



**Choice**  
Nurturing Financial Excellence

# IPO REPORT

**“Subscribe with Caution” to  
Zomato Ltd.**

Scalable business model, but current unit economy non sustainable

## Salient features of the IPO:

- Backed by Info Edge India Ltd. and ANT Financials, **Zomato Ltd.** (Zomato) - a food delivery company, is planning to raise up to Rs. 9,375cr through an IPO, which opens on 14<sup>th</sup> Jul. and closes on 16<sup>th</sup> Jul. 2021. The price band is Rs. 72 - 76 per share.
- The issue is a combination of fresh and OFS. The company will not receive any proceeds from the OFS portion. Of the net proceeds from the fresh issue, Rs. 6,750cr will be utilized to fund the organic and in-organic growth initiatives of the company.
- On the back of robust demand from investors, Zomato has increased the fresh issue size by 20%. However, its only selling shareholder i.e. Info Edge India Ltd. has reduced the OFS size to Rs. 375cr from Rs. 750cr planned earlier.
- In the recent past, Zomato has executed couple of small sized private placements, which were at significant discount to the issue price.

## Key competitive strengths:

- Strong network effects driven by unique content and transaction flywheels
- Widespread and efficient on-demand hyperlocal delivery network
- Technology and product-first approach to business
- Strong consumer brand recognized across the length and breadth of India

## Risk and concerns:

- Unfavorable government policies
- Inability to attract customer and restaurants
- Reliance on discounts to drive business growth
- Continued loss making operations
- Competition

**Peer comparison and valuation:** Currently, the company is loss making. Also, there is no listed domestic peer having same line of business as the company. We have considered global peers for valuation benchmarking. At higher price band of Rs. 76, Zomato is demanding a FY21 P/S multiple of 29.9x, which is at premium to the global peer average. Thus the issue seems to be overpriced.

**Below are a few key observations of the issue:** (continued in next page)

- In 2020, domestic food consumption stood at around a quarter of India's GDP. Historically, food consumption was driven by home-cooked food and restaurant food (or Food Services). Currently, Food Service contributed around 8-9% to the total food consumption market and is substantially lower when compared to the United States and China. According to RedSeer, India's total addressable Food Services market was at USD 65bn in 2019 and is further expected to grow to USD 110bn by 2025.
- Also the domestic restaurant market is highly fragmented, largely dominated by standalone restaurants and with only 6-7% of the value being driven by chain restaurants. These standalone restaurants have limited expertise to further expand their business. Thus, presence of aggregators becomes more important as they help the market grow by giving restaurant partners (both small and large) to market, engage and acquire customers without any need of further investments.

Recommendation	Subscribe with Caution
Price band	Rs. 72 - 76 per share
Face value	Rs. 1
Shares for fresh issue	118.42 - 125cr shares
Shares for OFS	4.93 - 5.21cr shares
Fresh issue size	Rs. 9,000cr
OFS issue size	Rs. 375cr
Total issue size	123.36 - 130.21cr shares (Rs. 9,375cr)
Employees reservation	0.65cr shares
Net issue size	122.71 - 129.56cr shares (Rs. 9,325.6 - 9,328.2cr)
Bidding date	14 <sup>th</sup> Jul. - 16 <sup>th</sup> Jul. 2021
MCAP at higher price band	Rs. 59,623cr
Enterprise value at higher price band	Rs. 56,662cr
Book running lead manager	Kotak Mahindra Capital Company Ltd., Morgan Stanley India Company Pvt. Ltd., Credit Suisse Securities (India) Pvt. Ltd., BofA Securities India Ltd. and Citigroup Global Markets India Pvt. Ltd.
Registrar	Link Intime India Pvt. Ltd.
Sector	Food-Tech
Promoters	Zomato is a professionally managed company and does not have an identifiable promoter

Issue breakup		
Category	Percent of issue (%)	Number of shares
QIB portion	75%	92.03 - 97.17cr shares
Non institutional portion	15%	18.41 - 19.43cr shares
Retail portion	10%	12.27 - 12.96cr shares

Indicative IPO process time line	
Finalization of basis of allotment	22 <sup>nd</sup> Jul. 2021
Unblocking of ASBA account	23 <sup>rd</sup> Jul. 2021
Credit to demat accounts	26 <sup>th</sup> Jul. 2021
Commencement of trading	27 <sup>th</sup> Jul. 2021

Pre and post - issue shareholding pattern		
	Pre-issue	Post-issue
Promoter & promoter group	0.00%	0.00%
Public	95.80%	96.43%
Non-promoter and non-public	4.20%	3.57%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Retail application money at higher cut-off price per lot	
Number of shares per lot	195
Application money	Rs. 14,820 per Lot

**Analyst**  
**Raj Nath Yadav**  
Research Analyst (022 - 6707 9999; Ext: 912)  
Email: [rajnath.yadav@choiceindia.com](mailto:rajnath.yadav@choiceindia.com)

## Peer comparison and valuation (Contd...):

- Zomato is an end-to-end food service aggregator, having a unique scalable technological platform that connects customers, restaurant partners and delivery partners. Customers use its platform to search & discover restaurants, order food delivery, book a table & make payments while dining-out at restaurants, etc. On the other hand, the platform provides restaurant partners with sector-specific marketing tools, which enables them to engage and acquire customers to grow their business while also providing a reliable and efficient last mile delivery service. Currently, the company derives around 75% of the revenue from the food business.
- Zomato is planning to enter into online groceries with an acquisition of a minority stake of 9.3% in grocery delivery platform Grofers. The company has sought regulatory approvals for this proposed investment. Online grocery currently is in nascent stage, but is growing rapidly and thus offers a great opportunity for Zomato. Further, the company is also planning to apply to the RBI for getting payment aggregator authorization. However, the management has clarified that it has no plans to start a new payment business, but planning to get RBI mandate since payment is made on the platform.
- The company is one of the leading food service platforms in India in terms of value of food sold (Source: RHP). Over FY19-21, the platform reported a 4.7% and 10.2% CAGR rise in monthly active and transacting users, respectively, which stood at 3.21cr and 0.68cr in FY21. Active restaurant listings stood at 1.5lakh, a 25.4% CAGR increase over FY19-21. Order volume and gross order value increased by 11.8% and 32.7% CAGR, respectively, during the same period. Growth figures could have been higher, if the Covid-19 pandemic had not hit its operations. Further, with its exclusive paid membership program (Zomato Pro), it had 15lakh Pro-members and 0.25lakh Pro-restaurant partners. As of 31<sup>st</sup> Mar. 2021, Zomato had India's largest hyperlocal delivery network with 0.017cr active delivery partners, which fulfilled 94% of the orders.
- It also operates a one-stop procurement solution, Hyperpure, which supplies high quality ingredients spanning from fruits & vegetables, groceries, dairy, poultry, meats & seafood, bakery items, gourmet & packaged foods, beverages, etc. to its restaurant partners. In FY21, this vertical contributed around 10% to the total business.
- The food service and delivery businesses were disproportionately affected from Covid-19 induced lockdowns and restrictions. However, there was a significant pick-up in the business activities once the restrictions were eased from Jun. 2020. Zomato reported 91.6%, 42.3% and 11.1% sequential rise in gross order value in Q2, Q3 and Q4 FY21. We believe the accelerated digital adoption (arising due to the pandemic), will act as a tailwind for the business growth in future.
- The company earns income largely in the form of commissions and advertisements from the restaurant partners. It also collects a portion of delivery charge from the customer. On expenses front, major line items are the delivery cost and discounts. On unit economics front, the company has reported a drastic improvement in the contribution margin in the last eight quarters. Contribution margin improved from -19.2% in Q1 FY20 to 4.1% in Q4 FY21. The key factor behind this improvement was the higher order value, lower discounts and lower delivery cost under recoveries. With commercial establishment/offices operating with restrictions, the higher order value can be mainly due to relatively large orders from the families during the pandemic times. Once the individual socialization conditions normalize to pre-Covid times, average order value may revert to lower levels. Also since the company is operating in a highly competitive market, a discount-led business growth may continue in order to grab the market share. Thus, we feel that the current unit contribution margins are not sustainable in the medium term.
- Coming to the financial performance, Zomato has demonstrated a robust business growth, mainly due to increased penetration of its services. But its profitability was in red throughout the reported period, due to customer acquisition and advertising costs. The company reported a 23.2% CAGR growth in consolidated revenue over FY19-21 to stand at Rs. 1,993.8cr in FY21. Higher business was backed by multiple factors like greater engagement from existing customers, addition of new customers, penetration into new markets, relatively higher commissions and advertising incomes from its restaurant partners. Revenue growth in FY21 could have been higher, if the food services operations were not impacted by the Covid-19 pandemic. Consolidated EBITDA and PAT remained in red throughout the reported period, but the loss level declining significantly in FY21. Over FY19-21, Zomato reported negative cash flow from operating activities, with an average negative cash flow of Rs. 1,635cr. Average fixed asset and total asset turnover stood at 2.1x and 0.5x, respectively, over FY19-21.

Currently, the company is loss making. Also, there is no listed domestic peer having same line of business as the company. We have considered global peers for valuation benchmarking. At higher price band of Rs. 76, Zomato is demanding a TTM P/S multiple of 29.9x, which is at premium to the global peer average. Thus the issue seems to be overpriced. The company has certain positivities like asset light scalable business model, expanded target market post the pandemic, first mover advantage in food delivery business etc. But its operations in almost duopoly market may attract regulatory actions, which would be negative for the company. Also its operations are generating heavy losses, albeit some improvements in FY21, which we believe is not sustainable once socialization normalizes post-pandemic. Thus considering the above observations, we feel that this IPO is not for retail investor, but investors with higher risk appetite with long term investment horizon can apply. Thus we assign a **"Subscribe with Caution"** rating for the issue.

## About the issue:

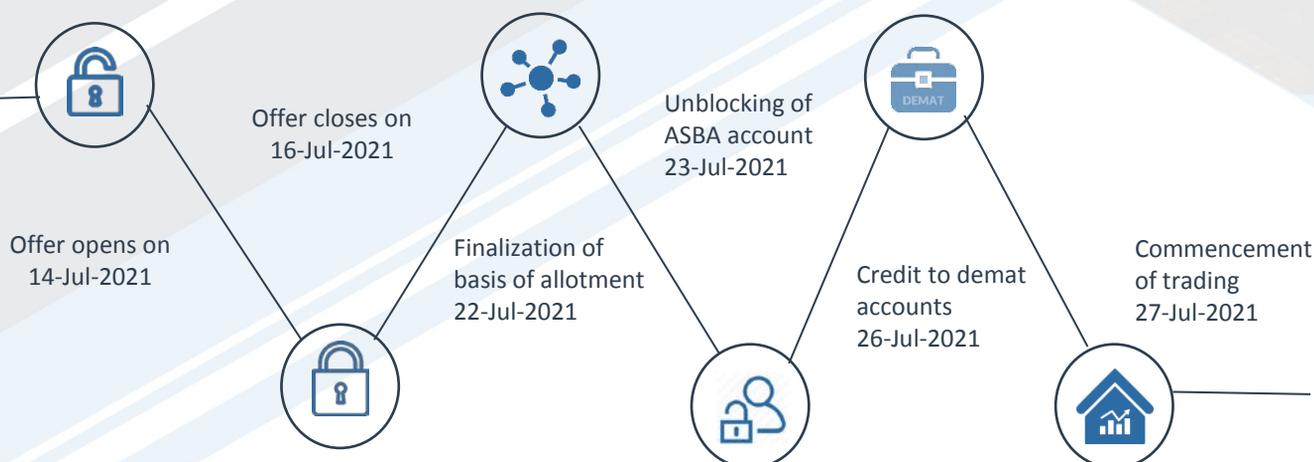
- Zomato is coming up with an initial public offering (IPO) with 123.36 - 130.21cr shares (fresh issue: 118.42 – 125cr shares; OFS shares: 4.93 - 5.21cr shares) in offering. The offer represents around 15.72% of its post issue paid-up equity shares of the company. Total IPO size is Rs. 9,375cr.
- The issue will open on 14<sup>th</sup> Jul. 2021 and close on 16<sup>th</sup> Jul. 2021.
- The issue is through book building process with a price band of Rs. 72 - 76 per share.
- 0.65cr shares are reserved for eligible employees. Thus the net issue size is 122.71 - 129.56cr shares (Rs. 9,325.6 - 9,328.2cr).
- The company will not receive any proceeds from the OFS portion. Of the net proceeds from the fresh issue, Rs. 6,750cr will be utilized to fund the organic and in-organic growth initiatives of the company.
- 75% of the net issue shall be allocated on a proportionate basis to qualified institutional buyers, while rest 15% and 10% is reserved for non-institutional bidders and retail investors, respectively.
- Since the company is professionally managed, it doesn't have any identifiable promoter. Current public holding is 95.80%, which will be 96.43% post-issue. Non-promoter and non-public holding will decline from current 4.20% to 3.57%.

### Pre and post-issue shareholding pattern (%)

	Pre-issue	Post-issue (at higher price band)
Promoter & promoter group (%)	0.00%	0.00%
Public (%)	95.80%	96.43%
Non-promoter and non-public	4.20%	3.57%

Source: Choice Equity Broking

## Indicative IPO process time line:



## Financial performance:

**Performance over FY19-21:** Zomato has demonstrated a robust business growth, mainly due to increased penetration of its services. But its profitability was in red throughout the reported period, due to customer acquisition and advertising costs.

The company reported a 23.2% CAGR growth in consolidated revenue to at Rs. 1,993.8cr in FY21. Higher business was backed by multiple factors like greater engagement from existing customers, addition of new customers, penetration into new markets, relatively higher commissions and advertising incomes from its restaurant partners. Revenue growth in FY21 could have been higher, if the food services operations were not impacted by the Covid-19 pandemic.

In FY21, the company implemented various cost reduction measures like lower discounts and lower delivery cost under recoveries, which led to a 61.8% fall (over FY20) in other expenses. As a result, total operating expenditure declined by 16.8% CAGR. However, consolidated EBITDA remained in red throughout the reported period, but the loss level declining significantly.

In FY19, the company reported an exceptional profit of Rs. 1,199.9cr, mainly arising from the gain from the divestment of UAE operations. Moreover, an exceptional loss of Rs. 324.8cr was reported on account of the acquisition of Uber Eats. Reported PAT was in red throughout FY19-21. Nevertheless, adjusted PAT declined in-line to EBITDA, but loss levels declining significantly.

Over FY19-21, Zomato reported negative cash flow from operating activities, with an average negative cash flow of Rs. 1,635cr. Average fixed asset and total asset turnover stood at 2.1x and 0.5x, respectively, over FY19-21.

Consolidated financial snapshot (Rs. cr)	FY18	FY19	FY20	FY21	CAGR over FY19-21 (%)	Y-o-Y (% Annual)
Revenue from operations	466.0	1,312.6	2,604.7	1,993.8	23.2%	-23.5%
EBITDA	(92.4)	(2,243.5)	(2,304.7)	(467.2)	-54.4%	-79.7%
Reported PAT	(103.7)	(964.9)	(2,367.2)	(812.8)	-8.2%	-65.7%
Adjusted PAT	(103.7)	(2,164.9)	(2,245.1)	(488.1)	-52.5%	-78.3%
Restated adjusted EPS	(0.1)	(2.8)	(2.9)	(0.6)	-52.5%	-78.3%
Cash flow from operating activities	(69.3)	(1,742.7)	(2,143.6)	(1,017.9)	-23.6%	-52.5%
NOPLAT	(121.6)	(2,286.6)	(2,388.9)	(606.6)	-48.5%	-74.6%
FCF		(3,580.9)	(602.9)	(3,563.9)	-0.2%	491.2%
RoIC (%)	-10.4%	-86.1%	-111.9%	-11.7%		
Revenue growth rate (%)		181.7%	98.4%	-23.5%		
EBITDA growth rate (%)		2326.8%	2.7%	-79.7%		
EBITDA margin (%)	-19.8%	-170.9%	-88.5%	-23.4%		
EBIT growth rate (%)		1780.5%	4.5%	-74.7%		
EBIT margin (%)	-26.1%	-174.2%	-91.7%	-30.3%		
Restated adjusted PAT growth rate (%)		1988.1%	3.7%	-78.3%		
Restated adjusted PAT margin (%)	-22.2%	-164.9%	-86.2%	-24.5%		
Inventories turnover ratio (x)		615.9	889.3	215.3	-40.9%	-75.8%
Trade receivable turnover ratio (x)	17.9	27.2	26.9	15.8	-23.9%	-41.5%
Accounts payable turnover ratio (x)	6.9	5.9	8.1	7.0	9.1%	-12.8%
Fixed asset turnover ratio (x)	2.4	3.4	1.6	1.3	-38.0%	-20.9%
Total asset turnover ratio (x)	0.3	0.4	0.9	0.2	-22.8%	-74.5%
Current ratio (x)	8.1	4.2	1.8	8.0	38.0%	357.4%
Debt to equity (x)	0.0	0.1	2.4	0.0	-55.3%	-99.2%
Net debt to EBITDA (x)	10.8	1.0	(0.4)	6.3	157.9%	
RoE (%)	-8.6%	-83.3%	-316.3%	-6.0%		
RoA (%)	-7.5%	-63.4%	-77.4%	-5.6%		
RoCE (%)	-9.8%	-84.5%	-109.6%	-7.4%		

Source: Choice Equity Broking



## Competitive strengths:

- Strong network effects driven by unique content and transaction flywheels
- Widespread and efficient on-demand hyperlocal delivery network
- Technology and product-first approach to business
- Strong consumer brand recognized across the length and breadth of India

## Business strategy:

- Continuous focus on unit economics and growth at the same time
- Expand and strengthen community across the three businesses - food delivery, dining-out and Hyperpure
- Invest in new products and technologies
- Continue to build a strong consumer brand recognized across India



## Risk and concerns:

- Unfavorable government policies
- Inability to attract customer and restaurants
- Reliance on discounts to drive business growth
- Continued loss making operations
- Competition

## Financial statements:

### Consolidated profit and loss statement (Rs. cr)

	FY18	FY19	FY20	FY21	CAGR over FY19 - 21 (%)	Annual growth over FY20 (%)
<b>Revenue from operations</b>	<b>466.0</b>	<b>1,312.6</b>	<b>2,604.7</b>	<b>1,993.8</b>	<b>23.2%</b>	<b>-23.5%</b>
Purchase of stock in trade	0.0	(18.7)	(110.5)	(202.9)	229.2%	83.6%
Changes in inventories of traded goods	0.0	2.1	1.6	11.0	127.3%	589.2%
<b>Gross profit</b>	<b>466.0</b>	<b>1,296.0</b>	<b>2,495.8</b>	<b>1,801.9</b>	<b>17.9%</b>	<b>-27.8%</b>
Employee benefits expense	(290.5)	(600.8)	(798.9)	(740.8)	11.0%	-7.3%
Other expenses	(268.0)	(2,938.7)	(4,001.6)	(1,528.3)	-27.9%	-61.8%
<b>EBITDA</b>	<b>(92.4)</b>	<b>(2,243.5)</b>	<b>(2,304.7)</b>	<b>(467.2)</b>	<b>-54.4%</b>	<b>-79.7%</b>
Depreciation and amortization expense	(29.1)	(43.1)	(84.2)	(137.7)	78.7%	63.5%
<b>EBIT</b>	<b>(121.6)</b>	<b>(2,286.6)</b>	<b>(2,388.9)</b>	<b>(604.9)</b>	<b>-48.6%</b>	<b>-74.7%</b>
Finance costs	(6.3)	(8.7)	(12.6)	(10.1)	7.7%	-20.2%
Other income	21.0	85.1	138.0	124.6	21.0%	-9.7%
Exceptional items		1,199.9	(122.0)	(324.8)		166.1%
<b>PBT</b>	<b>(106.9)</b>	<b>(1,010.2)</b>	<b>(2,385.6)</b>	<b>(815.1)</b>	<b>-10.2%</b>	<b>-65.8%</b>
Tax expenses				(1.3)		
<b>PAT before minority interests</b>	<b>(106.9)</b>	<b>(1,010.2)</b>	<b>(2,385.6)</b>	<b>(816.4)</b>	<b>-10.1%</b>	<b>-65.8%</b>
Minority interest	3.2	45.3	18.4	3.6	-71.8%	-80.4%
<b>Reported PAT</b>	<b>(103.7)</b>	<b>(964.9)</b>	<b>(2,367.2)</b>	<b>(812.8)</b>	<b>-8.2%</b>	<b>-65.7%</b>
<b>Adjusted PAT</b>	<b>(103.7)</b>	<b>(2,164.9)</b>	<b>(2,245.1)</b>	<b>(488.1)</b>	<b>-52.5%</b>	<b>-78.3%</b>

### Consolidated balance sheet statement (Rs. cr)

	FY18	FY19	FY20	FY21	CAGR over FY19 - 21 (%)	Annual growth over FY20 (%)
Equity share capital	0.0	0.0	0.0	0.0	1.7%	3.3%
Instruments entirely equity in nature	174.4	243.7	252.4	454.9	36.6%	80.2%
<b>Other equity</b>	<b>1,036.1</b>	<b>2,355.6</b>	<b>457.4</b>	<b>7,643.8</b>	<b>80.1%</b>	<b>1571.3%</b>
Non-controlling interests	8.4	(31.4)	(6.5)	(5.7)	-57.4%	-12.2%
Non current borrowings	1.3	1.3	1.5			
Non current lease liabilities	10.5	74.3	56.4	53.0	-15.5%	-6.1%
Other non current financial liabilities			1,375.9			
Non current provisions	7.2	14.3	16.7	25.9	34.7%	55.1%
Other non current liabilities	0.0	49.0	25.7	13.9	-46.7%	-46.0%
Current borrowings				1.4		
Current lease liabilities	18.2	28.6	15.3	18.2	-20.2%	19.3%
Other current financial liabilities	2.1	132.6	253.1	74.6	-25.0%	-70.5%
Trade payables	67.4	376.2	268.7	297.2	-11.1%	10.6%
Current provisions	2.5	5.1	9.3	7.0	16.8%	-24.6%
Other current liabilities	46.4	163.6	174.5	119.4	-14.6%	-31.5%
<b>Total liabilities</b>	<b>1,374.5</b>	<b>3,412.9</b>	<b>2,900.4</b>	<b>8,703.5</b>	<b>59.7%</b>	<b>200.1%</b>
Property, plant and equipment	4.9	39.8	36.4	23.4	-23.4%	-35.9%
Intangible assets	60.2	68.9	278.0	207.4	73.5%	-25.4%
Right of use assets	18.6	91.9	66.8	60.5	-18.9%	-9.5%
Capital work-in-progress	0.7	0.3	0.2		-100.0%	-100.0%
Intangible assets under development	0.5	0.4	0.8	0.1	-45.2%	-83.3%
Goodwill	106.1	188.5	1,209.3	1,247.8	157.3%	3.2%
Non current investments	9.6	7.3				
Other non current financial assets	54.9	12.1	10.5	3,006.3	1475.8%	28596.7%
Non current loans	4.3					
Non current net tax assets	4.2	27.8	29.7	5.4	-56.2%	-82.0%
Other non current assets	0.5	4.0	5.3	2.2	-25.6%	-58.8%
Current investments	819.7	2,137.3	323.9	2,205.2	1.6%	580.8%
Cash and cash equivalents	208.1	238.7	359.9	903.7	94.6%	151.1%
Other current financial assets	37.7	397.3	111.1	629.5	25.9%	466.5%
Inventories		2.1	3.7	14.8	163.5%	297.0%
Trade receivables	26.1	70.3	123.1	129.9	35.9%	5.5%
Current net tax assets	5.5	9.8	40.0	44.5	113.2%	11.2%
Other current assets	12.8	116.4	301.6	223.0	38.4%	-26.1%
<b>Total assets</b>	<b>1,374.5</b>	<b>3,412.9</b>	<b>2,900.4</b>	<b>8,703.5</b>	<b>59.7%</b>	<b>200.1%</b>

Source: Choice Equity Broking

## Financial statements:

### Consolidated cash flow statement (Rs. cr)

Particulars (Rs. mn)	FY18	FY19	FY20	FY21	CAGR over FY19 - 21 (%)	Annual growth over FY20 (%)
Cash flow before working capital changes	(72.4)	(1,902.9)	(2,124.7)	(279.8)	-61.7%	-86.8%
Working capital changes	7.6	187.9	13.1	(756.7)		
<b>Cash flow from operating activities</b>	<b>(69.3)</b>	<b>(1,742.7)</b>	<b>(2,143.6)</b>	<b>(1,017.9)</b>	<b>-23.6%</b>	<b>-52.5%</b>
Purchase of property, plant & equipment	(5.3)	(45.1)	(21.3)	(4.8)	-67.4%	-77.5%
<b>Cash flow from investing activities</b>	<b>(820.6)</b>	<b>(1,273.5)</b>	<b>1,735.2</b>	<b>(5,243.6)</b>	<b>102.9%</b>	<b>-402.2%</b>
<b>Cash flow from financing activities</b>	<b>941.3</b>	<b>3,129.5</b>	<b>358.9</b>	<b>6,401.9</b>	<b>43.0%</b>	<b>1683.8%</b>
<b>Net cash flow</b>	<b>51.3</b>	<b>113.3</b>	<b>(49.5)</b>	<b>140.3</b>	<b>11.3%</b>	
Opening balance of cash	49.0	99.1	216.7	166.2	29.5%	-23.3%
<b>Closing balance of cash</b>	<b>100.4</b>	<b>212.4</b>	<b>167.2</b>	<b>306.5</b>	<b>20.1%</b>	<b>83.3%</b>

### Consolidated financial ratios

Particulars (Rs. mn)	FY18	FY19	FY20	FY21
Revenue growth rate (%)		181.7%	98.4%	-23.5%
EBITDA growth rate (%)		2326.8%	2.7%	-79.7%
EBITDA margin (%)	-19.8%	-170.9%	-88.5%	-23.4%
EBIT growth rate (%)		1780.5%	4.5%	-74.7%
EBIT margin (%)	-26.1%	-174.2%	-91.7%	-30.3%
Restated adjusted PAT growth rate (%)		1988.1%	3.7%	-78.3%
Restated adjusted PAT margin (%)	-22.2%	-164.9%	-86.2%	-24.5%
<b>Turnover ratios</b>				
Inventories turnover ratio (x)		615.9	889.3	215.3
Trade receivable turnover ratio (x)	17.9	27.2	26.9	15.8
Accounts payable turnover ratio (x)	6.9	5.9	8.1	7.0
Fixed asset turnover ratio (x)	2.4	3.4	1.6	1.3
Total asset turnover ratio (x)	0.3	0.4	0.9	0.2
<b>Return ratios</b>				
RoE (%)	-8.6%	-83.3%	-316.3%	-6.0%
RoA (%)	-7.5%	-63.4%	-77.4%	-5.6%
RoCE (%)	-9.8%	-84.5%	-109.6%	-7.4%
<b>Per share data</b>				
Restated adjusted EPS (Rs.)	(0.1)	(2.8)	(2.9)	(0.6)
DPS (Rs.)				
BVPS (Rs.)	1.5	3.3	0.9	10.3
Operating Cash Flow Per Share (Rs.)	(0.1)	(2.2)	(2.7)	(1.3)
Free Cash Flow Per Share (Rs.)		(4.6)	(0.8)	(4.5)
Dividend Payout Ratio	0.0%	0.0%	0.0%	0.0%

Note: Ratios calculated on pre-issue data; Source: Choice Equity Broking

## Disclaimer

This is solely for information of clients of Choice Broking and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone and Choice Broking its subsidiaries or its employees or associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation, but Choice Broking or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information. This report is based on the fundamental analysis with a view to forecast future price. The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report. Choice Broking has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; Choice Broking makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The opinions contained within the report are based upon publicly available information at the time of publication and are subject to change without notice. The information and any disclosures provided herein are in summary form and have been prepared for informational purposes. The recommendations and suggested price levels are intended purely for stock market investment purposes. The recommendations are valid for the day of the report and will remain valid till the target period. The information and any disclosures provided herein may be considered confidential. Any use, distribution, modification, copying, forwarding or disclosure by any person is strictly prohibited. The information and any disclosures provided herein do not constitute a solicitation or offer to purchase or sell any security or other financial product or instrument. The current performance may be unaudited. Past performance does not guarantee future returns. There can be no assurance that investments will achieve any targeted rates of return, and there is no guarantee against the loss of your entire investment.

POTENTIAL CONFLICT OF INTEREST DISCLOSURE (as on date of report) Disclosure of interest statement – • Analyst interest of the stock /Instrument(s): - No. • Firm interest of the stock / Instrument (s): - No.



+91-022-6707 9999



[www.choicebroking.in](http://www.choicebroking.in)



+91-022-6707 9959

**Choice Equity Broking Pvt. Ltd.**

Choice House, Shree Shakambhari Corporate Park, Plot No: -156-158,  
J.B. Nagar, Andheri (East), Mumbai - 400 099.