

InterGlobe Aviation

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR4,406

TP: INR5,600 (+27%)

Buy

Volatile 4QFY26; stabilization expected in 1QFY27

Operating performance beats estimates

Bloomberg	INDIGO IN
Equity Shares (m)	387
M.Cap.(INRb)/(USD\$b)	1703.2 / 17.9
52-Week Range (INR)	6233 / 3895
1, 6, 12 Rel. Per (%)	4/-15/-12
12M Avg Val (INR M)	8556
Free float (%)	58.4

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	849.6	995	1080.1
EBITDA	118.4	213.1	267.8
NP	-25	59.9	84.9
EPS (INR)	-11.4	155	219.6
Growth (%)	-106.1	-1460	41.6
BV/Sh (INR)	167.8	323.7	532.8

Ratios

Net D:E	7.6	4.1	2.2
RoE (%)	-5.6	63.4	51.6
RoCE (%)	7.8	17.8	20.6
Payout (%)	5.3	0	5.3

Valuations

P/E (x)	-386.6	28.4	20.1
P/BV (x)	26.3	13.6	8.3
Adj.EV/EBITDAR(x)	16.8	10	7.9
Div. Yield (%)	-0.1	0	0.3
FCF Yield (%)	12.5	-0.7	4.9

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	41.6	41.6	49.3
DII	31.2	28.1	20.7
FII	21.6	25.0	25.1
Others	5.6	5.3	4.9

FII includes depository receipts

- InterGlobe Aviation (INDIGO) reported a 78% decline in EBITDAR to INR15b, led by higher forex loss (~INR48.8b), while EBITDA (ex-forex) was down only 5% YoY to INR56.3b. Despite the volatile 4Q impacting air travel and muted ASK growth YoY, INDIGO managed its costs better than expected. Hence, it significantly beat our EBITDA estimates (ex-forex loss) of INR48.7b.
- Due to continued capacity moderation following the Middle East airspace disruptions and network cancellations, the company guided a near-term ASK growth of ~3-4% YoY (1QFY27) as international operations gradually recover and redeployment of capacity takes place toward domestic and new metro airports. The Passenger Revenue per Available Seat Kilometer (PRASK) is expected to improve in the mid-teen range for 1QFY27, supported by better yields, higher load factors, and fuel surcharge implementation despite the ongoing seasonality and a low base from the 1QFY26 disruption (Operation Sindoor and the Air India aircraft crash).
- Factoring in better cost control by the company, we increase our FY27E/FY28E EBITDAR by 5%/2%. However, we largely retain our FY27E/FY28E earnings estimates. We value the stock at 9x FY28E EBITDAR to arrive at our TP of INR5,600. **Reiterate BUY.**

Muted performance due to the West Asia crisis and higher forex loss

- INDIGO's yield stood at INR5.2 vs. our estimate of INR5.15 (down 2% YoY). Revenue Passenger Kilometer (RPK) was at 37.4b (our est. of 38b, +2% YoY), with Load Factor at 85.8%. ASK grew 4% YoY to 43.6b (our est. of 44.2b).
- Consequently, revenue stood at INR224.4b (est. in line, flat YoY). EBITDAR stood at INR15b (est. of INR4.5b, -78% YoY) with EBITDA at INR7.4b (our est. of operating loss of INR2.2b) +3% YoY.
- INDIGO's EBITDA (excluding forex loss) stood at INR56.3b (down 5% YoY), as forex loss stood at INR48.8b vs. a gain of INR1.4b in 4QFY25.
- The company reported a loss of INR24b (est. adj. loss of INR30.4b) vs. the adj. profit of INR30.7b in 4QFY25. The adjustment includes INR2.5b relating to the impact of new labor codes.
- For FY26, ASK stood at INR172.5b (up 10% YoY), and PLF stood at 84.4% vs. 86% in FY25.
- For FY26, revenue grew 5% to INR849.1b while EBITDAR declined 34% to INR139.3b. The adj. loss stood at INR4.4b vs. adj. profit of INR72.5b
- As of Mar'26, total cash balance stood at INR516b and gross debt stood at INR777.5b (vs. INR668b in FY25).

Highlights from the management commentary

- **Aircraft ownership strategy:** The company reiterated its accelerating aircraft ownership strategy as a key balance sheet optimization and long-term value creation lever, with total cash of INR516b (including INR362b free cash) enabling higher direct aircraft ownership. The company has prepaid loans on 17 aircraft in FY26. It currently owns 36 unencumbered aircraft worth over INR95b and 53 aircraft under finance lease structures. The company also announced a USD820m investment into its GIFT City entity for aviation asset acquisition. Management continues to view aircraft ownership as financially superior to idle cash due to better returns, lower financing costs, and reduced forex exposure over time.
- **International operations and capacity deployment:** The Middle East conflict led to the cancellation of ~160 daily flights, with international operations recovering from ~20% capacity initially to nearly two-thirds currently; full normalization is expected by end-Jun, while demand is set to improve in 2QFY27. Capacity is being redeployed to new metro airports and domestic leisure routes, with international and long-haul deployment remaining flexible and profit-driven.
- **Fleet strategy:** Pratt & Whitney's Aircraft on Ground (AOG) cases remain in the "40s," with expectations to reduce to the "30s" by the end of FY27. Fleet optimization efforts are focused on reducing damp leases and phasing out older aircraft, while OEM deliveries remain on schedule. In FY26, 72 aircraft were added, bringing the total fleet to 441. The induction of India's first A321XLR has already supported early expansion into Europe, including Athens and Istanbul, with additional routes planned.

Valuation and view

- Despite continued near-term headwinds from the Middle East airspace disruptions, elevated fuel costs, rupee depreciation, and higher damp-lease exposure, we remain confident in INDIGO's growth strategy, anchored by India's strong domestic demand base and steadily expanding international network.
- Looking ahead, gradual normalization of international operations, easing Pratt & Whitney-related groundings, fleet expansion (including A321XLR-led international deployment), and resilient demand trends are expected to support performance recovery over the coming quarters.
- We expect its revenue/EBITDAR to clock a CAGR of 13%/46% over FY26-28. We value the stock at 9x FY28E EBITDAR to arrive at our TP of INR5,600. **Reiterate BUY.**

Standalone quarterly performance

(INR b)

Y/E March	FY25				FY26				FY25	FY26	FY26 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	195.7	169.7	221.1	221.5	205.0	185.6	234.7	224.4	808.0	849.6	224.2	0%
<i>YoY Change (%)</i>	17.3	13.6	13.7	24.3	4.7	9.3	6.2	1.3	17.3	5.1	32.1	
EBITDAR	57.7	23.8	59.2	69.5	57.0	8.7	58.6	15.0	210.2	139.3	4.5	237%
<i>Margin (%)</i>	29.5	14.0	26.8	31.4	27.8	4.7	25.0	6.7	26.0	16.4	2.0	
Net Rentals	6.2	7.6	7.6	8.6	4.9	3.2	5.1	7.6	30.1	20.8	6.6	15%
EBITDA	51.5	16.2	51.6	60.8	52.0	5.5	53.5	7.4	180.1	118.4	-2.2	-442%
<i>Margin (%)</i>	26.3	9.5	23.3	27.5	25.4	2.9	22.8	3.3	22.3	13.9	24.7	
Depreciation	18.7	20.8	22.2	24.8	25.5	26.3	27.7	28.0	86.4	107.5	27.0	
Interest	11.6	12.4	13.1	13.8	14.0	14.7	15.6	15.7	50.9	60.1	14.8	
Other Income	6.8	7.9	8.8	9.5	10.5	10.5	10.6	13.9	33.1	45.5	12.6	
PBT before EO exp	28.0	-9.1	25.2	31.8	23.0	-25.1	20.9	-22.4	75.9	-3.7	-31.3	-29%
Tax	0.8	0.8	0.8	1.0	1.3	1.0	0.1	1.7	3.3	4.2	-1.0	
<i>Rate (%)</i>	2.7	-8.7	3.1	3.2	5.9	-4.0	0.6	-7.7	4.4	-114.3	3.1	
Adj. PAT	27.3	-9.9	24.4	30.7	21.6	-26.1	20.8	-24.1	72.5	-4.4	-30.4	-21%
EPS	70.6	-25.6	63.2	79.5	55.9	-67.7	53.8	-62.4	187.7	-11.4	-78.6	-21%
<i>YoY Change (%)</i>	-11.7	NA	-18.6	62.3	-20.7	164.4	-14.8	-178.5	-11.2	PL	-12.5	
Operational Data												
ASK (b)	36.3	38.2	40.8	42.1	42.3	41.2	45.4	43.6	157.4	172.5	44.2	-7%
<i>YoY Change (%)</i>	11%	8%	12%	21%	17%	8%	11%	3%	13%	10%	16%	
Load factor (%)	86.8	82.7	87.0	87.4	84.4	82.5	84.6	85.9	86.0	84.4	86.0	-3.5
RPK (b)	31.5	31.6	35.5	36.8	35.7	34.0	38.4	37.4	135.4	145.5	38.0	-11%
<i>YoY Change (%)</i>	9%	7%	13%	23%	13%	8%	8%	2%	13%	7%	20%	
Yield (INR/RPK)	5.24	4.55	5.43	5.32	4.98	4.69	5.33	5.20	5.14	5.05	5.15	-9%
RASK (Revenue per Available Seat Kilometer)	5.39	4.44	5.42	5.26	4.85	4.50	5.17	5.15	5.13	4.93	5.07	13%
CASK (Cost per Available Seat Kilometer)	4.62	4.68	4.80	4.51	4.30	5.11	4.71	5.67	4.65	4.95	4.81	-6%
RASK less CASK	0.77	-0.24	0.62	0.75	0.54	-0.61	0.46	-0.51	0.48	-0.02	0.26	-143%
CASK ex-Fuel	2.83	2.93	3.20	2.88	2.90	3.64	3.15	4.11	2.96	3.45	3.44	-5%
Fuel Cost	1.79	1.75	1.60	1.63	1.40	1.47	1.56	1.56	1.69	1.50	1.37	-7%



Highlights from the management commentary

■ Outlook and guidance

- Management guided for modest ASK/capacity growth of ~3–4% YoY in 1QFY27, primarily impacted by continued Middle East-related airspace disruptions during April and May.
- Despite fare hikes across the industry, IndiGo indicated that demand trends remain healthy, with pricing power sustaining well across key routes.
- Management highlighted that elevated ATF prices, rupee depreciation, and the onset of seasonal softness from mid-June could exert pressure on near-term margins.
- The company plans selective route rationalization, lower deployment of older aircraft, and optimization of ACMI wide-body operations to safeguard profitability and improve operational efficiency.
- IndiGo reiterated confidence in its long-term growth trajectory, supported by its scale advantages, strong balance sheet and liquidity position, expanding international network, ongoing fleet modernization initiatives and disciplined cost management strategy.
- Management guided for mid-teen growth in PRASK/passenger unit revenue during 1QFY27, driven by fuel surcharge implementation, improved pricing environment, better load factors and a favorable base effect from weak May FY26 performance.
- The company clarified that the guided mid-teen PRASK improvement incorporates contributions from both higher yields and stronger occupancy/load factors.
- IndiGo stated that demand trends remained relatively soft in April as operations continued to normalize, while May witnessed a meaningful improvement in booking and traffic trends.
- Management highlighted that demand has remained resilient despite fare increases, with the current market environment appearing relatively inelastic to higher ticket prices.
- The company indicated that fare hikes remain necessary to offset elevated fuel and currency-related cost pressures, although the full extent of cost inflation has not yet been completely passed on to passengers.
- Management noted that corporate travel demand continues to remain healthy, with no visible signs of weakness observed so far during May FY27.

■ Fuel Prices, Cost Trends & Hedging

- Management highlighted that global jet fuel prices witnessed a sharp surge amid escalating Middle East tensions, materially impacting airline economics across international markets.
- Domestic ATF price increases remained relatively contained due to coordinated interventions by the Government of India, oil marketing companies, and airport operators.
- Management indicated that domestic ATF prices increased by ~25–30%, significantly lower than the more than 100% rise witnessed in international market-linked fuel prices.

- The company noted that airport operators and oil marketing companies collectively helped cushion the impact on consumers through deferment of airport charges and calibrated fuel pricing measures.
- Fuel CASK declined ~5% YoY during 4QFY26, largely driven by lower benchmark fuel prices prevailing for most of the quarter.
- Ex-fuel CASK increased ~7% YoY to INR3.15, primarily impacted by INR depreciation, lower aircraft utilization, ongoing airspace restrictions, and annual escalation in airport and maintenance-related costs.
- Management now expects ex-fuel CASK growth to remain in the mid-to-high single-digit range over the coming quarters amid continued operational volatility and lower fleet utilization levels.
- IndiGo has started implementing a more aggressive forex hedging strategy, with the hedge target revised upward from USD1b earlier to USD3bn currently.
- Current forex hedging exposure stands at approximately USD1.3bn.
- Management reiterated that every INR1 depreciation against the USD results in an estimated mark-to-market balance sheet impact of ~INR900m.
- IndiGo also stated that fuel hedging remains under internal evaluation, although the company has not yet implemented a formal fuel hedging program.

■ **Fleet Strategy & Aircraft Utilization**

- Management indicated that Pratt & Whitney-related aircraft groundings currently remain in the “40s” and are expected to decline to the “30s” by the end of FY27.
- The company stated that its immediate fleet optimization focus remains on returning expensive damp-lease aircraft and gradually reducing deployment of older, fuel-inefficient aircraft.
- Management clarified that there are currently no changes in aircraft delivery schedules from OEMs, with deliveries continuing as per the existing plan.
- IndiGo intends to remain flexible and dynamic in fleet planning depending on the evolving duration of Middle East-related disruptions and fuel price movements.
- FY26 gross fleet additions stood at 72 aircraft, taking the airline’s total fleet size to 441 aircraft at the end of the year.
- The airline inducted India’s first A321XLR aircraft during the year, which management highlighted as a key enabler of IndiGo’s long-term international expansion strategy.
- A321XLR aircraft have already been deployed on Athens and Istanbul routes, with further expansion across select Asian and European destinations planned over the coming periods.
- Management stated that FDTL/pilot readiness-related challenges have now been fully resolved, and the airline remains operationally well prepared going forward.

■ **International Operations & Capacity Deployment**

- Following the escalation of the Middle East conflict, a significant portion of the ~160 daily affected flights had to be cancelled immediately due to safety-related operational considerations.

- International operations have since witnessed a gradual recovery, with only ~20% of the affected capacity operational initially, improving to nearly two-thirds of earlier levels currently.
 - Management expects full restoration of impacted international operations by the end of June, subject to ongoing risk assessments and geopolitical developments.
 - The company expects Middle East travel demand to strengthen during 2QFY27, which is seasonally a stronger quarter for Gulf-bound traffic.
 - Capacity redeployment from disrupted international routes is currently being directed toward newly operational metro airports such as Navi Mumbai and Jewar, along with domestic leisure destinations during the peak summer travel season.
 - Management reiterated that international network deployment and long-haul expansion decisions will continue to remain dynamic, with route planning and capacity allocation being calibrated based on daily operating conditions and profitability considerations.
- **Others**
- Management described FY26 as one of the most challenging years for the Indian aviation sector, marked by repeated geopolitical disruptions, operational challenges, currency volatility and Middle East airspace constraints.
 - The company acknowledged that the December operational disruption had a material impact on operations and customer experience, with service levels temporarily falling below IndiGo's internal standards.
 - Operational stability improved significantly post-December, with IndiGo consistently leading the industry in on-time performance during 4QFY26.
 - Management emphasized continued focus on long-term network expansion, disciplined execution, and balance sheet strengthening despite the near-term volatility.
 - Willie Walsh was appointed as Chief Executive Officer effective August 2026 and will take full charge of the business, leading the next phase of the company's global expansion strategy.
 - Management highlighted that aircraft ownership provides structural benefits, including higher returns versus idle cash holdings, lower financing costs, and a gradual reduction in forex-related exposure.
 - The current owned fleet comprises 36 unencumbered aircraft valued at over INR95bn and 53 aircraft under finance lease structures.
 - IndiGo announced a USD820m investment into its GIFT City entity for aviation asset acquisition, strengthening its long-term asset ownership strategy.

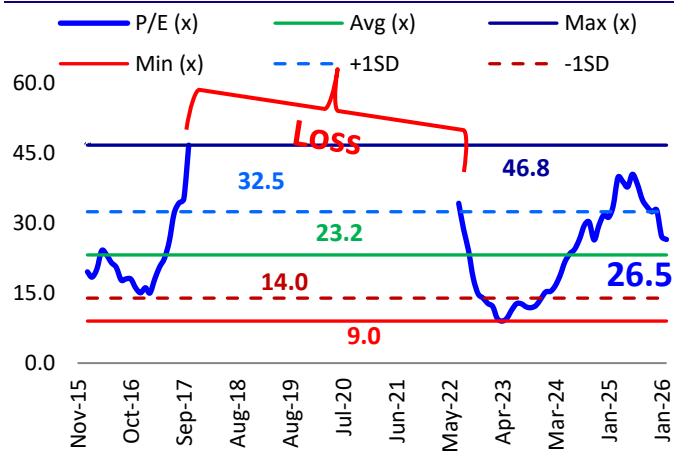
Valuation and view

- Despite continued near-term headwinds from the Middle East airspace disruptions, elevated fuel costs, rupee depreciation, and higher damp-lease exposure, we remain confident in INDIGO's growth strategy, anchored by India's strong domestic demand base and steadily expanding international network.
- Looking ahead, gradual normalization of international operations, easing Pratt & Whitney-related groundings, fleet expansion (including A321XLR-led international deployment), and resilient demand trends are expected to support performance recovery over the coming quarters.
- We expect its revenue/EBITDAR to clock a CAGR of 13%/46% over FY26-28. We value the stock at 9x FY28E EBITDAR to arrive at our TP of INR5,600. **Reiterate BUY.**

Operational Metrics

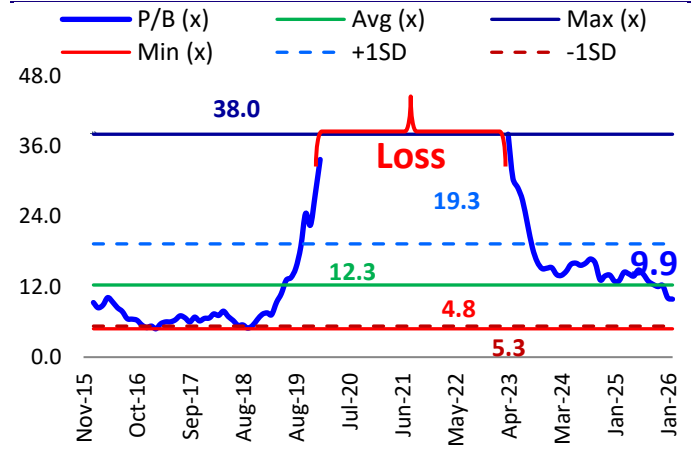
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Capacity								
ASK (million)	45,471	70,400	1,14,400	1,39,300	1,57,400	1,72,486	1,87,450	2,06,187
ASK YoY (%)	-53%	55%	63%	22%	13%	10%	9%	10%
Load Factor (%)	69%	73%	82%	86%	86%	84%	86%	86%
RPK (million)	31,595	51,700	93,900	1,19,700	1,35,400	1,45,500	1,61,182	1,77,321
RPK YoY (%)	-62%	64%	82%	27%	13%	7%	11%	10%
Revenue Calculation								
Ticket Revenue (INR m)	118.7	219.2	481.8	608.0	697.4	736.2	855.0	931.2
Yield (INR/RPK)	3.76	4.24	5.13	5.08	5.15	5.06	5.30	5.25
Ancillary revenues (incl. others)	27.7	40.1	62.7	81.1	110.6	113.4	140.0	149.0
Total Revenue (INR m)	146.4	259.3	544.5	689.0	808.0	849.6	995.0	1,080.1
Fuel Cost								
Exchange rate (INR/USD)	74	75	80	83	85	88	91	94
ATF Prices (INR/lit)	43	74	116	102	95	92	109	94
YoY (%)	-32%	71%	57%	-12%	-7%	-3%	19%	-13%
Aircraft fuel expenses (INR m)	38.9	98.1	239.3	242.5	265.8	258.8	341.3	335.9
Spreads								
RASK	3.22	3.68	4.76	4.95	5.13	4.93	5.31	5.24
CASK	4.50	4.56	4.79	4.37	4.65	4.95	4.91	4.72
RASK-CASK	-1.28	-0.88	-0.03	0.58	0.48	-0.02	0.40	0.51
CASK-ex fuel	3.65	3.17	2.70	2.63	2.96	3.45	3.09	3.10
RASK-CASK (ex-fuel)	-0.43	0.52	2.06	2.32	2.17	1.48	2.22	2.14

Exhibit 1: One-year forward P/E



Source: Company, MOFSL

Exhibit 2: One-year forward P/B



Source: Company, MOFSL

Exhibit 3: Revisions to our estimates

Particulars	Revised		Previous		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	9,94,989	10,80,143	10,07,610	10,92,578	-1%	-1%
EBITDAR	2,42,463	2,96,649	2,32,019	2,90,608	5%	2%
EBITDA	2,13,074	2,67,783	2,05,229	2,61,140	4%	3%
PAT	59,923	84,880	60,334	84,488	-1%	0%
EPS	155	220	156	219	-1%	0%

Story in charts: 4QFY26

Exhibit 4: Total ASK stood at 43.6b...

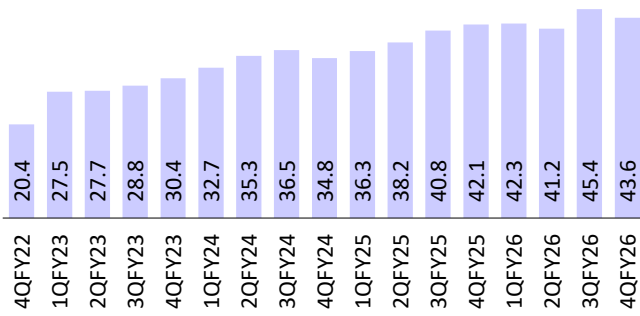


Exhibit 5: ...up 3% YoY in 4QFY26

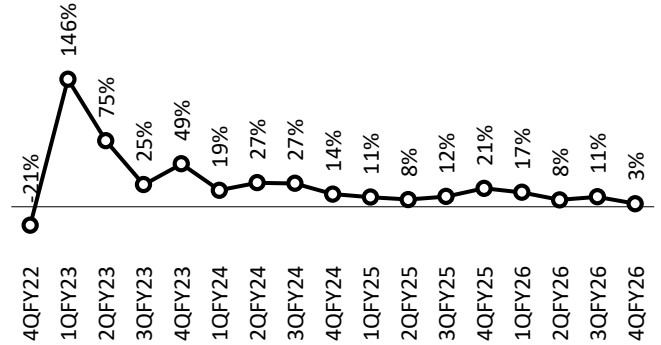


Exhibit 6: Total RPK stood at 37.4b...

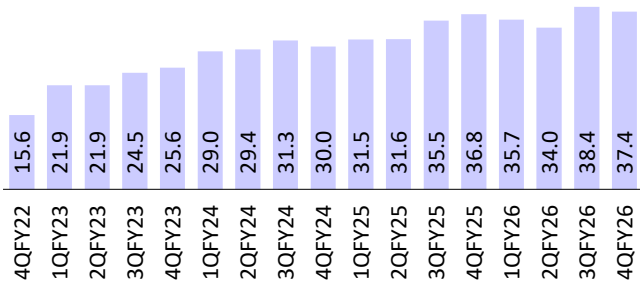


Exhibit 7: ...up 2% YoY in 4QFY26

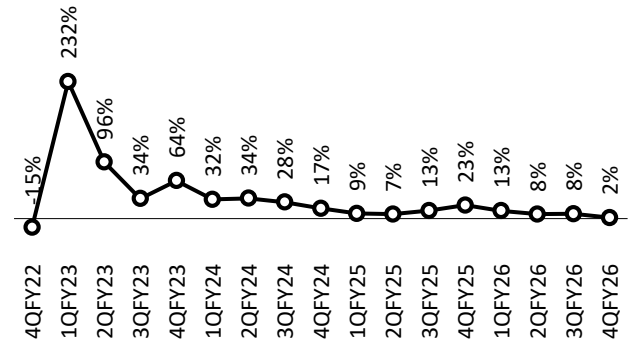


Exhibit 8: RASK stood at INR5.15

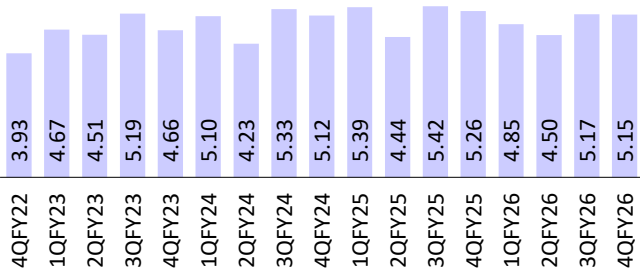


Exhibit 9: CASK stood at INR4.55

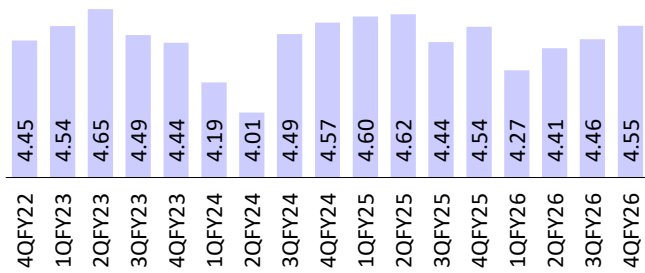


Exhibit 10: Load factor decreased to 85.9% (87.4% in 4QFY25)

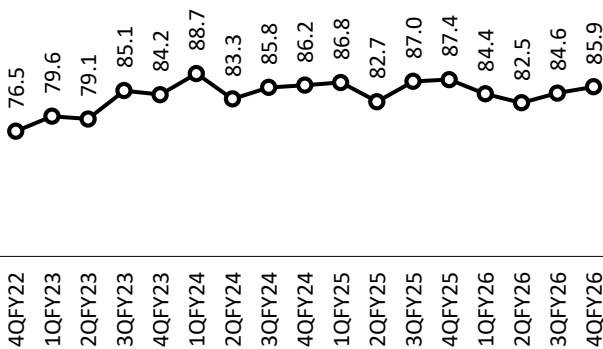
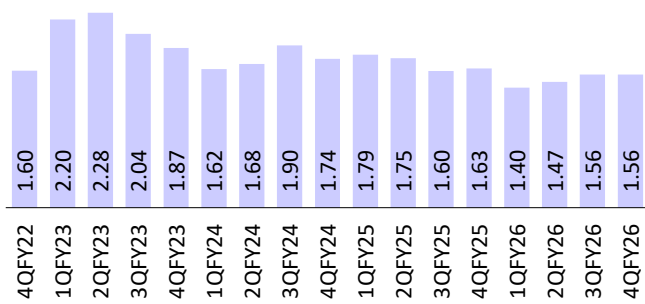


Exhibit 11: Fuel costs stood at INR1.6 (-4% YoY)



Source: Company, MOFSL

Source: Company, MOFSL

Financials and Valuation

Standalone - Income Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	146.4	259.3	544.5	689.0	808.0	849.6	995.0	1,080.1
YoY Chg (%)	-59.1	77.1	110.0	26.6	17.3	5.1	17.1	8.6
EBITDAR	2.6	8.4	68.1	173.7	210.2	139.3	242.5	296.6
Margin (%)	1.7	3.2	12.5	25.2	26.0	16.4	24.4	27.5
Aircraft & Engine Lease Rentals	2.8	3.1	3.3	10.8	30.1	20.8	29.4	28.9
EBITDA	-0.3	5.3	64.8	162.9	180.1	118.4	213.1	267.8
Margin (%)	-0.2	2.0	11.9	23.6	22.3	13.9	21.4	24.8
Depreciation	47.0	50.7	51.0	64.1	86.4	107.5	131.7	154.2
EBIT	-47.2	-45.4	13.8	98.9	93.7	10.9	81.4	113.6
Int. and Finance Charges	21.4	23.6	31.3	41.7	50.9	60.1	66.2	61.5
Other Income	10.4	7.2	14.3	23.3	33.1	45.5	59.7	54.0
PBT	-58.3	-61.7	-3.2	80.4	75.9	-3.7	74.9	106.1
PBT after EO Exp.	-58.3	-61.7	-3.2	80.4	75.9	-20.8	74.9	106.1
Tax	0.0	0.0	0.0	-1.2	3.3	4.2	15.0	21.2
Tax Rate (%)	0.0	0.0	0.0	-1.5	4.4	-20.1	20.0	20.0
Reported PAT	-58.3	-61.7	-3.2	81.7	72.5	-25.0	59.9	84.9
Adjusted PAT	-58.3	-61.7	-3.2	81.7	72.5	-4.4	59.9	84.9
Change (%)	Loss	Loss	Loss	LP	-11.2	-106.1	-1,460.0	41.6
Margin (%)	-39.8	-23.8	-0.6	11.9	9.0	-0.5	6.0	7.9

Standalone - Balance Sheet

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	3.8	3.9	3.9	3.9	3.9	3.9	3.9	3.9
Total Reserves	-3.1	-64.2	-66.9	15.5	89.2	60.7	120.6	200.9
Net Worth	0.7	-60.4	-63.0	19.3	93.1	64.5	124.4	204.8
Total Loans	227.9	289.6	344.8	397.6	567.5	729.7	664.0	630.8
Capital Employed	228.6	229.2	281.7	416.9	660.6	794.2	788.5	835.6
Gross Block	295.3	370.7	485.4	633.3	874.9	1,092.3	1,301.7	1,501.7
Less: Accum. Deprn.	107.2	157.9	208.9	272.9	359.3	466.8	598.5	752.7
Net Fixed Assets	188.2	212.8	276.5	360.4	515.6	625.5	703.2	749.0
Capital WIP	0.7	1.2	0.2	0.0	0.0	0.4	0.4	0.4
Total Investments	72.9	80.3	115.1	164.5	264.0	352.1	352.1	352.1
Curr. Assets, Loans&Adv.	168.0	164.3	198.6	295.8	379.5	449.0	400.6	459.0
Inventory	3.2	4.1	5.9	6.2	8.2	9.8	10.4	10.9
Account Receivables	2.2	3.3	5.2	6.4	7.4	6.0	7.0	7.6
Cash and Bank Balance	112.3	101.2	118.1	167.1	188.6	236.3	152.6	190.2
Loans and Advances	50.4	55.7	69.4	116.0	175.3	196.8	230.5	250.2
Curr. Liability & Prov.	201.2	229.4	308.7	403.8	498.6	632.7	667.8	724.8
Account Payables	15.6	31.5	32.1	31.9	41.9	50.0	53.0	55.1
Other Current Liabilities	164.2	184.6	260.7	344.2	415.7	524.7	614.8	667.4
Provisions	21.4	13.2	15.9	27.7	41.0	58.0	0.0	2.3
Net Current Assets	-33.1	-65.1	-110.1	-108.0	-119.1	-183.7	-267.2	-265.9
Appl. of Funds	228.6	229.2	281.7	416.9	660.6	794.2	788.5	835.6

Financials and Valuation

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS (INR)	-151.2	-160.1	-8.2	211.8	188.1	-11.4	155.0	219.6
Cash EPS	-29.4	-28.7	124.5	379.1	413.4	268.2	498.4	621.9
BV/Share	1.8	-157.0	-164.0	50.3	242.1	167.8	323.7	532.8
DPS	0.0	0.0	0.0	0.0	10.0	-3.5	0.0	11.7
Payout incl. tax (%)	0.0	0.0	0.0	0.0	5.3	5.3	0.0	5.3
Valuation (x)								
P/E	-29.1	-27.5	-536.3	20.8	23.4	-386.6	28.4	20.1
Cash P/E	-149.7	-153.5	35.4	11.6	10.7	16.4	8.8	7.1
P/BV	2,388.5	-28.1	-26.9	87.7	18.2	26.3	13.6	8.3
EV/Sales	12.4	7.3	3.5	2.8	2.6	2.6	2.2	2.0
EV/EBITDAR (x)	713.3	224.7	28.3	11.1	9.9	16.8	10.0	7.9
EV/EBITDA	-7,146.5	356.7	29.8	11.9	11.6	18.5	10.4	8.0
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.2	-0.1	0.0	0.3
FCF Yield (%)	-4.2	-2.9	7.5	11.7	12.9	12.5	-0.7	4.9
FCF per share	-184.2	-128.5	332.3	513.7	570.0	549.3	-30.6	214.3
Return Ratios (%)								
RoE	-196.5	206.9	5.1	-373.7	129.1	-5.6	63.4	51.6
RoCE	-16.5	-16.7	11.0	35.5	22.5	7.8	17.8	20.6
RoIC	-168.6	-101.7	29.2	150.4	61.1	6.3	26.6	31.5
Working Capital Ratios								
Fixed Asset Turnover (x)	0.5	0.7	1.1	1.1	0.9	0.8	0.8	0.7
Asset Turnover (x)	0.6	1.1	1.9	1.7	1.2	1.1	1.3	1.3
Inventory (Days)	8	6	5	4	5	4	4	4
Debtor (Days)	5	5	3	3	3	8	8	8
Creditor (Days)	39	46	25	23	26	21	19	19
Working Cap. Turnover (Days)	-363	-234	-153	-146	-139	-180	-154	-154

Standalone - Cash Flow Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	-58.3	-61.7	-3.2	80.4	75.9	-20.8	74.9	106.1
Depreciation	47.0	50.7	51.0	64.1	86.4	107.5	131.7	154.2
Interest & Finance Charges	11.1	16.3	31.1	41.7	50.9	60.1	6.5	7.5
Direct Taxes Paid	0.0	0.0	-3.9	-5.1	-4.1	-2.4	-15.0	-21.2
(Inc)/Dec in WC	-3.8	21.4	31.2	43.4	44.6	20.2	-0.5	36.3
CF from Operations	-4.0	26.7	106.2	224.5	253.6	164.6	197.6	282.8
CF from Operating incl EO	-4.0	26.7	127.0	211.8	240.6	233.8	197.6	282.8
(Inc)/Dec in FA	-67.2	-76.4	1.4	-13.2	-20.3	-21.4	-209.4	-200.0
Free Cash Flow	-71.2	-49.7	128.4	198.6	220.4	212.4	-11.8	82.8
(Pur)/Sale of Investments	22.1	-7.4	-43.5	-109.1	-119.0	-72.8	0.0	0.0
Others	10.4	7.2	1.6	4.8	11.5	4.0	59.7	54.0
CF from Investments	-34.8	-76.5	-40.6	-117.6	-127.8	-90.3	-149.7	-146.0
Inc/(Dec) in Debt	68.6	61.7	-16.7	-2.8	-0.9	0.1	-65.7	-33.2
Interest Paid	-21.4	-23.6	-26.7	-35.0	-0.3	-0.1	-66.2	-61.5
Dividend Paid	0.0	0.0	0.0	0.0	-3.9	-3.9	0.0	-4.5
CF from Fin. Activity	42.7	38.8	-84.3	-99.8	-109.7	-142.8	-131.9	-99.2
Inc/Dec of Cash	4.0	-11.1	2.2	-5.5	3.1	0.7	-84.0	37.6
Opening Balance	108.3	112.3	101.2	118.1	167.1	188.6	236.3	152.6
Closing Balance	112.3	101.2	118.1	167.1	188.6	236.3	152.6	190.2

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).

6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:
financial interest in the subject company

actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.

received compensation/other benefits from the subject company in the past 12 months

any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

acted as a manager or co-manager of public offering of securities of the subject company in past 12 months

be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)

received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263;

www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No..022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

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