Info Edge | REDUCE

Margin expands; no sign of Naukri billings acceleration though

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INFOE reported robust 4QFY26 EBITDA/adjusted PAT growth of c.35%/18%, beating JMFe by ~21%/20% driven by better-than-expected margins in the recruitment (Naukri) and 99acres segments. 99acres benefited from a one-off revenue/EBITDA of ~INR 200mn, adjusted for which EBITDA beat would have been 14%. While growing adoption of AI-Rex, Jobhai and B2C offerings is encouraging, any meaningful gains in billings growth are unlikely in the near term. This is because the broader hiring environment continues to be subdued amidst growing AI adoption in tech jobs (including GCCs they make up 30–35% of Naukri billings) and economic/geopolitical uncertainties. Similarly, while the improving traffic share in 99acres is comforting, a substantial pickup in billings growth is essential for us to build a constructive view. We believe the stock is unlikely to re-rate in the absence of top-line acceleration in these segments. Caveat emptor: we suggest investors err on the side of cautioun till any telltale signs emerge despite the possibility of margin gains in the short term. Maintain REDUCE on INFOE while cutting down our target NTM PE for Naukri to 22x (from 25x); our revised SotP-based Mar'27E TP thus works out to INR 1,000.

- **Better-than expected margins in Naukri and 99acres drive earnings beat:** Standalone 4QFY26 revenue grew 17.2% YoY (+5.3% QoQ) to INR 8.05bn, a beat on JMFe by 7.2%. Recruitment/99acres/Jeevansathi/Shiksha segments' revenue grew 13.7%/35.8%/18.8%/10.9% YoY. EBITDA margin/operating PBT margin stood at 43.4%/40.1%, a beat on JMFe by 494bps/545bps. As a result, EBITDA and adjusted PAT grew 35%/18.4% YoY, beating JMFe by ~21%/20%. By segment, recruitment PBT margin expanded to 58.5% from 54.5% in 4QFY25 (59.3% in 3QFY26) and 99acres' margin turned positive to 2.4% from -14% in 4QFY25 whilst improving sequentially by 2,622bps. Jeevansathi's margin stood at -9.2% versus -7.6%/-4.9% in 4QFY25/3QFY26.

- **Naukri – hiring environment remains subdued; B2C monetisation still nascent:** INFOE had already reported standalone billings' trends in its pre-results update (refer our note). Recruitment billings rose 9.5% YoY versus the long-term historical average of 14–15%. Management indicated that the overall hiring environment remains subdued with corporates continuing to adopt a cautious hiring stance amidst economic/geopolitical uncertainties even as demand for AI/ML-related talent remains healthy. While the company is making accelerated efforts to increase revenue from B2C offerings (+33% YoY), the business still contributes only 6–7% of the recruitment revenue despite healthy traction in newer AI-led/self-serve offerings such as mock interviews, resume builders and Naukri 360. In 4QFY26, tech, IT services and BPM segment billings combined grew 6% YoY, whereas GCCs edged down 1%. Recruitment consultants/other sectors increased 8%/14%. We trim FY27E–28E billings growth forecast for Naukri by ~1%.

- **Suggest investors to err on the side of caution:** We remain cautious on the near-term billings outlook despite encouraging management commentary on AI-driven monetisation opportunities for Naukri and strengthening market positioning at 99acres. In fact, we lower our target PE for the recruitment business to 22x due to continued pressures on traditional tech jobs. We, however, raise our standalone EBITDA estimates up 1–2% following stronger-than-expected margin performance across Naukri and 99acres. Still, we cut FY27E–28E revenue/EPS estimates by 1–3% due to tweaks in treasury income forecasts. We continue to value investee companies (Eternal and PB Fintech) at a 25% holding company discount to CMP and maintain REDUCE on INFOE with a revised Mar'27E SotP-based TP of INR 1,000.

Recommendation and Price Target	
Current Reco.	REDUCE
Previous Reco.	REDUCE
Current Price Target (12M)	1,000
Upside/(Downside)	4.1%
Previous Price Target	1,040
Change	-3.8%

Key Data – INFOE IN EQUITY	
Current Market Price	INR961
Market cap (bn)	INR623.1/US$6.5
Free Float (%)	62.4
Shares in issue (mn)	648.4
Diluted share (mn)	648.4
3-mon avg daily val (mn)	INR2,092.6/US$21.9
52-week range	INR1,550/915
Sensex/Nifty	75,415/23,719
INR/US$	95.7

Price Performance

%	1M	6M	12M
Absolute	-8.7	-28.3	-34.2
Relative*	-7.2	-19.6	-28.7

*To the NSE Nifty 50

Financial Summary (INR mn)

Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	26,536	30,520	33,388	36,893	40,628
Sales Growth (%)	11.5	15.0	9.4	10.5	10.1
EBITDA	10,726	12,476	13,781	15,271	16,844
EBITDA Margin (%)	40.4	40.9	41.3	41.4	41.5
Adjusted Net Profit	7,734	11,124	11,802	13,167	14,587
Diluted EPS (INR)	11.9	17.2	18.0	20.1	22.2
Diluted EPS Growth (%)	-7.4	43.9	4.9	11.6	10.8
ROIC (%)	-	-	-	-	-
ROE (%)	2.9	3.6	3.4	3.7	4.0
P/E (x)	80.6	11.3	53.4	47.9	43.2
P/B (x)	2.3	1.8	1.8	1.8	1.7
EV/EBITDA (x)	53.7	46.0	41.1	36.6	32.7
Dividend Yield (x)	0.6	0.9	1.0	1.2	1.2

Source: Company data, JM Financial. Note: Valuations as of May 22, 2026

- **99acres continues to gain traffic share amid muted billings growth:** 99acres' billings grew 1.9% YoY in 4QFY26 versus 14.4%/14% in 3QFY26/2QFY26 with the moderation largely attributable to one-time sales organisation changes and tighter invoicing controls undertaken during the quarter. While the segment reported an operating profit of INR 34mn first time since 1QFY21, it was aided by a one-off INR 205mn provision write-back in lead-based products which boosted revenue/profitability but did not impact billings. Nevertheless, underlying operating metrics remained strong with traffic share rising to ~52% in Apr'26, resale/rental responses nearly doubling over the past few quarters and new homes response growth accelerating to 33% in 4QFY26. Management indicated that monetisation should follow traffic/response gains with a lag. They aim to reach ~60% traffic share, double billings over the next three years and eventually deliver 25–30% margins, positioning 99acres as a potential second-large vertical for Info Edge.

- **Jeevansathi maintains growth momentum:** Jeevansathi's billings grew 21% YoY in 4QFY26 led by improving monetisation of customers though it reported a loss of INR 33mn (INR 17mn in 3QFY26).

- **AI emerging as a key monetisation and productivity lever across verticals:** Management commentary suggests AI initiatives are increasingly moving from experimentation to scaled deployment across businesses with tangible impact now becoming visible across recruiter productivity, engagement and monetisation. AI-Rex – the company's agentic recruitment platform – has now onboarded ~1,000 clients with ~30,000 job mandates processed through the platform with management indicating that the offering could potentially expand wallet share and improve take-rates over time by materially reducing recruiter sourcing timelines.

  The company highlighted healthy traction in AI-led B2C offerings such as AI-generated resumes, mock interviews and AI-generated job descriptions. AI mock interviews are being used by ~1.5mn users monthly and AI-generated resumes power ~3mn profiles monthly. Beyond recruitment, AI-driven recommendation engines at 99acres are improving user engagement metrics while Jeevansathi continues to leverage AI across recommendations, matching and pricing.

  Management also indicated that AI-led internal productivity initiatives across content creation, marketing and product development are beginning to deliver efficiency gains. However, the company acknowledged that AI-driven changes in search behaviour continue to impact traffic and billing trends at Shiksha, necessitating a gradual pivot towards counselling-led monetisation and AI-driven voicebot offerings. Overall, management remains constructive on AI as a long-term enabler for stronger engagement, monetisation and operating leverage across Info Edge's platform ecosystem.

Exhibit 1: INFOE valuation summary

Business	Per share value	% of valuation	Comments
Recruitment (Naukri)	407	40.7%	22x Mar'28 EPS (25x earlier)
99acres	37	3.7%	4x Mar'28 Sales
Jeevansathi and others	11	1.1%	2x Mar'28 Sales
Investee Companies			
Zomato	322	32.2%	Based on CMP for Zomato post 25% holdco discount
Policybazaar	98	9.8%	Based on CMP for PB Fintech post 25% holdco discount
Zwayam/DoSelect	2	0.2%	Book value
Other investee companies^	40	4.0%	Book value
Cash and cash equivalents	87	8.7%	Cash on B/S as of Mar'27
Total	**1,000**	**100%**	

Source: JM Financial. ^ includes NoPaperForms, Univariety, Gramophone, Medcords, Printo, Shop Kirana, Greytip, Adda247, Teal, LQ Global, Bizcrum, Shipsy, Coding Ninja, Juno Learning, Asile Networks, Crisp Analytics, Unbox robotics, Attentive AI, Brainsight Technology, Ray IOT, Skylark Drones, String Bio, Sploot Pvt. Ltd., Vyuti Systems Pvt. Ltd., Aarogyaai innovations Pvt Ltd.,Ubifly technology, WSO2 INC, VLCC, Skyserve Inc. and venture fund contribution.

Exhibit 2: 4QFY26 financial performance: Actuals versus JMFe/consensus

INR mn	4Q26A	4Q25A	Change (YoY)	3Q26A	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Cons)	Variance (vs. Cons.)
Revenue (INR mn)	8,051	6,871	17.2%	7,646	5.3%	7,510	7.2%	7,790	3.3%
EBITDA (INR mn)	3,497	2,589	35.0%	3,246	7.7%	2,891	21.0%	3,082	13.5%
EBITDA margin	43.4%	37.7%	575bp	42.5%	98bp	38.5%	494bp	39.6%	387bp
Operating PBT (INR mn)	3,227	2,315	39.4%	2,973	8.5%	2,600	24.1%		
Operating PBT margin	40.1%	33.7%	639bp	38.9%	119bp	34.6%	545bp		
Adjusted PAT (INR mn)	2,930	2,474	18.4%	2,952	-0.8%	2,433	20.4%	2,793	4.9%
Adjusted EPS (INR)	4.52	3.81	18.6%	4.55	-0.7%	3.75	20.5%	4.25	6.3%

Source: Bloomberg, JM Financial, Company

Exhibit 3: 4QFY26 segmental performance: Actuals versus JMFe/consensus

INR mn	4Q26A	4Q25A	Change (YoY)	3Q26A	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Cons)	Variance (vs. Cons.)
Naukri									
Revenue	5,813	5,112	13.7%	5,749	1.1%	5,643	3.0%	5,761	0.9%
Operating PBT margin	58.5%	54.5%	404bp	59.3%	-83bp	55.4%	314bp	57.1%	141bp
99acres									
Revenue	1,437	1,058	35.8%	1,186	21.2%	1,128	27.3%	1,235	16.4%
Operating PBT margin	2.4%	-14.0%	1643bp	-17.3%	1963bp	-23.8%	2622bp	-11.8%	1415bp
Others									
Revenue	801	700	14.3%	711	12.7%	738	8.5%	797	0.5%
Operating PBT margin	2.9%	-4.0%	687bp	-3.2%	611bp	-5.5%	832bp	0.0%	287bp

Source: Bloomberg, JM Financial, Company

Exhibit 4: Quarterly billing trends

Numbers in INR mn, unless stated otherwise	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Billing trends									
Recruitment	**6,254**	**4,314**	**4,920**	**4,940**	**7,403**	**4,703**	**5,450**	**5,483**	**8,107**
Change (yoy)	7.2%	8.5%	14.0%	15.2%	18.4%	9.0%	10.8%	11.0%	9.5%
Change (qoq)	45.8%	-31.0%	14.0%	0.4%	49.9%	-36.5%	15.9%	0.6%	47.9%
99Acres	**1,311**	**810**	**1,074**	**1,026**	**1,598**	**944**	**1,224**	**1,174**	**1,628**
Change (yoy)	26.4%	10.4%	16.5%	16.1%	21.9%	16.5%	14.0%	14.4%	1.9%
Change (qoq)	48.3%	-38.2%	32.6%	-4.5%	55.8%	-40.9%	29.7%	-4.1%	38.7%
Jeevansathi	**258**	**254**	**259**	**276**	**319**	**347**	**335**	**357**	**386**
Change (yoy)	25.9%	35.1%	31.5%	36.0%	23.6%	36.6%	29.3%	29.3%	21.0%
Change (qoq)	27.1%	-1.6%	2.0%	6.6%	15.6%	8.8%	-3.5%	6.6%	8.1%
Shiksha	**447**	**415**	**249**	**441**	**518**	**448**	**281**	**458**	**451**
Change (yoy)	9.3%	24.6%	-3.1%	12.2%	15.9%	8.0%	12.9%	3.9%	-12.9%
Change (qoq)	13.7%	-7.2%	-40.0%	77.1%	17.5%	-13.5%	-37.3%	63.0%	-1.5%
Total billings	**8,270**	**5,793**	**6,503**	**6,683**	**9,838**	**6,442**	**7,290**	**7,472**	**10,572**
Change (yoy)	10.5%	10.8%	14.3%	15.8%	19.0%	11.2%	12.1%	11.8%	7.5%
Change (qoq)	43.4%	-30.0%	12.3%	2.8%	47.2%	-34.5%	13.2%	2.5%	41.5%

Source: Company, JM Financial

Exhibit 5: Yearly billing trends

Numbers in INR mn, unless stated otherwise	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Billing trends								
Recruitment	**8,476**	**9,155**	**8,320**	**14,365**	**18,587**	**18,832**	**21,577**	**23,743**
Change (yoy)	*19.7%*	*8.0%*	*-9.1%*	*72.7%*	*29.4%*	*1.3%*	*14.6%*	*10.0%*
99Acres	**2,067**	**2,139**	**1,848**	**2,312**	**3,116**	**3,851**	**4,508**	**4,970**
Change (yoy)	*31.6%*	*3.5%*	*-13.6%*	*25.1%*	*34.8%*	*23.6%*	*17.1%*	*10.2%*
Jeevansathi	**735**	**871**	**1,004**	**1,018**	**721**	**846**	**1,108**	**1,425**
Change (yoy)	*5.0%*	*18.5%*	*15.3%*	*1.4%*	*-29.2%*	*17.3%*	*31.0%*	*28.6%*
Shiksha	**492**	**522**	**585**	**965**	**1,239**	**1,430**	**1,623**	**1,638**
Change (yoy)	*18.0%*	*6.1%*	*12.1%*	*64.9%*	*28.4%*	*15.4%*	*13.5%*	*0.9%*
Total billings	**11,771**	**12,687**	**11,757**	**18,660**	**23,663**	**24,959**	**28,817**	**29,508**
Change (yoy)	*20.5%*	*7.8%*	*-7.3%*	*58.7%*	*26.8%*	*5.5%*	*15.5%*	*2.4%*

Source: Company, JM Financial

Exhibit 6: Key standalone financials

INR mn, unless stated otherwise	4QFY25	FY25	1QFY26	2QFY26	3QFY26	4QFY26	FY26
Revenue	**6,871**	**26,536**	**7,364**	**7,460**	**7,646**	**8,051**	**30,520**
Change (YoY)	*13.0%*	*11.5%*	*15.3%*	*13.7%*	*13.9%*	*17.2%*	*15.0%*
Total operating expense	4,281	15,811	4,585	4,506	4,400	4,554	18,045
Operating profit (EBITDA)	**2,589**	**10,726**	**2,779**	**2,954**	**3,246**	**3,497**	**12,476**
Operating margin (%)	***37.7%***	***40.4%***	***37.7%***	***39.6%***	***42.5%***	***43.4%***	***40.9%***
Depreciation & amortization	224	801	226	226	220	219	891
EBIT	**2,366**	**9,924**	**2,553**	**2,728**	**3,205**	**3,278**	**11,585**
EBIT margin (%)	***34.4%***	***37.4%***	***34.7%***	***36.6%***	***39.6%***	***40.7%***	***38.0%***
Interest expense	51	191	51	53	52	51	207
Operating PBT	**2,315**	**9,733**	**2,502**	**2,675**	**2,973**	**3,227**	**11,377**
Operating PBT Margin (%)	***33.7%***	***36.7%***	***34.0%***	***35.9%***	***38.9%***	***40.1%***	***37.3%***
Other income	784	3,138	960	820	811	763	3,354
Exceptional items	76	-2,033	0	44,595	-488	162	44,233
Profit before tax	**3,175**	**10,838**	**3,462**	**48,055**	**3,297**	**4,151**	**58,964**
Income tax expense	624	3,104	866	850	832	1,059	3,607
Reported PAT	**2,551**	**7,734**	**2,596**	**47,205**	**2,465**	**3,091**	**55,357**
Change (YoY)	*20.9%*	*-7.2%*	*11.8%*	*5396.9%*	*23.1%*	*21.2%*	*615.7%*
Adjusted PAT (ex-exceptional items)	**2,474**	**9,767**	**2,596**	**2,646**	**2,952**	**2,930**	**11,124**
Change (YoY)	*10.9%*	*14.9%*	*11.8%*	*11.4%*	*13.8%*	*18.4%*	*13.9%*
Adjusted diluted EPS (INR)	**3.8**	**15.1**	**4.0**	**4.1**	**4.6**	**4.5**	**17.2**
Change (YoY)	*10.7%*	*14.6%*	*11.7%*	*11.1%*	*14.0%*	*18.6%*	*14.0%*

Comments

- Standalone billings (already announced in the pre-quarter update) grew 7.5% YoY to INR 10.57bn with Recruitment/99acres businesses growing 9.5%/1.9% YoY; Others (Jeevansathi, Shiksha) stayed flat YoY.
- EBITDA stood at INR 3.5bn, a beat on JMFe/ consolidated by c. 21%/14%.
- EBITDA margin stood at 43.4%, +575bps YoY/ +98QoQ. Margin was a beat on JMFe/consolidated by 494bps/387bps.
- Operating PBT stood at INR 3.23bn, a beat of c. 24% on JMFe.
- Adjusted PAT stood at INR 2.93bn (+18.4% YoY) versus INR 2.43bn/INR 2.79bn JMFe/consolidated estimates.

Source: Company, JM Financial

Exhibit 7: Segmental performance

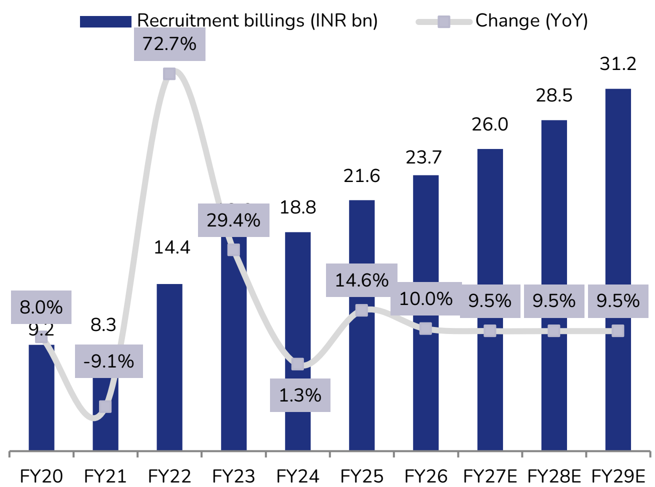
INR mn, unless stated otherwise	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Recruitment vertical					
Revenues	5,112	5,415	5,582	5,749	5,183
Change (YoY)	13.0%	14.8%	12.8%	13.9%	13.7%
Operating PBT	2,784	2,843	3,117	3,411	3,400
Operating PBT margin (%)	54.5%	52.5%	55.8%	59.3%	58.5%
99acres					
Revenue	1,058	1,107	1,151	1,186	1,437
Change (YoY)	14.3%	12.0%	12.8%	13.9%	35.8%
Operating PBT	-149	-187	-234	-205	34
Operating PBT margin (%)	-14.0%	-16.9%	-20.3%	-17.3%	2.4%
Jeevansathi					
Revenue	303	337	339	347	360
Change (YoY)	25.2%	28.6%	29.4%	28.0%	18.8%
Operating PBT	-23	1	5	-17	-33
Operating PBT margin (%)	-7.6%	0.3%	1.5%	-4.9%	-9.2%
Shiksha					
Revenue	397	505	388	364	441
Change (YoY)	1.4%	19.0%	17.8%	2.9%	10.9%
Operating PBT	-5	63	19	-6	-56
Operating PBT margin (%)	-1.3%	-12.5%	4.8%	-1.7%	12.7%

Comments

- Revenue in recruitment business grew by 13.7% YoY (+1.1% QoQ).
- Deferred sales in recruitment business rose 12% YoY (+23.6% QoQ).
- 99acres reported 35.8% YoY revenue growth while deferred sales grew 5.7% YoY.
- Jeevansathi reported 18.8% YoY revenue growth while Shiksha sales grew 10.9% YoY.

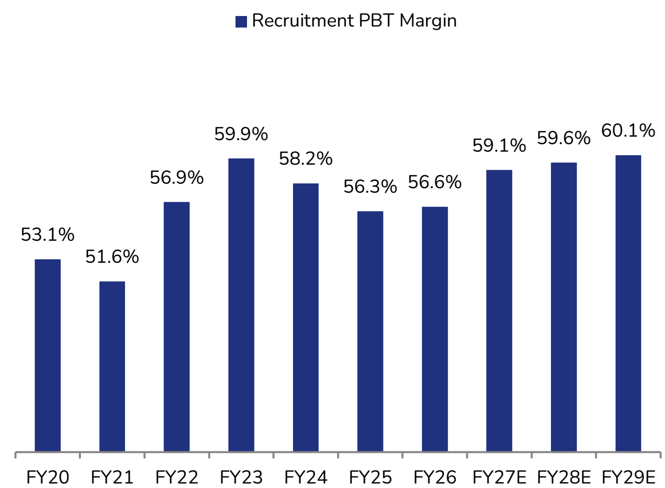
Source: Company, JM Financial

Exhibit 8: Recruitment: Billings growth trend



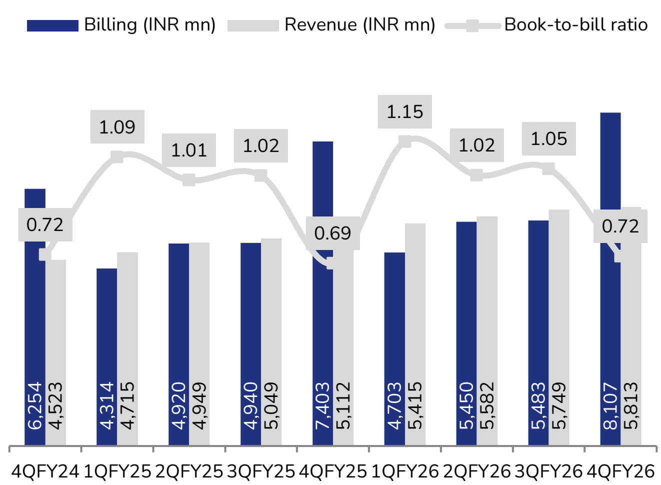
Source: Company, JM Financial, numbers are restated for acquisition of IIMjobs from 1QFY21

Exhibit 9: Recruitment: PBT margin trend



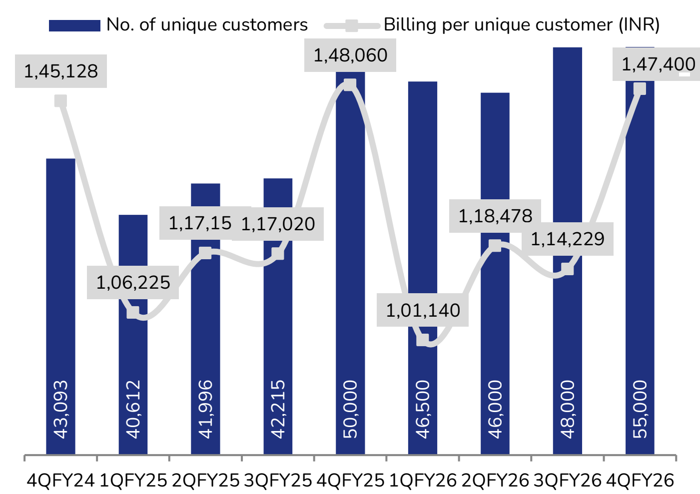
Source: Company, JM Financial, numbers are restated for acquisition of IIMjobs from 1QFY21

Exhibit 10: Recruitment billings improved 9.5% YoY in 4QFY26; book-to-bill ratio down to 0.72 from 1.05 in 3QFY26



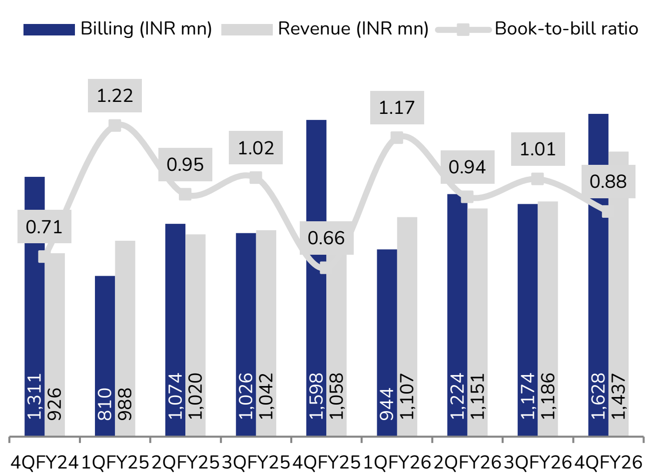
Source: Company, JM Financial, numbers are restated for acquisition of IIMjobs from 1QFY21

Exhibit 11: Recruitment average billings/unique customer fell 0.4% YoY (+29% QoQ)



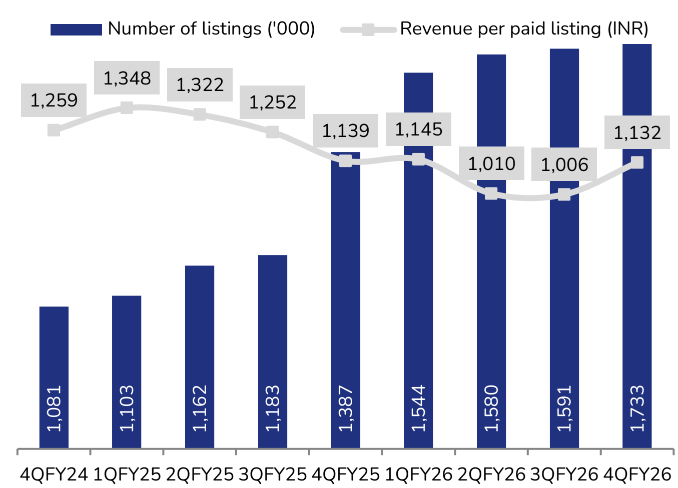
Source: Company, JM Financial, numbers are restated for acquisition of IIMjobs from 1QFY21

Exhibit 12: 99acres' billings up 1.9% YoY; book-to-bill ratio 0.88



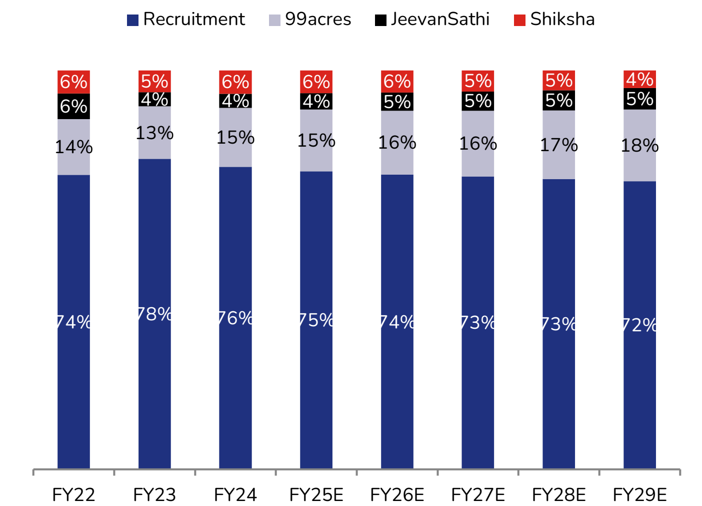
Source: Company, JM Financial

Exhibit 13: 99acres' average realisation/listing fell 0.6% YoY (+12.6% QoQ)



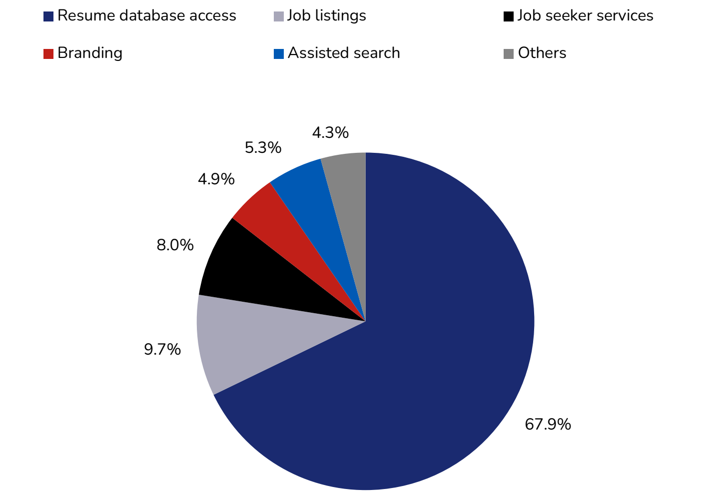
Source: Company, JM Financial

Exhibit 14: Standalone revenue mix



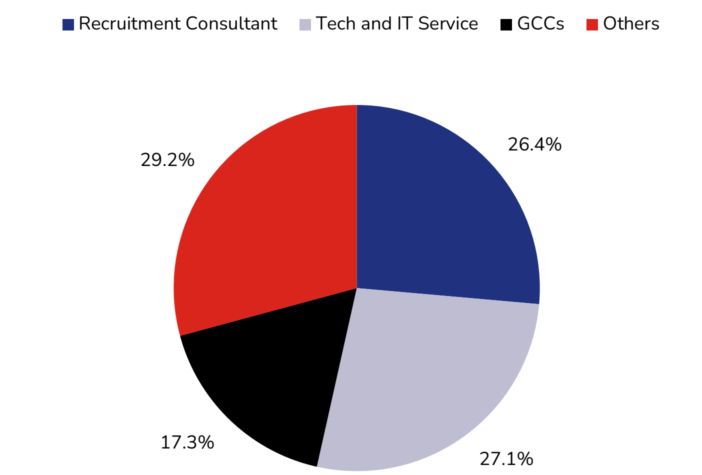
Source: Company, JM Financial

Exhibit 15: Revenue by product type (TTM) at end-9MFY25



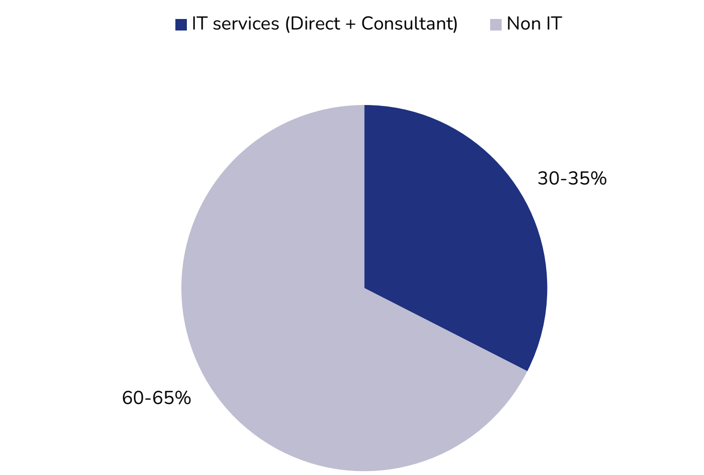
Source: Company, JM Financial

Exhibit 16: Recruitment B2B business billings by customer type (FY26)



Source: Company, JM Financial

Exhibit 17: Billings contribution by services (FY26)



Source: Company, JM Financial

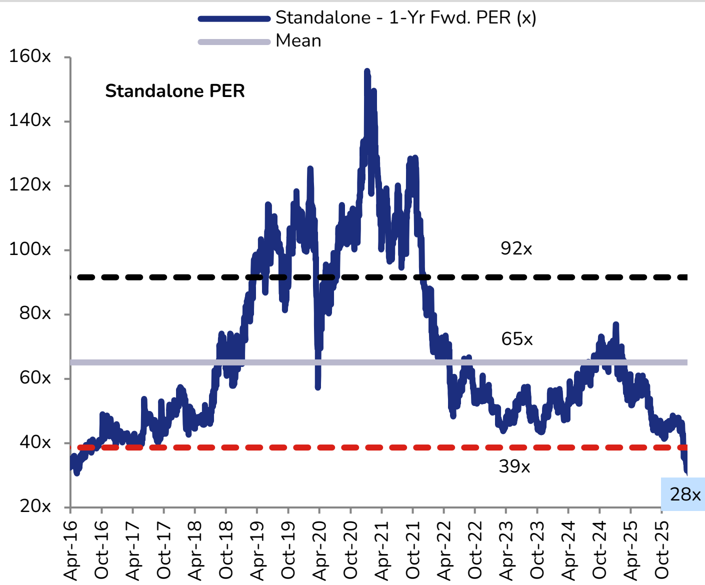
Maintain REDUCE; TP trimmed to INR 1,000

Exhibit 18: What has changed in our forecasting and assumptions?

	Old			New			Change		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Standalone revenue (INR mn)	33,562	37,235	-	33,388	36,893	40,628	*-0.5%*	*-0.9%*	-
Revenue growth rate (YoY)	12.0%	10.9%	-	9.4%	10.5%	10.1%	*-255 bps*	*-44 bps*	-
EBITDA (INR mn)	13,452	15,157	-	13,781	15,271	16,844	*2.4%*	*0.8%*	-
EBITDA margin	40.1%	40.7%	-	41.3%	41.4%	41.5%	*119 bps*	*69 bps*	-
Adj. PAT (INR mn)	12,030	13,567	-	11,802	13,167	14,587	*-1.9%*	*-2.9%*	-
Adj. EPS (Diluted)	18.3	20.7	-	18.0	20.1	22.2	*-1.9%*	*-3.0%*	-

Source: Company, JM Financial

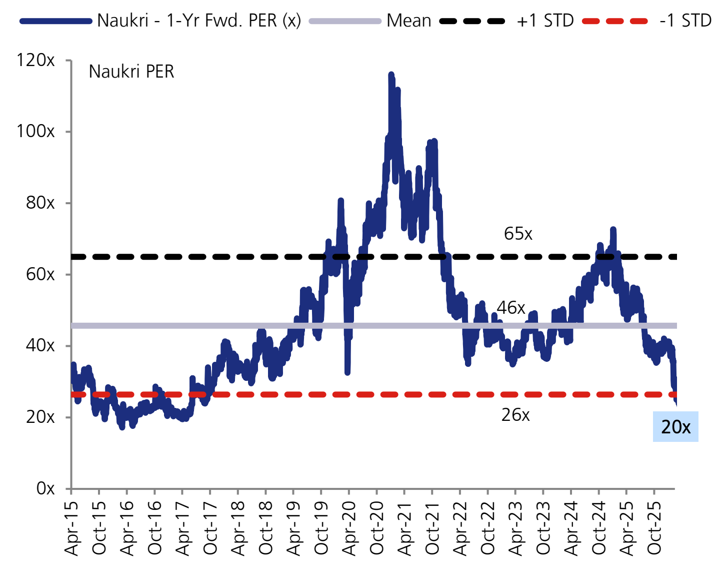
Exhibit 19: INFOE standalone business 1Y forward PER trading near its -1 STD



Source: Bloomberg, JM Financial

Notes: i) Standalone business valuations are derived by excluding the implicit value of Zomato and PolicyBazaar from the stock price (using their latest known valuations). ii) The contribution of investee companies (ex- Zomato and PolicyBazaar) to our current SotP-based fair value is negligible. For simplicity purposes, we therefore assume zero value for them while deriving the standalone business valuations.

Exhibit 20: Naukri's 1Y forward PER trading below historical average



Source: Bloomberg, JM Financial

Notes: i) Naukri business valuations are derived by excluding the implicit value post 25% holding company discount for Zomato and PolicyBazaar from the stock price using their latest known valuations, balance sheet cash and 8% value accrued to 99acres/Jeevansathi/Shiksha. ii) The contribution of investee companies (ex-Zomato and PolicyBazaar) to our current SOTP-based fair value is negligible. For simplicity purposes, we therefore assume zero value for them while deriving the Naukri business valuations.

Key risks

- **Key upside risks to our price target are:** i) better-than-expected revenue growth in Naukri on the back of technology investments; ii) higher-than-expected valuations of investee companies; and iii) any accretive acquisition not currently priced in.
- **Key downside risks are:** i) guided step-up in ad-spend in different businesses affecting margins; ii) risk to naukri.com from lower hiring in some sectors, especially IT; and iii) investments in start-ups not giving expected returns leading to stake sale at a discount or outright write-offs.

Financial Tables (Standalone)

Income Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	26,536	30,520	33,388	36,893	40,628
Sales Growth (%)	11.5	15.0	9.4	10.5	10.1
Other Operating Income	-	-	-	-	-
Total Revenue	**26,536**	**30,520**	**33,388**	**36,893**	**40,628**
Cost of Goods Sold/Op. Exp	10,815	11,856	12,812	14,244	15,800
Personnel Cost	-	-	-	-	-
Other Expenses	4,996	6,188	6,795	7,379	7,983
EBITDA	**10,726**	**12,476**	**13,781**	**15,271**	**16,844**
EBITDA Margin (%)	40.4	40.9	41.3	41.4	41.5
EBITDA Growth (%)	12.3	16.3	10.5	10.8	10.3
Depn. & Amort.	801	891	1,002	1,107	1,219
EBIT	9,924	11,585	12,780	14,164	15,626
Other Income	-	-	-	-	-
Finance Cost	191	207	228	251	276
PBT before Excep. & Forex	12,871	14,731	15,778	17,603	19,501
Excep. & Forex Inc./Loss(-)	-2,033	-	-	-	-
PBT	10,838	14,731	15,778	17,603	19,501
Taxes	3,104	3,607	3,976	4,436	4,914
Extraordinary Inc./Loss(-)	-	44,233	-	-	-
Assoc. Profit/Min. Int.(-)	-	-	-	-	-
Reported Net Profit	7,734	55,357	11,802	13,167	14,587
Adjusted Net Profit	**7,734**	**11,124**	**11,802**	**13,167**	**14,587**
Net Margin (%)	29.1	36.4	35.3	35.7	35.9
Diluted Share Cap. (mn)	649	648	656	656	656
Diluted EPS (INR)	**11.9**	**17.2**	**18.0**	**20.1**	**22.2**
Diluted EPS Growth (%)	-7.4	43.9	4.9	11.6	10.8
Total Dividend + Tax	4,686	6,556	7,895	9,474	9,474
Dividend Per Share (INR)	6.0	8.4	10.0	12.0	12.0

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Shareholders Fund	277,013	347,473	352,715	358,011	364,726
Share Capital	1,294	1,295	1,295	1,295	1,295
Reserves & Surplus	275,719	346,178	351,419	356,715	363,430
Preference Share Capital	-	-	-	-	-
Minority Interest	-	-	-	-	-
Total Loans	4	1	1	1	1
Def. Tax Liab. / Assets (-)	-	-	-	-	-
Other non-current liabilities / Lease Liabilities	36,356	46,992	46,992	46,992	46,992
Total - Equity & Liab.	**313,374**	**394,466**	**399,708**	**405,003**	**411,719**
Net Fixed Assets	3,461	3,588	3,710	3,884	4,063
Gross Fixed Assets	6,842	6,964	8,087	9,368	10,766
Intangible Assets	-	-	-	-	-
Less: Depn. & Amort.	3,381	3,376	4,378	5,484	6,703
Capital WIP	-	-	-	-	-
Investments	276,139	357,345	357,345	357,345	357,345
Current Assets	50,394	52,555	59,735	66,890	75,592
Inventories	-	-	-	-	-
Sundry Debtors	131	108	119	131	145
Cash & Bank Balances	46,708	49,630	56,768	63,872	72,519
Loans & Advances	-	-	-	-	-
Other Current Assets	3,556	2,817	2,848	2,887	2,928
Current Liab. & Prov.	16,621	19,022	21,082	23,115	25,281
Current Liabilities	2,907	2,481	2,481	2,481	2,481
Provisions & Others	13,714	16,541	18,601	20,634	22,801
Net Current Assets	30,865	31,052	36,172	41,294	47,830
Other Non Current Assets/ROU Assets	2,907	2,481	2,481	2,481	2,481
Total - Assets	**313,374**	**394,466**	**399,708**	**405,003**	**411,719**

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Profit before Tax	12,871	14,731	15,778	17,603	19,501
Depn. & Amort.	801	891	1,002	1,107	1,219
Net Interest Exp. / Inc. (-)	-2,301	-2,187	228	251	276
Inc (-) / Dec in WCap.	2,137	1,740	2,017	1,982	265
Others	-3,107	-3,208	-3,086	-3,529	-3,971
Taxes Paid	-3,332	-3,007	-3,976	-4,436	-4,914
Operating Cash Flow	**7,070**	**8,960**	**11,963**	**12,977**	**12,376**
Capex	-804	-720	-1,123	-1,281	-1,398
Free Cash Flow	6,266	8,240	10,840	11,697	10,978
Inc (-) / Dec in Investments	-3,614	-315	-	-	-
Others	-2,294	-4,530	-	-	-
Investing Cash Flow	**-6,712**	**-5,565**	**-1,123**	**-1,281**	**-1,398**
Inc / Dec (-) in Capital	3	1	-	-	-
Dividend + Tax thereon	-3,102	-5,439	-	-	-
Inc / Dec (-) in Loans	-13	-8	-	-	-
Others	-191	-207	-	-	-
Financing Cash Flow	**-3,302**	**-5,654**	**-**	**-**	**-**
Inc / Dec (-) in Cash	**-2,945**	**-2,258**	**10,840**	**11,697**	**10,978**
Opening Cash Balance	49,652	51,888	45,928	52,175	61,541
Closing Cash Balance	46,708	49,630	56,768	63,872	72,519

Source: Company, JM Financial

Dupont Analysis					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Margin (%)	29.1	36.4	35.3	35.7	35.9
Asset Turnover (x)	0.1	0.1	0.1	0.1	0.1
Leverage Factor (x)	1.1	1.1	1.1	1.1	1.1
RoE (%)	2.9	3.6	3.4	3.7	4.0

Source: Company, JM Financial

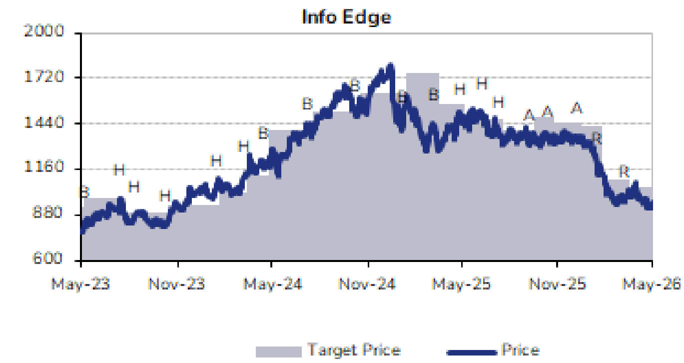
Key Ratios					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
BV/Share (INR)	426.9	535.9	537.7	545.8	556.0
ROIC (%)	-	-	-	-	-
ROE (%)	2.9	3.6	3.4	3.7	4.0
Net Debt/Equity (x)	-0.2	-0.1	-0.2	-0.2	-0.2
P/E (x)	80.6	11.3	53.4	47.9	43.2
P/B (x)	2.3	1.8	1.8	1.8	1.7
EV/EBITDA (x)	53.7	46.0	41.1	36.6	32.7
EV/Sales (x)	21.7	18.8	17.0	15.2	13.6
Debtor days	2	1	1	1	1
Inventory days	-	-	-	-	-
Creditor days	-	-	-	-	-

Source: Company, JM Financial

Recommendation History Table

Date	Recommendation	Target Price	% Chg.
9-Apr-26	Reduce	1,050	-4.5
14-Feb-26	Reduce	1,100	-23.1
7-Jan-26	Add	1,430	-1.4
13-Nov-25	Add	1,450	-2.0
9-Oct-25	Add	1,480	5.7
9-Aug-25	Hold	1,400	-4.8
7-Jul-25	Hold	1,470	-2.0
28-May-25	Hold	1,500	-3.8
8-Apr-25	Buy	1,560	-10.9
6-Feb-25	Buy	1,750	7.4
9-Nov-24	Buy	1,630	7.5
10-Aug-24	Buy	1,516	8.3
17-May-24	Buy	1,400	25.0
7-Apr-24	Hold	1,120	9.8
14-Feb-24	Hold	1,020	8.5
7-Nov-23	Hold	940	4.4
11-Sep-23	Hold	900	0.0
13-Aug-23	Hold	900	-9.1
28-May-23	Buy	990	6.5
11-Feb-23	Buy	930	

Recommendation History Chart



APPENDIX I

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REDUCE	Expected return >= -10% and < 5% over the next twelve months.
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