

## Pre-IPO shareholders' lock-in expiry to weigh on stock performance

Swiggy's stock is likely to be volatile in the near term on account of market speculation around possible exits by some pre-IPO shareholders whose lock-in is set to expire on 12<sup>th</sup> May'25. While we cannot accurately predict when these shareholders will exit, or whether they will even exit, it is pertinent to note that several of them are already sitting on significant unrealised gains. While a few had partly liquidated their positions pre-IPO as well as during the IPO, we believe at least some investors will be eager to liquidate their holding despite the fact that the stock is trading below its IPO price. So, a sizeable proportion of Swiggy's shares can get traded in the near term. In fact, the total stock that is currently locked in is ~83%, which at CMP is valued at ~INR 660bn (USD 7.7bn). Even if one were to assume that only 15% of company's stake will be available for trade immediately post expiry, the total outflows could be ~INR 120bn (USD 1.4bn), broadly equal to the total IPO size of ~INR 113bn (USD 1.3bn). Long-term investors can use these liquidity events to build a sizeable position in Swiggy as, at CMP, the market seems to accord value to only its food delivery business, whereas Instamart and other businesses are not getting any meaningful value.

- **~83% of Swiggy's shareholding will be eligible for secondary trade 13<sup>th</sup> May onwards:** As per SEBI, non-promoter, pre-IPO investors are required to go through a mandatory lock-in of 6 months post listing of their stock on the exchanges. Accordingly, ~83% of Swiggy's shareholding will be eligible for secondary trade for the very first time once the lock-in for these investors expires on 12<sup>th</sup> May'25, i.e., shares will be available for trade 13<sup>th</sup> May onwards.
- **Several pre-IPO investors are sitting on substantial unrealised gains:** Our analysis of the cost of acquisition of shares owned by pre-IPO investors suggests several are sitting on multi-fold gains ([Exhibit 6](#)) on their investments. While a few of them had partly liquidated their positions in the run-up to the company's public listing as well as during the IPO, a large chunk of gains still remains unrealised. Given the quantum of these gains and basis past actions of pre-IPO investors (mainly PE/VC/Chinese investors) across listed Internet names, we believe a sizeable proportion of Swiggy's stock can get traded in a not-so-distant future post lock-in expiry, despite the fact that the stock is trading well below its IPO price. At CMP, the stock is ~12% below the IPO price of INR 390.
- **Fundamentally too, the stock is likely to remain under pressure in the near term:** As highlighted in our recent report ([here](#) and [here](#)), we expect Swiggy's Adj. EBITDA loss in its quick commerce business (Instamart) to jump in the near term. The loss is likely to increase from INR 5.8bn in 3Q to INR 7.8bn in 4Q on account of a sharp ramp-up in its dark store count as well as high competitive intensity. While we expect these losses to meaningfully come down starting 1QFY26 onwards, the high base of fixed costs means that the path to eventual break-even at Adj. EBITDA level will take some time. Post 3QFY25 results, while the management had refrained from giving any specific guidance (besides contribution profit break-even in 2QFY26), we, same as consensus (Visible Alpha) expect Adj. EBITDA break-even only in FY29. Either way, the profitability outlook remains

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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	500
Upside/(Downside)	43.7%
Previous Price Target	500
Change	0.0%

### Key Data – SWIGGY IN

Current Market Price	INR348
Market cap (bn)	INR785.1/US\$9.2
Free Float	17%
Shares in issue (mn)	2,510.0
Diluted share (mn)	2,510.0
3-mon avg daily val (mn)	INR4,963.5/US\$58.3
52-week range	617/306
Sensex/Nifty	79,596/24,167
INR/US\$	85.2

### Price Performance

%	1M	6M	12M
Absolute	-2.1	0.0	0.0
Relative*	-5.4	0.0	0.0

\* To the BSE Sensex

### Financial Summary

Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	82,646	1,12,474	1,49,927	2,05,720	2,56,394
Sales Growth (%)	44.9	36.1	33.3	37.2	24.6
EBITDA	-42,758	-22,080	-26,786	-19,202	-754
EBITDA Margin (%)	-51.7	-19.6	-17.9	-9.3	-0.3
Adjusted Net Profit	-41,793	-23,502	-29,607	-22,952	-5,554
Diluted EPS (INR)	-19.3	-10.7	-11.8	-9.1	-2.2
Diluted EPS Growth (%)	-3.8	44.6	-10.2	22.5	75.8
ROIC (%)	-285.3	-101.7	-116.8	-92.5	-32.3
ROE (%)	-39.2	-27.9	-32.6	-23.8	-6.2
P/E (x)	-17.7	-32.1	-29.1	-37.5	-155.0
P/B (x)	8.2	9.7	7.4	8.6	8.6
EV/EBITDA (x)	-18.6	-36.7	-29.3	-41.7	-1,057.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 22/Apr/2025

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.

stretched and, therefore, the market is unlikely to start according meaningful value to this business immediately.

■ **Despite near-term technical as well as fundamental challenges, we retain our bullish view:**

Swiggy is a crucial player in India's hyperlocal delivery space due to its strong positioning in the duopolistic food delivery market as well as top three positioning in the fast expanding quick commerce market. Its food delivery business is likely to continue to outperform the organised food services market due to expanding consumer use-cases and improving quantity of restaurants on the platform. Margins also should continue to gradually move closer to the steady state guidance of 4-5% as % of GOV from 2.5% in 3QFY25, thereby ensuring strong growth at the Adj. EBITDA level. In quick commerce, while its losses are likely to remain a concern in the near term, it is not a unique situation as most other players too are currently bleeding due to aggressive store expansion and high competitive pressures. Moreover, we believe quick commerce ultimately will end up being a 3-4 relevant-player market due to the huge TAM and complex nature of the business. Therefore, we remain convinced that the current investments are inevitable for the company to build scale, customer recall, and a robust supply chain. In fact, for a business that is just 4-5 years old, it has already reached a respectable size, albeit it is smaller than the top two competitors. In that context, we believe Instamart deserves decent valuations even though the path to break-even may be a bit stretched at the moment. That said, at CMP, the market seems to accord value to only its food delivery business, whereas Instamart and other businesses are not getting any meaningful value, which, as highlighted earlier, is unfair in our opinion.

- **Maintain 'BUY' with an unchanged TP of INR 500:** We continue to value the company's food delivery business at 45x EV/ FY27E Adj. EBITDA multiple. In quick commerce, we value Instamart at 1x EV/ FY27E GOV multiple. For Other businesses, we use 0.9x EV/GOV FY27E multiple for out-of-home consumption and 0.5x EV/Sales multiple for supply chain and distribution. Accordingly, our SOTP-based Mar'26 TP stands at INR 500. While we see near-term pressures on the stock price due to volatility on account of lock-in expiry, long-term investors with a strong positive conviction on India's hyper local delivery market opportunity can use these liquidity events to build a sizeable position. We maintain BUY.

### Exhibit 1. SOTP valuation of Swiggy

TP Date: 31-Mar-2026

Swiggy Valuations	Valuation Metric	Target Multiple (x)	Metric	Mar'27 Estimate (INR bn)	Valuation (INR bn)	Per Share (INR)	Rationale
Food Delivery	EV/EBITDA	45x	Adj. EBITDA	17	772	308	In-line Zomato's 45x EBITDA multiple in our SOTP. We believe in Food Services industry valuation multiple should be Zomato > Swiggy > QSR's
Instamart	EV/GOV	1.0x	GOV	398	386	154	50% discount to Zomato's 2.0x GOV multiple in our SOTP due to poor execution by Instamart in the past. They lost meaningful market and have very inferior contribution margins to Blinkit
Out-of home consumption	EV/GOV	0.9x	GOV	60	54	21	10% discount to how we value Zomato's Going-out business at 1x GOV due to scale and margin difference
Supply chain and distribution	EV/Sales	0.5x	Sales	90	45	18	50% discount to Zomato'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 over the next five years, so zero value
Cash (Mar'25)		0.5x	Net Cash	69	34	14	50% discount to book value as there is uncertainty on expected losses in Instamart
<b>Target Market Cap (INR bn)</b>					<b>1,291</b>		
Current Market Price (INR)					348		
<b>Upside from CMP (%)</b>					<b>43.7%</b>		
Outstanding shares (bn)					2.51		Fully diluted shares including ungranted and unvested portion
<b>TP (INR)</b>					<b>500</b>		<b>Fair value per share</b>

Source: JM Financial estimates

## Exhibit 2. Latest locked-in shareholding details – as per latest filings

Shareholder type	Latest holding (% of current outstanding shares)	% holding locked-in till 12th May	Value of locked-in holding basis CMP (INR bn)
FDI	64.0%	100%	509
FPI	4.9%	13.1%	5
Retail, HNI and Others	11.8%	67.4%	63
Founders	7.4%	97.2%	57
Mutual Funds	5.5%	0.0%	0
AIIs	1.4%	22.5%	3
Insurance companies	1.7%	24.3%	3
Banks/PFs/NBFCs	0.7%	0.0%	0
Corporates	2.6%	95.9%	20
<b>Total</b>	<b>100%</b>	<b>83.0%</b>	<b>660</b>

Source: Company RHP, JM Financial. Note: Latest undiluted shareholding as of 31 Mar'25.

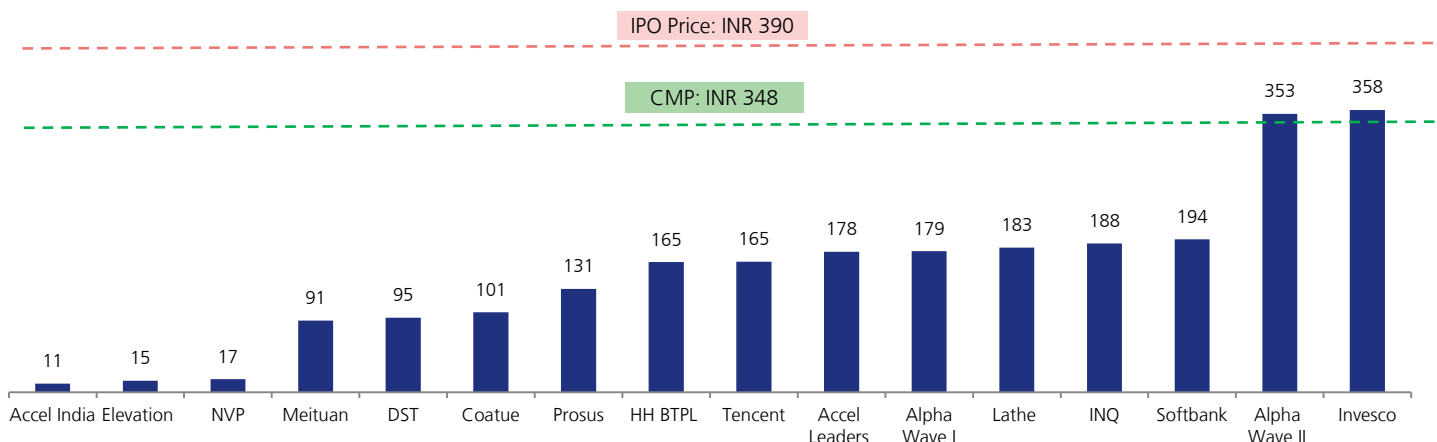
## Exhibit 3. Latest locked-in shareholding details – pre-IPO investors with more than 1% holding as per latest filings

Shareholder	Latest holding (% of current outstanding shares)	% holding locked-in till 12th May	Value of locked-in holding basis CMP (INR bn)	Investors who actively sold stake pre-IPO and/or during IPO
<b>Pre-IPO investors (PEVC/Chinese investors)</b>	<b>58.2%</b>	<b>100%</b>	<b>463</b>	
MIH India Food Holdings (Prosus)	25.4%	100%	202	Liquidated partial stake during IPO
SVF II Songbird (De) LLC (Softbank)	7.6%	100%	60	No stake sale
Accel India Iv (Mauritius) Ltd. (Accel India)	4.1%	100%	33	Liquidated partial stake during IPO
Tencent Cloud Europe B.V. (Tencent)	3.3%	100%	26	Liquidated partial stake during IPO
INQ Holding (INQ)	2.9%	100%	23	No stake sale
Norwest Venture Partners Vii-A-Mauritius (NVP)	2.8%	100%	22	Liquidated partial stake pre-IPO as well as during IPO
Elevation Capital V Ltd. (Elevation)	2.7%	100%	21	Liquidated partial stake pre-IPO as well as during IPO
OFI Global China Fund (Invesco)	1.7%	100%	14	No stake sale
Coatue Pe Asia XI (Coatue)	1.7%	100%	13	Liquidated partial stake pre-IPO as well as during IPO
DST Euroasia V B V (DST)	1.4%	100%	11	Liquidated partial stake pre-IPO as well as during IPO
Accel Leaders 3 Holdings Mauritius Ltd. (Accel)	1.3%	100%	11	No stake sale
Alpha Wave Ventures II , LP (Alpha Wave II)	1.2%	100%	9	No stake sale
Inspired Elite Investments Ltd. (Meituan)	1.1%	100%	9	Liquidated partial stake pre-IPO as well as during IPO
HH BTPL Holdings II Pte. Ltd. (HH BTPL)	1.0%	100%	8	Liquidated partial stake during IPO
<b>Founders</b>	<b>7.4%</b>	<b>97.2%</b>	<b>57</b>	
Sri Harsha Majety	4.9%	98.0%	38	Liquidated partial stake pre-IPO as well as during IPO
Lakshmi Nandan Reddy Obul	1.4%	91.8%	10	Liquidated partial stake pre-IPO as well as during IPO
Rahul Jaimini	1.1%	100%	8	Liquidated partial stake during IPO

Source: Company RHP, JM Financial. Latest undiluted shareholding as of 31 Mar'25.

## Exhibit 4. Average cost of acquisition per share for key pre-IPO investors (PEVC/Chinese) in Swiggy

## Cost of acquisition per equity share (INR)



Source: Company RHP, JM Financial. \* Alpha Wave I and Lathe here stand for Alpha Wave Ventures, LP and Lathe Investment Pte. Ltd., respectively.

## Exhibit 5. Key pre-IPO investors (PE/VC/Chinese) who sold stake in Swiggy – pre-IPO and/or during IPO

Shareholder name	Value of investment sold pre-IPO (INR bn)	Per equity share selling price during pre-IPO (INR)	Value of investment sold during IPO (INR bn)	Per equity share selling price during IPO (INR)
Prosus	-	-	42.5	390
Accel India	-	-	4.1	390
Elevation	8.5	332	2.9	390
Meituan	17.6	326	2.6	390
NVP	3.9	339	2.5	390
Tencent	-	-	2.5	390
DST	12.3	348	2.2	390
Coatue	2.3	304	1.5	390
Alpha Wave I*	8.2	320	2.2	390
HH BTPL	-	-	0.8	390
<b>Total</b>	<b>52.8</b>	<b>304-348</b>	<b>63.8</b>	<b>390</b>

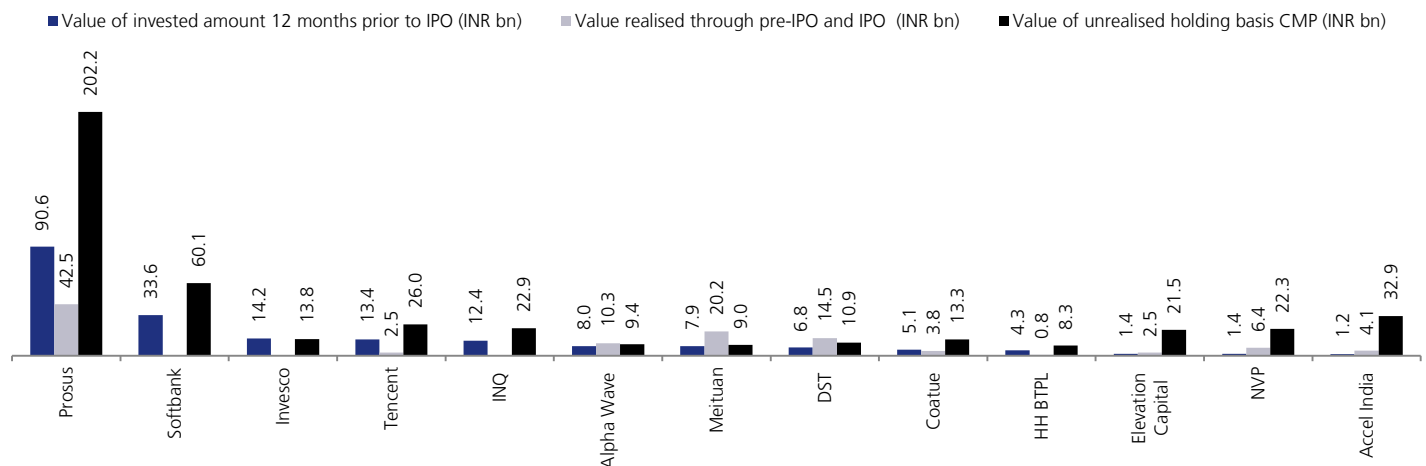
Source: Company RHP, JM Financial. \* Alpha Wave I here stands for Alpha Wave Ventures, LP. Note 1) Total OFS during Swiggy IPO was worth INR 68.3bn. Note 2) In addition to PE/VC/Chinese investors, two of the Swiggy co-founders had together sold stake worth INR 9.6bn at per equity share price of INR 345-350 as part of pre-IPO share sell.

## Exhibit 6. Total (realised + unrealised) gains over invested amount (12-months prior to IPO) for select pre-IPO investors of Swiggy

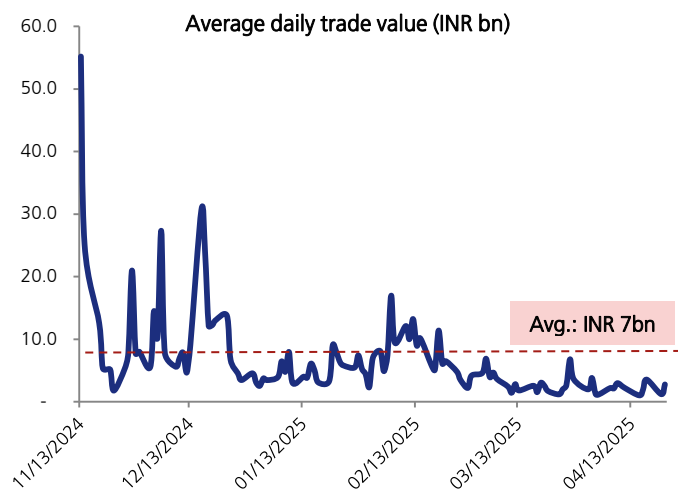
Investor name	Equity shares held 12-months prior to IPO (mn)	Total invested amount 12-months prior to IPO (INR bn)	Realised value through pre-IPO and/or IPO stake sell (INR bn)	Unrealised stake value basis CMP (INR bn)	Total (realised + unrealised) value (INR bn)	Total (realised + unrealised) gains over invested amount (%)
MIH India Food Holdings (Prosus)	690.5	90.6	42.5	202.2	244.8	170%
SVF II Songbird (De) LLC (Softbank)	172.9	33.6	0.0	60.1	60.1	79%
Accel India Iv (Mauritius) Ltd. (Accel India)	105.1	1.2	4.1	32.9	37.0	3052%
Elevation Capital V Ltd. (Elevation)	94.9	1.4	11.4	21.5	32.9	2251%
Inspired Elite Investments Ltd. (Meituan)	86.6	7.9	20.2	9.0	29.2	272%
Norwest Venture Partners Vii-A-Mauritius (NVP)	82.2	1.4	6.4	22.3	28.8	1975%
Tencent Cloud Europe B.V. (Tencent)	81.2	13.4	2.5	26.0	28.5	112%
DST Euroasia V B V (DST)	72.1	6.8	14.5	10.9	25.3	270%
INQ Holding (INQ)	65.7	12.4	0.0	22.9	22.9	85%
Coatue Pe Asia Xi (Coatue)	49.8	5.1	3.8	13.3	17.2	239%
Alpha Wave Ventures, LP (Alpha Wave)	44.6	8.0	10.3	4.7	15.0	88%
OFI Global China Fund (Invesco)	39.7	14.2	0.0	13.8	13.8	-3%
Accel Leaders 3 Holdings Mauritius Ltd. (Accel)	30.5	5.4	0.0	10.6	10.6	95%
Alpha Wave Ventures II, LP (Alpha Wave)	26.9	9.5	0.0	9.4	9.4	-1%
HH BTPL Holdings II Pte. Ltd. (HH)	25.9	4.3	0.8	8.3	9.1	113%
Lathe Investment Pte. Ltd.	22.6	4.1	0.0	7.9	7.9	90%
<b>Total</b>	<b>1,691.2</b>	<b>219.2</b>	<b>116.6</b>	<b>475.8</b>	<b>592.4</b>	<b>170%</b>

Source: Company RHP, JM Financial. Note total OFS during Swiggy IPO was worth INR 68.3bn.

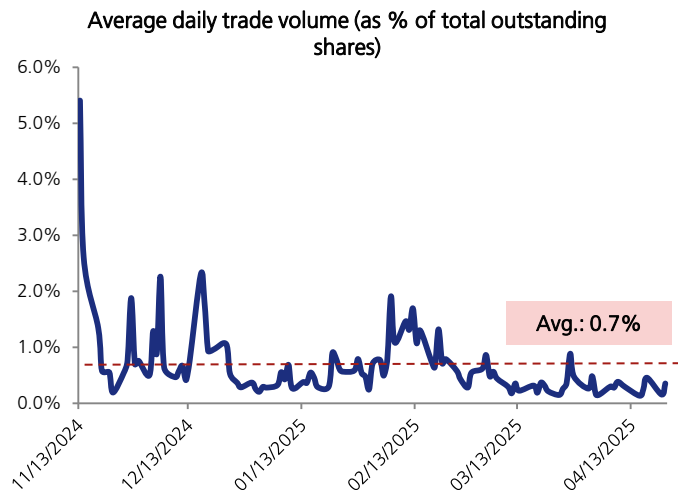
## Exhibit 7. A few pre-IPO investors of Swiggy who continue to own sizeable stake in the company have already generated liquidity post IPO



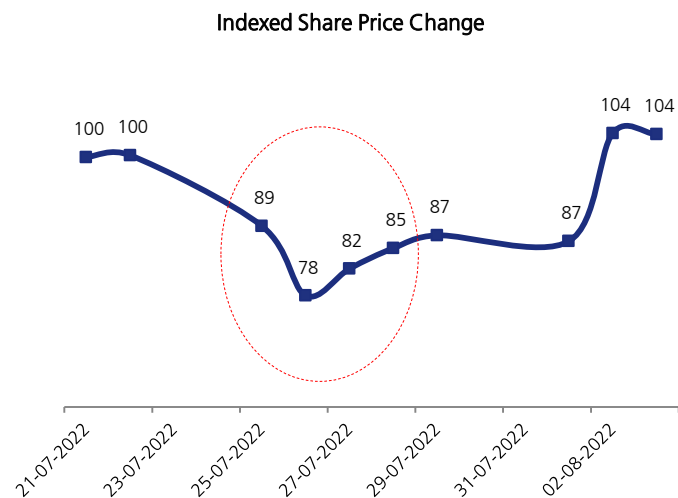
Source: Company RHP, JM Financial. Note: CMP as of 23<sup>rd</sup> Apr'24 has been considered to calculate value of current investment

**Exhibit 8. Swiggy's average daily trade value since listing (INR bn)**

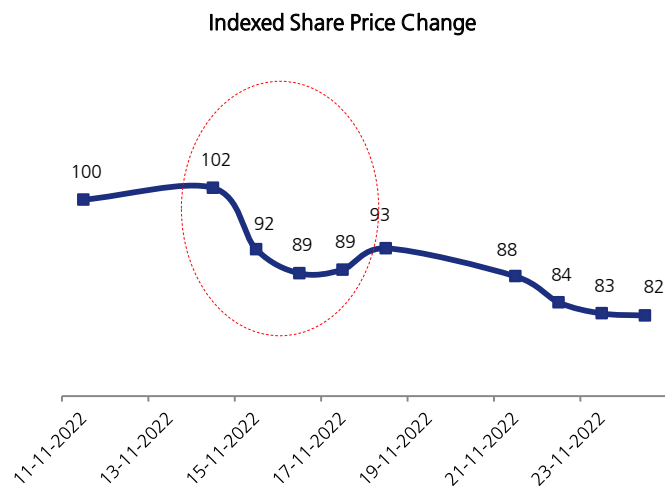
Source: Bloomberg. Dec'24 and Feb'25 saw volumes spike as partial anchor lock-ins expired.

**Exhibit 9. Swiggy's average daily trade volume since listing**

Source: Bloomberg. Dec'24 and Feb'25 saw volumes spike as partial anchor lock-ins expired.

**Exhibit 10. Eternal's share price dipped 23% upon lock-in expiry**

Source: Bloomberg

**Exhibit 11. Nykaa's share price dipped 13% upon lock-in expiry**

Source: Bloomberg

## Swiggy: 4QFY25 Preview

In Food Delivery, we forecast sequential GOV decline of 1.7% (+17.0% YoY) due to seasonality (fewer days in Feb), whereas YoY should be slower than recent qtrs on account of broader consumption slowdown. We see MTUs growing to 15.3mn versus 14.9mn in 3QFY25, whereas AOV's are likely to decline c.3% QoQ (sequential decline of c.1% in ordering frequency). Take-rates are likely to expand to 22.2% in 4QFY25 versus 22.0% in 3QFY25 as it will be the first full qtr where platform fees were ~INR 10 per order. Sequential GOV decline will be broadly offset by take-rate expansion, in turn leading to flattish revenue QoQ (+19.4% YoY). We expect contribution margin (as % of GOV) to expand to 8.0% from 7.4% in 3Q, while Adj. EBITDA margin (as % of GOV) can expand 57bps sequentially to 3.0% (versus 87bps QoQ in 3Q). In Instamart, we expect sequential GOV growth of 25% led by robust increase of c.31% in order volumes (that in turn should be driven by MTU increase from 7.0mn to 9.7mn). Take-rates are likely to expand sequentially by 37bps to 15.8%, mainly due to increase in ad income. However, we see contribution margin contracting to -5.8% (as % of GOV) versus -4.6% in 3Q, due to aggressive dark store expansion and impact of high competitive landscape. Adj. EBITDA margin (as % of GOV) could fall c.90bps sequentially to -15.7%. At a consolidated level, we expect reported EBITDA/PAT to be at loss of INR 8.56bn/ INR 9.27bn respectively versus loss of INR 7.26bn/ INR 8.03bn in 3Q.

## Exhibit 12. JMFe vs Cons. - 4QFY25E

Swiggy (INR mn)	4QFY24	3QFY25	4QFY25E (JMFe)	QoQ	YoY	4QFY25E (Cons.)	JMFe vs Cons.
<b>GOV</b>	<b>85,690</b>	<b>113,430</b>	<b>121,797</b>	<b>7.4%</b>	<b>42.1%</b>	<b>122,325</b>	<b>-0.4%</b>
Food Delivery	62,460	74,360	73,074	-1.7%	17.0%	74,344	-1.7%
Quick Commerce	23,230	39,070	48,723	24.7%	109.7%	47,981	1.5%
<b>Total revenue</b>	<b>30,455</b>	<b>39,931</b>	<b>41,759</b>	<b>4.6%</b>	<b>37.1%</b>	<b>41,948</b>	<b>-0.4%</b>
Food Delivery	13,699	16,347	16,352	0.0%	19.4%	16,530	-1.1%
Quick Commerce	3,207	5,765	7,220	25.2%	125.1%	7,315	-1.3%
Out-of-home consumption	544	665	857	29.0%	57.7%	777	10.3%
Supply chain and distribution (B2B)	12,650	16,926	17,045	0.7%	34.7%	17,005	0.2%
Platform innovations	355	229	285	24.8%	-19.7%	308	-7.4%
EBITDA (Consol.)	-4,854	-7,257	-8,545	-17.8%	-76.0%	-7,576	-12.8%
<b>EBITDA Margin</b>	<b>-15.9%</b>	<b>-18.2%</b>	<b>-20.5%</b>	<b>-229bp</b>	<b>-453bp</b>	<b>-18.1%</b>	<b>-240bp</b>
Adj. EBITDA (Consol.)	-3,652	-4,900	-6,232	-27.2%	-70.7%	-5,075	-22.8%
<b>Adjusted EBITDA Margin</b>	<b>-12.0%</b>	<b>-12.3%</b>	<b>-14.9%</b>	<b>-265bp</b>	<b>-293bp</b>	<b>-12.1%</b>	<b>-282bp</b>
PAT	-5,298	-8,026	-9,251	-15.3%	-74.6%	-8,015	-15.4%
<b>Diluted EPS (INR)</b>	<b>-2.42</b>	<b>-3.20</b>	<b>-3.69</b>	<b>-15.3%</b>	<b>-52.1%</b>	<b>-3.39</b>	<b>-8.7%</b>

Source: Company, JM Financial. Note: For consensus, visible alpha estimates are used.

## Exhibit 13. JMFe vs Cons. - Annual

Consol.	JMFe			Consensus (Visible alpha)			JMFe vs Cons.		
(INR mn)	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
<b>GOV</b>	<b>436,281</b>	<b>647,492</b>	<b>810,414</b>	<b>437,675</b>	<b>618,419</b>	<b>829,871</b>	<b>-0.3%</b>	<b>4.7%</b>	<b>-2.3%</b>
Food Delivery	287,428	344,369	412,590	289,230	341,530	405,947	-0.6%	0.8%	1.6%
Quick Commerce	148,853	303,123	397,824	148,444	276,889	423,924	0.3%	9.5%	-6.2%
<b>Total revenue</b>	<b>149,927</b>	<b>205,720</b>	<b>256,394</b>	<b>150,198</b>	<b>200,922</b>	<b>258,885</b>	<b>-0.2%</b>	<b>2.4%</b>	<b>-1.0%</b>
EBITDA (Consol.)	-26,786	-19,202	-754	-25,324	-17,725	-2,712	-5.8%	-8.3%	72.2%
<b>EBITDA Margin</b>	<b>-17.9%</b>	<b>-9.3%</b>	<b>-0.3%</b>	<b>-16.9%</b>	<b>-8.8%</b>	<b>-1.0%</b>	<b>-101bp</b>	<b>-51bp</b>	<b>75bp</b>
Adj. EBITDA (Consol.)	-18,020	-14,425	1,087	-17,375	-13,194	-529	-3.7%	-9.3%	305.3%
<b>Adjusted EBITDA Margin</b>	<b>-12.0%</b>	<b>-7.0%</b>	<b>0.4%</b>	<b>-11.6%</b>	<b>-6.6%</b>	<b>-0.2%</b>	<b>-45bp</b>	<b>-45bp</b>	<b>63bp</b>
PAT	-29,490	-22,952	-5,554	-28,560	-21,327	-8,456	-3.3%	-7.6%	34.3%
<b>Diluted EPS (INR)</b>	<b>-11.75</b>	<b>-9.14</b>	<b>-2.21</b>	<b>-11.83</b>	<b>-8.73</b>	<b>-3.47</b>	<b>0.7%</b>	<b>-4.7%</b>	<b>36.2%</b>

Source: Company, JM Financial.

## Exhibit 14. Valuation comps: Swiggy vs. leading Internet Peers/ QSRs/Retailers

Company	MCAp (USD bn)	EV (USD bn)	EV / Revenue (x)			Rev CAGR 25-27E	EV / EBITDA (x)			EBITDA CAGR 25-27E	P / E (x)			EPS CAGR 25-27E
			FY25E	FY26E	FY27E		FY25E	FY26E	FY27E		FY25E	FY26E	FY27E	
Food Tech														
Swiggy	9.3	6.9	3.9x	2.8x	2.3x	31%	nm	nm	nm	nm	nm	nm	nm	nm
Internet Peers														
Zomato	27.0	24.6	10.4x	7.1x	5.5x	37%	335x	120x	50x	158%	472x	154x	64x	171%
Nykaa	6.5	6.6	7.0x	5.5x	4.3x	28%	121x	71x	46x	62%	nm	206x	98x	193%
PB Fintech	9.0	8.3	14.1x	10.6x	8.6x	28%	nm	132x	66x	335%	312x	124x	76x	103%
Delhivery	2.6	2.5	2.4x	2.0x	1.7x	16%	64x	29x	18x	91%	290x	88x	45x	154%
Mean			8.5x	6.3x	5.0x	27%	173x	88x	45x	162%	358x	143x	71x	155%
QSR														
Jubilant Foodworks*	5.5	6.0	6.4x	5.6x	4.9x	15%	33x	28x	23x	20%	167x	101x	77x	48%
Sapphire Foods	1.3	1.4	4.1x	3.4x	2.9x	19%	24x	19x	15x	26%	208x	458x	175x	9%
Westlife Foodworld	1.3	1.5	5.1x	4.3x	3.7x	17%	39x	26x	20x	38%	169x	nm	97x	32%
Devyani	2.5	2.6	4.4x	3.6x	3.0x	20%	25x	19x	16x	27%	448x	325x	121x	93%
Mean			5.0x	4.2x	3.6x	18%	30x	23x	19x	28%	248x	295x	117x	45%
Retailers														
Dmart	34.3	34.4	4.9x	4.0x	3.8x	13%	58x	46x	46x	12%	116x	89x	71x	27%
Trent*	22.2	22.1	10.9x	8.3x	6.5x	30%	69x	51x	39x	32%	118x	83x	63x	37%
Titan	34.9	37.1	5.4x	4.5x	3.9x	17%	58x	42x	35x	27%	85x	91x	64x	16%
Mean			7.0x	5.6x	4.7x	20%	61x	47x	40x	24%	106x	88x	66x	27%

Source: \*Bloomberg Consensus. Rest are JM Financial estimates. Valuation as of 23<sup>rd</sup> April 2025.



## Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	82,646	1,12,474	1,49,927	2,05,720	2,56,394
Sales Growth	44.9%	36.1%	33.3%	37.2%	24.6%
Other Operating Income	0	0	0	0	0
<b>Total Revenue</b>	<b>82,646</b>	<b>1,12,474</b>	<b>1,49,927</b>	<b>2,05,720</b>	<b>2,56,394</b>
Cost of Goods Sold/Op. Exp	33,809	46,042	57,019	71,273	83,200
Personnel Cost	21,298	20,122	25,353	25,353	27,889
Other Expenses	70,297	68,390	94,340	1,28,295	1,46,059
<b>EBITDA</b>	<b>-42,758</b>	<b>-22,080</b>	<b>-26,786</b>	<b>-19,202</b>	<b>-754</b>
EBITDA Margin	-51.7%	-19.6%	-17.9%	-9.3%	-0.3%
EBITDA Growth	-17.1%	48.4%	-21.3%	28.3%	96.1%
Depn. & Amort.	2,858	4,206	5,677	6,856	8,003
EBIT	-45,616	-26,286	-32,462	-26,058	-8,757
Other Income	3,917	3,156	2,973	3,106	3,203
Finance Cost	0	0	0	0	0
PBT before Excep. & Forex	-41,699	-23,130	-29,490	-22,952	-5,554
Excep. & Forex Inc./Loss(-)	-93	-306	-117	0	0
PBT	-41,792	-23,436	-29,607	-22,952	-5,554
Taxes	0	0	0	0	0
Extraordinary Inc./Loss(-)	-93	-306	-117	0	0
Assoc. Profit/Min. Int.(-)	-1	-66	0	0	0
Reported Net Profit	-41,700	-23,196	-29,490	-22,952	-5,554
<b>Adjusted Net Profit</b>	<b>-41,793</b>	<b>-23,502</b>	<b>-29,607</b>	<b>-22,952</b>	<b>-5,554</b>
Net Margin	-50.6%	-20.9%	-19.7%	-11.2%	-2.2%
Diluted Share Cap. (mn)	2,162.1	2,196.5	2,510.0	2,510.0	2,510.0
<b>Diluted EPS (INR)</b>	<b>-19.3</b>	<b>-10.7</b>	<b>-11.8</b>	<b>-9.1</b>	<b>-2.2</b>
Diluted EPS Growth	-3.8%	44.6%	-10.2%	22.5%	75.8%
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	FY23A	FY24A	FY25E	FY26E	FY27E
Profit before Tax	-41,793	-23,502	-29,612	-22,952	-5,554
Depn. & Amort.	2,858	4,206	5,677	6,856	8,003
Net Interest Exp. / Inc. (-)	-652	-544	-2,973	-3,106	-3,203
Inc (-) / Dec in WCap.	-1,139	1,988	-1,805	-4,227	-424
Others	576	4,687	11,597	8,118	5,683
Taxes Paid	-449	38	-796	-893	-811
<b>Operating Cash Flow</b>	<b>-40,599</b>	<b>-13,127</b>	<b>-17,911</b>	<b>-16,204</b>	<b>3,694</b>
Capex	-1,573	-3,440	-3,672	-4,185	-4,499
Free Cash Flow	-42,172	-16,567	-21,583	-20,389	-805
Inc (-) / Dec in Investments	40,523	17,677	0	0	0
Others	728	348	3,920	4,072	4,280
<b>Investing Cash Flow</b>	<b>39,678</b>	<b>14,585</b>	<b>248</b>	<b>-113</b>	<b>-219</b>
Inc / Dec (-) in Capital	0	0	44,100	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	-1,715	-1,162	765	1,523	798
Others	0	-66	-948	-966	-1,076
<b>Financing Cash Flow</b>	<b>-1,715</b>	<b>-1,228</b>	<b>43,917</b>	<b>557</b>	<b>-278</b>
<b>Inc / Dec (-) in Cash</b>	<b>-2,636</b>	<b>229</b>	<b>26,254</b>	<b>-15,760</b>	<b>3,197</b>
Opening Cash Balance	10,961	8,462	8,870	35,125	19,365
Closing Cash Balance	8,325	8,691	35,125	19,365	22,562

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Shareholders' Fund	90,566	77,915	1,04,000	89,166	89,295
Share Capital	27	30	30	30	30
Reserves & Surplus	90,540	77,885	1,03,970	89,136	89,265
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	0	2,112	2,112	2,112	2,112
Def. Tax Liab. / Assets (-)	-1,575	-1,603	-2,399	-3,292	-4,102
<b>Total - Equity &amp; Liab.</b>	<b>88,992</b>	<b>78,423</b>	<b>1,03,713</b>	<b>87,986</b>	<b>87,304</b>
Net Fixed Assets	9,593	14,536	14,797	14,618	13,854
Gross Fixed Assets	7,180	8,077	11,749	15,934	20,433
Intangible Assets	6,455	10,008	9,244	8,189	6,732
Less: Depn. & Amort.	4,043	3,549	6,197	9,506	13,311
Capital WIP	0	0	0	0	0
Investments	58,411	43,277	43,277	43,277	43,277
Current Assets	43,229	45,878	78,033	70,089	77,213
Inventories	106	487	763	799	1,024
Sundry Debtors	10,623	9,639	12,542	17,893	20,039
Cash & Bank Balances	8,325	8,871	35,125	19,365	22,562
Loans & Advances	0	0	0	0	0
Other Current Assets	24,174	26,883	29,603	32,032	33,588
Current Liab. & Prov.	22,240	25,268	32,394	39,997	47,040
Current Liabilities	15,102	15,339	20,272	23,571	26,567
Provisions & Others	7,138	9,929	12,122	16,427	20,473
Net Current Assets	20,988	20,611	45,639	30,092	30,173
<b>Total - Assets</b>	<b>88,992</b>	<b>78,423</b>	<b>1,03,713</b>	<b>87,986</b>	<b>87,304</b>

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
Net Margin	-50.6%	-20.9%	-19.7%	-11.2%	-2.2%
Asset Turnover (x)	0.7	1.2	1.5	1.9	2.5
Leverage Factor (x)	1.1	1.1	1.1	1.1	1.1
RoE	-39.2%	-27.9%	-32.6%	-23.8%	-6.2%

Key Ratios					
Y/E March	FY23A	FY24A	FY25E	FY26E	FY27E
BV/Share (INR)	41.9	35.5	46.6	39.8	39.9
ROIC	-285.3%	-101.7%	-116.8%	-92.5%	-32.3%
ROE	-39.2%	-27.9%	-32.6%	-23.8%	-6.2%
Net Debt/Equity (x)	-0.7	-0.6	-0.7	-0.7	-0.7
P/E (x)	-17.7	-32.1	-29.1	-37.5	-155.0
P/B (x)	8.2	9.7	7.4	8.6	8.6
EV/EBITDA (x)	-18.6	-36.7	-29.3	-41.7	-1,057.6
EV/Sales (x)	9.6	7.2	5.2	3.9	3.1
Debtor days	47	31	31	32	29
Inventory days	0	2	2	1	1
Creditor days	25	24	27	24	24

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

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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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.
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\* REITs refers to Real Estate Investment Trusts.

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