motilal oswal Financial Services

4 February 2026
3QFY26 Results Update | Sector: Retail

Westlife Foodworld

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	WESTLIFE IN
Equity Shares (m)	156
M.Cap.(INRb)/(USDb)	74.3 / 0.8
52-Week Range (INR)	893 / 464
1, 6, 12 Rel. Per (%)	-10/-37/-54
12M Avg Val (INR M)	112

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	26.3	29.6	33.3
Sales growth (%)	5.5	12.7	12.5
EBITDA	3.4	4.1	4.9
Margins (%)	13.0	13.8	14.6
Adj. PAT	0.0	0.3	0.9
Adj. EPS (INR)	0.0	2.1	5.5
EPS Growth (%)	NA	NA	160.2
BV/Sh.(INR)	39.9	42.1	47.6
Ratios			
RoE (%)	0.0	5.2	12.3
RoCE (%)	4.6	6.0	7.9
Valuations			
P/E (x)	NA	227.9	87.6
P/BV (x)	12.1	11.5	10.2
EV/Sales (x)	2.9	2.5	2.2
EV/EBITDA (x)	37.8	29.8	23.5

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	56.3	56.3	56.3
DII	25.5	24.8	21.2
FII	9.7	10.8	14.2
Others	8.5	8.2	8.3

FII Includes depository receipts

CMP: INR477 TP: INR535 (+12%) Neutral

Weak print; positive start to 2026

- Westlife Foodworld (WESTLIFE) reported revenue growth of 3% YoY (slowest among peers) to INR6.7b in 3QFY26 (below). Same-store sales growth (SSSG) declined 3.2% YoY (est. flat) on a soft base of +3%, given the ongoing challenging operating environment. Average sales per store declined 4% YoY to INR60m (annually) in 3QFY26. On-premise business grew 6% YoY, while the delivery business declined slightly due to volatility in third-party aggregators business.
- The company highlighted a healthy footfall growth in the West, while demand in the South remained soft. Footfalls improved from November onwards, with November–December reporting flat-to-positive YoY footfalls. This momentum extended into January, with positive SSSG driven by a mid-single-digit growth in footfalls.
- The company added net eight new stores (+9% YoY) in 3Q, with 27 stores added 9MFY26. It plans to open 20-25 stores in 4QFY26 and aims to grow its network to 580-630 restaurants by 2027.
- Reported GM contracted 260bp YoY to 67.5%. However, like-for-like GM was broadly stable QoQ. The reported GM reflects a one-off optical impact of 400–500bp in 3QFY26 due to the reclassification of processing charges from opex to COGS. EBITDA margin expanded 70bp YoY to 14.7%. (est. 14.3%) on account of lower royalty payment, while EBITDA margin (pre IND AS) was flattish YoY at 9.2%. ROM pre IND AS was up 90bp YoY to 16.6%.
- WESTLIFE continues to face demand headwind in the Southern region, but has been taking various initiatives to address the same. We believe regional demand will see a gradual improvement and, therefore, expect a gradual ADS recovery in the near future. **We reiterate our Neutral rating with a TP of INR535, based on 28x Dec'27E EV/EBITDA (pre-IND AS).**

Muted performance; same store sales down 3%

- **Same store revenue down 3%:** Sales grew 3% YoY to INR6.7b (est. INR7b), led by store additions of 9% YoY. SSSG declined 3.2% YoY in 3QFY26 (est. flat, -3% in 2QFY26, +2.8% in 3QFY25). WESTLIFE opened net eight stores (opened 10 stores, closed two stores), bringing the total count to 458 stores in 73 cities. Average sales per store declined 4% YoY to INR60m (annually) in 3QFY26.
- **EBITDA (pre IND AS) up 4% YoY:** GM contracted by 260bp YoY to 67.5% (est. 72%). However, like-for-like GM remained broadly stable QoQ, driven by supply chain efficiencies, partly offset by menu price adjustments following the GST rate change. The reported GM reflects a one-off optical impact of 400–500bp in 3QFY26 due to the reclassification of processing charges from opex to COGS. Reported EBITDA rose 8% YoY to INR987m (est. INR1,000m). EBITDA margin expanded 70bp YoY to 14.7% (est. 14.3%), led by lower royalty payment. EBITDA margin (pre IND AS) was up marginally by 10bp YoY to 9.2%, EBITDA (pre IND AS) up 4% YoY. ROM post Ind As was up 150bp YoY to 22.1% (est. 21.2%). ROM pre IND AS was up 90bp YoY to 16.6% (est. 16.1%).

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Key takeaways from the management commentary

- Amid an ongoing challenging operating environment, the company prioritized driving affordability through its value platform while maintaining strict execution discipline.
- In December (every year), WESTLIFE receives additional accrued incentives from its parent company for its strong performance (e.g. store count, etc.)
- GM contracted 260bp YoY to 67.5%. However, like-for-like gross margin remained broadly stable on a sequential basis, driven by supply chain efficiencies, partly offset by menu price adjustment following the GST rate change.
- WESTLIFE plans to open 20-25 stores in 4QFY26. The company remains on track to achieve its target of 580–630 restaurants by 2027.

Valuation and view

- We largely maintain our estimates for FY27 and FY28.
- Demand continued to remain impacted in 3Q, with SSSG declining YoY. However, the positive momentum of December has carried over into January, with positive SSSG driven by a mid-single-digit rise in footfalls. WESTLIFE has been aggressive in store additions, which was not the case historically. However, the performance in South India remains a challenge. Therefore, the benefits of its various initiatives may be gradual.
- Soft underlying growth, coupled with rising costs related to strategic initiatives, could weigh on the operating margins. We remain watchful of the same.
- **We reiterate our Neutral rating with a TP of INR535, based on 28x Dec'27E EV/EBITDA (pre-IND AS).**

Consolidated quarterly performance **(INR m)**

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
SSSG %	(6.7)	(6.5)	2.8	0.7	0.5	(2.8)	(3.2)	2.5	-2.9	-0.8	0.0	
No. of McDonald's restaurants	403	408	421	438	444	450	458	478	438	478	465	
Net Sales	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,419**	**6,707**	**6,588**	**24,912**	**26,290**	**7,015**	**-4.4**
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	3.9	2.6	9.2	4.2	5.5	7.3	
Gross profit	**4,351**	**4,306**	**4,581**	**4,221**	**4,709**	**4,649**	**4,525**	**4,520**	**17,459**	**18,403**	**5,051**	**-10.4**
Margin (%)	70.6	69.7	70.1	70.0	71.6	72.4	67.5	68.6	70.1	70.0	72.0	
EBITDA	**799**	**786**	**914**	**794**	**855**	**759**	**987**	**812**	**3,293**	**3,413**	**1,004**	**-1.7**
YoY Change (%)	-24.1	-21.1	-4.8	3.0	6.9	-3.4	8.0	2.3	-12.9	3.6	9.9	
Margins (%)	13.0	12.7	14.0	13.2	13.0	11.8	14.7	12.3	13.2	13.0	14.3	
Depreciation	506	528	549	550	553	574	562	570	2,133	2,354	580	
Interest	298	316	330	328	354	363	370	328	1,272	1,415	360	
Other Income	51	65	29	98	68	107	74	108	242	357	50	
PBT	**45**	**7**	**65**	**13**	**16**	**-71**	**129**	**21**	**131**	**1**	**114**	**12.6**
Extra-Ord expense	0	0	0	0	0	-455	108	0	0	0	0	
PBT after EO expense	**45**	**7**	**65**	**13**	**16**	**384**	**21**	**21**	**131**	**1**	**114**	
Tax	13	3	-5	-2	4	92	10	-107	9	0	29	
Rate (%)	27.9	48.1	-8.0	-13.9	27.4	-130.9	7.7	-496.9	6.9	25.0	25.0	
Reported PAT	**33**	**4**	**71**	**15**	**11**	**292**	**11**	**128**	**122**	**0**	**86**	
Adj PAT	**33**	**4**	**71**	**15**	**11**	**-163**	**119**	**128**	**122**	**0**	**86**	**38.5**
YoY Change (%)	-88.7	-98.3	-59.1	96.5	-64.8	NA	68.4	740.5	-82.4	-99.6	21.5	
Margins (%)	0.5	0.1	1.1	0.3	0.2	-2.5	1.8	1.9	0.5	0.0	1.2	

E: MOSL Estimates

Highlights from the press release

- On-premise sales grew by 6% YoY, while the delivery business declined slightly.
  - On-premise contribution was ~60% in 3QFY26.
  - On-premise business growth was supported by value meals, enhanced digital engagement, and focused hyperlocal marketing initiatives.
  - The delivery business declined slightly due to volatility in the third-party aggregators business, partially offset by strong growth in the McDelivery app.
  - Digital sales (through SOK and mobile apps) contribute ~74% to revenue.
  - Over 50m cumulative app downloads.
- It now has a total of 458 restaurants, with 100% penetration of McCafés and Experience of the Future (EOTF) restaurants.

Exhibit 1: WESTLIFE key metrics

Y/E March (INR m)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Sales	5,925	5,527	6,136	6,154	6,502	5,949	6,533	6,375	6,672
Other Operating income	78	96	27	26	35	83	44	44	35
Total revenue	**6,003**	**5,623**	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,419**	**6,707**
YoY Change (%)	-1.8	1.1	0.3	0.5	8.9	7.3	6.7	3.9	2.6
Food & Paper	1,784	1,678	1,813	1,874	1,956	1,810	1,867	1,769	2,183
Payroll & employee benefits	552	639	622	671	655	633	671	701	706
Royalty	243	287	354	345	236	335	370	360	163
Occupancy and other operating expenses	2,072	1,927	2,198	2,144	2,346	2,102	2,358	2,353	2,173
Total restaurant expenses	4,650	4,530	4,987	5,035	5,193	4,879	5,266	5,184	5,225
Restaurant operating profit (Post Ind-AS)	**1,352**	**1,092**	**1,176**	**1,145**	**1,344**	**1,152**	**1,311**	**1,234**	**1,483**
YoY Change (%)	-7.2	-19.9	-16.7	-15.8	-0.6	5.5	11.4	7.8	10.3
ROM (Post Ind-As) %	**22.5**	**19.4**	**19.1**	**18.5**	**20.6**	**19.1**	**19.9**	**19.2**	**22.1**
Restaurant operating profit (Pre Ind-AS)	**1,077**	**809**	**879**	**835**	**1,023**	**820**	**961**	**874**	**1,115**
YoY Change (%)	-12.5	-27.4	-23.7	-23.7	-5.0	1.3	9.3	4.6	8.9
ROM (Pre Ind-As) %	**17.9**	**14.4**	**14.3**	**13.5**	**15.7**	**13.6**	**14.6**	**13.6**	**16.6**
G & A expenses	392	322	377	359	430	359	456	475	496
% of sales	6.5	5.7	6.1	5.8	6.6	5.9	6.9	7.4	7.4
EBITDA (pre Ind-AS)	**685**	**487**	**502**	**476**	**593**	**461**	**505**	**399**	**619**
YoY Change (%)	-21.9	-27.2	-36.7	-34.9	-13.4	-5.3	0.5	-16.2	4.3
EBITDA (pre Ind-AS) %	11.4	8.7	8.1	7.7	9.1	7.6	7.7	6.2	9.2
EBITDA (Post Ind-AS)	**960**	**771**	**799**	**786**	**914**	**794**	**855**	**759**	**987**
YoY Change (%)	(12.9)	(16.1)	(24.1)	(21.1)	(4.8)	3.0	6.9	(3.4)	8.0
EBITDA (post Ind-AS) %	16.0	13.7	13.0	12.7	14.0	13.2	13.0	11.8	14.7

Source: Company, MOFSL

CONFERENCE CALL

Key takeaways from the management commentary

Performance and outlook

- Amid an ongoing challenging operating environment, the company prioritized driving affordability through its value platform while maintaining strict execution discipline.
- SSSG was at -3.2% for the quarter.
- WESTLIFE saw encouraging traction in guest counts from November onwards. Both November and December delivered flat to positive comparable guest count growth YoY. This positive momentum continued into January, with positive SSSG driven by a mid-single digit increase in guest counts.
- Near-term focus remains on aggressive guest count growth while maintaining economic discipline.
- In 3QFY26, West markets continued to outperform the southern markets.

- In December (every year), WESTLIFE received additional accrued incentive from its parent company for its strong performance (eg. store count, etc.). The company reduced the royalty rate in 3Q but maintains its guidance for the annual royalty rate.
- Everyday value meal proposition (INR99) was launched in December 2025 in the West markets, leading to higher footfalls.
- Management alluded that INR99 value meal offering is not margin dilutive in nature.
- On-premise sales grew by 6% YoY. The growth was supported by value meals, enhanced digital engagement, and focused hyperlocal marketing initiatives.
- The delivery business declined slightly due to volatility in third-party aggregators business, partially offset by strong growth in the McDelivery app.
- WESTLIFE is closely working with third-party aggregator platforms to achieve sustainable growth, even if it means slower growth.
- Digital sales contribution remained stable, led by the loyalty program and increased interaction via the mobile app and SOKs. Digital sales (through SOK and mobile apps) contributed ~74% to revenue. The company currently has +50m cumulative app downloads.
- It now has a total of 458 restaurants, with 100% penetration of McCafés and EOTF restaurants.
- WESTLIFE plans to open 20-25 stores in 4QFY26. The company remains on track to achieve its target of 580–630 restaurants by 2027.

Strategic focus

- The company is focused on expanding its value portfolio, driving product innovation, and optimizing costs.
- The four strategic focus areas for WESTLIFE over the medium term are:
  - **Meals strategy**: Achieving market leadership in core day parts (such as lunch and dinner) through brand relevance, driven by menu innovation and focused marketing efforts.
  - **Omnichannel strategy**: Integrating various customer touchpoints and channels into a unified 'One McDonald's' platform to offer consumers a seamless experience across in-store, delivery, and digital platforms.
  - **Network expansion**: Expanding aggressively into unserved geographies and strengthening presence in existing markets, with a goal of achieving significant footprint growth.
  - **Lead with performance**: Targeting superior business performance and operating efficiency through execution excellence.

Cost and margins

- **GM contracted by 260bp YoY to 67.5%. However, like-for-like gross margin remained broadly stable on a sequential basis, driven by supply chain efficiencies, partly offset by menu price adjustment following the GST rate change.**
- There was an optical impact of 400-500bp in gross margin in 3QFY26 due to the regrouping of processing charges from other operating expenses to cost of goods for a like-for-like comparison.

- The company will continue to focus on internal cost optimization initiatives to support margins.

Exhibit 2: Store network

Store Network	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Total Restaurants	380	397	403	408	421	438	444	450	458
New Restaurants Opened	11	17	6	8	15	18	9	8	10
Closed Stores	-1	0	0	3	2	1	3	2	2
Net addition	10	17	6	5	13	17	6	6	8
Cities	62	64	66	66	67	69	71	72	73
Total McCafe	343	360	371	383	401	418	425	436	458
McCafe Addition	16	17	11	12	18	17	7	11	22
% of total restaurants	90%	91%	92%	94%	95%	95%	96%	97%	100%
Drive-Thrus	73	81	82	86	93	100	106	108	110
% of total restaurants	19%	20%	20%	21%	22%	23%	24%	24%	24%
EOTF	275	292	303	323	343	378	385	390	458
% of total restaurants	72%	74%	75%	79%	81%	86%	87%	87%	100%
New EOTF Stores	38	17	11	20	20	35	7	5	68

Source: Company, MOFSL

Exhibit 3: Digital KPIs

Digital KPIs	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
App Downloads (mn)	30	32	34	37	39	41	44	47	50
Online business mix (%)	58%	70%	69%	72%	71%	75%	75%	75%	74%
Dine-in channel mix (%)	58%	57%	58%	57%	58%	57%	59%	58%	60%
Convenience channel mix (%)	42%	43%	42%	57%	42%	43%	41%	42%	40%

Source: Company, MOFSL

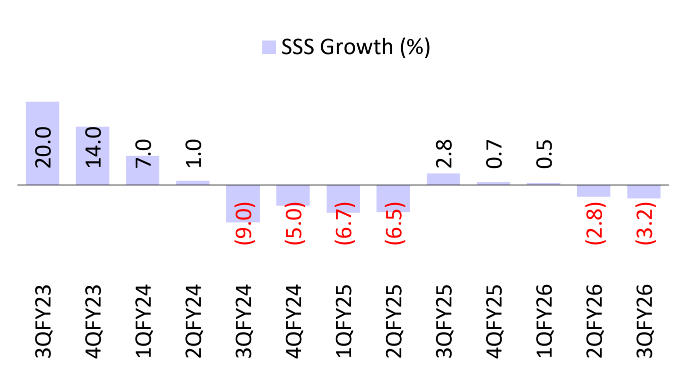
Exhibit 4: Key growth metrics

Growth metrics	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Sales Gr (%)	-2%	1%	0%	1%	9%	7%	7%	4%	3%
SSSG (%)	-9%	-5%	-7%	-7%	3%	1%	1%	-3%	-3%
Store Growth (%)	11%	11%	12%	10%	11%	10%	10%	10%	9%
Average Annualised Sales/store	64.4	63	61.3	63	60	59.3	62.2	61.5	60.4

Source: Company, MOFSL

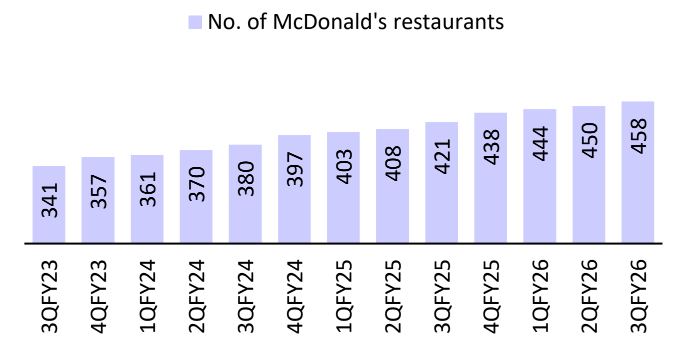
Key exhibits

Exhibit 5: Same-store sales down 3.2% YoY in 3QFY26



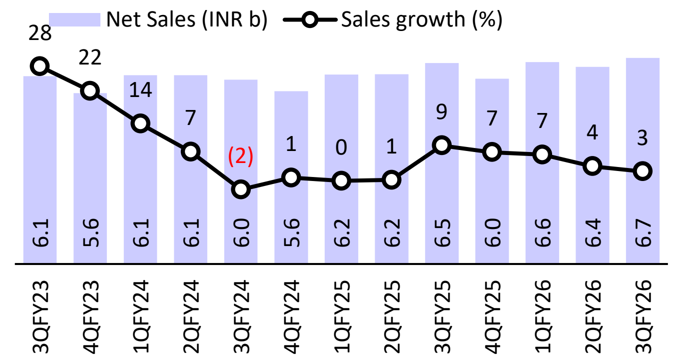
Source: Company, MOFSL

Exhibit 6: Added net eight stores (+9% YoY) in 3QFY26



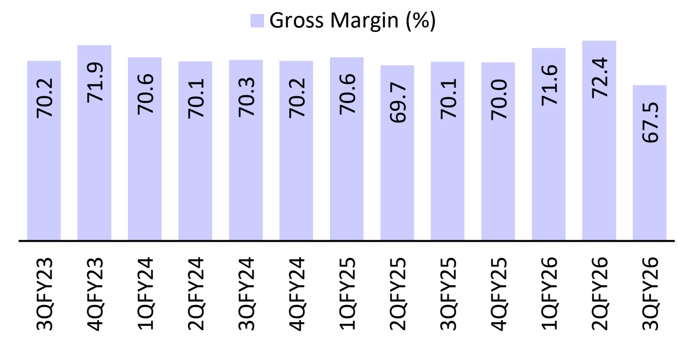
Source: Company, MOFSL

Exhibit 7: Net sales were up 3% YoY to INR6.7b



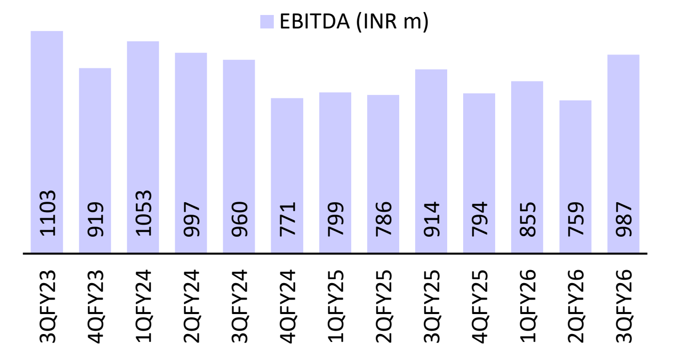
Source: Company, MOFSL

Exhibit 8: Gross margin contracted 260bp YoY to 67.5%



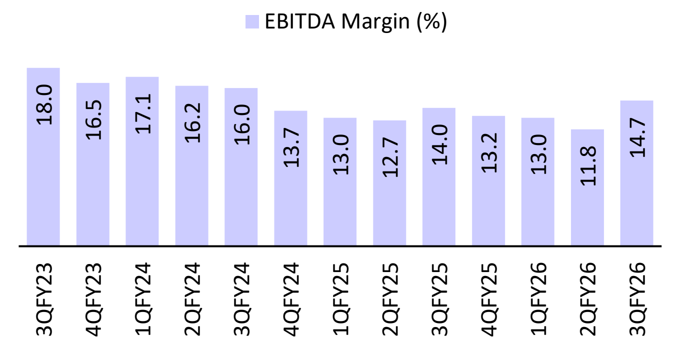
Source: Company, MOFSL

Exhibit 9: EBITDA up ~8% YoY to INR987m



Source: Company, MOFSL

Exhibit 10: EBITDA margin expanded 70bp YoY at 14.7%



Source: Company, MOFSL

Valuation and view

- We largely maintain our estimates for FY27 and FY28.
- Demand continued to remain impacted in 3Q, with SSSG declining YoY. However, positive momentum of December has carried over into January, with positive SSSG driven by a mid-single digit rise in footfalls. WESTLIFE has been aggressive in store additions, which was not the case historically. However, the performance in South India remains a challenge. Therefore, the benefits of its various initiatives may be gradual.
- Soft underlying growth, coupled with rising costs related to strategic initiatives, could weigh on the operating margins. We remain watchful of the same.
- **We reiterate our Neutral rating with a TP of INR535, based on 28x Dec'27E EV/EBITDA (pre-IND AS).**

Exhibit 11: We largely maintain our estimates for FY27 and FY28

INR m	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Sales	26,290	29,638	33,350	26,713	29,982	33,378	-1.6%	-1.1%	-0.1%
EBITDA	3,413	4,090	4,861	3,410	4,034	4,691	0.1%	1.4%	3.6%
Adjusted PAT	0	330	860	-36	237	681	NA	39.2%	26.4%

Source: MOFSL

Financials and valuations

Consolidated - Income Statement

INRm

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	**15,478**	**9,860**	**15,765**	**22,782**	**23,918**	**24,912**	**26,290**	**29,638**	**33,350**
Change (%)	10.4	-36.3	59.9	44.5	5.0	4.2	5.5	12.7	12.5
Materials Consumed	5,382	3,483	5,129	6,860	7,107	7,453	7,887	8,891	10,005
Gross profit	**10,095**	**6,378**	**10,636**	**15,922**	**16,811**	**17,459**	**18,403**	**20,747**	**23,345**
Margin (%)	65.2	64.7	67.5	69.9	70.3	70.1	70.0	70.0	70.0
Employees Cost	1,690	1,226	1,439	2,034	2,323	2,582	2,860	3,161	3,490
Other Expenses	6,206	4,532	7,125	9,957	10,708	11,584	12,131	13,496	14,994
Total Expenditure	**13,279**	**9,241**	**13,693**	**18,851**	**20,138**	**21,619**	**22,878**	**25,548**	**28,489**
% of Sales	85.8	93.7	86.9	82.7	84.2	86.8	87.0	86.2	85.4
EBITDA	**2,199**	**619**	**2,071**	**3,931**	**3,780**	**3,293**	**3,413**	**4,090**	**4,861**
Change (%)	77.0	-71.8	234.5	89.8	-3.8	-12.9	3.6	19.8	18.8
Margin (%)	14.2	6.3	13.1	17.3	15.8	13.2	13.0	13.8	14.6
Depreciation	1,442	1,555	1,452	1,649	1,886	2,133	2,354	2,558	2,766
EBIT	**757**	**-935**	**620**	**2,282**	**1,895**	**1,160**	**1,059**	**1,532**	**2,095**
Int. and Finance Charges	808	845	826	928	1,099	1,272	1,415	1,507	1,599
Other Income	127	452	186	140	162	242	357	417	653
PBT bef. EO Exp.	**76**	**-1,329**	**-21**	**1,494**	**958**	**131**	**1**	**442**	**1,149**
EO Items	166	-42	0	0	0	0	0	0	0
PBT after EO Exp.	**242**	**-1,371**	**-21**	**1,494**	**958**	**131**	**1**	**442**	**1,149**
Total Tax	-14	-293	-4	379	266	9	0	111	289
Tax Rate (%)	-18.8	N/M	N/M	25.3	27.8	6.9	25.0	25.2	25.2
Reported PAT	**-76**	**-994**	**-17**	**1,116**	**692**	**122**	**0**	**330**	**860**
Adjusted PAT	**90**	**-1,036**	**-17**	**1,116**	**692**	**122**	**0**	**330**	**860**
Change (%)	-57.6	P/L	-	L/P	-38.0	-82.4	-99.6	74,924.2	160.2
Margin (%)	0.6	-10.5	-0.1	4.9	2.9	0.5	0.0	1.1	2.6

Consolidated - Balance Sheet

INRm

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	311	312	312	312	312	312	312	312	312
Total Reserves	5,459	4,501	4,309	5,347	5,571	5,723	5,915	6,246	7,106
Net Worth	**5,770**	**4,812**	**4,621**	**5,659**	**5,883**	**6,035**	**6,227**	**6,557**	**7,417**
Minority Interest	0	0	0	0	0	0	0	0	0
Total Loans	1,837	2,152	2,010	2,070	2,390	3,081	2,981	2,881	2,781
Lease Liabilities	7,822	7,528	8,536	9,960	11,235	13,151	14,409	15,668	16,926
Deferred Tax Liabilities	-214	-510	-520	-604	-708	-959	-978	-998	-1,018
Capital Employed	**15,216**	**13,982**	**14,647**	**17,086**	**18,800**	**21,308**	**22,639**	**24,109**	**26,107**
Gross Block	8,430	8,522	9,088	11,614	13,172	14,692	16,212	17,732	19,252
Less: Accum. Deprn.	2,538	3,153	3,649	4,608	5,074	5,725	8,494	10,057	11,753
Net Fixed Assets	**5,893**	**5,368**	**5,439**	**7,006**	**8,098**	**8,967**	**7,718**	**7,675**	**7,498**
Goodwill on Consolidation	466	466	466	466	466	466	466	0	0
Capital WIP	226	256	355	567	447	225	850	850	850
Right to use Asset	7,722	7,008	7,718	8,758	9,606	11,078	12,089	13,101	14,113
Total Investments	**1,576**	**1,984**	**1,504**	**1,299**	**1,380**	**1,592**	**1,592**	**1,592**	**1,592**
Current	719	1,461	1,030	1,299	1,380	1,592	1,592	1,592	1,592
Non current	857	523	474	0	0	0	0	0	0
Curr. Assets, Loans&Adv.	**1,535**	**1,643**	**1,973**	**2,291**	**2,153**	**2,793**	**3,713**	**5,162**	**6,861**
Inventory	411	465	559	714	632	808	938	1,058	1,190
Account Receivables	47	88	133	107	173	190	223	252	283
Cash and Bank Balance	30	110	232	284	141	589	1,190	2,314	3,648
Loans and Advances	1,046	980	1,048	1,185	1,206	1,206	1,362	1,539	1,740
Curr. Liability & Prov.	**2,201**	**2,744**	**2,809**	**3,300**	**3,350**	**3,812**	**3,789**	**4,272**	**4,807**
Account Payables	1,280	1,851	1,722	1,877	2,026	2,325	2,227	2,632	3,085
Other Current Liabilities	822	789	953	1,293	1,225	1,340	1,407	1,478	1,552
Provisions	100	104	134	130	99	147	154	162	170
Net Current Assets	**-666**	**-1,101**	**-836**	**-1,009**	**-1,197**	**-1,020**	**-76**	**890**	**2,054**
Appl. of Funds	**15,216**	**13,982**	**14,647**	**17,086**	**18,800**	**21,308**	**22,639**	**24,109**	**26,107**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)									
Adj. EPS	**0.6**	**-6.7**	**-0.1**	**7.2**	**4.4**	**0.8**	**0.0**	**2.1**	**5.5**
Cash EPS	9.9	3.3	9.2	17.7	16.5	14.5	15.1	18.5	23.3
BV/Share	37.1	30.9	29.7	36.3	37.7	38.7	39.9	42.1	47.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)									
P/E	832.7	N/M	N/M	67.5	108.8	616.7	1,70,979.6	227.9	87.6
Cash P/E	49.0	144.8	52.4	27.2	29.2	33.4	32.0	26.1	20.8
P/BV	13.0	15.6	16.3	13.3	12.8	12.5	12.1	11.5	10.2
EV/Sales	4.9	7.6	4.8	3.3	3.2	3.1	2.9	2.5	2.2
EV/EBITDA	34.3	121.6	36.5	19.3	20.2	23.1	22.1	18.1	15.0
EV/EBITDA pre Ind As	51.9	-3,155.9	57.9	25.2	28.2	37.5	37.8	29.8	23.5
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	4.8	5.4	4.9	5.1	7.9	8.5	7.9	19.2	24.6
Return Ratios (%)									
RoE	1.6	-19.6	-0.4	21.7	12.0	2.0	0.0	5.2	12.3
RoCE	8.9	NA	NA	11.0	8.0	6.3	4.6	6.0	7.9
RoIC	9.4	NA	NA	12.4	8.6	6.0	4.2	6.0	8.0
Working Capital Ratios									
Fixed Asset Turnover (x)	1.8	1.2	1.7	2.0	1.8	1.7	1.6	1.7	1.7
Asset Turnover (x)	1.0	0.7	1.1	1.3	1.3	1.2	1.2	1.2	1.3
Inventory (Days)	10	17	13	11	10	12	13	13	13
Debtor (Days)	1	3	3	2	3	3	3	3	3
Creditor (Days)	30	69	40	30	31	34	31	32	34
Leverage Ratio (x)									
Current Ratio	0.7	0.6	0.7	0.7	0.6	0.7	1.0	1.2	1.4
Interest Cover Ratio	0.9	-1.1	0.7	2.5	1.7	0.9	0.7	1.0	1.3
Net Debt/Equity	1.4	1.6	1.9	1.8	2.1	2.3	2.3	2.2	2.0

Consolidated - Cash Flow Statement

INRm

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	-90	-1,287	-21	1,494	958	131	1	442	1,149
Depreciation	1,384	1,396	1,364	1,521	1,822	2,041	2,257	2,460	2,663
Interest & Finance Charges	808	845	826	927	1,097	1,271	1,415	1,507	1,599
Direct Taxes Paid	-163	32	-66	-439	-403	-74	0	-111	-289
(Inc)/Dec in WC	164	691	-145	70	76	248	-294	212	230
CF from Operations	**2,102**	**1,677**	**1,959**	**3,574**	**3,550**	**3,618**	**3,379**	**4,510**	**5,352**
Others	-89	-337	-202	-90	-159	-118	0	0	0
CF from Operating incl EO	**2,013**	**1,340**	**1,756**	**3,484**	**3,391**	**3,500**	**3,379**	**4,510**	**5,352**
(Inc)/Dec in FA	-1,259	-491	-999	-2,691	-2,154	-2,174	-2,145	-1,520	-1,520
Free Cash Flow	**754**	**849**	**757**	**793**	**1,236**	**1,326**	**1,234**	**2,990**	**3,832**
(Pur)/Sale of Investments	569	-252	380	-32	166	-139	0	0	0
Others	1	-63	4	272	-54	56	1,729	658	187
CF from Investments	**-689**	**-806**	**-616**	**-2,451**	**-2,042**	**-2,258**	**-416**	**-862**	**-1,333**
Issue of Shares	10	28	24	-21	0	0	0	0	0
Inc/(Dec) in Debt	-1,245	-311	-910	-817	-758	-570	-119	-120	-120
Interest Paid	-152	-170	-133	-143	-733	-224	-2,243	-2,404	-2,566
Dividend Paid	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0
CF from Fin. Activity	**-1,387**	**-453**	**-1,019**	**-981**	**-1,492**	**-794**	**-2,362**	**-2,524**	**-2,686**
Inc/Dec of Cash	**-62**	**80**	**122**	**52**	**-143**	**448**	**600**	**1,124**	**1,334**
Opening Balance	92	30	110	232	284	141	589	1,190	2,314
Closing Balance	**30**	**110**	**232**	**284**	**141**	**589**	**1,190**	**2,314**	**3,648**

E: MOFSL Estimates

NOTES

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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