

Jubilant FoodWorks

Estimate changes	↔
TP change	↓
Rating change	↔

Bloomberg	JUBI IN
Equity Shares (m)	660
M.Cap.(INRb)/(USD\$b)	311.8 / 3.2
52-Week Range (INR)	720 / 409
1, 6, 12 Rel. Per (%)	6/-10/-26
12M Avg Val (INR M)	1180

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	95.1	106.5	120.0
Sales Gr. (%)	17.4	12.0	12.6
EBITDA	18.9	21.3	24.5
EBITDA Margin (%)	19.8	20.0	20.4
Adj. PAT	4.1	4.8	6.1
Adj. EPS (INR)	6.2	7.3	9.2
EPS Gr. (%)	66.2	18.1	25.1
BV/Sh.(INR)	34.7	33.0	34.5

Ratios

RoE (%)	17.9	22.2	26.6
RoCE (%)	10.1	11.3	12.9

Valuation

P/E (x)	76.6	64.9	51.8
P/BV (x)	13.7	14.4	13.8
EV/EBITDA (x)	37.6	20.5	17.6
EV/Sales (x)	3.4	3.0	2.6

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	40.3	40.3	41.9
DII	36.6	35.0	31.2
FII	17.6	18.9	20.9
Others	5.5	5.8	6.0

FII includes depository receipts

CMP: INR473

TP: INR500 (+6%)

Neutral

Weak exit to FY26; near-term stress on margins

- Jubilant FoodWorks (JUBI) reported 6% YoY standalone revenue growth in 4QFY26, quite soft as compared to 13% growth in FY26. Domino's LFL growth was flat YoY due to a high base (12%) and the shift of Navratri to 4Q from 1Q in the base. Further, the temporary shortage of LPG impacted 30-40bp LFL; the issue has now normalized. Delivery revenue grew 10% YoY, with the delivery mix rising to 76%. Management highlighted strong delivery order trends in 1QFY27 and expects improvement in LFL growth.
- Standalone GM expanded 100bp YoY to 75.5% (supported by a better product mix and lower wastage). EBITDA margin (Pre-Ind AS) was flat YoY at 12.1%. EBITDA inched up 5% YoY, quite slow as compared to 16% growth in FY26. Cost inflation in food, packaging, and employee costs is expected to sustain pressure in the near term. The company plans to offset this through calibrated price hikes (a 1% hike so far) and tighter cost controls.
- Domino's Turkey posted LFL growth of 9%, while Coffy's LFL declined 9.7% (inflation-adjusted). The PAT margin stood at 7.5% (vs. 4.8% in the base). JUBI stated that DPEU's finance cost reduced on account of the refinancing of debt from Turkish lira to euro. Domino's Sri Lanka and Bangladesh reported strong revenue growth of 61% and 29% YoY, respectively.
- While management remains confident on medium-term growth (5-7% LFL), near-term demand trends remain monitorable amid weak dine-in traction. Higher commodity costs, along with LPG shortages and labor costs, are expected to weigh on near-term margins. We estimate standalone revenue CAGR of 13% over FY26-28 and pre-Ind-AS EBITDA margin of 12.5%-13% over FY26-28E. **We reiterate our Neutral rating with a TP of INR500.**

Lackluster performance; margins below our estimate

- **Flat LFL growth:** JUBI reported sales growth of 6% YoY to INR17.0b (est. INR17.6b). Domino's LFL was flat YoY as compared to our estimates of 4%. However, the LFL miss was recognized after the pre-quarter update. Dunkin was discontinued, and it was classified under discontinued operations. Reported numbers are adjusted for 4QFY26, 3QFY26, and 4QFY25.
- **Pace of store additions robust:** In India, JUBI added 61 net stores, taking the total count to 2,562. Domino's opened 59 new Domino's Pizza stores (total 2,455 stores). Popeyes opened five new stores, taking the count to 78 stores. Hong's Kitchen closed three stores, taking the count to 29. JUBI plans to add 300 stores annually, with slightly higher expansion for Popeyes.
- **Miss on margins:** Gross profit grew 8% YoY to INR12.7b (est. INR13.1b). Gross margin expanded 100bp YoY to 75.5% (est. 74.6%). EBITDA grew 11% YoY to INR3.4b (est. INR3.5b). Margins improved 90bp YoY to 20.5% (est. 19.9%). EBITDA margin (Pre-Ind AS) was flat at 12% (est. 12.5%) after clocking consistent margin expansion in previous quarters. High wage inflation, energy costs, and weak revenue performance led to a miss on margins.

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.

- **Dip in profitability:** PBT (before exceptional items) was down 8% YoY to INR693m (est. INR852m). Adj. PAT dipped 3% YoY to INR537m (est. INR634m)

International business

- Domino's Sri Lanka revenue was up by 60% YoY to INR367m. No stores were opened in Sri Lanka.
- Domino's Bangladesh revenue grew 29% YoY to INR209m. No store has been opened in Bangladesh.
- Both Sri Lanka and Bangladesh turned EBITDA positive in FY26.

DPEU supported by currency

- DPEU sales grew 59% YoY to INR7.6b. supported by Turkey's inflation and currency movement. Turkey's inflation of 30% YoY in 4Q and 23% favorable movement in currency led the growth. Post-Ind-AS 29, DPEU delivered 6% revenue growth.
- Domino's Turkey LFL growth was 9%, while COFFY LFL was down 10%.
- PAT jumped 150% YoY to INR576m (vs. INR230m in 4QFY25), while PAT margin stood at 7.5% (vs. 4.8% in the base).
- In DPEU, it opened eight stores in 4Q, taking the total count to 981.

Highlights from the management commentary

- In 1QFY27, the LPG supply has largely normalized, and the business operations have normalized to pre-disruption levels. To mitigate LPG costs and availability issues, the company is rapidly converting stores to electric ovens and PNG.
- Management is maintaining a long-term annual SSSG guidance of 5% to 7%.
- Customized late-night menu addition with Cheese BOWL-CANO at INR149, available 11:00 PM to 3:00 AM. Launched the Big Cheese Burst Pizza at INR999.
- Despite short-term pressures, the management reiterated its guidance of 200bp EBITDA margin expansion (over FY24) over the next two years.

Valuation and view

- There are no material changes to our EBITDA estimates for FY27 and FY28.
- JUBI is benefiting from strong delivery-led traffic growth, driving near-term outperformance versus peers. On the international front, DPEU's interest costs are fully funded by the Turkey business with no cash outflow from India.
- JUBI's focus on customer acquisition and order frequency has been driving strong delivery growth. For dine-in, the company continues to take various steps, such as value offerings and product innovations, to drive channel growth.
- While management remains confident on medium-term growth (5-7% LFL), near-term demand trends remain monitorable amid weak dine-in traction. Higher commodity costs, along with LPG shortages and labor costs, are expected to weigh on near-term margins. We estimate standalone revenue CAGR of 13% over FY26-28 and pre-Ind-AS EBITDA margin of 12.5%-13.0% over FY26-28E. We value the India business at 25x EV/EBITDA (pre-IND AS) and the international business at 10x EV/EBITDA on Mar'28E. **We reiterate our Neutral rating with a TP of INR500.**

Quarterly Standalone Perf.

(INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
No of stores (Dominos)	2,029	2,079	2,139	2,179	2,240	2,321	2,396	2,455	2,179	2,455	2,429	
LFL growth (%)	3.0	2.8	12.5	12.1	11.6	9.1	5.0	0.2	7.6	6.5	4.0	
Net Sales	14,396	14,669	16,111	15,790	17,016	16,987	17,935	16,797	60,965	68,734	17,649	-4.8%
YoY change (%)	9.9	9.1	18.9	18.6	18.2	15.8	11.3	6.4	14.1	12.7	11.2	
Gross Profit	10,955	11,157	12,092	11,773	12,610	12,634	13,434	12,687	45,977	51,364	13,166	-3.6%
Gross margin (%)	76.1	76.1	75.1	74.6	74.1	74.4	74.9	75.5	75.4	74.7	74.6	
EBITDA (Pre Ind AS)	1,670	1,716	1,998	1,917	2,046	2,055	2,420	2,024	7,434	8,612	2,202	-8.1%
EBITDA growth %	-4.8	-4.0	14.3	32.1	22.5	19.8	21.1	5.6	10.3	15.8	17.6	
Margins (%)	11.6	11.7	12.4	12.1	12.0	12.1	13.5	12.1	12.2	12.5	12.5	
EBITDA	2,782	2,842	3,128	3,089	3,233	3,294	3,709	3,444	11,840	13,680	3,517	-2.1%
EBITDA growth %	0.6	1.3	10.6	21.5	16.2	15.9	18.6	11.5	8.2	15.5	15.1	
Margins (%)	19.3	19.4	19.4	19.6	19.0	19.4	20.7	20.5	19.4	19.9	19.9	
Depreciation	1,552	1,654	1,741	1,737	1,817	1,840	1,988	2,077	6,684	7,722	2,044	
Interest	619	640	682	662	657	672	692	745	2,604	2,765	721	
Other Income	73	150	83	65	125	73	83	71	371	351	99	
PBT	683	698	788	755	883	856	1,112	693	2,924	3,543	852	-18.6%
YoY Change (%)	-32.6	-27.5	-3.8	48.6	29.2	22.6	41.1	-8.2	-11.5	21.2	25.8	
Tax	168	177	192	202	216	216	296	156	739	884	217	
Rate (%)	24.6	25.4	24.3	26.8	24.5	25.3	26.7	22.4	25.3	25.0	25.5	
Adjusted PAT	515	521	596	553	667	639	815	537	2,185	2,659	634	-15.3%
YoY change (%)	-31.5	-27.8	-2.2	60.2	29.5	22.8	36.8	-2.8	-10.0	21.7	28.3	

E: MOFSL Estimates

Exhibit 1: Store count

Total Stores	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
India:								
Dominos	2,029	2,079	2,139	2,179	2,240	2,321	2,396	2,455
Popeyes	50	54	58	61	60	68	73	78
Hong's Kitchen	33	34	35	33	33	33	32	29
Total Stores in India	2,112	2,167	2,232	2,273	2,333	2,422	2,501	2,562
Store addition	16	55	65	41	60	89	79	61
Sri Lanka and Bangladesh, DP	80	85	87	89	90	90	93	93
Total Stores under MGT control	2,192	2,252	2,319	2,362	2,423	2,512	2,594	2,655
Store addition	18	60	67	43	61	89	82	61
DP Eurasia	829	846	907	923	935	940	973	981
Total	3,021	3,098	3,226	3,285	3,358	3,452	3,567	3,636
Store addition	30	77	128	59	73	94	115	69

Exhibit 2: Domino's growth metrics

Growth metrics	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Revenue Growth (%)	9.9	9.1	18.9	18.6	18.2	15.8	11.3	6.4
Dominos store growth (%)	10.4	10.1	10.9	9.2	10.4	11.6	12.0	12.7
Dominos Like-like SSG (%)	3.0	2.8	12.5	12.1	11.6	9.1	5.0	0.2
Dominos ADS per store (INR)	75,036	75,376	81,465	79,904	84,024	82,408	85,506	80,069
YoY Gr (%)	(2.2)	(2.8)	6.6	7.7	12.0	9.3	5.0	0.2
EBITDA Growth	0.6	1.3	10.6	21.5	16.2	15.9	18.6	11.5
EBITDA margin (%)	19.3	19.4	19.4	19.6	19.0	19.4	20.7	20.5
EBITDA Growth (Pre IND AS)	(4.8)	(4.0)	14.3	32.1	22.5	19.8	21.1	5.6
EBITDA margin (%) (Pre-Ind AS)	11.6	11.7	12.4	12.1	12.0	12.1	13.5	12.1

Consolidated performance

- Consolidated net sales rose 19% YoY to INR25b.
- Gross margin contracted marginally by 10bp YoY to 71.5%.
- EBITDA grew 24% YoY to INR4.8b.
- EBITDA margin expanded 70bp YoY to 19.4%.
- APAT growth was 67% YoY at INR936m.

Quarterly Consolidated Perf.		(INR m)							
Y/E March	FY25				FY26				
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Net Sales	19,331	19,547	21,508	20,950	22,609	23,402	24,292	24,995	
YoY change (%)	44.9	42.8	56.1	33.2	17.0	19.7	12.9	19.3	
Gross Profit	14,034	14,168	15,481	15,001	16,145	16,750	17,382	17,864	
Gross margin (%)	72.6	72.5	72.0	71.6	71.4	71.6	71.6	71.5	
EBITDA	3,830	3,986	4,020	3,919	4,380	4,762	4,838	4,849	
EBITDA growth %	38.9	43.8	43.5	26.3	14.4	19.5	20.3	23.7	
Margins (%)	19.8	20.4	18.7	18.7	19.4	20.3	19.9	19.4	
Depreciation	1,836	2,014	2,078	2,097	2,202	2,303	2,468	2,694	
Interest	1,344	1,381	1,334	1,161	1,107	1,057	1,031	1,175	
Other Income	171	302	173	106	185	152	172	233	
PBT	821	893	781	767	1,257	1,554	1,512	1,213	
YoY Change (%)	(13.7)	4.4	11.0	57.6	53.0	74.0	93.6	58.2	
Tax	188	155	237	214	317	479	431	284	
Rate (%)	23.6	17.8	30.4	27.6	24.6	30.3	28.4	23.3	
Share of profit of associates	26	23	3	(6)	(32)	(24)	(7)	(7)	
Adjusted PAT	607	715	528	559	972	1099	992	936	
YoY change (%)	109.9	(26.4)	(19.7)	(36.9)	60.1	53.7	88.0	67.3	



Highlights from the management commentary

Business Environment and Outlook

- Domino's has gained share in the pizza category. In addition, they have also gained share in the broader QSR segment.
- During March, select markets experienced temporary LPG supply constraints, which had a limited and localized impact on our operations. Overall, this translated into an estimated 30–40bp impact on Q4FY26 like-for-like growth of Domino's India.
- In Q1FY27, the LPG supply has largely normalized, and the business operations have normalized to pre-disruption levels.
- To mitigate LPG costs and availability issues, the company is rapidly converting stores to electric ovens and PNG.
- **While Q4 saw a lower like-for-like growth of 0.2%, the management indicated that 1QFY27 is performing better than 4Q. Management is maintaining a long-term annual SSSG guidance of 5% to 7%.**
- Delivery continues to grow strongly with healthy operating metrics.
- AOV dropped as JUBI cautiously moved to matched competition to gain market share. Earlier JUBI's AOV was INR149; however, with new value-focused launches at INR99 the AOV has dropped.
- Given the ongoing RM inflation, JUBI is taking calibrated price hikes. Apart from commodity inflation, the management called out for wage inflation to also weigh on margins in the near term.
- The company has taken calibrated price increases of ~1.2% to offset the energy cost inflation.
- Popeyes continued to deliver strong momentum in Q4FY26, marked by robust SSG and improving store-level economics. The brand delivered 28% SSG growth

in FY26, while the southern markets, such as Bengaluru and Chennai, saw further higher growth on an expanding store base.

- That said, JUBI indicated that emerging brands like Popeyes and Hong's Kitchen are currently a drag on overall margins, but management stated that these brands' margin improvement is ahead of its internal plans in terms of achieving profitability.
- There is a strategic move toward delivery carry-out stores in large metros, which are smaller (600-700sqft.) compared to older 1,500-1,600sqft. models. JUBI expects to open 230-250 stores in FY27.
- The Domino's store network in India expanded to 2,455 outlets with the addition of 59 new stores during the quarter and entry into 10 new cities, taking its total presence to 521 cities.

New launches

- Customized late-night menu addition with Cheese BOWL-CANO at INR149, available 11:00 PM-3:00 AM.
- Launched Big Big Cheese Burst Pizza at INR999.
- Launched Mousse mania in chocolate, butterscotch, and blueberry at INR49.
- Investments behind the digital platform continue to yield results, with JUBI's app reaching 17.1m monthly active users (MAUs), up 25% YoY, and 5.5m monthly transacting users (MTUs), up 18% YoY.
- GenAI chatbot was launched in 4Q. JUBI also launched the Popeyes 2.0 App.

Cost and Margins

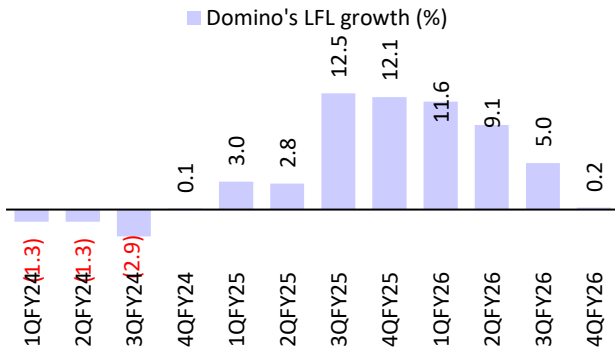
- Given that more than 50% of the costs are fixed costs, topline growth becomes a key margin growth driver.
- Gross Margin expanded ~100bp YoY and ~60bp QoQ on account of increasing share of gross margin accretive SKUs and reduction in wastage.
- The cost of LPG and PNG has increased significantly, creating a 100-120bp hit on margins.
- Adjusted EBITDA margin shrank by 10 bps YoY due to inflation in wage and energy costs.
- **Despite short-term pressures, the management reiterated its guidance of 200bps EBITDA margin expansion (on FY24 margin) over the next two years.**

International Business

- DPEU delivered a strong performance in 4QFY26, supported by both improved operating performance and favourable accounting-related factors.
- Domino's recorded 9.0% LFL growth on a post-Ind AS 29 basis during the quarter, driven by a strong recovery in order growth versus the preceding quarters. This was partially offset by softer performance in Coffy, which reported -9.7% LFL growth amid intensified competition and temporary mobility-related disruption.

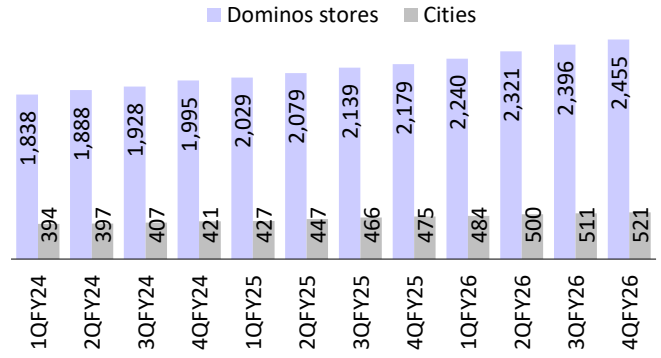
Key exhibits

Exhibit 3: Domino's LFL growth at 0.2% in 4QFY26



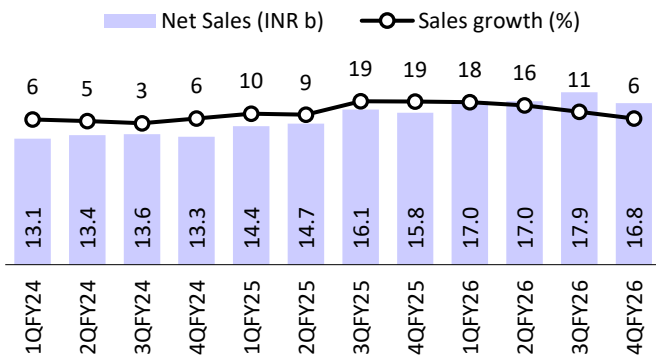
Source: Company, MOFSL

Exhibit 4: Domino's – Added 59 new stores, 10 new cities



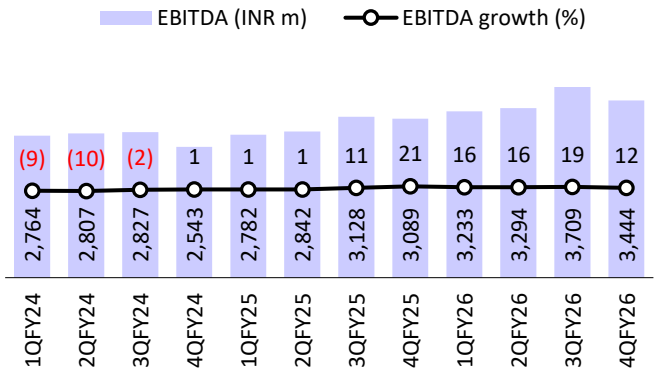
Source: Company, MOFSL

Exhibit 5: Standalone net sales grew 6% YoY to INR17b



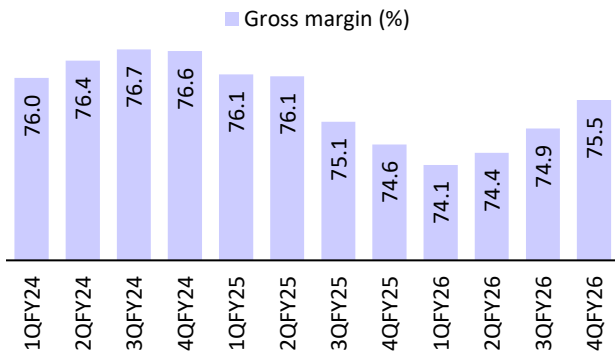
Source: Company, MOFSL

Exhibit 6: EBITDA grew 12% YoY to INR3.4b



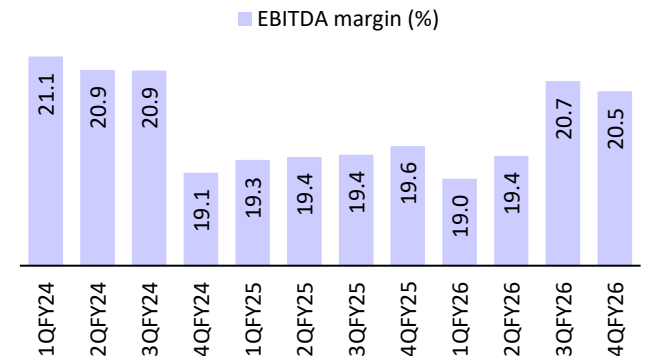
Source: Company, MOFSL

Exhibit 7: Gross margin expanded 90bp YoY to 75.5%



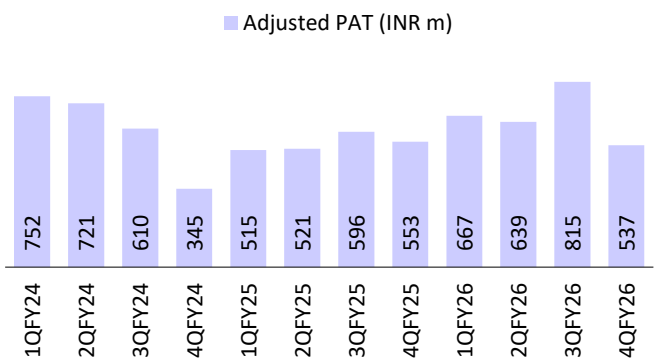
Source: MOFSL, Company

Exhibit 8: EBITDA margin expanded 90bp YoY at 20.5%



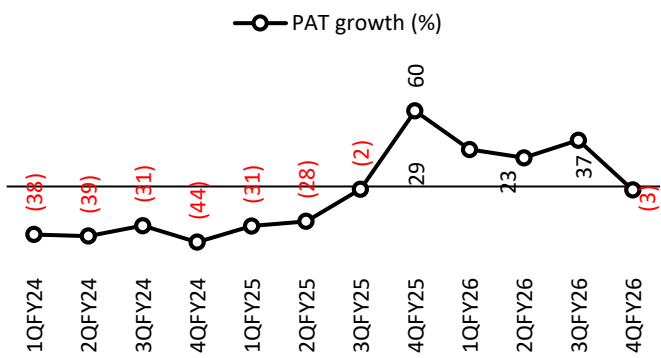
Source: MOFSL, Company

Exhibit 9: Adjusted PAT declined ~3% YoY to INR537m



Source: MOFSL, Company

Exhibit 10: PAT declined 3% YoY in 4QFY26



Source: MOFSL, Company

Valuation and view

- There are no material changes to our EBITDA estimates for FY27 and FY28.
- JUBI is benefiting from strong delivery-led traffic growth, driving near-term outperformance versus peers. On the international front, DPEU’s interest costs are fully funded by the Turkey business with no cash outflow from India.
- JUBI’s focus on customer acquisition and order frequency has been driving strong delivery growth. For dine-in, the company continues to take various steps, such as value offerings and product innovations, to drive channel growth.
- While management remains confident on medium-term growth (5-7% LFL), near-term demand trends remain monitorable amid weak dine-in traction. Higher commodity costs, along with LPG shortages and labor costs, are expected to weigh on near-term margins. We estimate standalone revenue CAGR of 13% over FY26-28 and pre-Ind-AS EBITDA margin of 12.5%-13.0% over FY26-28E. We value the India business at 25x EV/EBITDA (pre-IND AS) and the international business at 10x EV/EBITDA on Mar’28E. **We reiterate our Neutral rating with a TP of INR500.**

Exhibit 11: No material changes to our EBITDA estimates for FY27 and FY28

INR m	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Net Sales	1,06,541	1,20,005	1,06,203	1,20,024	0.3%	0.0%
EBITDA	21,311	24,464	20,963	24,120	1.7%	1.4%
Adjusted PAT	4,843	6,058	4,965	6,328	-2.5%	-4.3%

Source: MOFSL

Financials and valuations

Income Statement								(INR m)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	39,273	33,119	43,961	51,582	56,541	81,045	95,125	1,06,541	1,20,005
Change (%)	10.2	-15.7	32.7	17.3	9.6	43.3	17.4	12.0	12.6
Material Consumed	9,835	7,262	9,899	12,478	13,411	22,578	27,104	22,849	25,718
Gross Profit	29,438	25,856	34,062	39,104	43,130	58,467	68,021	83,692	94,288
Gross Margin %	75.0	78.1	77.5	75.8	76.3	72.1	71.5	78.6	78.6
Operating expenses	20,682	18,144	22,974	27,589	31,695	42,622	49,143	62,381	69,824
EBITDA (Pre Ind AS)	5,755	5,092	7,828	7,771	6,701	7,280	8,653	15,641	18,057
Change (%)	-4.0	-11.5	53.7	-0.7	-13.8	8.6	18.9	80.8	15.4
Margin (%)	14.7	15.4	17.8	15.1	11.9	9.0	9.1	14.7	15.0
EBITDA	8,756	7,712	11,088	11,516	11,435	15,845	18,878	21,311	24,464
Change (%)	46.0	-11.9	43.8	3.9	-0.7	38.6	19.1	12.9	14.8
Margin (%)	22.3	23.3	25.2	22.3	20.2	19.6	19.8	20.0	20.4
Depreciation	3,523	3,754	3,931	4,859	5,980	7,954	9,587	10,654	12,001
Int. and Fin. Ch.	1,652	1,627	1,761	2,012	2,878	5,202	4,360	4,622	4,779
Other Non-recurring Inc.	447	731	236	243	2,280	736	474	747	798
PBT	4,028	3,062	5,633	4,887	4,857	3,425	5,405	6,781	8,482
Change (%)	-17.7	-24.0	83.9	-13.2	-0.6	-29.5	57.8	25.5	25.1
Margin (%)	10.3	9.2	12.8	9.5	8.6	4.2	5.7	6.4	7.1
Tax	1,240	757	1,452	1,357	850	834	1,545	1,938	2,424
Tax Rate (%)	30.8	24.7	25.8	27.8	17.5	24.4	28.6	28.6	28.6
Adjusted PAT	3,537	2,266	4,254	3,883	2,604	2,467	4,101	4,843	6,058
Change (%)	11.2	-35.9	87.8	-8.7	-32.9	-5.2	66.2	18.1	25.1
Margin (%)	9.0	6.8	9.7	7.5	4.6	3.0	4.3	4.5	5.0
Non-rec. (Exp)/Inc.	-249	0	-73	0	1,702	45	-337	0	0
Reported PAT	2,788	2,306	4,181	3,530	4,008	2,501	3,860	4,843	6,058

Balance Sheet								(INR m)	
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Share Capital	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
Reserves	9,901	12,949	18,130	19,058	20,387	19,708	21,601	20,447	21,444
Net Worth	11,220	14,268	19,450	20,378	21,706	21,027	22,921	21,767	22,764
Loans	16,706	16,205	21,066	25,537	41,973	44,724	49,022	50,369	52,389
Capital Employed	28,033	30,567	40,617	45,915	64,406	66,552	72,898	73,092	76,109
Goodwill	0	0	0	0	7,706	7,416	7,993	7,993	7,993
Gross Block	27,542	28,778	35,390	45,564	56,636	63,952	75,611	83,416	91,130
Less: Accum. Depn.	6,036	7,688	8,591	11,112	14,397	18,706	22,511	27,982	34,082
Net Fixed Assets	21,506	21,090	26,798	34,451	42,238	45,245	53,100	55,435	57,048
Intangible property	381	365	567	1,141	11,894	11,683	13,546	13,546	13,546
Capital WIP	412	285	465	1,838	1,178	2,552	1,602	1,602	1,602
Investments	512	5,167	9,268	8,218	3,080	3,003	3,795	4,834	5,034
Deferred tax assets	751	831	526	743	-1613	-962	-727	-727	-727
Curr. Assets, L&A	10,137	9,881	10,192	7,430	14,280	12,915	13,598	9,363	12,716
Inventory	947	1,331	1,612	1,770	4,099	4,056	3,085	3,455	3,892
Account Receivables	166	168	220	287	2,695	3,301	3,757	4,207	4,739
Cash and Bank Balance	6,559	5,344	5,634	1,859	1,570	1,542	2,349	-2,477	-571
Others	2,464	3,038	2,726	3,514	5,916	4,016	4,407	4,177	4,656
Curr. Liab. and Prov.	5,666	7,053	7,200	7,906	14,357	15,301	19,890	18,834	20,983
Other Current Liabilities	873	1,300	1,420	1,873	4,344	5,682	8,817	6,739	7,413
Creditors	4,470	5,330	5,370	5,614	9,216	9,009	10,269	11,676	13,151
Provisions	322	423	411	419	796	609	804	419	419
Net Curr. Assets	4,471	2,828	2,992	-476	-77	-2,385	-6,292	-9,471	-8,267
Appl. of Funds	28,032	30,566	40,616	45,915	64,406	66,552	72,897	73,092	76,109

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)									
EPS	5.4	3.4	6.4	5.9	3.9	3.7	6.2	7.3	9.2
BV/Share	17.0	21.6	29.5	30.9	32.9	31.9	34.7	33.0	34.5
DPS	1.2	1.2	1.2	1.2	1.8	1.2	1.8	1.8	1.8
Payout %	22.4	34.9	18.6	20.4	44.4	32.1	28.2	23.8	19.1
Valuation (x)									
P/E	88.8	138.6	73.8	80.9	120.6	127.3	76.6	64.9	51.8
EV/Sales	7.8	9.2	6.8	5.9	5.7	4.0	3.4	3.0	2.6
EV/EBITDA	35.1	39.4	27.1	26.6	28.4	20.5	17.2	15.1	13.0
EV/EBITDA (Pre-Ind AS)	53.3	59.6	38.4	39.4	48.4	44.7	37.6	20.5	17.6
P/BV	28.0	22.0	16.1	15.4	14.5	14.9	13.7	14.4	13.8
Dividend Yield (%)	0.3	0.3	0.3	0.3	0.4	0.3	0.4	0.4	0.4
Return Ratios (%)									
RoE	31.5	15.9	21.9	19.1	12.0	11.7	17.9	22.2	26.6
RoCE	19.4	12.1	15.5	11.5	11.6	10.1	10.1	11.3	12.9
RoIC	27.6	14.8	23.6	16.2	9.7	10.1	10.7	11.7	13.5
Working Capital Ratios									
Debtor (Days)	2	2	2	2	17	15	14	14	14
Inventory (Days)	9	15	13	13	26	18	12	11	11
Creditor (Days)	42	59	45	40	59	41	39	43	40
Asset Turnover (x)	1.4	1.1	1.1	1.1	0.9	1.2	1.3	1.5	1.6
Leverage Ratio									
Debt/Equity (x)	1.5	1.1	1.1	1.3	1.9	2.1	2.1	2.3	2.3

Cash Flow Statement

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(loss) before Tax	4,028	3,062	5,633	4,887	4,850	2,945	5,908	6,781	8,482
Int./Div. Received	-395	-414	-294	-267	-194	-127	-192	-797	-848
Depreciation & Amort.	3,523	3,754	3,931	4,859	5,980	7,954	9,587	10,654	12,001
Interest Paid	1,652	1,627	1,761	2,012	2,878	5,226	4,375	4,622	4,779
Direct Taxes Paid	-1,402	-869	-1,410	-1,263	-893	-1,024	-1,381	-1,938	-2,424
Incr in WC	-82	509	-275	-83	-956	1,502	1,106	3,608	223
CF from Operations	7,278	7,506	9,436	10,262	10,096	16,569	18,936	22,931	22,212
Others	(47)	(162)	91	117	(1,568)	94	(468)	0	0
Incr in FA	-2,883	-2,427	-4,563	-8,382	-8,476	-8,707	-10,050	-7,300	-7,600
Free Cash Flow	4,395	5,080	4,873	1,879	1,620	7,862	8,886	15,631	14,612
Others	334	554	694	-3,615	-284	447	626	-5,304	-3,666
Pur of Investments	1,502	-3,961	-2,212	2,225	-5,399	158	-903	-2,185	-565
CF from Invest.	-1,047	-5,834	-6,080	-9,772	-14,159	-8,102	-10,328	-14,790	-11,831
Issue of Shares	95	0	29	-262	0	0	-65	0	0
Incr in Debt	-1,323	0	1,198	629	10,094	-2,256	-510	-500	-500
Dividend Paid	-1,448	0	-790	-790	-790	-789	-812	-1,155	-1,155
Others	-1,937	-2,887	-3,504	-3,841	-5,531	-5,450	-6,414	-7,117	-7,665
CF from Fin. Activity	-4,614	-2,887	-3,066	-4,264	3,772	-8,494	-7,801	-8,772	-9,320
Incr/Decr of Cash	1,616	-1,215	290	-3,775	-290	-27	807	-631	1,062
Add: Opening Balance	4,943	6,559	5,344	5,634	1,859	1,570	1,542	2,349	1,718
Closing Balance	6,559	5,344	5,634	1,859	1,570	1,542	2,349	1,718	2,779

E: MOFSL Estimates

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

NOTES

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 and BSE enlistment no. 5028. 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 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 and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.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://qalaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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, nor 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 Motal Oswal only.

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motaloswal.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@motaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motaloswal.com
Mr. Ajay Menon	022 40548083	am@motaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motaloswal.com

Registration details of group entities.: Motal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CD SL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motal 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@motaloswal.com. In case of grievances for any of the services rendered by Motal Oswal Financial Services Limited (MOFSL) write to grievances@motaloswal.com, for DP to dpgrievances@motaloswal.com.