

# Barbeque Nation Hospitality

Estimate change	
TP change	
Rating change	

Bloomberg	BARBEQUE IN
Equity Shares (m)	39
M.Cap.(INRb)/(USDb)	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
<b>Ratios</b>			
RoE (%)	-8.3	-7.3	-7.0
RoCE (%)	4.1	5.9	6.4
<b>Valuation</b>			
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.

- **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.

Y/E March	Cons. Quarterly Performance								(INR m)		
	FY25				FY26E				FY25	FY26E	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	Var. (%)	
<b>SSSG (%)</b>	<b>-7.4</b>	<b>-2.5</b>	<b>-2.0</b>	<b>-2.0</b>	<b>-3.4</b>	<b>-2.0</b>	<b>1.0</b>	<b>2.4</b>	<b>-3.8</b>	<b>-0.5</b>	<b>-3.0</b>
<b>No. of stores</b>	<b>219</b>	<b>222</b>	<b>226</b>	<b>230</b>	<b>236</b>	<b>243</b>	<b>250</b>	<b>257</b>	<b>230</b>	<b>257</b>	<b>236</b>
<b>Net Sales</b>	<b>3,057</b>	<b>3,057</b>	<b>3,289</b>	<b>2,928</b>	<b>2,970</b>	<b>3,164</b>	<b>3,466</b>	<b>3,236</b>	<b>12,330</b>	<b>12,836</b>	<b>3,020</b>
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	3.5	5.4	10.5	-1.7	4.1	-1.2
<b>Gross Profit</b>	<b>2,081</b>	<b>2,081</b>	<b>2,244</b>	<b>2,006</b>	<b>2,010</b>	<b>2,158</b>	<b>2,381</b>	<b>2,218</b>	<b>8,412</b>	<b>8,767</b>	<b>2,069</b>
Margin (%)	68.1	68.1	68.2	68.5	67.7	68.2	68.7	68.5	68.2	68.3	68.5
<b>EBITDA</b>	<b>509</b>	<b>456</b>	<b>615</b>	<b>533</b>	<b>460</b>	<b>503</b>	<b>659</b>	<b>625</b>	<b>2,113</b>	<b>2,246</b>	<b>538</b>
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
<b>PBT</b>	<b>-55</b>	<b>-100</b>	<b>47</b>	<b>-165</b>	<b>-170</b>	<b>-102</b>	<b>-1</b>	<b>-43</b>	<b>-272</b>	<b>-317</b>	<b>-60</b>
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
<b>Adjusted PAT</b>	<b>-43</b>	<b>-71</b>	<b>51</b>	<b>-207</b>	<b>-167</b>	<b>-76</b>	<b>-1</b>	<b>-33</b>	<b>-271</b>	<b>-278</b>	<b>-60</b>
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	1,712
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

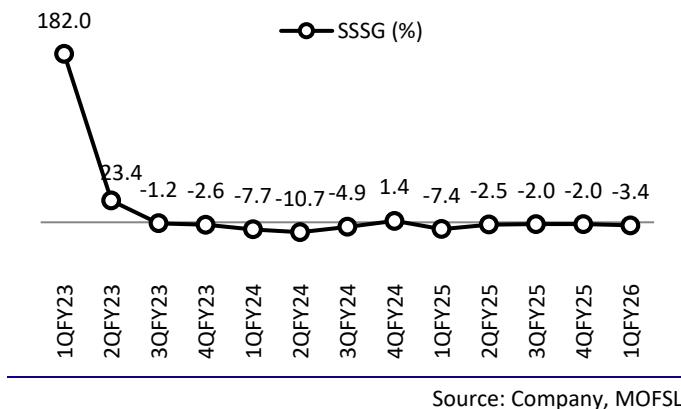


Exhibit 3: Added net 6 stores (opened 7, closed 1) in 1QFY26

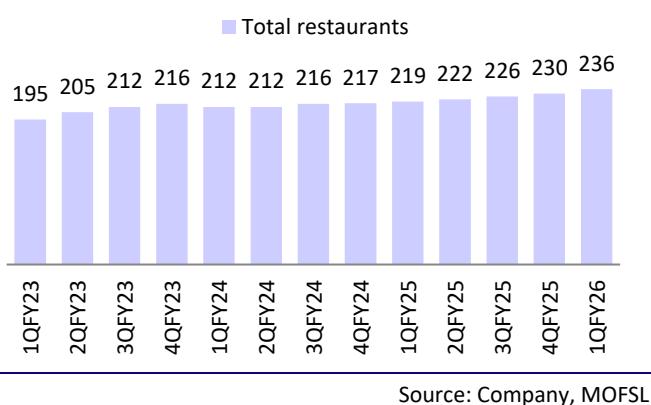


Exhibit 4: Net sales fell 3% YoY to INR2.8b in 1QFY26

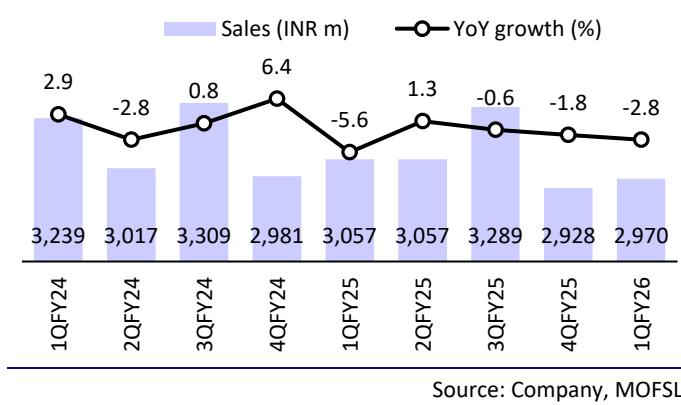


Exhibit 5: Dine-in contribution stood at 85% in 1QFY26

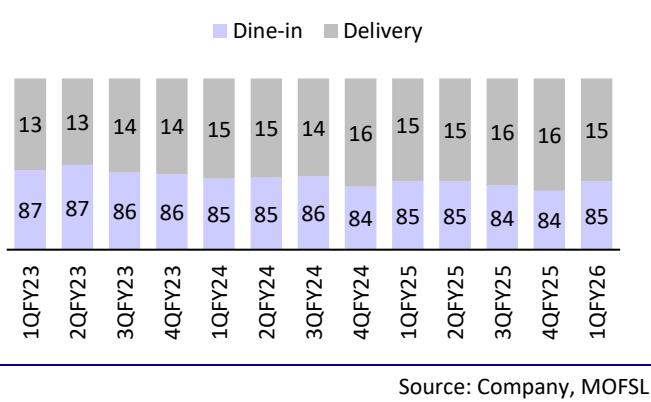


Exhibit 6: EBITDA margin contracted 110bp YoY to 15.5% in 1QFY26

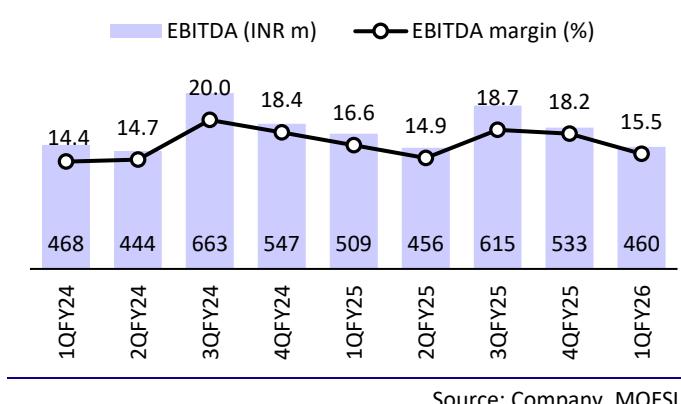
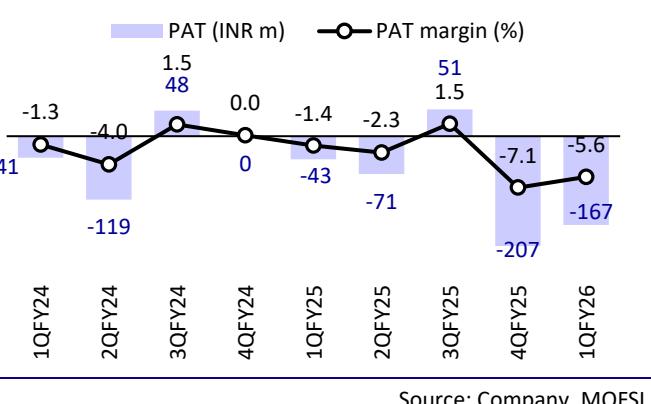


Exhibit 7: Adjusted loss came in at INR167m in 1QFY26



### 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	
<b>Net Sales</b>	<b>8,470</b>	<b>5,071</b>	<b>8,606</b>	<b>12,338</b>	<b>12,545</b>	<b>12,330</b>	<b>12,836</b>	<b>14,049</b>	<b>15,311</b>	
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	
<b>Gross Profit</b>	<b>5,548</b>	<b>3,288</b>	<b>5,558</b>	<b>8,186</b>	<b>8,361</b>	<b>8,412</b>	<b>8,767</b>	<b>9,624</b>	<b>10,488</b>	
Gross Margin %	65.5	64.8	64.6	66.3	66.6	68.2	68.3	68.5	68.5	
<b>EBITDA</b>	<b>1,642</b>	<b>464</b>	<b>1,337</b>	<b>2,306</b>	<b>2,122</b>	<b>2,113</b>	<b>2,246</b>	<b>2,543</b>	<b>2,771</b>	
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	
<b>PBT</b>	<b>-415</b>	<b>-1,136</b>	<b>-326</b>	<b>219</b>	<b>-140</b>	<b>-272</b>	<b>-317</b>	<b>-228</b>	<b>-204</b>	
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	
<b>Adjusted PAT</b>	<b>-493</b>	<b>-940</b>	<b>-257</b>	<b>153</b>	<b>-112</b>	<b>-271</b>	<b>-278</b>	<b>-228</b>	<b>-204</b>	
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	
<b>Reported PAT</b>	<b>-324</b>	<b>-905</b>	<b>-256</b>	<b>170</b>	<b>-134</b>	<b>-278</b>	<b>-278</b>	<b>-228</b>	<b>-204</b>	

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	
<b>Net Worth</b>	<b>59</b>	<b>2,439</b>	<b>3,860</b>	<b>4,011</b>	<b>3,930</b>	<b>3,627</b>	<b>3,349</b>	<b>3,121</b>	<b>2,917</b>	
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	
<b>Capital Employed</b>	<b>7,377</b>	<b>8,503</b>	<b>10,057</b>	<b>10,939</b>	<b>10,896</b>	<b>11,284</b>	<b>10,992</b>	<b>11,215</b>	<b>11,430</b>	
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	
<b>Net Fixed Assets</b>	<b>7,404</b>	<b>6,593</b>	<b>8,000</b>	<b>9,393</b>	<b>9,460</b>	<b>9,710</b>	<b>9,823</b>	<b>9,626</b>	<b>9,265</b>	
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	
<b>Curr. Assets, L&amp;A</b>	<b>1,319</b>	<b>4,002</b>	<b>2,478</b>	<b>2,200</b>	<b>2,368</b>	<b>2,272</b>	<b>2,135</b>	<b>2,614</b>	<b>3,200</b>	
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	
<b>Curr. Liab. and Prov.</b>	<b>2,167</b>	<b>2,855</b>	<b>1,356</b>	<b>1,647</b>	<b>1,783</b>	<b>1,765</b>	<b>1,911</b>	<b>1,970</b>	<b>1,980</b>	
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	
<b>Net Curr. Assets</b>	<b>-848</b>	<b>1,147</b>	<b>1,122</b>	<b>553</b>	<b>586</b>	<b>507</b>	<b>224</b>	<b>644</b>	<b>1,220</b>	
Current tax liabilities	-11	-20	0	-4	-94	-92	-92	-92	-92	
<b>Appl. of Funds</b>	<b>7,377</b>	<b>8,503</b>	<b>10,057</b>	<b>10,939</b>	<b>10,896</b>	<b>11,283</b>	<b>10,992</b>	<b>11,215</b>	<b>11,430</b>	

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>Basic (INR)</b>									
EPS	<b>-17.6</b>	<b>-27.7</b>	<b>-6.6</b>	<b>3.9</b>	<b>-2.9</b>	<b>-6.9</b>	<b>-7.1</b>	<b>-5.8</b>	<b>-5.2</b>
BV/Share	2.1	71.9	99.2	102.9	100.6	92.8	85.7	79.9	74.6
<b>Valuation (x)</b>									
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
<b>Return Ratios (%)</b>									
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
<b>Working Capital Ratios</b>									
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
<b>Leverage Ratio</b>									
Debt/Equity (x)	41.4	0.6	0.1	0.0	0.1	0.2	0.2	0.2	0.2

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>Cash Flow Statement (INR m)</b>									
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
<b>CF from Operations</b>	<b>1,811</b>	<b>679</b>	<b>598</b>	<b>2,276</b>	<b>2,206</b>	<b>1,934</b>	<b>2,413</b>	<b>2,310</b>	<b>2,660</b>
Inc/(Dec) in FA	-840	-143	-932	-1,459	-874	-810	-925	-866	-868
<b>Free Cash Flow</b>	<b>971</b>	<b>536</b>	<b>-334</b>	<b>817</b>	<b>1,331</b>	<b>1,123</b>	<b>1,488</b>	<b>1,444</b>	<b>1,792</b>
Others	-678	71	30	-59	-185	-89	-292	180	180
Pur of Investments	0	0	0	0	0	0	0	0	0
<b>CF from Invest.</b>	<b>-1,518</b>	<b>-72</b>	<b>-902</b>	<b>-1,518</b>	<b>-1,059</b>	<b>-899</b>	<b>-1,217</b>	<b>-686</b>	<b>-688</b>
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
<b>CF from Fin. Activity</b>	<b>-265</b>	<b>1,700</b>	<b>-1,298</b>	<b>-1,186</b>	<b>-1,211</b>	<b>-1,226</b>	<b>-1,350</b>	<b>-1,436</b>	<b>-1,508</b>
<b>Incr/Decr of Cash</b>	<b>27</b>	<b>2,308</b>	<b>-1,602</b>	<b>-428</b>	<b>-65</b>	<b>-191</b>	<b>-154</b>	<b>187</b>	<b>465</b>
Add: Opening Balance	120	147	2,455	853	426	361	169	15	202
<b>Closing Balance</b>	<b>147</b>	<b>2,455</b>	<b>853</b>	<b>426</b>	<b>361</b>	<b>169</b>	<b>15</b>	<b>202</b>	<b>667</b>

E: MOFSL Estimates

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