

Industry
Bloomberg
BSE CODE

TECHNOLOGY
LTI IN
540005

Revival in top client driving growth, Company to remain invested

RATING	NEUTRAL
CMP	1933
Price Target	2048
Potential Upside	6%

Rating Change	
Estimate Change	
Target Change	

STOCK INFO	
52wk Range H/L	2002/1436
Mkt Capital (Rs Cr)	33476
Free float (%)	25%
Avg. Vol 1M (,000)	15
No. of Shares (Crs)	17
Promoters Pledged %	0

Fig in Rs Cr

FINANCIAL	FY19	FY20E	FY21E
Net Sales	9,446	10,772	12,546
EBITDA	1,883	2,018	2,408
EBIT	1,736	1,750	2,108
PAT	1,516	1,521	1,777
EPS (Rs)	87	88	102
EPS growth (%)	35%	0%	17%
ROE (%)	35	28	28
ROCE (%)	40	33	33
BV	282	335	403
P/B (X)	6	6	5
P/E (x)	19	22	19

RESEARCH ANALYST

NIHARIKA OJHA

niharika@narnolia.com
+91-22-62701230

The views expressed above accurately reflect the personal views of the authors about the subject companies and its(their) securities. The authors have not and will not receive any compensation for providing a specific recommendation or view. Narnolia Financial Advisors Ltd. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

3QFY20 Result Update

- LTI 3QFY20 result reported solid revenue growth while Margin came in line. Revenue for the quarter stood at USD 394.4 million(above estimates), a growth of 8.3%QoQ in cc terms .The 8.3% growth was mainly attributed by acquisition (USD1.4million in revenues), Higher pass through revenues (contributed 1.5 % growth)and ramp of large account& broad based growth across verticals (6.4%).
- EBIT for the quarter stood at Rs 457 crore , a growth of 14.4%QoQ.EBIT margin came at 16.2% (vs our estimates of 16.1%), a expansion of 70bps mainly led by operating leverage in the business coupled with higher revenue .There was marginal benefit from higher utilization which was offset by higher share of product pass through revenues.
- PAT for the quarter came at Rs 377 crore , a growth of 4.5%primarily led by solid revenue growth offset by lower other income
- The digital business grew 26%YoY and now contributes upward of 40%.

Broad based growth across vertical

The company reported a broad based growth across vertical. In BFS, the company delivered a double digit growth in 3Q(11.3%QoQ) mainly driven by revival of top customer (spend coming back) and on track ramp up of large deal announced in previous quarter . Even Insurance posted moderate growth of 2.6%QoQ.Manufacturing showed a strong growth of 15.8%QoQled by ramp ups of large deal announcement earlier. E&U, Hi tech and other posted a steady growth of 5.6%/8.4%/14.6% during the quarter.

Solid momentum in large deal wins

The company continue to grow its large TCV wins with net new TCV of USD 75 million in 3Q .During the quarter ,the company won 2 large deals . One of them was a USD60 million TCV deal with a global smart energy storage solution provider and second large wins in the quarter was with apex government body .The management expects the momentum to continue in coming quarters

Recovery in top client performance

LTI top clients performance has remained soft over the last couple of quarters either due to tightness in spends or due to separation of one of client in BFS space .Despite challenges bottomed out in 2QFY20 ,the account remained flat .But 3QFY20 saw recovery in the top 5 clients which grew 12.2%QoQ ad Top 10 clients grew 11.5%sequentially .Now we expect to see the growing continuing in coming quarters

View and Valuation

LTI is among few mid cap IT companies having broad based vertical presence and strong clientele. However 1H FY20 came as a challenges where company struggled with account specific headwinds which drag the overall growth .But 3QFY20 result clearly saw a momentum coming back(8.3%QoQ revenue growth in cc terms). Going ahead , we expect LTI to report better revenue growth among the mid cap led by Large deal wins, deal ramps and strong growth in verticals like BFS,E&U vertical and manufacturing . Even Client specific headwinds has now bottomed out and revival in Top clients (top 5 clients grew 12.2%QoQ and Top 10 clients grew 11.5%sequentially in 3Q)performance is providing a growth visibility in coming quarters. However we expect net profit margin to remain below 15% band due to continued investment plan in sale and marketing, hiring employees and investment in new areas. Post result, we have raised our revenue and pat estimates of FY20/FY21E by 2.7%/5.6% and 0.1%/2.4% mainly led by positive outlook. Thus we revised our target price from Rs 2000 to Rs 2048; however recent rally in stock price has result in Neutral rating for the stock with a target price of Rs 2048.

Key Risks to our rating and target

- Weakness in BFS verticals
- Slow down in order booking and large deal wins

3QFY20 Results

Mixed quarter

Fig in Rs Cr

FINANCIALS	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	YoY %	QoQ%	FY18	FY19	YoY %
Net Sales	2,473	2,486	2,485	2,571	2,811	13.7%	9.4%	7,307	9,446	29.3%
Other Income	31	67	101	94	64	107.8%	-31.5%	426	302	-29.1%
Employee Exp	1,417	1,434	1,470	1,593	1,689	19.2%	6.0%	4,329	5,467	26.3%
Other Expenses	547	576	557	512	594	8.7%	16.0%	1,790	2,096	17.1%
EBITDA	509	477	458	466	528	3.7%	13.3%	1,188	1,883	58.5%
Depreciation	36	37	61	66	71	99.7%	6.9%	156	147	-5.8%
EBIT	473	440	397	399	457	-3.5%	14.4%	1,032	1,736	68.3%
Interest	2	3	20	20	21		8.2%	16	11	-32.5%
PBT	502	504	478	473	500	-0.5%	5.6%	1,442	2,028	40.6%
Tax	127	126	123	113	123	-2.9%	8.9%	329	512	55.7%
PAT	376	379	356	360	377	0.3%	4.5%	1,113	1,516	36.2%

Concall Highlights

- **Strong 3QFY20:** 3QFY20 saw highest organic sequential growth since listing .The 8.3% sequential growth despite seasonality was attributed by acquisition which aided USD1.4million in revenues, Higher pass through revenues contributes to about 1.5 % growth and ramp of large account& broad based growth of verticals supported growth (6.4%).Also it was further aided by the large deal going into steady phase during the quarter .
- **Robust deal wins:** The company saw 2 large wins during the quarter reflecting the focus of enterprise strategy (digitizing the core ,data driven organization , experience transformation and operate to transform)to break to be the leader is resonating well.The company won a USD60 million TCv deal with a global smart energy storage solution provider and second large wins in the quarter was along with data driven organization go to market thing for Apex government body where the company is creating a conceptualization framework on data management , integrating and harmonizing data in various key sectors through single window system for better governance .The deal pipeline remain robust for the coming quarters
- **Margin performance:** Operating margin for the quarter came to 16.2%. 70 bps expansion in margin was mainly attributed by operating leverage in the business with higher growth .There was marginal benefit from higher utilization which was offset by higher share of product pass through revenues. Utilization without trainee was 81% vs 80.6% last quarter .Attrition rate this quarter was 17.6% vs. 18.4% last quarter.
- **Vertical update**
 - **BFS:**
 - ▶ In BFS , the company delivered a double digit growth in 3Q(11.3%qOq).The performance is mainly driven by growth revival at top customer (spend coming back) and on track ramp up of large deal announced in previous quarter earlier.
 - ▶ The investment Redteck solutions and accelerators have helped the company to position as strong partner and continue to be key differentiators in the market place.
 - ▶ The management remains optimistic about the future and expects this vertical to grow in coming quarters.
 - **Insurance:** Steady growth of 2.6%QoQ posted in 3Q.A leading American Insurance company selected LTI as strategic partner.
 - **Manufacturing :** The company saw strong growth during the quarter.H2 is stronger for this vertical generally due to business from higher pass through in one of India engagements .The contemn of pass through revenue has remained similar to prior year .Double digit sequential growth in similar to performance in BFS is driven by ramp ups of large deal announcement earlier. One of two large wins in 3Q also falls under this vertical. While manufacturing companies have mature sourcing arrangements but new spend in digital transformation represents significant opportunities for the company..
 - **E&U vertical:** This segment grew 1.5%QoQ growth on top of very strong sequential growth in last quarter. The company has announced two large deals in this vertical in last quarter .Ramp ups of those deal remain on track, thus giving the management the confidence of continued growth in 4Q.
- **Demand environment:** The Company is in positive side of vendor consolidation and does not see any change in downward spend due to election as of now from client .Most of the headwinds were company specific , the management feels the client will continue to spend if given differentiated work

- **Increase in DSO:** While the company improved its unbilled revenue by 6 days, the company billed DSOs went up to 78 days partly due to unbilled getting billed. As the result, billed DSO for the quarter 3Q including unbilled increase to 110 days vs. 105 days. The company expects to reduce this in 4Q
- **FY20 outlook:** The company is poised to do double digit growth in FY20. Large deal ramp ups on track, deal pipelines continue to solid and aggregate of top accounts are steady, the company reiterate its statement to be in leader quadrant in revenue growth and will continue to make all necessary investments to secure the growth trajectory. The company will continue to grow sequentially in 4Q.

Revenue Mix

BFSI BOUNCED BACK									
VERTICALS (USD MN)	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	QoQ%	QoQ% cc
BFS	99	98	101	98	99	99	110	11.2%	11.1%
Insurance	58	59	62	63	65	68	70	2.6%	2.4%
Mfg	50	51	54	59	54	60	69	15.8%	15.4%
Energy	32	35	37	39	38	44	45	1.9%	1.3%
Utilities	29	34	37	38	40	42	44	5.6%	5.5%
High-Tech	36	37	39	44	45	39	43	8.4%	8.9%
Others	14	15	16	14	16	13	15	14.6%	16.9%

Revenue by Geography

STRONG GROWTH SEEN IN US AND INDIA WHILE EUROPE GROWTH MODERATED									
GEOGRAPHY (USD MN)	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	QoQ%	QoQ% cc
Americas	213	221	232	235	245	250	274	9.7%	9.6%
Europe	57	56	58	58	57	60	62	3.1%	1.8%
RoW	29	30	31	32	30	32	29	-9.9%	-9.9%
India	20	21	27	29	25	22	30	37.3%	38.4%

Revenue by Service offering

GROWTH WAS DRIVEN BY ANALYTICS AND IMS									
SERVICE OFFERING(USD MN)	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	QoQ%	QoQ% cc
ADM and Testing	134	131	134	134	136	131	141	7.5%	7.3%
Enterprise Solutions	84	83	96	103	101	107	113	5.5%	5.1%
IMS	37	38	40	39	39	40	45	12.3%	13.0%
Analytics, AI & Cognitive	33	40	39	38	40	41	50	22.8%	22.4%
Enterprise Solutions	21	26	26	28	29	33	34	2.4%	3.1%
Analytics, AI & Cognitive	10	10	11	11	11	11	11	-2.4%	-2.9%

Revenue by Client contribution

TOP CLIENT SHOWED STRONG RECOVERY									
CLIENT CONTRIBUTION(USD MN)	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	QoQ%	QoQ% cc
Top 5 clients	117	119	120	114	112	115	129	12.2%	8.1%
Top 10 clients	161	164	168	166	160	166	185	11.5%	9.9%
Top 20 clients	211	215	223	224	223	223	245	9.5%	9.6%

Revenue Mix

SOLID ONSHORE/OFFSHORE MIX									
REVENUE MIX(USD MN)	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	QoQ%	QoQ% cc
Onsite	149	156	166	169	176	177	193	9.3%	16.5%
Offshore	170	172	181	185	180	187	201	7.6%	11.1%

Exhibit: Revenue trend

Strong recovery in BFSI led 9.8%QoQ in overall revenue .

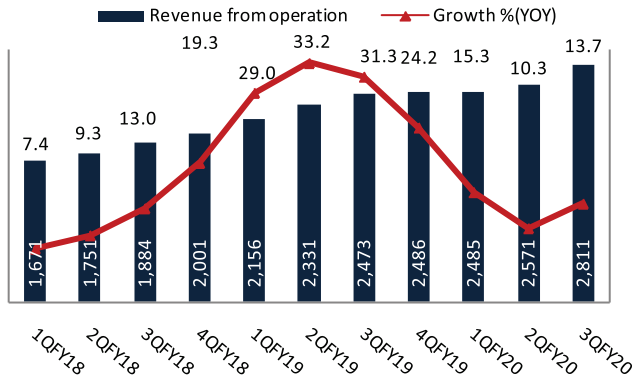


Exhibit: Digital revenue

Above 40% of revenue

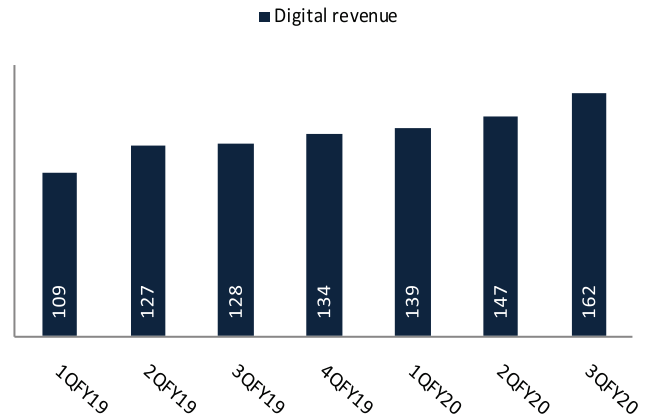


Exhibit: Margin Trend

currency benefit and cost optimization led to the margins expansion

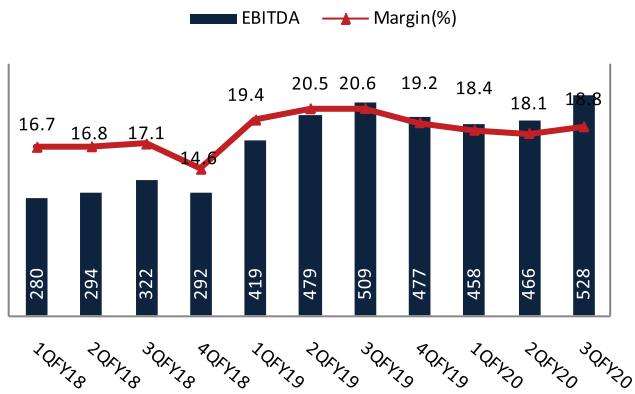


Exhibit: Utilization trend

After being at all time high in 2QFY20, managementstrategically planned to bring it down .

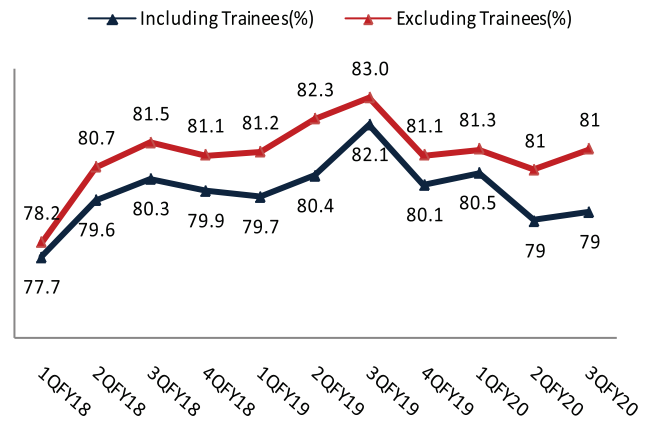
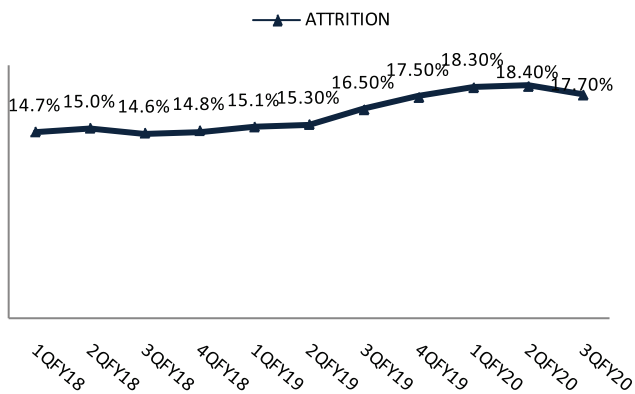


Exhibit: Attrition rate

Dip in Attrition rate is positive aspect for the company



Operational Details

SERVICE OFFERING %	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
ADM and Testing	41.2%	42.1%	39.9%	38.6%	38.0%	38.1%	36.1%	35.8%
Enterprise Solutions	27.0%	26.3%	25.2%	27.8%	29.2%	28.4%	29.5%	28.7%
Infrastructure Management Services	11.7%	11.5%	11.7%	11.4%	11.0%	10.9%	11.1%	11.5%
Analytics, AI & Cognitive	10.7%	10.3%	12.2%	11.3%	10.7%	11.2%	11.3%	12.8%
Enterprise Integration & Mobility	6.5%	6.5%	8.0%	7.6%	8.0%	8.2%	9.0%	8.5%
Platform Based Solutions	3.1%	3.1%	3.0%	3.2%	3.2%	3.1%	3.0%	2.7%
REVENUE BY GEOGRAPHY	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
North America	66.0%	66.6%	67.4%	66.8%	66.4%	68.7%	68.7%	69.5%
Europe	18.6%	17.9%	17.1%	16.7%	16.4%	16.0%	16.4%	15.6%
RoW	7.4%	9.1%	9.2%	8.8%	9.1%	8.5%	8.9%	7.4%
India	8.0%	6.4%	6.4%	7.8%	8.2%	6.9%	6.0%	7.6%
CLIENT CONTRIBUTION TO REVENUE	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
Top 5 clients	35.2%	36.6%	36.2%	34.5%	32.2%	31.3%	31.7%	32.8%
Top 10 clients	49.6%	50.3%	49.9%	48.4%	47.0%	45.0%	45.5%	46.8%
Top 20 clients	65.1%	66.0%	65.5%	64.3%	63.4%	62.5%	61.4%	62.0%
CLIENT PROFILE	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
Number of Active Clients	300	301	312	314	343	354	366	429
New Clients Added (gross)	15	19	22	17	14	20	20	29
100 Million dollar +	1	1	1	1	1	1	1	1
50 Million dollar +	4	4	4	5	5	5	6	6
20 Million dollar +	13	13	14	15	17	19	18	18
10 Million dollar +	23	25	25	25	26	26	27	28
5 Million dollar +	44	42	44	47	49	49	48	48
1 Million dollar +	109	114	114	121	123	124	137	153
EFFORT MIX	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
Onsite	23.1%	23.0%	22.6%	22.0%	21.9%	22.0%	22.0%	21.9%
Offshore	76.9%	77.0%	77.4%	78.0%	78.1%	78.0%	78.0%	78.1%
REVENUE MIX	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
Onsite	45.7%	46.8%	47.6%	47.8%	47.8%	49.5%	48.6%	49.0%
Offshore	54.3%	53.2%	52.4%	52.2%	52.2%	50.5%	51.4%	51.0%
HEADCOUNT DETAILS	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
Total Headcount	24139	25150	26414	27513	28169	29347	30979	31419
Development	22655	23656	24923	25985	26572	27665	29266	29669
Sales & Support	1484	1494	1491	1528	1597	1682	1713	1750
REVENUE BY VERTICAL	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20
BFS	28.7%	30.9%	29.9%	29.2%	27.7%	27.7%	27.1%	27.8%
Insurance	18.3%	18.2%	17.9%	17.8%	17.8%	18.1%	18.7%	17.7%
Manufacturing	17.3%	15.7%	15.4%	15.7%	16.6%	15.2%	16.4%	17.5%
Energy & Utilities	11.5%	10.1%	10.7%	10.8%	11.0%	10.7%	12.1%	11.3%
CPG, Retail & Pharma	9.0%	9.1%	10.2%	10.6%	10.6%	11.1%	11.5%	11.2%
High-Tech, Media & Entertainment	10.6%	11.3%	11.2%	11.3%	12.4%	12.5%	10.8%	10.8%
Others	4.6%	4.5%	4.7%	4.6%	3.9%	4.6%	3.5%	3.7%

Financial Details

Balance Sheet

Fig in Rs Cr

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Share Capital	16	17	17	17	17	17	17
Reserves	1,958	2,108	3,128	3,843	4,876	5,799	6,978
Networth	1,974	2,125	3,145	3,860	4,894	5,817	6,995
Debt	204	40	-	-	-	-	-
Other Non Current Liab	38	48	46	145	128	128	128
Total Capital Employed	2,178	2,165	3,145	3,860	4,894	5,817	6,995
Net Fixed Assets (incl CWIP)	612	559	444	411	447	501	569
Non Current Investments	-	-	-	0	0	0	0
Other Non Cur Asst	109	132	129	108	111	111	111
Non Current Assets	365	450	533	669	941	941	941
Current investments	104	43	941	1,264	1,740	2,321	2,782
Debtors	1,083	1,166	1,170	1,396	1,826	2,083	2,426
Unbilled revenue	155	379	472	837	558	637	741
Other bank balances	13	3	3	31	65	65	65
Cash & Bank	189	201	376	332	350	370	662
Other Curr Assets	124	88	99	113	449	512	597
Other financial assets	196	141	268	198	170	170	170
Current Assets	1,863	2,020	3,329	4,194	5,170	6,170	7,456
Creditors	269	341	337	389	467	532	620
Provisions	125	146	177	184	211	240	280
Other Curr Liab	111	127	116	162	258	294	343
Other financial liabilities	228	335	584	611	673	673	673
Current income tax liabilities	0	1	30	31	37	37	37
Curr Liabilities	733	949	1,244	1,376	1,646	1,778	1,954
Net Curr Assets	1,130	1,071	2,085	2,818	3,524	4,392	5,503
Total Assets	2,949	3,162	4,434	5,383	6,669	7,724	9,078

Income Statement

Fig in Rs Cr

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Revenue from Operation	4978	5846.4	6500.9	7307	9445.8	10772	12546
Change (%)		17%	11%	12%	29%	14%	16%
EBITDA	1,004	1,025	1,230	1,188	1,883	2,018	2,408
Change (%)		2%	20%	-3%	59%	7%	19%
Margin (%)	20%	18%	19%	16%	20%	19%	19%
Depr & Amor.	158	174	178	156	147	268	300
EBIT	847	851	1,052	1,032	1,736	1,750	2,108
Int. & other fin. Cost	10	6	3	16	11	82	85
Other Income	92	190	187	426	302	352	346
EBT	928	1,035	1,236	1,442	2,028	2,020	2,369
Exp Item	(9)	-	-	-	-	-	-
Tax	169	198	265	329	512	498	592
Reported PAT	768	836	971	1,113	1,516	1,521	1,777
Adjusted PAT	768	836	971	1,113	1,516	1,521	1,777
Change (%)		9%	16%	15%	36%	0%	17%
Margin(%)	15%	14%	15%	15%	16%	14%	14%

Financial Details

Key Ratios

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
ROE	78	41	37	32	35	28	28
ROCE	39	39	40	29	40	33	33
Asset Turnover	2	2	1	1	1	1	1
Current Ratio	3	2.1	2.7	3.0	3.1	3.5	3.8
Debtor Days	91	96	92	112	92	92	92
Book Value Per Share	122	125	184	224	282	335	403
Payable Days	20	21	19	19	18	18	18
Earnings Per Share	48	49	57	65	87	88	102
P/E	-	-	12	21	19	22	19
Price / Book Value	-	-	4	6	6	6	5
EV/EBITDA	0	0	10	19	15	16	14
EV/Sales	0	(0)	2	3	3	3	3

Cash Flow Statement

Fig in Rs Cr

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
PBT	928	837	971	1,112	1,516	2,020	2,369
(inc)/Dec in Working Capital	(92)	(111)	161	(376)	(306)	(267)	(358)
Non Cash Op Exp	84	393	486	488	660	268	300
Int Paid (+)	-	-	-	-	-	-	-
Tax Paid	(277)	(261)	(246)	(358)	(475)	(498)	(592)
others	-	-	-	-	-	-	-
CF from Op. Activities	642	859	1,372	844	1,395	1,522	1,719
(inc)/Dec in FA & CWIP	(196)	(129)	(80)	(102)	(157)	(323)	(367)
Free Cashflow	446	729	1,292	742	1,238	1,199	1,351
(Pur)/Sale of Inv	79	61	(898)	(302)	(451)	(581)	(462)
others	14	24	26	(57)	(136)	-	-
CF from Inv. Activities	(103)	(44)	(951)	(461)	(744)	(903)	(829)
inc/(dec) in NW	-	7	0	0	0	-	-
inc/(dec) in Debt	101	(166)	(44)	-	-	-	-
Int. Paid	(6)	(6)	(3)	(14)	(2)	-	-
Div Paid (inc tax)	(593)	(652)	(189)	(353)	(534)	(599)	(599)
others	-	-	-	(41)	(59)	-	-
CF from Fin. Activities	(497)	(817)	(235)	(407)	(594)	(599)	(599)
Inc(Dec) in Cash	42	(3)	185	(24)	57	20	291
Add: Opening Balance	159	206	194	388	358	415	436
Closing Balance	201	204	380	364	415	435	727

Narnolia Financial Advisors Ltd. is a SEBI registered Research Analyst having SEBI Registration No. INH300006500. The Company/Analyst (s) does/do not have any holding in the stocks discussed but these stocks may have been recommended to clients in the past. Clients of Narnolia Financial Advisors Ltd. may be holding aforesaid stocks.

The stocks recommended are based on our analysis which is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

Disclosures: Narnolia Financial Advisors Ltd. (NFAL) (Formerly Microsec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300006500. NFAL is engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at www.narnolia.com

No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, its associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL 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 NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL 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. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

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.

Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerze Limited (Formerly Microsec Commerze Ltd.)-MCX/NCDEX Commodities Broker: INZ000051636 || NarnoliaVelox Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited (Formerly Microsec Insurance Brokers Ltd.)-IRDA Licensed Direct Insurance Broker (Life & Non-Life) Certificate No. 134, License No. DB046/02 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

Disclaimer:

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL) and is meant for sole use by the recipient and not for public 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 NFAL. 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 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. 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. 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. 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. 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 his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, 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 or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL 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.

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 NFAL & its group companies to registration or licensing requirements within such jurisdictions.