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**ANALYSTS SAY** Maharashtra accounts for a sizeable chunk of revenues of these companies and the latest curbs could lead to a washout June quarter

# Multiplex, Retail Chain and Hotel Stocks Take a Big Hit

## Our Bureau

**Mumbai:** Shares of multiplexes, retail chains and hotels slid on Monday after Maharashtra directed establishments in these sectors to close in a bid to control the rising coronavirus cases in the state.

Analysts said Maharashtra accounts for a sizeable chunk of the revenues of these companies and these curbs could lead to a washout June quarter.

Shares of PVR ended down 4% at ₹1,185 and Inox Leisure slid 3.6% to ₹269. In the hotels space, Indian Hotels Co, Lemon Tree Hotels and Taj GVK Hotels and Resorts ended down 2-6%.

Abneesh Roy, vice president-Institutional Equities at Edelweiss said the lockdown announcement is a big negative for multiplexes.

"This is a big negative versus ini-

## Feeling The Heat

Company	CMP (₹)	Days' Chg %	6 Mths Chg (%)
INOX Leisure	268.70	-3.71	-4.56
PVR	1,178.20	-4.74	-6.68
Westlife Development	439.80	-3.43	13.13
Jubilant FoodWorks	2,838.65	-3.86	20.93
Indian Hotels Co	108.10	-3.57	8.32
Lemon Tree Hotels	35.60	-5.70	28.06
Taj GVK Hotels & Resorts	111.25	-1.85	-17.35

Source: ETIG Database



tial expectations. Multiplexes in South India and West Bengal were seeing good footfalls and Maharashtra is a key state — new movies will again be delayed," said Roy. "Lockdowns could happen in other states also. More downside

can happen in multiplex stocks," said Roy.

Roy said multiplex stocks may see a time correction. "From a long-term perspective, we like the sector but Q1 (June quarter) will be a washout," said Roy. For many

of these sectors, things had finally started to look up after a long spell of lockdowns in 2020.

Macquarie said these regulatory restrictions will hurt the pace of recovery witnessed by dine-in players like Westlife.

"The impact on consumer sentiment remains a concern and could push back the return to normalcy," said Macquarie.

Among restaurant chains, Westlife Development, whose wholly-owned subsidiary Hardcastle Restaurants holds the master franchise for McDonald's in West India and South India, and Jubilant Foodworks, which operates Domino's Pizza in the country, fell 3.6% each on Monday.

JP Morgan said Jubilant's dine-in segment will be affected adversely though online home delivery or takeaway business should benefit and mitigate the impact to a significant extent.