

December 19, 2018

Company	Sector	CMP	Recommendation	Target	Potential Upside
Jubilant FoodWorks Ltd.	Restraunts	1335	BUY	1468	10%

**Key Stock Data**

BSE Script Code	JUBLFOOD
NSE Script Code	JUBLFOOD
No. of shares	13.19
FV (Rs.)	10
MCAP (Rs.)	16,978 Crs
MCAP (\$)	239 Crs
52 Week High	Rs. 1575
52 week Low	Rs. 825
Time Frame	6 months

Jubilant Food works Limited (JUBLIFOOD) is part of Jubilant Bhartia group and is one of India's largest food service Company, with a network of 1128 Domino's Pizza restaurants across 265 cities (as of January 19, 2018). The company has 67% market share in the organized pizza segment. The company has 70% market share in home delivery take away segment. JFL focuses on a home delivery and takeaway oriented business model, which offers its customers the convenience of eating in the comfort of their own homes and workspaces.

**Investments Rationale****1. Improvement in SSG (Same Store Sales Growth)**

JUBLIFOOD's focus on customer satisfaction and its efforts to revamp its products have led to SSG (Same store growth) of 20.5% in 2QFY19 from 5.5% in 2QFY18

**2. Improvement in Dunkin Donuts**

Dunkin Donuts which is a value added segment of the company also continuous to do good chiefly due to its initiative to close loss making business. In 2QFY19 Restraunts at the beginning of the period stood at 37 as against 55 in 2QFY18

**Outlook & Valuations**

JUBLIFOOD is currently walking on the successful path of turnaround with all key parameters growing in the right direction. The company's value added segment of 'Dunkin Donuts' is also expected to breakeven in FY19. The stock is currently trading at 607x FY20 E PE and looking at the demand for QSR segment, we would like to allot a PE of we would like to allot a PE of 67x to arrive at a target price of Rs. 1468 per share.

**Key Financial**

Amt in Crs

Particulars	FY16 A	FY17 A	FY18 A	FY19 E	FY20 E
Total Revenue	2450	2598	3041	3345	3679
PBT	275	225	463	502	552
PAT	97	57	197	234	294
EPS	14.74	8.63	29.86	17.74	22.31
PE	90.68	154.31	44.78	75.34	59.93

**Shareholding Pattern**

Promoters	44.94%
DII's	8.21%
FII's	71.31%
Others	20.48%

**3 yearsars Price Chart**

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## Research Analyst:

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