FIRST LIGHT

13 January 2026

RESEARCH

TATA CONSULTANCY SERVICES | TARGET: Rs 3,377 | +4% | HOLD

Broadly in line; Talks of a 'good' 2026

HCL TECHNOLOGIES | TARGET: Rs 1,629 | -2% | HOLD

Solid beat on revenue

BOB ECONOMICS RESEARCH | CPI

CPI continues to be favourable for monetary easing

CEMENT | Q3FY26 PREVIEW

GST rate cut impact minimal; Demand picks up at the fag-end

CONSUMER STAPLES | Q3FY26 PREVIEW

GST-led demand revival

PHARMACEUTICALS | Q3FY26 PREVIEW

Another flat quarter is expected

REAL ESTATE | Q3FY26 PREVIEW

Strong demand for REIT assets to drive rents and occupancy

SUMMARY

TATA CONSULTANCY SERVICES

- Revenue came in a tad short while margin was better than our estimates. AI and India drive growth QoQ
- Talks of improved decision making in North America. Reiterates target of increasing international revenue YoY and in 2026 versus 2025
- Broadly keep estimates. Reiterate HOLD with Target PE multiple of 21.7x (10 year mean less 0.5 SD) on Dec '27 EPS

Click here for the full report.

BOBCAPS Research
research@bobcaps.in

BOB Capital Markets Ltd is a wholly owned subsidiary of Bank of Baroda
Important disclosures and analyst certifications are provided at the end of the report.

HCL TECHNOLOGIES

- Much better-than-expected services and software QoQ performance. Raises guidance for services part and for the company for FY26
- While US$3bn TCV is good, it needs to sustain and increase that for it grow at higher than peers on the US$15bn revenue run rate
- Increase revenue estimates for FY27/FY28 a bit. Raise target PE multiple and bring it at par with that of TCS. Maintain Hold

Click here for the full report.

INDIA ECONOMICS: CPI

CPI continued to provide comfort led by favourable food inflation. Even sequential data showed loss of momentum for vegetables. The recent trajectory of retail prices of Tomato is witnessing some upward correction. However, the gap between retail and wholesale prices of Tomato is higher than historical average which shows some passthrough of lower wholesale prices is yet to show its effect. Further Q4 is the harvesting period of majority of these vegetables. Thus, mandi arrivals are likely to be supportive. For core inflation, the usual gold-driven increase in inflation persisted. However, Core excl.

Click here for the full report.

CEMENT: Q3FY26 PREVIEW

- A healthy ~16% (coverage universe) volume pick-up YoY despite late monsoon impact, driven by pick up in demand in the second half of Q3
- Cement prices in the non-trade segment fell more than the GST rate cut impact due to aggressive volume push by companies in few pockets
- Avg EBITDA margin (cement coverage) estimated at ~15%, up by ~44 bps YoY (-70bps QoQ), average EBITDA/t at ~Rs 817

Click here for the full report.

CONSUMER STAPLES: Q3FY26 PREVIEW

- GST rate cuts are expected to improve affordability in FY26, aiding volume recovery, particularly in mass and price-sensitive segments
- Margins are likely to expand gradually, aided by operating leverage and soft input costs, supporting steady profitability improvement
- GCPL, TCPL, and Marico are likely to outperform over peers and also benefit from moderating input costs

Click here for the full report.

PHARMACEUTICALS: Q3FY26 PREVIEW

- Sales/EBITDA/APAT for our coverage companies to grow by 7.9%/1.9%/-4.6% respectively. EBITDA margin to stay flat at 24.7%
- Domestic sales growth of 9.4%, driven by price hike and new launches. US to grow marginally at 2.8% given no Revlimid sales in 3QFY26
- CDMO companies' sales to rise 11% YoY on stable API prices. SUN, LPC & BOOT remain our top picks

Click here for the full report.

REAL ESTATE: Q3FY26 PREVIEW

- Leasing by GCCs and the preference for Grade A office assets made for a structurally strong environment for demand in REIT assets
- We expect occupancy and in-place rents to improve (+371bps and +4.10% YoY, respectively) as demand continues to outpace supply
- Improved occupancy, higher in-place rents and increased area under REIT management to drive DPU growth of ~+ 9.9 YoY and ~+0.9% QoQ

Click here for the full report.

HOLD

TP: Rs 3,377 | ▲ 4%

TATA CONSULTANCY SERVICES | IT Services | 13 January 2026

Broadly in line; Talks of a 'good' 2026

- **Revenue came in a tad short while margin was better than our estimates. AI and India drive growth QoQ**
- **Talks of improved decision making in North America. Reiterates target of increasing international revenue YoY and in 2026 versus 2025**
- **Broadly keep estimates. Reiterate HOLD with Target PE multiple of 21.7x (10 year mean less 0.5 SD) on Dec '27 EPS**

Girish Pai
Research Analyst
Lopa Notaria, CFA
Research Associate
research@bobcaps.in

3QFY26 broadly in line: Revenue growth of 0.8% QoQ in CC terms fell a tad short of our estimate of 1.5% as BSNL business did not kick in as much as we anticipated. The EBIT margin at 25.2% (excluding one offs) was higher than the 24.5% that we estimated and was flat QoQ. Pyramid, operating efficiencies and forex offset wage related pressures on a QoQ basis.

Says it expects a 'good' 2026. Downside risks exist to our estimate: Based on client conversations, deal momentum and traction it is gaining in AI, TCS says it is confident of a good 2026 without giving further color. The sense we get is that it expects international revenue to improve in 2026/FY27 versus 2025/FY26. Unless TCV picks up materially in 4QFY26 and 1HFY27 we believe there is downside risk to our 4.3% US$ revenue growth estimate in FY27 considering AI deflation.

AI and India drivers of growth QoQ: AI and India grew 17.3% and 8% QoQ in CC terms respectively. AI revenue for TCS is different from that of HCLT and Accenture.

AI is driving additional productivity pass back and self-cannibalization: TCS admitted that it is proactively approaching clients even before renewals happen and discuss AI related productivity pass back. But it says that it can get additional work from clients, leading to revenue remaining broadly similar. It also stated that if AI delivers higher than anticipated productivity gains during the life of the contract, it is willing to share that with its clients.

Value it at 21.7x Dec '27 EPS and maintain HOLD rating: Post 3QFY26, estimates for FY27/FY28 broadly maintained. We value TCS at a Target PE multiple of 21.7x which is 10 year mean less 0.5SD. The reason for that is the material deceleration in revenue/EPS growth that one has seen in recent years and the revenue deflation in its large book of legacy offerings due to AI. With it becoming more acquisitive in recent months we believe there could be dilution in its industry best margins and return ratios along with heightened integration risks. However, acquisitions ensure that TCS can at least hit mid-single digit revenue growth in the foreseeable future rather than low single digit one.

Key changes

Target	Rating
▲	◄►

Ticker/Price	TCS IN/Rs 3,240
Market cap	US$ 130.0bn
Free float	28%
3M ADV	US$ 93.1mn
52wk high/low	Rs 4,323/Rs 2,867
Promoter/FPI/DII	72%/10%/13%

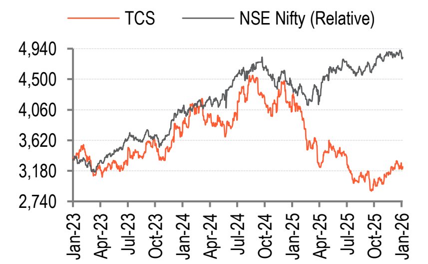
Source: NSE | Price as of 12 Jan 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	2,553,240	2,638,214	2,793,638
EBITDA (Rs mn)	674,070	709,665	745,423
Adj. net profit (Rs mn)	485,530	519,193	537,295
Adj. EPS (Rs)	134.2	134.0	148.5
Consensus EPS (Rs)	134.2	142.2	151.6
Adj. ROAE (%)	51.9	50.6	47.6
Adj. P/E (x)	24.1	24.2	21.8
EV/EBITDA (x)	17.6	16.7	15.9
Adj. EPS growth (%)	4.2	(0.1)	10.8

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

RESULT REVIEW

HOLD
TP: Rs 1,629 | ⋎ 2%

HCL TECHNOLOGIES | IT Services | 13 January 2026

Solid beat on revenue

- **Much better-than-expected services and software QoQ performance. Raises guidance for services part and for the company for FY26**
- **While US$3bn TCV is good, it needs to sustain and increase that for it grow at higher than peers on the US$15bn revenue run rate**
- **Increase revenue estimates for FY27/FY28 a bit. Raise target PE multiple and bring it at par with that of TCS. Maintain Hold**

Girish Pai
Research Analyst
Lopa Notaria, CFA
Research Associate
research@bobcaps.in

Revenue beat driven by both parts of the business: A 28% QoQ increase in Software revenue (our estimate of high teens growth) and a 1.8% increase in services revenue (primarily due to ERDS) drove 4.2% QoQ CC growth, beating our estimate of 2.5%. These are all like to like numbers comparable with 2QFY26. We thought services business growth would be around 1% QoQ. Despite the better revenue mix, the EBIT margin fell short of our estimate of 19% and came in at 18.6%. Believe part of the revenue surprise on the software side has come from a higher license revenue in the mix (this tends to be lumpy) compared the general move towards higher subscription.

TCV of US$3bn is good but needs to sustain or improve on this to grow at a rate faster than Tier-1 peers: While the US$3bn TCV (all net new) is among the best in recent years, it needs to sustain or improve on this to grow its US$15bn revenue at faster than its immediate peer set. Aiming for US$2.5bn in the upcoming quarters may not be enough.

Difficult to compare AI numbers across companies: We believe there is no apple-to-apple comparison on AI revenue across companies. The definition of Advanced AI is different across companies. In the ase of HCLT it is agentic AI, Physical AI, and AI Factory programs.

Did not commit to return to margins of 18-19% in FY27: While HCLT had indicated one-offs to be among the reasons for 100bps lowering of guidance in FY26 (to 17-18%), it did not explicitly commit to a return to the 18-19% number by FY27. During 2QFY26 it stated that it wanted to cement its position as industry growth leader during a tectonic shift in the industry and stated that it would invest in its AI propositions.

Raise revenue, EPS and Target PE multiple and retain HOLD rating: The 3QFY26 revenue beat leads us to raise our estimates. We raise target PE multiple of 21.7x (the number accorded to TCS, our industry benchmark, compared to the 5% discount that we used to give it earlier).

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	HCLT IN/Rs 1,668
Market cap	US$ 50.0bn
Free float	39%
3M ADV	US$ 42.1mn
52wk high/low	Rs 2,012/Rs 1,303
Promoter/FPI/DII	61%/17%/18%

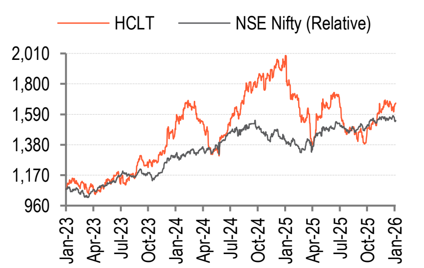
Source: NSE | Price as of 12 Jan 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	1,170,550	1,299,207	1,407,533
EBITDA (Rs mn)	255,050	271,161	294,721
Adj. net profit (Rs mn)	173,910	169,072	194,062
Adj. EPS (Rs)	64.1	62.4	71.7
Consensus EPS (Rs)	64.1	64.3	72.3
Adj. ROAE (%)	25.2	23.7	26.3
Adj. P/E (x)	26.0	26.7	23.3
EV/EBITDA (x)	18.0	16.9	15.6
Adj. EPS growth (%)	10.8	(2.7)	14.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

CPI

12 January 2026

CPI continues to be favourable for monetary easing

Dipanwita Mazumdar
Economist

CPI continued to provide comfort led by favourable food inflation. Even sequential data showed loss of momentum for vegetables. The recent trajectory of retail prices of Tomato is witnessing some upward correction. However, the gap between retail and wholesale prices of Tomato is higher than historical average which shows some passthrough of lower wholesale prices is yet to show its effect. Further Q4 is the harvesting period of majority of these vegetables. Thus, mandi arrivals are likely to be supportive. For core inflation, the usual gold-driven increase in inflation persisted. However, Core excl.

Gold and Pan Tobacco, is much lower at 2.6%. The coming quarter might witness some momentum in headline CPI due to the usual reversal of favourable statistical base factor. However, the new CPI series is expected to show more light regarding distribution of weights and inclusion of new parameters. For now, we see risks to inflation are on the downside and provides space for RBI for one more rate cut in the current cycle.

Food continued to support CPI

CPI continued to be below the lower band of RBI's target: CPI inflation reading came in at 1.3% in Dec'25 compared to 5.2% in Dec'24, on YoY basis (BoB est.: 1.4%). The below 2% headline print has continued for 6 months in a row despite slightly unfavourable base for the month. This is led by food driven deflation at -2.7% in Dec'25, albeit at a slower pace compared to Nov'25. Among major items, sharp pace of deflation continued for vegetables (-18.5% in Dec'25) and pulses (-15.1%). This is driven by better production data. CPI excl. vegetables and pulses is also lower at 3.6%. Notably, 5 out of 10 broad items of food are still tracking below 4% inflation. Some stickiness is noticed for eggs, meat and fish. For oils and fat, inflation is seeing some moderation at 6.8% in Dec'25 compared to 14.6% in Dec'24.

The sequential picture of food inflation also showed loss of momentum especially for cereals, vegetables and pulses. For Eggs and meat and fish, some increases were visible. For Eggs seasonal factor came into play. On a seasonally adjusted basis, consumer food price index has inched up by 1%, MoM, thus some seasonality has pulled down inflation for this month.

Going forward, the outlook for food inflation does not seem to be much of a worry. For TOP (Tomato, Onion and Potato), we have witnessed slight momentum in prices in Jan'26 with Tomato trajectory witnessing upward correction. However, potato and onion prices have remained supportive which is likely to pull down the overall TOP trajectory.

CEMENT | Q3FY26 Preview | 12 January 2026

GST rate cut impact minimal; Demand picks up at the fag-end

- **A healthy ~16% (coverage universe) volume pick-up YoY despite late monsoon impact, driven by pick up in demand in the second half of Q3**
- **Cement prices in the non-trade segment fell more than the GST rate cut impact due to aggressive volume push by companies in few pockets**
- **Avg EBITDA margin (cement coverage) estimated at ~15%, up by ~44 bps YoY (-70bps QoQ), average EBITDA/t at ~Rs 817**

Milind Raginwar
Research Analyst
Ayush Dugar
Research Associate
research@bobcaps.in

Quarter with GST rate cut, demand pick up late in Q3: Cement demand was a mixed bag in Q3FY26 at ~16% gain YoY, as pick up comes towards the last 4-6 weeks of the quarter. Demand revival in Q3FY26 was impacted in many pockets due to extended monsoons reflected in the ~12% QoQ jump in volume (our coverage universe). However, states like Bihar (pre-election demand), West Bengal, Gujarat and Maharashtra were the outliers. Healthy monsoon helped improve sentiments in the rural segment, and infrastructure activity picked up helping urban demand.

Price stays listless in Q3: Prices stayed range-bound and stayed listless YoY, helped by the revival in Q3 towards the end. The YoY pricing for our coverage universe improved by ~1% as prices stayed soft initially (steady in trade segment) but reversed towards the end of Q3. Prices fell 3% QoQ owing to the extended cuts to chase volume. Concerns were about the demand staying listless despite price decline though the trend reversed at the end of Q3 with healthy demand pick up.

Margins improve YoY as cost structure helps: Realisations of our coverage companies improved by an average of ~1%YoY (down ~3% QoQ). With limited negative cost headwinds offset by operating leverage benefits, margin profile improved to 15.3% in the new regime quarter post GST rate cut announcement (fell by ~70bps QoQ). Efficiently driven companies like UTCEM, STRCEM, and SRCM outperformed the industry while ACC, Nuvoco and JK Lakshmi were below par.

EBITDA/t averages at ~Rs820/tn: We estimate EBITDA/t at Rs 817/tn, recovering from a low base YoY, on better pricing and limited cost headwinds. Better efficiencies due to alternate fuel usage, helped recovery. EBITDA/t improvement was healthy on a weak base YoY. UTCEM, SRCM and STRCEM stayed above industry average, but ACC and TRCL were below average.

No major change in stance: We continue to be positive on UTCEM and STRCEM (BUY) and assign SELL rating on JKLC, DALBHARA and TRCL.

CONSUMER STAPLES | Q3FY26 Preview | 12 January 2026

GST-led demand revival

- **GST rate cuts are expected to improve affordability in FY26, aiding volume recovery, particularly in mass and price-sensitive segments**
- **Margins are likely to expand gradually, aided by operating leverage and soft input costs, supporting steady profitability improvement**
- **GCPL, TCPL, and Marico are likely to outperform over peers and also benefit from moderating input costs**

Lavita Lasrado
Research Analyst
research@bobcaps.in

FMCG – Recovery building up

GST cuts across the key FMCG categories are expected to emerge as a significant growth catalyst in FY26. Although the reduction in GST rates from 18% to 5% was implemented in Sept'25, the benefit reached end-consumers with a lag given the higher-priced inventory in trade channels. Consequently, demand impact is likely to be visible from the Dec'25 quarter and extend through FY26. Improved affordability should support premiumisation, accelerate the uptake of price-point packs, as also drive a gradual shift from unorganised to branded products since relative price gaps compress post-GST.

Earnings downgrade cycle behind

Following an extended period of earnings downgrades, driven by volume deceleration and margin pressures, outlook for consumer staples is stabilising. Several large FMCG companies saw estimate cuts through 2HFY25 and 1HFY26, reflecting weak seasonal demand and adverse weather conditions that impacted categories such as RTD beverages and soaps. With these transitory headwinds largely abating, we believe downgrade cycle is behind us, paving the way for stronger EPS growth. Additionally, demand recovery in summer-linked categories appears well-positioned due to a favourable base, as an above-normal monsoon in 2025 curtailed peak summer consumption for products such as RTD beverages, personal care and paints. Assuming normal weather conditions in 2026, these categories could witness a sharp rebound in volumes.

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

PHARMACEUTICALS | Q3FY26 Preview | 12 January 2026

Another flat quarter is expected

- **Sales/EBITDA/APAT for our coverage companies to grow by 7.9%/1.9%/-4.6% respectively. EBITDA margin to stay flat at 24.7%**
- **Domestic sales growth of 9.4%, driven by price hike and new launches. US to grow marginally at 2.8% given no Revlimid sales in 3QFY26**
- **CDMO companies' sales to rise 11% YoY on stable API prices. SUN, LPC & BOOT remain our top picks**

Foram Parekh
Research Analyst
research@bobcaps.in

Flattish 3QFY26: We expect our coverage companies to report flat growth where sales is likely to grow by 7.9% YoY and -1.6% QoQ to Rs 623bn. EBITDA to grow by 1.9% YoY and -4.6% QoQ, driven by lower product mix with no Revlimid contribution for most of the companies. Subsequently, PAT is expected to decline by 4.6% YoY and -4.9 % QoQ, given that most companies have exhausted PLI benefits, resulting in normalized Other income. From our coverage companies, we expect SENORES Pharma to report the highest sales growth of 60% YoY, followed by 18% YoY growth in Divi's.

Domestic sales to continue growing above the IPM: Domestic sales for our coverage companies increased 9.4% YoY to Rs 188 bn, driven by price hike, new product launches, and better MR productivity. From our coverage companies, Dr.Reddy's is expected to report the highest growth — 13% YoY; followed by SUN that is expected to report 12% YoY growth.

No Revlimid contribution to drag US sales - From our coverage companies, the US region is likely to report 2.8% YoY growth to Rs 169 bn. The muted growth is due to Revlimid in the base for many companies like Sun, Cipla, Dr.Reddy's & Aurobindo where each of them are likely to report growth of 3%, -5%, -15% and 4% respectively. For non-Revlimid participating companies, the highest growth is likely from Ajanta (30% YoY), followed by 25% YoY growth in Alkem and 24% YoY growth in Lupin amidst LoE of 180 days for Tolvapton in Nov'25.

Margins expected to remain flat: From our coverage companies, EBITDA Margin is expected to decline by 110 bps YoY and 79 bps increase QoQ to 24.7%. The flattish margin can be attributed to lower product mix, impacted by no meaningful contribution of gRevelimid (high margin product) during the quarter, which would be offset by R&D cost rationalisation. From our coverage companies, Cohance margins are likely to be lowest (16%), due to lack of incremental sales and deferment of ADC product to FY27, followed by 551 bps YoY reduction in DR. Reddy's to 22% impacted due to Revlimid in the base.

REAL ESTATE | Q3FY26 Preview | 12 January 2026

Strong demand for REIT assets to drive rents and occupancy

- **Leasing by GCCs and the preference for Grade A office assets made for a structurally strong environment for demand in REIT assets**
- **We expect occupancy and in-place rents to improve (+371bps and +4.10% YoY, respectively) as demand continues to outpace supply**
- **Improved occupancy, higher in-place rents and increased area under REIT management to drive DPU growth of ~+ 9.9 YoY and ~+0.9% QoQ**

Yashas Gilganchi
Research Analyst
research@bobcaps.in

Over 3Q26, ~22.2msf of office space was absorbed (~+15% QoQ and flat YoY), led by leasing activity in BLR (24%), MUM (22%) and Delhi NCR (18%). Supply continued to lag demand despite a pick-up in pace, as ~16.6msf was delivered (~+10% QoQ and ~+3% YoY), concentrated (63%) mostly in BLR and HYD. Leasing in Grade A office assets accounted for the majority (~90%) of the office space leased as occupiers prioritise workplace design, efficiency and sustainability standards. We believe that **leasing by GCCs (~38% of space leased) and 'flight-to-quality' make for a structurally strong environment for demand to consolidate into space in REIT managed properties**.

As demand continues to exceed supply, we **expect occupancy and in-place rents to improve (+371bps and +4.10% YoY, respectively)**. We believe MINDSPACE will improve occupancy (+460bps YoY) and in-place rents (+6.65% YoY) the most, driven by efficient management of leasable area and the high demand for space in its assets.

REITs under our coverage **added ~8.75msf of acquired assets into their portfolio**. As most of these assets were acquired towards the end of 3Q26, we expect limited incremental NOI to flow through during the quarter. However, **BIRET stands to gain the most having announced the biggest acquisition** of an asset (7.7msf in BLR) with higher committed occupancy (94%) and in-place rents (Rs 102psf/m) vs. their existing portfolio (90% and Rs 98psf/m).

~Rs 35,000mn of equity capital and ~Rs 43,000mn of debt capital was raised over 3Q26 by REITs under our coverage. We believe that REITs are likely to report marginally lower avg. cost of debt despite persistent high debt yields (benefit from AAA credit rating), and expect BIRET to benefit the most from lower cost of debt (~88% of loans linked to repo-rate).

We continue to believe that **REITs' ability to expand leasable area remains key to driving DPU growth as portfolio occupancies approach ~90%** and expect average DPU growth of ~+9.9 YoY and ~+0.9% QoQ.

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**

Logo:

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

Each of the analysts mentioned in this research report certify, with respect to the sections of the report for which they are responsible, that (1) all of the views expressed in this 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).

Important disclosures

This product is a compilation of previously published research notes. To view the complete report along with the associated Analyst certifications and Company-specific disclosures, please click on the hyperlink accompanying each excerpt.

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.

Other disclosures

BOBCAPS does not have any financial interest in the subject company. BOBCAPS does 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.

BOBCAPS is not engaged in any market making activities for 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.