

Management should consider a fund-raise

Swiggy's balance sheet remains a cause of concern and requires remedial measures, in our opinion. While [media reports](#) suggest the company is considering a sale of its ~12% stake in Rapido to recapitalise its balance sheet, we believe it needs a much bigger war chest. This is because Swiggy's entire stake in Rapido can fetch it a maximum of USD 320mn (INR 29bn) pre-tax, even if we assume the deal happens at the upper end of USD 2.5bn-2.7bn, as indicated by the media reports. At a time when Swiggy is fast depleting its cash balance and there are [growing competitive threats](#), it needs to take cues from its larger peer, which recapitalised itself last year despite no visible signs of balance sheet concerns. In fact, despite Instamart delivering 100%+ YoY GOV growth in recent quarters, it has been losing relative share to Blinkit, as the latter expanded 130%+. With Blinkit's guidance suggesting plans to double its store count over the medium term, we believe Instamart's curbed expansion strategy runs the risk of meaningfully falling behind its more ambitious competition. We, therefore, reiterate that Swiggy needs a much larger fund-raise, of >USD 500mn, to support its long-term ambitions in quick commerce. Till this hangover is lifted, we believe the stock is unlikely to deliver meaningful returns to shareholders. We change our rating from Hold in our previous rating system to REDUCE in the new rating system.

- **Businesses should ideally secure funding from a position of strength:** Our recent investor interactions suggest many look at its Instamart business favourably because of a large addressable TAM, its current market positioning and the management's proven track record in food delivery. Despite that backdrop, Swiggy's management can take cues from its larger peer, which recapitalised itself last year despite no visible signs of balance sheet concerns. This is because a fresh fund-raise at a later stage may become difficult if Swiggy ends up depleting its balance sheet at an accelerated pace either on account of operational challenges and/or sudden rise in competitive intensity.
- **Cash balance will continue to fall in the near term:** We estimate that Swiggy's net cash balance (excluding any proceeds from Rapido stake sale) will fall by INR 10bn QoQ to INR 43.5bn by Sep'25 from INR 81.3bn/INR 53.5bn in Dec'24/Jun'25, respectively. It would mean its **net cash outflow over the last 15 months would be even more than the primary fund-raise of ~INR 44bn at the time of its IPO in Nov'24**. In fact, we estimate Swiggy's cash outflow to remain high at least till late-FY27 because Instamart's Adj. EBITDA losses are not likely to come down at an accelerated pace even if a) it turns contribution margin break-even as per the management's latest guidance, b) new dark store addition remains muted at ~40-50 per quarter (from a peak of 316 stores in 4QFY25) and c) competitive pressure remains relatively modest.
- **Revise rating to 'REDUCE' as per new rating system with a revised TP of INR 440:** We continue to value Swiggy's food delivery business at 45x EV/Adj. EBITDA multiple, Instamart business at 0.5x EV/GOV multiple and out-of-home consumption basis 1x EV/GOV multiple. We expect the Rapido transaction to go through in 2HFY26 and therefore factor in the proceeds from the sale of stake (at the upper-end of the range discussed in the media reports) and roll-forward to Sep'25 for a revised TP of INR 440.

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	112,474	152,268	228,010	280,920	335,452
Sales Growth (%)	36.1	35.4	49.7	23.2	19.4
EBITDA	-22,080	-27,858	-29,446	-7,132	10,393
EBITDA Margin (%)	-19.6	-18.3	-12.9	-2.5	3.1
Adjusted Net Profit	-23,502	-31,168	-38,843	-18,386	-1,669
Diluted EPS (INR)	-10.7	-13.7	-15.6	-7.4	-0.7
Diluted EPS Growth (%)	44.6	-27.9	-13.8	52.7	90.9
ROIC (%)	-101.7	-101.4	-109.2	-42.7	-3.5
ROE (%)	-27.9	-34.6	-40.8	-22.4	-2.1
P/E (x)	-42.8	-33.5	-29.4	-62.1	-684.5
P/B (x)	12.9	10.2	13.0	15.0	14.4
EV/EBITDA (x)	-49.5	-38.7	-37.0	-156.5	107.0
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 19/Sep/2025

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Recommendation and Price Target

Current Reco.	REDUCE
Previous Reco.	HOLD
Current Price Target (12M)	440
Upside/(Downside)	-4.0%
Previous Price Target	420
Change	4.8%

Key Data – SWIGGY IN

Current Market Price	INR458
Market cap (bn)	INR1,143.2/US\$13.0
Free Float	100%
Shares in issue (mn)	2,493.6
Diluted share (mn)	2,493.6
3-mon avg daily val (mn)	INR6,928.5/US\$78.6
52-week range	617/297
Sensex/Nifty	82,626/25,327
INR/US\$	88.1

Price Performance

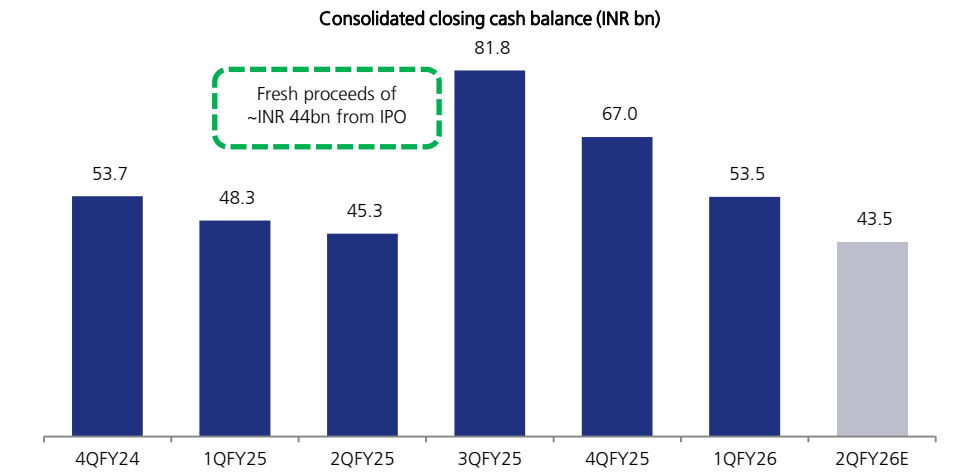
%	1M	6M	12M
Absolute	11.9	27.1	0.0
Relative*	10.1	18.3	0.0

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Exhibit 1. Swiggy's net cash outflow between Jun'24 and Sep'25 would be even more than the primary fund-raise of ~INR 44bn at the time of its IPO in Nov'24



Source: Company, JM Financial estimates

Exhibit 2. Swiggy and Eternal cash inflows/outflows

All numbers are in INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	Last 5 qtrs
Swiggy						
Adjusted EBITDA	-3,478	-3,410	-4,900	-7,320	-8,127	-27,235
Treasury income	1,120	1,650	960	1,560	690	5,980
Capital expenditure	-690	-1,000	-1,490	-4,250	-3,190	-10,620
Loan (including interest)	410	-370	-2,300	260	-10	-2,010
Other items	-480	-160	-130	-310	110	-970
Net working capital	-2,280	300	580	-4,820	-2,880	-9,100
Net change in cash (ex-fresh funds)	-5,398	-2,990	-7,280	-14,880	-13,407	-43,955
Fresh funds			43,800			43,800
Net change in cash	-5,398	-2,990	36,520	-14,880	-13,407	-155
Eternal						
Adjusted EBITDA	2,990	3,300	2,850	1,650	1,720	12,510
Treasury income	2,550	2,270	1,430	1,950	2,350	10,550
Capital expenditure	-1,440	-2,140	-2,560	-3,170	-3,700	-13,010
Other items	630	930	-280	1,480	1,070	3,830
Net working capital	-1,750	-1,480	-1,680	-6,020	-1,110	-12,040
Net change in cash (ex-M&A and fresh funds)	2,980	2,880	-240	-4,110	330	1,840
M&A		-20,140				-20,140
Fresh funds			84,460			84,460
Net change in cash	2,980	-17,260	84,220	-4,110	330	66,160

Source: Company, JM Financial

- **Scaling down expansion and depleted balance sheet could have long-term ramifications:**
As of 1QFY26, Instamart was operating 1,062 dark-stores in 127 cities vs. 1,544/~1,150 stores operated by Blinkit and Zepto in 100+/-75 cities, respectively. As per our checks, a large percentage of Instamart's stores are in lower tier cities (tier 2+), which makes us believe Instamart's store density across major cities is relatively inferior to the nearest competition. Further, the business has slowed down its new dark store expansion plans to 40-50 stores per quarter (from a peak of 316 stores in 4QFY25) at a time when Blinkit is likely to add 200-250 stores per quarter. This means Instamart runs the risk of meaningfully falling behind its more ambitious competition. Moreover, the quick commerce market is getting crowded as Flipkart Minutes and Amazon Now are fast

expanding their operations. While these new entrants may not have an immediate impact, they could drive competitive intensity over the medium to long term. We, therefore, remain concerned about Swiggy's ability to adequately invest in Instamart amidst a deteriorating balance sheet. Therefore, we believe it needs to raise more than USD 500mn to support its long-term ambitions in the business.

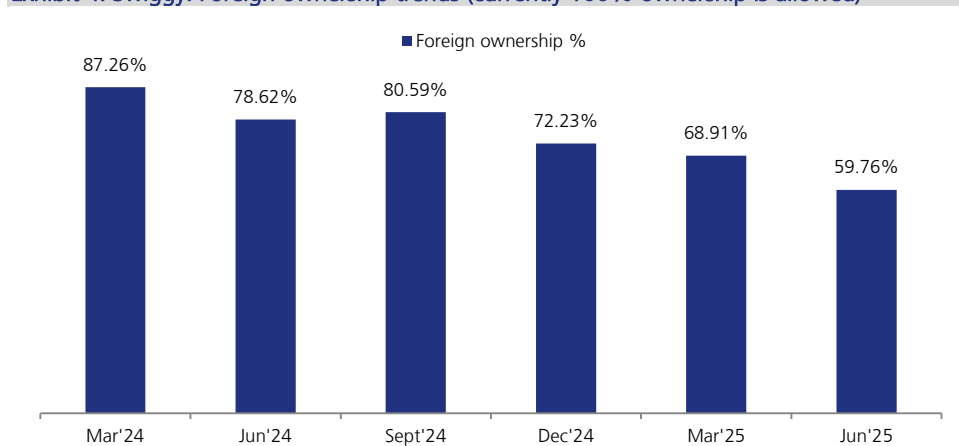
Exhibit 3. City coverage and % of non-metro stores for different platforms

Quick commerce	Blinkit	Zepto	Instamart	BB Now	Minutes	Now
Number of cities (latest)	100+	~75	127	~50	19	3
Number of dark stores (latest)	1,544	~1,150	1,062	~700	400+	100+
% non-metro stores (JMFe)	~35%	30-33%	~40%	30-33%	25-30%	-
Estimated stores by Dec'25	2,000	~1,250	~1200	800	800	300
Estimated stores by Dec'27	3,000	-	-	-	-	-

Source: Company, Media Reports, Industry experts, JM Financial. Note 1: BB Now, Minutes and Now are QC services offered by Bigbasket, Flipkart and Amazon, respectively.

- **Capital will also be needed when Instamart shifts to an inventory-led business model:** We believe Instamart will eventually move to an inventory-led business model like the market leader Blinkit, as it offers several operational benefits over the marketplace-based business model. These benefits include ability to (1) directly source merchandise from brands/manufacturers without having to engage third-party-sellers, thereby getting better control over operations, (2) to introduce new, underserved categories or merchandise that third-partysellers may not be currently investing due to inability to fund working capital investments, (3) seek better commissions from brands/manufacturers by leveraging the platform's scale advantage, (4) offer high-quality, competitive-priced products under its own brand names and (5) expand operating margins and cash flows due to better product commissions and other operational efficiencies. In fact, Blinkit mentioned that the business model shift could expand its Adj. EBITDA margin by ~1% of NOV while RoCEs could more than 40%. In fact, Swiggy management too indicated that it expects 50-70bps of accretion if it changes the business model to inventory-led. As and when it decides to shift, Instamart will need to invest at least 5% of NOV as upfront capital to own the inventory on its own books. We expect Instamart to report NOV of ~INR 281bn (GOV of INR ~379bn) in FY27, which means it will need ~INR 14bn of capital to make a 100% shift in its business model.

Exhibit 4. Swiggy: Foreign ownership trends (currently 100% ownership is allowed)



Source: Company, JM Financial

Exhibit 5. Swiggy: JMFe vs. Consensus (Annual)

Particulars	JMFe			Cons.			JMFe vs Cons.		
Food delivery	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
GOV (INR bn)	341	403	475	342	407	466	-0.2%	-1.0%	2.0%
Adj. Revenue (INR bn)	88	104	122	88	105	120	-0.1%	-1.5%	1.5%
Adj. EBITDA (INR bn)	9.7	15.0	18.8	10.0	15.0	20.3	-3.5%	0.0%	-7.3%
Adj. EBITDA margin (% of GOV)	2.8%	3.7%	4.0%	2.9%	3.7%	4.3%	-10bps	4bps	-40bps
Quick Commerce	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
GOV (INR bn)	291	379	480	291	448	622	0.0%	-15.5%	-22.8%
Adj. Revenue (INR bn)	47	67	87	45	75	108	3.8%	-10.6%	-19.3%
Adj. EBITDA (INR mn)	-31.2	-20.0	-9.9	-31.8	-23.5	-14.2	1.8%	14.8%	30.4%
Adj. EBITDA margin (% of GOV)	-10.7%	-5.3%	-2.1%	-10.9%	-5.2%	-2.3%	20bps	-4bps	22bps
Consol.	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Revenue (INR bn)	228	281	335	216	284	355	5.6%	-1.0%	-5.6%
Reported EBITDA (INR bn)	-29.4	-7.1	10.4	-29.5	-11.7	7.0	0.2%	39.0%	48.8%
Reported EBITDA Margin (as % of revenue)	-12.9%	-2.5%	3.1%	-13.7%	-4.1%	2.0%	76bps	158bps	113bps
Adj. EBITDA (INR mn)	-25.0	-6.7	8.8	-26.0	-10.2	6.7	3.8%	34.4%	30.5%
Adjusted EBITDA Margin (as % of revenue)	-11.0%	-2.4%	2.6%	-12.0%	-3.6%	1.9%	107bps	122bps	72bps
Adj. PAT (INR bn)	-38.8	-18.4	-1.7	-36.0	-19.8	-5.1	-8.0%	7.3%	67.1%
Diluted EPS (INR)	-15.6	-7.4	-0.7	-14.9	-8.2	-2.1	-4.8%	9.9%	68.1%

Source: Visible alpha estimates, JM Financial estimates

Exhibit 6. SOTP valuation of Swiggy

Swiggy Valuations	Valuation Metric	Target Multiple (x)	Metric	Sep'27 Estimate (INR bn)	Valuation (INR bn)	Per Share (INR)	Rationale
Food Delivery	EV/EBITDA	45x	Adj. EBITDA	17	761	305	In-line Zomato's 45x EBITDA multiple in our SOTP. We believe in Food Services industry valuation multiple of food-techs should be > QSR's
Instamart	EV/GOV	0.5x	GOV	430	215	86	75% discount to Blinkit's 2.0x GOV multiple in our SOTP due to relatively inferior execution by Instamart in the past. They lost meaningful market and have very inferior contribution margins to Blinkit
Out-of home consumption	EV/GOV	1.0x	GOV	68	68	27	In-line Going-out business of Eternal at 1x GOV
Supply chain and distribution	EV/Sales	0.25x	Sales	130	33	13	75% discount to Eternal's 1x Sales multiple for Hyperpure in our SOTP due to poor gross margins/EBITDA margin
Platform Innovations	EV/Sales	0x	Sales	1	0	0	Do not see this business turning break-even, so zero value
Cash (Mar'26)		0.25x	Net Cash	53	13	5	75% discount to book value as Instamart related burn continues to deplete cash balance. Cash here includes expected proceeds from Rapido stake sale.
Target Market Cap (INR bn)					1,089	440	
Current Market Price (INR)					458		
Upside from CMP (%)					-4.0%		
Outstanding shares (bn)					2.49		Fully diluted shares including ungranted and unvested portion
TP (INR)					440		Fair value per share

Source: JM Financial estimates

Exhibit 7. Valuation comps: Swiggy and Eternal vs. leading internet peers/ QSRs/ retailers

Company	MCap (USD bn)	EV (USD bn)	EV / Revenue (x)			Rev CAGR	EV / EBITDA (x)			EBITDA CAGR	P / E (x)			EPS CAGR
			FY26E	FY27E	FY28E	26-28E	FY26E	FY27E	FY28E	26-28E	FY26E	FY27E	FY28E	26-28E
Hyperlocal delivery														
Zomato	36.9	34.5	9.4x	7.2x	5.7x	28%	175x	70x	44x	100%	221x	90x	59x	93%
Swiggy	13.0	12.4	4.8x	3.9x	3.3x	21%	nm	nm	105x	nm	nm	nm	nm	nm
Internet Peers														
Nykaa	7.9	7.9	7.0x	5.5x	4.4x	25%	92x	59x	40x	52%	288x	131x	72x	100%
Firstcry	2.3	2.3	2.2x	1.9x	1.7x	16%	60x	28x	19x	77%	nm	117x	54x	nm
PB Fintech	9.4	8.9	11.9x	9.4x	7.6x	25%	138x	70x	45x	76%	118x	71x	50x	53%
Delhivery	4.1	3.8	3.0x	2.6x	2.2x	16%	31x	22x	16x	38%	62x	42x	31x	73%
Mean			6.0x	4.9x	4.0x	21%	80x	45x	30x	61%	156x	90x	52x	65%
QSR														
Jubilant Foodworks*	4.7	5.2	5.0x	4.4x	3.8x	14%	25x	22x	19x	14%	106x	77x	60x	34%
Sapphire Foods	1.2	1.1	3.1x	2.6x	2.3x	16%	19x	15x	12x	28%	339x	105x	59x	140%
Westlife Foodworld	1.3	1.3	4.2x	3.6x	3.1x	16%	27x	20x	16x	30%	190x	80x	50x	95%
Devyani	2.5	2.6	4.0x	3.3x	2.8x	19%	24x	18x	14x	31%	383x	106x	61x	150%
Mean			4.1x	3.5x	3.0x	16%	24x	19x	15x	26%	255x	92x	57x	105%
Retailers														
Dmart	35.3	35.1	4.2x	3.8x	3.3x	14%	49x	50x	41x	8%	76x	82x	68x	6%
Trent*	20.5	20.7	8.4x	6.7x	5.5x	24%	51x	40x	32x	26%	90x	70x	56x	27%
Titan	34.9	37.0	4.7x	4.0x	3.5x	16%	41x	36x	31x	16%	64x	53x	44x	20%
Mean			5.8x	4.9x	4.1x	18%	47x	42x	35x	17%	76x	68x	56x	18%

Source: JM Financial, Company, * indicates Bloomberg estimates. Valuations are as of 19th Sep'25.

Revise rating to 'Reduce' as per new rating system; TP raised to INR 440

Exhibit 8. Consolidated assumption changes

All numbers are in INR mn except EPS	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Food delivery GOV	341,036	403,374	475,304	341,036	403,374	475,304	0.0%	0.0%	0.0%
Quick Commerce GOV	291,053	378,902	480,226	291,053	378,902	480,226	0.0%	0.0%	0.0%
Consolidated revenue	228,011	280,920	335,453	228,010	280,920	335,452	0.0%	0.0%	0.0%
Reported EBITDA	-29,452	-7,138	10,386	-29,446	-7,132	10,393	0.0%	0.1%	0.1%
Reported EBITDA margin	-12.9%	-2.5%	3.1%	-12.9%	-2.5%	3.1%	0bp	0bp	0bp
Adj. PAT	-39,970	-18,825	-1,916	-38,843	-18,386	-1,669	2.8%	2.3%	12.9%
Diluted EPS (INR)	-16.03	-7.55	-0.77	-15.58	-7.37	-0.67	2.8%	2.3%	12.9%

Source: Company, JM Financial

Key Risks

- **Key upside risks** to our price target are: (1) Sharp rise in transacting users driven by growing share of working age digitally native millennial/GenZ population; (2) Better-than-expected AOV growth; (3) Synergy benefits from rapid expansion of Supply chain and dining-out businesses and (4) Significant value accretion from organic/inorganic expansion in adjacent verticals.
- **Key downside risks** are: (1) Slower-than-expected tech penetration in India; (2) Sharp increase in competitive intensity; (3) Continued stakeholder conflicts such as allegations of unfair trade practices from food services industry bodies such as NRAI, amongst others (4) Technology failures and data breaches (5) Regulatory risks: Uncertainty around the likely implications for tech platforms such as Swiggy if the new labour laws are implemented in India. (6) Organic/inorganic investments fail to deliver.

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	112,474	152,268	228,010	280,920	335,452
Sales Growth	36.1%	35.4%	49.7%	23.2%	19.4%
Other Operating Income	0	0	0	0	0
Total Revenue	112,474	152,268	228,010	280,920	335,452
Cost of Goods Sold/Op. Exp	46,042	60,015	93,952	110,864	127,493
Personnel Cost	20,122	25,489	28,802	31,106	33,595
Other Expenses	68,390	94,622	134,702	146,081	163,972
EBITDA	-22,080	-27,858	-29,446	-7,132	10,393
EBITDA Margin	-19.6%	-18.3%	-12.9%	-2.5%	3.1%
EBITDA Growth	48.4%	-26.2%	-5.7%	75.8%	0.0%
Depn. & Amort.	4,206	6,123	11,121	11,149	12,116
EBIT	-26,286	-33,981	-40,567	-18,280	-1,723
Other Income	3,156	2,956	1,764	-66	94
Finance Cost	0	0	0	0	0
PBT before Excep. & Forex	-23,130	-31,025	-38,803	-18,346	-1,629
Excep. & Forex Inc./Loss(-)	-306	-117	0	0	0
PBT	-23,436	-31,142	-38,803	-18,346	-1,629
Taxes	0	0	0	0	0
Extraordinary Inc./Loss(-)	-306	-117	0	0	0
Assoc. Profit/Min. Int.(-)	-66	-26	-40	-40	-40
Reported Net Profit	-23,196	-31,051	-38,843	-18,386	-1,669
Adjusted Net Profit	-23,502	-31,168	-38,843	-18,386	-1,669
Net Margin	-20.9%	-20.5%	-17.0%	-6.5%	-0.5%
Diluted Share Cap. (mn)	2,196.5	2,277.2	2,493.6	2,493.6	2,493.6
Diluted EPS (INR)	-10.7	-13.7	-15.6	-7.4	-0.7
Diluted EPS Growth	44.6%	-27.9%	-13.8%	52.7%	90.9%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	-23,502	-31,168	-38,843	-18,386	-1,669
Depn. & Amort.	4,206	6,123	11,121	11,149	12,116
Net Interest Exp. / Inc. (-)	-544	-1,295	-1,764	66	-94
Inc (-) / Dec in WCap.	1,988	-6,221	-10,739	-17,605	-1,561
Others	4,687	10,467	9,969	6,480	4,990
Taxes Paid	38	400	-572	-423	-436
Operating Cash Flow	-13,127	-21,695	-30,828	-18,720	13,345
Capex	-3,440	-7,433	-8,043	-8,060	-8,783
Free Cash Flow	-16,567	-29,128	-38,871	-26,780	4,562
Inc (-) / Dec in Investments	17,677	-7,734	50,000	0	0
Others	348	1,443	28,802	1,700	1,843
Investing Cash Flow	14,585	-13,724	70,759	-6,360	-6,940
Inc / Dec (-) in Capital	0	44,990	0	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	-1,162	-4,658	1,686	-265	-89
Others	-66	-1,299	-1,698	-1,765	-1,749
Financing Cash Flow	-1,228	39,034	-12	-2,030	-1,838
Inc / Dec (-) in Cash	229	3,615	39,919	-27,110	4,567
Opening Cash Balance	8,462	8,691	12,306	52,224	25,114
Closing Cash Balance	8,691	12,306	52,224	25,114	29,681

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	77,915	102,195	88,170	76,264	79,585
Share Capital	30	2,286	2,286	2,286	2,286
Reserves & Surplus	77,885	99,908	85,884	73,978	77,299
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	2,112	282	282	282	282
Def. Tax Liab. / Assets (-)	-1,603	-1,252	-1,824	-2,247	-2,684
Total - Equity & Liab.	78,423	101,226	86,628	74,299	77,184
Net Fixed Assets	14,536	20,062	22,409	25,288	28,520
Gross Fixed Assets	8,077	14,141	22,184	30,244	39,027
Intangible Assets	10,008	9,470	8,917	8,365	7,813
Less: Depn. & Amort.	3,549	3,549	8,693	13,321	18,321
Capital WIP	0	0	0	0	0
Investments	43,277	51,034	1,034	1,034	1,034
Current Assets	45,878	79,706	127,008	110,749	125,659
Inventories	487	555	1,080	849	1,370
Sundry Debtors	9,639	24,625	37,843	46,818	54,278
Cash & Bank Balances	8,871	12,306	52,224	25,114	29,681
Loans & Advances	0	0	0	0	0
Other Current Assets	26,883	42,220	35,861	37,969	40,331
Current Liab. & Prov.	25,268	49,576	63,823	62,772	78,029
Current Liabilities	15,339	35,247	47,125	42,200	53,464
Provisions & Others	9,929	14,329	16,697	20,572	24,566
Net Current Assets	20,611	30,130	63,186	47,977	47,630
Total - Assets	78,423	101,226	86,628	74,299	77,184

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	-20.9%	-20.5%	-17.0%	-6.5%	-0.5%
Asset Turnover (x)	1.2	1.5	2.0	2.8	3.5
Leverage Factor (x)	1.1	1.1	1.2	1.2	1.2
RoE	-27.9%	-34.6%	-40.8%	-22.4%	-2.1%

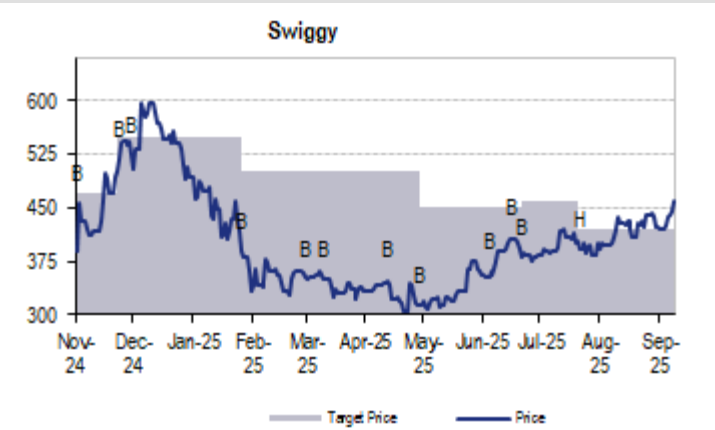
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	35.5	44.9	35.4	30.6	31.9
ROIC	-101.7%	-101.4%	-109.2%	-42.7%	-3.5%
ROE	-27.9%	-34.6%	-40.8%	-22.4%	-2.1%
Net Debt/Equity (x)	-0.6	-0.6	-0.6	-0.3	-0.4
P/E (x)	-42.8	-33.5	-29.4	-62.1	-684.5
P/B (x)	12.9	10.2	13.0	15.0	14.4
EV/EBITDA (x)	-49.5	-38.7	-37.0	-156.5	107.0
EV/Sales (x)	9.7	7.1	4.8	4.0	3.3
Debtor days	31	59	61	61	59
Inventory days	2	1	2	1	1
Creditor days	24	37	40	30	39

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
13-Nov-24	Buy	470	
4-Dec-24	Buy	550	17.0
11-Dec-24	Buy	550	0.0
6-Feb-25	Buy	500	-9.1
12-Mar-25	Buy	500	0.0
21-Mar-25	Buy	500	0.0
23-Apr-25	Buy	500	0.0
10-May-25	Buy	450	-10.0
16-Jun-25	Buy	450	0.0
27-Jun-25	Buy	450	0.0
2-Jul-25	Buy	460	2.2
1-Aug-25	Hold	420	-8.7

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return \geq 15% over the next twelve months.
ADD	Expected return \geq 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return \geq -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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