3 November 2025

2QFY26 Results Update | Sector: Retail

Westlife Foodworld

Estimate change	↓
TP change	↔
Rating change	↔

Bloomberg	WESTLIFE IN
Equity Shares (m)	156
M.Cap.(INRb)/(USDb)	91.7 / 1
52-Week Range (INR)	893 / 570
1, 6, 12 Rel. Per (%)	-16/-18/-30
12M Avg Val (INR M)	125

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	26.7	30.5	34.4
Sales growth (%)	7.2	14.2	12.8
EBITDA	3.4	4.1	4.9
Margins (%)	12.8	13.6	14.3
Adj. PAT	0.0	0.3	0.8
Adj. EPS (INR)	-0.2	2.0	5.4
EPS Growth (%)	P/L	L/P	165.1
BV/Sh.(INR)	39.7	41.7	47.1
Ratios			
RoE (%)	-0.6	5.0	12.1
RoCE (%)	NA	6.0	7.9
Valuations			
P/E (x)	N/M	290.0	109.4
P/BV (x)	14.9	14.1	12.5
EV/Sales (x)	3.4	3.0	2.6
EV/EBITDA (x)	46.1	34.7	28.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	56.3	56.3	56.3
DII	24.8	24.0	21.3
FII	10.8	11.6	14.1
Others	8.2	8.1	8.4

FII Includes depository receipts

CMP: INR588 TP: INR675 (+15%) Neutral

Weak print continues

- Westlife Foodworld (WESTLIFE) reported revenue growth of 4% YoY to INR6.4b in 2QFY26. Same-store sales growth (SSSG) declined 2.8% YoY (estimate -1.5%) even on a favorable base (-6.5% in 2QFY25), with demand remaining muted in August and September. Average sales per store declined 2% YoY to INR62m (annually) in 2QFY26. On-premise sales grew 5% YoY, while off-premise sales held steady.
- The operating environment remained challenging for most part of 2Q, with industry-wide out-of-home food consumption frequency declining ~4-6% YoY. The decline in Western fast-food consumption was even more pronounced. That said, the company noted encouraging signs of recovery in October and expects eat-out frequency to gradually pick up in 2HFY26, supported by improving macros. Moreover, the company has passed on the benefit of the GST rate cut to consumers through price reductions.
- The company added net six new stores (+10% YoY) in 2Q. It plans to maintain its store expansion pace, targeting 45-50 new stores annually. It aims to grow its network to 580-630 restaurants by 2027.
- GM expanded 270bp YoY to 72.4% (est. 71%). EBITDA margin contracted 90bp YoY to 11.8%, while EBITDA margin (pre IND AS) contracted 150bp YoY to 6.2% (RBA was at 5%), primarily due to operating deleverage. ROM pre-IND AS rose 10bp YoY to 13.6%.
- WESTLIFE has faced strong demand pressure in the Southern region, leading to relatively weaker numbers than peers. We believe regional demand will see a gradual improvement and, therefore, do not expect a faster ADS recovery in 2HFY26. **We reiterate our Neutral rating with a TP of INR675, based on 35x Sep'27E EV/EBITDA (pre-IND AS).**

Weak performance; SSSG declines 2.8%

- **SSSG declined 3%:** Sales grew 4% YoY to INR6.4b (est. INR6.6b), led by store additions of 10% YoY. SSSG declined 2.8% YoY in 2QFY26 (est. -1.5%, 0.5% in 1QFY26, -6.5% in 2QFY25). WESTLIFE opened net six stores (opened eight stores, closed two stores), bringing the total count to 450 stores in 72 cities. Average sales per store declined 2% YoY to INR62m (annually) in 2QFY26.
- **Broadly in-line margins:** Gross margin expanded 270bp YoY and 80bp QoQ to 72.4% (est. 71%), driven by sustained supply chain efficiencies. EBITDA declined 4% YoY to INR759m (est. INR826m), primarily due to operating deleverage. EBITDA margin contracted 90bp YoY to 11.8%. (est. 12.5%), while EBITDA margin (pre-IND AS) declined 150bp YoY to 6.2% and EBITDA (pre-IND AS) declined 16% YoY. ROM pre-IND AS rose 10bp YoY to 13.6% (est. 13.3%).
- **APAT witnessed a loss:** APAT recorded a loss of INR180m (estimated profit of INR8m) vs INR4m profit in 2QFY25.

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Key takeaways from the management commentary

- Regionally, South India, particularly Bengaluru (its second-largest city with ~65–70 restaurants), acted as a drag on overall performance due to muted consumer sentiment and negative growth trends in the region.
- July witnessed a decent performance. However, the operating environment remained challenging through August and September. October showed MoM improvement.
- Most new stores opened in the last six months are performing ahead of expectations, with several operating above system averages.
- Strategic investments in AI-based location intelligence software are helping the company identify optimal store locations for future expansion.
- The royalty rate stands at 5% (excluding GST), with no anticipated changes in the near term.

Valuation and view

- We cut our EBITDA (pre-IND AS) estimates for FY26 and FY27 by 5-6%.
- Demand was impacted in 2Q, with SSSG declining YoY even on a low base. WESTLIFE has been aggressive in store additions, which was not the case historically. However, the current demand environment is not conducive to such rapid expansion, and performance in South India remains a challenge. Therefore, the benefits of its various initiatives may take longer to materialize than initially expected.
- The revenue gap between dine-in and delivery has narrowed, supported by improved dine-in footfalls. However, weak underlying growth, coupled with rising costs related to strategic initiatives, could weigh on the operating margin, exerting pressure on restaurant margins and EBITDA margins.
- **We reiterate our Neutral rating with a TP of INR675, based on 35x Sep'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	3QE	4QE			2QE	(%)
SSSG %	(6.7)	(6.5)	2.8	0.7	0.5	(2.8)	1.0	1.3	-2.9	0.0	-1.5	
No. of McDonald's restaurants	403	408	421	438	444	450	465	478	438	478	454	
Net Sales	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,419**	**7,081**	**6,637**	**24,912**	**26,713**	**6,610**	**-2.9**
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	3.9	8.3	10.0	4.2	7.2	7.0	
Gross profit	**4,351**	**4,306**	**4,581**	**4,221**	**4,709**	**4,647**	**5,042**	**4,702**	**17,459**	**19,100**	**4,693**	**-1.0**
Margin (%)	70.6	69.7	70.1	70.0	71.6	72.4	71.2	70.8	70.1	71.5	71.0	
EBITDA	**799**	**786**	**914**	**794**	**855**	**759**	**976**	**821**	**3,293**	**3,410**	**826**	**-8.2**
YoY Change (%)	-24.1	-21.1	-4.8	3.0	6.9	-3.5	6.8	3.4	-12.9	3.5	5.1	
Margins (%)	13.0	12.7	14.0	13.2	13.0	11.8	13.8	12.4	13.2	12.8	12.5	
Depreciation	506	528	549	550	553	574	580	584	2,133	2,385	576	
Interest	298	316	330	328	354	363	360	374	1,272	1,451	345	
Other Income	51	65	29	98	68	91	50	169	242	378	105	
PBT	**45**	**7**	**65**	**13**	**16**	**-88**	**86**	**33**	**131**	**-48**	**11**	
Extra-Ord expense	0	0	0	0	0	-455	0	0	0	0	0	
PBT after EO expense	**45**	**7**	**65**	**13**	**16**	**367**	**86**	**33**	**131**	**-48**	**11**	
Tax	13	3	-5	-2	4	92	22	-130	9	-12	3	
Rate (%)	27.9	48.1	-8.0	-13.9	27.4	-105.2	25.0	-394.9	6.9	25.0	25.0	
Reported PAT	**33**	**4**	**71**	**15**	**11**	**275**	**65**	**163**	**122**	**-36**	**8**	
Adj PAT	**33**	**4**	**71**	**15**	**11**	**-180**	**65**	**163**	**122**	**-36**	**8**	
YoY Change (%)	-88.7	-98.3	-59.1	96.5	-64.8	NA	-8.5	971.7	-82.4	-129.3	116.1	
Margins (%)	0.5	0.1	1.1	0.3	0.2	-2.8	0.9	2.5	0.5	-0.1	0.1	

E: MOFSL Estimates

Highlights from the press release

- On-premise sales grew 5% YoY, while off-premise sales grew ~3% YoY.
  - Off-premise contribution was ~42% in 2QFY26.
  - Digital sales (through SOK and mobile apps) contributed 75% to revenue.
  - The company recorded over 47m cumulative app downloads, with ~3m monthly active users.
- The company now has a total of 450 restaurants, including 108 drive-thrus, 436 McCafés, and 390 Experience of the Future (EOTF) restaurants.

Exhibit 1: WESTLIFE key metrics

Y/E March (INR m)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Sales	6,122	6,108	5,925	5,527	6,136	6,154	6,502	5,949	6,533	6,375
Other Operating income	23	39	78	96	27	26	35	83	44	44
Total revenue	**6,145**	**6,147**	**6,003**	**5,623**	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,419**
YoY Change (%)	14.2	7.4	-1.8	1.1	0.3	0.5	8.9	7.3	6.7	3.9
Food & Paper	1,809	1,837	1,784	1,678	1,813	1,874	1,956	1,810	1,867	1,771
Payroll & employee benefits	551	581	552	639	622	671	655	633	671	700
Royalty	318	316	243	287	354	345	236	335	370	360
Occupancy and other operating expenses	2,056	2,054	2,072	1,927	2,198	2,144	2,346	2,102	2,358	2,353
Total restaurant expenses	4,734	4,788	4,650	4,530	4,987	5,035	5,193	4,879	5,266	5,185
Restaurant operating profit (Post Ind-AS)	1,412	1,359	1,352	1,092	1,176	1,145	1,344	1,152	1,311	1,233
YoY Change (%)	21.3	4.6	-7.2	-19.9	-16.7	-15.8	-0.6	5.5	11.4	7.7
ROM (Post Ind-As) %	**23.0**	**22.1**	**22.5**	**19.4**	**19.1**	**18.5**	**20.6**	**19.1**	**19.9**	**19.2**
Restaurant operating profit (Pre Ind-AS)	1,152	1,095	1,077	809	879	835	1,023	820	961	873
YoY Change (%)	22.5	1.6	-12.5	-27.4	-23.7	-23.7	-5.0	1.3	9.3	4.5
ROM (Pre Ind-As) %	**18.8**	**17.8**	**17.9**	**14.4**	**14.3**	**13.5**	**15.7**	**13.6**	**14.6**	**13.6**
G & A expenses	359	363	392	322	377	359	430	359	456	475
% of sales	5.8	5.9	6.5	5.7	6.1	5.8	6.6	5.9	6.9	7.4
EBITDA (pre Ind-AS)	793	732	685	487	502	476	593	461	505	398
YoY Change (%)	13.8	-4.5	-21.9	-27.2	-36.7	-34.9	-13.4	-5.3	0.5	-16.4
EBITDA (pre Ind-AS) %	12.9	11.9	11.4	8.7	8.1	7.7	9.1	7.6	7.7	6.2
EBITDA (Post Ind-AS)	1,053	997	960	771	799	786	914	794	855	759
YoY Change (%)	14.3	0.9	(12.9)	(16.1)	(24.1)	(21.1)	(4.8)	3.0	6.9	(3.5)
EBITDA (post Ind-AS) %	17.1	16.2	16.0	13.7	13.0	12.7	14.0	13.2	13.0	11.8

Source: Company, MOFSL

CONFERENCE CALL

Key takeaways from the management commentary

Performance and outlook

- July witnessed a decent performance; however, the operating environment remained challenging through August and September, with industry-wide out-of-home food consumption frequency declining by approximately 4–6% YoY.
- The decline was more pronounced in the Western fast-food segment.
- October showed MoM improvement, with early signs of recovery supported by easing inflation and government-driven consumption reforms.
- There were robust store expansions across the QSR and eating-out markets over the past 12-18 months, leading to intensified competition.
- Regionally, South India, particularly Bengaluru (its second-largest city with ~65–70 restaurants), acted as a drag on overall performance due to muted consumer sentiment and negative growth trends in the region.
- In line with government efforts to stimulate consumption, the company passed on the benefit of the GST rate reduction to consumers through a price cut of 80–100bp.

- Digital sales contributed approximately 75% to total revenue, expanding by over 300bp YoY, supported by enhanced loyalty programs, deeper engagement through mobile applications, and increased adoption of self-order kiosks (SOKs).
- On-premise sales grew 5% YoY, while off-premise sales remained stable.
- The company remains focused on strengthening its own delivery platform, aiming to double delivery sales from its proprietary app over the next 18–24 months.
- Management expects an incremental 3–5% SSSG contribution from McDelivery (own platform) over the next 1–2 years, with current revenues from its app already contributing a double-digit share of off-premise sales.
- A 20-minute delivery pilot has been launched for some of its hot products in select cities, supported by AI-driven systems that ensure product quality and packaging accuracy.
- The company remains on track to achieve its target of 580-630 restaurants by 2027.
- Most new stores opened in the last six months are performing ahead of expectations, with several operating above system averages.
- Drive-thru operations in select stores fulfill an order within 120 seconds, enhancing customer convenience.
- Strategic investments in AI-based location intelligence software are helping the company identify optimal store locations for future expansion.
- Management reiterated its focus on sustainable growth, avoiding excessive discounting, and maintaining brand value.
- The royalty rate stands at 5% (excluding GST), with no anticipated changes in the near term.

Strategic focus

- The company is focused on expanding its value portfolio, driving product innovation, and optimizing costs.
- The three 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.

Cost and margins

- Gross margin expanded 270bp YoY and ~80bp QoQ, reaching 72.4%, driven by sustained supply chain efficiencies.
- The company expects medium-term gross margins to sustain ~70%, supported by continued product premiumization, operational efficiencies, and a favorable mix.
- The company has maintained an 18-20% EBITDA margin by FY27.

Innovations and new launches

- It also introduced several product innovations during the quarter, including the Protein Plus Slice—an industry-first offering co-developed with CFTRI after 18 months of R&D. Each slice contains 5 grams of protein, underscoring the company's focus on nutritional leadership and consumer-led menu innovation.
- The company launched Big Yummy Burger in October 2025, which has received strong customer traction.
- The Everyday McSaver Meals platform continues to enhance affordability perceptions and drive value-led traffic.

Exhibit 2: Store network

Store Network	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Total Restaurants	361	370	380	397	403	408	421	438	444	450
New Restaurants Opened	4	9	11	17	6	8	15	18	9	8
Closed Stores	0	0	-1	0	0	3	2	1	3	2
Net addition	4	9	10	17	6	5	13	17	6	6
Cities	58	59	62	64	66	66	67	69	71	72
Total McCafe	315	327	343	360	371	383	401	418	425	436
McCafe Addition	4	12	16	17	11	12	18	17	7	11
% of total restaurants	87%	88%	90%	91%	92%	94%	95%	95%	96%	97%
Drive-Thrus	69	71	73	81	82	86	93	100	106	108
% of total restaurants	19%	19%	19%	20%	20%	21%	22%	23%	24%	24%
EOTF	224	237	275	292	303	323	343	378	385	390
% of total restaurants	62%	64%	72%	74%	75%	79%	81%	86%	87%	87%
New EOTF Stores	4	13	38	17	11	20	20	35	7	5

Source: Company, MOFSL

Exhibit 3: Digital KPIs

Digital KPIs	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
App Downloads (mn)	25	28	30	32	34	37	39	41	44	47
Online business mix (%)	60%	59%	58%	70%	69%	72%	71%	75%	75%	75%
Dine-in channel mix (%)	60%	59%	58%	57%	58%	57%	58%	57%	59%	58%
Convenience channel mix (%)	40%	41%	42%	43%	42%	57%	42%	43%	41%	42%

Source: Company, MOFSL

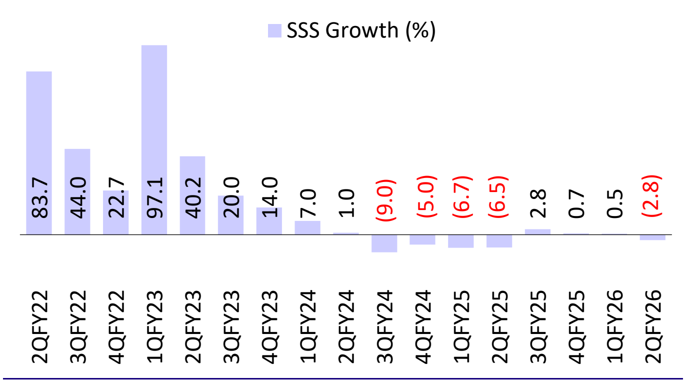
Exhibit 4: Key growth metrics

Growth metrics	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Sales Gr (%)	14%	7%	-2%	1%	0%	1%	9%	7%	7%	4%
SSSG (%)	7%	1%	-9%	-5%	-7%	-7%	3%	1%	1%	-3%
Store Growth (%)	9%	10%	11%	11%	12%	10%	11%	10%	10%	10%
Average Annualised Sales/store	66.9	66.5	64.4	63	61.3	63	60	59.3	62.2	61.5

Source: Company, MOFSL

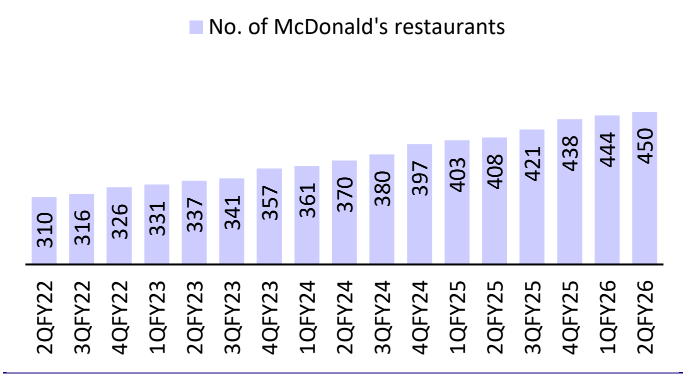
Key exhibits

Exhibit 5: Same-store sales down 2.8% YoY in 2QFY26



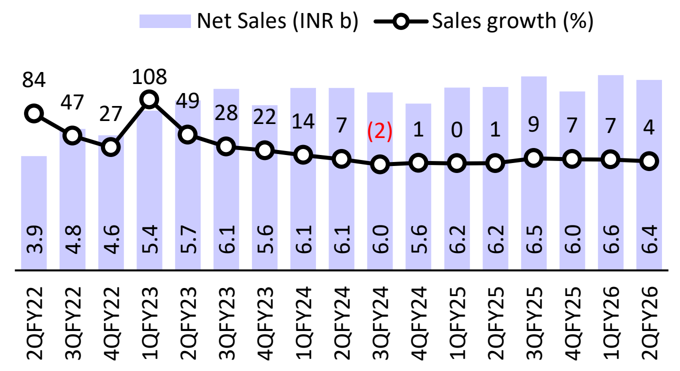
Source: Company, MOFSL

Exhibit 6: Added net six stores (+10% YoY) in 2QFY26



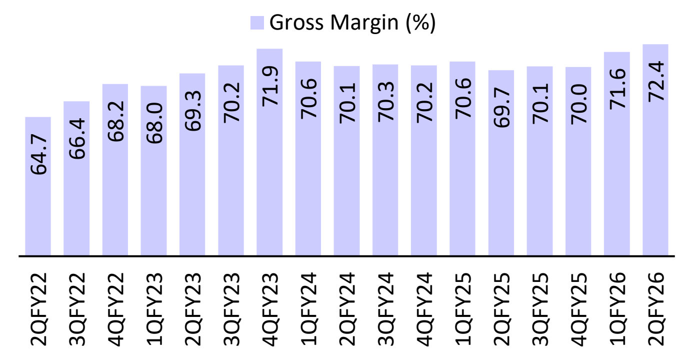
Source: Company, MOFSL

Exhibit 7: Net sales were up 4% YoY to INR6.4b



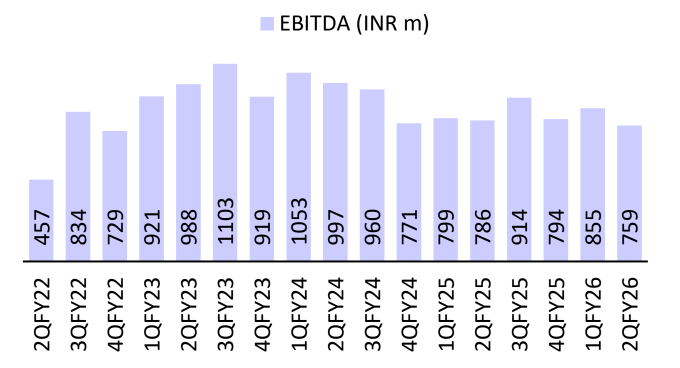
Source: Company, MOFSL

Exhibit 8: Gross margin expanded 270bp YoY to 72.4%



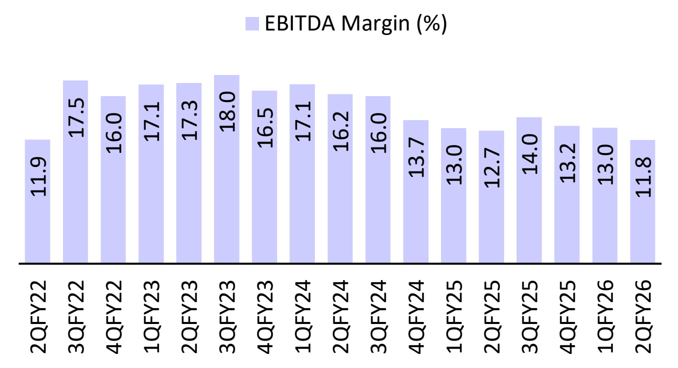
Source: Company, MOFSL

Exhibit 9: EBITDA down 4% YoY to INR759m



Source: Company, MOFSL

Exhibit 10: EBITDA margin contracted 90bp YoY at 11.8%



Source: Company, MOFSL

Valuation and view

- We cut our EBITDA (pre-IND AS) estimates for FY26 and FY27 by 5-6%.
- Demand was impacted in 2Q, with SSSG declining YoY even on a low base. WESTLIFE has been aggressive in store additions, which was not the case historically. However, the current demand environment is not conducive to such rapid expansion, and performance in South India remains a challenge. Therefore, the benefits of its various initiatives may take longer to materialize than initially expected.
- The revenue gap between dine-in and delivery has narrowed, supported by improved dine-in footfalls. However, weak underlying growth, coupled with rising costs related to strategic initiatives, could weigh on the operating margin, exerting pressure on restaurant margins and EBITDA margins.
- **We reiterate our Neutral rating with a TP of INR675, based on 35x Sep'27E EV/EBITDA (pre-IND AS).**

Exhibit 11: We cut our EBITDA (pre-IND AS) estimates for FY26 and FY27 by 5-6%

INR m	New			Old					
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Sales	26,713	30,512	34,423	26,960	30,795	34,741	-0.9%	-0.9%	-0.9%
EBITDA	3,410	4,141	4,906	3,528	4,424	5,177	-3.3%	-6.4%	-5.2%
Adjusted PAT	-36	317	841	173	657	1,183	-120.7%	-51.7%	-28.9%

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**	**26,713**	**30,512**	**34,423**
Change (%)	10.4	-36.3	59.9	44.5	5.0	4.2	7.2	14.2	12.8
Materials Consumed	5,382	3,483	5,129	6,860	7,107	7,453	7,613	8,726	9,845
Gross profit	**10,095**	**6,378**	**10,636**	**15,922**	**16,811**	**17,459**	**19,100**	**21,786**	**24,578**
Margin (%)	65.2	64.7	67.5	69.9	70.3	70.1	71.5	71.4	71.4
EBITDA	**2,199**	**619**	**2,071**	**3,931**	**3,780**	**3,293**	**3,410**	**4,141**	**4,906**
Change (%)	77.0	-71.8	234.5	89.8	-3.8	-12.9	3.5	21.4	18.5
Margin (%)	14.2	6.3	13.1	17.3	15.8	13.2	12.8	13.6	14.3
Depreciation	1,442	1,555	1,452	1,649	1,886	2,133	2,385	2,592	2,803
EBIT	**757**	**-935**	**620**	**2,282**	**1,895**	**1,160**	**1,025**	**1,549**	**2,102**
Int. and Finance Charges	808	845	826	928	1,099	1,272	1,451	1,542	1,632
Other Income	127	452	186	140	162	242	378	417	653
PBT after EO Exp.	**242**	**-1,371**	**-21**	**1,494**	**958**	**131**	**-48**	**424**	**1,124**
Total Tax	-14	-293	-4	379	266	9	-12	107	283
Tax Rate (%)	-18.8	N/M	N/M	25.3	27.8	6.9	N/M	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0	0
Reported PAT	**-76**	**-994**	**-17**	**1,116**	**692**	**122**	**-36**	**317**	**841**
Adjusted PAT	**90**	**-1,036**	**-17**	**1,116**	**692**	**122**	**-36**	**317**	**841**
Change (%)	-57.6	P/L	-	L/P	-38.0	-82.4	P/L	L/P	165.1
Margin (%)	0.6	-10.5	-0.1	4.9	2.9	0.5	-0.1	1.0	2.4

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	5,879	6,196	7,037
Net Worth	**5,770**	**4,812**	**4,621**	**5,659**	**5,883**	**6,035**	**6,191**	**6,508**	**7,349**
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**	**22,603**	**24,059**	**26,038**
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	8,525	10,121	11,855
Net Fixed Assets	**5,893**	**5,368**	**5,439**	**7,006**	**8,098**	**8,967**	**7,687**	**7,610**	**7,397**
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**	**3,769**	**5,304**	**7,049**
Inventory	411	465	559	714	632	808	953	1,089	1,229
Account Receivables	47	88	133	107	173	190	227	259	292
Cash and Bank Balance	30	110	232	284	141	589	1,227	2,417	3,788
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**	**3,850**	**4,398**	**4,963**
Account Payables	1,280	1,851	1,722	1,877	2,026	2,325	2,289	2,758	3,241
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**	**-82**	**905**	**2,087**
Misc Expenditure									
Appl. of Funds	**15,216**	**13,982**	**14,647**	**17,086**	**18,800**	**21,308**	**22,603**	**24,059**	**26,038**

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**	**-0.2**	**2.0**	**5.4**
Cash EPS	9.9	3.3	9.2	17.7	16.5	14.5	15.1	18.7	23.4
BV/Share	37.1	30.9	29.7	36.3	37.7	38.7	39.7	41.7	47.1
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	1,017.1	N/M	N/M	82.5	133.0	753.3	N/M	290.0	109.4
Cash P/E	59.9	176.9	64.0	33.3	35.7	40.8	39.2	31.6	25.2
P/BV	15.9	19.1	19.9	16.3	15.6	15.2	14.9	14.1	12.5
EV/Sales	5.9	9.3	5.9	4.1	3.9	3.7	3.4	3.0	2.6
EV/EBITDA	41.9	148.5	44.5	23.5	24.6	28.2	27.0	21.9	18.2
EV/EBITDA pre Ind As	63.4	-3,854.6	70.7	30.7	34.4	45.7	46.1	34.7	28.0
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	8.4	19.9	25.1
Return Ratios (%)									
RoE	1.6	-19.6	-0.4	21.7	12.0	2.0	-0.6	5.0	12.1
RoCE	8.9	NA	NA	11.0	8.0	6.3	NA	6.0	7.9
RoIC	9.4	NA	NA	12.4	8.6	6.0	NA	6.1	8.1
Working Capital Ratios									
Fixed Asset Turnover (x)	1.8	1.2	1.7	2.0	1.8	1.7	1.6	1.7	1.8
Asset Turnover (x)	1.0	0.7	1.1	1.3	1.3	1.2	1.2	1.3	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	33	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	2.4	2.2	1.9

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	-48	424	1,124
Depreciation	1,384	1,396	1,364	1,521	1,822	2,041	2,288	2,494	2,700
Interest & Finance Charges	808	845	826	927	1,097	1,271	1,451	1,542	1,632
Direct Taxes Paid	-163	32	-66	-439	-403	-74	12	-107	-283
(Inc)/Dec in WC	164	691	-145	70	76	248	-251	257	250
CF from Operations	**2,102**	**1,677**	**1,959**	**3,574**	**3,550**	**3,618**	**3,452**	**4,610**	**5,423**
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**	**3,452**	**4,610**	**5,423**
(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**	**1,307**	**3,090**	**3,903**
(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	-2,279	-2,439	-2,599
CF from Fin. Activity	**-1,387**	**-453**	**-1,019**	**-981**	**-1,492**	**-794**	**-2,398**	**-2,559**	**-2,719**
Inc/Dec of Cash	**-62**	**80**	**122**	**52**	**-143**	**448**	**637**	**1,190**	**1,371**
Opening Balance	92	30	110	232	284	141	589	1,227	2,417
Closing Balance	**30**	**110**	**232**	**284**	**141**	**589**	**1,227**	**2,417**	**3,788**

E: MOFSL Estimates

NOTES

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