

## AUTOMOBILES

Q4FY25 Preview

09 April 2025

**Overall growth steady with no major dismay**

- **PV segment volume growth mixed bag, MM in driver seat with double digit growth, MSIL takes a breather at ~4% in the coverage space**
- **Aggregate 2W volume growth remains at 7% YoY for our coverage in Q4FY25 with healthy margin recovery of ~140bps, except EIM**
- **Tractor segment key driver with ~ 20% growth in Q4 backed by healthy monsoon, although MHCV segment stays on the sidelines**

Milind Raginwar  
 research@bobcaps.in

**PV revenue growth a mixed bag:** We expect healthy double-digit aggregate revenue growth for PV OEMs in our coverage (MSIL and MM) in Q4FY25. Focus of OEMs remains on SUV segment (premium products). MM automotive revenue is expected to grow at 16%, driven by strong volume growth vs ~6% revenue growth by MSIL, driven by 4% volume and 3% ASP gains. Gross margin is likely to be flat at ~29% despite discounts, driven by better product mix, while EBITDA margins are a mixed bag with MM gaining (~100bps) and MSIL dropping marginally. Focus stayed on electric vehicles (EVs) with MSIL expected to launch the E-Vitara in Q1FY26.

**2W growth in higher single-digit driven by premiumisation:** Two-wheeler (2W) revenue growth is expected at 7% YoY with TVSL (~14%) and EIM (~20% on lower base) growing in double digits, BJAUT at 3.5% and flat growth for HMCL. This indicates strong demand for high-end variants, reflected in the gross margin driven by these companies; while BJAUT and HMCL stayed listless.

**CV stay side-stepped:** Commercial Vehicles (CVs) continue to await revival, though the fag end of FY25 indicates signs of recovery with AL's volume growth of ~5% YoY (driven by MHCV), while the LCV segment lagged. AL's margins are likely to be a mixed bag with gross margin gaining, but EBITDA margins weakening YoY. EIM's CV segment fared healthy growth with 11% volumes gain YoY, while TTMT's (unrated) volumes were down 3% YoY.

**Tractors:** Volumes in the tractor segment grew by a healthy ~20%, driven by the festive seasons, healthy kharif cropped and reservoir levels. MM's tractor volumes rose ~20%/12% YoY/YTD, while ESCORTS' volumes gained 25% YoY in 4QFY25 (up 10% YTD). Gains in the tractor segment implied 10% YoY FY25 volume growth — higher than earlier (beginning of FY25) industry estimates of 5% growth YoY.

**Top picks:** We prefer MM and MSIL in the passenger vehicles (PV) segment, backed by the premiumisation drive (tractor growth for MM). Reasonable/higher valuations drive our neutral view in the 2W segment.



**Fig 1 – BOBCAPS auto universe: Q4FY25 preview**

Y/E March	Net sales (Rs mn)			EBITDA (Rs mn)			EBITDA margin (%)			Adj. PAT (Rs mn)		
	Q4FY25E	YoY (%)	QoQ (%)	Q4FY25E	YoY (%)	QoQ (%)	Q4FY25E	YoY (bps)	QoQ (bps)	Q4FY25E	YoY (%)	QoQ (%)
AL	1,20,455	6.9	27.1	16,518	3.8	36.4	13.7	(41.8)	93.3	9,322	(3.9)	22.4
BJAUT	1,18,836	3.5	(7.2)	24,424	5.9	(5.4)	20.6	47.1	40.1	20,227	4.5	(4.1)
EIM	50,214	19.8	2.3	12,599	9.1	3.0	25.1	(246.7)	16.0	10,582	7.6	0.2
ESCORTS	24,599	18.1	(16.6)	2,824	6.2	(15.1)	11.5	(128.8)	19.4	2,377	(1.8)	(17.6)
HMCL	95,819	0.7	(6.2)	14,009	3.1	(5.1)	14.6	34.2	16.0	11,216	10.4	(6.8)
MM	2,96,054	17.9	(3.1)	41,448	27.9	(7.2)	14.0	109.6	(63.1)	27,482	27.3	(9.8)
MSIL	4,06,931	6.4	5.7	47,202	0.8	5.6	11.6	(65.4)	(1.6)	37,351	(3.7)	5.9
TVSL	92,713	13.5	1.9	11,166	20.6	3.3	12.0	70.6	15.6	6,605	36.1	6.8
VSTT	3,562	30.3	62.6	453	13.7	131.7	12.7	(184.7)	379.6	370	5.4	55.7
<b>Total</b>	<b>12,09,182</b>	<b>9.6</b>	<b>1.9</b>	<b>1,70,643</b>	<b>9.6</b>	<b>1.2</b>	<b>14.1</b>	<b>0.0</b>	<b>(9.6)</b>	<b>1,25,532</b>	<b>7.2</b>	<b>(0.6)</b>

Source: Companies, BOBCAPS Research

Y/E March	Sales volume (units)			Realisation (Rs mn/vehicle)			Gross profit margin (%)		
	Q4FY25E	YoY (%)	QoQ (%)	Q4FY25E	YoY (%)	QoQ (%)	Q4FY25E	YoY (%)	QoQ (%)
AL	58,823	4.5	26.8	2.0	2.3	0.3	28.5	27bps	(7bps)
BJAUT	11,02,934	3.2	(9.9)	0.1	0.3	3.0	29.8	10bps	115bps
EIM	2,82,823	24.2	3.9	0.2	(3.6)	(1.5)	45.1	(117bps)	64bps
ESCORTS	26,633	25.3	(18.2)	0.9	(5.7)	2.0	29.5	(235bps)	257bps
HMCL	13,80,545	(0.9)	(5.7)	0.1	1.5	(0.5)	34.1	56bps	(11bps)
MM	3,41,046	17.2	(7.1)	0.9	0.6	4.4	25.5	(104bps)	(8bps)
MSIL	6,04,635	3.5	6.8	0.7	2.8	(1.0)	28.2	(43bps)	(43bps)
TVSL	12,29,027	15.7	1.4	0.1	(1.9)	0.5	28.2	99bps	(20bps)
VSTT	13,278	1.1	64.2	0.3	28.9	(1.0)	29.7	(292bps)	(102bps)
<b>Total</b>	<b>50,39,744</b>	<b>6.8</b>	<b>(3.0)</b>	<b>0.2</b>	<b>2.6</b>	<b>5.0</b>	<b>28.9</b>	<b>(36bps)</b>	<b>7bps</b>

Source: Companies, BOBCAPS Research

**Fig 2 – Maruti Suzuki India (MSIL)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	6,04,635	5,84,031	3.5	5,66,213	6.8	■ MSIL's domestic volumes grew 3% YoY and exports 8% in Q4FY25. Focus on the SUV segment continues (now forming ~37% of volumes flat YoY and ~33% in Q3FY25). Margins may soften due to higher discount, but to reverse in the medium term. The EV Grand Vitara is expected to be launched in Q1FY26.
Realisations/Vehicle (Rs mn)	0.67	0.65	2.8	0.68	(1.0)	
<b>Sales (Rs mn)</b>	<b>4,06,931</b>	<b>3,82,349</b>	<b>6.4</b>	<b>3,84,921</b>	<b>5.7</b>	■ Mass products (mini-compact segment) have seen early offshoots in H2FY25 (QoQ recovery) and will only further boost the MSIL's volume, in our view.
<b>EBITDA (Rs mn)</b>	<b>47,202</b>	<b>46,850</b>	<b>0.8</b>	<b>44,711</b>	<b>5.6</b>	
EBITDA margin (%)	11.6	12.3	(65bps)	11.6	(2bps)	
Gross profit (Rs mn)	1,14,752	1,09,465	4.8	1,09,354	4.9	
<b>Gross margin (%)</b>	<b>28.2</b>	<b>28.6</b>	<b>(43bps)</b>	<b>28.6</b>	<b>(43bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>37,351</b>	<b>38,778</b>	<b>(3.7)</b>	<b>35,258</b>	<b>5.9</b>	

Source: Company, BOBCAPS Research

**Fig 3 – Mahindra & Mahindra (MM)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	3,41,046	2,91,109	17.2	3,67,273	(7.1)	<ul style="list-style-type: none"> <li>MM's domestic automotive segment volumes are likely to grow 16% YoY in Q4FY25 with PVs leading the way. MM launched the XEV 9e and BE 6 in e-SUV segment in 3QFY25, with 3000K deliveries of vehicles dominated by (59%) XEV 9E while 41% by BE 6. The waiting period for these vehicles is ~ six months. Impact on ICE margins is likely to weigh due to the EV launches.</li> </ul>
Realisations/Vehicle (Rs mn)	0.87	0.86	0.6	0.83	4.4	
<b>Sales (Rs mn)</b>	<b>2,96,054</b>	<b>2,51,090</b>	<b>17.9</b>	<b>3,05,382</b>	<b>(3.1)</b>	
<b>EBITDA (Rs mn)</b>	<b>41,448</b>	<b>32,401</b>	<b>27.9</b>	<b>44,681</b>	<b>(7.2)</b>	
EBITDA margin (%)	14.0	12.9	110bps	14.6	(63bps)	
Gross profit (Rs mn)	75,494	66,627	13.3	78,114	(3.4)	<ul style="list-style-type: none"> <li>MM's tractor volumes gained traction by ~20% YoY, driven by healthy growth in the domestic segment and backed by even stronger exports. YTD growth also remained healthy at 12%.</li> </ul>
<b>Gross margin (%)</b>	<b>25.5</b>	<b>26.5</b>	<b>(104bps)</b>	<b>25.6</b>	<b>(8bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>27,482</b>	<b>21,595</b>	<b>27.3</b>	<b>30,481</b>	<b>(9.8)</b>	

Source: Company, BOBCAPS Research

**Fig 4 – Bajaj Auto (BJAUT)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	11,02,934	10,68,576	3.2	12,24,472	(9.9)	<ul style="list-style-type: none"> <li>BJAUT's volumes were a clear disappointment with the 2W segment growth tapering at 3% YoY in Q4FY25, while 3Ws contributed 5% YoY growth.</li> <li>Revival in 3W's indicates steady recovery in rural demand. In 2W's, focus stays on the &gt;125cc segment.</li> <li>BJAUT continued to focus on the EV scooter segment.</li> </ul>
Realisations/Vehicle (Rs mn)	0.11	0.11	0.3	0.10	3.0	
<b>Sales (Rs mn)</b>	<b>1,18,836</b>	<b>1,14,847</b>	<b>3.5</b>	<b>1,28,069</b>	<b>(7.2)</b>	
<b>EBITDA (Rs mn)</b>	<b>24,424</b>	<b>23,063</b>	<b>5.9</b>	<b>25,807</b>	<b>(5.4)</b>	
EBITDA margin (%)	20.6	20.1	47bps	20.2	40bps	
Gross profit (Rs mn)	35,456	34,145	3.8	36,742	(3.5)	
<b>Gross margin (%)</b>	<b>29.8</b>	<b>29.7</b>	<b>10bps</b>	<b>28.7</b>	<b>115bps</b>	
<b>Adj PAT (Rs mn)</b>	<b>20,227</b>	<b>19,360</b>	<b>4.5</b>	<b>21,087</b>	<b>(4.1)</b>	

Source: Company, BOBCAPS Research

**Fig 5 – Hero Motors (HMCL)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	13,80,545	13,92,423	(0.9)	14,63,802	(5.7)	<ul style="list-style-type: none"> <li>HMCL recorded below par volume growth in motorcycles (-3% YoY) while scooter sales revived with healthy ~20% gains in Q4FY25 reversing from 24% fall in 3QFY25.</li> <li>We expect 56bps+ YoY expansion in gross margin to 34% from a combination of price hikes and softening raw material costs.</li> </ul>
Realisations/Vehicle (Rs mn)	0.07	0.07	1.5	0.07	(0.5)	
<b>Sales (Rs mn)</b>	<b>95,819</b>	<b>95,193</b>	<b>0.7</b>	<b>1,02,108</b>	<b>(6.2)</b>	
<b>EBITDA (Rs mn)</b>	<b>14,009</b>	<b>13,592</b>	<b>3.1</b>	<b>14,765</b>	<b>(5.1)</b>	
EBITDA margin (%)	14.6	14.3	34bps	14.5	16bps	
Gross profit (Rs mn)	32,693	31,945	2.3	34,956	(6.5)	
<b>Gross margin (%)</b>	<b>34.1</b>	<b>33.6</b>	<b>56bps</b>	<b>34.2</b>	<b>(11bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>11,216</b>	<b>10,161</b>	<b>10.4</b>	<b>12,028</b>	<b>(6.8)</b>	

Source: Company, BOBCAPS Research

**Fig 6 – TVS Motor (TVSL)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	12,29,027	10,62,529	15.7	12,11,952	1.4	<ul style="list-style-type: none"> <li>TVSL's domestic 2W segment registered steady volume growth of 15% YoY in Q4FY25, but the 3W segment growth was ~20% YoY. Exports stayed healthy for the 2W segment and steady for 3Ws. Focus stayed on EVs in the scooter segment with growth of 60% YoY and flat QoQ.</li> <li>2W YTD growth was 14%, driven by scooters, while the 3W segment declined by 9% dragged by exports.</li> <li>A prudent mix leaning towards high-end models and smoother raw material supply should support margins, but we expect this to be partly offset by higher other expenditure.</li> </ul>
Realisations/Vehicle (Rs mn)	0.08	0.08	(1.9)	0.08	0.5	
<b>Sales (Rs mn)</b>	<b>92,713</b>	<b>81,688</b>	<b>13.5</b>	<b>90,971</b>	<b>1.9</b>	
<b>EBITDA (Rs mn)</b>	<b>11,166</b>	<b>9,262</b>	<b>20.6</b>	<b>10,815</b>	<b>3.3</b>	
EBITDA margin (%)	12.0	11.3	71bps	11.9	16bps	
Gross profit (Rs mn)	26,171	22,249	17.6	25,858	1.2	
<b>Gross margin (%)</b>	<b>28.2</b>	<b>27.2</b>	<b>99bps</b>	<b>28.4</b>	<b>(20bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>6,605</b>	<b>4,854</b>	<b>36.1</b>	<b>6,185</b>	<b>6.8</b>	

Source: Company, BOBCAPS Research

**Fig 7 – Eicher Motors (EIM)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	2,82,823	2,27,673	24.2	2,72,297	3.9	<ul style="list-style-type: none"> <li>We expect EIM's volumes to regain strength with 24% growth YoY in Q4FY25 with +20% domestic sales growth. We estimate models up to 350cc may show sales growth of 7% YTD growth, whereas those over 350cc are likely to grow very healthy at 39%.</li> </ul>
Realisations/Vehicle (Rs mn)	0.18	0.18	(3.6)	0.18	(1.5)	
<b>Sales (Rs mn)</b>	<b>50,214</b>	<b>41,921</b>	<b>19.8</b>	<b>49,081</b>	<b>2.3</b>	
<b>EBITDA (Rs mn)</b>	<b>12,599</b>	<b>11,553</b>	<b>9.1</b>	<b>12,237</b>	<b>3.0</b>	<ul style="list-style-type: none"> <li>For VECV, total sales have delivered 12% YoY growth in Q4FY25.</li> <li>Intense competition implied offering higher discounts to push volume in the 3W segment, implying pressure on margins.</li> </ul>
EBITDA margin (%)	25.1	27.6	(247bps)	24.9	16bps	
Gross profit (Rs mn)	22,642	19,392	16.8	21,819	3.8	
<b>Gross margin (%)</b>	<b>45.1</b>	<b>46.3</b>	<b>(117bps)</b>	<b>44.5</b>	<b>64bps</b>	
<b>Adj PAT (Rs mn)</b>	<b>10,582</b>	<b>9,833</b>	<b>7.6</b>	<b>10,562</b>	<b>0.2</b>	

Source: Company, BOBCAPS Research, VECV volume snapshot | VECV: VE Commercial Vehicles Limited

**Fig 8 – Ashok Leyland (AL)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	58,823.0	56,269.0	4.5	46,404.0	26.8	<ul style="list-style-type: none"> <li>AL's volumes grew by 5% YoY in Q4FY25, driven largely by the MHCV segment while the LCV segment remains a drag.</li> <li>The bus segment is a clear winner for Aland with the government's initiative to resolve financial troubles at state transport corporations and defense orders will continue to lend a boost to sales, however it remains a smaller portfolio.</li> </ul>
Realisations/Vehicle (Rs mn)	2.05	2.00	2.3	2.04	0.3	
<b>Sales (Rs mn)</b>	<b>1,20,455</b>	<b>1,12,667</b>	<b>6.9</b>	<b>94,787</b>	<b>27.1</b>	
<b>EBITDA (Rs mn)</b>	<b>16,518</b>	<b>15,921</b>	<b>3.8</b>	<b>12,114</b>	<b>36.4</b>	<ul style="list-style-type: none"> <li>Despite the cost-saving focus, EBITDA margin is expected to shed marginally to 13.7%.</li> </ul>
EBITDA margin (%)	13.7	14.1	(42bps)	12.8	93bps	
Gross profit (Rs mn)	34,285	31,761	7.9	27,044	26.8	
<b>Gross margin (%)</b>	<b>28.5</b>	<b>28.2</b>	<b>27bps</b>	<b>28.5</b>	<b>(7bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>9,322</b>	<b>9,701</b>	<b>(3.9)</b>	<b>7,617</b>	<b>22.4</b>	

Source: Company, BOBCAPS Research | LCV: Light Commercial Vehicle, MHCV: Medium &amp; Heavy Commercial Vehicles

**Fig 9 – Escorts Kubota (ESCORTS)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	26,633	21,253	25.3	32,556	(18.2)	<ul style="list-style-type: none"> <li>ESCORTS's volume grew by a healthy 25% YoY, backed by above-normal monsoon and higher reservoir levels. However, YTD growth lags with a fall of nearly 10%.</li> <li>Volume push is backed by cost rationalization, leading to pressure on margins.</li> <li>Exports have no visible signs of recovery with a fall of 11% YTD in FY25.</li> </ul>
Realisations/Vehicle (Rs mn)	0.92	0.98	(5.7)	0.91	2.0	
<b>Sales (Rs mn)</b>	<b>24,599</b>	<b>20,825</b>	<b>18.1</b>	<b>29,480</b>	<b>(16.6)</b>	
<b>EBITDA (Rs mn)</b>	<b>2,824</b>	<b>2,659</b>	<b>6.2</b>	<b>3,327</b>	<b>(15.1)</b>	
EBITDA margin (%)	11.5	12.8	(129bps)	11.3	19bps	
Gross profit (Rs mn)	7,269	6,643	9.4	7,953	(8.6)	
<b>Gross margin (%)</b>	<b>29.5</b>	<b>31.9</b>	<b>(235bps)</b>	<b>27.0</b>	<b>257bps</b>	
<b>Adj PAT (Rs mn)</b>	<b>2,377</b>	<b>2,421</b>	<b>(1.8)</b>	<b>2,884</b>	<b>(17.6)</b>	

Source: Company, BOBCAPS Research

**Fig 10 – VST Tillers Tractors (VSTT)**

Particulars	Q4Y25E	Q4FY24	YoY (%)	Q3FY25	QoQ (%)	Comment
Sales volume	13,278	13,139	1.1	8,086	64.2	<ul style="list-style-type: none"> <li>VSTT performance has come as a surprise with strong volume growth. This has given a push to revenue growth.</li> <li>Overall performance is largely driven by better volume, though on a very weak base.</li> </ul>
Realisations/Vehicle (Rs mn)	0.27	0.21	28.9	0.27	(1.0)	
<b>Sales (Rs mn)</b>	<b>3,562</b>	<b>2,734</b>	<b>30.3</b>	<b>2,191</b>	<b>62.6</b>	
<b>EBITDA (Rs mn)</b>	<b>453</b>	<b>398</b>	<b>13.7</b>	<b>196</b>	<b>131.7</b>	
EBITDA margin (%)	12.7	14.6	(185bps)	8.9	380bps	
Gross profit (Rs mn)	1,057	892	18.6	673	57.2	
<b>Gross margin (%)</b>	<b>29.7</b>	<b>32.6</b>	<b>(292bps)</b>	<b>30.7</b>	<b>(102bps)</b>	
<b>Adj PAT (Rs mn)</b>	<b>370</b>	<b>351</b>	<b>5.4</b>	<b>238</b>	<b>55.7</b>	

Source: Company, BOBCAPS Research

**NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.**

## Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

Brand Name: **BOBCAPS**

Trade Name: **www.barodaetrade.com**

CIN: **U65999MH1996GOI098009**



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

### **Recommendation scale: Recommendations and Absolute returns (%) over 12 months**

**BUY** – Expected return >+15%

**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

### **Analyst certification**

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

### **General disclaimers**

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS is also a SEBI-registered intermediary for the broking business having SEBI Single Registration Certificate No.: INZ000159332 dated 20 November 2017.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

**Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014**

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

**Other disclaimers**

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an "as is" basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the "Losses") which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

**Distribution into the United Kingdom ("UK"):**

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd ("MSL") who is authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom (MSL and its affiliates are collectively referred to as "MAYBANK"). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the "Order"), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as "relevant persons").

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

**No distribution into the US:**

This report will not be distributed in the US and no US person may rely on this communication.

**Other jurisdictions:**

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.