22 July 2026

1QFY27 Results Update | Sector: Internet

Eternal

Estimate change	↓
TP change	↑
Rating change	↔

Bloomberg	ETERNAL IN
Equity Shares (m)	9650
M.Cap.(INRb)/(USDb)	2748.6 / 28.5
52-Week Range (INR)	368 / 213
1, 6, 12 Rel. Per (%)	8/8/-1
12M Avg Val (INR M)	12474

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
GOV	461.6	553.2	667.6
Net Sales	543.6	937.0	1391.9
Change (%)	168.6	72.4	48.6
EBITDA	12.1	36.8	71.6
EBITDA margin (%)	2.2	3.9	5.1
Adj. PAT	3.7	20.7	41.4
PAT margin (%)	0.7	2.2	3.0
RoE (%)	1.19	6.47	11.80
RoCE (%)	-0.69	3.29	7.42
EPS	0.40	2.27	4.54
EV/ Sales	4.8	2.8	1.8
Price/ Book	8.4	7.8	7.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	0.0	0.0	0.0
DII	39.3	36.0	26.5
FII	33.7	37.3	48.3
Others	27.0	26.7	25.2

FII Includes depository receipts

CMP: INR284 TP: INR400 (+41%) Buy

Meets growth expectations despite intense competition

Fortifies long-term margin guidance for Blinkit, though capex elevated

- Eternal reported 1QFY27 net revenue of INR202b (up 16.9% QoQ/182% YoY), above our estimate of 8.5% QoQ/161.8% YoY.
- Food Delivery NOV came in at INR108b, in line with our estimate of INR107.3b. Blinkit NOV came in at INR171b (up 86% YoY) vs. our estimate of INR170b. For Food Delivery, adjusted EBITDA as % of NOV margin increased 10bp QoQ at 5.6%, vs our estimate of 6.1%.
- Blinkit reported contribution margin of 5.3% (5.4% in 4QFY26). Adj. EBITDA margin was at 0.6%, in line with our expectation of 0.6%. 1QFY27 PAT stood at INR920m, rising 268% YoY (est. INR4,066m). Our TP of INR400 implies a 41% upside from the current price. We reiterate our BUY rating.

Our view: Peak competition, but execution remains on track

- **Competitive intensity the highest, but strategies diverging:** Competitive intensity in quick commerce remains high. Management indicated that 1Q experienced 'peak intensity' to date, although competition has now become predictable. We believe divergent strategies among established players are emerging, with various players adopting either one or a combination of expansion, assortment, or pricing as the differentiating factor.
- **Straight coupon-based discounting appears unsustainable. Even as the market remains crowded, newer players looking to scale from scratch could continue to keep the market irrational for slightly longer**. The next stage of competition may weed out some players, as competition emerges beyond coupon discounting into assortment intelligence as well as supply chain efficiency.
- **Adjusted EBITDA in quick commerce improves; long-term guidance raised:** Management has guided to achieve the higher end of its long-term margin range: reported EBIT margin of ~4% and adjusted EBITDA margin of ~6% (guidance range of 5-6%). This was despite the near-term increase in take rates not yet translating into CM gains. Management attributed this to minimum wage increases across several states and the opening of larger stores, which led to a slight lag on CM gains.
- However, **with the business model now established and competition being more 'predictable',** management expects structurally higher margins going forward. While continued elevated competition may lead to near term gains being pruned, this guidance upgrade is a positive.

  Management's long-term target of 60% and NOV growth, coupled with an EBITDA target of USD1b by FY29, appears increasingly achievable. Our estimates continue to factor in this long-term trajectory**.**

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- **Capex higher than expected, leading to higher cash burn:** While EBITDA margin came in at 0.6% of NOV (INR1.02b), Blinkit's capex for the quarter stood at INR7.1b, materially higher than the average for previous quarters. Warehousing capacity addition was the primary driver. This pushed cash burn in the quick commerce business to INR7.7b (refer to Exhibits 1 and 2).
- Part of the capex is warehouse-linked and lumpy by nature. Even so, the scale-up of stores in frontier cities, alongside new warehouse openings, remains critical. This scale-up is what will ultimately determine RoCE on the incremental capex being deployed**.**
- **Food delivery recovery remains steady despite new competition:** Food delivery NOV grew 20% YoY, marking the fourth consecutive quarter of acceleration, driven by both new customer additions and higher order frequency. Adjusted EBITDA margin expanded to 5.6% of NOV, near the upper end of the long-term 5–6% guidance.
- **Despite the emergence of discount-led players such as Toing and Ownly, management believes aggressive price-led customer acquisition is unlikely to be sustainable**. We believe improving customer cohorts, higher engagement, and stable unit economics should support healthy growth even as competitive intensity remains elevated.

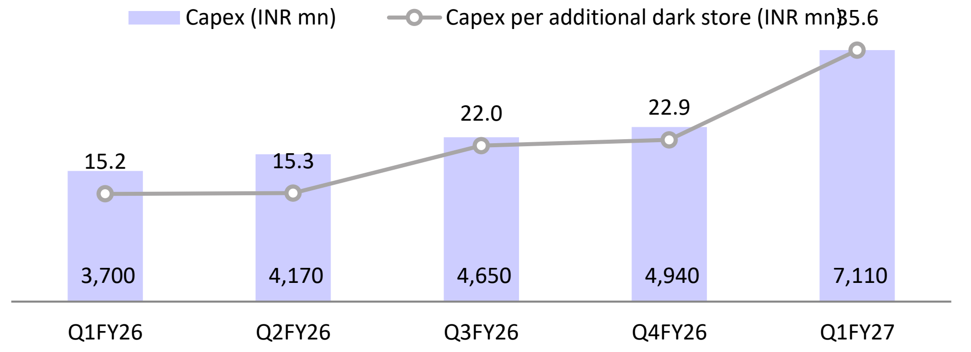
Valuation and changes to our estimates

- Eternal's food delivery business remains stable, while Blinkit continues to offer a long runway to participate in the structural shift in retail, grocery, and e-commerce. We trim our FY27E EPS estimate by 7% largely driven by a higher-than-expected tax in 1Q, while keeping our FY28E estimates unchanged. While competitive intensity remains elevated, competition is becoming more predictable, and the business model appears established, with a clearer path to structurally higher margins.
- We continue to factor in management's long-term growth trajectory of 60%+ NOV growth and USD1b EBITDA by FY29, led by gradual margin expansion through store maturity and operating leverage. We expect Eternal to report PAT margins of 2.2%/3.0% in FY27/28E. Our **TP of INR400** implies a 41% upside from the current price. We reiterate our **BUY rating.**

FD/QC NOV and QC adj. EBITDA in line with our estimates; miss on FD margins

- Eternal reported 1QFY27 net revenue of INR202b (up 16.9% QoQ/182% YoY), above our estimate of 8.5% QoQ/161.8% YoY.
- Food Delivery NOV came in at INR108b, in line with our estimate of INR107.3b. Blinkit NOV came in at INR171b (up 86% YoY) vs. our estimate of INR170b.
- For Food Delivery, adjusted EBITDA as % of NOV margin rose 10bp QoQ to 5.6%, vs our estimate of 6.1%.
- Blinkit reported a contribution margin of 5.3% (5.4% in 4QFY26). Adj. EBITDA margin was at 0.6%, in line with our expectation of 0.6%.
- Consol. reported EBITDA came in at INR5,940m (2.9% reported EBITDA margin vs 3.7% in 1Q).
- Food Delivery revenue increased 13% QoQ/33% YoY (est. 24.5% YoY). FD contribution margin as a % of NOV remained flat QoQ at 10.2%.
- QC revenue grew 18.4% QoQ (est. 10.3% QoQ growth). QC contribution margin as a % of NOV decreased to 5.3% (5.4% in 4QFY26).
- PAT stood at INR920m, rising 268% YoY (est. INR4,066m).

Exhibit 1: Blinkit's capex for the quarter came in at INR7.1b, materially higher than the average for previous quarters; warehousing capacity addition was the primary driver



Source: Company, MOFSL

Exhibit 2: QC cash burn trend

(INR mn)	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
QC EBITDA	(1,620)	(1,560)	40	370	1,020
(-)Working capital	1,110	4,820	6,900	550	1,700
(-)Capex	3,700	4,170	4,650	4,940)	7,110
= FCF	(6,430)	(10,508)	(11,550)	(3,958)	(7,782)
FCF/Order	(36)	(47)	(47)	(14)	(24)
Capex per additional dark store	15	15	22	23	36

Source: Company, MOFSL

Key highlights from the management commentary

- FD: NOV growth of over 20% YoY came from a combination of new customer additions (accelerating over the last 3-4 quarters) and higher order frequency among existing users.
- Food Delivery's adjusted EBITDA margin expanded to 5.6% of NOV, nearing the upper end of the 5-6% steady-state guidance range; management does not view margin and growth as a trade-off at this stage.
- Blinkit: Management refreshed its steady-state RoCE framework: capex per store at INR25m (vs INR10m earlier), NWC at 12 days of NOV (vs 18 days), and NOV per day per store at INR1.1m (vs INR0.7m) — implying a pre-tax RoCE of ~41.7% at a 4% EBIT margin.
- Consolidated B2C NOV grew 54% YoY to INR311b, led by broad-based acceleration across all three consumer businesses.
- Going-out (District) NOV grew 60% YoY (18% QoQ) to INR32b, well ahead of the company's earlier long-term guidance of 30%+; management attributed this to genuine platform strength (IPL was present in the base quarter too) rather than a seasonality artifact.

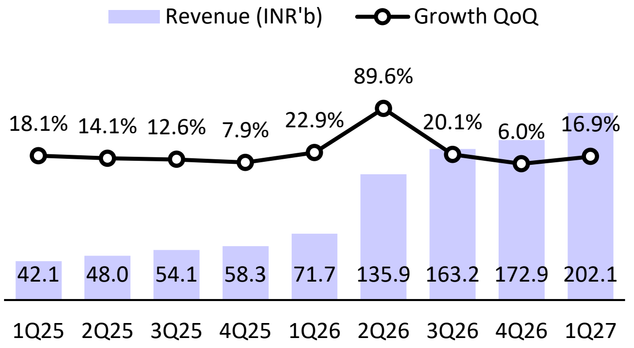
Consolidated - Quarterly Earning Model (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY27	(%/bp)
Revenue (net of delivery)	**71,670**	**1,35,900**	**1,63,150**	**1,72,920**	**2,02,110**	**2,18,659**	**2,52,423**	**2,63,790**	**5,43,640**	**9,36,982**	**1,87,664**	**7.7**
YoY Change (%)	70.4	183.2	201.9	196.5	182.0	60.9	54.7	52.6	168.6	72.4	161.8	2020bp
Inventory of traded goods	22,840	77,420	98,010	1,03,400	1,20,310	1,42,782	1,68,661	1,78,106	3,01,670	6,09,860	1,18,200	1.8
Employee Expenses	8,300	8,650	9,140	9,270	10,680	11,748	12,923	14,215	35,360	49,566	10,197	4.7
Delivery expenses	18,690	22,130	23,760	26,070	31,500	29,935	32,083	33,594	90,650	1,27,112	26,216	20.2
Gross Profit	**21,840**	**27,700**	**32,240**	**34,180**	**39,620**	**34,194**	**38,756**	**37,874**	**1,15,960**	**1,50,445**	**33,051**	**19.9**
Margins (%)	30.5	20.4	19.8	19.8	19.6	15.6	15.4	14.4	21.3	16.1	18	200bp
Advertisement and sales promotion	6,710	8,060	9,370	9,360	9,450	9,106	9,345	9,413	33,500	37,314	9,187	2.9
Others	13,980	17,250	19,190	19,960	24,230	16,827	17,746	17,497	70,380	76,300	17,002	42.5
EBITDA	**1,150**	**2,390**	**3,680**	**4,860**	**5,940**	**8,262**	**11,665**	**10,964**	**12,080**	**36,831**	**6,862**	**-13.4**
Margins (%)	1.6	1.8	2.3	2.8	2.9	3.8	4.6	4.2	2.2	3.9	3.7	-70bp
Depreciation	3,140	3,760	4,390	4,680	5,460	4,592	5,301	5,540	15,970	20,892	2,815	94.0
Interest	670	860	1,070	1,320	1,510	900	1,000	1,000	3,920	4,410	900	67.8
Other Income	3,540	3,520	3,480	3,420	3,750	4,500	4,000	4,000	13,960	16,250	2,000	87.5
PBT before EO expense	**880**	**1,290**	**1,700**	**2,280**	**2,720**	**7,270**	**9,364**	**8,424**	**6,150**	**27,778**	**5,147**	**-47.2**
PBT	**880**	**1,290**	**1,700**	**2,280**	**2,720**	**7,270**	**9,364**	**8,424**	**6,150**	**27,778**	**5,147**	**-47.2**
Tax	630	640	680	540	1,800	1,527	1,966	1,769	2,490	7,062	1,081	66.5
Rate (%)	71.6	49.6	40.0	23.7	66.2	21.0	21.0	21.0	NA	NA	21.0	4520bp
Reported PAT	**250**	**650**	**1,020**	**1,740**	**920**	**5,743**	**7,398**	**6,655**	**3,660**	**20,716**	**4,066**	**-77.4**
Adj PAT	**250**	**650**	**1,020**	**1,740**	**920**	**5,743**	**7,398**	**6,655**	**3,660**	**20,716**	**4,066**	**-77.4**
YoY Change (%)	-90.1	-63.1	72.9	346.2	268.0	783.6	625.3	282.5	-30.6	466.0	1,526.5	NA
Margins (%)	0.3	0.5	0.6	1.0	0.5	2.6	2.9	2.5	0.7	2.2	2.2	NA

Story in charts

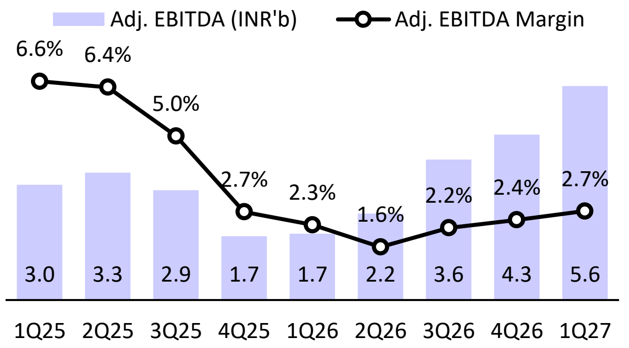
Overall business

Exhibit 3: Eternal revenue grew 16.9% QoQ



Source: MOFSL, Company

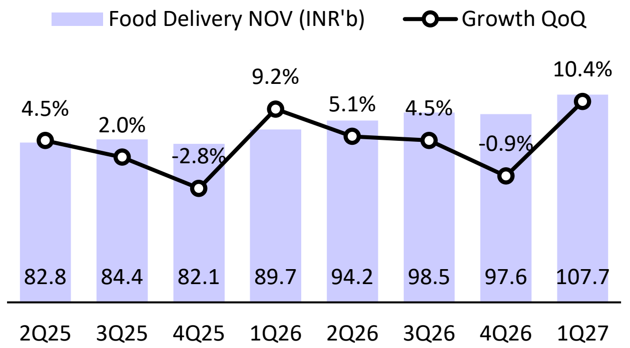
Exhibit 4: Adj. EBITDA margin expanded 30bp



Source: MOFSL, Company

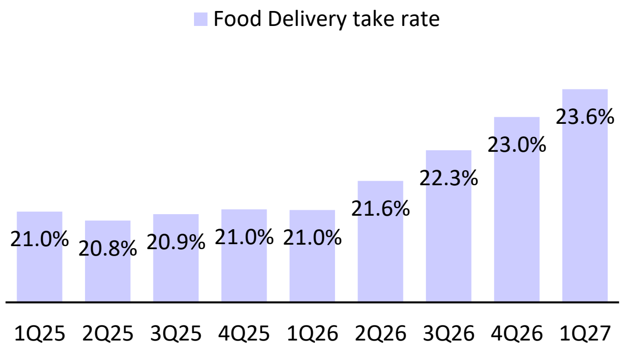
Food Delivery

Exhibit 5: FD NOV grew 10.4% QoQ



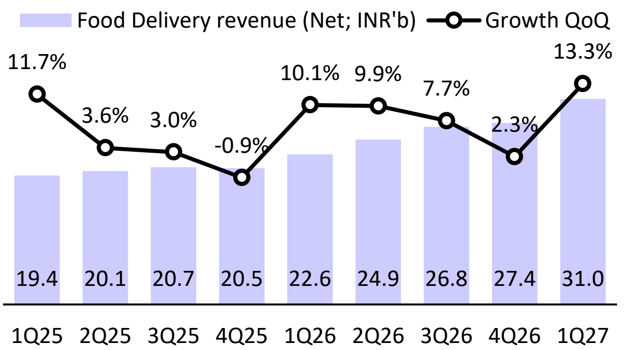
Source: MOFSL, Company

Exhibit 6: Take rate expanded 60bp QoQ



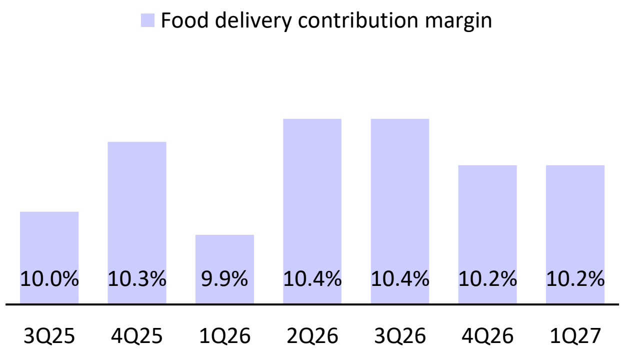
Source: MOFSL, Company

Exhibit 7: FD revenue posted 13.3% growth QoQ



Source: MOFSL, Company

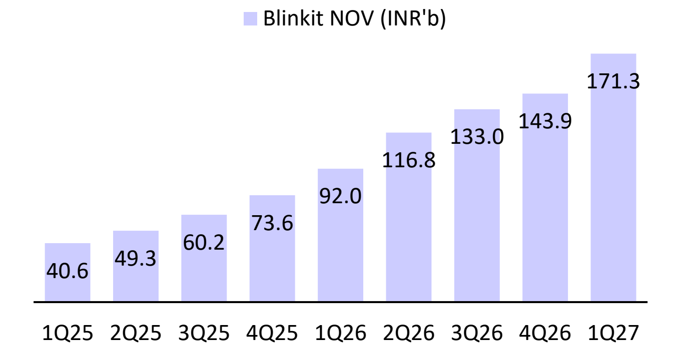
Exhibit 8: Contribution margin remained flat QoQ



Source: MOFSL, Company

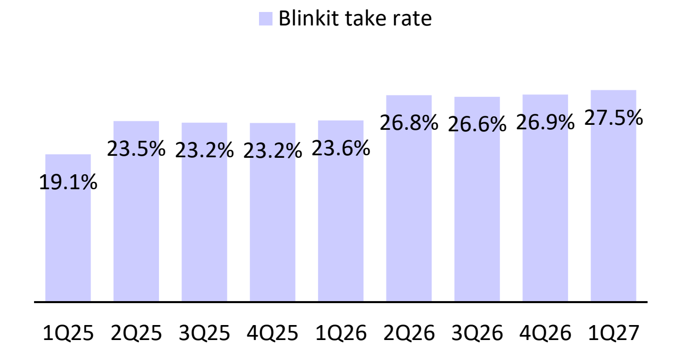
Blinkit

Exhibit 9: NOV saw healthy growth of 19% QoQ



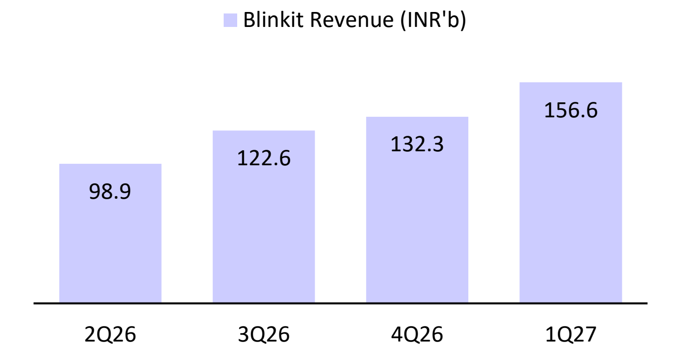
Source: MOFSL, Company

Exhibit 10: Gross margin expanded 60bp QoQ



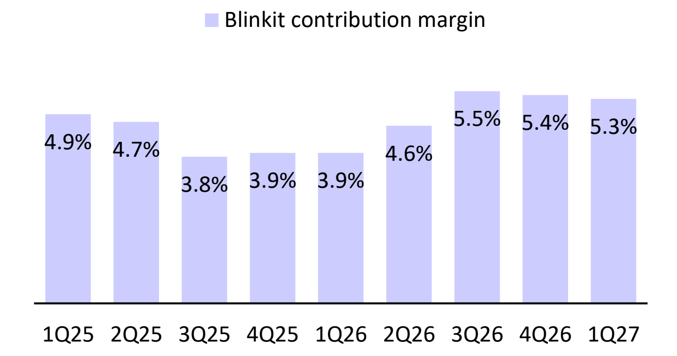
Source: MOFSL, Company

Exhibit 11: Blinkit revenue grew to INR156.6b in 1QFY27



Source: MOFSL, Company

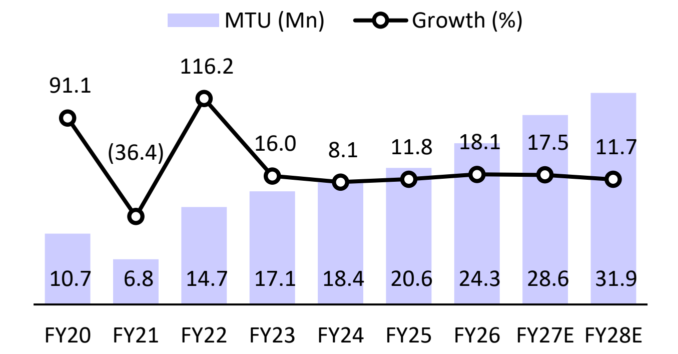
Exhibit 12: Blinkit's contribution margin contracted 10bp



Source: MOFSL, Company

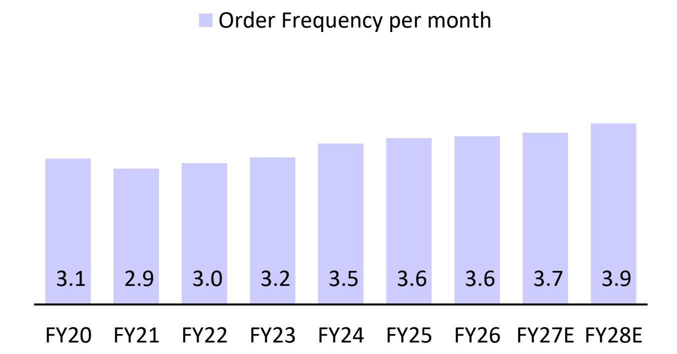
Our estimates

Exhibit 13: Expect double-digit growth in FD MTU



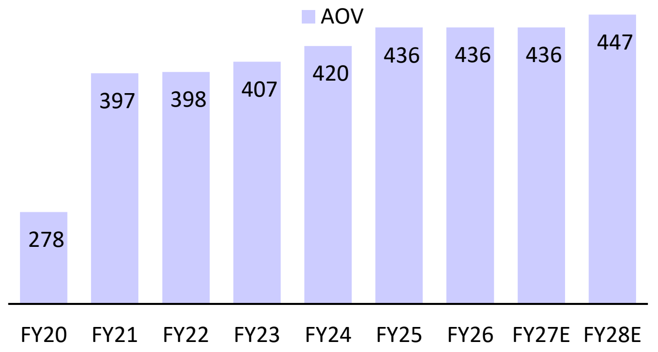
Source: MOFSL, Company

Exhibit 14: Order frequency to remain stable in FY27



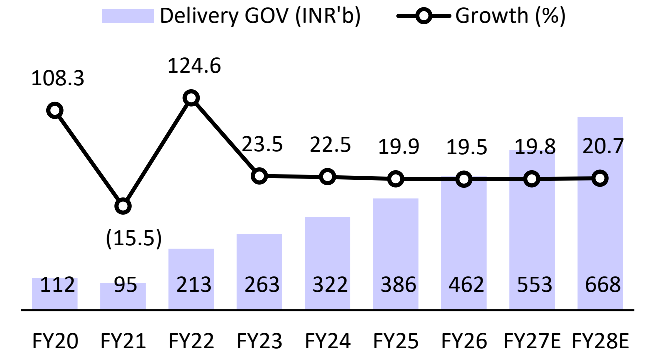
Source: MOFSL, Company

Exhibit 15: AOV to grow steadily



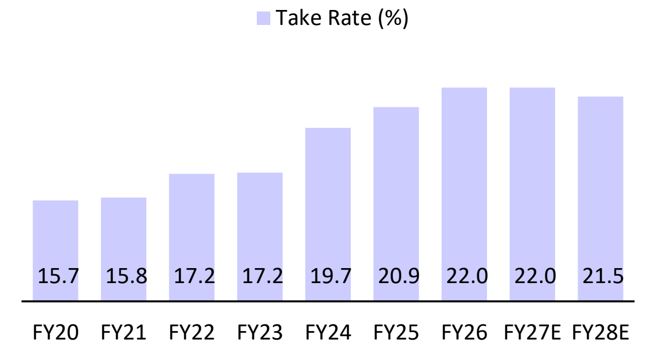
Source: MOFSL, Company

Exhibit 16: Strong GOV growth



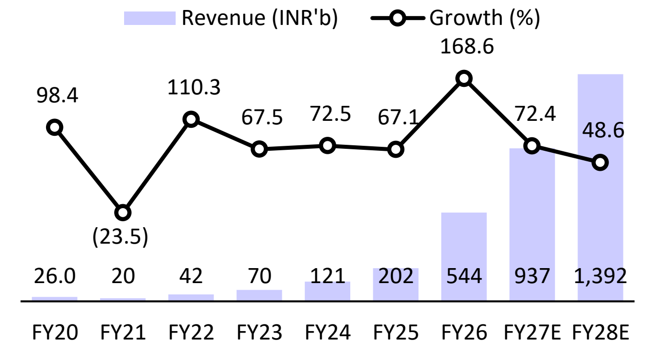
Source: MOFSL, Company

Exhibit 17: Take rates likely to remain stable



Source: MOFSL, Company

Exhibit 18: Est. revenue growth of 72%/49% in FY27E/FY28E



Source: MOFSL, Company

CONFERENCE CALL

Key highlights from the management commentary

Demand and growth outlook

- FD: NOV growth of 20%+ YoY came from a combination of new customer additions (accelerating over the last 3-4 quarters) and higher order frequency among existing users.
- Food Delivery's adjusted EBITDA margin expanded to 5.6% of NOV, nearing the upper end of the 5-6% steady-state guidance range; management does not view margin and growth as a trade-off at this stage.
- Blinkit: Management refreshed its steady-state ROCE framework: capex per store at INR25m (vs INR10m earlier), NWC at 12 days of NOV (vs 18 days), and NOV per day per store at INR1.1m (vs INR 0.7m) — implying a pre-tax ROCE of ~41.7% at a 4% EBIT margin.
- Consolidated B2C NOV grew 54% YoY to INR 311b, led by broad-based acceleration across all three consumer businesses.
- Going-out (District) NOV grew 60% YoY (18% QoQ) to INR32b, well ahead of the company's earlier long-term guidance of 30%+; management attributed this to genuine platform strength (IPL was present in the base quarter too) rather than a seasonality artifact.
- Adjusted revenue surged 173% YoY (17% QoQ) to INR206b; like-for-like growth was a more moderate 66% YoY, with the gap reflecting the shift to the inventory-led (1P) model in quick commerce.
- Food delivery NOV grew 20% YoY, marking the fourth consecutive quarter of acceleration; management noted GOV growth was a few percentage points higher, though this metric is being discontinued going forward as NOV better reflects underlying performance.
- Consolidated adjusted EBITDA grew 223% YoY (29% QoQ) to INR5.5b, with all four core segments showing YoY margin expansion.
- Going-out losses narrowed to INR0.7b (-2.0% of NOV) from -2.7% last year, though management flagged the business remains structurally lumpy given the dependence on the events/movie calendar.
- Tax expenses have stepped up meaningfully this quarter as carried-forward losses at the standalone parent entity are set to be fully utilized in FY27; the housing quick commerce subsidiaries, Hyperpure and Going-out, continue to carry accumulated losses available for set-off.
- Consolidated cash balance rose INR3.2b QoQ to INR183b, aided by treasury income and a tax refund, partly offset by higher capex and working capital outflow.
- **FD:** Contribution margin held broadly stable at 10.2% of NOV, while adjusted EBITDA margin expanded to 5.6%, translating into an INR6b profit (+34% YoY).
- Management sees limited impact from newer discount-led entrants (Toing, Ownly), arguing that their price-driven traction lacks structural economics and is unlikely to be sustainable; the company's own response has been calibrated rather than aggressive.
- Customer cohort economics remain healthy: 4Q retention averages 46% (most recent cohort at 50%), improving further to 48-49% in the next 2-3 years; NOV retention compounds faster, with cohorts spending nearly 3x their initial quarter's value three years post-acquisition.

- **Blinkit (Quick Commerce):** 200 net new stores were added in the quarter, taking the total count to 2,443; NOV growth acceleration was largely seasonal and broadly in line with expectations.
- Long-term adjusted EBITDA margin guidance has been nudged toward the higher end of the 5-6% range, supported by rising capex per store, larger average store sizes, and improving warehouse efficiency.
- Inventory losses remain steady at ~1.8% of NOV, concentrated in perishables, and are already netted off within gross profit; management expects this ratio to stay largely range-bound going forward.
- AOV has declined for two consecutive quarters, reflecting seasonality and competitive price-matching; management does not expect structural AOV expansion, viewing wallet-share growth as coming from higher order frequency rather than larger basket sizes.
- On competitive intensity, management characterized 1Q as the peak of competitive intensity to date, but views the nature of competition (subsidy-led) as increasingly predictable; it believes discount-led growth traps rivals in unsustainable cash burn, whereas Eternal's infrastructure-led approach builds durable operating leverage.
- Trade payables rose ~INR17b QoQ, which management clarified is scale-driven rather than a reflection of extended credit terms from brand partners.
- **Hyperpure:** Revenue grew 27% YoY on a like-for-like basis (+6% QoQ) to INR10b; reported revenue declined 54.9% YoY due to the quick commerce business model transition, which reclassified certain sales away from Hyperpure.
- Adjusted EBITDA margin expanded to 0.6% (INR 60m profit) from -0.8% (INR 180m loss) a year ago, continuing a gradual profitability improvement trend.
- **Going-out (District):** Platform scale continues to expand, now covering 45,000+ restaurants, 5,000+ movie screens, 6,000+ retail stores, 7,500+ events and 2,000+ activity outlets.
- District's customer base and city footprint are expected to remain smaller than food delivery or quick commerce, reflecting a differentiated, higher-spend user base.
- Management reiterated the USD3 billion NOV by FY30 target, noting potential upside if execution and market development continue on the current trajectory, but cautioned against extrapolating a single strong quarter.
- **Others:** Bistro continues to add **~**10 kitchens per quarter; management is prioritizing unit economics (menu pricing, assortment, operational efficiency) in existing kitchens before accelerating expansion, mirroring the playbook used to scale Blinkit.
- Nugget (enterprise AI product) remains in early/stealth mode, with cost increases this quarter driven largely by manpower; management plans to share more detail once the business thesis is validated over the next few quarters.

Valuation and view

- Eternal's food delivery business remains stable, while Blinkit continues to offer a long runway to participate in the structural shift in retail, grocery, and e-commerce. We trim our FY27E EPS estimate by 7% largely driven by a higher-than-expected tax in 1Q, while keeping our FY28E estimates unchanged. While competitive intensity remains elevated, competition is becoming more predictable, and the business model appears established, with a clearer path to structurally higher margins.
- We continue to factor in management's long-term growth trajectory of **60%+ NOV growth and USD1b EBITDA by FY29**, led by gradual margin expansion through store maturity and operating leverage. We expect Eternal to report PAT margins of 2.2%/3.0% in FY27/28E. Our TP of INR400 implies a 41% upside from the current price. We reiterate our BUY rating.

Exhibit 19: Summary of our revised estimates

	Revised estimates		Earlier estimates		Change (%/bp)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue (INR m)	9,36,982	13,91,908	9,10,053	14,00,862	3.0%	-0.6%
EBITDA (INR m)	36,831	71,645	37,679	67,490	-2.3%	6.2%
EBITDA Margin	3.9	5.1	4.1	4.8	-21bp	33bp
PAT	20,716	41,434	22,300	42,247	-7.1%	-1.9%
PAT Margin	2.2	3.0	2.5	3.0	-24bp	-4bp
EPS	2.27	4.54	2.45	4.6	-7.1%	-1.9%

Exhibit 20: QC's DCF assumptions

DCF Assumptions & Valuation	
Quick Commerce	
Order growth (FY26-37)	27.3%
NOV growth (FY26-37)	27.4%
*Assumed ANOV at INR537 to remain constant	

Source: MOFSL

Exhibit 21: SoTP-based TP at INR400

Assumptions and Valuation	Food Delivery	Q-commerce (DCF)	Other businesses	Cash	Total
Valuation methodology	Valued at EV/EBITDA multiple	DCF	Ascribing ~USD1bn value to hyperpure, going out, and any other residual business		
WACC		12.0%			
Terminal Growth		4.5%			
EV/EBITDA multiple	35x				
EV (INR m)	13,13,951	17,03,717	94,000	1,82,880	
Contribution (INR rounded)	**161**	**209**	**12**	**22**	**400**

Source: MOFSL

Financials and valuations

Revenue Model							(INR Mn)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
MTU (Mn)	14.7	17.1	18.4	20.6	24.3	28.6	31.9
Order Frequency	3.0	3.2	3.5	3.6	3.6	3.7	3.9
Orders/ Month	44.7	54.0	63.9	73.9	88.2	105.7	124.4
Orders/ Year	537	648	766	886	1,059	1,269	1,493
AOV	398	407	420	436	436	436	447
Delivery GOV	**2,13,565**	**2,63,381**	**3,22,039**	**3,86,430**	**4,61,631**	**5,53,171**	**6,67,561**
Take Rate (%)	17.2	17.2	19.7	20.9	22.0	22.0	21.5
Delivery Revenue	**36,645**	**45,381**	**63,572**	**80,796**	**1,01,582**	**1,21,696**	**1,43,526**
Blinkit Revenue	0	8,058	23,020	52,060	3,77,790	7,53,652	11,76,282
Hyperpure revenue	5,376	15,061	31,720	61,960	53,660	42,937	47,394
Others	-97	2,294	2,828	7,614	10,608	18,697	24,706
Revenue	**41,924**	**70,794**	**1,21,140**	**2,02,430**	**5,43,640**	**9,36,982**	**13,91,908**

Income statement							(INR Mn)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Sales	**41,924**	**70,794**	**1,21,140**	**2,02,430**	**5,43,640**	**9,36,982**	**13,91,908**
Change (%)	110.3	68.9	71.1	67.1	168.6	72.4	48.6
Inventory of traded goods	5,246	13,952	28,820	55,650	3,01,670	6,09,860	9,64,551
Other direct expenses	-14,125	2,173	19,990	38,340	90,650	1,27,112	1,70,697
Gross Profit	**2,206**	**16,823**	**36,580**	**63,920**	**1,27,060**	**1,50,445**	**1,84,090**
% of Net Sales	5.3	23.8	30.2	31.6	23.4	16.1	13.2
Other Expenses	20,714	28,936	36,160	57,544	1,14,980	1,13,614	1,12,445
EBITDA	**-18,508**	**-12,113**	**420**	**6,376**	**12,080**	**36,831**	**71,645**
% of Net Sales	-44.1	-17.1	0.3	3.1	2.2	3.9	5.1
Depreciation	1,503	4,369	5,260	8,630	15,970	20,892	34,798
EBIT	**-20,011**	**-16,482**	**-4,840**	**-2,254**	**-3,890**	**15,938**	**36,848**
% of Net Sales	-47.7	-23.3	-4.0	-1.1	-0.7	1.7	2.6
Other Income (net)	4,829	6,328	7,750	9,230	10,040	11,840	15,600
PBT	**-15,182**	**-10,154**	**2,910**	**6,976**	**6,150**	**27,778**	**52,448**
Tax	20	-436	-600	1,700	2,490	7,062	11,014
Rate (%)	-0.1	4.3	-20.6	24.4	40.5	25.4	21.0
PAT	**-15,202**	**-9,718**	**3,510**	**5,276**	**3,660**	**20,716**	**41,434**
Extraordinary gains/loss	2,974	1	0	0	0	0	0
Adjusted PAT	**-12,228**	**-9,717**	**3,510**	**5,276**	**3,660**	**20,716**	**41,434**
Minority Interest	3	-3	0	0	0	0	0
Reported PAT	**-12,225**	**-9,720**	**3,510**	**5,276**	**3,660**	**20,716**	**41,434**

Balance Sheet							(INR Mn)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Share capital	7,643	8,364	8,680	9,070	9,190	9,190	9,190
Reserves	1,57,412	1,86,234	1,95,450	2,94,100	3,00,610	3,21,326	3,62,760
Net Worth	**1,65,055**	**1,94,598**	**2,04,130**	**3,03,170**	**3,09,800**	**3,30,516**	**3,71,950**
Minority Interest & Others	-66	-66	-70	-70	-70	-70	-70
Loans	0	58	0	0	0	0	0
Capital Employed	**1,64,989**	**1,94,590**	**2,04,060**	**3,03,100**	**3,09,730**	**3,30,446**	**3,71,880**
Net Block	**1,157**	**6,432**	**9,950**	**29,340**	**64,630**	**78,685**	**99,563**
Intangibles	12,892	57,071	54,710	66,490	63,480	61,327	54,368
Other LT assets	83,771	44,174	1,14,320	1,43,390	1,22,250	1,28,250	1,37,250
Curr. Assets	**75,450**	**1,08,310**	**54,580**	**1,17,010**	**1,57,000**	**1,96,212**	**2,45,886**
Debtors	1,599	4,569	7,940	19,460	17,640	41,073	61,015
Cash & Bank Balance	3,923	2,181	3,090	6,660	9,960	11,980	20,410
Investments	28,149	52,837	17,020	52,200	56,180	56,180	56,180
Other Current Assets	41,779	48,723	26,530	38,690	73,220	86,979	1,08,281
Current Liab. & Prov	**8,281**	**21,397**	**29,500**	**53,130**	**97,630**	**1,34,027**	**1,65,186**
Net Current Assets	**67,169**	**86,913**	**25,080**	**63,880**	**59,370**	**62,185**	**80,700**
Application of Funds	**1,64,989**	**1,94,590**	**2,04,060**	**3,03,100**	**3,09,730**	**3,30,448**	**3,71,881**

E: MOFSL Estimates

Financials and valuations

Ratios							
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Basic (INR)							
EPS	**-1.7**	**-1.2**	**0.4**	**0.6**	**0.4**	**2.3**	**4.5**
Cash EPS	-1.5	-0.7	1.0	1.6	2.2	4.6	8.4
Book Value	22.6	24.1	23.7	33.8	34.0	36.2	40.8
DPS	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
Valuation (x)							
P/E	-171.7	-243.7	697.5	483.6	708.7	125.2	62.6
Cash P/E	-195.8	-433.4	279.2	183.5	132.1	62.3	34.0
EV/EBITDA	-111.9	-189.2	5,821.7	399.1	213.9	70.1	35.9
EV/Sales	49.4	32.4	20.2	12.6	4.8	2.8	1.8
Price/Book Value	12.6	11.8	12.0	8.4	8.4	7.8	7.0
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)							
RoE	(9.9)	(5.4)	1.8	2.1	1.2	6.5	11.8
RoCE	(16.2)	(8.6)	(2.8)	(0.6)	(0.7)	3.3	7.4
Turnover Ratios							
Debtors (Days)	14	24	24	35	12	16	16
Fixed Asset Turnover (x)	36.2	11.0	12.2	6.9	8.4	11.9	14.0

Cash Flow Statement							(INR Mn)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
CF from Operations	-9,413	-6,681	5,280	14,010	18,600	29,768	60,631
Cash for Working Capital	2,483	-1,759	1,180	-10,930	-12,280	-796	-10,084
Net Operating CF	**-6,930**	**-8,440**	**6,460**	**3,080**	**6,320**	**28,973**	**50,547**
Net Purchase of FA	-572	-1,014	-2,020	-9,310	-17,460	-32,794	-48,717
Free Cash Flow	**-7,502**	**-9,454**	**4,440**	**-6,230**	**-11,140**	**-3,822**	**1,830**
Net Purchase of Invest.	-78,806	5,587	-1,450	-70,620	22,820	10,250	9,000
Net Cash from Invest.	**-79,378**	**4,573**	**-3,470**	**-79,930**	**5,360**	**-22,544**	**-39,717**
Proc. from equity issues	90,000	40	230	85,010	0	0	0
Proceeds from LTB/STB	-13	-231	-400	0	0	0	0
Others	-2,489	-1,083	-1,900	-4,590	-8,420	-4,410	-2,400
Dividend Payments	0	0	0	0	0	0	0
Cash Flow from Fin.	**87,498**	**-1,274**	**-2,070**	**80,420**	**-8,420**	**-4,410**	**-2,400**
Net Cash Flow	**1,190**	**-5,141**	**920**	**3,570**	**3,260**	**2,018**	**8,430**
Opening Cash Bal.	**3,065**	**3,923**	**2,181**	**3,091**	**6,661**	**9,961**	**11,980**
Forex differences	-332	3,399	-10	0	40	0	0
Add: Net Cash	1,190	-5,141	920	3,570	3,260	2,018	8,430
Closing Cash Bal.	**3,923**	**2,181**	**3,091**	**6,661**	**9,961**	**11,980**	**20,410**
E: MOFSL Estimates	-9,413	-6,681	5,280	14,010	18,600	29,768	60,631

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Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.