BUY SBI Cards

Credit cost improves, but revenue growth challenges persist

Emkay
Your success is our success

BFSI - NBFCs | Result Update | **July 27, 2026** | **CMP (Rs): 619 | TP (Rs): 750**

Sharp improvement in credit cost to 6.8% (vs 8.1% in 4QFY26 and 10.3% in 1QFY26) led to SBICARD delivering an impressive 20% yoy growth in PAT to Rs6.64bn. However, PPoP at Rs18.4bn was down 12% yoy and 3% qoq, as AUM growth remained anemic at 3% yoy and revolver rates stable at 22%; the quality of spends growth remained poor with corporate card spends growth (+125% YoY) driving a large part of the spends growth. Overall, asset quality pain seems to be gradually resolving, albeit leading to challenges on the revenue growth front due to a combination of spending mix (retail vs corporate) moderating revolver rates and EMI in the asset mix. Factoring in the slower NII and spend based revenue growth, partly compensated by cut in credit cost estimates, we cut FY27-29E EPS by ~5-7% and Jun-27E TP by ~12% to Rs750 from Rs850 (Mar-27E), valuing the company at FY28E PER of 22x. We retain BUY on the stock, as we believe the moderated valuation multiples and easing asset quality challenges will support a re-rating.

Healthy spends growth; AUM growth improves

SBIC's new card additions improved to 1.02mn after being range-bound at ~0.9mn in recent quarters, while net card additions increased to ~0.5mn vs ~0.3mn qoq. The overall cards-in-force (CIF) base grew 6.6% yoy to 22.6mn. Spends growth remained healthy at 27% yoy/3% qoq driven by corporate spends, which increased 125% yoy and declined 4% qoq, while retail spends growth improved 14% yoy/5% qoq. Increase in EMI contribution, along with a stable revolver portfolio, supported receivables/AUM growth of 2.9% yoy/2.4% qoq, albeit remains anemic. Management believes revolver rates will be broadly stable, though with a marginal downward bias, while it expects receivable growth to accelerate in 2HFY27, on higher customer acquisition and festive season demand.

Asset quality improvements continue; revenue growth drivers in slow mode

With the sustained easing in incremental stress flow, SBIC's GS3 ratio improved sequentially to 2.04% (vs 2.41% in 4QFY26), while GS2 improved to 3.6% (vs 3.7% in 4QFY26). This, along with lower write-offs, led to a sharp moderation in overall credit costs to 6.5% in 1Q vs 7.7% in 4Q. The management expects asset quality and credit costs to improve further in FY27, while remaining watchful for potential disruptions from the ongoing West Asia conflict.

We retain BUY, on valuation and easing in credit costs

To reflect the 1Q developments and management commentary, we change our FY27-29 estimates; this leads to: 1) ~2-3% cut in net revenue; 2) ~4-8% cut in PPoP estimates; and 3) ~5-7% cut in EPS estimates. We cut our Jun-27 TP by ~12% to Rs750 from Rs850 (Mar-27E), valuing the stock at Jun-28E PER of 21x, as we believe moderation in earnings growth and ROE warrants multiple compression. We retain BUY, as moderation in valuation multiples and easing of credit costs are likely to support a re-rating. Key risks: slower-than-expected growth, deterioration in asset quality, and attrition among KMPs.

Target Price – 12M	Jun-27
Change in TP (%)	**(11.8)**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	21.2

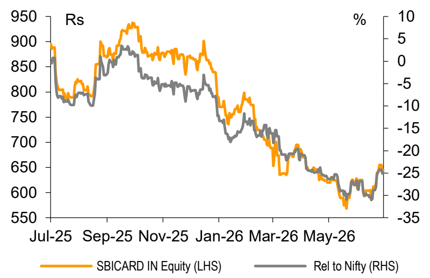
Stock Data	**SBICARD IN**
52-week High (Rs)	965
52-week Low (Rs)	565
Shares outstanding (mn)	951.6
Market-cap (Rs bn)	589
Market-cap (USD mn)	6,097
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	1.6
ADTV-3M (Rs mn)	1,024.5
ADTV-3M (USD mn)	10.6
Free float (%)	31.4
Nifty-50	23,767.4
INR/USD	96.6

Shareholding,Jun-26	
Promoters (%)	68.9
FPIs/MFs (%)	9.0/18.1

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	1.8	(7.7)	(30.1)
Rel. to Nifty	2.9	(7.2)	(26.3)

1-Year share price trend (Rs)



SBI Cards: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profits	19,164	21,667	25,598	31,851	39,229
AUM growth (%)	9.5	1.8	7.9	12.0	15.1
NII growth (%)	15.7	10.7	(4.0)	14.3	17.1
NIMs (%)	10.6	10.9	10.0	10.3	10.6
PPOP growth (%)	14.3	5.7	(2.8)	15.0	15.9
Adj. EPS (Rs)	20.1	22.8	26.9	33.5	41.2
Adj. EPS growth (%)	(20.6)	13.0	18.1	24.4	23.2
Adj. BV (INR)	138.9	160.8	184.1	213.4	249.2
Adj. BVPS growth (%)	13.1	15.7	14.5	15.9	16.7
RoA (%)	3.1	3.3	3.7	4.1	4.5
RoE (%)	14.8	14.7	15.2	16.5	17.5
P/E (x)	30.7	27.2	23.0	18.5	15.0
P/ABV (x)	4.5	3.8	3.4	2.9	2.5

Source: Company, Emkay Research

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

Nikhil Vaishnav
nikhil.vaishnav@emkayglobal.com
+91-22-66242485

Aman Mehta
aman.mehta@emkayglobal.com
+91-22-66121275

Key concall takeaways

Portfolio performance

- SBI Cards maintains a strong leadership position, with 18.6% market share in cards-in-force and 19.5% market share in card spends.
- Management expects receivable growth to accelerate in 2HFY27, supported by higher new customer acquisitions and seasonal demand during the festive quarter.
- Management remains confident of achieving its medium-term RoA guidance of 4.0–4.5%, supported by improving earnings stability and sustained profitability.
- Customer acquisition will be driven by an expanded bancassurance/bank partnership channel and digital sourcing, with focus on acquiring premium customers with high spending potential and strong credit profiles. The company will continue to strengthen its diversified product portfolio, expanding core and co-branded credit card offerings.
- The co-branded BPCL SBI Card crossed the 5mn milestone, making it one of the largest fuel co-branded credit card partnerships in India.
- Business growth remained healthy, with cards-in-force increasing 7% yoy to 22.6mn, while the company added over 1mn new accounts during 1QFY27, reflecting 17% yoy growth, in line with its strategic roadmap.
- The management expects revolver rates to be stable, as the company has witnessed a slight downward bias on these rates; however, the rates will track a similar range ahead. The gradual shift toward EMI products has contributed to the recent moderation in revolver rates, in line with management expectations.
- While some customers may migrate from revolving balances to personal loans, the management believes this does not diminish the overall growth opportunity, given the large untapped customer base and significant headroom for credit penetration.
- Management highlighted strong momentum in card acquisitions, supported by ongoing business initiatives and growth in the EMI portfolio, which are expected to drive revenue growth going forward. Further, given that the festive season is approaching, the EMI portfolio will see an uptick going forward.
- Management continues to focus on its "spend-to-lend" strategy, encouraging customers to convert card spends into EMI transactions either at the point of sale or post-purchase. The company has strengthened its EMI ecosystem over the past 2Y through partnerships with leading OEMs, enabling attractive EMI offerings across offline and online channels.
- SBI Cards has also expanded collaborations with payment gateways and intermediaries, improving transaction processing and facilitating seamless EMI conversions. These initiatives are expected to support higher EMI penetration, improve customer engagement, and drive growth in interest-earning assets.
- Management indicated that while some existing customers continue to avail personal loans on credit cards, the company is currently not offering the product to new customers and may revisit the strategy in the future.
- The company aims for corporate spends to be ~20% or below the overall spends vs the industry range of 20-25%.

NIM

- Despite interest rate volatility during 4QFY26 and 1QFY27, the average cost of funds was stable at 6.6% in 1QFY27. However, the management expects funding costs to gradually increase in line with the prevailing market rates, while NIM would maintain current levels.

Asset quality

- The asset mix has improved significantly, with Stage-2 and Stage-3 assets declining to their lowest levels since the Covid period, highlighting better portfolio quality.

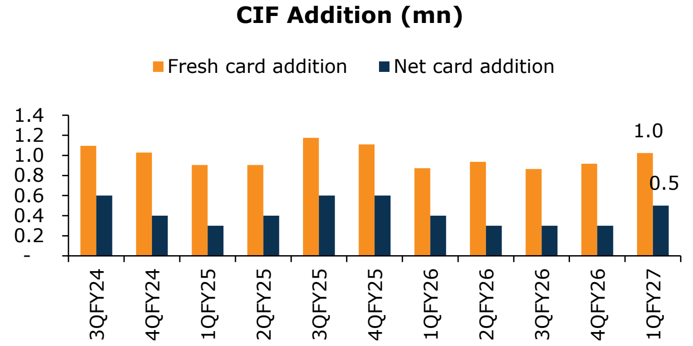
- Annual review of the ECL model was completed in 1QFY27, resulting in the utilization of Rs1.80bn from the Rs2.20bn management overlay carried in the previous quarter.
- Improvement in the portfolio mix enabled a provision write-back of Rs650mn during the quarter. However, the company carried a Rs700mn management overlay as a prudent buffer against ongoing geopolitical and macroeconomic uncertainties.
- Management has not observed any material impact from the Middle East conflict, on portfolio performance so far, but continues to monitor the situation closely. Given its unsecured lending portfolio, the company remains vigilant and is prepared to take timely corrective actions should any signs of stress emerge.
- Management remains watchful of external risks, particularly the potential second-order impact of higher fuel prices, inflation, and geopolitical developments on customer cash flows and repayment behaviour.
- The company expects gross credit costs to track the current guided range, barring any material impact from the Middle East conflict. The overall portfolio remains resilient, with no specific customer cohort currently showing any material signs of stress.

Other highlights

- Management remains confident of achieving its medium-term RoA guidance of 4.0–4.5%, supported by improving earnings stability and sustained profitability.
- Improved data visibility has strengthened the company's ability to optimize credit limits based on customer risk profiles and spending behaviour. The company has been rationalizing credit limits, increasing limits for eligible customers after adopting a relatively conservative approach during the recent challenging credit cycle.

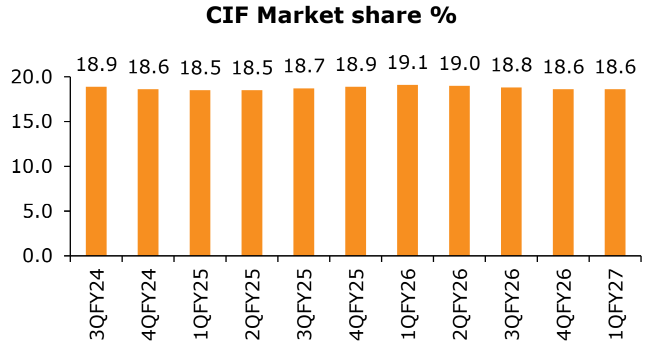
Story in charts

Exhibit 1: New card additions improved to 1.02mn…



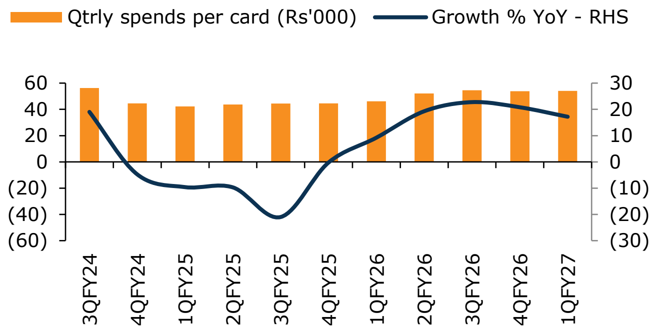
Source: Company, Emkay Research

Exhibit 2: …resulting in a relatively stable CIF market share



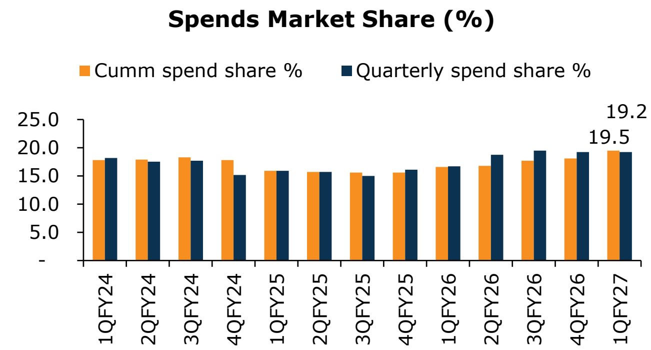
Source: Company, Emkay Research

Exhibit 3: Quarterly spends per card qoq decline marginaly, owin to decline in corporate spends qoq while aided by retail spends…



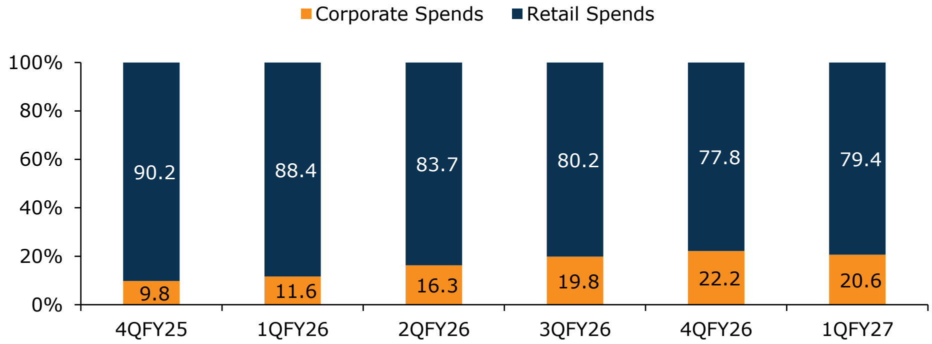
Source: Company, Emkay Research

Exhibit 4: …resulting in stable spends market share



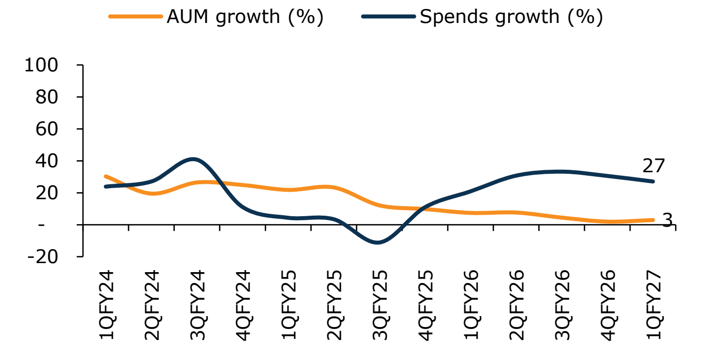
Source: Company, Emkay Research

Exhibit 5: Share of corporate spends declines qoq, while retail share improves qoq



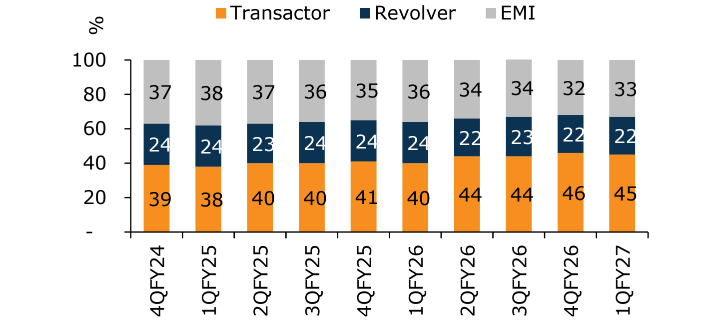
Source: Company, Emkay Research

Exhibit 6: Rising share of transactors and small-value spends leads to slower receivables and AUM growth…



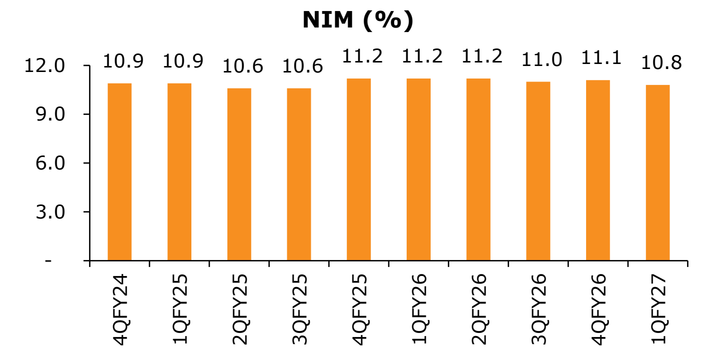
Source: Company, Emkay Research

Exhibit 7: …leading to increase in the company's EMI share qoq to 33%



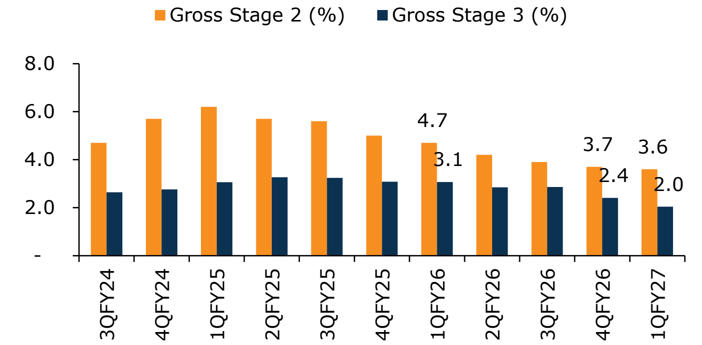
Source: Company, Emkay Research

Exhibit 8: NIM declines qoq owing to higher cost of funds and lower yields



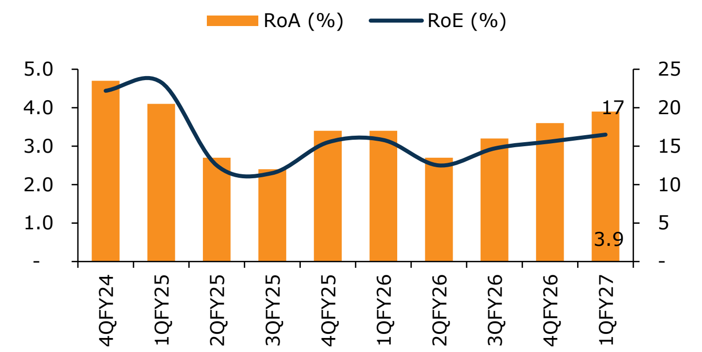
Source: Company, Emkay Research

Exhibit 9: The stress pool continues to ease, leading to improvement in asset quality



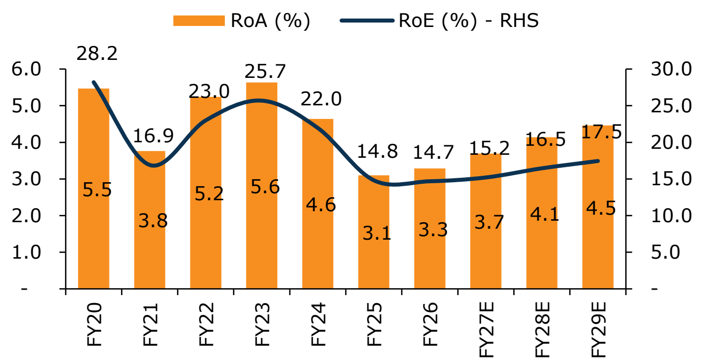
Source: Company, Emkay Research

Exhibit 10: Higher net income, coupled with lower provisions, leads to increase in ROA



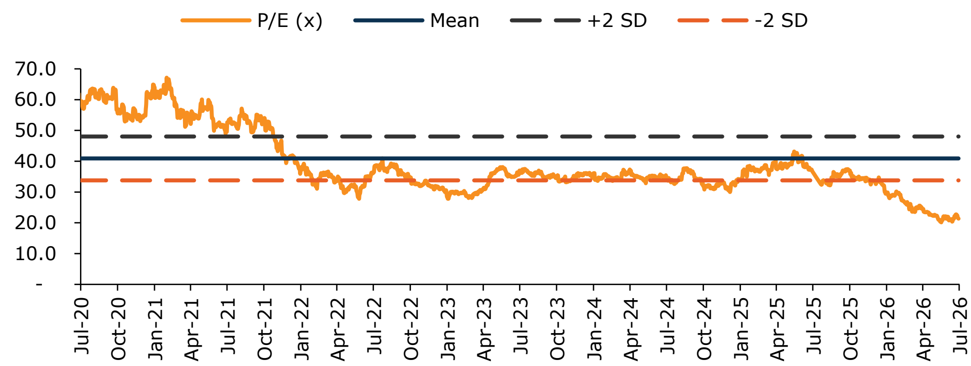
Source: Company, Emkay Research

Exhibit 11: We expect SBIC's ROA to improve over FY27-29E, as growth, margins, and LLP improve



Source: Emkay Research

Exhibit 12: The stock currently trades at ~21x 1YF PER, below its -2 SD level



Source: Bloomberg, Emkay Research

Exhibit 13: Actuals vs estimates (1QFY27)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	44,734	45,878	46,707	-2%	-4%	Lower NII and stable other income led to a miss
PPOP	19,127	20,419	19,886	-6%	-4%	Lower net income coupled with stable opex led to a miss
PAT	6,093	6,217	6,058	-2%	1%	Lower PPoP led to a miss

Source: Emkay Research

Exhibit 14: Quarterly summary

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26	FY27E	yoy (%)
Interest earned	24,932	24,899	25,364	23,818	24,206	-3	2	99,011	95,091	-4
Interest expense	8,128	7,601	7,851	7,136	7,445	-8	4	30,716	29,513	-4
Net interest income	16,803	17,298	17,513	16,681	16,761	0	0	68,296	65,578	-4
Non-interest income	25,422	26,466	28,170	28,053	27,847	10	-1	108,065	119,160	10
Operating Expenses	21,227	24,839	25,971	25,607	26,200	23	2	97,605	108,193	11
PPoP	20,999	18,925	19,713	19,127	18,408	-12	-4	78,756	76,545	-3
Provision and contingencies	13,516	12,927	12,222	10,968	9,477	-30	-14	49,624	42,185	-15
PBT	7,484	5,998	7,491	8,159	8,931	19	9	29,132	34,359	18
Income tax expense (gain)	1,924	1,550	1,925	2,066	2,287	19	11	7,465	8,762	17
Net profit/(loss)	5,560	4,448	5,566	6,093	6,644	20	9	21,667	25,598	18
Gross NPA (%)	3.1	2.9	2.9	2.4	2.0	-103bps	-37bps	2.5	2.4	-7bps
Net NPA (%)	1.4	1.3	1.3	1.0	0.8	-59bps	-21bps	1.0	1.0	-7bps
CIF (mn)	21.2	21.5	21.8	22.1	22.6	7	2	22.1	23.6	7
Spends (Rs bn)	932.4	1,070.6	1,147.0	1,153.5	1,184.8	27	3	4,304	5,099	18
Net advances (Rs bn)	546.3	578.6	552.2	549.8	563.9	3	3	549.8	593.0	7.9
ROA - annualized (%)	3.4	2.7	3.2	3.6	3.9	50bps	30bps	3.3	3.7	41bps
ROE - annualized (%)	15.8	12.5	14.7	15.6	16.5	70bps	90bps	14.7	15.2	52bps

Source: Company, Emkay Research

Exhibit 15: Revision in estimates

Y/E Mar (Rs mn)	FY27E			FY28E			FY29E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
Net income	191,246	184,738	-3.4%	212,207	207,373	-2.3%	238,811	234,727	-1.7%
PPOP	83,052	76,545	-7.8%	92,882	88,048	-5.2%	106,144	102,061	-3.8%
PAT	27,040	25,598	-5.3%	34,048	31,851	-6.5%	42,271	39,229	-7.2%
EPS (Rs)	28.4	26.9	-5.3%	35.8	33.5	-6.5%	44.4	41.2	-7.2%
BV (Rs)	190.2	188.7	-0.8%	221.9	218.1	-1.7%	261.4	254.3	-2.7%

Source: Emkay Research

Exhibit 16: Key assumptions

(%)	FY26	FY27E	FY28E	FY29E
Loan growth	1.9	7.9	11.9	15.0
CIF growth	6.3	6.8	7.7	14.9
NIMs	10.9	10.0	10.3	10.6
GNPA	2.5	2.4	2.4	2.4
Credit cost	9.0	7.3	7.1	6.8

Source: Emkay Research

SBI Cards: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	93,473	99,011	95,091	106,544	123,352
Interest Expense	31,784	30,716	29,513	31,600	35,585
Net interest income	**61,689**	**68,296**	**65,578**	**74,944**	**87,767**
NII growth (%)	15.7	10.7	(4.0)	14.3	17.1
Non interest income	92,898	108,065	119,160	132,429	146,961
Total income	**154,588**	**176,360**	**184,738**	**207,373**	**234,727**
Operating expenses	80,066	97,605	108,193	119,325	132,666
PPOP	**74,522**	**78,756**	**76,545**	**88,048**	**102,061**
PPOP growth (%)	14.3	5.7	(2.8)	15.0	15.9
Provisions & contingencies	48,715	49,624	42,185	45,295	49,405
PBT	**25,807**	**29,132**	**34,359**	**42,753**	**52,656**
Extraordinary items	-	-	-	-	-
Tax expense	6,643	7,465	8,762	10,902	13,427
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	**19,164**	**21,667**	**25,598**	**31,851**	**39,229**
PAT growth (%)	(20.4)	13.1	18.1	24.4	23.2
Adjusted PAT	**19,164**	**21,667**	**25,598**	**31,851**	**39,229**
Diluted EPS (Rs)	**20.1**	**22.8**	**26.9**	**33.5**	**41.2**
Diluted EPS growth (%)	(20.6)	13.0	18.1	24.4	23.2
DPS (Rs)	**2.5**	**2.5**	**3.5**	**4.0**	**5.0**
Dividend payout (%)	**12.4**	**11.0**	**13.0**	**12.0**	**12.1**
Effective tax rate (%)	25.7	25.6	25.5	25.5	25.5
Net interest margins (%)	10.6	10.9	10.0	10.3	10.6
Cost-income ratio (%)	51.8	55.3	58.6	57.5	56.5
PAT/PPOP (%)	25.7	27.5	33.4	36.2	38.4
Shares outstanding (mn)	951.4	951.6	951.6	951.6	951.6

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	9,514	9,516	9,516	9,516	9,516
Reserves & surplus	128,304	147,739	170,006	198,051	232,522
Net worth	**137,817**	**157,255**	**179,522**	**207,567**	**242,038**
Borrowings	**449,466**	**440,637**	**475,376**	**527,909**	**611,512**
Other liabilities & prov.	**68,175**	**65,386**	**67,378**	**77,109**	**83,058**
Total liabilities & equity	**655,458**	**663,278**	**723,719**	**816,225**	**943,290**
Net loans	539,346	549,844	593,036	663,441	763,180
Investments	62,351	63,737	71,704	78,875	88,340
Cash, other balances	27,382	23,198	26,146	31,675	39,748
Interest earning assets	**629,079**	**636,779**	**690,886**	**773,991**	**891,268**
Fixed assets	3,303	2,311	2,877	5,166	6,044
Other assets	23,076	24,188	29,956	37,069	45,977
Total assets	**655,458**	**663,278**	**723,719**	**816,225**	**943,290**
BVPS (Rs)	144.9	165.3	188.7	218.1	254.3
Adj. BVPS (INR)	138.9	160.8	184.1	213.4	249.2
Gross loans	547,756	557,844	601,664	673,615	775,441
Total AUM	**547,756**	**557,844**	**601,664**	**673,615**	**775,441**
On balance sheet	547,756	557,844	601,664	673,615	775,441
Off balance sheet	-	-	-	-	-
Disbursements	-	-	-	-	-
Disbursements growth (%)	0	0	0	0	0
Loan growth (%)	9.9	1.9	7.9	11.9	15.0
AUM growth (%)	9.5	1.8	7.9	12.0	15.1
Borrowings growth (%)	12.7	(2.0)	7.9	11.1	15.8
Book value growth (%)	14.0	14.1	14.2	15.6	16.6

Source: Company, Emkay Research

Asset quality and other metrics

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
GNPL - Stage 3	15,989	13,719	14,381	16,149	18,863
NNPL - Stage 3	7,579	5,718	5,752	5,975	6,602
GNPL ratio - Stage 3 (%)	2.9	2.5	2.4	2.4	2.4
NNPL ratio - Stage 3 (%)	1.4	1.0	1.0	0.9	0.9
ECL coverage - Stage 3 (%)	52.6	58.3	60.0	63.0	65.0
ECL coverage - 1 & 2 (%)	-	-	-	-	-
Gross slippage - Stage 3	50,462	39,049	33,092	35,365	38,772
Gross slippage ratio (%)	9.2	7.0	5.5	5.3	5.0
Write-off ratio (%)	0	0	0	0	0
Total credit costs (%)	9.3	9.0	7.3	7.1	6.8
NNPA to networth (%)	5.5	3.6	3.2	2.9	2.7
Capital adequacy					
Total CAR (%)	25.7	25.5	27.7	27.9	28.3
Tier-1 (%)	20.3	20.0	23.3	24.1	25.0
Miscellaneous					
Total income growth (%)	3.8	14.1	4.8	12.3	13.2
Opex growth (%)	(4.3)	21.9	10.8	10.3	11.2
PPOP margin (%)	14.2	14.2	13.2	13.8	14.1
Credit costs-to-PPOP (%)	65.4	63.0	55.1	51.4	48.4
Loan-to-Assets (%)	82.3	82.9	81.9	81.3	80.9
Yield on loans (%)	17.8	17.8	16.2	16.5	16.8
Cost of funds (%)	7.5	6.9	6.4	6.3	6.2
Spread (%)	10.3	10.9	9.7	10.2	10.6

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	30.7	27.2	23.0	18.5	15.0
P/B (x)	4.3	3.7	3.3	2.8	2.4
P/ABV (x)	4.5	3.8	3.4	2.9	2.5
P/PPOP (x)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0.4	0.4	0.6	0.6	0.8
Dupont-RoE split (%)					
NII/avg AUM	10.0	10.4	9.5	9.7	10.0
Other income	15.0	16.4	17.2	17.2	16.7
Securitization income	14.1	15.5	16.4	16.6	16.2
Opex	12.9	14.8	15.6	15.5	15.1
Employee expense	1.0	1.0	1.0	0.9	0.8
PPOP	**12.0**	**11.9**	**11.0**	**11.4**	**11.6**
Provisions	7.9	7.5	6.1	5.9	5.6
Tax expense	1.1	1.1	1.3	1.4	1.5
RoAUM (%)	**3.1**	**3.3**	**3.7**	**4.1**	**4.5**
Leverage ratio (x)	4.8	4.5	4.1	4.0	3.9
RoE (%)	**14.8**	**14.7**	**15.2**	**16.5**	**17.5**

Quarterly data

Rs mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	16,803	17,298	17,513	16,681	16,761
NIM (%)	11.2	11.2	11.0	11.1	10.8
PPOP	20,999	18,925	19,713	19,127	18,408
PAT	5,560	4,448	5,566	6,093	6,644
EPS (Rs)	5.84	4.67	5.85	6.40	6.98

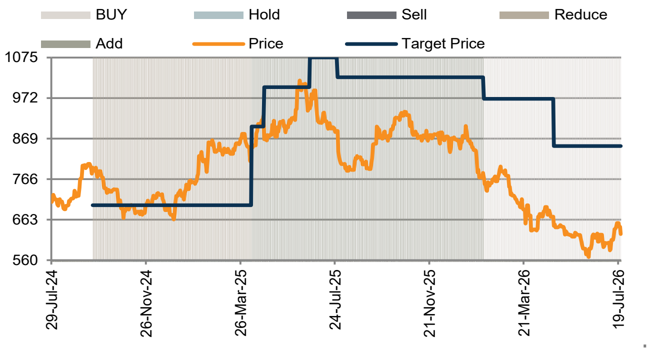
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
28-Apr-26	647	850	Buy	Anand Dama
12-Feb-26	773	970	Buy	Anand Dama
29-Jan-26	769	970	Buy	Anand Dama
25-Oct-25	929	1,025	Add	Anand Dama
26-Sep-25	874	1,025	Add	Anand Dama
27-Jul-25	889	1,025	Add	Anand Dama
22-Jun-25	946	1,075	Add	Anand Dama
25-Apr-25	868	1,000	Add	Anand Dama
09-Apr-25	847	900	Add	Anand Dama
29-Oct-24	685	700	Reduce	Anand Dama
19-Sep-24	795	700	Reduce	Anand Dama

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 July 27, 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 July 27, 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 July 27, 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: 2026.07.27 02:02:23 +05'30'