

Coforge Ltd.

REDUCE

Choice

Acquisition synergies and high order intake to drive growth

Coforge reported robust Q2FY25 revenues at \$369.4mn, up 26.3% QoQ and 33.0% YoY in cc (+26.8% QoQ and +32.8% YoY in USD terms) led by broad based growth across verticals. INR revenue for the quarter stood at INR30,623mn, up 27.5% QoQ and 34.5% YoY. The company recorded a total order intake of \$516mn (\$67mn from Cigniti) for Q2FY25. The total order book executable over the next 12 months is at \$1.31bn, up 40.0% YoY. APAT (excl. minority) for the quarter came at INR2,552mn, up 35.6% YoY with Basic EPS at INR30.3.

- **Outlook:** Looking ahead, a 27% sequential dollar growth, with the organic business expanding by 6.3% sequentially, growth accompanied by a notable 145bps expansion in EBITDA for H1, marking the second consecutive quarter of significant net headcount additions, the large deal pipeline appearing robust, and the next 12-month signed order book which is now 40% higher YoY suggest strong confidence in robust and sustained growth in the upcoming quarters. The growth and the margin expansion at Cigniti are a preview of sustained growth and further and further increases in margin to follow. The medium-term guidance of hitting the \$2bn mark, and delivering a concurrent material expansion in EBITDA is intact.
- **GenAI opportunities:** Company is increasingly collaborating with clients to implement real-life AI programs that extend beyond proof of concepts. AI capabilities are rapidly expanding, with new solutions being launched regularly. The development of QE 360, a platform designed to automate the testing lifecycle through AI, aims to disrupt the testing landscape. Key features include AI-based test case generation, low code/no code automation creation, AI-driven test data management, automation self-healing, and AI-based visual testing. Additionally, the company keeps adding AI specialists to its team, highlighting ongoing opportunities in GenAI and Advanced Analytics.
- **Margins to improve:** Adj. EBITDA margins for Q2 came at 16.5% (-90bps YoY) after rolling out wage hikes. Profitability was also impacted to the extent of 2.3% due to acquisition and integration related expenses which is expected to normalize in coming quarters. Management expects Cigniti EBITDA margins to reach 18% by Q4 from current 16.2% levels.

Valuation: With the Cigniti business leadership now operating under Coforge's operational control, company remains committed to delivering robust growth across both organizations, both in the short and the long term. We have introduced FY27E and expect Revenue/EBIT/PAT to grow at a CAGR of 21.9%/29.1%/29.7% respectively over FY24-FY27E. The stock has rallied 10% recently and therefore we downgrade our rating to **REDUCE** to arrive at a revised target price of INR7,809 implying a P/E of 32x on Sep-FY27E EPS of INR244.

Financial Snapshot

Year end: March	FY23	FY24	FY25E	FY26E	FY27E
Revenue (INR Mn.)	80,146	91,790	1,18,463	1,43,046	1,66,321
Gross Profit (INR Mn.)	26,087	29,930	39,248	48,032	55,955
Gross Profit Margin (%)	32.5	32.6	33.1	33.6	33.6
EBIT (INR Mn.)	11,468	11,866	15,904	20,754	25,518
EBIT Margin (%)	14.3	12.9	13.4	14.5	15.3
EPS (INR)	113.8	131.6	149.4	222.7	264.0

Source: Company, CEBPL

Oct 23, 2024

CMP (Rs.)	7,561
Target Price (Rs.)	7,809
Potential Upside (%)	3.3

Company Info

BB Code	COFORGE IN Equity
ISIN	INE591G01017
Face Value (Rs.)	10
52 Week High (Rs.)	7,632.8
52 Week Low (Rs.)	4,291.1
Mkt Cap (Rs bn.)	504.3
Mkt Cap (\$ Mn.)	6.0
Shares o/s (Mn.)/Float	66.7/99
FY24 EPS (Rs.)	131.6
FY27E EPS (Rs.)	264.0

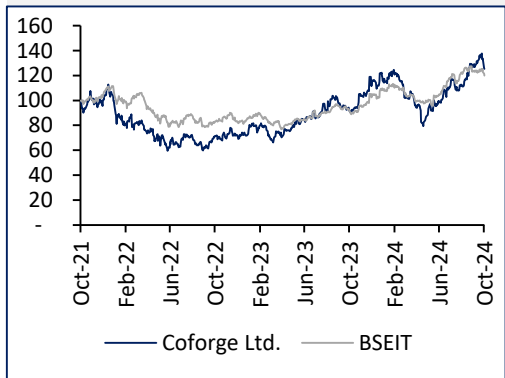
Shareholding Pattern (%)

	Sep-24	Jun-24	Mar-24
Promoters	0.00	0.00	0.00
FII's	42.09	41.43	35.00
DII's	48.15	47.29	54.30
Public	9.76	11.28	10.70

Relative Performance (%)

YTD	3Y	2Y	1Y
BSE IT	22.7	48.1	35.4
Coforge Ltd.	39.7	95.9	53.7

Rebased Price Performance



CA Vatsal Vinchhi, Analyst

Email: vatsal.vinchhi@choiceindia.com
Ph: +91 22 6707 9887

Ashutosh Murarka, Associate

Email: ashutosh.murarka@choiceindia.com
Ph: +91 22 6707 9887

Rushil Katiyar, Associate

Email: rushil.katiyar@choiceindia.com
Ph: +91 22 6707 9887

Sequential Operating Performance

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
Income Statement						
Revenues (INR Mn.)	22,210	22,762	23,233	23,585	24,008	30,623
Gross Profit (INR mn.)	6,809	7,388	7,690	8,042	7,911	9,922
Gross Margin (%)	30.7	32.5	33.1	34.1	33.0	32.4
EBIT (INR mn.)	2,559	2,701	3,201	3,405	3,272	3,598
EBIT Margin (%)	11.5	11.9	13.8	14.4	13.6	11.7
PAT (INR mn.)	1,653	1,809	2,380	2,238	1,332	2,022
Basic EPS (INR)	27.1	29.6	38.6	36.2	20.9	30.3
Operating Metrics						
Revenue - Geography (%)						
North America	49.7	49.4	46.6	47.7	49.9	55.1
EMEA	38.6	38.8	40.0	40.1	38.7	33.8
Rest of the world	11.7	11.8	13.4	12.2	11.4	11.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Revenue - Verticals (%)						
Insurance	22.6	22.6	22.0	21.6	21.4	19.1
BFS	31.1	31.6	32.2	33.7	31.8	29.4
Travel, Transportation and Hospitality	18.5	18.5	17.8	17.6	18.1	18.1
Government (Overseas)	7.6	-	-	7.6	7.8	7.6
Others	20.2	27.3	28.0	19.5	20.9	25.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Revenue - Service Category (%)						
Product Engineering	35.0	8.9	7.8	35.1	32.1	42.4
Intelligent Automation	11.5	12.1	11.3	11.2	11.7	9.1
Data and Integration	24.0	24.5	25.7	25.2	27.4	23.2
Cloud and Infrastructure Management	20.0	18.5	18.9	19.1	19.2	17.2
Application Development and Maintenance	0.0	26.6	27.1	0.0	0.0	0.0
Business Process Management	9.5	9.5	9.2	9.4	9.4	8.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Revenue - Delivery Mix (%)						
Onsite	49.0	48.0	47.8	47.5	48.0	46.2
Offshore	51.0	52.0	52.2	52.5	52.0	53.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Revenue - Project Type (%)						
Fixed Price	48.9	49.3	51.0	51.5	50.4	42.5
Time & Materials	51.1	50.7	49.0	48.5	49.6	57.5
Total	100.0	100.0	100.0	100.0	100.0	100.0
Fresh Order Intake (\$ Mn)	531	313	354	774	314	516
USA	29.2	37.7	31.1	81.0	40.1	47.5
EMEA	65.2	44.1	48.6	13.2	30.6	35.7
Rest of the world	5.6	18.2	20.3	5.9	29.3	16.7
Executable Order Book over Next 12 Months (\$ Mn)	897	935	974	1,019	1,070	1,305
Repeat Business (%)	96	95	94	93	97	96
Employee Metrics						
Total Headcount	24,224	24,638	24,607	24,726	26,612	32,483
Utilization (%)	81.0	80.0	79.4	81.7	81.6	82.2
Attrition Rate LTM (%)	13.3	13.0	12.1	11.5	11.4	11.7

Source: Company, CEBPL

CEBPL Estimates vs Actual for Q2FY25 (after merging Cigniti)

Coforge (INR Mn.)	Q2FY25	Q2FY24	YoY(%)	Q1FY25	QoQ (%)	CEBPL Est.	Dev. (%)
Revenue (USD mn.)	369	278	32.8	291	26.8	305	21.2
Revenues (INR mn.)	30,623	22,762	34.5	24,008	27.6	25,134	21.8
Employee Cost	20,701	15,374	34.7	16,097	28.6		
Gross Profit (INR mn.)	9,922	7,388	34.3	7,911	25.4	8,194	21.1
Gross Margin (%)	32.4	32.5	(6) bps	33.0	(55) bps	32.6	(20) bps
Other costs	5,081	3,911	29.9	3,824	32.9		
Depreciation	1,243	772	61.0	815	52.5		
EBIT (INR mn.)	3,598	2,701	33.2	3,272	10.0	3,265	10.2
EBIT Margin (%)	11.7	11.9	(12) bps	13.6	(188) bps	13.0	(124) bps
Other Income	-173	-295	(41.4)	-272	(36.4)		
PBT (INR mn.)	3,135	2,406	30.3	2,047	53.2		
Tax	799	528	51.3	654	22.2		
Adj. PAT (INR mn.)	2,022	1,809	11.8	1,332	51.8	2,350	(14.0)
Basic EPS (INR)	30.3	29.6	2.4	20.9	45.1	38.0	(20.3)

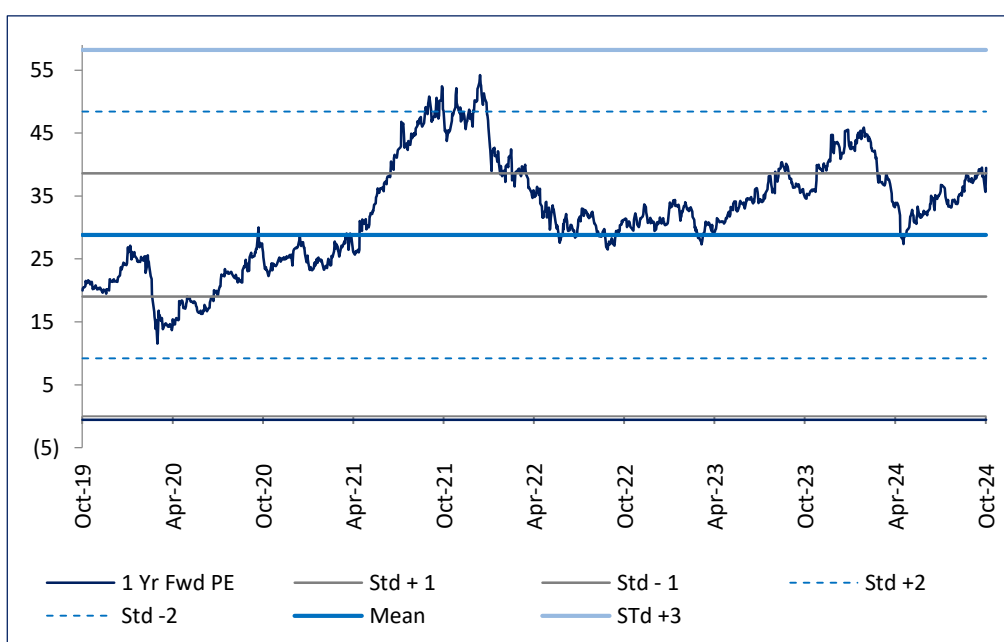
Source: Company, CEBPL

Change in Estimates

Income Statement (INR Mn.)	FY25E			FY26E			FY27E
	Old	New	Dev. (%)	Old	New	Dev. (%)	New
Revenues	1,02,880	1,18,463	15.1	1,21,391	1,43,046	17.8	1,66,321
Gross Profit Margin (%)	33.2	33.1	(5) bps	33.6	33.6	0 bps	33.6
EBIT	14,142	15,904	12.5	17,612	20,754	17.8	25,518
EBIT Margin (%)	13.7	13.4	(32) bps	14.5	14.5	0 bps	15.3
EPS	148.1	149.4	0.9	203.5	222.7	9.5	264.0

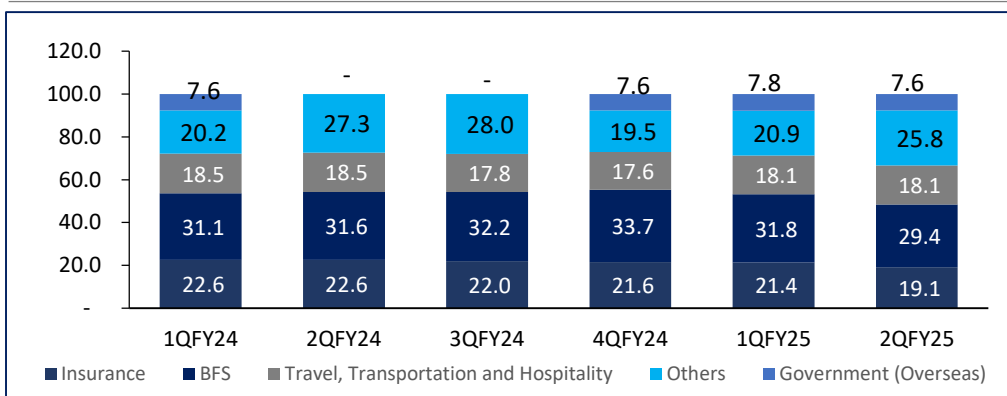
Source: Company, CEBPL

Historical 1 Yr Fwd PE Band



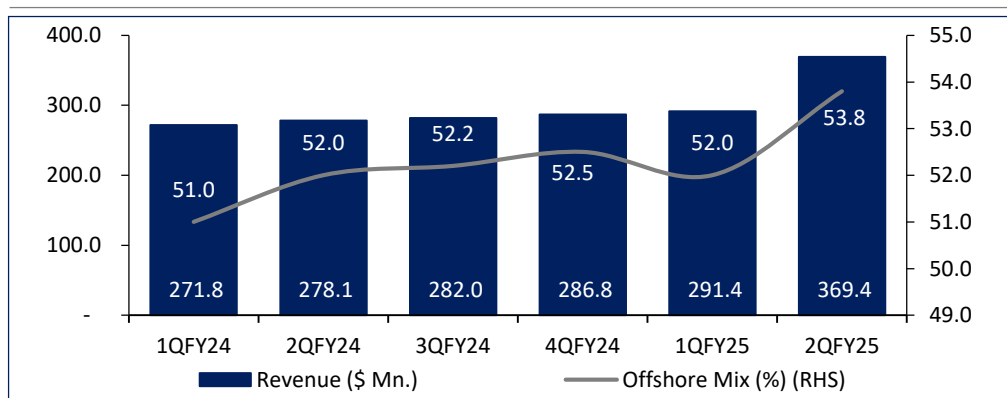
Source: Company, CEBPL

Insurance & BFS vertical remain under pressure



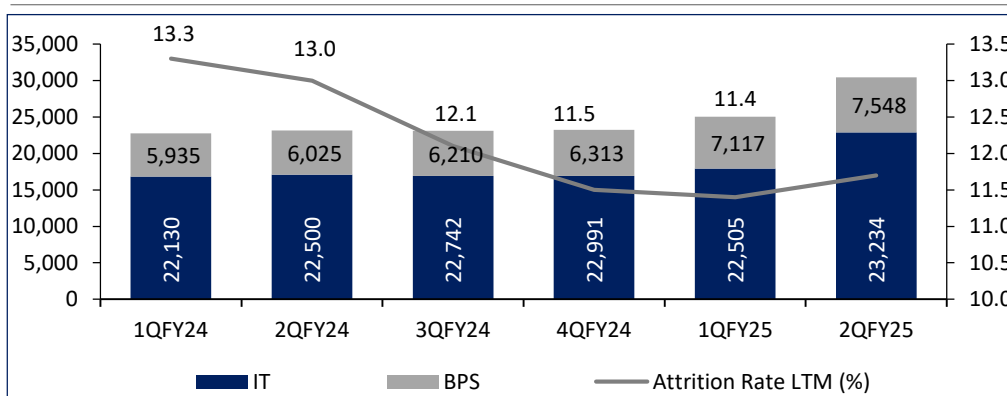
Source: Company, CEBPL

Exceptional revenue growth (after merging Cigniti)



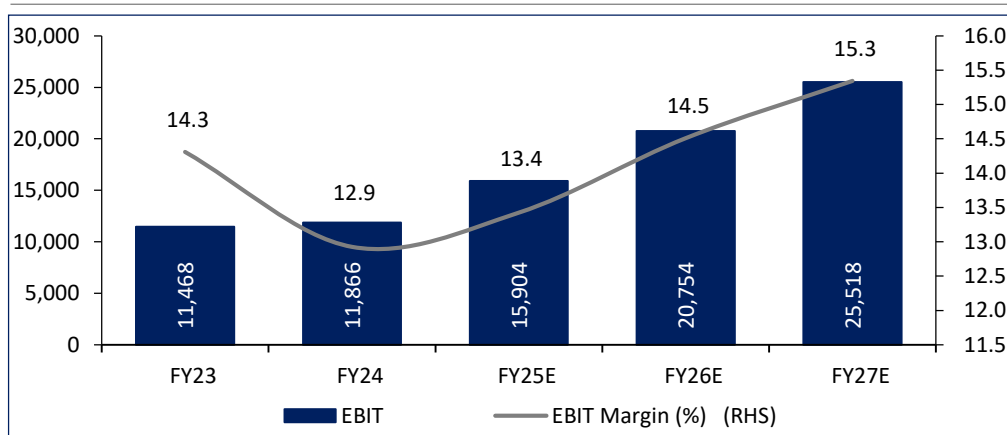
Source: Company, CEBPL

Huge expansion in Headcount driven by Cigniti



Source: Company, CEBPL

Improving EBIT margins



Source: Company, CEBPL

Management Call Highlights

- During Q2FY25, the BFS vertical grew by 25.2% YoY, contributing 29.4% to the revenue mix. The insurance vertical saw a 13.7% YoY growth, accounting for 19.1% of the revenue mix. The travel vertical experienced a 31.6% YoY increase, contributing 18.1% to the total revenue. The new vertical, government excluding India, made up 7.6% of the revenue mix. Additionally, other emerging verticals grew by 27.1% YoY in Q2, contributing 25.9% to the total revenue mix.
- Coforge order executable book, representing the total value of locked orders over the next 12 months, has improved to \$1,310mn, reflecting a 40.0% YoY increase. Additionally, the company signed 13 new logos during the quarter.
- The headcount for the quarter was 32,483, with a net addition of 5,871 employees. Utilization, including trainees, was 82.2%, up from 80.0% in Q2FY24. The TTM attrition rate for the quarter stood at 11.7%.
- In Q1FY25, the company reported cash flow generation of \$10.9mn, compared to \$20.0mn in Q2FY24. The OCF to EBITDA ratio stood in the range of 67% to 70% for Q2FY25.
- DSO for the quarter stood at 60 days as compared to 64 days from Q2FY24.
- Organic EBIT is reported at 12.9%, reflecting an increase of 114bps. In H1FY25, the company faced acquisition and integration-related expenses, which had a 2.3% adverse impact on profitability. These effects are expected to normalize in the upcoming quarters.
- Coforge granted ESOPs to the leadership team toward the end of Q2 FY25, with an anticipated incremental cost impact of 120bps.
- Coforge have received the SEBI approval on the open offer and it is expected to be closed by mid-November.
- The Board has recommended an interim dividend of INR 19/- per share for the quarter

Financial Summary (Consolidated in INR Mn.)

Income Statement (INR Mn.)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	80,146	91,790	1,18,463	1,43,046	1,66,321
Gross profit	26,087	29,930	39,248	48,032	55,955
EBITDA	14,649	16,205	21,189	26,828	32,171
Depreciation	2,585	3,186	4,228	4,721	5,489
EBIT	11,468	11,866	15,904	20,754	25,518
Other income (net)	(630)	(1,156)	(1,083)	(1,709)	(1,719)
Exceptional Item	1,326	261	1,243	-	-
PAT	6,938	8,080	9,902	14,855	17,612
EPS (Rs)	113.8	131.6	149.4	222.7	264.0

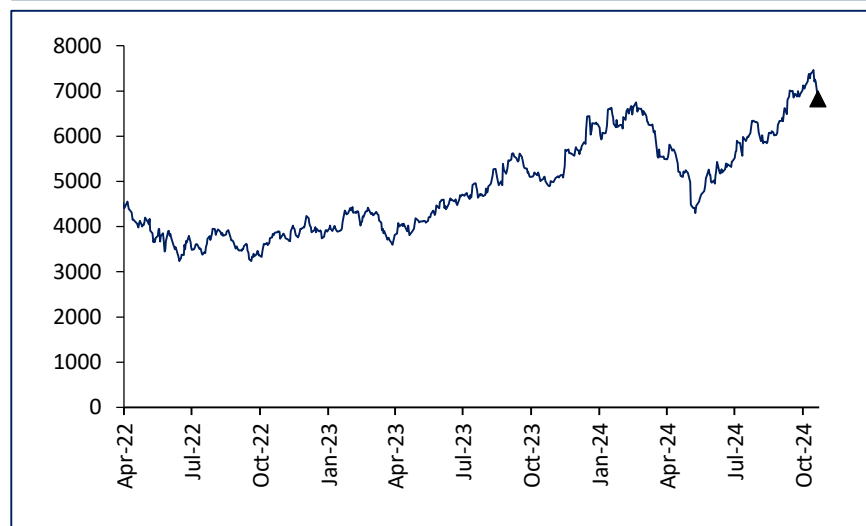
Balance Sheet (INR Mn.)	FY23	FY24	FY25E	FY26E	FY27E
Fixed Assets	6,866	7,629	9,136	10,943	13,108
Goodwill & Intangible assets	16,299	16,133	18,069	20,237	22,666
Cash & Cash equivalents	5,787	3,352	5,649	6,893	8,081
Receivables	17,903	19,503	21,843	24,465	27,400
Other Assets	6,222	8,877	9,942	11,135	12,472
Deferred Tax Assets	3,757	5,583	5,821	6,301	6,178
Total Assets	56,834	61,077	70,460	79,973	89,904
Net Worth	30,825	36,266	41,712	49,883	59,569
Bank Borrowings	3,382	4,366	3,929	3,536	3,183
Non Controlling Interest	874	1,003	937	937	937
Deferred Tax Liability	583	466	489	514	539
Other Liabilities	13,469	16,348	20,764	22,476	24,209
Future Acquisition Liability	7,701	2,628	2,628	2,627	1,466
Total Equity & Liabilities	56,834	61,077	70,460	79,973	89,904

Cash Flows (INR Mn.)	FY23	FY24	FY25E	FY26E	FY27E
Cash flows from Operations	9,505	9,034	8,949	16,052	18,413
Cash flows from Investing	(2,716)	(2,478)	(6,754)	(1,922)	(6,094)
Cash flows from financing	(5,582)	(8,870)	(5,979)	(8,913)	(14,089)

Ratio Analysis	FY23	FY24	FY25E	FY26E	FY27E
Growth Ratios (%)					
Revenues	24.6	14.5	29.1	20.8	16.3
Gross Profit	26.7	14.7	31.1	22.4	16.5
EBITDA	21.5	10.6	30.8	26.6	19.9
EBIT	29.1	3.5	34.0	30.5	23.0
Margin Ratios (%)					
Gross Profit Margin	32.5	32.6	33.1	33.6	33.6
EBITDA Margin	18.3	17.7	17.9	18.8	19.3
EBIT Margin	14.3	12.9	13.4	14.5	15.3
Profitability (%)					
Return on equity	22.5	22.3	23.7	29.8	29.6
Return on invested capital	17.9	16.6	18.9	22.4	23.4
Return on capital employed	17.4	16.5	19.0	22.5	23.2
Valuation					
OCF / Net profit (%)	137.0	111.8	90.4	108.1	104.5
EV / EBITDA (x)	15.6	12.0	9.4	16.0	13.1
Book Value per share (x)	524.9	614.8	674.1	788.6	933.5
Free Cash flow Yield (%)	6.6	7.0	8.2	8.2	8.2

Source: Company, CEBPL

Historical recommendations and target price: Coforge Ltd.



Coforge Ltd.

1.	06-04-2022	Outperform,	Target Price 5,610
2.	12-05-2022	Outperform,	Target Price 5,047
3.	25-07-2022	Outperform,	Target Price 4,600
4.	27-10-2022	Outperform,	Target Price 4,925
5.	20-01-2023	Outperform,	Target Price 5,608
6.	29-04-2023	Add,	Target Price 4,633
7.	21-07-2023	Neutral,	Target Price 4,960
8.	25-09-2023	Neutral,	Target Price 5,375
9.	21-10-2023	Add,	Target Price 5,595
10.	23-01-2024	Add,	Target Price 6,895
11.	18-03-2024	Add,	Target Price 6,426
12.	03-05-2024	Buy,	Target Price 6,007
13.	23-07-2024	Buy,	Target Price 6,665
14.	23-10-2024	Reduce,	Target Price 7,809

Institutional Research Team

Jathin kaithavalappil	AVP – Automobile /Defence/Real Estate	jathin.jayan@choiceindia.coM	+91 22 6707 9994
CA Vatsal Vinchhi	Analyst - Information Technology	vatsal.vinchhi@choiceindia.com	+91 22 6707 9224
Deepika Murarka	Analyst - Pharmaceuticals / Healthcare	deepika.murarka@choiceindia.com	+91 22 6707 9513
Ashutosh Murarka	Analyst – Cement / Building Material	ashutosh.murarka@choiceindia.com	+91 22 6707 9442
Putta Ravi Kumar	Analyst – Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Aayush saboo	Associate – Real Estate	aayush.saboo@choiceindia.com	+91 22 6707 9811
Maitri Sheth	Analyst – Pharmaceuticals / Healthcare	maitri.sheth@choiceindia.com	+91 22 6707 9811
Bharat Kumar Kudikyala	Associate – Cement / Building Material	bharat.kudikyala@choiceindia.com	+91 22 6707 9798
Arshay Agarwal	Associate – BFSI	arshay.agarwal@choiceindia.com	+91 22 6707 9811
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