

# Retail Equity Research

## Infosys Limited

IT Services

BSE CODE: 500209

NSE CODE: INFY

Bloomberg CODE: INFO:IN

SENSEX: 60,093

**BUY**

12 Months Investment Period Rating as per Large Cap  
CMP Rs. 1,525 TARGET Rs. 1,692 RETURN 11%  
(Closing: 16-01-23)

KEY CHANGES:

TARGET ↑

RATING ↑

EARNINGS ↑

### Large deal wins to drive growth

Infosys Limited provides IT consulting and software services, including e-business, program management and supply-chain solutions. It also offers application development, product co-development, system implementation and system engineering services.

- Revenue surged 20.2% YoY to Rs. 38,318cr in Q3FY23, led by broad-based growth across all industries and regions. PAT increased 13.4% YoY to Rs. 6,586cr.
- EBITDA margin remained stable QoQ at 24.4%, driven by healthy revenue growth and cost-optimisation benefits.
- The company reported exceptionally strong earnings, driven by growth in its digital offerings and core services, despite a seasonally weak quarter. A strong portfolio, a diverse service line and an aggressive approach would help the company sustain its performance in the future, in our view. Hence, we upgrade our rating to BUY on the stock, with a revised target price of Rs. 1,692 based on 22x FY25E adjusted EPS.

### Resilient quarterly performance

In Q3FY23, company's revenue rose 20.2% YoY to Rs. 38,318cr (+4.9% QoQ), despite a seasonally weak quarter. Revenue from digital offerings jumped 29.2% YoY to Rs. 24,103cr, increasing its share of total revenue to 63%. Core services revenue grew 7.5% YoY to Rs. 14,215cr. EBITDA increased 11.7% YoY to Rs. 9,367cr, while margin remained stable at 24.4% sequentially and declined 190bps YoY. The margin benefitted from favourable currency movements and cost optimisation, which offset traditional seasonal weakness and furloughs. PAT increased to Rs. 6,586cr (up 9.4% QoQ and 13.4% YoY), led by higher other income (+31.7% QoQ, +50.3% YoY).

### Key concall highlights

- Infosys has retained its margin guidance for FY23 between 21% and 22%. It has increased the revenue guidance from 15-16% to 16-16.5%.
- During the quarter, the company reported a steady decline in the attrition rate. The annualised attrition rate decreased 6%. Consequently, its LTM attrition reduced to 24.3%, compared with 27.1% in Q2FY23.
- Infosys reported a strong total contract value (TCV) of \$3.3bn (the highest in the last eight quarters) with 32 large deals.

### Continued robust performance across verticals

All verticals are gaining traction, as reflected in the deals won. Energy, utilities, resources and services grew 32.5% YoY (10.2% QoQ), and manufacturing grew 41.7% YoY (8.8% QoQ), with five deal wins each during the quarter. Communications grew 18.4% YoY (4.6% QoQ), and financial services rose 12.1% YoY (0.8% QoQ), with six deal wins each. Retail increased 18.8% YoY (5.7% QoQ), with seven deal wins. Further, the company won two deals in life sciences and one in high-tech.

### Valuation

Despite the prevailing macroeconomic uncertainty in the market, deal wins and the project pipeline for the company remain solid, positioning it well to capture market share with its strong execution. We see strong sustained demand driving revenue growth and contributing to continued earnings growth over the long term. In addition, the valuation is no longer expensive, which makes the risk-reward profile attractive. We upgrade our rating to BUY on the stock, with a rolled forward target price of Rs. 1,692 based on 22x FY25E adjusted EPS.

### Company Data

|                         |             |
|-------------------------|-------------|
| Market Cap (cr)         | Rs. 641,799 |
| Enterprise Value (cr)   | Rs. 624,876 |
| Outstanding Shares (cr) | 419.6       |
| Free Float              | 87.0%       |
| Dividend Yield          | 2.0%        |
| 52-week High            | Rs. 1,954   |
| 52-week Low             | Rs. 1,356   |
| 6m Average Volume       | 469,620     |
| Beta                    | 1.1         |
| Face Value              | Rs. 5       |

| Shareholding %    | Q4FY22 | Q1FY23 | Q2FY23 |
|-------------------|--------|--------|--------|
| Promoters         | 13.1   | 13.1   | 15.2   |
| FII's             | 33.2   | 31.72  | 36.2   |
| MFs/Insti         | 16.7   | 19.19  | 32.8   |
| Public            | 27.9   | 25.7   | 15.5   |
| Others            | 9.2    | 10.3   | 0.4    |
| Total             | 100.0  | 100.0  | 100.0  |
| Promoters' Pledge | 0.0    | 0.0    | 0.0    |

| Price Performance | 3 Month | 6 Month | 1 Year |
|-------------------|---------|---------|--------|
| Absolute Return   | 3.5%    | 6.6%    | -20.9% |
| Absolute Sensex   | 3.8%    | 11.8%   | -1.8%  |
| Relative Return*  | -0.3%   | -5.2%   | -19.1% |

\*over- or under-performance to benchmark index



| Consolidated (cr) | FY23E   | FY24E   | FY25E   |
|-------------------|---------|---------|---------|
| Sales             | 141,767 | 162,519 | 186,700 |
| Growth (%)        | 16.5    | 14.6    | 14.9    |
| EBITDA            | 34,985  | 40,259  | 45,777  |
| EBITDA Margin (%) | 24.7    | 24.8    | 24.5    |
| Adj. PAT          | 24,489  | 28,422  | 32,442  |
| Growth (%)        | 10.8    | 16.1    | 14.1    |
| Adj. EPS          | 58.0    | 67.4    | 76.9    |
| Growth (%)        | 10.8    | 16.1    | 14.1    |
| P/E               | 26.3    | 22.6    | 19.8    |
| P/B               | 7.6     | 6.7     | 5.9     |
| EV/EBITDA         | 17.9    | 15.4    | 13.3    |
| ROE (%)           | 28.7    | 29.4    | 29.6    |
| D/E               | 0.0     | 0.0     | 0.0     |

## Quarterly Financials (Consolidated)

### Profit & Loss Account

| Rs. cr                         | Q3FY23       | Q3FY22       | YoY Growth (%) | Q2FY23       | QoQ Growth (%) | 9MFY23        | 9MFY22        | YoY Growth (%) |
|--------------------------------|--------------|--------------|----------------|--------------|----------------|---------------|---------------|----------------|
| Revenue                        | 38,318       | 31,867       | 20.2           | 36,538       | 4.9            | 109,326       | 89,365        | 22.3           |
| <b>EBITDA</b>                  | <b>9,367</b> | <b>8,383</b> | <b>11.7</b>    | <b>8,902</b> | <b>5.2</b>     | <b>26,133</b> | <b>23,645</b> | <b>10.5</b>    |
| EBITDA Margins                 | 24.4         | 26.3         | (190bps)       | 24.4         | 0bps           | 23.9          | 26.5          | (260bps)       |
| Depreciation                   | 1,125        | 899          | 25.1           | 1,029        | 9.3            | 3,104         | 2,586         | 20.0           |
| <b>EBIT</b>                    | <b>8,242</b> | <b>7,484</b> | <b>10.1</b>    | <b>7,873</b> | <b>4.7</b>     | <b>23,029</b> | <b>21,059</b> | <b>9.4</b>     |
| Interest                       | 80           | 52           | 53.8           | 66           | 21.2           | 202           | 150           | 34.7           |
| Other Income                   | 769          | 512          | 50.2           | 584          | 31.7           | 2,029         | 1,658         | 22.4           |
| Exceptional Items              | -            | -            | -              | -            | -              | -             | -             | -              |
| <b>PBT</b>                     | <b>8,931</b> | <b>7,944</b> | <b>12.4</b>    | <b>8,391</b> | <b>6.4</b>     | <b>24,856</b> | <b>22,567</b> | <b>10.1</b>    |
| Tax                            | 2,345        | 2,122        | 10.5           | 2,365        | (0.8)          | 6,882         | 6,116         | 12.5           |
| Share of Profit from Associate | -            | -            | -              | -            | -              | -             | -             | -              |
| Minority Interest              | -            | 13           | n.m.           | 5            | n.m.           | 7             | 26            | (73.1)         |
| <b>Reported PAT</b>            | <b>6,586</b> | <b>5,809</b> | <b>13.4</b>    | <b>6,021</b> | <b>9.4</b>     | <b>17,967</b> | <b>16,425</b> | <b>9.4</b>     |
| Adjustments                    | -            | -            | -              | -            | -              | -             | -             | -              |
| <b>Adj. PAT</b>                | <b>6,586</b> | <b>5,809</b> | <b>13.4</b>    | <b>6,021</b> | <b>9.4</b>     | <b>17,967</b> | <b>16,425</b> | <b>9.4</b>     |
| No. of Shares                  | 419.6        | 422.4        | (0.7)          | 420.0        | (0.1)          | 419.6         | 422.4         | (0.7)          |
| <b>Adj. EPS (Rs.)</b>          | <b>15.7</b>  | <b>13.8</b>  | <b>14.1</b>    | <b>14.3</b>  | <b>9.5</b>     | <b>42.8</b>   | <b>38.9</b>   | <b>10.1</b>    |

### Change in Estimates

| Year/Rs. cr | Old Estimates |         | New Estimates |         |         | Change (%) |       |
|-------------|---------------|---------|---------------|---------|---------|------------|-------|
|             | FY23E         | FY24E   | FY23E         | FY24E   | FY25E   | FY23E      | FY24E |
| Revenue     | 140,494       | 161,450 | 141,767       | 162,519 | 186,700 | 0.9        | 0.7   |
| EBITDA      | 34,614        | 39,916  | 34,985        | 40,259  | 45,777  | 1.1        | 0.9   |
| Margins (%) | 24.6          | 24.7    | 24.7          | 24.8    | 24.5    | 10bps      | 10bps |
| Adj. PAT    | 24,107        | 28,116  | 24,489        | 28,422  | 32,442  | 1.6        | 1.1   |
| Adj. EPS    | 57.1          | 66.6    | 58.0          | 67.4    | 76.9    | 1.6        | 1.1   |

## PROFIT & LOSS

| Y.E. March (Rs. cr)  | FY21A          | FY22A          | FY23E          | FY24E          | FY25E          |
|----------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>       | <b>100,472</b> | <b>121,641</b> | <b>141,767</b> | <b>162,519</b> | <b>186,700</b> |
| % Change             | 10.7           | 21.1           | 16.5           | 14.6           | 14.9           |
| <b>EBITDA</b>        | <b>27,889</b>  | <b>31,491</b>  | <b>34,985</b>  | <b>40,259</b>  | <b>45,777</b>  |
| % Change             | 25.2           | 12.9           | 11.1           | 15.1           | 13.7           |
| Depreciation         | 3,267          | 3,476          | 4,004          | 4,108          | 4,329          |
| <b>EBIT</b>          | <b>24,622</b>  | <b>28,015</b>  | <b>30,981</b>  | <b>36,151</b>  | <b>41,447</b>  |
| Interest             | 195            | 200            | 247            | 238            | 238            |
| Other Income         | 2,201          | 2,295          | 2,754          | 2,954          | 3,154          |
| <b>PBT</b>           | <b>26,628</b>  | <b>30,110</b>  | <b>33,488</b>  | <b>38,867</b>  | <b>44,363</b>  |
| % Change             | 21.0           | 13.1           | 11.2           | 16.1           | 14.1           |
| Tax                  | 7,205          | 7,964          | 8,975          | 10,416         | 11,889         |
| Tax Rate (%)         | 27.1           | 26.4           | 26.8           | 26.8           | 26.8           |
| <b>Reported PAT</b>  | <b>19,351</b>  | <b>22,110</b>  | <b>24,489</b>  | <b>28,422</b>  | <b>32,442</b>  |
| Adj*                 | -              | -              | -              | -              | -              |
| <b>Adj PAT</b>       | <b>19,351</b>  | <b>22,110</b>  | <b>24,489</b>  | <b>28,422</b>  | <b>32,442</b>  |
| % Change             | 16.6           | 14.3           | 10.8           | 16.1           | 14.1           |
| No. of Shares (cr)   | 425.1          | 421.9          | 421.9          | 421.9          | 421.9          |
| <b>Adj EPS (Rs.)</b> | <b>45.5</b>    | <b>52.4</b>    | <b>58.0</b>    | <b>67.4</b>    | <b>76.9</b>    |
| % Change             | 16.5           | 15.1           | 10.8           | 16.1           | 14.1           |
| DPS (Rs.)            | 27.0           | 31.0           | 34.9           | 40.5           | 46.2           |
| CEPS (Rs.)           | 53.2           | 60.7           | 67.5           | 77.1           | 87.2           |

## CASH FLOW

| Y.E. March (Rs. cr)     | FY21A          | FY22A           | FY23E           | FY24E           | FY25E           |
|-------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Net Inc. + Depn.</b> | <b>22,618</b>  | <b>25,586</b>   | <b>28,493</b>   | <b>32,530</b>   | <b>36,771</b>   |
| Non-cash Adj.           | 2,686          | 4,747           | (4,534)         | (1,662)         | (1,714)         |
| Changes in WC           | (2,080)        | (6,448)         | (4,579)         | (3,388)         | (3,948)         |
| <b>CF. Operation</b>    | <b>23,224</b>  | <b>23,885</b>   | <b>19,379</b>   | <b>27,481</b>   | <b>31,109</b>   |
| Capital Exp.            | (2,107)        | (2,161)         | (3,544)         | (4,225)         | (4,667)         |
| Change in Inv.          | (5,366)        | (1,923)         | (683)           | (717)           | (753)           |
| Other Invest. CF        | 17             | (2,332)         | 977             | 1,246           | 1,370           |
| <b>CF - Investment</b>  | <b>(7,456)</b> | <b>(6,416)</b>  | <b>(3,250)</b>  | <b>(3,696)</b>  | <b>(4,050)</b>  |
| Issue of Equity         | 15             | 21              | -               | -               | -               |
| Issue/Repay Debt        | -              | -               | -               | -               | -               |
| Dividends Paid          | (9,117)        | (12,652)        | (14,635)        | (16,986)        | (19,388)        |
| Other Finance. CF       | (684)          | (12,011)        | -               | -               | -               |
| <b>CF - Finance</b>     | <b>(9,786)</b> | <b>(24,642)</b> | <b>(14,635)</b> | <b>(16,986)</b> | <b>(19,388)</b> |
| Chg. in Cash            | 5,982          | (7,173)         | 1,493           | 6,798           | 7,670           |
| Closing Cash            | 24,714         | 17,472          | 18,965          | 25,763          | 33,434          |

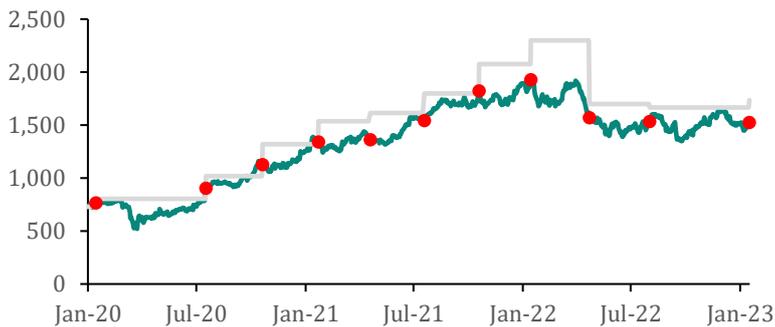
## BALANCE SHEET

| Y.E. March (Rs. cr)      | FY21A          | FY22A          | FY23E          | FY24E          | FY25E          |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| Cash                     | 24,714         | 17,472         | 18,965         | 25,763         | 33,434         |
| Accounts Receivable      | 19,294         | 22,698         | 28,353         | 32,504         | 37,340         |
| Inventories              | -              | -              | -              | -              | -              |
| Other Cur. Assets        | 16,725         | 27,015         | 29,449         | 30,954         | 32,707         |
| Investments              | 11,863         | 13,651         | 14,334         | 15,050         | 15,803         |
| Gross Fixed Assets       | 28,305         | 30,466         | 34,010         | 38,236         | 42,903         |
| Net Fixed Assets         | 12,560         | 13,075         | 12,594         | 12,690         | 13,005         |
| CWIP                     | 922            | 416            | 437            | 459            | 482            |
| Intangible Assets        | 12,945         | 12,725         | 12,787         | 12,850         | 12,913         |
| Def. Tax (Net)           | 1,098          | 1,212          | 1,516          | 1,644          | 1,646          |
| Other Assets             | 8,265          | 9,621          | 9,926          | 9,990          | 10,055         |
| <b>Total Assets</b>      | <b>108,386</b> | <b>117,885</b> | <b>128,362</b> | <b>141,903</b> | <b>157,384</b> |
| Current Liabilities      | 23,865         | 33,603         | 34,134         | 36,038         | 38,256         |
| Provisions               | -              | -              | -              | -              | -              |
| Debt Funds               | -              | -              | -              | -              | -              |
| Other Liabilities        | 7,739          | 8,546          | 8,615          | 8,788          | 8,965          |
| Equity Capital           | 2,124          | 2,098          | 2,098          | 2,098          | 2,098          |
| Reserves & Surplus       | 74,227         | 73,252         | 83,105         | 94,541         | 107,594        |
| Shareholder's Fund       | 76,351         | 75,350         | 85,203         | 96,639         | 109,692        |
| Minority Interest        | 431            | 386            | 411            | 439            | 471            |
| <b>Total Liabilities</b> | <b>108,386</b> | <b>117,885</b> | <b>128,362</b> | <b>141,903</b> | <b>157,384</b> |
| <b>BVPS (Rs.)</b>        | <b>180</b>     | <b>179</b>     | <b>202</b>     | <b>229</b>     | <b>260</b>     |

## RATIOS

| Y.E. March                     | FY21A | FY22A | FY23E | FY24E | FY25E |
|--------------------------------|-------|-------|-------|-------|-------|
| <b>Profitab. &amp; Return</b>  |       |       |       |       |       |
| EBITDA Margin (%)              | 27.8  | 25.9  | 24.7  | 24.8  | 24.5  |
| EBIT Margin (%)                | 24.5  | 23.0  | 21.9  | 22.2  | 22.2  |
| Net Profit Margin. (%)         | 19.3  | 18.2  | 17.3  | 17.5  | 17.4  |
| ROE (%)                        | 25.3  | 29.3  | 28.7  | 29.4  | 29.6  |
| ROCE (%)                       | 32.1  | 37.0  | 36.2  | 37.2  | 37.6  |
| <b>WC &amp; Liquidity</b>      |       |       |       |       |       |
| Receivables (days)             | 70.1  | 68.1  | 73.0  | 73.0  | 73.0  |
| Inventory (days)               | -     | -     | -     | -     | -     |
| Payables (days)                | 85.4  | 77.7  | 76.7  | 76.7  | 76.7  |
| Current Ratio (x)              | 2.5   | 2.0   | 2.2   | 2.5   | 2.7   |
| Quick Ratio (x)                | 1.9   | 1.4   | 1.6   | 1.8   | 2.0   |
| <b>Turnover &amp; Leverage</b> |       |       |       |       |       |
| Gross Assets TO (x)            | 3.7   | 4.1   | 4.4   | 4.5   | 4.6   |
| Total Assets TO (x)            | 1.0   | 1.1   | 1.2   | 1.2   | 1.2   |
| Int. Coverage Ratio (x)        | 126.3 | 140.1 | 125.3 | 151.9 | 174.1 |
| Adj. Debt/Equity (x)           | -     | -     | -     | -     | -     |
| <b>Valuation</b>               |       |       |       |       |       |
| EV/Sales (x)                   | 5.5   | 6.5   | 4.4   | 3.8   | 3.3   |
| EV/EBITDA (x)                  | 20.0  | 25.0  | 17.9  | 15.4  | 13.3  |
| P/E (x)                        | 30.0  | 36.4  | 26.3  | 22.6  | 19.8  |
| P/BV (x)                       | 7.6   | 10.7  | 7.6   | 6.7   | 5.9   |

## Recommendation Summary (Last 3 Years)



Source: Bloomberg, Geojit research

| Dates     | Rating | Target |
|-----------|--------|--------|
| 22-Jan-21 | BUY    | 1,535  |
| 19-Apr-21 | BUY    | 1,614  |
| 19-Jul-21 | BUY    | 1,797  |
| 19-Oct-21 | BUY    | 2,074  |
| 14-Jan-22 | BUY    | 2,299  |
| 22-Apr-22 | HOLD   | 1,700  |
| 1-Aug-22  | HOLD   | 1,667  |
| 17-Jan-23 | BUY    | 1,692  |

## Investment Rating Criteria

| Ratings           | Large caps                 | Midcaps                   | Small Caps                |
|-------------------|----------------------------|---------------------------|---------------------------|
| Buy               | Upside is above 10%        | Upside is above 15%       | Upside is above 20%       |
| Accumulate        | -                          | Upside is between 10%-15% | Upside is between 10%-20% |
| Hold              | Upside is between 0% - 10% | Upside is between 0%-10%  | Upside is between 0%-10%  |
| Reduce/sell       | Downside is more than 0%   | Downside is more than 0%  | Downside is more than 0%  |
| Not rated/Neutral |                            |                           |                           |

### Definition:

**Buy:** Acquire at Current Market Price (CMP), with the target mentioned in the research note.

**Accumulate:** Partial buying or to accumulate as CMP dips in the future.

**Hold:** Hold the stock with the expected target mentioned in the note.

**Reduce:** Reduce your exposure to the stock due to limited upside.

**Sell:** Exit from the stock.

**Not rated/Neutral:** The analyst has no investment opinion on the stock.

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

## General Disclosures and Disclaimers

### CERTIFICATION

I, Vincent K A, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Financial Services Limited, hereinafter referred to as Geojit.

### COMPANY OVERVIEW

Geojit, a publically listed company, is engaged in services of retail broking, depository services, portfolio management and marketing investment products including mutual funds, insurance and properties. GEOJIT is a SEBI registered Research Entity and as such prepares and shares research data and reports periodically with clients, investors, stake holders and general public in compliance with Securities and Exchange Board of India Act, 1992, Securities And Exchange Board Of India (Research Analysts) Regulations, 2014 and/or any other applicable directives, instructions or guidelines issued by the Regulators from time to time.

**DISTRIBUTION OF REPORTS:** This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. GEOJIT will not treat the recipients of this report as clients by virtue of their receiving this report.

**GENERAL REPRESENTATION:** The research reports do not constitute an offer or solicitation for the purchase or sale of any financial instruments, inducements, promise, guarantee, warranty, or as an official confirmation of any transaction or contractual obligations of any kind. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The information contained herein is from publicly available data or other sources believed to be reliable, but we do not represent that it is accurate or complete and it should not be relied on as such. We have also reviewed the research report for any untrue statements of material facts or any false or misleading information. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

**RISK DISCLOSURE:** GEOJIT and/or its Affiliates and its officers, directors and employees including the analyst/authors shall not be in any way be responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Investors may lose his/her entire investment under certain market conditions so before acting on any advice or recommendation in these material, investors should consider

whether it is suitable for their particular circumstances and, if necessary, seek professional advice. This report does not take into account the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this report (including the merits and risks involved). The price, volume and income of the investments referred to in this report may fluctuate and investors may realize losses that may exceed their original capital.

**FUNDAMENTAL DISCLAIMER:** We have prepared this report based on information believed to be reliable. The recommendations herein are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/return/lack of clarity/event we may revisit rating at appropriate time. The stocks always carry the risk of being upgraded to buy or downgraded to a hold, reduce or sell. The opinions expressed are subject to change but we have no obligation to tell our clients when our opinions or recommendations change. This report is non-inclusive and does not consider all the information that the recipients may consider material to investments. This report is issued by GEOJIT without any liability/undertaking/commitment on the part of itself or any of its entities. We may have issued or may issue on the companies covered herein, reports, recommendations or information which is contrary to those contained in this report. The projections and forecasts described in this report should be evaluated keeping in mind the fact that these are based on estimates and assumptions and will vary from actual results over a period of time. The actual performance of the companies represented in the report may vary from those projected. These are not scientifically proven to guarantee certain intended results and hence, are not published as a warranty and do not carry any evidentiary value whatsoever. These are not to be relied on in or as contractual, legal or tax advice. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.

CRISIL has provided research support in preparation of this research report and the investment rational contained herein along with financial forecast. The target price and recommendation provided in the report are strictly Geojit's views and are NOT PROVIDED by CRISIL. Further, CRISIL expresses no opinion on valuation and the associated recommendations. CRISIL has no financial liability whatsoever, to the subscribers / users of this report.

**JURISDICTION:** The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. Distributing/taking/sending/dispatching/transmitting this document in certain foreign jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe any such restrictions. Failure to comply with this restriction may constitute a violation of any foreign jurisdiction laws. Foreign currencies denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. Investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk.

**REGULATORY DISCLOSURES:** GEOJIT's Associates consists of privately held companies such as Geojit Technologies Private Limited (GTPL- Software Solutions provider), Geojit Credits Private Limited (GCPL- NBFC Services provider), Geojit Investment Services Limited (GISL- Corporate Agent for Insurance products), Geojit Financial Management Services Private Limited (GFMSL) & Geojit Financial Distribution Private Limited (GFDPL), (Distributors of Insurance and MF Units). In the context of the SEBI Regulations on Research Analysts (2014), GEOJIT affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities. In compliance with the above mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GEOJIT confirms that:

It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein.

It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein.

Further, the Analyst confirms that:

(i) He, his associates and his relatives have no financial interest in the subject company (ies) covered herein, and they have no other material conflict in the subject company.

(ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered.

2. Disclosures regarding Compensation:

During the past 12 months, GEOJIT or its Associates:

(a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. (e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GEOJIT regarding the compensation paid to its Research Analyst:

GEOJIT hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. Disclosure regarding the Research Analyst's connection with the subject company:

It is affirmed that I, Vincent K A, Research Analyst(s) of GEOJIT have not served as an officer, director or employee of the subject company

5. Disclosure regarding Market Making activity:

Neither GEOJIT/its Analysts have engaged in market making activities for the subject company.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Financial Services Ltd. Registered Office: 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India.

Phone: +91 484-2901000, Website: [www.geojit.com](http://www.geojit.com). For investor queries: [customercare@geojit.com](mailto:customercare@geojit.com), For grievances: [grievances@geojit.com](mailto:grievances@geojit.com),

For compliance officer: [compliance@geojit.com](mailto:compliance@geojit.com).

Corporate Identity Number: L67120KL1994PLC008403, SEBI Stock Broker Registration No INZ000104737, Research Entity SEBI Reg No: INH200000345, Investment Adviser SEBI Reg No: INA200002817, Portfolio Manager: INP000003203, Depository Participant: IN-DP-325-2017, ARN Regn.Nos:0098, IRDA Corporate Agent (Composite) No.: CA0226

