

Estimate change	
TP change	
Rating change	

Bloomberg	ETERNAL IN
Equity Shares (m)	9650
M.Cap.(INRb)/(USDb)	2735.9 / 29.8
52-Week Range (INR)	368 / 190
1, 6, 12 Rel. Per (%)	2/4/23
12M Avg Val (INR M)	14840

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
GOV	460.3	545.2	646.9
Net Sales	543.2	1002.8	1653.1
Change (%)	168.4	84.6	64.9
EBITDA	10.6	28.0	59.0
EBITDA margin (%)	1.9	2.8	3.6
Adj. PAT	3.3	15.9	32.7
PAT margin (%)	0.6	1.6	2.0
RoE (%)	1.09	5.05	9.64
RoCE (%)	-0.76	3.06	7.53
EPS	0.37	1.77	3.64
EV/ Sales	4.7	2.5	1.5
Price/ Book	8.3	7.9	7.2

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	0.0	0.0	0.0
DII	32.7	30.1	20.5
FII	41.8	44.8	53.4
Others	25.5	25.1	26.1

FII Includes depository receipts

CMP: INR284
TP: INR360 (+27%)
Buy
Bracing for a dogfight
Expect high volatility in short term as competition heats up

- Eternal reported 3QFY26 net revenue of INR163b, up 20.7% QoQ, above our estimate of 11.8% QoQ growth.
- Food delivery (FD) NOV came in at INR98.4b, above our est. of INR94.2b. Blinkit NOV came in at INR133b (up 120% YoY) vs. our est. of INR133.6b. For FD, adjusted EBITDA as a % of NOV margin was up 10bp QoQ at 5.4% vs. our estimate of 5.3%.
- Blinkit reported a contribution margin of 5.5% (4.6% in 2Q). Adj. EBITDA margin was at breakeven, above our expectation of -1.3%.
- Mr. Albinder Dhindsa, the current CEO of Blinkit, is set to become CEO of Eternal, effective 1st Feb'26, replacing Mr. Deepinder Goyal, who will continue to remain on the board.
- **Our TP of INR360 implies a 27% upside from current levels.** While FD growth is recovering, the pace of normalization remains gradual, and we expect the EBITDA respite in Blinkit to be short-lived as competitive intensity in quick commerce (QC) re-accelerates. **We reiterate our BUY rating**, supported by Eternal's market leadership in both QC and FD and the long-term optionality in Blinkit as a generational opportunity in grocery and retail disruption. However, potential elevated discounting/investments in both QC and the going-out business are anticipated to constrain profitability in the short term.

Our view: EBITDA respite short-lived, more pain ahead

- **EBITDA breakeven in Blinkit, but expect another period of competitive intensity:** Blinkit achieved EBITDA breakeven on the back of a better assortment mix and supply chain efficiencies. However, we expect some volatility and no meaningful improvement in metrics in the near term, as competitive intensity heats up.
- **Bracing for a dogfight?:** We note that our view (see our note dated 3rd Nov'25: [Eternal & Swiggy: Deja Vu?](#)) of lower competitive intensity and cost focus in the industry has not played out. Contrary to earlier expectations, the risk is that the market leader could be drawn into a dogfight too, with lower minimum order values and higher discounts. We also note that Eternal has stopped reporting GOV and has moved to NOV reporting, which means that going forward we will not be able to ascertain the extent of discounting at Blinkit; this could point to slightly higher discounting intensity. We believe this will delay the path to profitability for Blinkit. As a result, we reduce our adjusted EBITDA assumptions by ~15% for FY27/28E, and accordingly lower our TP to INR360 (INR420 earlier).

- **Other businesses: Hyperpure turns profitable; Going-out in investment phase:** In our view, Hyperpure turning adj. EBITDA positive is encouraging. While still smaller within Eternal, management sees a path to ~USD1b in revenue with 4-5% margins over the next three years, alongside ecosystem benefits across FD and Blinkit by helping restaurants run leaner and improving sourcing economics. That said, we believe Going-out business remains in an investment phase with high losses due to upfront investment in live IPs and District Pass. Management expects losses to narrow sequentially; accordingly, we have built in ~INR1,000m loss in 4Q (vs. INR1,210m loss in 3Q), with breakeven targeted in the next 4-6 quarters.
- **FD growth recovering:** FD growth continued its steady recovery, with NOV growing 16.6% YoY, driven by a modestly improving demand environment that led to higher-than-expected order volumes, a reduction in MOV for free delivery on Gold orders, and strong MTC additions during the quarter. Management expects growth to gradually trend toward ~20% YoY as market share gains continue. We have built in a gradual convergence, with NOV growth of 15.3%/18.0%/18.7% in FY26/27/28E.
- **Leadership transition introduces some uncertainty:** The CEO transition appears orderly, but the division of responsibilities between management and the board remains unclear as of now. While we believe day-to-day execution is unlikely to be disrupted, the change does introduce some uncertainty to the business.

Valuation and changes to our estimates

- Eternal's FD business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery, and e-commerce. We reduce our FY27/FY28 estimates by ~15%, factoring in intense competition, continued dark store expansion, and branding and marketing investments in QC. Eternal should report a PAT margin of 1.6%/2.0% in FY27/28E. Our TP of INR360 implies a 27% upside from the current level. **We reiterate our BUY rating on the stock.**

Blinkit hits EBITDA breakeven ahead of Street estimates

- 3Q net revenue was INR163b, up 20.7% QoQ vs. our estimate of +11.8% QoQ.
- FD NOV came in at INR98.4b, above our estimate of INR94.2b. Blinkit NOV came in at INR133b (up 120% YoY) vs. our estimate of INR133.6b.
- FD adj. EBITDA as % of NOV margin was up 10bp QoQ at 5.4% (vs. est. 5.5%).
- Blinkit reported contribution margin of 5.5% (4.6% in 2Q). Adj. EBITDA margin is at breakeven, above our expectation of -1.3%.
- FD revenue grew 8% QoQ/29% YoY (est. 19% YoY) and contribution margin was flat QoQ at 10.4%.
- Consol. reported EBITDA came in at INR3,680m (2.3% reported EBITDA margin vs. 1.8% in 2Q).
- PAT stood at INR1020m, up 72% YoY (est. INR841m).

Key highlights from the management commentary

- **FD:** YoY growth is expected to gradually inch toward ~20% over time. Growth was driven by three key factors: 1) A modest improvement in the demand environment, particularly in the second half of the quarter, leading to higher

app engagement and higher-than-expected order volume; 2) Full-quarter impact of the reduction in minimum order value for free delivery on gold orders (to INR99 from INR199), which increased ordering frequency among more budget-conscious customers; 3) Continued investments in customer activation across cohorts, reflected in 21% YoY growth in average MTC during the quarter.

- **Blinkit:** The business continues to grow at a robust pace, and the ceiling of the QC market in India is not yet visible. Mature cities such as Delhi NCR are still growing at ~55% YoY. The next seven metros are growing at over 100% YoY. Current guidance of 3,000 stores by Mar'27 assumes continued irrational competitive intensity. If competition moderates, the company would aim for 3,500-4,000 stores by Mar'27, supporting NOV growth of over 100% YoY.
- Competitive intensity increased during the last quarter as several competitors moved to zero minimum order values and zero delivery fees, alongside increased discounting across the market.
- 211 net new stores were added during the quarter, taking the total store count to 2,027, about 70 stores short of the guidance of 2,100.
- Capex per store is expected to increase due to warehousing infrastructure expansion, increased automation, and marginally larger store sizes. This is expected to drive higher productivity per store. Net working capital is expected to remain below 18 days, with RoCE outcomes north of 40%.

Y/E march	FY25								FY26E		(INR M)			
	FY25		FY26E		FY25		FY26E		Estimate	Var. (%)				
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	3QFY26	/ bp				
Revenue (net of delivery)	42,060	47,990	54,050	58,330	71,670	1,35,900	1,63,150	1,72,528	2,02,430	5,43,248	1,51,896	7.4		
YoY Change (%)	74.1	68.5	64.4	63.8	70.4	183.2	201.9	195.8	67.1	168.4	181.0	2080bp		
Inventory of traded goods	10,990	13,340	15,000	16,320	22,840	77,420	98,010	1,19,729	55,650	3,17,999	1,02,278	-4.2		
Employee Expenses	5,290	5,900	6,890	7,500	8,300	8,650	9,140	10,054	25,580	36,144	9,515	-3.9		
Delivery expenses	13,280	13,980	14,500	15,520	18,690	22,130	23,760	23,868	57,280	88,448	22,260	6.7		
Gross Profit	12,500	14,770	17,660	18,990	21,840	27,700	32,240	18,878	63,920	1,00,658	17,843	80.7		
Margins (%)	29.7	30.8	32.7	32.6	30.5	20.4	19.8	10.9	31.6	18.5	12	800bp		
Advertisement and sales promotion	3,960	4,210	5,210	6,340	6,710	8,060	9,370	8,896	19,720	33,036	7,900	18.6		
Others	6,770	8,300	10,830	11,930	13,980	17,250	19,190	6,869	37,830	57,289	6,881	178.9		
EBITDA	1,770	2,260	1,620	720	1,150	2,390	3,680	3,112	6,370	10,332	3,062	20.2		
Margins (%)	4.2	4.7	3.0	1.2	1.6	1.8	2.3	1.8	3.1	1.9	2.0	20bp		
Depreciation	1,490	1,800	2,470	2,870	3,140	3,760	4,390	3,451	8,630	14,741	3,797	15.6		
Interest	250	300	430	560	670	860	1,070	700	1,540	3,300	700	52.9		
Other Income	2,360	2,210	2,520	3,680	3,540	3,520	3,480	2,500	10,770	13,040	2,500	39.2		
PBT before EO expense	2,390	2,370	1,240	970	880	1,290	1,700	1,461	6,970	5,331	1,065	59.6		
PBT	2,390	2,370	1,240	970	880	1,290	1,700	1,461	6,970	5,331	1,065	59.6		
Tax	-140	610	650	580	630	640	680	307	1,700	2,257	224	204.1		
Rate (%)	-5.9	25.7	52.4	59.8	71.6	49.6	40.0	21.0	NA	NA	21.0	1900bp		
Reported PAT	2,530	1,760	590	390	250	650	1,020	1,154	5,270	3,074	841	21.2		
Adj PAT	2,530	1,760	590	390	250	650	1,020	1,154	5,270	3,074	841	21.2		
YoY Change (%)	12,550.0	389	-57.2	-77.7	-90.1	-63.1	72.9	196.0	50.1	-41.7	42.6	NA		
Margins (%)	6.0	3.7	1.1	0.7	0.3	0.5	0.6	0.7	2.6	0.6	0.6	NA		

Story in charts

Overall business

Exhibit 1: Eternal saw strong sequential growth in 3Q

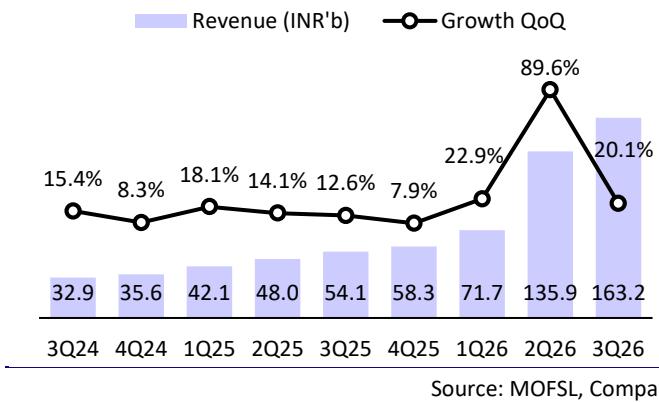
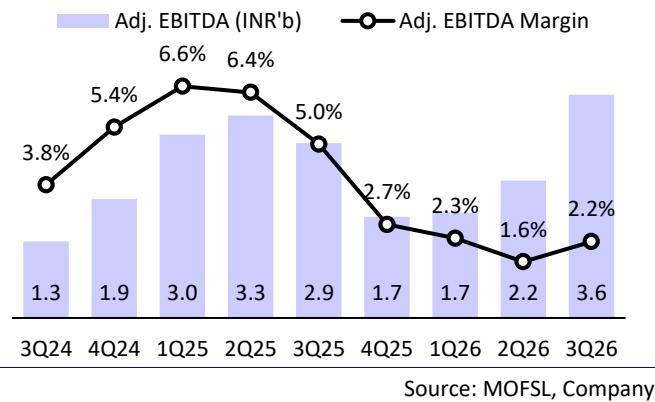


Exhibit 2: Profitability improved as QC hits breakeven



Food Delivery

Exhibit 3: FD GOV growth was modest at 4.5%

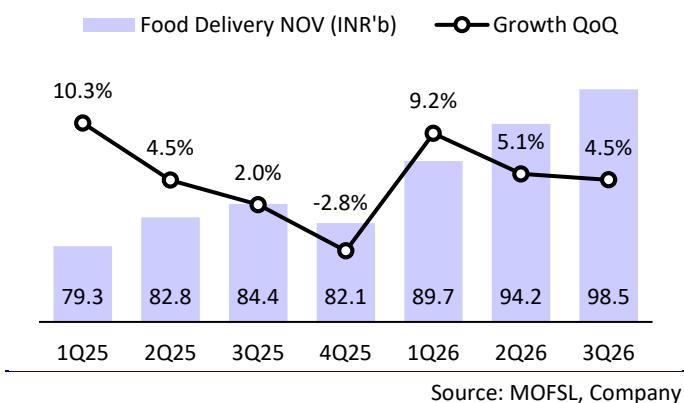


Exhibit 4: Take rate expanded 70bp QoQ

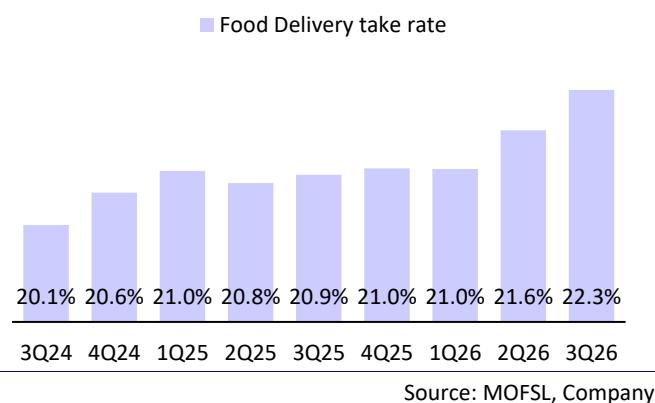


Exhibit 5: FD revenue posted 8% sequential growth

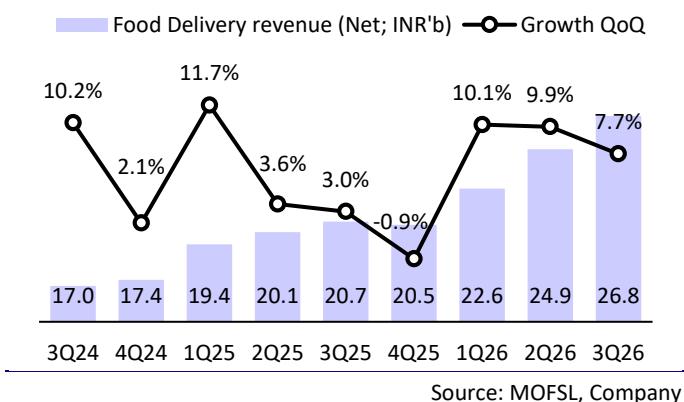
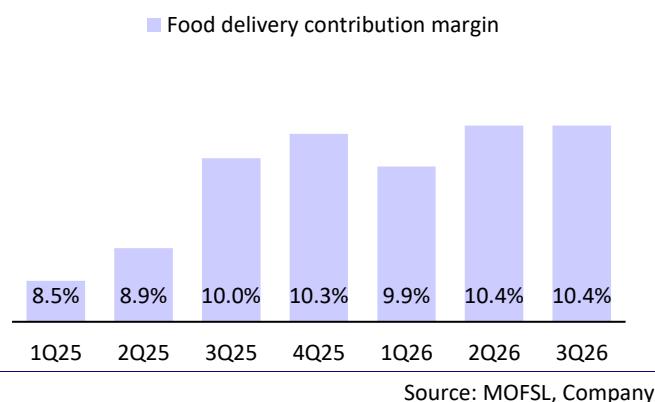


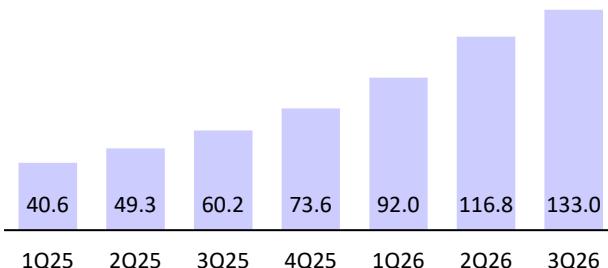
Exhibit 6: Contribution margin remained flat QoQ



Blinkit

Exhibit 7: NOV saw 14% sequential growth

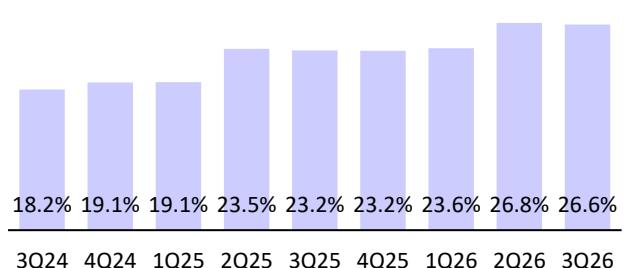
■ Blinkit NOV (INR'b)



Source: MOFSL, Company

Exhibit 8: Gross margin declined 20bp QoQ

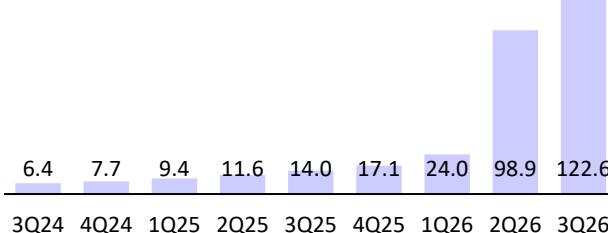
■ Blinkit take rate



Source: MOFSL, Company

Exhibit 9: Blinkit revenue grew 24% QoQ

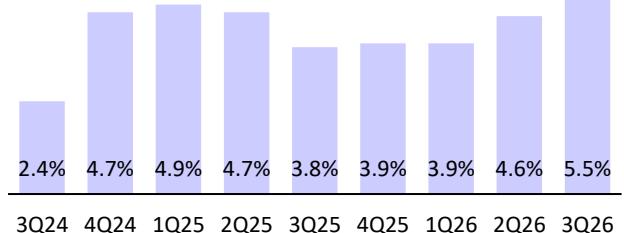
■ Blinkit Revenue (INR'b)



Source: MOFSL, Company

Exhibit 10: Blinkit's contribution margin expanded 90bp

■ Blinkit contribution margin

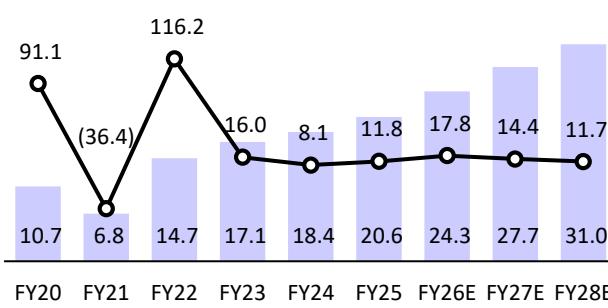


Source: MOFSL, Company

Our estimates

Exhibit 11: Expect double-digit growth in FD MTU

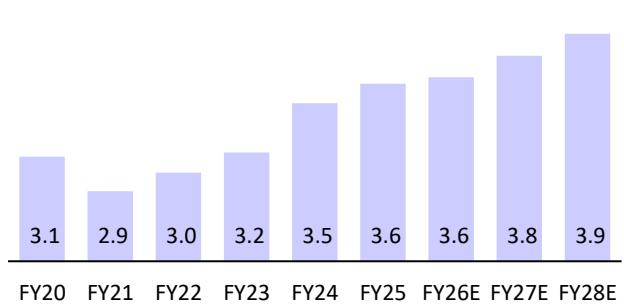
■ MTU (Mn) ●—○— Growth (%)



Source: MOFSL, Company

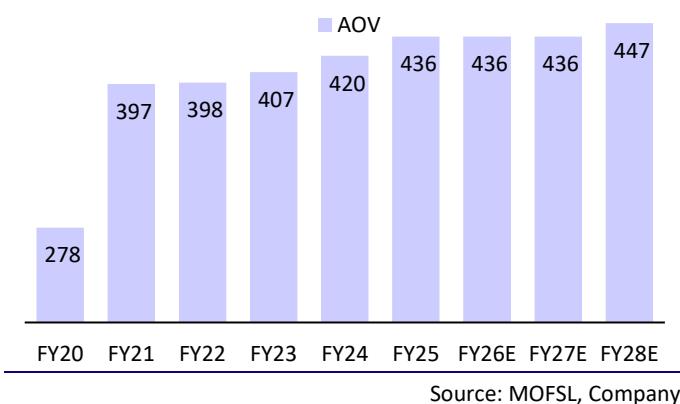
Exhibit 12: Order frequency shall be stable in FY26

■ Order Frequency per month



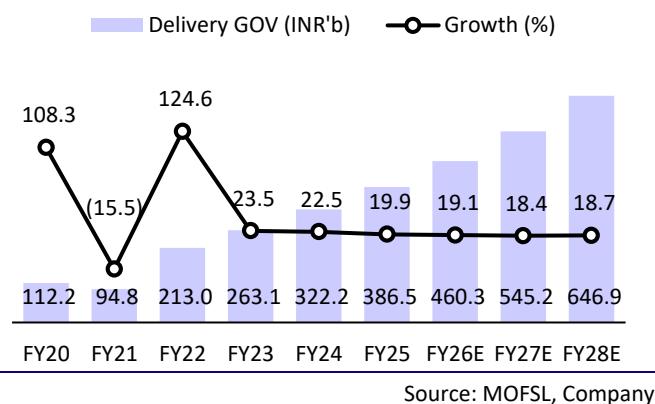
Source: MOFSL, Company

Exhibit 13: AOV to grow steadily



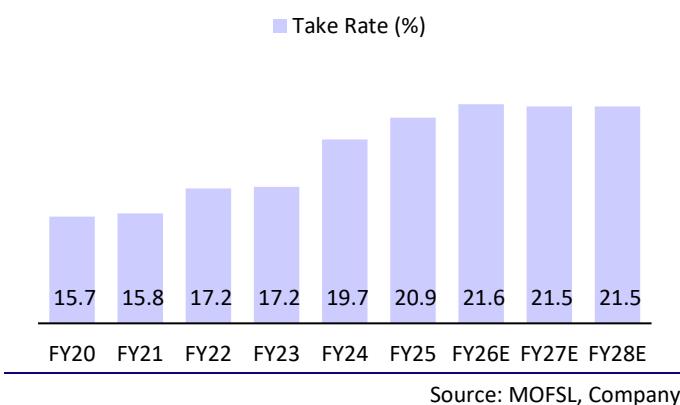
Source: MOFSL, Company

Exhibit 14: Strong GOV growth



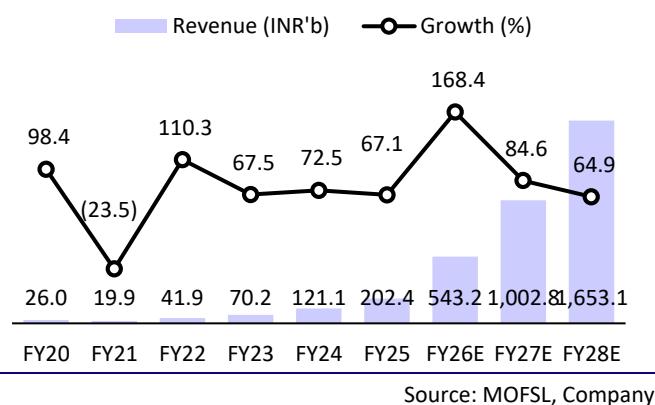
Source: MOFSL, Company

Exhibit 15: Take rates likely to be stable



Source: MOFSL, Company

Exhibit 16: Est. revenue growth of 85%/65% in FY27E/FY28E



Source: MOFSL, Company



Key highlights from the management commentary

Demand and growth outlook

- Management remains watchful of competition but largely focuses on its own execution as long as competition does not meaningfully impact its business. So far, there has been no noticeable impact from the recent increase in competitive intensity on business quality, customers, or NOV market share.
- Competition across the board has improved.
- **QC:** Adjusted EBITDA margin (as % of NOV) turned positive for the first time on a quarterly basis, with an adjusted EBITDA profit of INR40m, improving significantly from a loss of INR 1560m in the previous quarter.
- Margin improvement was driven by supply chain cost efficiencies, a favorable shift toward long-tail categories, and operating leverage. This reflects the natural progression of a strong and maturing QC business.
- More than half of the expected 1pp margin accretion from the shift to an inventory-led model has already been realized. The full benefit is expected over the next 6-9 months and is not expected to exceed 1pp. In 3QFY26, ~90% of NOV was on own inventory, and this is not expected to increase meaningfully from hereon.
- Management does not believe a sustainable QC business can be built on heavy discounting. However, if competitive tactics begin to materially impact the business, a response may be required, which could affect margins.
- The pace of margin expansion may not remain uniform, as it is a multi-variable outcome. However, management is confident of margin expansion to 5-6% of NOV. More mature cities are already operating close to the steady-state guidance of 5-6%.
- No material P&L impact is expected from recent changes to labor laws.
- The ESOP pool stands at over 220m shares and may expand by ~30m shares.
- **FD:** YoY growth is expected to gradually inch toward ~20% over time. Growth was driven by three key factors: 1) A modest improvement in the demand environment, particularly in the second half of the quarter, leading to higher app engagement and higher-than-expected order volumes; 2) Full-quarter impact of the reduction in minimum order value for free delivery on Gold orders (to INR99 from INR199), which increased ordering frequency among more budget-conscious customers; 3) Continued investments in customer activation across cohorts, reflected in 21% YoY growth in average MTC during the quarter.
- **Blinkit:** The business continues to grow at a robust pace, and the ceiling of the QC market in India is not yet visible. Mature cities such as Delhi NCR are still growing at ~55% YoY. The next seven metros are growing at over 100% YoY.
- In the near term, NOV growth can be influenced by competitive intensity, which introduces volatility. Aggressive pricing actions can stimulate demand, but such demand tends to be less durable and may moderate subsequently.
- Current guidance of 3,000 stores by Mar'27 assumes continued irrational competitive intensity. If competition moderates, the company would aim for 3,500-4,000 stores by Mar'27, supporting NOV growth of over 100% YoY.
- Competitive intensity is focused on taking share, while Blinkit's strategy is centered on expanding overall market size.

- Competitive intensity increased during the last quarter as several competitors moved to zero minimum order values and zero delivery fees, alongside increased discounting across the market.
- Store throughput is influenced by expanding assortment. In some quarters, assortment expansion may include slower-moving categories vs. core SKUs, but this is not seen as a long-term concern.
- In the previous quarter, competitive freebies did not materially impact market share, allowing pricing discipline to be maintained. However, delivery charges were reduced in some markets recently after observing some impact. Overall, competition is having an effect.
- QC NOV growth remained strong at 121% YoY (14% QoQ) despite GST changes and seasonality.
- Part of this reflects a more aggressive competitive stance, and some share loss to peers was observed.
- 211 net new stores were added during the quarter, taking the total store count to 2,027, about 70 stores short of the guidance of 2,100.
- The shortfall was due to regulations in Delhi NCR, where pollution-related restrictions slowed construction and store fit-outs for several weeks. These restrictions remain in place.
- The company remains on track to reach 3,000 stores by Mar'27.
- Capex per store is expected to increase due to higher warehousing infrastructure, increased automation, and marginally larger store sizes. This is expected to drive higher productivity per store. Net working capital is expected to remain below 18 days, with ROCE outcomes north of 40%.
- **Going-Out (District):** Going-out NOV grew 20% YoY, while adjusted EBITDA margin declined to -4.7%, resulting in an adjusted EBITDA loss of INR1,210m for the quarter (vs. INR 630m in 2QFY26). This was driven by continued investments in category creation. Two primary drivers of higher-than-expected burn were investments in new live IPs in the events business and upfront investments in District Pass, over and above ongoing customer acquisition and engagement costs.
- Losses are expected to reduce sequentially, moving toward breakeven over the next 4-6 quarters. District is expected to become a USD3b NOV business with a 5% adjusted EBITDA margin by FY30.

Valuation and view

- Eternal's FD 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 12.0% cost of capital and assign a 35x 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 INR360, implying 27% potential upside.**

Exhibit 17: Summary of our revised estimates

	Revised estimates			Earlier estimates			Change (%/bp)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue (INR m)	5,43,248	10,02,760	16,53,056	5,38,185	11,11,138	19,43,216	0.9%	-9.8%	-14.9%
EBITDA (INR m)	10,574	28,016	59,015	10,384	33,120	71,723	1.8%	-15.4%	-17.7%
EBITDA Margin	1.9	2.8	3.6	1.9	3.0	3.7	2bp	-19bp	-12bp
PAT	3,316	15,883	32,667	3,340	18,538	39,175	-0.7%	-14.3%	-16.6%
PAT Margin	0.6	1.6	2.0	0.6	1.7	2.0	-1bp	-8bp	-4bp
EPS	0.37	1.77	3.64	0.37	2.07	4.4	-0.7%	-14.3%	-16.6%

Source: MOFSL

Exhibit 18: QC's DCF assumptions
DCF Assumptions & Valuation
Quick Commerce

Order growth (FY25-37) 33.4%

NOV growth (FY25-37) 33.7%

*Assumed ANOV at INR541 to remain constant

Source: MOFSL

Exhibit 19: SoTP-based TP at INR360

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)	9,84,881	17,34,956	88,000	1,78,200	
Contribution (INR rounded)	121	213	11	22	360

Source: MOFSL

Financials and valuations

Valuation metrics

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
MTU (m)	6.8	14.7	17.1	18.4	20.6	24.3	27.7	31.0
Order Frequency	2.9	3.0	3.2	3.5	3.6	3.6	3.8	3.9
Orders/ Month	19.9	44.7	54.0	63.9	73.9	88.0	104.2	120.6
Orders/ Year	239	537	648	766	886	1,056	1,250	1,447
AOV	397	398	407	420	436	436	436	447
Delivery GOV	94,829	2,13,565	2,63,381	3,22,039	3,86,430	4,60,305	5,45,209	6,46,942
Take Rate (%)	15.8	17.2	17.2	19.7	20.9	21.6	21.5	21.5
Delivery Revenue	15,003	36,645	45,381	63,572	80,796	99,510	1,17,220	1,39,093
Blinkit revenue	0	0	8,058	23,020	52,060	3,78,502	8,23,973	14,44,796
Hyperpure revenue	2,002	5,376	15,061	31,720	61,960	54,848	46,681	51,527
Others	2,933	-97	2,294	2,828	7,614	10,389	14,887	17,640
Revenue	19,938	41,924	70,794	1,21,140	2,02,430	5,43,248	10,02,760	16,53,056

Income statement

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Sales	19,938	41,924	70,794	1,21,140	2,02,430	5,43,248	10,02,760	16,53,056
Change (%)	-23.5	110.3	68.9	71.1	67.1	168.4	84.6	64.9
Gross Profit	-925	2,206	16,823	36,580	63,920	1,29,082	2,52,623	4,46,314
% of Net Sales	-4.6	5.3	23.8	30.2	31.6	23.8	25.2	27.0
Other Expenses	3,746	20,714	28,936	36,160	57,544	1,18,509	2,24,608	3,87,299
EBITDA	-4,672	-18,508	-12,113	420	6,376	10,574	28,016	59,015
% of Net Sales	-23.4	-44.1	-17.1	0.3	3.1	1.9	2.8	3.6
Depreciation	1,377	1,503	4,369	5,260	8,630	14,741	15,041	24,796
EBIT	-6,049	-20,011	-16,482	-4,840	-2,254	-4,167	12,974	34,219
% of Net Sales	-30.3	-47.7	-23.3	-4.0	-1.1	-0.8	1.3	2.1
Other Income (net)	1,146	4,829	6,328	7,750	9,230	9,740	7,200	7,200
PBT	-4,904	-15,182	-10,154	2,910	6,976	5,573	20,174	41,419
Tax	13	20	-436	-600	1,700	2,257	4,291	8,753
Rate (%)	-0.3	-0.1	4.3	-20.6	24.4	40.5	21.3	21.1
PAT	-4,917	-15,202	-9,718	3,510	5,276	3,316	15,883	32,667
Extraordinary gains/loss	-3,248	2,974	1	0	0	0	0	0
Adjusted PAT	-8,164	-12,228	-9,717	3,510	5,276	3,316	15,883	32,667
Minority Interest	-36	3	-3	0	0	0	0	0
Reported PAT	-8,128	-12,225	-9,720	3,510	5,276	3,316	15,883	32,667
Change (%)	NA	NA	NA	NA	NA	NA	NA	NA

Balance Sheet

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share capital	4,550	7,643	8,364	8,680	9,070	9,070	9,070	9,070
Reserves	76,438	1,57,412	1,86,234	1,95,450	2,94,100	2,97,416	3,13,299	3,45,966
Net Worth	80,987	1,65,055	1,94,598	2,04,130	3,03,170	3,06,486	3,22,369	3,55,036
Minority Interest & Others	-57	-66	-66	-70	-70	-70	-70	-70
Loans	0	0	58	0	0	0	0	0
Capital Employed	80,930	1,64,989	1,94,590	2,04,060	3,03,100	3,06,416	3,22,299	3,54,966
Net Block	838	1,157	6,432	9,950	29,340	42,921	67,990	76,255
Intangibles	14,553	12,892	57,071	54,710	66,490	62,614	67,628	75,893
Other LT assets	30,138	83,771	44,174	1,14,320	1,43,390	1,23,390	1,08,390	1,08,390
Curr. Assets	41,505	75,450	1,08,310	54,580	1,17,010	1,55,220	1,89,185	2,52,255
Debtors	1,299	1,599	4,569	7,940	19,460	52,223	96,397	1,58,912
Cash & Bank Balance	3,065	3,923	2,181	3,090	6,660	12,106	1,897	2,453
Investments	28,024	28,149	52,837	17,020	52,200	52,200	52,200	52,200
Other Current Assets	9,118	41,779	48,723	26,530	38,690	38,690	38,690	38,690
Current Liab. & Prov	6,105	8,281	21,397	29,500	53,130	77,728	1,10,892	1,57,826
Net Current Assets	35,400	67,169	86,913	25,080	63,880	77,492	78,292	94,428
Application of Funds	80,930	1,64,989	1,94,590	2,04,060	3,03,100	3,06,418	3,22,301	3,54,967

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
EPS	-1.0	-1.7	-1.2	0.4	0.6	0.4	1.8	3.6
Cash EPS	-0.8	-1.5	-0.7	1.0	1.6	2.0	3.4	6.4
Book Value	15.0	22.6	24.1	23.7	33.8	34.2	35.9	39.6
DPS	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
Valuation (x)								
P/E	NA	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	76.4	49.3	32.3	20.1	12.5	4.7	2.5	1.5
Price/Book Value	18.8	12.5	11.8	12.0	8.4	8.3	7.9	7.2
Dividend Yield (%)	0.0	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	1.1	5.1	9.6
RoCE	(11.7)	(16.2)	(8.6)	(2.8)	(0.6)	(0.8)	3.1	7.5
Turnover Ratios								
Debtors (Days)	24	14	24	24	35	35	35	35
Fixed Asset Turnover (x)	23.8	36.2	11.0	12.2	6.9	12.7	14.7	21.7

Cash Flow Statement

(**INR m**)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	-2,612	-9,413	-6,681	5,280	14,010	8,417	23,824	50,363
Cash for Working Capital	-7,567	2,483	-1,759	1,180	-10,930	-8,166	-11,009	-15,580
Net Operating CF	-10,179	-6,930	-8,440	6,460	3,080	251	12,815	34,782
Net Purchase of FA	-104	-572	-1,014	-2,020	-9,310	-24,446	-45,124	-41,326
Free Cash Flow	-10,284	-7,502	-9,454	4,440	-6,230	-24,195	-32,309	-6,544
Net Purchase of Invest.	-52,332	-78,806	5,587	-1,450	-70,620	33,040	25,000	10,000
Net Cash from Invest.	-52,436	-79,378	4,573	-3,470	-79,930	8,594	-20,124	-31,326
Proc. from equity issues	66,083	90,000	40	230	85,010	-100	-100	-100
Proceeds from LTB/STB	-26	-13	-231	-400	0	0	0	0
Others	-2,038	-2,489	-1,083	-1,900	-4,590	-3,300	-2,800	-2,800
Dividend Payments	0	0	0	0	0	0	0	0
Cash Flow from Fin.	64,019	87,498	-1,274	-2,070	80,420	-3,400	-2,900	-2,900
Net Cash Flow	1,403	1,190	-5,141	920	3,570	5,445	-10,209	556
Opening Cash Bal.	1,672	3,065	3,923	2,181	3,091	6,661	12,106	1,897
Forex differences	-10	-332	3,399	-10	0	0	0	0
Add: Net Cash	1,403	1,190	-5,141	920	3,570	5,445	-10,209	556
Closing Cash Bal.	3,065	3,923	2,181	3,091	6,661	12,106	1,897	2,453

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NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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