

# Vijaya Diagnostic Centre

## On an expansion spree in new markets; U/G to BUY

Vijaya Diagnostic has been on a hub expansion spree in the last 12 months with nearly a dozen such centres being opened, bulk of them outside the core markets of AP/Telangana. A strong emphasis on centre addition in the current fiscal would be followed by spoke expansion in the next fiscal. In the near term, Q3 might see reversal of both the factors that impact previous quarter namely rebound in footfalls post festive season and some bit of seasonal illness cropping up in wake of receding monsoon in mid-Oct'25. We understand company is expected to meet and, indeed likely to exceed the mid-teens growth in the following quarters. Importantly, in the hubs added so far, we have not come across negative commentary around break even timeline which augurs well in the context of right to win for Vijaya in new markets. Continue to prefer the name within the diagnostic space and U/G to BUY following recent weakness with an unchanged 55x target multiple and TP Rs1,240, translating into a 25% upside.

### Coming off from a spurt in FY26 capex; next fiscal might see ~25 Spoke additions

Vijaya has added 9 hubs between April and Oct'25 and is likely to add another 2 in Eastern India before the end of FY26. This marks a ~25% addition to hub capacity of about 40 as of beginning FY26. It is also looking to add a flagship hub in Bengaluru on back of positive response to HSR and Yelahanka hubs opened earlier in the fiscal; indeed, if we recall management commentary, Yelahanka hub has achieved break even in two quarters vs hitherto expectation of 1 year while Pune hubs at Ambegaon and Kalyani Nagar too are performing ahead of expectation. After addition of Kolkata flagship hub, Vijaya is looking to add another one in Bengaluru at a cost of ~Rs300mn which would house high-end radiology including PET CT and MRI. FY27 capex is likely around Rs1.2bn which would see addition of another 4 hubs and about Rs400mn earmarked for ~25 Spokes, which would be necessary given the strong hub capacity being created in current year.

### Q2 disappointment may be largely behind

Q2 was impacted by two factors, namely early festival arrival and weakness in seasonal illnesses. Of these, there has been a rebound in post festive footfalls across locations. Secondly, tail end of monsoon in Oct has given some benefit in seasonal fever testing from late Oct to mid-November. We note that commentary was a bit uniform from diagnostic players including Dr Lal and Metropolis about weaknesses in respective strong hold markets of North and West. If both the factors that weighed on Q2 reverse, it could lead to a robust revival in footfalls supported by additional volumes from newly opened hubs of Pune, Bengaluru and AP/Telangana. In some ways, margin pressure due to opex from new addition might get offset due to better radiology footfalls in those locations. We expect a healthy 15% plus growth in Q3 with growth likely exceeding the guided mid-teens number.

### No pushbacks so far to expanding footprint beyond core market; U/G to BUY

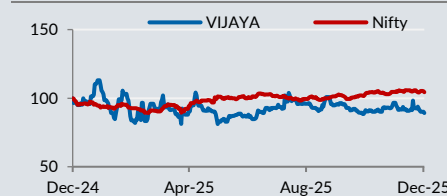
Vijaya has been on a hub expansion spree beyond the core markets of AP and Telangana over the last 12 months. Management commentary so far has been cautiously positive on hub performance in newer areas which gives confidence on scalability of the integrated model as well as acceptability of the brand. We keep estimates largely intact and upgrade to BUY on recent weakness with unchanged 55x TP for a ~25% upside. Lack of timely break even in new hubs remains a key risk to our thesis as that would entail pressure on growth and create doubt on receptiveness of hub expansion strategy in non-core markets.

|                  |            |
|------------------|------------|
| Reco             | : BUY      |
| CMP              | : Rs 979   |
| Target Price     | : Rs 1,240 |
| Potential Return | : +26.6%   |

#### Stock data (as on Dec 16, 2025)

|                         |               |
|-------------------------|---------------|
| Nifty                   | 25,860        |
| 52 Week h/l (Rs)        | 1275 / 740    |
| Market cap (Rs/USD mn)  | 101600 / 1118 |
| Outstanding Shares (mn) | 103           |
| 6m Avg t/o (Rs mn):     | 283           |
| Div yield (%):          | 0.2           |
| Bloomberg code:         | VIJAYA IN     |
| NSE code:               | VIJAYA        |

#### Stock performance



|                 | 1M    | 3M    | 1Y    |
|-----------------|-------|-------|-------|
| Absolute return | -5.8% | -6.8% | -8.2% |

#### Shareholding pattern (As of Sep'2 end)

|          |       |
|----------|-------|
| Promoter | 49.4% |
| FII+DII  | 43.6% |
| Others   | 7.0%  |

#### Δ in stance

| (1-Yr)       | New   | Old   |
|--------------|-------|-------|
| Rating       | BUY   | ADD   |
| Target Price | 1,240 | 1,240 |

#### Δ in earnings estimates

|           | FY26e | FY27e |
|-----------|-------|-------|
| EPS (New) | 17.0  | 22.5  |
| EPS (Old) | 17.5  | 22.5  |
| % change  | -2.9% | -     |

#### Financial Summary

| (Rs mn)     | FY25  | FY26E | FY27E |
|-------------|-------|-------|-------|
| Net Revenue | 6,814 | 8,002 | 9,772 |
| YoY Growth  | 24.4  | 17.4  | 22.1  |
| EBIDTA      | 2,732 | 3,152 | 3,998 |
| YoY Growth  | 23.7  | 15.4  | 26.8  |
| PAT         | 1,431 | 1,733 | 2,300 |
| YoY Growth  | 20.4  | 21.2  | 32.7  |
| ROE         | 19.7  | 19.9  | 21.9  |
| EPS         | 14.0  | 17.0  | 22.5  |
| P/E         | 69.8  | 57.6  | 43.4  |
| BV          | 77.5  | 92.1  | 112.2 |
| EV/EBITDA   | 37.1  | 32.0  | 24.8  |

#### BHAVESH GANDHI

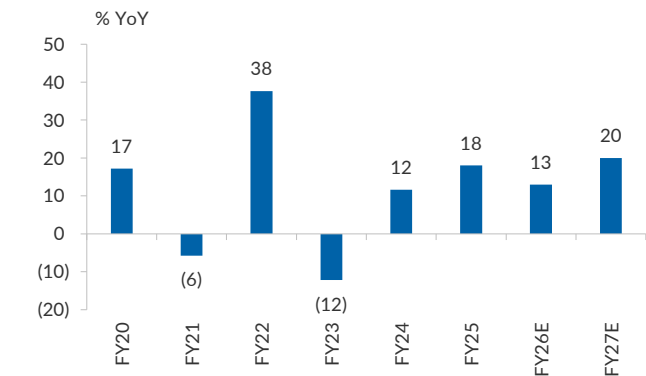
Lead Analyst

📞 +91 22 6992 2934 / 35 / 36



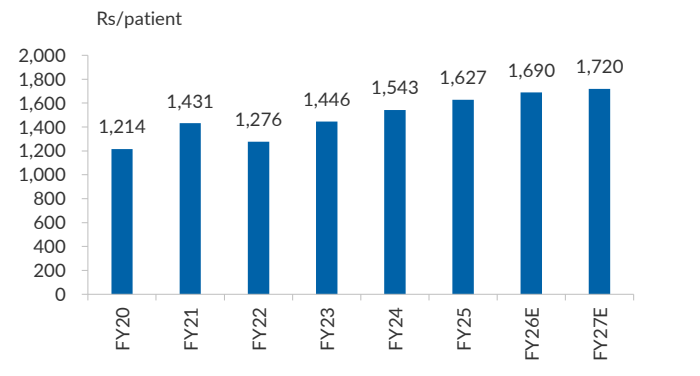
## STORY IN CHARTS

**Exhibit 1: Footfall growth trend**



Source: Company, YES Sec

**Exhibit 2: Realization trend YoY**



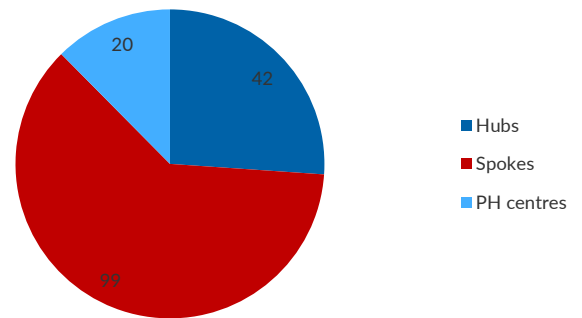
Source: Company, YES Sec

**Exhibit 3: Hub addition timeline; clear pick up in FY26**

| Quarter  | # | Location                               |
|----------|---|--|
| Q2 FY23  | 1 | Rajahmundry, AP                        |
| Q3 FY23  | 1 | Panjagutta, Hyderabad                  |
| Q4 FY23  | 2 | Tirupati, Gajuwaka (Vizag)             |
| Q1 FY24  | - |  |
| Q2 FY24  | 1 | Kolkata                                |
| Q3 FY24  | 2 | Gulbarga (KA), Mahbubnagar (Telangana) |
| Q4 FY24  | - |  |
| Q1 FY25  | - |  |
| Q2 FY25  | 1 | Ongole, AP                             |
| Q3 FY25  | 1 | Nizamabad, Telangana                   |
| Q1 FY26* | 6 | Pune (2), Bengaluru (2), WB (2)        |
| Q2 FY26  | 1 | Kasba (Kolkata)                        |
| Q3 FY26  | 2 | AP (1) & Telangana (1)                 |
| Q4 FY26  | 2 | WB (2)                                 |

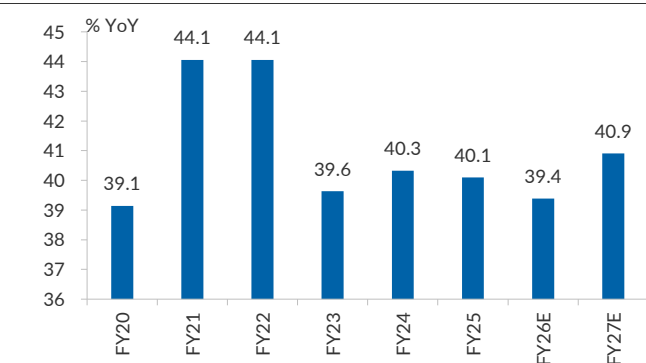
Source: Company, YES Sec

**Exhibit 4: Break up of ~160 centres (including PH)**



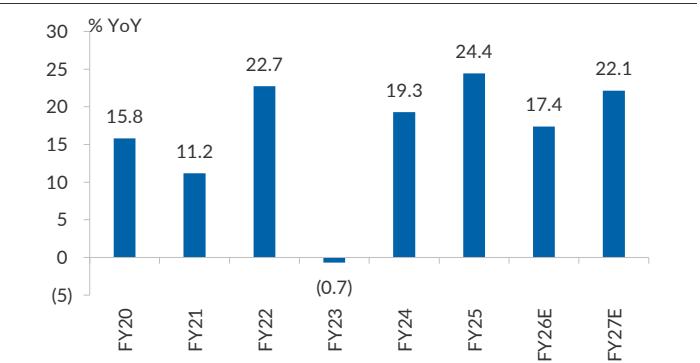
Source: Company, YES Sec

**Exhibit 5: FY26 margin hit not as bad as feared earlier**



Source: Company, YES Sec

**Exhibit 6: Revenue growth trend**



Source: Company, YES Sec

## FINANCIALS

**Exhibit 7: Balance sheet**

| Y/e 31 Mar (Rs mn)         | FY23         | FY24         | FY25          | FY26E         | FY27E         |
|----------------------------|--------------|--------------|---------------|---------------|---------------|
| Equity capital             | 102          | 102          | 103           | 103           | 103           |
| Reserves                   | 5,345        | 6,470        | 7,855         | 9,349         | 11,410        |
| <b>Net worth</b>           | <b>5,447</b> | <b>6,572</b> | <b>7,957</b>  | <b>9,452</b>  | <b>11,513</b> |
| Debt                       | 2,406        | 2,500        | 3,066         | 3,066         | 3,066         |
| MI                         | 19           | 27           | 34            | 34            | 34            |
| Def tax lia                | 0            | 0            | 53            | 53            | 53            |
| <b>Total liabilities</b>   | <b>7,872</b> | <b>9,099</b> | <b>11,110</b> | <b>12,605</b> | <b>14,666</b> |
| Fixed Asset                | 5,516        | 7,508        | 9,351         | 10,157        | 10,472        |
| Investments                | 178          | 177          | 313           | 313           | 313           |
| <b>Net Working Capital</b> | <b>2,095</b> | <b>1,385</b> | <b>1,446</b>  | <b>2,135</b>  | <b>3,880</b>  |
| Inventories                | 20           | 52           | 49            | 58            | 71            |
| Sundry debtors             | 95           | 162          | 148           | 173           | 212           |
| Cash                       | 2,554        | 1,822        | 2,335         | 2,676         | 4,491         |
| Other current assets       | 87           | 77           | 540           | 160           | 195           |
| Sundry creditors           | (277)        | (329)        | (331)         | (389)         | (475)         |
| Other CL                   | (385)        | (399)        | (1,295)       | (544)         | (613)         |
| Def tax assets             | 82           | 29           | -             | -             | -             |
| <b>Total Assets</b>        | <b>7,872</b> | <b>9,099</b> | <b>11,110</b> | <b>12,605</b> | <b>14,666</b> |

**Exhibit 8: Income statement**

| Y/e 31 Mar (Rs mn)       | FY23         | FY24         | FY25         | FY26E        | FY27E        |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue                  | 4,592        | 5,478        | 6,814        | 8,002        | 9,772        |
| Operating profit         | 1,820        | 2,209        | 2,732        | 3,152        | 3,998        |
| Depreciation             | (617)        | (570)        | (706)        | (794)        | (885)        |
| Interest expense         | (209)        | (240)        | (267)        | (297)        | (297)        |
| Other income             | 142          | 208          | 183          | 250          | 250          |
| <b>Profit before tax</b> | <b>1,135</b> | <b>1,607</b> | <b>1,942</b> | <b>2,311</b> | <b>3,066</b> |
| Taxes                    | (283)        | (390)        | (494)        | (578)        | (767)        |
| Adj. profit              | 852          | 1,217        | 1,448        | 1,733        | 2,300        |
| Exceptional              | (6)          | (8)          | (7)          | -            | -            |
| <b>Reported profit</b>   | <b>846</b>   | <b>1,209</b> | <b>1,441</b> | <b>1,733</b> | <b>2,300</b> |

## Exhibit 9: Cash flow statement

| Y/e 31 Mar (Rs mn)      | FY23         | FY24         | FY25       | FY26E      | FY27E        |
|-------------------------|--------------|--------------|------------|------------|--------------|
| Profit before tax       | 1,135        | 1,607        | 1,942      | 2,311      | 3,066        |
| Depreciation            | 617          | 570          | 706        | 794        | 885          |
| Def tax assets (net)    | 6            | 53           | 82         | -          | -            |
| Tax paid                | (283)        | (390)        | (494)      | (578)      | (767)        |
| Working capital Δ       | 31           | (22)         | 451        | (347)      | 69           |
| Other operating items   | (6)          | (8)          | (7)        | -          | -            |
| Operating cashflow      | 1,501        | 1,810        | 2,680      | 2,180      | 3,253        |
| Capital expenditure     | (2,087)      | (2,561)      | (2,549)    | (1,600)    | (1,200)      |
| <b>Free cash flow</b>   | <b>(587)</b> | <b>(751)</b> | <b>131</b> | <b>580</b> | <b>2,053</b> |
| Equity raised           | 38           | 35           | 183        | -          | -            |
| MI                      | 6            | 8            | 7          | -          | -            |
| Investments             | 122          | 1            | (136)      | -          | -            |
| Debt financing/disposal | 628          | 94           | 566        | -          | -            |
| Dividends paid          | (119)        | (119)        | (239)      | (239)      | (239)        |
| <b>Net Δ in cash</b>    | <b>88</b>    | <b>(732)</b> | <b>513</b> | <b>341</b> | <b>1,814</b> |

## Exhibit 10: Du Pont Analysis

| Y/e 31 Mar (Rs mn)     | FY23        | FY24        | FY25        | FY26E       | FY27E       |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Tax burden (x)         | 0.75        | 0.76        | 0.75        | 0.75        | 0.75        |
| Interest burden (x)    | 0.84        | 0.87        | 0.88        | 0.89        | 0.91        |
| EBIT margin (x)        | 0.29        | 0.34        | 0.32        | 0.33        | 0.34        |
| Asset turnover (x)     | 0.59        | 0.60        | 0.60        | 0.61        | 0.67        |
| Financial leverage (x) | 1.53        | 1.52        | 1.55        | 1.51        | 1.40        |
| <b>RoE (%)</b>         | <b>16.8</b> | <b>20.2</b> | <b>19.9</b> | <b>19.9</b> | <b>21.9</b> |

## Exhibit 11: Ratio analysis

| Y/e 31 Mar                      | FY23   | FY24 | FY25 | FY26E | FY27E |
|---------------------------------|--------|------|------|-------|-------|
| <b>Growth matrix (%)</b>        |        |      |      |       |       |
| Revenue growth                  | (0.7)  | 19.3 | 24.4 | 17.4  | 22.1  |
| Op profit growth                | (10.6) | 21.4 | 23.7 | 15.4  | 26.8  |
| EBIT growth                     | (17.9) | 37.4 | 19.6 | 18.1  | 28.9  |
| Net profit growth               | (22.8) | 42.8 | 19.2 | 20.3  | 32.7  |
| <b>Profitability ratios (%)</b> |        |      |      |       |       |
| OPM                             | 39.6   | 40.3 | 40.1 | 39.4  | 40.9  |
| EBIT margin                     | 29.3   | 33.7 | 32.4 | 32.6  | 34.4  |
| Net profit margin               | 18.6   | 22.2 | 21.3 | 21.7  | 23.5  |
| RoCE                            | 18.7   | 21.8 | 21.9 | 22.0  | 24.7  |
| RoNW                            | 16.8   | 20.2 | 19.9 | 19.9  | 21.9  |
| RoA                             | 11.0   | 13.3 | 12.9 | 13.2  | 15.7  |

| Y/e 31 Mar                  | FY23  | FY24 | FY25 | FY26E | FY27E |
|-----------------------------|-------|------|------|-------|-------|
| <b>Per share ratios</b>     |       |      |      |       |       |
| EPS                         | 8.3   | 11.6 | 14.0 | 17.0  | 22.5  |
| Dividend per share          | 1.0   | 1.0  | 2.0  | 2.0   | 2.0   |
| Cash EPS                    | 14.4  | 17.5 | 21.1 | 24.8  | 31.2  |
| Book value per share        | 53.4  | 64.5 | 78.0 | 92.7  | 112.9 |
| <b>Valuation ratios (x)</b> |       |      |      |       |       |
| P/E                         | 118.0 | 84.1 | 69.8 | 57.6  | 43.4  |
| P/BV                        | 18.3  | 15.2 | 12.6 | 10.6  | 8.7   |
| M Cap/Sales                 | 21.8  | 18.2 | 14.7 | 12.5  | 10.2  |
| EV/EBIDTA                   | 54.8  | 45.5 | 36.8 | 31.8  | 24.6  |
| <b>Payout (%)</b>           |       |      |      |       |       |
| Tax payout                  | 24.9  | 24.3 | 25.4 | 25.0  | 25.0  |
| Dividend payout             | 14.1  | 9.9  | 16.6 | 13.8  | 10.4  |
| <b>Liquidity ratios</b>     |       |      |      |       |       |
| Debtor days                 | 8     | 11   | 8    | 8     | 8     |
| Inventory days              | 2     | 3    | 3    | 3     | 3     |
| Creditor days               | 22    | 22   | 18   | 18    | 18    |

## STANDARD DISCLAIMER:

**YES Securities (India) Limited, Registered Address:** 2<sup>nd</sup> Floor, North Side, YES BANK House, Off Western Express Highway, Santacruz East, Mumbai - 400055. Maharashtra, India | **Correspondence Add:** 7<sup>th</sup> Floor, Urmi Estate Tower A, Ganpatrao Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West), Mumbai - 400 013, Maharashtra, India. | Website: [www.yesinvest.in](http://www.yesinvest.in) | Email: [customer.service@ysil.in](mailto:customer.service@ysil.in)

**Registration Nos.:** CIN: U74992MH2013PLC240971 | SEBI Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL & NSDL: IN-DP-653-2021 | RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER: INA000007331 | Sponsor and Investment Manager to YSL Alternates Alpha Plus Fund (Cat III AIF) and YES Wealth Maximiser AIF (Cat III AIF) SEBI Registration No.: IN/AIF3/20- 21/0818 | AMFI ARN Code - 94338

**Details of Compliance Officer:** Aditya Goenka | Email: [compliance@ysil.in](mailto:compliance@ysil.in) / Contact No.: 022-65078127 | **Grievances Redressal Cell:** [customer.service@ysil.in](mailto:customer.service@ysil.in) / [igc@ysil.in](mailto:igc@ysil.in)

**Standard Disclaimer:** Investment in securities market are subject to market risks; read all the related documents carefully before investing. Above representation provides an overview related to our past performance neither does it provide any guarantee of future performance, nor we are ensuring any guaranteed returns. Actual Client returns may vary depending upon time premium, volatility Index, intrinsic value of the script, open interest, other geopolitical conditions and choice of the customer to execute the recommendation in full or part. All recommendations are published under Research Analyst License of YES Securities (India) Limited (YSIL); execution of the recommendation is at complete discretion of customer without any intervention by the research publisher.

Contents which are exclusively for Non-Broking Products/Services e.g. Mutual Fund, Mutual Fund-SIP, Research reports, Insurance, etc. where the YSIL is just a distributor. These are not Exchange traded product and the YSIL is just acting as distributor. Kindly note that all disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

YSIL is a subsidiary of YES Bank Limited ('YBL'). Savings, Current, PIS and Demat Account are offered by YES Bank Limited. Please note Brokerage would not exceed the SEBI prescribed limit. YSIL also acts in the capacity of distributor for Products such as IPOs, Mutual Funds, Mutual Fund-SIPs, NCD/Bonds, etc., All disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

Margin Trading Funding (MTF) is an exchange approved product offered to YSIL trading account holders, as per the regulation and guideline of SEBI Circular: CIR/MRD/DP/54/2017 dated June 13, 2017. For product specification, T&C, rights and obligations statement issued by the YSIL visit [https://yesinvest.in/standard\\_documents\\_policies](https://yesinvest.in/standard_documents_policies)

## DISCLAIMER

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

The information and opinions in this report have been prepared by YSIL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSIL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that Price of each of the securities or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. YES Securities (India) Limited conforms with the rules and regulations enumerated in the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 as amended from time to time.

Technical analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSIL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report 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 YSIL and associates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through Rule 15a-6 under the Securities Exchange Act of 1934 (the "Exchange Act")<sup>[1]</sup> and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This research report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s), the authors of this research report. YES Securities (India) Limited is the concerned representatives (employees) of YES Securities (India) Limited, are responsible for the content of this research report including but not limited to any material conflict of interest of YES Securities (India) Limited in relation the issuer(s) or securities as listed in this research report. This YES Securities (India) Limited research report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. As per SEC Rule 15a-6, the U.S. broker-dealer must accompany any third party research report it distributes with, or provide a web address that directs a recipient to, disclosure of any material conflict of interest that can reasonably be expected to have influenced the choice of a third-party research report provider or the subject company of a third-party research.

FINRA Rules 2241 and 2242, which govern the conduct of research analysts and the content of equity and debt research reports, respectively, apply to all research distributed by a FINRA member firm, including research prepared by a foreign broker-dealer under Rule 15a-6.

- Research reports prepared by a foreign broker-dealer and distributed by a U.S. broker-dealer are deemed to be third party research reports, as reports produced by a person other than a FINRA member.
- Prior to distributing any third party research, a U.S. broker-dealer must assure that such report contains the required disclosures under FINRA Rule 2241(h) or 2242(g)(3), as applicable.

This report is intended for distribution by YES Securities (India) Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). As per Rule 15a-6(b)(4) of the Exchange Act, 1934, "Major U.S. institutional investor" means a U.S. institutional investor with assets, or assets under management, in excess of US\$100 million, or a registered investment adviser with assets under management in excess of US\$100 million. If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

<sup>[1]</sup> Rule 15a-6 under the Securities Exchange Act of 1934 provides conditional exemptions from broker-dealer registration for foreign broker-dealers that engage in certain specified activities involving U.S. investors. These activities include:

- (a) Effecting unsolicited securities transactions;
- (b) Providing research reports to major U.S. institutional investors, and effecting transactions in the subject securities with or for those investors;
- (c) Soliciting and effecting transactions with or for U.S. institutional investors or major U.S. institutional investors through a "chaperoning broker-dealer"; and
- (d) Soliciting and effecting transactions with or for registered broker-dealers, banks acting in a broker or dealer capacity, certain international organizations, foreign persons temporarily present in the U.S., U.S. citizens resident abroad, and foreign branches and agencies of U.S. persons.

In adopting Rule 15a-6, the SEC sought "to facilitate access to foreign markets by U.S. institutional investors through foreign broker-dealers and the research that they provide, consistent with maintaining the safeguards afforded by broker-dealer registration." [Rule 15a-6 Adopting Release at 54 FR 30013; see also Registration Requirements for Foreign Broker-Dealers, Exchange Act Release No. 25801 (June 14, 1988), 53 FR 23645 (June 23, 1988)].

## DISCLOSURE OF INTEREST

Name of the Research Analyst : Bhavesh Gandhi

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

| Sr. No. | Particulars  | Yes/No |
|---------|--|--------|
| 1       | Research Analyst or his/her relative's or YSIL's financial interest in the subject company(ies)  | No     |
| 2       | Research Analyst or his/her relative or YSIL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the research report | No     |
| 3       | Research Analyst or his/her relative or YSIL has any other material conflict of interest at the time of publication of the research report   | No     |
| 4       | Research Analyst has served as an officer, director or employee of the subject company(ies)  | No     |
| 5       | YSIL has received any compensation from the subject company in the past twelve months  | No     |
| 6       | YSIL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months   | No     |
| 7       | YSIL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months                                       | No     |
| 8       | YSIL has received any compensation or other benefits from the subject company or third party in connection with the research report  | No     |
| 9       | YSIL has managed or co-managed public offering of securities for the subject company in the past twelve months   | No     |
| 10      | Research Analyst or YSIL has been engaged in market making activity for the subject company(ies)   | No     |

Since YSIL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSIL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSIL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

## RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

**BUY:** Upside greater than 20% over 12 months

**ADD:** Upside between 10% to 20% over 12 months

**NEUTRAL:** Upside between 0% to 10% over 12 months

**REDUCE:** Downside between 0% to -10% over 12 months

**SELL:** Downside greater than -10% over 12 months

**NOT RATED / UNDER REVIEW**

Analyst signature

## ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ('YSIL') is a subsidiary of YES Bank Limited ('YBL'). YSIL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSIL is also a SEBI-registered Investment Adviser and Research Analyst. YSIL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL.