ADD Sonata Software

Growth visibility imperative; downgrade to ADD

Information Technology | Result Update | **August 07, 2026** | **CMP (Rs): 318 | TP (Rs): 340**

Sonata posted a mixed operating performance in 1Q. IITS revenue was flat qoq at $82mn (0.1% CC), in line with our estimates. However, IITS EBITDAM declined by a sharp 480bps qoq to 15.4%, significantly below our expectations, owing to absence of one-time compensation expense benefit in 4Q, unanticipated delay in large deal ramp-up affecting utilization, investments in AI talent transformation and advisory, and higher CSP bundled deal costs. It recorded order bookings worth $97mn (~18% AI-led) with book-to-bill of 1.18x, while 16 large deals were in the pipeline as of end-1Q. The company is strengthening its leadership team – it is hiring a Chief AI officer, senior client partner at the top TMT client, and leader for SEA and ANZ, along with internal hiring to lead alliances and partnership alliances (especially MSFT). Management expects sequential margin expansion through FY27 as one-offs normalize, with domestic gross contribution supporting stronger performance through the year. We cut FY27-29E EPS by ~3-8%, factoring in the 1Q show and the slower earnings recovery. Considering limited upside after a 14%/18% up-move in 1M/3M, along with continued growth challenges and margin pressure in IITS, we downgrade the stock to ADD from Buy while retaining our TP of Rs340 at 14x Jun-28E EPS.

Results summary

IITS revenue was flat qoq at $82mn (0.1% CC), meeting our estimate. IITS EBITDAM contracted by 480bps qoq to 15.4%. IITS revenue was led by BFSI (up 22.5% qoq in USD terms), while all other verticals declined—TMT (-6.0%), RMD (-3.5%), Healthcare (-0.5%), and Emerging (-0.5%). Across geographies, US, Europe, and RoW each saw 0.5% sequential decline. Overall EBITDAM declined by 300bps qoq to 5.2%, below our estimate of 7.3%. Net profit stood at Rs1.1bn, below our estimate of Rs1.3bn. IITS headcount was flat qoq at 5,795. Gross contribution was up 4.2% qoq at Rs785mn. Utilization was down by 330bps qoq to 88.5%, mainly due to unexpected delay in ramp-up of a large deal. Sonata declared interim dividend of Rs1.25/sh. What we like: Domestic gross contribution growth. What we do not like: Margin miss, Softness in TMT and RMD.

Earnings call KTAs

1) Despite mixed demand environment conditions, the strengthening AI pipeline, growing AI order bookings, expanding partner ecosystem, and sharper micro verticals focus grant Management confidence on the medium-term growth trajectory. 2) Sonata continues to execute its 3-pillar strategy in the domestic business: i) driving growth in the Microsoft SMC segment, ii) expanding AI-led partnerships with other ISVs, given multiple GTM motions for each, iii) securing large SI deals. 3) The company does not expect any further customer losses from OEM direct billing, with the headwind from the large OEM partner is now largely behind. Management expects the domestic business to maintain its growth momentum. 4) AI momentum continues to build, with AI-led deal pipeline of $340mn and AI order book of $21.7mn in 1Q. 5) Cloud accounts for 62% of the IITS business (vs 39% in 1QFY26); primarily driven by cloud migration and cloud-led legacy modernization. 6) Output-based contracts constitute 21% of engagements. 7) Around 21% of engagements are output-based. 8) Steady-state ETR is expected to be ~25%.

Sonata Software: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	101,573	107,013	115,455	127,984	143,080
EBITDA	6,892	7,413	7,600	9,060	10,223
Adj. PAT	4,247	5,192	4,846	6,224	7,454
Adj. EPS (Rs)	15.1	18.5	17.3	22.2	26.6
EBITDA margin (%)	6.8	6.9	6.6	7.1	7.1
EBITDA growth (%)	(5.2)	7.5	2.5	19.2	12.8
Adj. EPS growth (%)	(12.1)	22.3	(6.7)	28.4	19.8
RoE (%)	27.3	28.8	23.4	25.4	25.5
RoIC (%)	33.8	28.7	26.2	32.1	37.3
P/E (x)	21.0	19.2	18.4	14.3	12.0
EV/EBITDA (x)	13.1	12.3	11.6	9.3	7.7
P/B (x)	5.2	4.7	4.0	3.3	2.8
FCFF yield (%)	6.4	4.7	5.1	7.4	9.9

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	BUY
Upside/(Downside) (%)	6.9

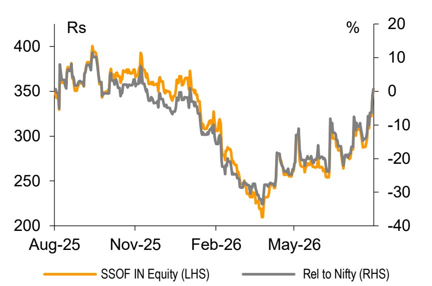
Stock Data	**SSOF IN**
52-week High (Rs)	422
52-week Low (Rs)	207
Shares outstanding (mn)	280.4
Market-cap (Rs bn)	89
Market-cap (USD mn)	937
Net-debt, FY27E (Rs mn)	(743.2)
ADTV-3M (mn shares)	2.7
ADTV-3M (Rs mn)	1,152.6
ADTV-3M (USD mn)	12.1
Free float (%)	69.2
Nifty-50	24,570.7
INR/USD	95.2

Shareholding,Jun-26	
Promoters (%)	28.2
FPIs/MFs (%)	9.2/24.7

Price Performance

(%)	1M	3M	12M
Absolute	13.6	17.5	(9.0)
Rel. to Nifty	12.8	16.3	(8.9)

1-Year share price trend (Rs)



Dipeshkumar Mehta
dipeshkumar.mehta@emkayglobal.com
+91-22-66121253

Jimit Gandhi
jimit.gandhi@emkayglobal.com
+91-22-66121255

Shivang Bagla
shivang.bagla@emkayglobal.com
+91-22-66242491

Exhibit 1: Sonata – Quarterly snapshot

Particulars (Rs mn)	1QFY27	4QFY26	qoq (%)	1QFY26	yoy (%)
IITS revenue ($ mn)	82.0	82.4	(0.5)	81.8	0.2
Net sales	32,791	25,362	29.3	29,652	10.6
Operating expenses	31,083	23,275		28,055	
EBITDA	1,708	2,087	(18.2)	1,597	7.0
- Margin (%)	5.2	8.2	-300bps	5.4	-20bps
Depreciation	284	254		261	
EBIT	1,423	1,833	(22.4)	1,336	6.6
- Margin (%)	4.3	7.2	-290bps	4.5	-20bps
Other income (net)	(52)	184		191	
Exceptional items	-	(316)		-	
Share of profit / (loss) of an associate	-	-		-	
PBT	1,371	1,702	(19.4)	1,527	
Tax provided	290	397		434	
PAT	1,081	1,305		1,093	
Non-controlling interest	-	-		-	
Reported net profit	1,081	1,305	(17.2)	1,093	(1.1)
Emkay net profit	1,081	1,621	(33.3)	1,093	(1.1)
Reported EPS (Rs)	3.9	4.7	(17.2)	3.9	(1.1)

Source: Company, Emkay Research

Exhibit 2: Actuals vs estimates

(Rs mn)	Actual	Estimate		Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Revenue ($ mn)	82	82		-0.3%		
Revenue (Rs mn)	32,791	28,212	27,143	16.2%	20.8%	Revenue beat expectations due to growth in domestic business. IITS revenue came largely in line with expectations.
EBIT	1,423	1,767	1,821	-19.5%	-21.8%	Margin missed estimates across the IITS and domestic business segments.
EBIT margin	4.3%	6.3%	6.7%	-190 bps	-240 bps	
PAT	1,081	1,340	1,385	-19.3%	-21.9%	Profit missed estimates largely due to the margin miss.

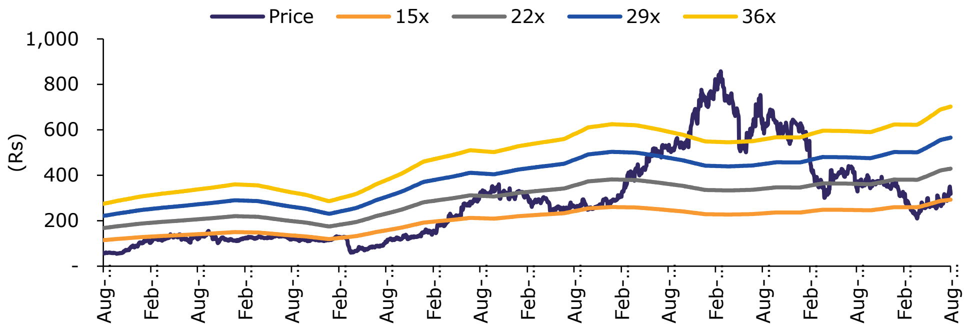
Source: Company, Bloomberg, Emkay Research

Exhibit 3: Changes in estimates

(Rs mn)	FY26E			FY27E			FY28E		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
IITS - Revenue ($ mn)	331.4	330.5	-0.3%	360.0	355.1	-1.4%	399.2	390.8	-2.1%
Revenue	110,026	115,455	4.9%	123,968	127,984	3.2%	138,866	143,080	3.0%
EBIT	6,911	6,436	-6.9%	8,010	7,902	-1.4%	9,143	9,044	-1.1%
EBIT margin	6.3%	5.6%		6.5%	6.2%		6.6%	6.3%	
Net profit	5,252	4,846	-7.7%	6,407	6,224	-2.9%	7,659	7,454	-2.7%
EPS (Rs)	18.7	17.3	-7.7%	22.8	22.2	-2.9%	27.3	26.6	-2.7%

Source: Company, Emkay Research

Exhibit 4: SSOF – One-year forward PER



Source: Company, Emkay Research

Sonata Software: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**101,573**	**107,013**	**115,455**	**127,984**	**143,080**
Revenue growth (%)	17.9	5.4	7.9	10.9	11.8
EBITDA	**6,892**	**7,413**	**7,600**	**9,060**	**10,223**
EBITDA growth (%)	(5.2)	7.5	2.5	19.2	12.8
Depreciation & Amortization	1,215	1,043	1,164	1,159	1,179
EBIT	**5,678**	**6,370**	**6,436**	**7,902**	**9,044**
EBIT growth (%)	(4.7)	12.2	1.0	22.8	14.5
Other operating income	-	-	-	-	-
Other income	712	1,046	438	726	1,130
Financial expense	653	514	484	329	235
PBT	**5,737**	**6,901**	**6,390**	**8,299**	**9,939**
Extraordinary items	0	(548)	0	0	0
Taxes	1,490	1,710	1,545	2,075	2,485
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**4,247**	**4,644**	**4,846**	**6,224**	**7,454**
PAT growth (%)	37.7	9.4	4.3	28.4	19.8
Adjusted PAT	**4,247**	**5,192**	**4,846**	**6,224**	**7,454**
Diluted EPS (Rs)	**15.1**	**18.5**	**17.3**	**22.2**	**26.6**
Diluted EPS growth (%)	(12.1)	22.3	(6.7)	28.4	19.8
DPS (Rs)	**4.4**	**8.0**	**5.5**	**6.7**	**8.1**
Dividend payout (%)	**28.9**	**48.1**	**31.7**	**30.2**	**30.4**
EBITDA margin (%)	6.8	6.9	6.6	7.1	7.1
EBIT margin (%)	5.6	6.0	5.6	6.2	6.3
Effective tax rate (%)	26.0	24.8	24.2	25.0	25.0
NOPLAT (pre-IndAS)	**4,203**	**4,792**	**4,880**	**5,926**	**6,783**
Shares outstanding (mn)	280	280	280	280	280

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	278	277	277	277	277
Reserves & Surplus	16,782	18,770	22,079	26,421	31,606
Net worth	**17,059**	**19,046**	**22,356**	**26,698**	**31,882**
Minority interests	0	0	0	0	0
Non-current liab. & prov.	137	(60)	(1,012)	(1,342)	(1,380)
Total debt	**4,416**	**5,682**	**3,840**	**1,840**	**1,340**
Total liabilities & equity	**22,357**	**26,217**	**26,733**	**28,745**	**33,391**
Net tangible fixed assets	1,036	2,049	1,776	1,556	1,362
Net intangible assets	3,862	4,249	3,694	3,175	2,840
Net ROU assets	636	1,435	1,263	1,136	1,040
Capital WIP	0	0	0	0	0
Goodwill	11,397	12,681	12,681	12,681	12,681
Investments [JV/Associates]	3,880	2,351	2,362	2,362	2,362
Cash & equivalents	**3,100**	**3,725**	**4,584**	**6,898**	**11,929**
Current assets (ex-cash)	23,421	24,705	26,587	29,145	32,226
Current Liab. & Prov.	24,339	23,542	24,951	27,072	30,008
NWC (ex-cash)	**(918)**	**1,162**	**1,636**	**2,073**	**2,218**
Total assets	**22,357**	**26,217**	**26,733**	**28,745**	**33,391**
Net debt	1,316	1,957	(743)	(5,057)	(10,588)
Capital employed	22,357	26,217	26,733	28,745	33,391
Invested capital	**14,741**	**18,706**	**18,524**	**18,349**	**18,060**
BVPS (Rs)	60.8	67.9	79.7	95.2	113.7
Net Debt/Equity (x)	0.1	0.1	-	(0.2)	(0.3)
Net Debt/EBITDA (x)	0.2	0.3	(0.1)	(0.6)	(1.0)
Interest coverage (x)	9.8	14.4	14.2	26.2	43.2
RoCE (%)	**30.2**	**32.1**	**27.0**	**31.5**	**32.9**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	5,737	6,273	6,390	8,299	9,939
Others (non-cash items)	1,312	926	1,164	1,159	1,179
Taxes paid	(1,636)	(1,660)	(2,496)	(2,405)	(2,523)
Change in NWC	1,030	(159)	(226)	(436)	(145)
Operating cash flow	**6,443**	**5,380**	**4,832**	**6,616**	**8,450**
Capital expenditure	(678)	(1,127)	(336)	(420)	(650)
Acquisition of business	(5,919)	(2,993)	(248)	0	0
Interest & dividend income	213	82	0	0	0
Investing cash flow	**(4,356)**	**(2,173)**	**(596)**	**(420)**	**(650)**
Equity raised/(repaid)	35	(311)	0	0	0
Debt raised/(repaid)	(2,465)	647	(1,842)	(2,000)	(500)
Payment of lease liabilities	(293)	(390)	0	0	0
Interest paid	(384)	(379)	0	0	0
Dividend paid (incl tax)	(1,226)	(2,232)	(1,536)	(1,882)	(2,270)
Others	0	0	0	0	0
Financing cash flow	**(4,333)**	**(2,665)**	**(3,378)**	**(3,882)**	**(2,770)**
Net chg in Cash	(2,246)	542	858	2,314	5,031
OCF	6,443	5,380	4,832	6,616	8,450
Adj. OCF (w/o NWC chg.)	5,413	5,539	5,058	7,053	8,595
FCFF	5,766	4,253	4,496	6,196	7,800
FCFE	5,326	3,821	4,012	5,867	7,565
OCF/EBITDA (%)	93.5	72.6	63.6	73.0	82.7
FCFE/PAT (%)	125.4	82.3	82.8	94.3	101.5
FCFF/NOPLAT (%)	**137.2**	**88.8**	**92.1**	**104.6**	**115.0**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	21.0	19.2	18.4	14.3	12.0
EV/CE(x)	4.2	3.7	3.4	2.9	2.4
P/B (x)	5.2	4.7	4.0	3.3	2.8
EV/Sales (x)	0.9	0.9	0.8	0.7	0.5
EV/EBITDA (x)	13.1	12.3	11.6	9.3	7.7
EV/EBIT(x)	15.9	14.3	13.7	10.6	8.7
EV/IC (x)	6.1	4.9	4.8	4.6	4.4
FCFF yield (%)	6.4	4.7	5.1	7.4	9.9
FCFE yield (%)	6.0	4.3	4.5	6.6	8.5
Dividend yield (%)	1.4	2.5	1.7	2.1	2.5
DuPont-RoE split					
Net profit margin (%)	4.2	4.9	4.2	4.9	5.2
Total asset turnover (x)	4.7	4.6	4.6	4.8	4.8
Assets/Equity (x)	1.4	1.3	1.2	1.1	1.0
RoE (%)	**27.3**	**28.8**	**23.4**	**25.4**	**25.5**
DuPont-RoIC					
NOPLAT margin (%)	4.1	4.5	4.2	4.6	4.7
IC turnover (x)	8.2	6.4	6.2	6.9	7.9
RoIC (%)	**33.8**	**28.7**	**26.2**	**32.1**	**37.3**
Operating metrics					
Core NWC days	(3.3)	4.0	5.2	5.9	5.7
Total NWC days	**(3.3)**	**4.0**	**5.2**	**5.9**	**5.7**
Fixed asset turnover	5.6	5.5	5.6	6.2	6.8
Opex-to-revenue (%)	23.5	19.9	18.0	17.5	17.3

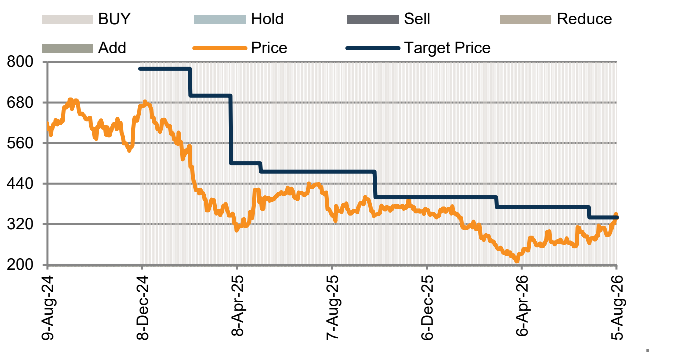
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
01-Jul-26	264	340	Buy	Dipeshkumar Mehta
12-May-26	273	370	Buy	Dipeshkumar Mehta
31-Mar-26	210	370	Buy	Dipeshkumar Mehta
05-Mar-26	250	370	Buy	Dipeshkumar Mehta
18-Feb-26	284	400	Buy	Dipeshkumar Mehta
07-Feb-26	306	400	Buy	Dipeshkumar Mehta
01-Jan-26	363	400	Buy	Dipeshkumar Mehta
07-Dec-25	361	400	Buy	Dipeshkumar Mehta
14-Nov-25	374	400	Buy	Dipeshkumar Mehta
01-Oct-25	348	400	Buy	Dipeshkumar Mehta
31-Jul-25	392	475	Buy	Dipeshkumar Mehta
01-Jul-25	410	475	Buy	Dipeshkumar Mehta
08-May-25	393	475	Buy	Dipeshkumar Mehta
31-Mar-25	346	500	Buy	Dipeshkumar Mehta
07-Feb-25	489	700	Buy	Dipeshkumar Mehta
01-Jan-25	605	780	Buy	Dipeshkumar Mehta
05-Dec-24	670	780	Buy	Dipeshkumar Mehta

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 07, 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 07, 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 07, 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: 2026.08.07 23:42:23 +05'30'