

Name of the Company



DEVYANI
INTERNATIONAL LIMITED

KEY IPO Highlights

Subscription Period:
4th Aug., 2021 to 6th Aug., 2021

Issue Size: 204.22 Mn Shares
(Aggregating up to INR 1838 Cr)
(OFS- 1398 Cr)

Price Band: INR 86 to 90

Lot Size: 165 Shares

Listing Date:
16/08/2021

About the Company:

- The largest franchisee of Yum Brands and among the largest quick-service restaurants (QSR) chain operators in India with 655 stores across 155 cities all over the country as of Mar 31, 2021.
- Yum Brands Inc operates many fast food brands i.e. Pizza Hut, KFC, and Taco Bell brands.
- Operates 3 business verticals; 1. Core Brands (KFC, Pizza Hut, and Costa Coffee stores in India), 2. International Business (stores in foreign countries i.e. Nepal and Nigeria), and 3. Other Businesses (own branded stores i.e. Vaango, Food Street, Masala Twist, Ile Bar, Amreli, and Ckrushh Juice Bar).
- The business started with a Pizza Hut store in Jaipur but subsequently expanded operations in both KFC and Pizza hut, as of March 31, 2021, it operates 264 KFC stores, 297 Pizza Hut stores, and 44 Costa Coffee stores in India.

Objects of the Issue:

- Repayment and/or prepayment of company's borrowings fully or partially.
- General corporate purposes.

Financial Overview (INR Million)

EV / Sales

Particulars	Mar-21	Mar-20	Mar-19
Total Assets	16,684	18,836	18,075
Total Revenue	11,989	15,350	13,237
Profit After Tax	(630)	(1214)	(941)

DEVYANI	—	10
Jubilant Food Works	—	13
Burger King India	—	15
West life Development	—	10

Recommendation from major brokerage houses

SUBSCRIBE

Neutral

RELIANCE

Securities



BP WEALTH



It's possible



ANANDRATHI



Canara Bank Securities Ltd

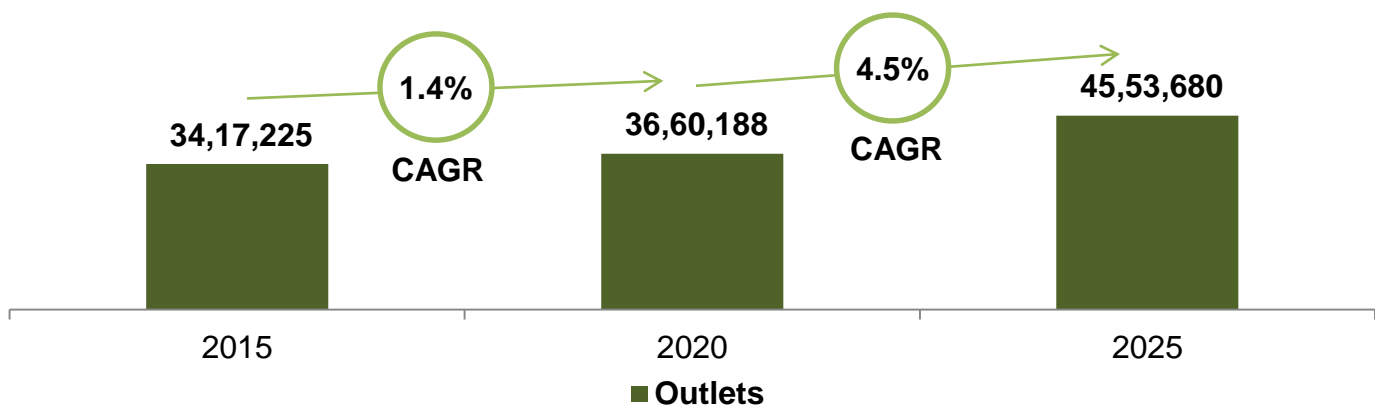
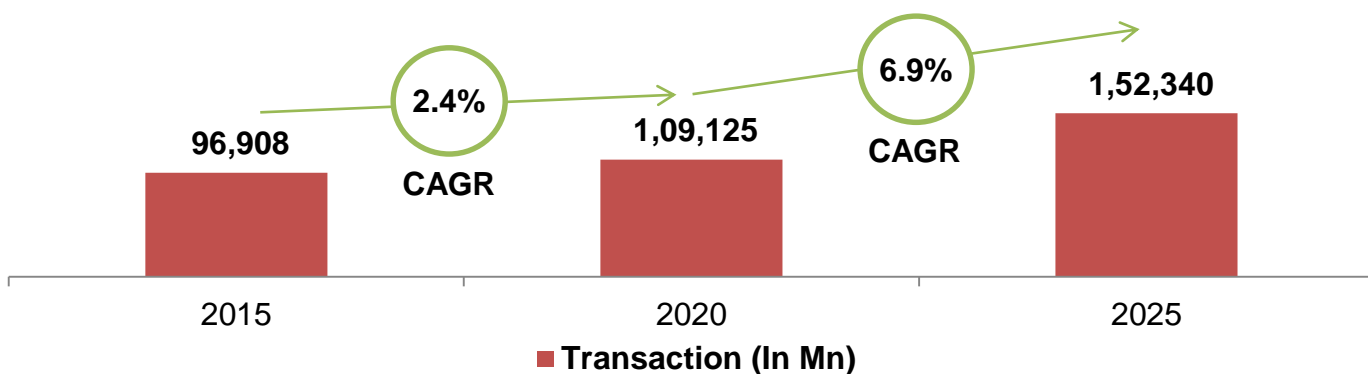
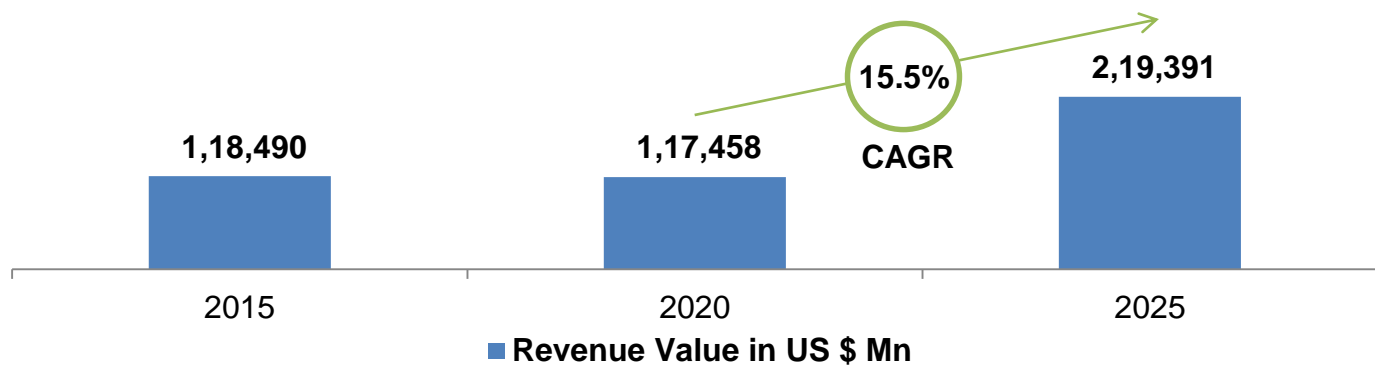


Highlights:

- The product portfolio of well-recognized QSR brands.
- Largest franchisee of Yum Brands in India.
- Cross brand synergies provide operating leverage benefits.
- Disciplined financial approach with a strong focus on cash flow management.
- Strong store network; 264 KFC Stores, 297 Pizza Hut stores, and 44 Costa coffee stores.

Disclaimer: The recommendations stated above are given by individual advisors (including Kreo Capital). Investors are advised to consult their financial advisor and do their own due diligence before subscription.

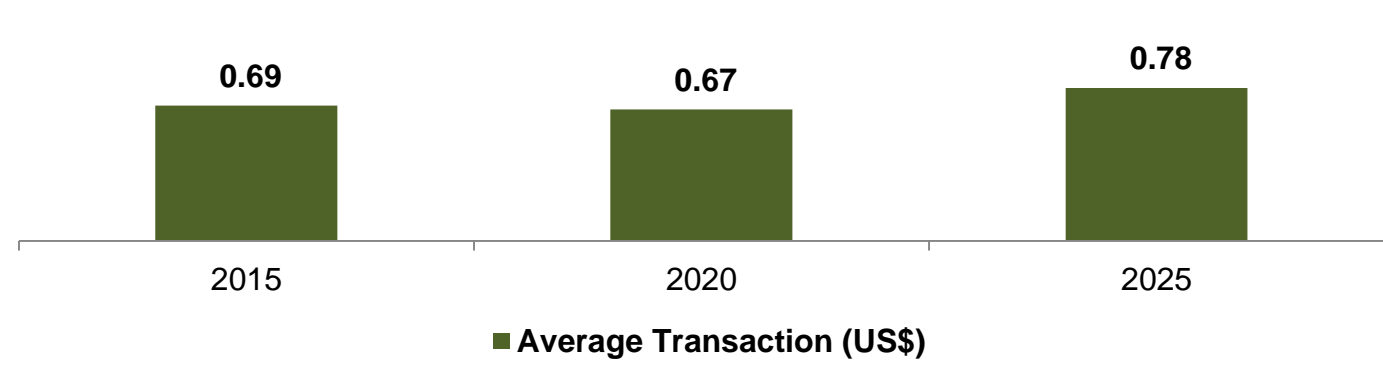
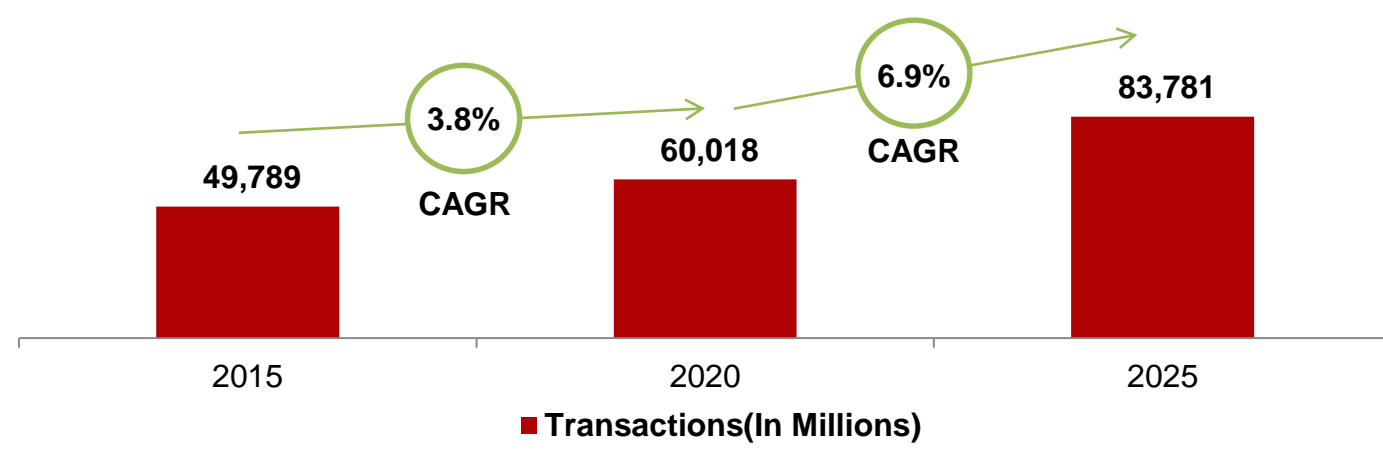
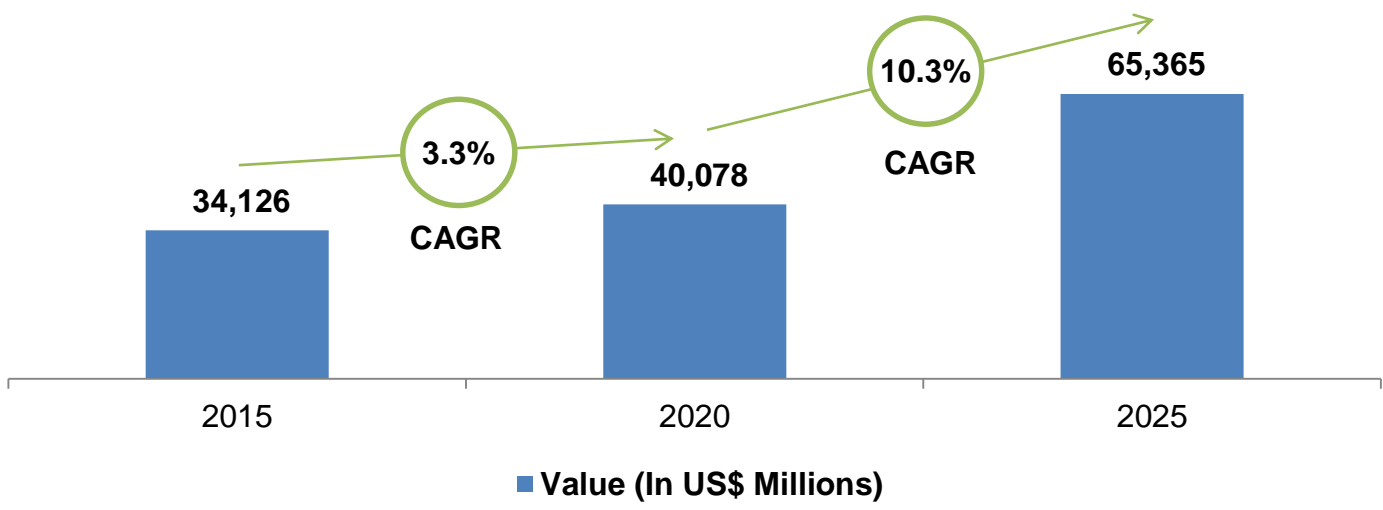
PROFIT SECTOR METRICS – INDIA FOOD SERVICES



The number of outlets is expected to grow at a CAGR of 4.5% in the period between 2020 and 2025, & the number of outlets has increased around CAGR 1.4%.

Food service profit sector in India is expected to register a robust growth in coming years, on the back of growing delivery ecosystem.

INDIA FOOD SERVICES PROFIT SECTOR - QUICK SERVICE RESTAURANTS



Growth Dynamics: QSR chains have witnessed significant growth in the recent times.

Key Associated Brands



OPINION

The company has recorded losses in the last three financial years. The company has a better operating margin as compared with West life development & Burger king. Also, the company is a comprehensive multidimensional QSR player with a portfolio of highly recognized global brands and is available at **decent valuation** as compared to its peers. However looking at the current market scenario as well as the financial health of the company, we propose to have a “**Wait And Watch**” stand on this IPO.