

Swiggy Ltd.

E-Retail / E-Commerce | 2QFY27 Result Update

BUY

CMP: Rs211 | Target Price (TP): Rs340 | Upside: 61%

October 23, 2026

QC Shifts Gears to Growth; Margin Reset by Design

Key Points

- Swiggy reported consolidated revenue of Rs75,710mn (+36% YoY / +11% QoQ), 2% above our estimates and 2.8% above consensus. EBITDA loss of Rs7,700mn (-10.2% margin; +410bps YoY, -63bps QoQ) was ~41% wider than our estimate of Rs5,470mn, and 33% below consensus, as Instamart stepped up growth investment and losses from Platform Innovations (incl. Toing) increased. PAT at -Rs9,220mn narrowed 16% YoY but widened 17% QoQ. B2C GOV came in at Rs207,930mn (+24.6% YoY); platform MTUs at 27.8mn (+21% YoY).
- Food delivery — record margin, acceleration continues:** GOV grew 17.7% YoY / 5.9% QoQ to Rs100,540mn, exiting Sep-26 at over 20% YoY. Adj. EBITDA of Rs3,410mn (+42% YoY) is at a best-ever 3.4% of GOV (+58bps YoY, +32bps QoQ); take rate is at a record 26.1%. MTUs are at 19.8mn (+15% YoY) and contribution margin is 7.7% of GOV. Management reaffirmed 18-20% GOV growth (ex-Toing) and the ~5% steady-state Adj. EBITDA margin target.
- Quick commerce — growth inflects, margin reset:** GOV grew 31.4% YoY / 16.7% QoQ to Rs92,300mn on strong retention/frequency gains. But, contribution margin slipped to -1.0% of GOV (+157bps YoY, -82bps QoQ) and Adj. EBITDA loss widened to -Rs8,950mn (-9.7% of GOV; +Rs1,180mn QoQ) as Swiggy deliberately re-prioritised growth. Addition of 69 net dark stores for a total of 1,240 across 133 cities, with differentiated assortment (Noice/Nectar now ~1 in 8 orders). Guidance: double-digit sequential GOV growth, contribution margin held at 0 to -1% with ~100bps QoQ EBITDA improvement in 3Q.
- Out-of-Home and others:** Dineout GOV was Rs15,080mn (+34.9% YoY / -1.4% QoQ), Adj. EBITDA was Rs80mn (0.5% of GOV) — a seventh straight profitable quarter. The active restaurant base stood at 66,000. Supply chain & distribution revenue rose +44% YoY to Rs36,900mn with Adj. EBITDA loss of Rs510mn. Platform Innovations Adj. EBITDA loss widened to Rs1,620mn, mainly due to the Toing new-user acquisition.

Toing - affordability optionality: Swiggy is scaling Toing, a standalone value food-delivery app now in 50+ cities, as a purpose-built affordability platform on its existing tech chassis (near-zero incremental fixed cost; spend is discretionary new-user acquisition). Two of three Toing users are new-to-Swiggy or long-dormant, and dual-app users transact ~25% more frequently; early cities are turning unit-economics positive for repeat users. Management frames Toing as both insurance of, and option on, a large profit pool, and sees it lifting combined food-delivery market growth at 25-30% (vs 18-20% standalone). Investment to stay range-bound; a scale-up call is expected in 1-2 quarters.

Outlook and valuation: Food delivery segment is at record profitability and Instamart growth sharply re-accelerated but 2QFY27 confirms Swiggy is now firmly in Instamart's pivot-to-growth phase, where quick-commerce contribution margin and consolidated losses move backwards in the near-term by design. We trim FY27E/FY28E EBITDA (deeper QC losses, higher Platform Innovations burn), pushing out the consolidated loss glide-path. The quick-commerce reset is deliberate and quality led (record Month-1 retention, differentiated assortment), and the IOCC-enabled 1P inventory transition starting mid-3Q over 2-3 quarters should add a ~80bps contribution-margin lever. Net-cash balance sheet intact.

We retain our BUY rating with a reduced target price of Rs340 from Rs355 (valuing food delivery at ~30x Sep-28E EV/EBITDA, Instamart at ~0.5x EV/GOV on a mid-30s % GOV CAGR). Quick-commerce competitive intensity and the contribution-margin trajectory, Toing scale-up economics, IOCC/1P execution, and the Platform Innovations burn remain key monitorables.

Est Change	Downwards
TP Change	Downwards
Rating Change	No Change

Company Data and Valuation Summary

Reuters	SWIG.BO
Bloomberg	SWIGGY IN Equity
Market Cap (Rsbn / US\$bn)	583.5 / 6.1
52 Wk H / L (Rs)	434 / 208
ADTV-3M (mn) (Rs / US\$)	5,953.3 / 62.4
Stock performance (%) 1M/6M/1yr	(25.6) / (28.3) / (51.1)
Nifty 50 performance (%) 1M/6M/1yr	(2.5) / (4.5) / (12.0)

Shareholding	4QFY26	1QFY27	2QFY27
Promoters	0.0	0.0	0.0
DII's	25.5	27.4	34.5
FII's	14.6	14.0	8.9
Others	60.0	58.7	56.7
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY25	FY26	FY27E	FY28E
Net Sales	1,52,268	2,30,530	3,11,550	3,86,894
Growth YoY (%)	35.4%	51.4%	35.1%	24.2%
EBITDA	-27,858	-32,310	-17,466	580
EBITDA margin (%)	(18.3%)	(14.0%)	(5.6%)	0.1%
Adj PAT	-31,025	-41,400	-26,037	-12,433
Growth YoY (%)	(34.1%)	(33.4%)	37.1%	52.3%
Adj EPS (Rs)	-11.2	-15.0	-9.4	-4.5
RoCE (%)	(28.1%)	(21.3%)	(15.8%)	(8.0%)
RoE (%)	(30.5%)	(22.7%)	(16.0%)	(7.8%)
Rolc (%)	(38.6%)	(26.4%)	(19.1%)	(9.1%)
P/S	7.6	5.0	3.7	3.0
EV/EBITDA	-44	-38	-70	1,023
P/BV	11.3	6.3	7.1	7.2

Source: Company, Bloomberg, Nirmal Bang Institutional Equities Research

Key Links – 2QFY27 Results

Please refer to the disclaimer towards the end of the document.

Exhibit 1: Quarterly performance

Particulars (Rsmn)	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27	Q3FY27E	Q4FY27E	FY26	FY27E
Net Sales	49,610	55,610	61,480	63,830	68,120	75,710	82,282	85,438	230,530	311,550
YoY Change	54.0%	54.4%	54.0%	44.7%	37.3%	36.1%	33.8%	33.9%	51.4%	35.1%
EBITDA	-9,540	-7,980	-7,820	-6,970	-6,500	-7,700	-2,442	-824	-32,310	-17,466
YoY Change	75.3%	44.0%	7.8%	27.5%	31.9%	3.5%	68.8%	88.2%	16.0%	45.9%
Margin	(19.2%)	(14.3%)	(12.7%)	(10.9%)	(9.5%)	(10.2%)	(3.0%)	(1.0%)	(14.0%)	(5.6%)
Depreciation	2,880	3,040	3,130	3,120	2,980	3,080	3,185	3,496	12,170	12,741
Interest	410	480	550	560	530	540	602	736	2,000	2,408
Other income	870	590	960	2,660	2,110	2,120	1,645	704	5,080	6,578
PBT (bei)	-11,960	-10,910	-10,540	-7,990	-7,900	-9,200	-4,585	-4,353	-41,400	-26,037
PBT	-11,960	-10,910	-10,540	-7,990	-7,900	-9,200	-4,585	-4,353	-41,400	-26,037
Tax	0	0	0	0	0	0	0	0	0	0
ETR	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reported PAT	-11,970	-10,920	-10,650	-8,000	-7,910	-9,220	-4,605	-4,355	-41,540	-26,089
Adj. PAT	-11,960	-10,910	-10,540	-7,990	-7,900	-9,200	-4,585	-4,353	-41,400	-26,037
YoY Change	100.1%	75.0%	31.3%	(25.9%)	33.9%	15.7%	56.5%	45.5%	33.4%	37.1%
Adj. EPS (Rs)	-4.3	-4.0	-3.8	-2.9	-2.9	-3.3	-1.7	-1.6	-15.0	-9.4

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Actual performance vs NBIE and consensus estimates

Particulars (Rsmn)	2QFY27	2QFY27E (NBIE)	Var	2QFY27E (BBG Consensus)	Var
Revenue	75,710	74,217	2.0%	73,656	2.8%
EBITDA	-7,700	-5,470	-40.8%	-5,782	-33.2%
EBITDA margin (%)	(10.2%)	(7.37%)		(7.85%)	
PAT	-9,200	-7,613	-20.8%	-7,789	-18%

Source: Bloomberg, Nirmal Bang Institutional Equities Research

Exhibit 3: Revenue breakdown segment wise

Revenue Breakup (Rsmn)	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
Food Delivery	19,210	22,080	23,380	22%	6%	78,320	95,380	22%
% of Rev	35%	32%	31%	(366 bps)	(153 bps)	34%	31%	(336 bps)
Quick Commerce (Instamart)	9,800	12,320	13,060	33%	6%	38,590	56,640	47%
% of Rev	18%	18%	17%	(37 bps)	(84 bps)	17%	18%	144 bps
Out-of-home Consumption	880	1,260	1,310	49%	4%	3,750	6,530	74%
% of Rev	2%	2%	2%	15 bps	(12 bps)	2%	2%	47 bps
Supply Chain and Distribution	25,600	31,950	36,900	44%	15%	1,09,350	1,51,416	38%
% of Rev	46%	47%	49%	270 bps	184 bps	47%	49%	117 bps
Platform Innovations	120	510	1,060	783%	108%	520	1,584	205%
% of Rev	0%	1%	1%	118 bps	65 bps	0%	1%	28 bps

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Food delivery KPI

<u>Food Delivery - Key Metrics</u>	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
Avg. MTU (mn)	17.2	19.2	19.8	15.1%	3.1%	17.5	19.9	14.1%
Average monthly active food delivery restaurant partners ('000s)	264	266	266	0.8%	0.0%	266	270	1.6%
GOV FD (Rsmn)	85,420	94,900	1,00,540	17.7%	5.9%	3,45,920	4,07,865	17.9%
GOV/MTU	4,966	4,943	5,078	2.2%	2.7%	19,795	20,452	3.3%
Adj. Revenue	22,060	24,700	26,190	18.7%	6.0%	3,45,920	4,07,865	17.9%
Gross Take Rate as % of GOV	25.8%	26.0%	26.0%	22 bps	2 bps	25.6%	26.8%	120 bps
Reported Revenue (Rsmn)	19,210	22,080	23,380	21.7%	5.9%	78,320	95,380	21.8%
Net Take Rate as % of GOV	22.5%	23.3%	23.3%	77 bps	(1 bps)	22.6%	23.4%	74 bps
Contribution Profit (Rsmn)	6,236	7,212	7,742	24.2%	7.3%	25,971	33,329	28.3%
Adjusted EBITDA	2,400	2,920	3,410	42.1%	16.8%	10,010	14,785	47.7%
Adjusted EBITDA as % of GOV	2.8%	3.1%	3.4%	58 bps	31 bps	2.9%	3.6%	73 bps
Contribution Profit as % of GOV	7.30%	7.60%	7.70%	40 bps	10 bps	7.51%	8.17%	66 bps

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Quick commerce KPI

<u>Quick Commerce (Instamart) - Key Metrics (Rsmn)</u>	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
Avg. MTU (mn)	12.0	13.5	14.8	23.3%	9.6%	12.3	15.0	22.3%
Orders/Year (mn)	101	115	130	29.3%	13.8%	412	532	29.1%
AOV (Rs per order)	697	691	708	1.6%	2.5%	692	702	1.4%
GOV (Rsmn)	70,220	79,070	92,300	31.4%	16.7%	2,84,960	3,73,048	30.9%
Active dark stores	1,102	1,171	1,240	12.5%	5.9%	1,143	1,367	19.6%
Total GOV/Dark store (mn)	64	68	74	16.8%	10.2%	249	273	9.5%
Orders per day per dark store	1,025	1,089	1,192	16.3%	9.5%	1,034	1,065	3.0%
Active dark stores area (mn sqft)	5	5	5	13.5%	5.9%	5	6	14.9%
Gross revenue	10,380	12,320	13,070	25.9%	6.1%	40,390	59,778	48.0%
Reported revenue (Rsmn)	9,800	12,320	13,060	33.3%	6.0%	38,590	56,640	46.8%
Adjusted EBITDA (Rsmn)	(8,490)	(7,780)	(8,950)	(5.4%)	(15.0%)	(35,110)	(24,989)	28.8%
Contribution Profit (Rsmn)	(1,826)	(158)	(923)	49.4%	(483.7%)	(7,830)	2,856	136.5%
Gross Take Rate as % of GOV	14.8%	16.8%	16.9%	207 bps	5 bps	14.2%	16.0%	185 bps
Net Take Rate as % of GOV	14.0%	15.6%	14.1%	19 bps	(143 bps)	13.5%	15.2%	164 bps
Contribution Profit as % of GOV	-2.6%	-0.2%	-1.0%	160 bps	(80 bps)	-2.7%	0.8%	351 bps
Adjusted EBITDA as % of GOV	-12.1%	-9.8%	-9.7%	239 bps	14 bps	-12.3%	-6.7%	562 bps

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Out-of-home consumption KPI

	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
GOV (Rsmn)	11,180	15,290	15,080	35%	-1%	46,440	67,420	45%
Average Monthly Active Restaurant	44,000	59,000	66,000	50%	12%	46,500	69,586	50%
Reported Revenue (Rsmn)	880	1,260	1,310	49%	4%	3,750	6,530	74%
Gross Revenue (Rsmn)	950	1,460	1,550	63%	6%	4,120	6,530	58%
Adjusted EBITDA (Rsmn)	60	140	80	33.3%	(42.9%)	293	721	(146.1%)
Contribution Profit (Rsmn)	481	688	633	32%	-8%	2,106	3,285	56%
Margin as % of GOV								
Net Take Rate % of GOV	7.9%	8.2%	8.7%	82 bps	45 bps	8.1%	9.7%	161 bps
Gross Take Rate % of GOV	8.5%	9.5%	10.3%	178 bps	73 bps	8.9%	9.7%	81 bps
EBITDA Margin % of GOV	0.5%	0.9%	0.5%	(1 bps)	(39 bps)	0.6%	1.1%	44 bps
Contribution Margin % of GOV	4.3%	4.5%	4.2%	(10 bps)	(30 bps)	4.5%	4.9%	34 bps

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 7: Supply chain and distribution performance

(Rsmn)	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
Gross Revenue/Reported Revenue	25,600	31,950	36,900	44%	15%	1,09,350	1,51,416	38%
Adjusted EBITDA	(460)	(480)	(510)	-11%	-6%	(1,920)	(198)	89.7%
Margin as % of GOV								
EBITDA as % of GOV	-1.8%	-1.5%	-1.4%	41 bps	12 bps	-1.8%	-0.1%	162 bps

Source: Company, Nirmal Bang Institutional Equities Research

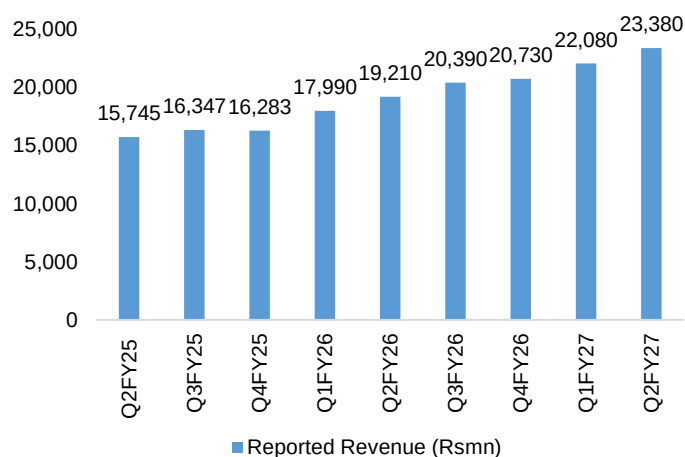
Exhibit 8: Platform Innovation performance

(Rsmn)	Q2FY26	Q1FY27	Q2FY27	YoY	QoQ	FY26	FY27E	YoY
Reported Revenue	120	510	1,060	783%	108%	520	1,584	204.6%
Gross Revenue	120	690	1,380	1050%	100%	610	2,312	279.0%
Adjusted EBITDA	(460)	(1,310)	(1,620)	-252%	-24%	(1,960)	(2,995)	52.8%
Margin % of reported Rev.	-383%	-257%	-153%	23,050 bps	10,403 bps	-377%	-15%	(96.0%)

Source: Company, Nirmal Bang Institutional Equities Research

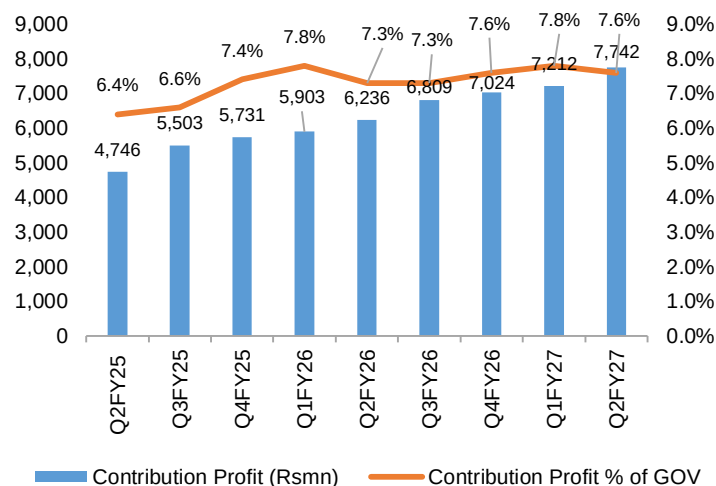
Food delivery key charts

Exhibit 9: Reported revenue rose 21.7% on YoY basis



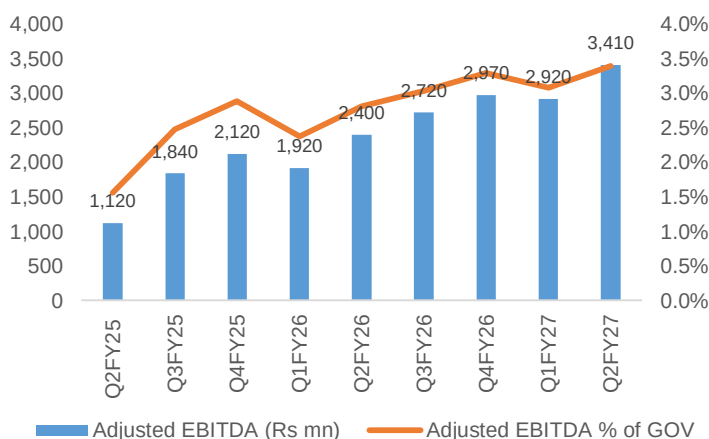
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: Contribution profit rose 24% on YoY basis



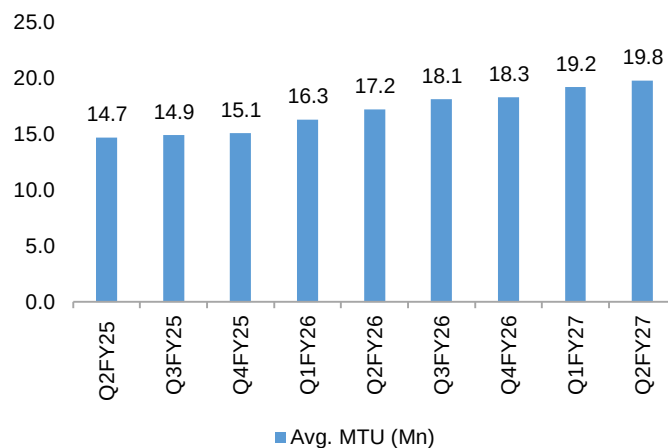
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Adjusted EBITDA grew 42% YoY



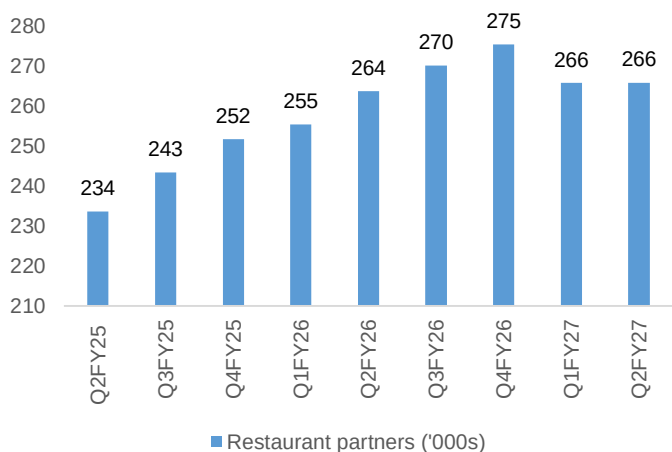
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: Average MTU increased 15% YoY



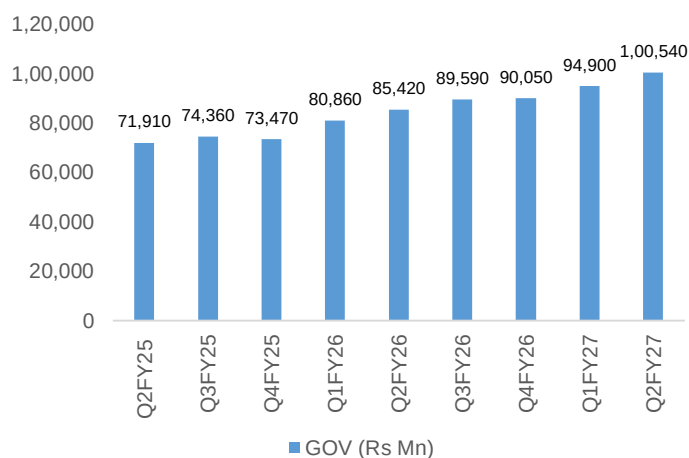
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 13: Restaurant partners grew 0.8% YoY



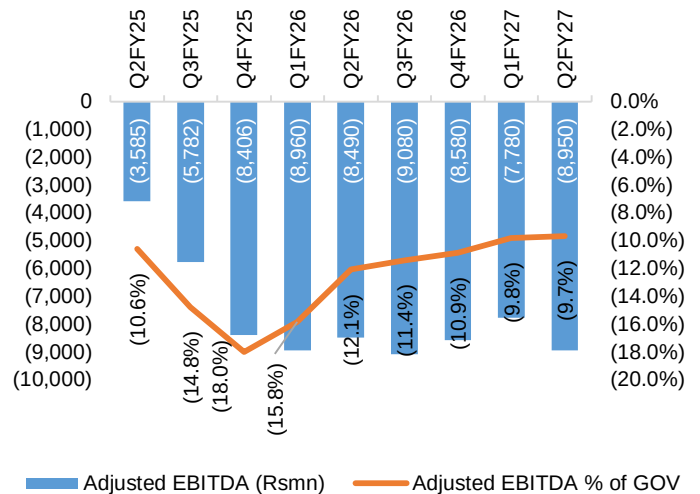
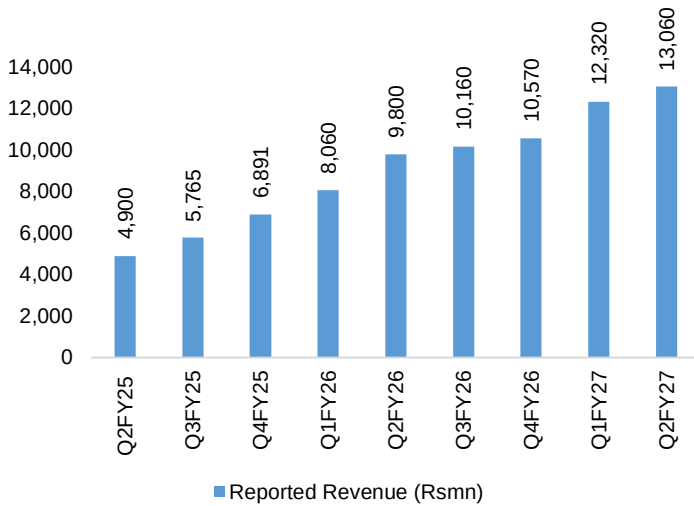
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 14: GOV rose 17.7% on YoY basis



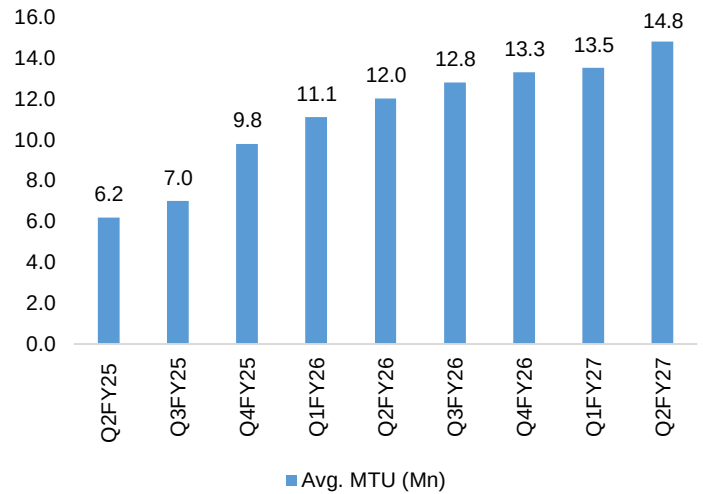
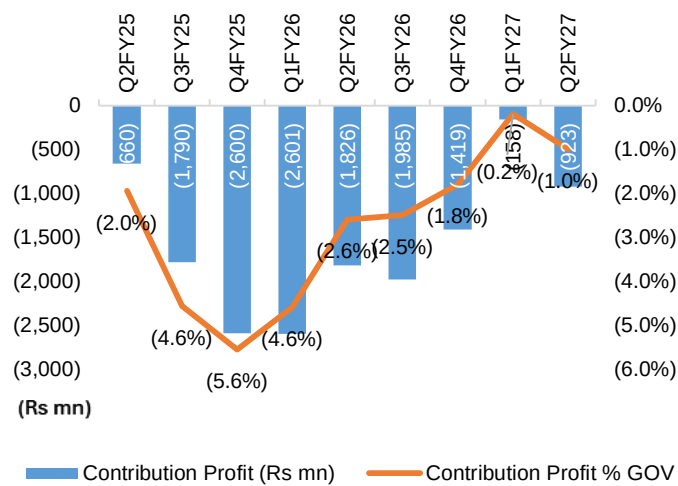
Source: Company, Nirmal Bang Institutional Equities Research

Quick commerce key charts

Exhibit 15: Reported revenue rises 33% on YoY basis
Exhibit 16: Adjusted EBITDA declines 5% YoY


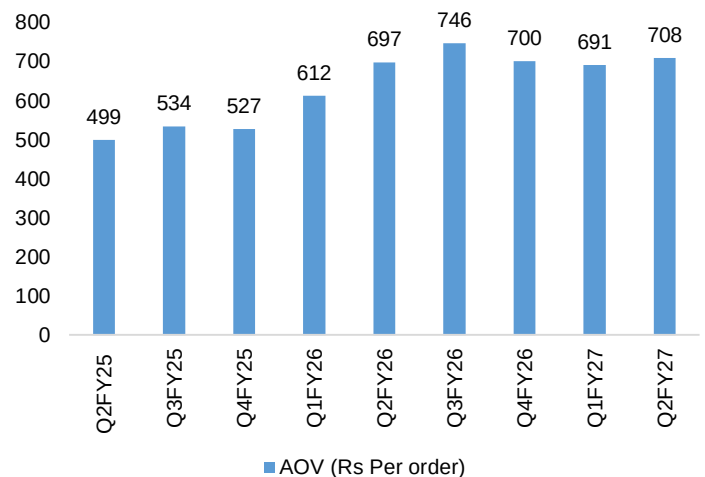
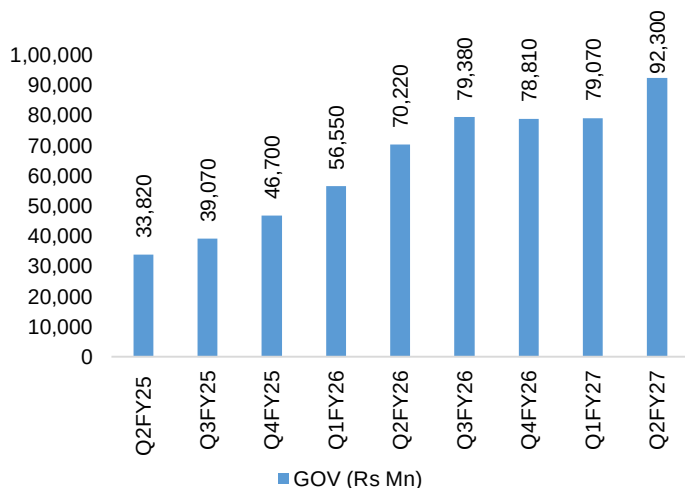
Source: Company, Nirmal Bang Institutional Equities Research

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 17: Contribution losses increased YoY
Exhibit 18: Avg. MTU rises 23.3% on YoY basis


Source: Company, Nirmal Bang Institutional Equities Research

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 19: GOV increases 31.4% on YoY basis
Exhibit 20: AOV rose 1.6% on YoY basis


Source: Company, Nirmal Bang Institutional Equities Research

Source: Company, Nirmal Bang Institutional Equities Research

2QFY27 earnings call key takeaways

Food Delivery: Growth recovery with margin expansion intact.

- FY27 standalone GOV growth guidance maintained at 18–20%, with growth returning to over 20% in September. Take rate remains above 26%, with ~Rs500mn incremental adjusted EBITDA added during the quarter.
- Management sees a path to the 5% adjusted EBITDA margin target, with further upside possible, without requiring dilutive pricing actions.

Toingo: Affordability-led market expansion, with controlled investment.

- If successful, Toingo could help expand overall food delivery market growth to 25–30%, though the management's current outlook is closer to the lower end. Two-thirds of users are new to the platform, retention is better than the core app, dual-app users order ~25% more frequently, and repeat-user unit economics are positive in select early cities.
- Investments are expected to remain range-bound over the next 1–2 quarters as CAC, repeat economics, and delivery efficiencies are assessed. The analyst-implied annualised run-rate is ~Rs4bn of losses on ~Rs5bn revenue; the management broadly endorsed a model of stable losses as revenue scales.

Instamart: Strong growth and improving engagement.

- GOV grew 13.4% QoQ, with ~1.3mn incremental users added and retention/frequency metrics improving ~4%. Differentiated assortment accounts for ~20% of orders. Management expects double-digit QoQ growth in the current quarter but declined to commit to faster festive-quarter growth given the early stage of the quarter.
- Improving profitability and throughput: Contribution margin guidance remains at 0% to -100bps, with sequential improvement and ~100bps QoQ improvement in adjusted EBITDA margin expected in the current quarter. Monetisation improved by 10bps QoQ, while orders per store rose ~9% to ~1,200/day. The inventory-led model transition begins mid-quarter and should complete over the next 2–3 quarters; its benefits are excluded from near-term guidance.
- Disciplined expansion; profitability remains the priority: With presence across 130+ cities, no near-term geographic expansion is planned. New stores are typically triggered when existing stores reach ~2,000 orders/day, with new stores expected to ramp to ~2,300–2,500 orders/day; this implies additions of ~5–7% of the network per quarter, assuming growth sustains. Despite high competitive intensity, the management prioritises store productivity, assortment, and habit formation, with a clear line of sight to EBITDA breakeven before deploying cash aggressively toward expansion.

Exhibit 21: Change in estimates

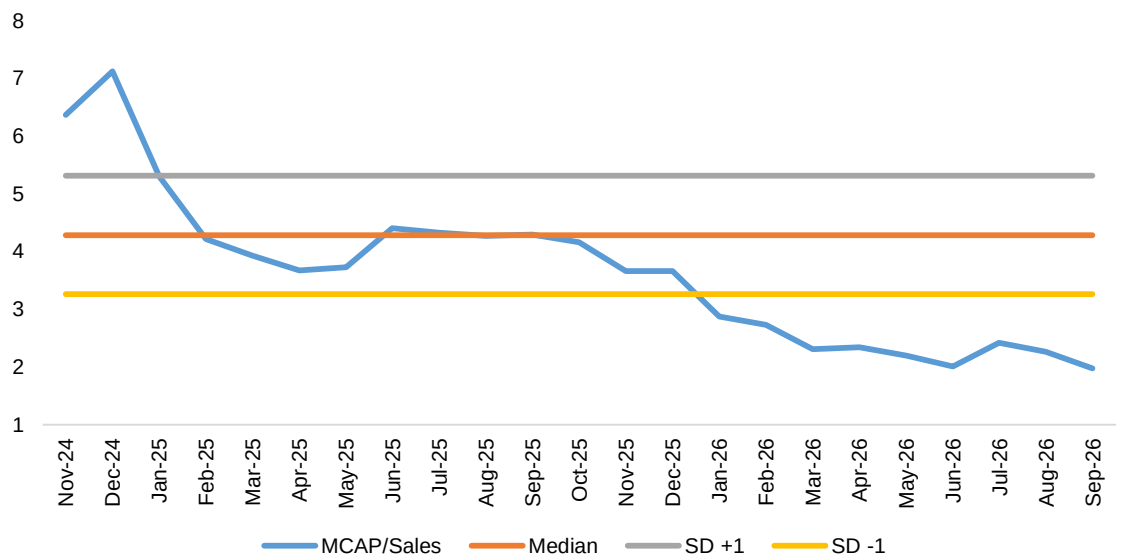
(Rsmn)	Old estimates		New estimates		Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	3,09,911	3,89,283	3,11,550	3,86,894	0.5%	-0.6%
EBITDA	-14,552	718	-17,466	580	-20.0%	-19.2%
EBITDA margin (%)	-4.7%	0.2%	-5.6%	0.1%	-91bps	-3bps
APAT	-23,124	-12,327	-26,037	-12,433	-12.6%	-0.9%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 22: Valuation table

Swiggy Ltd. year ending FY (Rsmn)	Methodology	Multiple	GoV/Gross Sales/EBITDA	Per Share (Rs)
Food Delivery	EV/EBITDA	30.0x	6,50,815	236
Quick Commerce - Instamart	EV/GOV	0.5x	2,54,955	92
OOH Consumption	EV/GOV	0.2x	14,462	5
Supply Chain & Distribution	EV/Sales	0.2x	31,230	11
Platform Innovations	EV/Gross Sales	0.2x	387	0
Consol. Equity Value	-			340

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 23: Valuation chart


Source: Nirmal Bang Institutional Equities Research

Financials

Exhibit 24: Income statement

Y/E March (Rsmn)	FY24	FY25	FY26	FY27E	FY28E
Net Sales	1,12,474	1,52,268	2,30,530	3,11,550	3,86,894
Growth YoY %	36.1%	35.4%	51.4%	35.1%	24.2%
Staff costs	66,432	92,252	1,29,860	1,83,298	2,41,615
% of sales	59.1%	60.6%	56.3%	58.8%	62.5%
Other expenses	20,122	25,489	27,160	27,892	32,112
% of sales	17.9%	16.7%	11.8%	9.0%	8.3%
EBITDA	68,390	94,622	1,35,010	1,72,871	2,08,923
Growth YoY %	60.8%	62.1%	58.6%	55.5%	54.0%
EBITDA margin %	-22,080	-27,858	-32,310	-17,466	580
Depreciation	48.4%	(26.2%)	(16.0%)	45.9%	103.3%
EBIT	(19.6%)	(18.3%)	(14.0%)	(5.6%)	0.1%
Interest	4,206	6,123	12,170	12,741	15,638
Other income	-26,286	-33,981	-44,480	-30,207	-15,057
PBT (bei)	714	1,006	2,000	2,408	3,355
PBT	3,870	3,962	5,080	6,578	5,980
ETR	-23,130	-31,025	-41,400	-26,037	-12,433
PAT	-23,502	-31,168	-41,540	-26,089	-12,495
Adj PAT	0%	0%	0%	0%	0%
Growth YoY %	-23,502	-31,168	-41,540	-26,089	-12,495

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 26: Balance sheet

Y/E March (Rsmn)	FY24	FY25	FY26	FY27E	FY28E
Share capital	30	2,286	2,610	2,610	2,610
Reserves	77,885	99,908	1,80,530	1,60,797	1,56,572
Net worth	77,915	1,02,195	1,83,140	1,63,407	1,59,182
Long term debt	960	0	0	0	0
Short term debt	1,152	282	1,000	1,000	1,000
Total debt	2,112	282	1,000	1,000	1,000
Net Debt	-6,797	-32,714	-39,430	-32,228	-19,053
Other non-current liabilities	5,352	13,982	20,460	22,460	22,460
Total Equity & Liabilities	1,05,294	1,52,053	2,52,370	2,45,859	2,47,217
Gross block	8,077	15,585	20,585	24,720	38,261
Accumulated depreciation	3,549	4,994	7,545	18,072	26,872
Net Block	4,528	10,592	13,040	6,648	11,389
CWIP	0	0	0	0	0
Intangible and others	10,008	9,470	9,100	9,100	9,100
Other non-current assets	23,392	40,936	66,960	57,285	53,712
Investments	37,285	13,231	32,690	32,690	32,690
Trade receivables	9,639	24,625	40,480	54,707	66,148
Inventories	487	555	760	997	1,164
Cash & Cash equivalents	8,909	32,996	40,430	33,228	20,053
Other current assets	11,048	19,648	48,910	51,204	52,961
Total current assets	67,366	91,056	1,63,270	1,72,826	1,73,016
Trade payables	8,809	18,180	22,780	28,461	32,562
Other current liabilities	11,107	17,413	24,990	30,531	32,013
Total current liabilities	21,068	35,876	48,770	59,992	65,575
Total Assets	1,05,294	1,52,053	2,52,370	2,45,859	2,47,217

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 25: Cash flow

Y/E March (Rsmn)	FY24	FY25	FY26	FY27E	FY28E
PBT	-23,502	-31,168	-41,540	(26,089)	(12,495)
Depreciation	4,206	6,123	12,170	12,741	15,638
Interest	714	1,006	2,000	2,408	3,355
Other adjustments	3,429	8,166	5,310	(1,411)	(1,351)
Change in Working capital	1,988	-6,221	-6,700	(6,830)	(7,983)
Tax paid	38	400	-220	-	-
Operating cash flow	-13,127	-21,695	-28,980	(19,181)	(2,835)
Capex	-3,517	-7,508	-9,190	(4,135)	(13,541)
Free cash flow	-16,644	-29,203	-38,170	(23,316)	(16,377)
Other investing activities	18,102	-6,216	-40,640	13,527	1,557
Investing cash flow	14,585	-13,724	-49,830	9,392	(11,984)
Issuance of share capital	0	44,990	1,00,000	-	-
Movement of Debt	1,076	-1,643	720	-	-
Other financing activities	-2,304	-4,313	-6,750	(2,408)	(3,355)
Financing cash flow	-1,228	39,034	93,970	(2,408)	(3,355)
Net change in cash flow	229	3,615	15,160	(12,198)	(18,175)
Opening C&CE	8,325	8,691	12,306	27,466	20,268
Closing C&CE	8,691	12,306	27,466	20,268	7,093

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 27: Key ratios

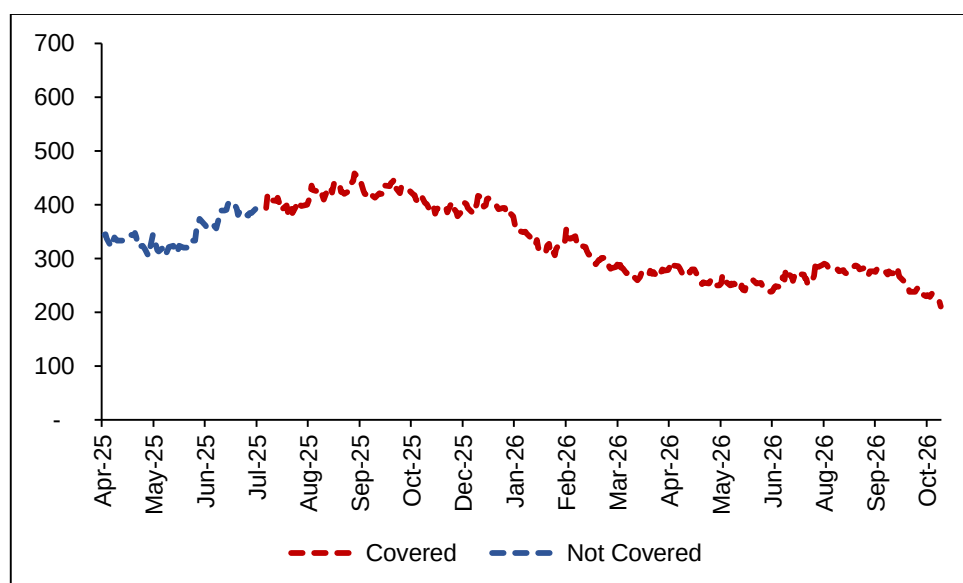
Y/E March	FY24	FY25	FY26	FY27E	FY28E
Per share (Rs)					
Adj EPS	-8.4	-11.2	-15.0	-9.4	-4.5
Book value	28.2	37.0	66.3	59.2	57.7
DPS	0.0	0.0	0.0	0.0	0.0
Valuation (x)					
P/Sales	10.3	7.6	5.0	3.7	3.0
EV/EBITDA	-55.6	-44.0	-38.0	-70.3	1,025.1
P/E	-	-	-	-	-
P/BV	14.8	11.3	6.3	7.1	7.3
Return ratios (%)					
RoCE (pre-tax)	-30.4%	-28.1%	-21.3%	-15.8%	-8.0%
RoCE	-30.4%	-28.1%	-21.3%	-15.8%	-8.0%
RoE	-30.2%	-30.5%	-22.7%	-16.0%	-7.8%
ROIC	-33.9%	-38.6%	-26.4%	-19.1%	-9.0%
Profitability ratios (%)					
Gross margin	59.1%	60.6%	56.3%	58.8%	62.5%
EBITDA margin	-19.6%	-18.3%	-14.0%	-5.6%	0.1%
PAT margin	-20.9%	-20.5%	-18.0%	-8.4%	-3.2%
Liquidity ratios (%)					
Current ratio	3.2	2.5	3.3	2.9	2.6
Quick ratio	3.2	2.5	3.3	2.9	2.6
Solvency ratio (x)					
Net Debt to Equity ratio	0.1	0.2	0.1	0.2	0.2
Turnover ratios					
Fixed asset turnover ratio (x)	1.1	1.0	0.9	1.3	1.6
Debtor days	31.3	59.0	64.1	64.1	62.4
Inventory days	3.9	3.4	2.8	2.8	2.9
Creditor days	69.8	110.6	82.6	81.0	81.8
Net Working capital days	-34.7	-48.2	-15.7	-14.1	-16.5

Source: Company, Nirmal Bang Institutional Equities Research.

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
20 July 2025	BUY	389	500
01 August 2025	BUY	404	500
16 September 2025	BUY	437	544
31 October 2025	BUY	418	542
22 December 2025	BUY	406	523
30 January 2026	BUY	328	423
10 May 2026	BUY	280	336
13 July 2026	BUY	273	330
31 July 2026	BUY	296	355
10 October 2026	BUY	234	355
23 October 2026	BUY	211	340

Rating Chart



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Stock Ratings Absolute Returns

BUY > 15%

HOLD -5% to 14%

SELL < -5%

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