

# Restaurant Brands Asia

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR114 TP: INR140 (+23%) Buy**

## India outshines amid tough macros; Indonesia loss narrows

Bloomberg	RBA IN
Equity Shares (m)	495
M.Cap.(INRb)/(USDb)	56.7 / 0.7
52-Week Range (INR)	138 / 84
1, 6, 12 Rel. Per (%)	2/-11/-20
12M Avg Val (INR M)	287

### Financials & Valuations (INR b)

Y/E March (INR b)	FY24E	FY25E	FY26E
Sales	24.7	30.2	36.5
Sales growth (%)	20.1	22.3	21.0
EBITDA	2.5	3.6	5.0
Margins (%)	10.2	11.9	13.6
Adj. PAT	-1.7	-0.5	0.4
Adj. EPS (INR)	-3.4	-0.9	0.8
EPS Growth (%)	N/M	N/M	L/P
BV/Sh.(INR)	13.7	12.8	13.6

### Ratios

RoE (%)	-22.1	-7.0	6.1
RoCE (%)	-2.1	3.4	7.7

### Valuations

P/E (x)	N/M	N/M	141.7
P/BV (x)	8.3	8.9	8.4
EV/EBITDA (x)	26.7	19.3	14.2
pre Ind-AS EV/EBITDA (x)	104.7	43.9	23.7
EV/Sales (x)	2.7	2.3	1.9

### Shareholding pattern (%)

As On	Dec-23	Sep-23	Dec-22
Promoter	15.4	15.4	40.8
DII	23.7	22.2	9.8
FII	26.9	29.9	27.8
Others	34.1	22.1	21.6

FII Includes depository receipts

- RBA's India business posted 20%/48% YoY growth in revenue/EBITDA (in line) in 3QFY24. Store addition was healthy (added 38 stores), with SSSG at 2.6% (est. 3.5%). Amid a tough demand environment, most QSR brands are expected to post muted growth metrics (SSSG, ADS). We believe RBA's performance is better than its peers'. As the near-term industry demand outlook remains weak, RBA has lowered its SSSG guidance for FY24 to 3% from 6%; however, it has retained 8% SSSG guidance for the medium term.
- Despite a deceleration in growth metrics, RBA could improve Restaurant EBITDA margin (pre IND AS) to 12%, up 180bp on YoY and 150bp on QoQ. We do not expect such margin improvements for peers in 3Q.
- Indonesia business revenue rose 1% YoY (miss) to INR1.6b, largely due to store adds. Indonesia EBITDA loss narrowed to INR24m (est. loss INR76m and INR181m/INR72m in 3QFY23/2QFY24).
- We maintain our BUY rating on the stock.

### Decline in Indonesia loss led to EBITDA beat

#### India business posted 20%/48% YoY growth in revenue/EBITDA (in line)

- India business revenue grew 20% YoY (in line) to INR4.5b, led by 16% YoY store adds and 2.6% SSSG (est. 3.5%).
- India business ADS improved 2% YoY but declined 7% QoQ to INR115k.
- The company added 38 stores and closed 1 store in 3QFY24 in India, taking the total count to 441 stores.
- RBA increased the BK Café store count in India to 334 from 275 in FY23 (76% of total BK stores), generating ADS of INR14k (12% of total ADS).
- India GP rose 22% YoY (in line) to INR3b and margins rose 70bp YoY/30bp QoQ to 67.1%, which could be due to lower RM costs and a better product mix.
- India ROM increased 41% YoY to INR543m and margins expanded 180bp YoY to 12.2%. Due to controlled GM&A, pre-IndAS EBITDA jumped 2x YoY to INR302m and margins rose 260bp YoY to 6.8%.
- India EBITDA increased by 48% YoY to INR708m, with margins at 15.9%.
- India loss narrowed to INR64m from INR112m/INR93m in 3QFY23/2QFY24.

#### Consol. business posted 15%/2.3x YoY growth in revenue/EBITDA (6% miss/12% beat)

- Consol. revenue grew 15% YoY to INR6b (6% miss), impacted by weak revenue growth in Indonesia business.
- Indonesia business revenue rose 1% YoY to INR1.6b, largely due to store adds (16% miss).
  - ✓ **ADS declined 1% YoY/7% QoQ to IDR17.8m.**
- RBA added total 50 stores in 3QFY24, which included 37 BK stores in India and 13 Popeyes stores in Indonesia. The total store count went up to 628 (441/187 India BK/Indonesia stores).

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

Research Analyst: Pratik Prajapati (pratik.prajapati@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.

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- Consol. GP grew 16% YoY to INR3.9b, while margins rose 80bp YoY/20bp QoQ to 64.4%.
- Indonesia GP grew 1% YoY to INR900m, while margins declined 50bp YoY/60bp QoQ to 56.7%.
- A lower-than-expected Indonesia EBITDA loss led to a 12% beat in consol. EBITDA.
- Consol. EBITDA jumped 2.3x YoY to INR684m and margins expanded 730bp YoY/290bp QoQ to 15.3%.
- ✓ **Indonesia** EBITDA loss narrowed to INR24m (est. loss INR76m and INR181m/INR72m in 3QFY23/2QFY24).
- ✓ **RBA achieved breakeven in Restaurant EBITDA in 3Q through cost optimization.**
- As a result, the consol. loss narrowed to INR399m from INR559m in 3QFY23 (vs. est. loss INR458m).
- Indonesia loss stood at INR335m vs. INR447m loss in 3QFY23 and est. loss INR417m.

#### Key takeaways from the management commentary

- An increase in India restaurant traffic boosted SSSG. RBA has been seeing healthy traffic for the last three quarters.
- The management has maintained its GP margin guidance of 67% for FY24 and aims to achieve 69% by FY27.
- It has cut SSSG guidance by 300bp to 3% for FY24.
- Indonesia business was impacted by geopolitical headwinds (Israel-Palestine war). ADS declined 24% in 3QFY24, which was slowly building up and resulted in a 7% decline QoQ.
- The company is using a single-price menu strategy for its delivery business at attractive pricing and has increased its visibility on the platform. As a result, traffic in the delivery channels jumped almost 40%.

#### Valuation and view

- With an aggressive store addition outlook (18% CAGR), RBA is well placed to deliver a strong domestic growth. BK Café is likely to be a key growth driver going ahead. Along with rapid revenue growth, RBA is geared up to deliver EBITDA margin expansion, driven by a dine-in recovery, the addition of BK Café, and cost-saving initiatives.
- The near-term demand outlook looks weak, which may create pressure on growth metrics and margins during this phase.
- As more and more stores mature, improving contribution of new stores in the network would also support the margin recovery. Indonesia business should also witness a healthy revenue growth and margin expansion in the years ahead.
- We retain our BUY rating on RBA with our SoTP-based TP of INR140, premised on a Mar'26E EV/EBITDA (pre-Ind AS 116) of 35x/10x for its India/Indonesia business.

## Quarterly Standalone Performance

(INR m)

Y/E March	FY23				FY24E				FY23	FY24E	FY24 3QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>SSSG (%)</b>	<b>66.0</b>	<b>27.0</b>	<b>8.6</b>	<b>8.3</b>	<b>3.6</b>	<b>3.5</b>	<b>2.6</b>	<b>2.3</b>	<b>23.1</b>	<b>3.0</b>	<b>3.5</b>	
<b>No. of stores</b>	<b>328</b>	<b>334</b>	<b>379</b>	<b>391</b>	<b>396</b>	<b>404</b>	<b>441</b>	<b>460</b>	<b>391</b>	<b>460</b>	<b>457</b>	
<b>Net Sales</b>	<b>3,369</b>	<b>3,680</b>	<b>3,698</b>	<b>3,649</b>	<b>4,221</b>	<b>4,535</b>	<b>4,454</b>	<b>4,598</b>	<b>14,397</b>	<b>17,707</b>	<b>4,536</b>	-1.8
YoY change (%)	125.0	50.0	32.1	35.8	25.3	23.2	20.5	26.0	127.5	110.5	22.7	
<b>Gross Profit</b>	<b>2,236</b>	<b>2,443</b>	<b>2,454</b>	<b>2,422</b>	<b>2,806</b>	<b>3,031</b>	<b>2,990</b>	<b>3,090</b>	<b>9,555</b>	<b>11,917</b>	<b>3,030</b>	-1.3
Margin (%)	66.4	66.4	66.4	66.4	66.5	66.8	67.1	67.2	66.4	67.3	66.8	
<b>EBITDA</b>	<b>332</b>	<b>421</b>	<b>479</b>	<b>423</b>	<b>485</b>	<b>634</b>	<b>708</b>	<b>741</b>	<b>1,654</b>	<b>2,567</b>	<b>687</b>	3.0
EBITDA growth %	2,064.8	64.4	45.8	39.8	45.9	50.7	47.9	75.3	109.4	146.8	43.6	
Margin (%)	9.9	11.4	12.9	11.6	11.5	14.0	15.9	16.1	11.5	14.5	15.2	
Depreciation	461	426	434	481	507	494	522	530	1,802	2,055	494	
Interest	196	206	220	274	264	273	281	291	896	1,109	273	
Other Income	97	79	63	86	65	40	32	38	325	175	40	
<b>PBT</b>	<b>-227</b>	<b>-133</b>	<b>-112</b>	<b>-246</b>	<b>-222</b>	<b>-93</b>	<b>-64</b>	<b>-42</b>	<b>-718</b>	<b>-421</b>	<b>-40</b>	58.6
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Adjusted PAT</b>	<b>-227</b>	<b>-133</b>	<b>-112</b>	<b>-246</b>	<b>-222</b>	<b>-93</b>	<b>-64</b>	<b>-42</b>	<b>-718</b>	<b>-421</b>	<b>-40</b>	58.6
YoY change (%)	12.4	-12.5	-15.1	NM	-2.6	-29.6	-42.8	-82.9	87.6	-41.7	-63.9	

E: MOFSL Estimates

## Quarterly Consolidated Performance

(INR m)

Y/E March	FY23				FY24E				FY23	FY24E	FY24 3QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>No. of stores</b>	<b>503</b>	<b>513</b>	<b>558</b>	<b>577</b>	<b>575</b>	<b>578</b>	<b>628</b>	<b>675</b>	<b>577</b>	<b>668</b>	<b>644</b>	
<b>Net Sales</b>	<b>4,892</b>	<b>5,248</b>	<b>5,263</b>	<b>5,140</b>	<b>6,108</b>	<b>6,249</b>	<b>6,042</b>	<b>6,376</b>	<b>20,543</b>	<b>24,674</b>	<b>6,431</b>	-6.0
YoY change (%)	64.4	46.8	20.9	28.6	24.8	19.1	14.8	24.1	37.8	20.1	22.2	
<b>Gross Profit</b>	<b>3,148</b>	<b>3,391</b>	<b>3,350</b>	<b>3,297</b>	<b>3,912</b>	<b>4,013</b>	<b>3,891</b>	<b>4,107</b>	<b>13,186</b>	<b>15,923</b>	<b>4,125</b>	-5.7
Margin (%)	64.3	64.6	63.6	64.1	64.0	64.2	64.4	64.4	64.2	64.5	64.1	
Total Exp	4,600	4,996	4,966	4,866	5,625	5,687	5,359	5,592	19,428	22,160	5,819	
<b>EBITDA</b>	<b>292</b>	<b>251</b>	<b>297</b>	<b>274</b>	<b>483</b>	<b>562</b>	<b>684</b>	<b>784</b>	<b>1,115</b>	<b>2,513</b>	<b>611</b>	11.8
EBITDA growth %	167.6	82.6	-42.5	35.3	65.3	123.7	130.0	186.5	15.3	125.5	105.7	
Margin (%)	6.0	4.8	5.6	5.3	7.9	9.0	11.3	12.3	5.4	10.2	9.5	
Depreciation	700	668	676	796	787	786	801	758	2,840	3,133	786	
Interest	231	241	259	320	307	315	317	322	1,052	1,261	315	
Other Income	130	107	80	43	71	33	35	61	360	200	33	
<b>PBT</b>	<b>-509</b>	<b>-551</b>	<b>-559</b>	<b>-800</b>	<b>-541</b>	<b>-507</b>	<b>-399</b>	<b>-234</b>	<b>-2,418</b>	<b>-1,681</b>	<b>-458</b>	N/M
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Adjusted PAT</b>	<b>-509</b>	<b>-551</b>	<b>-559</b>	<b>-800</b>	<b>-541</b>	<b>-507</b>	<b>-399</b>	<b>-234</b>	<b>-2,418</b>	<b>-1,681</b>	<b>-458</b>	N/M
YoY change (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

## Exhibit 3: Valuation on pre Ind AS EBITDA

Mar'26	India	Indonesia
EBITDA	2.4	0.1
Multiple	35x	10x
Implied EV	83.6	0.6
Total Implied EV	84.2	
Net debt	14.8	
Implied Equity value	69.4	
No. of shares	0.5	
Target Price	140	
CMP	114	
Up/(down) side (%)	23%	

**Exhibit 4: Change in estimates**

	FY24	FY25
Revenue- old	25,737	32,337
Revenue- New	24,674	30,168
Change	-4%	-7%
GP- old	16,576	21,038
GP- New	15,923	19,525
Change	-4%	-7%
GM- old	64.4%	65.1%
GM- New	64.5%	64.7%
Change	0.1%	-0.3%
EBITDA- old	2,553	3,712
EBITDA- New	2,513	3,582
Change	-2%	-3%
EBITDAM- old	9.9%	11.5%
EBITDAM- New	10.2%	11.9%
Change	0.3%	0.4%

**Key takeaways from the management commentary****India business**

- An increase in India restaurant traffic boosted SSSG. RBA has been seeing healthy traffic for the last three quarters.
- Most of the store adds were in the second half of Dec'23. Hence, the benefit from the store adds would be seen in the upcoming quarters.
- ROM margins increased 180bp YoY to 12.2%, in which 50bp improvement YoY was led by a decrease in marketing expenses.
- India business achieved PBT breakeven on Pre IND-AS 116 basis for the second consecutive quarter.

**Cost and margins**

- RBA has tightened expenses at the store level, which led to a moderation in other operating expenses despite store additions.
- Marketing expenses are distributed differentially throughout the quarter, yet total expenditure for the full year is 5%.
- The management cut the SSSG guidance by 300bp to 3% for FY24 (earlier 6%).
- It has maintained the GP margin guidance of 67% for FY24 and targets to achieve 69% by FY27.

**Indonesia business**

- Indonesia business was impacted by geopolitical headwinds (Israel-Palestine war).
- ADS declined 24% in 3QFY24, which was slowly building up and resulted in a 7% decline QoQ.
- Delivery now contributes +40% in revenue share.
- In Indonesia, the fried chicken market is highly competitive, and success in this category hinges on product quality.
- Demand weakened after Oct'23, with the dine-in business down 30-32%.

- The management targets to achieve 60% gross profit margin in the next three years, with Burger King stores currently delivering 57-58% margin and Popeyes exhibiting stronger gross margins.
- Anticipated improvements in gross profit margins with the opening of additional Popeye stores.
- The company closed 20 Burger King stores during the quarter, resulting in lower occupancy and lower other expenses.

**Indonesia strategy**

- Indonesia is a crispy chicken market.
- Strategic pillar growth: Focus remains on chicken, burgers, and desserts with value proposition.
- Due to geopolitical headwinds, RBA has shifted its breakeven guidance to FY25.
- Capital allocation will be focused on Popeyes rather than Burger King.

**New products launched**

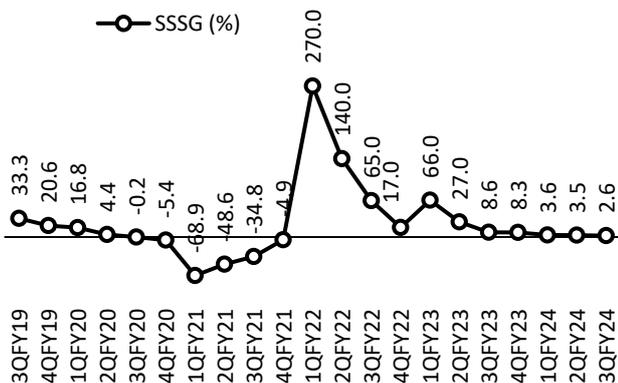
- Added price point of INR149 for Chicken Meals
- Launched Boss Whopper LTO, Crunchy Chicken Nuggets
- Renovated BK Chicken patty which has 50% more chicken
- Strengthened Café Food/Dessert portfolio with launch of New Softer and Fluffier Muffins
- Indonesia- Indulgent desserts innovation every 2-3 months

**Others**

- The company is using a single-price menu strategy for its delivery business at attractive pricing, and has increased its visibility on the platform. As a result, traffic in the delivery channels jumped almost 40%.
- Cafe is a long-term project that will slowly convert customers into buyers of combos and coffee.
- The company is launching premium wraps at a price point of INR199, which is consistent with the King's Collection menu.

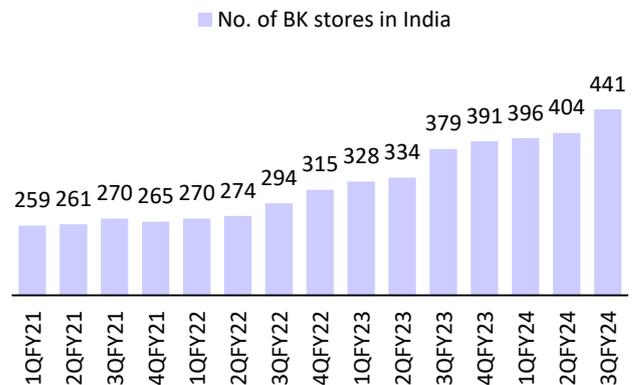
**Key exhibits**

**Exhibit 1: SSSG came in at 2.6%**



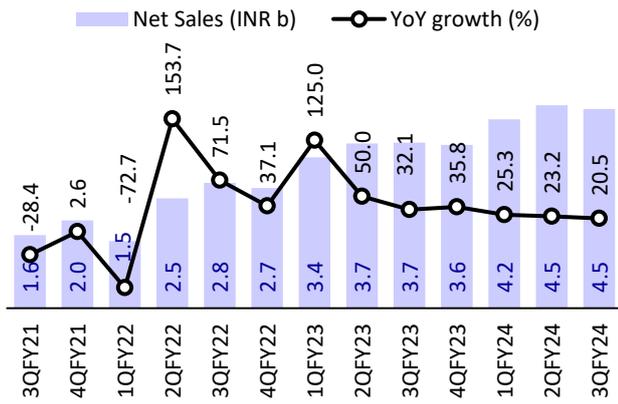
Source: Company, MOFSL

**Exhibit 2: Added net 37 stores (16% YoY) in 3QFY24**



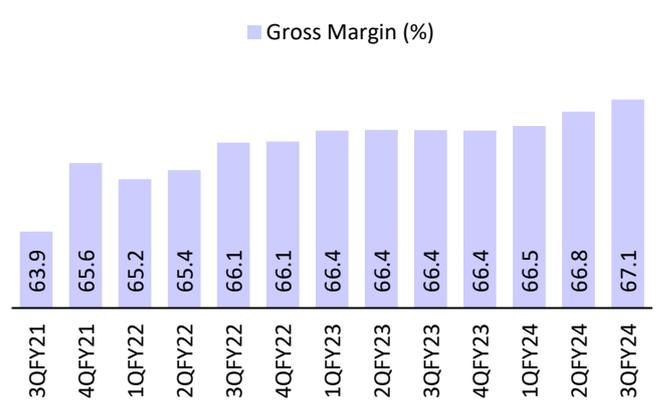
Source: Company, MOFSL

**Exhibit 3: Net sales up 20.5% YoY, led by SSSG and store add**



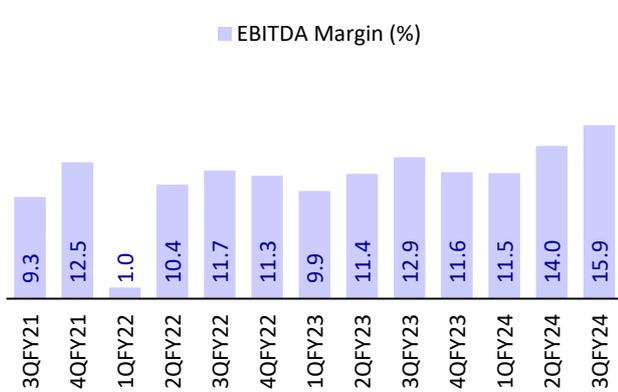
Source: Company, MOFSL

**Exhibit 4: Gross margin improves 70bp YoY in 3QFY24**



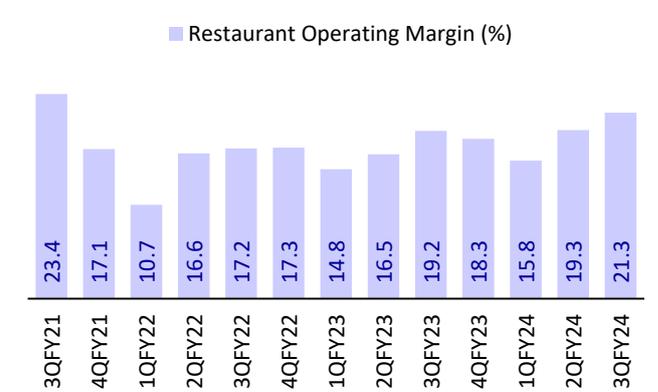
Source: Company, MOFSL

**Exhibit 5: EBITDA margin improves 300bp YoY in 3QFY24**



Source: Company, MOFSL

**Exhibit 6: ROM margin improves 210bp YoY in 3QFY24**



Source: Company, MOFSL

## Financials and valuations

Income Statement - Consolidated								(INR m)
Y/E March	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>Net Sales</b>	<b>6,327</b>	<b>8,412</b>	<b>10,040</b>	<b>14,903</b>	<b>20,543</b>	<b>24,674</b>	<b>30,168</b>	<b>36,513</b>
Change (%)	67.3	33.0	19.3	48.4	37.8	20.1	22.3	21.0
Material Consumed	2,301	3,015	3,968	5,497	7,357	8,751	10,643	12,636
<b>Gross Profit</b>	<b>4,027</b>	<b>5,397</b>	<b>6,072</b>	<b>9,406</b>	<b>13,186</b>	<b>15,923</b>	<b>19,525</b>	<b>23,877</b>
Gross Margin %	63.6	64.2	60.5	63.1	64.2	64.5	64.7	65.4
Operating expenses	3,237	4,357	5,822	8,439	12,071	13,409	15,942	18,909
<b>EBITDA</b>	<b>790</b>	<b>1,040</b>	<b>250</b>	<b>966</b>	<b>1,115</b>	<b>2,513</b>	<b>3,582</b>	<b>4,968</b>
Change (%)	872.0	31.7	-76.0	287.3	15.3	125.5	42.5	38.7
Margin (%)	12.5	12.4	2.5	6.5	5.4	10.2	11.9	13.6
Depreciation	822	1,164	2,289	2,336	2,840	3,133	3,186	3,718
Int. and Fin. Ch.	465	655	1,044	954	1,052	1,261	1,107	1,151
Other Non-recurring Inc.	114	56	341	224	360	200	250	300
<b>PBT</b>	<b>-383</b>	<b>-722</b>	<b>-2,744</b>	<b>-2,099</b>	<b>-2,418</b>	<b>-1,681</b>	<b>-460</b>	<b>399</b>
Change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	L/P
Margin (%)	-6.0	-8.6	-27.3	-14.1	-11.8	-6.8	-1.5	1.1
Tax	0	0	0	0	0	0	0	0
Tax Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted PAT</b>	<b>-383</b>	<b>-722</b>	<b>-2,744</b>	<b>-2,099</b>	<b>-2,418</b>	<b>-1,681</b>	<b>-460</b>	<b>399</b>
Change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	L/P
Margin (%)	-6.0	-8.6	-27.3	-14.1	-11.8	-6.8	-1.5	1.1
Non-rec. (Exp)/Inc.	0	-43	-77	-252	0	0	0	0
<b>Reported PAT</b>	<b>-383</b>	<b>-766</b>	<b>-2,821</b>	<b>-2,351</b>	<b>-2,418</b>	<b>-1,681</b>	<b>-460</b>	<b>399</b>

Balance Sheet - Consolidated								(INR m)
Y/E March	2019	2020	2021	2022	2023	2024E	2025E	2026E
Share Capital	2,650	2,777	3,830	4,927	4,946	4,946	4,946	4,946
Reserves	-154	-23	-2,981	5,478	3,309	1,628	1,168	1,566
Minority Interest			252	277	207	207	207	207
<b>Net Worth</b>	<b>2,496</b>	<b>2,754</b>	<b>1,101</b>	<b>10,682</b>	<b>8,462</b>	<b>6,781</b>	<b>6,320</b>	<b>6,719</b>
Loans	1,000	1,985	2,444	1,419	1,648	1,648	1,648	1,648
Lease Liabilities	4,740	5,977	6,569	7,449	10,027	10,566	11,456	12,401
<b>Capital Employed</b>	<b>8,237</b>	<b>10,717</b>	<b>10,114</b>	<b>19,551</b>	<b>20,137</b>	<b>18,995</b>	<b>19,424</b>	<b>20,768</b>
Gross Block	10,032	13,558	21,633	25,076	31,883	36,216	40,848	46,871
Less: Accum. Deprn.	2,107	3,191	7,726	9,941	12,321	15,454	18,640	22,358
<b>Net Fixed Assets</b>	<b>7,926</b>	<b>10,367</b>	<b>13,906</b>	<b>15,135</b>	<b>19,562</b>	<b>20,762</b>	<b>22,209</b>	<b>24,513</b>
ROU Asset	0	0	0	0	0	0	0	0
Capital WIP	202	476	475	181	322	322	322	322
Investments	384	186	1,243	4,023	1,469	734	0	0
Deferred tax assets	8	10	0	0	0	0	0	0
<b>Curr. Assets, L&amp;A</b>	<b>684</b>	<b>938</b>	<b>4,010</b>	<b>4,483</b>	<b>3,580</b>	<b>2,859</b>	<b>2,094</b>	<b>1,776</b>
Inventory	69	94	196	228	315	406	234	284
Account Receivables	59	32	86	134	169	216	117	142
Cash and Bank Balance	160	280	2,777	2,772	1,552	771	350	165
Others	397	531	951	1,349	1,544	1,467	1,394	1,185
<b>Curr. Liab. and Prov.</b>	<b>968</b>	<b>1,260</b>	<b>9,520</b>	<b>4,271</b>	<b>4,795</b>	<b>5,586</b>	<b>5,264</b>	<b>5,852</b>
Other Current Liabilities	283	224	6,538	1,187	1,508	1,809	2,081	2,393
Creditors	609	816	2,456	2,587	2,675	3,042	2,339	2,487
Provisions	76	220	527	497	612	735	845	972
<b>Net Curr. Assets</b>	<b>-284</b>	<b>-322</b>	<b>-5,510</b>	<b>213</b>	<b>-1,215</b>	<b>-2,727</b>	<b>-3,170</b>	<b>-4,076</b>
<b>Appl. of Funds</b>	<b>8,237</b>	<b>10,717</b>	<b>10,114</b>	<b>19,551</b>	<b>20,137</b>	<b>19,092</b>	<b>19,360</b>	<b>20,759</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios - Consolidated

Y/E March	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>Basic (INR)</b>								
EPS	-1.4	-2.6	-7.2	-4.3	-4.9	-3.4	-0.9	0.8
BV/Share	9.4	9.9	2.9	21.7	17.1	13.7	12.8	13.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>								
P/E	N/M	N/M	N/M	N/M	N/M	N/M	N/M	141.7
EV/Sales	5.6	4.7	4.9	3.9	3.2	2.7	2.3	1.9
EV/EBITDA	44.9	37.7	195.3	60.4	58.4	26.7	19.3	14.2
P/BV	12.1	11.5	39.7	5.3	6.7	8.3	8.9	8.4
<b>Return Ratios (%)</b>								
RoE	-14.3	-27.5	-142.3	-35.6	-25.3	-22.1	-7.0	6.1
RoCE	1.1	-0.7	-16.3	-7.7	-6.9	-2.1	3.4	7.7
RoIC	-0.5	-1.4	-26.5	-15.1	-11.8	-3.6	2.2	6.4
<b>Working Capital Ratios</b>								
Debtor (Days)	3	1	3	3	3	3	1	1
Inventory (Days)	4	4	7	6	6	6	3	3
Creditor (Days)	35	35	89	63	48	45	28	25
Asset Turnover (x)	0.8	0.8	1.0	0.8	1.0	1.3	1.6	1.8
<b>Leverage Ratio</b>								
Debt/Equity (x)	2.3	2.9	8.2	0.8	1.4	1.8	2.1	2.1

### Cash Flow Statement - Consolidated

Y/E March	2019	2020	2021	2022	2023	2024E	2025E	2026E
(INR m)								
OP/(loss) before Tax	-386	-776	-2,821	-2,352	-2,418	-1,681	-460	399
Int./Div. Received	-83	-1	-530	32	-212	-200	-250	-300
Depreciation & Amort.	822	1,164	2,367	2,364	2,867	3,133	3,186	3,718
Interest Paid	-448	-635	-1,003	-864	-983	-1,261	-1,107	-1,151
Direct Taxes Paid	2	2	22	54	36	0	0	0
Inc/(Dec) in WC	-66	-108	-484	162	-59	-730	-22	-721
<b>CF from Operations</b>	<b>865</b>	<b>1,127</b>	<b>480</b>	<b>692</b>	<b>1,243</b>	<b>3,244</b>	<b>3,605</b>	<b>5,689</b>
Inc/(Dec) in FA	-1,654	-2,275	-678	-1,379	-3,313	-2,513	-2,433	-3,823
<b>Free Cash Flow</b>	<b>-789</b>	<b>-1,148</b>	<b>-198</b>	<b>-687</b>	<b>-2,070</b>	<b>731</b>	<b>1,172</b>	<b>1,866</b>
Others	0	0	273	-5,805	831	-270	324	404
Pur of Investments	515	209	-1,042	-2,723	2,665	734	734	0
<b>CF from Invest.</b>	<b>-1,140</b>	<b>-2,066</b>	<b>-1,448</b>	<b>-9,907</b>	<b>183</b>	<b>-2,048</b>	<b>-1,374</b>	<b>-3,419</b>
Issue of Shares	1,000	0	5,622	13,585	0	0	0	0
Incr in Debt	0	2,007	-985	-1,116	169	0	0	0
Dividend Paid	0	0	0	0	0	0	0	0
Others	-639	-948	-1,070	-1,346	-1,870	-2,192	-2,361	-2,511
<b>CF from Fin. Activity</b>	<b>361</b>	<b>1,059</b>	<b>3,568</b>	<b>11,123</b>	<b>-1,702</b>	<b>-2,192</b>	<b>-2,361</b>	<b>-2,511</b>
<b>Incr/Decr of Cash</b>	<b>86</b>	<b>120</b>	<b>2,600</b>	<b>1,908</b>	<b>-276</b>	<b>-996</b>	<b>-131</b>	<b>-241</b>
Add: Opening Balance	74	160	176	865	1,828	1,552	556	425
<b>Closing Balance</b>	<b>160</b>	<b>280</b>	<b>2,777</b>	<b>2,772</b>	<b>1,552</b>	<b>556</b>	<b>425</b>	<b>184</b>

E: MOFSL Estimates

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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

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