

# HSIE Results Daily

## Contents

### Results Reviews

- UltraTech Cement:** We maintain BUY on UltraTech (UTCEM) with an unchanged target price of INR 7,295 (16x Mar'24E consolidated EBITDA). We continue to like the company for its strong growth and margin outlook and balance sheet management. UTCEM's Q1FY23 consolidated EBITDA came in ~10/15% ahead of ours/consensus numbers. Due to elevated fuel prices, UTCEM's consolidated EBITDA/APAT in Q1FY23 fell 6/7% YoY (despite 28% revenue growth). While unitary EBITDA fell 20% YoY, it rebounded 11% QoQ to a healthy INR 1,236/MT. UTCEM cautioned that its fuel cost has not yet peaked out. It will be adding ~40mn MT capacity during FY23-25E, expanding its grey capacity to 154mn MT by the end of FY25E. It also expects to double its green power share to 36% in FY25, vs 18% currently.
- SRF:** We retain our ADD rating on SRF, with a target price of INR 2,550, on the back of (1) continued healthy performance from speciality chemicals business; (2) strong balance sheet; and (3) deployment of Capex for high-growth speciality chemicals business over the next 3-4 years to tap opportunities emerging from agrochemical and pharma industries. EBITDA/APAT were 9/6% above our estimates, owing to an 8% rise in revenue, lower-than-expected raw material cost and finance cost, offset by lower-than-expected other income and higher-than-expected tax outgo.
- Bandhan Bank:** Despite a strong rebound in advances (+20% YoY), Bandhan reported a ~14% miss on account of soft NIMs (8%) and lower other income (-66% YoY). Incremental growth was led by non-EEB businesses, in line with the bank's strategy to drive portfolio diversification (FY25 targeted Group EEB share of portfolio at 26%). Gross slippages were elevated (~5.4%), stemming from the EEB portfolio due to Assam floods/restructuring resulting in a 79bps QoQ increase in GNPA. We remain watchful of the asset quality and the impact of a shift in portfolio mix on the bank's steady-state return metrics. We reduce our FY23E /FY24E estimates to factor in lower other income and higher credit costs. Maintain BUY with a revised target price of INR396 (2.7x Mar-24 ABVPS).
- Mphasis:** Mphasis (MPHL IN) posted lower revenue and in-line margin in Q1. Growth in direct international business (+2.4% QoQ CC) was impacted by softness in the mortgage business unit. MPHL's growth prospects remain strong, basis (1) healthy deal intake (USD 302mn net-new TCV in Q1FY23, up 18% YoY ex-large deal of USD 250mn won in Q1FY22); (2) trending deal pipeline (up 6% QoQ and 10% YoY); (3) lower revenue contribution of the DXC business (<5% of the revenue); and (4) high growth from account acquisition channel. We expect the softness in the mortgage segment (near-term) and DXC weakness to have a combined impact of 250bps to FY23 growth. While deal conversion in the UK geography may have some impact, USD 60mn+ TCV large cloud transformation deal win and onshore pricing are offsets. Operational margin levers include onshore pricing and improvement in utilisation. Maintain BUY with a TP of INR 2,940, valuing MPHL at 28x FY24E EPS, supported by an industry-best large client mining engine, consistency in large deal wins, and stable operating metrics.

HSIE Research Team

hdfcsec-research@hdfcsec.com

# UltraTech Cement

## Strong margin performance

We maintain BUY on UltraTech (UTCEM) with an unchanged target price of INR 7,295 (16x Mar'24E consolidated EBITDA). We continue to like the company for its strong growth and margin outlook and balance sheet management. UTCEM's Q1FY23 consolidated EBITDA came in ~10/15% ahead of ours/consensus numbers. Due to elevated fuel prices, UTCEM's consolidated EBITDA/APAT in Q1FY23 fell 6/7% YoY (despite 28% revenue growth). While unitary EBITDA fell 20% YoY, it rebounded 11% QoQ to a healthy INR 1,236/MT. UTCEM cautioned that its fuel cost has not yet peaked out. It will be adding ~40mn MT capacity during FY23-25E, expanding its grey capacity to 154mn MT by the end of FY25E. It also expects to double its green power share to 36% in FY25, vs 18% currently.

- Q1FY23 performance:** EBITDA came in ~10/15% ahead of ours/consensus numbers on NSR beat. Grey sales volume fell 10% QoQ, but went up 16% YoY (on a low base of last year). NSR firmed up 6/10% QoQ/YoY on healthy pricing gains. White cement and putty revenue rose 38% YoY (-8% QoQ). RMC revenue firmed up 77/6% YoY/QoQ. Blended opex inflated 5/22% QoQ/YoY (in line with our estimate). Input cost went up 4% QoQ (on fuel price increase), while fixed cost was up 9% QoQ (in line with volume loss). Unitary EBITDA expanded 11% QoQ (down 20% YoY) to INR 1,236 per MT. Cost inflation pulled down consolidated EBITDA/APAT by 6/7% YoY (despite 28% revenue growth). Consolidated net debt increased 35% QoQ amid ongoing expansion.
- Con call KTAs, other updates and outlook:** UTCEM guided June-22 exit price is down ~3-5% vs Q1FY23 due to the onset of monsoon. It expects its energy cost to continue to rise QoQ for 2-3 quarters. UTCEM will spend ~INT 60bn in Capex in FY23E, which also includes phase-2 Capex. It plans to add 16.7mn MT capacity by FY23 end and another ~23mn MT (across north, central, east and south by FY25E). It is targeting grey capacity of 154mn MT by FY25. UTCEM is also aggressively expanding its green power capacities with a target of ~36% share by FY25 (Q1FY23 - 19%). We maintain our FY23/24E estimates as well as target price on the stock.

### Consolidated quarterly/annual financial summary

YE Mar (INR bn)	Q1 FY23	Q1 FY22	YoY (%)	Q4 FY22	QoQ (%)	FY20	FY21	FY22	FY23E	FY24E
Sales (mn MT)	25.0	21.5	16.3	27.7	(9.6)	82.5	86.4	94.0	101.5	113.5
NSR (INR/MT)	6,056	5,495	10.2	5,694	6.3	5,142	5,175	5,595	5,987	5,987
EBITDA (INR/MT)	1,236	1,536	(19.5)	1,110	11.4	1,137	1,338	1,225	1,013	1,138
Net Sales	151.6	118.3	28.2	157.7	(3.8)	424.3	447.3	526.0	607.7	679.4
EBITDA	30.9	33.1	(6.4)	30.7	0.7	93.8	115.7	115.1	102.8	129.1
APAT	15.8	17.0	(7.0)	14.8	7.2	38.7	55.8	56.7	46.4	72.9
AEPS (INR)	54.9	59.0	(7.0)	51.2	7.2	134.0	193.3	196.3	160.7	252.5
EV/EBITDA (x)						21.7	16.7	16.5	18.4	14.3
EV/MT (INR bn)						17.2	16.3	15.7	14.3	13.3
P/E (x)						48.0	33.3	32.8	40.0	25.5
RoE (%)						10.6	13.4	12.0	8.9	12.8

Source: Company, HSIE Research

## BUY

CMP (as on 22 Jul 2022)	INR 6,459
Target Price	INR 7,295
NIFTY	16,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 7,295	INR 7,295
	FY23E	FY24E
EBITDA %	0.0	0.0

### KEY STOCK DATA

Bloomberg code	UTCEM IN
No. of Shares (mn)	289
MCap (INR bn) / (\$ mn)	1,964/25,054
6m avg traded value (INR mn)	3,106
52 Week high / low	INR 8,269/5,157

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(4.2)	(12.2)	(13.4)
Relative (%)	(2.3)	(7.2)	(19.5)

### SHAREHOLDING PATTERN (%)

	Mar-22	Jun-22
Promoters	60.00	59.96
FIs & Local MFs	16.39	18.16
FPIs	14.03	13.12
Public & Others	9.62	8.76
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

### Rajesh Ravi

rajesh.ravi@hdfcsec.com  
+91-22-6171-7352

### Keshav Lahoti

Keshav.lahoti@hdfcsec.com  
+91-22-6171-7352

# SRF

## Capacity addition cycle continues

We retain our ADD rating on SRF, with a target price of INR 2,550, on the back of (1) continued healthy performance from speciality chemicals business; (2) strong balance sheet; and (3) deployment of Capex for high-growth speciality chemicals business over the next 3-4 years to tap opportunities emerging from agrochemical and pharma industries. EBITDA/APAT were 9/6% above our estimates, owing to an 8% rise in revenue, lower-than-expected raw material cost and finance cost, offset by lower-than-expected other income and higher-than-expected tax outgo.

- Chemicals business (CB):** Revenue/EBIT jumped 55/134% YoY to INR 17/5bn in Q1. The fluorochemicals business performed extremely well on account of higher sales volumes in the refrigerants, pharma propellants and blends segments with better sales realisations, especially from the export markets. Growth in the quarter was also backed by robust demand for flagship products and downstream derivatives in the speciality chemicals business.
- Packaging films business (PFB):** Revenue/EBIT jumped 44/25% YoY to INR 15/3bn. In Q1, PFB witnessed a slight slowdown in demand for BOPET and BOPP films, which impacted the overall margins. The company foresees strong headwinds for the business with weak global demand and inventory losses in the short term.
- Capex:** The Board has approved a project to set up a 1,000mtpa facility, to produce an agrochemical intermediate at Dahej at a cost of INR ~2.5bn. The Board has also approved a project for capacity expansion of a pharma/agrochem intermediate product at Dahej at a cost of INR ~0.7bn. The Board has also approved a project for capacity expansion of belting fabrics operations at its technical textiles business unit in Viralimalai, from 1,100 metric tons per month (MTPM) to 1,800 MTPM, at a projected cost of INR 1.6bn, to be spent over a period of three years.
- Change in estimates:** We raise our FY23/24 EPS estimates by 18.2/8.5% to INR 83.0/92.5 to account for an increased revenue assumption and the incorporation of annual report FY22.
- DCF-based valuation: Our target price is INR 2,550 (WACC 11%, terminal growth 5.5%). The stock is trading at 24.8x FY24E EPS.**

### Financial summary (consolidated)

INR mn	Q1 FY23	Q4 FY22	QoQ (%)	Q1 FY22	YoY (%)	FY21	FY22	FY23E	FY24E	FY25E
Net Sales	38,947	35,494	9.7	26,994	44.3	82,954	1,23,128	1,50,265	1,70,108	1,91,620
EBITDA	10,198	9,366	8.9	6,644	53.5	21,333	31,032	40,076	44,629	51,635
APAT	6,080	6,057	0.4	3,953	53.8	11,635	18,285	24,602	27,404	31,840
AEPS (INR)	20.5	20.4	0.4	13.3	53.8	39.3	61.7	83.0	92.5	107.4
P/E (x)						58.4	37.2	27.6	24.8	21.3
EV/EBITDA(x)						32.9	22.8	17.8	16.0	13.7
RoE (%)						19.7	23.7	25.8	23.6	22.7

Source: Company, HSIE Research

### Change in estimates (consolidated)

Y/E Mar	FY23E Old	FY23E New	% Ch	FY24E Old	FY24E New	% Ch	
EBITDA (INR mn)		34,292	40,076	16.9	40,976	44,629	8.9
Adj. EPS (INR/sh)		70.2	83.0	18.2	85.2	92.5	8.5

Source: Company, HSIE Research

## ADD

CMP (as on 22 Jul 2022)	INR 2,292
Target Price	INR 2,550
NIFTY	16,719

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 2,330	INR 2,550
EPS %	FY23E +18.2%	FY24E +8.5%

### KEY STOCK DATA

Bloomberg code	SRF IN
No. of Shares (mn)	296
MCap (INR bn) / (\$ mn)	679/9,124
6m avg traded value (INR mn)	1,911
52 Week high / low	INR 2,773/1,514

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(8.0)	(7.5)	44.8
Relative (%)	(6.0)	(2.5)	38.7

### SHAREHOLDING PATTERN (%)

	Mar-22	Jun-22
Promoters	50.73	50.73
FIs & Local MFs	8.71	9.36
FPIs	19.60	19.21
Public & Others	20.96	20.70
Pledged Shares	0.00	0.00

Source : BSE

### Nilesh Ghuge

nilesh.ghuge@hdfcsec.com  
+91-22-6171-7342

### Harshad Katkar

harshad.katkar@hdfcsec.com  
+91-22-6171-7319

### Rutvi Chokshi

rutvi.chokshi@hdfcsec.com  
+91-22-6171-7356

### Akshay Mane

akshay.mane@hdfcsec.com  
+91-22-6171-7338

# Bandhan Bank

## Near-term stress management crucial

Despite a strong rebound in advances (+20% YoY), Bandhan reported a ~14% miss on account of soft NIMs (8%) and lower other income (-66% YoY). Incremental growth was led by non-EEB businesses, in line with the bank's strategy to drive portfolio diversification (FY25 targeted Group EEB share of portfolio at 26%). Gross slippages were elevated (~5.4%), stemming from the EEB portfolio due to Assam floods/restructuring resulting in a 79bps QoQ increase in GNPA. We remain watchful of the asset quality and the impact of a shift in portfolio mix on the bank's steady-state return metrics. We reduce our FY23E /FY24E estimates to factor in lower other income and higher credit costs. Maintain BUY with a revised target price of INR396 (2.7x Mar-24 ABVPS).

- **EEB portfolio impacted; non-MFI drives disbursements:** Disbursals in the EEB-Group portfolio were impacted by regulatory changes and clocked in sequentially lower (-63% QoQ), resulting in a 9% YoY loan de-growth. The non-EEB book, however, maintained momentum, led by mortgage and commercial banking, in line with the bank's stated diversification strategy. The share of non-EEB Group portfolio stood at ~56% (FY25 target: 26%).
- **Stress pool still elevated in different buckets:** GNPA/NNPA deteriorated sequentially to 7.3%/1.9% on account of higher gross slippages (5.4%) from the EEB portfolio, including delinquencies from restructured accounts that are now out of moratorium. The total stress pool (SMA-2 + restructured + GNPA) increased 100bps sequentially (18.5% of loans) with just 57% of the restructured borrowers making part payments. The management expects the buckets (61-90 dpd bucket increased 370bps) to normalise in line with improving collection efficiencies through the rest of FY23.
- **Diversification strategy on track; near-term recoveries crucial:** The bank's strategy to foray into other retail and commercial banking businesses is on track. While we appreciate the need for loan book diversification for greater franchise stability, we believe this could set a new normal for steady-state return metrics. We are watchful of the repayment trends flowing in from the restructured book to gain incremental confidence on asset quality.

### Financial summary

(INR bn)	Q1FY23	Q1FY22	YoY (%)	Q4FY22	QoQ (%)	FY21	FY22	FY23E	FY24E
NII	25.1	21.1	18.9%	25.4	-1.0%	75.6	87.1	102.7	117.2
PPOP	18.2	18.7	-2.7%	25.2	-27.8%	68.6	80.1	88.5	98.0
PAT	8.9	3.7	137.6%	19.0	-53.4%	22.1	1.3	39.7	50.2
EPS (INR)	5.5	2.3	137.1%	11.8	-53.4%	13.7	0.8	24.6	31.1
ROAE (%)						13.5	0.7	20.8	21.8
ROAA (%)						2.1	0.1	2.6	2.8
ABVPS (INR)						90.3	98.2	120.6	147.7
P/ABV (x)						3.2	2.9	2.4	1.9
P/E (x)						20.9	366.5	11.6	9.2

### Change in estimates

(INR bn)	FY23E			FY24E		
	Old	New	Change	Old	New	Change
Net advances	1,123	1,121	-0.2%	1,341	1,338	-0.2%
NIM (%)	7.5	7.5	0 bps	7.3	7.3	-1 bps
NII	102.8	102.7	-0.1%	117.5	117.2	-0.3%
PPOP	89.0	88.5	-0.6%	99.0	98.0	-0.9%
PAT	41.3	39.7	-4.0%	51.7	50.2	-2.9%
Adj. BVPS (INR)	120.5	120.6	0.1%	147.9	147.7	-0.1%

Source: Company, HSIE Research

## BUY

CMP (as on 22 Jul 2022)	INR 286
Target Price	INR 396
NIFTY	16,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 404	INR 396
EPS %	FY23E	FY24E
	-4%	-2.9%

### KEY STOCK DATA

Bloomberg code	BANDHAN IN
No. of Shares (mn)	1,611
MCap (INR bn) / (\$ mn)	461/6,191
6m avg traded value (INR mn)	2,822
52 Week high / low	INR 350/230

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(13.4)	(3.2)	(6.2)
Relative (%)	(11.4)	1.8	(12.3)

### SHAREHOLDING PATTERN (%)

	Mar-22	Jun-22
Promoters	40.0	40.0
FIs & Local MFs	18.1	20.7
FPIs	34.3	35.6
Public & Others	7.6	3.7
Pledged Shares	0.0	0.0

Source : BSE

Pledged shares as % of total shares

### Krishnan ASV

venkata.krishnan@hdfcsec.com  
+91-22-6171-7314

### Deepak Shinde

deepak.shinde@hdfcsec.com  
+91-22-6171-7323

### Neelam Bhatia

neelam.bhatia@hdfcsec.com  
+91-22-6171-7341

# Mphasis

## Steady performance

Mphasis (MPHL IN) posted lower revenue and in-line margin in Q1. Growth in direct international business (+2.4% QoQ CC) was impacted by softness in the mortgage business unit. MPHL's growth prospects remain strong, basis (1) healthy deal intake (USD 302mn net-new TCV in Q1FY23, up 18% YoY ex-large deal of USD 250mn won in Q1FY22); (2) trending deal pipeline (up 6% QoQ and 10% YoY); (3) lower revenue contribution of the DXC business (<5% of the revenue); and (4) high growth from account acquisition channel. We expect the softness in the mortgage segment (near-term) and DXC weakness to have a combined impact of 250bps to FY23 growth. While deal conversion in the UK geography may have some impact, USD 60mn+ TCV large cloud transformation deal win and onshore pricing are offsets. Operational margin levers include onshore pricing and improvement in utilisation. Maintain BUY with a TP of INR 2,940, valuing MPHL at 28x FY24E EPS, supported by an industry-best large client mining engine, consistency in large deal wins, and stable operating metrics.

- Q1FY23 highlights:** (1) Revenue came in at USD 436mn, +2.0/+22.1% QoQ/YoY (CC terms), led by growth of +2.4/+28.3% QoQ/YoY (CC terms) in the direct business (94% of revenue) while DXC (5% of revenue) declined 6.7% QoQ (CC terms). (2) EBITM stood at 15.3% (vs. our estimate of 15.5%), +9bps QoQ and -61bps YoY supported by higher utilisation. (3) Deal wins in direct international, at USD 302mn, declined 13% QoQ (up 18% YoY excluding a large deal of USD 250mn won in Q1FY22) and included one USD 50mn+ deal; 84% of these were in next-gen services. (4) MPHL added a billable headcount of 941 in Q1FY23 and onsite/offshore utilisation improved by 100/200bps QoQ respectively. (5) Top-5/10 clients grew +3.1/2.5% QoQ in Q1 and the company added one client in the USD 150mn+ category.
- Outlook:** We have factored in +14.3/13.1% growth in revenue, based on growth in the direct business at +17.2/14.5% and DXC channel at -24.1/-13.1% for FY23/24E respectively; further, we have factored in EBITM at 15.2/15.5% for FY23/24E, resulting in an EPS CAGR of 16% over FY22-24E.

### Quarterly Financial summary

YE March (INR bn)	Q1 FY23	Q1 FY22	YoY (%)	Q4 FY22	QoQ (%)	FY20	FY21	FY22	FY23E	FY24E
Revenue (USD mn)	436	363	20.1	431	1.2	1,240	1,309	1,593	1,820	2,059
Net Sales	32.78	25.24	29.8	31.24	4.9	88.44	97.22	119.62	142.10	162.63
EBIT	4.97	4.05	22.7	4.71	5.7	14.19	15.61	18.27	21.66	25.15
APAT	3.92	3.17	23.7	3.58	9.6	11.42	12.17	14.46	16.83	19.62
Diluted EPS (INR)	20.9	16.9	23.7	19.1	9.6	61.1	65.0	77.3	90.0	104.9
P/E (x)						37.3	35.0	29.4	25.3	21.7
EV / EBITDA (x)						24.7	22.3	19.1	16.0	13.7
RoE (%)						20.6	19.7	21.5	23.0	24.2

Source: Company, HSIE Research, Consolidated Financials

### Change in Estimates

YE March (INR bn)	FY23E Old	FY23E Revised	Change %	FY24E Old	FY24E Revised	Change %
Revenue (USD mn)	1,850	1,820	(1.6)	2,090	2,059	(1.5)
Revenue	143.96	142.10	(1.3)	165.07	162.63	(1.5)
EBIT	21.88	21.66	(1.0)	25.51	25.15	(1.4)
EBIT margin (%)	15.2	15.2	5bps	15.5	15.5	1bps
APAT	16.91	16.83	(0.5)	19.89	19.62	(1.3)
EPS (INR)	90.4	90.0	(0.5)	106.3	104.9	(1.3)

Source: Company, HSIE Research

## BUY

CMP (as on 22 Jul 2022)	INR 2,276
Target Price	INR 2,940
NIFTY	16,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 2,975	INR 2,940
EPS %	FY23E	FY24E
	-0.5	-1.3

### KEY STOCK DATA

Bloomberg code	MPHL IN
No. of Shares (mn)	188
MCap (INR bn) / (\$ mn)	428/5,754
6m avg traded value (INR mn)	1,502
52 Week high / low	INR 3,660/2,071

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(21.4)	(24.7)	(4.2)
Relative (%)	(19.4)	(19.7)	(10.3)

### SHAREHOLDING PATTERN (%)

	Mar-22	Jun-22
Promoters	55.80	55.72
FIs & Local MFs	17.78	17.88
FPIs	21.09	20.48
Public & Others	5.33	5.92
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

### Apurva Prasad

apurva.prasad@hdfcsec.com  
+91-22-6171-7327

### Amit Chandra

amit.chandra@hdfcsec.com  
+91-22-6171-7345

### Vinesh Vala

vinesh.vala@hdfcsec.com  
+91-22-6171-7332

**Rating Criteria**

BUY: &gt;+15% return potential

ADD: +5% to +15% return potential

REDUCE: -10% to +5% return potential

SELL: &gt; 10% Downside return potential

**Disclosure:**

Analyst	Company Covered	Qualification	Any holding in the stock
Rajesh Ravi	UltraTech Cement	MBA	NO
Keshav Lahoti	UltraTech Cement	CA	NO
Nilesh Ghuge	SRF	MMS	NO
Harshad Katkar	SRF	MBA	NO
Rutvi Chokshi	SRF	CA	NO
Akshay Mane	SRF	PGDM	NO
Krishnan ASV	Bandhan Bank	PGDM	NO
Deepak Shinde	Bandhan Bank	PGDM	NO
Neelam Bhatia	Bandhan Bank	PGDM	NO
Apurva Prasad	Mphasis	MBA	NO
Amit Chandra	Mphasis	MBA	NO
Vinesh Vala	Mphasis	MBA	NO

**Disclosure:**

Authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does not have any material conflict of interest.

Any holding in stock –No

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

**Disclaimer:**

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from t date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Binkle R. Oza Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEL, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193 Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

**HDFC securities**

**Institutional Equities**

Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park,

Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Board: +91-22-6171-7330 www.hdfcsec.com