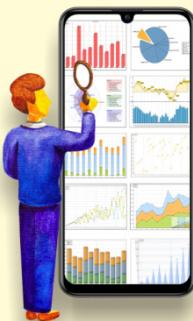


Result Preview



Coforge

Cyient

HCL Tech

Infosys

L&T Infotech

Mindtree

Mphasis

Persistent

TCS

Tech Mahindra

Wipro

Zensar

Robust growth expected despite adverse seasonality

Expect CY21 demand commentary to remain strong

- Recent commentary from both large- and mid-cap IT Services companies during their annual investor meets ([Infosys](#), [Wipro](#), [LTI](#), etc.) point to continued optimism on their CY21 growth outlook, even after adjusting for a low base YoY. We expect this optimism to be echoed by other managements during the 3QFY21 earnings season.
- Healthy order pipeline, large deal signings, strong earnings from Accenture, and absence of headwinds like a repeat of the COVID-19 led lockdown in 1QFY21 or uncertainty with regard to the outcome of the US Presidential election should drive the outperformance in 3Q v/s management guidance in 2QFY21.
- Multiple mega deal wins in Cloud and Captive (TCS – Postbank and Pramerica, Infosys – Rolls Royce and Daimler, and Wipro – METRO AG) should add incremental growth to an already buoyant organic growth momentum.
- We expect our coverage universe to deliver adjusted sales (USD)/adjusted EBIT/PAT growth of 1%/12%/7% YoY in 3QFY21.

INFO to lead sequential revenue growth across Tier I, PSYS in Tier II

- In Tier I, we expect INFO/TCS/HCLT to drive organic growth (4%/3%/3% QoQ, including cross-currency tailwind) despite a high base and season weakness.
- Accenture's recent earnings showed a strong increase in its Outsourcing vertical, indicating demand normalization/recovery. Coupled with strong deal wins across the IT sector, we expect an increase in guidance/positive commentary.
- Among Tier II IT, we expect upbeat revenue traction, with the exception of ZENT. PSYS should lead the pack with mid-single digit sequential growth, led by a recovery in the Alliance business. Some of the positive movements in Tier II growth/guidance may not be surprising given the strong deal momentum.

Margin resilience to continue

- Despite the high base in 2Q and resumption of wage hikes, we expect limited impact on margins in 3QFY21 due to higher returns from utilization and positive operating leverage.
- Sequential EBIT margins of Tier I players should be stable in the (60)-40bp range, but the Tier II universe should see a 0-160bp contraction due to wage hikes.
- A higher negative impact is expected in the next quarter when more companies would see an impact from a wage hike.
- For FY21E, we currently build-in a (5)-7% change in our EPS estimates for our coverage universe. Subject to companies' commentaries, there may be an upside risk to our estimates.

Introducing FY23 estimates and rolling forward P/E based valuation

- We are introducing our FY23 estimates for companies under coverage. On an average, we expect USD revenue growth of ~11% YoY and INR PAT growth of ~12% in FY23E, as Digital-led demand continues to aid the IT Services industry.
- We also roll forward our P/E based valuation to FY23 EPS, as we enter 4QFY21. Our stock preferences remain unchanged after this shift.
- We have also tweaked our FY21E/FY22E EPS estimates as we build in recent deal wins and management commentaries.

- We have raised our FY21E/FY22E EPS estimates for TECHM to INR47.3/56.5 from INR43.8/46.4 on account of a 1-2% increase in EBIT margin estimates, due to expectations of better cost control by the management. We have maintained our Neutral rating on the stock.

Long-term outlook remains attractive, prefer INFO/HCLT/PSYS

- While the sector trades at 40% premium to its 10-year average multiple, we remain positive as we expect the sector to sustain double-digit topline growth in the medium term, led by: 1) larger deals on a full-scale Digital transformation, 2) tail of projects steered by increased focus on workplace management, and 3) higher spend on Cloud migration by large corporates.
- A strong QoQ growth (3% on an average) in a seasonally weak quarter should help sustain the rally in IT stocks despite their premium valuations.
- We continue with our bottom-up stance for sectorial picks. Among Tier I players, we like INFO and HCLT on expectations of industry leading growth. From the Tier II pack, we prefer PSYS and MPHIL given their attractive and industry relevant portfolio.

Exhibit 1: Expect Tier I revenue (USD) to grow by ~3% QoQ

Company	Revenue (USD m)					Revenue (INR b)				
	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)
TCS	5,583	5,424	2.9	5,586	0.0	412	401	2.7	399	3.4
INFO	3,433	3,312	3.7	3,243	5.9	253	246	3.1	231	9.7
WPRO	2,057	1,992	3.3	2,095	-1.8	154	151	1.8	155	-0.6
HCLT	2,575	2,507	2.7	2,543	1.2	190	186	2.2	181	4.8
TECHM	1,294	1,265	2.3	1,353	-4.4	95	94	1.9	97	-1.1
Aggregate	14,943	14,500	3.0	14,820	0.8	1,105	1,078	2.5	1,062	4.0
EBIT margin (%)					Adjusted PAT (INR b)					
Company	3QFY21E	2QFY21	QoQ (bp)	3QFY20	YoY (bp)	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)
TCS	25.6	26.2	-60	25.0	60	86	85	1.8	81	5.7
INFO	25.7	25.3	40	21.9	380	52	49	6.6	45	15.9
WPRO	18.0	18.6	-60	17.6	40	24	25	-1.9	25	-1.1
HCLT	21.0	21.6	-60	20.2	70	32	32	0.5	30	4.1
TECHM	14.0	14.2	-20	12.2	180	11	11	2.4	11	-2.0
Aggregate	23.3	23.1	20	21.3	200	205	200	2.3	192	6.5

Source: Company, MOFSL

Exhibit 2: Expect Tier II revenue (USD) to grow by ~3% QoQ

Company	Revenue (USD m)					Revenue (INR b)				
	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)
LTI	423	405	4.5	394	7.2	31	30	4.0	28	11.0
MTCL	270	261	3.6	275	-1.7	20	19	3.6	20	1.6
MPHL	333	327	1.9	318	4.8	25	24	1.5	23	8.4
COFORGE	161	155	4.1	151	6.3	12	12	2.9	11	10.6
PSYS	143	136	5.4	129	10.8	11	10	5.0	9	14.7
ZENT*	126	126	0.5	138	-8.3	9	9	-0.3	10	-5.0
CYL	139	135	3.0	155	-10.4	10	10	2.3	11	-7.2
Aggregate	1,602	1,550	3.4	1,567	2.3	118	115	2.9	112	5.9
EBIT margin (%)					Adjusted PAT (INR b)					
Company	3QFY21E	2QFY21	QoQ (bp)	3QFY20	YoY (bp)	3QFY21E	2QFY21	QoQ (%)	3QFY20	YoY (%)
LTI	19.7	19.9	-20	16.2	350	4.8	4.6	6.0	3.8	28.6
MTCL	16.5	16.7	-20	12.0	450	2.5	2.5	-0.7	2.0	27.9
MPHL	16.2	16.2	0	16.3	-10	3.2	3.0	6.3	2.9	8.3
COFORGE	13.0	13.8	-80	13.9	-90	1.3	1.2	3.1	1.3	-1.9
PSYS	11.4	12.1	-70	8.7	270	1.1	1.0	3.3	0.9	19.8
ZENT*	14.7	15.0	-30	NA	NA	NA	NA	NA	NA	NA
CYL	9.4	11.0	-160	9.6	-20	0.9	0.8	6.3	1.1	-18.9
Aggregate	15.7	16.0	-30	12.8	290	14.7	14.1	4.4	12.4	19.1

Note: ZENT's estimates exclude MVS business divested in Q3 FY21. Source: Company, MOFSL

Exhibit 3: 3QFY21 currency highlights (INR)

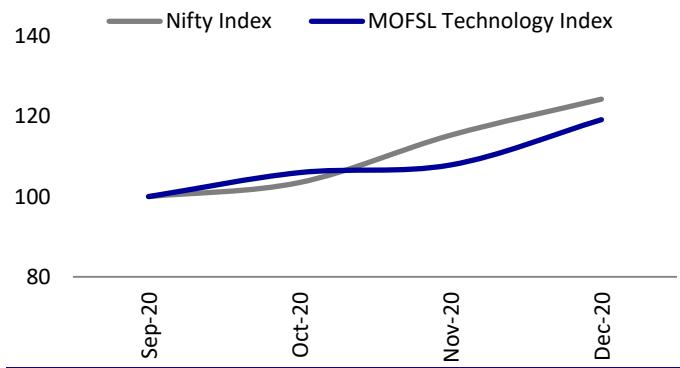
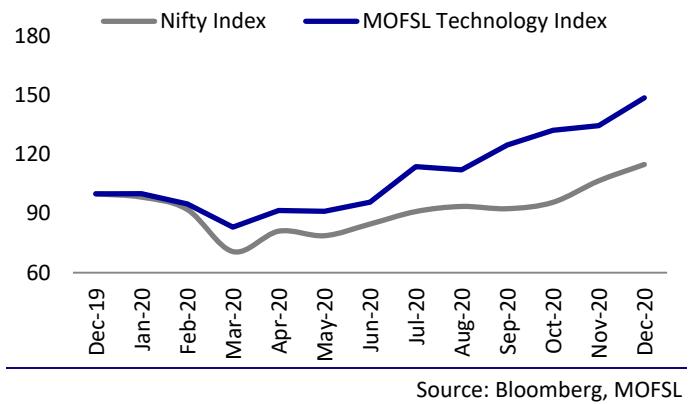
	Rates (INR)				Change (QoQ)			
	USD	EUR	GBP	AUD	USD	EUR	GBP	AUD
Average	74.37	87.0	95.9	53.5	0.0%	0.1%	-0.1%	0.7%
Closing	73.33	90.2	99.0	56.5	-0.6%	4.3%	4.6%	7.6%

Source: Bloomberg, Exchangerates.org.UK, MOFSL

Exhibit 4: 3QFY21 currency highlights (USD)

	Rates (USD)			Change (QoQ)		
	EUR	GBP	AUD	EUR	GBP	AUD
Average	1.17	1.29	0.72	0.0%	0.0%	0.0%
Closing	1.23	1.35	0.77	5.1%	4.7%	6.9%

Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – 3m (%)**Exhibit 6: Relative performance – one-year (%)****Exhibit 7: Change in estimates**

	Revised EPS (INR)			Earlier EPS (INR)			Change (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
TCS	86	107	120	87	107	NA	-1	1	NA
Infosys	46	55	63	46	54	NA	0	2	NA
Wipro	17	19	21	18	19	NA	-5	-1	NA
HCLT	46	55	61	46	54	NA	0	2	NA
TechM	47	56	62	44	46	NA	7	22	NA
LTI	104	127	148	103	128	NA	1	-1	NA
Mindtree	59	68	76	60	70	NA	-2	-2	NA
Mphasis	64	79	92	66	78	NA	-3	1	NA
NIIT Tech	78	96	109	73	98	NA	7	-2	NA
Persistent	53	64	76	53	66	NA	0	-3	NA
Zensar	15	18	20	15	17	NA	3	8	NA
Cyient	32	38	44	33	39	NA	-2	-1	NA

Source: Company, MOFSL

Exhibit 8: Expected quarterly performance summary

Sector	CMP		Sales (INR b)			EBIT (INR b)			Adjusted net profit (INR b)		
	(INR)	Rating	Dec'20	Var % YoY	Var % QoQ	Dec'20	Var % YoY	Var % QoQ	Dec'20	Var % YoY	Var % QoQ
TCS	2,928	Neutral	412.0	3.4	2.7	105.5	5.7	0.3	86.1	5.7	1.8
INFO	1,260	Buy	253.4	9.7	3.1	65.2	28.7	4.6	51.8	15.9	6.6
WPRO	388	Neutral	153.8	-0.6	1.8	27.8	1.9	-1.4	24.4	-1.1	-1.9
HCLT	950	Buy	190.0	4.8	2.2	39.8	8.5	-0.8	31.7	4.1	0.5
TECHM	978	Neutral	95.5	-1.1	1.9	13.4	13.4	0.4	10.9	-2.0	2.4
LTI	3,699	Buy	31.2	11.0	4.0	6.1	34.6	3.2	4.8	28.6	6.0
MTCL	1,660	Neutral	20.0	1.6	3.6	3.3	39.3	2.4	2.5	27.9	-0.7
MPHL	1,532	Buy	24.6	8.4	1.5	4.0	8.2	1.8	3.2	8.3	6.3
COFORGE	2,723	Neutral	11.9	10.6	2.9	1.5	3.5	-2.8	1.3	-1.9	3.1
PSYS	1,499	Buy	10.6	14.7	5.0	1.2	49.7	-0.9	1.1	19.8	3.3
ZENT*	243	Neutral	9.3	-5.0	-0.3	1.4	NA	-2.3	NA	NA	NA
CYL	513	Neutral	10.3	-7.2	2.3	1.0	-9.3	-12.7	0.9	-18.9	6.3
Sector Aggregate (INR b)	1,223	4.2	2.5	270	12.4	1.0	220	7.3	2.5		

Note: ZENT's estimates exclude MVS business divested in Q3 FY21. Source: Company, MOFSL

Exhibit 9: Comparative valuation

Company	CMP (INR)	M-cap (INR b)	EPS (INR)			EPS CAGR (%)	Div. yield (%)	P/E (x)			RoE (%)		
			FY21E	FY22E	FY23E			FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
CYL	513	57	31.8	38.3	44.5	9.6	1.7	16.1	13.4	11.5	13.1	14.3	15.0
HCLT	950	2570	46.3	54.5	60.9	14.4	1.5	20.5	17.4	15.6	22.6	23.0	22.4
INFO	1,260	5330	45.8	55.2	63.0	17.8	1.7	27.5	22.8	20.0	27.8	29.3	29.1
LTI	3,699	639	104.1	127.0	147.5	19.4	1.0	35.6	29.1	25.1	30.5	30.5	29.2
MTCL	1,660	273	58.9	68.2	75.8	25.5	1.3	28.2	24.4	21.9	28.0	27.2	25.5
MPHL	1,532	288	64.3	79.1	91.9	13.3	2.1	23.8	19.4	16.7	19.7	21.8	22.7
COFORGE	2,723	164	77.7	96.1	108.5	12.8	0.8	35.1	28.3	25.1	18.4	19.8	19.5
PSYS	1,499	112	53.3	64.3	75.8	19.4	1.0	28.1	23.3	19.8	16.5	18.0	18.7
TCS	2,928	10770	85.7	107.5	120.3	11.7	1.2	34.2	27.2	24.3	34.7	39.3	42.9
TECHM	978	942	47.3	56.5	62.5	8.9	1.7	20.7	17.3	15.6	17.9	19.0	18.6
WPRO	388	2200	16.8	18.8	20.6	8.0	2.2	23.2	20.6	18.8	16.8	17.5	18.0
ZENT	243	54	15.2	18.3	20.0	19.7	1.3	16.0	13.3	12.1	15.4	16.5	16.0

Source: Company, MOFSL

The tables below provide a snapshot of actual and estimated numbers for IT companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Coforge Neutral

CMP INR2723 | TP: INR2715 (0%)

EPS CHANGE (%): FY21|22: 6.7|-2.3

- Expected revenue growth to be in line with the guidance.
- Expect sequential drop in margin led by higher opex.
- Outlook on the Travel vertical; top client stability would be key.
- New deal wins a key monitorable.

Quarterly performance (Ind AS)								(INR m)		
Y/E March (Consolidated)	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	138	149	151	155	140	155	161	170	593	626
QoQ (%)	4.4	7.7	1.7	2.3	-9.4	10.2	4.1	5.9	14.3	5.6
Revenue (INR m)	9,597	10,385	10,734	11,093	10,570	11,537	11,870	12,775	41,809	46,752
YoY (%)	19.9	14.4	10.5	19.0	10.1	11.1	10.6	15.2	15.8	11.8
GPM (%)	33.9	34.6	34.1	34.3	31.5	32.6	32.5	32.7	34.2	32.4
SGA (%)	16.8	16.3	16.1	16.4	14.4	13.8	14.5	14.5	16.4	14.3
EBITDA (INR m)	1,641	1,898	1,940	1,971	1,686	2,048	2,018	2,198	7,450	7,950
EBITDA margin (%)	17.1	18.3	18.1	17.8	16.0	17.8	17.0	17.2	17.8	17.0
EBIT (INR m)	1,240	1,451	1,491	1,538	1,221	1,588	1,543	1,687	5,720	6,039
EBIT margin (%)	12.9	14.0	13.9	13.9	11.6	13.8	13.0	13.2	13.7	12.9
Other income	75	76	130	180	48	-63	83	73	461	141
ETR (%)	20.5	18.1	20.7	20.3	20.5	19.9	22.5	22.5	19.9	21.4
Minority Interest	-24.0	-56.0	-52.0	-106.0	-30.0	-15.0	-49.6	-50.1	-238.0	-144.7
PAT	1,022	1,195	1,233	1,264	979	1,207	1,211	1,314	4,714	4,711
QoQ (%)	-8.0	16.9	3.2	2.5	-22.5	23.3	0.3	8.5		
YoY (%)	21.5	6.9	23.1	13.8	-4.2	1.0	-1.8	3.9	55.3	-0.1
EPS (INR)	16.6	19.2	19.7	20.3	15.7	19.9	20.0	21.7	75.5	77.7

Cyient Neutral

CMP INR513 | TP: INR555 (8%)

EPS CHANGE (%): FY21|22: -2.4|-0.6

- DLM should rebound, while services would see some de-growth.
- Impact on margin led by 100bp of wage hike and furlough.
- Recovery in A&D expected to take longer.
- New deal wins under the new management would be a key monitorable.

Quarterly Performance								(INR m)		
Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	157	164	155	149	131	135	139	146	625	551
QoQ (%)	-5.2	4.9	-5.5	-3.9	-12.5	3.4	3.0	5.0	-5.3	-11.9
Revenue (INR m)	10,890	11,589	11,060	10,736	9,917	10,033	10,262	10,954	44,275	41,166
YoY (%)	0.8	-2.4	-6.9	-7.7	-8.9	-13.4	-7.2	2.0	-4.1	-7.0
GPM (%)	34.4	34.4	36.0	33.5	30.5	35.7	34.5	35.7	34.6	34.2
SGA (%)	21.2	20.6	22.1	20.6	20.5	19.9	21.1	20.8	21.1	20.6
EBITDA	1,445	1,599	1,533	1,382	995	1,589	1,375	1,632	5,959	5,591
EBITDA margin (%)	13.3	13.8	13.9	12.9	10.0	15.8	13.4	14.9	13.5	13.6
EBIT	1,003	1,111	1,063	904	511	1,105	965	1,205	4,081	3,786
EBIT margin (%)	9.2	9.6	9.6	8.4	5.2	11.0	9.4	11.0	9.2	9.2
Other income	149	144	369	72	575	-14	195	55	734	811
ETR (%)	22.0	22.4	23.3	21.3	25.0	23.1	23.1	23.1	22.3	23.6
PAT	904	986	1,083	753	814	839	892	969	3,726	3,514
QoQ (%)	-52.0	9.1	9.8	-30.5	8.1	3.1	6.3	8.6		
YoY (%)	9.6	-22.5	17.6	-60.0	-9.9	-14.9	-17.6	28.7	12.7	-5.7
EPS (INR)	8.2	8.9	9.8	6.8	7.4	7.6	8.1	8.8	33.8	31.8

HCL Technologies**Buy****CMP INR950 | TP: INR1140 (+20%)****EPS CHANGE (%): FY21 | 22: 0.5 | 1.7**

- The deal pipeline continues to be robust.
- Revenue momentum well within its stated guidance.
- Margin to be marginally below the previous quarter.
- Large deal wins and renewals in Mode-3 key monitorable.

Quarterly Performance**(INR m)**

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	2,364	2,486	2,543	2,543	2,356	2,507	2,575	2,675	9,936	10,112
QoQ (%)	3.8	5.2	2.3	0.0	-7.4	6.4	2.7	3.9	15.1	1.8
Revenue (INR b)	164	175	181	186	178	186	190	201	707	755
YoY (%)	18.4	17.9	15.5	16.3	8.6	6.1	4.8	7.9	17.0	6.8
GPM (%)	35.3	36.9	38.4	40.0	39.9	41.2	40.4	40.3	37.7	40.4
SGA (%)	12.8	11.6	11.9	12.9	12.4	12.7	12.5	12.6	12.3	12.5
EBITDA	34	41	45	47	46	50	49	52	167	197
EBITDA Margin (%)	20.7	23.4	24.6	25.4	25.6	26.6	26.0	26.0	23.6	26.0
EBIT	28	35	37	39	37	40	40	42	139	159
EBIT Margin (%)	17.1	20.0	20.2	20.9	20.5	21.6	21.0	21.0	19.6	21.0
Other income	1	0	1	0	2	1	2	2	2	8
ETR (%)	24.0	23.9	18.5	18.3	24.0	24.1	24.0	24.0	20.9	24.0
Adjusted PAT	22	27	30	32	29	31	32	34	111	126
QoQ (%)	-13.6	19.4	14.6	3.8	-7.3	7.5	0.5	6.1		
YoY (%)	-7.7	4.4	16.4	22.8	31.7	18.5	4.0	6.3	9.3	13.7
EPS	8.2	9.8	11.2	11.6	10.7	11.6	11.6	12.4	40.7	46.3

Infosys**Buy****CMP INR1260 | TP: INR1500 (+19%)****EPS CHANGE (%): FY21 | 22: 0.3 | 2.1**

- Expect the company to report healthy deal wins during the quarter.
- Revenue growth to be in the top quartile among peer companies.
- Expect margin to be resilient, operating leverage would be partially offset of lower margins of large deal ramp up.
- We expect FY21 revenue growth guidance to be revised upwards, demand commentary to be closely watched.

Quarterly performance (IFRS)**(INR m)**

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	3,131	3,210	3,243	3,197	3,121	3,312	3,433	3,561	12,781	13,427
QoQ (%)	2.3	2.5	1.0	-1.4	-2.4	6.1	3.7	3.7	8.3	5.1
Revenue (INR m)	218	226	231	233	237	246	253	267	908	1,003
YoY (%)	14.0	9.8	7.9	8.0	8.5	8.6	9.7	14.8	9.8	10.5
GPM (%)	32.2	33.4	33.4	33.4	33.6	35.8	36.4	35.0	33.1	35.2
SGA (%)	11.7	11.7	11.5	12.2	10.9	10.5	10.7	10.7	11.8	10.7
EBITDA	52	56	58	57	61	71	74	74	223	280
EBITDA margin (%)	23.6	24.9	25.1	24.4	25.9	28.8	29.0	27.6	24.5	27.9
EBIT	45	49	51	49	54	62	65	65	194	246
EBIT margin (%)	20.5	21.7	21.9	21.2	22.7	25.3	25.7	24.3	21.3	24.6
Other income	7	6	8	6	4	5	5	6	26	20
ETR (%)	26.4	26.5	23.6	21.1	26.2	28.0	26.0	26.0	24.4	26.6
PAT	38	40	45	43	42	48	52	52	166	195
QoQ (%)	-6.8	5.8	10.9	-3.1	-1.7	14.0	6.7	1.3		
YoY (%)	-2.2	-2.2	9.8	6.1	11.9	20.6	16.0	21.2	2.9	17.5
EPS (INR)	8.8	9.4	10.5	10.2	10.0	11.4	12.2	12.3	38.5	45.8

LTI**Buy****CMP INR3699 | TP: INR3690 (0%)****EPS CHANGE (%): FY21|22: 1.2|-1.1**

- Expect higher growth momentum in a seasonally weak quarter, driven by robust growth in BFSI.
- Expect lower other income despite higher forex gains.
- Expect margin to remain largely stable.
- Commentary around deal pipeline and wins remain key monitorable.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	357	364	394	410	390	405	423	441	1,525	1,658
QoQ (%)	0.8	2.0	8.4	3.9	-4.8	3.6	4.5	4.2	13.1	8.8
Revenue (INR m)	24,849	25,707	28,111	30,119	29,492	29,984	31,194	33,047	1,08,786	1,23,717
YoY (%)	15.3	10.3	13.7	21.2	18.7	16.6	11.0	9.7	15.2	13.7
GPM (%)	33.1	31.8	31.7	32.8	32.5	34.8	35.0	32.9	32.4	33.8
SGA (%)	14.7	13.7	13.0	13.6	12.4	12.0	12.4	12.4	13.7	12.3
EBITDA	4,579	4,658	5,274	5,781	5,920	6,856	7,050	6,763	20,292	26,589
EBITDA margin (%)	18.4	18.1	18.8	19.2	20.1	22.9	22.6	20.5	18.7	21.5
EBIT	3,968	3,994	4,565	5,034	5,139	5,957	6,145	5,805	17,561	23,046
EBIT margin (%)	16.0	15.5	16.2	16.7	17.4	19.9	19.7	17.6	16.1	18.6
Other income	812	739	433	479	450	174	312	496	2,463	1,432
ETR (%)	25.6	23.9	24.6	22.5	25.5	25.5	25.0	25.0	24.1	25.2
Adjusted PAT	3,557	3,603	3,767	4,274	4,164	4,568	4,843	4,725	15,201	18,300
QoQ (%)	-6.1	1.3	4.6	13.5	-2.6	9.7	6.0	-2.4		
YoY (%)	-1.5	-10.0	0.3	12.9	17.1	26.8	28.6	10.6	0.3	20.4
EPS (INR)	20.3	20.5	21.5	24.3	23.7	26.0	27.5	26.8	86.6	104.1

Mindtree**Neutral****CMP INR1660 | TP: INR1610 (-3%)****EPS CHANGE (%): FY21|22: -2.0|-2.1**

- Pick-up in demand traction. Expect faster pickup in deals signed in 2Q.
- Overall growth expected to be broad based.
- Expect top clients to continue to grow.
- Outlook on margin expansion a key monitorable, wage hike in the next quarter.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	264	271	275	278	253	261	270	279	1,089	1,064
QoQ (%)	0.8	2.6	1.5	1.2	-9.1	3.1	3.6	3.2	8.7	-2.3
Revenue (INR m)	18,342	19,143	19,653	20,505	19,088	19,260	19,958	20,941	77,643	79,247
YoY (%)	11.9	9.1	10.0	11.5	4.1	0.6	1.6	2.1	10.6	2.1
GPM (%)	26.6	26.9	29.1	30.4	30.1	31.5	31.6	30.7	28.3	31.0
SGA (%)	14.0	13.9	13.5	13.2	11.9	11.9	12.0	12.0	13.6	11.9
EBITDA (INR M)	2,318	2,482	3,063	3,512	3,478	3,784	3,912	3,912	11,375	15,086
EBITDA margin (%)	12.6	13.0	15.6	17.1	18.2	19.6	19.6	18.7	14.7	19.0
EBIT (INR M)	1,649	1,775	2,364	2,833	2,881	3,215	3,293	3,263	8,621	12,652
EBIT margin (%)	9.0	9.3	12.0	13.8	15.1	16.7	16.5	15.6	10.5	16.4
Other income	-387	59	215	-220	17	232	111	119	-333	479
ETR (%)	26.5	26.4	23.6	21.1	26.5	26.4	26.0	26.0	23.9	26.2
PAT	927	1,350	1,970	2,062	2,130	2,537	2,519	2,503	6,309	9,689
QoQ (%)	-53.3	45.6	45.9	4.7	3.3	19.1	-0.7	-0.6		
YoY (%)	-41.4	-34.6	3.0	3.9	129.8	87.9	27.9	21.4	-16.3	53.6
EPS (INR)	5.6	8.2	12.0	12.5	12.9	15.4	15.3	15.2	38.3	58.9

Mphasis**Buy****CMP INR1532 | TP: INR1955 (+28%)****EPS CHANGE (%): FY21|22: -2.9|1.4**

- Higher impact of furloughs due to client-specific exposures.
- Growth in direct business to be driven by BFSI. Expect weakness in ICT due to higher exposure to the DXC business.

- Expect decline to continue in DXC. However, the extent may be lower than the previous quarter.
- Margin to remain in a narrow band. Outlook on DXC is a key monitorable.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	297	305	318	320	305	327	333	344	1,240	1,310
QoQ (%)	1.8	2.6	4.4	0.6	-4.5	7.2	1.9	3.2	10.8	5.7
Revenue (INR m)	20,607	21,462	22,694	23,476	23,037	24,238	24,610	25,807	88,239	97,692
YoY (%)	13.1	10.2	13.3	14.7	11.8	12.9	8.4	9.9	12.8	10.7
GPM (%)	30.2	30.4	30.4	31.3	28.9	30.3	30.9	30.0	30.6	30.1
SGA (%)	12.0	11.6	11.6	12.4	10.7	11.7	12.2	12.2	11.9	11.7
EBITDA	3,747	4,057	4,269	4,434	4,178	4,524	4,602	4,595	16,524	17,899
EBITDA margin (%)	18.2	18.8	18.8	18.9	18.3	18.6	18.7	17.8	18.7	18.3
EBIT	3,197	3,475	3,694	3,824	3,583	3,924	3,996	3,959	14,207	15,462
EBIT margin (%)	15.5	16.1	16.2	16.3	15.7	16.1	16.2	15.3	16.1	15.8
Other income	342	134	172	319	182	114	246	258	967	800
ETR (%)	25.1	24.1	24.0	14.9	27.0	25.9	25.0	25.0	21.8	25.7
PAT	2,651	2,738	2,937	3,525	2,750	2,992	3,181	3,163	11,868	12,086
QoQ (%)	-0.4	3.3	7.3	20.0	-22.0	8.8	6.3	-0.6		
YoY (%)	2.6	1.1	5.6	32.4	3.7	9.3	8.3	-10.3	10.6	1.8
EPS (INR)	14.1	14.6	15.6	18.8	14.6	15.9	16.9	16.8	63.1	64.3

Persistent Systems**Buy****CMP INR1499 | TP: INR1695 (+13%)****EPS CHANGE (%): FY21|22: 0.2|-2.8**

- Expect strong sequential growth during the quarter.
- Expect 50-75bp margin impact led by two months of wage hike and hiring cost.
- Expect initial signs of growth in the Alliance business.
- Outlook for FY21 growth/margin should be the focus.

Quarterly performance (IFRS)**(INR m)**

Y/E March (Consolidated)	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	119.6	125.5	129.4	127.1	131.0	136.1	143.4	145.3	502	556
QoQ (%)	1.1	4.9	3.1	-1.8	3.1	3.9	5.4	1.3	4.3	10.8
Revenue (INR m)	8,321	8,846	9,227	9,264	9,914	10,077	10,585	10,898	35,658	41,474
QoQ (%)	0.0	6.3	4.3	0.4	7.0	1.7	5.0	3.0		
YoY (%)	-0.3	5.9	6.8	11.4	19.1	13.9	14.7	17.6	5.9	16.3
GPM (%)	34.7	34.7	33.3	33.8	33.0	34.7	33.2	34.0	34.1	33.7
SGA (%)	20.3	21.0	19.9	20.0	18.2	18.3	17.4	18.0	20.3	18.0
Reported EBITDA	1,202	1,216	1,234	1,277	1,464	1,658	1,669	1,744	4,930	6,534
Reported EBITDA margin (%)	14.4	13.8	13.4	13.8	14.8	16.4	15.8	16.0	13.8	15.8
Adjusted EBITDA	1,202	1,216	1,234	1,277	1,560	1,729	1,669	1,744	4,930	6,701
Adjusted EBITDA margin (%)	14.4	13.8	13.4	13.8	15.7	17.2	15.8	16.0	13.8	16.2
Reported EBIT	816	792	806	857	1,029	1,218	1,207	1,268	3,270	4,721
Reported EBIT margin (%)	9.8	8.9	8.7	9.2	10.4	12.1	11.4	11.6	9.2	11.4
Adjusted EBIT	816	792	806	857	1,124	1,290	1,207	1,268	3,270	4,888
Adjusted EBIT margin (%)	9.8	8.9	8.7	9.2	11.3	12.8	11.4	11.6	9.2	11.8
Other income	282	364	334	274	192	157	207	210	1,254	766
ETR (%)	24.9	25.5	22.9	25.9	26.2	25.8	25.5	25.5	24.8	25.8
PAT	825	861	879	838	900	1,020	1,053	1,101	3,403	4,074
QoQ (%)	-2.4	4.4	2.2	-4.7	7.4	13.3	3.3	4.5		
YoY (%)	-5.6	-2.3	-4.1	-0.8	9.1	18.5	19.8	31.3	28.4	19.7
EPS (INR)	10.7	11.3	11.5	11.0	11.8	13.3	13.8	14.4	44.5	53.3

TCS

Neutral

CMP INR2928 | TP: INR3005 (3%)

EPS CHANGE (%): FY21|22: -0.9|0.5

- Expect strong growth led by ramp of large deal wins in the previous quarter.
- Expect reporting of robust TCV led by large deal wins of Deutsche and Prudential.
- Expect decline in sequential margins on account of wage hike during the quarter
- Sector demand outlook and margin impact from large captive deals would be in focus.

Quarterly performance (IFRS)

(INR m)

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
IT Services revenue (USD m)	5,485	5,517	5,586	5,444	5,059	5,424	5,583	5,787	22,032	21,854
QoQ (%)	1.6	0.6	1.3	-2.5	-7.1	7.2	2.9	3.7	5.4	-0.8
Overall revenue (INR b)	382	390	399	399	383	401	412	434	1,569	1,631
QoQ (%)	0.4	2.1	2.3	0.2	-4.1	4.7	2.7	5.4		
YoY (%)	11.4	5.8	6.7	5.1	0.4	3.0	3.4	8.7	7.2	3.9
GPM (%)	40.5	40.8	41.4	42.0	39.4	40.9	40.4	40.8	41.2	40.4
SGA (%)	16.3	16.8	16.3	16.9	15.8	14.7	14.8	15.0	16.6	15.1
EBITDA	100	102	109	110	100	115	116	123	421	454
EBITDA margin (%)	26.3	26.2	27.3	27.5	26.2	28.7	28.1	28.3	26.8	27.8
EBIT	92	94	100	100	90	105	105	112	386	413
EBIT margin (%)	24.2	24.0	25.0	25.1	23.6	26.2	25.6	25.8	24.6	25.3
Other income	14	12	6	5	5	7	7	8	37	27
PBT	106	105	106	105	95	113	113	119	422	439
ETR (%)	23.4	23.5	23.0	23.0	25.8	24.8	23.5	23.5	23.2	24.3
Adjusted PAT	82	81	81	81	70	85	86	91	324	332
Exceptional items	0	0	0	0	0	-10	0	0	0	-10
Reported PAT	82	81	81	81	70	75	86	91	324	323
QoQ (%)	0.0	-1.2	1.1	-0.6	-12.9	6.5	14.7	6.0		
YoY (%)	10.7	1.7	0.3	-0.7	-13.5	-6.9	5.7	12.8	2.8	-0.5
EPS (INR)	21.7	21.4	21.7	21.5	18.7	19.9	22.9	24.2	86.2	85.7

Tech Mahindra

Neutral

CMP INR978 | TP: INR1090 (+12%)

EPS CHANGE (%): FY21|22: 7.4|22.0

- Expect growth to moderate due to furloughs.
- Margin to remain in a narrow band. Expect a wage hike in the next quarter.
- Deal momentum remains encouraging at USD400-500m.
- Outlook on Telecom vertical recovery a key monitorable.

Quarterly performance

(INR m)

Y/E March	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	1,247	1,287	1,353	1,295	1,208	1,265	1,294	1,342	5,182	5,109
QoQ (%)	-1.6	3.2	5.1	-4.3	-6.7	4.8	2.3	3.8	4.3	-1.4
Revenue (INR b)	87	91	97	95	91	94	95	101	369	381
YoY (%)	4.6	5.1	7.9	6.7	5.2	3.3	-1.1	6.1	6.1	3.3
GPM (%)	28.8	29.6	30.3	29.5	28.5	31.4	31.4	29.4	29.5	30.2
SGA (%)	13.6	13.0	14.1	15.3	14.2	13.3	13.3	13.5	14.0	13.6
EBITDA	13	15	16	13	13	17	17	16	57	63
EBITDA margin (%)	15.2	16.5	16.2	14.2	14.3	18.2	18.1	15.9	15.5	16.6
EBIT	10	12	12	9	9	13	13	12	43	48
EBIT margin (%)	11.5	12.8	12.2	10.0	10.1	14.2	14.0	11.9	11.6	12.6
Other income	3	2	3	2	4	1	1	2	10	7
ETR (%)	25.9	16.9	24.6	20.2	25.5	24.6	24.0	24.0	22.0	24.5
PAT	10	11	11	10	10	11	11	10	43	42
QoQ (%)	-15.3	17.2	2.0	-10.9	-4.8	9.5	2.4	-5.6		
YoY (%)	6.8	5.6	-4.7	-9.8	1.3	-5.3	-4.9	0.8	-1.1	-2.2
EPS (INR)	10.9	12.8	13.0	11.6	11.1	12.1	12.4	11.7	48.3	47.3

Wipro**Neutral****CMP INR388 | TP: INR360 (-7%)****EPS CHANGE (%): FY21|22: -4.8|-1.5**

- Expect the company to comfortably achieve growth within its stated guidance.
- Expect one-month of wage hike impact. Margin to remain in a narrow band.
- Pipeline looks healthy. The new management's refreshed strategy would be key.
- Q4 guidance and management restructuring would be in focus after the CEO change.

Quarterly performance (IFRS)

Y/E March	(INR m)									
	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
IT Services revenue (USD m)	2,039	2,048	2,095	2,074	1,922	1,992	2,057	2,119	8,255	8,090
QoQ (%)	-1.8	0.5	2.3	-1.0	-7.3	3.7	3.3	3.0	1.7	-2.0
Overall revenue (INR b)	147	151	155	157	149	151	154	161	610	615
QoQ (%)	-1.9	2.8	2.3	1.6	-5.1	1.4	1.8	4.7		
YoY (%)	5.3	4.0	2.7	4.7	1.3	-0.1	-0.6	2.6	4.2	0.8
GPM (%)	29.1	28.6	29.1	27.4	30.5	30.3	29.6	28.4	28.5	29.7
SGA (%)	13.0	11.3	12.0	11.4	13.3	11.8	11.8	11.9	11.9	12.2
EBITDA	29	32	33	32	33	35	34	34	125	136
EBITDA margin (%)	19.6	20.9	21.0	20.5	22.1	23.0	22.3	21.1	20.5	22.1
IT Services EBIT (%)	18.4	18.1	18.4	17.6	19.1	19.2	18.5	18.7	18.1	18.9
EBIT margin (%)	16.2	17.7	17.6	16.8	18.0	18.6	18.0	16.8	17.2	17.8
Other income	6	5	4	3	4	4	4	4	17	16
ETR (%)	22.4	18.3	20.0	20.9	22.1	22.5	22.5	22.5	20.2	22.4
PAT	23	26	25	23	24	25	24	24	97	97
QoQ (%)	-7.0	10.5	-3.8	-5.3	2.8	3.2	-1.9	-1.0		
YoY (%)	8.9	35.1	-2.2	-6.3	3.5	-3.4	-1.5	3.0	8.0	-0.5
EPS (INR)	3.8	4.3	4.3	4.1	4.2	4.3	4.2	4.2	16.4	16.8

Zensar Technologies**Neutral****CMP INR243 | TP: INR250 (+3%)****EPS CHANGE (%): FY21|22: 3.4|7.5**

- Expect marginal decline in revenue led by continued weakness in its top client.
- Margin to remain in a narrow band.
- Expect lower furloughs than usual.
- Any change in management strategy under new CEO would be in focus.

Quarterly performance

Y/E March	(INR m)									
	FY20				FY21E				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	153	152	143	141	131	132	132	137	590	532
QoQ (%)	3.1	-0.7	-5.9	-1.9	-7.0	0.6	0.5	3.9	5.8	-9.8
Revenue (INR m)	10,661	10,723	10,206	10,178	9,912	9,794	9,760	10,303	41,768	39,769
YoY (%)	20.8	13.3	-0.1	-2.8	-7.0	-8.7	-4.4	1.2	7.1	-4.8
GPM (%)	29.4	29.1	23.6	28.9	28.8	34.1	33.8	32.5	27.8	32.3
SGA (%)	15.2	15.1	16.8	15.0	14.4	15.3	15.2	15.2	15.5	15.0
EBITDA	1,515	1,500	696	1,416	1,430	1,842	1,815	1,784	5,127	6,872
EBITDA margin (%)	14.2	14.0	6.8	13.9	14.4	18.8	18.6	17.3	12.3	17.3
EBIT	1,136	1,115	284	1,001	986	1,410	1,386	1,331	3,536	5,113
EBIT margin (%)	10.7	10.4	2.8	9.8	9.9	14.4	14.2	12.9	8.5	12.9
Other income	-20	42	270	-11	27	-171	-68	-72	281	-284
ETR (%)	28.3	28.4	25.5	27.3	26.2	26.5	27.0	27.0	27.7	26.7
Adjusted PAT	788	800	397	695	732	893	947	904	2,680	3,476
QoQ (%)	-9.4	1.5	-50.4	75.1	5.3	22.0	6.1	-4.6		
YoY (%)	-5.7	-15.9	-32.3	-20.1	-7.1	11.6	138.6	30.1	-17.4	29.7
EPS (INR)	3.3	3.5	1.7	3.0	3.2	3.9	4.1	3.9	11.7	15.2

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations). Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd.. (PIMPL). MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL , including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee of the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company
- received compensation/other benefits from the subject company in the past 12 months
- other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no warranty, 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. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may 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. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. 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. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed 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, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 71934200/ 022-71934263; Website www.motilaloswal.com, CIN no.: L67190MH2005PLC153397. Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000.

Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579; PMS: INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP00000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance Products and IPOs. Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.: 022-71881085.

* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.