

We interacted with Nitin Rakesh (CEO) and Manish Dugar (CFO) to gauge demand trends and delve deeper into the company's strategy. Key takeaways: i) The weakness in mortgage due to sharp increase in interest rates, the decline in DXC, stress in the banking sector and challenging macros have impacted performance in the last six quarters. Most of these headwinds are showing signs of bottoming out. ii) Mphasis has not lost wallet share in major accounts and continues to be among the two top vendor partners in its top-5 accounts. It plans to replicate the success of its top-10 accounts, in scaling the next 20. iii) It is focusing on diversifying growth outside the top-10 clients, America and BFSI. iv) Q3 growth is likely to be lower than the management's earlier expectations due to slower deal-to-revenue conversion, clients pushing for higher furloughs, and seasonal factors weighing on contribution from Silverline which may pose downside risk to our current growth assumptions. The management indicated that growth recovery is under way, but its pace hinges on the improvement rate in macros. We roll forward to Dec-25E EPS and maintain REDUCE, with TP of Rs2,540/sh at 23x Dec-25E EPS.

Mphasis: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	1,19,616	1,37,985	1,36,668	1,57,160	1,78,089
EBITDA	21,177	24,340	24,745	29,075	32,947
Adj. PAT	14,310	16,380	16,143	18,682	21,617
Adj. EPS (Rs)	76.3	86.9	85.6	99.1	114.6
EBITDA margin (%)	17.7	17.6	18.1	18.5	18.5
EBITDA growth (%)	17.5	14.9	1.7	17.5	13.3
Adj. EPS growth (%)	17.2	13.9	(1.5)	15.7	15.7
RoE (%)	21.2	22.0	19.6	20.9	22.1
RoIC (%)	31.6	32.6	26.1	26.7	30.5
P/E (x)	31.2	27.4	27.8	24.1	20.8
EV/EBITDA (x)	20.2	17.5	17.7	14.8	12.8
P/B (x)	6.4	5.7	5.2	4.8	4.4
FCFF yield (%)	3.6	3.0	2.6	4.1	4.8

Source: Company, Emkay Research

Recovery remains slow; building a solid base for the long term

Headwinds from the mortgage segment, decline in the DXC segment, stress in banking and challenging macros had resulted in muted growth over the last 6 quarters. Management is seeing visible signs of headwinds bottoming out, but remains watchful, as continued macro uncertainties have led to inaction by clients and thus impacted demand. The company's addressable market has expanded by over 3x in the last 4-5 years on the back of: i) growth in addressable TAM in BFSI, in the NA and UK&I regions, ii) expanding into new geographies (Europe, Canada and APAC) and new verticals (Healthcare, Transport, Hitech, including ISV, Computer & Peripherals, Medical devices), iii) building capabilities with new tech interventions (XaaS, modernization, etc), iv) expanding capabilities, with tuck-in acquisitions (Stelligent, Datalytx, Blink, eBES, professional services business of Kore.AI, Silverline), and v) net positive impact from AI themes. The company has ably scaled its top accounts over the last 5 years, backed by wallet-share gain and capability-led TAM expansion. The management expects the capabilities expansion to aid further growth in the top-10 accounts. The company targets replicating the success of the top-10 accounts in scaling the next 20. Such initiatives will stand the company in good stead, to capitalize on the long-term tech upcycle opportunity. Mphasis plans adding 4-6 new clients every quarter, with focus on expansion in newer markets and newer verticals. The management indicated that clients are still in the process of finalizing their CY24 budgets and clarity will emerge only over the next few weeks. Mphasis expects EBITM to remain within the guided range of 15.25-16.25% in H2FY24, excluding the impact of M&A, and believes EBITM has upward bias over the medium term, as the company's revenue scales higher.

Q3 playing out softer than expected

Company is experiencing slower deal-win to revenue conversion which, along with clients pushing for higher furloughs, would weigh on growth in Q3. Mphasis has put in extensive efforts into launching its dedicated AI business unit and made investments in capability-building supported by M&As and partner ecosystem, thus diversifying business mix outside BFSI and America, and scaling non-top-10 clients—thereby giving management confidence on delivering top-quartile growth in the direct segment, in the medium term.

Silverline acquisition to strengthen Salesforce capabilities

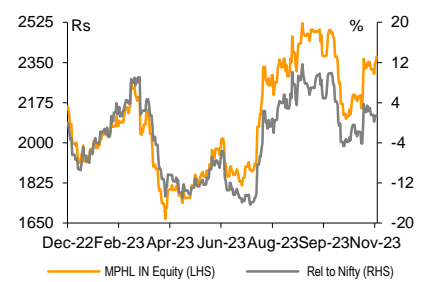
The Silverline acquisition will strengthen Company's Salesforce capabilities and expand TAM. Silverline has expansive industry knowledge in key verticals, incl. financial services, retail, healthcare, life sciences and media & entertainment, many of which naturally align with industry focus at Mphasis and help in diversifying its presence in sectors like media, with addition of some decent customers, including Tier 1 media companies. Silverline will be consolidated wef Oct-23, though the revenue run-rate in Q3 will be hit by seasonality.

Target Price – 12M	Dec-24
Change in TP (%)	3.7
Current Reco.	REDUCE
Previous Reco.	REDUCE
Upside/(Downside) (%)	6.6
CMP (06-Dec-23) (Rs)	2,383.2

Stock Data	Ticker
52-week High (Rs)	2,552
52-week Low (Rs)	1,660
Shares outstanding (mn)	188.7
Market-cap (Rs bn)	450
Market-cap (USD mn)	5,398
Net-debt, FY24E (Rs mn)	-12,189
ADTV-3M (mn shares)	-
ADTV-3M (Rs mn)	1,000.7
ADTV-3M (USD mn)	12.0
Free float (%)	44.0
Nifty-50	20,938
INR/USD	83.3
Shareholding, Sep-23	
Promoters (%)	55.6
FPIs/MFs (%)	16.6/22.7

Price Performance

(%)	1M	3M	12M
Absolute	8.7	(3.7)	13.7
Rel. to Nifty	0.8	(9.8)	1.3

1-Year share price trend (Rs)**Dipesh Mehta**

dipeshkumar.mehta@emkayglobal.com
+91 22 6612 1253

Ayush Bansal

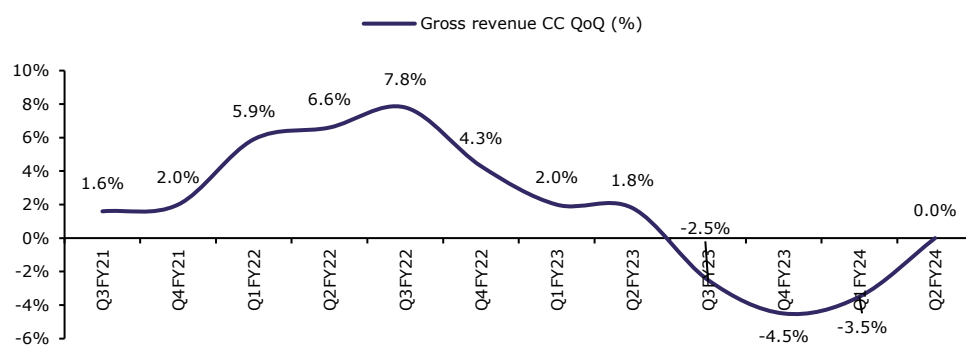
ayush.bansal@emkayglobal.com
+91 22 6612 1344

Pulkit Chawla

pulkit.chawla@emkayglobal.com
+91 22 6642 4258

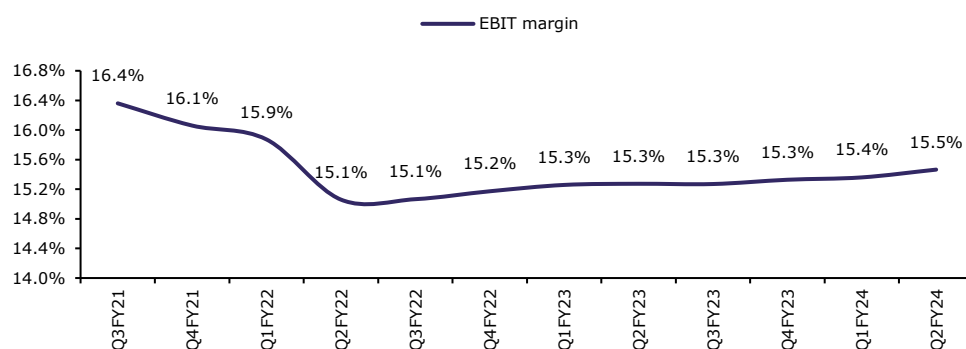
Story in Charts

Exhibit 1: Management expects growth headwinds to bottom out



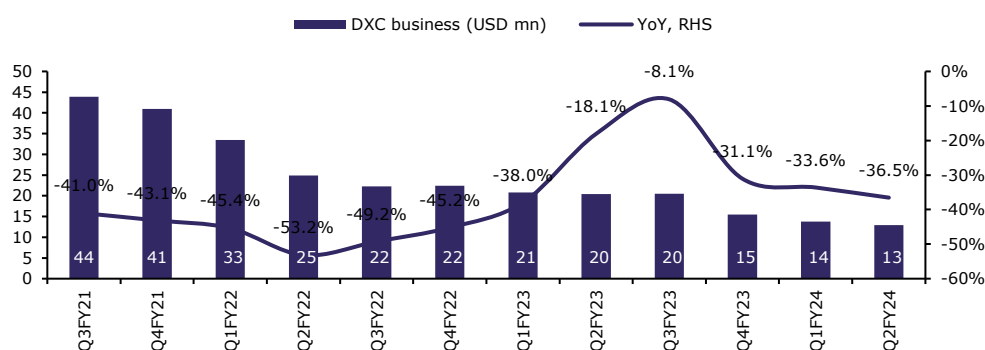
Source: Company, Emkay Research

Exhibit 2: Management expects EBITM to remain within the 15.25-16.25% range in H2FY24, excluding M&A charges

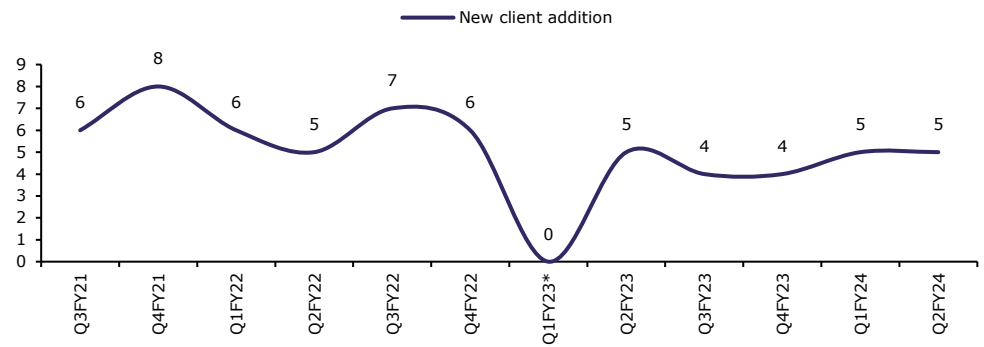


Source: Company, Emkay Research

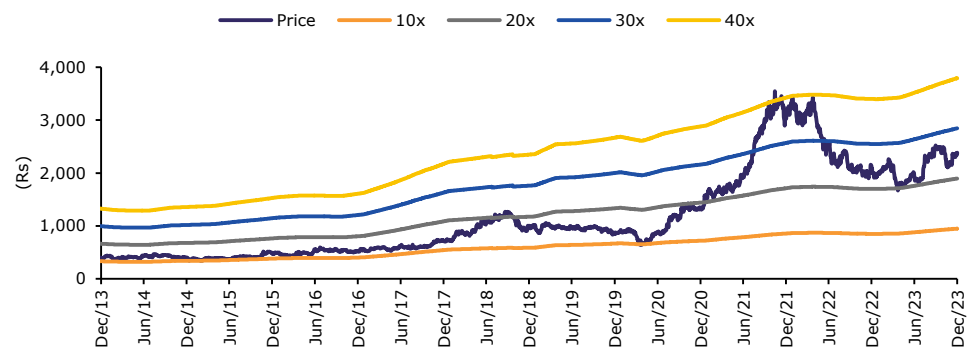
Exhibit 3: The DXC business is showing signs of stability



Source: Company, Emkay Research

Exhibit 4: Management plans adding 4-6 clients every quarter

Source: Company, Emkay Research

Exhibit 5: MPHL – One-year forward P/E

Source: Company, Emkay Research

Mphasis: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue	1,19,616	1,37,985	1,36,668	1,57,160	1,78,089
Revenue growth (%)	23.0	15.4	(1.0)	15.0	13.3
EBITDA	21,177	24,340	24,745	29,075	32,947
EBITDA growth (%)	17.5	14.9	1.7	17.5	13.3
Depreciation & Amortization	2,908	3,252	3,853	4,544	4,929
EBIT	18,269	21,088	20,893	24,531	28,018
EBIT growth (%)	17.0	15.4	(0.9)	17.4	14.2
Other operating income	0	0	0	0	0
Other income	1,605	1,616	1,685	1,426	1,919
Financial expense	744	973	1,012	880	920
PBT	19,130	21,731	21,567	25,076	29,016
Extraordinary items	0	0	0	0	0
Taxes	4,820	5,351	5,423	6,394	7,399
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	14,310	16,380	16,143	18,682	21,617
PAT growth (%)	17.6	14.5	(1.4)	15.7	15.7
Adjusted PAT	14,310	16,380	16,143	18,682	21,617
Diluted EPS (Rs)	76.3	86.9	85.6	99.1	114.6
Diluted EPS growth (%)	17.2	13.9	(1.5)	15.7	15.7
DPS (Rs)	46.0	50.0	52.0	58.0	67.0
Dividend payout (%)	60.3	57.5	60.7	58.5	58.4
EBITDA margin (%)	17.7	17.6	18.1	18.5	18.5
EBIT margin (%)	15.3	15.3	15.3	15.6	15.7
Effective tax rate (%)	25.2	24.6	25.1	25.5	25.5
NOPLAT (pre-IndAS)	13,666	15,895	15,639	18,275	20,873
Shares outstanding (mn)	187.5	188.4	188.6	188.6	188.6

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	19,130	21,731	21,567	25,076	29,016
Others (non-cash items)	3,215	4,592	4,070	4,771	4,949
Taxes paid	(3,686)	(5,926)	(5,423)	(6,394)	(7,399)
Change in NWC	(1,501)	(5,779)	(360)	(1,397)	(1,435)
Operating cash flow	17,157	14,618	19,853	22,057	25,131
Capital expenditure	(1,192)	(1,112)	(8,020)	(3,450)	(3,450)
Acquisition of business	(5,219)	0	(11,850)	0	0
Interest & dividend income	321	286	794	653	900
Investing cash flow	(1,594)	1,918	(11,396)	(8,797)	(10,550)
Equity raised/(repaid)	442	271	0	0	0
Debt raised/(repaid)	32	(3,557)	15	0	0
Payment of lease liabilities	(1,443)	(1,493)	0	0	0
Interest paid	(741)	(970)	(1,012)	(880)	(920)
Dividend paid (incl tax)	(12,177)	(8,652)	(9,806)	(10,938)	(12,635)
Others	0	0	0	0	0
Financing cash flow	(13,887)	(14,402)	(10,803)	(11,818)	(13,555)
Net chg in Cash	1,676	2,134	(2,346)	1,442	1,026
OCF	17,157	14,618	19,853	22,057	25,131
Adj. OCF (w/o NWC chg.)	18,658	20,397	20,213	23,453	26,566
FCFF	15,966	13,506	11,834	18,607	21,681
FCFE	15,542	12,820	11,616	18,379	21,661
OCF/EBITDA (%)	81.0	60.1	80.2	75.9	76.3
FCFE/PAT (%)	108.6	78.3	72.0	98.4	100.2
FCFF/NOPLAT (%)	116.8	85.0	75.7	101.8	103.9

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	1,878	1,884	1,884	1,884	1,884
Reserves & Surplus	67,553	77,464	83,801	91,546	1,00,528
Net worth	69,431	79,348	85,685	93,430	1,02,412
Minority interests	0	0	0	0	0
Deferred tax liability (net)	(898)	(1,393)	(1,393)	(1,393)	(1,393)
Total debt	5,272	1,985	2,000	2,000	2,000
Total liabilities & equity	73,806	79,940	86,293	94,037	1,03,019
Net tangible fixed assets	2,456	2,249	1,969	1,815	1,532
Net intangible assets	1,695	1,563	5,815	4,781	3,713
Net ROU assets	6,236	7,469	7,668	7,763	7,634
Capital WIP	110	324	63	63	63
Goodwill	27,348	29,586	41,436	41,436	41,436
Investments [JV/Associates]	3,778	3,848	3,848	3,848	3,848
Cash & equivalents	23,846	24,213	14,189	21,631	30,657
Current assets (ex-cash)	40,475	44,690	45,515	49,657	53,886
Current Liab. & Prov.	32,139	33,732	34,197	36,943	39,737
NWC (ex-cash)	8,335	10,958	11,318	12,714	14,149
Total assets	73,806	79,940	86,293	94,037	1,03,019
Net debt	(18,574)	(22,229)	(12,189)	(19,631)	(28,657)
Capital employed	73,806	79,940	86,293	94,037	1,03,019
Invested capital	46,072	51,555	68,193	68,495	68,451
BVPS (Rs)	370.4	421.2	454.4	495.4	543.1
Net Debt/Equity (x)	(0.3)	(0.3)	(0.1)	(0.2)	(0.3)
Net Debt/EBITDA (x)	(0.9)	(0.9)	(0.5)	(0.7)	(0.9)
Interest coverage (x)	0.0	0.0	0.0	0.0	0.0
RoCE (%)	27.7	29.5	27.2	28.8	30.4

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY22	FY23	FY24E	FY25E	FY26E
P/E (x)	31.2	27.4	27.8	24.1	20.8
P/CE(x)	25.9	22.9	22.5	19.4	16.9
P/B (x)	6.4	5.7	5.2	4.8	4.4
EV/Sales (x)	3.6	3.1	3.2	2.7	2.4
EV/EBITDA (x)	20.2	17.5	17.7	14.8	12.8
EV/EBIT(x)	23.4	20.2	20.9	17.5	15.0
EV/IC (x)	9.3	8.3	6.4	6.3	6.1
FCFF yield (%)	3.6	3.0	2.6	4.1	4.8
FCFE yield (%)	3.5	2.9	2.6	4.1	4.8
Dividend yield (%)	1.9	2.1	2.2	2.4	2.8
DuPont-RoE split					
Net profit margin (%)	12.0	11.9	11.8	11.9	12.1
Total asset turnover (x)	1.7	1.8	1.6	1.7	1.8
Assets/Equity (x)	1.1	1.0	1.0	1.0	1.0
RoE (%)	21.2	22.0	19.6	20.9	22.1
DuPont-RoIC					
NOPLAT margin (%)	11.4	11.5	11.4	11.6	11.7
IC turnover (x)	2.8	2.8	2.3	2.3	2.6
RoIC (%)	31.6	32.6	26.1	26.7	30.5
Operating metrics					
Core NWC days	25.4	29.0	30.2	29.5	29.0
Total NWC days	25.4	29.0	30.2	29.5	29.0
Fixed asset turnover	2.8	2.8	2.2	2.1	2.3
Opex-to-revenue (%)	82.3	82.4	81.9	81.5	81.5

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 12/07/2023 12:26 PM

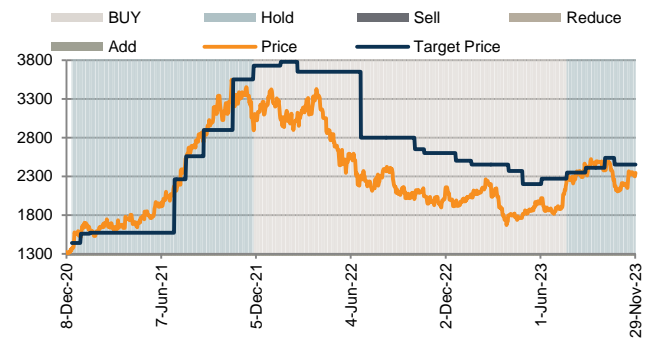
Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
30-Nov-23	2,355	2,450	REDUCE	Dipeshkumar Mehta
20-Oct-23	2,170	2,450	Hold	Dipeshkumar Mehta
02-Oct-23	2,377	2,540	Hold	Dipeshkumar Mehta
26-Aug-23	2,392	2,410	Hold	Dipeshkumar Mehta
21-Jul-23	2,331	2,350	Hold	Dipeshkumar Mehta
02-Jul-23	1,895	2,270	Buy	Dipeshkumar Mehta
03-Jun-23	2,018	2,270	Buy	Dipeshkumar Mehta
28-Apr-23	1,814	2,200	Buy	Dipeshkumar Mehta
01-Apr-23	1,796	2,370	Buy	Dipeshkumar Mehta
20-Jan-23	2,025	2,450	Buy	Dipeshkumar Mehta
02-Jan-23	1,969	2,500	Buy	Dipeshkumar Mehta
21-Dec-22	1,959	2,500	Buy	Dipeshkumar Mehta
22-Oct-22	2,043	2,600	Buy	Dipeshkumar Mehta
04-Oct-22	2,068	2,650	Buy	Dipeshkumar Mehta
23-Aug-22	2,265	2,800	Buy	Dipeshkumar Mehta
22-Jul-22	2,276	2,800	Buy	Dipeshkumar Mehta
23-Jun-22	2,311	2,800	Buy	Dipeshkumar Mehta
29-Apr-22	2,843	3,650	Buy	Dipeshkumar Mehta
01-Apr-22	3,344	3,650	Buy	Dipeshkumar Mehta
22-Feb-22	3,122	3,650	Buy	Dipeshkumar Mehta
21-Jan-22	3,025	3,780	Buy	Dipeshkumar Mehta
01-Jan-22	3,397	3,730	Buy	Dipeshkumar Mehta
30-Nov-21	2,895	3,730	Buy	Dipeshkumar Mehta
22-Oct-21	3,255	3,550	Hold	Dipeshkumar Mehta
02-Oct-21	3,026	2,900	Hold	Dipeshkumar Mehta
22-Sep-21	3,251	2,900	Hold	Dipeshkumar Mehta
27-Aug-21	2,895	2,900	Hold	Dipeshkumar Mehta
24-Jul-21	2,530	2,560	Hold	Dipeshkumar Mehta
02-Jul-21	2,155	2,260	Hold	Dipeshkumar Mehta
14-May-21	1,789	1,570	Hold	Dipeshkumar Mehta
26-Apr-21	1,724	1,570	Hold	Dipeshkumar Mehta
05-Apr-21	1,755	1,570	Hold	Dipeshkumar Mehta
18-Mar-21	1,638	1,570	Hold	Dipeshkumar Mehta
22-Jan-21	1,599	1,570	Hold	Dipeshkumar Mehta
04-Jan-21	1,519	1,560	Hold	Dipeshkumar Mehta
18-Dec-20	1,373	1,440	Hold	Dipeshkumar Mehta

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, 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.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL 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 last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL 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.

EGFSL offers research services to its existing 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.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are 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. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. 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 EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. 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.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

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. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. 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.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of December 6, 2023
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of December 6, 2023
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the December 6, 2023
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) -:**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.