

BUY
 TP: Rs 49 | ▲ 17%

SOUTH INDIAN BANK

| Banking

| 08 May 2026

Portfolio recalibration to support earnings profile

- PPOP almost in line with estimates; PAT up mainly on lower credit costs; Loan growth improved, with focus on Retail and MSME segments
- AQ improves as legacy stress eases and share of new book increases; SMA-2 trends improve to 0.2%, indicating a stable AQ outlook
- Maintain BUY with revised TP of Rs 49 (Rs 46 earlier), set at 0.9x Mar’28E ABV (unchanged) vs 1YF P/ABV of 0.8x

Niraj Jalan
 Research Analyst
 Vijiya Rao
 Research Analyst

Kaustubh Shetye
 Research Associate
 research@bobcaps.in

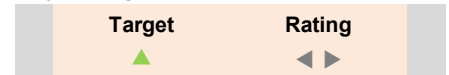
PPoP almost in line with estimates; PAT up on lower CC: SIB reported PPoP of Rs 5.8bn (-14.9% YoY; flat QoQ) and was marginally above our estimates by 2%. This was supported by NII growth (+5.4% YoY; +3.9% QoQ) that was in line with estimates and lower opex of Rs 7.2bn (-4.9% YoY; -8% QoQ). Opex was lower, due to lower employee cost of Rs 3.5bn (-18% QoQ); mainly driven by a one-off write back of Rs 800mn related to actuarial valuation. Further, the C/I ratio improved to 55.3% (-1.9% QoQ) in Q4FY26. With a focus on digital channels, management expects C/I to improve in FY27. NIMs improved to 2.95% (+9bps QoQ) in Q4FY26. Management expects NIMs to improve in FY27, mainly driven by the change in product mix (retail and MSME segments) and ~60-65 % deposits due for repricing. PAT increased to Rs 4.1bn (+9% QoQ) and was 14.7% higher vs estimates, led by a decline in provisions to Rs 344mn (-57% QoQ), mainly due to low slippage.

Legacy stress eases as robust new book drives AQ: AQ improved significantly with GNPA ratio decreasing to 1.43% (-1.2% QoQ) — largely masked by a higher technical w/off of Rs 11.6bn, and lower slippages of Rs 1.5bn (-15.8% QoQ). A focused clean-up, tighter and selective underwriting standard of new book from Sep’20 — have improved the risk profile. The new book now constitutes ~88% of gross loans with a low GNPA ratio of 0.38% vs 8.85% in the old book. Further, SMA-2 trends continued improving to 0.2% (-18bps QoQ); indicating a stable AQ outlook.

Credit growth improving with focus on medium-yielding segments: Net advances grew 15.8% YoY, as of Mar’26 — the highest in the past 12 quarters — largely driven by continued recalibration toward higher-yielding Retail and MSME segments. Corporate book declined to 38.6% (Mar’26) of gross loans vs 41.3% (Mar’25), with management targeting a further reduction to ~33% over time.s

Valuation: SIB’s strategic shift in the loan mix and improving AQ is expected to sustain earnings recovery. We expect SIB to deliver healthy return ratios with RoA/ RoE of 1.1%/ 13.2% by FY29E. We remain watchful of the management uncertainty as the MD & CEO’s term is set to expire in Sep’26. Maintain BUY with revised TP of Rs 49 (Rs 46 earlier), set at 0.9x Mar’28E ABV (unchanged) vs 1YF P/ABV of 0.8x.

Key changes



Ticker/Price	SIB IN/Rs 42
Market cap	US\$ 1.2bn
Free float	100%
3M ADV	US\$ 6.4mn
52wk high/low	Rs 47/Rs 24
Promoter/FPI/DII	0%/24%/13%

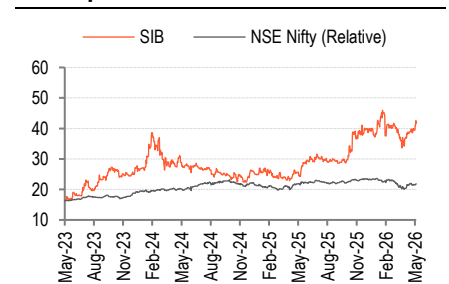
Source: NSE | Price as of 7 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
NII (Rs mn)	34,374	40,678	47,318
NII growth (%)	(1.4)	18.3	16.3
Adj. net profit (Rs mn)	14,551	16,378	18,335
EPS (Rs)	5.6	6.3	7.0
Consensus EPS (Rs)	5.6	6.0	6.8
P/E (x)	7.5	6.7	6.0
P/BV (x)	1.0	0.8	0.7
ROA (%)	1.1	1.1	1.1
ROE (%)	13.5	13.5	13.3

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Income Statement							
Interest Income	19,142	18,827	18,749	19,630	20,363	6.4	3.7
Income on investments	3,865	3,639	4,561	4,976	4,719	22.1	(5.2)
Int. on bal. with RBI & inter-bank funds & Others	728	1,159	761	569	513	(29.6)	(10.0)
Interest income	23,734	23,624	24,071	25,175	25,595	7.8	1.7
Interest expense	15,051	15,299	15,983	16,369	16,442	9.2	0.4
Net interest income	8,683	8,326	8,088	8,807	9,153	5.4	3.9
Growth YoY (%)	4.5	1.7	(8.3)	1.3	5.4		
Fee Income	1,940	1,880	2,060	2,030	1,910	(1.5)	(5.9)
Trading gains/(losses)	810	2,560	1,290	770	-	(100.0)	(100.0)
Others	2,974	1,779	1,807	2,059	1,949	(34.4)	(5.3)
Non-interest income	5,724	6,219	5,157	4,859	3,859	(32.6)	(20.6)
Growth YoY (%)	60.9	37.5	25.8	18.7	(32.6)		
Total income	14,407	14,545	13,245	13,666	13,013	(9.7)	(4.8)
Growth YoY (%)	21.4	14.4	2.5	6.9	(9.7)		
Staff expenses	3,978	4,204	4,198	4,287	3,518	(11.6)	(17.9)
Other operating expenses	3,596	3,618	3,692	3,536	3,682	2.4	4.1
Operating expenses	7,574	7,823	7,890	7,823	7,200	(4.9)	(8.0)
Pre-Provisioning Profit (PPoP)	6,833	6,722	5,356	5,843	5,813	(14.9)	(0.5)
Growth YoY (%)	48.4	39.0	(2.7)	10.5	(14.9)		
Provisions	2,242	2,393	633	804	344	(84.7)	(57.2)
Growth YoY (%)	337.4	392.8	(42.5)	21.8	(84.7)		
Exceptional Item	-	-	-	-	-	-	-
PBT	4,591	4,329	4,723	5,039	5,469	19.1	8.5
Tax	1,169	1,110	1,209	1,296	1,394	19.2	7.6
PAT	3,422	3,220	3,514	3,743	4,075	19.1	8.9
Growth YoY (%)	24.5	5.4	8.2	9.5	19.1		
Per Share							
FV (Rs)	1	1	1	1	1		
EPS (Rs)	1.3	1.2	1.3	1.4	1.6	18.8	8.9
Book Value (Rs)	39	40	41	42	44	12.9	3.6

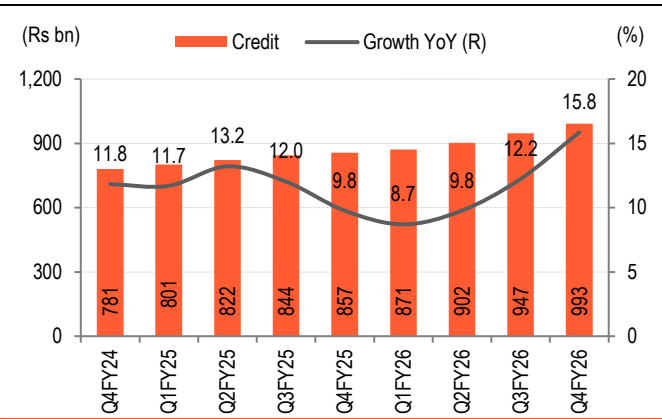
Source: Company, BOBCAPS Research

Fig 2 – Quarterly snapshot: Balance sheet & other key metrics

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Deposits	10,75,256	11,29,216	11,56,354	11,82,109	12,33,463	14.7	4.3
Growth YoY (%)	10.8	13.9	9.7	12.2	14.7		
Advances	8,56,821	8,70,948	9,01,957	9,47,126	9,92,598	15.8	4.8
Growth YoY (%)	18.0	15.6	9.8	12.2	15.8		
Investment	2,17,772	2,38,093	3,07,057	3,01,095	2,73,277	25.5	(9.2)
Equity	1,01,077	1,04,131	1,06,452	1,10,217	1,14,155	12.9	3.6
Assets	12,46,551	12,77,703	13,60,393	13,84,970	14,17,563	13.7	2.4
Growth YoY (%)	10.6	12.6	13.0	14.6	13.7		
Yield							
Yield on Funds	8.07	7.79	7.59	7.61	7.58	(49bps)	(4bps)
Cost of Funds	5.47	5.40	5.40	5.31	5.23	(24bps)	(8bps)
Spread	2.60	2.39	2.19	2.31	2.35	(25bps)	4bps
Net Interest Margin	2.95	2.75	2.55	2.66	2.71	(24bps)	5bps
Ratios							
Other Income / Net Income	39.7	42.8	38.9	35.6	29.7	(1,007bps)	(590bps)
Cost to Income ratio	52.6	53.8	59.6	57.2	55.3	276bps	(191bps)
CASA ratio	31.4	32.1	31.9	31.8	32.1	75bps	28bps
C/D ratio	79.7	77.1	78.0	80.1	80.5	79bps	35bps
Investment to Assets	17.5	18.6	22.6	21.7	19.3	181bps	(246bps)
Assets Quality							
GNPA	27,998	28,066	27,035	25,815	14,305	(48.9)	(44.6)
NNPA	7,905	5,914	5,058	4,259	2,879	(63.6)	(32.4)
Provision	20,093	22,152	21,977	21,556	11,426	(43.1)	(47.0)
GNPA (%)	3.20	3.15	2.93	2.67	1.43	(177bps)	(124bps)
NNPA (%)	0.92	0.68	0.56	0.45	0.29	(63bps)	(16bps)
Provision (%)	71.77	78.93	81.29	83.50	79.87	811bps	(363bps)
Others							
Branches	948	948	948	948	948	-	-
ATMs	1,280	1,274	1,269	1,269	1,273	(7)	4
Employees	9,369	9,253	9,242	9,448	9,147	(222)	(301)

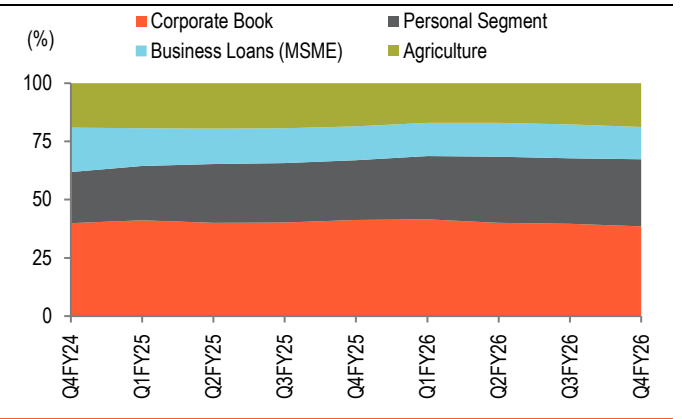
Source: Company, BOBCAPS Research

Fig 3 – Credit growth picking up gradually...



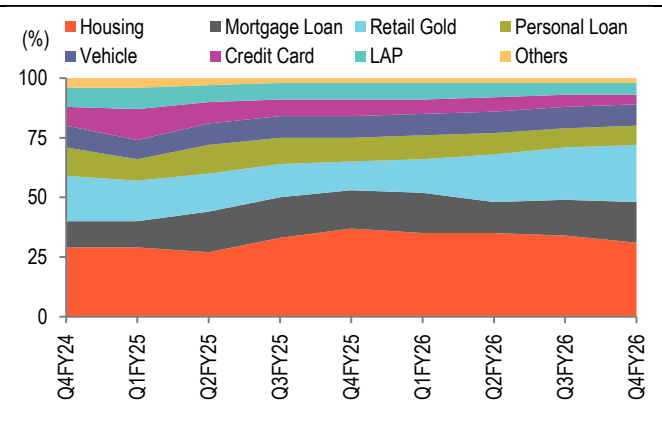
Source: Company, BOBCAPS Research

Fig 4 – ...mainly led by retail book growth of 29% YoY



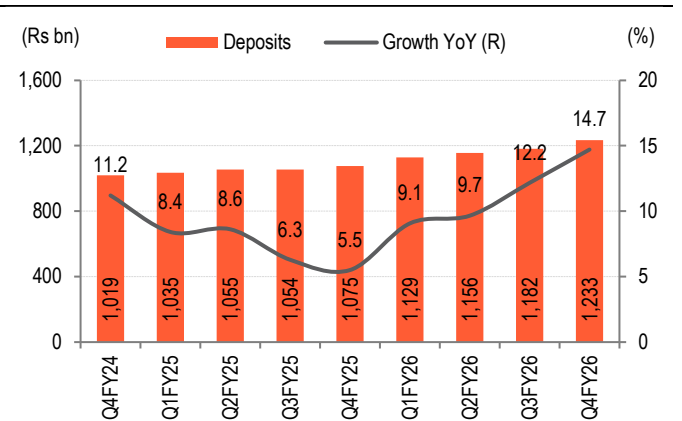
Source: Company, BOBCAPS Research

Fig 5 – Retail growth led by gold and mortgage loans



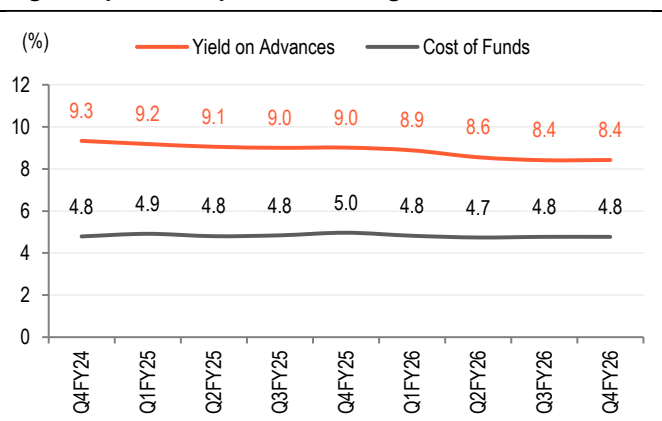
Source: Company, BOBCAPS Research

Fig 6 – Deposits grew 14.7% YoY



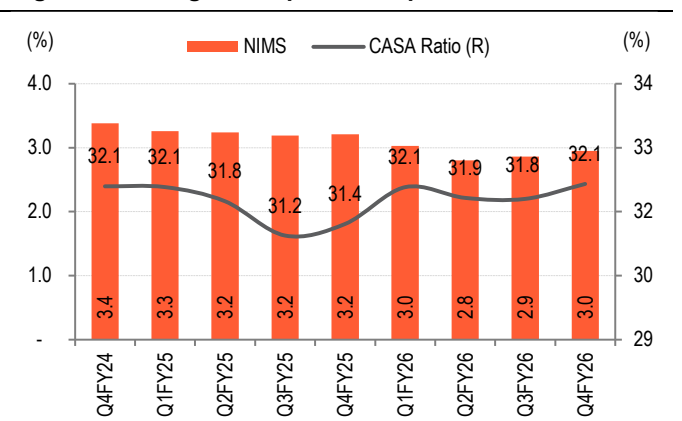
Source: Company, BOBCAPS Research

Fig 7 – Spreads improve with a higher decline in CoF...



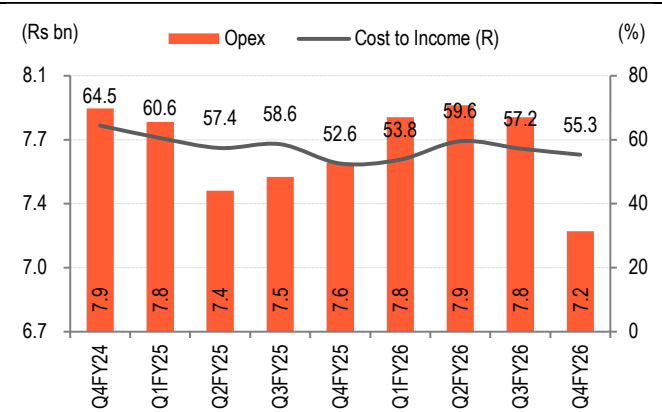
Source: Company, BOBCAPS Research

Fig 8 – ...leading to a 9bps QoQ improvement in NIMs



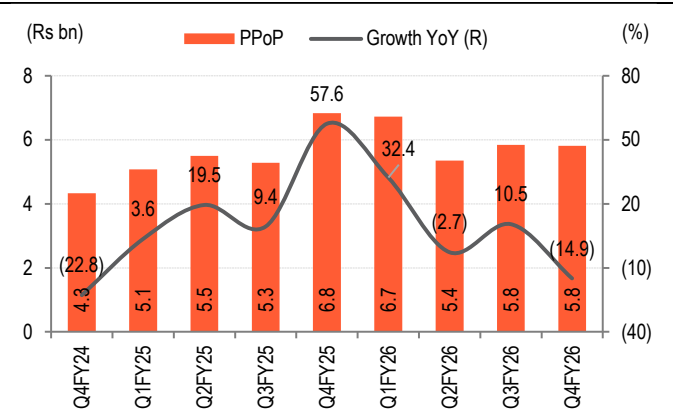
Source: Company, BOBCAPS Research

Fig 9 – C/I ratio improved on a one-off actuarial write-back in employee costs



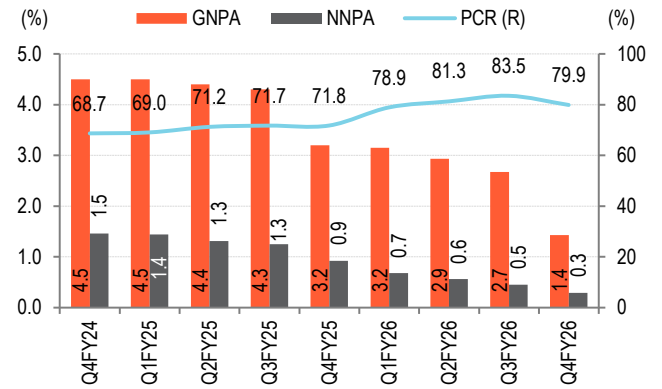
Source: Company, BOBCAPS Research

Fig 10 – PPOP growth remained flat QoQ



Source: Company, BOBCAPS Research

Fig 11 – Asset quality improved



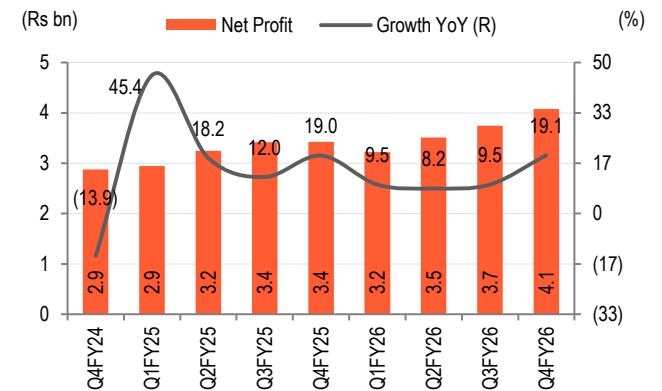
Source: Company, BOBCAPS Research

Fig 12 – Credit cost improved significantly QoQ



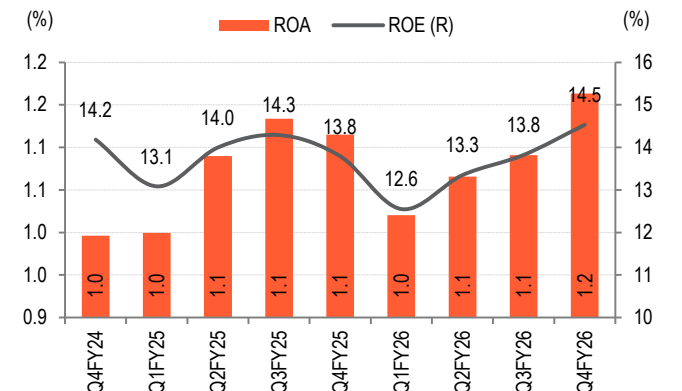
Source: Company, BOBCAPS Research

Fig 13 – PAT up 19% YoY on lower CC

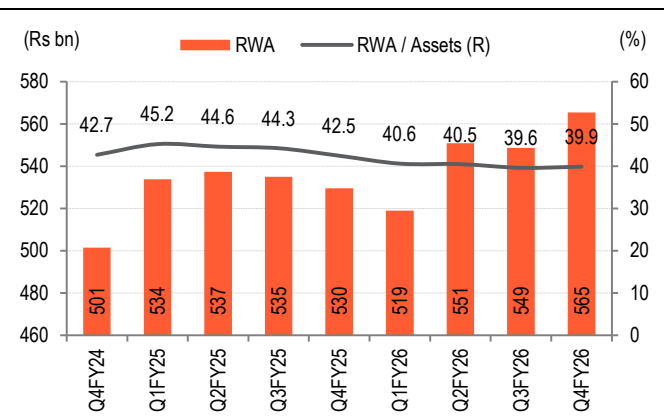


Source: Company, BOBCAPS Research

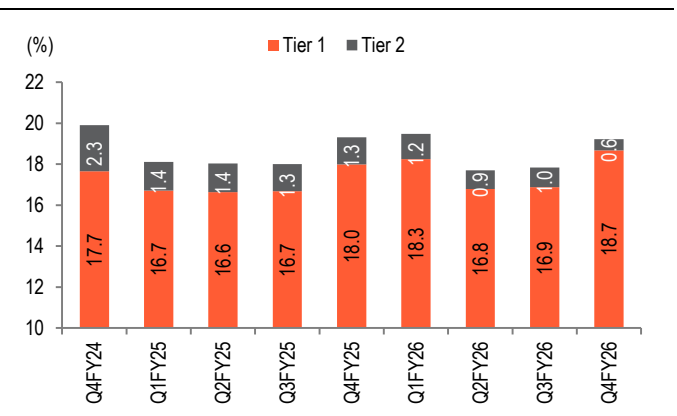
Fig 14 – Return ratios improve



Source: Company, BOBCAPS Research

Fig 15 – Risk-weighted to assets stable

Source: Company, BOBCAPS Research | RWA: Risk-Weighted Asset

Fig 16 – Adequate capital position

Source: Company, BOBCAPS Research

Concall Highlights

Growth & Business Outlook

- Management targets **15–16% loan growth in FY27** and aims to be in line with industry growth trends.
- The bank plans to **reduce corporate loan book share to ~33%** from ~38%, through gradual portfolio rebalancing.
- Incremental capital allocation will be focused on **Retail, MSME, and Agriculture segments** to improve the spreads and profitability.
- Within corporate lending, the bank intends to reduce **ultra-short duration assets from ~20–25% to ~10%** over time.
- Liability strategy remains focused on improving deposit quality through **salary account acquisition from large corporates**.

Margin & Profitability Outlook

- Management expects **NIMs to continue improving**, supported by a better asset mix and lower funding costs.
- Around **60–65% of deposits are due for repricing in FY27**, which should help lower the overall cost of deposits.
- The bank highlighted that RBI policy rate changes are implemented on a **T+1 basis**, positioning it well to benefit from future rate hikes.
- After achieving **positive operating leverage for two consecutive years**, management aims to sustain this trend in FY27 to support PPOP growth.

Asset Quality & Risk Management

- Management indicated that current **slippages and credit costs are at cyclical lows** and may gradually normalize amid geopolitical uncertainties.

- Despite the expected transition to **ECL norms**, management does not foresee any material impact given the strong AQ metrics and healthy provisioning buffers.
- The bank continues to actively manage **gold loan risks through VaR-based monitoring frameworks and stress testing**.
- Management noted that gold loan customers have historically responded quickly to margin calls during the periods of price correction.

Technical Write-off (TWO)

- During FY26, the bank undertook a **technical write-off of Rs 11.6 bn**, as part of a balance-sheet-cleanup exercise.
- A significant portion of the technical write-off, around **Rs 5.5 bn, pertained to the MSME portfolio**. Management highlighted that the sequential decline in MSME advances was largely due to technical write-off vs incremental stress.

Strategy & Operational Initiatives

- The Board is actively progressing the **succession planning process for the next MD & CEO** ahead of the current term ending **Sep'26**.
- Operating expenses are expected to rise moderately in FY27, due to the **investments in technology, digital infrastructure, and distribution capabilities**.
- Branch expansion will remain calibrated and focused on **Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, Maharashtra, Gujarat, and New Delhi**.

Valuation Methodology

South Indian Bank's adequate capital position (CET I of 18.76% as of Mar'26), strategic shift in the high-yielding granular loan mix to retail and MSME segments and improving AQ are expected to sustain the earnings recovery. We expect SIB to deliver healthy return ratios, with RoA/ RoE of 1.1%/ 13.2% by FY29E. We remain watchful on management uncertainty, as the MD & CEO's term is set to expire in Sep'26. Maintain BUY with revised TP of Rs 49 (Rs 46 earlier), set at 0.9x Mar'28E ABV (unchanged) vs 1YF P/ABV of 0.8x.

Fig 17 – Actual vs Estimates

Key Parameters (Rs mn)	Q4FY26A	Q4FY26E	Change (%)
Loan	9,92,598	9,91,342	0.1
Deposits	12,33,463	12,33,460	0.0
Assets	14,17,563	14,32,185	(1.0)
NII	9,153	9,125	0.3
PPOP	5,813	5,691	2.1
Provision	344	954	(63.9)
PAT	4,075	3,551	14.7

Source: Company, BOBCAPS Research

Fig 18 – Key operational assumptions

(%)	FY26A	FY27E	FY28E	FY29E
Advances growth	15.8	12.8	13.3	13.6
NII growth	(1.4)	18.3	16.3	15.2
PPoP growth	4.5	12.9	13.5	13.3
PAT growth	11.7	12.6	12.0	12.2
NIM	2.9	3.0	3.1	3.2
GNPA	1.4	1.2	1.0	0.9
CAR	19.7	18.8	18.1	17.5

Source: Company, BOBCAPS Research

Fig 19 – Revised Estimates

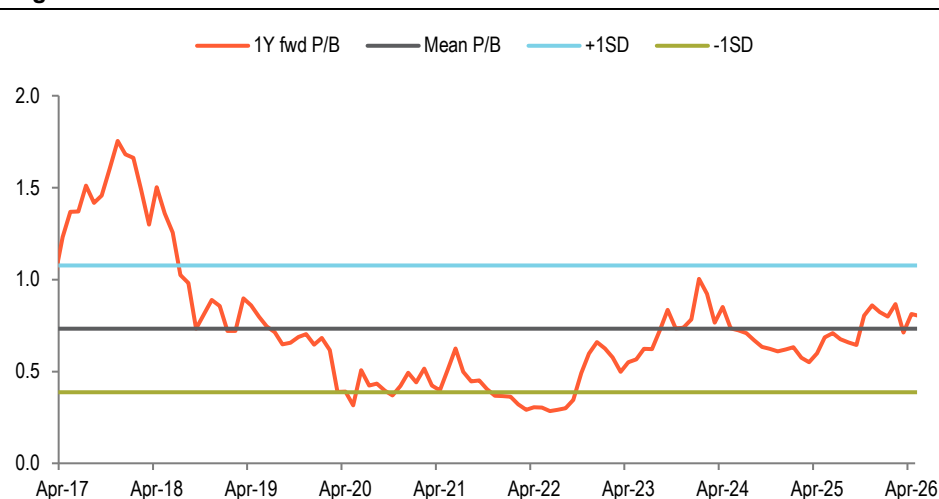
Key Parameters (Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Loan	11,19,651	12,68,564	14,41,089	11,00,862	12,50,579	14,23,159	1.7	1.4	1.3
Deposits	13,75,311	15,51,351	17,56,130	13,53,471	15,29,422	17,31,306	1.6	1.4	1.4
Assets	14,17,563	15,87,615	17,80,674	15,68,413	17,64,880	19,99,841	(9.6)	(10.0)	(11.0)
NII	40,678	47,318	54,504	39,990	46,638	53,835	1.7	1.5	1.2
PPOP	26,801	30,417	34,468	25,351	29,315	33,297	5.7	3.8	3.5
Provision	4,964	5,971	7,045	4,146	5,339	6,071	19.7	11.8	16.0
PAT	16,378	18,335	20,567	15,904	17,982	20,420	3.0	2.0	0.7
ABV (Rs)	48	55	62	48	54	61	1.4	1.3	1.3

Source: Company, BOBCAPS Research

Fig 20 – Valuation assumptions

Gordon growth model	Assumptions
Risk-free rate (%)	6.9
Equity risk premium (%)	5.5
Beta	1.0
Cost of equity (%)	12.6
Blended ROE (%)	11.8
Initial high growth period (yrs)	10.0
Payout ratio of high-growth phase (%)	15.0
Long-term growth (%)	3.0
Long term dividend payout ratio (%)	75.0
Justified P/BV Multiple (x)	0.9

Source: Company, BOBCAPS Research

Fig 21 – PB band chart

Source: Company, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Regional concentration risk** – SIB loan book is concentrated in South India, which accounted for ~63% of total gross loans as of Q4FY26, with Kerala alone contributing 30%. While this concentration has improved from a high of ~78% in FY21, it remains elevated and exposes the bank to local economic environment and regulatory changes.
- Management transition risk** – Mr. P.R. Seshadri (MD & CEO) has opted not to seek reappointment after his current term ending Sep'26. While he will continue until the completion of his tenure, the Board has initiated the process to identify a successor, subject to RBI and shareholder approvals.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	34,856	34,374	40,678	47,318	54,504
NilI growth (%)	4.6	(1.4)	18.3	16.3	15.2
Non-interest income	18,134	20,095	20,435	21,894	23,551
Total income	52,991	54,469	61,113	69,212	78,055
Operating expenses	30,290	30,735	34,312	38,795	43,587
PPOP	22,701	23,734	26,801	30,417	34,468
PPOP growth (%)	21.5	4.5	12.9	13.5	13.3
Provisions	5,132	4,173	4,964	5,971	7,045
PBT	17,569	19,560	21,837	24,447	27,423
Tax	4,540	5,009	5,459	6,112	6,856
Reported net profit	13,029	14,551	16,378	18,335	20,567
Adjustments	0	0	0	0	0
Adjusted net profit	13,029	14,551	16,378	18,335	20,567

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity capital	2,616	2,618	2,618	2,618	2,618
Reserves & surplus	98,460	1,11,537	1,26,599	1,43,476	1,62,462
Net worth	1,01,077	1,14,155	1,29,216	1,46,094	1,65,080
Deposits	10,75,256	12,33,463	13,75,311	15,51,351	17,56,130
Borrowings	43,005	39,270	41,037	42,268	43,536
Other liab. & provisions	27,214	30,675	42,050	40,960	53,129
Total liab. & equities	12,46,551	14,17,563	15,87,615	17,80,674	20,17,875
Cash & bank balance	1,22,601	1,01,407	93,916	1,02,433	1,16,589
Investments	2,17,772	2,73,277	3,20,001	3,49,156	3,93,621
Advances	8,56,821	9,92,598	11,19,651	12,68,564	14,41,089
Fixed & Other assets	49,358	50,281	54,048	60,520	66,576
Total assets	12,46,551	14,17,563	15,87,615	17,80,674	20,17,875
Deposit growth (%)	5.5	14.7	11.5	12.8	13.2
Advances growth (%)	9.8	15.8	12.8	13.3	13.6

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
EPS	5.0	5.6	6.3	7.0	7.9
Dividend per share	0.4	0.5	0.5	0.6	0.6
Book value per share	38.6	43.6	49.4	55.8	63.1

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	8.4	7.5	6.7	6.0	5.3
P/BV	1.1	1.0	0.8	0.7	0.7
Dividend yield (%)	1.0	1.1	1.2	1.3	1.4

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	2.9	2.6	2.7	2.8	2.9
Non-interest income	1.5	1.5	1.4	1.3	1.2
Operating expenses	2.5	2.3	2.3	2.3	2.3
Pre-provisioning profit	1.9	1.8	1.8	1.8	1.8
Provisions	0.4	0.3	0.3	0.4	0.4
PBT	1.5	1.5	1.5	1.5	1.4
Tax	0.4	0.4	0.4	0.4	0.4
ROA	1.1	1.1	1.1	1.1	1.1
Leverage (x)	12.8	12.4	12.3	12.2	12.2
ROE	13.8	13.5	13.5	13.3	13.2

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Net interest income	4.6	(1.4)	18.3	16.3	15.2
Pre-provisioning profit	21.5	4.5	12.9	13.5	13.3
EPS	9.6	11.7	12.5	12.0	12.2
Profitability & Return ratios (%)					
Net interest margin	3.2	2.9	3.0	3.1	3.2
Fees / Avg. assets	37.5	37.7	34.0	32.5	31.0
Cost-Income	57.2	56.4	56.1	56.1	55.8
ROE	13.8	13.5	13.5	13.3	13.2
ROA	1.1	1.1	1.1	1.1	1.1
Asset quality (%)					
GNPA	3.2	1.4	1.2	1.0	0.9
NNPA	0.9	0.3	0.2	0.2	0.2
Slippage ratio	1.5	0.8	0.9	0.9	0.8
Credit cost	0.6	0.5	0.5	0.5	0.5
Provision coverage	71.8	79.9	80.0	80.5	81.0
Ratios (%)					
Credit-Deposit	79.7	80.5	81.4	81.8	82.1
Investment-Deposit	20.3	22.2	23.3	22.5	22.4
CAR	19.3	19.7	18.8	18.1	17.5
Tier-1	18.0	18.8	17.8	17.3	16.8

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 (Perpetual)**
 SEBI Stock Broker Registration No: **INZ000159332**
 SEBI Depository Participant Registration No: **IN-DP-728-2022**
 SEBI Merchant Banker Registration No: **INM000009926**
 Phone: +91-22-61389300
 Name of the Compliance Officer: Mr. Sameer Khobrekar
 Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
 For any queries or grievances, you may contact the Grievance Officer.
 Name of the Grievance Officer: Mr. Manoj Pawar
 Email ID: head-customer@bobcaps.in; Phone no: 0+91-22-69417333

Brand Name: **BOBCAPS**
 Website: <https://www.bobcaps.in/>
 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.

Ratings and Target Price (3-year history): SOUTH INDIAN BANK (SIB IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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 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.