



Transcript of the Annual General Meeting held
on July 28, 2025

Mr. Manish Dawar:

Good morning everyone,

We welcome you all to the 34th Annual General Meeting (“AGM”) of Devyani International Limited. Along with us, we have our Non-Executive Chairman Mr. Ravi Jaipuria, Non-executive Directors, Mr. Varun Jaipuria & Mr. Raj Gandhi, our Independent Directors, Dr. Girish Ahuja, Dr. Ravi Gupta, Ms. Rashmi Dhariwal, Mr. Pradeep Sardana, Mr. Prashant Purker, Whole-time Director, Mr. Virag Joshi and our Company Secretary & Compliance Officer Mr. Pankaj Virmani.

Apart from Directors, we are also joined by the representatives of Walker Chandio & Co LLP and O P Bagla & Co LLP, Joint Statutory Auditors and representative of M/s Sanjay Grover & Associates, Secretarial Auditors.

All of us have joined the meeting through Webex facility provided by NSDL.

To comply with the provisions of the Companies Act, 2013, our Company is conducting this AGM through Webex facility provided by NSDL, without the physical presence of the Members at a common venue.

All Members who have joined this AGM are automatically placed on mute mode by the host to avoid any disturbance arising from background noise and ensure smooth and seamless conduct of the AGM.

The remote e-voting facility has been provided to the Members to cast their votes electronically on all the resolutions set-out in the Notice. The remote e-voting commenced at 09:00 A.M. (IST) on Thursday, July 24, 2025 and ended at 05:00 P.M. (IST) on Sunday, July 27, 2025. The Company is also providing e-voting facility during the proceedings of AGM to enable Members to cast their votes who have not done so through remote e-voting.

During the proceedings of AGM, Members may raise their queries through the Chat Box facility provided by NSDL. Any Member facing a technical issue, may kindly contact the helpline numbers of NSDL as provided in the Notice of AGM.

Now, may I request our Chairman to kindly Chair the proceedings of the Meeting and deliver his opening address.

Mr. Ravi Jaipuria:

Good morning ladies and gentlemen. A very warm welcome to everyone, present today at the 34th AGM of your Company. I hope that you are all safe and healthy.

Requisite Quorum being present, the meeting is therefore called to order.

FY' 25 has been a defining year for the Company, marked by robust execution, strategic portfolio expansion and several key milestones. I am delighted to share that we have achieved a major landmark - of crossing 2,000 stores in December 2024, a year ahead of our original FY' 26 target. This achievement reflects the strength of our strategy; the trust placed in us by our customers and the unwavering commitment of our teams across countries and markets.

FY 2024-25 was also a landmark year for portfolio expansion. We secured exclusive master franchise agreements for Tealive, New York Fries and SANOOK KITCHEN for Indian markets. We signed Tealive for the Thailand market as well. The portfolio additions are aligned with evolving consumer preferences and address key whitespace in India's QSR landscape. These offerings will help us in catering to a wider customer base and a broader range of consumption occasions.

We also acquired a controlling stake in Sky Gate Hospitality Private Limited, which operates the well-regarded biryani brand - 'Biryani by Kilo', and other brand 'Goila Butter Chicken' etc. Sky Gate operates over 105 outlets in India. This strategic move marks a significant step in expanding our presence in the Indian cuisine segment and aligns with our broader objective to diversify and strengthen our brand portfolio.

These developments underscore the strength of our 'House of Brands' strategy - a differentiated approach that enables us to serve diverse consumer needs and occasions through a portfolio of various formats and cuisines. As we continue to expand on this strategy, we are confident in our ability to build a future-ready food services business with scale, depth and relevance across markets.

During the year, we added 257 net new outlets, including 119 KFC, 65 Pizza Hut and 41 Costa Coffee locations. As of March 31, 2025, our network stood at 2,039 locations across India, Nepal, Nigeria and Thailand. The expansion was achieved despite the global macroeconomic uncertainties, underscoring the resilience of our operating model. The Indian economy continues to demonstrate resilience, which we have leveraged through our disciplined execution and a clear focus on long-term value creation.

Our financial results demonstrate the success of our multi-brand, multi-format strategy. Consolidated revenue grew by 39% year-on-year to ₹49,511 million, while EBITDA stood at ₹8,422 million, with a margin of 17%. This performance was driven by the continued expansion of our flagship brands into new cities and towns. We now operate in over 280 cities, with 53% of our stores located in non-metro areas, reflecting the depth of our presence across high-potential consumption clusters beyond the metros.

In the International markets, we have scaled the Thailand business further to 306 KFC outlets, capitalizing on favorable consumer trends, high poultry consumption and growing demand for quality QSR offerings. We remain optimistic about Thailand's long-term strategic contribution to our portfolio. Our Nepal & Nigeria markets continue to deliver in line with the long-term plan.

To support the next phase of growth, our plan is to invest in technology and digitalization which will further enhance our operational efficiency. We continue to fine tune our initiatives with respect to cost optimization, food waste reduction, and supply chain agility that should mitigate inflationary pressures and maintain consistent margin performance.

Looking ahead, we remain confident in the structural growth potential of India's food services sector. As eating out becomes a more regular part of consumer behavior, especially in Tier I and Tier II cities, we are well-positioned to lead this transformation through innovation, agility and a strong focus on customer experience.

Before I conclude, I would like to express my sincere gratitude to all our stakeholders, including our shareholders, employees, creditors and the Board of Directors. Your unwavering trust and support inspire us to stay ambitious and committed to driving meaningful progress across every aspect of our business.

Thank you for joining us today, and for being an integral part of Devyani International's continued growth story.

I now request Mr. Manish Dawar to take up the agenda items.

Mr. Manish Dawar:

Thank you Sir.

Though there are no negative qualification/ observations in the Auditors' Reports but to follow good corporate governance, I request Mr. Pankaj Virmani, our Company Secretary & Compliance Officer to read the Standalone Auditors' Report.

Mr. Pankaj Virmani:

Thank you Mr. Dawar.

To the Members of Devyani International Limited

Report on the audit of the Standalone Financial Statements

Para 1- We have audited the accompanying standalone financial statements of Devyani International Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and

notes to the standalone financial statements, including material accounting policy information and other explanatory information.

Para 2 and 3 may be taken as read.

Para 4- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Para 5,6, 7 and 8 may be taken as read.

Para 9- The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Para 10, 11, 12, 13, 14, and 15 may be taken as read.

Para 16- As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

I will read the last paragraph of para 17- As stated in Note 56 to the standalone financial statements and based on our examination which included test checks, except for matters mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, except for matters mentioned below the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of accounting records, sales invoicing and inventory management by the Company.

The report is signed by Joint Auditors Walker Chandiok & Co LLP and O P Bagla & Co LLP.

All the applicable Statutory Registers, Annual Report and other statutory documents are made available for inspection of the Members.

I request Mr. Manish Dawar to take up Agenda items.

Mr. Manish Dawar:

Thank you Pankaj.

The Notice along with the Explanatory Statement dated May 23, 2025 convening the 34th Annual General Meeting and Annual Report of the Company was sent through e-mail on July 05, 2025 to Members whose e-mail address were registered with us. The Company has also sent letters providing the weblink and QR Code for Annual Report and Notice of 34th AGM to the shareholders whose email ID were not registered with the Depositories or the Company. With your permission, I take it as read.

Now, I will take up all the agenda items for your approval:

Item no. 1 - To receive, consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the reports of Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company including Auditors' Report thereon for the Financial Year ended March 31, 2025.

The proposed resolution is placed before the Meeting to be passed as an Ordinary Resolution. Members who have not cast their vote earlier are requested to kindly vote.

Mr. Ravi Jaipuria and Mr. Varun Jaipuria are interested in the next Agenda Item, therefore, I suggest Mr. Raj Gandhi to take the Chair for the next Agenda Item.

Item no. 2 - To appoint Mr. Ravi Jaipuria (DIN: 00003668), who retires by rotation and being eligible, offers himself for re-appointment, as a Director.

The proposed resolution is placed before the Meeting to be passed as an Ordinary Resolution. Members who have not cast their vote earlier are requested to kindly vote.

As Mr. Ravi Jaipuria is not interested in any other Agenda Items, therefore I would request him to resume the Chair.

Item no. 3 - To appoint Mr. Virag Joshi (DIN: 01821240), who retires by rotation and being eligible, offers himself for re-appointment, as a Director.

The proposed resolution is placed before the Meeting to be passed as an Ordinary Resolution. Members who have not cast their vote earlier are requested to kindly vote.

Item no. 4 - To re-appoint Walker Chandio & Co LLP, Chartered Accountants, as Joint Statutory Auditors for a second term of up to 5 (Five) consecutive years and fix their remuneration.

The proposed resolution is placed before the Meeting to be passed as an Ordinary Resolution. Members who have not cast their vote earlier are requested to kindly vote.

I'll come to the Special Business now:

Item no. 5 - To re-appoint Mr. Virag Joshi (DIN: 01821240) as Whole-time Director of the Company designated as President & Chief Executive Officer.

The proposed resolution is placed before the Meeting to be passed as a Special Resolution. Members who have not cast their vote earlier are requested to kindly vote.

Item no. 6 - To appoint M/s Sanjay Grover & Associates, Company Secretaries, as Secretarial Auditors for a term of up to 5 (Five) consecutive years and fix their remuneration.

The proposed resolution is placed before the Meeting to be passed as an Ordinary Resolution. Members who have not cast their vote earlier are requested to kindly vote.

Mr. Manish Dawar:

Now I request all Members who have not cast their vote through remote e-voting or e-voting during the proceedings of this AGM to kindly vote on the proposed resolutions through e-voting during additional 30 minutes after vote of thanks by the Chairman.

Chairman Sir, may I now request you to take up certain questions that we have received through email or chat box from the Members of the Company. Please note that to avoid repetition, identical questions are grouped:

The first question is – Please summarise the performance of the QSR industry in FY' 25 and the outlook for FY' 26?

Mr. Ravi Jaipuria:

Indian quick-service restaurant (QSR) industry experienced a moderate revenue growth of ~10–12% in FY' 25. This was driven by an increase in penetration and densification by large QSR players. Growth was limited due to soft consumer demand, and competitive dynamics. Operating margins were impacted by rising food inflation, deleverage and higher contribution of delivery.

ICRA, in its recent report, expect revenue growth in the ~16-19% range. QSR players (including your Company) have launched value-focused offerings which are expected to expand the customer base and attract cost-conscious consumers. Store expansion is also expected to continue. We also expect that the Government measures like the tax cuts and other fiscal measures, may also help the growth of this sector.

Mr. Manish Dawar:

The next question is - How is the overall inflation scenario with respect to the QSR sector and how is this supposed to impact the performance?

Mr. Ravi Jaipuria:

FY' 25 saw a relatively stable year from inflation standpoint. Few raw materials like edible oils, coffee, milk products, etc. experienced inflation.

Both wholesale and consumer inflation has been stabilizing since the beginning of the year, which leads us to believe that the inflation situation will remain under control. However, supply chain risks from international conflict and sudden changes in tariffs could lead to spikes.

Mr. Manish Dawar:

The next question is - How has been the performance of the Thailand business and what are your long-term plans?

Mr. Ravi Jaipuria:

We acquired a controlling interest in Restaurants Development Co., Ltd. (RD) in Q4 FY' 24, a key KFC franchise partner in Thailand. Post-acquisition, we have continued to add more locations and as of March 31, 2025, RD operates 306 KFC stores in Thailand.

Along with the expansion, we have also improved the margins while maintaining SSSGs as well as the ADS numbers at a healthy level. Thailand is a focus area for us, and we see great long-term opportunity in this market.

Leveraging our presence in Thailand, we have recently introduced Tealive in Thailand. Our idea is to leverage the existing Thailand infrastructure with the new brands from our portfolio.

Mr. Manish Dawar:

The next question is - During FY' 25 KFC reported a drop in average daily sales per store in FY' 25 (from INR 105,000 to INR 94,000). What is the reason for this drop?

Mr. Ravi Jaipuria:

During FY' 25, we added 100 net new KFC stores in India. Our KFC brand sales in India grew by ~7% YoY. We continue to believe that QSR remains an under penetrated category and hence we continue to progress by increasing our footprint and improving the penetration of the brand.

In our view this kind of dip in Average Daily Sales (ADS) is a temporary phenomenon, primarily driven by soft consumer demand due to macroeconomic

headwinds and increased competitive intensity. Additional external pressures like bird flu outbreak and geopolitical tensions further impacted the ADS.

While inflation and cautious consumer sentiment have temporarily affected demand across the QSR sector, we view this as a short-term challenge. We are addressing the softness in demand through menu engineering to introduce value focused products and pivoting our advertising focus towards high-impact, cost-efficient promotions - such as our "Wednesday offers" - to drive traffic and sustain customer engagement.

Mr. Manish Dawar:

The next question is - How is the acquisition of Sky Gate Hospitality Private Limited a strategic fit for Devyani? What are the medium-term expectations for the scale and margin improvement of the "Biryani by Kilo" brand?

Mr. Ravi Jaipuria:

Biryani is the single most-ordered food item in India and one of the largest food categories in India. Sky Gate Hospitality Private Limited owns and runs 'Biryani By Kilo' – a very well-regarded Biryani brand along with 'Goila Butter Chicken' etc. These brands align well with your Company's vision to strengthen its multi-dimensional product portfolio by enhancing the Company's presence in the Indian cuisine segment.

We see significant distribution synergies with the acquired brands. All these brands are well-suited for integration across our Food Court formats, including highways, malls, and airports. As you are aware, we currently partner with several third-party brands and we've already begun optimizing our footprint by replacing underperforming third-party brands with those from Sky Gate portfolio, wherever per-square-foot efficiency can be improved. In addition, Sky Gate operates a network of cloud kitchens. We are actively exploring opportunities to leverage these kitchens by introducing our other brands into those locations, depending on kitchen size and geographic relevance. This two-way synergy—retail footprint optimization and cloud kitchen integration—positions Sky Gate to become a strong strategic growth driver within our broader business.

There also exist multiple value-creation levers which can help us turn Sky Gate profitable. There is significant opportunity to optimize material sourcing, starting with Biryani By Kilo, as we align their procurement processes with our own. We also see potential efficiencies in labor deployment and rental costs—either by consolidating space to house multiple brands or reducing footprint where excess capacity exists.

Mr. Manish Dawar:

The next question is - Could you provide an update on the Company's progress and initiatives on the sustainability front?

Mr. Ravi Jaipuria:

The Company is making meaningful progress on the sustainability front and is set to release its first Sustainability Report soon. This report will highlight our key initiatives on environment, social and governance perspective including disclosures on Scope 1, 2, and 3 emissions. Further, the report would also highlight our efforts to reduce environmental footprints, promote sustainable sourcing, and enhance overall transparency and accountability. We have undertaken a comprehensive double materiality assessment. This process enabled us to identify the environmental, social and governance issues most relevant to our stakeholders and financially material to our business.

Mr. Manish Dawar:

There being no other question, I request the Chairman to please convey vote of thanks.

Mr. Ravi Jaipuria:

I request all the Members who have not cast their vote through remote e-voting or e-voting during the proceedings of AGM to kindly vote on the proposed resolutions through e-voting for next 30 minutes.

I hereby authorize Mr. Manish Dawar, Whole-time Director & CFO and Mr. Pankaj Virmani, Company Secretary & Compliance Officer, severally to declare the results of the voting.

There being no other agenda item, I declare the meeting as officially concluded and would like to extend our special thanks to the Board Members, Management and the Members present for attending this AGM.

Stay Safe, Stay Healthy!

Thank you very much.

Disclaimer: This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility for such errors, although an effort has been made to ensure a high level of accuracy.