	2.81	73.7	4.09	19.3	15.9	15.8	22.1
P/E (x)							27.0	19.3
P/B (x)							1.5	1.4
ROE (%)						6.1	5.8	7.7

#### EDELWEISS 4D RATINGS

Absolute Rating	BUY
Rating Relative to Sector	Outperform
Risk Rating Relative to Sector	Medium
Sector Relative to Market	None

#### MARKET DATA (R: SOBHA.BO, B: SOBHA IN)

CMP	: INR 426
Target Price	: INR 520
52-week range (INR)	: 450 / 216
Share in issue (mn)	: 96.3
M cap (INR bn/USD mn)	: 41 / 639
Avg. Daily Vol.BSE/NSE('000)	: 220.7

#### SHARE HOLDING PATTERN (%)

	Current	Q3FY17	Q2FY17
Promoters *	60.2	60.2	60.2
MF's, FI's & BK's	7.6	7.0	6.3
FII's	28.0	28.0	29.2
Others	4.2	4.7	4.2
* Promoters pledged shares (% of share in issue)			10.9

#### PRICE PERFORMANCE (%)

	Stock	Nifty	EW Real Estate Index
1 month	9.4	3.9	22.3
3 months	43.5	8.4	45.3
12 months	35.8	21.0	55.2

**Harshal Pandya**

+91 22 6620 3163

harshal.pandya@edelweissfin.com

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## Raise NAV and Target Price

We have increased our FY18 target price for Sobha to INR520/share (INR410/share earlier) owing to following triggers:

1. We have updated our NAV model to accommodate latest disclosures.
2. Lowered discount rate to 14% from 15% earlier. This was driven by lower borrowing cost (down by 150bps in past 1 year to 10.42%) for Sobha and reduction in risk-free rate – down by 80bps in past 1 year to 6.8%.
3. Discount to real estate NAV (INR640/share) reduced to 25% from 35% earlier. The reduction was primarily on account of improved demand prospects (versus those observed in past 3 years) resulting in better operational cash flows, tailwinds from affordable housing incentives, prospects of balance sheet improvement and overall compression in NAV discount for the sector (20% currently – down 24ppt /31ppt in past 3M/ YTD).

Consequently, our new FY18E real estate NAV is INR640/share (INR573/share earlier) to which we apply 25% discount (35% earlier) and add value of contractual business (INR40/share) to arrive at our new target price of INR520 (INR410 earlier). We maintain **'BUY/SO'** recommendation/rating.

**Chart 1: 1-year forward premium/discount to NAV**



Source: Bloomberg, Edelweiss research

## Valuation

We have a **'BUY/SO'** recommendation/rating on Sobha with target price of INR520, which we have arrived at by applying 25% discount to our March 2018E real estate business NAV of INR640/share (refer table 1 & 3) and added value of contractual business (INR40/share).

We have valued the real estate and contractual businesses separately. We have employed NAV methodology (refer table 1) to value the real estate business (INR480/share; 25% discount to our March 2018E real estate NAV of INR640/share) and EV/EBITDA multiple (refer table 2) to value the contractual business (INR40/share).

Our NAV calculation assumes 33% tax rate, 14% discount rate and 7% (of sales) overheads for real estate operations.

**We have applied 25% discount (35% earlier) to Sobha's real estate business NAV based on following:**

- 1) Prospects of improvement in demand going forward, given confluence of favourable factors – lower mortgage rates, better economic growth prospects and improving affordability
- 2) Prospects of balance sheet strengthening (78% net gearing as of FY17 end), driven by surplus cash from operations.
- 3) Prospects of scaling up operations with new launches (5.2msf Sobha's share over next few quarters) and augmenting presence in key markets, including Bangalore, Chennai and NCR region.
- 4) Expected tailwinds – Sobha should benefit from tax incentives offered under affordable housing initiatives for development of <60sq.m carpet area apartments in non-metros as well as improvement in demand due to interest rate subvention under CLSS scheme of PMAY (Urban).
- 5) Good brand name and quality management team.
- 6) Improving macro conditions.
- 7) Compression in sector discount to NAV.

**Potential pressures**

- 1) Large and concentrated land bank (202msf; ~40% located in Bangalore).
- 2) Some slowdown in contractual projects and reduction in orders from mainstays like Infosys.
- 3) No imminent monetisation prospects from large land parcels, such as, Hosur, Hoskote (Bangalore) Sriperumbudur (Chennai) and Maradu (Kochi).
- 4) Likely pressure on residential sales due to IT sector slowdown is a headwind.

**Table 1 – NAV calculation for real estate business**

	(INR mn)
Market Value of Projects	289,536
Pending Construction Cost	162,337
Pending Land cost (As of Sep'16)	1,513
<b>Net Market Value</b>	<b>121,836</b>
Less: Overheads	19,474
Tax	31,311
Less Net Debt	18,828
<b>NAV</b>	<b>56,071</b>
Add: NAV of Ongoing Projects	5,554
<b>Total NAV</b>	<b>61,626</b>
<b>NAV per share (INR)</b>	<b>640</b>
Discount to NAV (%)	25.0
Real Estate Business	480

Source: Company, Edelweiss research

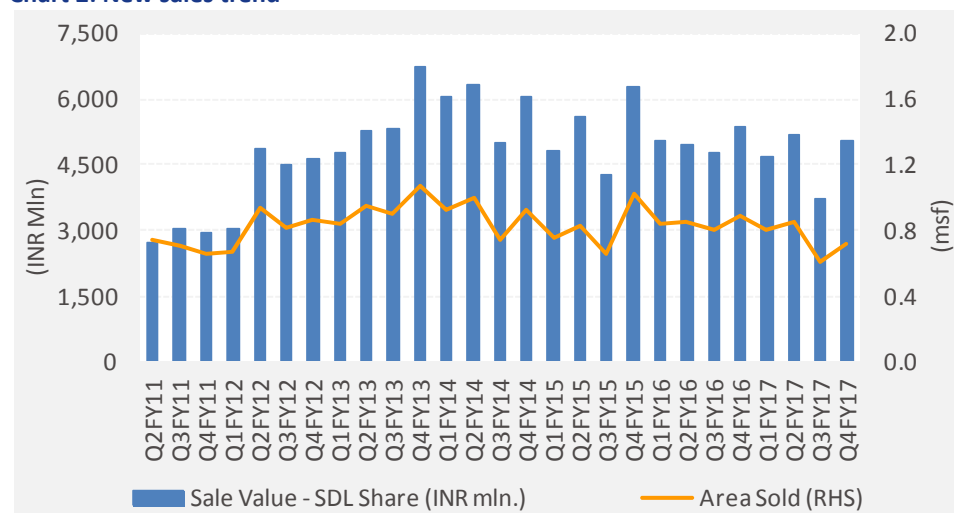
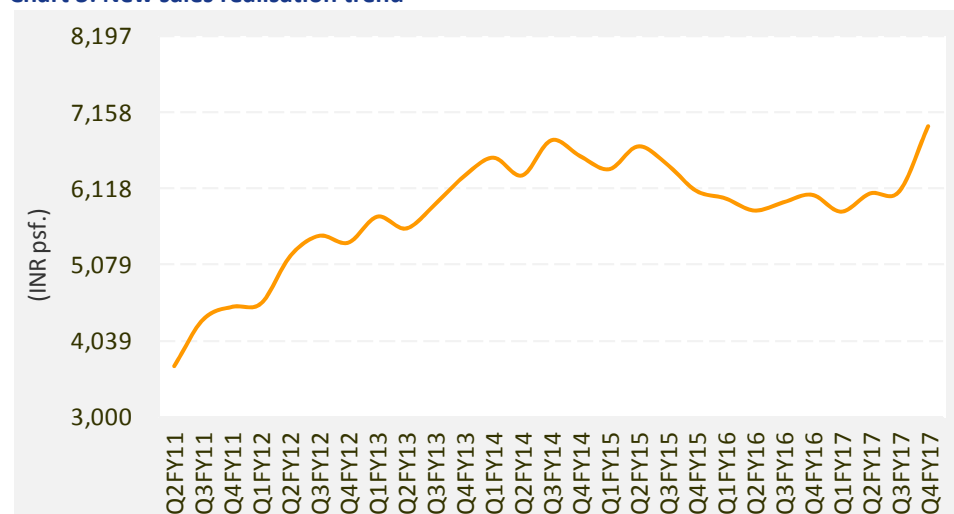
**Table 2: Value of contractual business**

	(INR mn)
Income from Contractual Projects (FY18)	6,194
EBITDA Margins	0.2
EBITDA	960
EV/EBITDA	4.0
<b>Value of Contractual Business (INR / share)</b>	<b>40</b>

**Table 3: Sum-of-the-parts valuation**

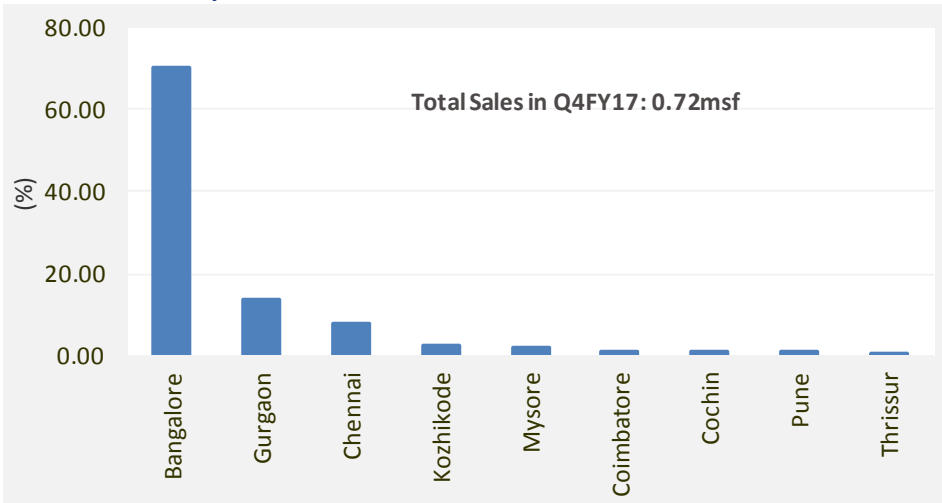
	(INR)
Real Estate NAV	640
Discount to NAV (%)	25.0
Real Estate Business	480
Contractual Business	40
<b>Target Price</b>	<b>520</b>

Source: Company, Edelweiss research

**Chart 2: New sales trend**

**Chart 3: New sales realisation trend**


Source: Company, Edelweiss research

Chart 4: Q4FY17 city-wise new sales breakdown



Source: Company, Edelweiss research

### Management call highlights

1. **Impact of RERA:** In most states where Sobha has presence, except Maharashtra where RERA is already functional, RERA rules are yet to be notified. Management expects RERA implementation to enhance transparency and accountability in the sector. Sobha will not be launching any new projects until the RERA rules are notified in respective markets and will only launch post registering the projects with the respective authorities. The company will also avoid pre-launches. Importantly, it will continue to sell its ongoing projects given that these are RERA compliant (in terms of approvals required). Sobha sees meaningful slow down in new launches in initial period of RERA implementation. The company expects demand to shift towards organised players once RERA gets implemented.
2. **CLSS incentives:** Sobha sees demand being positively impacted by interest rate subsidies offered under CLSS of PMAY (urban). Around 80% of its ongoing inventory qualifies for affordable housing, as defined under CLSS.
3. **Tax exemption under 80IB:** Tax exemption on profits earned from development of <60sq.m carpet area apartments should incentivise developers to venture into the affordable housing space. To capitalise on this incentive, Sobha proposes to launch an affordable pilot housing project in north Bangalore with ~1msf of saleable area. Going forward, the company is planning similar projects on wider scale.
4. **New launch plans in quarter ahead:** Sobha has plans to launch following new projects: 0.5msf in Chennai, 0.5msf in North Bangalore, development of 20 acre land parcel in South Bangalore, 1msf of affordable housing in Bangalore and few more launches in some other cities. Implementation of RERA would be key risk to this plan and could delay some launches.
5. **Others:** Expects FY18 new sales to be better than FY17. Expects improved sales momentum in Gurgaon market to continue in FY18 in view of better clarity of completion of the Dwarka Expressway. The company does not expect its debt to further increase, despite pending payments for its Kochi project and tightening of funds post RERA implementation. For FY18, income from contractual and manufacturing businesses would see flat-to-marginal growth.

## Financial snapshot

(INR mn)

Year to March	Q4FY17	Q4FY16	% change	Q3FY17	% change	FY16	FY17E	FY18E
Net revenues	5,888	5,512	6.8	5,425	8.5	18,651	21,818	23,743
Direct Operating expenses	3,436	3,189	7.7	3,262	5.3	8,717	12,663	13,256
Other expenses	1,250	1,147	9.0	1,174	6.5	4,900	5,047	5,198
Total expenditure	4,686	4,336	8.1	4,436	5.6	13,617	17,710	18,454
EBITDA	1,202	1,176	2.2	989	21.5	5,034	4,108	5,289
Depreciation	173	189	(8.5)	157	10.2	634	622	673
Other income	125	108	15.7	69	81.2	134	350	160
Interest	397	362	9.7	364	9.1	1,725	1,475	1,701
Profit before tax	757	733	3.3	537	41.0	2,809	2,361	3,075
Provision for taxes	297	518	(42.7)	211	40.8	1,267	850	1,076
PAT	460	215	114.0	326	41.1	1,541	1,511	1,998
Minority interest	-	-		-		(9)	(10)	10
Associate profit share	(14)	(60)	NA	(66)	NA			
Reported net profit	466	277	68.2	396	17.7	1,533	1,521	1,988
Diluted shares (mn)	96	98		96		98	96	96
Adjusted Diluted EPS	4.9	2.8	73.7	4.1	19.3	15.9	15.8	20.6
Cost of construction	58.4	57.9		60.1		46.7	58.0	55.8
Employee cost	7.3	7.9		8.0		-	-	-
Other expenses	13.9	12.9		13.7		73.0	81.2	77.7
Total expenses	79.6	78.7		81.8		73.0	81.2	77.7
EBITDA	20.4	21.3		18.2		27.0	18.8	22.3
Depreciation	2.9	3.4		2.9		3.4	2.8	2.8
EBIT	17.5	17.9		15.3		23.6	16.0	19.4
Interest expenditure	6.7	6.6		6.7		9.2	6.8	7.2
Reported net profit	7.9	5.0		7.3		8.2	7.0	8.4
Tax rate	39.2	70.7		39.3		45.1	36.0	35.0

## Company Description

Sobha, is a Bangalore based real estate developer focused on developing residential space. 38% of its land bank is located in Bangalore, 22% in Kochi, 18% Chennai, 17% in Hosur and balance across key markets in South India. It also has presence in Gurgaon. The company has a backward integrated business model, with all operations from conceptualisation to execution done in house. It has acquired its land bank through outright acquisition as well as joint development agreement with land owners. Additionally Sobha undertakes contract for construction for third parties under its Contractual Business.

## Investment Theme

Sobha is expected to scale up operations over next few quarters, driven by planned new launches and improved affordability.

Plans are afoot to develop large land parcels

The company is proxy for the stable Bangalore residential market, which has steady demand/supply momentum with moderate (8-10%) price increase.

Steady cash flows from contractual business.

Attractive valuations.

Expects tailwinds by way of improvement in demand triggered by affordable housing incentives and tax exemption on development of affordable homes.

## Key Risks

Adverse macros, viz., high interest rate, inflation and slow growth.

Weakening of demand in physical market demand, especially in Bangalore.

Delays in approvals leading to slower new sales.

IT slowdown impacting residential demand, especially in Bangalore.

## Financial Statements

## Key Assumptions

Year to March	FY16	FY17	FY18E	FY19E
<b>Macro</b>				
GDP(Y-o-Y %)	7.2	6.5	7.1	7.7
Inflation (Avg)	4.9	4.8	5.0	5.2
Repo rate (exit rate)	6.8	6.3	6.3	6.3
USD/INR (Avg)	65.0	67.5	69.0	69.0
<b>Company</b>				
Selling Price increase (%)	-	5	5	5
Construction Cost Increase (%)	-	5	5	5

## Income statement

(INR mn)

Year to March	FY16	FY17	FY18E	FY19E
Income from operations	18,651	21,818	24,280	26,585
Direct costs	8,717	12,663	13,572	14,466
Other Expenses	4,900	5,047	5,198	5,406
Total operating expenses	13,617	17,710	18,771	19,873
EBITDA	5,034	4,108	5,509	6,712
Depreciation	634	622	673	785
EBIT	4,400	3,486	4,836	5,927
Add: Other income	133.88	350.00	150.00	100.00
Less: Interest Expense	1,725	1,475	1,701	1,667
Profit Before Tax	2,809	2,361	3,285	4,360
Less: Provision for Tax	1,267	850	1,150	1,569
Less: Minority Interest	(9)	(10)	10	150
Reported Profit	1,533	1,521	2,125	2,640
Adjusted Profit	1,533	1,521	2,125	2,640
Shares o /s (mn)	98	96	96	96
Adjusted Basic EPS	15.9	15.8	22.1	27.4
Diluted shares o/s (mn)	98	96	96	96
Adjusted Diluted EPS	15.9	15.8	22.1	27.4
Adjusted Cash EPS	22.1	22.2	29.1	35.6
Dividend per share (DPS)	4.4	4.1	5.2	6.4
Dividend Payout Ratio(%)	28.0	25.7	23.4	23.4

## Common size metrics

Year to March	FY16	FY17	FY18E	FY19E
Operating expenses	73.0	81.2	77.3	74.8
S G & A expenses	26.3	23.1	21.4	20.3
Depreciation	3.4	2.8	2.8	3.0
Interest Expense	9.2	6.8	7.0	6.3
EBITDA margins	27.0	18.8	22.7	25.2
Net Profit margins	8.2	7.0	8.8	9.9

## Growth ratios (%)

Year to March	FY16	FY17	FY18E	FY19E
Revenues	(23.6)	17.0	11.3	9.5
EBITDA	(18.5)	(18.4)	34.1	21.8
PBT	(24.4)	(15.9)	39.1	32.7
Adjusted Profit	(35.6)	(0.8)	39.7	24.2
EPS	(35.6)	(0.8)	39.7	24.2



Balance sheet		(INR mn)			
As on 31st March	FY16	FY17	FY18E	FY19E	
Share capital	981	963	963	963	
Reserves & Surplus	24,634	25,764	27,393	29,416	
Shareholders' funds	25,614	26,727	28,356	30,379	
Minority Interest	156	156	156	156	
Long term borrowings	22,209	21,500	20,500	19,500	
Def. Tax Liability (net)	2,538	2,627	2,627	2,627	
<b>Sources of funds</b>	<b>50,518</b>	<b>51,010</b>	<b>51,639</b>	<b>52,662</b>	
Gross Block	9,218	9,418	9,618	9,818	
Net Block	5,602	5,181	4,708	4,122	
Capital work in progress	454	720	1,000	1,200	
Total Fixed Assets	6,057	5,901	5,708	5,322	
Goodwill on consolidation	42	42	42	42	
Non current investments	-	-	-	-	
Cash and Equivalents	1,333	477	1,672	2,276	
Inventories	27,909	29,749	27,790	28,243	
Trade receivables	6,376	6,545	7,284	7,975	
Loans & Advances	24,573	25,337	25,381	25,153	
Total current assets	58,858	61,631	60,455	61,372	
Current liabilities	15,204	15,841	15,238	15,450	
Provisions	568	1,200	1,000	900	
Total Current Liab	15,772	17,041	16,238	16,350	
Net Curr Assets-ex cash	43,085	44,590	44,217	45,022	
<b>Uses of funds</b>	<b>50,518</b>	<b>51,010</b>	<b>51,639</b>	<b>52,662</b>	
BVPS (INR)	261.2	277.5	294.4	315.4	

Free cash flow		(INR mn)			
Year to March	FY16	FY17	FY18E	FY19E	
Reported Profit	1,533	1,521	2,125	2,640	
Add: Depreciation	634	622	673	785	
Interest (Net of Tax)	947	944	1,106	1,067	
Less: Changes in WC	2,393	1,505	(373)	805	
Operating cash flow	(227)	638	3,171	2,621	
Less: Capex	2,983	200	200	200	
<b>Free Cash Flow</b>	<b>(2,263)</b>	<b>1,382</b>	<b>4,077</b>	<b>3,488</b>	

Cash flow metrics		FY16	FY17	FY18E	FY19E
Year to March					
Investing cash flow	(2,864)	97	(480)	(400)	
Financing cash flow	486	(883)	(497)	(617)	
Net cash Flow	(2,604)	(148)	2,195	1,604	
Capex	2,983	200	200	200	
Dividend paid	430	391	497	617	
Share issue/(buyback)	-	(581)	-	-	

Profitability and efficiency ratios		FY16	FY17	FY18E	FY19E
Year to March					
EOP(ROE) (%)	6.1	5.8	7.7	9.0	
ROAE (%)	6.1	5.8	7.7	9.0	
ROACE (%)	10.2	8.7	11.0	12.9	
Current Ratio	381.6	364.5	382.6	389.3	
Gross Debt/EBITDA	441.2	523.4	372.1	290.5	
Gross Debt/Equity	86.7	80.4	72.3	64.2	
Net Debt/Equity	81.5	78.7	66.4	56.7	

Operating ratios		FY16	FY17	FY18E	FY19E
Year to March					
Total Asset Turnover	0.4	0.4	0.5	0.5	
Fixed Asset Turnover	4.3	4.0	4.9	6.0	
Equity Turnover	0.7	0.8	0.9	0.9	

Valuation parameters		FY16	FY17	FY18E	FY19E
Year to March					
Adj. Diluted EPS (INR)	15.9	15.8	22.1	27.4	
Y-o-Y growth (%)	(35.6)	(0.8)	39.7	24.2	
Adjusted Cash EPS (INR)	22.1	22.2	29.1	35.6	
Diluted P/E (x)	26.8	27.0	19.3	15.5	
P/B (x)	1.6	1.5	1.4	1.3	
Dividend Yield (%)	1.0	1.0	1.2	1.5	

## Peer comparison valuation

Name	Market cap (USD mn)	Diluted P/E (X)		P/B (X)		ROAE (%)	
		FY18E	FY19E	FY18E	FY19E	FY18E	FY19E
Sobha Developers	639	19.3	15.5	1.4	1.3	7.7	9.0
Brigade Enterprises	534	17.9	14.8	1.7	1.5	9.8	10.9
DLF	5,981	42.1	38.4	1.3	1.3	3.2	3.4
Godrej Properties	1,778	35.4	27.0	4.5	4.0	13.3	15.6
Oberoi Realty	2,104	15.8	14.7	2.1	1.9	14.3	13.5
Median	-	19.3	15.5	1.7	1.5	9.8	10.9
AVERAGE	-	26.1	22.1	2.2	2.0	9.7	10.5

Source: Edelweiss research

## Additional Data

### Directors Data

Mr. Ravi PNC Menon	Chairman	Mr. J.C. Sharma	Vice Chairman & Managing Director
Mr. P. Ramakrishnan	Deputy Managing Director	Mr. R.V.S. Rao	Independent Director
Dr. S.K. Gupta	Independent Director	Mr. Anup Shah	Independent Director
Mr. M. Damodaran	Independent Director	Dr. Punita Kumar - Sinha	Independent Director

Auditors - S.R. Batliboi & Associates

*\*as per last annual report*

### Holding – Top10

	Perc. Holding		Perc. Holding
Menon sobha	37.7	Menon pnc	18.26
Platinum asset mgmt	7.03	Nordea bank ab	4.63
Templeton asset mgmt	3.73	Invesco ltd	2.83
Icici prudential ass	2.23	Dimensional fund adv	1.85
Schroders plc	1.74	Ntasian discovery ma	1.4

*\*in last one year*

### Bulk Deals

Data	Acquired / Seller	B/S	Qty Traded	Price
07 Apr 2017	Adawi Investments Holdings Ltd	Buy	4160000	414.89
07 Apr 2017	Sobha Menon	Sell	4000000	414.90

*\*in last one year*

### Insider Trades

Reporting Data	Acquired / Seller	B/S	Qty Traded
07 Apr 2017	Jagdish Chandra Sharma	Sell	50000.00

*\*in last one year*

Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Brigade Enterprises	BUY	SO	M	DLF	HOLD	SU	H
Godrej Properties	HOLD	SP	L	Oberoi Realty	BUY	SO	L
Sobha Developers	BUY	SO	M	Sunteck Realty Limited	BUY	SO	H

## ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

## RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

## RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

## SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

**Edelweiss Securities Limited**, Edelweiss House, off C.S.T. Road, Kalina, Mumbai – 400 098.

Board: (91-22) 4009 4400, Email: [research@edelweissfin.com](mailto:research@edelweissfin.com)

Aditya Narain

Head of Research

[aditya.narain@edelweissfin.com](mailto:aditya.narain@edelweissfin.com)

## Coverage group(s) of stocks by primary analyst(s): Real Estate

Brigade Enterprises, DLF, Godrej Properties, Oberoi Realty, Sobha Developers, Sunteck Realty Limited

### Recent Research

Date	Company	Title	Price (INR)	Recos
05-May-17	<b>Oberoi Realty</b>	Result beat; operationally stable; fundamentals intact; <i>Result Update</i>	404	Buy
05-May-17	<b>Godrej Properties</b>	Strong fundamentals priced in; <i>Result Update</i>	531	Hold
05-Apr-17	<b>Sobha</b>	Uptick in Q4FY17 operations; FY17 guidance missed; <i>Company Update</i>	343	Buy

### Distribution of Ratings / Market Cap

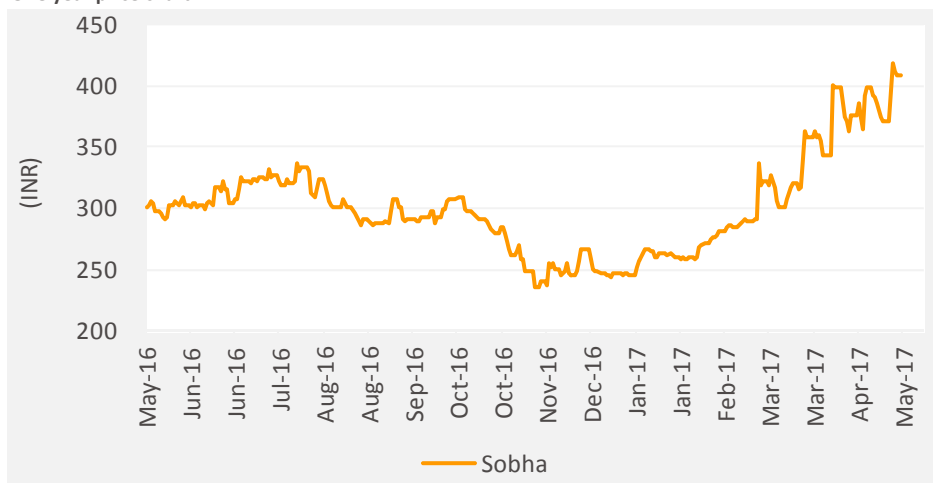
#### Edelweiss Research Coverage Universe

	Buy	Hold	Reduce	Total
Rating Distribution*	161	67	11	240
* 1stocks under review				
	> 50bn	Between 10bn and 50 bn	< 10bn	
Market Cap (INR)	156	62	11	

### Rating Interpretation

Rating	Expected to
<b>Buy</b>	appreciate more than 15% over a 12-month period
<b>Hold</b>	appreciate up to 15% over a 12-month period
<b>Reduce</b>	depreciate more than 5% over a 12-month period

One year price chart



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