

Devyani International

India | Consumer Discretionary | Result Update | Rating Upgrade

Elara Capital

5 February 2026

Recovery signals emerging

In Q3, Devyani International (DEVYANI IN) delivered on the margin front, with revenue growth slightly ahead. For KFC India, the drop in same-store-sales was arrested to 2.9% YoY, and gross margin saw improvement and continued store expansion. For Pizza Hut, the drop in SSS was arrested to c.9.0%, with store additions expected to remain flat in CY26. Sustained positive SSSG in Jan-26, along with margin improvement and a ~24% correction in the stock price, has improved the risk-reward profile. So, we upgrade to BUY from Accumulate. However, we reduce our TP to INR 165, as we factor in a downgrade in revenue estimates by 1-2% and EBITDA by 4-8% in FY25-28E. Amidst strategic interventions at PH, expansion of KFC and SSSG improvement are near-term growth drivers.

KFC – Drop in SSS hits margin gains: Revenue of KFC India rose 5.9% YoY, largely driven by store additions (+54 net, taking the total store count to 788, up 14.4% YoY). ADS was flat QoQ at INR 90k, while the drop in SSS was arrested to 2.9% YoY. Weak SSSG was partly driven by cannibalization from rapid expansion in the past few years. Despite muted sales, gross margin improved by ~120bps YoY to 69.8%, supported by cost controls and operational efficiencies, though gains were partly offset by deleverage from lower ADS and a higher delivery mix. SSS growth for KFC in January 2026 was driven by promotions and channel strategies, although monitor consistency. KFC plans to add ~110-120 stores annually. We expect SSS to drop by 1.5% in FY26E and store count to reach 1,026 by FY28E.

Pizza Hut – SSS deteriorated: PH India continued to face demand pressure as revenue dropped by 6.4% YoY in Q3, driven by SSS declining by 9.1% even as it added 18 stores (639, flat YoY). Operational focus shifted decisively to profitability, resulting in a QoQ gross margin improvement of ~130bps to ~76%. As part of its turnaround, PH has begun shutting down loss-making stores and confirmed no new net store additions in CY26, with expansion limited to replacement closures. DEVYANI identified key turnaround levers: a) technology, b) rationalization of loss-making stores, c) A&P and d) menu innovations. A detailed turnaround strategy is expected to be shared post the approval of merger with Sapphire. With many monitorables, we expected SSS of PH to decline 5.5% in FY26 and growth up to 2.0% in FY28E.

Upgrade to BUY; TP pared to INR 165: In Q3, DEVYANI posted slightly higher growth, with margin ahead of estimates, led by pricing action. January witnessed SSSG, though monitor consistency till March, implying that the worst for QSR has likely peaked. Post margin correction in H1, gross margin gains were strong. PH necessitates multi-level interventions for operational turnaround, which may require some time (depending on discussion with *Yum Brands* and *Sapphire*). Amidst this, KFC's expansion (14% CAGR till FY28E) is a growth lever, with any improvement in SSSG as a trigger for operating leverage. Sky Gate has turned around at brand EBITDA level, ahead of the guided timeline. Factoring in Q3, we pare our revenue estimates up to 2.5% and EBITDA by 4-8% in FY25-28E. So, we lower KFC's multiple to 32x Sep-27E EV/EBITDA (pre-IndAS), and value Pizza Hut on 2x P/S, Costa Coffee on 25x, Vaango on 20x and the international business on 30x. We lower our TP to INR 165 from 185. Upgrade to BUY as the stock price has corrected 24% in past three months.

Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	35,563	49,511	56,383	61,382	67,098
YoY (%)	18.6	39.2	13.9	8.9	9.3
EBITDA (INR mn)	6,465	8,108	8,594	9,788	11,228
EBITDA margin (%)	18.2	16.4	15.2	15.9	16.7
Adj PAT (INR mn)	940	(69)	334	1,201	2,191
YoY (%)	(66.7)	(107.3)	(584.3)	259.4	82.4
Fully DEPS (INR)	0.8	(0.1)	0.3	1.0	1.8
RoE (%)	8.1	(0.5)	2.4	8.0	13.1
RoCE (%)	15.9	10.5	10.8	14.9	17.1
P/E (x)	158.1	(2,154.9)	453.7	126.2	69.2
EV/EBITDA (x)	29.0	23.2	21.9	19.2	16.7

Note: Pricing as on 04 February 2026; Source: Company, Elara Securities Estimate

Rating: Buy

Target Price: INR 165

Upside: 34%

CMP: INR 123

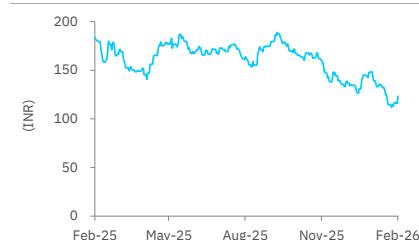
As on 04 February 2026

Key data

Bloomberg	DEVYANI IN
Reuters Code	DEVY.NS
Shares outstanding (mn)	1,233
Market cap (INR bn/USD mn)	152/1,681
EV (INR bn/USD mn)	188/2,077
ADTV 3M (INR mn/USD mn)	516/6
52 week high/low	191/110
Free float (%)	32

Note: as on 04 February 2026; Source: Bloomberg

Price chart



Source: Bloomberg

Shareholding (%)	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
Promoter	62.7	62.6	61.4	61.4
% Pledge	0.0	0.0	0.0	0.0
FII	13.4	9.4	6.5	5.8
DII	16.8	18.1	19.7	19.4
Others	7.1	9.9	12.3	13.5

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	0.7	4.3	8.6
Devyani International	(22.6)	(24.8)	(32.6)
NSE Mid-cap	(0.1)	3.7	9.8
NSE Small-cap	(7.1)	(5.5)	1.4

Source: Bloomberg

Karan Taurani

Internet, Media & Entertainment

+91 22 6164 8513
karan.taurani@elaracapital.com

Associates
Harshad Gadekar
harshad.gadekar@elaracapital.com



Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	35,563	49,511	56,383	61,382	67,098
Gross Profit	24,997	34,122	38,883	42,496	46,626
EBITDA	6,465	8,108	8,594	9,788	11,228
EBIT	2,617	2,410	2,545	3,582	4,349
Interest expense	1,869	2,648	2,709	2,607	2,744
Other income	326	370	544	360	973
Exceptional/ Extra-ordinary items	(1,037)	-	-	-	-
PBT	37	131	380	1,334	2,577
Tax	133	197	46	133	387
Minority interest/Associates income	-	(3)	-	-	-
Reported PAT	(97)	(69)	334	1,201	2,191
Adjusted PAT	940	(69)	334	1,201	2,191
Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	13,486	14,023	14,380	15,581	17,772
Minority Interest	-	-	-	-	-
Trade Payables	3,756	4,411	4,555	4,657	5,048
Provisions & Other Current Liabilities	3,510	4,100	4,346	4,525	4,729
Total Borrowings	9,102	9,318	9,268	8,968	8,668
Other long term liabilities	19,471	21,534	20,138	26,173	28,541
Total liabilities & equity	49,324	53,386	52,686	59,903	64,757
Net Fixed Assets	20,704	22,585	19,602	17,396	15,327
Goodwill	4,287	4,581	4,581	4,581	4,581
Intangible assets	-	-	-	-	-
Business Investments / other NC assets	19,472	21,483	24,116	30,330	32,902
Cash, Bank Balances & treasury investments	1,676	1,814	900	3,890	7,992
Inventories	1,310	1,482	1,688	1,838	2,009
Sundry Debtors	527	413	772	841	919
Other Current Assets	1,347	1,029	1,029	1,029	1,029
Total Assets	49,324	53,386	52,686	59,903	64,757
Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Cashflow from Operations	5,925	9,002	4,367	9,538	10,983
Capital expenditure	(4,785)	(4,910)	(3,066)	(4,000)	(4,810)
Acquisitions / divestitures	(10,913)	(14)	-	-	-
Other Business cashflow	189	302	544	360	973
Free Cash Flow	(9,584)	4,381	1,845	5,898	7,146
Cashflow from Financing	10,635	(4,243)	(2,759)	(2,907)	(3,044)
Net Change in Cash / treasury investments	1,051	137	(914)	2,991	4,102
Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Dividend per share (INR)	-	-	-	-	-
Book value per share (INR)	11.2	11.6	11.7	12.7	14.4
RoCE (Pre-tax) (%)	15.9	10.5	10.8	14.9	17.1
ROIC (Pre-tax) (%)	17.0	11.4	11.5	16.5	22.2
ROE (%)	8.1	(0.5)	2.4	8.0	13.1
Asset Turnover (x)	2.2	2.3	2.7	3.3	4.1
Net Debt to Equity (x)	0.6	0.5	0.6	0.3	0.0
Net Debt to EBITDA (x)	1.1	0.9	1.0	0.5	0.1
Interest cover (x) (EBITDA/ int exp)	3.5	3.1	3.2	3.8	4.1
Total Working capital days (WC/rev)	(26.8)	(32.4)	(31.1)	(9.8)	12.3
Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	158.1	(2,154.9)	453.7	126.2	69.2
P/Sales (x)	4.3	3.1	2.7	2.5	2.3
EV/ EBITDA (x)	29.0	23.2	21.9	19.2	16.7
EV/ OCF (x)	31.7	20.9	43.0	19.7	17.1
FCF Yield	(5.1)	2.3	1.0	3.1	3.8
Price to BV (x)	11.0	10.6	10.5	9.7	8.5
Dividend yield (%)	-	-	-	-	-

We expect a revenue CAGR of 10.7% in FY25-28E

Note: Pricing as on 04 February 2026; Source: Company, Elara Securities Estimate

Exhibit 1: Quarterly performance

Consolidated (INR mn)	Q3FY26	Q3Y25	YoY (%)	Q2FY26	QoQ (%)	Elara Est.	Diff (%)
Revenue	14,409	12,944	11.3	13,768	4.7	13,932	3.4
Gross Margin (%)	68.9	68.7	21 bps	67.8	114 bps	68.2	67 bps
EBITDA	2,300	2,133	7.8	1,974	16.5	2,146	7.2
EBITDA Margin (%)	16.0	16.5	(52) bps	14.3	162 bps	15.4	56 bps
Depreciation	1,666	1,468	13.6	1,552	7.4	1,500	11.1
Interest Cost	700	670	4.5	688	1.7	680	3.0
Other Income	123	90	37.7	51	140.1	60	105.4
PBT	56	85	(33.8)	(215)	(126.3)	26	115.3
Tax	(49)	162	(130.4)	(52)	(5.4)	3	(1664.9)
Effective tax rate (%)	(87.2)	189.7		24.2		12	
PAT	(100)	(77)	28.9	(215)	(53.6)	22	(561.1)
Adj. PAT	106	(76)	(238.1)	(163)	(164.9)	23	358.0
Adj. EPS (INR)	0.1	(0.1)	(238.1)	(0.1)	(164.9)	0.0	

Source: Company, Elara Securities Estimate

Q3 conference call takeaways**Network expansion and store portfolio**

- ▶ Total store count stood at 2,279, comprising 1,174 KFC and 648 Pizza Hut outlets as of Dec '25.
- ▶ In Q3FY26, the company added 54 net new KFC stores, 18 net Pizza Hut stores, and 17 stores under *Biryani By Kilo* and *Vaango*.
- ▶ International operations added 20 new stores in Thailand and Nepal during the quarter.
- ▶ Management reiterated zero net new Pizza Hut stores in CY26, with new openings only to offset closures of loss-making stores.

Revenue growth and financial performance

- ▶ Consolidated revenue came in at INR 14,410mn, up 11.3% YoY, while India revenues grew 12.1% YoY to INR 9,780mn.
- ▶ Consolidated gross profit increased 11.7% YoY to INR 9,930mn, with gross margin improving 20bps YoY to 68.9% (excluding Sky Gate: +70 bps YoY).
- ▶ Pre-Ind AS operating EBITDA stood at INR 1,240mn, with margin improving to 8.6% from 6.8% in Q2FY26, while reported EBITDA was INR 2,270mn (15.7% margin).

Brand contribution and profitability

- ▶ Consolidated brand contribution increased to INR 2,000mn from INR 1,850mn YoY, with margin expanding to 13.9% versus 11.7% in Q2FY26.
- ▶ The Sky Gate portfolio achieved brand EBITDA breakeven in Dec '25, materially ahead of guidance.
- ▶ International business delivered brand contribution of INR 810mn, with margins at 17.1%, showing steady YoY improvement.

KFC India: Performance

- ▶ KFC India revenues grew 5.9% YoY to INR 6,030mn, with ADS stable at INR 90,000 sequentially.
- ▶ Gross margin improved 120bps YoY to 69.8%, partly offset by deleverage due to lower ADS and higher delivery mix.
- ▶ Brand contribution margin declined 40bps YoY, despite sustained cost optimization initiatives.

- ▶ Management acknowledged cannibalization impact from aggressive store expansion over recent years and highlighted a strategic reset across online versus offline channels.

Pizza Hut India – Turnaround phase

- ▶ Pizza Hut India revenue stood at INR 1,780mn, with ADS at INR 31,000 and gross margin improving 120bps QoQ to 76%.
- ▶ The brand delivered positive brand contribution of INR 14mn (0.8% margin), improving 100bps QoQ, despite muted demand.
- ▶ Management has begun systematic closure of loss-making stores, with turnaround expected to take 2-3 years, supported by technology, marketing, and innovation initiatives.

Own brands (Sky Gate Portfolio)

- ▶ Own brands reported INR 940mn revenue, with gross margins at 64.2% and brand contribution margin at 9%.
- ▶ Vaango crossed 100 stores, generating INR 200mn quarterly revenue, while maintaining healthy margins.
- ▶ Sky Gate added 13 net new stores, largely within existing food-court locations, reflecting a measured scale-up strategy.

International business

- ▶ International revenues grew 10.1% YoY to INR 4,730mn, with gross margins improving 90bps QoQ to 64.9%.
- ▶ Thailand witnessed muted growth and negative SSSG, though January showed sequential improvement.
- ▶ Nepal and Nigeria continued to perform strongly, though they remain smaller contributors.

Same-store sales growth (SSSG) and demand trends

- ▶ Management reported positive SSSG across all brands in January, except Pizza Hut, indicating early signs of an inflection.
- ▶ Improvement was driven by promotional experiments, deal restructuring, and refined online-offline strategies, though management cautioned against extrapolating a single month's trend.
- ▶ Early green shoots in consumption demand were observed, aided by fiscal measures and improving macro sentiment.

Cost control, margins and operating levers

- ▶ Brand contribution margins improved despite negative SSSG, highlighting structural cost and mix levers beyond pure volume growth.
- ▶ KFC brand contribution margins earlier achieved at INR 125k ADS are now targeted at INR 105k–110k ADS, reflecting efficiency gains.
- ▶ Corporate G&A was guided at ~5% of revenue, with Q3 impacted by labour code implementation.

Exhibit 2: Quarterly metrics

	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
KFC									
Revenue (INR mn)	5243.0	4941.0	5546.0	5434.0	5698.0	5109.0	6126.0	5723.0	6032.0
Gross Margin (%)	69.4	69.9	69.5	69.0	68.6	68.3	67.1	68.1	69.8
Brand Contribution Margin (%) (pre-IndAS)	19.0	19.0	19.5	16.6	17.2	16.2	15.5	14.1	16.8
Average Daily Sales (INR'000)	104.0	93.0	104.0	96.0	96.0	83.0	98.0	89.0	90.0
No. of stores added (net) (nos)	50.0	6.0	21.0	28.0	44.0	7.0	8.0	30.0	54.0
Total stores at the end of the quarter (nos)	590.0	596.0	617.0	645.0	689.0	696.0	704.0	734.0	788.0
SSSG YoY (%)	(4.7)	(7.1)	(7.0)	(7.0)	(4.4)	(6.1)	(0.7)	(4.2)	(2.9)
Off-premise revenue contribution (%)	40.0	41.0	41.0	42.0	42.0	45.0	46.0	46.0	45.0
On-premise revenue contribution (%)	60.0	59.0	59.0	58.0	58.0	55.0	54.0	54.0	55.0
Off-premise revenue growth (%)	26.8	20.1	19.0	15.0	14.1	13.5	23.9	15.3	13.4
On-premise revenue growth (%)	7.0	5.9	0.6	1.5	5.1	(3.6)	1.1	(1.9)	0.4
Pizza Hut									
Revenue (INR mn)	1796.0	1621.0	1819.0	1848.0	1902.0	1754.0	1873.0	1861.0	1781.0
Gross Margin (%)	75.8	77.3	76.8	76.8	76.2	75.6	74.7	74.7	76.0
Brand Contribution Margin (%) (pre-IndAS)	6.1	4.4	5.0	3.1	2.1	0.7	(1.1)	(0.2)	0.8
Average Daily Sales (INR'000)	37.0	32.0	36.0	35.0	35.0	31.0	33.0	33.0	31.0
No. of stores added (net) (nos)	30.0	2.0	10.0	16.0	51.0	(14.0)	(12.0)	3.0	18.0
Total stores at the end of the quarter (nos)	565.0	567.0	577.0	593.0	644.0	630.0	618.0	621.0	639.0
SSSG YoY (%)	(12.6)	(14.0)	(9.0)	(5.7)	(0.8)	1.0	(4.2)	(4.1)	(9.1)
Off-premise revenue contribution (%)	56.0	55.0	55.0	56.0	54.0	56.0	55.0	55.0	52.0
On-premise revenue contribution (%)	44.0	45.0	45.0	44.0	46.0	44.0	45.0	45.0	48.0
Off-premise revenue growth (%)	(3.9)	(9.4)	(4.4)	2.3	2.1	10.2	3.0	(1.1)	(9.8)
On-premise revenue growth (%)	0.1	2.3	3.7	(1.8)	10.7	5.8	3.0	3.0	(2.3)
Costa Coffee									
Revenue (INR mn)	397	451	455	490	517	523	519	514	563
Gross Margin (%)	77.2	76.7	74.9	75.1	75.4	76.1	75.1	73.5	75.7
Brand Contribution Margin (%) (pre-IndAS)	14.9	17.9	15.0	15.0	16.9	17.6	12.9	10.5	15.6
Average Daily Sales (INR'000)	35	33	28	27	26	27	26	24	27
No. of stores added (net) (nos)	8	25	13	15	2	11	2	2	-13
Total stores at the end of the quarter (nos)	154	179	192	207	209	220	222	224	211
SSSG YoY (%)	5.9	7.3	0.6	8.7	5.1	3.5	4	3.5	3.5
Vaango									
Revenue (INR mn)	145	155	172	192	198	192	201	204	204
Gross Margin (%)	79.3	80.0	80.2	79.2	78.8	79.2	79.2	78.8	79.5
Brand Contribution Margin (%) (pre-IndAS)	22.4	21.5	23.9	23.9	17.3	19.3	19.4	10.8	13.2
No. of stores added (net) (nos)	1	9	9	18	4	2	0	0	0
Total stores at the end of the quarter (nos)	54	63	72	90	94	96	96	96	96

Source: Company, Elara Securities Research

Exhibit 3: Valuation

(INR mn)	Sep-27E
KFC India	
One year forward EBITDA (pre IndAS)	3,467
Multiple (x)	32
EV	1,09,201
EV per share (INR)	89
Pizza Hut India	
One year forward Sales	7,279
Multiple (x)	2
EV	10,918
EV per share (INR)	9
Costa Coffee	
One year fwd. EBITDA (pre IndAS)	268
Multiple (x)	25
EV	6,563
EV per share (INR)	5
Vaango	
One year forward EBITDA (pre IndAS)	86
Multiple (x)	20
EV	1,679
EV per share (INR)	1
International & Others	
One year fwd. EBITDA (pre IndAS)	2,475
Multiple (x)	30
EV	75,474
EV per share (INR)	61
Total EV	2,03,836
Cash (INR mn)	5,941
Debt (INR mn)	8,818
Equity Value (INR mn)	2,00,960
Total no. of shares (mn)	1,229.6
TP (INR)	165
CMP (INR)	123
Upside (%)	34

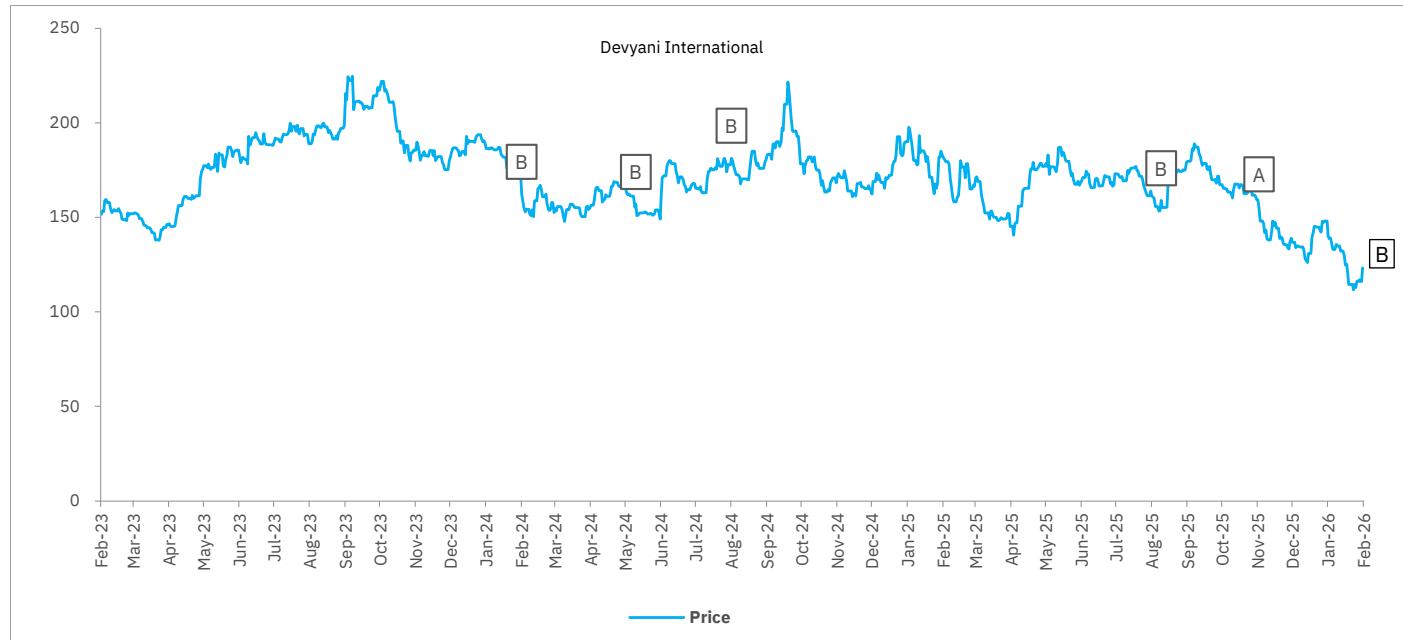
Note: Pricing as on 4 February 2026; Source: Elara Securities Estimate

Exhibit 4: Changes in estimates

(INR mn)	Old			Revised			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	57,010	62,626	68,795	56,383	61,382	67,098	(1.1)	(2.0)	(2.5)
EBITDA	8,939	10,658	12,275	8,594	9,788	11,228	(3.9)	(8.2)	(8.5)
EBITDA Margin (%)	15.7	17.0	17.8	15.2	15.9	16.7			
PAT	621	1,735	2,594	334	1,201	2,191	(46.2)	(30.8)	(15.5)
EPS (INR)	0.5	1.4	2.1	0.3	1.0	1.8	(46.2)	(30.8)	(15.5)
TP (INR)	185			165			(10.8)		
Rating	Accumulate			Buy					

Source: Elara Securities Estimate

Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
05-Feb-2024	Buy	210	162
14-May-2024	Buy	190	157
05-Aug-2024	Buy	215	181
13-Aug-2025	Buy	200	159
06-Nov-2025	Accumulate	185	156
04-Feb-2026	Buy	165	123

Guide to Research Rating

BUY (B) Absolute Return >+20%

ACCUMULATE (A) Absolute Return +5% to +20%

REDUCE (R) Absolute Return -5% to +5%

SELL (S) Absolute Return < -5%

Disclosures & Confidentiality for non U.S. Investors

The Note is based on our estimates and is being provided to you (herein referred to as the "Recipient") only for information purposes. The sole purpose of this Note is to provide preliminary information on the business activities of the company and the projected financial statements in order to assist the recipient in understanding / evaluating the Proposal. Nothing in this document should be construed as an advice to buy or sell or solicitation to buy or sell the securities of companies referred to in this document. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. Nevertheless, Elara Securities (India) Private Limited or any of its affiliates is committed to provide independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Elara Securities (India) Private Limited or any of its affiliates have not independently verified all the information given in this Note and expressly disclaim all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this Note. The user assumes the entire risk of any use made of this information. Elara Securities (India) Private Limited or any of its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for or solicit investment banking or other business from any company referred to in this Note. Each of these entities functions as a separate, distinct and independent of each other. This Note is strictly confidential and is being furnished to you solely for your information. This Note should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This Note is not directed 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, regulation or which would subject Elara Securities (India) Private Limited or any of its affiliates to any registration or licensing requirements within such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law, and persons in whose possession this document comes, should inform themselves about and observe, any such restrictions. Upon request, the Recipient will promptly return all material received from the company and/or the Advisors without retaining any copies thereof. The Information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This Information is subject to change without any prior notice. Elara Securities (India) Private Limited or any of its affiliates reserves the right to make modifications and alterations to this statement as may be required from time to time. However, Elara Securities (India) Private Limited is under no obligation to update or keep the information current. Neither Elara Securities (India) Private Limited nor any of its affiliates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. This Note should not be deemed an indication of the state of affairs of the company nor shall it constitute an indication that there has been no change in the business or state of affairs of the company since the date of publication of this Note. The disclosures of interest statements incorporated in this document are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. Elara Securities (India) Private Limited generally prohibits its analysts, persons reporting to analysts and their family members from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. 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.

Any clarifications / queries on the proposal as well as any future communication regarding the proposal should be addressed to Elara Securities (India) Private Limited. It is important to note that any dispute with respect to this research report, would not have access to stock exchange investor redressal forum or arbitration mechanism.

Elara Securities (India) Private Limited was incorporated in July 2007 as a subsidiary of Elara Capital (India) Private Limited.

Elara Securities (India) Private Limited is a SEBI registered Stock Broker in the Capital Market and Futures & Options Segments of National Stock Exchange of India Limited [NSE] and BSE Limited [BSE] and a Depository Participant registered with Central Depository Services (India) Limited [CDSL].

Elara Securities (India) Private Limited's business, amongst other things, is to undertake all associated activities relating to its broking business.

The activities of Elara Securities (India) Private Limited were neither suspended nor has it defaulted with any stock exchange authority with whom it is registered in last five years. However, during the routine course of inspection and based on observations, the exchanges have issued advise letters or levied minor penalties on Elara Securities (India) Private Limited for minor operational deviations in certain cases. Elara Securities (India) Private Limited has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has the certificate of registration been cancelled by SEBI at any point of time.

Elara Securities (India) Private Limited offers research services primarily to institutional investors and their employees, directors, fund managers, advisors who are registered or proposed to be registered.

Details of Associates of Elara Securities (India) Private Limited are available on group company website www.elaracapital.com

Elara Securities (India) Private Limited is maintaining arms-length relationship with its associate entities.

Research Analyst or his/her relative(s) may have financial interest in the subject company. Elara Securities (India) Private Limited does not have any financial interest in the subject company, whereas its associate entities may have financial interest. Research Analyst or his/her relative does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Elara Securities (India) Private Limited does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Associate entities of Elara Securities (India) Private Limited 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 publication of Research Report. Research Analyst or his/her relative or Elara Securities (India) Private Limited or its associate entities does not have any other material conflict of interest at the time of publication of the Research Report.

Artificial Intelligence (AI) tools may have been used only for compilation or collating publicly available research data or internally generated research data during the information gathering and/or summarizing the final report.

Research Analyst or his/her relative(s) has not served as an officer, director or employee of the subject company.

Research analyst or Elara Securities (India) Private Limited have not received any compensation from the subject company in the past twelve months. Associate entities of Elara Securities (India) Private Limited may have received compensation from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities have not managed or co-managed public offering of securities for the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associates have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company or third party in connection with the Research Report in the past twelve months.

Disclaimer & Standard warning

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

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Disclaimer for non U.S. Investors

The information contained in this note is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Disclosures for U.S. Investors

Rule 15a6 Disclosure: This research report ("Report") was prepared, approved, published, and distributed by Elara Securities (India) Private Limited a company located outside of the United States (the "Foreign Counterparty"). Avior Capital Markets US LLC ("Avior US"), a US registered broker-dealer, distributes this Report in the US on behalf of the Foreign Counterparty. Only major U.S. institutional investors (as defined in Rule 15a-6 under the US Securities Exchange Act of 1934 (the "Exchange Act")) may receive this Report under the exemption in Rule 15a-6. A US institutional investor must effect any transaction in the securities described in this Report through Avior US.

Neither the Report nor any analyst who prepared or approved the Report is subject to US legal requirements or the Financial Industry Regulatory Authority, Inc. ("FINRA") or other US regulatory requirements concerning research reports or research analysts. The Foreign Counterparty is not a registered broker-dealer under the Exchange Act nor is it a member of the Financial Industry Regulatory Authority, Inc., or any other US self-regulatory organization.

Disclosures on Subject Companies: Analysts of the Foreign Counterparty produced this material solely for informational purposes and the use of the intended recipient. No person may reproduce, this Report under any circumstances. No person may copy or make this Report available to any other person other than the intended recipient.

Avior US distributes this Report in the United States of America. The Foreign Counterparty distributes this Report elsewhere in the world. This document is not an offer, or invitation by or on behalf of Avior US, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security.

Avior US and the Foreign Counterparty and their affiliates obtained the information contained herein from published information and other sources, which Avior US and the Foreign Counterparty and their affiliates reasonably consider to be reliable.

Avior US and the Foreign Counterparty accept no liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are valid as of the date of this document. Avior US assumes responsibility for the Report content with regards to research distributed in the US.

Neither Avior US nor the Foreign Counterparty has managed or co-managed a public offering of securities for the subject company in the past 12 months, have not received compensation for investment banking services from the subject company in the past 12 months and do not expect to receive and does not intend to seek compensation for investment banking services from the subject company in the next three months. Avior US and the Foreign Counterparty have not owned any class of equity securities of the subject company. There are no other actual, material conflicts of interest of Avior US and the Foreign Counterparty at the time of the publication of this Report. As of the publication of this Report, Avior US nor the Foreign Counterparty makes a market in the subject securities.

Avior US and its affiliates, to the fullest extent permissible by law, accept no liability of any nature whatsoever for any claims, damages or losses arising from, or in connection with, the contents of this Report or the use, reliance, publication, distribution, dissemination, disclosure, alteration or reproduction of this Report, or any views or recommendations recorded therein.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Subject to the applicable laws, all transactions should be executed through Avior US. Aside from within this Report, important conflict disclosures can also be found at <https://aviorcapital.us/us-regulatory-disclosures/> and Investors are strongly encouraged to review this information before investing.

Additional Disclaimer for UK Investors

Note that Elara Securities (India) Private Limited ("Foreign Counterparty") has concluded a MiFID II research intermediary agreement with Avior Capital Markets International Limited ("Avior UK"), regulated by the Financial Conduct Authority (FRN: 191074), pursuant to which Avior UK distributes the Foreign Counterparty's research in the UK, in return for which the Foreign Counterparty pays Avior UK a percentage of the income received in relation to such research. This research report including any recommendations recorded therein ("Report") have been prepared by the Foreign Counterparty, and not by Avior UK.

The Report: (a) has been objectively prepared from public sources which are believed to be reliable and therefore constitutes independent investment research and is presented as such; and (b) may only be distributed to, and relied on by, qualifying investors, who are permitted to receive same in the UK.

Securities, money market instruments, strategies, financial or investment instruments mentioned in this Report may not be suitable for all investors. The information and opinions provided in this Report do not constitute a personal recommendation/investment advice and take no account of the investor's individual circumstances. Investors should consider this Report as only a single factor in making any investment decisions and, if appropriate, should seek advice from an investment advisor. This Report is not an offer, or invitation by or on behalf of Avior UK, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security.

Save as disclosed otherwise, the Foreign Counterparty's relationship with Avior UK is not reasonably expected to impair the objective presentation of the recommendations in the Report, including any interests or conflicts of interest concerning any financial instruments or the issuers to which the recommendations, directly or indirectly, relate. The Report is deemed to be first disseminated at the date and time recorded on the relevant distribution platform, data network or email (as applicable), and which information is available on request. A list of the Foreign Counterparty's research reports disseminated in the UK over the past 12 months is also available on request.

Avior UK does not assume any responsibility or liability of any nature whatsoever arising from or in connection with the content, use, reliance or dissemination of the Report or any recommendation in respect thereof and disclaims any such liability.

Certification by Each of the Authors of this Report

The analyst(s) (singular includes plural) ("Analyst") certifies that the views expressed in this Report are an accurate representation of the Analyst's personal opinions on the stock or sector as covered and reported on by the Analyst hereinabove. The Analyst furthermore certifies that no part of the Analyst's compensation was, is, or will be related, directly or indirectly, to the specific recommendations or views as expressed in this document. The Analyst is principally responsible for the preparation of this Report and does not have any material conflict of interest at the time of publication of this Report. The Analyst(s) has not served as an officer, director or employee of the subject company in the last 12-month period ending on the last day of the month immediately preceding the date of publication of the Report.

Analyst Certification: In connection with the companies or securities that; each analyst identified in this Report certifies that: The views expressed on the subject companies and securities in this Report reflect their personal views. No part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this Report.

Note that:

- (i) The Foreign Counterparty is the employer of the research analyst(s) responsible for the content of this Report, and
- (ii) Research analysts preparing this Report are resident outside the United States and are not associated persons of any US regulated broker-dealer. Therefore, the analyst(s) are not subject to supervision by a US broker-dealer and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Avior Capital Markets US, LLC is a FINRA registered broker-dealer (CRD # 172595) formed for that purpose in the State of Delaware with its principal office at 45 Rockefeller Plaza, Suite 2335, New York, New York 10111.

Avior Capital Markets International Limited is regulated by the Financial Conduct Authority (FRN: 191074), with its principal office at 10 South Street, Elgin, Scotland IV30 1LE.

Elara Securities (India) Private Limited is a SEBI-registered Research Analyst (Regn. No.: INH000000933), Stock Broker (Regn. No.: INZ000238236) and Depository Participant (Regn. No.: IN-DP-370-2018). Its registered address is One International Center, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road (West) Mumbai – 400 013, India

India

Elara Securities (India) Private Limited
One International Center, Tower 3,
21st Floor, Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai – 400 013, India
Tel : +91 22 6164 8500

Europe

Elara Capital Plc.
6th Floor, The Grove,
248A Marylebone Road,
London, NW1 6JZ,
United Kingdom
Tel : +44 20 7486 9733

USA

Elara Securities Inc.
230 Park Avenue, Suite 2415,
New York, NY 10169, USA
Tel: +1 212 430 5870
Fax: +1 212 208 2501

Asia / Pacific

Elara Capital (Asia) Pte.Ltd.
One Marina Boulevard,
Level 20,
Singapore 018989
Tel : +65 6978 4047



**Managing
Director**

Harendra Kumar | harendra.kumar@elaracapital.com | +91 22 6164 8571



**Head of
Research**

Dr Bino Pathiparampil | bino.pathiparampil@elaracapital.com | +91 22 6164 8572

Sales Team

India

Hitesh Danak - hitesh.danak@elaracapital.com - +91 22 6164 8543
Ashok Agarwal - ashok.agarwal@elaracapital.com - +91 22 6164 8558
Himani Sanghavi - himani.sanghavi@elaracapital.com - +91 22 6164 8586



**India, APAC &
Australia**

Sudhanshu Rajpal - sudhanshu.rajpal@elaracapital.com - +91 22 6164 8508
Joshua Saldanha - joshua.saldanha@elaracapital.com - +91 22 6164 8541
Shraddha Shrikhande - shraddha.shrikhande@elaracapital.com - +91 22 6164 8567
Suyash Maheshwari - suyash.maheshwari@elaracapital.com - +91 22 4204 8698



India & UK

Prashin Lalvani - prashin.lalvani@elaracapital.com - +91 22 6164 8544



India & US

Karan Rathod - karan.rathod@elaracapital.com - +91 22 6164 8570



**Corporate
Access,
Conference &
Events**

Anita Nazareth - anita.nazareth@elaracapital.com - +91 22 6164 8520
Tina D'souza - tina.dsouza@elaracapital.com - +91 22 6164 8595

By clicking this link, you acknowledge and agree to the [Terms and Conditions of Research Services](#).

Access our reports on Bloomberg: Type **RESP ESEC <GO>**

Also available on **Thomson & Reuters**

Elara Securities (India) Private Limited

Registered Office Address: One International Center, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road (West) Mumbai – 400 013, India Tel : +91 22 6164 8500
CIN: U74992MH2007PTC172297 | SEBI Research Analyst Registration No.: INH000000933
Member of BSE Limited and National Stock Exchange of India Limited | SEBI REGN. NO.: INZ000238236
Member of Central Depository Services (India) Limited | SEBI REGN. NO.: IN-CP-370-2018
Investor Grievance Email ID: investor.grievances@elaracapital.com - Tel. +91 22 6164 8509
Compliance Officer: Mr. Anand Rao - Email ID: anand.rao@elaracapital.com - Tel. +91 22 6164 8509