# BUY **Aadhar Housing Finance**

## Steady quarter, with seasonality in credit cost; outlook intact

Emkay — Your success is our success

**BFSI - NBFCs** ▸ Result Update ▸ **August 01, 2026** | **CMP (Rs): 497 | TP (Rs): 600**

**Aadhar reported a steady 1QFY27 performance, with PAT up 19% yoy to Rs2.82bn, aided by stable margins and ~18% AUM growth. Spread remained resilient at 5.8% and yields were steady at 13.5% despite industry-wide competitive pricing pressures. Aadhar's approach to protect yields relies on a calibrated urban emerging market strategy, pivoting toward emerging markets that offer ~14.0-14.8% yields vs mature urban yields of ~11.5-12.0%. Overall asset quality metrics were stable (some seasonality impact), with GS3 at 1.32% and early-stage bounce rates holding steady (1+ DPD at ~7%). However, the sole near-term drag was a seasonally elevated 1Q credit cost at ~41bps. The management remained confident of delivering ~20% AUM and PAT growth for FY27, while expecting full-year disbursements to grow 17-18% (targeting an accelerated 23-24% in 2Q) and full-year credit costs to normalize downward to a guided 23-25bps. Factoring in the 1Q performance, margin outlook, and tightly controlled BT-out rate of 5%, the company appears well-positioned to deliver on its FY27 and medium-term guidance for growth and profitability. We maintain BUY and Jun-27E TP of Rs600, implying an FY28E PBV of 2.5x.**

### Spreads remained resilient, while credit cost stayed seasonally elevated

Aadhar reported 1QFY27 comparable disbursements of Rs23.59bn, up 19% yoy (reported at Rs20.36bn, following a transition to cheque realization accounting), while PAT grew 19% yoy to Rs2.82bn. AUM stood at Rs313.64bn, registering 18% yoy growth. The portfolio spread remained resilient at 5.8%, with COF at 7.7% and annualized portfolio yield at 13.5% (with incremental borrowing costs at 7.3%). ROA remained strong at 4.0%, while ROE stood at 14.7%. Operating expenses were slightly elevated due to a Rs140mn one-off ESOP provision, and credit costs were the only near-term drag (~41bps), remaining seasonally elevated for the quarter. Overall asset quality was steady, with GS3 at 1.32% and PCR at 34.1%.

### Strategic execution to support growth and profitability

The management remains confident about achieving ~20% AUM and PAT growth in FY27, supported by a 17–18% full-year disbursement growth target (~40-50 branch additions), with growth in the remaining quarters expected to accelerate past 20%. To offset intense urban pricing competition, Aadhar is effectively executing its urban emerging market strategy, capturing higher yields in emerging markets to firmly sustain portfolio spreads at 5.5% or above. These strategic shifts are reinforced by a newly deployed six-layer AI architecture designed to boost operational productivity, which is expected to continuously improve the cost-to-income ratio by 30–40bps and cost-to-AUM ratio by 6–7bps annually. With full-year credit costs guided to normalize at 23–25bps and GNPA targeted to improve to ~1.1% by year-end, the company is on track to deliver resilient asset quality and achieve its medium-term targets of ~4.3-4.4% ROA and ~17% ROE.

### Estimates largely unchanged; maintain BUY

Considering the 1QFY27 performance and management commentary, we retain our estimates and maintain BUY with an unchanged Jun-27E TP of Rs600, implying FY28E PBV of 2.5x.

**Aadhar Housing Finance: Financial Snapshot (Standalone)**

| Y/E Mar (Rs mn) | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Net profits | 9,121 | 10,955 | 13,017 | 15,729 | 18,796 |
| AUM growth (%) | 20.9 | 19.7 | 20.0 | 20.0 | 19.0 |
| NII growth (%) | 21.9 | 20.2 | 20.7 | 19.1 | 18.1 |
| NIMs (%) | 6.7 | 6.7 | 6.7 | 6.7 | 6.6 |
| PPOP growth (%) | 23.0 | 19.7 | 20.5 | 20.4 | 19.3 |
| Adj. EPS (Rs) | 22.1 | 25.3 | 29.9 | 36.1 | 43.1 |
| Adj. EPS growth (%) | 16.5 | 14.4 | 18.2 | 20.8 | 19.5 |
| Adj. BV (INR) | 154.2 | 173.9 | 203.0 | 239.1 | 282.2 |
| Adj. BVPS growth (%) | 36.9 | 12.8 | 16.7 | 17.8 | 18.0 |
| RoA (%) | 4.3 | 4.3 | 4.4 | 4.4 | 4.4 |
| RoE (%) | 16.9 | 15.8 | 15.9 | 16.3 | 16.6 |
| P/E (x) | 22.5 | 19.7 | 16.6 | 13.8 | 11.5 |
| P/ABV (x) | 3.2 | 2.9 | 2.4 | 2.1 | 1.8 |

*Source: Company, Emkay Research*

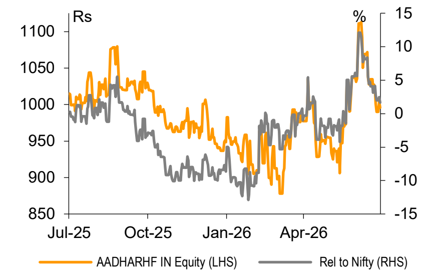
| | |
|---|---|
| Target Price – 12M | Jun-27 |
| **Change in TP (%)** | - |
| Current Reco. | BUY |
| Previous Reco. | BUY |
| Upside/(Downside) (%) | 20.7 |

| **Stock Data** | **AADHARHF IN** |
|---|---|
| 52-week High (Rs) | 563 |
| 52-week Low (Rs) | 425 |
| Shares outstanding (mn) | 437.3 |
| Market-cap (Rs bn) | 217 |
| Market-cap (USD mn) | 2,277 |
| Net-debt, FY27E (Rs mn) | NA |
| ADTV-3M (mn shares) | 0.5 |
| ADTV-3M (Rs mn) | 308.9 |
| ADTV-3M (USD mn) | 3.2 |
| Free float (%) | 0.0 |
| Nifty-50 | 24,383.6 |
| INR/USD | 95.4 |
| **Shareholding,Jun-26** | |
| Promoters (%) | 64.7 |
| FPIs/MFs (%) | 5.8/9.9 |

**Price Performance**

| (%) | 1M | 3M | 12M |
|---|---|---|---|
| Absolute | (3.7) | 1.7 | (2.0) |
| Rel. to Nifty | (5.7) | 0.0 | (0.5) |

**1-Year share price trend (Rs)**




***Avinash Singh***
*avinash.singh@emkayglobal.com*
*+91-22-66121327*

***Kishan Rungta***
*kishan.rungta@emkayglobal.com*
*+91-22-66242490*

### Exhibit 1: Quarterly earnings snapshot

| (Rs mn) | 1QFY26 | 2QFY26 | 3QFY26 | 4QFY26 | 1QFY27 | yoy | qoq |
|---|---|---|---|---|---|---|---|
| Interest income | 7,601 | 7,994 | 8,330 | 8,515 | 8,866 | 16.6% | 4.1% |
| Interest expenses | 3,319 | 3,416 | 3,475 | 3,433 | 3,764 | 13.4% | 9.6% |
| **Net interest income** | **4,282** | **4,578** | **4,855** | **5,081** | **5,103** | **19.2%** | **0.4%** |
| Other income | 912 | 998 | 1,107 | 1,409 | 1,104 | 21.1% | -21.6% |
| Total income | 5,193 | 5,576 | 5,962 | 6,490 | 6,207 | 19.5% | -4.4% |
| Operating expenses | 1,873 | 2,018 | 2,189 | 2,409 | 2,255 | 20.3% | -6.4% |
| **Operating profit** | **3,320** | **3,558** | **3,773** | **4,082** | **3,952** | **19.0%** | **-3.2%** |
| Provisions | 267 | 132 | 175 | 102 | 317 | 18.5% | 211.4% |
| Credit cost (on avg AUM) | 0.41% | 0.19% | 0.25% | 0.14% | 0.41% | 0bps | 27bps |
| **PBT** | **3,053** | **3,427** | **3,598** | **3,980** | **3,636** | **19.1%** | **-8.6%** |
| Tax | 680 | 763 | 786 | 873 | 813 | 19.5% | -7.0% |
| **Reported PAT** | **2,373** | **2,664** | **2,812** | **3,107** | **2,823** | **19.0%** | **-9.1%** |
| | | | | | | | |
| **AUM** | **265,241** | **275,537** | **287,900** | **305,713** | **313,640** | **18.2%** | **2.6%** |
| **Disbursements** | **19,786** | **21,104** | **23,801** | **30,866** | **20,358** | **2.9%** | **-34.0%** |
| | | | | | | | |
| GS3 | 1.39% | 1.47% | 1.42% | 1.09% | 1.32% | -7bps | 22bps |
| NS3 | 0.94% | 0.97% | 0.97% | 0.71% | 0.87% | -7bps | 16bps |
| PCR | 32.46% | 34.28% | 32.36% | 35.70% | 34.11% | 165bps | -159bps |
| ROA (reported) | 4.40% | 4.40% | 4.60% | 4.80% | 4.00% | -40bps | -80bps |
| ROE (reported) | 14.70% | 15.70% | 16.50% | 17.10% | 14.70% | 0bps | -240bps |

*Source: Company, Emkay Research*

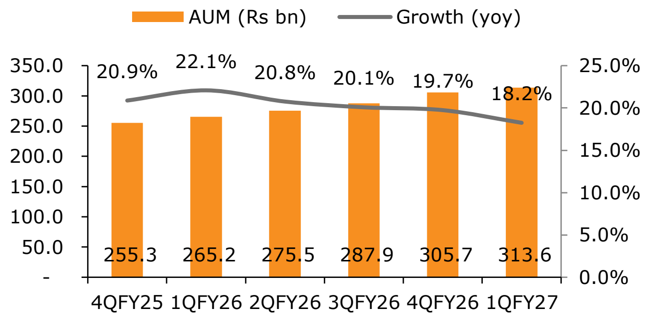
### Exhibit 2: Valuation metrics

| | | | PBV (x) | | | PER (x) | | | ROA (%) | | | ROE (%) | | | Book Value (Rs/sh) | | | EPS (Rs) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Price (Rs) | Upside | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E | FY27E | FY28E | FY29E |
| At CMP | 497 | 21% | 2.45 | 2.1 | 1.8 | 16.6 | 13.8 | 11.5 | 4.35 | 4.41 | 4.40 | 15.9 | 16.3 | 16.6 | 203.0 | 239.1 | 282.2 | 29.9 | 36.1 | 43.1 |
| AT TP | 600 | | 3.0 | 2.5 | 2.1 | 20.1 | 16.6 | 13.9 | | | | | | | | | | | | |

*Source: Company, Emkay Research*

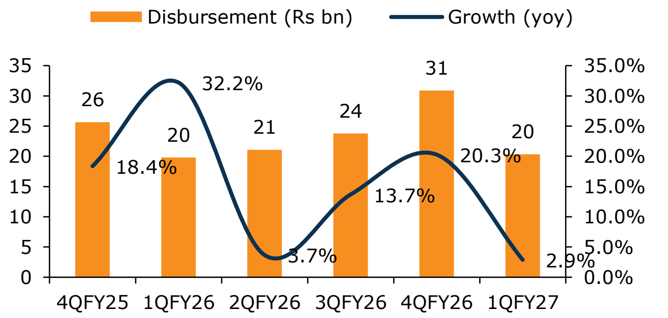
# Results in charts

**Exhibit 3: Growth in coming quarters to be much stronger**



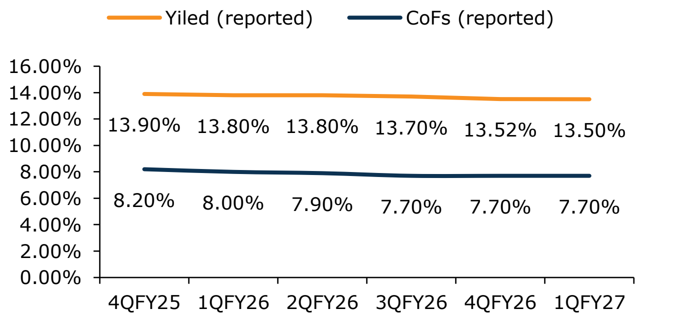

*Source: Company, Emkay Research*

**Exhibit 4: Disbursement growth impacted due to change in disbursement recognition method**



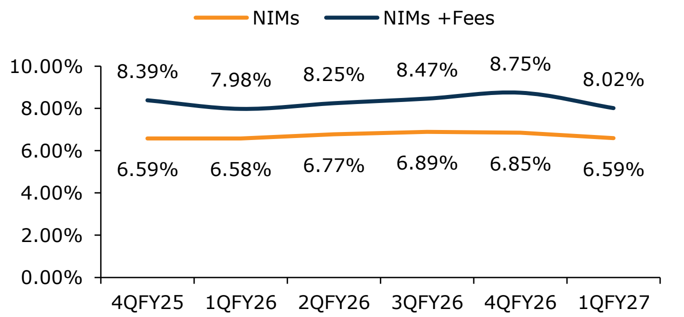

*Source: Company, Emkay Research*

**Exhibit 5: Yield and COFs remain stable sequentially**



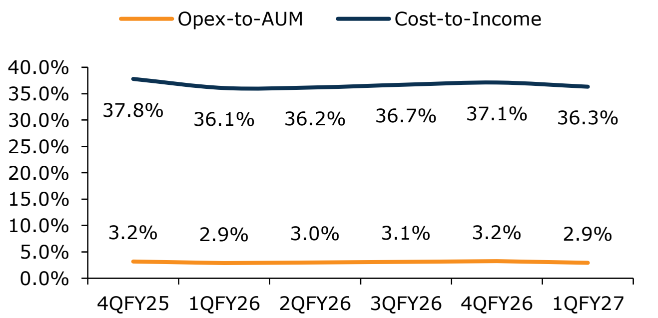

*Source: Company, Emkay Research*

**Exhibit 6: Change in recognition in disbursement slightly impacted fee income**



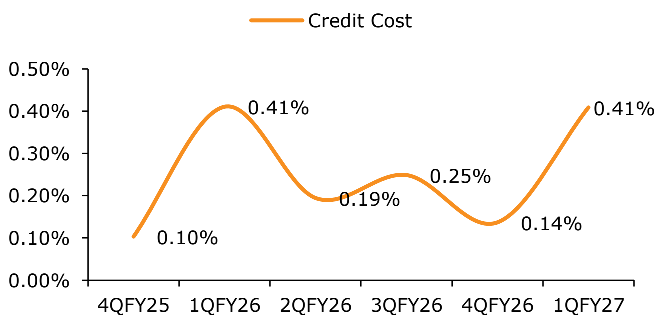

*Source: Company, Emkay Research*

**Exhibit 7: Opex ratio remained range-bound**



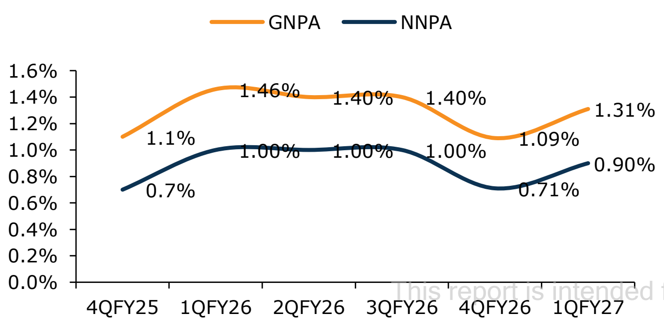

*Source: Company, Emkay Research*

**Exhibit 8: Elevated credit cost on account of seasonality**



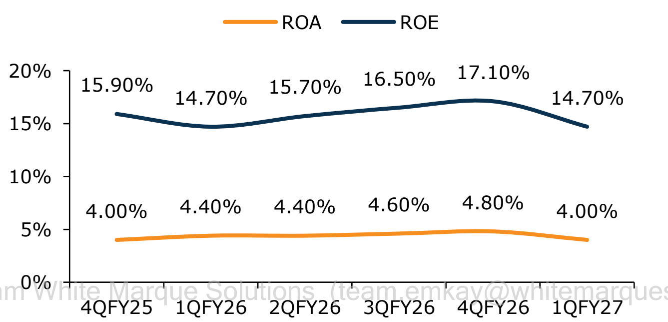

*Source: Company, Emkay Research*

**Exhibit 9: Asset quality stable**




*Source: Company, Emkay Research*

**Exhibit 10: Profitability impacted due to elevated credit cost**

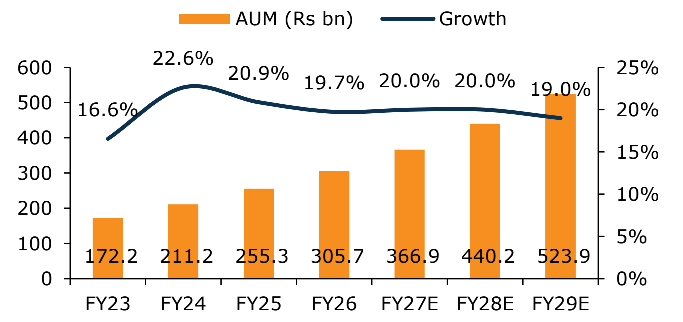





*Source: Company, Emkay Research*

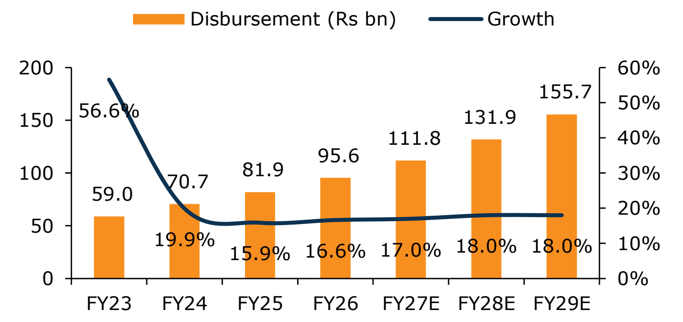
# Story in charts

**Exhibit 11: AUM CAGR expected at ~20% over FY26-29E**



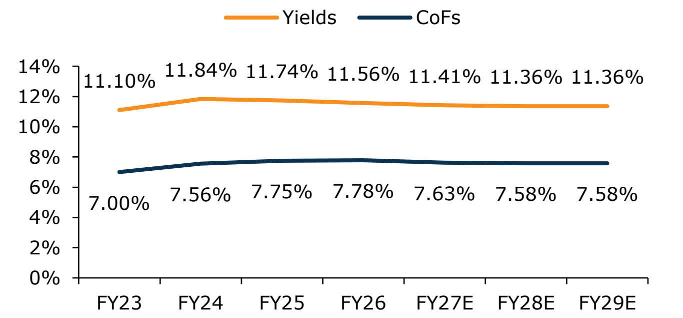

*Source: Company, Emkay Research*

**Exhibit 12: Stable disbursement growth**



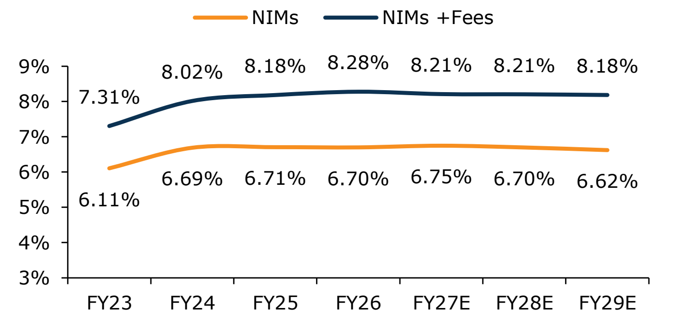

*Source: Company, Emkay Research*

**Exhibit 13: COF to moderate owing to potential rating upgrade**



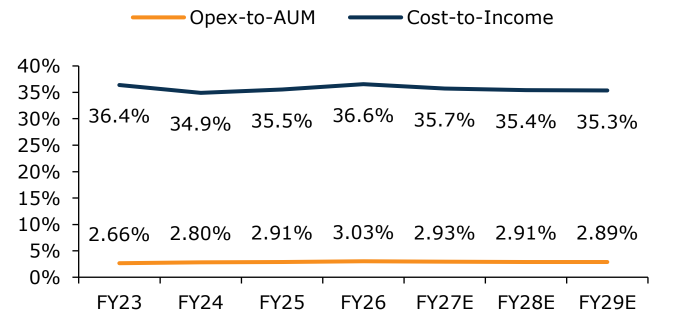

*Source: Company, Emkay Research*

**Exhibit 14: Margins to be stable on account of changing mix and moderating COF**



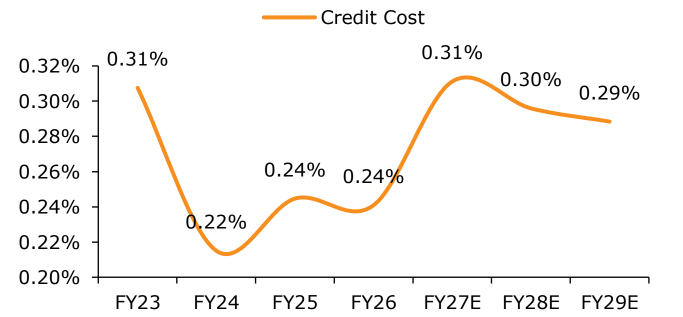

*Source: Company, Emkay Research*

**Exhibit 15: Higher efficiency resulting in opex moderation**



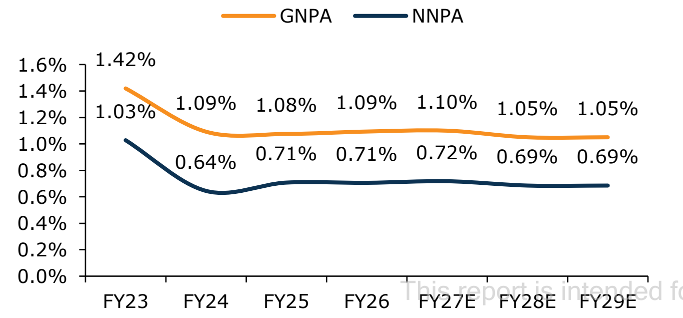

*Source: Company, Emkay Research*

**Exhibit 16: Management guided for credit cost of ~23-25bps**



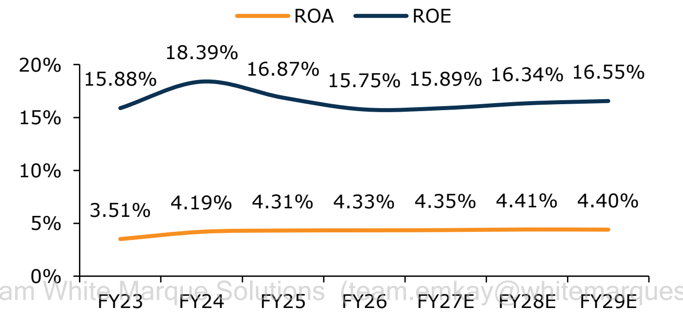

*Source: Company, Emkay Research*

**Exhibit 17: Asset quality to remain robust**




*Source: Company, Emkay Research*

**Exhibit 18: Margin expansion led by stable asset quality and improving efficiency**




*Source: Company, Emkay Research*

## Earnings call highlights

- The company reported a steady 1QFY27, with AUM growing 18% yoy to Rs313.64bn. The company transitioned its disbursement reporting to a cheque clearance basis, reporting 1Q disbursements of Rs20.36bn. On a comparable cheque handover basis, disbursements stood at Rs23.59bn, implying a robust 19% yoy growth. PAT stood at Rs2.82bn, up 19% yoy.
- The company does not see any material demand-side issue, with urban demand slightly better than expected, while the company remains focused on healthy growth in emerging markets to sustain yields.
- Spreads remained highly resilient, with the exit spread for 1Q landing at 5.8%. The portfolio exit yield stood at 13.5%. To protect yields amid competitive pressures, the management is heavily executing an urban-emerging market strategy. Emerging markets yield ~14.0-14.8%, compared to urban yields of ~11.5-12.0%, and the company is calibrating growth across both to maintain margins without aggressively raising ticket sizes, which currently average a granular Rs1.1mn.
- Total borrowings stood at Rs200bn, up 19% yoy, with the exit COF improving to 7.7% in Jun-26 vs 8.0% a year ago. Incremental borrowings for the quarter were Rs22.38bn at 7.3%, aided by fresh NHB borrowings of Rs7.46bn at 6.9% and AHF borrowing of Rs1.49bn at 4.3%. Excluding NHB borrowings, the incremental borrowing cost would be ~7.4-7.45%. With 73% of assets on floating rates, the company maintains the structural ability to pass on interest rate hikes to customers if required, following model-based assessments. Liquidity was maintained comfortably at ~7-8% of total borrowings during the quarter.
- In terms of fixed and floating nature of book, 78% of borrowings and 73% of assets are on a floating basis.
- Asset quality saw yoy improvement, with gross NPA (GNPA) at 1.31% (down by 3bps yoy) and Stage 2 assets at 3.3% (down by 40bps yoy). The 1+ DPD stood at 7%. While 1Q credit costs are seasonally elevated at ~40-45bps, the management highlighted that bounce rates were stable, acting as a strong first line of defense. Further, exposure to volatile NRI-linked segments remains minimal, and the portfolio is geographically de-risked with no single state contributing more than 15% to AUM.
- BT-out rates were tightly controlled at 5%, marking a healthy improvement of ~20-25bps yoy. This stability is driven by a dedicated, data-backed retention team equipped with delegated authority on yield concessions for prime customers, evaluated via account behavior, vintage, and bounce history.
- Operating expenses included a P/L charge of Rs140mn related to fresh ESOP grants in 1QFY27. Excluding this charge, the cost-to-income ratio stood at ~33-34%, while the reported ratio was 36.3%. Employee costs also saw a sequential rise due to standard annual increments of ~10-12%. The company continued its tech investments by institutionalizing a six-layer AI architecture across origination and underwriting to boost long-term productivity. Network expansion remains on track, with plans to open 45-50 branches in FY27, mostly back-ended to 2Q and 3Q to allow adequate stabilization.
- **Guidance**
  - Disbursement growth for 2Q is targeted at 23-24%, with Jul-26 disbursements already tracking close to Rs9bn. Disbursement growth for FY27 is expected to be ~17-18%.
  - Full-year AUM growth is guided at ~20%.
  - Full-year PAT growth is guided at ~20%.
  - Spreads are expected to be firmly maintained at 5.5% or above.
  - FY27 credit cost is guided at 23-25bps, with GNPA targeted to reach ~1.1% by year-end.
  - Cost-to-income is expected to improve by 30-40bps annually, and cost-to-AUM by 6-7bps annually.
  - Medium-term ROA is guided at ~4.3-4.4%, with an ROE of ~17% expected over the next 2-3 years.

# Aadhar Housing Finance: Standalone Financials and Valuations

## Profit & Loss

| Y/E Mar (Rs mn) | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Interest Income | 27,379 | 32,439 | 38,384 | 45,860 | 54,781 |
| Interest Expense | 11,738 | 13,644 | 15,692 | 18,830 | 22,858 |
| **Net interest income** | **15,642** | **18,795** | **22,693** | **27,029** | **31,923** |
| NII growth (%) | 21.9 | 20.2 | 20.7 | 19.1 | 18.1 |
| Non interest income | 3,449 | 4,426 | 4,918 | 6,081 | 7,532 |
| **Total income** | **19,090** | **23,222** | **27,611** | **33,111** | **39,455** |
| Operating expenses | 6,781 | 8,488 | 9,862 | 11,733 | 13,947 |
| **PPOP** | **12,309** | **14,733** | **17,750** | **21,378** | **25,509** |
| PPOP growth (%) | 23.0 | 19.7 | 20.5 | 20.4 | 19.3 |
| Provisions & contingencies | 571 | 676 | 1,046 | 1,194 | 1,390 |
| **PBT** | **11,738** | **14,057** | **16,703** | **20,184** | **24,119** |
| Extraordinary items | - | - | - | - | - |
| Tax expense | 2,617 | 3,103 | 3,686 | 4,455 | 5,323 |
| Minority interest | - | - | - | - | - |
| Income from JV/Associates | - | - | - | - | - |
| **Reported PAT** | **9,121** | **10,955** | **13,017** | **15,729** | **18,796** |
| PAT growth (%) | 21.9 | 20.1 | 18.8 | 20.8 | 19.5 |
| **Adjusted PAT** | **9,121** | **10,955** | **13,017** | **15,729** | **18,796** |
| **Diluted EPS (Rs)** | **22.1** | **25.3** | **29.9** | **36.1** | **43.1** |
| Diluted EPS growth (%) | 16.5 | 14.4 | 18.2 | 20.8 | 19.5 |
| **DPS (Rs)** | **0** | **0** | **0** | **0** | **0** |
| **Dividend payout (%)** | **0** | **0** | **0** | **0** | **0** |
| Effective tax rate (%) | 22.3 | 22.1 | 22.1 | 22.1 | 22.1 |
| Net interest margins (%) | 6.7 | 6.7 | 6.7 | 6.7 | 6.6 |
| Cost-income ratio (%) | 35.5 | 36.6 | 35.7 | 35.4 | 35.3 |
| PAT/PPOP (%) | 74.1 | 74.4 | 73.3 | 73.6 | 73.7 |
| Shares outstanding (mn) | 431.4 | 435.7 | 435.7 | 435.7 | 435.7 |

*Source: Company, Emkay Research*

## Balance Sheet

| Y/E Mar (Rs mn) | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| Share capital | 4,314 | 4,357 | 4,357 | 4,357 | 4,357 |
| Reserves & surplus | 59,366 | 71,052 | 84,069 | 99,798 | 118,593 |
| **Net worth** | **63,680** | **75,409** | **88,426** | **104,155** | **122,950** |
| **Borrowings** | **162,621** | **187,438** | **223,782** | **272,941** | **330,038** |
| **Other liabilities & prov.** | **5,862** | **11,141** | **11,698** | **12,283** | **12,897** |
| **Total liabilities & equity** | **232,163** | **273,988** | **323,906** | **389,378** | **465,885** |
| Net loans | 204,841 | 248,396 | 297,809 | 357,409 | 425,317 |
| Investments | 5,089 | 0 | 0 | 0 | 0 |
| Cash, other balances | 8,768 | 18,521 | 18,318 | 23,413 | 31,157 |
| **Interest earning assets** | **218,698** | **266,917** | **316,128** | **380,822** | **456,474** |
| Fixed assets | 315 | 4,436 | 4,880 | 5,368 | 5,904 |
| Other assets | 13,150 | 2,635 | 2,898 | 3,188 | 3,507 |
| **Total assets** | **232,163** | **273,988** | **323,906** | **389,378** | **465,885** |
| BVPS (Rs) | 154.2 | 173.9 | 203.0 | 239.1 | 282.2 |
| Adj. BVPS (INR) | 154.2 | 173.9 | 203.0 | 239.1 | 282.2 |
| Gross loans | 207,272 | 251,298 | 301,558 | 361,869 | 430,624 |
| **Total AUM** | **255,307** | **305,713** | **366,856** | **440,227** | **523,870** |
| On balance sheet | 207,272 | 251,298 | 301,558 | 361,869 | 430,624 |
| Off balance sheet | 48,035 | 54,415 | 65,298 | 78,358 | 93,246 |
| Disbursements | 81,922 | 95,557 | 111,802 | 131,926 | 155,673 |
| Disbursements growth (%) | 15.9 | 16.6 | 17.0 | 18.0 | 18.0 |
| Loan growth (%) | 21.2 | 21.3 | 19.9 | 20.0 | 19.0 |
| AUM growth (%) | 20.9 | 19.7 | 20.0 | 20.0 | 19.0 |
| Borrowings growth (%) | 17.0 | 15.3 | 19.4 | 22.0 | 20.9 |
| Book value growth (%) | 36.9 | 12.8 | 16.7 | 17.8 | 18.0 |

*Source: Company, Emkay Research*

## Asset quality and other metrics

| Y/E Mar (Rs mn) | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| **Asset quality** | | | | | |
| GNPL - Stage 3 | 2,229 | 2,748 | 3,317 | 3,800 | 4,522 |
| NNPL - Stage 3 | 1,461 | 1,767 | 2,156 | 2,470 | 2,939 |
| GNPL ratio - Stage 3 (%) | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| NNPL ratio - Stage 3 (%) | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| ECL coverage - Stage 3 (%) | 34.5 | 35.7 | 35.0 | 35.0 | 35.0 |
| ECL coverage - 1 & 2 (%) | 0.8 | 0.8 | 0.9 | 0.9 | 0.9 |
| Gross slippage - Stage 3 | - | - | - | - | - |
| Gross slippage ratio (%) | - | - | - | - | - |
| Write-off ratio (%) | - | - | - | - | - |
| Total credit costs (%) | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 |
| NNPA to networth (%) | 2.3 | 2.3 | 2.4 | 2.4 | 2.4 |
| **Capital adequacy** | | | | | |
| Total CAR (%) | 44.6 | 42.5 | 42.2 | 41.3 | 40.8 |
| Tier-1 (%) | 44.1 | 42.0 | 41.7 | 40.8 | 40.3 |
| **Miscellaneous** | | | | | |
| Total income growth (%) | 24.2 | 21.6 | 18.9 | 19.9 | 19.2 |
| Opex growth (%) | 26.4 | 25.2 | 16.2 | 19.0 | 18.9 |
| PPOP margin (%) | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| Credit costs-to-PPOP (%) | 4.6 | 4.6 | 5.9 | 5.6 | 5.4 |
| Loan-to-Assets (%) | 88.2 | 90.7 | 91.9 | 91.8 | 91.3 |
| Yield on loans (%) | 11.7 | 11.6 | 11.4 | 11.4 | 11.4 |
| Cost of funds (%) | 7.8 | 7.8 | 7.6 | 7.6 | 7.6 |
| Spread (%) | 4.0 | 3.8 | 3.8 | 3.8 | 3.8 |

*Source: Company, Emkay Research*

## Valuations and key Ratios

| Y/E Mar | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|
| P/E (x) | 22.5 | 19.7 | 16.6 | 13.8 | 11.5 |
| P/B (x) | 3.2 | 2.9 | 2.4 | 2.1 | 1.8 |
| P/ABV (x) | 3.2 | 2.9 | 2.4 | 2.1 | 1.8 |
| P/PPOP (x) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividend yield (%) | 0 | 0 | 0 | 0 | 0 |
| **Dupont-RoE split (%)** | | | | | |
| NII/avg AUM | 6.7 | 6.7 | 6.7 | 6.7 | 6.6 |
| Other income | 1.5 | 1.6 | 1.5 | 1.5 | 1.6 |
| Securitization income | - | - | - | - | - |
| Opex | 2.9 | 3.0 | 2.9 | 2.9 | 2.9 |
| Employee expense | - | - | - | - | - |
| **PPOP** | **5.3** | **5.3** | **5.3** | **5.3** | **5.3** |
| Provisions | 0.2 | 0.2 | 0.3 | 0.3 | 0.3 |
| Tax expense | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| **RoAUM (%)** | **3.9** | **3.9** | **3.9** | **3.9** | **3.9** |
| Leverage ratio (x) | 4.3 | 4.0 | 4.1 | 4.2 | 4.2 |
| **RoE (%)** | **16.9** | **15.8** | **15.9** | **16.3** | **16.6** |

## Quarterly data

| Rs mn, Y/E Mar | Q1FY26 | Q2FY26 | Q3FY26 | Q4FY26 | Q1FY27 |
|---|---|---|---|---|---|
| NII | 4,282 | 4,578 | 4,855 | 5,081 | 5,103 |
| NIM (%) | 6.6 | 6.8 | 6.9 | 6.8 | 6.6 |
| PPOP | 3,320 | 3,558 | 3,773 | 4,082 | 3,952 |
| PAT | 2,373 | 2,664 | 2,812 | 3,107 | 2,823 |
| EPS (Rs) | 5.50 | 6.16 | 6.49 | 7.15 | 6.47 |

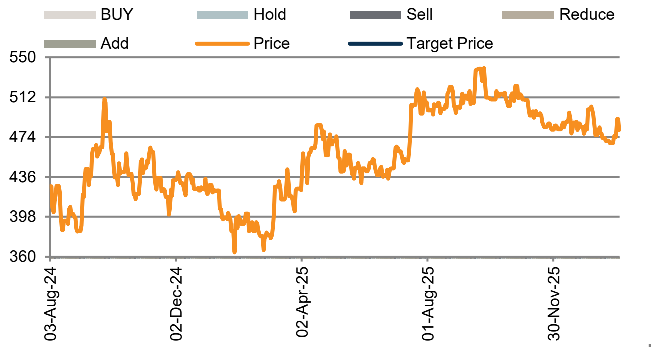
*Source: Company, Emkay Research*

### RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (Rs) | TP (Rs) | Rating | Analyst |
|---|---|---|---|---|
| 17-Jul-26 | 517 | 600 | Buy | Avinash Singh |
| 17-Jul-26 | 517 | 600 | Buy | Avinash Singh |

*Source: Company, Emkay Research*

### RECOMMENDATION HISTORY - TREND




*Source: Company, Bloomberg, Emkay Research*

**GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):**

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as “Stock Exchange(s)”). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India (“SEBI”) bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities 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 including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL . All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read “Risk Disclosure Document for Capital Market and Derivatives Segments” as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

**Disclaimer for U.S. persons only:** Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

## RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

## ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons1 may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests2 in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

[1] An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

[2] Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

## COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report-:

1. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of August 01, 2026
2. EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report

**Disclosure of previous investment recommendation produced:**

3. EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
4. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of August 01, 2026
5. EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the August 01, 2026
6. EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
7. EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
8. EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

### Emkay Rating Distribution

| Ratings | Expected Return within the next 12-18 months. |
|---|---|
| BUY | >15% upside |
| ADD | 5-15% upside |
| REDUCE | 5% upside to 15% downside |
| SELL | >15% downside |

**Emkay Global Financial Services Ltd.**
CIN - L67120MH1995PLC084899
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

**OTHER DISCLAIMERS AND DISCLOSURES**:

**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) -:**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL 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. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.

SESHADRI KUMAR SEN Digitally signed by SESHADRI KUMAR SEN Date: 2026.08.01 21:36:23 +05'30'