

InterGlobe Aviation

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR4,680 TP: INR6,000 (+28%) Buy

Performance hurt by elevated fuel costs

Operating performance below our estimate

- InterGlobe Aviation (INDIGO) reported a 2.6x jump in EBITDAR to INR22.2b on a lower base of 2QFY26, while EBITDA (excl. forex) declined 8% YoY to INR31.6b (INR13.7b FX loss in 2QFY27 vs INR29b in 2QFY26). Despite these ongoing cost headwinds, the company delivered 34% YoY growth in yield to INR6.3, supported by price hikes.
- Margin pressure is likely to persist in the near term due to elevated fuel costs and rupee depreciation. For 3QFY27, ASK growth is expected to be in the early single digits, with PRASK growth of over 25% YoY and load factors likely to remain stable YoY, supported by resilient festive demand and price hikes. For FY28, ASK growth is expected to be in the mid-teens, supported by fleet additions and international expansion. We believe disciplined capacity deployment and free cash of INR399b will provide flexibility to navigate near-term volatility.
- Factoring in the ongoing West Asia crisis, which is keeping crude prices and jet fuel crack spreads elevated and limiting the scope for fuel-cost relief in 2HFY27, we cut our FY27/FY28 EBITDAR estimate by 6% each. We value the stock at 10x FY28E EBITDAR to arrive at our TP of INR6,000. **Reiterate BUY.**

Cost inflation outpaces yield expansion, leading to earnings loss

- INDIGO's yield was INR6.3 vs. our estimate of INR5.9 (up 34% YoY). Revenue passenger kilometer (RPK) stood at 32.8b (our est. of 34.3b, -4% YoY), with the load factor at 80.3%. ASK remained flat YoY at 40.8b (our est. of 41.6b).
- Consequently, revenue stood at INR233.6b (est. in line, +26% YoY). EBITDAR stood at INR22.2b (est. of INR26.4b, +2.6x YoY), with EBITDA at INR18b (our est. INR22.2b, +3.3x YoY). The miss was largely due to lower-than-expected non-ticketing revenue (INR27.3b vs. our est. of INR31.4b).
- EBITDA (excluding forex loss) stood at INR31.6b (down 8% YoY), as forex loss stood at INR13.7bm as against INR29b in 2QFY26.
- The company reported an adj. loss of INR20.6b (est. adj. profit of INR13.7b) compared to an adj. profit of INR25.1b in 2QFY26.
- As of Sep'26, the total cash balance stood at INR526.9b, which provided flexibility to manage near-term volatility and fund longer-term growth. Gross debt stood at INR873b (vs. INR777.5b in FY26).

Highlights from the management commentary

- **Outlook/guidance:** PRASK growth is expected to exceed 25% YoY in 3QFY27, while capacity growth is guided at the early single digits for FY27 and the mid-teens for FY28. The ~300b ASK target by FY30 remains intact. Load factors are expected to remain broadly flat in 3Q, while FY27 CASK (ex-fuel and forex MTM) is guided to rise by high-single-digits to early-double-digits, driven by rupee depreciation and contractual escalations. Fuel-cost uncertainty and elevated refining spreads may limit profitability.

Bloomberg	INDIGO IN
Equity Shares (m)	387
M.Cap.(INRb)/(USDb)	1809.6 / 19
52-Week Range (INR)	5970 / 3895
1, 6, 12 Rel. Per (%)	-5/13/-8
12M Avg Val (INR M)	6947
Free float (%)	58.4

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	849.6	1065.8	1099.2
EBITDA	118.4	166.4	251.4
NP	-25	22.4	72.5
EPS (INR)	-31.5	58	187.5
Growth (%)	-116.8	-284.1	223.1
BV/Sh (INR)	167.8	226.2	404.8

Ratios

Net D:E	7.6	6	3.2
RoE (%)	-15.5	29.6	59.8
RoCE (%)	7.8	11.5	19.8
Payout (%)	5.3	0	5.3

Valuations

P/E (x)	-148.3	80.5	24.9
P/BV (x)	27.9	20.7	11.5
Adj.EV/EBITDAR(x)	16.5	12.6	8.1
Div. Yield (%)	-0.1	0	0.2
FCF Yield (%)	11.8	-0.5	2.4

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	41.6	41.6	41.6
DII	33.3	31.9	24.7
FII	19.9	20.3	28.4
Others	5.2	6.2	5.3

FII includes depository receipts

- **Widebody operations and international strategy:** INDIGO will discontinue its damp-leased widebody operations from Nov'26, as elevated fuel costs, rupee depreciation, and geopolitical disruptions have weakened their economic viability. The exit is likely to improve unit economics, while international expansion plans remain intact, with A350 operations targeted from CY28. A321XLRs will retain the Amsterdam slot, while selective international expansion continues, including Mumbai–Dar es Salaam daily services from Nov'26.
- **Revenue diversification and monetization:** Ancillary revenue per passenger increased to ~INR590 in 2QFY27 from INR525 in 1QFY27, with further upside expected from broader service offerings and improved digital distribution. The cargo business grew 37% in 2QFY27 and demand remains encouraging into 3QFY27, although reduced long-haul belly capacity will constrain growth.

Valuation and view

- Despite continued near-term headwinds from the Middle East airspace disruptions, high fuel costs, and INR depreciation, we remain confident in INDIGO's growth strategy, anchored by India's strong domestic demand base and steadily expanding international network.
- Looking ahead, gradual normalization of international operations, easing Pratt & Whitney-related groundings, fleet expansion (including A321XLR-led international deployment), and resilient demand trends are expected to support performance recovery over the coming quarters.
- We estimate a CAGR of 14%/42% in revenue/EBITDAR over FY26-28. We value the stock at 10x FY28E EBITDAR to arrive at our TP of INR6,000. **Reiterate BUY.**

Standalone Quarterly performance

(InR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	205.0	185.6	234.7	224.4	245.8	233.6	302.2	284.2	849.6	1,065.8	234.3	0%
YoY Change (%)	4.7	9.3	6.2	1.3	19.9	25.9	28.8	26.6	5.1	25.4	26.3	
EBITDAR	57.0	8.7	58.6	15.0	37.5	22.2	70.7	54.4	139.3	184.8	26.4	-16%
Margin (%)	27.8	4.7	25.0	6.7	15.3	9.5	23.4	19.1	16.4	17.3	11.3	
Net Rentals	4.9	3.2	5.1	7.6	5.4	4.3	3.9	4.8	20.8	18.4	4.2	2%
EBITDA	52.0	5.5	53.5	7.4	32.1	17.9	66.8	49.5	118.4	166.4	22.2	-19%
Margin (%)	25.4	2.9	22.8	3.3	13.1	7.7	22.1	17.4	13.9	15.6	9.5	
Depreciation	25.5	26.3	27.7	28.0	29.5	30.4	30.4	30.5	107.5	120.9	29.5	
Interest	14.0	14.7	15.6	15.7	16.8	17.4	17.4	14.6	60.1	66.2	16.8	
Other Income	10.5	10.5	10.6	13.9	10.4	9.4	9.4	14.0	45.5	43.1	10.4	
PBT Before EO expense	23.0	-25.1	20.9	-22.4	-3.8	-20.6	28.3	18.5	-3.7	22.4	-13.7	
Tax	1.3	1.0	0.1	1.7	0.0	0.0	0.1	-0.1	4.2	0.0	0.0	
Rate (%)	5.9	-4.0	0.6	-7.7	0.1	0.0	0.5	-0.7	-114.3	0.0	0.0	
Adjusted PAT	21.6	-26.1	17.1	-24.8	-3.8	-20.6	28.2	18.6	-12.2	22.4	-13.7	
EPS	55.9	-67.6	44.2	-64.0	-9.9	-53.2	73.0	48.1	-31.5	58.0	-35.5	
YoY Change (%)	-20.7	164.4	-30.0	-180.5	-117.7	-21.4	65.0	-175.1	PL	LP	-47.5	
Operational Data												
ASK (b)	42.3	41.2	45.4	43.6	43.5	40.8	46.8	48.3	172.4	179.3	41.6	-2%
YoY Change (%)	16%	8%	11%	3%	3%	-1%	3%	11%	10%	4%	1%	
Load factor (%)	84.5	82.5	84.6	85.9	83.2	80.4	84.6	86.8	84.4	83.9	82.5	-0.0
RPK (b)	35.7	34.0	38.4	37.4	36.2	32.8	39.6	41.9	145.5	150.4	34.3	-5%
YoY Change (%)	13%	8%	8%	2%	1%	-4%	3%	12%	7%	3%	1%	
Yield (INR/RPK)	4.98	4.69	5.33	5.20	6.04	6.30	6.56	5.80	5.05	6.17	5.91	7%
RASK (Revenue per Available Seat Kilometer)	4.85	4.50	5.17	5.15	5.65	5.73	6.46	5.89	4.93	5.94	5.63	2%
CASK (Cost per Available Seat Kilometer)	4.31	5.11	4.71	5.67	5.74	6.23	5.85	5.50	4.95	5.82	5.96	5%
RASK less CASK	0.54	-0.61	0.46	-0.51	-0.09	-0.50	0.61	0.38	-0.02	0.13	-0.33	
CASK ex-Fuel	2.90	3.64	3.15	4.11	3.22	3.75	3.18	3.04	3.45	3.28	3.51	7%
Fuel Cost	1.40	1.47	1.56	1.56	2.52	2.48	2.68	2.46	1.50	2.54	2.45	1%



Highlights from the management commentary

Outlook, Guidance and Management Commentary

- PRASK is expected to grow over 25% YoY in 3QFY27, supported by pricing actions, the elevated-cost environment and a favorable base, with October trends indicating continued revenue strength.
- Capacity is expected to grow in the early single digits in both 3QFY27 and FY27, reflecting disciplined deployment, prevailing geopolitical conditions and the discontinuation of damp-leased widebody operations.
- FY28 capacity growth guidance remains unchanged at the mid-teens, supported by scheduled aircraft deliveries, although deployment and utilization will remain flexible to accommodate fuel-price volatility, demand conditions and aircraft delivery delays.
- The longer-term target of ~300b ASK by FY30 remains intact, supported by the aircraft delivery pipeline, domestic growth opportunities and expansion into additional international markets.
- Passenger load factors are expected to remain broadly flat YoY in 3QFY27, with forward bookings indicating resilient demand despite higher fares and a seasonally stronger festive quarter.
- Capacity rationalization in 3QFY27 will be concentrated on international operations, while domestic deployment will benefit from festive-season demand. Capacity decisions will continue to be evaluated at an individual-flight level based on demand and network economics.
- CASK excluding fuel and forex MTM is expected to increase in the high-single-digit to early-double-digit range in FY27, primarily due to rupee depreciation and contractual escalations. Excluding currency depreciation, underlying cost inflation is expected to be in the mid-single-digit range on a steady-state basis.
- Elevated jet fuel refining spreads are expected to moderate as refining disruptions ease, although the timing remains uncertain. Jet fuel benchmarks and currency movements remain more relevant to the airline's fuel costs than crude prices alone.
- Ticket prices are expected to continue responding to fuel-price movements over time; consequently, lower fuel costs could also lead to lower fares, limiting the extent to which fuel savings translate into higher profitability.

Revenue and Operating performance

- PRASK increased 31% YoY, exceeding the guidance of over 25% growth, supported by pricing actions and disciplined capacity deployment; however, the improvement was insufficient to fully absorb exceptionally high fuel costs.
- Industry seat deployment declined approximately 5% YoY, supporting pricing during a seasonally weak quarter affected by the monsoon and the gap between summer and festive travel peaks.
- Domestic capacity remained broadly flat YoY, while international capacity declined approximately 2.9% YoY, reflecting selective network rationalization amid elevated costs and geopolitical disruptions.
- Demand and the response to revenue-management actions were broadly consistent across metro-to-metro, metro-to-non-metro and non-metro-to-non-metro routes during 2QFY27.

- No major domestic network restructuring is envisaged; capacity will be adjusted selectively across routes in response to demand, with flexibility to increase or reduce deployment through 3QFY27 and 4QFY27.
- Cargo revenue increased 37% YoY, with underlying demand trends remaining encouraging into 3QFY27. However, the withdrawal of Boeing 787 operations will reduce long-haul belly-cargo capacity.
- Ancillary revenue per passenger increased to approximately INR590 from INR525, with further growth opportunities through additional services, improved digital distribution and pricing.
- IndiGo Stretch is showing encouraging customer feedback and international performance, with increased marketing expected to improve product awareness and adoption. Its contribution to the sharp increase in 2Q yields was not material, leaving premium-product monetization as a potential future growth driver.
- Revenue optimization will increasingly combine ticket yields, load factors, premium products and ancillary income, with decisions based on total revenue generation across individual parts of the network.

Profitability and cost trends

- Fuel costs increased 69% YoY, driven by a roughly 60% YoY increase in the benchmark Singapore jet fuel price and rupee depreciation, making fuel the principal source of earnings pressure.
- Sequential fuel CASK movements reflected lower benchmark jet fuel prices, intra-quarter volatility and changes in government support. The domestic fuel-price cap applicable during April, May and up to 8 June had limited prices to 25% above March levels; purchases subsequently reverted to market-linked pricing, while certain VAT reductions provided additional relief.
- CASK excluding fuel and forex MTM increased approximately 15% YoY to INR3.45, driven by currency depreciation, weaker fixed-cost absorption following capacity rationalization and annual contractual escalations.
- The rupee depreciated ~9% over the preceding 12 months, increasing the rupee value of US dollar-denominated expenses and amplifying fuel-cost pressures.
- Lower deployment reduced fixed-cost absorption across the operating fleet, contributing to higher non-fuel unit costs despite the benefits of capacity rationalization to overall network economics.
- The sequential decline in other expenses partly reflected an accounting regrouping of approximately INR1.78b. Higher airport-handling costs associated with increased international departures partly offset this movement.
- The divergence between crude and jet fuel prices reflects elevated refining spreads, making a decline in crude prices alone insufficient to ensure a proportionate reduction in aviation fuel costs.

Widebody operations and international strategy

- Damp-leased widebody operations will conclude effective 1 Nov'26, as elevated fuel prices, currency depreciation and geopolitical disruptions have weakened their near-term economics.
- The widebody exit is expected to improve the spread between revenue and cost per available seat kilometer, as the operation had represented an initial investment in developing long-haul capabilities.

- The termination of lease with Norse Atlantic Airways does not change the longer-term international expansion strategy, with the experience gained expected to support A350 operations from CY28.
- A321XLR aircraft will be used to retain the Amsterdam slot following the leased-widebody exit, preserving network flexibility ahead of A350 deployment.
- Long-haul expansion will retain the focus on the low-cost operating model, with the extensive domestic and short-haul network providing potential feeder traffic without compromising short-haul economics.
- International growth opportunities remain significant across markets not currently served, with the aircraft delivery pipeline providing the capacity to pursue these opportunities as operating conditions permit.
- International network expansion continues selectively, with daily direct Mumbai–Dar es Salaam services scheduled to commence in Nov’26, extending the airline’s presence in Africa.

Fleet and airport infrastructure

- The fleet stood at 442 aircraft at end-Sep’26, following the induction of 22 aircraft from the original order book and the return of 10 aircraft and two damp-leased aircraft during the quarter.
- All 22 aircraft inducted during the quarter were added through the GIFT City entity.
- Existing aircraft orders remain intact, with no change to fleet commitments following the widebody exit, although Airbus delivery schedules continue to face some delays.
- The aircraft delivery pipeline is expected to average more than one aircraft per week, supporting future growth, while utilization will remain an important lever for aligning deployed capacity with demand.
- New airports remain important to long-term capacity expansion despite somewhat higher charges, with Navi Mumbai providing additional growth opportunities and facilitating the redevelopment of Terminal 1 at the existing Mumbai airport.

Other points

- IndiGo BluChip is approaching 20m members and has over 30 partners, following its second anniversary in Oct’26.
- Loyalty monetization remains at an early stage, with the focus on converting registered members into active customers through repeat bookings, points accrual and redemption across the airline and partner network.
- New leadership has been brought into the loyalty business, with the program expected to develop into a larger revenue contributor over time.
- Ancillary monetization has further headroom, although Indian requirements governing services included in base fares limit direct comparisons with European low-cost carriers.
- Participation in a proposed price-stabilization mechanism will depend on its commercial terms, including whether it supports the response to elevated fuel costs without impairing appropriate pricing and capacity decisions.

- Potential airport ownership of airlines raises concerns regarding conflicts of interest in slot allocation, making regulatory safeguards an important consideration.

Valuation and view

- Despite continued near-term headwinds from the Middle East airspace disruptions, high fuel costs, and INR depreciation, we remain confident in INDIGO's growth strategy, anchored by India's strong domestic demand base and steadily expanding international network.
- Looking ahead, gradual normalization of international operations, easing Pratt & Whitney-related groundings, fleet expansion (including A321XLR-led international deployment), and resilient demand trends are expected to support performance recovery over the coming quarters.
- We estimate a CAGR of 14%/42% in revenue/EBITDAR over FY26-28. We value the stock at 10x FY28E EBITDAR to arrive at our TP of INR6,000. **Reiterate BUY.**

Operational Metrics

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Capacity								
ASK (million)	45,471	70,400	1,14,400	1,39,300	1,57,400	1,72,486	1,79,341	2,04,353
ASK YoY (%)	-53%	55%	63%	22%	13%	10%	4%	14%
Load Factor (%)	69%	73%	82%	86%	86%	84%	84%	86%
RPK (million)	31,595	51,700	93,900	1,19,700	1,35,400	1,45,500	1,50,446	1,75,912
RPK YoY (%)	-62%	64%	82%	27%	13%	7%	3%	17%
Revenue Calculation								
Ticket Revenue (INR m)	118.7	219.2	481.8	608.0	697.4	736.2	927.7	947.6
Yield (INR/RPK)	3.76	4.24	5.13	5.08	5.15	5.06	6.17	5.39
Ancillary revenues (incl. others)	27.7	40.1	62.7	81.1	110.6	113.4	138.2	151.6
Total Revenue (INR m)	146.4	259.3	544.5	689.0	808.0	849.6	1,065.8	1,099.2
Fuel Cost								
Exchange rate (INR/USD)	74	75	80	83	85	88	96	96
ATF Prices (INR/lit)	43	74	116	102	95	92	142	106
YoY (%)	-32%	71%	57%	-12%	-7%	-3%	55%	-25%
Aircraft fuel expenses (INR m)	38.9	98.1	239.3	242.5	265.8	258.8	455.1	373.1
Spreads								
RASK	3.22	3.68	4.76	4.95	5.13	4.93	5.94	5.38
CASK	4.50	4.56	4.79	4.37	4.65	4.95	5.82	4.94
RASK-CASK	-1.28	-0.88	-0.03	0.58	0.48	-0.02	0.13	0.44
CASK-ex fuel	3.65	3.17	2.70	2.63	2.96	3.45	3.28	3.11
RASK-CASK (ex-fuel)	-0.43	0.52	2.06	2.32	2.17	1.48	2.66	2.27

Exhibit 1: One-year forward P/E

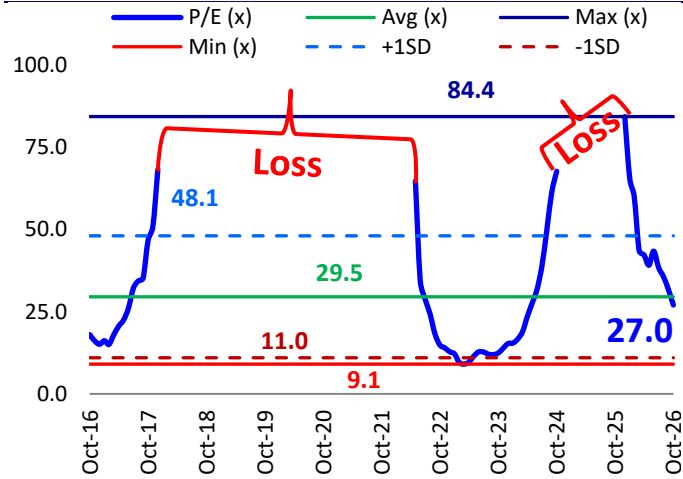


Exhibit 2: One-year forward P/B

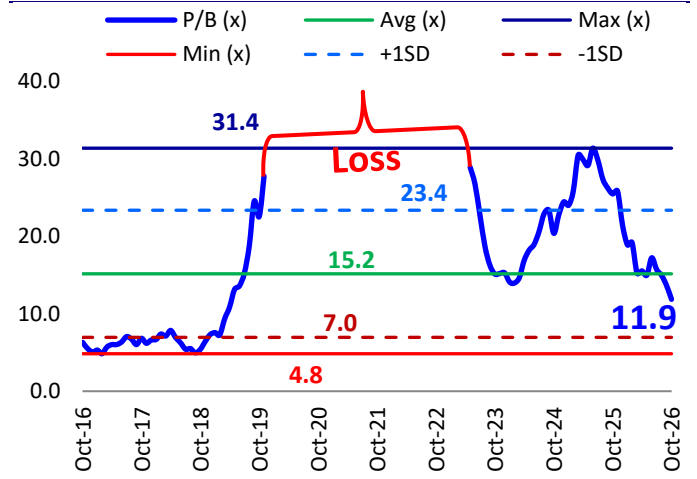


Exhibit 3: Revisions to our estimates

Particulars	Revised		Previous		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	10,65,835	10,99,166	10,22,518	10,93,861	4%	0%
EBITDAR	1,84,779	2,82,407	1,97,026	3,00,433	-6%	-6%
EBITDA	1,66,383	2,51,363	1,72,560	2,68,763	-4%	-6%
PAT	22,438	72,505	34,978	86,214	-36%	-16%
EPS	58	188	90	223	-36%	-16%

Story in charts: 2QFY27

Exhibit 4: Total ASK stood at 40.8b...

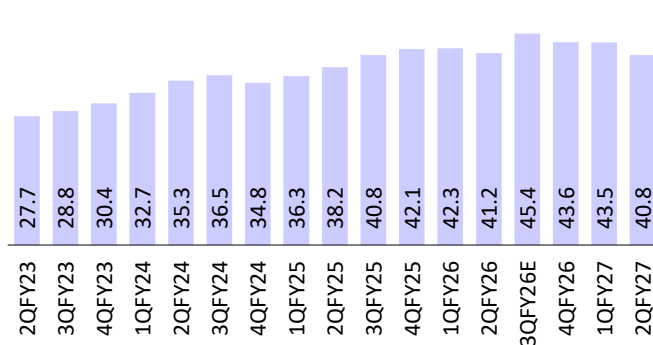


Exhibit 5: ...down 1% YoY in 2QFY27

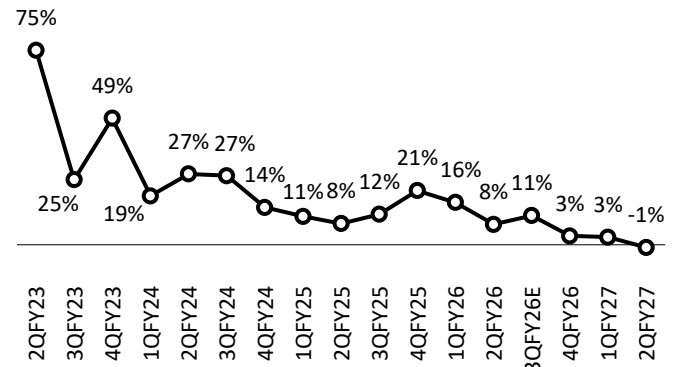


Exhibit 6: Total RPK stood at 32.8b...

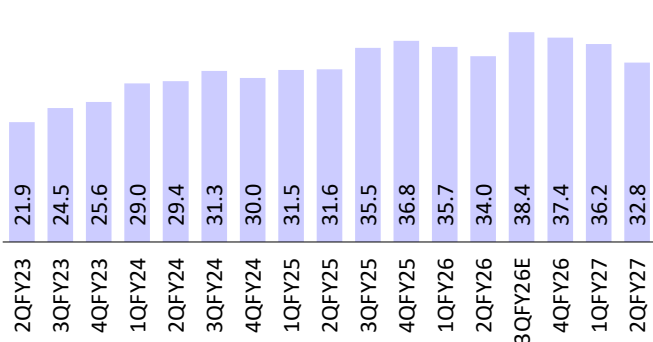


Exhibit 7: ...down 4% YoY in 2QFY27

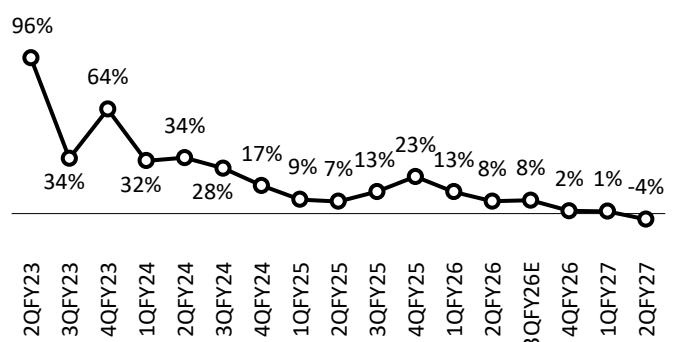


Exhibit 8: RASK stood at INR5.73

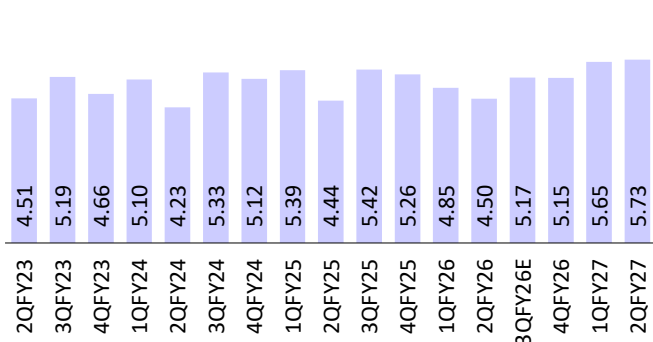


Exhibit 9: CASK stood at INR5.89

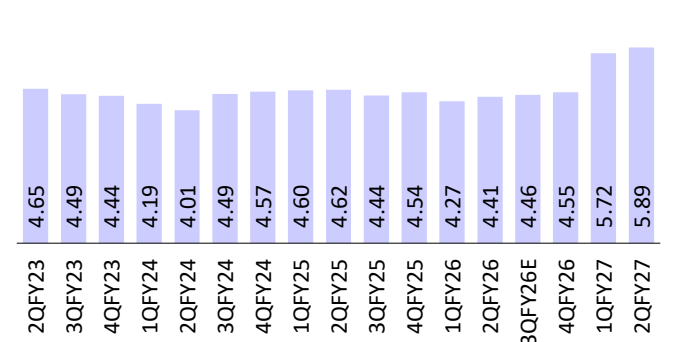


Exhibit 10: Load factor fell to 80.4% (82.5% in 2QFY26)

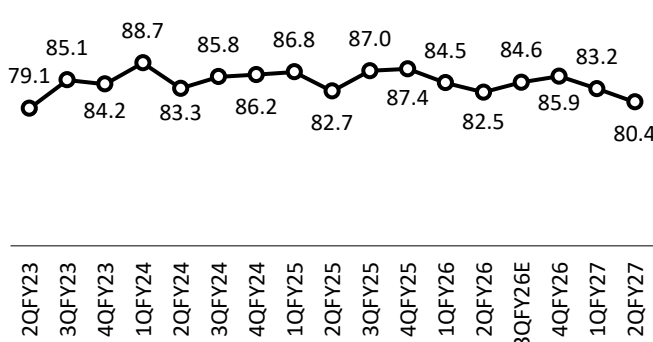
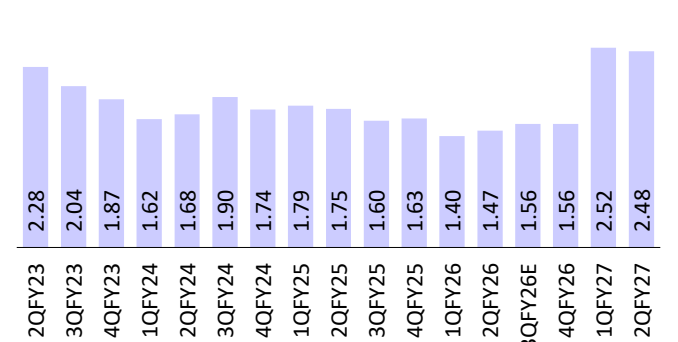


Exhibit 11: Fuel costs stood at INR2.5 (68% YoY)



Source: Company, MOFSL

Source: Company, MOFSL

Financials and Valuation

Standalone - Income Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	146.4	259.3	544.5	689.0	808.0	849.6	1,065.8	1,099.2
YoY Chg (%)	-59.1	77.1	110.0	26.6	17.3	5.1	25.4	3.1
EBITDAR	2.6	8.4	68.1	173.7	210.2	139.3	184.8	282.4
Margin (%)	1.7	3.2	12.5	25.2	26.0	16.4	17.3	25.7
Aircraft & Engine Lease Rentals	2.8	3.1	3.3	10.8	30.1	20.8	18.4	31.0
EBITDA	-0.3	5.3	64.8	162.9	180.1	118.4	166.4	251.4
Margin (%)	-0.2	2.0	11.9	23.6	22.3	13.9	15.6	22.9
Depreciation	47.0	50.7	51.0	64.1	86.4	107.5	120.9	154.2
EBIT	-47.2	-45.4	13.8	98.9	93.7	10.9	45.5	97.2
Int. and Finance Charges	21.4	23.6	31.3	41.7	50.9	60.1	66.2	61.5
Other Income	10.4	7.2	14.3	23.3	33.1	45.5	43.1	55.0
PBT	-58.3	-61.7	-3.2	80.4	75.9	-3.7	22.4	90.6
PBT after EO Exp.	-58.3	-61.7	-3.2	80.4	75.9	-20.8	22.4	90.6
Tax	0.0	0.0	0.0	-1.2	3.3	4.2	0.0	18.1
Tax Rate (%)	0.0	0.0	0.0	-1.5	4.4	-20.1	0.0	20.0
Reported PAT	-58.3	-61.7	-3.2	81.7	72.5	-25.0	22.4	72.5
Adjusted PAT	-58.3	-61.7	-3.2	81.7	72.5	-12.2	22.4	72.5
Change (%)	Loss	Loss	Loss	LP	-11.2	NM	NM	223.1
Margin (%)	-39.8	-23.8	-0.6	11.9	9.0	-1.4	2.1	6.6

Standalone - Balance Sheet

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	3.8	3.9	3.9	3.9	3.9	3.9	3.9	3.9
Total Reserves	-3.1	-64.2	-66.9	15.5	89.2	60.7	83.1	151.7
Net Worth	0.7	-60.4	-63.0	19.3	93.1	64.5	87.0	155.6
Total Loans	227.9	289.6	344.8	397.6	567.5	729.7	664.0	630.8
Capital Employed	228.6	229.2	281.7	416.9	660.6	794.2	751.0	786.4
Gross Block	295.3	370.7	485.4	633.3	874.9	1,092.3	1,301.7	1,501.7
Less: Accum. Deprn.	107.2	157.9	208.9	272.9	359.3	466.8	587.7	741.9
Net Fixed Assets	188.2	212.8	276.5	360.4	515.6	625.5	714.0	759.8
Capital WIP	0.7	1.2	0.2	0.0	0.0	0.4	0.4	0.4
Total Investments	72.9	80.3	115.1	164.5	264.0	352.1	352.1	352.1
Curr. Assets, Loans&Adv.	168.0	164.3	198.6	295.8	379.5	449.0	405.1	412.7
Inventory	3.2	4.1	5.9	6.2	8.2	9.8	12.2	11.3
Account Receivables	2.2	3.3	5.2	6.4	7.4	6.0	7.5	7.8
Cash and Bank Balance	112.3	101.2	118.1	167.1	188.6	236.3	138.4	139.0
Loans and Advances	50.4	55.7	69.4	116.0	175.3	196.8	246.9	254.7
Curr. Liability & Prov.	201.2	229.4	308.7	403.8	498.6	632.7	720.6	738.6
Account Payables	15.6	31.5	32.1	31.9	41.9	50.0	62.0	57.5
Other Current Liabilities	164.2	184.6	260.7	344.2	415.7	524.7	658.6	679.2
Provisions	21.4	13.2	15.9	27.7	41.0	58.0	0.0	1.9
Net Current Assets	-33.1	-65.1	-110.1	-108.0	-119.1	-183.7	-315.5	-325.9
Appl. of Funds	228.6	229.2	281.7	416.9	660.6	794.2	751.0	786.4

Financials and Valuation

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS (INR)	-150.8	-159.6	-8.2	211.3	187.6	-31.5	58.0	187.5
Cash EPS	-29.4	-28.7	124.5	379.1	413.4	248.0	372.8	589.7
BV/Share	1.8	-157.0	-164.0	50.3	242.1	167.8	226.2	404.8
DPS	0.0	0.0	0.0	0.0	10.0	-3.5	0.0	10.0
Payout incl. tax (%)	0.0	0.0	0.0	0.0	5.3	5.3	0.0	5.3
Valuation (x)								
P/E	-31.0	-29.3	-570.6	22.1	24.9	-148.3	80.5	24.9
Cash P/E	-158.9	-162.9	37.6	12.3	11.3	18.9	12.5	7.9
P/BV	2,534.4	-29.8	-28.5	93.0	19.3	27.9	20.7	11.5
EV/Sales	13.1	7.7	3.7	3.0	2.7	2.7	2.2	2.1
EV/EBITDAR (x)	754.1	237.0	29.9	11.7	10.4	16.5	12.6	8.1
EV/EBITDA	-7,555.2	376.3	31.4	12.5	12.1	19.4	14.0	9.1
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.2	-0.1	0.0	0.2
FCF Yield (%)	-3.9	-2.7	7.1	11.0	12.2	11.8	-0.5	2.4
FCF per share	-184.2	-128.5	332.3	513.7	570.0	549.3	-24.3	114.2
Return Ratios (%)								
RoE	-196.5	206.9	5.1	-373.7	129.1	-15.5	29.6	59.8
RoCE	-16.5	-16.7	11.0	35.5	22.5	7.8	11.5	19.8
RoIC	-168.6	-101.7	29.2	150.4	61.1	6.3	19.6	28.0
Working Capital Ratios								
Fixed Asset Turnover (x)	0.5	0.7	1.1	1.1	0.9	0.8	0.8	0.7
Asset Turnover (x)	0.6	1.1	1.9	1.7	1.2	1.1	1.4	1.4
Inventory (Days)	8	6	5	4	5	4	4	4
Debtor (Days)	5	5	3	3	3	8	6	8
Creditor (Days)	39	46	25	23	26	21	21	19
Working Cap. Turnover (Days)	-363	-234	-153	-146	-139	-180	-155	-154

Standalone - Cash Flow Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	-58.3	-61.7	-3.2	80.4	75.9	-20.8	22.4	90.6
Depreciation	47.0	50.7	51.0	64.1	86.4	107.5	120.9	154.2
Interest & Finance Charges	11.1	16.3	31.1	41.7	50.9	60.1	23.1	6.5
Direct Taxes Paid	0.0	0.0	-3.9	-5.1	-4.1	-2.4	0.0	-18.1
(Inc)/Dec in WC	-3.8	21.4	31.2	43.4	44.6	20.2	33.6	10.9
CF from Operations	-4.0	26.7	106.2	224.5	253.6	164.6	200.0	244.2
CF from Operating incl EO	-4.0	26.7	127.0	211.8	240.6	233.8	200.0	244.2
(Inc)/Dec in FA	-67.2	-76.4	1.4	-13.2	-20.3	-21.4	-209.4	-200.0
Free Cash Flow	-71.2	-49.7	128.4	198.6	220.4	212.4	-9.4	44.2
(Pur)/Sale of Investments	22.1	-7.4	-43.5	-109.1	-119.0	-72.8	0.0	0.0
Others	10.4	7.2	1.6	4.8	11.5	4.0	43.1	55.0
CF from Investments	-34.8	-76.5	-40.6	-117.6	-127.8	-90.3	-166.3	-145.0
Inc/(Dec) in Debt	68.6	61.7	-16.7	-2.8	-0.9	0.1	-65.7	-33.2
Interest Paid	-21.4	-23.6	-26.7	-35.0	-0.3	-0.1	-66.2	-61.5
Dividend Paid	0.0	0.0	0.0	0.0	-3.9	-3.9	0.0	-3.9
CF from Fin. Activity	42.7	38.8	-84.3	-99.8	-109.7	-142.8	-131.9	-98.6
Inc/Dec of Cash	4.0	-11.1	2.2	-5.5	3.1	0.7	-98.2	0.5
Opening Balance	108.3	112.3	101.2	118.1	167.1	188.6	236.3	138.4
Closing Balance	112.3	101.2	118.1	167.1	188.6	236.3	138.4	139.0

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NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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