

Estimate changes

TP change

Rating change



Bloomberg	IDEA IN
Equity Shares (m)	28735
M.Cap.(INRb)/(USDb)	344.2 / 4.2
52-Week Range (INR)	10 / 6
1, 6, 12 Rel. Per (%)	4/-12/-32
12M Avg Val (INR M)	1198

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Net Sales	422	428	461
EBITDA	168	177	202
Adj. PAT	-293	-270	-237
EBITDA Margin (%)	39.9	41.3	43.9
Adj. EPS (INR)	-10.2	-9.4	-8.2
EPS Gr. (%)	3.1	-7.8	-12.2
BV/Sh. (INR)	-23.2	-31.6	-38.9

Ratios

Net D:E	-3.3	-2.5	-2.1
RoE (%)	NM	NM	NM
RoCE (%)	-3.9	-3.3	-2.4
Payout (%)	0.0	0.0	0.0

Valuations

EV/EBITDA (x)	16.5	16.3	14.8
P/E (x)	-0.7	-0.7	-0.8
P/B (x)	-0.3	-0.2	-0.2
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	50.4	75.0	75.0
DII	33.7	1.3	1.7
FII	2.3	3.6	3.6
Others	13.6	20.1	19.7

FII Includes depository receipts

CMP: INR7

TP: INR7

Neutral

Subscriber loss ebbs; awaiting capital raise

- Vodafone Idea (VIL) posted 3% QoQ EBITDA growth (pre Ind AS-116), aided by slight moderation in subscriber churn and flat ARPU along with lower network cost in 4QFY23. Capex remained low as VIL awaits capital raise.
- Subscriber loss continued; however, VIL has taken some price increase in the minimum recharge category in select circles to drive profitability. After the Government's equity conversion, there has been a progress towards fund raise as investors seek clarity. However, with INR84b of debt repayment scheduled in FY24E against an EBITDA of INR89b (pre IND-AS 116), the liquidity situation remains bleak. We reiterate our **Neutral** rating.

EBITDA up 3% QoQ (Pre IND-AS 116) on lower cost

- VIL's revenue declined 1% QoQ to INR105b (in line) due to a 1% drop in the subscriber base and flat ARPU. The subscriber base continued to decline, down 3m to 226min 4QFY23. Bharti/RJio also saw flat ARPU of INR193/INR179 but posted subscriber additions of 3m/6m for the quarter.
- Reported EBITDA grew 1% QoQ to INR42b (in line), led by lower network expenses (down 180bp QoQ) and lower customer acquisition costs (down 20bp QoQ) partially offset by an increase in roaming and access charges (up 110bp QoQ) in 4QFY23.
- Pre IND-AS 116 EBITDA improved 3% QoQ to INR20.7b (in line).
- Reported EBITDA margin improved 60bp to 40% and pre IND-AS 116 EBITDA margin expanded 80bp QoQ to 19.7% during the quarter.
- Net loss reduced to INR64b in 4QFY23 v/s INR80b loss in 3QFY23 (9% beat).
- VIL's FY23 revenue/EBITDA increased 10%/5% YoY to INR422b/INR168b, while its net loss widened to INR293b from INR282b loss in FY22.
- Capex decreased QoQ to INR5.6b v/s INR7.5b in 3QFY23. For Bharti/RJio, annual network capex stood at INR280b/INR400b, significantly above VIL, despite having higher capacities.
- FCF post-interest and LL increased 66% YoY to INR32b in FY23 (much lower than annual capex of Bharti/RJio). FCF increase was driven by 5% YoY EBITDA growth and a decline in interest payments, which could be due to a drop in market debt.

Highlights from the management commentary

- VIL has taken price action in the minimum recharge category in a few circles like Mumbai, reducing validity for INR99 plan to 15 days from 28 days.
- It reiterated the need for tariff increase. However, VIL indicated that it is not in a position to take the lead and will await peers' decisions to drive any tariff hikes.
- VIL reduced customer acquisition cost, which was INR12-14b for the industry, by rationalizing channel and customers with high churn. However, it has not seen any impact on churn due to peer's 5G expansion.

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

- VIL has INR84b of debt repayment scheduled in FY24. Bank and FII loans stood at INR114b in FY23. The company is incurring only maintenance capex and waiting for fund raise to expand the 4G and 5G rollouts.

Valuation and view

- VIL has seen continued ARPU increase with higher renewal rate, and upgrade to 4G. Subscriber churn continues but has subsided significantly.
- It has taken price increase in the minimum recharge category in select circles such as Mumbai via reducing validity by half. This is also positive for Bharti.
- The completion of share issuance to the Government has given clarity and led to positive steps toward the crucial fund raise for debt repayment of INR84b scheduled in FY24. This along with capex toward 4G and 5G rollouts is the key. Thus, the much-awaited capital raise remains critical to provide immediate liquidity and network expansion for the company.
- VIL still holds a debt of INR2.1t with annual installment of INR370b from FY26 onwards. This will be difficult to repay with INR89b EBITDA (IND-AS 116) in FY24E.
- The significant amount of cash required to service debt leaves limited upside opportunities for equity holders, despite the high operating leverage opportunity from any ARPU increase. The current low EBITDA will make it challenging for VIL to service debt without an external fund infusion. Assuming 12x EV/EBITDA, with a net debt INR2.1t, leaves limited opportunity for equity shareholders. **We reiterate our Neutral rating on the stock with a TP of INR7.**

Consolidated - Quarterly Earning Model

Y/E March	FY22				FY23				FY22	FY23	FY23E	Est Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Revenue	92	94	97	102	104	106	106	105	385	422	106	-0.5
YoY Change (%)	-14.1	-12.8	-10.8	6.6	13.7	12.8	9.3	2.9	-8.2	9.5	-2.9	
Total Expenditure	54	55	59	56	61	65	64	63	225	254	64	-0.8
EBITDA	37	39	38	46	43	41	42	42	160	168	42	0.1
YoY Change (%)	-9.5	-7.0	-11.0	5.5	16.7	6.1	9.5	-9.4	-5.4	4.9	-1.9	
Depreciation	60	59	57	59	58	57	59	57	236	230	60	-5.1
Net Finance Costs	52	51	53	53	58	60	63	49	209	230	52	-6.3
PBT before EO expense	-75	-71	-72	-65	-73	-76	-80	-64	-284	-293	-70	9.1
Extra-Ord expense	-2	0	0	0	0	0	0	0	-2	0	0	
PBT	-73	-71	-72	-66	-73	-76	-80	-64	-282	-293	-70	8.8
Tax	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.1	-42.7
Rate (%)	0.0	-0.1	-0.1	0.0	-0.1	-0.1	0.0	0.1	0.0	0.0	0.1	
Reported PAT	-73	-71	-72	-66	-73	-76	-80	-64	-282	-293	-70	8.8
Adj PAT	-75	-71	-72	-65	-73	-76	-80	-64	-284	-293	-70	9.1
YoY Change (%)	35.4	10.8	15.9	8.3	-2.7	6.3	10.7	-2.3	17.1	3.1	13.0	

E: MOFSL Estimates

Exhibit 1: Debt Break-up (INR b)

Net debt classification	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	QoQ
Spectrum debt	942	963	1,060	1,086	1,113	1,139	1,166	1,367	1,398	1,307	(91)
Market debt	232	231	234	228	231	181	152	151	132	114	(18)
Optionally Convertible Debentures	0	0	0	0	0	0	0	0	0	16	16
Total debt	1,174	1,194	1,294	1,314	1,344	1,319	1,318	1,517	1,530	1,437	(93)
Cash and equivalents	3	4	9	3	15	15	9	2	2	2	1
Net Debt excluding AGR	1,171	1,190	1,285	1,311	1,329	1,304	1,309	1,515	1,528	1,435	(94)
AGR dues	504	610	622	634	646	660	673	686	699	656	-44
Net debt including AGR	1,675	1,800	1,907	1,945	1,975	1,964	1,982	2,201	2,227	2,090	-137

Source: MOFSL, Company

Operating performance

- VIL's subscriber loss continued (for the last 20 quarters) at 2.7m (5.8m loss in 3Q) to reach 225.9m. RJio/Bharti saw subscriber additions of 6m/3m in 4QFY23.
 - Active subs continued to decline in 4QFY23, though the pace slowed down to 1.7m to reach 207.9m (6.5m/2.6m decline in 2Q/3QFY23).
 - Churn was higher at 3.8% (v/s 4.4% in 3QFY23). Bharti/RJio's churn stood at 2.8%/2.0% in 4QFY23.
 - Data subscribers grew 1% QoQ to 136.2m during the quarter.
 - There was a slow shift to 4G subs, which grew 1m QoQ to 122.6m (1m increase in 3QFY23).
- ARPU at INR135 was flat QoQ.
- Data traffic grew 1% QoQ to 5.8b GB. Data usage/subs rose 0.3% QoQ to 14.3GB.
- MOU (min/sub/month) increased 2% QoQ to 623 min.
- Unique/broadband towers saw marginal movement of -21/+553 towers to reach 184k/170k. Total broadband sites declined to 443k.
- **Improving 4G space:** VIL added 1.9k 4G sites (v/s 2k sites in 3QFY23).

Liquidity position

- The group's financial performance has hurt its ability to generate CF. Net WC (excluding ST borrowings, lease liability, accrual towards litigation) was negative at INR200b.
- **Debt payable by FY24 stands at INR83.8b.** Total net debt stands at INR2,090b.
- **In FY23, INR39.3b was classified as current maturity of LT liabilities on account of not meeting certain covenant clauses.**

Management commentary

- VIL remained engaged with lenders for further debt fund raising, as well as with other parties for equity or equity-linked fund raising, to make required investments for network expansion (including the 5G rollout).

Exhibit 2: Valuation based on FY25E EV/EBITDA

	Methodology	Driver	Multiple	Fair Value (INRb)	Value/sh (INR)
Consol EBITDA	EV/EBITDA	202	12	2,428	50
Less Net debt			.	2,090	43
Total Value				337	7.0
Shares o/s (b)				48.7	
CMP (INR)					7.0
Upside (%)					0

Source: MOFSL, Company



Highlights from the management commentary

Key takeaways

- VIL has taken price action in the minimum recharge category in a few circles like Mumbai, reducing validity for INR99 plan to 15 days from 28 days.
- It reiterated the need for tariff increase. However, VIL indicated that it is not in a position to take the lead and will await peers' decisions to drive any tariff hikes.
- VIL reduced customer acquisition cost, which was INR12-14b for the industry, by rationalizing channel and customers with high churn. However, it has not seen any impact on churn due to peer's 5G expansion.
- VIL has INR84b of debt repayment scheduled in FY24. Bank and FII loans stood at INR114b in FY23. The company is incurring only maintenance capex and waiting for fund raise to expand the 4G and 5G rollouts.

Commentary in detail

Performance

- A fall in interest expense for the quarter was due to the reversal of the interest on NPV conversion of the deferred liability of INR13b. The interest expense, excluding one-off and past effects, would be about INR53-54b per quarter.
- The company has implemented a variety of measures to reduce the aggressiveness of customer acquisitions. For subscriber additions, the industry typically spends INR120–140b, but the return is lower. Consequently, the cost of customer acquisition has decreased.
 - As an illustration, the MNP segment's rotational churn has been considered. Consequently, the acquisition cost has decreased.
- Write-backs in network costs have resulted in cost reductions.
- Payables have decreased due to some payments (such as American Tower Company dues) being moved to the OCD.
- For FY24, debt servicing will be in the ballpark of INR80b supported by the EBITDA (near INR80b). As of FY23, the loan due to the banks was ~INR114b. Hence, management expects the same to decrease.

Mobility services

- The company's focus is on getting more customers on 4G network and unlimited data plans for ARPU improvement.
- VIL keeps including new features, such as games, music, and movies. During the quarter, Bytes (a news platform) was added.
- Voice minutes have increased as UL subscribers have grown.
- The company lost customers as a result of a weak 4G network.
- Nearly 8% of devices are 5G. The company has not noticed any drop in subscribers or churn as a result of 5G.

ARPU

- ARPU has been boosted by migration from 2G to 4G, increases in plan renewals from high-quality consumers, etc.
- The management reiterates that the industry needs a tariff increase.
- VIL in Mumbai cuts the advantage for INR99 plans from a 28-day validity period to a 15-day period.
- It would happily follow the tariff improvement actions by the market leaders, as VIL is not in a position to take the lead on that front.

- Postpaid ARPU's are generally stable. There are some dilutions due to the Family plan.

Capex

- Guidelines would be given after the funding.
- The company is in discussion for external equities funding, which is progressing on track post-Government conversion. Promoters are also ready to contribute some more equities.
- VIL is constantly increasing the capacity by incurring minimum capex. It is not intending to increase the coverage or getting into the 5G expansion.

Enterprise offerings

- VIL is well positioned in enterprise offerings across industry verticals. The strong relationship with customers and global know-how of Vodafone Group provide a strong platform for future growth in this segment.

Highlights for the year

- Annual revenue improved 9.5% YoY to INR421.8b in FY23 from INR385.2b in FY22 supported by tariff hikes, improving subscriber mix and 4G subscriber additions.
- Annual EBITDA (pre IndAS116) increased to INR83b from INR66.8b, registering a growth of 24.1% YoY; EBITDA margin (pre Ind AS 116) stood at 19.7%.

Exhibit 3: Consolidated performance

Consolidated P&L (INR m)	4QFY22	3QFY23	4QFY23	YoY%	QoQ%	4QFY23E	v/s est (%)
Revenue	1,02,395	1,06,206	1,05,319	2.9	-0.8	1,05,804	-0.5
Operating expenses	55,905	64,398	63,216	13.1	-1.8	63,747	-0.8
EBITDA	46,490	41,808	42,103	-9.4	0.7	42,057	0.1
EBITDA margin (%)	45.4	39.4	40.0	-543bps	61bps	39.7	23bps
EBITDA (pre IND AS 116)	21,190	20,008	20,700	-2.3	3.5	20,257	2.2
EBITDA margin (%) (pre IND AS 116)	20.7	18.8	19.7	-104bps	82bps	19.1	51bps
Depreciation and amortization	59,130	58,860	57,037	-3.5	-3.1	60,104	-5.1
EBIT	-12,640	-17,052	-14,934	18.1	-12.4	-18,047	17.2
EBIT margin (%)	-12.3	-16.1	-14.2	-184bps	188bps	-17.1	288bps
Net Finance Costs	52,839	62,847	49,078	-7.1	-21.9	52,403	-6.3
Share of Associates	3	2	0	-100.0	-100.0	2	-100.0
Profit before Tax	-65,476	-79,897	-64,012	-2.2	-19.9	-70,448	9.1
Exceptional item (gain)/loss	137	0	224	NM	#DIV/0!	0	#DIV/0!
Tax	18	3	-47	-361.1	-1666.7	-82	-42.7
Tax rate (%)	0.0	0.0	0.1	10bps	8bps	0.1	-4bps
Profit after Tax	-65,631	-79,900	-64,189	-2.2	-19.7	-70,366	8.8
Adj. Profit after Tax	-65,494	-79,900	-63,965	-2.3	-19.9	-70,366	9.1

Source: MOFSL, Company

Exhibit 4: Key operating metrics

Key Operating Metrics	4QFY22	3QFY23	4QFY23	YoY%	QoQ%	4QFY23E	v/s est (%)
Subscriber Base (m)	243.8	228.6	225.9	-7.3%	-1.2%	225.6	0.1
VLR Subscribers (m)	226.1	209.6	207.9	-8.0%	-0.8%	0.0	
Net VLR Subscriber (m)	-3.4	-2.6	-1.7	-50.0%	-34.6%	0.0	
Pre-paid Subs (%)	91.8%	90.4%	90.1%	-1.9%	-0.3%	0.0%	
Blended ARPU (INR)	124	135	135	8.9%	0.0%	137.0	-1.5
Voice metrics							
MOU (min/sub/month)	610	613	623	2.1%	1.6%	619.1	0.6
ARPM (INR)	0.20	0.22	0.22	6.6%	-1.6%	0.2	-2.1
Blended churn	3.40%	4.4%	3.8%	11.8%	-13.6%	4.4%	
Data metrics							
Data subs (m)	135.7	135.3	136.2	0.4%	0.7%		
as a % of overall subs	55.7%	59.2%	60.3%	8.3%	1.9%		
Broadband subs (m)	103	103.8	104.1	1.1%	0.3%		
4g subs	118.1	121.6	122.6	3.8%	0.8%		
Total Data traffic (m GB)	5,237	5,762	5,802	10.8%	0.7%		
Data usage/subs (mb)	12,859	14,201	14,247	10.8%	0.3%		
Tower details							
Total Unique Towers (EoP)	1,84,794	1,84,403	1,84,382	-0.2%	0.0%		
Total Unique Broadband Towers (EoP)	1,69,016	1,69,805	1,70,359	0.8%	0.3%		
Total Broadband sites (3G+4G)	4,55,264	4,43,450	4,43,537	-2.6%	0.0%		

Source: MOFSL, Company

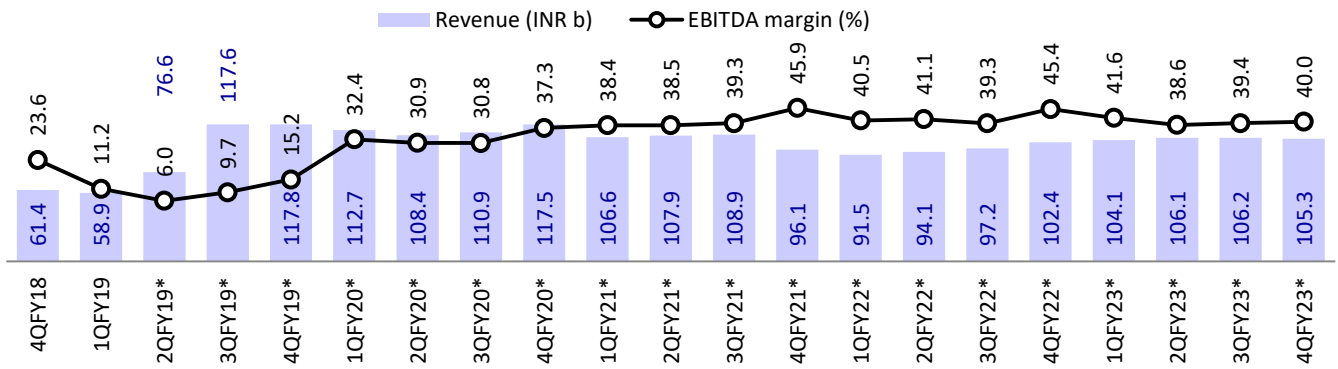
Exhibit 5: Summary of our estimate revisions

	FY24E	FY25E
Revenue (INR b)		
Old	450	503
Actual/New	428	461
Change (%)	-4.9	-8.3
EBITDA (INR b)		
Old	202	237
Actual/New	177	202
Change (%)	-12.6	-14.7
EBITDA margin (%)		
Old	44.9	47.2
Actual/New	41.3	43.9
Change (bp)	-366bps	-329bps
Net Profit (INR b)		
Old	-267	-223
Actual/New	-270	-237
Change (%)	-1.3	-6.2
Adj. EPS (INR)		
Old	-9.3	-7.8
Actual/New	-9.4	-8.2
Change (%)	-1.3	-6.2

Source: Company, MOFSL

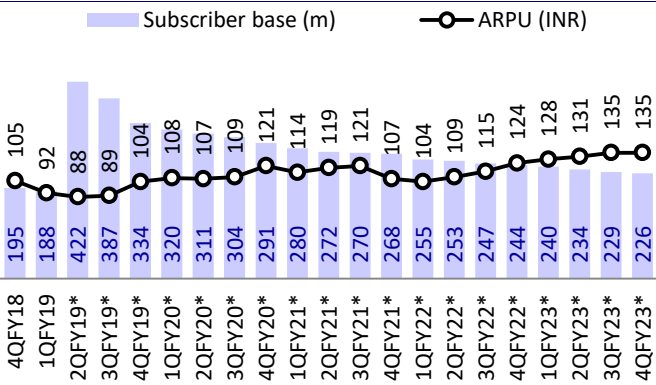
Story in charts

Exhibit 6: Consolidated revenue declined 1% QoQ; reported EBITDA and Pre-IND-AS EBITDA increased



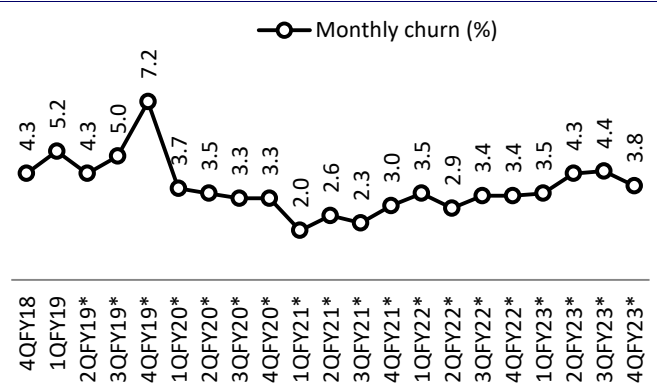
*merged entity Source: MOFSL, Company

Exhibit 7: Subs declined while ARPU was flat



*merged entity. Source Company, MOFSL

Exhibit 8: Monthly churn improved



*merged entity. Source Company, MOFSL

Exhibit 9: Voice traffic declining over the last many quarters

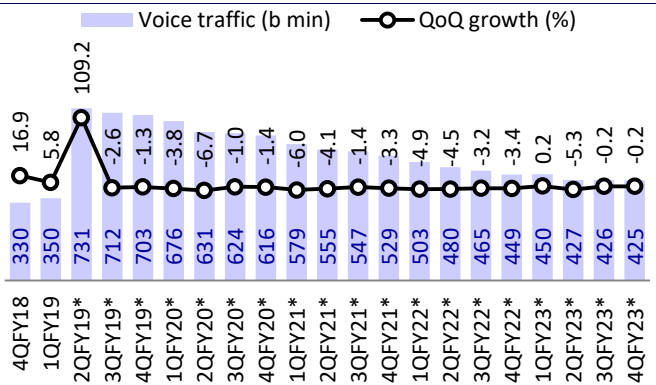
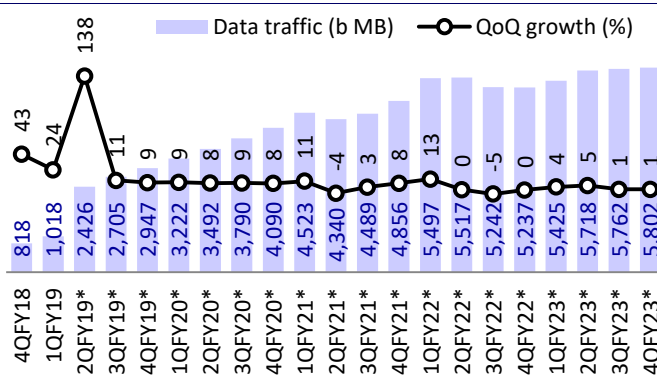


Exhibit 10: Data traffic increased 1% QoQ



*merged entity. Source Company, MOFSL

Financials and valuations

Consolidated - Income Statement									(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Total Income from Operations	356	283	371	450	420	385	422	428	461
Change (%)	-1.0	-20.5	31.2	21.2	-6.7	-8.2	9.5	1.5	7.7
Total Expenditure	253	222	330	300	250	225	254	251	259
% of Sales	71.1	78.6	89.1	66.8	59.6	58.4	60.1	58.7	56.1
EBITDA	103	60	40	149	169	160	168	177	202
Margin (%)	28.9	21.4	10.9	33.2	40.4	41.6	39.9	41.3	43.9
Depreciation	78	84	145	244	236	236	230	230	238
EBIT	24	-24	-105	-94	-67	-75	-62	-53	-36
Int. and Finance Charges	37	45	87	144	178	209	230	217	201
PBT bef. EO Exp.	-13	-68	-192	-238	-245	-284	-293	-270	-237
Share of profits of associates	4	3	2	4	2	0	0	0	0
EO Items	0	0	-9	384	200	-2	0	0	0
PBT after EO Exp.	-9	-65	-182	-618	-443	-282	-293	-270	-237
Total Tax	-5	-23	-36	121	0	0	0	0	0
Tax Rate (%)	53.7	35.9	19.7	-19.5	0.0	0.0	0.0	0.0	0.0
Minority Interest	0	0	0	0	0	0	0	0	0
Reported PAT	-4	-42	-146	-739	-442	-282	-293	-270	-237
Adjusted PAT	-4	-42	-161	-217	-243	-284	-293	-270	-237
Change (%)	LP	NM	NM	34.5	11.7	17.1	3.1	-7.8	-12.2
Margin (%)	-1.1	-14.7	-43.5	-48.3	-57.8	-73.8	-69.4	-63.1	-51.4

Consolidated - Balance Sheet									(INR b)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	36	44	87	287	287	321	487	487	487
Total Reserves	211	229	509	-228	-670	-941	-1,230	-1,500	-1,737
Net Worth	247	273	596	60	-382	-620	-744	-1,014	-1,251
Total Loans	551	580	1,085	1,106	1,660	2,138	2,444	2,556	2,687
Deferred Tax Liabilities	13	-11	-103	0	0	0	0	0	0
Capital Employed	811	841	1,579	1,166	1,277	1,518	1,701	1,542	1,436
Gross Block	907	1,020	2,147	2,471	2,524	2,653	2,878	2,928	3,028
Less: Accum. Deprn.	139	223	369	612	849	1,085	1,315	1,545	1,783
Net Fixed Assets	768	797	1,778	1,858	1,675	1,568	1,563	1,383	1,244
Goodwill on Consolidation	0	0	0	0	0	0	0	0	0
Capital WIP	75	36	51	11	6	4	179	179	179
Total Investments	64	73	82	20	0	0	0	0	0
Curr. Assets, Loans&Adv.	60	66	282	380	354	368	331	352	384
Inventory	1	0	0	0	0	0	0	0	0
Account Receivables	13	9	33	31	25	24	22	22	24
Cash and Bank Balance	1	0	10	27	22	35	9	19	30
Loans and Advances	45	57	239	322	307	309	301	312	330
Curr. Liability & Prov.	156	131	615	1,103	757	422	372	372	372
Account Payables	152	127	611	1,100	757	422	372	372	372
Provisions	4	3	4	4	1	1	0	0	0
Net Current Assets	-96	-65	-333	-724	-404	-54	-41	-19	13
Appl. of Funds	811	841	1,579	1,166	1,277	1,518	1,701	1,542	1,436

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)									
EPS	-1.1	-9.6	-18.5	-7.6	-8.4	-9.9	-10.2	-9.4	-8.2
Cash EPS	20.6	9.7	-1.8	0.9	-0.2	-1.7	-2.2	-1.4	0.0
BV/Share	68.6	62.5	68.3	2.1	-13.3	-19.3	-23.2	-31.6	-38.9
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)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
P/E	-6.3	-0.7	-0.4	-0.9	-0.8	-0.7	-0.7	-0.7	-0.8
Cash P/E	0.3	0.7	-3.8	7.6	-32.1	-4.2	-3.2	-5.0	178.0
P/BV	0.1	0.1	0.1	3.4	-0.5	-0.4	-0.3	-0.2	-0.2
EV/Sales	1.6	2.2	3.1	2.8	4.4	6.0	6.6	6.7	6.5
EV/EBITDA	5.0	8.9	26.1	8.5	10.8	14.5	16.5	16.3	14.8
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return Ratios (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RoE	-1.7	-16.0	-37.2	-66.2	NM	NM	NM	NM	NM
RoCE	1.6	-1.8	-6.7	-7.9	-5.5	-5.4	-3.9	-3.3	-2.4
RoIC	1.8	-2.2	-7.8	-8.9	-5.7	-5.5	-4.2	-3.7	-2.8
Working Capital Ratios	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed Asset Turnover (x)	0.4	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.2
Asset Turnover (x)	0.4	0.3	0.2	0.4	0.3	0.3	0.2	0.3	0.3
Inventory (Days)	1	0	0	0	0	0	0	0	0
Debtor (Days)	13	11	32	25	22	23	19	19	19
Leverage Ratio (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Ratio	0.4	0.5	0.5	0.3	0.5	0.9	0.9	0.9	1.0
Interest Cover Ratio	0.7	-0.5	-1.2	-0.7	-0.4	-0.4	-0.3	-0.2	-0.2
Net Debt/Equity	2.0	1.9	1.7	17.7	-4.3	-3.4	-3.3	-2.5	-2.1

Consolidated - Cash Flow Statement

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
(INR b)									
OP/(Loss) before Tax	-9	-42	-182	-618	-443	-282	-293	-270	-237
Depreciation	78	84	145	244	236	236	230	230	238
Interest & Finance Charges	40	45	88	144	178	209	234	217	201
Direct Taxes Paid	-7	0	3	24	8	15	-13	0	0
(Inc)/Dec in WC	7	-23	28	-92	-14	-3	6	-11	-20
CF from Operations	110	64	83	-299	-34	174	189	165	182
Others	-4	-11	-29	372	191	0	0	0	0
CF from Operating incl EO	105	53	53	73	156	174	189	165	182
(Inc)/Dec in FA	-126	-74	-76	-78	-45	-57	-55	-50	-100
Free Cash Flow	-21	-21	-22	-5	111	117	133	115	82
(Pur)/Sale of Investments	-33	-9	-4	65	42	0	0	0	0
Others	4	-10	6	-15	14	0	1	0	0
CF from Investments	-156	-93	-74	-28	11	-57	-54	-50	-100
Issue of Shares	-4	67	0	249	0	45	4	0	0
Inc/(Dec) in Debt	84	29	21	-81	-44	-53	-51	112	131
Interest Paid	-33	-45	-51	-153	-28	-28	-21	-217	-201
Dividend Paid	-3	0	0	0	0	0	0	0	0
Others	0	-13	57	-65	-96	-69	-79	0	0
CF from Fin. Activity	44	39	28	-49	-167	-106	-147	-105	-70
Inc/Dec of Cash	-6	0	7	-4	0	11	-12	10	12
Opening Balance	6	0	0	8	4	4	15	2	12
Closing Balance	0	0	8	4	4	15	2	12	24
Other Balances	0	0	2	23	19	20	6	6	6
Total Balance	1	0	10	27	22	35	9	19	30

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NOTES

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UNDER REVIEW	Rating may undergo a change
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