ADD

IDFC First Bank

Readying to walk the talk

BFSI - Banks ▸ Management Meet Update ▸ **September 29, 2025**

CMP (Rs): 70 | TP (Rs): 80

We met with MD and CEO V Vaidyanathan of IDFC First Bank, to discuss the bank's long-term growth and asset-quality outlook, its strategy to tame the cost-to-income ratio, and rationale to tie-up the huge investments from Warburg and ADIA. KTAs:

Warburg/ADIA investment to fuel growth without near-term dilution risk

IDFC First aims to sustain ~20% credit growth and double its loan book within 4-5 years, with no dilution risk (an irritant otherwise) till FY28, supported by Warburg and ADIA's capital infusion (boosting CET-1 by 2.6%). The bank enjoys one of the best CASA ratios in the industry at 48%, though focus will be on lowering SA costs to improve the economic value of its otherwise high CASA and inch-up sub-optimal CA ratio (now at ~7%); this should provide the bank an option to reduce the portfolio risk without sacrificing margin. That said, NIM may contract in 2QFY26 from the repo cut transmission due to a lagged effect, albeit should recover in H2FY26 to ~5.8%.

Plans to sweat retail digital stack, sourcing/collection model to tame C/I ratio

The bank's opex remains elevated (C/I at 69-72%, C/A at 5.4-5.9%), given the heavy retail tech investment (reflecting in its 'best app' rating among banks at 4.9) and business sourcing cost. The card business achieved breakeven at the operating level in FY25 and is expected to contribute positively from FY26E onwards. The bank has also reduced its call-center staff given tech interventions, and plans to reduce dependence on DSAs for business sourcing through increased contribution by its own phygital network. That said, it does not plan to cut corners on the tech front and would gradually develop the enterprise tech stack; this should help mobilize enterprise business/fee and even CA deposits. Overall, it expects opex growth at ~12% in FY26E, to trail loan growth of ~20%, driving operating leverage (C/I expected to decline to ~65% by FY28E) and thus an RoA recovery.

MFI recovery to accelerate from H2FY26; BL, M-LAP risk to be contained

The bank expects MFI stress to ease post-3QFY26, with the book fully insured and new disbursements largely under government cover. High-frequency indicators (cheque bounces, DPD recoveries) remain stable in Jul-Aug'25. Unsecured BL (~4% of loans) and LAP need closer monitoring, in our view, though contained. The bank holds Rs3.2bn contingent provisions on the SMA book. Credit costs may stay elevated in Q2FY26, albeit should moderate to ~2.2% in FY26E and to ~1.6-1.8% over FY27-28E.

Set for a sustainable RoA recovery after early misses

Sticky opex and MFI/Card stress dragged RoA/RoE to a low of 0.5%/4% in FY25, thereby missing guidance. However, we expect the bank to turn the corner H2FY26 onward, as operating leverage improves, credit cost eases, and the high burn card business turns profitable, thus driving up RoA/RoE to ~1.3%/13% by FY28E. Recent investments by Warburg and ADIA (~Rs75bn) should provide long-term growth capital till FY28E, thus easing frequent dilution concerns. We retain ADD on the stock, with unchanged TP of Rs80 (1.3x Sep-27E ABV).

Target Price – 12M	Jun-26
Change in TP (%)	**-**
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	14.3

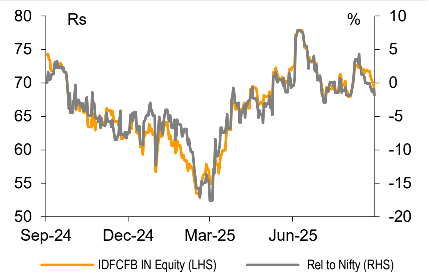
Stock Data	**IDFCFB IN**
52-week High (Rs)	79
52-week Low (Rs)	52
Shares outstanding (mn)	7,338.7
Market-cap (Rs bn)	510
Market-cap (USD mn)	5,746
Net-debt, FY26E (Rs mn)	NA
ADTV-3M (mn shares)	33
ADTV-3M (Rs mn)	1,596.4
ADTV-3M (USD mn)	18.0
Free float (%)	84.4
Nifty-50	24,634.9
INR/USD	88.8

Shareholding,Aug-25	
Promoters (%)	0.0
FPIs/MFs (%)	24.5/23.7

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	2.2	(4.0)	(6.3)
Rel. to Nifty	1.4	0.0	(0.5)

1-Year share price trend (Rs)



IDFC First Bank: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Net profit	29,565	15,248	25,326	47,347	71,296
Loan growth (%)	28.2	19.8	20.0	21.0	22.0
NII growth (%)	30.2	17.3	10.5	22.4	23.5
NIM (%)	6.5	6.3	5.9	6.0	6.1
PPOP growth (%)	26.5	18.9	19.3	32.6	31.6
Adj. EPS (Rs)	4.2	2.1	3.0	5.5	8.3
Adj. EPS growth (%)	13.6	(50.2)	41.7	87.0	50.6
Adj. BV (INR)	44.3	50.7	54.7	59.5	67.5
Adj. BVPS growth (%)	18.4	14.7	7.8	8.8	13.4
RoA (%)	1.1	0.5	0.7	1.0	1.3
RoE (%)	10.2	4.3	5.9	9.4	12.8
P/E (x)	16.6	33.4	23.6	12.6	8.4
P/ABV (x)	1.6	1.4	1.3	1.2	1.0

Source: Company, Emkay Research

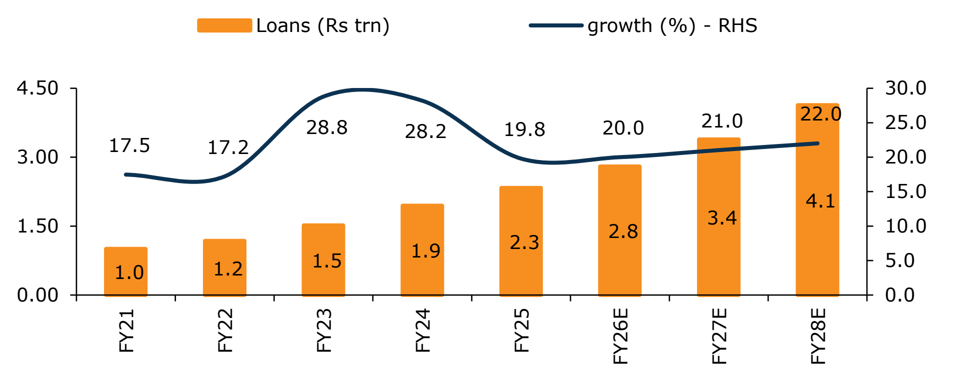
Anand Dama
anand.dama@emkayglobal.com
+91-22-66242480

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

Kunaal N
kunaal.n@emkayglobal.com
+91-22-66121275

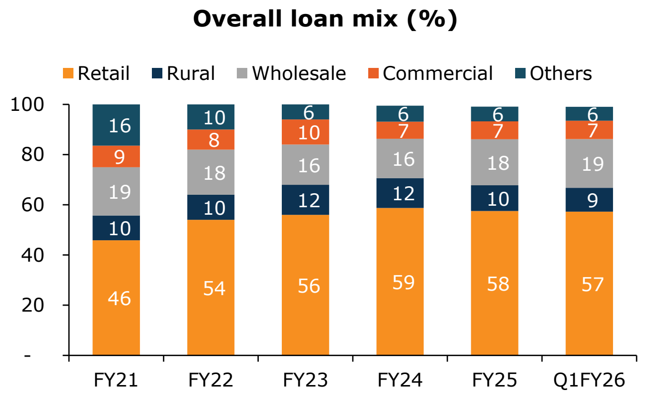
Story in charts

Exhibit 1: Strong loan growth momentum to continue



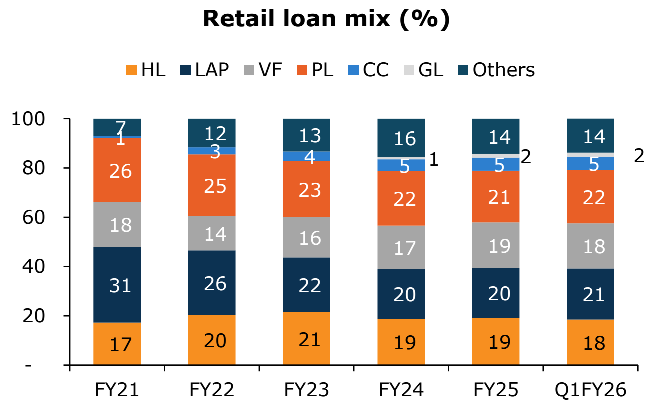
Source: Company, Emkay Research

Exhibit 2: The bank has increased its retail share over the years…



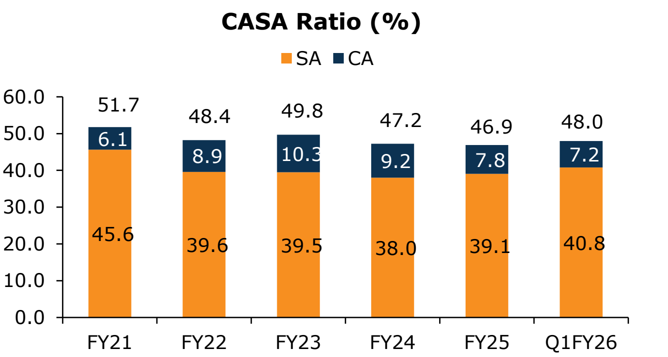
Source: Company, Emkay Research

Exhibit 3: …with a well-diversified mix of PL, LAP, HL, VF, etc



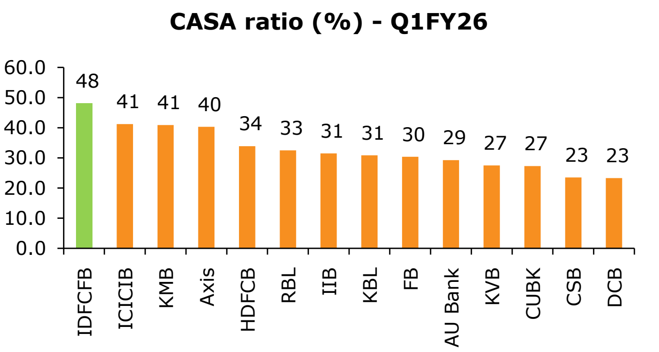
Source: Company, Emkay Research; Note: Others include gold loans (till FY23), education, and other digital loans

Exhibit 4: IDFCB's CASA ratio continues to improve…



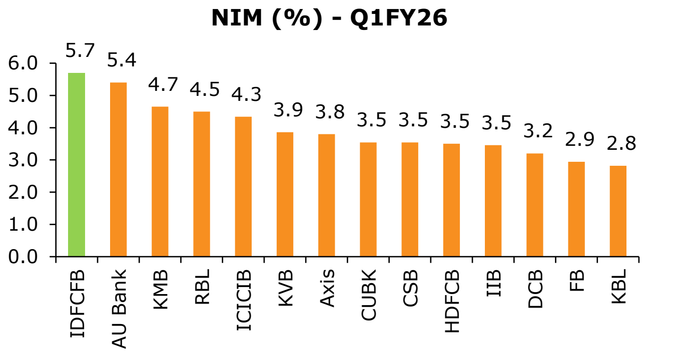
Source: Company, Emkay Research

Exhibit 5: …and is the highest among peers



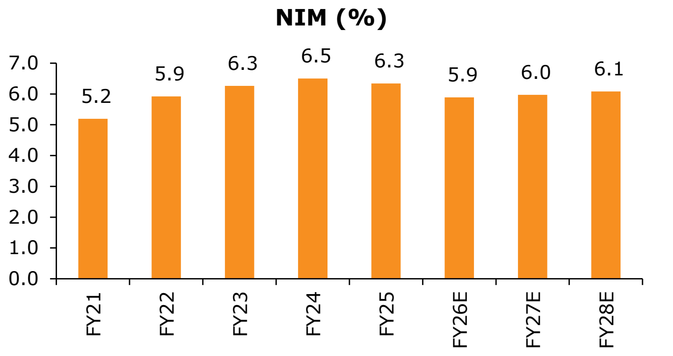
Source: Emkay Research

Exhibit 6: IDFCB commands the highest NIM among SMID PVBs…



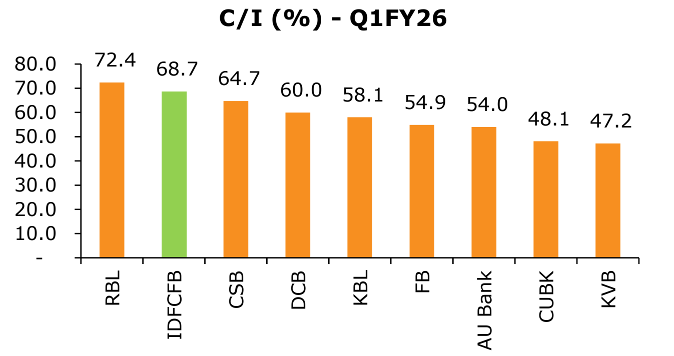
Source: Emkay Research

Exhibit 7: …with IDFCB's NIM likely to ease in FY26E due to downsizing of the MFI book and the ongoing rate cuts, with recovery expected later



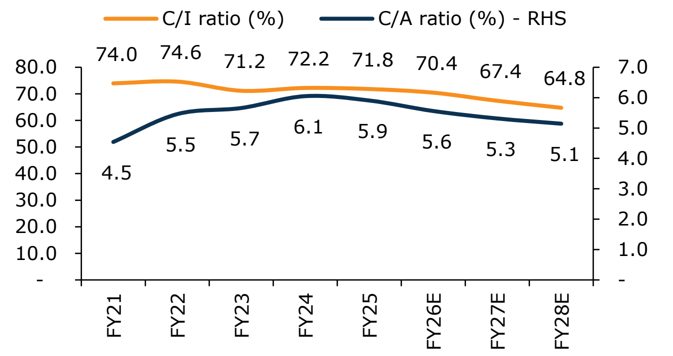
Source: Company, Emkay Research

Exhibit 8: IDFCB has one of the highest C/I ratios among peers, after RBL…



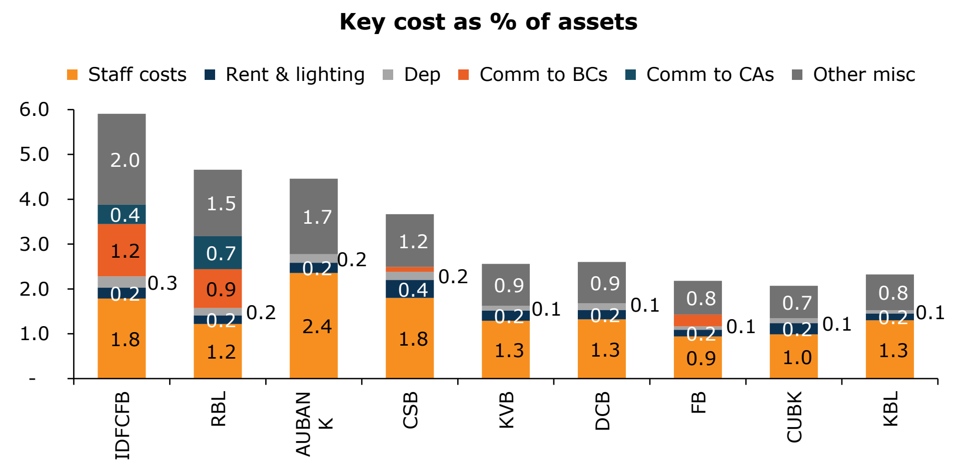
Source: Emkay Research

Exhibit 9: …however, IDFCB plans to sweat the retail digital stack, with the sourcing/collection model to tame the C/I ratio…



Source: Company, Emkay Research

Exhibit 10: IDFCFB's staff costs, commission to BCs, and other miscellaneous expenses remain higher than that of peer banks



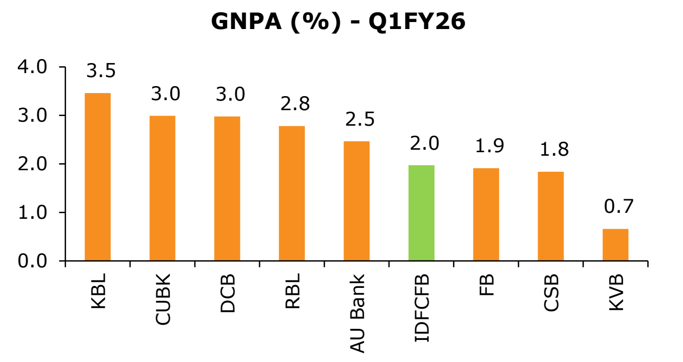
Source: Company, Emkay Research; Note: Commission to BCs represents commission to business correspondent and commission to CAs represents commissions to collection agents

Exhibit 11: Higher opex remains the primary headwind for IDFCFB's profit

Opex break-up, as a % of assets (%)	IDFCFB		RBL		FB	
	FY24	FY25	FY24	FY25	FY24	FY25
Total Opex	**6.05**	**5.91**	**4.76**	**4.66**	**2.18**	**2.18**
Staff Cost	1.83	1.78	1.17	1.22	0.99	0.94
Rent, Taxes, and Lighting	0.24	0.24	0.20	0.19	0.16	0.15
Printing and Stationery	0.04	0.04	0.02	0.02	0.02	0.02
Advertisement	0.15	0.15	0.04	0.04	0.01	0.02
Depreciation	0.23	0.26	0.17	0.17	0.08	0.07
Law charges	0.02	0.03	0.02	0.02	0.01	0.01
Postage, telephone, etc	0.06	0.05	0.05	0.05	0.05	0.05
Repairs and Maintenance	0.07	0.06	0.15	0.15	0.03	0.04
Insurance	0.08	0.09	0.11	0.11	0.10	0.09
Other expenditure	**3.33**	**3.21**	**2.82**	**2.69**	**0.73**	**0.79**
Commission to sales agents/BCs	1.27	1.17	1.13	0.87	0.23	0.27
Commission to collection agents	0.37	0.43	0.52	0.73	na	na
System management fees	0.24	0.19	na	na	na	na
Card Expenses	na	na	0.20	0.16	0.14	0.13
Misc expenses	1.45	1.42	0.98	0.92	0.36	0.40

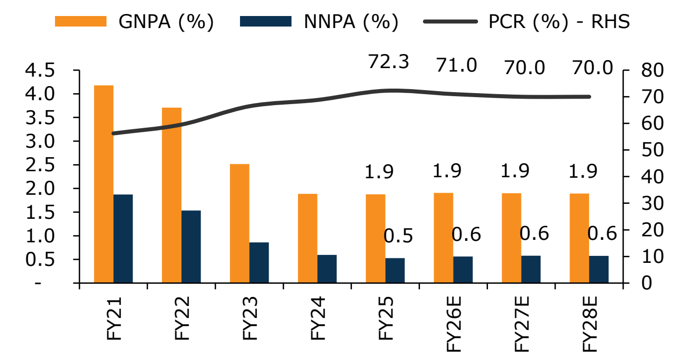
Source: Emkay Research

Exhibit 12: IDFCB has one of the lowest GNPA ratios...



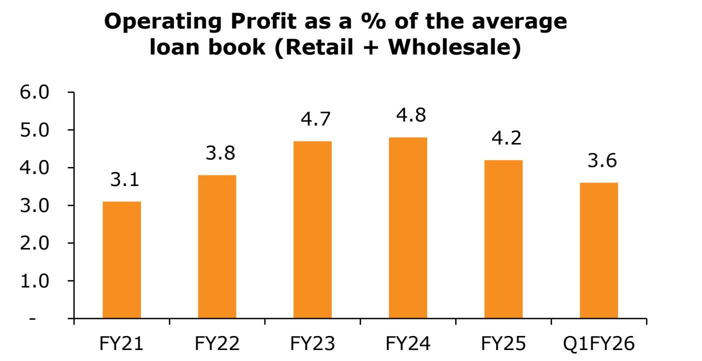
Source: Emkay Research

Exhibit 13: ...with the same expected to improve further as the MFI/card stress subsides



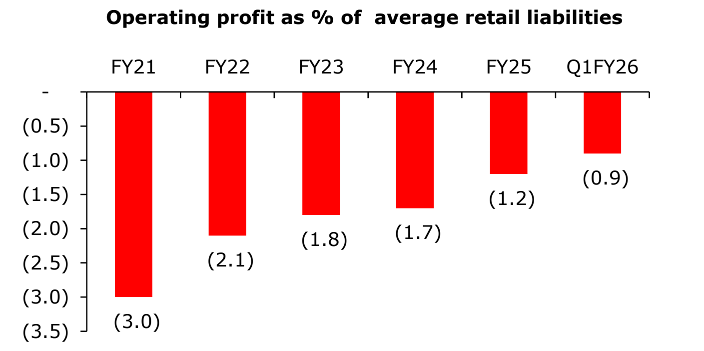
Source: Company, Emkay Research

Exhibit 14: DFCB's lending business is profitable, with strong operating profit...



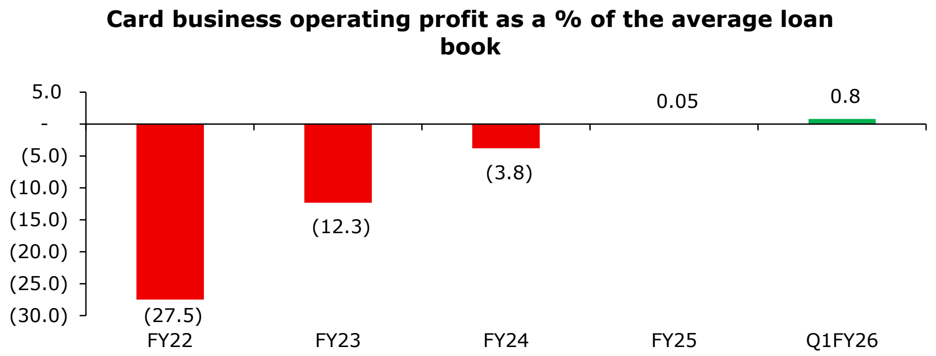
Source: Company, Emkay Research

Exhibit 15: ...and, with scale, the bank expects to see breakeven at the average retail liabilities level by FY30



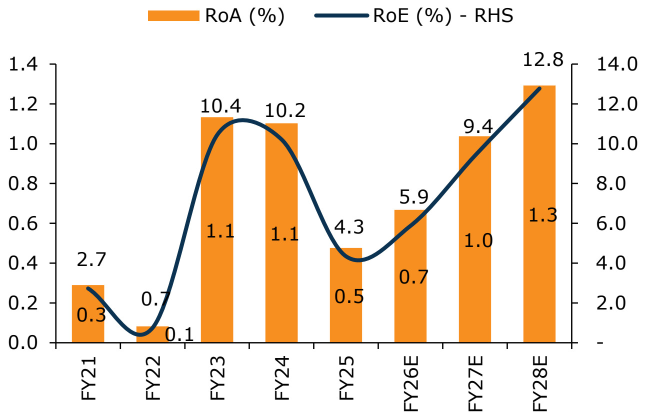
Source: Company, Emkay Research

Exhibit 16: IDFCFB's card business achieved break-even at the operating level in FY25, and is expected to contribute positively from FY26E



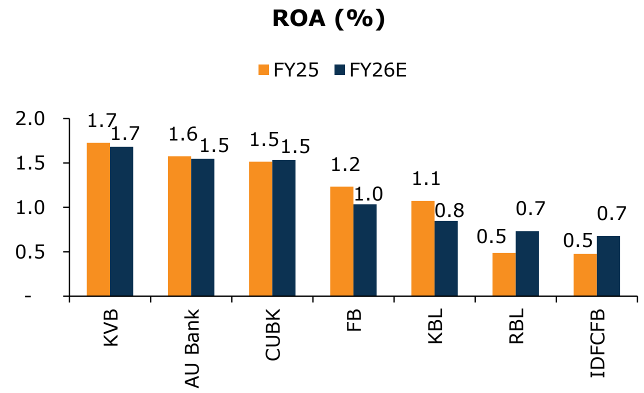
Source: Company, Emkay Research

Exhibit 17: RoA/RoE set to improve, from 0.5%/4% in FY25 to 1.3%/13% in FY28E



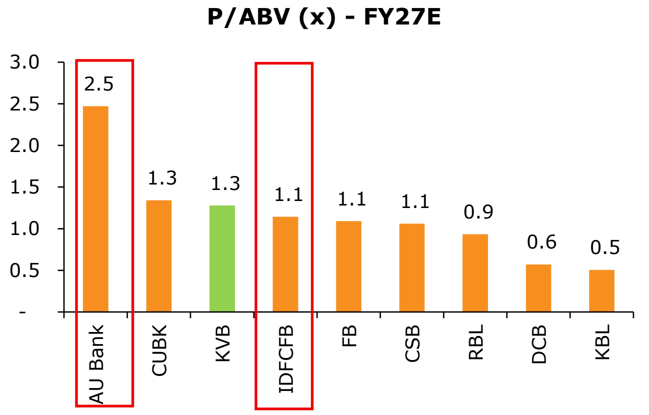
Source: Company, Emkay Research

Exhibit 18: IDFCB has a lower RoA profile due to higher opex and elevated credit cost on account of the recent MFI/Card stress drag, as seen in RBL



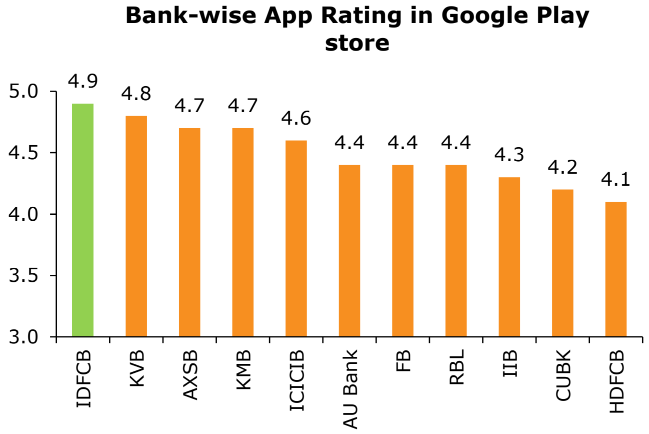
Source: Emkay Research

Exhibit 19: We believe IDFCB will see reduction in the valuation gap with AU Bank, as its strong digital capabilities and asset quality improvement should improve the return profile



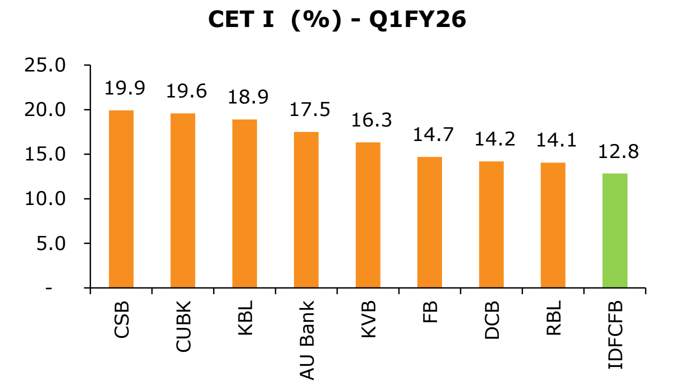
Source: Emkay Research

Exhibit 20: IDFCB's tech edge is also evident from its rating as the 'best App' among banks



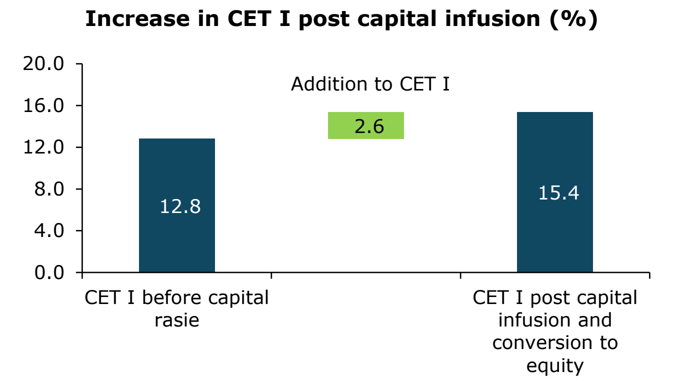
Source: Google Play store, Emkay Research

Exhibit 21: While IDFCFB's CET I ratio remains low in comparison to peers…



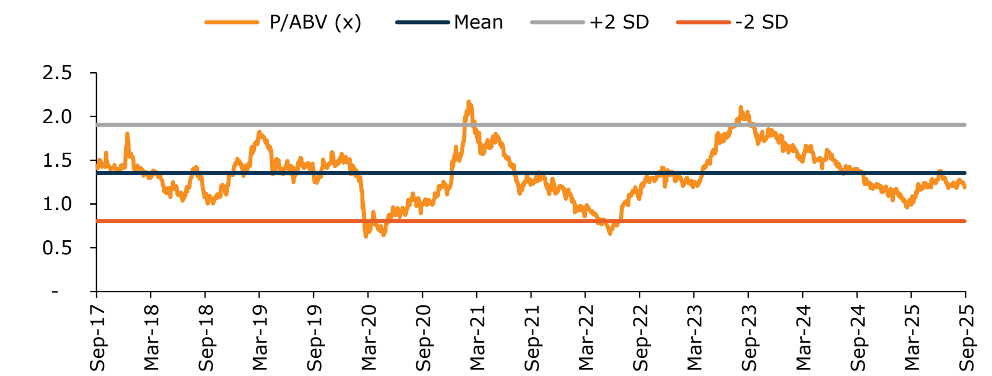
Source: Emkay Research

Exhibit 22: …the same is expected to improve by ~260bps following a Rs75bn capital infusion by Warburg and ADIA



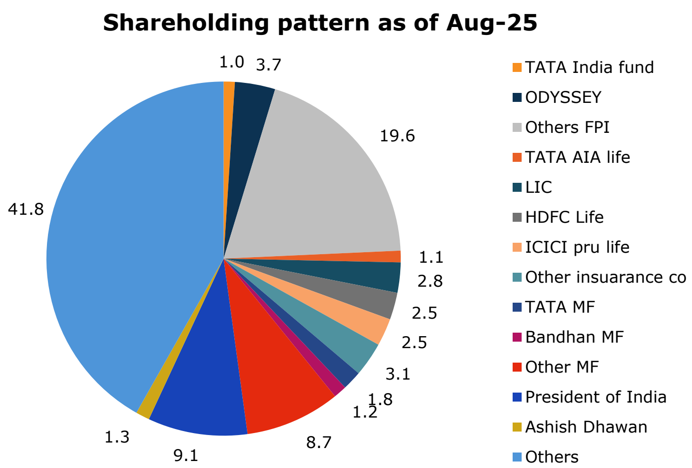
Source: Emkay Research

Exhibit 23: The stock currently trades at 1.1x FY27E ABV…



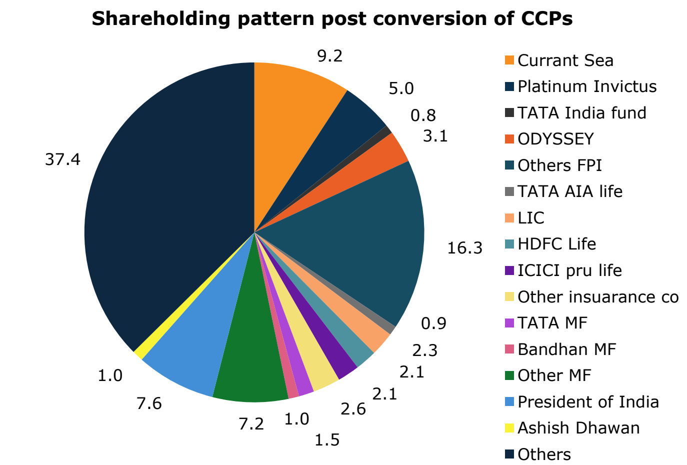
Source: Bloomberg, Emkay Research

Exhibit 24: Shareholding pattern as of Aug-25 – Before issuance of CCPS to Warburg and ADIA



Source: Company, Emkay Research

Exhibit 25: Shareholding pattern after the conversion of CCPS into equity



Source: Company, Emkay Research; Note: Currant Sea is an affiliate company of Warburg, and Platinum Invictus is the subsidiary of ADIA (Abu Dhabi Investment Authority)

IDFC First Bank: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	303,225	365,015	405,177	474,694	562,416
Interest Expense	138,717	172,095	192,095	213,820	240,317
Net interest income	**164,508**	**192,920**	**213,082**	**260,875**	**322,100**
NII growth (%)	30.2	17.3	10.5	22.4	23.5
Other income	60,020	70,217	86,107	98,892	115,906
Total Income	**224,528**	**263,137**	**299,189**	**359,767**	**438,005**
Operating expenses	162,158	188,988	210,764	242,482	283,695
PPOP	**62,370**	**74,148**	**88,424**	**117,285**	**154,310**
PPOP growth (%)	26.5	18.9	19.3	32.6	31.6
Core PPOP	**60,315**	**69,342**	**81,455**	**111,013**	**148,665**
Provisions & contingencies	23,817	55,147	56,366	54,986	59,250
PBT	**38,553**	**19,001**	**32,058**	**62,299**	**95,061**
Extraordinary items	0	0	0	0	0
Tax expense	8,988	3,753	6,732	14,952	23,765
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**29,565**	**15,248**	**25,326**	**47,347**	**71,296**
PAT growth (%)	21.3	(48.4)	66.1	87.0	50.6
Adjusted PAT	**29,565**	**15,248**	**25,326**	**47,347**	**71,296**
Diluted EPS (Rs)	**4.2**	**2.1**	**3.0**	**5.5**	**8.3**
Diluted EPS growth (%)	13.6	(50.2)	41.7	87.0	50.6
DPS (Rs)	**0**	**0**	**0.2**	**0.4**	**0.7**
Dividend payout (%)	**0**	**0**	**6.8**	**7.3**	**8.4**
Effective tax rate (%)	23.3	19.7	21.0	24.0	25.0
Net interest margins (%)	6.5	6.3	5.9	6.0	6.1
Cost-income ratio (%)	72.2	71.8	70.4	67.4	64.8
Shares outstanding (mn)	7,069.9	7,322.1	8,584.3	8,584.3	8,584.3

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	70,699	73,221	85,843	85,843	85,843
Reserves & surplus	250,914	307,559	395,668	439,781	504,848
Net worth	**321,613**	**380,780**	**481,511**	**525,625**	**590,691**
Deposits	2,005,763	2,520,652	3,170,429	3,982,729	4,979,327
Borrowings	509,356	389,748	368,063	339,585	300,681
Interest bearing liab.	**2,515,119**	**2,910,401**	**3,538,492**	**4,322,314**	**5,280,007**
Other liabilities & prov.	**124,419**	**147,006**	**123,591**	**132,534**	**180,613**
Total liabilities & equity	**2,961,151**	**3,438,187**	**4,143,594**	**4,980,473**	**6,051,311**
Net advances	1,945,924	2,331,125	2,797,448	3,385,698	4,130,695
Investments	747,084	807,155	994,614	1,186,240	1,440,850
Cash, other balances	124,802	150,974	185,771	223,783	272,420
Interest earning assets	**2,817,809**	**3,289,254**	**3,977,833**	**4,795,721**	**5,843,966**
Fixed assets	26,194	26,626	29,492	32,362	35,518
Other assets	117,147	122,306	136,269	152,390	171,827
Total assets	**2,961,151**	**3,438,187**	**4,143,594**	**4,980,473**	**6,051,311**
BVPS (Rs)	45.5	52.0	56.1	61.2	68.8
Adj. BVPS (INR)	44.3	50.7	54.7	59.5	67.5
Gross advances	1,971,503	2,363,158	2,835,790	3,431,306	4,186,193
Credit to deposit (%)	97.0	92.5	88.2	85.0	83.0
CASA ratio (%)	47.2	46.9	47.2	48.3	50.0
Cost of deposits (%)	5.9	6.2	5.7	5.2	4.8
Loans-to-Assets (%)	65.7	67.8	67.5	68.0	68.3
Net advances growth (%)	28.2	19.8	20.0	21.0	22.0
Deposit growth (%)	38.7	25.7	25.8	25.6	25.0
Book value growth (%)	17.0	14.3	7.9	9.2	12.4

Source: Company, Emkay Research

Asset quality and other metrics

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Asset quality					
Gross NPLs	37,184	44,332	54,002	65,154	79,282
Net NPLs	11,605	12,299	15,661	19,546	23,785
GNPA ratio (%)	1.9	1.9	1.9	1.9	1.9
NNPA ratio (%)	0.6	0.5	0.6	0.6	0.6
Provision coverage (%)	68.8	72.3	71.0	70.0	70.0
Gross slippages	39,270	80,550	87,909	85,783	94,189
Gross slippage ratio (%)	2.0	3.4	3.1	2.5	2.3
LLP ratio (%)	1.5	2.4	2.2	1.8	1.6
NNPA to networth (%)	3.5	3.2	3.2	3.6	3.9
Capital adequacy					
Total CAR (%)	16.1	15.5	16.4	14.8	13.7
Tier-1 (%)	13.4	13.2	14.4	13.1	12.3
CET-1 (%)	13.4	13.2	14.4	13.1	12.3
RWA-to-Total Assets (%)	78.2	80.4	78.0	78.0	77.0
Miscellaneous					
Total income growth (%)	33.6	19.8	12.9	16.8	18.3
Opex growth (%)	33.2	16.5	11.5	15.0	17.0
Core PPOP growth (%)	31.0	15.0	17.5	36.3	33.9
PPOP margin (%)	17.2	17.0	18.0	20.4	22.7
PAT/PPOP (%)	47.4	20.6	28.6	40.4	46.2
LLP-to-Core PPOP (%)	39.5	79.5	69.2	49.5	39.9
Yield on advances (%)	15.1	14.5	13.4	13.1	12.8
Cost of funds (%)	6.1	6.3	6.0	5.4	5.0

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	16.6	33.4	23.6	12.6	8.4
P/B (x)	1.5	1.3	1.2	1.1	1.0
P/ABV (x)	1.6	1.4	1.3	1.2	1.0
P/PPOP (x)	8.2	6.9	5.8	4.3	3.3
Dividend yield (%)	0	0	0.3	0.6	1.0
DuPont-RoE split (%)					
NII/avg assets	6.1	6.0	5.6	5.7	5.8
Other income	2.2	2.2	2.3	2.2	2.1
Fee income	2.1	2.0	2.1	2.0	2.0
Opex	6.1	5.9	5.6	5.3	5.1
PPOP	**2.3**	**2.3**	**2.3**	**2.6**	**2.8**
Core PPOP	2.3	2.2	2.1	2.4	2.7
Provisions	0.9	1.7	1.5	1.2	1.1
Tax expense	0.3	0.1	0.2	0.3	0.4
RoA (%)	**1.1**	**0.5**	**0.7**	**1.0**	**1.3**
Leverage ratio (x)	9.3	9.1	8.8	9.1	9.9
RoE (%)	**10.2**	**4.3**	**5.9**	**9.4**	**12.8**

Quarterly data

Rs mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
NII	46,948	47,879	49,021	49,072	49,331
NIM (%)	6.2	6.2	6.0	6.0	5.7
PPOP	18,824	19,619	17,589	18,116	22,394
PAT	6,806	2,007	3,394	3,041	4,626
EPS (Rs)	3.8	1.1	1.9	1.7	2.5

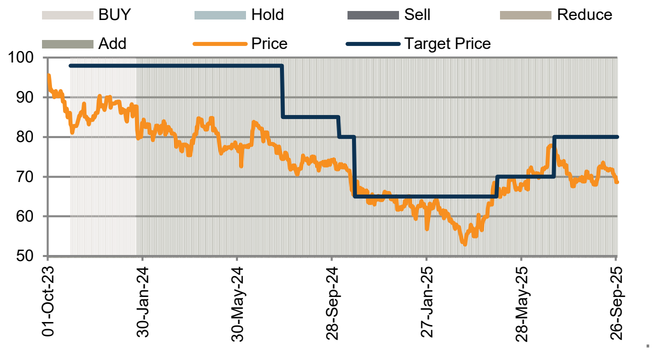
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
27-Jul-25	71	80	Add	Anand Dama
09-Jul-25	77	80	Add	Anand Dama
27-Apr-25	66	70	Add	Anand Dama
09-Apr-25	59	65	Add	Anand Dama
26-Jan-25	62	65	Add	Anand Dama
27-Oct-24	66	65	Add	Anand Dama
07-Oct-24	72	80	Add	Anand Dama
27-Jul-24	74	85	Add	Anand Dama
28-Apr-24	85	98	Add	Anand Dama
22-Jan-24	88	98	Add	Anand Dama
30-Nov-23	85	98	Buy	Anand Dama
30-Oct-23	83	98	Buy	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 September 29, 2025
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 September 29, 2025
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 September 29, 2025
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: 2025.09.29 23:13:41 +05'30'