30 July 2026

1QFY27 Results Update | Sector: Retail

Westlife Foodworld

Estimate change	↑
TP change	⟷
Rating change	⟷

Bloomberg	WESTLIFE IN
Equity Shares (m)	156
M.Cap.(INRb)/(USDb)	75.9 / 0.8
52-Week Range (INR)	780 / 398
1, 6, 12 Rel. Per (%)	-2/3/-33
12M Avg Val (INR M)	131

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	26.3	29.6	33.6
Sales growth (%)	5.4	12.7	13.6
EBITDA	3.5	4.1	4.9
Margins (%)	13.2	13.8	14.7
Adj. PAT	-0.1	0.1	0.5
Adj. EPS (INR)	-0.4	0.8	3.4
EPS Growth (%)	P/L	L/P	314.2
BV/Sh.(INR)	39.7	28.5	38.6
Ratios			
RoE (%)	-1.0	2.4	10.1
RoCE (%)	-34.1	5.4	7.0
Valuations			
P/E (x)	NM	597.6	144.3
P/BV (x)	12.3	17.2	12.7
EV/Sales (x)	3.0	2.6	2.2
EV/EBITDA (x)	38.7	31.7	23.8

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	56.4	56.4	56.3
DII	28.3	27.3	24.0
FII	7.5	8.2	11.6
Others	7.8	8.2	8.1

FII Includes depository receipts

CMP: INR487 TP: INR550 (+13%) Neutral

Print improves; positive commentary for FY27

- Westlife Foodworld (WESTLIFE) reported 12% YoY revenue growth to INR7.4b in 1QFY27 (est. INR7.4b). SSSG came in at 4.3% YoY (est. 3.5%), driven by double-digit growth in guest count in West and South markets. South India also delivered positive SSSG. WESTLIFE recorded mid-single-digit SSSG in May and June, reflecting improving demand momentum, supported by everyday value offerings and operational excellence, with momentum continuing in July. Growth remained broad-based, with on-premise sales growing 12% YoY and off-premise sales rising 11% YoY.
- The company added a net four restaurants in 1Q, taking the total to 482 restaurants across 79 cities. Lower store additions in 1Q were due to temporary fryer inventory constraints after the LPG equipment conversion. However, management reiterated its plan to open 60+ restaurants annually and it is on track to achieve its target of 580-630 restaurants by Dec'27.
- Gross margin was flat YoY but declined 50bp QoQ to 67.6% (est. 69.5%), impacted by high fuel, food and packaging costs. It has not taken any price hikes so far and intends to maintain a disciplined pricing strategy. Restaurant operating margin (ROM) contracted 130bp YoY to 13.3%, while pre-Ind AS EBITDA margin declined 20bp YoY to 7.5%. Management reiterated its guidance of 100-150bp annual expansion in pre-Ind AS EBITDA margin, supported by operating leverage, cost optimization and improving sales productivity. We model pre-Ind AS EBITDA margins of 8.2%/9.4% for FY27E/FY28E (7.7% in FY26).
- Better throughput of new stores in the last few years will improve the overall store unit economics. It would start improving operating margins in the coming years. **We reiterate our Neutral rating with a TP of INR550, based on 28x Mar'28E EV/EBITDA (pre-IND AS).**

Revenue inline; profitability a miss

- **Healthy SSSG at ~4%:** Sales grew 12% YoY to INR7.4b (est. INR7.4b), driven by 9% store additions, strong guest count growth and balanced momentum across on-premise and off-premise channels. West markets continued to perform well, while South markets maintained recovery. SSSG was 4.3% YoY (est. 3.5%, +1.5% in 4QFY26, +0.5% in 1QFY26), led by double-digit guest count growth. May and June delivered mid-single-digit SSSG. It added net four stores (opened five, closed one), taking the total to 482 stores in 79 cities. Average sales per store fell 1% YoY to INR61m (annualized).
- **EBITDA misses; margins hit by input cost inflation:** Gross margin was flat YoY/down 50bp QoQ at 67.6% (est. 69.5%), impacted by higher fuel, food and packaging costs. EBITDA grew 11% YoY to INR946m (est. INR977m), while EBITDA margin declined 10bp YoY to 12.9% (est. 13.3%). EBITDA (pre Ind AS) rose 9% YoY to INR551m (est. INR597m), with EBITDA margin (pre Ind AS) down 20bp YoY at 7.5%. ROM contracted 130bp YoY to 18.6% post Ind AS (est. 19.6%) and 13.3% pre Ind AS (est. 14.4%), reflecting high input cost pressure despite healthy revenue growth.

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Key takeaways from the management commentary

- The West region continued to deliver strong performance, while the South reported positive SSSG with meaningful improvement in guest count trends.
- Management is restructuring its operating model from three divisions to five to improve execution speed and bring decision-making closer to customers.
- The company continues to target 100-150bp annual improvement in pre-Ind AS EBITDA margins, subject to operating performance.
- Cumulative app downloads crossed 55m, with ~3.7m monthly active users, strengthening the company's personalization and loyalty capabilities.

Valuation and view

- We raised our EBITDA estimates by 5-6% for FY27 and FY28.
- Management guided for ~67% gross margin in FY27 amid the ongoing inflationary environment. Demand trajectory improved in 1Q, with positive footfall growth across months. WESTLIFE has become more aggressive in store additions (60 per year vs. earlier 45-50) and targets 580-630 restaurants by Dec’27 (482 as on Jun’26).
- We believe regional demand will improve gradually and, therefore, we expect a gradual ADS recovery in near future. **We reiterate our Neutral rating with a TP of INR550, based on 28x Mar’28E EV/EBITDA (pre-IND AS).**

Consolidated quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
SSSG %	0.5	(2.8)	(3.2)	1.5	4.3	3.5	3.5	4.7	-1.1	4.0	3.5	
No. of McDonald's restaurants	444	450	458	478	482	497	512	538	478	538	493	
Net Sales	**6,576**	**6,419**	**6,707**	**6,554**	**7,356**	**7,179**	**7,575**	**7,481**	**26,256**	**29,592**	**7,351**	**0.1**
YoY Change (%)	6.7	3.9	2.6	8.7	11.9	11.9	12.9	14.2	5.4	12.7	11.8	
Gross profit	**4,448**	**4,337**	**4,525**	**4,464**	**4,970**	**4,882**	**5,189**	**5,141**	**17,773**	**20,182**	**5,109**	**-2.7**
Margin (%)	67.6	67.6	67.5	68.1	67.6	68.0	68.5	68.7	67.7	68.2	69.5	
EBITDA (Pre-IND AS)	**505**	**399**	**619**	**490**	**551**	**507**	**788**	**584**	**2,012**	**2,431**	**597**	**-7.7**
YoY Change (%)	0.5	-16.2	4.3	6.2	9.3	27.2	27.3	19.3	-1.0	20.8	18.3	
Margins (%)	7.7	6.2	9.2	7.5	7.5	7.1	10.4	7.8	7.7	8.2	8.1	
EBITDA	**855**	**759**	**987**	**870**	**946**	**887**	**1,188**	**1,054**	**3,471**	**4,075**	**977**	**-3.2**
YoY Change (%)	6.9	-3.4	8.0	9.6	10.6	16.8	20.4	21.2	5.4	17.4	14.3	
Margins (%)	13.0	11.8	14.7	13.3	12.9	12.4	15.7	14.1	13.2	13.8	13.3	
Depreciation	553	628	562	575	600	650	675	745	2,318	2,668	625	
Interest	354	363	370	368	388	380	400	403	1,455	1,571	375	
Other Income	68	107	74	65	65	85	85	101	314	336	75	
PBT	**16**	**-124**	**129**	**-9**	**23**	**-57**	**198**	**6**	**11**	**171**	**53**	
Extra-Ord expense	0	-401	108	1	16	0	0	0	-293	0	0	
PBT after EO expense	**16**	**277**	**21**	**-10**	**8**	**-57**	**198**	**6**	**304**	**171**	**53**	
Tax	4	92	10	-33	2	-14	50	6	73	43	13	
Rate (%)	27.4	-74.4	7.7	378.8	8.6	25.0	25.0	88.8	640.7	25.2	25.0	
Reported PAT	**11**	**185**	**11**	**24**	**6**	**-43**	**149**	**1**	**231**	**128**	**40**	
Adj PAT	**11**	**-217**	**119**	**25**	**21**	**-43**	**149**	**1**	**-62**	**128**	**40**	
YoY Change (%)	-64.8	NA	68.4	61.0	87.1	NA	25.2	-97.0	-150.7	-306.5	245.2	
Margins (%)	0.2	-3.4	1.8	0.4	0.3	-0.6	2.0	0.0	-0.2	0.4	0.5	

E: MOFSL Estimates

Highlights from the press release

- Continued focus on everyday value meal and operational excellence gained traction across markets, serving as the primary driver of guest count growth.
- On-premise sales grew by 12% YoY. On-premise contribution is ~59% in 1QFY27.
- On-premise and off-premise business grew broadly in line, reflecting balanced momentum across channels. Importantly, McDelivery continued to outperform, further strengthening its position as a key growth engine.
- Digital sales (through SOK and mobile apps) contributed ~74% (+150bp YoY) to revenue; 55m cumulative Apps downloads.
- It now has a total of 482 restaurants, with 100% penetration of McCafés and Experience of the Future (EOTF) restaurants.

Exhibit 1: Key metrics

Y/E March (INR m)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Sales	6,136	6,154	6,502	5,949	6,533	6,375	6,672	6,424	7,279
Other Operating income	27	26	35	83	44	44	35	130	78
Total revenue	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,419**	**6,707**	**6,554**	**7,356**
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	3.9	2.6	8.7	11.9
Food & Paper	1,813	1,874	1,956	2,035	2,128	2,081	2,183	2,090	2,387
Payroll & employee benefits	622	671	655	633	671	701	706	731	750
Royalty	354	345	236	335	370	360	163	359	410
Occupancy and other operating expenses	2,198	2,144	2,346	1,876	2,097	2,041	2,173	2,074	2,438
Total restaurant expenses	4,987	5,035	5,193	4,879	5,266	5,184	5,225	5,253	5,984
Restaurant operating profit (Post Ind-AS)	1,176	1,145	1,344	1,152	1,311	1,234	1,483	1,300	1,372
YoY Change (%)	-16.7	-15.8	-0.6	5.5	11.4	7.8	10.3	12.8	4.7
ROM (Post Ind-As) %	**19.1**	**18.5**	**20.6**	**19.1**	**19.9**	**19.2**	**22.1**	**19.8**	**18.6**
Restaurant operating profit (Pre Ind-AS)	879	835	1,023	820	961	874	1,115	920	978
YoY Change (%)	-23.7	-23.7	-5.0	1.3	9.3	4.6	8.9	12.2	1.8
ROM (Pre Ind-As) %	**14.3**	**13.5**	**15.7**	**13.6**	**14.6**	**13.6**	**16.6**	**14.0**	**13.3**
G & A expenses	377	359	430	359	456	475	496	431	426
% of sales	6.1	5.8	6.6	5.9	6.9	7.4	7.4	6.6	5.8
EBITDA (pre Ind-AS)	502	476	593	461	505	399	619	490	551
YoY Change (%)	-36.7	-34.9	-13.4	-5.3	0.5	-16.2	4.3	6.2	9.3
EBITDA (pre Ind-AS) %	8.1	7.7	9.1	7.6	7.7	6.2	9.2	7.5	7.5
EBITDA (Post Ind-AS)	799	786	914	794	855	759	987	870	946
YoY Change (%)	(24.1)	(21.1)	(4.8)	3.0	6.9	(3.4)	8.0	9.6	10.6
EBITDA (post Ind-AS) %	13.0	12.7	14.0	13.2	13.0	11.8	14.7	13.3	12.9

Source: Company, MOFSL

CONFERENCE CALL

Key takeaways from the management commentary

Demand Environment and operating performance

- **SSSG stood at 4.3%, remaining positive across all three months, with May and June witnessing stronger mid-single-digit SSSG. Management indicated that the momentum has continued in July.**
- Growth was led by robust double-digit guest count expansion, reflecting higher customer acquisition and improved repeat visits.
- Management believes the demand recovery is structural, supported by the value-led strategy introduced over the past year.
- The Everyday Value platform continues to witness strong traction and remains the key driver of consumer recruitment and footfall growth.
- Consumers are increasingly responding to McDonald's trusted value proposition, improving brand relevance across everyday consumption occasions.
- Management expects to sustain the current momentum and remains confident of achieving the Vision 2027 growth trajectory.

- **Growth was broad-based across channels, with dine-in revenue increasing 12% YoY and off-premise revenue growing 11% YoY.**
- McDelivery remained a key growth engine within the off-premise business.
- The West region continued to deliver strong performance, while the South reported positive SSSG with meaningful improvement in guest count trends.
- Digital sales contribution increased **150bp YoY to 74%**, supported by stronger customer engagement across digital platforms.
- **Cumulative app downloads crossed 55m, with ~3.7m monthly active users, strengthening the company's personalization and loyalty capabilities.**

Cost and margins

- Operating EBITDA margin remained broadly stable despite elevated inflation across food, packaging, fuel, utilities and labour costs.
- **The company absorbed over 200bp of inflationary impact through disciplined cost governance, supply-chain efficiencies and operating leverage.**
- Gross margin remained stable at 67.6%, reflecting effective management of input cost pressure.
- **Inflationary pressures were primarily driven by higher vegetable oil, packaging, fuel, distribution, utility and wage** costs**.**
- Management expects inflationary pressure to moderate going forward and believes 1Q likely represented the peak of cost inflation.
- **The company has not implemented any price hikes in FY27 so far and intends to continue following a disciplined pricing strategy.**
- Management reiterated that product mix optimization, cost engineering, operating leverage, pricing and improving underperforming restaurants remain key levers for future margin expansion.
- **The company continues to target 100-150bp annual improvement in pre-Ind AS EBITDA margins, subject to operating performance.**

Store network

- **The company opened five restaurants during the quarter, taking the network to 482 restaurants across 79 cities.**
- **Management reiterated its guidance of opening more than 60 restaurants in FY27 and remains on track to achieve 580-630 restaurants by Dec'27.**
- Expansion continues to follow a profitability-led approach with focus on site quality, payback period and long-term unit economics.
- **Lower openings during 1Q were due to temporary fryer inventory constraints following LPG equipment conversion and are not indicative of any slowdown in expansion.**
- Management expects store additions to accelerate over the remaining quarters of FY27.

South India

- **South India delivered positive SSSG during the quarter, reflecting a meaningful turnaround vs. last year.**
- The recovery has been driven by improved value perception, localized marketing, stronger execution and greater operational focus.

- Management believes the initiatives implemented over the last six to eight months are now translating into tangible business outcomes.
- **The company expects South India to receive a higher share of future store additions as business momentum and unit economics continue to improve.**

Others

- **Management is restructuring its operating model from three divisions to five divisions to improve execution speed and bring decision-making closer to customers.**
- The new organizational structure is expected to enhance regional responsiveness and strengthen operational execution.
- The "Let's Family at McD" brand campaign was launched during the quarter to strengthen brand affinity as McDonald's completed 30 years in India.
- Management reiterated that volume-led growth remains its core strategy, with profitability expected to improve through operating leverage rather than aggressive price increases.
- The Board approved an interim dividend of INR0.40 per share during the quarter.

Exhibit 2: Store network

Store Network	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Total Restaurants	403	408	421	438	444	450	458	478	482
New Restaurants Opened	6	8	15	18	9	8	10	21	5
Closed Stores	0	3	2	1	3	2	2	1	1
Net addition	6	5	13	17	6	6	8	20	4
Cities	66	66	67	69	71	72	73	78	79
Total McCafe	371	383	401	418	425	436	458	478	482
McCafe Addition	11	12	18	17	7	11	22	20	4
% of total restaurants	92%	94%	95%	95%	96%	97%	100%	100%	100%
Drive-Thrus	82	86	93	100	106	108	109.92	119.5	120.5
% of total restaurants	20%	21%	22%	23%	24%	24%	24%	25%	25%
EOTF	303	323	343	378	385	390	458	478	482
% of total restaurants	75%	79%	81%	86%	87%	87%	100%	100%	100%
New EOTF Stores	11	20	20	35	7	5	68	20	4

Source: Company, MOFSL

Exhibit 3: Digital KPIs

Digital KPIs	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
App Downloads (mn)	34	37	39	41	44	47	50	52	55
Online business mix (%)	69%	72%	71%	75%	75%	75%	74%	76%	74%
Dine-in channel mix (%)	58%	57%	58%	57%	59%	58%	60%	58%	59%
Convenience channel mix (%)	42%	57%	42%	43%	41%	42%	40%	42%	41%

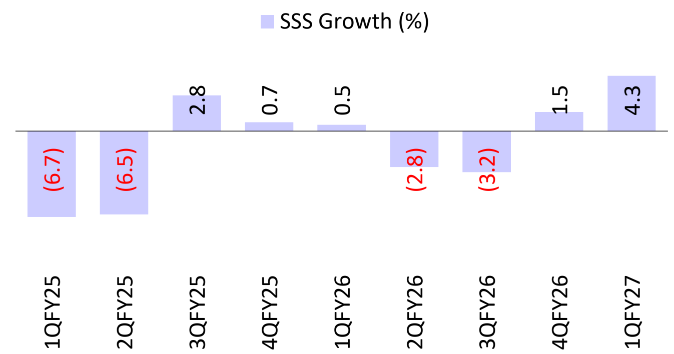
Exhibit 4: Key growth metrics

Growth metrics	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Sales Gr (%)	0%	1%	9%	7%	7%	4%	3%	9%	12%
SSSG (%)	-7%	-7%	3%	1%	1%	-3%	-3%	2%	4%
Store Growth (%)	12%	10%	11%	10%	10%	10%	9%	9%	9%
Average Annualised Sales/store	61.3	63	60	59.3	62.2	61.5	60.4	60.1	60.8

Source: Company, MOFSL

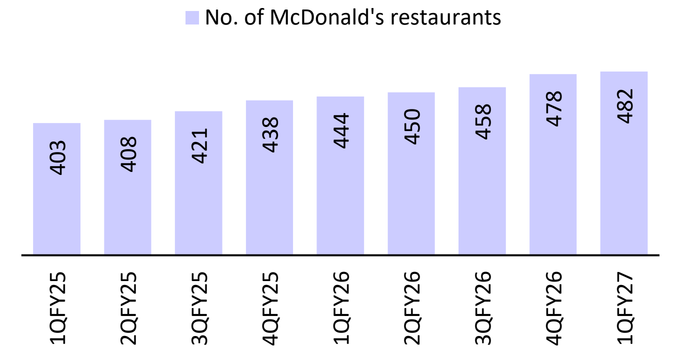
Key exhibits

Exhibit 5: Same-store sales up 4.3% YoY in 1QFY27



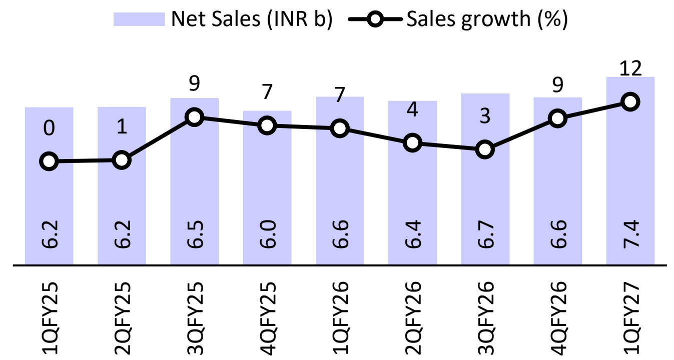
Source: Company, MOFSL

Exhibit 6: Added net four stores (+9% YoY) in 1QFY27



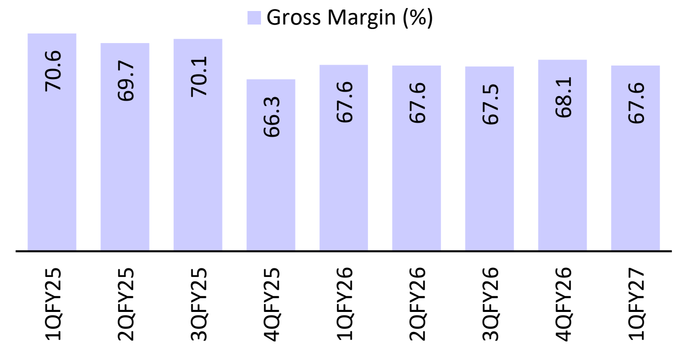
Source: Company, MOFSL

Exhibit 7: Net sales were up 12% YoY at INR7.4b



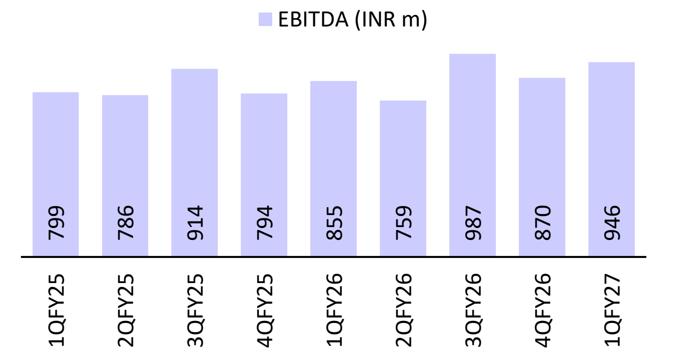
Source: Company, MOFSL

Exhibit 8: Gross margin was flat YoY at 67.6%



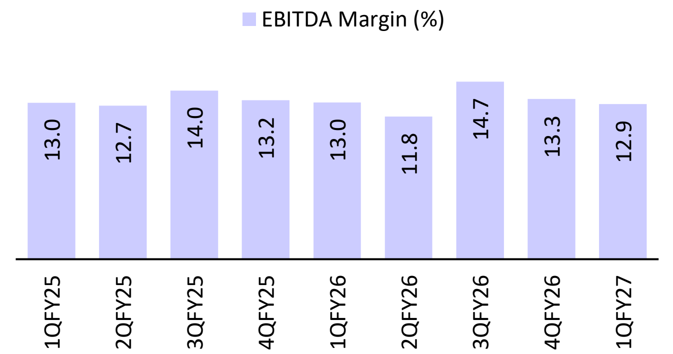
Source: Company, MOFSL

Exhibit 9: EBITDA up ~11% YoY to INR946m



Source: Company, MOFSL

Exhibit 10: EBITDA margin contracted 10bp YoY at 12.9%



Source: Company, MOFSL

Valuation and view

- We raised our EBITDA estimates by 5%-6% for FY27 and FY28.
- Management guided for ~67% gross margin in FY27 amid ongoing inflationary environment. Demand trajectory improved in 1Q with positive footfall growth across months. WESTLIFE has become more aggressive in store additions (60 per year vs. earlier 45-50) and targets 580-630 restaurants by Dec'27 (482 as of Jun'26).
- We believe regional demand will see a gradual improvement and, therefore, we expect a gradual ADS recovery in near future. **We reiterate our Neutral rating with a TP of INR550, based on 28x Mar'28E EV/EBITDA (pre-IND AS).**

Exhibit 11: We raised our EBITDA estimates by 5-6% for FY27 and FY28

INR m	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Net Sales	29,592	33,610	29,343	33,097	0.8%	1.5%
EBITDA	4,075	4,940	3,840	4,706	6.1%	5.0%
Adjusted PAT	128	530	-24	407	NA	30.1%

Source: MOFSL

Financials and valuations

Consolidated - Income Statement

INR mn

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	**15,478**	**9,860**	**15,765**	**22,782**	**23,918**	**24,912**	**26,256**	**29,592**	**33,610**
Change (%)	10.4	-36.3	59.9	44.5	5.0	4.2	5.4	12.7	13.6
Materials Consumed	5,382	3,483	5,129	6,860	7,952	8,396	8,482	9,410	10,419
Gross profit	**10,095**	**6,378**	**10,636**	**15,922**	**15,966**	**16,516**	**17,773**	**20,182**	**23,191**
Margin (%)	65.2	64.7	67.5	69.9	66.8	66.3	67.7	68.2	69.0
Employees Cost	1,690	1,226	1,439	2,034	2,323	2,582	2,809	3,161	3,519
Other Expenses	6,206	4,532	7,125	9,957	9,862	10,641	11,494	12,946	14,732
Total Expenditure	**13,279**	**9,241**	**13,693**	**18,851**	**20,138**	**21,619**	**22,785**	**25,517**	**28,670**
% of Sales	85.8	93.7	86.9	82.7	84.2	86.8	86.8	86.2	85.3
EBITDA (Pre-IND AS)	**1,453**	**-24**	**1,304**	**3,010**	**2,698**	**2,032**	**2,012**	**2,431**	**3,158**
Change (%)	16.9	P/L	L/P	130.7	-10.4	-24.7	-1.0	20.8	29.9
Margin (%)	9.4	-0.2	8.3	13.2	11.3	8.2	7.7	8.2	9.4
EBITDA	**2,199**	**619**	**2,071**	**3,931**	**3,780**	**3,293**	**3,471**	**4,075**	**4,940**
Change (%)	77.0	-71.8	234.5	89.8	-3.8	-12.9	5.4	17.4	21.2
Margin (%)	14.2	6.3	13.1	17.3	15.8	13.2	13.2	13.8	14.7
Depreciation	1,442	1,555	1,452	1,649	1,886	2,133	2,318	2,668	2,956
EBIT	**757**	**-935**	**620**	**2,282**	**1,895**	**1,160**	**1,153**	**1,406**	**1,984**
Int. and Finance Charges	808	845	826	928	1,099	1,272	1,455	1,571	1,706
Other Income	127	452	186	140	162	242	314	336	430
PBT bef. EO Exp.	**76**	**-1,329**	**-21**	**1,495**	**958**	**131**	**11**	**171**	**708**
EO Items	166	-42	0	0	0	0	-293	0	0
PBT after EO Exp.	**242**	**-1,371**	**-21**	**1,495**	**958**	**131**	**-281**	**171**	**708**
Total Tax	-14	-293	-4	379	266	9	73	43	178
Tax Rate (%)	-18.8	N/M	N/M	25.3	27.8	6.9	640.7	25.2	25.2
Reported PAT	**-76**	**-994**	**-17**	**1,116**	**692**	**122**	**231**	**128**	**530**
Adjusted PAT	**90**	**-1,036**	**-17**	**1,116**	**692**	**122**	**-62**	**128**	**530**
Change (%)	-57.6	P/L	-	L/P	-38.0	-82.4	P/L	L/P	314.2
Margin (%)	0.6	-10.5	-0.1	4.9	2.9	0.5	-0.2	0.4	1.6

Consolidated - Balance Sheet

INR mn

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	311	312	312	312	312	312	312	312	312
Total Reserves	5,459	4,501	4,309	5,347	5,571	5,723	5,879	4,126	5,704
Net Worth	**5,770**	**4,812**	**4,621**	**5,659**	**5,883**	**6,035**	**6,191**	**4,438**	**6,015**
Total Loans	1,837	2,152	2,010	2,070	2,390	3,081	2,996	2,896	2,796
Lease Liabilities	7,822	7,528	8,536	9,960	11,235	13,151	15,052	16,696	18,585
Deferred Tax Liabilities	-214	-510	-520	-604	-708	-959	-1,012	-1,032	-1,053
Capital Employed	**15,216**	**13,982**	**14,647**	**17,086**	**18,800**	**21,308**	**23,227**	**22,997**	**26,343**
Gross Block	8,430	8,522	9,088	11,263	12,821	14,341	15,861	18,141	20,231
Less: Accum. Deprn.	2,538	3,153	3,649	4,257	4,723	5,374	6,299	9,720	11,509
Net Fixed Assets	**5,893**	**5,368**	**5,439**	**7,006**	**8,098**	**8,967**	**9,563**	**8,421**	**8,722**
Goodwill on Consolidation	466	466	466	466	466	466	466	0	0
Capital WIP	226	256	355	567	447	225	685	850	850
Right to use Asset	7,722	7,008	7,718	8,758	9,606	11,078	12,488	12,468	13,743
Total Investments	**1,576**	**1,984**	**1,504**	**1,299**	**1,380**	**1,592**	**1,201**	**1,201**	**1,201**
Current	719	1,461	1,030	1,299	1,380	1,592	1,201	1,201	1,201
Non current	857	523	474	0	0	0	0	0	0
Curr. Assets, Loans&Adv.	**1,535**	**1,643**	**1,973**	**2,291**	**2,153**	**2,793**	**2,887**	**4,312**	**6,663**
Inventory	411	465	559	714	632	808	699	1,054	1,197
Account Receivables	47	88	133	107	173	190	172	251	285
Cash and Bank Balance	30	110	232	284	141	589	169	920	2,820
Loans and Advances	1,046	980	1,048	1,185	1,206	1,206	1,847	2,087	2,361
Curr. Liability & Prov.	**2,201**	**2,744**	**2,809**	**3,300**	**3,350**	**3,812**	**4,063**	**4,257**	**4,836**
Account Payables	1,280	1,851	1,722	1,877	2,026	2,325	2,524	2,640	3,139
Other Current Liabilities	822	789	953	1,293	1,225	1,340	1,313	1,378	1,447
Provisions	100	104	134	130	99	147	227	238	250
Net Current Assets	**-666**	**-1,101**	**-836**	**-1,009**	**-1,197**	**-1,020**	**-1,177**	**56**	**1,827**
Appl. of Funds	**15,216**	**13,982**	**14,647**	**17,086**	**18,800**	**21,308**	**23,227**	**22,997**	**26,343**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)									
Adj. EPS	**0.6**	**-6.7**	**-0.1**	**7.2**	**4.4**	**0.8**	**-0.4**	**0.8**	**3.4**
Cash EPS	9.9	3.3	9.2	17.7	16.5	14.5	14.5	17.9	22.4
BV/Share	37.1	30.9	29.7	36.3	37.7	38.7	39.7	28.5	38.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)									
P/E	845.3	N/M	N/M	68.5	110.4	626.1	N/M	597.6	144.3
Cash P/E	49.7	147.0	53.1	27.6	29.6	33.9	33.9	27.3	21.9
P/BV	13.2	15.8	16.5	13.5	13.0	12.7	12.3	17.2	12.7
EV/Sales	4.9	7.7	4.9	3.4	3.2	3.1	3.0	2.6	2.2
EV/EBITDA	34.8	123.4	37.0	19.6	20.4	23.5	22.4	18.9	15.2
EV/EBITDA pre Ind As	52.7	-3,201.6	58.8	25.6	28.6	38.0	38.7	31.7	23.8
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	4.8	5.4	4.9	5.1	7.9	8.5	7.4	9.1	20.6
Return Ratios (%)									
RoE	1.6	-19.6	-0.4	21.7	12.0	2.0	-1.0	2.4	10.1
RoCE	8.9	NA	NA	11.0	8.0	6.3	-34.1	5.4	7.0
RoIC	9.4	NA	NA	12.4	8.6	6.0	-31.1	5.1	7.2
Working Capital Ratios									
Fixed Asset Turnover (x)	1.8	1.2	1.7	2.0	1.9	1.7	1.7	1.6	1.7
Asset Turnover (x)	1.0	0.7	1.1	1.3	1.3	1.2	1.1	1.3	1.3
Inventory (Days)	10	17	13	11	10	12	10	13	13
Debtor (Days)	1	3	3	2	3	3	2	3	3
Creditor (Days)	30	69	40	30	31	34	35	33	34
Leverage Ratio (x)									
Current Ratio	0.7	0.6	0.7	0.7	0.6	0.7	0.7	1.0	1.4
Interest Cover Ratio	0.9	-1.1	0.7	2.5	1.7	0.9	0.8	0.9	1.2
Net Debt/Equity	1.4	1.6	1.9	1.8	2.1	2.3	2.7	3.9	2.9

Consolidated - Cash Flow Statement

INR mn

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	-90	-1,287	-21	1,495	958	131	304	171	708
Depreciation	1,384	1,396	1,364	1,521	1,822	2,041	2,262	2,570	2,853
Interest & Finance Charges	808	845	826	927	1,097	1,271	1,455	1,571	1,706
Direct Taxes Paid	-163	32	-66	-439	-403	-74	-153	-43	-178
(Inc)/Dec in WC	164	691	-145	70	76	248	289	-409	209
CF from Operations	**2,102**	**1,677**	**1,959**	**3,575**	**3,550**	**3,618**	**4,157**	**3,860**	**5,297**
Others	-89	-337	-202	-90	-159	-118	-636	0	0
CF from Operating incl EO	**2,013**	**1,340**	**1,756**	**3,484**	**3,391**	**3,500**	**3,521**	**3,860**	**5,297**
(Inc)/Dec in FA	-1,259	-491	-999	-2,691	-2,154	-2,174	-2,365	-2,445	-2,090
Free Cash Flow	**754**	**849**	**757**	**794**	**1,236**	**1,325**	**1,156**	**1,416**	**3,207**
(Pur)/Sale of Investments	569	-252	380	-32	166	-139	326	0	0
Others	1	-63	4	272	-54	56	15	1,992	1,583
CF from Investments	**-689**	**-806**	**-616**	**-2,451**	**-2,042**	**-2,258**	**-2,024**	**-453**	**-507**
Issue of Shares	10	28	24	-21	0	0	0	0	0
Inc/(Dec) in Debt	-1,245	-311	-910	-817	-758	-570	-1,554	-120	-121
Interest Paid	-152	-170	-133	-143	-733	-224	-363	-2,536	-2,770
CF from Fin. Activity	**-1,387**	**-453**	**-1,019**	**-981**	**-1,492**	**-794**	**-1,918**	**-2,656**	**-2,891**
Inc/Dec of Cash	**-62**	**80**	**122**	**52**	**-143**	**448**	**-421**	**751**	**1,900**
Opening Balance	92	30	110	232	284	141	590	169	920
Closing Balance	**30**	**110**	**232**	**284**	**141**	**590**	**169**	**920**	**2,820**

E: MOFSL Estimates

N O T E S

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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