

23 January 2026

Riding on strong fuel cracks

Hindustan Petroleum Corporation's (HPCL IN) stock price fell 6% in the past three months, and underperformed benchmark Nifty Index (down 2%), due to expectation of LPG losses in Q4 and concern over gasoline/diesel excise duty hike, though partly offset by strengthening refining margin. We reiterate our positive view on HPCL due to weak crude oil price environment, declining capex intensity and commissioning of Rajasthan refinery. Q3FY26 marks another strong quarter for HPCL, with earnings resilience despite operational disruptions at Mumbai refinery, and clearer visibility on structural improvements from refinery upgrades, efficiency initiatives, and balance-sheet repair. The Energy Information Administration expects weak global oil demand growth in CY26 at ~0.86mmbpd YoY, while oil supply is increasing globally, which is bullish for HPCL's retail margins.

We trim HPCL's FY26E/27E/28E EBITDA estimates by 5%/6%/5% on weaker INR impacting retail margins, though partly offset by stronger GRMs. We rollover TP to FY28 estimates and retain our TP at INR 627, offering a 46% upside to CMP. **We reiterate BUY.**

EBITDA grew 18%, led by strong GRMs and lower LPG losses: Q3 PAT was at INR 40.7bn, up 35% YoY (and 6% QoQ). It was lower than our estimate of INR 60.4bn as HPCL reported lower than expected GRM. YoY earnings growth was due to strong GRM and reduced LPG loss.

Marketing margin lower YoY on reduced gasoline/diesel margin: Per calculations, Q3 retail diesel margin was INR 3.9/liter versus INR 5.2/liter in Q2FY26 and INR 9.3/liter in Q3FY25, and gasoline margin was INR 9.0/liter versus INR 9.5/liter in Q2FY26 and INR 12.8/liter in Q3FY25. LPG under-recovery was INR 5bn in Q3FY26 versus INR 31bn losses in Q3FY25. However, it was offset by the government's LPG compensation of INR 13.2bn. Marketing sales volume rose 4% YoY.

GRMs below estimates: Reported GRM was USD 8.9/bbl versus USD 6.0/bbl in Q3FY25 and USD 8.8/bbl in Q1FY26 (Elara estimate: USD 9.7/bbl), as key product cracks such as gasoil, gasoline and jet fuel grew 62-100% YoY. Reported GRM was impacted by inventory loss of USD 1.3/bbl. GRM was also impacted by ~USD 3.5/bbl given operational issues due to processing of crude oil from B-80 oilfield.

Reiterate Buy with TP of INR 627: Our stance is led by expectations of strong earnings due to weak crude oil price outlook and anticipation of minimal government interference on retail gasoline/diesel prices/taxes.

We trim HPCL's FY26E/27E/28E EBITDA estimates by 5%/6%/5% on weaker INR impacting retail margins, though partly offset by stronger GRMs. We rollover TP to FY28 estimates and retain our TP at INR 627, offering a 46% upside to CMP. **We reiterate BUY.**

We expect diesel margin at INR 5.2/liter in FY27E (from INR 5.7/liter) and FY27E GRM at USD 6.5/bbl (from USD 5.6/bbl). We value HPCL on FY27E P/B, assuming FY29E BVPS of INR 470 (from INR 486), 15.6% ROE (from 16.8%), 11.7% cost of equity (unchanged) and 1% long-term growth (unchanged).

Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	4,335,249	4,337,282	4,603,344	5,254,874	5,409,845
YoY (%)	(1.6)	0.0	6.1	14.2	2.9
EBITDA (INR mn)	248,390	166,060	323,623	337,012	346,893
EBITDA margin (%)	5.7	3.8	7.0	6.4	6.4
Adj PAT (INR mn)	146,938	73,649	190,666	199,591	206,815
YoY (%)	(263.7)	(49.9)	158.9	4.7	3.6
Fully DEPS (INR)	69.1	34.6	89.6	93.8	97.2
RoE (%)	42.7	16.9	36.5	30.6	26.3
RoCE (%)	19.1	9.5	22.1	21.6	20.9
P/E (x)	6.2	12.4	4.8	4.6	4.4
EV/EBITDA (x)	6.0	9.0	4.6	4.4	4.3

Note: Pricing as on 22 January 2026; Source: Company, Elara Securities Estimate

Rating: **Buy**

Target Price: **INR 627**

Upside: **46%**

CMP: **INR 428**

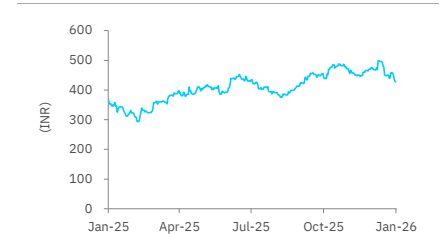
As on 22 January 2026

Key data

Bloomberg	HPCL IN
Reuters Code	HPCL NS
Shares outstanding (mn)	2,128
Market cap (INR bn/USD mn)	910/9,933
EV (INR bn/USD mn)	1,499/16,361
ADTV 3M (INR mn/USD mn)	2,059/22
52 week high/low	508/288
Free float (%)	45

Note: as on 22 January 2026; Source: Bloomberg

Price chart



Source: Bloomberg

	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
Shareholding (%)				
Promoter	54.9	54.9	54.9	54.9
% Pledge	0.0	0.0	0.0	0.0
FII	12.5	13.6	14.5	16.4
DII	23.6	23.2	22.3	20.7
Others	9.0	8.4	8.4	8.1

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(2.2)	0.9	9.2
Hindustan Petroleum	(6.1)	(0.4)	15.6
NSE Mid-cap	(2.5)	(0.9)	8.8
NSE Small-cap	(9.6)	(12.4)	(3.7)

Source: Bloomberg

Gagan Dixit

Aviation, Chemicals, Oil & Gas

+91 22 6164 8504
gagan.dixit@elaracapital.com

Associates
Amogh Deshpande
amogh.deshpande@elaracapital.com

Kartik Bhandari
kartik.bhandari@elaracapital.com



Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	4,335,249	4,337,282	4,603,344	5,254,874	5,409,845
Gross Profit	461,318	391,264	574,358	596,203	620,149
EBITDA	248,390	166,060	323,623	337,012	346,893
EBIT	192,867	105,159	259,934	269,663	276,762
Interest expense	25,157	33,109	31,119	30,218	28,957
Other income	23,822	24,164	24,708	25,202	25,706
Exceptional/ Extra-ordinary items	-	-	-	-	-
PBT	191,531	96,215	253,523	264,646	273,512
Tax	44,593	22,566	62,857	65,055	66,697
Minority interest/Associates income	-	-	-	-	-
Reported PAT	146,938	73,649	190,666	199,591	206,815
Adjusted PAT	146,938	73,649	190,666	199,591	206,815

Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	410,298	459,583	586,107	718,991	856,533
Minority Interest	-	-	-	-	-
Trade Payables	272,024	296,701	302,939	350,285	360,137
Provisions & Other Current Liabilities	336,350	344,876	353,498	362,335	371,394
Total Borrowings	649,260	683,222	620,462	571,424	507,482
Other long term liabilities	69,899	77,571	90,248	103,480	117,155
Total liabilities & equity	1,737,830	1,861,953	1,953,254	2,106,516	2,212,702
Net Fixed Assets	954,775	991,602	1,069,838	1,145,963	1,230,082
Goodwill	-	-	-	-	-
Intangible assets	-	-	-	-	-
Business Investments / other NC assets	295,067	272,305	272,305	272,305	272,305
Cash, Bank Balances & treasury investments	3,524	1,668	5,809	3,110	6,044
Inventories	339,665	381,457	389,477	450,348	463,014
Sundry Debtors	93,211	117,960	116,440	132,920	136,840
Other Current Assets	51,588	96,962	99,386	101,871	104,417
Total Assets	1,737,830	1,861,953	1,953,254	2,106,516	2,212,702

Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Cashflow from Operations	277,765	213,502	249,134	232,281	265,751
Capital expenditure	(97,167)	(88,539)	(141,925)	(143,475)	(154,250)
Acquisitions / divestitures	-	-	-	-	-
Other Business cashflow	(46,929)	(42,852)	-	-	-
Free Cash Flow	133,669	82,111	107,209	88,806	111,501
Cashflow from Financing	(135,531)	(83,967)	(103,068)	(91,505)	(108,567)
Net Change in Cash / treasury investments	(1,862)	(1,856)	4,141	(2,699)	2,934

Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Assumption 1	22.3	25.3	27.8	33.0	35.3
Assumption 2	9.1	5.7	7.4	6.5	6.0
Assumption 3	83.0	78.9	66.4	65.0	65.0
Assumption 4	82.8	84.6	88.4	91.6	91.6
Dividend per share (INR)	31.5	10.5	25.0	26.0	27.0
Book value per share (INR)	192.8	216.0	275.4	337.9	402.5
RoCE (Pre-tax) (%)	19.1	9.5	22.1	21.6	20.9
ROIC (Pre-tax) (%)	19.1	9.6	22.2	21.7	20.9
ROE (%)	42.7	16.9	36.5	30.6	26.3
Asset Turnover (x)	4.7	4.5	4.5	4.7	4.6
Net Debt to Equity (x)	1.6	1.5	1.0	0.8	0.6
Net Debt to EBITDA (x)	2.6	4.1	1.9	1.7	1.4
Interest cover (x) (EBITDA/ int exp)	9.9	5.0	10.4	11.2	12.0
Total Working capital days (WC/rev)	(10.1)	(3.7)	(3.7)	(1.8)	(1.5)

Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	6.2	12.4	4.8	4.6	4.4
P/Sales (x)	0.2	0.2	0.2	0.2	0.2
EV/ EBITDA (x)	6.0	9.0	4.6	4.4	4.3
EV/ OCF (x)	5.4	7.0	6.0	6.5	5.6
FCF Yield	0.1	0.1	0.1	0.1	0.1
Price to BV (x)	2.2	2.0	1.6	1.3	1.1
Dividend yield (%)	7.4	2.5	5.8	6.1	6.3

Note: Pricing as on 22 January 2026; Source: Company, Elara Securities Estimate

Exhibit 1: Quarterly financials

(INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Variance (%)
Revenue	1,150,538	1,105,054	4.1	1,007,811	14.2	1,022,874	12.5
EBITDA	70,194	59,702	17.6	68,910	1.9	101,484	(30.8)
Depreciation	16,189	15,097	7.2	15,570	4.0	15,881	1.9
Interest expense	6,741	9,291	(27.5)	7,611	(11.4)	7,545	(10.7)
Other income	6,862	4,791	43.2	5,460	25.7	5,536	24.0
Tax	13,402	9,875	35.7	12,885	4.0	20,148	(33.5)
PAT	40,725	30,229	34.7	38,304	6.3	60,445	(32.6)
Adj. PAT	40,725	30,229	34.7	38,304	6.3	60,445	(32.6)
EPS (INR)	19.1	14.2	34.7	18.0	6.3	28.4	(32.6)

Source: Company, Elara Securities Estimate

Exhibit 2: Quarterly performance

	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
GRM (USD/bbl)	8.9	6.0	47.3	8.8	0.6
Refinery Throughput (mn tonne)	6.4	6.5	(1.4)	6.6	(2.9)
Marketing sales (mn tonne)	13.3	12.9	3.7	12.1	10.5
Pipeline throughput (mn tonne)	6.2	6.9	(10.0)	6.1	2.0

Source: Company, Elara Securities Research

Conference call highlights

Refining

Vizag refinery

- ▶ RUF (Residue Upgradation Facility) has been commissioned, and the performance guarantee test is likely in March. HPCL is targeting 100% utilization by March.
- ▶ The management expects USD 2.5/bbl benefit post RUF commissioning.
- ▶ Vizag refinery distillate yield may reach 82% post commissioning of RUF.

Mumbai refinery

- ▶ Mumbai refinery GRM was impacted due to operational issues after processing of crude oil from B-80 oilfield. Per HPCL, the impact was USD 3.5/bbl and the company's GRM would have increased to USD 10.24/bbl from the reported USD 8.9/bbl. The issue has been resolved now.

Rajasthan refinery

- ▶ HPCL is in process of commissioning its Rajasthan refinery and petchem complex and expects full refining capacity to be operational by Q1FY27. Petchem capacity is likely to be operational a few quarters later.
- ▶ In FY28, both refining and petchem capacity will be operating at full utilization.
- ▶ Per HPCL, while Vizag and Rajasthan refineries can process Venezuelan crude, this has high viscosity. It will evaluate the processing of Venezuelan crude if opportunity is there.

Marketing

- ▶ LPG under-recovery in Q3 was INR 35/cylinder (total of INR 5.03bn) and under recovery is likely to be INR 100-120/cylinder in Q4 as Saudi CP price has increased.
- ▶ Per management, there was a small impact from operational issues after processing of crude oil from B-80 oilfield. As HPCL's profitability is skewed towards marketing, higher cracks too had some impact

- ▶ The management said it did not lose market share in the retail diesel segment to PSU OMCs.
- ▶ After commissioning of Vizag RUF, HPCL will meet 86% of its diesel sourcing requirement internally. Post commissioning of Rajasthan refinery, 100% of diesel requirement will be met via HPCL group companies. For gasoline, 11% of sourcing requirement will be met from outside HPCL group companies.

Others

- ▶ Per HPCL, opex /turnover ratio was at 1.37 in Q3 against 1.6 in Q3FY25.
- ▶ Recurring benefit from Project Samriddhi is INR 5.19bn while one-time benefit is INR 7.5bn.
- ▶ Capex in FY26 is likely to be INR 130-140bn, which is lower than the budgeted INR 150bn. In upcoming years, capex may be incurred over other segments such as new energy, marketing, etc. as it was concentrated to refining in past five years.
- ▶ Inventory gain from the marketing segment was INR 140mn and inventory loss from the refining segment was INR 5.4bn.
- ▶ HMEL's EBITDA was ~INR 40bn and net loss INR 180mn in 9MFY26. Net loss in Q3 was INR 940mn. The company had turnaround of 40 days during the quarter.
- ▶ LNG import contract with ADNOC is linked to brent oil prices and management said it is at a competitive price. HPCL said it has flexibility in contracts to bring cargoes to other terminals than Chhara. However, it plan is to bring cargoes primarily to Chhara. The company will use LNG for refining and the CGD sector and will also sell it in the market. The Chhara terminal is EBITDA positive but one to two years are needed to turn it into cashflow positive. Breakwater facility may be complete in two months.
- ▶ The management said HPCL has increased R&D efforts for the lubes business.
- ▶ The CGD segment is EBITDA positive as per management and significant impact of contribution to overall earnings is expected in 1-2 years

Exhibit 3: Assumptions

	FY24	FY25	FY26E	FY27E	FY28E
Refining throughput (mn tonne)	22.3	25.3	27.8	33.0	35.3
GRM (USD/bbl)	9.1	5.7	7.4	6.5	6.0
Marketing Sales volume Growth (%)	7.8	6.4	3.7	5.0	4.5
Exchange rate (USD-INR)	82.8	84.6	88.4	91.6	91.6
Brent crude (USD/bbl)	83.0	78.9	66.4	65.0	65.0
Retail Diesel Margin (INR/lit)	4.4	6.4	6.6	5.2	5.2
Retail Gasoline Margin (INR/lit)	8.2	9.2	10.3	7.9	7.9

Source: Company, Elara Securities Estimate

Exhibit 4: Valuation

(INR/share)	
FY29E BVPS (INR/share), (A)	470
Long-term ROE from FY29E (%), (B)	15.6
Cost of Equity taken from Bloomberg (%), (C')	11.7
Long-term earnings growth rate (%), (D)	1.0
Equity value by FY29, excluding dividend payout value (INR/share), (E') = (B-D)/(C-D) X (A)	640
Present value of Equity, excluding dividend payout value (INR/share) (F) = (E') discounted by 2 years @Cost of Equity(C')	513
Present value of Dividend payout during FY26E-FY29E (INR/share), (G)	114
HPCL: Target Price by end-FY27E (INR/share) (H) = (F) + (G)	627

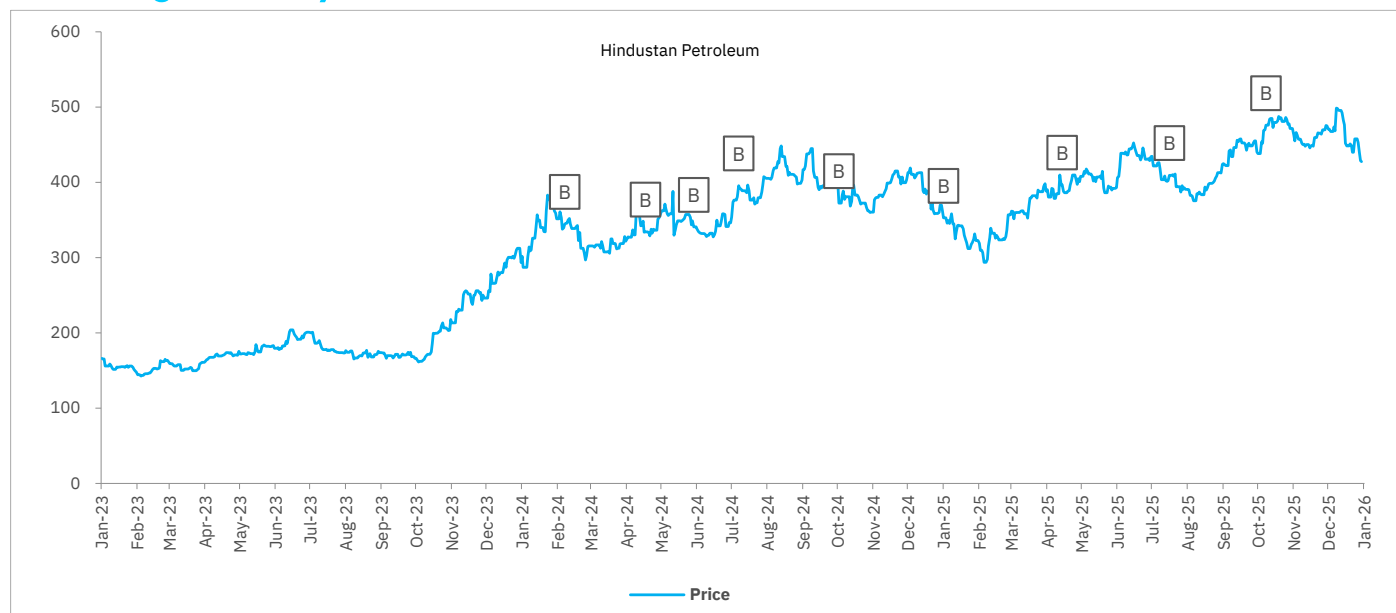
Source: Elara Securities Estimate

Exhibit 5: Change in estimate

(INR bn)	Earlier			Revised			% Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	4,365	4,856	4,865	4,603	5,255	5,410	5.4	8.2	11.2
EBITDA	341	360	363	324	337	347	(5.1)	(6.3)	(4.5)
EBITDAM	7.8	7.4	7.5	7.0	6.4	6.4	(78.0)	(99.1)	(105.6)
Net Profit	204	215	218	191	200	207	(6.7)	(7.4)	(5.3)
EPS (INR)	96.1	101.3	102.7	89.6	93.8	97.2	(6.7)	(7.4)	(5.3)

Source: Elara Securities Estimate

Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
01-Mar-2024	Buy	755	517
10-May-2024	Buy	716	502
21-Jun-2024	Buy	477	340
30-Jul-2024	Buy	499	396
25-Oct-2024	Buy	471	372
24-Jan-2025	Buy	449	353
07-May-2025	Buy	608	397
08-Aug-2025	Buy	578	410
31-Oct-2025	Buy	627	476
31-Oct-2025	Buy	627	476

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