

Tech Mahindra Ltd.

REDUCE

Choice

Scale at Speed progressing well

Tech Mahindra Ltd. reported Q1FY25 revenues at \$1,559mn, growth of 0.7% QoQ and de-growth of 6.4% in cc terms. In USD terms, revenue was up 0.7% QoQ but down 2.6% YoY. In INR terms, revenue stood at INR130bn, up 1.0% QoQ but down 1.2% YoY. Growth was broad based across verticals except for Communications industry, where there were headwinds. PAT for the quarter came at INR8,515mn (+23.0% YoY) with EPS at INR9.6. The reported net new deals stood at \$534mn for the quarter and was well diversified in terms of industry verticals and key regions.

- Progress around Scale at Speed and GenAI:** Clients across the globe have emphasized their need for a partner that can provide the unique combination of global reach and scale and agility, TechM which is a beneficiary of. Management has made significant progress in aligning into the new service line structure in Q1. In BFSI, the company is seeing new opportunities within its existing accounts and has also secured new clients. Company is seeing increased spending across asset and wealth management, cards and payments, retirement risk and compliance insurance in US. TechM's "verifAI" addresses the need for a robust validation and assurance framework for AI systems. Without this framework, there is a continued reliance on humans in the loop to validate outputs of AI programs. On the AI front, more than 25,000 of the associates have now been enabled with AI led pair programming skills. It also offers more than 100 AI based solutions across AI Ops, computer vision, workplace automation and more. TechM shall soon have the largest DM forum certified talent pool in the CSP IT service provider ecosystem. Given its leadership and deep expertise in the sector, it anticipates benefiting from the cost rationalization related consolidation activity across regions.
- Priority segments:** Company sees an opportunity to grow faster in Americas (where they are underweight compared to peers) and will continue its focus on Europe where it has a strong position and deep long term client connects and therefore, it is prioritizing sales investments towards focus markets. From a vertical perspective, Telecom has been a strength and hence company is investing in client services to grow its wallet share and be a partner of choice. Despite near term challenges, there is significant opportunity for digital services including cloud and payment infrastructure. From a service line perspective, company is making investments in AI space.
- EBIT Margins to expand:** Operating (EBIT) margins for Q1FY25 came at 8.5%, up 110bps QoQ due to cost saving efforts under project Fortius and continued focus on operational efficiencies. The company has initiated targeted programs aimed at enhancing the efficiency of its operations, including pyramid optimization, utilization improvement, sub-contracting expenses reduction and value-based pricing. A lot of effort in bringing down the average resource cost by consistently inducting pressure has started to act as an important lever. From these efforts, on an average a \$250mn shall be saved.

Valuation: For FY25E, management looks forward to improvement in clients spending, which fuels optimism for a better revenue performance ahead. Since the stock has rallied ~8% in last month, we downgrade our rating to **REDUCE** to arrive at a target price of INR1,570 implying a P/E of 27x (modified) on FY26E EPS of INR58.

Financial Snapshot

Year end: March	FY22	FY23	FY24	FY25E	FY26E
Revenue (INR Mn.)	4,46,460	5,32,902	5,19,955	5,35,928	5,86,453
Gross Profit (INR Mn.)	1,41,484	1,51,705	1,28,808	1,40,374	1,59,292
Gross Profit Margin (%)	31.7	28.5	24.8	26.2	27.2
EBIT (INR Mn.)	65,024	60,720	31,579	45,466	62,242
EBIT Margin (%)	14.6	11.4	6.1	8.5	10.6
EPS (INR)	57.3	54.8	26.7	42.1	58.2

Source: Company, CEBPL

July 26, 2024

CMP (Rs.)	1,530
Target Price (Rs.)	1,570
Potential Upside (%)	2.7

Company Info

BB Code	TECHM IN EQUITY
ISIN	INE669C01036
Face Value (Rs.)	5.0
52 Week High (Rs.)	1,547.1
52 Week Low (Rs.)	1,082.6
Mkt Cap (Rs bn.)	1,496.3
Mkt Cap (\$ bn.)	17.6
Shares o/s/Float (Mn.)	977.9/65
FY24 EPS (Rs.)	26.7
FY26E EPS (Rs.)	58.2

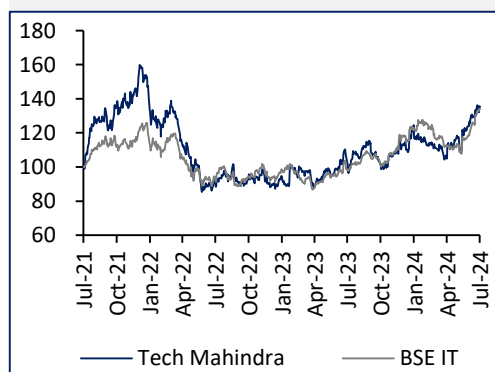
Shareholding Pattern (%)

	Jun-24	Mar-24	Dec-23
Promoters	35.04	35.08	35.10
FII's	23.27	24.15	24.58
DII's	30.66	29.43	28.92
Public	11.03	11.34	11.40

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE IT	33.9	42.6	36.3
Tech Mahindra Ltd.	35.4	50.5	32.6

Rebased Price Performance



CA Vatsal Vinchhi, Analyst

Email: vatsal.vinchhi@choiceindia.com
Ph: +91 22 6707 9224

Ashutosh Murarka, Associate

Email: ashutosh.murarka@choiceindia.com
Ph: +91 22 6707 9442

Sequential Operating Performance

	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25
Income Statement						
Revenues (INR Mn.)	1,37,182	1,31,590	1,28,639	1,31,013	1,28,713	1,30,055
Gross Profit (INR mn.)	39,698	33,785	28,887	31,364	34,772	34,523
Gross Margin (%)	28.9	25.7	22.5	23.9	27.0	26.5
EBIT (INR mn.)	15,253	8,992	5,981	7,078	9,528	11,049
EBIT Margin (%)	11.1	6.8	4.6	5.4	7.4	8.5
PAT (INR mn.)	11,176	6,925	4,939	5,104	6,610	8,515
Basic EPS (INR)	12.7	7.8	5.6	5.8	7.5	9.6
Operating Metrics						
Revenue – Geography (%)						
North America	49.6	51.4	53.3	51.9	50.8	52.4
Europe	25.3	24.6	23.6	23.8	24.2	23.4
Rest of the world	25.1	24.0	23.2	24.3	25.0	24.2
Total	100.0	100.0	100.1	100.0	100.0	100.0
Revenue - Industry (%)						
Comm., Media & Ent.	40.1	35.8	37.0	36.5	34.0	33.1
Manufacturing	15.9	16.7	17.8	18.1	18.0	18.3
Technology	10.3	13.9	11.0	10.5	13.8	13.8
BFSI	15.9	15.5	16.1	15.5	15.7	15.7
Retail, Transport & Logistics	7.6	7.1	8.2	8.6	7.3	7.7
Healthcare & Lifesciences	-	7.0	-	-	7.2	7.7
Others	10.2	4.0	10.0	10.8	4.0	3.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
Client Metrics						
No. of Active Clients	1,297	1,255	1,252	1,228	1,172	1,165
Repeat Business (%)	92	98	96	95	94	99
Deal Wins (USD Mn)	592	359	640	381	500	534
IT Headcount						
Onsite (%)	27.3	26.9	26.6	26.1	25.2	24.6
Offshore (%)	72.7	73.1	73.4	73.9	74.8	75.4
Total	100.0	100.0	100.0	100.0	100.0	100.0
Employee Metrics						
Software	83,789	81,521	81,200	81,705	80,925	80,417
BPO	60,102	58,079	60,985	56,206	55,492	58,177
Sales & support	8,509	8,697	8,419	8,339	9,038	9,026
Total Headcount	1,52,400	1,48,297	1,50,604	1,46,250	1,45,455	1,47,620
Utilization (%)	86.0	87.0	86.0	88.0	86.0	86.0
Utilization (%) (Excl. Trainees)	86.0	87.0	86.0	88.0	86.0	86.0
Attrition Rate LTM (%)	15.0	13.0	11.0	10.0	10.0	10.0

Source: Company, CEBPL

CEBPL Estimates vs Actual for Q1FY25

Tech Mahindra (INR Mn.)	Q1FY25	Q1FY24	YoY(%)	Q4FY24	QoQ (%)	CEBPL Est.	Dev. (%)
Revenues (\$ mn.)	1,559	1,601	(2.6)	1,548	0.7	1,570	(0.7)
Revenues (INR)	1,30,055	1,31,590	(1.2)	1,28,713	1.0	1,30,567	(0.4)
Cost of Sales	95,532	97,805	(2.3)	93,941	1.7		
Gross Profit (INR mn.)	34,523	33,785	2.2	34,772	(0.7)	33,817	2.1
Gross Margin (%)	26.5	25.7	87 bps	27.0	(47) bps	25.9	64 bps
Depreciation	4,622	4,466	3.5	4,614	0.2		
EBIT (INR mn.)	11,049	8,992	22.9	9,528	16.0	9,401	17.5
EBIT Margin (%)	8.5	6.8	166 bps	7.4	109 bps	7.2	130 bps
Other Income	1,447	1,917	(24.5)	3,735	(61.3)		
Interest	715	1,197	(40.3)	585	22.2		
PBT (INR mn.)	11,781	9,712	21.3	9,591	22.8		
Tax	3,133	2,676	17.1	2,949	6.2		
Adj. PAT (INR mn.)	8,515	6,925	23.0	6,610	28.8	8,116	4.9
Basic EPS (INR)	9.6	7.8	22.7	7.5	28.6	9.2	4.7

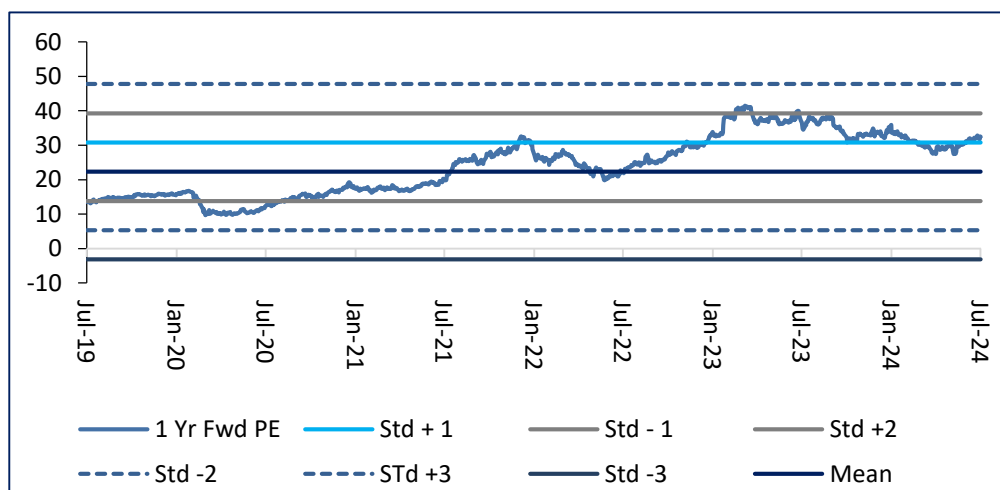
Source: Company, CEBPL

Change in estimates

Income Statement (INR Mn.)	FY25E			FY26E		
	Old	New	Dev. (%)	Old	New	Dev. (%)
Revenues	5,36,585	5,35,928	(0.1)	5,84,062	5,86,453	0.4
Gross Profit Margin (%)	26.0	26.2	18 bps	27.5	27.2	(36) bps
EBIT	44,264	45,466	2.7	64,936	62,242	(4.1)
EBIT Margin (%)	8.2	8.5	23 bps	11.1	10.6	(50) bps
EPS	42.5	42.1	(0.8)	60.6	58.2	(4.0)

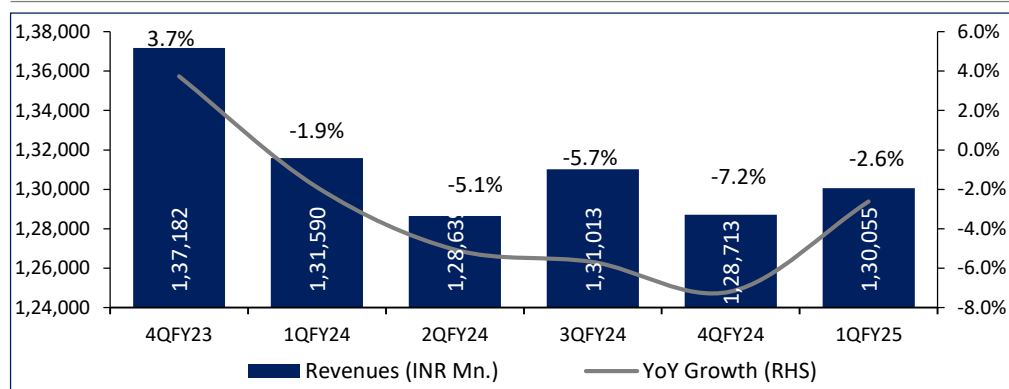
Source: Company, CEBPL

Historical 1-Yr Forward PE Band



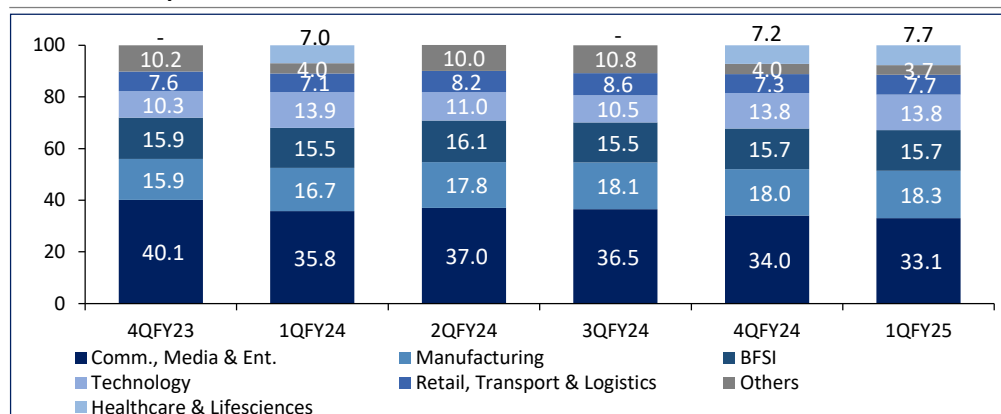
Source: Company, CEBPL

Consistent decline in Revenue YoY



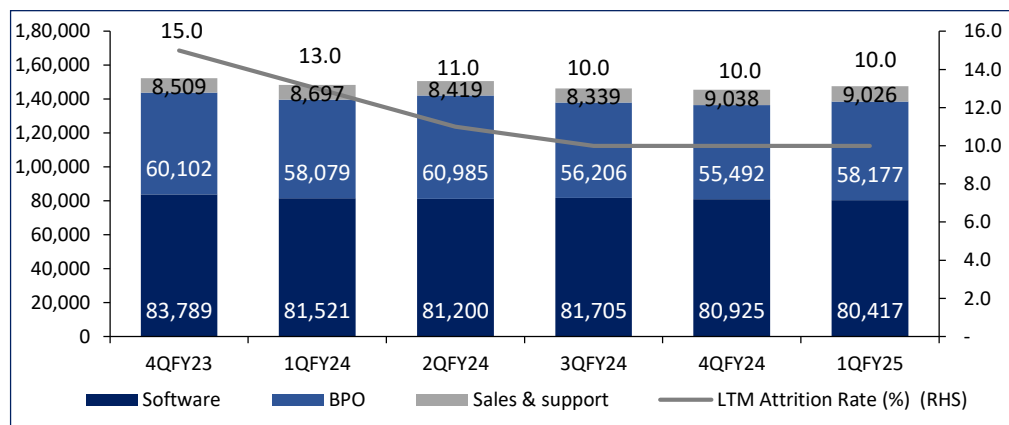
Source: Company, CEBPL

Vertical wise split



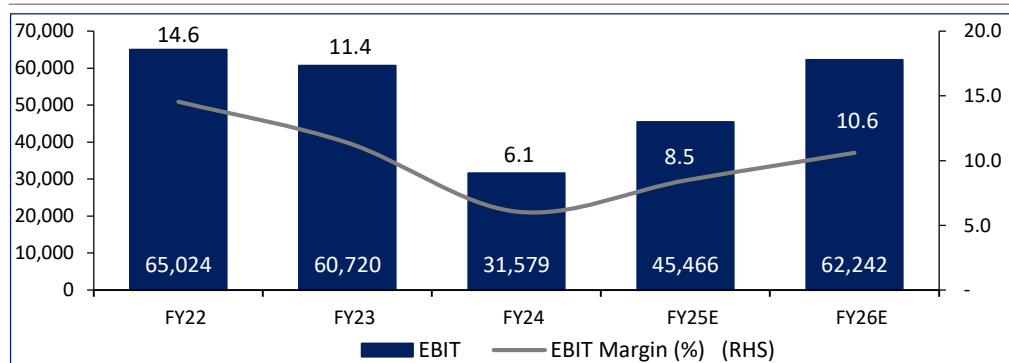
Source: Company, CEBPL

Flattish Attrition; lowest among industry



Source: Company, CEBPL

EBITM to expand to industry standards



Source: Company, CEBPL

Management Call - Highlights

- The company reported a strong growth momentum in manufacturing, with a YoY increase of approximately 6.4%. Similarly, the healthcare sector experienced a YoY growth of about 6.1%. Management anticipates continued growth in North America and targeted AIPAC markets, leading to an increased share of revenue from these regions.
- Q1 is typically a seasonally weak quarter for company's communications vertical, partly due to a decline in revenues from Conviva, which tend to be higher in the second half of the year.
- During the quarter, company secured a deal with a leading US-based telecom company to build, modernize, and operate various front and back office applications for its wireless network services product portfolio. The application development deal includes creating an application for customer information management, a dealer activation portal, and point of sale systems for customers in direct channel stores. It also encompasses CXP and API integrations, case management, and back-office operations, covering ETL, database, and BI management services.
- TechM verifies a pre-built 360-degree validation framework across the GenAI lifecycle. Customizable metrics, micro services-based architecture, and seamless integration into existing technology stacks ensure faster and more reliable AI value realization for enterprises. The solution validates data quality during the discovery and pre-development stages to ensure security and accuracy.
- Tech M was also selected by a leading UK network service provider for a nationwide fiber rollout, which includes running customer management programs and digital transformation initiatives. This will be achieved through the implementation of curated solutions focused on AIML, OCR, and hyper-automation, leveraging its network services and BPS competencies.
- TechM was selected by a Japanese automotive manufacturer for the global rollout of its company-wide SAP implementation as part of its digital transformation program. Additionally, Sharecare selected Tech Mahindra to design and develop a personalized digital wellness platform for Medicaid members.
- Cash generation remains strong, with free cash flow for the quarter totaling \$106mn, which represents 104% of PAT.
- The DSO, including unbilled amounts, was 93 days. This is an increase of 1 day sequentially but an improvement of 5 days YoY.

Financial Summary (Consolidated in INR Mn.)

Income Statement (INR Mn.)	FY22	FY23	FY24	FY25E	FY26E
Revenue	4,46,460	5,32,902	5,19,955	5,35,928	5,86,453
Gross profit	1,41,484	1,51,705	1,28,808	1,40,374	1,59,292
EBITDA	80,228	80,287	49,750	64,700	83,054
Depreciation	15,204	19,567	18,171	19,233	20,811
EBIT	65,024	60,720	31,579	45,466	62,242
Other income	11,123	9,650	9,169	7,941	10,575
Interest expense	1,626	3,256	3,922	2,744	3,233
Exceptional items	-	-	-	-	-
PAT	56,941	48,312	23,578	37,288	51,492
EPS (Rs.)	57.3	54.8	26.7	42.1	58.2

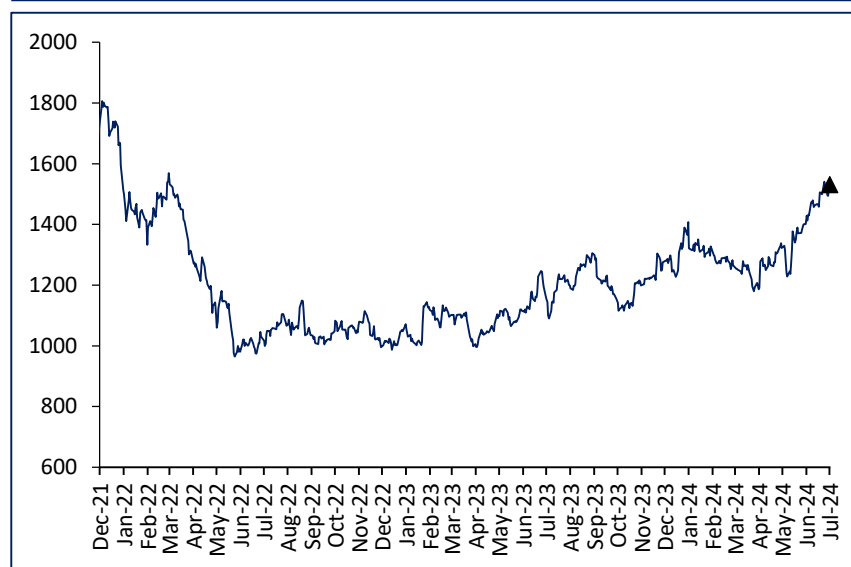
Balance Sheet (INR Mn.)	FY22	FY23	FY24	FY25E	FY26E
Fixed Assets	38,643	41,178	36,906	39,478	41,104
Goodwill & Intangible Assets	1,10,844	1,09,334	1,03,456	1,03,135	1,03,135
Cash and Cash Equivalent	37,889	40,563	43,471	38,058	44,119
Investments	46,869	32,152	31,916	35,932	40,597
Other non-current assets	52,153	62,374	55,499	61,610	67,596
Other current assets	1,62,309	1,75,932	1,62,988	2,00,484	2,11,018
Total Assets	4,48,707	4,61,533	4,34,236	4,78,697	5,07,569
Net Worth	2,68,857	2,79,245	2,66,694	3,03,982	3,24,578
Bank Borrowings	15,817	15,785	15,310	15,392	15,112
Non Controlling Interest	4954	4702	4774	4619	4619
Deferred Tax Liability	10,367	11,620	10,057	10,463	10,671
Other Liabilities	28,924	22,881	16,564	17,512	18,531
Future Acquisition Liability	1,19,788	1,27,300	1,20,837	1,26,729	1,34,058
Total Liabilities	4,48,707	4,61,533	4,34,236	4,78,697	5,07,569

Cash Flows (INR Mn.)	FY22	FY23	FY24	FY25E	FY26E
Cash flows from Operations	58,722	55,720	63,764	43,057	58,759
Cash flows from Investing	(8,662)	(2,785)	(13,137)	(19,064)	(16,528)
Cash flows from Financing	(36,327)	(50,781)	(47,672)	(32,086)	(41,925)

Ratio Analysis	FY22	FY23	FY24	FY25E	FY26E
Growth Ratios (%)					
Revenues	17.4	10.1	(5.0)	2.2	9.2
Gross Profit	17.9	7.2	(15.1)	9.0	13.5
EBITDA	17.2	0.1	(38.0)	30.0	28.4
EBIT	20.6	(6.6)	(48.0)	44.0	36.9
Margin Ratios (%)					
Gross Profit Margin	31.7	28.5	24.8	26.2	27.2
EBITDA Margin	18.0	15.1	9.6	12.1	14.2
EBIT Margin	14.6	11.4	6.1	8.5	10.6
Profitability (%)					
Return on equity	21.2	17.3	8.8	12.3	15.9
Return on invested capital	17.3	15.5	8.3	10.5	13.6
Return on capital employed	16.7	14.9	8.0	10.2	13.1
Valuation					
OCF / Net profit (%)	103.1	115.3	270.4	115.5	114.1
EV / EBITDA (x)	21.3	21.3	34.3	26.4	20.5
Book Value per share (x)	276.9	316.5	301.6	343.4	366.7
Free Cash flow Yield (%)	0.4	3.8	3.9	2.2	5.9

Source: Company, CEBPL

Historical recommendations and target price: Tech Mahindra Ltd.



Tech Mahindra Ltd.

1.	31-12-2021	Reduce,	Target Price	1,800
2.	27-03-2022	Neutral,	Target Price	1,480
3.	16-05-2022	Add,	Target Price	1,309
4.	26-07-2022	Outperform,	Target Price	1,200
5.	02-11-2022	Outperform	Target Price.	1321
6.	30-01-2023	Outperform,	Target Price	1,196
7.	28-04-2023	Add,	Target Price	1,088
8.	27-07-2023	Underperform,	Target Price	870
9.	25-09-2023	Underperform,	Target Price	990
10.	26-10-2023	Underperform,	Target Price	810
11.	25-01-2024	Reduce,	Target Price	1,235
12.	18-03-2024	Sell,	Target Price	1,235
13.	26-04-2024	Buy,	Target Price	1,273
14.	26-07-2024	Reduce,	Target Price	1,570

Institutional Research Team

Kripashankar Maurya	AVP - Institutional Research – Automobiles/Defence/Healthcare	kripashankar.maurya@choiceindia.com	+91 22 6707 9949
CA Vatsal Vinchhi	Analyst - Information Technology	vatsal.vinchhi@choiceindia.com	+91 22 6707 9224
Deepika Murarka	Analyst - Pharmaceuticals	deepika.murarka@choiceindia.com	+91 22 6707 9513
Ashutosh Murarka	Associate – Cement / Building Material	ashutosh.murarka@choiceindia.com	+91 22 6707 9442
Putta Ravi Kumar	Associate - Goods & Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Aayush saboo	Associate – Real Estate	aayush.saboo@choiceindia.com	+91 22 6707 9811
Maitri Sheth	Associate – Pharmaceuticals	maitri.sheth@choiceindia.com	+91 22 6707 9811
Bharat Kumar Kudikyala	Associate – Cement / Building Material	bharat.kudikyala@choiceindia.com	+91 22 6707 9798
Heet Chheda	Associate – Automobile	heet.chheda@choiceindia.com	+91 22 6707 9422
Rushil Katiyar	Associate - Information Technology	Rushil.katiyar@choiceindia.com	+91 22 6707 9811
CA Sheetal Murarka	Vice President - Institutional Sales	sheetal.murarka@choiceindia.com	+91 22 6707 9857
Nitesh Jalan	AVP – Institutional Sales	nitesh.jalan@choiceindia.com	+91 22 6707 9877 /878 /879

CHOICE RATING DISTRIBUTION & METHODOLOGY

OUTPERFORM	The security is expected to generate more than 25% returns over the next 12 months
BUY	The security is expected to generate greater than 5% to less than 25% returns over the next 12 months
REDUCE	The security expected to show downside or upside returns by 0% to 5% over the next 12 months
SELL	The security expected to show Below 0% next 12 months

Disclaimer

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Choice Equity Broking Private Limited-Research Analyst - INH000000222. (CIN. NO.: U65999MH2010PTC198714). Reg. Add.: Sunil Patodia Tower, J B Nagar, Andheri(East), Mumbai 400099. Tel. No. 022-6707 9999

Compliance Officer--Prashant Salian, Email Id – Prashant.salain@choiceindia.com Contact no. 022- 67079999- Ext-2310

Grievance officer-Deepika Singhvi Tel.022-67079999- Ext-834. Email- ig@choiceindia.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

This Research Report (hereinafter referred as “Report”) has been prepared by Choice Equity Broking Private Limited as a Research Entity (hereinafter referred as “CEBPL RE” Limited. The Research Analysts, strategists are principally responsible for the preparation of “CEBPL RE” research. The research analysts have received compensation based upon various factors, which may include quality of research, investor client feedback, stock picking, competitive factors and firm revenues etc.

Whilst CEBPL has taken all reasonable steps to ensure that this information is correct, CEBPL does not offer any warranty as to the accuracy or completeness of such information. Any person

placing reliance on the report to undertake trading does so entirely at his or her own risk and CEBPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication of future performance.

General Disclaimer: This ‘Report’ is strictly meant for use by the recipient and is not for circulation. This Report does not take into account particular investment objectives, financial situations or specific needs of individual clients nor does it constitute a personal recommendation. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through CEBPL nor any solicitation or offering of any investment

/trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide

for the readers. No action is solicited based upon the information provided herein. Recipients of this “Report” should rely on information/data arising out of their own study/investigations. It is advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments.

This ‘Report’ has been prepared on the basis of publicly available information, internally developed data and other sources believed by CEBPL to be reliable. CEBPL or its directors, employees, affiliates or representatives shall not be responsible for, or warrant for the accuracy, completeness, adequacy and reliability of such information / opinions / views. Though due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of CEBPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report.

The price and value of the investments referred to in this Report and the income from them may tend to go down as well as up, and investors may incur losses on any investments. Yester performance shall not be a guide for future performance. CEBPL does not provide tax advice to its clients, and all investors are strongly advised to take advice of their tax advisers regarding

taxation aspects of any potential investment. Opinions are based on the current scenario as of the date appearing on this ‘Report’ only. CEBPL does not undertake to advise you as to any change of our views expressed in this “Report’ may differ on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold CEBPL, its employees and associates responsible for any losses, damages of any type whatsoever.

Disclaimers in respect of jurisdiction: 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 “CEBPL RE” to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by “CEBPL RE” in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this ‘Report’ shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. “CEBPL” requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to “CEBPL”. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in Mumbai (India).

Statements on ownership and material conflicts of interest, compensation - CEBPL and Associates reciprocates to the best of the knowledge and belief of CEBPL/ its Associates/ research Analyst who is preparing this report.

Disclosures of Interest (Additional):

1. “CEBPL”, its research Analyst(s), or its associates or relatives of the Research Analyst does not have any financial interest in the company(ies) covered in this report.
2. “CEBPL” its research Analyst, or its associates or relatives of the research analyst
3. affiliates collectively do not hold more than 1 of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
4. “CEBPL”, its research analyst, his/her associate, his/her relative, do not have any other material conflict of interest at the time of publication of this research report.
5. “CEBPL”, its research analyst, and its associates have not received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in this report, in the past twelve months.
6. “CEBPL”, its research analyst, or its associates have not managed or co-managed in the previous twelve months, a private or public offering of securities for the company (ies) covered in this report.
7. “CEBPL”, or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party, in connection with the research report.
8. CEBPL research analyst has not served as an Officer, Director, or employee of the company (ies) covered in the Research report.
9. “CEBPL”, its research analyst has not been engaged in market making activity for the company(ies) covered in the Research report.

Details of Associates of CEBPL and Brief History of Disciplinary action by regulatory authorities are available on our website i.e. [www. https://choiceindia.com/research-listing](https://choiceindia.com/research-listing)

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given below

Sr. No.	Particulars	Yes / No
1.	Whether compensation has been received from the company(ies) covered in the Research report in the past 12 months for investment banking transaction by CEBPL	No
2	Whether Research Analyst, CEBPL or its associates or relatives of the Research Analyst affiliates collectively hold more than 1 of the company(ies) covered in the Research report	No
3.	Whether compensation has been received by CEBPL or its associates from the company(ies) covered in the Research report	No
4.	CEBPL or its affiliates have managed or co-managed in the previous twelve months a private or public offering of securities for the company(ies) covered in the Research report	No
5.	CEBPL, its research analyst, his associate, or its associates have received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in the Research report, in the last twelve months	No

Copyright: The copyright in this research report belongs exclusively to CEBPL. All rights are reserved. Any unauthorized use or disclosure is prohibited. No reprinting or reproduction, in whole or in part, is permitted without the CEBPL’s prior consent, except that a recipient may reprint it for internal circulation only and only if it is reprinted in its entirety.

This “Report” is for distribution only under such circumstances as may be permitted by applicable law. This “Report” has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This “Report” is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither CEBPL nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this “report” or lack of care in this report’s preparation or publication, or any losses or damages which may arise from the use of this research report.

Information barriers may be relied upon by CEBPL, such as “Chinese Walls” to control the flow of information within the areas, units, divisions, groups, or affiliates of CEBPL.

Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by CEBPL with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior written consent of CEBPL and CEBPL accepts no liability whatsoever for the actions of third parties in this respect.

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given below