

# Swiggy

## FD beats expectation; QC burn likely peaked

Overall B2C GOV grew 49% YoY (8.6% QoQ) to reach INR 181.2bn (in-line). Consolidated adj. EBITDA losses stood at INR7.1bn (in-line). Food delivery (FD) GOV grew 20.5% YoY to INR 89.6bn (HSIE: INR 88bn). MTUs grew 21.9% YoY, while CM continues to improve through higher ad monetization and better fleet utilization. FD's adj. EBITDAM expanded QoQ by 19bps to 3% (HSIE: 2.9%). Instamart's NOV grew ~76% YoY to INR 54.8bn (HSIE: INR 55.1bn). QC GOV growth was impacted by (1) GST-related price cuts (~300bps impact), (2) shift of festive season, and (3) a strategic decision to avoid participating in irrational competition. CM improved by mere 8bps QoQ to -3.6% of NOV (HSIE: -3.3%) as over 100bps gain from ad revenue and operating leverage were largely reinvested into the "no-fee above INR299" campaign, which saw limited success. Consequently, QC adj. EBITDA losses expanded QoQ to INR9bn (vs HSIE: INR8.95bn; INR8.5bn in Q2). However, management indicated that losses have now peaked, with a sequential reduction expected from hereon as it targets CM breakeven by Q1FY27. Our overall adj. EBITDA loss estimate stands revised at -INR14.9/-INR4.7bn (earlier: -INR16.2/-INR7.3bn) for FY27/28 respectively. We maintain BUY on the stock with an SOTP-based TP of INR465/sh (incl. 41x Mar-28 EV/EBITDA for FD and 0.6x Mar-28 NOV for Instamart).

- FD growth beats expectation:** Swiggy's FD GOV grew 4.9% QoQ (20.5% YoY) to INR 89.6bn (HSIE: INR88bn), driven by a high-teen YoY order volume and rising AOVs. MTUs grew by 5.2% QoQ (21.9% YoY) to 18.1mn (HSIE: 17.6mn). Adj. revenue grew 3.2% QoQ (up 22.4% YoY) to INR22.8bn (in-line). Take-rates contracted by 41bps QoQ to 25.4% (HSIE: 25.8%), primarily due to lower consumer fees following the expansion of Swiggy One membership base. However, CM expanded by 27bps QoQ to 7.6% (HSIE: 7.5%), driven by ad revenue and improved fleet utilization. Consequently, adj. EBITDAM expanded 19bps QoQ to 3% (HSIE: 2.9%). Adj. EBITDA grew 11.8% QoQ to INR 2.7bn (HSIE: INR 2.5bn). Management's 5% adj. EBITDAM guidance in the medium term stays.
- QC peak burn likely behind:** Instamart's NOV grew 12% QoQ to INR 54.8bn (HSIE: INR 55.1bn). Growth was impacted by a shift of festive season and a strategic decision to avoid participating in irrational competition. GOV growth was impacted by GST-related price cuts (~300bps impact). MTU growth moderated to 6.9% QoQ to 12.8mn (HSIE: 12.9mn), while order growth slowed to 5.6% QoQ to 106mn (HSIE: 112mn) due to Maxxsaver and weaning away low AOV orders. Net AOV grew 6.1% QoQ to INR 515 (HSIE: INR 490), led by higher non-grocery mix (32.2% of the sales mix) and "no-fee above INR299" experiment. Dark store expansion remains measured as company prioritized densification into existing markets – 34 net stores added (store count: 1,136; retail area: 4.8mn sq ft; avg. store size: 4,217 sq. ft). Adj. revenue grew mere 1.3% QoQ to INR10.5bn (HSIE: INR11.7bn) due to a decline in take rates by 202bps QoQ to 19.2% of NOV (HSIE: 21.3%). CM improved by mere 8bps QoQ to -3.6% of NOV (HSIE: -3.3%) as over 100bps of gains from ad revenue and operating leverage were largely reinvested into the "no-fee above INR299" campaign, which saw limited success. Adj. EBITDAM improved 84bps QoQ to -16.5% of NOV (HSIE: -16.2%). Adj. EBITDA losses expanded QoQ to INR9bn (vs HSIE: INR8.95bn; INR8.5bn in Q2). However, management indicated that losses have now peaked, with a sequential reduction expected from here on as it targets CM breakeven by Q1FY27.
- Valuation and outlook:** While FD momentum remains healthy across KPIs; Instamart's performance divergence vs Blinkit continues to widen. Although losses seem to have peaked, and at current valuations, Instamart is effectively available for free. Our overall Adj. EBITDA loss estimate stands revised at -INR14.9/-INR4.7bn (earlier: -INR16.2/-INR7.3bn) for FY27/28 respectively. We maintain BUY on the stock with an SOTP-based TP of INR465/sh (incl. 41x Mar-28 EV/EBITDA for FD and 0.6x Mar-28 NOV for Instamart).

### BUY

CMP (as on 29 Jan 2026)	INR 327
Target Price	INR 465
NIFTY	25,419

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 465	INR 465
EBITDA %	FY27E NM	FY28E NM

\*Pre-IND AS 116 EBITDA

#### KEY STOCK DATA

Bloomberg code	SWIGGY IN
No. of Shares (mn)	2,760
MCap (INR bn) / (\$ mn)	904/9,835
6m avg traded value (INR mn)	5,324
52 Week high / low	INR 474/297

#### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(21.8)	(20.8)	(23.5)
Relative (%)	(18.9)	(22.3)	(31.4)

#### SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	-	-
FIs & Local MFs	15.95	22.53
FPIs	12.24	16.07
Public & Others	71.81	61.40
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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**Financial Summary:**

(INR mn)	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Revenue	61,480	39,931	54.0	55,610	10.6	82,646	1,12,474	1,52,268	2,28,693	2,84,780	3,46,835
EBITDA	(7,820)	(7,257)	7.8	(7,980)	(2.0)	(42,758)	(22,080)	(27,858)	(32,835)	(15,591)	(731)
APAT	(10,650)	(7,991)	33.3	(10,920)	(2.5)	(41,793)	(23,502)	(31,167)	(36,191)	(21,647)	(8,175)
EPS (Rs)	(4.4)	(3.5)	25.3	(4.6)	(5.0)	(19.3)	(10.7)	(12.5)	(13.1)	(7.8)	(3.0)
P/E (x)						(17.0)	(30.6)	(26.2)	(25.0)	(41.7)	(110.6)
EV/EBITDA (x)						(15.2)	(30.6)	(27.7)	(27.1)	(50.4)	(1,097.7)
Core RoCE(%)						(138)	(65)	(60)	(51)	(27)	(9)

**Estimate changes:**

(INR mn)	FY26E			FY27E			FY28E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	2,28,693	2,20,651	3.6	2,84,780	2,73,848	4.0	3,46,835	3,33,444	4.0
Adj. EBITDA	(28,488)	(28,365)	NM	(14,972)	(16,204)	NM	(4,659)	(7,325)	NM
Adj. EBITDAM (%)	(12.5)	(12.9)	40 bps	(5.3)	(5.9)	66 bps	(1.3)	(2.2)	85 bps
Pre-IND AS EBITDA	(36,448)	(36,325)	NM	(20,372)	(21,604)	NM	(6,389)	(9,055)	NM
Pre-IND AS EBITDA margin (%)	(15.9)	(16.5)	53 bps	(7.2)	(7.9)	74 bps	(1.8)	(2.7)	87 bps
APAT	(36,191)	(36,201)	NM	(21,647)	(22,959)	NM	(8,175)	(10,888)	NM
APAT margin (%)	(15.8)	(16.4)	58 bps	(7.6)	(8.4)	78 bps	(2.4)	(3.3)	91 bps
EPS (Rs)	(13.1)	(13.1)	NM	(7.8)	(8.3)	NM	(3.0)	(3.9)	NM

**SOTP Valuation (Mar-28):**

Swiggy	Methodology	Multiple	GoV/Gross sales/EBITDA	EV (Rs mn)	Per share
Food Delivery	EV/EBITDA	41	18,854	7,63,589	277
Quick Commerce	EV/NoV	0.6	4,28,006	2,55,520	93
OOH Consumption	EV/GoV	0.9	82,267	74,040	27
Supply chain & distribution	EV/Sales	0.5	1,48,045	74,023	27
Platform & Innovation	EV/Gross sales	0.5	607	303	0
<b>Consol Enterprise Value</b>				<b>11,67,475</b>	<b>423</b>
<b>Net Debt</b>				<b>(1,17,173)</b>	<b>-42</b>
<b>Consol Equity Value</b>				<b>12,84,648</b>	<b>465</b>
No. of shares (#)					2,760
<b>CMP</b>					<b>327</b>
<b>Upside (%)</b>					<b>42.2</b>

Snapshot	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
<b>GoV (B2C)</b>	<b>88,041</b>	<b>91,850</b>	<b>1,01,896</b>	<b>1,13,063</b>	<b>1,21,649</b>	<b>1,28,883</b>	<b>1,47,973</b>	<b>1,66,830</b>	<b>1,81,220</b>
Food Delivery	62,381	62,459	68,083	71,909	74,364	73,469	80,861	85,424	89,590
Quick Commerce	20,771	23,235	27,240	33,819	39,069	46,697	56,550	70,223	79,380
OOH Consumption	4,890	6,157	6,572	7,335	8,215	8,717	10,563	11,184	12,250
<b>Growth - YoY (%)</b>									
Food Delivery			14	15	19	18	19	19	20
Quick Commerce			56	76	88	101	108	108	103
OOH Consumption			14	46	68	42	61	52	49
<b>Gross Revenue</b>	<b>32,976</b>	<b>32,683</b>	<b>34,773</b>	<b>38,727</b>	<b>42,645</b>	<b>47,180</b>	<b>53,081</b>	<b>59,110</b>	<b>64,300</b>
Food Delivery	15,328	15,592	17,296	18,080	18,604	18,667	20,800	22,057	22,770
Quick Commerce	2,927	3,427	4,034	5,127	6,028	7,333	8,587	10,384	10,520
OOH Consumption	362	544	467	600	683	713	833	947	1,110
Supply chain & distribution	13,768	12,650	12,683	14,526	16,926	20,041	22,592	25,602	29,810
Platform innovation	591	471	293	394	404	426	269	120	90
<b>B2C Take rate (%)</b>	<b>21.1</b>	<b>21.3</b>	<b>21.4</b>	<b>21.1</b>	<b>20.8</b>	<b>20.7</b>	<b>20.4</b>	<b>20.0</b>	<b>19.0</b>
Food Delivery	24.6	25.0	25.4	25.1	25.0	25.4	25.7	25.8	25.4
Quick Commerce	14.1	14.8	14.8	15.2	15.4	15.7	15.2	14.8	13.3
OOH Consumption	7.4	8.8	7.1	8.2	8.3	8.2	7.9	8.5	9.1
<b>Gross Revenue mix (%)</b>									
Food Delivery	46	48	50	47	44	40	39	37	35
Quick Commerce	9	10	12	13	14	16	16	18	16
OOH Consumption	1	2	1	2	2	2	2	2	2
Supply chain & distribution	42	39	36	38	40	42	43	43	46
Platform innovation	2	1	1	1	1	1	1	0	0
<b>Adjusted EBITDA</b>	<b>(4,991)</b>	<b>(3,608)</b>	<b>(3,478)</b>	<b>(3,412)</b>	<b>(4,905)</b>	<b>(7,319)</b>	<b>(8,127)</b>	<b>(6,951)</b>	<b>(7,096)</b>
Food Delivery	162	330	578	1,123	1,838	2,122	1,918	2,404	2,688
Quick Commerce	(3,417)	(3,066)	(3,179)	(3,588)	(5,777)	(8,396)	(8,961)	(8,491)	(9,049)
OOH Consumption	(464)	(338)	(132)	(93)	(82)	23	49	55	86
Supply chain & distribution	(953)	(358)	(579)	(741)	(777)	(706)	(616)	(456)	(420)
Platform innovation	(318)	(176)	(167)	(113)	(107)	(363)	(518)	(463)	(400)
<b>Adjusted EBITDAM (%)</b>									
Food Delivery	0.3	0.5	0.8	1.6	2.5	2.9	2.4	2.8	3.0
Quick Commerce	(16.5)	(13.2)	(11.7)	(10.6)	(14.8)	(18.0)	(15.8)	(12.1)	(11.4)
OOH Consumption	(9.5)	(5.5)	(2.0)	(1.3)	(1.0)	0.3	0.5	0.5	0.7
Supply chain & distribution	(6.9)	(2.8)	(4.6)	(5.1)	(4.6)	(3.5)	(2.7)	(1.8)	(1.4)
Platform innovation	(53.8)	(37.4)	(56.9)	(28.8)	(26.5)	(85.1)	(192.2)	(384.7)	(444.4)

### Key performance indicators

KPIs	3QFY25	2QFY26	3QFY26	YoY (%)	QoQ (%)	3QFY26E	Variance (%)
<b>Food Delivery</b>							
Avg. MTUs	14.9	17.2	18.1	21.9	5.2	17.6	3.1
GoV (INR)	74,364	85,424	89,590	20.5	4.9	88,004	1.8
Gross revenue	18,604	22,057	22,770	22.4	3.2	22,661	0.5
Take rate (% of GoV)	25.0	25.8	25.4	40 bps	-41 bps	25.8	-33 bps
Contribution profit	5,501	6,258	6,809	23.8	8.8	6,556	3.9
CM (%)	7.4	7.3	7.6	20 bps	27 bps	7.5	15 bps
Adjusted EBITDA	1,838	2,404	2,688	46.2	11.8	2,548	5.5
Adj EBITDAM (As % of GoV)	2.5	2.8	3.0	53 bps	19 bps	2.9	10 bps
<b>Quick Commerce</b>							
Avg. MTUs	7.0	12.0	12.8	82.1	6.9	12.9	(1.0)
Ordering frequency/month	3.5	2.8	2.8	(20.2)	(1.3)	2.9	(4.5)
Orders (mn)	73.2	100.8	106.4	45.4	5.6	112	(5.4)
AoV (INR)	534	697	746	39.7	7.0	718	3.9
Net AoV (INR)	424	485	515	21.5	6.1	490	5.0
GoV (INR mn)	39,069	70,223	79,380	103.2	13.0	80,743	(1.7)
NoV (INR mn)	31,026	48,919	54,772	76.5	12.0	55,128	(0.6)
Gross revenue	6,028	10,384	10,520	74.5	1.3	11,742	(10.4)
Take rate (% of NoV)	19.4	21.2	19.2	-22 bps	-202 bps	21.3	-209 bps
Contribution profit	(1,787)	(1,810)	(1,985)	11.0	9.6	(1,819)	9.1
Contribution margin (% of GoV)	(4.6)	(2.6)	(2.5)	207 bps	8 bps	(2.3)	-25 bps
Contribution margin (% of NoV)	(5.8)	(3.7)	(3.6)	214 bps	8 bps	(3.3)	-32 bps
Adjusted EBITDA	(5,777)	(8,491)	(9,049)	56.6	6.6	(8,954)	1.1
Adj EBITDAM (As % of GoV)	(14.8)	(12.1)	(11.4)	339 bps	69 bps	(11.1)	-31 bps
Adj EBITDAM (As % of NoV)	(18.6)	(17.4)	(16.5)	210 bps	84 bps	(16.2)	-28 bps
<b>OOH Consumption</b>							
GoV	8,215	11,184	12,250	49.1	9.5	11,743	4.3
Gross Revenue	683	947	1,110	62.5	17.2	998	11.2
Take rate (%)	8.3	8.5	9.1	75 bps	59 bps	8.5	56 bps
Contribution profit	325	486	564	73.4	16.0	528	6.6
Contribution margin (%)	4.0	4.3	4.6	64 bps	26 bps	4.5	10 bps
Adjusted EBITDA	(82)	55	86	(204.8)	55.2	85	1.0
Adj EBITDAM (As % of GoV)	(1.0)	0.5	0.7	170 bps	21 bps	0.7	-2 bps
<b>Supply chain &amp; distribution</b>							
Revenue (INR mn)	16,926	25,602	29,810	76.1	16.4	24,578	21.3
Adjusted EBITDA	(777)	(456)	(420)	(45.9)	(7.9)	(442)	(5.1)
Adj EBITDAM (As % of GoV)	(4.6)	(1.8)	(1.4)	318 bps	37 bps	(1.8)	39 bps
<b>Platform Innovations</b>							
Gross Revenue (INR mn)	404	120	90	(77.7)	(25.2)	118	(23.6)
Adjusted EBITDA	(107)	(463)	(400)	273.2	(13.5)	(354)	13.1
Adj EBITDAM (As % of GoV)	(26.5)	(384.7)	(444.4)	-41794 bps	-5974 bps	(300.0)	-14444 bps

## Income statement

Year End (March)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Net Revenues</b>	57,049	82,646	1,12,474	1,52,268	2,28,693	2,84,780	3,46,835
Growth (%)	124.0	44.9	36.1	35.4	50.2	24.5	21.8
Material Expenses	22,680	33,809	46,042	60,015	1,00,152	1,17,857	1,34,795
Employee Expense	17,085	21,298	20,122	25,489	22,408	20,571	17,659
A&P Expense	20,051	25,012	18,508	27,117	39,584	47,868	56,564
Delivery Expenses	20,688	28,349	33,511	44,292	65,379	79,990	95,686
Other Expenses	13,056	16,936	16,372	23,213	34,006	34,086	42,862
<b>EBITDA</b>	<b>(36,511)</b>	<b>(42,758)</b>	<b>(22,080)</b>	<b>(27,858)</b>	<b>(32,835)</b>	<b>(15,591)</b>	<b>(731)</b>
EBITDA Growth (%)	181.1	17.1	(48.4)	26.2	17.9	(52.5)	(95.3)
EBITDA Margin (%)	(64.0)	(51.7)	(19.6)	(18.3)	(14.4)	(5.5)	(0.2)
<b>Adjusted EBITDA</b>	<b>(32,337.6)</b>	<b>(39,103.4)</b>	<b>(18,355.7)</b>	<b>(19,114.5)</b>	<b>(28,487.6)</b>	<b>(14,972.5)</b>	<b>(4,659.1)</b>
Adjusted EBITDAM (% of GoV)	(16.1)	(14.1)	(5.2)	(4.1)	(4.2)	(1.6)	(0.4)
<b>Pre-IND AS 116 EBITDA</b>	<b>(37,471.8)</b>	<b>(44,442.9)</b>	<b>(24,318.3)</b>	<b>(30,843.0)</b>	<b>(36,447.6)</b>	<b>(20,372.5)</b>	<b>(6,389.1)</b>
Pre-IND AS 116 EBITDAM (%)	(65.7)	(53.8)	(21.6)	(20.3)	(15.9)	(7.2)	(1.8)
Depreciation	1,701	2,858	4,206	6,123	6,551	7,658	7,790
<b>EBIT</b>	<b>(38,212)</b>	<b>(45,616)</b>	<b>(26,286)</b>	<b>(33,981)</b>	<b>(39,387)</b>	<b>(23,249)</b>	<b>(8,521)</b>
Other Income (Including EO Items)	4,149	4,499	3,870	3,962	4,162	2,739	1,678
Interest	484	582	714	1,006	940	1,111	1,306
<b>PBT (before exceptional items)</b>	<b>(34,547)</b>	<b>(41,699)</b>	<b>(23,130)</b>	<b>(31,025)</b>	<b>(36,165)</b>	<b>(21,621)</b>	<b>(8,149)</b>
Total Tax	-	-	-	-	-	-	-
<b>PAT before share of associate earnings</b>	<b>(34,547)</b>	<b>(41,699)</b>	<b>(23,130)</b>	<b>(31,025)</b>	<b>(36,165)</b>	<b>(21,621)</b>	<b>(8,149)</b>
Share of associate earnings	(10)	(1)	(66)	(26)	(26)	(26)	(26)
<b>RPAT</b>	<b>(34,557)</b>	<b>(41,700)</b>	<b>(23,196)</b>	<b>(31,050)</b>	<b>(36,191)</b>	<b>(21,647)</b>	<b>(8,175)</b>
Exceptional Gain/(loss)	(1,732)	(93)	(306)	(117)	-	-	-
<b>Adjusted PAT</b>	<b>(36,289)</b>	<b>(41,793)</b>	<b>(23,502)</b>	<b>(31,167)</b>	<b>(36,191)</b>	<b>(21,647)</b>	<b>(8,175)</b>
APAT Growth (%)	124.4	15.2	(43.8)	32.6	16.1	(40.2)	(62.2)
Adjusted EPS (Rs)	(18.6)	(19.3)	(10.7)	(12.5)	(13.1)	(7.8)	(3.0)
EPS Growth (%)	(100.0)	3.7	(44.6)	16.8	4.9	(40.2)	(62.2)

## Balance sheet

Year End (March)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>SOURCES OF FUNDS</b>							
Share Capital - Equity	1,55,634	1,55,652	1,55,763	2,286	2,286	2,286	2,286
Reserves	(32,965)	(65,086)	(77,848)	99,908	71,678	1,78,616	1,70,441
<b>Total Shareholders Funds</b>	<b>1,22,669</b>	<b>90,566</b>	<b>77,915</b>	<b>1,02,195</b>	<b>73,964</b>	<b>1,80,902</b>	<b>1,72,728</b>
<b>Minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Long Term Debt	-	-	960	-	-	-	-
Short Term Debt	-	-	1,152	282	282	282	282
<b>Total Debt</b>	<b>-</b>	<b>-</b>	<b>2,112</b>	<b>282</b>	<b>282</b>	<b>282</b>	<b>282</b>
<b>Net Deferred Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Lease Liabilities</b>	<b>5,082</b>	<b>5,996</b>	<b>6,530</b>	<b>16,747</b>	<b>20,274</b>	<b>26,835</b>	<b>29,518</b>
<b>Other Non-current Liabilities &amp; Provns</b>	<b>186</b>	<b>374</b>	<b>290</b>	<b>319</b>	<b>319</b>	<b>319</b>	<b>319</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>1,27,937</b>	<b>96,936</b>	<b>86,847</b>	<b>1,19,544</b>	<b>94,840</b>	<b>2,08,339</b>	<b>2,02,848</b>
<b>APPLICATION OF FUNDS</b>							
Net Block	3,116	3,137	4,528	10,592	9,358	9,283	8,701
CWIP	-	-	-	-	-	-	-
Net Intangible Assets	272	6,455	10,008	9,470	9,470	9,470	9,470
RoU Assets	4,622	5,458	5,878	16,246	19,667	26,032	28,636
Other Non-current Assets	1,338	1,889	2,139	2,266	2,266	2,266	2,266
Investments	1,03,480	65,405	51,711	26,771	26,771	26,771	15,771
<b>Total Non-current Assets</b>	<b>1,12,828</b>	<b>82,346</b>	<b>74,264</b>	<b>65,345</b>	<b>67,533</b>	<b>73,823</b>	<b>64,844</b>
Inventories	177	106	487	555	833	1,038	1,264
Debtors	11,119	10,623	9,639	24,625	35,106	42,155	49,440
Other Current Assets	8,894	11,092	11,997	28,532	40,346	49,460	59,288
<b>Cash &amp; Equivalents</b>	<b>11,039</b>	<b>8,639</b>	<b>8,909</b>	<b>32,996</b>	<b>1,102</b>	<b>1,04,225</b>	<b>99,353</b>
<b>Total Current Assets</b>	<b>31,229</b>	<b>30,461</b>	<b>31,030</b>	<b>86,708</b>	<b>77,386</b>	<b>1,96,877</b>	<b>2,09,345</b>
Creditors	9,561	8,732	8,809	18,180	27,932	34,782	42,362
Other Current Liabilities & Provns	6,559	7,138	9,639	14,329	22,147	27,579	33,589
<b>Total Current Liabilities</b>	<b>16,120</b>	<b>15,870</b>	<b>18,448</b>	<b>32,509</b>	<b>50,079</b>	<b>62,361</b>	<b>75,950</b>
<b>Net Current Assets</b>	<b>15,109</b>	<b>14,591</b>	<b>12,583</b>	<b>54,199</b>	<b>27,307</b>	<b>1,34,516</b>	<b>1,33,395</b>
<b>TOTAL APPLICATION OF FUNDS</b>	<b>1,27,937</b>	<b>96,937</b>	<b>86,847</b>	<b>1,19,544</b>	<b>94,840</b>	<b>2,08,339</b>	<b>2,02,848</b>

### Cash flow statement

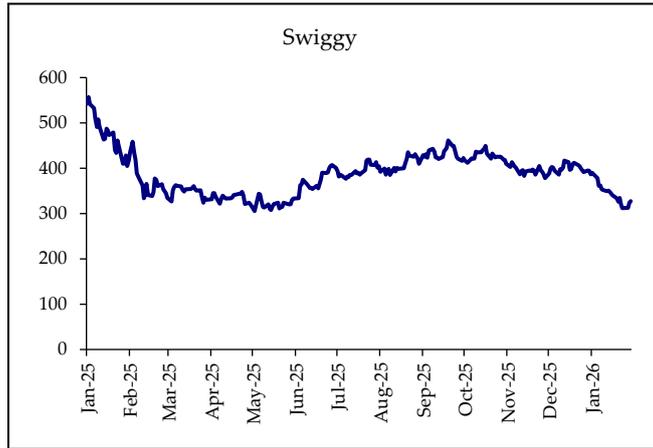
Year ending March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Reported PBT	(36,289)	(41,793)	(23,502)	(31,168)	(36,191)	(21,647)	(8,149)
Non-operating & EO Items	2,582	(641)	3,493	8,214	3,798	2,661	52
Interest Expenses	469	565	651	957	940	1,111	1,306
Depreciation	1,701	2,858	4,206	6,123	6,551	7,658	7,790
Working Capital Change	(6,876)	(1,139)	1,988	(6,221)	(5,003)	(4,086)	(3,750)
Tax Paid	(590)	(449)	38	400	-	-	-
<b>OPERATING CASH FLOW ( a )</b>	<b>(39,004)</b>	<b>(40,599)</b>	<b>(13,127)</b>	<b>(21,695)</b>	<b>(29,904)</b>	<b>(14,303)</b>	<b>(2,751)</b>
Capex	(2,274)	(1,573)	(3,459)	(7,433)	(5,318)	(7,583)	(7,208)
<b>Free Cash Flow (FCF)</b>	<b>(41,278)</b>	<b>(42,172)</b>	<b>(16,586)</b>	<b>(29,128)</b>	<b>(35,221)</b>	<b>(21,886)</b>	<b>(9,959)</b>
Investments	(90,148)	40,523	17,677	(7,734)	-	-	11,000
Non-operating Income	821	728	366	1,443	741	(3,626)	(7,290)
<b>INVESTING CASH FLOW ( b )</b>	<b>(91,601)</b>	<b>39,678)</b>	<b>14,585)</b>	<b>(13,724)</b>	<b>(4,577)</b>	<b>(11,209)</b>	<b>(3,498)</b>
Debt Issuance/(Repaid)	(918)	-	1,076	(1,643)	-	-	-
<b>FCFE</b>	<b>(1,31,523)</b>	<b>(921)</b>	<b>2,533)</b>	<b>(37,062)</b>	<b>(34,480)</b>	<b>(25,512)</b>	<b>(6,249)</b>
Share Capital Issuance	1,39,058	-	-	43,858	-	1,23,185	-
Dividend	-	-	-	-	-	-	-
Others	(1,799)	(1,715)	(2,304)	(3,181)	2,586	5,450	1,378
<b>FINANCING CASH FLOW ( c )</b>	<b>1,36,341)</b>	<b>(1,715)</b>	<b>(1,228)</b>	<b>39,034)</b>	<b>2,586)</b>	<b>1,28,635)</b>	<b>1,378)</b>
<b>NET CASH FLOW (a+b+c)</b>	<b>5,736)</b>	<b>(2,636)</b>	<b>229)</b>	<b>3,615)</b>	<b>(31,894)</b>	<b>1,03,123)</b>	<b>(4,871)</b>
Beginning cash	5,225	10,961	8,325	8,691	32,996	1,102	1,04,225
Closing Cash & Equivalents	11,039	8,639	8,909	32,996	1,102	1,04,225	99,353

### Key ratios:

	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>PROFITABILITY (%)</b>							
GPM	60.2	59.1	59.1	60.6	56.2	58.6	61.1
EBITDA Margin	(64.0)	(51.7)	(19.6)	(18.3)	(14.4)	(5.5)	(0.2)
Pre-IND-AS EBITDA Margin (%)	(37,472)	(44,443)	(24,318)	(30,842)	(36,448)	(20,372)	-
EBIT Margin	(38,212)	(45,616)	(26,286)	(33,981)	(39,387)	(23,249)	(8,521)
APAT Margin	(63.6)	(50.6)	(20.9)	(20.5)	(15.8)	(7.6)	(2.4)
RoE	(51.8)	(39.2)	(27.9)	(34.6)	(41.1)	(17.0)	(4.6)
RoIC (or Core RoCE)	(242.4)	(138.3)	(65.4)	(59.6)	(51.2)	(27.1)	(8.9)
RoCE	(47.7)	(36.7)	(24.8)	(29.2)	(32.9)	(13.5)	(3.3)
<b>EFFICIENCY</b>							
Tax Rate (%)	-	-	-	-	-	-	-
Fixed Asset Turnover (x)	8.7	11.5	13.9	9.2	10.5	9.7	9.5
Inventory (days)	1.1	0.5	1.6	1.3	1.3	1.3	1.3
Debtors (days)	71.1	46.9	31.3	59.0	56.0	54.0	52.0
Other Current Assets (days)	56.9	49.0	38.9	68.4	64.4	63.4	62.4
Payables (days)	61.2	38.6	28.6	43.6	44.6	44.6	44.6
Other Current Liab & Provns (days)	42.0	31.5	31.3	34.3	35.3	35.3	35.3
Cash Conversion Cycle (days)	26.0	26.3	11.9	50.8	41.8	38.8	35.8
Net D/E (x)	(0.1)	(0.1)	(0.1)	(0.3)	(0.0)	(0.6)	(0.6)
Interest Coverage (x)	(79.0)	(78.4)	(36.8)	(33.8)	(41.9)	(20.9)	(6.5)
<b>PER SHARE DATA (Rs)</b>							
EPS	(18.6)	(19.3)	(10.7)	(12.5)	(13.1)	(7.8)	(3.0)
CEPS	(17.7)	(18.0)	(8.8)	(10.0)	(10.7)	(5.1)	(0.1)
Dividend							
Book Value	62.9	41.8	35.5	41.0	26.8	65.5	62.6
<b>VALUATION</b>							
P/E (x)	(18)	(17)	(31)	(26)	(25)	(42)	(111)
P/BV (x)	5.2	7.8	9.2	8.0	12.2	5.0	5.2
EV/EBITDA (x)	(14.7)	(15.2)	(30.6)	(27.7)	(27.1)	(50.4)	(1,097.7)
EV/Revenues (x)	9.4	7.9	6.0	5.1	3.9	2.8	2.3
OCF/EV (%)	(7.3)	(6.2)	(1.9)	(2.8)	(3.4)	(1.8)	(0.3)
FCF/EV (%)	(7.7)	(6.5)	(2.5)	(3.8)	(4.0)	(2.8)	(1.2)
FCFE/Mkt Cap (%)	(20.6)	(0.1)	0.4	(4.5)	(3.8)	(2.8)	(0.7)

Source: Company, HSIE Research

**1 Yr Price Movement**



**Rating Criteria**

- BUY: >+15% return potential
- ADD: +5% to +15% return potential
- REDUCE: -10% to +5% return potential
- SELL: > 10% Downside return potential

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