

Infosys delivered a robust Q3FY21 performance with a beat on all our estimates coupled with strong deal wins.

- **\$ Revenue came in at \$3,516 Mn, +6.2% qoq / +8.2% yoy and +2.1% vs. estimates**
- **INR revenue came in at INR 259,270 Mn, +5.5% qoq / +12.3% yoy and +3.6% above our estimates**
- **EBIT was reported at INR 65,890 Mn, +5.8% qoq / +30.1% yoy and +6.2% vs our estimates**
- **EBIT margins stood at 25.4%, vs 25.3% / 21.9% in Q2FY21 / Q3FY20 respectively and 60 bps above our estimates**
- **PAT came in at INR 51,970 Mn, +7.3% qoq / +15.3% yoy and 5.6% above our estimates**
- **EPS at INR 12.25 in Q3FY21 vs 11.4 / 10.6 in Q2FY21 / Q3FY20 respectively**
- **Large deal signings stood at \$7.13 Bn in Q3FY21 vs \$3.15 Bn in Q2FY21**
- **Digital business stood at \$ 1,761 Mn (50.1% of revenue), which is a growth of +33.6% yoy**

Segmental Trends

Growth was broad-based across verticals

- **BFSI (32% of revenue)** continued its stellar performance and grew 9.8% qoq / +13.9% yoy in reported terms and +12% yoy in cc terms.
- **Manufacturing (9% of topline)** reported a robust sequential performance with 8.5% qoq. However it was down -2.1% yoy in reported terms and -4.1% yoy in cc terms
- **Retail (14.7% of revenue)** grew at +4.7% qoq / +4.2% yoy in reported terms and 2% yoy in cc terms. **Telecom vertical (12% of revenue)** bounced back during the quarter with 4.5% qoq / 3.4% yoy growth in reported terms and 0.8% yoy in cc terms
- **Lifesciences & Healthcare (7% of topline)** grew at +10.8% qoq / +14.9% yoy and +11% in cc terms

Financial Summary

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Net sales	8,26,760	9,07,910	10,07,895	11,20,482	12,27,711
EBIT	1,88,790	1,93,740	2,47,157	2,67,632	2,89,760
Adjusted net profit	1,61,310	1,66,400	1,95,802	2,14,579	2,31,690
Free cash flow	1,47,130	1,43,925	1,49,094	1,20,175	1,66,167
EPS (Rs)	37.1	38.3	45.0	49.4	53.3
growth (%)	0%	3%	18%	10%	8%
P/E (x)	36.9	35.8	30.4	27.8	25.7
P/B (x)	9.2	9.1	8.1	7.3	6.5
EV/EBITDA (x)	30.6	29.9	23.4	21.6	19.8
D/E	-	-	-	-	-
ROCE (%)	22.2	22.8	24.2	24.0	23.3
RoE (%)	22.5	23.8	26.0	25.5	24.8
Dividend yield (%)	1.9	1.3	1.6	1.8	1.9

Source: Company

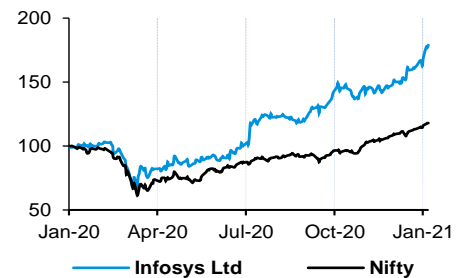
Rating	TP (Rs)	Up/Dn (%)
BUY	1492	9

Market data

Current price	Rs	1,368
Market Cap (Rs.Bn)	(Rs Bn)	5829
Market Cap (US\$ Mn)	(US\$ Mn)	79740
Face Value	Rs	5
52 Weeks High/Low	Rs	1393/511
Average Daily Volume	('000)	8660
BSE Code		500209
Bloomberg		INFY:IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Dec-20	Sep-20
Promoters	12.95	12.95
Public	86.67	86.65
Others	0.38	0.40
Total	100	100

Source: BSE

Mayank Babla
(022) 67141412
mayank.babla@dalal-broacha.com

Conference Call KTAs

Operational Highlights

- OCF stood at \$ 829 Mn | \$ 772 Mn FCF | \$ 4.5 Bn in Cash & Bank.
- **Utilization at 86.3% is at all-time high, onshore effort at 25% is at the lowest.** Utilization comfort range band is 83-84%. Next few quarters will see aggressive hiring and therefore will see Utilization coming down
- **Margin walk:** 100 bps better operating parameters, 20 bps due to cross currency partly offset by rupee appreciation, -50 bps of transition and rebadging costs, -20 bps impact due to employee promotion, 50 bps impact due to higher subcon and others
- **Wage hike in Q4 will have some impact on margins and resumption of travel in FY22 will have some impact – working on cost optimization.**
- With travel resumption even some offshore effort will shift to onsite.
- **Variable pay of 100% during the quarter** and salary hike will be implemented from 01/01/21.

Deal Wins & Pipeline

- **Highest large deal wins historically – includes largest deal win in Infosys history.** Net New deals stood at \$8 Bn out of \$12 Bn+ in 9MFY21.
- **Large deal wins:** 73% of the deal wins are net new deals – means significant % of revenue is coming from new deals
- 22 large Deals included 8 in Financial Services, 4 in Manufacturing and Energy & Utilities, 3 in Communications, 1 in Retail, Hi-tech and other segments. Geography-wise 13 deals were from America, 7 from Europe and 2 from ROW.
- Large % of current deal execution will begin from Q2FY22. Pipeline is strong with healthy conversion to TCV
- **Large deal wins were on the back of Technical strength of solutions** (specifically COBALT suite for Cloud which is highly flexible, scalable and secure) + meeting the various objectives of the client versus peers.

Vertical Performance Highlights

- **BFSI:** Strong traction on the back of robust execution, digital transformation of large clients and opening of new accounts in mortgage, regional banks and wealth & retirement services + see many opportunities in Cloud, Digital and Data services.
- **Retail:** Saw good volumes despite seasonal weakness + healthy deal pipeline + opportunities in vendor consolidation.
- **Communications:** despite pressure in sub-verticals such as media & advertising but continue to have strong pipeline.
- **Energy & Utilities, Resources and Services** continue to see difficult environment due stress in Oil & Gas, Hospitality, Education, Publishing and Travel + expect stable performance in the coming quarters.
- **Manufacturing:** Saw standard quarter in terms of deal wins and revenue momentum + will see better performance going ahead as deals ramp up

Outlook

- Near term performance triggers: Healthy deal pipeline and several opportunities through vendor consolidation.
- See good demand environment after seeing pipeline and TCV across segments
- **Management upgraded revenue growth guidance from 2.3% to 4.5-5% for FY21e in cc terms and upgraded EBIT margin guidance band from 23-24% to 24-24.5%.**

Quarterly Performance Analysis

Exhibit 1

YE March (Rs. Mn)	Q3 FY21	Q2 FY21	Q-o-Q change %	Q3 FY20	Y-o-Y change %	Q3 FY21 Est.	Deviation %
Net Sales (US\$ Mn)	3,516	3,312	6.2%	3,243	8.4%	3,445	2.1%
Net Sales (INR Mn)	2,59,270	2,45,700	5.5%	2,30,920	12.3%	2,50,367	3.6%
Less:							
Employees Remuneration & Benefits	1,67,770	1,57,710	6.4%	1,53,730	9.1%	1,60,282	4.7%
Administrative & Other Expenses	25,610	25,710	(0.4%)	26,550	(3.5%)	28,041	(8.7%)
Total Operating Expenditure	1,93,380	1,83,420	5.4%	1,80,280	7.3%	1,88,323	2.7%
EBIT	65,890	62,280	5.8%	50,640	30.1%	62,044	6.2%
Less: Depreciation	1,441	8,550	(83.1%)	7,360	(80.4%)	8,712	
Add: Other income	6,110	5,700	7.2%	8,270	(26.1%)	5,808	5.2%
Finance Costs	490	480				425	
Profit Before Tax	71,510	67,500	5.9%	58,910	21.4%	67,427	6.1%
Adjusted Profits	71,510	67,500	5.9%	58,910	21.4%	67,427	
Less: Total Tax	19,360	18,920	2.3%	13,830	40.0%	18,205	
Minority Interest	180	130				0	
PAT	51,970	48,450	7.3%	45,080	15.3%	49,222	5.6%
Adjusted PAT	51,970	48,450	7.3%	45,080	15.3%	49,222	5.6%
Reported Diluted EPS (Rs.)	12.2	11.4	7.5%	10.6	15.0%	11.6	
Adjusted Diluted EPS (Rs.)	12.2	11.4	7.5%	10.6	15.0%	11.6	5.6%
No of Shared Diluted (mn)	4,249	4,259		4,240		4,249	
Margin Analysis %			Change in bps		Change in bps		Deviation in bps
EBIT Margin	25.4%	25.3%	7	21.9%	348	24.8%	63
EBIDTA Margin	26.0%	28.8%	(286)	25.1%	85	28.3%	(229)
NPM	20.0%	19.7%	33	19.5%	52	19.7%	38
Adjusted NPM	20.0%	19.7%	33	19.5%	52	19.7%	38
Effective Tax Rate %	27.1%	28.0%	(96)	23.5%	360	27.0%	7
Cost Analysis %			Change in bps		Change in bps		Deviation in bps
Employee Cost/Net Sales	64.7%	64.2%	52	66.6%	(186)	64.0%	69
SG&A/Net sales	9.9%	10.5%	(59)	11.5%	(162)	11.2%	(132)

Source: Dalal & Broacha Research, Company

Infosys Q3 top-line was a beat on our estimates by a deviation of +2.1%

EBIT margin was largely flat qoq but 63 bps above our estimates. EBIT margins were aided by operational efficiencies and cross currency and impacted by higher subcon costs and transition costs related to captive takeovers

Exhibit 2

Revenue by Offering	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q2 FY21
Digital	35.7%	38.3%	40.6%	41.9%	44.5%	47.3%	50.1%
Core	64.3%	61.7%	59.4%	58.1%	55.5%	52.7%	49.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Offering-wise Trends	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q2 FY21
Digital	1,117.8	1,229.4	1,316.7	1,339.5	1,388.8	1,566.6	1,761.5
Q-o-Q Growth	8.1%	10.0%	7.1%	1.7%	3.7%	12.8%	12.4%
Y-o-Y Growth	39.0%	35.8%	39.9%	29.5%	24.3%	27.4%	33.8%
Core	2,013.2	1,980.6	1,926.3	1,857.5	1,732.2	1,745.4	1,754.5
Q-o-Q Growth	-0.6%	-1.6%	-2.7%	-3.6%	-6.7%	0.8%	0.5%
Y-o-Y Growth	-0.7%	-1.7%	-5.9%	-8.3%	-14.0%	-11.9%	-8.9%
Total	3,131.0	3,210.0	3,243.0	3,197.0	3,121.0	3,312.0	3,516.0
Q-o-Q Growth	2.3%	2.5%	1.0%	-1.4%	-2.4%	6.1%	6.2%
Y-o-Y Growth	10.6%	9.9%	8.6%	4.5%	-0.3%	3.2%	8.4%

Digital continued its solid growth trajectory and grew at 33.8% yoy. Digital now contributes over 50.1% of total revenues

Exhibit 3

Industry Contribution	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q2 FY21
Banking, Financial Services & Insurance	31%	32%	32%	31%	32%	32%	33%
Manufacturing	10%	10%	10%	10%	10%	9%	9%
Retail	16%	15%	15%	16%	14%	15%	15%
Telecom	14%	13%	13%	13%	13%	13%	12%
Energy & Utilities	13%	13%	13%	13%	13%	12%	13%
Life sciences & Healthcare	6%	6%	7%	6%	7%	7%	7%
Others	3%	3%	3%	3%	3%	3%	3%
Hi-Tech	8%	8%	8%	8%	9%	9%	8%
Industry-wise Growth Trends	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q2 FY21
Banking, Financial Services & Insurance	983	1,024	1,022	1,001	983	1,060	1,164
Q-o-Q Growth	1.7%	4.2%	-0.2%	-2.0%	-1.8%	7.8%	9.8%
Yo-Y Growth	9.2%	8.9%	5.2%	3.5%	0.0%	3.5%	13.9%
Manufacturing	301	324	334	323	296	301	327
Q-o-Q Growth	-1.8%	7.9%	3.0%	-3.3%	-8.2%	1.7%	8.5%
Yo-Y Growth	10.6%	15.6%	10.7%	5.5%	-1.4%	-7.0%	-2.1%
Retail	495	488	496	496	446	493	517
Q-o-Q Growth	1.7%	-1.4%	1.7%	-0.1%	-9.9%	10.6%	4.7%
Yo-Y Growth	5.3%	-0.6%	1.3%	1.8%	-9.8%	1.1%	4.2%
Telecom	432	421	422	416	418	417	436
Q-o-Q Growth	4.6%	-2.7%	0.3%	-1.4%	0.6%	-0.2%	4.5%
Yo-Y Growth	20.2%	17.0%	18.6%	0.6%	-3.2%	-0.8%	3.4%
Energy & Utilities	407	421	415	412	399	407	440
Q-o-Q Growth	4.7%	3.3%	-1.3%	-0.6%	-3.1%	2.0%	7.9%
Yo-Y Growth	15.9%	17.0%	8.6%	6.1%	-1.9%	-3.1%	5.9%
Life sciences & Healthcare	191	205	217	205	209	225	250
Q-o-Q Growth	4.0%	7.6%	5.8%	-5.8%	2.2%	7.7%	10.8%
Yo-Y Growth	2.2%	9.9%	17.3%	11.4%	9.5%	9.6%	14.9%
Others	81	83	91	93	97	106	95
Q-o-Q Growth	2.3%	2.5%	8.8%	2.1%	4.4%	9.5%	-10.4%
Yo-Y Growth	-0.8%	-1.5%	8.6%	16.5%	18.8%	27.0%	4.5%
Hi-Tech	241	244	246	253	272	301	288
Q-o-Q Growth	2.3%	1.2%	1.0%	2.5%	7.5%	11.0%	-4.3%
Yo-Y Growth	15.1%	11.4%	13.0%	7.2%	12.6%	23.5%	17.0%

Growth was broad-based across verticals

Notably, communications vertical bounced back during the quarter

Retail continued to grow in Q3 despite seasonal weakness as many retailers rushed to go online during the pandemic and adopt an omni-channel approach

Source: Dalal & Broacha Research, Company

Exhibit 4

Large Deals (\$ Mn)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q2 FY21
Total Contract Value (TCV)	2,714	2,847	1,813	1,646	1,720	3,145	7,129
Q-o-Q Growth	-56.8%	4.9%	-36.3%	-9.2%	4.5%	82.8%	126.7%
Yo-Y Growth	143.2%	40.3%	15.5%	5.0%	-36.6%	10.5%	293.2%

Expect major part of all deal wins to be executed from Q2FY22 onwards

Source: Dalal & Broacha Research, Company

Valuation & Outlook

Infosys is currently trading at 30.8x / 27.9x FY22e/FY23e EPS respectively. In light of the performance exceeding our expectations, we revise our EPS estimates for FY21e / FY22e / FY23e from 44.5 / 48.1 / 52.1 to INR 45 / 49.4 / 53.3 respectively. There are triggers such as healthy deal pipeline and strong order-book to drive the company in the near to medium term and several opportunities such as vendor consolidation and captive takeovers in the long run which makes us positive on the outlook of the company even at current levels. **We rollover our estimates to FY23e while we maintain our target multiple at 28x FY23e EPS to arrive at a target price of INR 1,492 (vs. 1277 earlier).**

Financial

Profit & Loss A/c					
YEMarch (INR Mn)	FY19	FY20	FY21E	FY22E	FY23E
Net Sales	8,26,760	9,07,910	10,07,895	11,20,482	12,27,711
Growth%	17.2%	9.8%	11.0%	11.2%	9.6%
Total Revenue	8,26,760	9,07,910	10,07,895	11,20,482	12,27,711
Less:					
Employees Cost	5,38,680	6,07,320	6,53,979	7,21,715	7,89,106
SG&A	99,290	1,06,850	1,06,759	1,31,135	1,48,844
Operating Expenditure	6,37,970	7,14,170	7,60,737	8,52,850	9,37,951
EBITDA	2,08,890	2,22,670	2,71,814	2,73,861	2,96,585
EBITDA Growth%	9.9%	6.6%	22.1%	0.8%	8.3%
Less: Depreciation	20,100	28,930	24,657	6,229	6,825
Operating Profit	1,88,790	1,93,740	2,47,157	2,67,632	2,89,760
Growth%	10.1%	2.6%	27.6%	8.3%	8.3%
Non-operating Income	28,830	28,030	23,248	28,012	27,623
Profit Before tax	2,17,620	2,20,080	2,68,531	2,93,944	3,17,384
Tax	56,310	53,680	72,729	79,365	85,694
Net Profit	1,61,310	1,66,400	1,95,802	2,14,579	2,31,690
Adjusted Profit	1,61,310	1,66,400	1,95,802	2,14,579	2,31,690
Diluted EPSRs	37.1	38.3	45.0	49.4	53.3
Growth %	0.3%	3.2%	17.7%	9.6%	8.0%
Adjusted EPS	37.1	38.3	45.0	49.4	53.3
Growth%	0.3%	3.2%	17.7%	9.6%	8.0%

Key Ratios					
OPM(%)	22.8%	21.3%	24.5%	23.9%	23.6%
NPM(%)	19.5%	18.3%	19.4%	19.2%	18.9%
RoE(%)	22.5%	23.8%	26.0%	25.5%	24.8%
RoCE(%)	22.2%	22.8%	24.2%	24.0%	23.3%
BV/PerShareRs.	149	151	169	188	210

Valuation Ratios					
YE March (Rs.mn)	FY19	FY20	FY21E	FY22E	FY23E
P/E(x)	36.9x	35.8x	30.4x	27.8x	25.7x
P/BV(x)	9.2x	9.1x	8.1x	7.3x	6.5x
EV/EBITDA(x)	30.6x	29.9x	23.4x	21.6x	19.8x
MarketCap./Sales(x)	7.2x	6.6x	5.9x	5.3x	4.9x

Key Ratios					
YE March (Rs.mn)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin(%)	22.8%	21.3%	24.5%	23.9%	23.6%
Tax/PBT(%)	25.9%	24.4%	27.1%	27.0%	27.0%
Net Profit Margin(%)	19.5%	18.3%	19.4%	19.2%	18.9%
RoE(%)	22.5%	23.8%	26.0%	25.5%	24.8%
RoCE(%)	22.2%	22.8%	24.2%	24.0%	23.3%
Current Ratio(x)	2.8x	2.6x	2.7x	3.0x	3.0x
Dividend Payout(%)	85.0%	57.2%	60.0%	60.0%	60.0%
Book Value Per Share(Rs.)	149.4	150.6	168.6	188.3	209.6
Growth Indicators%					
Growth in Gross Block(%)	13.4%	12.0%	11.7%	10.5%	9.5%
Sales Growth(%)	17.2%	9.8%	11.0%	11.2%	9.6%
EBITDA Growth(%)	10.1%	2.6%	27.6%	8.3%	8.3%
Net Profit Growth(%)	0.2%	3.2%	17.7%	9.6%	8.0%
Diluted EPS Growth(%)	0.3%	3.2%	17.7%	9.6%	8.0%
Turnover Ratios					
Debtors (Days of net sales)	65	74	65	65	65

Balance Sheet					
YE March (INR Mn)	FY19	FY20	FY21E	FY22E	FY23E
Liabilities					
Equity Capital	21,700	21,220	21,220	21,220	21,220
Reserves & Surplus	6,27,780	6,33,280	7,11,601	7,97,433	8,90,109
Equity	6,49,480	6,54,500	7,32,821	8,18,653	9,11,329
Net Worth	6,49,480	6,54,500	7,32,821	8,18,653	9,11,329
Net Deferred tax liability/(Asset)	6,720	9,680	9,680	9,680	9,680
Total Loans	4,220	10,860	10,860	10,860	10,860
Lease Liabilities		40,140	40,140	40,140	40,140
Capital Employed	6,60,420	7,15,180	7,93,501	8,79,333	9,72,009
Assets					
Gross Block	2,28,910	2,56,410	2,86,410	3,16,410	3,46,410
Less: Depreciation	1,14,120	1,32,060	1,56,717	1,62,946	1,69,770
Net Block	1,14,790	1,24,350	1,29,693	1,53,464	1,76,640
Right of Use Assets		41,680	44,010	43,263	43,263
Capital WIP	56,190	81,400	86,978	88,667	90,276
Investments	49,650	48,950	48,950	48,950	48,950
Others-Assets	97,970	85,540	1,15,894	1,26,469	1,36,554
Current Assets					
Sundry Debtors	1,48,270	1,84,870	1,79,488	1,99,538	2,18,633
Cash and Bank Balance	1,95,100	1,82,550	1,91,484	1,90,602	2,26,226
Loans and Advances	57,460	56,960	80,632	95,241	1,04,355
Total Current Assets	5,28,200	5,41,820	5,82,631	6,31,044	7,08,818
Less: Current Liabilities					
Sundry Creditors	16,550	28,520	25,011	28,039	30,837
Provisions	21,430	20,620	27,937	30,486	32,917
Other Current Liabilities	1,48,400	1,59,420	1,61,708	1,54,000	1,68,738
Total Current Liabilities	1,86,380	2,08,560	2,14,655	2,12,525	2,32,492
Capital Applied	6,60,420	7,15,180	7,93,501	8,79,333	9,72,009

Cash Flow Statement					
YE March (Rs. Mn)	FY19	FY20	FY21E	FY22E	FY23E
PAT	1,61,310	1,66,400	1,95,802	2,14,579	2,31,690
Less: Non Operating Income	-28,830	-28,030	-23,248	-28,012	-27,623
Add: Depreciation	20,100	28,930	24,657	6,229	6,825
Operating Profit before WC Changes	1,52,580	1,68,990	1,99,086	1,94,496	2,10,891
(Inc)/Dec in Current Assets	-31,110	-26,170	-31,876	-49,296	-42,150
Inc/(Dec) in Current Liabilities	45,320	22,180	6,095	-2,130	19,966
Net Cash Generated From Operations	1,66,790	1,65,000	1,73,305	1,43,071	1,88,708
Cash Flow from Investing Activities					
(Inc)/Dec in Fixed Assets	-33,730	-38,490	-30,000	-30,000	-30,000
(Inc)/Dec in Capital Work In Progress	2,180	4,340	-5,578	-1,689	-1,608
Add: Non Operating Income Income	28,830	28,030	23,248	28,012	27,623
Net Cash Flow from Investing Activities	-11,140	-22,540	-42,684	-14,252	-14,070
Cash Flow from Financing Activities					
Dividend Paid	-1,12,000	-76,136	-97,901	-1,07,290	-1,15,845
Tax Paid on Dividend	-25,050	-19,034	-19,580	-21,458	-23,169
Net Cash Flow from Financing Activities	-1,67,520	-1,54,640	-1,16,396	-1,30,448	-1,39,014
Net Inc/Dec in cash equivalents	-11,870	-12,180	14,224	-1,629	35,624
Opening Balance	1,98,180	1,95,100	1,82,550	1,91,484	1,90,602
Closing Balance Cash and Cash Equivalents	1,86,310	1,82,920	1,96,774	1,89,855	2,26,226

Free Cash Flow Statement					
YEMarch (INR Mn)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA	2,08,890	2,22,670	2,71,814	2,73,861	2,96,585
FC Investment	27,120	27,500	30,000	30,000	30,000
WC Changes	14,210	(3,990)	(25,781)	(51,425)	(22,183)
Depreciation Tax Shield	5,201	7,056	6,678	1,682	1,843
Tax (EBITDA * Tax Rate)	54,051	54,312	73,618	73,942	80,078
FCFF	1,47,130	1,43,925	1,49,094	1,20,175	1,66,167

Disclaimer

Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services. D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.dalal-broacha.com

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time. SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have a actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Disclosures in respect of Research Analyst:

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No

D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any

copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Name	Designation	Email	Phone	Sector
Mr. Kunal Bhatia	HOR	kunal.bhatia@dalal-broacha.com	022 67141442	Auto Auto Ancillary FMCG
Mrs.Charulata Gaidhani	Sr. Analyst	charulata.gaidhani@dalal-broacha.com	022 67141446	Pharma Healthcare
Mr. Mayank Babla	Sr. Analyst	mayank.babla@dalal-broacha.com	022 67141412	IT Telecom Media
Mr. Avinash Tanawade	Sr. Analyst	avinash.tanawade@dalal-broacha.com	022 67141449	BFSI
Mr. Akshay Ashok	Analyst	akshay.ashok@dalal-broacha.com	022 67141486	BFSI
Mr. Suraj Nandu	Analyst	suraj.nandu@dalal-broacha.com	022 67141438	FMCG Retail
Ms. Timshar Dhamodiwala	Associate	timshar.dhamodiwala@dalal-broacha.com	022 67141441	IT Telecom Media

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400021.

Tel: 91-22- 2282 2992, 2287 6173, Fax: 91-22-2287 0092

E-mail: equity.research@dalal-broacha.com