Narnolia®

Burger King India Limited

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01St December 2020

IPO Note

Issue Detail

Type	100% Book Built Issue
Issue Size (Cr)	Rs. 810
Offer Price	Rs.59 to Rs 60
Retail & Employee Discount	NIL
Min App Size	250 Shares
Issue Open	Wednesday, December 2, 2020
Issue Close	Friday, December 4, 2020
Shares Offer	135,000,000
Face Value	Rs. 10
Lead Mgrs	Kotak Mahindra Capital Co. Ltd., CLSA India Pvt. Ltd., Edelweiss Financial Services Ltd., JM Financial Ltd
Listing	BSE & NSE
Registrar	Link Intime India Pvt. Ltd
Market Cap (Post Issue) Rs.	2290 crs

Market cap. , Issue size, shares offer are as per Upper price band

No. of shares (Post & Pre Issue)

No. of Shares (Pre Issue)	306,654,605
Offer for Sale	60,000,000
Fresh Issue made*	75,000,000
No. of Shares (Post Issue)	381,654,605

* No. of shares as per Upper price band

Bid allocation pattern

QIB*	75%	101,250,000
Non-Institutional	15%	20,250,000
Retail	10%	13,500,000

* Up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only.

Management Team:

- **Mr. Shivakumar Pullaya Dega**
  - **Designation:** Chairman and Independent Director
- **Mr. Rajeev Varman**
  - **Designation:** Chief Executive Officer and Whole Time Director

Company Overview

- Burger King India Ltd., is one of the fastest growing international QSR (Quick Service Restaurants) chains in India during the first five years of operations based on number of restaurants.
- Company's master franchisee arrangement provides them the ability to use Burger King's globally recognised brand name to grow their business in India, while leveraging the technical, marketing and operational expertise associated with the global Burger King brand. Company's master franchisee arrangement, which expires on December 31, 2039. Company also enjoys favourable royalty rates that are capped at 5% under the master franchisee arrangement.
- The Burger King brand is the second largest fast food burger brand globally as measured by the total number of restaurants, with a global network of 18,675 restaurants in more than 100 countries and U.S. territories as at September 30, 2020.
- The majority of restaurants have opened for dine-in guests and to support food delivery services; however, the capacity for dine-in guests may be limited, based on local regulations.
- As at September 30, 2020, Company had 261 restaurants, including eight Sub-Franchised Burger King Restaurants, across 17 states and union territories and 57 cities across India. Of 261 restaurants as of September 30, 2020, 226 were operational.
- Company plan to continue to build their restaurant network using a cluster approach and penetration strategy with the objective to provide greater convenience and accessibility for their customers across relevant geographies.
- A key focus of the business is promoting and maintaining operational quality, a people-centric culture and effective technology systems that enable them to optimise the performance of their restaurants, enhance the customer experience they offer and contribute to their growth.

Competitive Strengths

- Exclusive national master franchise rights in India
- Strong customer proposition
- Brand positioned for millennials
- Vertically managed and scalable supply chain
- Operational quality, a people-centric operating culture and effective technology systems
- Well defined restaurant roll out and development process
- Experienced, passionate and professional management team

Strategies

- Increase the pace of expansion of restaurant network
- Continue to build on value leadership
- Continue to grow brand awareness and loyalty
- Actively manage unit economics and achieve economies of scale through operational leverage
- Leverage technologies across business

Objectives of the Issue

Offer for Sale

Company will not receive any proceeds from the Offer for Sale.

Fresh Issue

1) Repayment or prepayment of outstanding borrowings of Company obtained for setting up of new1 Company-owned Burger King Restaurants; and
2) Capital expenditure incurred for setting up of new Company-owned Burger King Restaurants.
3) General corporate purposes.

View & Valuation

Burger King is present in India's one of fastest going QSR industry. The company's operations were impacted in H1FY21 due to pandemic, however shifting of food preferences from unorganized to organized food chain restaurants may help expand its growth and presence in coming years. Considering its carried forward losses, the issue is offered at an aggressive valuations of 7.87x PBV, as per H1FY21 results. However, we believe that 75% quota for QIBs and just 10% retail quota alongwith low debt to equity ratio of 0.86x shall help issue witness huge demand from long-term investors. Hence, we recommend high risk investor may subscribe for longterm perspective.

Business Overview

Burger King India Ltd., is one of the fastest growing international QSR chains in India during the first five years of its operations based on number of restaurants. As the national master franchisee of the BURGER KING® brand in India, Company have exclusive rights to develop, establish, operate and franchise Burger King branded restaurants in India. Company's master franchisee arrangement provides them with the ability to use Burger King’s globally recognised brand name to grow their business in India, while leveraging the technical, marketing and operational expertise associated with the global Burger King brand. The globally recognised Burger King brand, also known as the “HOME OF THE WHOPPER®”, was founded in 1954 in the United States and is owned by Burger King Corporation, a subsidiary of Restaurant Brands International Inc., which holds a portfolio of fast food brands that are recognized around the world that include the BURGER KING®, POPEYES® and TIM HORTONS® brands. The Burger King brand is the second largest fast food burger brand globally as measured by the total number of restaurants, with a global network of 18,675 restaurants in more than 100 countries and U.S. territories as at September 30, 2020.

Company's master franchisee arrangement provides them with flexibility to tailor their menu to Indian tastes and preferences, as well as promotions and pricing. Company's customer proposition focuses on value leadership, offering their customers variety through innovative new food offerings at different day parts, catering to the local Indian palate, offering a wide range of vegetarian meal options, and taste advantage and flame grilling expertise. They believe that this enables them to grow their customer base by attracting customers looking for everyday value and giving them opportunities to access their brand for the first time. This also increases the frequency and occasions when customers can visit their restaurants, which drives footfalls and same-store sales. This has driven footfalls and same-store sales in their restaurants and enabled them to become one of the fastest growing QSR brands to reach 200 restaurants among international QSR brands in India during the first five years of their operations.

Since opening first restaurant in November 2014, company have used their well defined restaurant roll out and development process with the aim of growing quickly, consistently and efficiently into a pan-India QSR chain and capitalising on the growing market opportunity in India for QSR restaurants. Although the COVID-19 crisis has adversely affected their ability to open new restaurants and expand their restaurant network temporarily, Company continue to evaluate the pace and quantity of new restaurant openings and the expansion of their restaurant network and aim to increase the pace of their growth when the COVID-19 crisis subsides and more of their restaurants become operational again. The majority of restaurants have opened for dine-in guests and to support food delivery services; however, the capacity for dine-in guests may be limited, based on local regulations. As at September 30, 2020, Company had 261 restaurants, including eight Sub-Franchised Burger King Restaurants, across 17 states and union territories and 57 cities across India. Of 261 restaurants as of September 30, 2020, 226 were operational. As at the date of this Red Herring Prospectus, Company had 259 Company-owned Burger King Restaurants and nine Sub-Franchised Burger King Restaurants, of which 249 were operational, including two Sub-Franchised Burger King Restaurant. Company plan to continue to build their restaurant network using a cluster approach and penetration strategy with the objective to provide greater convenience and accessibility for their customers across relevant geographies. Company launch their brand from flagship locations in high traffic and high visibility locations in key metropolitan areas and cities across India and then develop new restaurants within that cluster. This approach also helps them to efficiently manage their vertically managed and scalable supply chain and drive down costs, due to the proximity of their restaurants to each other and to the distribution centres of their third-party distributor.

A key focus of their business is promoting and maintaining operational quality, a people-centric culture and effective technology systems that enable them to optimise the performance of their restaurants, enhance the customer experience they offer and contribute to their growth. Company also believe that their right to use the Burger King brand exclusively on a national basis also provides them with substantial advantages with respect to operational efficiencies and the speed with which they are able to roll out their national advertising campaigns, manage their supply chain and tailor their menu architecture, promotions and pricing to their customers’ tastes and preferences. Burger King Corporation awarded them the “*Global Master Franchisee of the Year”* in 2018 for their Company’s strong business performance on sales, operations, development and profitability. Further, Company has consistently won regional performance awards since 2015, including “*APAC Master Franchisee of the Year*” and “*APAC Operator of the Year*” in 2018 and 2019, as well as “*APAC Marketer of the Year*” in 2017 and 2018

Company's revenue from sale of food and beverages grew from Rs. 3,752.00 million in Fiscal 2018 to Rs. 8,353.23 million in Fiscal 2020. However, the COVID-19 crisis has had a significant impact on their results of operations at the end of Fiscal 2020 and in the six months ended September 30, 2020, resulting in a decrease of their revenue from sale of food and beverages to Rs. 1,346.93 million in the six months ended September 30, 2020, compared to Rs. 4,193.70 million in the six months ended September 30, 2019. In addition, although their same-store sales grew at 29.21% in Fiscal 2019 and 6.11% in the nine months ended December 31, 2019, Company's same-store sales decreased by 0.30% in Fiscal 2020 and by 56.9% in the six months ended September 30, 2020 primaril due to the impact of the COVID-19 crisis. Company's gross margin grew from Rs. 2,322.07 million in Fiscal 2018 to Rs. 5,367.97 million in Fiscal 2020 and decreased to Rs. 859.53 million in the six months ended September 30, 2020 compared to Rs. 2,699.42 million in the six months ended September 30, 2019.

Business Overview

The table below sets out the key QSR brands outlet presence as of September 30, 2020:

Brands	Total Outlet Count	Mega Metros (%)	Mini Metros (%)	Tier I (%)	Tier II & Others (%)
Domino's	1354	25	32	20	23
Subway	541	37	43	12	8
McDonald's	481	36	35	17	12
KFC	454	19	37	21	23
Wow! Momo	317	29	59	6	6
Burger King	261	41	26	11	23
Jumbo King	131	83	11	6	-
La Pino'z	134	27	21	33	19
Haldiram	80	79	9	7	5
Bikanervala	82	61	9	14	16
Smokin Joe's	50	58	20	4	18
Taco Bell	57	32	54	12	2
Street food by Punjab Grill	41	47	34	12	7

As per RHP

The table below shows post-IPO growth in outlet count of Domino's Pizza, McDonalds (through a reverse listing of Westlife Development) and Café Coffee Day since the time of their respective initial public offerings:

Brands	IPO Year	Outlet Count During IPO Fiscal	Outlet Count in September 30, 2020	CAGR %
Domino's	2009-10	306	1354	16
Westlife (McDonald's)*	2012-13	161	311	10
Cafe Coffee Day	2015-16	1,520	1752	4

* Hardcastle Restaurants, a subsidiary of Westlife Developments, was reverse listed in 2012-2013

As per RHP

Same Store Sales Growth of key brands

Year	Domino's	Westlife	Burger King
FY2020	3.20%	4.00%	-0.30%
FY2019	16.40%	17.40%	29.20%
FY2018	13.90%	15.70%	12.20%

The table below sets out the business model of the key brands in India:

Heads	Domino's	McDonald's*	KFC	Subway	Burger King	Pizza Hut	Chilli's	BBQ Nation	The Great Kebab Factory
Format	QSR	QSR	QSR	QSR	QSR	CDR	CDR	CDR	CDR
Business Model	Master Franchisee	Master Franchisee	Master Franchisee	Micro Franchisee	Joint Venture	Multiple Franchisee	Regional Franchisee	Own + Franchisee	Own + Franchisee
Outlet Count	1354	311	454	541	261	431	21	147	23
APC* (INR)**	200-225	225-250	200-225	175-200	200-225	400-450	600-700	775-800	1250-1500
Average Ticket Value (INR)	500-550	550-600	500-550	250-300	500-550	1450-1550	2750-3000	3500-3750	6000-6500
COGS	22-23%	34-36%	34-36%	32-34%	35-36%	25-26%	29-30%	34-35%	31-32%
Gross Margins	77-78%	64-66%	64-66%	66-68%	64-65%	74-75%	70-71%	65-66%	68-69%
Advertisement	4-5%	5-6%	6-7%	4-5%	~5%	4-5%	3-4%	NA	5-6%
Royalty	3-4%	4-5%**	7-8%	7-8%	4-5%	7-8%	5-6%	NA	6-7%
Store EBITDA	21-23%	13-15%	14-16%	20-22%	12-14%	17-19%	20-21%	20-21%	16-18%
Capex for Initial Build and Opening	150-200 L	350-400 L	300-350 L	40-50 L	200-250 L	200-250 L	300-350 L	250-300 L	400-500 L
Avg. Store Size (in sq.ft.)	1400-1600	2600-3200	2500-3000	750-1000	1300-1400	2600-3200	3700-4300	4800-5400	4500-5000
Average sales /Day*	0.75-0.80 L	1.2-1.3 L	1.2-1.3 L	0.30-0.35 L	1.1-1.2 L	0.7-0.8 L	1.4-1.5 L	1.5-1.6 L	1.9-2.1 L

Store counts are for September 30, 2020.
* Outlets of McDonald's operated by South & West Franchisee (Westlife Development)
** The royalty fee of Westlife Development is 4 to 5% presently, but can contractually increase to 8% from Fiscal 2025
*** Pre-COVID-19 estimates

As per RHP

Comparison with Listed Industry Peers

Name of Company	Face Value (₹ Per Share)	Total Income, for Fiscal 2020 (in ₹ million)	EPS (₹)		NAV(3) (₹ per share)	P/E(4)	RoNW(5) (%)
			Basic(1)	Diluted(2)			
Burger King India Limited	10	8,468.29	-2.87	-2.87	10.31	NA	-27.8
Peer Group							
Jubilant Foodworks Limited	10	39,968.90	21.22	21.22	85.02	119.84	24.85
Westlife Development Limited	2	15,607.86	-0.47	-0.47	37.07	NA	-1.27

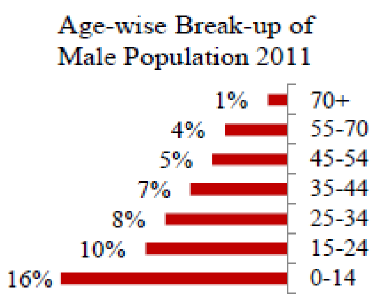
Notes:
(1) Basis EPS refers to the basic EPS sourced from the annual reports of the respective company for the year ended March 31, 2020.
(2) Diluted EPS refers to the diluted EPS sourced from the annual reports of the respective company for the year ended March 31, 2020.
(3) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2020.
(4) P/E Ratio has been computed based on the closing market price of equity shares on NSE on November 24, 2020 divided by the basic EPS provided under Note 1 above.
(5) RoNW is computed as net profit after tax (profit attributable to equity holders of the parent) divided by net worth at the end of the year.
(6) Net Worth has been computed as sum of share capital and reserves (including capital reserve and excluding debenture/ capital redemption reserve, if any) and excluding non-controlling interest.

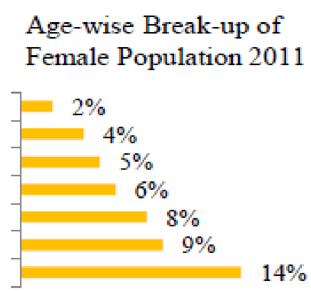
Industry Overview

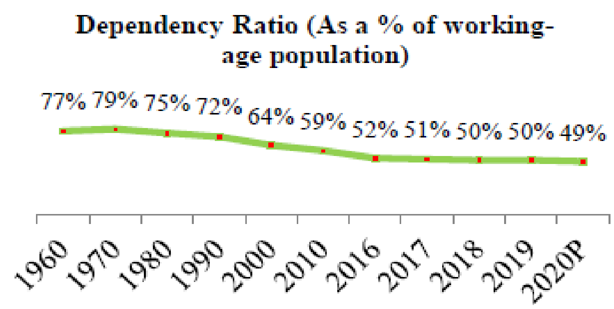
India's real gross domestic product ("GDP") has sustained an average growth between 6% and 7% since Fiscal 1991. India has become the fastest growing G20 economy since Fiscal 2015, with annual growth rate of approximately 7% during that period. India's economy grew at approximately 7% in Fiscal 2019. India's GDP real growth rate declined to 4% in Fiscal 2020 and is estimated to decline to -10.3% in Fiscal 2021 due to the outbreak of the COVID-19 pandemic, which led to the imposition of lockdown restrictions beginning in the last quarter of Fiscal 2020 that continued through into Fiscal 2021, causing a contraction in the economy. It is estimated that India's GDP growth rate will resume to its pre-COVID-19 level by Fiscal 2022.

India has one of the youngest populations in comparison to other leading economies. The median age in India in 2020 is estimated to be 28.7 years compared to 38.5 and 38.4 years in the United States and China, respectively, and the median age in India is expected to remain under 30 years until 2030.

The size of India's young population is contributing to a decline in dependence ratio (the ratio of dependent population size compared to the working-age population size (15 to 64 years of age)), which has decreased from 64% in Fiscal 2000 to 50% in Fiscal 2018, and is expected to further decrease to 49% in Fiscal 2020. This trend is expected to lead to rising income levels per household as well as higher levels of discretionary expenditure. A substantial rise in the working age population of India from 36% in Fiscal 2000 to 49.8% in Fiscal 2018 is expected to help sustain the growth momentum of the Indian economy and lead to rising income levels.







Food services is a key segment in the Indian economy, which accounted for approximately US$56.5 billion in Fiscal 2020, of which approximately US$ 22.8 billion comes from the organized market (chain and organized standalone outlets). Changing consumer dynamics paired with increasing market proliferation of brands in India are expected to continue to boost the food services sector's growth.

The Indian food services market has gained strong momentum in the last decade due to changing consumer consumption patterns that have seen an increase in the tendency to eat out that had not traditionally been a feature of Indians' lifestyle. This has ensured a constant growth of the Indian food services market, which has evolved considerably since the 1980s, when the number of organized brands operating in the country was negligible and the market was widely dominated by smaller unorganized players. A noticeable shift began in 1996 with the opening up of QSR such as McDonald's, Pizza Hut and Domino's Pizza, followed by Subway, KFC, Burger King, Haldiram's, Moti Mahal and Taco Bell, among others.

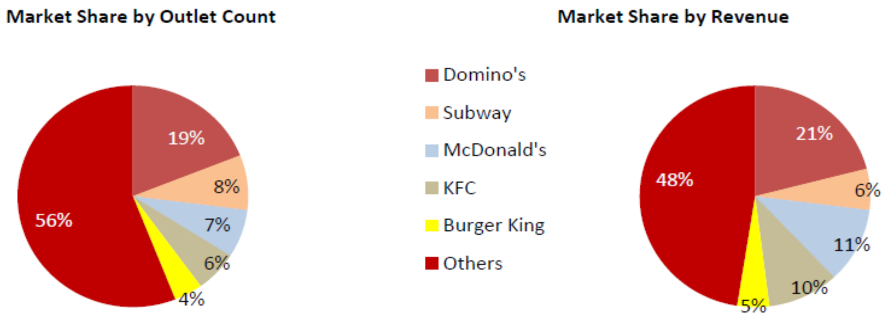
The food services market in India has shown consistent growth since Fiscal 2015 and was estimated at Rs. 4,236 billion in Fiscal 2020. The food services market in India is projected to grow at a CAGR of 9% over the next five years and is expected to reach Rs. 6,505 billion by Fiscal 2025. In Fiscal 2020, the biggest segment of the food services market was the unorganized market, which accounted for Rs. 2,519 billion (59% of the food service market), followed by the organized standalone segment, the chain market and restaurants at hotels, each accounting for Rs. 1,203 billion, Rs. 397 billion and Rs. 116 billion, respectively (28%, 9% and 3% of the food services market, respectively).

In terms of geographical distribution, Delhi and Mumbai, the two mega metros in India, contributed a total of 21.9% of the total revenue of the food services market in Fiscal 2020, while the six mini metros contributed approximately 20.8% of the total revenue of the segment during the same period.

In addition, the food services market has expanded beyond the mega and mini metros with an increased presence of QSR and CDR in Tier I and Tier II cities, driven partly by a lack of quality real estate in mega and mini metros, increased competition in these cities as well as higher disposable incomes paired with high aspirational value of the younger population. Tier I and Tier II cities have emerged as new urban powerhouses with higher disposable incomes clubbed with high aspirational values of the youth, fuelling growth of food service.

Industry Overview

The following charts set out the market share by outlet count and by revenue in the chain QSR sub-segment in Fiscal 2020:



The Indian chain QSR sub-segment is dominated by burgers and sandwiches, with a market share of 31% in Fiscal 2020, followed by pizza, with a market share of 26% in Fiscal 2020 and chicken, with a market share of 15% in Fiscal 2020. The majority of companies within these formats are international brands. The remaining 25% of the market share in the chain QSR sub-segment is split between small national and regional companies offering Indian ethnic cuisine, Chinese cuisine and other types of cuisine.

Companies in the food services market operate in a variety of locations, including malls, high streets, office complexes, highways, hospitals, airports, etc. Malls and high streets have traditionally been the preferred locations for the food services market. The sustained growth of online shopping has resulted in brick and mortar retailers rationalizing their retail space, thereby increasing availability for food and services market companies in the organized retail environment. This has resulted in food services market to emerge as a key sector driving the retail space and being a leading segment to increase footfalls in malls or high streets. Malls are leasing prime floor space to increase the number of food and services companies in their buildings due to the high revenues generated form the food services market. It is estimated that during Fiscal 2018 approximately 20% to 25% of total mall space was leased to food and services market outlets. In addition, the concept of food courts inside mall spaces has historically been successful and is expected to continue to attract large numbers of people.

Before the COVID-19 pandemic, it was estimated that by the end of Fiscal 2021 there will be an increase in available space of approximately 2 million square feet for expansion of the food services market in malls in the top seven largest cities in India. However, as a result of the COVID-19 crisis, future supply of available spaces has been disrupted due to the shortage of the required labor force and financial means, and the estimated approximately 2 million square feet of available space are now expected to come through by the end of Fiscal 2023.

Financials Snap Shot

Income Statement

Rs in Crores

Y/E March	FY18	FY19	FY20	H1FY20	H1FY21
Revenue (Net)	378.12	632.74	841.24	422.33	135.21
Other Income	10.62	11.40	5.59	3.04	16.44
Total Revenue	**388.74**	**644.13**	**846.83**	**425.37**	**151.65**
Cost of materials consumed	143.85	230.08	301.49	150.98	49.19
Employee benefits expense	70.43	96.86	136.50	70.31	51.71
Other expenses	155.71	226.81	299.23	144.00	63.04
Total Expenses	**370.00**	**553.75**	**737.23**	**365.29**	**163.94**
EBITDA	**18.74**	**90.38**	**109.60**	**60.08**	**-12.29**
Depreciation	64.04	82.21	116.37	49.73	62.14
EBIT	**-45.30**	**8.17**	**-6.77**	**10.35**	**-74.43**
Finance Costs	36.94	46.45	65.45	27.78	42.39
Profit before Tax	**-82.23**	**-38.28**	**-72.23**	**-17.43**	**-116.82**
Exceptional item	-	-	4.3	-	2.1
Total tax expense	-	-	-	-	-
PROFIT AFTER TAX	**-82.23**	**-38.28**	**-76.57**	**-17.43**	**-118.95**
Share in Profit/(Loss) of Joint Ventures	-	-	-	-	-
Profit For the Period/Year After Tax	**-82.23**	**-38.28**	**-76.57**	**-17.43**	**-118.95**

Key Ratios

Y/E March	FY18	FY19	FY20	H1FY20	H1FY21
EPS	-3.10	-1.44	-2.87	-0.66	-4.14
Book Value Per share	10.84	9.42	10.31	8.94	7.62
Valuation(x)					
P/E (Upper Band)	-19.34	-41.54	-20.94	-91.47	-14.48
P/E (Lower Band)	-19.01	-40.84	-20.59	-89.95	-14.24
Price / Book Value	5.54	6.37	5.82	6.71	7.87
EV (Rs. crs)	2282.61	2273.98	2440.74	2315.00	2432.64
EV/Sales	6.04	3.59	2.90	5.48	17.99
EV/EBITDA	121.80	25.16	22.27	38.53	-197.98
Profitability Ratios					
RoE	-29%	-15%	-28%	-7%	-54%
RoCE	-16%	3%	-1%	4%	-19%
PAT Margin(%)	-22%	-6%	-9%	-4%	-88%
EBITDA Margin (%)	5%	14%	13%	14%	-9%
Liquidity Ratios					
Interest Coverage Ratio	-1.23	0.18	-0.10	0.37	-1.76
Current Ratio	1.26	0.38	0.51	0.21	0.48
Debt to Equity Ratio	-	0.34	0.71	0.53	0.86

Balance Sheet

Rs in Crores

Y/E March	FY18	FY19	FY20	H1FY20	H1FY21
Share Capital	265.00	265.00	277.74	266.63	290.94
Reserves	22.13	-15.35	-2.32	-29.21	-72.05
Net Worth	**287.13**	**249.65**	**275.43**	**237.42**	**218.89**
Financial liabilities					
Borrowings	-	-	178.787	38.534	175.99
Lease liabilities	352.28	450.838	566.548	499.922	561.66
Provisions	3.32	5.178	18.728	6.193	19.66
Other non-current liabilities	0.73	0.786	0.816	0.884	0.75
Non - current liabilities	**356.34**	**456.80**	**764.88**	**545.53**	**758.06**
Financial liabilities					
Borrowings	-	100.00	19.73	100.00	19.77
Trade payables - Micro and small enterprises	-	-	0.5	-	0.53
Trade payables - Others	43.4	60.9	81.1	76.8	125.54
Lease liabilities	17.7	23.2	31.2	28.8	26.65
Other financial liabilities	15.7	22.2	15.4	25.4	19.74
Provisions	1.7	2.4	3.3	3.4	3.72
Other current liabilities	8.29	5.35	6.23	7.85	4.22
Current liabilities	**86.88**	**214.02**	**157.40**	**242.26**	**200.17**
Total Liabilities	**730.36**	**920.47**	**1,197.71**	**1,025.21**	**1,177.12**
Property, plant and equipment	240.16	347.54	474.23	395.67	459.12
Capital work-in-progress	10.32	20.24	47.56	36.26	41.15
Right of Use Assets	343.35	429.23	537.95	476.92	521.68
Intangible assets	8.80	15.79	24.50	18.96	25.55
Loans	16.14	21.31	29.10	26.58	29.63
Other financial assets	0.03	0.06	0.09	0.09	0.04
Income tax assets (net)	0.60	0.82	1.04	0.84	0.25
Other non-current assets	1.89	3.95	3.31	19.15	3.33
Non-current assets	**621.29**	**838.92**	**1,117.79**	**974.47**	**1,080.73**
Inventories	5.19	6.86	9.43	8.55	8.05
Investments	86.89	38.41	18.58	9.27	28.02
Trade and other receivables	2.59	5.90	3.22	6.59	6.72
Cash and cash equivalents	7.20	15.86	4.05	12.33	9.18
Bank bal. other than included in cash and cash equivalents	0.19	0.16	23.99	1.20	24.18
Other financial assets	1.33	2.97	1.23	2.52	0.49
Other current assets	5.68	11.40	19.42	10.28	19.76
Total Current assets	**109.07**	**81.55**	**79.92**	**50.74**	**96.39**
TOTAL Assets	**730.36**	**920.47**	**1,197.71**	**1,025.21**	**1,177.12**

Cash Flow Statement

Rs in Crores

Y/E March	FY18	FY19	FY20	H1FY20	H1FY21
Profit / (Loss) before tax	-81.42	-38.55	-77.58	-17.86	-119.01
Adjustments for:					
Depreciation and amortisation expense	30.75	39.4770	62.3050	24.3960	32.31
Depreciation on Right of use assets	33.29	42.73	54.07	25.33	29.83
Assets written off	0.62	0.11	0.69	0.30	0.03
Provision for doubtful debts	-	0.26	-	-	-
Interest Income on fixed deposits	-0.02	-0.02	-0.17	-0.03	-0.92
Gain on termination of lease	-	-	-0.94	-1.24	-
Gain on remeasurement of lease	-	-	-1.42	-	-1.43
Lease concessions	-	-	-	-	-21.83
Finance cost	36.94	46.45	65.45	27.78	42.38
Employee stock option scheme expense	0.84	0.78	2.71	3.02	3.97
Provision written back	-	-6.49	-0.11	-0.02	-0.17
Notional interest on interest free security deposit	-1.31	-1.64	-1.77	-0.68	-0.71
Profit on sale of Current Investments (including MTM impact)	-8.97	-2.99	-1.07	-0.79	-0.42
Operating Profit before working capital	**10.72**	**80.12**	**102.16**	**60.21**	**-35.96**
Adjustments for working capital:					
(Increase)/ Decrease in financial assets	-3.68	-3.53	-6.02	-4.59	0.17
(Increase)/ Decrease in other non-current assets	-	-0.04	-1.18	-1.18	0.22
(Increase)/ Decrease in other Current Assets	-1.46	-3.07	-6.29	1.56	0.40
(Increase)/ Decrease in inventories	-1.19	-1.67	-2.58	-1.69	1.38
(Increase)/ decrease in trade receivables	-1.17	-3.31	2.68	-0.69	-3.50
Increase in trade payables	23.93	19.70	20.65	15.86	44.45
Increase in provisions	0.91	1.46	2.60	1.78	1.11
Increase / (Decrease) in Other Liabilities	2.79	-2.89	0.92	2.60	0.50
Cash generated from operations	**30.85**	**86.76**	**112.95**	**73.85**	**8.77**
Income Tax Paid	-0.36	-0.22	-0.23	-0.03	0.79
Net cash from operating activities (A)	**30.49**	**86.54**	**112.72**	**73.82**	**9.56**
Net cash from / (used in) investing activities (B)	**12.79**	**-113.96**	**-230.42**	**-71.43**	**-27.75**
Net cash from / (used in) financing activities (C)	**-48.43**	**36.07**	**105.90**	**-5.91**	**23.31**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**-5.16**	**8.65**	**-11.80**	**-3.52**	**5.12**
Cash and cash equivalents at the beginning of the Year	**12.36**	**7.20**	**15.86**	**15.86**	**4.05**
Cash and cash equivalents at the end of the Year	**7.20**	**15.86**	**4.05**	**12.33**	**9.18**

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Analyst's ownership of the stocks mentioned in the Report	NIL

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