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Bloomberg	PVRL IN
Equity Shares (m)	61
M.Cap.(INRb)/(USDb)	85.2 / 1.1
52-Week Range (INR)	1592 / 961
1, 6, 12 Rel. Per (%)	5/-15/-10
12M Avg Val (INR M)	2421

#### Financials & Valuations (INR b)

Y/E March	FY21	FY22E	FY23E
Sales	2.8	12.0	38.5
EBITDA	-4.6	-3.0	6.7
Adj. PAT	-5.6	-5.0	1.7
EBITDA Margin (%)	-165.3	-25.0	17.5
Adj. EPS (INR)	-91.6	-81.9	28.6
EPS Gr. (%)	NM	NM	-135.0
BV/Sh. (INR)	301.7	219.9	248.5
<b>Ratios</b>			
Net D:E	2.2	3.6	3.2
RoE (%)	NM	-31.4	12.2
RoCE (%)	NM	-12.8	11.3
Payout (%)	0.0	0.0	0.0
<b>Valuations</b>			
P/E (x)	NM	-17.1	48.9
P/BV (x)	4.6	6.4	5.6
EV/EBITDA (x)	NM	-32.4	14.3
Div Yield (%)	0.0	0.0	0.0

#### Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	17.1	17.1	18.6
DII	26.4	24.5	29.8
FII	38.2	42.6	37.0
Others	18.4	15.8	14.7
FII Includes depository receipts			

**CMP: INR1,402 TP: INR1,500 (+7% ) Neutral**

#### Curtailed opex to limit losses; gradual re-opening in sight

- PVR reported EBITDA loss of INR1.3b (better than est), similar to 1QFY21, as curtailed opex during the second COVID wave led lockdowns restricted losses.
- A strong pipeline of movie releases and the gradual lifting of restrictions, coupled with the quicker recovery seen in most retail segments, remain key for revival. Nevertheless, the advancement of OTT and recent capital raise could be an overplay on valuations. Our FY23E nos remain intact and factor 4%/5% above FY20 nos. Maintain Neutral.

#### Operating losses rise as cinemas operate on relaxed capacity

- PVR's 1QFY22 revenue fell 73% QoQ to INR511m (up ~11x YoY, 94% below 1QFY20) as cinema operators witnessed operational shutdown due to the second COVID wave gradually from April'21.
- Overall fixed opex was down 42% QoQ on account of business closures, but jumped 41% YoY to INR1.8b. (75% below 1QFY20 levels).
- Prudent cost-cutting measures curtailed rent / employee expenses to 57%/11% YoY QoQ, but CAM charges pending negotiations, which have seen total cost provisioning, rose 8% QoQ.
- On a pre-Ind-AS 116 basis, EBITDA loss stood at INR1.3b, similar to INR1.2b in 1QFY21 and INR1.4b in 4QFY21. The **cost increase was proportionate to the revenue growth, underscoring the company's strong grip on cost**.
- Total screen count remained constant at 842, while avg. ticket prices / spends per hour increased 4%/1% QoQ to INR191/INR96.
- As of 29<sup>th</sup> July 2021, 12 states and two UTs in India as well as Sri Lanka (Colombo), accounting for 526 screens across 111 properties, were re-opened with restrictions in place. Certain other states, including Maharashtra, are also allowing cinemas to open up.
- Net debt stood at ~INR7.5b, with total liquidity at ~INR8.5b, including unutilized sanctioned credit lines. There are no plans for any fresh capital raise.

#### Highlights from management commentary

- The company expects the movie release line-up to commence from September-end. Recovery is expected to speed up during the festive season starting October 2021, with big-budget movies scheduled for release.
- The exclusive window of four weeks for multiplexes may be reduced in the current environment, but this would only be for the near term. However, the terms are expected to return to normal levels by the end of this fiscal or, at the maximum, by the start of the next fiscal.
- The Food business would coincide with cinema openings and is expected to pick up over 3-4 weeks as the cinema business stabilizes.

### Valuation and view

- With ~INR8.5b in liquidity, PVR has sufficient cash to meet its fixed expenses over the next 4–5 quarters. Subsequently, a further reduction in rentals/CAM would aid cost savings.
- A strong movie pipeline bodes well, but restrictions in capacity and slow recovery in footfall continue to raise uncertainty. Subsequently, PVR's profitability and business scale are expected to remain muted over the next 1–2 years as even the management has refrained from giving guidance.
- As highlighted in our recent report ([click here](#)), with the rising scale and traction of movie releases over OTT platforms since the pandemic – coupled with subscriber growth and even the strong reception by mainstream actors – the dynamics of the industry could change. This is evident from the reducing exclusive window for multiplexes over OTT as well as the simultaneous releases seen over OTT and multiplexes. However, the management has indicated that this may change once normalcy returns.
- We expect the business to normalize by FY23E, with revenue/EBITDA reaching FY20 levels of INR38.5b/INR6.7b. However, the rich valuation it has commanded historically may contract. We value the company at 14x FY23E EBITDA to arrive at Target Price of INR1,500. **Maintain Neutral.**

### Quarterly Performance

Y/E March	(INR m)											
	FY21				FY22E				FY21	FY22E	FY22	Est. Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
<b>Net Sales</b>	<b>43</b>	<b>436</b>	<b>634</b>	<b>1,656</b>	<b>511</b>	<b>1,538</b>	<b>3,734</b>	<b>6,162</b>	<b>2,769</b>	<b>11,953</b>	<b>128</b>	<b>300</b>
YoY Change (%)	-99.5	-95.5	-93.1	-74.3	1096.3	252.8	489.1	272.1	-91.9	331.7	199.3	
<b>Total Expenditure</b>	<b>1,286</b>	<b>1,246</b>	<b>1,722</b>	<b>3,091</b>	<b>1,807</b>	<b>2,957</b>	<b>4,250</b>	<b>5,927</b>	<b>7,345</b>	<b>14,941</b>	<b>1,279</b>	<b>41</b>
<b>EBITDA</b>	<b>-1,243</b>	<b>-810</b>	<b>-1,088</b>	<b>-1,435</b>	<b>-1,296</b>	<b>-1,419</b>	<b>-516</b>	<b>235</b>	<b>-4,576</b>	<b>-2,988</b>	<b>-1,152</b>	<b>13</b>
YoY Change (%)	-178.4	-141.7	-160.4	-435.4	4.3	75.1	-52.6	-116.4	-179.4	-34.7	-7.4	
Depreciation	603	583	585	612	577	595	595	614	2,383	2,381	626	-8
Interest	353	351	402	384	377	447	452	534	1,490	1,810	374	1
Other Income	83	0	0	253	198	139	97	97	336	530	23	766
<b>PBT before EO expense</b>	<b>-2,116</b>	<b>-1,744</b>	<b>-2,075</b>	<b>-2,179</b>	<b>-2,052</b>	<b>-2,322</b>	<b>-1,466</b>	<b>-816</b>	<b>-8,114</b>	<b>-6,648</b>	<b>-2,128</b>	<b>-4</b>
Extra-Ord expense	2	4	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>-2,118</b>	<b>-1,749</b>	<b>-2,075</b>	<b>-2,179</b>	<b>-2,052</b>	<b>-2,322</b>	<b>-1,466</b>	<b>-816</b>	<b>-8,114</b>	<b>-6,648</b>	<b>-2,128</b>	<b>-4</b>
Tax	-707	-587	-707	-538	-633	-581	-367	-93	-2539.3	-1673.3	-532	19
Rate (%)	33.4	33.6	34.1	24.7	30.8	25.0	25.0	11.5	31.3	25.2	25.0	
MI & Profit/Loss of Asso. Cos.	1	1	1	0	0	0	0	0	3	0	0	
<b>Reported PAT</b>	<b>-1,410</b>	<b>-1,161</b>	<b>-1,366</b>	<b>-1,641</b>	<b>-1,419</b>	<b>-1,742</b>	<b>-1,100</b>	<b>-722</b>	<b>-5,577</b>	<b>-4,983</b>	<b>-1,596</b>	<b>-11</b>
<b>Adj PAT</b>	<b>-1,410</b>	<b>-1,161</b>	<b>-1,366</b>	<b>-1,641</b>	<b>-1,419</b>	<b>-2,317</b>	<b>-1,463</b>	<b>-814</b>	<b>-5,577</b>	<b>-6,012</b>	<b>-2,123</b>	<b>-33</b>
YoY Change (%)	-340.6	-252.7	-293.1	374.5	0.7	99.6	7.0	-50.4	-426.5	7.8	50.6	

### Other highlights

#### Impact of second COVID wave on the business

- The second COVID wave impacted 1QFY22 operations significantly, weighed by localized lockdowns and curfew announcements by various state governments.
- The company's entire cinema network was closed down, in a staggered manner, in April'21, and remains shut to date.

#### Operational and fiscal steps to ensure continuity

- Occupancy rates declined to 2%, impacted by closures, well below pre-COVID levels of ~35%.

- Rental expenses stood at INR305m (-57% QoQ) – representing provisions until properties were operational in 1Q or where negotiations have concluded post the negotiations with developers – while CAM charges grew 8% QoQ to INR325m. Pending the outcome of the discussions with landlords, the company has followed a prudent accounting policy and made total provisions for CAM expenses.
- As of 29th July 2021, 12 states and two UTs in India as well as Sri Lanka (Colombo), where PVR has a presence, have allowed cinemas to resume operations, with restrictions around timings and other social distancing requirements. These states / UTs account for 526 screens across 111 properties.
- The company is looking to resume operations gradually from 30<sup>th</sup> July 2021.
- The company is in active talks with its landlords for waivers/discounts on rental and CAM charges, and hopes for a positive outcome from these discussions as the business re-opens.
- As per the management, the content line-up across the Bollywood, Regional, and Hollywood movie industries is exciting and would entice customers to step out of their homes and enjoy the movies on the big screen.
- The company has maintained its focus on keeping fixed costs low to reduce cash burn and preserve liquidity.

#### Exhibit 1: Valuation summary

Particulars	INR m
EBITDA FY23E (INR m)	6,744
Multiple	14
EV (INR m)	94,820
Net Debt (INR m)	3,695
Target Marketcap (INR m)	91,124
No. of shares	60.8
<b>Target Price</b>	<b>1,500</b>
<b>CMP</b>	<b>1,399</b>
Upside	7%

Source: MOFSL, Company

### 1QFY22 earnings call highlights

#### Key highlights

- The company expects the movie release line-up to commence from September-end. Recovery is expected to speed up during the festive season starting October 2021, with big-budget movies scheduled for release.
- The exclusive window of four weeks for multiplexes may be reduced in the current environment, but this would only be for the near term. However, the terms are expected to return to normal levels by the end of this fiscal or, at the maximum, by the start of the next fiscal.
- The Food business would coincide with cinema openings and is expected to pick up over 3–4 weeks as the cinema business stabilizes.

#### Operational highlights

- Reopening: As of date, 12 states and two UTs in India as well as Sri Lanka (Colombo) have allowed cinemas to reopen with varying norms. These account for 526 screens, constituting 63% of the company's total portfolio. Furthermore, the company had opened up ~200 cinemas as of 30<sup>th</sup> June 2021.
- Business recovery: The company expects the movie release line-up to commence from September-end. Recovery is expected to speed up during the

festive season starting October 2021, with big-budget movies scheduled for release.

- Revenue sharing with distributors: The exclusive window of four weeks for multiplexes may be reduced in the current environment, but this would only be for the near term. However, the terms are expected to return to normal levels by the end of this fiscal or, at the maximum, by the start of the next fiscal.
- Net debt: Net debt stood at ~INR7.5b as of Jun'21.
- Food delivery business: The Food Delivery business would coincide with cinema openings. The company expects the business to pick up over 3–4 weeks as the cinema business stabilizes. The company considers this a beta trial, with the scale-up depending on customer feedback and demand shaping up.
- ECLGS 3.0 scheme: The company availed additional liquidity of INR2b under the ECLGS 3.0 scheme during the current financial year.

### Business outlook

- Revenue outlook for the next 9–12 months: The company has refrained from providing any guidance on future revenue expectations on the back of the uncertainty surrounding the pandemic.
- Rent negotiation: The company is in talks to re-negotiate with developers for a short-term reset on the minimum guarantee terms for the period pertaining to the shutdown and partial operations.
- Capital raise: The company has sufficient liquidity of ~INR8.5b (including unutilized sanctioned credit lines). There is no requirement for any fresh capital raise.
- Owning v/s renting: The company does not plan to own any property. It intends to follow the asset-light model with revenue-sharing agreements.
- Release timeline for Bollywood: The release timeline for Bollywood movies remains uncertain on account of the possibility of a third COVID wave. Producers are planning releases depending on the resumption of operations in the major states (Maharashtra and other Hindi belts) and the easing of restrictions.
- Debt repayment: The debt repayment of INR2–3b is evenly spread over the next 4–5 years.

### Exhibit 2: Consol. quarterly performance (INR m)

	1QFY21	4QFY21	1QFY22	YoY (%)	QoQ (%)	1QFY22E	v/s est (%)
<b>Revenue</b>	<b>43</b>	<b>1,656</b>	<b>511</b>	<b>1,096.3</b>	<b>-69</b>	<b>128</b>	<b>300</b>
Total operating cost	1,286	3,091	1,807	41	-42	1,279	41
<b>EBITDA</b>	<b>-1,243</b>	<b>-1,435</b>	<b>-1,296</b>	<b>4</b>	<b>-10</b>	<b>-1,152</b>	<b>13</b>
EBITDA margin (%)	-2,911.9	NM	NM	NM	NM	NM	NM
Depreciation	603	612	577	-4	-6	626	-8
<b>EBIT</b>	<b>-1,847</b>	<b>-2,047</b>	<b>-1,873</b>	<b>NM</b>	<b>NM</b>	<b>-1,777</b>	<b>NM</b>
Interest	353	384	377	7	-2	374	1
Other Income	83	253	198	138	NM	23	766
<b>PBT</b>	<b>-2,116</b>	<b>-2,179</b>	<b>-2,052</b>	<b>NM</b>	<b>NM</b>	<b>-2,128</b>	<b>-4</b>
Share in Profit ad loss of JV	0	0	0	NM	NM	0	NM
<b>PBT</b>	<b>-2,116</b>	<b>-2,179</b>	<b>-2,052</b>	<b>NM</b>	<b>NM</b>	<b>-2,128</b>	<b>-4</b>
Tax	-707	-538	-633	NM	NM	-532	19
Tax rate (%)	NM	NM	NM	NM	NM	NM	NM
<b>PAT</b>	<b>-1,409</b>	<b>-1,641</b>	<b>-1,419</b>	<b>NM</b>	<b>NM</b>	<b>-1,596</b>	<b>-11</b>
MI/Share of Associate	1	0	0	NM	NM	0	NM
<b>Reported PAT</b>	<b>-1,408</b>	<b>-1,641</b>	<b>-1,419</b>	<b>NM</b>	<b>NM</b>	<b>-1,596</b>	<b>-11</b>

Source: MOFSL, Company

**Exhibit 3: Revenue breakup (INR m)**

Revenue breakup	1QFY21	4QFY21	1QFY22	YoY (%)	QoQ (%)
Net Box Office	0	879	227	NM	-74.2
Food & Beverages	14	565	180	1,235.6	-68.1
Advertising	0	136	21	NM	-84.8
Convenience income	0	0	0	NM	NM
Other operating	0	253	0	NM	-100.0

Source: MOFSL, Company

**Exhibit 4: KPI snapshot**

KPI	1QFY21	4QFY21	1QFY22	YoY (%)	QoQ (%)
Screens	845	842	842	-0.4	0.0
Admits ('000)	0	5,800	1,500	NM	-74.1
Occupancy (%)	0.0%	8.1%	2.0%	201.9	-603.4
ATP (INR)	0	183	191	NM	4.4
SPH (INR)	95	95	96	1.1	1.1

Source: MOFSL, Company

**Exhibit 5: Operating expense breakup (INR m)**

Operating expenses (INR m)	1QFY21	4QFY21	1QFY22	YoY (%)	QoQ (%)	1QFY22E	v/s est (%)
Movie exhibition cost	0	407	94	NM	-76.9	0	NM
Consumption of food and beverages	7	176	60	739.4	-66.2	10	505.6
Employee expenses	682	596	531	-22.1	-11.0	417	27.2
Other Expenses	597	1,911	1,123	87.9	-41.3	852	31.8
<b>Total</b>	<b>1,286</b>	<b>3,091</b>	<b>1,807</b>	<b>40.5</b>	<b>-41.5</b>	<b>1,279</b>	<b>41.3</b>

Source: MOFSL, Company

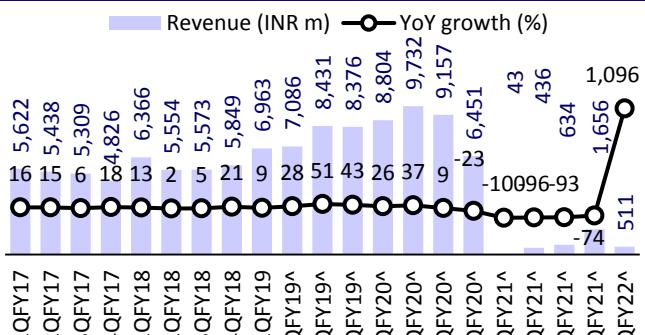
**Exhibit 6: Summary of estimate change (INR m)**

	FY22E	FY23E
<b>Ticket Revenue (INR m)</b>		
Old	3,322	21,840
Actual/New	6,882	21,879
Change (%)	107.2	0.2
<b>F&amp;B Revenue (INR m)</b>		
Old	1,010	11,208
Actual/New	3,594	11,227
Change (%)	255.9	0.2
<b>Ad Revenue (INR m)</b>		
Old	284	3,158
Actual/New	316	3,158
Change (%)	11.2	0.0
<b>Total Revenue (INR m)</b>		
Old	5,799	38,433
Actual/New	11,953	38,491
Change (%)	106.1	0.2
<b>EBITDA (INR m)</b>		
Old	-4,367	6,958
Actual/New	-2,988	6,744
Change (%)	-31.6	-3.1
<b>EBITDA margin (%)</b>		
Old	-75.3	18.1
Actual/New	-25.0	17.5
Change (bp)	5032	-58
<b>PAT (INR m)</b>		
Old	-6,246	2,125
Actual/New	-4,975	1,740
Change (%)	-20.4	-18.1
<b>Adj. EPS (INR)</b>		
Old	-102.8	35.0
Actual/New	-81.9	28.6
Change (%)	-20.4	-18.1

Source: MOFSL

## Story in charts

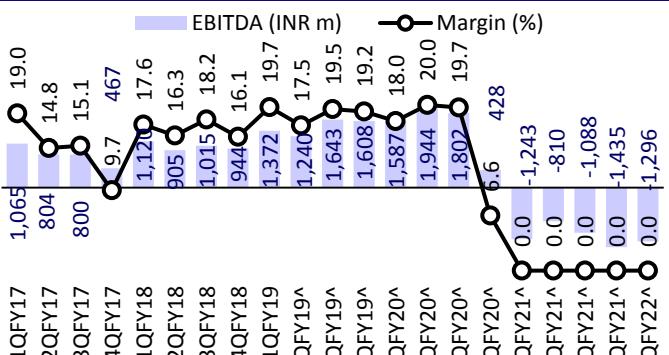
### Exhibit 1: Consol. revenue impacted by lockdown



<sup>1</sup>Includes SPI consolidation

Source: MOFSL, Company

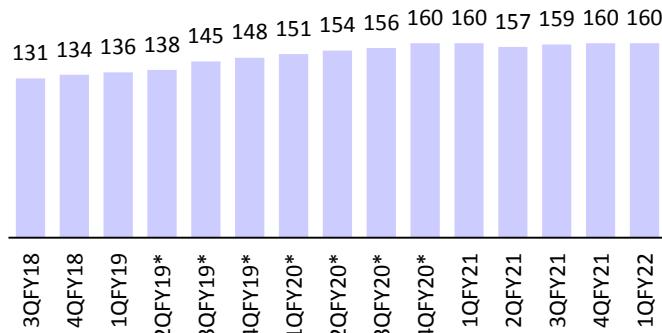
### Exhibit 2: Consol. EBITDA remains in the red



<sup>1</sup>Includes SPI consolidation

Source: MOFSL, Company

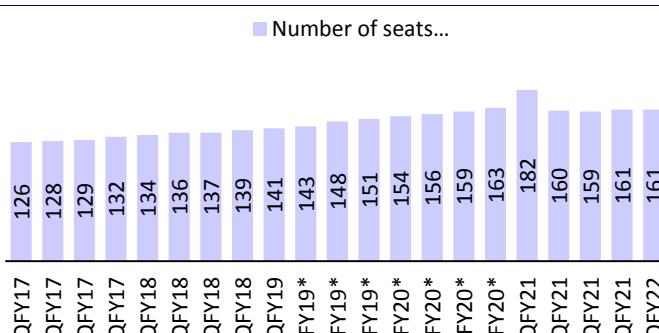
### Exhibit 3: Cinema property addition trend remains flat



\*Excludes SPI cinemas

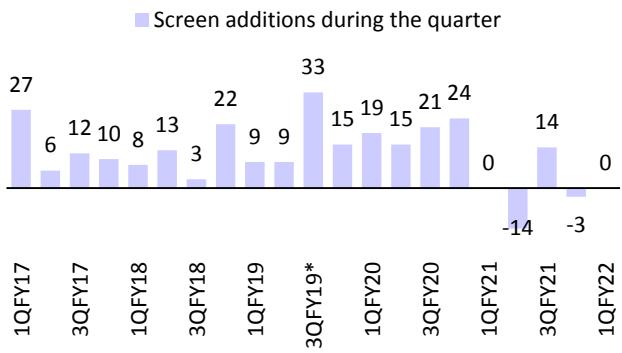
Source: MOFSL, Company

### Exhibit 5: Seat count trend remains flat



Source: MOFSL, Company

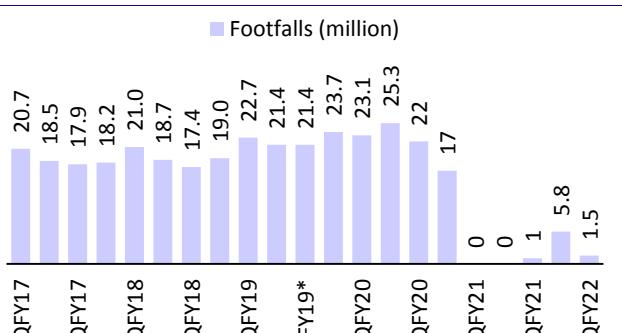
### Exhibit 4: No screen additions in the quarter



\*Excludes SPI cinemas

Source: MOFSL, Company

### Exhibit 6: Lockdown hurts footfall



Source: MOFSL, Company

## Financials and valuations

Consolidated - Income Statement									(INR m)	
Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	
<b>Net Sales</b>	<b>14,771</b>	<b>18,496</b>	<b>21,194</b>	<b>23,341</b>	<b>30,856</b>	<b>34,144</b>	<b>3,021</b>			
Change (%)	9.6	25.2	14.6	10.1	32.2	10.7	-91.2	<b>11,953</b>	<b>38,491</b>	
<b>Total Expenditure</b>	<b>12,763</b>	<b>15,571</b>	<b>18,058</b>	<b>19,323</b>	<b>24,992</b>	<b>28,382</b>	<b>7,345</b>	331.7	222.0	
<b>EBITDA</b>	<b>2,008</b>	<b>2,924</b>	<b>3,136</b>	<b>4,018</b>	<b>5,863</b>	<b>5,762</b>	<b>-4,324</b>	<b>14,941</b>	<b>31,747</b>	
Margin (%)	13.6	15.8	14.8	17.2	19.0	16.9	-143.1	<b>-2,988</b>	<b>6,744</b>	
Depreciation	1,168	1,151	1,384	1,537	1,913	2,324	2,383	-25.0	17.5	
<b>EBIT</b>	<b>840</b>	<b>1,773</b>	<b>1,752</b>	<b>2,481</b>	<b>3,951</b>	<b>3,438</b>	<b>-6,707</b>	2,381	2,738	
Int. and Finance Charges	783	840	806	837	1,280	1,521	1,490	<b>-5,369</b>	<b>4,006</b>	
Other Income	89	635	623	313	331	378	83	1,810	1,771	
<b>PBT bef. EO Exp.</b>	<b>146</b>	<b>1,569</b>	<b>1,569</b>	<b>1,958</b>	<b>3,002</b>	<b>2,294</b>	<b>-8,114</b>	530	91	
EO Expense/(Income)	-22	116	41	6	0	5	0	<b>-6,648</b>	<b>2,326</b>	
<b>PBT after EO Exp.</b>	<b>125</b>	<b>1,453</b>	<b>1,528</b>	<b>1,952</b>	<b>3,002</b>	<b>2,289</b>	<b>-8,114</b>	0	0	
Current Tax	2	467	570	489	1,017	627	-2,445	<b>-6,648</b>	<b>2,326</b>	
Deferred Tax	6	0	0	216	79	0	0	-1,673	585	
Tax Rate (%)	6.5	32.1	37.3	36.1	36.5	27.4	30.1	0	0	
Less: Minority Interest	11	5	-1	0	-68	-5	3	25.2	25.2	
<b>Reported PAT</b>	<b>128</b>	<b>991</b>	<b>958</b>	<b>1,247</b>	<b>1,838</b>	<b>1,657</b>	<b>-5,665</b>	0	0	
<b>Adj. PAT</b>	<b>148</b>	<b>1,070</b>	<b>983</b>	<b>1,250</b>	<b>1,838</b>	<b>1,708</b>	<b>-5,678</b>	<b>-4,975</b>	<b>1,740</b>	
Change (%)	-72.1	623	-8.1	27.1	47.0	-7.1	-432.4	<b>-4,975</b>	<b>1,740</b>	
Margin (%)	1.0	5.8	4.6	5.4	6.0	5.0	-187.9	-10.9	-135.0	

Consolidated - Balance Sheet									(INR m)	
Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	
Equity Share Capital	415	467	467	467	467	514	608	608	608	
Total Reserves	3,677	8,345	9,183	10,286	14,490	14,289	17,726	12,752	14,492	
<b>Net Worth</b>	<b>4,092</b>	<b>8,812</b>	<b>9,650</b>	<b>10,754</b>	<b>14,957</b>	<b>14,802</b>	<b>18,334</b>	<b>13,359</b>	<b>15,099</b>	
Minority Interest	383	401	405	8	5	3	0	0	0	
Deferred Liabilities (net)	11	-633	-424	-150	266	-2,049	-3,987	-3,987	-3,987	
Total Loans	7,470	5,718	7,301	6,614	11,039	48,723	47,524	50,524	48,524	
Lease Liabilities						37,715	36,512	36,512	36,512	
<b>Capital Employed</b>	<b>11,956</b>	<b>14,298</b>	<b>16,933</b>	<b>17,226</b>	<b>26,267</b>	<b>61,479</b>	<b>61,871</b>	<b>59,897</b>	<b>59,637</b>	
Gross Block	13,356	15,900	22,335	24,676	38,193	71,953	70,227	73,227	77,227	
Less: Accum. Deprn.	4,784	5,935	7,319	8,856	10,769	13,093	15,476	17,857	20,595	
Intangible assets- Goodwill	31	52	71	79	0	0	0	0	0	
<b>Net Fixed Assets</b>	<b>8,604</b>	<b>10,017</b>	<b>15,087</b>	<b>15,899</b>	<b>27,425</b>	<b>58,860</b>	<b>54,751</b>	<b>55,370</b>	<b>56,632</b>	
Right to use Assets						<b>30,047</b>	<b>27,554</b>	<b>27,554</b>	<b>27,554</b>	
Capital WIP	611	739	1,056	1,017	2,208	1,547	2,172	2,172	2,172	
<b>Total Investments</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>209</b>	<b>111</b>	<b>23</b>	<b>3</b>	<b>3</b>	<b>3</b>	
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>5,055</b>	<b>7,565</b>	<b>5,662</b>	<b>6,208</b>	<b>8,659</b>	<b>11,799</b>	<b>14,106</b>	<b>5,010</b>	<b>9,380</b>	
Inventory	126	205	190	198	303	307	250	92	295	
Account Receivables	767	901	1,021	1,556	1,839	1,893	307	655	2,109	
Cash and Bank Balance	267	2,671	299	328	341	3,223	7,314	2,298	649	
Loans and Advances	3,895	3,788	4,152	4,126	6,175	6,377	6,235	1,965	6,327	
<b>Curr. Liability &amp; Prov.</b>	<b>2,333</b>	<b>4,041</b>	<b>4,892</b>	<b>6,107</b>	<b>12,135</b>	<b>10,750</b>	<b>9,161</b>	<b>2,659</b>	<b>8,550</b>	
Account Payables	2,161	3,933	4,788	5,980	11,920	10,571	8,909	2,596	8,349	
Provisions	172	108	104	127	215	180	252	62	200	
<b>Net Current Assets</b>	<b>2,723</b>	<b>3,524</b>	<b>771</b>	<b>101</b>	<b>-3,477</b>	<b>1,049</b>	<b>4,945</b>	<b>2,352</b>	<b>830</b>	
<b>Appl. of Funds</b>	<b>11,955</b>	<b>14,298</b>	<b>16,933</b>	<b>17,226</b>	<b>26,267</b>	<b>61,479</b>	<b>61,872</b>	<b>59,897</b>	<b>59,637</b>	

## Financials and valuations

### Ratios

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Basic (INR)</b>									
EPS	<b>3.3</b>	<b>21.3</b>	<b>20.5</b>	<b>26.7</b>	<b>37.9</b>	<b>32.2</b>	<b>-93.2</b>	<b>-81.9</b>	<b>28.6</b>
Cash EPS	31.7	47.6	50.6	59.6	80.2	78.5	-54.2	-42.7	73.7
BV/Share	98.5	188.7	206.5	230.1	320.0	288.3	301.7	219.9	248.5
DPS	1.0	1.2	1.2	2.0	2.0	0.0	0.0	0.0	0.0
Payout (%)	39.5	6.6	7.0	9.0	6.1	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>									
P/E	395.9	62.0	64.6	49.6	34.9	41.1	NM	-17.1	48.9
Cash P/E	41.8	27.8	26.1	22.2	16.5	16.8	NM	-32.8	19.0
P/BV	13.4	7.0	6.4	5.8	4.1	4.6	4.4	6.4	5.6
EV/Sales	5.9	4.5	4.1	3.7	3.0	3.7	39.9	11.1	3.5
EV/EBITDA	43.6	28.5	27.9	21.6	15.5	21.8	NM	-32.4	14.3
Dividend Yield (%)	0.1	0.1	0.1	0.2	0.2	0.0	0.0	0.0	0.0
<b>Return Ratios (%)</b>									
RoE	3.4	15.4	10.4	12.2	13.8	11.1	NM	-31.4	12.2
RoCE	8.0	12.5	9.5	10.4	12.5	10.7	NM	-12.8	11.3
RoIC	7.6	11.0	8.3	10.2	12.8	11.7	NM	-23.1	15.3
<b>Working Capital Ratios</b>									
Asset Turnover (x)	1.2	1.3	1.3	1.4	1.2	0.6	0.0	0.2	0.6
Inventory (Days)	3	4	3	3	4	3	30	3	3
Debtor (Days)	19	18	18	24	22	20	37	20	20
Creditor (Days)	53	78	82	94	141	113	1,076	79	79
Working Capital Turnover (Days)	61	17	8	-4	-45	-23	-286	2	2
<b>Leverage Ratio (x)</b>									
Current Ratio	2.2	1.9	1.2	1.0	0.7	1.1	1.5	1.9	1.1
Debt/Equity	1.8	0.6	0.8	0.6	0.7	3.3	2.6	3.8	3.2

### Consolidated - Cash Flow Statement

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	(INR m)
Net Profit / (Loss) Before Tax / EO	125	1,453	1,528	1,952	3,002	896	-9,388	-6,648	2,326	
Depreciation	1,168	1,151	1,384	1,537	1,913	5,425	5,748	2,381	2,738	
Interest & Finance Charges	783	840	806	837	1,280	4,730	4,949	1,810	1,771	
Direct Taxes Paid	-69	-467	-570	-704	-1,097	-295	72	1,673	-585	
(Inc)/Dec in WC	-863	1,603	381	699	4,007	-2,647	-803	-2,422	-128	
<b>CF from Operations</b>	<b>1,144</b>	<b>4,580</b>	<b>3,529</b>	<b>4,320</b>	<b>9,105</b>	<b>8,108</b>	<b>578</b>	<b>-3,206</b>	<b>6,122</b>	
Others	163	81	268	-163	-331	-238	-4,705	-530	-91	
<b>CF from Operating incl EO</b>	<b>1,307</b>	<b>4,661</b>	<b>3,797</b>	<b>4,157</b>	<b>8,774</b>	<b>7,870</b>	<b>-4,127</b>	<b>-3,737</b>	<b>6,030</b>	
(inc)/dec in FA	-1,691	-2,672	-6,752	-2,302	-14,630	-3,838	-1,166	-3,000	-4,000	
<b>Free Cash Flow</b>	<b>-384</b>	<b>1,989</b>	<b>-2,955</b>	<b>1,856</b>	<b>-5,856</b>	<b>4,033</b>	<b>-5,293</b>	<b>-6,737</b>	<b>2,030</b>	
(Pur)/Sale of Investments	239	0	-1	-190	99	0	0	0	0	
Others	-356	0	0	0	2,739	-66	-1,720	530	91	
<b>CF from Investments</b>	<b>-1,808</b>	<b>-2,672</b>	<b>-6,753</b>	<b>-2,491</b>	<b>-11,793</b>	<b>-3,903</b>	<b>-2,886</b>	<b>-2,470</b>	<b>-3,909</b>	
Issue of Shares	100	3,502	1	0	0	5,041	10,931	0	0	
(Inc)/Dec in Debt	1,337	-1,752	1,583	-687	4,425	-674	1,768	3,000	-2,000	
Interest Paid	-827	-840	-806	-837	-1,280	-1,151	-982	-1,810	-1,771	
Dividend Paid	-122	-65	-68	-113	-113	-360	0	0	0	
Others	8	-429	-127	0	0	-4,965	-962	0	0	
<b>CF from Fin. Activity</b>	<b>496</b>	<b>416</b>	<b>583</b>	<b>-1,637</b>	<b>3,033</b>	<b>-2,110</b>	<b>10,755</b>	<b>1,190</b>	<b>-3,771</b>	
<b>Inc/Dec of Cash</b>	<b>-6</b>	<b>2,405</b>	<b>-2,373</b>	<b>29</b>	<b>14</b>	<b>1,857</b>	<b>3,742</b>	<b>-5,016</b>	<b>-1,650</b>	
Add: Beginning Balance	273	266	2,671	299	328	-74	1,783	5,524	508	
<b>Closing Balance</b>	<b>2,671</b>	<b>299</b>	<b>328</b>	<b>341</b>	<b>1,783</b>	<b>5,524</b>	<b>508</b>	<b>-1,141</b>		
Bank OD	0	0	0	0	1,441	1,790	1,790	1,790	1,790	
<b>Net Closing Balance</b>	<b>267</b>	<b>2,671</b>	<b>299</b>	<b>328</b>	<b>341</b>	<b>3,223</b>	<b>7,314</b>	<b>2,298</b>	<b>649</b>	

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

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Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)\*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579; PMS: INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP00000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance Products and IPOs. Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.:022-71881085.

\* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.