INSTITUTIONAL RESEARCH

Eternal

FD growth accelerates; Blinkit eyes faster expansion

Overall, B2C NoV grew ~54% YoY (14.5% QoQ) to INR 356.4bn in Q2FY27 (HSIE: INR 347bn) as both core segments (FD/QC) beat expectations. FD NoV growth accelerated for the fifth straight quarter by 21.5% YoY (vs 20.1% in Q1) to INR 114.5bn (HSIE: INR 113.3bn), driven by ~16% YoY MTU growth. FD adj. EBITDAM (% of NoV) dipped 15bps QoQ to 5.5% (HSIE: 5.7%) as management continued to reinvest in customer acquisition and frequency; it expects margins to stay broadly flat over the next 1-2 years. Blinkit's NoV grew ~79% YoY (22.2% QoQ) to INR 209.4bn (HSIE: INR 200.6bn), while adj. EBITDAM (% of NoV) improved 28bps QoQ to 0.9% (HSIE: 1.0%). Adj. EBITDA stood at INR 1.84bn (HSIE: INR 1.96bn). Dark store targets raised to 3,500+ by Mar-27 (earlier: 3,000) and ~5,000 by Mar-28, given steady competitive intensity and strong payback in smaller cities. Consolidated adj. EBITDA grew 197% YoY to INR 6.66bn (in-line), with adj. EBITDAM at 2.7% (HSIE: 2.8%). We have toned down our adj. EBITDA estimates for FY27/28 by ~8% each as management guns for market share gains (over productivity gains, especially in FD). However, we maintain BUY with an SOTP-based TP of INR395/sh (incl. 40x Sep-28 EV/EBITDA for FD; 1.5x Sep-28 NoV for Blinkit).

- **FD growth accelerates; margins steady despite higher competition:** FD NoV grew 21.5% YoY to INR 114.5bn (HSIE: INR 113.3bn). Growth was MTU-led which rose 16.2% YoY to 28mn (HSIE: 28.8mn). Management noted that a growing share of new users are ordering food online for the first time, many outside the top-8 cities, and that NoV per MTU also improved (~4.5% YoY). It also said the ordering occasions that migrated to QC last year have now settled. Take rate (as % of NoV) improved by 105bps QoQ to 33.9% (HSIE: 30.8%), aided by higher platform fees. CM was largely stable at 10.3% of NoV (+12bps QoQ; HSIE: 10.5%). Adj. EBITDA grew 24.7% YoY to INR 6.27bn (HSIE: INR 6.49bn), with adj. EBITDAM (as % of NoV) at 5.5% (-15bps QoQ). Management said competitive intensity was higher than in the previous few quarters, partly because of Zomato's own stepped-up investments in new-customer acquisition and frequency, which are yielding good outcomes. It plans to keep margins broadly flat for next 1-2 years and reinvest incremental gains, optimizing for absolute adj. EBITDA growth rather than margin. Management reiterated its 20%+ long-term NoV growth expectation.
- **Blinkit's expansion accelerates; profitability miss estimates:** Blinkit's NoV grew 22.2% QoQ to INR 209.4bn. MTUs rose 16.4% QoQ to 37mn (HSIE: 35.9mn). Orders grew 20.5% QoQ to 399mn (HSIE: 378mn). Net AOV rose 1.4% QoQ to INR 525 (HSIE: INR 531). NoV/store/day rose 9.1% QoQ to INR 0.9mn vs management's steady-state aspiration of INR 1.1mn. NoV growth YoY moderated from 86.2% in Q1 on a higher base, but management expects growth to pick up from Q3FY27 as new stores ramp up. Adj. EBITDAM (as % of NoV) improved 28bps QoQ to 0.9% (HSIE: 1%) due to better operating leverage. Cities contributing ~96% of NoV are CM-positive and ~70% are adj. EBITDA-positive, while mature cities already operate at 5%+ adj. EBITDAM. The accelerated rollout (3,500+ stores by Mar-27; ~5,000 by Mar-28) will be skewed toward smaller cities. While new stores weigh on contribution in their early months, management expects adj. EBITDA margins to keep improving. Management reiterated its 60% NoV CAGR guidance.
- **Valuation and outlook:** FD growth continues to accelerate, while Blinkit's ability to balance aggressive blitz-scaling with disciplined unit economics – despite intense competition – remains commendable. We have toned down our adj. EBITDA estimates for FY27/28 by ~8% each as management guns for market share gains (over productivity gains, especially in FD). However, we maintain our BUY rating with an SOTP-based TP of INR395/sh (incl. 40x Sep-28 EV/EBITDA for FD; 1.5x Sep-28 NoV for Blinkit).

BUY

CMP *(as on 21 Oct 2026)*	INR 311
Target Price	INR 395
NIFTY	22,811

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 395	INR 395
Adj. EBITDA %	FY27E -7.8	FY28E -8.1

KEY STOCK DATA	
Bloomberg code	ETERNAL IN
No. of Shares (mn)	9,655
MCap (INR bn) / ($ mn)	3,010/31,864
6m avg traded value (INR mn)	9,707
52 Week high / low	INR 345/213

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	8.8	20.1	(7.8)
Relative (%)	13.6	27.2	4.9

SHAREHOLDING PATTERN (%)	Jun-26	Sep-26
Promoters	-	-
FIs & Local MFs	39.32	36.22
FPIs	29.08	33.01
Public & Others	31.60	30.77
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Financial Summary

(Rs mn)	2QFY27	2QFY26	YoY (%)	1QFY27	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Revenue	2,41,380	1,35,900	77.6	2,02,110	19.4	2,02,430	5,43,640	9,93,324	14,01,614	18,17,007
EBITDA	7,520	2,390	214.6	5,940	26.6	6,370	12,080	29,663	50,102	75,709
APAT	1,250	650	92.3	920	35.9	5,270	3,660	10,594	23,327	40,208
EPS (Rs)	0.1	0.1	92.3	0.1	35.9	0.5	0.4	1.1	2.4	4.2
P/E (x)						570.9	822.0	284.0	129.0	74.8
EV/EBITDA (x)						1,010.8	768.9	158.2	76.2	45.8
Core RoCE(%)						5.2	3.4	7.3	11.7	17.0

Estimate changes

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	9,93,324	9,54,371	*4.1*	14,01,614	13,46,396	*4.1*	18,17,007	17,44,849	*4.1*
Adj. EBITDA	26,776	29,026	*(7.8)*	46,607	50,698	*(8.1)*	71,205	75,304	*(5.4)*
Adj. EBITDAM (%)	2.7	3.0	***-35 bps***	3.3	3.8	***-44 bps***	3.9	4.3	***-40 bps***
Pre-IND AS EBITDA	18,086	20,336	*(11.1)*	37,517	41,608	*(9.8)*	62,115	66,214	*(6.2)*
Pre-IND AS EBITDA margin (%)	1.8	2.1	***-31 bps***	2.7	3.1	***-41 bps***	3.4	3.8	***-38 bps***
APAT	10,594	11,911	*(11.1)*	23,327	25,911	*(10.0)*	40,208	42,888	*(6.2)*
APAT margin (%)	1.1	1.2	***-18 bps***	1.7	1.9	***-26 bps***	2.2	2.5	***-25 bps***
EPS (Rs)	1.1	1.2	*(11.1)*	2.4	2.7	*(10.0)*	4.2	4.4	*(6.2)*

SOTP Valuation (Sep-28):

Eternal	Methodology	Multiple	GoV/Gross sales/EBITDA	EV (INR mn)	Per share
Food Delivery	EV/EBITDA	40	30,280	12,11,202	126
Quick Commerce	EV/NOV	1.5	14,85,486	22,26,743	231
Going-out	EV/GOV	1.0	2,02,410	2,02,410	21
Hyperpure	EV/Sales		47,207	-	-
Others	EV/Sales		9,396	-	-
Consol Enterprise Value				**36,40,355**	**377**
Net Debt				**(1,75,494)**	**(18)**
Consol Equity Value				**38,15,849**	**395**
No. of shares (#)					9,650
CMP					**311**
Upside/(Downside) (%)					27.1

Summary	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
NoV (B2C business)										
Food delivery	79,280	82,810	84,430	82,100	89,670	94,230	98,460	97,570	1,07,690	1,14,450
Quick commerce	40,610	49,280	60,200	73,620	92,030	1,16,790	1,33,000	1,43,860	1,71,320	2,09,400
Going-out	10,310	15,620	21,580	18,680	20,130	20,630	25,870	27,360	32,180	32,590
Total NoV (B2C business)	**1,30,200**	**1,47,710**	**1,66,210**	**1,74,400**	**2,01,830**	**2,31,650**	**2,57,330**	**2,68,790**	**3,11,190**	**3,56,440**
NoV Mix										
Food delivery	*60.9*	*56.1*	*50.8*	*47.1*	*44.4*	*40.7*	*38.3*	*36.3*	*34.6*	*32.1*
Quick commerce	*31.2*	*33.4*	*36.2*	*42.2*	*45.6*	*50.4*	*51.7*	*53.5*	*55.1*	*58.7*
Going-out	*7.9*	*10.6*	*13.0*	*10.7*	*10.0*	*8.9*	*10.1*	*10.2*	*10.3*	*9.1*
Adjusted Revenue										
Food delivery	22,560	23,400	24,130	24,090	26,570	28,630	30,530	31,250	35,370	38,790
Hyperpure (B2B supplies)	12,120	14,730	16,710	18,400	22,950	10,230	10,700	9,780	10,340	11,540
Quick commerce	9,420	11,560	13,990	17,090	24,000	98,910	1,22,560	1,32,320	1,56,640	1,91,520
Going-out	950	1,540	2,590	2,290	2,070	1,890	3,000	2,770	3,180	3,040
Others	150	40	40	10	40	20	130	680	950	1,320
Total Adjusted Revenue	**45,200**	**51,270**	**57,460**	**61,880**	**75,630**	**1,39,680**	**1,66,920**	**1,76,800**	**2,06,480**	**2,46,210**
YoY (%)	*62.2*	*58.2*	*57.6*	*59.8*	*67.3*	*172.4*	*190.5*	*185.7*	*173.0*	*76.3*
B2C take rate (as % of NoV)	***25.3***	***24.7***	***24.5***	***24.9***	***26.1***	***55.9***	***60.7***	***61.9***	***62.7***	***65.5***
Food delivery	*28.5*	*28.3*	*28.6*	*29.3*	*29.6*	*30.4*	*31.0*	*32.0*	*32.8*	*33.9*
Quick commerce	*23.2*	*23.5*	*23.2*	*23.2*	*26.1*	*84.7*	*92.2*	*92.0*	*91.4*	*91.5*
Going-out	*9.2*	*9.9*	*12.0*	*12.3*	*10.3*	*9.2*	*11.6*	*10.1*	*9.9*	*9.3*
Adjusted EBITDA										
Food delivery	3,130	3,410	4,230	4,280	4,510	5,030	5,310	5,320	6,060	6,270
Hyperpure (B2B supplies)	(220)	(210)	(190)	(220)	(180)	(50)	10	50	60	100
Quick commerce	(30)	(80)	(1,030)	(1,780)	(1,620)	(1,560)	40	370	1,020	1,840
Going-out	100	160	(170)	(470)	(540)	(630)	(1,210)	(810)	(650)	(640)
Others	10	20	10	(160)	(450)	(550)	(510)	(640)	(940)	(910)
Unallocated cost										
Total Adjusted EBITDA	**2,990**	**3,300**	**2,850**	**1,650**	**1,720**	**2,240**	**3,640**	**4,290**	**5,550**	**6,660**
YoY (%)	*2,391.7*	*704.9*	*128.0*	*(14.9)*	*(42.5)*	*(32.1)*	*27.7*	*160.0*	*222.7*	*197.3*
Adjusted EBITDAM (%)										
Food delivery	*13.9*	*14.6*	*17.5*	*17.8*	*17.0*	*17.6*	*17.4*	*17.0*	*17.1*	*16.2*
Hyperpure (B2B supplies)	*(1.8)*	*(1.4)*	*(1.1)*	*(1.2)*	*(0.8)*	*(0.5)*	*0.1*	*0.5*	*0.6*	*0.9*
Quick commerce	*(0.3)*	*(0.7)*	*(7.4)*	*(10.4)*	*(6.8)*	*(1.6)*	*0.0*	*0.3*	*0.7*	*1.0*
Going-out	*10.5*	*10.4*	*(6.6)*	*(20.5)*	*(26.1)*	*(33.3)*	*(40.3)*	*(29.2)*	*(20.4)*	*(21.1)*
Others	*6.7*	*50.0*	*25.0*	*(1,600.0)*	*(1,125.0)*	*(2,750.0)*	*(392.3)*	*(94.1)*	*(98.9)*	*(68.9)*
Total Adjusted EBITDAM (%)	***6.6***	***6.4***	***5.0***	***2.7***	***2.3***	***1.6***	***2.2***	***2.4***	***2.7***	***2.7***

Key performance indicators

KPIs	2QFY26	1QFY27	2QFY27	YoY (%)	QoQ (%)	2QFY27E	Variance (%)
Food Delivery							
Avg. MTUs (mn)	24.1	27.2	28.0	*16.2*	*2.9*	28.8	*(2.9)*
NoV (INR mn)	94,230	1,07,690	1,14,450	*21.5*	*6.3*	1,13,296	*1.0*
Gross revenue (INR mn)	28,630	35,370	38,790	*35.5*	*9.7*	34,895	*11.2*
Take rate (% of NoV)	30.4	32.8	33.9	***351 bps***	***105 bps***	30.8	*309 bps*
Contribution profit (INR mn)	9,760	10,970	11,800	*20.9*	*7.6*	11,839	*(0.3)*
CM (%)	10.4	10.2	10.3	***-5 bps***	***12 bps***	10.5	*-14 bps*
Adjusted EBITDA (INR mn)	5,030	6,060	6,270	*24.7*	*3.5*	6,487	*(3.4)*
Adj EBITDAM (As % of NoV)	5.3	5.6	5.5	***14 bps***	***-15 bps***	5.7	*-25 bps*
Quick Commerce							
Avg. MTUs (mn)	20.8	31.8	37.0	*77.9*	*16.4*	35.9	*3.0*
Ordering frequency/month (x)	3.6	3.5	3.6	*0.7*	*3.6*	3.5	*2.6*
Orders (mn)	222.7	331.0	398.9	*79.1*	*20.5*	378	*5.6*
Net AoV (INR)	524	518	525	*0.2*	*1.4*	531	*(1.1)*
NoV (INR mn)	1,16,790	1,71,320	2,09,400	*79.3*	*22.2*	2,00,577	*4.4*
Gross revenue (INR mn)	98,910	1,56,640	1,91,520	*93.6*	*22.3*	1,84,531	*3.8*
Gross Profit (INR mn)	31,320	47,100	57,600	*83.9*	*22.3*	54,256	*6.2*
GPM (%)	26.8	27.5	27.5	***69 bps***	***1 bps***	27.1	*46 bps*
Contribution profit (INR mn)	5,420	9,070	11,180	*106.3*	*23.3*	10,731	*4.2*
Contribution margin (%)	4.6	5.3	5.3	***70 bps***	***4 bps***	5.3	*-1 bps*
Adjusted EBITDA (INR mn)	(1,560)	1,020	1,840	*(217.9)*	*80.4*	1,956	*(5.9)*
Adj EBITDAM (As % of NoV)	(1.3)	0.6	0.9	***221 bps***	***28 bps***	1.0	*-10 bps*
Going out							
NoV (INR mn)	20,630	32,180	32,590	*58.0*	*1.3*	33,145	*(1.7)*
Gross revenue (INR mn)	1,890	3,180	3,040	*60.8*	*(4.4)*	3,315	*(8.3)*
Take rate (% of NoV)	9.2	9.9	9.3	***17 bps***	***-55 bps***	10.0	*-67 bps*
Adjusted EBITDA (INR mn)	(630)	(650)	(640)	*1.6*	*(1.5)*	(829)	*(22.8)*
Adj EBITDAM (As % of NoV)	(3.1)	(2.0)	(2.0)	***109 bps***	***6 bps***	(2.5)	*54 bps*
Hyperpure							
Revenue (INR mn)	10,230	10,340	11,540	*12.8*	*11.6*	10,857	*6.3*
Gross Profit (INR mn)	972	517	577	*(40.6)*	*11.6*	543	*6.3*
Gross Margin (%)	9.5	5.0	5.0	***-450 bps***	***0 bps***	5	*0 bps*
Adjusted EBITDA (INR mn)	(50)	60	100	*(300.0)*	*66.7*	43	*130.3*
Adj EBITDAM (As % of Revenue)	(0.5)	0.6	0.9	***136 bps***	***29 bps***	0.4	*47 bps*
Others							
Revenue (INR mn)	20	950	1,320	*6,500.0*	*38.9*	1,074	*23.0*
Adjusted EBITDA (INR mn)	(550)	(940)	(910)	*65.5*	*(3.2)*	(1,020)	*(10.8)*
Adj EBITDAM (As % of Revenue)	(2,750.0)	(98.9)	(68.9)	***268106 bps***	***3001 bps***	(95.0)	*2606 bps*

Income Statement

	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Net Revenues	**41,900**	**73,370**	**1,21,150**	**2,02,430**	**5,43,640**	**9,93,324**	**14,01,614**	**18,17,007**
Growth (%)	111.6	75.1	65.1	67.1	168.6	82.7	41.1	29.6
Material Expenses	5,246	13,952	28,820	55,650	3,01,670	43,330	43,330	46,364
Employee Expense	16,331	14,650	16,590	25,580	35,360	58,334	79,140	99,900
A&P Expense	12,168	12,274	14,320	19,720	33,500	61,210	86,370	1,11,967
Outsourced support cost	1,724	2,969	3,300	5,700	11,310	20,665	29,159	37,801
Delivery and related charges	18,141	25,369	39,150	57,280	90,650	1,65,633	2,33,714	3,02,979
Other Expenses	6,822	13,683	18,540	32,130	59,070	6,14,487	8,79,799	11,42,286
EBITDA	**(18,532)**	**(9,527)**	**430**	**6,370**	**12,080**	**29,663**	**50,102**	**75,709**
EBITDA Growth (%)	**285.3**	**(48.6)**	**(104.5)**	**1,381.4**	**89.6**	**145.6**	**68.9**	**51.1**
EBITDA Margin (%)	**(44.2)**	**(13.0)**	**0.4**	**3.1**	**2.2**	**3.0**	**3.6**	**4.2**
Adjusted EBITDA	**(9,800)**	**(12,360)**	**3,720**	**10,790**	**11,890**	**26,776**	**46,607**	**71,205**
Adjusted EBITDAM (% of GoV)	**(4.6)**	**(3.6)**	**0.8**	**1.4**	**1.0**	**1.5**	**1.9**	**2.3**
Pre-IND AS 116 EBITDA	**(18,579)**	**(17,420)**	**(1,430)**	**2,810**	**3,700**	**18,086**	**37,517**	**62,115**
Pre-IND AS 116 EBITDAM (%)	**(44.3)**	**(23.7)**	**(1.2)**	**1.4**	**0.7**	**1.8**	**2.7**	**3.4**
Depreciation	1,503	4,369	5,260	8,630	15,970	23,331	26,530	29,826
EBIT	**(20,035)**	**(13,896)**	**(4,830)**	**(2,260)**	**(3,890)**	**6,333**	**23,572**	**45,884**
Other Income (Including EO Items)	7,923	6,816	8,470	10,770	13,960	13,983	13,370	14,191
Interest	120	487	720	1,540	3,920	6,158	5,768	6,342
PBT	**(12,232)**	**(7,567)**	**2,920**	**6,970**	**6,150**	**14,157**	**31,173**	**53,733**
Total Tax	20	(436)	(600)	1,700	2,490	3,563	7,846	13,525
PAT before share of associate earnings	**(12,252)**	**(7,131)**	**3,520**	**5,270**	**3,660**	**10,594**	**23,327**	**40,208**
Share of associate earnings	3	(3)	-	-	-	-	-	-
RPAT	**(12,249)**	**(7,134)**	**3,520**	**5,270**	**3,660**	**10,594**	**23,327**	**40,208**
Exceptional Gain/(loss)	2,974	1	-	-	-	-	-	-
Adjusted PAT	**(15,223)**	**(7,135)**	**3,520**	**5,270**	**3,660**	**10,594**	**23,327**	**40,208**
APAT Growth (%)	**201.2**	**(53.1)**	**(149.3)**	**49.7**	**(30.6)**	**189.5**	**120.2**	**72.4**
Adjusted EPS (Rs)	**(2.0)**	**(0.9)**	**0.4**	**0.5**	**0.4**	**1.1**	**2.4**	**4.2**
EPS Growth (%)	**111.5**	**(57.2)**	**(147.5)**	**34.7**	**(30.6)**	**189.5**	**120.2**	**72.4**

Balance Sheet

	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
SOURCES OF FUNDS								
Share Capital - Equity	7,643	8,364	8,680	9,070	9,190	9,190	9,190	9,190
Reserves	1,57,412	1,86,234	1,95,450	2,94,100	3,00,610	3,11,204	3,34,531	3,74,739
Total Shareholders Funds	**1,65,055**	**1,94,598**	**2,04,130**	**3,03,170**	**3,09,800**	**3,20,394**	**3,43,721**	**3,83,929**
Minority Interest	**(66)**	**(66)**	**(70)**	**(70)**	**(70)**	**(70)**	**(70)**	**(70)**
Long Term Debt	-	58	-	-	-	-	-	-
Short Term Debt	-	346	-	-	-	-	-	-
Total Debt	**-**	**404**	**-**	**-**	**-**	**-**	**-**	**-**
Net Deferred Taxes	**-**	**2,495**	**1,880**	**2,120**	**1,020**	**1,020**	**1,020**	**1,020**
Other Non-current Liabilities & Provns	**706**	**4,710**	**7,520**	**20,460**	**45,920**	**48,431**	**54,276**	**59,704**
TOTAL SOURCES OF FUNDS	**1,65,695**	**2,02,141**	**2,13,460**	**3,25,680**	**3,56,670**	**3,69,775**	**3,98,947**	**4,44,583**
APPLICATION OF FUNDS								
Net Block	1,308	11,990	10,410	18,770	26,440	33,226	34,409	35,336
CWIP	6	75	180	510	1,360	1,360	1,360	1,360
Other Non-current Assets	65,646	72,816	64,740	1,10,740	1,25,140	1,17,471	1,18,250	1,19,974
Total Non-current Assets	**66,960**	**84,881**	**75,330**	**1,30,020**	**1,52,940**	**1,52,058**	**1,54,018**	**1,56,670**
Inventories	397	827	880	1,760	21,810	39,851	56,231	72,896
Debtors	1,599	4,569	7,940	19,460	17,640	29,238	37,415	48,504
Other Current Assets	41,382	47,896	25,650	36,930	51,410	93,935	1,32,545	1,71,828
Cash & Equivalents	**62,932**	**77,814**	**1,23,760**	**1,68,060**	**1,63,560**	**1,47,313**	**1,49,426**	**1,64,107**
Total Current Assets	**1,06,310**	**1,31,106**	**1,58,230**	**2,26,210**	**2,54,420**	**3,10,336**	**3,75,618**	**4,57,334**
Creditors	4,288	6,798	8,860	15,360	30,100	54,998	77,604	1,00,603
Other Current Liabilities & Provns	3,287	7,048	11,240	15,190	20,590	37,621	53,085	68,818
Total Current Liabilities	**7,575**	**13,846**	**20,100**	**30,550**	**50,690**	**92,619**	**1,30,689**	**1,69,421**
Net Current Assets	98,735	1,17,260	1,38,130	1,95,660	2,03,730	2,17,717	2,44,929	2,87,913
TOTAL APPLICATION OF FUNDS	**1,65,695**	**2,02,141**	**2,13,460**	**3,25,680**	**3,56,670**	**3,69,775**	**3,98,947**	**4,44,583**

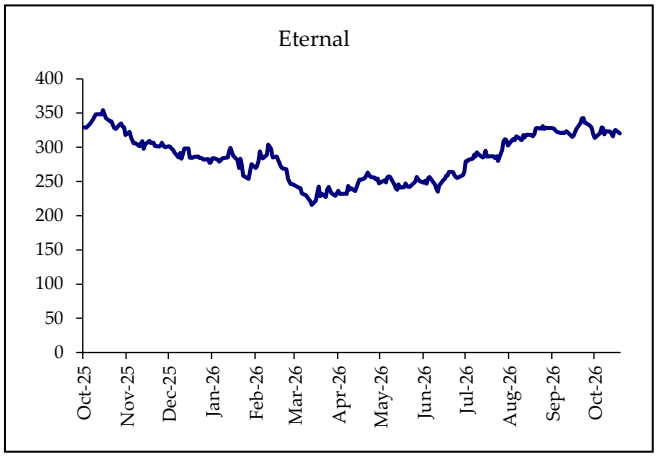
Cash Flow Statement

	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Reported PBT	(12,205)	(10,146)	2,910	6,970	6,150	14,157	31,173	53,733
Non-operating & EO Items	1,474	(646)	(1,860)	(450)	140	(13,983)	(13,370)	(14,191)
Interest Expenses	7	50	20	40	-	6,158	5,768	6,342
Depreciation	1,503	4,369	5,260	8,630	15,970	23,331	26,530	29,826
Working Capital Change	2,483	(1,759)	1,180	(10,930)	(12,280)	(30,234)	(25,098)	(28,304)
Tax Paid	(192)	(308)	(1,050)	(1,180)	(3,660)	(3,563)	(7,846)	(13,525)
OPERATING CASH FLOW (a)	**(6,930)**	**(8,440)**	**6,460**	**3,080**	**6,320**	**(4,134)**	**17,158**	**33,881**
Capex	(558)	(1,621)	(2,020)	(29,360)	(17,460)	(19,598)	(16,517)	(18,110)
Free Cash Flow (FCF)	(7,488)	(10,061)	4,440	(26,280)	(11,140)	(23,732)	640	15,771
Investments	(76,196)	8,794	(7,630)	(58,760)	13,290	-	-	-
Non-operating Income	(2,624)	(2,600)	6,180	8,190	9,530	11,132	1,396	(177)
INVESTING CASH FLOW (b)	**(79,378)**	**4,573**	**(3,470)**	**(79,930)**	**5,360**	**(8,465)**	**(15,121)**	**(18,287)**
Debt Issuance/(Repaid)	(20)	(324)	(420)	(40)	(160)	(6,158)	(5,768)	(6,342)
FCFE	(86,328)	(4,191)	2,570	(76,890)	11,520	(18,758)	(3,732)	9,253
Share Capital Issuance	-	-	310	84,510	120	-	-	-
Dividend	-	-	-	-	-	-	-	-
Others	(298)	(1,055)	(1,960)	(4,050)	(8,380)	2,511	5,845	5,428
FINANCING CASH FLOW (c)	**(318)**	**(1,379)**	**(2,070)**	**80,420**	**(8,420)**	**(3,647)**	**77**	**(914)**
NET CASH FLOW (a+b+c)	**(86,626)**	**(5,246)**	**920**	**3,570**	**3,260**	**(16,247)**	**2,113**	**14,680**
EO Items, Others								
Closing Cash & Equivalents	3,923	2,181	3,090	6,660	9,960	(6,287)	(4,174)	10,507

Key Ratios

	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
PROFITABILITY (%)								
GPM	87.5	81.0	76.2	72.5	44.5	95.6	96.9	97.4
EBITDA Margin	(44.2)	(13.0)	0.4	3.1	2.2	3.0	3.6	4.2
Pre-IND-AS EBITDA Margin (%)	(65.2)	(23.7)	(1.2)	1.4	0.7	1.8	2.7	3.4
Adj. EBITDAM (%)	(23.4)	(16.8)	3.1	5.3	2.2	2.7	3.3	3.9
EBIT Margin	(47.8)	(18.9)	(4.0)	(1.1)	(0.7)	0.6	1.7	2.5
APAT Margin	(36.3)	(9.7)	2.9	2.6	0.7	1.1	1.7	2.2
RoE	(12.4)	(4.0)	1.8	2.1	1.2	3.4	7.0	11.1
RoIC (or Core RoCE)	(26.1)	(5.9)	4.1	5.2	3.4	7.3	11.7	17.0
RoCE	(12.2)	(3.6)	2.1	2.4	1.8	4.2	7.2	10.7
RoE*	(12.4)	(4.0)	1.8	2.1	1.2	3.2	6.7	10.4
EFFICIENCY								
Tax Rate (%)	(0.1)	5.8	(20.5)	24.4	40.5	25.2	25.2	25.2
Fixed Asset Turnover (x)	30.1	20.2	22.9	15.1	18.8	20.6	21.8	22.1
Inventory (days)	3.5	4.1	2.7	3.2	14.6	14.6	14.6	14.6
Debtors (days)	13.9	22.7	23.9	35.1	11.8	10.7	9.7	9.7
Other Current Assets (days)	360.5	238.3	77.3	66.6	34.5	34.5	34.5	34.5
Payables (days)	37.4	33.8	26.7	27.7	20.2	20.2	20.2	20.2
Other Current Liab & Provns (days)	28.6	35.1	33.9	27.4	13.8	13.8	13.8	13.8
Cash Conversion Cycle (days)	311.9	196.2	43.3	49.8	27.0	25.9	24.9	24.9
Net D/E (x)	(0.4)	(0.4)	(0.6)	(0.6)	(0.5)	(0.5)	(0.4)	(0.4)
Interest Coverage (x)	(167.0)	(28.5)	(6.7)	(1.5)	(1.0)	1.0	4.1	7.2
PER SHARE DATA (Rs)								
EPS	(2.0)	(0.9)	0.4	0.5	0.4	1.1	2.4	4.2
CEPS	(1.6)	0.3	1.8	2.8	4.6	7.3	9.5	12.1
Dividend								
Book Value	21.6	23.3	23.5	31.4	32.1	33.2	35.6	39.8
VALUATION								
P/E (x)	(156.1)	(364.6)	766.9	569.5	820.0	283.3	128.7	74.6
P/BV (x)	14.4	13.4	13.2	9.9	9.7	9.4	8.7	7.8
EV/EBITDA (x)	(124.9)	(144.9)	(1,801.2)	1,008.3	766.9	157.8	76.0	45.7
EV/Revenues (x)	55.2	34.4	21.3	14.0	5.2	2.9	2.0	1.6
OCF/EV (%)	(0.3)	(0.3)	0.3	0.1	0.2	(0.1)	0.6	1.2
FCF/EV (%)	(0.3)	(0.4)	0.2	(0.9)	(0.4)	(0.8)	0.0	0.6
FCFE/Mkt Cap (%)	(3.6)	(0.2)	0.1	(2.6)	0.4	(0.6)	(0.1)	0.3
Dividend Yield (%)	-	-	-	-	-	-	-	-

Price Movement



Rating Criteria

BUY:	>+15% return potential
ADD:	+5% to +15% return potential
REDUCE:	-10% to +5% return potential
SELL:	> 10% Downside return potential

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