Aurobindo Pharma

India | Pharmaceuticals | **Company Update**

In-line Q3; eyes on regulatory outcome

10 February 2026

Rating: Buy
Target Price: INR 1,568
Upside: 30%
CMP: INR 1,204
As on 10 February 2026

Aurobindo Pharma (ARBP IN) reported Q3FY26 in line with our expectations with revenue, EBITDA and PAT coming within 1% of our estimates. Higher Other income offset higher tax rate. Management has pegged revenue growth, excluding, gRevlimid at 9% YoY. Gross margin sustained at an all-time high of 59.7% and EBITDA grew 8.9% YoY despite negligible gRevlimid sales in Q3FY26, which is commendable, in our assessment. EBITDA margin improved 20bp QoQ to 20.5% in Q3, again despite lower gRevlimid. Lower losses from the Penicillin-G plant and the INR depreciation helped, in our view. Further ramp-up in Penicillin-G plant along with the USD 24/kg minimum import price (MIP) announced on the product recently by the government will help margins in FY27. Management intends to respond to the recent USFDA observations at the Eugia-III plant within 15 days; indicated that the observations are procedural in nature and are not any cause for concern. The outcome of regulatory inspections, including this one, will be key to stock price performance. We keep our FY26-FY28E EPS unchanged; we retain **Buy** with a target price of INR 1,568.

US business, margin remain resilient; Eugia plant issues not to impact operations: US revenue of USD 420mn was down 3.4% YoY and flat QoQ, but still surpassed our expectations – we had built in a sharper fall once gRevlimid comes off. While there are further growth levers, the outcome of regulatory inspections will be key for this business segment. The Eugia Unit-3 had ramped up after remediation works following USFDA warning letter, but 11 observations in re-inspection have raised concerns. Management says the observations are procedural in nature, and it does not expect an adverse outcome. Regulatory compliance in this plant and other important ones will be events to watch for.

EU and ARV businesses bolster performance; weak API and RoW: The EU business continues to post robust performance with constant currency growth of 11% in Q3FY26. Management expects the growth momentum to continue. The ARV tender business in Africa saw a pickup in Q3 with easing competition; the business grew 16% YoY in USD terms. Growth in ROW revenue (flat YoY) and API revenue, down 9% YoY in USD, came weak in Q3; management expects recovery in the upcoming quarters.

Penicillin-G MIP to help in FY27: The Penicillin-G project is critical for ARBP's growth and profitability targets. The facility has already ramped up to ~60% capacity utilization and is running at annualized production rate of ~10k tonne. Recent announcement of MIP will help profitability of the plant. Production ramp-up will make ARBP eligible for production-linked incentive payout of ~INR 2.4bn from the government.

Retain Buy with a TP of INR 1,568: We keep our FY26-28E EPS unchanged as of now. The outcome of regulatory inspections, including that of Eugia-III, will be critical, in our view. ARBP trades at 15.9x FY27E core P/E. We retain **Buy** with a TP of INR 1,568 on 20.5x FY28E core EPS plus cash per share. Escalation of cGMP issues in any of the important plants and delay in Penicillin-G plant ramp-up are key risks.

Key financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	290,019	317,237	335,292	388,635	414,713
YoY (%)	16.7	9.4	5.7	15.9	6.7
EBITDA (INR mn)	58,430	66,054	67,229	73,127	78,473
EBITDA margin (%)	20.1	20.8	20.1	18.8	18.9
Adj PAT (INR mn)	33,648	34,859	35,928	42,593	46,231
YoY (%)	74.6	3.6	3.1	18.6	8.5
Fully DEPS (INR)	57.4	60.0	61.9	73.3	79.6
RoE (%)	11.9	11.2	10.4	11.2	10.9
RoCE (%)	12.7	12.9	12.8	14.2	13.5
P/E (x)	21.0	20.1	19.5	16.4	15.1
EV/EBITDA (x)	11.8	10.4	10.2	9.4	8.8

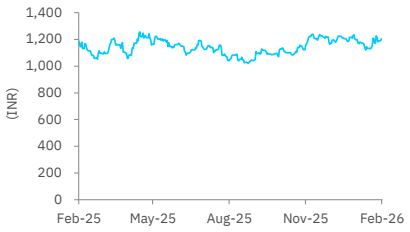
Note: Pricing as on 10 February 2026; Source: Company, Elara Securities Estimate

Key data

Bloomberg	ARBP IN
Reuters Code	ARBN.NS
Shares outstanding (mn)	581
Market cap (INR bn/USD mn)	699/7,702
EV (INR bn/USD mn)	688/7,580
ADTV 3M (INR mn/USD mn)	1,300/14
52 week high/low	1,279/994
Free float (%)	48

Note: as on 10 February 2026; Source: Bloomberg

Price chart



Source: Bloomberg

Shareholding (%)	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
Promoter	51.8	51.8	51.8	51.8
% Pledge	17.8	0.0	17.5	17.5
FII	15.3	14.4	14.2	13.9
DII	26.2	26.9	27.6	27.7
Others	6.7	6.9	6.4	6.6

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	1.5	6.2	9.8
Aurobindo Pharma	7.1	15.5	1.0
NSE Mid-cap	1.2	6.5	11.2
NSE Small-cap	(4.4)	(1.7)	1.5

Source: Bloomberg

Dr Bino Pathiparampil
Healthcare, Pharmaceuticals, Strategy

+91 22 6164 8572
bino.pathiparampil@elaracapital.com

Associate
Kashish Thakur
kashish.thakur@elaracapital.com

Shivam Agarwal
shivam.agarwal@elaracapital.com

Global Markets Research

Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	290,019	317,237	335,292	388,635	414,713
Gross Profit	163,990	186,975	198,237	226,014	240,534
EBITDA	58,430	66,054	67,229	73,127	78,473
EBIT	43,213	49,560	49,432	54,763	57,679
Interest expense	2,897	4,572	3,788	217	241
Other income	5,574	5,992	5,531	4,226	4,226
Exceptional/ Extra-ordinary items	(1,919)	-	(653)	-	-
PBT	43,972	50,980	50,523	58,772	61,664
Tax	12,110	15,827	15,232	16,162	15,416
Minority interest/Associates income	(132)	(294)	(17)	(17)	(17)
Reported PAT	31,730	34,859	35,274	42,593	46,231
Adjusted PAT	33,648	34,859	35,928	42,593	46,231
Balance Sheet (INR mn)	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Shareholders' Equity	298,428	326,533	361,790	401,462	444,192
Minority Interest	80	(64)	(47)	(30)	(13)
Trade Payables	44,542	41,889	48,251	56,791	60,523
Provisions & Other Current Liabilities	35,647	41,135	41,550	48,904	52,117
Total Borrowings	63,152	79,417	3,617	4,014	4,442
Other long term liabilities	8,867	8,941	8,941	8,941	8,941
Total liabilities & equity	**450,715**	**497,850**	**464,103**	**520,082**	**570,202**
Net Fixed Assets	142,849	154,554	157,391	160,691	162,644
Goodwill	5,952	6,180	6,180	6,180	6,180
Intangible assets	34,815	36,207	39,457	62,207	62,207
Business Investments / other NC assets	25,044	29,284	29,284	29,284	29,284
Cash, Bank Balances & treasury investments	63,417	82,511	28,939	26,596	58,985
Inventories	98,082	105,437	112,323	130,193	138,929
Sundry Debtors	48,167	57,459	57,000	66,068	70,501
Other Current Assets	32,389	26,218	33,529	38,863	41,471
Total Assets	**450,715**	**497,850**	**464,103**	**520,082**	**570,202**
Cash Flow Statement (INR mn)	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Cashflow from Operations	**24,345**	**39,246**	**45,020**	**40,569**	**54,208**
Capital expenditure	(35,013)	(19,650)	(20,633)	(21,664)	(22,748)
Acquisitions / divestitures	-	(114)	(3,250)	(22,750)	-
Other Business cashflow	-	-	-	-	-
Free Cash Flow	**(10,668)**	**19,482**	**21,138**	**(3,845)**	**31,460**
Cashflow from Financing	11,609	(389)	(74,709)	1,502	928
Net Change in Cash / treasury investments	941	19,093	(53,571)	(2,343)	32,388
Key assumptions & Ratios	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Dividend per share (INR)	4.5	-	5.0	6.0	7.0
Book value per share (INR)	509.3	562.2	622.9	691.2	764.8
RoCE (Pre-tax) (%)	12.7	12.9	12.8	14.2	13.5
ROIC (Pre-tax) (%)	15.5	15.9	15.0	15.3	15.0
ROE (%)	11.9	11.2	10.4	11.2	10.9
Asset Turnover (x)	2.2	2.1	2.1	2.4	2.6
Net Debt to Equity (x)	0.0	0.0	(0.1)	(0.1)	(0.1)
Net Debt to EBITDA (x)	0.0	0.0	(0.4)	(0.3)	(0.7)
Interest cover (x) (EBITDA/ int exp)	20.2	14.4	17.7	336.9	325.8
Total Working capital days (WC/rev)	219.4	226.7	158.8	157.3	179.2
Valuation	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
P/E (x)	21.0	20.1	19.5	16.4	15.1
P/Sales (x)	2.4	2.2	2.1	1.8	1.7
EV/ EBITDA (x)	11.8	10.4	10.2	9.4	8.8
EV/ OCF (x)	28.3	17.5	15.3	17.0	12.7
FCF Yield	(1.6)	2.8	3.1	(0.6)	4.6
Price to BV (x)	2.4	2.1	1.9	1.7	1.6
Dividend yield (%)	0.4	-	0.4	0.5	0.6

Note: Pricing as on 10 February 2026; Source: Company, Elara Securities Estimate

EBITDA margin guidance for FY26 at ~20–21%

Exhibit 1: Quarterly financials

YE March (INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Net Sales	86,459	79,785	8.4	82,857	4.3
Gross Profit	51,647	46,631	10.8	49,468	4.4
Gross Margin (%)	59.7	58.4	129.0	59.7	3.2
EBITDA	17,733	16,278	8.9	16,781	5.7
EBITDA Margin (%)	20.5	20.4	10.8	20.3	25.8
Other Income	1,876	1,075	74.6	1,206	55.6
Interest	928	1,185	(21.7)	952	(2.6)
Depreciation	4,647	4,185	11.0	4,292	8.3
PBT	14,035	11,983	17.1	12,743	10.1
Tax	4,287	3,543	21.0	4,278	0.2
Tax Rate (%)	30.5	29.6	98.1	33.6	(302.5)
PAT	9,748	8,440	15.5	8,465	15.2
Minority Interest	9	18	(53.6)	20	(57.1)
Extraordinary items	(653)	-	NA	-	NA
PAT	9,103	8,458	7.6	8,485	7.3
Adjusted Net Income	9,756	8,458	15.3	8,485	15.0
NPM (%)	11.3	10.6	68.3	10.2	104.4

Source: Company, Elara Securities Research

Exhibit 2: Valuation based on core earnings

	FY24	FY25	FY26E	FY27E	FY28E
Core EPS (INR)	50.4	52.9	55.2	68.1	74.1
Core EPS growth (%)	69.6	4.9	4.3	23.4	8.9
Cash per share (INR)	108.2	142.1	49.8	45.8	101.6
Current Core P/E (x)	19.6	18.7	17.9	14.5	13.3
Core ROIC (%)	16.7	16.6	15.3	16.3	15.2

Source: Company, Elara Securities Estimate

Q3FY26 conference call highlights

Business highlights

- Revenue from operations rose 8.4% YoY to INR 86.5bn, led by strong performance in the EU and ARV businesses.
- EBITDA before R&D came in at INR 21.6bn, translating into a 25.0% margin.
- EBITDA before forex and other income stood at INR 17.7bn, with an EBITDA margin of 20.5%.
- R&D spend (including depreciation) was INR 4.1bn, accounting for 4.7% of revenue.
- Net cash position remains strong at USD 251mn as on 31 December 2025, even after cash outflow for the Khandelwal Laboratories acquisition.
- Free cashflow generation was robust at USD 118mn during the quarter.
- Ex-Revlimid revenue improved ~9% YoY, indicating underlying growth momentum.
- At the Vizag facility, three products are currently being filled, with ~10 additional expected; management targets eight production lines by FY26-end, with GLP-1 products to be filled from this site — FY27 to be the ramp-up year while FY28 is likely to be value-accretive.
- Formulations revenue grew 10% YoY, contributing ~89% of total revenue.
- In Lanett and Bausch settlement liability rests with Lanett, and management says ARBP will not be adversely affected by the settlement.

US business

- US revenue grew 2.2% YoY to INR 37.4bn, accounting for 43.2% of consolidated revenue.
- ARBP secured final USFDA approval for 7 ANDAs during the quarter (including two conversions from tentative to final approval), spanning anti-diabetic, CNS, pain management, anti-infective, anti-histamine, electrolyte replacement and gastrointestinal therapies, across both Rx and OTC formulations.
- Cumulatively, as on 31 December 2025, the company has filed 879 ANDA, of which 719 have received final approval and 31 remain tentatively approved with the USFDA.
- Nine products were launched in the US during the quarter, strengthening the ongoing launch pipeline.
- Contribution from gRevlimid remains negligible, indicating limited base impact.
- US injectables business delivered strong growth of ~17% YoY, driven by improved product mix and demand.
- Eugia-3 USFDA inspection observations are procedural, and management has expressed confidence in responding within 15 days.
- The Lanett acquisition is on track for completion in Q1FY27, subject to customary approvals post FTC approval
- Pomalidomide launch is targeted for Q4FY26, adding to the specialty oncology portfolio.

EU business

- EU revenue surged 27.4% YoY to INR 27.0bn, driven by robust traction across key markets, and contributed 31.3% to consolidated revenue.
- In constant currency terms, EU revenue grew 10.7% YoY to EUR 261mn, reflecting strong underlying demand across the region.
- Core EU markets — France, Germany, Portugal and the Netherlands — delivered double-digit growth, underscoring broad-based momentum.

Biosimilars

- CuraTeQ Biologics is building a scaled global biosimilars platform, backed by several approvals in the regulated markets, Phase III oncology assets, a 15-product diversified pipeline, easing regulatory pathways and planned filings across major geographies, positioning the business to tap a ~USD 50bn biosimilars opportunity over the next decade.
- BP16 (denosumab) and BP11 (omalizumab) are advanced biosimilar candidates with demonstrated PK and clinical comparability, addressing large multi-billion-dollar reference markets nearing patent expiry; CuraTeQ is targeting EU MAA and US BLA filings in CY2026, ensuring a steady cadence of regulated-market submissions.
- EU launch momentum is building, supported by initial approvals and supply ramp-up, alongside sharper execution via supply chain optimization and strategic partnerships across EU and the MENA region.
- Growth markets continue to scale, led by approvals in Canada, LATAM tender wins, and ongoing filings in Brazil, aiding in geographic diversification.
- Ongoing capacity expansion and a deep next-wave pipeline (>USD 50bn total market addressable [TAM]) underpin visibility for sustained growth beyond CY28.
- Key regulatory filings remain on track, with the US and the EU submissions targeted in CY26, notwithstanding minor timeline adjustments for denosumab.

PENG

- PENG output is likely to exceed 10,000mn tonne in FY27, reflecting scale-up of capacity.
- Full benefits of the PENG MIP are set to accrue from April 2026.
- 6-APA sales are likely to pick up from Q1 FY26, supporting incremental revenue growth.
- PENG capacity was fully utilized for captive consumption in the previous quarter, indicating strong internal demand.
- Capacity ramp-up reached an annualized run-rate of ~9,000–10,000mn tonne in January, demonstrating steady execution.
- Yield is improving, with management indicating progressive full deployment of fermenter capacity over time.
- PENG operations have already achieved break-even, reducing downside risk during ramp-up.
- PLI inflows of ~INR 2.4bn are likely in FY27, providing a meaningful earnings tailwind.

ARV and API businesses

- ARV revenue grew 22.4% YoY to INR 3.8bn, accounting for 4.3% of consolidated revenue, with the segment sustaining momentum and delivering ~16% YoY growth, driven by incremental business opportunities.
- In USD terms, ARV revenue increased 16.1% YoY to USD 42mn, reflecting healthy underlying demand.
- API revenue declined 4.3% YoY to INR 96.3bn, contributing 11.1% of consolidated revenue.
- In USD terms, API revenue fell 9.2% YoY to USD 108mn, with the decline largely attributable to adverse market conditions dragging the API business.

Growth markets

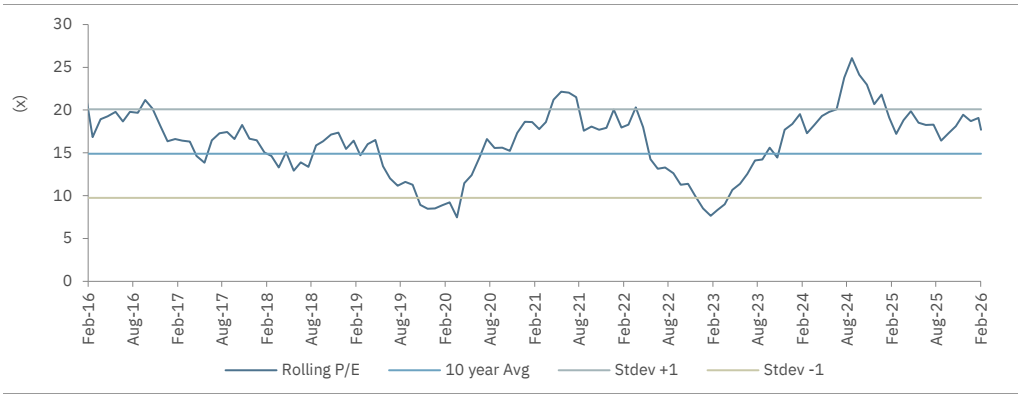
- Growth markets revenue declined 6% YoY, with a slight slowdown in Indonesia, partly offset by growth across other key markets; the segment accounted for 10.0% of consolidated revenue.
- In USD terms, growth markets revenue decreased 6.1% YoY to USD 97mn, reflecting continued market softness.
- Domestic formulations sales stood at INR 740mn in the quarter, while 9MFY26 domestic formulations revenue reached INR 2.3bn.

Guidance

- Gross margin are likely to expand in the medium term, supported by rising PENG contribution and improved backward integration.
- Management reiterated achieving ~USD 1bn in EU revenue target in FY26, underpinned by strong momentum and pipeline launches.
- The Dayton facility has entered the commercial phase and is set to contribute meaningfully from FY27, while the Raleigh facility awaits regulatory clearance; the Lanett acquisition, subject to approvals, is likely to further strengthen the US portfolio.
- The China facility is progressing toward ~2bn units of annual capacity, with 10 products already approved; management expects EBITDA break-even in Q4 and meaningful EBITDA contribution from next year.
- Strategic initiatives, such as PENG, 6-APA and Amoxicillin, are enhancing cost competitiveness, reducing external dependence and supporting margin expansion, with utilization likely to ramp up to ~65–70% by March 2026 (vs ~42% last year).
- EBITDA margin guidance for FY26 is at ~20–21%.

- Growth in the next two years is likely to be driven by scalable initiatives and a differentiated pipeline, with increasing emphasis on complex generics across dermatology, transdermal, nasal, respiratory and oncology segments.
- The injectables business continues to improve, aided by supply ramp-up, better service levels and higher capacity utilization, translating into stronger operating performance.
- EU growth is likely to accelerate further, supported by incremental launches, improved supplies from China and upcoming LOE-driven opportunities, driving a sharper ramp-up ahead.
- Management expects FY29 to be the inflection year for the biotech business, as investments begin to translate into earnings.
- Biopharma SHAKTI, if executed effectively, is seen as structurally positive for the biopharma and biosimilar ecosystem, with early signs of ecosystem strengthening.
- Management expects no large organic capex plans, while actively evaluating inorganic acquisition opportunities to supplement growth.
- FY27 capex target is at INR 150–200mn, while TheraNym Biologics capex is estimated at USD 120–130mn; part of the spend has already been incurred, with the bulk likely in FY27.
- The Eugia business is likely to grow in the double-digit growth in FY27.

Exhibit 3: On a rolling P/E basis, ARBP trading at 13.6% discount to its STD +1 of 20.1x



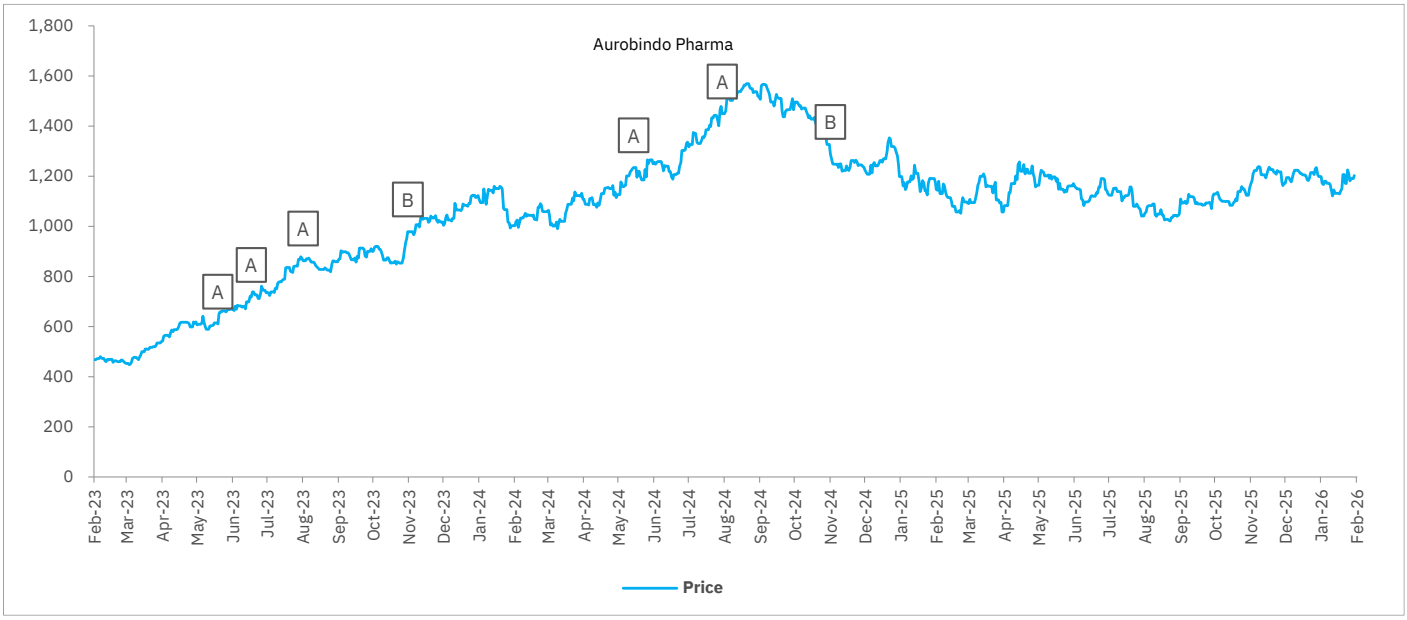
Source: Bloomberg, Company, Elara Securities Estimate

Exhibit 4: Change in estimates

	Old			Revised			% change		
(INR mn)	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**
Sales	3,36,043	3,92,102	4,13,068	3,35,292	3,88,635	4,14,713	(0.2)	(0.9)	0.4
EBITDA	68,346	73,940	77,792	67,229	73,127	78,473	(1.6)	(1.1)	0.9
PAT	36,388	42,328	46,334	35,274	42,593	46,231	(3.1)	0.6	(0.2)
EPS (INR)	62.7	72.9	79.8	61.9	73.3	79.6	(1.3)	0.6	(0.2)

Source: Elara Securities Estimate

Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
30-May-2022	Buy	715	528
11-Aug-2022	Accumulate	665	576
14-Nov-2022	Accumulate	520	487
29-May-2023	Accumulate	691	611
27-Jun-2023	Accumulate	800	719
11-Aug-2023	Accumulate	949	863
10-Nov-2023	Buy	1,208	980
24-May-2024	Accumulate	1,384	1,235
09-Aug-2024	Accumulate	1,568	1,450
11-Nov-2024	Buy	1,568	1,286

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 organisation.

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-DP-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