



Action: BUY

CMP: ₹ 1582

Target: ₹ 1700

Stop Loss: ₹ 1510

Time frame:4-12Weeks

PVR Cinemas is a film entertainment sole proprietorship in India. The company commenced its operations in June 1997 as a joint venture agreement between Priya Exhibitors Private Limited and Village Roadshow Limited. The company is founded by Ajay Bijli, who is the Chairman and Managing Director. Sanjeev Kumar Bijli is the joint Managing Director of PVR Limited.

In Q1FY20, revenues for PVR Ltd. were 887 crores as compared to 701 crores in Q1 FY19 up by 27%. After the adjustment for new accounting standard for leases, the EBITDA for the quarter grew by 17% to 165.45 in Q1FY20 from 141.4 crs in Q1FY19 with EBITDA margin of 18.7% in Q1FY20 against 20.2% in Q1FY19.

The screen count for the company increased to 710 in Q1FY2020 from 630 in Q1FY19. The occupancy rate was tepid in this quarter, standing at 35.5% from 35.9%.

We believe that the company's Q2FY 2020 performance is expected to be better on account of extended holiday season, which gave good response to the movie releases such as "Kabir Singh" and "Super 30" in the month of July. The two new releases in the month of August "Mission Mangal" and "Batla House" are also well received by the audiences.

Key Data	
Nifty	11046.10
Sector	Specialty Retail
52WeekH/L(Rs)	1833.8/1102.00
Market Cap (Rs Cr)	7403
Face Value (Rs)	10.00

Stock Performance (%)			
	1M	3M	12M
Absolute	(16.39)	(15.59)	12.99
BSEMidcp	(5.13)	(9.89)	(20.45)

Key Financial Data (₹ Cr)		
Particulars (Cr)	FY19	FY18
Net Sales	3085.56	2334.11
EBITDA	619.47	433.18
ROE (%)	16.53	12.25
ROCE (%)	19.34	15.11
TTM P/E	50.27	42.94



TECHNICAL RATIONALE

- The above is the weekly chart of PVR Ltd., It is observed that the stock has shown strong reversal from the recent lows
- The RSI positive crossover with the signal and rebounding from the recent oversold condition confirms the positive trend.
- The stock is well positioned for the target of ₹1700 with stop loss below ₹ 1510 on closing basis



Disclosures and Disclaimers

CANARA BANK SECURITIES LTD (CBSL), a wholly owned subsidiary of CANARA BANK, is a SEBI registered intermediary offering broking services to its institutional and retail clients; we also run a proprietary trading desk. CBSL is member of BSE & NSE. Neither CBSL nor its associates (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the time of publication of the report (iv) have received any compensation from the subject company in the past twelve months (v) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vi) have received any compensation for product or services from the subject company in the past twelve months (vii) have received any compensation or other benefits from the subject company or third party in connection with the research report. (viii) Research Analyst involved in the preparation of Research report discloses that he /she has not served as an officer, director, or employee of subject company(ix) is involved in market making activity of the company.

We shall adhere to SEBI guidelines from time to time.

We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of CBSL. The Research Desk does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of CBSL. CBSL will not treat recipients as clients by virtue of their receiving the research report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, the Research Desk does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive it. The securities discussed in the report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive the research report should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in the research report and of evaluating the merits and risks involved in the securities forming the subject matter of the reports. All projections and forecasts in research reports have been prepared by our research team.

The client should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by CBSL For these reasons; The client should only consider the projections and forecasts described in the research reports after carefully evaluating all of the information in the report, including the assumptions underlying such projections and forecasts. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. CBSL or its research team involved in the preparation of the research reports, accept no liabilities for any loss or damage of any kind arising out of the use of these reports. The technical levels and trend etc mentioned in our reports are purely based on some technical charts/levels plotted by software used by us and these charts/levels are believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. The recommendation expressed in the reports may be subject to change. The recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. This research reports are for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of CBSL. The Research reports or any portion hereof may not be printed, sold or distributed without the written consent of CBSL. The research report is strictly confidential and is being furnished to client solely for client's information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely based on certain assumptions & calculations and are given as part of the normal research activity of CBSL and are given as of this date and may be subject to change. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. The report has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Any opinions and projections contained herein are entirely based on certain assumptions and calculations. None of the directors of the company or any other persons in the research team accepts any liability whatsoever for any loss arising from any use of the research report or its contents or otherwise arising in connection therewith. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that the client has read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India (SEBI) before investing in Securities Market. Please remember that investment in stock market is subject to market risk and investors/traders need to do study before taking any position in the market.

Research Desk

Canara Bank Securities Ltd

SEBI: RESEARCH ANALYST REGISTRATION: INH000001253

BSE: INB 011280238, BSE F&O: INF 011280238

NSE: INB 23180232, F&O: INF 231280232, CDS: 231280232

Maker Chambers III, 7th floor,

Nariman Point, Mumbai 400021

Contact No. : 1800220369/18001031369, 022 - 22802441/42, 43603841/42

Email id: researchdesk@canmoney.in Website: www.canmoney.in