

Barbeque Nation Hospitality

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	BARBEQUE IN
Equity Shares (m)	39
M.Cap.(INRb)/(USD\$)	11.1 / 0.1
52-Week Range (INR)	712 / 247
1, 6, 12 Rel. Per (%)	-8/-18/-50
12M Avg Val (INR M)	73

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	12.8	14.0	15.3
Sales Gr. (%)	4.1	9.5	9.0
EBITDA	2.2	2.5	2.8
Margins (%)	17.5	18.1	18.1
Adj. PAT	-0.3	-0.2	-0.2
Adj. EPS (INR)	-7.1	-5.8	-5.2
EPS Gr. (%)	N/M	N/M	N/M
BV/Sh.(INR)	85.7	79.9	74.6

Ratios

RoE (%)	-8.3	-7.3	-7.0
RoCE (%)	4.1	5.9	6.4

Valuation

P/E (x)	N/M	N/M	N/M
EV/EBITDA (x)	5.2	4.5	4.0
Pre-IND AS EV/EBITDA (x)	13.0	10.4	8.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	33.7	33.7	33.7
DII	19.9	21.5	23.4
FII	10.2	10.5	17.5
Others	36.2	34.3	25.4

FII includes depository receipts

CMP: INR284 TP: INR325 (+14%) Neutral

Muted quarter; recovery delay persists

- Barbeque Nation Hospitality (BBQN)'s consolidated revenue declined 3% YoY to INR3.0b (in line), hit by competition in South India and sluggish demand. The same-store sales growth (SSSG) remained weak and dipped 3% YoY in 1QFY26 on a base of -7%. Dine-in revenue declined 3% YoY to INR2.5b, and delivery was down 1% to INR0.4b during the quarter.
- BBQ India's revenue declined 7% YoY to INR2.3b, led by negative SSSG and low store expansion. Same-store sales declined 5.2%. GP margin compressed 40bp YoY to 66.1%. GP down 8% YoY. RoM (Pre-Ind-AS) margin compressed 230bp YoY to 9.6% due to operating deleverage. Its RoM dipped 25% YoY. BBQ India added two net stores to 193 in 1QFY26.
- BBQ International's revenue was up 10% YoY to INR263m, supported by strong SSSG. The SSSG was at 8.5%. GP margin declined 190bp YoY to 72.6%. GP was up 7% YoY. RoM (Pre-Ind-AS) margin contracted 270bp YoY to 22.4%. RoM down 2% YoY. Mature stores delivered over 27% margins. It added two stores during the quarter, taking the total count to 11 stores.
- Premium Casual Dining Restaurant's (CDR) revenue up 19% YoY to INR431m, led by store additions. The same-store sales rose 1.6% YoY. GP margin contracted 170bp YoY to 73.5%. GP up 16% YoY. RoM (Pre-Ind AS) margin contracted 430bp YoY to 14.4% lower due to new restaurant additions. RoM declined 9% YoY at INR59m. The matured portfolio (restaurants older than two years) delivered over 20% Pre-IND-AS RoM.
- Consolidated GM contracted 40bp YoY to 67.7%. EBITDA margin contracted by 120bp YoY to 15.5% (est. 17.8%). EBITDA Pre-Ind AS margin down 240bp YoY to 4.6%. RoM (Pre Ind) contracted 230bp YoY to 11.5%.
- The company plans to open 20–25 BBQ India outlets annually, 4–6 new international stores across the Middle East and Southeast Asia in the near term, and 12–15 Premium CDR restaurants in FY26 as part of its calibrated expansion strategy. BBQN's current valuations at 13x FY26E and 10x FY26E pre-Ind AS EV/EBITDA are comfortably positioned. However, we are watchful of BBQN's demand recovery. **We reiterate our Neutral rating on the stock as we still await clarity on its earnings recovery.** Our TP of INR325 is based on 10x Jun'27E Pre-Ind-AS EV/EBITDA (low valuation due to weak RoCE profile and uncertainty in earnings recovery).

Weakness persists; SSSG declines 3.4%

- **Muted trajectory continues:** BBQN reported a sales decline of 3% YoY at INR3.0b (est. INR 3.0b) in 1QFY26. Same-store sales were down 3.4% in 1QFY26 (est. -3%). Dine-in channel (85% of sales) declined 3% YoY to INR2.5b. Delivery channel (15% of sales) declined 1% YoY to INR0.4b.
- **Digital KPIs:** Cumulative app downloads were 7.9m in 1QFY26 vs. 6.8m in 1QFY25. Own digital asset contribution was at 30.8% vs. 29.6% in 1QFY25.

Naveen Trivedi – Research Analyst (Naveen.Trivedi@motilaloswal.com)

Research Analyst: Amey Tiwari (Amey.Tiwari@motilaloswal.com) | Tanu Jindal (Tanu.Jindal@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

MotilalOswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **Store additions continue:** The company added seven stores and closed one store, which led to a total of 236 stores. Out of 236 stores, BBQN has 193 stores, 11 international BBQN stores, and 32 Toscano and Salt stores. Total metro and tier-1 accounted for 185 stores, and tier 2/3 accounted for 51 stores in 1QFY26.
- **Contraction in margins:** Gross margin dipped 340bp YoY to 67.7%. (est. 68.5%). EBITDA declined 10% YoY to INR460m (est. INR538m). EBITDA margin contracted 120bp YoY to 15.5% (est. 17.8%). Pre-Ind AS EBITDA dipped 36% YoY to INR136m in 1QFY26, and the margin contracted 240bp YoY to 4.6%. RoM (Pre-Ind-AS) was down 20% YoY, and the margin contracted 230p YoY to 11.5%.
- BBQN recorded a loss after tax of INR164m in 1QFY26 vs. a loss of INR48m in 1QFY25.

Highlights from the management commentary

- Demand challenges were led by weak dine-out trends, price competition (especially in South India), and softer corporate footfalls in cities like Bangalore and Chennai.
- Despite pressure on SSSG in BBQ India, profitability impact remains limited, with only 3–4 stores currently loss-making.
- The company plans to open 20–25 BBQ India restaurants annually. Plans to open 4–6 additional outlets across the Middle East and Southeast Asia in the near term. Premium CDR is being scaled with a plan to add 12–15 new stores in FY26.
- The company continued to focus on the dine-in segment (~85% of revenue). The delivery business (15% of revenue) is improving, with Dum Safar Biryani posting positive SSSG.

Valuation and view

- We broadly maintain our EBITDA estimates for FY26 and FY27.
- BBQN's PBT margin profile is weaker than that of QSR players. Hence, despite a comfortable position on valuation, we are watchful of its operating margin delivery. A mid-single-digit RoCE profile is weak considering the fine dine-in format.
- BBQN's current valuations at 13x FY26E and 10x FY26E pre-Ind AS EV/EBITDA are comfortably positioned. However, we are watchful of BBQN's demand recovery. We reiterate our Neutral rating on the stock as we still await clarity on earnings recovery. We have a TP of INR325, based on 10x Jun'27E Pre-Ind-AS EV/EBITDA.

Cons. Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
SSSG (%)	-7.4	-2.5	-2.0	-2.0	-3.4	-2.0	1.0	2.4	-3.8	-0.5	-3.0	
No. of stores	219	222	226	230	236	243	250	257	230	257	236	
Net Sales	3,057	3,057	3,289	2,928	2,970	3,164	3,466	3,236	12,330	12,836	3,020	-1.7
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	3.5	5.4	10.5	-1.7	4.1	-1.2	
Gross Profit	2,081	2,081	2,244	2,006	2,010	2,158	2,381	2,218	8,412	8,767	2,069	-2.8
Margin (%)	68.1	68.1	68.2	68.5	67.7	68.2	68.7	68.5	68.2	68.3	68.5	
EBITDA	509	456	615	533	460	503	659	625	2,113	2,246	538	-14.4
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	10.4	7.0	17.2	-0.4	6.3	5.6	
Margin (%)	16.6	14.9	18.7	18.2	15.5	15.9	19.0	19.3	17.1	17.5	17.8	
Depreciation	405	409	428	523	449	450	500	494	1,765	1,893	430	
Interest	186	189	195	209	200	205	210	220	779	835	198	
Other Income	27	43	55	34	19	50	50	46	158	165	30	
PBT	-55	-100	47	-165	-170	-102	-1	-43	-272	-317	-60	
Tax	-11	-28	-3	42	-3	-25	0	-11	-1	-39	0	
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	25.0	0.0	25.0	0.5	12.4	0.0	
Adjusted PAT	-43	-71	51	-207	-167	-76	-1	-33	-271	-278	-60	
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	

E: MOFSL Estimates

BBQ India

- Revenue declined 7% YoY to INR2.3b. Same-store sales declined 5.2%.
- BBQ India added two net stores to 193 in 1QFY26.
- GP margin compressed 40bp YoY to 66.1%. GP down 8% YoY.
- RoM (Pre-Ind-AS) margin compressed 230bp YoY to 9.6%. RoM down 25% YoY.

BBQ International

- Revenue up 10% YoY to INR263m. Same-store sales were up 8.5%.
- BBQ International added two stores during the quarter, taking the total count to 11 stores.
- GP margin declined 190bp YoY to 72.6%. GP up 7% YoY.
- RoM (Pre-Ind AS) margin contracted 270bp YoY to 22.4%. RoM declined 2% YoY.

Premium CDR

- Revenue was up 19% YoY to INR431m, led by store addition (+28% YoY). Same-store sales rose 1.6%.
- Premium CDR added 2 stores to 32 stores during the quarter.
- GP margin contracted 170bp YoY to 73.5%. GP up 16% YoY.
- RoM (Pre-Ind AS) margin contracted 430bp YoY to 14.4%. RoM declined 9% YoY at INR62m.

Exhibit 1: BBQN's business segment performance

BBQ Consolidated	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue (INR m)	3,309	2,981	3,057	3,057	3,289	2,928	2,970
YoY growth (%)	1%	6%	-6%	1%	-1%	-2%	-3%
SSSG (%)	-4.9	1.4	-7.4	-2.5	-2.0	-2.0	-3.8
Stores	216	217	219	222	226	230	236
Store addition	4	1	2	3	4	4	6
YoY store addition (%)	2%	0%	3%	2%	5%	6%	8%
Annualised revenue/ outlet (INR/mn)	62	55	55	56	60	60	60
GP (INR m)	2,245	2,053	2,081	2,081	2,244	2,006	2,010
GP margin (%)	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	67.7%
ROM (pre -Ind AS) (INR m)	553	429	421	380	543	368	1712
ROM (%)	16.7%	14.4%	13.8%	12.4%	16.5%	12.6%	13.9%
YoY growth (%)	1%	38%	10%	12%	-2%	-14%	0%
EBITDA (pre -Ind AS) (INR m)	363	191	212	166	339	190	907
EBITDA pre-Ind AS margin (%)	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	7.4%
YoY growth (%)	7%	80%	43%	24%	-6%	-1%	8%
EBITDA (INR m)	663	547	509	456	615	533	460
EBITDA margin (%)	7.0%	37.3%	8.8%	2.7%	-7.2%	-2.6%	-9.6%
YoY growth (%)	20%	18%	17%	15%	19%	18%	15%
BBQ India	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue (INR m)	2,736	2,398	2,466	2,443	2,618	2,280	2,289
YoY growth (%)					-4%	-5%	-7%
SSSG (%)	-6.2	0.9	-8.8	-3.0	-2.6	-2.9	-5.2
Stores	186	186	186	187	190	191	193
Store addition	0	0	0	1	3	1	2
YoY store addition (%)	-3%	-5%	-2%	-1%	2%	3%	4%
Annualised revenue/ outlet (INR/mn)	59	51	53	52	57	50	50
GP (INR m)	1,822	1,623	1,641	1,626	1,746	1,526	1,513
GP margin (%)	66.6%	67.7%	66.5%	66.6%	66.7%	66.9%	66.1%
ROM (pre -Ind AS) (INR m)	404	294	293	269	389	231	220
ROM (%)	14.8%	12.3%	11.9%	11.0%	14.9%	10.1%	9.6%
YoY growth (%)					-3.7%	-21.4%	-24.9%
BBQ International	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue	235	237	239	218	253	264	263
YoY growth (%)					8%	11%	10%
SSSG (%)	-1.1	5.5	-8.6	2	5.2	10.9	8.5
Stores	8	8	8	8	8	9	11
Store addition	0	0	0	0	0	1	2
Annualised revenue/ outlet (INR/mn)	117	119	119	109	126	132	105
GP (INR m)	175	176	178	159	188	198	191
GP margin (%)	74.5%	74.3%	74.5%	72.9%	74.3%	75.0%	72.6%
ROM (pre -Ind AS) (INR m)	61	61	60	44	66	78	59
ROM (%)	26.0%	25.7%	25.1%	20.2%	26.1%	29.5%	22.4%
YoY growth (%)					8%	28%	-3%
BBQ Premium CDR	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenue	349	357	363	406	432	397	431
YoY growth (%)					24%	11%	19%
SSSG (%)	4	2	0.9	-1.6	-2.7	-5.5	1.6
Stores	22	23	25	27	28	30	32
Store addition	0	1	2	2	1	2	2
YoY store addition (%)	57%	64%	67%	23%	27%	30%	28%
Annualised revenue/ outlet (INR/m)	63	62	58	60	62	55	57
GP (INR m)	259	265	273	305	324	296	317
GP margin (%)	74.2%	74.2%	75.2%	75.1%	75.0%	74.6%	73.5%
ROM (pre -Ind AS) (INR m)	87	74	68	66	87	59	62
ROM (%)	24.9%	20.7%	18.7%	16.3%	20.1%	14.9%	14.4%
YoY growth (%)					0	-20%	-9%

Source: Company, MOFSL



Key takeaways from the management interaction

Operating environment and performance

- The company is navigating a soft dine-out cycle with operational discipline and expansion-led resilience.
- Consolidated revenue declined 3% YoY to INR2970m, impacted by weak SSSG in the core BBQ India business.
- Management remains optimistic about long-term growth, underpinned by efficient execution and a focused multi-brand strategy.

Barbeque Nation India (BBQ India)

- Revenue declined 7% YoY to INR2290m; SSSG came in at -5.2% (vs. -8.8% in the base quarter), implying a ~13–14% cumulative decline over 2 years.
- Demand challenges were led by weak dine-out trends, price competition (especially in South India), and softer corporate footfalls in cities like Bangalore and Chennai.
- Strategic actions include:
 - Right-sizing new outlets (20–25% smaller format)
 - Menu innovation (e.g., Khukad Carnival, new starters)
 - Value promotions (e.g., “Sizzling 7 at INR777”)
 - Increased marketing (3% of sales; 80% digital)
 - Appointment of a dedicated COO for BBQ India
- Despite pressure on SSSG, profitability impact remains limited, with only 3–4 stores currently loss-making.
- Management is continuing expansion with optimized capex and formats.

International Business (BBQ International)

- Revenue grew 10% YoY to INR263m; SSSG stood at 8.5%.
- Restaurant-level margins exceeded 23%; mature stores delivered margins of +27%.
- Recent openings in Kuala Lumpur and Jeddah (Saudi Arabia).
- Plans to open 4–6 additional outlets across the Middle East and Southeast Asia in the near term.
- International continues to be a profitable and scalable vertical.

Premium Casual Dining Restaurants (CDR)

- Revenue increased 19% YoY to INR431m.
- Gross margin was healthy at 74%, with mature outlet margins exceeding 20%.
- Two new outlets launched in Mumbai and Bangalore.
- Expansion strategy includes growing presence in Delhi, Mumbai, and Hyderabad (~30% YoY growth target).
- Acquired a 51% stake in “On Nom Nom,” adding 6 outlets in Bangalore.
- Premium CDR is being scaled with a plan to add 12–15 new stores in FY26.

Strategic Pillars & Outlook

Operational Focus:

- Emphasis on tight cost control to protect margins amid demand softness.
- Continued focus on the dine-in segment (~85% of revenue).
- Delivery business (15% of revenue) is improving, with Dum Safar Biryani posting positive SSSG.

Expansion Strategy:

- Plan to open 20–25 BBQ India restaurants annually.

- Premium CDR and International segments to be scaled with sustainable margins.

Guest Experience:

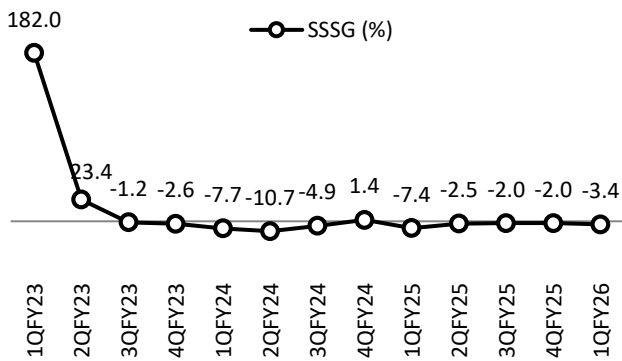
- Strengthened through product/menu innovation and refreshed store designs.
- Marketing is predominantly digital (80% of budget), helping drive better consumer engagement.
- NPS scores have improved across multiple formats.

Capital Allocation:

- Investments directed towards high-return, quick-payback opportunities.
- Expansion in Premium CDR is carefully managed to avoid capital dilution in BBQ India.

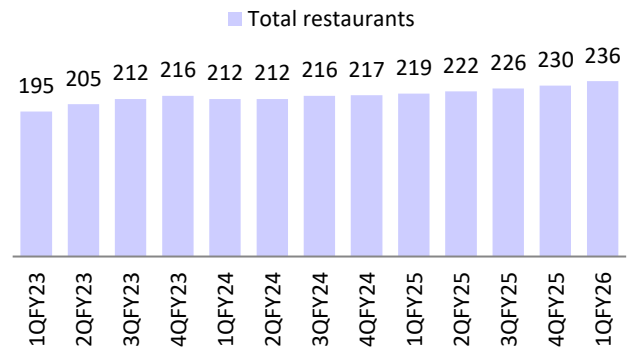
Key Exhibits

Exhibit 2: SSSG stood at -3.4% YoY in 1QFY26



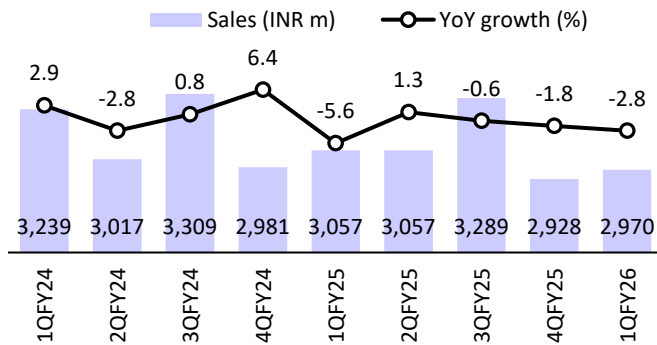
Source: Company, MOFSL

Exhibit 3: Added net 6 stores (opened 7, closed 1) in 1QFY26



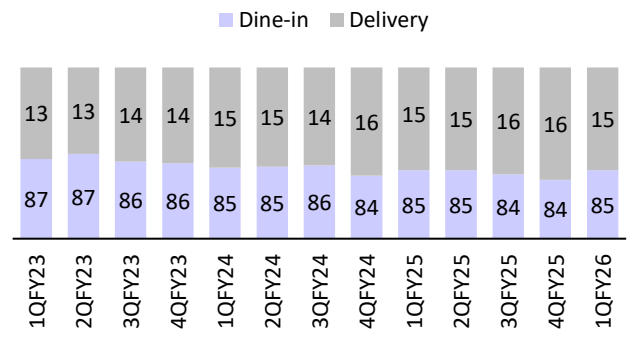
Source: Company, MOFSL

Exhibit 4: Net sales fell 3% YoY to INR2.8b in 1QFY26



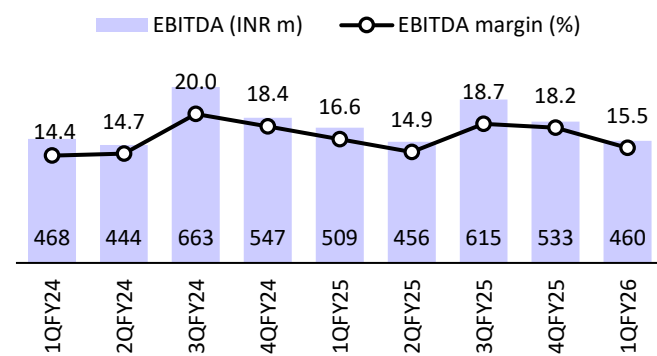
Source: Company, MOFSL

Exhibit 5: Dine-in contribution stood at 85% in 1QFY26



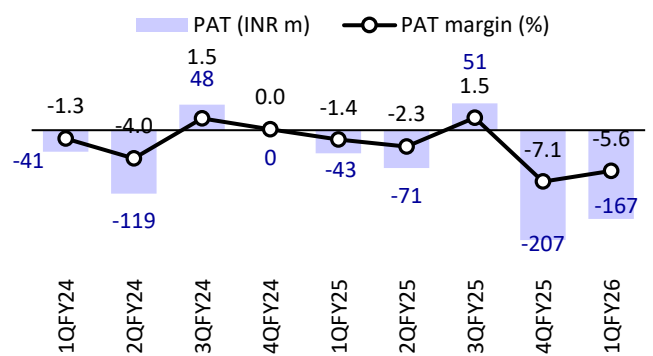
Source: Company, MOFSL

Exhibit 6: EBITDA margin contracted 110bp YoY to 15.5% in 1QFY26



Source: Company, MOFSL

Exhibit 7: Adjusted loss came in at INR167m in 1QFY26



Source: Company, MOFSL

Valuation and view

- We broadly maintain our EBITDA estimates for FY26 and FY27.
- BBQN's PBT margin profile is weaker than that of QSR players. Hence, despite a comfortable position on valuation, we are watchful of its operating margin delivery. A mid-single-digit RoCE profile is weak considering the fine dine-in format.
- BBQN's current valuations at 13x FY26E and 10x FY26E pre-Ind AS EV/EBITDA are comfortably positioned. However, we are watchful of BBQN's demand recovery. We reiterate our Neutral rating on the stock as we still await clarity on earnings recovery. We have a TP of INR325, based on 10x Jun'27E Pre-Ind-AS EV/EBITDA.

Exhibit 8: We maintain our EBITDA estimates for FY26 and FY27

INR m	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sales	12,836	14,049	13,048	14,270	-1.6%	-1.5%
EBITDA	2,246	2,543	2,296	2,583	-2.2%	-1.5%
PAT	-278	-228	-215	-188	NA	21.2%

Source: Company, MOFSL

Financials and valuations

Income Statement							(INR m)		
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	8,470	5,071	8,606	12,338	12,545	12,330	12,836	14,049	15,311
Change (%)	14.6	-40.1	69.7	43.4	1.7	-1.7	4.1	9.5	9.0
Material Consumed	2,922	1,782	3,047	4,152	4,184	3,919	4,069	4,426	4,823
Gross Profit	5,548	3,288	5,558	8,186	8,361	8,412	8,767	9,624	10,488
Gross Margin %	65.5	64.8	64.6	66.3	66.6	68.2	68.3	68.5	68.5
EBITDA	1,642	464	1,337	2,306	2,122	2,113	2,246	2,543	2,771
Change (%)	12.6	-71.8	188.3	72.4	-8.0	-0.4	6.3	13.2	9.0
Margin (%)	19.4	9.1	15.5	18.7	16.9	17.1	17.5	18.1	18.1
Depreciation	1,340	1,212	1,273	1,450	1,679	1,765	1,893	2,064	2,228
Int. and Fin. Ch.	756	849	653	717	759	779	835	888	927
Other Non-recurring Inc.	38	460	263	80	176	158	165	180	180
PBT	-415	-1,136	-326	219	-140	-272	-317	-228	-204
Change (%)	P/L	-	-	L/P	-164.0	-	-	-	-
Margin (%)	-4.9	-22.4	-3.8	1.8	-1.1	-2.2	-2.5	-1.6	-1.3
Tax	78	-197	-69	66	-28	-1	-39	0	0
Tax Rate (%)	-18.8	17.3	21.1	30.1	20.3	0.5	12.4	0.0	0.0
Adjusted PAT	-493	-940	-257	153	-112	-271	-278	-228	-204
Change (%)	-	-	-	L/P	-172.9	-	-	-	-
Margin (%)	-5.8	-18.5	-3.0	1.2	-0.9	-2.2	-2.2	-1.6	-1.3
Non-rec. (Exp)/Inc.	164	21	5	38	0	1	0	0	0
Minority interest	-5	-14	4	21	22	7	0	0	0
Reported PAT	-324	-905	-256	170	-134	-278	-278	-228	-204

Balance Sheet							(INR m)		
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	140	170	195	195	195	195	195	195	195
Reserves	-81	2,269	3,665	3,816	3,734	3,431	3,154	2,926	2,722
Net Worth	59	2,439	3,860	4,011	3,930	3,627	3,349	3,121	2,917
Loans	2,450	1,528	218	196	397	695	695	695	695
Lease Liabilities	4,816	4,498	5,887	6,649	6,459	6,880	6,865	7,317	7,737
Others	52	38	93	82	110	82	82	82	82
Capital Employed	7,377	8,503	10,057	10,939	10,896	11,284	10,992	11,215	11,430
Gross Block	11,910	12,049	14,411	16,749	18,098	20,510	22,516	24,382	26,250
Less: Accum. Depn.	4,507	5,456	6,410	7,356	9,035	10,800	12,693	14,757	16,984
Net Fixed Assets	7,404	6,593	8,000	9,393	9,460	9,710	9,823	9,626	9,265
RTU	4,015	3,617	4,878	5,556	5,334	5,685	5,208	5,045	4,883
Capital WIP	109	60	212	273	47	140	140	140	140
Goodwill	723	723	723	723	897	897	897	897	897
Investments	0	0	0	0	0	121	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	0	0
Curr. Assets, L&A	1,319	4,002	2,478	2,200	2,368	2,272	2,135	2,614	3,200
Inventory	149	202	358	421	387	471	422	577	629
Account Receivables	22	26	57	74	267	311	352	462	503
Cash and Bank Balance	147	2,455	853	426	360	171	15	202	667
Others	1,001	1,319	1,210	1,280	1,355	1,319	1,346	1,373	1,400
Curr. Liab. and Prov.	2,167	2,855	1,356	1,647	1,783	1,765	1,911	1,970	1,980
Other Current Liabilities	894	1,237	199	227	390	425	437	451	464
Creditors	1,125	1,468	988	1,235	1,181	1,105	1,231	1,270	1,258
Provisions	148	150	168	185	212	235	242	250	257
Net Curr. Assets	-848	1,147	1,122	553	586	507	224	644	1,220
Current tax liabilities	-11	-20	0	-4	-94	-92	-92	-92	-92
Appl. of Funds	7,377	8,503	10,057	10,939	10,896	11,283	10,992	11,215	11,430

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)									
EPS	-17.6	-27.7	-6.6	3.9	-2.9	-6.9	-7.1	-5.8	-5.2
BV/Share	2.1	71.9	99.2	102.9	100.6	92.8	85.7	79.9	74.6
Valuation (x)									
P/E	N/M	N/M	N/M	72.2	N/M	N/M	N/M	N/M	N/M
EV/Sales	1.8	2.6	1.9	1.4	1.4	0.9	0.9	0.8	0.7
EV/EBITDA	9.2	28.5	12.2	7.6	8.3	5.4	5.2	4.6	4.0
P/BV	134.4	4.0	2.9	2.8	2.8	3.1	3.3	3.6	3.8
Return Ratios (%)									
RoE	-833.5	-38.5	-6.7	3.8	-2.8	-7.5	-8.3	-7.3	-7.0
RoCE	5.6	-3.0	2.8	6.2	4.5	4.5	4.1	5.9	6.4
RoIC	5.2	-9.4	0.7	6.2	3.4	3.2	2.9	4.4	5.1
Working Capital Ratios									
Debtor (Days)	1	2	2	2	8	9	10	12	12
Inventory (Days)	6	15	15	12	11	14	12	15	15
Creditor (Days)	48	106	42	37	34	33	35	33	30
Asset Turnover (x)	1.1	0.6	0.9	1.1	1.2	1.1	1.2	1.3	1.3
Leverage Ratio									
Debt/Equity (x)	41.4	0.6	0.1	0.0	0.1	0.2	0.2	0.2	0.2

Cash Flow Statement

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
(INR m)									
OP/(loss) before Tax	-251	-1,115	-321	257	-140	-272	-317	-228	-204
Int./Div. Received	-149	-412	-137	28	7	4	-165	-180	-180
Depreciation & Amort.	1,340	1,212	1,273	1,450	1,679	1,765	1,893	2,064	2,228
Interest Paid	-659	-739	-500	-559	-597	-655	-835	-888	-927
Direct Taxes Paid	78	-12	31	57	-29	32	-39	0	0
Inc/(Dec) in WC	-291	-244	686	-38	-35	187	-127	233	112
CF from Operations	1,811	679	598	2,276	2,206	1,934	2,413	2,310	2,660
Inc/(Dec) in FA	-840	-143	-932	-1,459	-874	-810	-925	-866	-868
Free Cash Flow	971	536	-334	817	1,331	1,123	1,488	1,444	1,792
Others	-678	71	30	-59	-185	-89	-292	180	180
Pur of Investments	0	0	0	0	0	0	0	0	0
CF from Invest.	-1,518	-72	-902	-1,518	-1,059	-899	-1,217	-686	-688
Issue of Shares	1	1,495	1,844	15	22	2	0	0	0
Incr in Debt	876	73	-1,310	-22	177	297	0	0	0
Dividend Paid	-34	0	0	0	0	0	0	0	0
Others	-1,109	133	-1,832	-1,179	-1,410	-1,525	-1,350	-1,436	-1,508
CF from Fin. Activity	-265	1,700	-1,298	-1,186	-1,211	-1,226	-1,350	-1,436	-1,508
Incr/Decr of Cash	27	2,308	-1,602	-428	-65	-191	-154	187	465
Add: Opening Balance	120	147	2,455	853	426	361	169	15	202
Closing Balance	147	2,455	853	426	361	169	15	202	667

E: MOFSL Estimates

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has 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 Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.

7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. 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. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, 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 report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263;

www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.