PL Capital
PRABHUDAS LILLADHER

Banks

Sector Update

February 19, 2026

From LDR to LCR and back, a full circle

RBI's liquidity infusion through OMOs of Rs9.6trn from Oct'24 to Feb'26 till date has been offset by USD sales of Rs7.4trn. Tight liquidity in Dec'25/Jan'26 has led to CD/bulk TD rates rising by 48/25-50bps. Pick-up in system credit growth in 9MFY26 was led by reduction in excess SLR by 1.6%. Once SLR to NDTL ratio (28% in Dec'25) hits a certain floor (24-25%), deposit paucity may impact loan growth. PSB may continue to grow well till H1FY27, post which, PVB may outperform due to constrained deposit accretion and loan growth gap between them reversing. We prefer banks with (1) higher LCR/lower LDR, (2) faster growth prospects but better NIM profile, and (3) good core PAT CAGR. Covered PSB have re-rated by 45-122% from FY23 till date; with core RoA of 0.7-0.9% for FY28, BOB/CBK/UNBK have reached a valuation of 1.0x on FY28 ABV. Therefore, we do not see further material re-rating; we downgrade BOB/UNBK to 'ACCUMULATE' from 'BUY'. Our top picks are ICICIB, KMB & SBI.

Exhibit 1: PL Universe

Banks	P/ABV (FY28)	CMP (Rs)	TP (Rs)	Rating
SBI	1.4	1,219	1,280	BUY
BOB	1.0	305	320	Acc
CBK	1.0	152	160	HOLD
UNBK	1.0	193	200	Acc
HDFCB	1.8	924	1,150	BUY
ICICIBC	2.1	1,406	1,800	BUY
AXSB	1.5	1,376	1,500	BUY
KMB	1.7	426	500	BUY
FB	1.5	291	275	BUY
CUBK	1.6	287	310	BUY

Source: PL Acc=Accumulate

- **RBI's liquidity infusion through OMOs offset by USD sales:** Surplus system liquidity, post Mar'25, has been offset by RBI's USD sales to arrest rupee depreciation post Jul'25. There have been short periods of tight liquidity in Sep'25, Oct'25, Dec'25 and Jan'26. From Oct'24 till date, OMOs conducted by RBI have totaled Rs9.6trn which have been offset by USD sales of Rs7.4trn. However, with the rupee appreciating to 90-91/USD after the India–US trade deal announcement, liquidity is back in surplus.

- **Bulk rates hardening due to tight liquidity/credit demand:** Domestic banks' credit growth bounced back to 13.4% in Dec'25 from 10.6% in Jun'25 led by liquidity drawdown and CRR cut, resulting in higher LDR in Q3FY26. From Mar'25 to Dec'25, LDR for domestic banks increased from 80% to 84%, while incremental LDR jumped from 84% to 108%. Due to tight liquidity in Dec'25 and Jan'26, CD rates have risen by 48bps, while bulk TD rates are up 25-50bps.

- **System excess SLR steadily reducing:** From Sep'23 to Dec'25, G-Sec to NDTL ratio for system declined from 31% to 28%. SLR+LCR requirement is ~24% of NDTL; excess SLR is down by 3%, while 1.6% was utilized within 9MFY26. If loan growth continues to be partly funded by liquidity, buffer of 3% may last for 3-4 quarters. While LCR has become an important metric, LDR would also become a crucial yardstick once SLR to NDTL hits a certain floor (24-25%), as deposit growth would impact loan accretion.

- **Financial assets shifting to MFs from bank deposits:** System deposit growth could be challenging, given that share of deposits in gross financial assets has been consistently falling from 42.6% in FY22 to 40.9% in FY25, while that of MFs has been increasing from 8.5% to 11.7%. Loan growth may taper down due to deposit crunch, which may be followed by systemic repo rate hikes.

- **Loan growth post 3 quarters may hinge on deposits:** For PSU banks (PSB), loan growth has been higher than deposits due to higher LCR, which resulted in incremental LDR of 118% in Q3FY26. We see healthy loan growth to continue till H1FY27 (1st phase), post which credit growth may moderate to 11-13%. In the 1st phase, growth momentum of PSB could continue, although NIM could be impacted. In the 2nd phase, the credit growth gap between private banks (PVB) and PSB could reverse in FY27/28E.

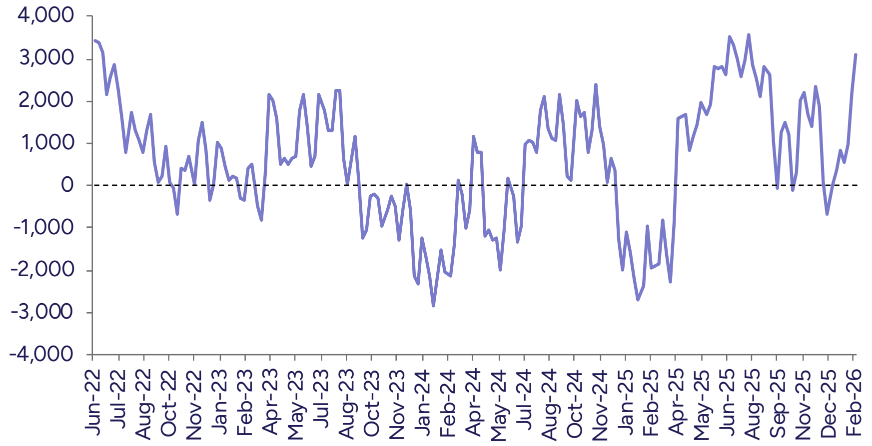
Gaurav Jani
gauravjani@plindia.com | 91-22-66322235

Harshada Gite
harshadagite@plindia.com | 91-22-66322237

RBI's liquidity infusion through OMOs offset by USD sales

Due to RBI's accommodative stance, system liquidity has been in surplus post Mar'25. However, our interaction with bankers indicates that surplus liquidity has been offset by RBI's USD sales to arrest rupee depreciation post Jul'25 (85/USD to 92/USD). From Oct'24 till date, OMOs conducted by RBI have totaled Rs9.6trn, while equivalent rupee value of dollar sales by RBI is Rs7.4trn.

Exhibit 2: System liquidity (weekly avg.) back at ~Rs3trn supported by OMOs

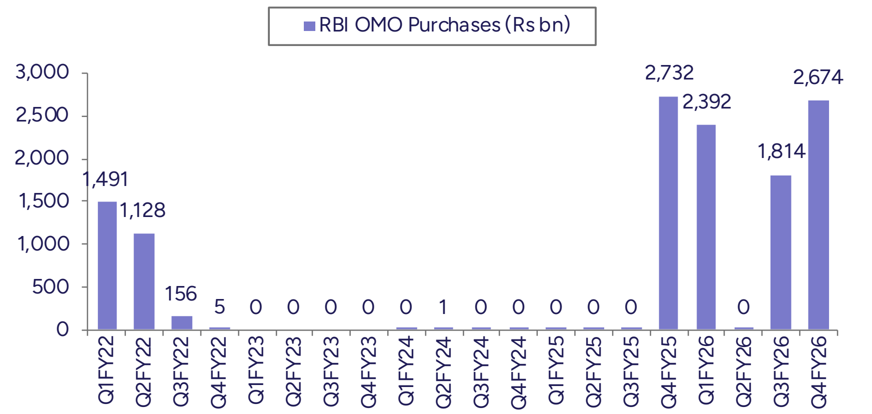


Source: RBI, PL

Surplus liquidity, averaging Rs2.3trn from Apr'25 to mid Sep'25, tightened for a short period in Sep'25 end, Oct'25 and Dec'25, due to which RBI conducted OMOs of Rs1.8trn in Q3FY26 and Rs2.67trn in Q4FY26 till date.

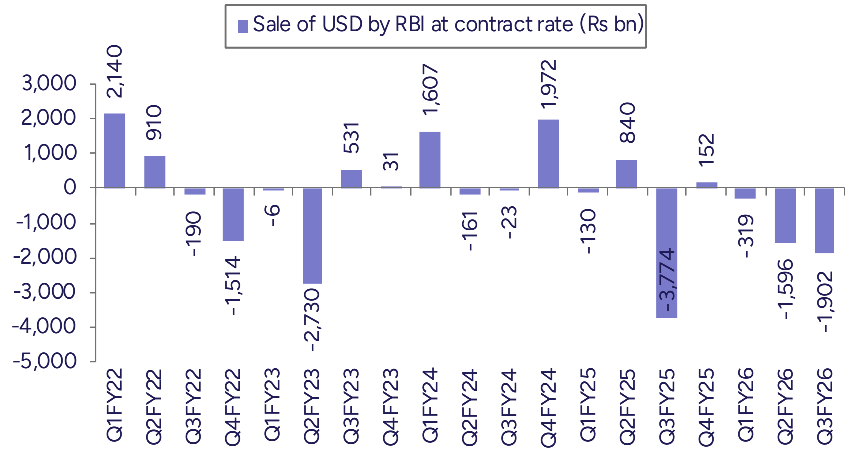
Post announcement of the new India-US trade deal, the rupee has appreciated to 90-91/USD, which could provide some respite to system liquidity. Appreciation of the rupee and consistent OMOs have led to liquidity reverting to positive levels; it has consistently risen from -Rs666bn in Dec'25 to Rs3.07trn in Feb'26 till date. Stable or appreciating rupee provides RBI leeway to support system liquidity.

Exhibit 3: G-Sec purchase over last 1 year by government totals Rs9.6trn



Source: RBI, PL

Exhibit 4: USD sales by RBI to support INR were Rs7.4trn from Oct'24-Jan'25

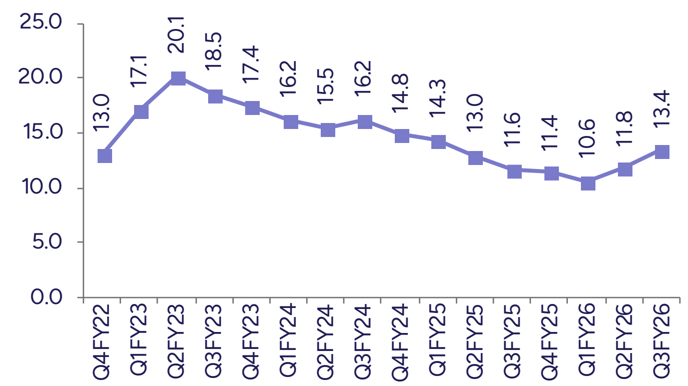


Source: RBI, PL

Hardening of bulk rates due to tight liquidity/credit demand

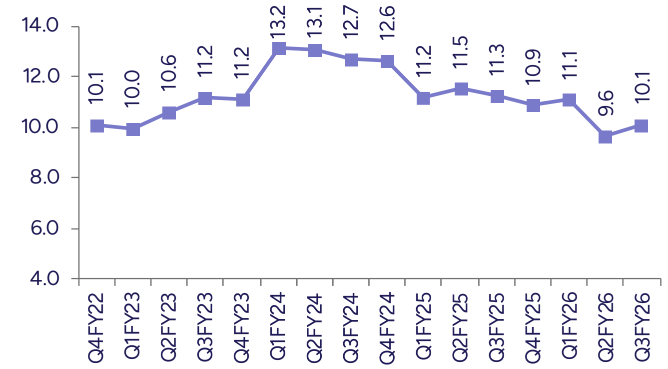
After slowing down from 14.3% YoY as of 30th Jun'24 to 10.6% as of 30th Jun'25, credit growth for domestic banks bounced back to 13.4% as of 31st Dec'25 led by the (1) GST reforms in Sep'25, (2) festive season in Q3FY26, and (3) growth supportive measures by RBI, like rationalization of NBFC weights, repo rate cuts, CRR cuts and liquidity infusion.

Exhibit 5: Domestic banks' loan growth up from 10.6% to 13.4%



Source: Company, PL.

Exhibit 6: Deposit growth at 10%, yet to pick up meaningfully

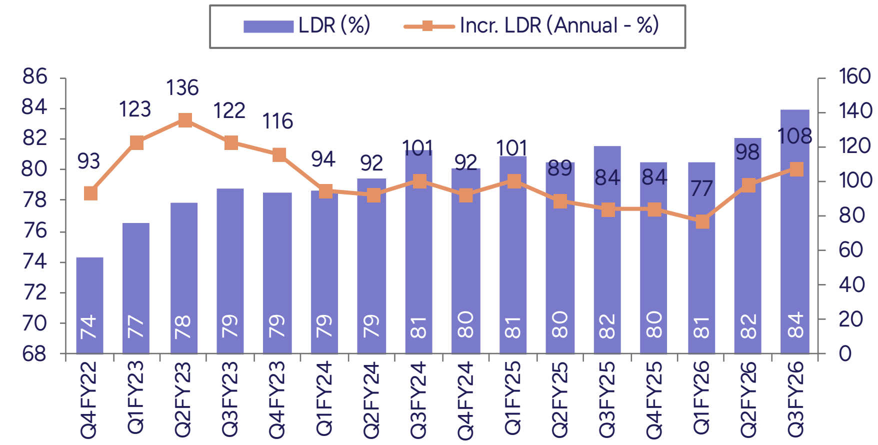


Source: Company, PL

To propel loan growth, RBI has cut repo rate by 125bps till Dec'25 while shoring up system liquidity with CRR cut of 100bps and continuous OMOs. Credit growth has been achieved by liquidity utilization, which resulted in higher LDR in Q3FY26 that cushioned margins.

LDR for domestic banks increased from 80% in Q4FY25 to 84% in Q3FY26, while incremental LDR jumped from 84% to 108%.

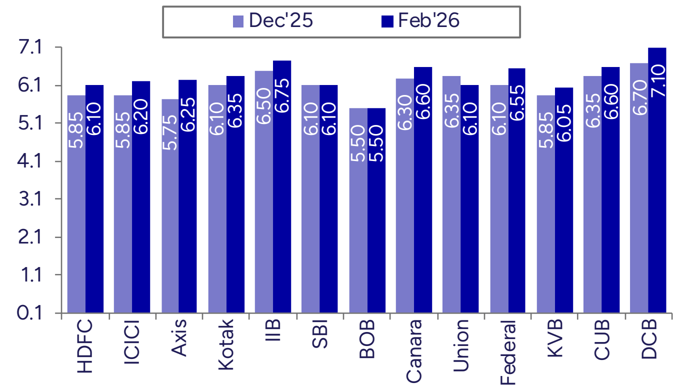
Exhibit 7: Incremental system LDR touches 108% in Q3FY26 from 77% in Q1FY26



Source: Company, PL

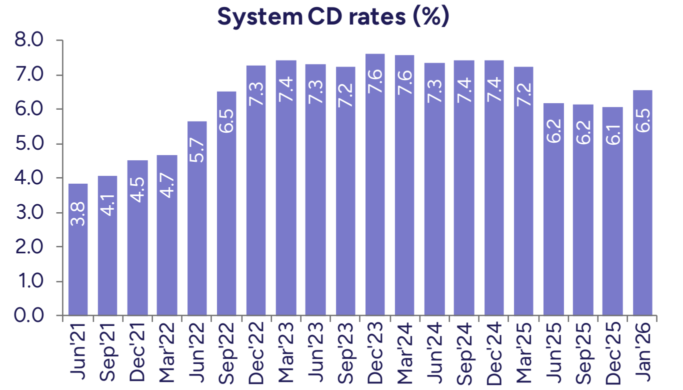
Owing to tight liquidity in Dec'25, CD and wholesale TD rates have been rising. Wholesale deposit rates have increased by 25-50bps across major banks over Dec'25 to Feb'26, while system CD rates inched up by 48bps in Jan'26 over Dec'25.

Exhibit 8: Bulk rates up by 25-50bps from Dec'25-till date



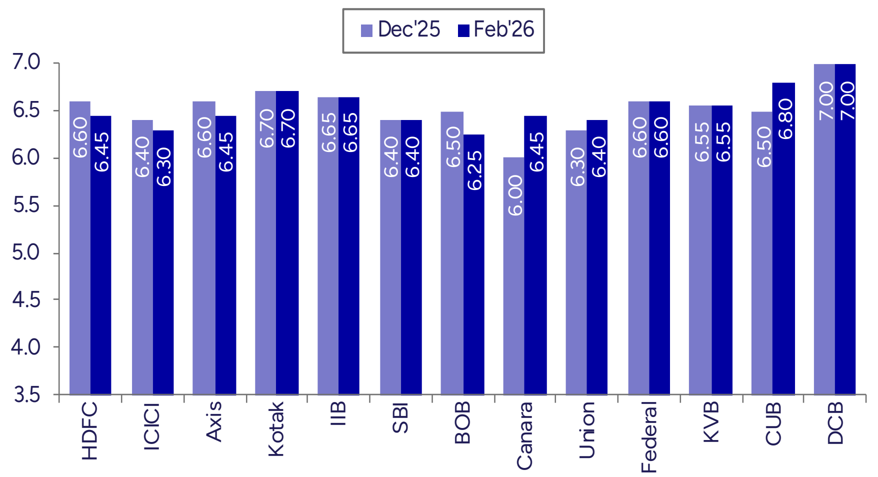
Source: Company, PL

Exhibit 9: System CD rates up by 48bps in Jan'26



Source: RBI, PL

Exhibit 10: Retail TD rate (%) movement across banks has been mixed



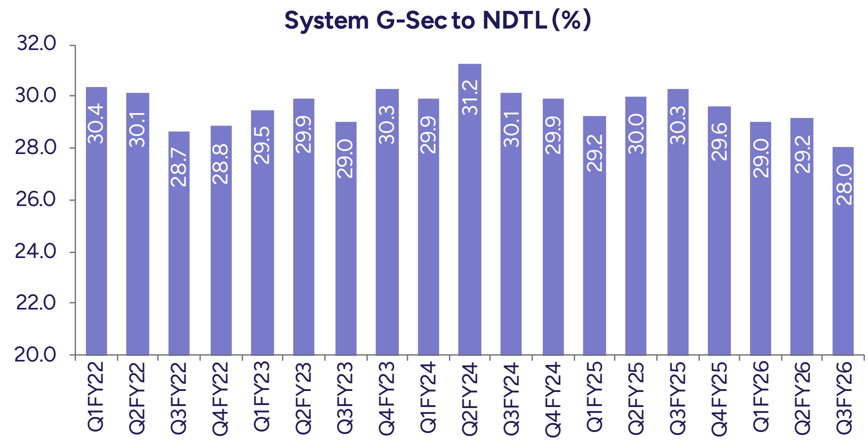
Source: Company, PL

Excess SLR and cash for the system is steadily reducing

With benign asset quality cycle leading to low credit costs, credit growth is being partly funded by a combination of liquidity utilization and profits. From Sep'23 to Dec'25, G-Sec to NDTL ratio for the system declined from ~31% to 28%, while cash to NDTL ratio fell from 5.7% to 3.3%. SLR requirement for banks is 18% of NDTL, while LCR would require an additional ~6%, taking the total to 24% of NDTL.

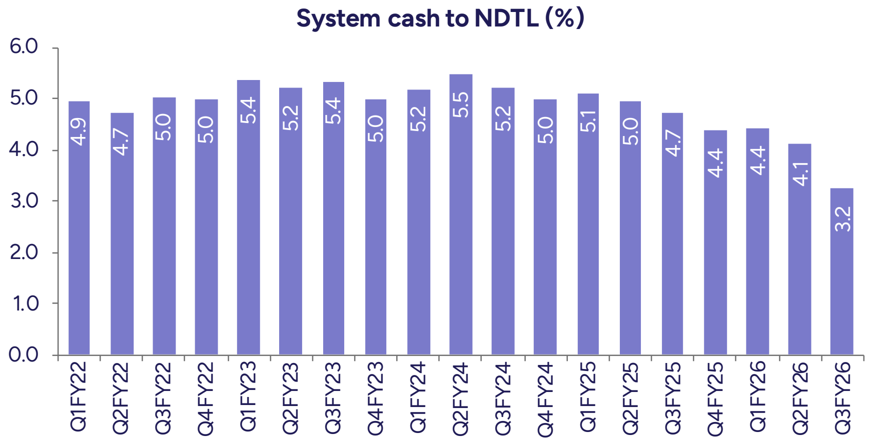
This suggests that excess SLR has been drawn down by 3%, while 1.6% was utilized within 9 months. If loan growth continues to be partly funded by liquidity, buffer of 3% may last for 3-4 quarters as RBI may at some point soften its expansionary stance, which may cause a drag in system liquidity.

Exhibit 11: System G-Sec to NDTL ratio reduces from ~31% to 28%



Source: RBI, PL

Exhibit 12: System cash to NDTL near CRR levels of 3.2%



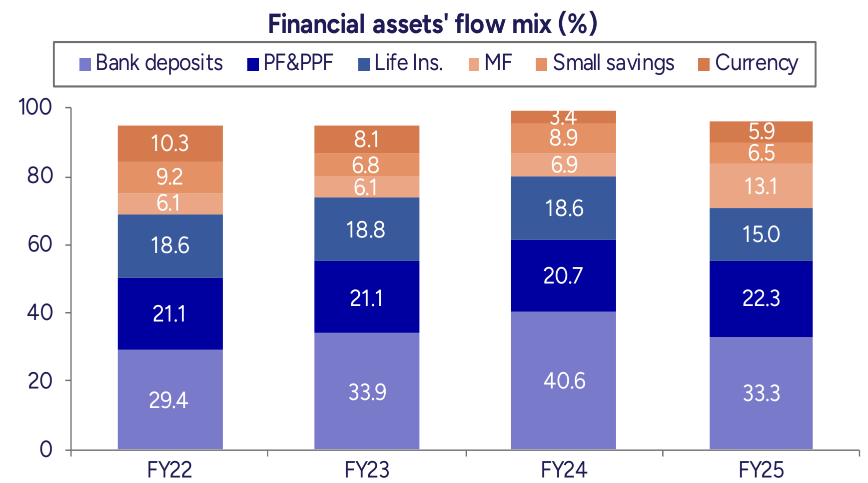
Source: RBI, PL

With RBI's continued focus on liquidity management and aligning with global banking norms, LCR has become an important metric to track, especially in the current scenario. However, as SLR to NDTL hits a certain floor (24-25%), paucity of deposits would start impacting loan growth. Thereafter, LDR would also become a crucial yardstick as loan growth would hinge on deposit accretion.

Financial assets shifting to MFs from bank deposits

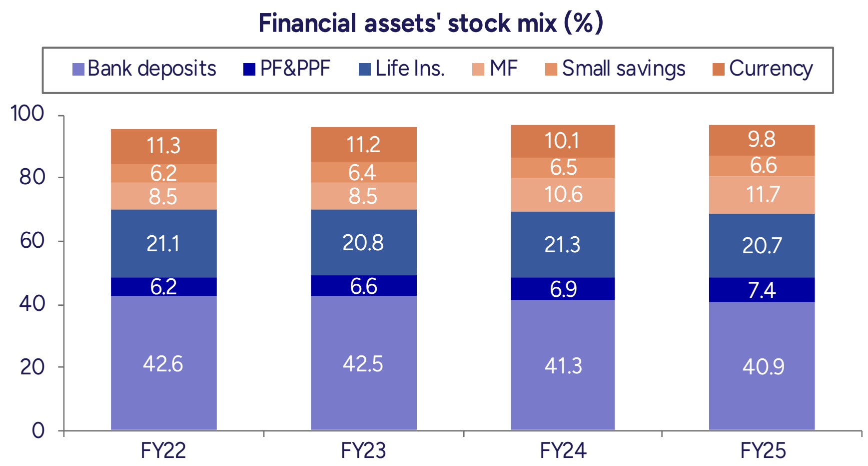
We believe, system deposit growth could be challenging in the upcoming credit cycle, given that depositors are moving to other avenues to park savings. As seen in the chart below, share of commercial banks' deposits in the gross financial asset flow declined from 40.6% in FY24 to 33.3% in FY25 due to a clear shift to MFs. In contrast, share of MFs surged from 6.9% to 13.1%. Share of deposits in stock of gross financial assets has consistently fallen from 42.6% in FY22 to 40.9% in FY25. Assuming a stable interest rate environment, raising deposits in the upcoming credit cycle may not be easy.

Exhibit 13: Flow of financial assets moving from bank deposits to MFs/PF/PPF



Source: RBI, PL

Exhibit 14: Bank deposit share consistently declining in financial assets



Source: RBI, PL

In our view, 2 scenarios may play out assuming RBI's liquidity support would be withdrawn at some point: (1) either deposit growth would have to match loan growth, which can be achieved only by raising higher cost deposits from wholesale or retail sources, entailing hardening of systemic rates that may impact NIM, or (2) loan growth would taper down due to deposit crunch.

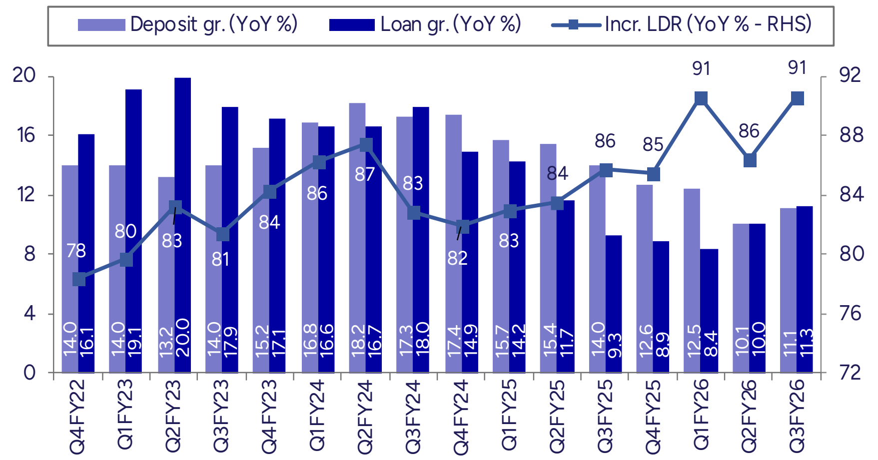
In our view, the 2nd scenario is more likely, which may be followed by systemic repo rate and subsequent deposit rate hikes. The risk to our assumption is that RBI sustainably keeps on infusing additional liquidity, which seems unlikely. With the India-US trade deal underway, RBI may have a breather from selling dollars and supporting the rupee, which could cushion system liquidity. While inflation, that is benign at present, it would slowly harden and thus curb RBI's ability, to some extent, to infuse liquidity through OMOs or other similar measures.

Loan growth post 3 quarters may hinge on deposits

Loan-deposit growth dynamics have played out differently for private banks (PVB) and PSU banks (PSB). While LDR has increased over the last 2 years for PVB from 83% to 91%, moderation in deposit growth translated into a fall in credit growth. Loan growth declined from 14.9% in Q4FY24 to 8.4% in Q1FY26, while deposit growth fell from 17.4% to 12.5%.

Also, it is pertinent to note that, broadly, PVB deposit growth has been higher than loan growth post FY23 and incremental LDR has been well under control, not surpassing 91% over the past 4 years.

Exhibit 15: Deposit growth matching/higher than loan growth for PVB

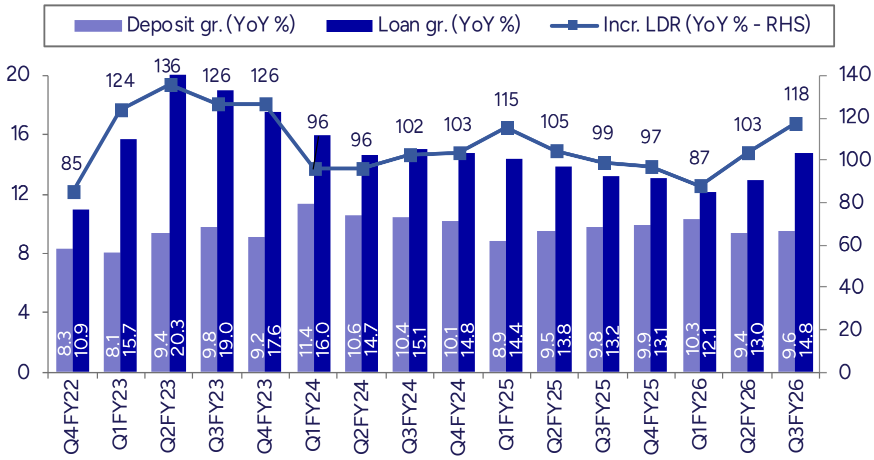


Source: Company, PL

For PSB, while LDR has increased from 74% to 80%, deposit growth has remained stable, and loan growth has increased. Hence, incremental LDR for PSB has materially exceeded that of PVB.

Loan growth for PSB declined from 14.8% in Q4FY24 to 12.1% in Q1FY26, while deposit growth was steady at ~10%. For PSB, loan accretion has always been more than deposit growth due to low historical LDR and surplus liquidity. This has resulted in higher incremental LDR, which touched 136% in Q2FY23; it jumped to 118% in Q3FY26 from 87% in Q1FY26.

Exhibit 16: Loan growth for PSB has always exceeded deposit growth

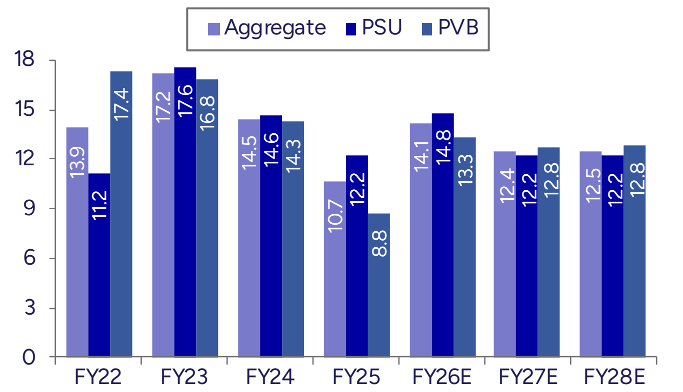


Source: Company, PL

Breaking up the future loan growth trajectory in 2 phases, i.e. before and after H1FY27, we expect loan momentum to continue in the 1st phase, post which credit growth may moderate (FY27 and FY28) to a normalized band of 11-13%, assuming no significant deviation to GDP estimates.

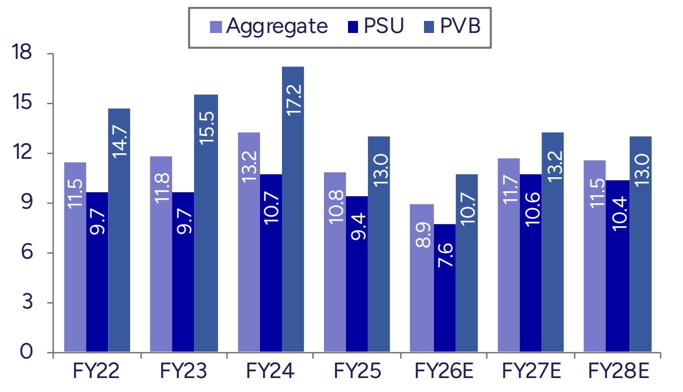
Hence, in the 1st phase credit growth may continue to remain broad based with PSB and NBFCs participating in the same. However, in the 2nd phase, i.e., a moderating credit environment, the credit growth gap between PVB and PSB could reverse over FY26-28E since G-Sec reserves have reduced for the system with significant increase in LDR for PSB. In the 2nd phase, we expect a flight to quality, and hence, investors might prefer superior quality banks and NBFCs.

Exhibit 17: Credit growth gap between PVB & PSU to reverse



Source: Company, PL

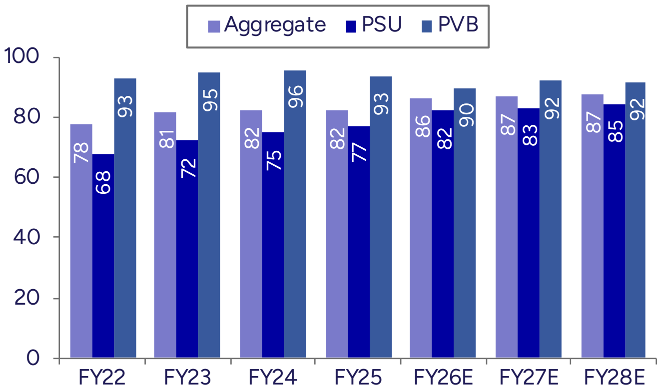
Exhibit 18: Deposit growth of PVB to be higher than PSU



Source: Company, PL

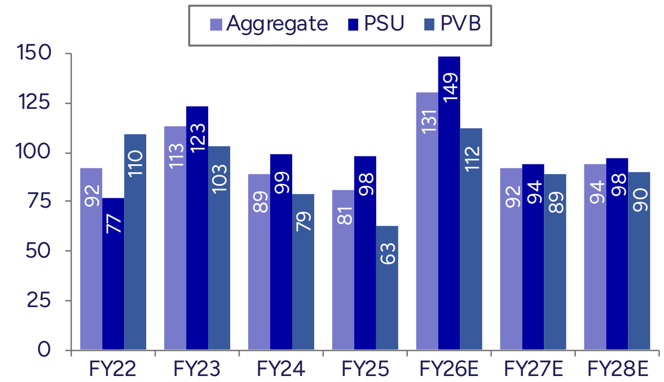
Hence, PSU may continue to see better loan growth till H1FY27, although NIM trajectory could be weaker (except SBI) compared to PVB, owing to higher MCLR exposure, preference for growth over profitability, and a deposit crunch, which may force PSU to rely on wholesale funding. Within our basket of banks, we expect PVB to see a loan CAGR of 12.8% over FY26-28E vs. 12.2% for PSU. From Q3FY24 to Q3FY26, PVB saw a loan CAGR of 8.7% compared to 11.8% for PSU.

Exhibit 19: LDR (%) to increase over FY26-28E



Source: Company, PL

Exhibit 20: Incremental LDR (%) for PSU may normalize

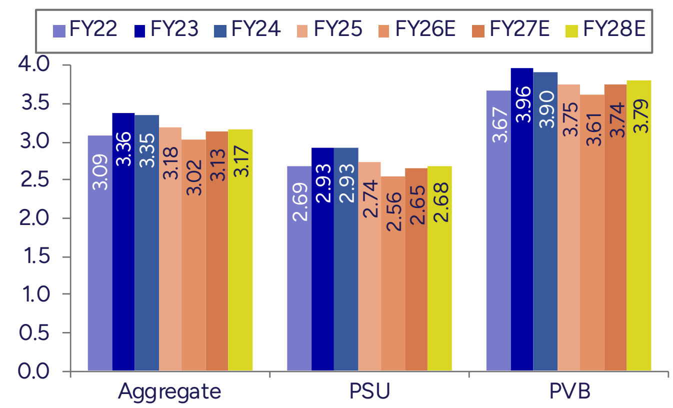


Source: Company, PL

While PSU may see lower NIM improvement in FY27E compared to PVB, there are downside risks to our NII/NIM estimates for PSU. Higher MCLR exposure for PSU could be disadvantageous as lower deposit repricing would drive reduction in loan yields, and loan growth may be funded with bulk deposits, which may be pricey.

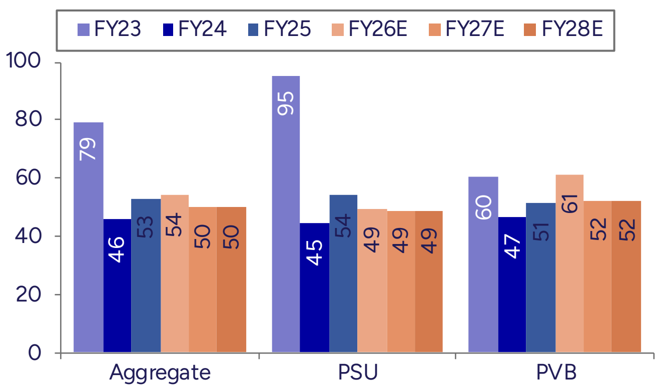
The silver lining is benign asset quality; there are minor downside risks to our provision estimates, especially for banks like KMB and CBK as bank commentary suggests that gross slippages could remain well under control and ECL impact may not be material since RBI has laid out a glide path for implementation.

Exhibit 21: NIM (%) trajectory to be superior for PVB



Source: Company, PL

Exhibit 22: PVB & PSU provisions (bps) similar at ~50bps

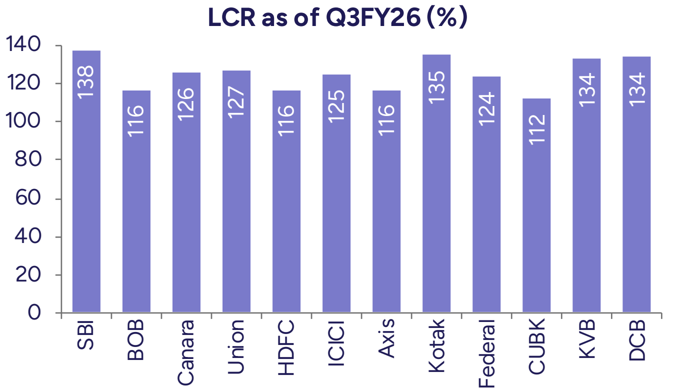


Source: Company, PL

Our preferred banks in the upcoming credit cycle

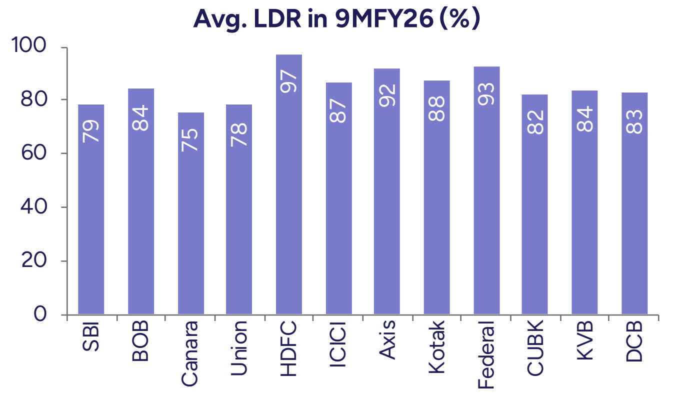
PSU under our coverage have re-rated by 45-122% from FY23 till date, driven by superior loan growth and sharp decline in credit costs compared to PVB. However, we do not expect further material re-rating in PSU given our estimates over FY26-28E are factoring a slightly higher credit growth for PVB compared to PSU due to moderation in credit accretion for PSU. If PSU sustain the current run-rate of credit growth, it may be at the cost of margins, which may expose NII to downside risks.

Exhibit 23: SBI & KMB LCR higher at ≥135%



Source: Company, PL

Exhibit 24: SBI, ICICIB & KMB have lower LDR



Source: Company, PL

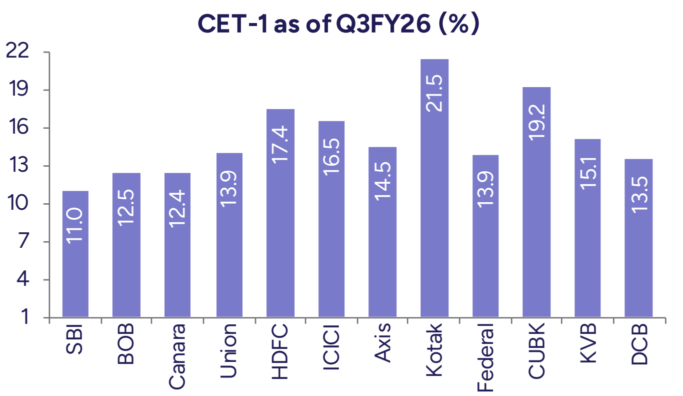
Assuming credit growth after ~3 quarters would hinge on deposit growth, loan accretion may moderate and focus would shift back to NIM from growth. PVB have proved to have a stronger deposit garnering ability compared to PSU (except SBI).

We would prefer banks that (1) have a relatively higher LCR, (2) are comfortable on LDR, (3) can grow faster than system without diluting NIM, (4) have a superior NIM profile, (5) have strong capital adequacy, and (6) may see a better core PAT CAGR.

While PSU could do well in in H1FY27, we prefer large PVB over PSU (except SBI) from a 1-2yr perspective given credit growth may be a tad higher while more unsecured share should bode well from a NIM standpoint in a tighter credit environment. We prefer ICICIB and KMB among our coverage universe. SBI has re-rated and is valued at 1.4x on Mar'28 core ABV, suggesting future material re-rating may not be possible. However, we also like SBI given its (1) ability to grow faster than the system without compromising on margins and (2) solid deposit franchise.

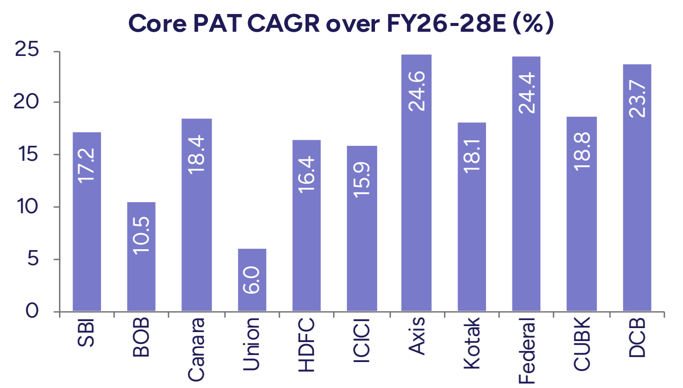
State Bank of India: We retain out 'BUY stance but increase TP from Rs1,200 to Rs1,280 as we roll forward to Mar'28 core ABV.

Exhibit 25: PVB better capitalized with 13-21% of CET-1



Source: Company, PL

Exhibit 26: PVB to see better core PAT CAGR vs. PSU



Source: Company, PL

Exhibit 27: Important metrics and valuation for our coverage banks

Ratios & Valuation	Loan growth (%)		NIM (%)		Provisions (bps)		Core RoA (%)		Core RoE (%)		P/ABV (x)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
SBI	13.0	13.0	2.79	2.83	41	41	0.92	0.94	13.3	13.5	1.5	1.3
BoB	12.0	12.0	2.58	2.61	54	54	0.74	0.74	10.5	10.8	1.0	1.0
CBK	12.0	12.0	2.20	2.24	70	70	0.66	0.68	11.4	11.6	1.1	1.0
UNBK	10.0	10.0	2.62	2.65	55	55	0.87	0.87	10.8	10.9	1.1	1.0
HDFCB	12.0	12.0	3.51	3.56	45	45	1.79	1.83	14.0	14.3	2.1	1.8
ICICB	13.0	13.0	4.24	4.28	48	47	2.10	2.18	15.4	15.8	2.4	2.1
AXSB	12.0	12.0	3.55	3.61	71	69	1.59	1.65	14.2	14.2	1.7	1.5
KMB	16.0	16.0	4.37	4.39	62	60	1.84	1.86	10.8	11.2	1.9	1.7
FB	14.5	14.5	3.12	3.15	50	50	1.13	1.17	11.9	11.7	1.7	1.5
CUB	16.0	16.0	3.83	3.84	68	63	1.64	1.65	16.2	16.0	1.8	1.6
DCB	17.0	16.0	3.22	3.26	52	52	0.74	0.79	10.3	11.4	1.0	0.9

Source: Company, PL

Exhibit 28: Change in Estimates

	Rating		Target Price			NII (Rs bn)						PPoP (Rs bn)						PAT (Rs bn)					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Axis Bank	BUY	BUY	1,500	1,500	0.0%	649.0	651.2	-0.3%	733.3	741.1	-1.1%	516.8	519.0	-0.4%	589.2	597.0	-1.3%	319.7	320.9	-0.4%	367.3	371.8	-1.2%
HDFC Bank	BUY	BUY	1,150	1,150	0.0%	1,497.7	1,498.6	-0.1%	1,704.1	1,707.2	-0.2%	1,247.6	1,248.4	-0.1%	1,422.2	1,425.3	-0.2%	843.5	844.1	-0.1%	961.7	964.1	-0.2%
ICICI Bank	BUY	BUY	1,800	1,800	0.0%	994.8	998.3	-0.4%	1,136.3	1,149.3	-1.1%	804.1	807.6	-0.4%	931.3	944.3	-1.4%	544.8	546.9	-0.4%	633.2	641.3	-1.3%
IndusInd Bank	Acc	Acc	960	960	0.0%	199.5	199.5	0.0%	229.2	229.2	0.0%	101.5	101.5	0.0%	126.0	126.0	0.0%	41.0	41.0	0.0%	61.0	61.0	0.0%
Kotak Mahindra Bank	BUY	BUY	500	500	0.0%	345.6	345.8	-0.1%	401.9	402.3	-0.1%	250.9	251.0	-0.1%	288.4	288.7	-0.1%	163.1	163.3	-0.1%	188.2	188.5	-0.1%
Federal Bank	BUY	BUY	275	275	0.0%	121.3	121.4	0.0%	140.1	140.1	0.0%	81.0	81.1	0.0%	94.6	94.7	0.0%	49.8	49.8	0.0%	58.4	58.4	0.0%
DCB Bank	BUY	BUY	155	155	0.0%	29.0	28.6	1.5%	34.3	33.6	2.1%	14.0	14.1	-0.7%	16.8	16.8	0.3%	7.9	8.0	-1.4%	9.6	9.6	0.0%
City Union Bank	BUY	BUY	310	310	0.0%	33.8	33.8	0.0%	39.6	39.6	-0.1%	23.0	23.0	0.0%	27.4	27.5	-0.1%	15.5	15.5	-0.1%	18.4	18.4	-0.1%
Bank of Baroda	Acc	BUY	320	320	0.0%	517.5	524.0	-1.3%	586.6	598.3	-2.0%	302.7	309.2	-2.1%	337.7	349.4	-3.4%	163.0	165.0	-1.2%	181.4	186.6	-2.8%
Canara Bank	Hold	Hold	160	160	0.0%	424.6	428.8	-1.0%	481.0	487.1	-1.2%	320.5	324.7	-1.3%	358.9	365.0	-1.7%	172.4	174.0	-0.9%	193.2	195.9	-1.4%
State Bank of India	BUY	BUY	1,280	1,200	6.7%	2,045.7	2,068.4	-1.1%	2,341.9	2,368.0	-1.1%	1,400.7	1,434.5	-2.4%	1,607.0	1,662.5	-3.3%	879.5	904.3	-2.7%	1,011.8	1,052.6	-3.9%
Union Bank of India	Acc	BUY	200	200	0.0%	395.1	402.1	-1.7%	432.1	450.0	-4.0%	300.4	305.6	-1.7%	328.7	339.5	-3.2%	182.3	177.9	2.5%	200.5	197.9	1.3%

Source: Company, PL *C=Current / P=Previous / Acc=Accumulate*

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	BUY	1,500	1,258
2	Bank of Baroda	BUY	320	299
3	Canara Bank	Hold	160	150
4	Canara Robeco Asset Management Company	BUY	325	311
5	City Union Bank	BUY	310	285
6	DCB Bank	BUY	155	182
7	Federal Bank	BUY	275	270
8	HDFC Asset Management Company	BUY	2,950	2,554
9	HDFC Bank	BUY	1,150	931
10	ICICI Bank	BUY	1,800	1,411
11	ICICI Prudential Asset Management Company	BUY	3,300	2,736
12	IndusInd Bank	Accumulate	960	892
13	Kotak Mahindra Bank	BUY	500	423
14	Nippon Life India Asset Management	BUY	1,000	879
15	State Bank of India	BUY	1,200	1,066
16	Union Bank of India	BUY	200	179
17	UTI Asset Management Company	Accumulate	1,250	1,135

PL's Recommendation Nomenclature

Buy : > 15%
Accumulate : 5% to 15%
Hold : +5% to -5%
Reduce : -5% to -15%
Sell : < -15%
Not Rated (NR) : No specific call on the stock
Under Review (UR) : Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I Mr. Gaurav Jani- CA, Passed CFA Level II, Ms. Harshada Gite- CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Gaurav Jani- CA, Passed CFA Level II, Ms. Harshada Gite- CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 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 by Prabhudas Lilladher Pvt. Ltd. only 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, Prabhudas Lilladher Pvt. Ltd. has entered into an 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.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

AMNISH AGGARWAL

Digitally signed by AMNISH AGGARWAL
DN: c=IN, o=Personal, title=1443, 2.5.4.20=21151ea12dd366d1ac370cb42343ee44b6e851c37bdbac5f86aa4ff3e6948487, postalCode=400015, st=Maharashtra, serialNumber=7a6f13691881d5a8af6353865a61b48b7040e72f4a1bf53182e368b3ca14a5e4, cn=AMNISH AGGARWAL
Date: 2026.02.19 11:28:28 +05'30'