21 July 2025

1QFY26 Results Update | Sector: Internet

Eternal

Estimate change	↓
TP change	↑
Rating change	↔

Bloomberg	ETERNAL IN
Equity Shares (m)	9650
M.Cap.(INRb)/(USDb)	2622 / 30.4
52-Week Range (INR)	305 / 190
1, 6, 12 Rel. Per (%)	7/18/22
12M Avg Val (INR M)	15588

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
GOV	386.4	452.5	539.0
Net Sales	202.4	339.4	541.2
Change (%)	67.1	67.7	59.4
EBITDA	6.4	12.2	36.1
EBITDA margin (%)	3.1	3.6	6.7
Adj. PAT	5.3	10.6	34.9
PAT margin (%)	2.6	3.1	6.5
RoE (%)	2.08	3.45	10.55
RoCE (%)	-0.64	-0.70	4.84
EPS	0.59	1.18	3.89
EV/ Sales	12.0	7.1	4.4
Price/ Book	8.0	7.8	7.0

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	0.0	0.0	0.0
DII	23.6	20.5	15.3
FII	50.3	53.4	56.7
Others	26.1	26.1	28.0

FII Includes depository receipts

CMP: INR272 TP: INR330 (+21%) Buy

Quick commerce losses bottoming out

Subject to competition

- Eternal reported 1QFY26 revenue of INR72b, up 70% YoY, above our estimated growth of 62% YoY. Growth was led by Blinkit as its gross order value (GOV) increased 26% QoQ/140% YoY. The food delivery business delivered 16% YoY growth in GOV.
- The company expects that in FY26, net order value (NOV) growth in food delivery is unlikely to exceed 20% but should remain above 15%, with momentum building toward 20% YoY growth in FY27. PAT came in at INR250m (est. INR2.7b), down 90% YoY. For 1QFY26, revenue grew 70%, whereas adj. EBITDA declined 42% YoY.
- For 2QFY26, we expect revenue/adj. EBITDA to grow 66%/15% YoY. Our TP of INR330 implies a 21% upside from the current price. We reiterate our BUY rating on the stock, supported by Eternal's market leadership in both quick commerce and food delivery, and the long-term potential of Blinkit as a generational opportunity in retail, grocery, and e-commerce disruption.

Our view: Margin improvement likely even with ongoing expansion

- **Quick commerce losses have peaked; margins to improve despite aggressive expansion:** Blinkit's adjusted EBITDA margin improved to **-1.8% of NOV in 1QFY26** (from -2.4% in 4QFY25), despite adding 243 new dark stores. Management believes absolute losses have peaked and margins will continue to improve as recently opened stores mature. There is already 2.5%+ margin in some cities, reinforcing long-term guidance of 5-6% EBITDA margins. The store count is expected to increase from ~1,550 currently to 2,000 by Dec'25, with visibility up to 3,000.
- **Shift to inventory-led model to lift margins; working capital to rise:** Zomato will move its quick commerce model from marketplace (3P) to inventory ownership (1P) over the next 2-3 quarters. This is expected to improve margins by ~100bp through better assortment control and supplier terms, while increasing net working capital intensity from ~1% to ~5% of NOV. As of 1Q, 3% of NOV was already on owned inventory, driving faster revenue growth vs. NOV.
- **Food delivery margin matures; focus shifts to growth over expansion**: Food delivery adjusted EBITDA margin stood at **5.0% of NOV** in 1Q, up from 3.9% YoY but slightly down QoQ due to seasonal factors (delivery partner shortages during festivals and weather). While long-term margin expansion is possible, the near-term focus will be on demand recovery and reinvesting in growth. FY26 NOV growth is expected to exceed 15%, with potential to return to ~20% in FY27. We believe food delivery margins will now trend at 4.5-5% (of GOV), and we shift our valuation methodology to EV/EBITDA multiple.
- **Going-out business scaling up well, but will drive INR1.5b in losses in FY26**: The "District" (going-out) vertical is now an INR80b annualized NOV business, growing 30%+ YoY, with ARPO of INR160+ (higher than food delivery/quick commerce). However, investments in Bistro (10-minute food) and Nugget will result in ~INR 1.5b of FY26 losses in the "Others" segment.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and change in estimates

- Eternal's food delivery business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery, and e-commerce. We lower our FY26/FY27 estimates by ~14%/~18%, factoring in continued dark store expansion and ~INR1.5b in FY26 losses from newer initiatives such as Bistro (10-minute food delivery) and Nugget under the "Others" segment. Eternal should report PAT margin of 3.1%/6.5% in FY26E/FY27E. Our TP of INR330 implies a 21% upside from the current price. We reiterate our BUY rating on the stock.

Quick commerce/food delivery GOV in line with our estimates; guides for margins bottoming out in quick commerce

- Eternal reported 1QFY26 net revenue of INR72b (23% QoQ/70% YoY), above our estimate of +62% YoY.
- Food delivery GOV came in at INR107.6b, in line with our estimate of INR107.5b. Blinkit GOV came in at INR118.2b (up 140% YoY) vs. our estimate of INR117.8b.
- For food delivery, adjusted EBITDA as % of GOV margin was down 20bp QoQ at 4.2%, missing our estimate of 4.5%.
- This was the first quarter where quick commerce NOV (INR92b) exceeded food delivery NOV (INR89b) for the full quarter.
- Blinkit reported contribution margin of 3.0% (3.1% in 4Q). Adj. EBITDA margin was -1.4% (vs. -1.9% in 4QFY25), largely in line with our expectation of -1.2%. It added 243 net new stores in 1QFY26 and is on track to reach 2,000 by Dec'25.
- Consol. reported EBITDA came in at INR1,150m (1.6% reported EBITDA margin vs. 1.2% in 4Q).
- Food delivery revenue increased 10% QoQ/16% YoY (est. 10% QoQ), whereas contribution margin declined to 8.2% from 8.6% in 4Q.
- Quick commerce revenue grew 40% QoQ/155% YoY (est. 25% QoQ growth).
- PAT stood at INR250m, down 90% YoY (est. INR2.7b).
- YoY adj. revenue grew by 67%. For FY26, Eternal expects to deliver over 15% NOV growth, with a positive bias toward 20% YoY growth in FY27.

Key highlights from the management commentary

- Food Delivery: For FY26, management expects NOV growth to be above 15% YoY, although achieving over 20% growth appears unlikely. The company anticipates NOV growth to trend toward 20% in FY27. Growth in MTC (monthly transacting customer) was healthy and aligned with NOV growth. Eternal believes YoY growth has bottomed out and expects stronger growth in the upcoming quarters. 2QFY26 is expected to be better than 1Q.
- Blinkit: This was the first quarter where Blinkit's NOV (INR 92bn) surpassed that of food delivery (INR89b) for a full quarter. The customer base is value-conscious rather than price-sensitive. The company focuses on speed, assortment, support, and price to drive customer satisfaction. Over the next 2-3 quarters, Blinkit will gradually transition from a marketplace model to an inventory-ownership model. This will reduce administrative costs (e.g., licensing).

- As NOV grows, operating leverage is expected to drive improvement in adjusted EBITDA margins. While marketing costs (reported below contribution margins) may not reduce, they are expected to remain stable if competition levels remain unchanged.
- A majority of the business is concentrated in 20 cities. New stores are currently loss-making due to lower throughput.
- **IOCC inventory model**: Under the inventory model, NWC is expected to be ~18 days of NOV, compared to 3-4 days under the marketplace model. Current productivity is INR700,000 daily NOV per store. Management expects a 100bp expansion in contribution margin over time as a result of this transition.

Valuation and view

- Eternal's food delivery business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery, and e-commerce. We value the QC business using a DCF methodology with a 12.5% cost of capital and assign a 30x EV/EBITDA multiple to the FD business. Additionally, we ascribe a combined value of ~USD1b to Hyperpure, Going-out, and other residual businesses. We reiterate our BUY rating with a TP of INR330, implying 21% potential upside.

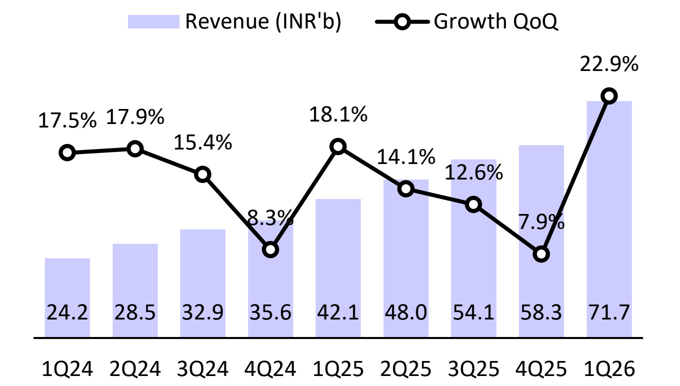
Consolidated - Quarterly Earning Model (INR M)

Y/E march	FY25				FY26E				FY25	FY26E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY26	(% / bp)
Revenue (net of delivery)	**42,060**	**47,990**	**54,050**	**58,330**	**71,670**	**79,881**	**89,423**	**98,470**	**2,02,430**	**3,39,444**	**68,085**	**5.3**
YoY Change (%)	74.1	68.5	64.4	63.8	70.4	66.5	65.4	68.8	67.1	67.7	61.9	850bp
Inventory of traded goods	10,990	13,340	15,000	16,320	22,840	24,118	26,530	29,183	55,650	1,02,671	20,192	13.1
Employee Expenses	5,290	5,900	6,890	7,500	8,300	9,545	10,977	12,623	25,580	41,445	8,625	-3.8
Delivery expenses	13,280	13,980	14,500	15,520	18,690	20,429	22,674	24,670	57,280	86,463	17,623	6.1
Gross Profit	**12,500**	**14,770**	**17,660**	**18,990**	**21,840**	**25,789**	**29,242**	**31,994**	**63,920**	**1,08,865**	**21,645**	**0.9**
Margins (%)	29.7	30.8	32.7	32.6	30.5	32.3	32.7	32.5	31.6	32.1	32	-130bp
Advertisement and sales promotion	3,960	4,210	5,210	6,340	6,710	6,926	7,107	7,131	19,720	27,874	6,664	0.7
Others	6,770	8,300	10,830	11,930	13,980	15,624	18,214	20,982	37,830	68,799	12,300	13.7
EBITDA	**1,770**	**2,260**	**1,620**	**720**	**1,150**	**3,240**	**3,921**	**3,881**	**6,370**	**12,192**	**2,681**	**-57.1**
Margins (%)	4.2	4.7	3.0	1.2	1.6	4.1	4.4	3.9	3.1	3.6	3.9	-230bp
Depreciation	1,490	1,800	2,470	2,870	3,140	3,595	4,024	4,431	8,630	15,190	3,064	2.5
Interest	250	300	430	560	670	559	626	689	1,540	2,544	477	40.6
Other Income	2,360	2,210	2,520	3,680	3,540	4,793	5,365	5,908	10,770	19,606	3,404	4.0
PBT before EO expense	**2,390**	**2,370**	**1,240**	**970**	**880**	**3,879**	**4,637**	**4,669**	**6,970**	**14,064**	**2,545**	**-65.4**
PBT	**2,390**	**2,370**	**1,240**	**970**	**880**	**3,879**	**4,637**	**4,669**	**6,970**	**14,064**	**2,545**	**-65.4**
Tax	-140	610	650	580	630	815	974	980	1,700	3,399	-200	-415.0
Rate (%)	-5.9	25.7	52.4	59.8	71.6	21.0	21.0	21.0	NA	NA	-7.9	7950bp
Reported PAT	**2,530**	**1,760**	**590**	**390**	**250**	**3,064**	**3,663**	**3,688**	**5,270**	**10,665**	**2,745**	**-90.9**
Adj PAT	**2,530**	**1,760**	**590**	**390**	**250**	**3,064**	**3,663**	**3,688**	**5,270**	**10,665**	**2,745**	**-90.9**
YoY Change (%)	12,550.0	389	-57.2	-77.7	-90.1	74.1	520.8	845.7	50.1	102.4	8.5	NA
Margins (%)	6.0	3.7	1.1	0.7	0.3	3.8	4.1	3.7	2.6	3.1	4.0	NA

Story in charts

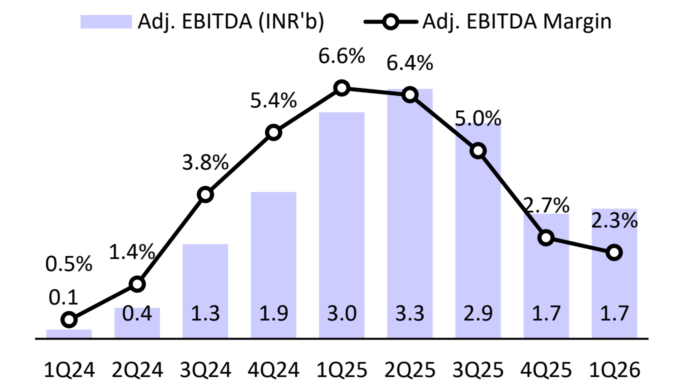
Overall Business

Exhibit 1: Eternal saw strong sequential growth



Source: MOFSL, Company

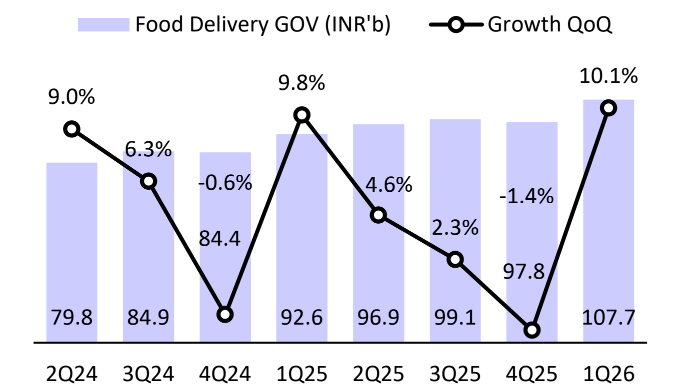
Exhibit 2: Profitability down due to continued investments



Source: MOFSL, Company

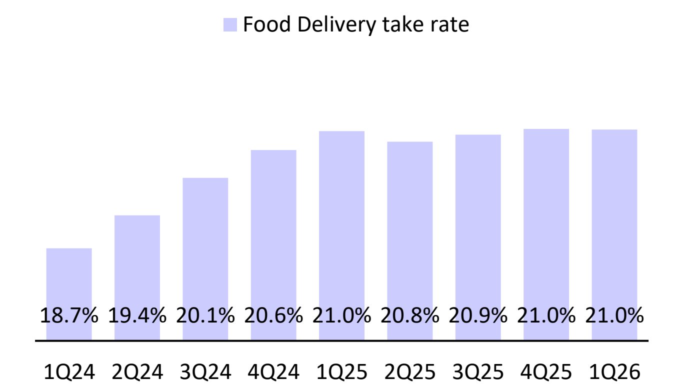
Food Delivery

Exhibit 3: GOV saw strong growth and up 10.1% QoQ



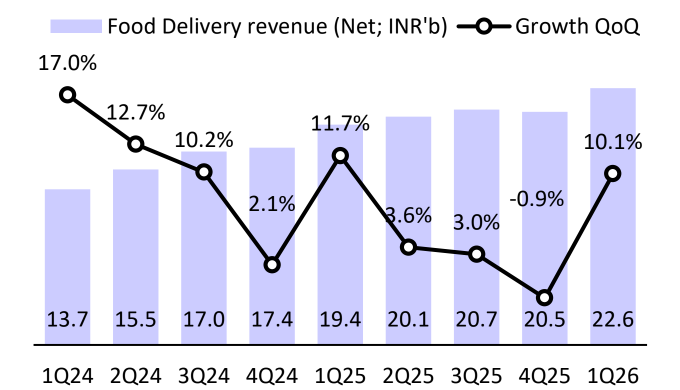
Source: MOFSL, Company

Exhibit 4: Take rate remained steady QoQ…



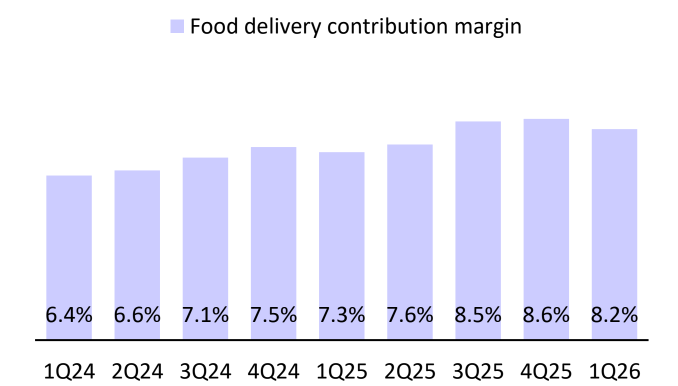
Source: MOFSL, Company

Exhibit 5: …leading to 10% sequential growth



Source: MOFSL, Company

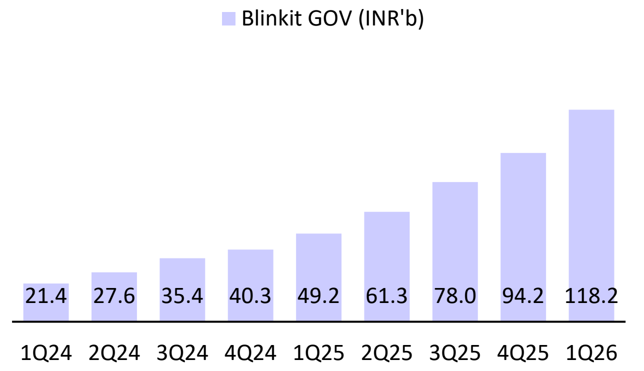
Exhibit 6: Contribution margin declined 40bp sequentially



Source: MOFSL, Company

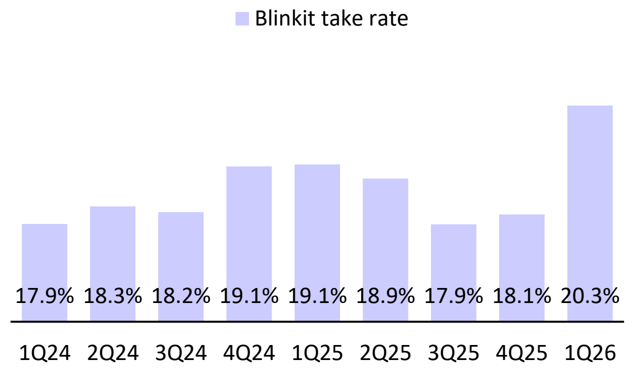
Blinkit

Exhibit 7: GOV saw strong 25% sequential growth…



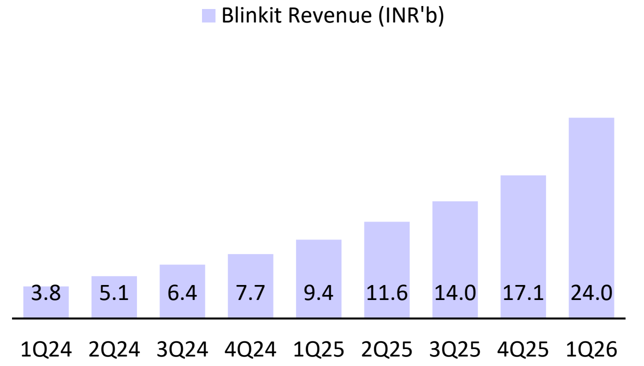
Source: MOFSL, Company

Exhibit 8: …while take rate increased 220bp sequentially…



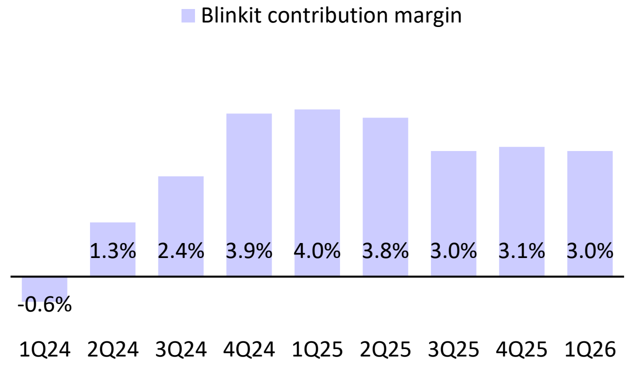
Source: MOFSL, Company

Exhibit 9: …leading to 40% sequential revenue growth



Source: MOFSL, Company

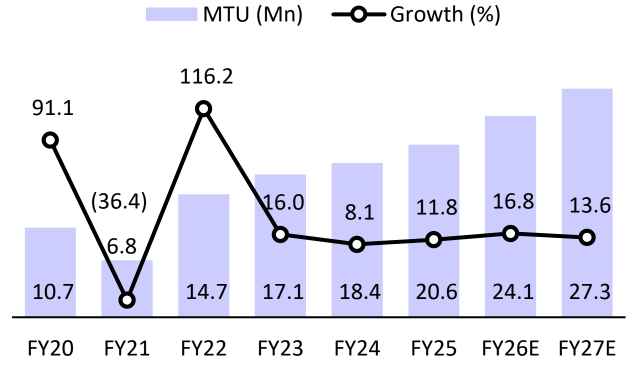
Exhibit 10: Blinkit's contribution margin declined 10bp



Source: MOFSL, Company

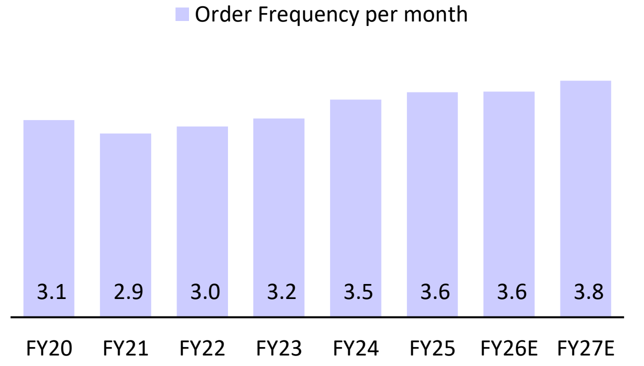
Our estimates

Exhibit 1: Expect double-digit growth in FD MTU



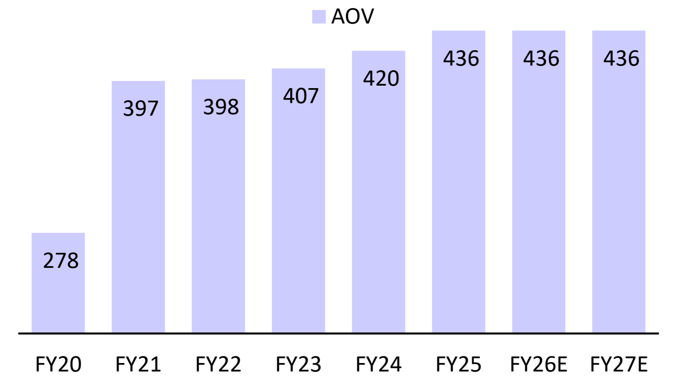
Source: MOFSL, Company

Exhibit 2: Order frequency shall be stable in FY26



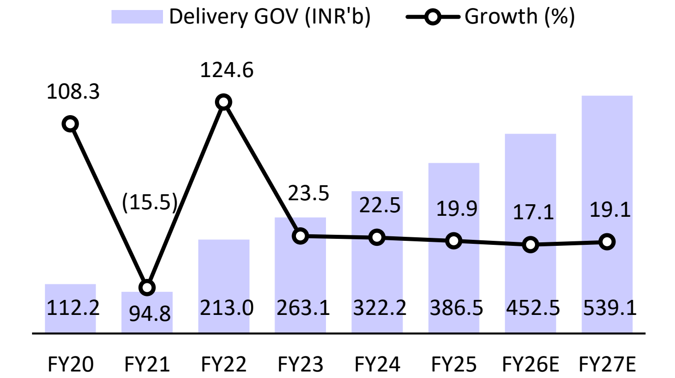
Source: MOFSL, Company

Exhibit 3: AOV to remain steady



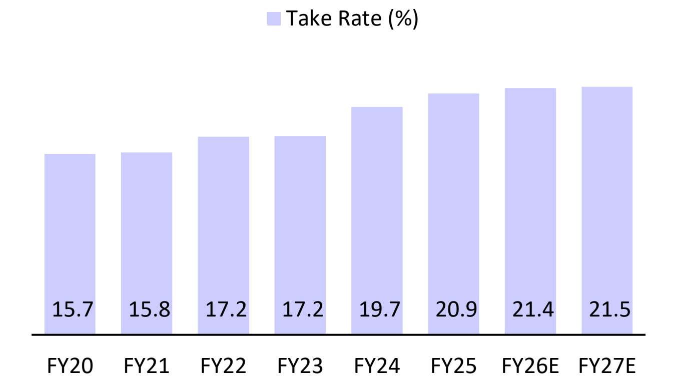
Source: MOFSL, Company

Exhibit 4: Strong GOV growth…



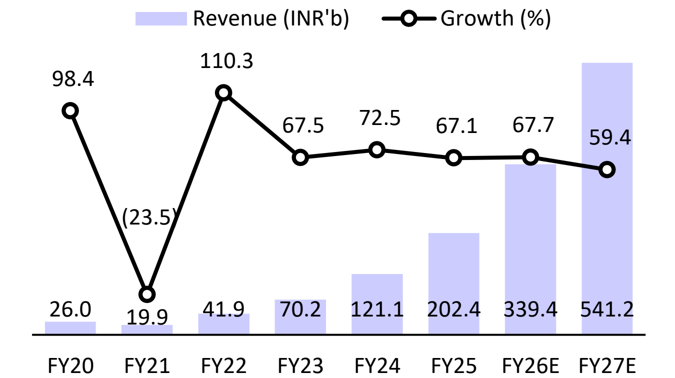
Source: MOFSL, Company

Exhibit 5: …and increase in take rate…



Source: MOFSL, Company

Exhibit 6: …to drive 63% revenue CAGR over FY25-27



Source: MOFSL, Company

CONFERENCE CALL

Key highlights from the management commentary

Demand and growth outlook

- For FY26, management expects NOV growth to be above 15% YoY, although achieving over 20% growth appears unlikely. The company anticipates NOV growth to trend toward 20% in FY27.
- In response to a muted demand environment, restaurant-funded discounts (as a % of GOV) increased QoQ in 1QFY26. This led to slightly lower NOV growth (+9% QoQ) compared to GOV growth (+10% QoQ).
- MTC growth was healthy and aligned with NOV growth.
- A key metric tracked by the company is the number of hours delivery partners spend on the platform. Idle time continues to decline, and there are no concerns regarding partner availability.
- The company believes YoY growth has bottomed out and expects stronger growth in the upcoming quarters. 2QFY26 is expected to be better than 1Q.
- Transacting customer growth is also expected to improve as users return to the platform.
- **Blinkit:** This was the first quarter where Blinkit's NOV (INR92b) surpassed that of food delivery (INR89b) for a full quarter.
- The company added 243 net new stores in 1QFY26, taking the total to 1,544. It remains on track to reach 2,000 stores by Dec'25, with visibility to scale up to 3,000.
- Although SSSG (same-store sales growth) is not tracked internally, most of the growth has been driven by existing serviceable areas. Mature markets are also growing at a reasonable pace.
- Growth is broad-based across all categories and is secular in nature.
- The customer base is value-conscious rather than price-sensitive. The company focuses on speed, assortment, support, and price to drive customer satisfaction.
- Revenue per order exceeds INR100 in the first month post-acquisition. Each customer cohort is contribution-margin positive from month one.
- Over the next 2-3 quarters, Blinkit will gradually transition from a marketplace model to an inventory-ownership model. This will reduce administrative costs (e.g., licensing).
- The number of unique customers continues to increase.
- A majority of the business is concentrated in 20 cities. New stores are currently loss-making due to lower throughput. Supply chains in Tier II cities are still being developed, leading to some margin pressure in these markets.
- Under the inventory model, NWC is expected to be ~18 days of NOV, compared to 3-4 days under the marketplace model. Current productivity is INR700,000 daily NOV per store.
- Inventory ownership allows for better margin control and greater leverage in expanding assortments. Management expects a 100bp expansion in contribution margin over time as a result of this transition.
- As NOV grows, operating leverage is expected to drive improvement in adjusted EBITDA margins. While marketing costs (reported below contribution margins) may not reduce, they are expected to remain stable if competition levels remain unchanged.
- With inventory ownership, quick commerce revenue will increasingly align with NOV figures.
- Hyperpure revenue is expected to decline due to a scale-down in its non-restaurant segment. Consequently, NWC will increase in quick commerce and decrease in Hyperpure.

- The company expects a deceleration in Hyperpure in the coming quarters, primarily due to the shrinkage of its non-restaurant business, which historically catered to B2B buyers that are now shifting to Blinkit.
- **Going-out (District):** Eternal is developing "District" as a unique, comprehensive platform for going-out use cases in India, covering dining-out, movies, sports, concerts, and more — all inside a single app targeted at a premium customer base.
- Losses in this segment are expected to remain within a bounded range.
- The Going-Out business is now 20% of the size of the FD and QC businesses.
- Management sees a potential market size of USD3b and an adjusted EBITDA of USD150m over the next five years.
- **Bistro:** Early signs from Bistro are encouraging. Kitchens are driving incremental demand without cannibalizing the main Zomato business.

Margins

- For the food delivery business, adjusted EBITDA as a percentage of GOV margin declined by 20bp QoQ to 4.2%. The contribution margin fell to 8.2% from 8.6% in 4QFY25. This decline was primarily due to seasonality, including lower availability of delivery partners during festivals and adverse weather conditions such as the onset of summer and monsoon across various regions. The company aims to maintain adj EBITDA margins at around 5% of NOV over the long term.
- Blinkit reported a contribution margin of 3.0% compared to 3.1% in 4QFY25. Adjusted EBITDA margin stood at -1.4% vs. -1.9% in 4QFY25. Contribution margin is driven by a higher share of new stores, seasonal cost pressures (particularly delivery partner costs), competitive intensity, and investments in warehouses and store infrastructure. Additionally, shifts in the category mix also affected contribution margins.
- The company believes that percentage margins have likely bottomed out. If the competitive environment remains stable, margins are expected to improve, aided by the maturing of a large number of stores opened over the past 12 months.
- Absolute losses are also expected to reduce going forward. However, the trajectory of margin improvement may not be linear.
- Management is not overly concerned about near-term breakeven. Due to the mix of mature and new stores, breakeven is expected over time, barring any significant increase in competitive intensity.
- If the lower end of the adjusted EBITDA margin guidance (4% of NOV, within the 5-6% long-term range) is achieved, the company expects to generate RoCE of 40% under a 100% inventory-led model, with capex and NWC accounting for ~9% of NOV.
- The annual wage revision is scheduled for Sep'25.

Valuation and view

- Eternal's food delivery business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery, and e-commerce. We value the QC business using a DCF methodology with a 12.5% cost of capital and assign a 30x EV/EBITDA multiple to the FD business. Additionally, we ascribe a combined value of ~USD1b to Hyperpure, Going Out, and other residual businesses. We reiterate our BUY rating with a TP of INR330, implying 21% potential upside.

Exhibit 7: Summary of our revised estimates

	Revised estimates		Earlier estimates		Change (%/bp)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue (INR m)	3,39,444	5,41,174	3,30,100	5,47,023	2.8%	-1.1%
EBITDA (INR m)	12,157	36,140	16,313	47,456	-25.5%	-23.8%
EBITDA Margin	3.6	6.7	4.9	8.7	-136bp	-200bp
PAT	10,630	34,934	12,365	42,478	-14.0%	-17.8%
PAT Margin	3.1	6.5	3.7	7.8	-61bp	-131bp
EPS	1.18	3.89	1.38	4.73	-14.0%	-17.8%

Source: MOFSL

Exhibit 8: Quick commerce's DCF assumptions

DCF Assumptions & Valuation	
Quick Commerce	
Order growth (FY25-37)	29.2%
AOV growth (FY25-37)	1.2%
GOV growth (FY25-37)	30.7%

Source: MOFSL

Exhibit 9: **SoTP-based TP at INR330**

Assumptions and Valuation	Food Delivery	Quick 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	-	12.5%	-		
Terminal Growth	-	4.5%	-		
EV/EBITDA multiple	30x	-	-		
EV (INR mn)	8,43,562	16,53,756	85,000	1,15,860	
Contribution (INR rounded)	**103**	**203**	**10**	**14**	**330**

Source: MOFSL

Financials and valuations

Revenue Model							(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
MTU (Mn)	6.8	14.7	17.1	18.4	20.6	24.1	27.3
Order Frequency	2.9	3.0	3.2	3.5	3.6	3.6	3.8
Orders/ Month	19.9	44.7	54.0	63.9	73.9	86.5	103.0
Orders/ Year	239	537	648	766	886	1,038	1,236
AOV	397	398	407	420	436	436	436
Delivery GOV	**94,829**	**2,13,565**	**2,63,381**	**3,22,039**	**3,86,430**	**4,52,507**	**5,38,997**
Take Rate (%)	15.8	17.2	17.2	19.7	20.9	21.4	21.5
Delivery Revenue	**15,003**	**36,645**	**45,381**	**63,572**	**80,796**	**96,746**	**1,15,884**
Blinkit Revenue	0	0	8,058	23,020	52,060	1,24,365	2,47,535
Hyperpure revenue	2,002	5,376	15,061	31,720	61,960	1,08,790	1,65,435
Others	2,933	-97	2,294	2,828	7,614	9,543	12,319
Revenue	**19,938**	**41,924**	**70,794**	**1,21,140**	**2,02,430**	**3,39,444**	**5,41,174**

Income statement							(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
Sales	**19,938**	**41,924**	**70,794**	**1,21,140**	**2,02,430**	**3,39,444**	**5,41,174**
Change (%)	-23.5	110.3	68.9	71.1	67.1	67.7	59.4
Inventory of traded goods	1,919	5,246	13,952	28,820	55,650	1,02,671	1,53,854
Employee Expenses	7,408	16,331	14,650	16,590	25,580	41,445	72,488
Other direct expenses	-8,333	-14,125	2,173	19,990	38,340	67,420	1,06,962
Gross Profit	**-925**	**2,206**	**16,823**	**36,580**	**63,920**	**1,08,865**	**1,79,450**
% of Net Sales	-4.6	5.3	23.8	30.2	31.6	32.1	33.2
Other Expenses	3,746	20,714	28,936	36,160	57,544	96,708	1,43,309
EBITDA	**-4,672**	**-18,508**	**-12,113**	**420**	**6,376**	**12,157**	**36,140**
% of Net Sales	-23.4	-44.1	-17.1	0.3	3.1	3.6	6.7
Depreciation	1,377	1,503	4,369	5,260	8,630	15,190	17,086
EBIT	**-6,049**	**-20,011**	**-16,482**	**-4,840**	**-2,254**	**-3,033**	**19,054**
% of Net Sales	-30.3	-47.7	-23.3	-4.0	-1.1	-0.9	3.5
Other Income (net)	1,146	4,829	6,328	7,750	9,230	17,062	20,124
PBT	**-4,904**	**-15,182**	**-10,154**	**2,910**	**6,976**	**14,029**	**39,178**
Tax	13	20	-436	-600	1,700	3,399	4,244
Rate (%)	-0.3	-0.1	4.3	-20.6	24.4	24.2	10.8
PAT	**-4,917**	**-15,202**	**-9,718**	**3,510**	**5,276**	**10,630**	**34,934**
Extraordinary gains/loss	-3,248	2,974	1	0	0	0	0
Adjusted PAT	**-8,164**	**-12,228**	**-9,717**	**3,510**	**5,276**	**10,630**	**34,934**
Minority Interest	-36	3	-3	0	0	0	0
Reported PAT	**-8,128**	**-12,225**	**-9,720**	**3,510**	**5,276**	**10,630**	**34,934**

Balance Sheet							(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**
Share capital	4,550	7,643	8,364	8,680	9,070	9,070	9,070
Reserves	76,438	1,57,412	1,86,234	1,95,450	2,94,100	3,04,730	3,39,665
Net Worth	**80,987**	**1,65,055**	**1,94,598**	**2,04,130**	**3,03,170**	**3,13,800**	**3,48,735**
Minority Interest & Others	-57	-66	-66	-70	-70	-70	-70
Loans	0	0	58	0	0	0	0
Capital Employed	**80,930**	**1,64,989**	**1,94,590**	**2,04,060**	**3,03,100**	**3,13,730**	**3,48,665**
Net Block	**838**	**1,157**	**6,432**	**9,950**	**29,340**	**38,246**	**40,952**
Intangibles	14,553	12,892	57,071	54,710	66,490	58,089	51,826
Other LT assets	30,138	83,771	44,174	1,14,320	1,43,390	1,43,390	1,43,390
Curr. Assets	**41,505**	**75,450**	**1,08,310**	**54,580**	**1,17,010**	**1,37,025**	**1,90,076**
Debtors	1,299	1,599	4,569	7,940	19,460	32,631	52,024
Cash & Bank Balance	3,065	3,923	2,181	3,090	6,660	13,504	47,161
Investments	28,024	28,149	52,837	17,020	52,200	52,200	52,200
Other Current Assets	9,118	41,779	48,723	26,530	38,690	38,690	38,690
Current Liab. & Prov	**6,105**	**8,281**	**21,397**	**29,500**	**53,130**	**63,019**	**77,578**
Net Current Assets	**35,400**	**67,169**	**86,913**	**25,080**	**63,880**	**74,006**	**1,12,497**
Application of Funds	**80,930**	**1,64,989**	**1,94,590**	**2,04,060**	**3,03,100**	**3,13,732**	**3,48,666**

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)							
EPS	**-1.0**	**-1.7**	**-1.2**	**0.4**	**0.6**	**1.2**	**3.9**
Cash EPS	-0.8	-1.5	-0.7	1.0	1.6	2.9	5.8
Book Value	15.0	22.6	24.1	23.7	33.8	35.0	38.9
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	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	73.3	47.3	31.0	19.3	12.0	7.1	4.4
Price/Book Value	18.1	12.0	11.3	11.5	8.0	7.8	7.0
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)							
RoE	(18.5)	(9.9)	(5.4)	1.8	2.1	3.4	10.5
RoCE	(11.7)	(16.2)	(8.6)	(2.8)	(0.6)	(0.7)	4.8
Turnover Ratios							
Debtors (Days)	24	14	24	24	35	35	35
Fixed Asset Turnover (x)	23.8	36.2	11.0	12.2	6.9	8.9	13.2

Cash Flow Statement (INR Mn)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
CF from Operations	-2,798	-9,221	-6,373	6,330	15,190	14,437	38,420
Cash for Working Capital	-7,567	2,483	-1,759	1,180	-10,930	-3,283	-4,833
Net Operating CF	**-10,365**	**-6,738**	**-8,132**	**7,510**	**4,260**	**11,154**	**33,587**
Net Purchase of FA	-104	-572	-1,014	-2,020	-9,310	-15,695	-13,529
Free Cash Flow	**-10,469**	**-7,310**	**-9,146**	**5,490**	**-5,050**	**-4,541**	**20,058**
Net Purchase of Invest.	-52,332	-78,806	5,587	-1,450	-70,620	19,606	22,782
Net Cash from Invest.	**-52,436**	**-79,378**	**4,573**	**-3,470**	**-79,930**	**3,911**	**9,252**
Proc. from equity issues	66,083	90,000	40	230	85,010	-2,280	-2,280
Proceeds from LTB/STB	-26	-13	-231	-400	0	0	0
Others	-2,038	-2,489	-1,083	-1,900	-4,590	-2,544	-2,658
Dividend Payments	0	0	0	0	0	0	0
Cash Flow from Fin.	**64,019**	**87,498**	**-1,274**	**-2,070**	**80,420**	**-4,824**	**-4,938**
Net Cash Flow	**1,218**	**1,382**	**-4,833**	**1,970**	**4,750**	**10,241**	**37,901**
Opening Cash Bal.	**1,672**	**3,065**	**3,923**	**2,181**	**3,091**	**6,661**	**13,504**
Forex differences	-10	-332	3,399	-10	0	0	0
Add: Net Cash	1,218	1,382	-4,833	1,970	4,750	10,241	37,901
Closing Cash Bal.	**2,880**	**4,115**	**2,489**	**4,141**	**7,841**	**16,902**	**51,405**

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NOTES

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