

## Run-up in stock limits upside

13 January 2026

HCL Technologies (HCLT IN) reported better-than-expected Q3 on revenue and margin fronts. The beat was led by better-than-expected performance in its product business (Q3 is seasonally strong). However, some part of the uptick in the products business was likely from one-time tactical license revenues, which may not sustain, going forward. Strong Q3 led to HCLT increasing its revenue growth guidance for FY26 from 3% to 4% at the lower end, but guidance at the upper end has been trimmed by 50bps to 4.5% from 5% earlier, indicating a 1.2-3% sequential drop in Q4. The EBIT margin guidance has been maintained at 17-18%. HCLT indicated that demand environment has not changed much, but some pockets (BFSI) are seeing improvement. We raise our TP to INR 1,500 on 21x (unchanged) FY27E P/E. However, we revise HCLT to SELL from Reduce given that run-up in the stock price limits upside.

**Strong deal momentum:** HCLT reported revenue growth of 4.2% QoQ in CC terms while revenue was up 4.8% YoY CC at the company level. IT services (72.3% of the mix) reported 1.5% QoQ and 3.8% YoY growth in CC. ER&D posted a 3.1% QoQ CC rise, and Product (P&P) was up 28.1% QoQ in CC terms. Vertical-wise, YoY in CC, BFSI, Tech, Public services and Telecom reported growth in the range of 7.1-14.4%, Manufacturing was up +1.8% YoY CC, while Lifesciences and Retail CPG reported a decline. Broad-based growth was seen across geographies YoY in CC, with Europe market up 4.6%, and the US market growing 1.5%. HCLT recorded a new deal TCV of ~USD 3bn in Q3FY26, up 17% QoQ and 43.5% YoY. Advanced AI posted revenues of USD 146mn in Q3FY26 (3.8% of revenue), up 19.9% QoQ CC. Interim dividend of INR 12/share was announced in Q3, with a payout ratio of 80%.

**Margin expansion led by seasonality in P&P:** Q3 operating margin, excluding the one-time impact of the new labor code, was 18.6%, up 111bps QoQ. Excluding restructuring costs, margin was 19.4%. Product business helped margin expansion by 118bps while Services margin declined 7bps QoQ (primarily due to wage hikes (80bps), furlough seasonality (45bps) and Restructuring costs, which hit margins by 26bps in Q3 but partially offset by utilization gains (104bps) and currency benefit (40bps)). HCLT reiterated its full-year EBIT margin guidance of 17-18%, which factors in restructuring costs but excludes the impact of labor code.

**Revise to SELL; TP raised to INR 1,500:** Q3 revenue and margin were in line with typical seasonal patterns in the products business, which lifted performance. However, despite strong Q3, HCLT cut the upper end of its guidance by 50bps, indicating weak Q4. Also, uptick in Q3 for the product business was led by tactical license revenues rather than sticky subscription revenues, which may not be sustainable in our view. Margin pressure may continue due to new AI skills coming at higher costs. So, we reduce our FY27E/FY28E margin estimates by 10bps / 80bps, respectively.

We increased our TP to INR 1,500 (on unchanged 21x FY27E EPS) from INR 1,445 to factor in strong Q3. We revise HCLT to Sell (from Reduce) as the stock has run up ~20% in past 3-4 months and valuations appear full. The stock is trading at 12-13% premium in FY27E to Infosys despite similar earnings growth of 5-6% over FY25-27E, which appears unreasonable in our view.

## Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	1,099,130	1,170,550	1,296,599	1,388,744	1,470,541
YoY (%)	8.3	6.5	10.8	7.1	5.9
EBITDA (INR mn)	242,000	255,050	269,581	287,682	301,429
EBITDA margin (%)	22.0	21.8	20.8	20.7	20.5
Adj PAT (INR mn)	157,100	173,900	157,886	190,115	196,691
YoY (%)	5.8	10.7	(9.2)	20.4	3.5
Fully DEPS (INR)	57.9	64.1	58.3	70.2	72.6
RoE (%)	23.5	25.2	22.4	26.3	26.5
RoCE (%)	29.1	30.5	32.0	33.8	34.0
P/E (x)	28.8	26.0	28.6	23.7	22.9
EV/EBITDA (x)	17.7	16.8	15.9	14.9	14.2

Note: Pricing as on 12 January 2026; Source: Company, Elara Securities Estimate

Rating: Sell

Target Price: INR 1,500

Downside: 10%

CMP: INR 1,668

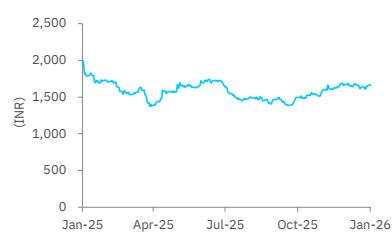
As on 12 January 2026

## Key data

Bloomberg	HCLT IN
Reuters Code	HCLT.NS
Shares outstanding (mn)	2,714
Market cap (INR bn/USD mn)	4,525/50,190
EV (INR bn/USD mn)	4,281/47,481
ADTV 3M (INR mn/USD mn)	3,952/44
52 week high/low	2,005/1,303
Free float (%)	39

Note: as on 12 January 2026; Source: Bloomberg

## Price chart



Source: Bloomberg

Shareholding (%)	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Promoter	60.8	60.8	60.8	60.8
% Pledge	0.0	0.0	0.0	0.0
FII	19.4	19.1	18.6	16.6
DII	15.3	15.4	16.2	17.8
Others	4.5	4.7	4.4	4.7

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	2.0	2.5	10.1
HCL Technologies	11.5	1.8	(16.1)
NSE Mid-cap	1.3	1.9	9.1
NSE Small-cap	(5.9)	(8.8)	(4.3)

Source: Bloomberg

## Sameer Pardikar

IT Services

+91 22 4204 8692  
sameer.pardikar@elaracapital.com



Associates  
Yash Kudale  
yash.kudale@elaracapital.com

## Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	1,099,130	1,170,550	1,296,599	1,388,744	1,470,541
Gross Profit	394,390	408,980	468,857	501,092	537,029
EBITDA	242,000	255,050	269,581	287,682	301,429
EBIT	200,990	214,030	226,491	245,236	252,920
Interest expense	5,530	6,440	8,123	7,789	8,248
Other income	14,950	24,850	16,810	17,741	18,284
PBT	210,410	232,440	225,618	255,188	262,956
Tax	52,570	58,620	58,092	65,073	66,265
Minority interest/Associates income	(80)	(90)	(80)	-	-
Reported PAT	157,100	173,900	167,446	190,115	196,691
Adjusted PAT	157,100	173,900	157,886	190,115	196,691
Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	682,630	696,550	713,115	732,126	751,795
Minority Interest	80	180	270	270	270
Trade Payables	58,530	62,250	71,047	76,096	80,578
Provisions & Other Current Liabilities	168,730	218,140	193,141	213,939	229,143
Total Borrowings	23,270	1,740	1,740	1,740	1,740
Other long term liabilities	64,530	76,580	76,580	76,580	76,580
<b>Total liabilities &amp; equity</b>	<b>997,770</b>	<b>1,055,440</b>	<b>1,055,892</b>	<b>1,100,751</b>	<b>1,140,106</b>
Net Fixed Assets	49,990	45,600	40,889	36,313	29,829
Goodwill	201,320	217,560	217,560	217,560	217,560
Intangible assets	71,300	68,990	68,990	68,990	68,990
Business Investments / other NC assets	81,850	102,200	102,200	102,200	102,200
Cash, Bank Balances & treasury investments	201,500	212,890	185,962	210,746	234,703
Inventories	-	-	-	-	-
Sundry Debtors	255,210	258,420	284,186	304,382	322,310
Other Current Assets	136,600	149,780	156,105	160,559	164,513
<b>Total Assets</b>	<b>997,770</b>	<b>1,055,440</b>	<b>1,055,892</b>	<b>1,100,751</b>	<b>1,140,106</b>
Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
<b>Cashflow from Operations</b>	<b>224,480</b>	<b>222,440</b>	<b>162,322</b>	<b>233,758</b>	<b>243,004</b>
Capital expenditure	(10,480)	(11,080)	(38,379)	(37,869)	(42,025)
Acquisitions / divestitures	(20,110)	(19,570)	-	-	-
Other Business cashflow	(36,640)	(18,490)	-	-	-
<b>Free Cash Flow</b>	<b>214,000</b>	<b>211,360</b>	<b>123,943</b>	<b>195,888</b>	<b>200,979</b>
Cashflow from Financing	(154,640)	(185,610)	(150,701)	(171,104)	(177,022)
Net Change in Cash / treasury investments	54,260	11,390	(26,928)	24,785	23,957
Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Assumption 1Dividend per share	52.0	60.0	55.6	63.2	65.3
Book value per share (INR)	251.4	256.7	263.3	270.3	277.5
RoCE (Pre-tax) (%)	29.1	30.5	32.0	33.8	34.0
ROIC (Pre-tax) (%)	38.9	43.2	44.6	46.6	48.5
ROE (%)	23.5	25.2	22.4	26.3	26.5
Asset Turnover (x)	21.1	24.5	30.0	36.0	44.5
Net Debt to Equity (x)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Net Debt to EBITDA (x)	(0.7)	(0.8)	(0.7)	(0.7)	(0.8)
Interest cover (x) (EBITDA/ int exp)	43.8	39.6	33.2	36.9	36.5
Total Working capital days (WC/rev)	56.5	52.1	50.8	49.1	49.1
Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	28.8	26.0	28.6	23.7	22.9
P/Sales (x)	4.1	3.9	3.5	3.3	3.1
EV/ EBITDA (x)	17.7	16.8	15.9	14.9	14.2
EV/ OCF (x)	19.1	19.2	26.4	18.3	17.6
FCF Yield	4.7	4.7	2.7	4.3	4.4
Price to BV (x)	6.6	6.5	6.3	6.2	6.0
Dividend yield (%)	3.1	3.6	3.3	3.8	3.9

Note: Pricing as on 12 January 2026; Source: Company, Elara Securities Estimate

**Exhibit 1: Quarterly financials**

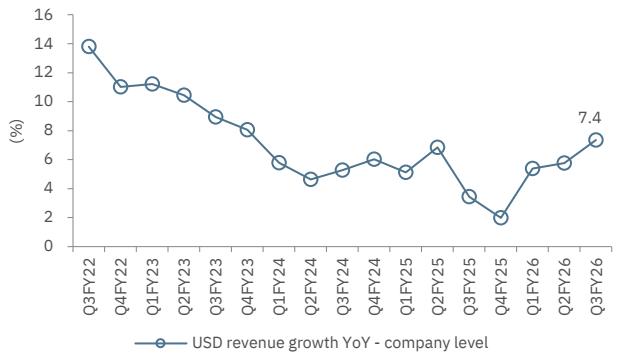
(INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Variance (%)
Revenues (USD mn)	3,793	3,533	7.4	3,644	4.1	3,717	2.0
Revenue	3,38,720	2,98,900	13.3	3,19,420	6.0	3,30,802	2.4
Operating expenditure	2,64,600	2,30,300	14.9	2,53,490	4.4	2,60,795	1.5
Employee costs	1,88,670	1,65,760	13.8	1,83,010	3.1	1,86,903	0.9
Outsourcing costs	47,750	38,740	23.3	44,750	6.7	46,179	3.4
EBITDA	74,120	68,600	8.0	65,930	12.4	70,007	5.9
Depreciation	11,270	10,390		10,430		10,460	7.7
EBIT	62,850	58,210	8.0	55,500	13.2	59,547	5.5
Other income and exceptional items	(7,760)	3,110		2,000		2,417	(421.0)
PBT	55,090	61,320	(10.2)	57,500	(4.2)	61,964	(11.1)
Total tax	14,270	15,380		14,660		15,925	(10.4)
<b>PAT</b>	<b>40,760</b>	<b>45,910</b>	<b>(11.2)</b>	<b>42,830</b>	<b>(4.8)</b>	<b>46,039</b>	<b>(11.5)</b>
Reported EPS (INR)	15.1	16.9	(11.1)	15.6	(3.6)	17.0	(11.3)

Source: Company, Elara Securities Estimate

**Conference call highlights**

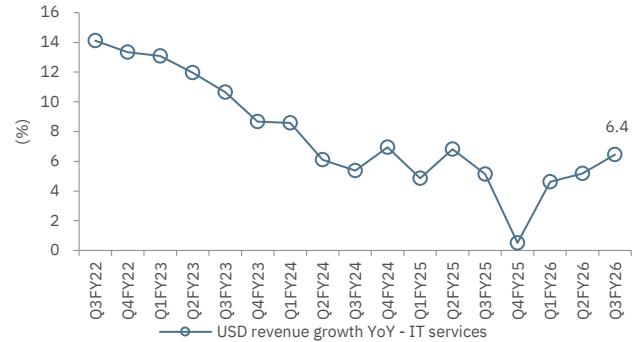
- ▶ **HCLT raised its FY26 company-level revenue growth guidance to 4-4.5%** in YoY CC (up from 3-5% YoY CC), while services-level growth guidance was increased to 4.75-5.25% YoY CC (up from 4-5%). This does not include contributions from three recent acquisitions – Telco Solutions Business from HPE, Jaspersoft, and Wobby.
- ▶ **Macro outlook:** Management highlighted that despite ongoing global macro uncertainty, AI-linked tech spending is resilient, with GenAI, Physical AI, and AI Factory emerging as clear pockets of strength. While traditional discretionary spending is slow and clients remain cautious on legacy transformation budgets, HCLT is seeing strong traction in AI-adjacent spend such as data, infrastructure, and engineering services tied to AI rollouts. HCLT emphasized that instead of waiting for a cyclical recovery in discretionary IT budgets, it is proactively capturing growth in the areas where new spending is actually occurring.
- ▶ **Segment-wise commentary:** Growth was led by Financial Services and Technology verticals, supported by strong demand for data, engineering and AI-led modernization. Manufacturing growth was aided by strength in aerospace & defense, though management highlighted continued softness in traditional industrial manufacturing and noted early signs of stability in auto. Retail & CPG surprised positively driven by ramp-up of prior wins, while Public Services on steady government spending. Healthcare and telecom remained steady, with telecom expected to improve structurally following the HPE Telco Solutions acquisition.
- ▶ **AI moving to monetization:** HCLT noted that AI engagement has matured significantly versus a year ago. Earlier discussions were centered on isolated GenAI pilots and point solutions with clients still assessing ROI and focusing on prerequisite data and cloud foundations. In the past year, this has shifted to holistic, enterprise-wide AI transformation agendas. While this broadening has elongated decision cycles, it has substantially deepened strategic engagement. Near-term adoption remains the strongest in software development and data lifecycle modernization, while spending is increasingly directed toward foundational AI infrastructure.
- ▶ **Strong deal momentum** with four large deals signed in Q3FY26, including a USD 473mn, five-year mega deal, marking the strongest ACV performance in four years. Management noted that all four of the largest deals closed in the quarter were led by AI-driven value propositions.
- ▶ **HCL Software** delivered a strong growth, supported by seasonality and continued traction in the data intelligence portfolio, particularly Actian, which remains one of HCLT's top three product lines. Management highlighted growing demand from clients seeking sovereign, non-public-cloud-based solutions, which contributed to a modest uptick in perpetual license revenue, driven by one large client insisting on a sovereign perpetual model, though the broader strategy remains firmly focused on shifting customers to term and subscription agreements.

## Exhibit 2: Revenue growth higher on seasonality



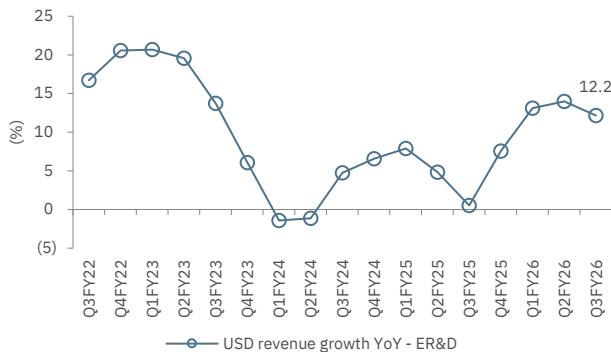
Source: Company, Elara Securities Research

## Exhibit 3: Growth in IT Services seeing some uptick



Source: Company, Elara Securities Research

## Exhibit 4: ER&D growth slightly subdued from Q2 levels



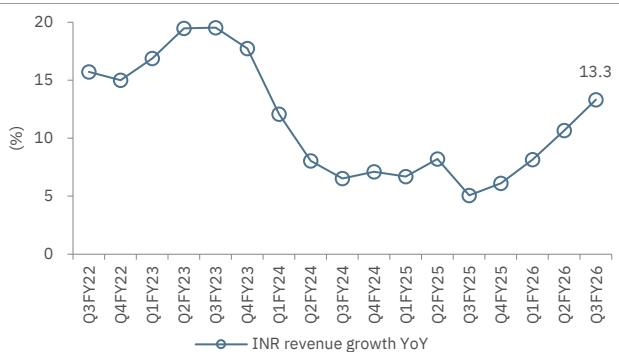
Source: Company, Elara Securities Research

## Exhibit 5: Product business supported by seasonality



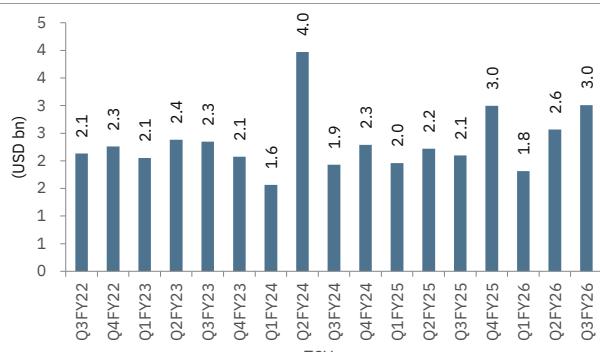
Source: Company, Elara Securities Research

## Exhibit 6: INR revenue growth continues trending upwards



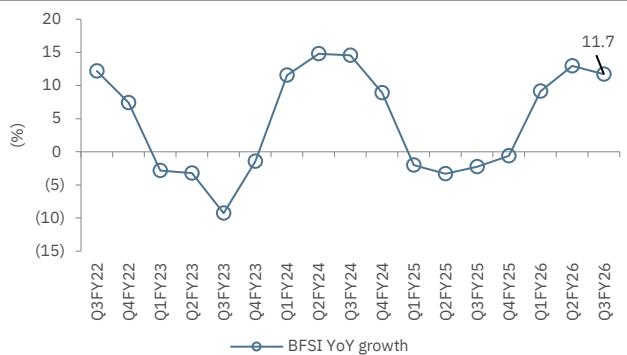
Source: Company, Elara Securities Research

## Exhibit 7: TCV growth robust including 1 mega deal



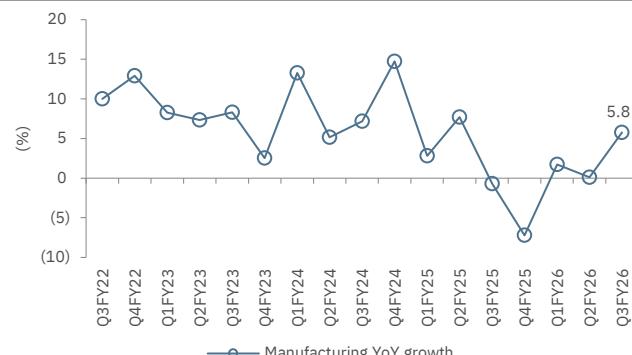
Source: Company, Elara Securities Research

**Exhibit 8: BFSI growth steady**



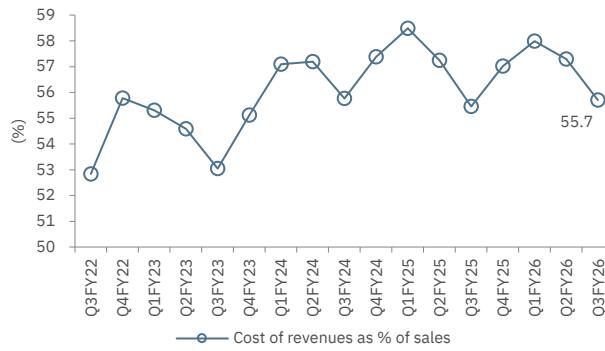
Source: Company, Elara Securities Research

**Exhibit 9: Manufacturing seeing signs of recovery**



Source: Company, Elara Securities Research

**Exhibit 10: Cost of revenue, as a percentage of sales, decreasing**



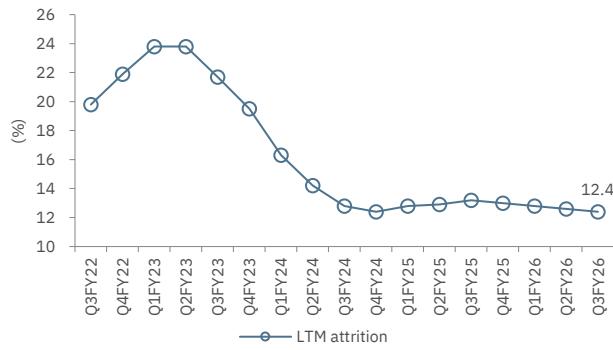
Source: Company, Elara Securities Research

**Exhibit 11: Outsourcing, as a percentage of sales, up 10bps QoQ**



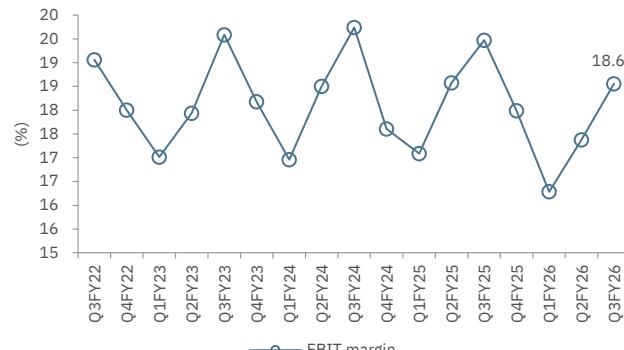
Source: Company, Elara Securities Research

**Exhibit 12: LTM attrition down 20bps sequentially**



Source: Company, Elara Securities Research

**Exhibit 13: EBIT margin expands 111bp sequentially**



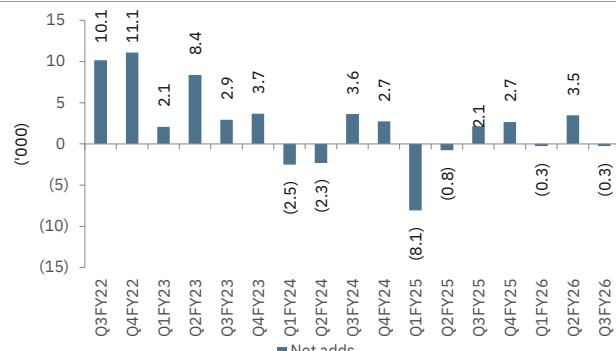
Source: Company, Elara Securities Research

## Exhibit 14: Employee count contracts



Source: Company, Elara Securities Research

## Exhibit 15: Net drop of 261, despite ~2.8K freshers added in Q3



Source: Company, Elara Securities Research

## Exhibit 16: Valuation (FY27E)

(INR)	
TTM EPS (INR)	60.7
CMP	1,668
Target EPS (INR)	70.2
Target multiple (x)	21
TP	1,500
Downside (%)	10

Note: Pricing as on 12 January 2026; Source: Elara Securities Estimate

## Exhibit 17: HCLT trading at 23.9x, +1SD above its 10-year mean



Note: Pricing as on 12 January 2026; Source: Elara Securities Estimate

**Exhibit 18: Change in estimates**

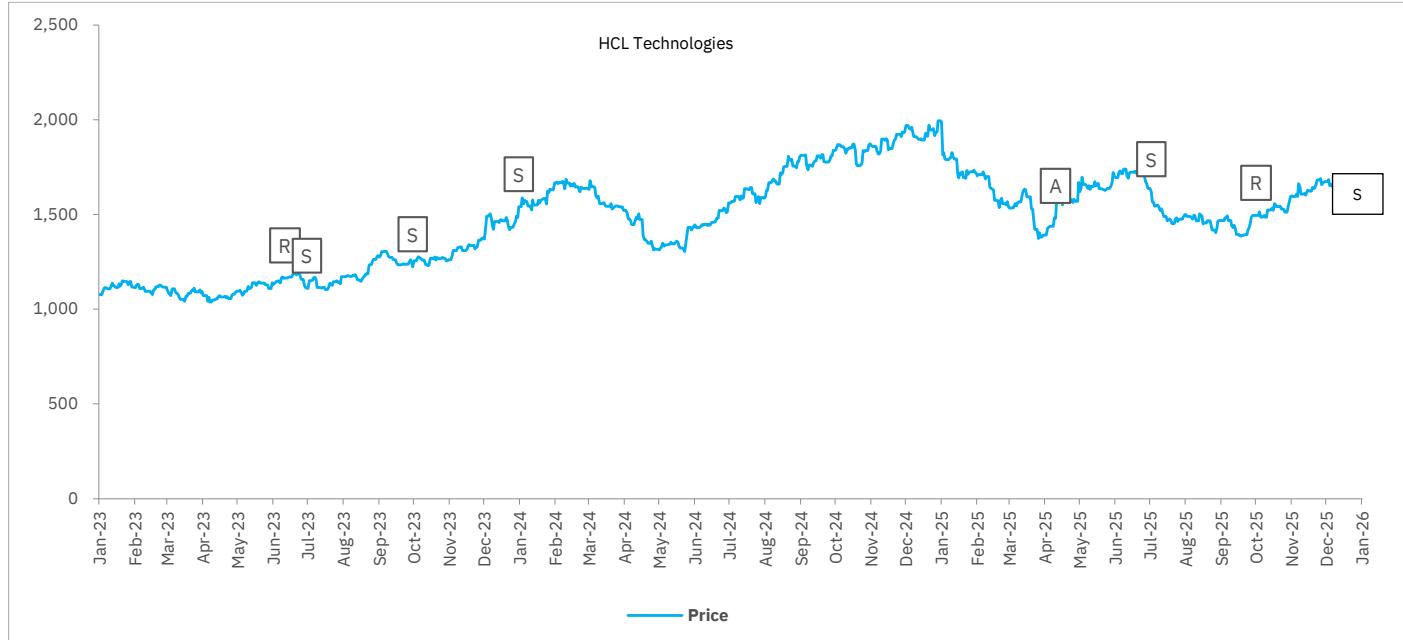
(INR mn)	Earlier			Revised			% change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue in USD	14,658	15,427	16,282	14,746	15,604	16,523	0.6	1.1	1.5
Revenue in INR	12,65,253	13,26,691	14,00,246	12,96,599	13,88,744	14,70,541	2.5	4.7	5.0
EBIT	2,16,453	2,36,564	2,51,469	2,26,491	2,45,236	2,52,920	4.6	3.7	0.6
EBIT margin (%)	17.1	17.8	18	17.5	17.7	17.2			
PAT	1,67,721	1,83,949	1,95,921	1,67,445	1,90,115	1,96,691	(0.2)	3.4	0.4
EPS (INR)	62	68	72	62	70	73	0.0	3.5	0.6
<b>TP (INR)</b>	<b>1,445</b>			<b>1,500</b>			<b>3.8</b>		
<b>Rating</b>	<b>Reduce</b>			<b>Sell</b>					

Source: Elara Securities Estimate

**Key risks to our call**

- ▶ Higher-than-expected growth in IT services.
- ▶ Higher-than-expected margins.

## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
12-Jan-2023	Reduce	1,020	1,072
23-Jun-2023	Reduce	1,120	1,165
12-Jul-2023	Sell	990	1,111
12-Oct-2023	Sell	1,020	1,224
12-Jan-2024	Sell	1,430	1,541
14-Oct-2024	Sell	1,620	1,856
13-Jan-2025	Sell	1,570	1,989
22-Apr-2025	Accumulate	1,570	1,480
14-Jul-2025	Sell	1,490	1,620
13-Oct-2025	Reduce	1,445	1,495
12-Jan-2026	Sell	1,500	1,668

## 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](http://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](mailto:harendra.kumar@elaracapital.com) | +91 22 6164 8571



**Head of  
Research**

**Dr Bino Pathiparampil** | [bino.pathiparampil@elaracapital.com](mailto:bino.pathiparampil@elaracapital.com) | +91 22 6164 8572

## Sales Team



**India**

**Hitesh Danak** - [hitesh.danak@elaracapital.com](mailto:hitesh.danak@elaracapital.com) - +91 22 6164 8543  
**Ashok Agarwal** - [ashok.agarwal@elaracapital.com](mailto:ashok.agarwal@elaracapital.com) - +91 22 6164 8558  
**Himani Sanghavi** - [himani.sanghavi@elaracapital.com](mailto:himani.sanghavi@elaracapital.com) - +91 22 6164 8586



**India, APAC &  
Australia**

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



**India & UK**

**Prashin Lalvani** - [prashin.lalvani@elaracapital.com](mailto:prashin.lalvani@elaracapital.com) - +91 22 6164 8544



**India & US**

**Karan Rathod** - [karan.rathod@elaracapital.com](mailto:karan.rathod@elaracapital.com) - +91 22 6164 8570



**Corporate  
Access,  
Conference &  
Events**

**Anita Nazareth** - [anita.nazareth@elaracapital.com](mailto:anita.nazareth@elaracapital.com) - +91 22 6164 8520  
**Tina D'souza** - [tina.dsouza@elaracapital.com](mailto: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.: ZN000238236  
Member of Central Depository Services (India) Limited | SEBI REGN. NO.: IN-DP-370-2018  
Investor Grievance Email ID: [investor.grievances@elaracapital.com](mailto:investor.grievances@elaracapital.com) - Tel. +91 22 6164 8509  
Compliance Officer: Mr. Anand Rao - Email ID: [anand.rao@elaracapital.com](mailto:anand.rao@elaracapital.com) - Tel. +91 22 6164 8509