

Restaurant Brands Asia

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	RBA IN
Equity Shares (m)	582
M.Cap.(INRb)/(USDb)	47.6 / 0.6
52-Week Range (INR)	119 / 59
1, 6, 12 Rel. Per (%)	0/-2/-33
12M Avg Val (INR M)	263

Financials & Valuations (INR b)

Y/E March (INR b)	FY25	FY26E	FY27E
Sales	25.5	29.5	34.4
Sales growth (%)	4.7	15.5	16.6
EBITDA	2.7	4.1	5.7
Margins (%)	10.7	13.8	16.7
Adj. PAT	-2.3	-1.4	-0.2
Adj. EPS (INR)	-4.0	-2.4	-0.4
EPS Growth (%)	N/M	N/M	N/M
BV/Sh.(INR)	15.4	13.0	12.6
Ratios			
RoE (%)	-30.6	-16.7	-3.3
RoCE (%)	-3.0	1.1	5.7
Valuations			
P/E (x)	N/M	N/M	N/M
P/BV (x)	5.3	6.3	6.5
EV/EBITDA (x)	16.5	11.8	8.3
pre Ind-AS EV/EBITDA (x)	121.9	44.5	19.7
EV/Sales (x)	1.8	1.6	1.4

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	11.3	13.2	15.4
DII	40.5	38.9	23.2
FII	20.4	15.3	24.9
Others	27.9	32.7	36.6

FII Includes depository receipts

CMP: INR82

TP: INR135 (+65%)

Buy

Best performer in dine-in; cost initiatives drive margins

- Restaurant Brands Asia (RBA) posted a 12% YoY India revenue growth (in-line), led by a 13% YoY increase in store additions. The same-store sales rose 5%, led by dine-in traffic growth and value offerings. The company remained an outperformer among the dine-in players.
- India GM was up 10bp YoY/ flat QoQ to 67.8% (est. 68.2). The RM inflation has been offset through supply chain efficiencies. We model ~68.0-68.5% GM for FY26 and FY27.
- India ROM (pre-Ind-AS) increased 51% YoY to INR516m. Margins were up 270bp YoY to 10.5%. EBITDA margins (Pre-Ind-AS) expanded 300bp YoY to 5.4%. EBITDA was up by 150% to INR266mn. RBA plans to continue enhancing its delivery profitability by optimizing its pricing, improvising its menu, and cutting fixed costs such as utilities.
- RBA's Indonesia revenue declined 10% YoY, hurt by geopolitical crises and store closures (7 BK stores were closed in FY25). Indonesia BK is showing early signs of improvement as SSSG rose 2% YoY and ADS increased 5% YoY. Indonesia ROM (pre-IND AS) posted a loss of INR27m in 4QFY25 (vs. a profit of INR16m in 4QFY24 and a loss of INR70m in 3QFY25).
- RBA's consol. revenue rose 6% YoY to INR6.3b. Consol. EBITDA (Pre-IND-AS) margin expanded 280bp YoY to 2.3%. Reported EBITDA dipped 11% YoY to INR772m and margin contracted 240bp YoY to 12.2%. High depreciation (up 19% YoY) and lower other income (down 17% YoY) led to a consolidated loss of INR604m.
- With a focus on improving store unit economics in India and sustaining store rollouts, the India story looks very promising. The company has outperformed other dine-in peers on all fronts in FY25. Indonesia has seen early positive signs; we need to monitor the near-term trend to predict any recovery. The company is taking several initiatives to control costs in Indonesia to lower its losses. **We reiterate our BUY rating with a TP of INR135. We value the India business at 30x FY27E EV/EBITDA (pre-IND-AS) and Indonesia EV at INR5b (based on ~0.75x EV/sales FY27E).**

India delivers 5% SSSG; Indonesia shows signs of improvement

India business

- **India SSSG up 5%:** The India business revenue rose 12% YoY to INR4.9b (est. INR5.0b), led by a 13% YoY store addition. The same-store sales grew 5.1% (est. of 3.4%), led by dine-in traffic growth and value offerings. The India business ADS was up 3% YoY to INR108k. The company added three stores in 4QFY25 in India, taking the total store count to 513. The BK Café store count reached 464 (90% of the total BK stores).
- **Margin expansion:** India GP was up 12% YoY to INR3.3b (est. INR3.4), and margin inched up 10bp YoY/flat QoQ at 67.8% as inflation was offset by supply chain efficiencies. India ROM (pre-Ind-AS) increased 51% YoY to INR516m. Margin expanded 270bp YoY to 10.5% (est. 10%). EBITDA (Pre Ind AS) jumped 151% YoY to INR266m; margin expanded 300bp YoY to 5.4%. EBITDA (Post-Ind-AS) was up 41% YoY to INR777m (est. of INR723m), and margin expanded 330bp YoY to 15.9% (est. 14.3%).

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.

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

- Higher depreciation and interest led to a loss in the India business of INR254m in 4QFY25. (estimated loss at INR119m).
- In FY25, the India business delivered 1% SSSG, and revenue grew 12% YoY. EBITDA (Pre-Ind-AS) was up 32% YoY to INR994m.

Indonesia business – Showing signs of improvement

- Indonesia revenue declined by 10% YoY to INR1,428m due to store closures (4% YoY dip in BK store count) and geopolitical headwinds.
 - BK's ADS up 5% YoY at IDR18.5m
 - The same-store sales grew 2% YoY (-4% in 3QFY25).
 - The company closed four BK stores during the quarter (143 BK stores/25 Indonesian Popeyes stores).
- Indonesia GP declined 7% YoY to INR807m, with gross margin expansion of 190bp YoY to 56.5% (57.8% in 3QFY25).
- RBA posted an operating loss (Post-IND-AS) of INR5m in 4QFY25 vs. a loss of INR62m in 3QFY25 and a profit of INR320m in 4QFY24.
- Indonesia ROM (Pre-IND-AS) reported a loss of INR27m in 4QFY25 vs. a loss of INR70m in 3QFY25 and a profit of INR16m in 4QFY24.
- RBA posted an operating loss (Pre-IND-AS) of INR120m vs. a loss of 138m in 4QFY24.
- In FY25, Indonesia reported a revenue decline of 14% due to store rationalization and geopolitical headwinds. BK's same-store sales declined 6% YoY due to geopolitical headwinds.

Consolidated business

- Consol. revenue was up 6% YoY to INR6.3b. Consol GP rose 8% YoY to INR4.1b, and margin expanded 100bp YoY, while it contracted 30bp QoQ to 65.3%.
- Consol. reported EBITDA (Post-IND-AS) was down 11% YoY to INR772m, and the margin contracted 240bp YoY to 12.2%.
- High depreciation (up 19% YoY) and lower other income (down 17% YoY) led to a consolidated loss of INR604m.

Key takeaways from the management commentary

- In FY25, dine-in traffic grew 9% YoY, backed by value offerings. Moreover, RBA clocked 3x growth in dine-in app transactions over FY24.
- The company has rolled out a new initiative called King's Journey. Significant investments in digital sales channels have resulted in 90% of dine-in orders at certain locations being placed through digital platforms, including self-ordering kiosks (SOKs) and the BK App.
- In Indonesia, the company has no plans for store expansion for both Burger King and Popeyes, instead prioritizing profitability by strengthening its dine-in business and optimizing the store portfolio.
- RBA launched an authentic Korean Spicy Fest, capitalizing on the culture and flavor trends – Korean Paneer Burger, Korean Chicken Burger, Korean Boneless Chicken, Korean Chicken Wings, and Korean Fries.

Valuation and view

- There are no material changes to our EBITDA estimates for FY26 and FY27.
- In FY25, the India business reported 1% same-store sales growth (SSSG), driven by a 9% increase in dine-in traffic and strong traction in value offerings. Unlike most QSR peers (barring JUBI), RBA delivered positive SSSG during the year.

- RBA's store addition during the quarter remained slow; however, it plans to open 60-80 new restaurants every year in India and plans to have 800 restaurants by FY29 (513 stores by FY25), leading to strong store-led growth. BK Café and cost efficiencies are likely to be a key growth and margin driver over the medium term. EBITDA margin should also improve with the improvement in dine-in traffic, better traction/penetration of BK Café, and other cost-saving initiatives.
- As more and more stores mature, improving the contribution of new stores in the network would also support the margin recovery. The Indonesian business should also witness a healthy revenue growth and margin expansion in the medium term, as the company has rationalized its portfolio by closing the non-performing stores.
- **We reiterate our BUY rating with a TP of INR135. We value the India business at 30x FY27E EV/EBITDA (pre-IND-AS) and Indonesia's EV at INR5b (based on ~0.75x EV/sales FY27E).**

Quarterly Standalone Performance

(INR m)

Y/E March	FY24				FY25				FY24	FY25	FY25 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
SSSG (%)	3.6%	3.5%	2.6%	1.9%	3.1%	-3.0%	-0.5%	5.1%	2.9%	1.1%	3.4%	
No. of stores	396	404	441	455	456	464	510	513	455	513	510	
Net Sales	4,221	4,535	4,454	4,391	4,905	4,921	4,954	4,898	17,601	19,678	5,044	-2.9
YoY change (%)	25.3	23.2	20.5	20.3	16.2	8.5	11.2	11.6	22.3	11.8	14.9	
Gross Profit	2,806	3,031	2,990	2,971	3,318	3,322	3,361	3,322	11,798	13,322	3,440	-3.4
Margin (%)	66.5	66.8	67.1	67.7	67.6	67.5	67.8	67.8	67.0	67.7	68.2	
EBITDA	485	634	708	551	618	700	789	777	2,377	2,890	723	7.5
EBITDA growth %	45.9	50.7	47.9	30.3	27.5	10.3	11.5	41.1	128.6	1,058.3	31.3	
Margin (%)	11.5	14.0	15.9	12.5	12.6	14.2	15.9	15.9	13.5	14.7	14.3	
Depreciation	507	494	522	586	633	611	632	670	2,110	2,546	622	
Interest	264	273	281	324	319	326	364	403	1,141	1,411	300	
Other Income	65	40	32	48	64	71	21	42	185	192	79	
PBT	-222	-93	-64	-310	-269	-166	-186	-254	-689	-876	-119	
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	
Adjusted PAT	-222	-93	-64	-310	-269	-166	-186	-254	-689	-876	-119	
YoY change (%)	NM	NM	NM									

E: MOFSL Estimates

Quarterly Consolidated Performance

(INR m)

Y/E March	FY24				FY25				FY24	FY25	FY25 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
No. of stores	575	578	628	630	630	638	682	681	630	681	680	
Net Sales	6,108	6,249	6,042	5,971	6,467	6,324	6,391	6,325	24,371	25,508	6,510	-2.8
YoY change (%)	24.8	19.1	14.8	16.2	5.9	1.2	5.8	5.9	18.6	4.7	9.0	
Gross Profit	3,912	4,013	3,891	3,836	4,171	4,104	4,191	4,129	15,651	16,595	4,254	-2.9
Margin (%)	64.0	64.2	64.4	64.2	64.5	64.9	65.6	65.3	64.2	65.1	65.4	
Other expenses	3,429	3,400	3,184	2,964	3,513	3,492	3,465	3,357	12,990	13,858	3,528	
EBITDA	483	612	707	871	658	612	727	772	2,661	2,737	727	6.2
EBITDA growth %	65.3	143.6	137.8	218.3	36.3	0.0	2.8	-11.4	138.8	2.9	-16.6	
Margin (%)	7.9	9.8	11.7	14.6	10.2	9.7	11.4	12.2	10.9	10.7	11.2	
Depreciation	787	786	801	1,187	916	907	934	958	3,561	3,715	991	
Interest	307	315	317	473	374	380	397	457	1,412	1,609	361	
Other Income	71	33	35	46	145	21	57	38	185	259	73	
PBT	-541	-457	-376	-742	-488	-655	-547	-604	-2,128	-2,328	-552	
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	
Adjusted PAT	-541	-457	-376	-742	-488	-655	-547	-604	-2,128	-2,328	-552	
YoY change (%)	NM	NM	NM									

E: MOFSL Estimates

Key Performance Indicators

Particulars (INR m)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
India Business								
No. of stores	396	404	441	455	456	464	510	513
Net store addition	5	8	37	14	1	8	46	3
SSSG (%)	3.6%	3.5%	2.6%	1.9%	3.1%	-3.0%	-0.5%	5.1%
Net sales (INR m)	4,221	4,535	4,454	4,391	4,905	4,921	4,954	4,898
YoY growth (%)	25%	23%	20%	20%	16%	9%	11%	12%
ADS (INR '000)	120.0	126.0	119.0	105.0	119.0	118.0	114.0	108.0
Gross Profits (INRm)	2,806	3,031	2,990	2,971	3,318	3,322	3,361	3,322
Gross Margins (%)	66.5%	66.8%	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%
Restaurant EBITDA (Pre -Ind AS)	338	484	543	342	435	521	596	516
<i>Restaurant EBITDA Margin (%)</i>	8.0%	10.7%	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%
EBITDA (Pre -Ind AS)	101	243	302	106	175	244	309	266
<i>EBITDA Margin (%)</i>	2.4%	5.4%	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%
EBITDA (Post -Ind AS)	485	634	708	551	618	700	789	777
<i>EBITDA Margin (%)</i>	11.5%	14.0%	15.9%	12.5%	12.6%	14.2%	15.9%	15.9%
PBT (INR m)	-221.5	-93.4	-64.1	-310.4	-269.5	-165.8	-186.3	-254.2
PBT margin (%)	-5.2%	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%
PAT (INR m)	-221.5	-93.4	-64.1	-310.4	-269.5	-165.8	-186.3	-254.2
PAT margin (%)	-5.2%	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%
Indonesia								
Stores	179	174	187	175	174	174	172	168
Net store addition	3	-5	13	-12	-1	0	-2	-4
Net sales (INR m)	1,887	1,714	1,588	1,581	1,562	1,403	1,437	1,428
YoY growth (%)	24%	9%	1%	6%	-17%	-18%	-10%	-10%
Gross Profits (INR m)	1,106	982	900	864	853	783	830	807
Gross Margins (%)	58.6%	57.3%	56.7%	54.7%	54.6%	55.8%	57.8%	56.5%
Restaurant EBITDA (Pre -Ind AS)	4	-17	21	16	25	-67	-70	-27
<i>Restaurant EBITDA Margin (%)</i>	0.2%	-1.0%	1.3%	1.0%	1.6%	-4.8%	-4.9%	-1.9%
Company EBITDA (Pre -Ind AS)	-125	-149	-130	-138	-89	-206	-175	-120
<i>Company EBITDA Margin (%)</i>	-6.6%	-8.7%	-8.2%	-8.7%	-5.7%	-14.7%	-12.2%	-8.4%
PBT (INR m)	-319	-363	-312	-432	-218	-489	-361	-350
PBT margin (%)	-16.9%	-21.2%	-19.7%	-27.3%	-14.0%	-34.8%	-25.1%	-24.5%
PAT (INR m)	-319	-363	-312	-432	-218	-489	-361	-350
PAT margin (%)	-16.9%	-21.2%	-19.7%	-27.3%	-14.0%	-34.8%	-25.1%	-24.5%
Consolidated Business								
No. of stores	575	578	628	630	630	638	682	681
Net store addition	8	3	50	2	-	8	44	(1)
Net sales (INR m)	6,108	6,249	6,042	5,971	6,467	6,324	6,391	6,325
YoY growth (%)	25%	19%	15%	16%	6%	1%	6%	6%
Gross Profits (INRm)	3,912	4,013	3,891	3,836	4,171	4,104	4,191	4,129
Gross Margins (%)	64.0%	64.2%	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%
Restaurant EBITDA (Pre -Ind AS)	342	466	564	360	460	454	526	489
<i>Restaurant EBITDA Margin (%)</i>	5.6%	7.5%	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%
EBITDA (Pre -Ind AS)	-19	94	172	-30	87	38	133	146
<i>EBITDA Margin (%)</i>	-0.3%	1.5%	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%
EBITDA (Post -Ind AS)	483	612	707	871	658	612	727	772
<i>EBITDA Margin (%)</i>	7.9%	9.8%	11.7%	14.6%	10.2%	9.7%	11.4%	12.2%
PBT (INR m)	-541	-457	-376	-742	-488	-655	-547	-604
PBT margin (%)	-8.8%	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%
PAT (INR m)	-541	-457	-376	-742	-488	-655	-547	-604
PAT margin (%)	-8.8%	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%



Key takeaways from the management commentary

Business environment

- In 4QFY25, the company achieved ADS of INR108,000 backed by 5.1% SSSG, which was led by dine-in traffic growth and a strong focus on value offerings. FY25 India SSSG stood at 1.1%
- The company is actively driving in-store visits by introducing attractive offers and new menu innovations.
- In FY25, dine-in traffic grew 9% YoY, backed by value offerings. Moreover, they saw 3x growth in dine-in App transactions over FY24.
- With 464 Café restaurants in India, BK Café is now present in 90% of restaurants, up from 77% in FY24.
- BK Café is gaining traction through menu expansion, product trials, and social media engagement.
- The company remains focused on driving traffic into its restaurants and continuing to focus on both delivery and restaurant-level profitability.
- Cumulative 18m Burger King app has been installed, showing 28% YoY growth.
- The company has rolled out a new initiative called King's Journey. Significant investments in digital sales channels have resulted in 90% of dine-in orders at certain locations being placed through digital platforms, including Self-Ordering Kiosks (SOKs) and the BK App.
- BK plans to open 60-80 new restaurants every year and plans to have 800 restaurants by FY29 from the current 513 restaurants.
- Earlier, the company was opening most stores in 3Q, but now it will be more spread out across the year.

Indonesia business

- The Indonesian business is seeing early green shoots of recovery.
- 4QFY25 saw ~10% decline in sales due to store rationalization & geopolitical headwinds. However, the SSSG grew 2% during the quarter.
- April and May have been positive for BK.
- RBA has taken some price hikes to pass on the beef price inflation.
- Dine-in channel ADS for the period Nov 24 – Apr 25 is higher by 10% YoY.
- RBA continued the rationalization of stores and renegotiation of rentals, and closed eight stores during the year. Management indicated that it may rationalize the portfolio further.
- The management expects INR450m of G&A reduction in FY26.
- The company is also investing in marketing campaigns to enhance brand awareness and drive customer engagement.
- In Indonesia, the company has no plans for store expansion for both Burger King and Popeyes, instead prioritizing profitability by strengthening its dine-in business and optimizing the store portfolio.
- The company will take a call on Indonesia market operations over next 2-3 quarters.

Cost and Margins

- RBA remains focused on driving efficiencies across its P&L through initiatives aimed at reducing utilities, rentals, and other fixed costs.
- To strengthen profitability, the company plans to enhance delivery margins by optimizing pricing, refining the menu mix, and streamlining operational expenses.
- RBA continues to maintain profitability through disciplined cost management and operational efficiencies, ensuring sustainable financial performance.
- RM inflation is offset through supply chain efficiencies. The management expects an annual increase of 0.5-0.7% over the next four years.
- Capex per restaurant in India is INR27m.
- No plans to open new restaurants in Indonesia.

Product Innovation

- In India, launched new range of Iced Coffees.
- Made Mutton protein more accessible by launching Mutton Whopper Jr. INR199.
- Launched authentic Korean Spicy fest capitalizing on culture and flavor trend - Korean Paneer Burger, Korean Chicken Burger, Korean Boneless Chicken, Korean Chicken Wings, Korean Fries.
- In India, the company continued to strengthen its snacking portfolio with the Veg Pizza Puff.

Valuation and view

- There are no material changes to our EBITDA estimates for FY26 and FY27.
- In FY25, the India business reported 1% same-store sales growth (SSSG), driven by a 9% increase in dine-in traffic and strong traction in value offerings. Unlike most QSR peers (barring JUBI), RBA delivered positive SSSG during the year.
- RBA's store addition during the quarter remained slow; however, it plans to open 60-80 new restaurants every year in India and plans to have 800 restaurants by FY29 (513 stores by FY25), leading to strong store-led growth. BK Café and cost efficiencies are likely to be a key growth and margin driver over the medium term. EBITDA margin should also improve with the improvement in dine-in traffic, better traction/penetration of BK Café, and other cost-saving initiatives.
- As more and more stores mature, improving the contribution of new stores in the network would also support the margin recovery. The Indonesian business should also witness a healthy revenue growth and margin expansion in the medium term, as the company has rationalized its portfolio by closing the non-performing stores.
- **We reiterate our BUY rating with a TP of INR135. We value the India business at 30x FY27E EV/EBITDA (pre-IND-AS) and Indonesia's EV at INR5b (based on ~0.75x EV/sales FY27E).**

Exhibit 1: No material changes to our EBITDA estimates for FY26 and FY27

(INR b)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Net Sales	29,466	34,358	29,858	34,920	-1%	-2%
EBITDA	4,079	5,723	4,066	5,665	0%	1%
Adjusted PAT	-1,378	-244	-1,326	-137	NA	NA

Financials and valuations

Income Statement - Consolidated						(INR m)	
Y/E March	2021	2022	2023	2024	2025	2026E	2027E
Net Sales	10,040	14,903	20,543	24,371	25,508	29,466	34,358
Change (%)	19.3	48.4	37.8	18.6	4.7	15.5	16.6
Material Consumed	3,968	5,497	7,357	8,720	8,912	10,100	11,558
Gross Profit	6,072	9,406	13,186	15,651	16,595	19,366	22,800
Gross Margin %	60.5	63.1	64.2	64.2	65.1	65.7	66.4
Operating expenses	5,822	8,439	12,071	12,990	13,858	15,287	17,077
EBITDA	250	967	1,114	2,661	2,737	4,079	5,723
Change (%)	-76.0	287.5	15.3	138.8	2.9	49.0	40.3
Margin (%)	2.5	6.5	5.4	10.9	10.7	13.8	16.7
Depreciation	2,289	2,336	2,840	3,561	3,715	4,089	4,604
Int. and Fin. Ch.	1,044	954	1,052	1,412	1,609	1,660	1,705
Other Non-recurring Inc.	341	224	360	185	259	292	342
PBT	-2,744	-2,098	-2,418	-2,128	-2,328	-1,378	-244
Change (%)	N/M						
Margin (%)	-27.3	-14.1	-11.8	-8.7	-9.1	-4.7	-0.7
Tax	0	0	0	0	0	0	0
Tax Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	-2,744	-2,098	-2,418	-2,128	-2,328	-1,378	-244
Change (%)	N/M						
Margin (%)	-27.3	-14.1	-11.8	-8.7	-9.1	-4.7	-0.7
Non-rec. (Exp)/Inc.	-77	-252	0	0	0	0	0
Reported PAT	-2,821	-2,350	-2,418	-2,128	-2,328	-1,378	-244

Balance Sheet - Consolidated						(INR m)	
Y/E March	2021	2022	2023	2024	2025	2026E	2027E
Share Capital	3,830	4,927	4,946	4,964	5,821	5,821	5,821
Reserves	-2,981	5,478	3,309	1,302	3,265	1,887	1,643
Minority Interest	252	277	207	22	-144	-144	-144
Net Worth	1,101	10,682	8,462	6,288	8,942	7,563	7,319
Loans	2,444	1,419	1,648	1,702	2,956	1,206	1,006
Lease Liabilities	6,569	7,449	10,027	12,596	15,363	16,263	17,854
Capital Employed	10,114	19,551	20,137	20,586	27,260	25,032	26,179
Gross Block	12,232	13,947	17,189	20,204	21,984	24,294	26,945
Less: Accum. Depn.	4,383	5,563	7,024	8,418	9,955	11,932	14,230
Net Fixed Assets	7,849	8,384	10,165	11,786	12,029	12,362	12,715
ROU Asset	6,057	6,751	9,397	11,598	14,004	15,466	15,351
Capital WIP	475	181	322	308	339	339	339
Investments	1,243	4,023	1,469	830	235	135	235
Deferred tax assets	0	0	0	0	0	0	0
Curr. Assets, L&A	4,010	4,483	3,580	2,565	8,019	3,403	4,675
Inventory	196	228	315	347	436	484	753
Account Receivables	86	134	169	254	336	323	471
Cash and Bank Balance	2,777	2,772	1,552	335	5,365	533	1,046
Others	951	1,349	1,544	1,629	1,882	2,063	2,405
Curr. Liab. and Prov.	9,520	4,271	4,795	6,501	7,366	6,674	7,137
Other Current Liabilities	6,538	1,187	1,508	2,880	2,866	2,652	2,577
Creditors	2,456	2,587	2,675	2,850	3,792	3,229	3,671
Provisions	527	497	612	771	708	793	889
Net Curr. Assets	-5,510	213	-1,215	-3,936	652	-3,272	-2,462
Appl. of Funds	10,114	19,551	20,137	20,586	27,260	25,032	26,179

E: MOFSL Estimates

Financials and valuations

Ratios - Consolidated

Y/E March	2021	2022	2023	2024	2025	2026E	2027E
Basic (INR)							
EPS	-7.2	-4.3	-4.9	-4.3	-4.0	-2.4	-0.4
BV/Share	2.9	21.7	17.1	12.7	15.4	13.0	12.6
DPS	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
Valuation (x)							
P/E	N/M	N/M	N/M	N/M	N/M	N/M	N/M
EV/Sales	3.0	2.4	1.9	1.7	1.8	1.6	1.4
EV/EBITDA	119.6	36.2	35.2	15.5	16.5	11.8	8.3
EV/EBITDA (Pre-Ind As)	-48.2	-84.2	-65.9	202.2	121.9	44.5	19.7
P/BV	28.5	3.8	4.8	6.5	5.3	6.3	6.5
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return Ratios (%)							
RoE	-142.3	-35.6	-25.3	-28.9	-30.6	-16.7	-3.3
RoCE	-16.3	-7.7	-6.9	-3.5	-3.0	1.1	5.7
RoIC	-26.5	-15.0	-11.8	-5.0	-4.8	0.0	4.6
Working Capital Ratios							
Debtor (Days)	3	3	3	4	5	4	5
Inventory (Days)	7	6	6	5	6	6	8
Creditor (Days)	89	63	48	43	54	40	39
Asset Turnover (x)	1.0	0.8	1.0	1.2	0.9	1.2	1.3
Leverage Ratio							
Debt/Equity (x)	8.2	0.8	1.4	2.3	2.0	2.3	2.6

Cash Flow Statement - Consolidated

(INR m)

Y/E March	2021	2022	2023	2024	2025	2026E	2027E
OP/(loss) before Tax	-2,821	-2,352	-2,418	-2,367	-2,328	-1,378	-244
Int./Div. Received	-530	32	-212	233	-191	-292	-342
Depreciation & Amort.	2,367	2,364	2,867	3,495	3,715	4,089	4,604
Interest Paid	-1,003	-864	-983	-1,398	-1,609	-1,660	-1,705
Direct Taxes Paid	22	54	36	6	-104	0	0
Inc/(Dec) in WC	-484	162	-59	-708	-596	908	297
CF from Operations	480	692	1,243	3,461	3,504	3,172	5,426
Inc/(Dec) in FA	-678	-1,379	-3,313	-2,743	-2,656	-2,310	-2,651
Free Cash Flow	-198	-687	-2,070	718	848	862	2,775
Others	169	-5,805	831	-194	-291	292	342
Pur of Investments	-1,042	-2,723	2,665	711	623	100	-100
CF from Invest.	-1,551	-9,907	183	-2,226	-2,324	-1,918	-2,409
Issue of Shares	5,622	13,585	0	0	5,000	0	0
Incr in Debt	-985	-1,116	169	-1,506	1,254	-1,750	-200
Dividend Paid	0	0	0	0	0	0	0
Others	-1,070	-1,346	-1,870	-1,005	-2,405	-4,335	-2,304
CF from Fin. Activity	3,568	11,123	-1,702	-2,511	3,849	-6,085	-2,504
Incr/Decr of Cash	2,497	1,908	-276	-1,275	5,030	-4,832	513
Add: Opening Balance	280	865	1,828	1,610	335	5,365	533
Closing Balance	2,777	2,772	1,552	335	5,365	533	1,046

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://onlinereports.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

1. 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
2. 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

3. 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.
4. 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.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. 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/NCD/EX); 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 dp grievances@motilaloswal.com.